

COURT FILE NO.

2301-10358

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY



IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, C B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF MANTLE MATERIALS GROUP, LTD.

APPLICANTS

MANTLE MATERIALS GROUP, LTD.

DOCUMENT

AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Gowling WLG (Canada) LLP

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File No. A171561

Attention: Tom Cumming / Stephen Kroeger

AFFIDAVIT OF BYRON LEVKULICH

SWORN ON AUGUST 7, 2023

I, Byron Levkulich, of the City of Denver, in the State of Colorado, **MAKE OATH AND SAY THAT:**

1. I am a director of the applicant, Mantle Materials Group, Ltd. ("**Mantle**") and have personal knowledge of the matters herein deposed to, except where stated to be based upon information and belief, in which case I verily believe same to be true. I am also a Principal with Resource Land Holdings, LLC ("**RLH LLC**"), which manages private equity funds which invest in land resources and is based in Denver, Colorado. Mantle is an indirect, wholly owned subsidiary of one of these funds.
2. I am authorized to swear this Affidavit as a corporate representative of Mantle.

3. In preparing this Affidavit, I have consulted with Mantle's management team together with the legal, financial and other advisors of Mantle. I have also reviewed the business records of Mantle relevant to these proceedings and have satisfied myself that I am possessed of sufficient information and knowledge to swear this Affidavit.
4. All references to dollar amounts contained herein are to Canadian Dollars unless otherwise stated.

I. RELIEF REQUESTED

5. As will be described in greater detail below, on July 14, 2023 (the "**Filing Date**") Mantle filed a notice of intention to make a proposal (the "**NOI**") under section 50.4 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"), and FTI Consulting Canada Inc. ("**FTI**"), a licensed trustee, was named as the proposal trustee of Mantle (in such capacity, the "**Proposal Trustee**").
6. This Affidavit is sworn in support of an Application for an Order seeking, *inter alia*, the following relief from this Honourable Court:
 - (a) extending the 30 day period, ending August 13, 2023, within which Mantle is required under section 50.4(8) of the *BIA* to file a proposal by an additional 45 days to September 27, 2023 (such period, as extended from time to time under section 50.4(9) of the *BIA*, being the "**Stay Period**", and the date on which the Stay Period expires being the "**Expiry Date**");
 - (b) declaring that Mantle's counsel, Gowling WLG (Canada) LLP ("**Gowling**"), FTI in its capacity as proposal trustee of Mantle (in such capacity, the "**Proposal Trustee**") and the Proposal Trustee's counsel, McCarthy Tétrault LLP (collectively, the "**Administrative Professionals**"), as security for their reasonable professional fees and disbursements incurred both before and after the granting of the requested Order, shall have the benefit of and are hereby granted a security and charge (the "**Administration Charge**") on all present and after-acquired property of Mantle (the "**Property**"), which Administrative Charge shall be in the aggregate amount of \$425,000, and authorizing the payment to the Administrative

Professionals of their reasonable fees and disbursements incurred in connection with the preparation for the Proposal Proceedings (as defined below);

- (c) approving a secured, non-revolving interim financing facility in the maximum principal amount of \$1,400,000 (the “**Interim Financing Facility**”) provided under a letter loan agreement dated August 1, 2023 (the “**Interim Financing Agreement**”) between RLF Canada Lender Limited (the “**Interim Lender**”) and Mantle;
- (d) declaring that the Property is subject to a security and charge (the “**Interim Lender’s Charge**”) in favour of the Interim Lender to secure the payment and performance of the Interim Financing Facility and Mantle’s indebtedness, liabilities and obligations under the Interim Financing Agreement;
- (e) declaring that the Property is subject to a security and charge in favour of the directors and officers of Mantle (all such directors and officers being collectively referred to as the “**Directors**”) over the Property to indemnify the Directors against obligations and liabilities that they may incur as directors or officers of Mantle after the commencement of the Proposal Proceedings in an amount not to exceed \$150,000 (the “**D&O Charge**”), other than obligations and liabilities incurred as a result of their gross negligence or wilful misconduct;
- (f) declaring that the Administration Charge, Interim Financing Charge and D&O Charge (collectively, the “**BIA Charges**”) are priority charges that rank ahead of any and all charges, security interests, liens, trusts, deemed trusts and encumbrances against the Property, including liens and trusts created by federal and provincial legislation, and that the *BIA* Charges rank, as between themselves, in the following order of priority:
 - (i) first, the Administration Charge;
 - (ii) second, the Interim Financing Charge; and
 - (iii) third, the D&O Charge;

- (g) authorizing Mantle to pay such amounts as it, in consultation with the Proposal Trustee, deems necessary to Persons on account of debts arose prior to the Filing Date, in order to operate, collect, realize and dispose of the Property in an orderly manner and perform its environmental reclamation obligations (such payments being “**Emergency Payments**”), provided that such payments are contemplated by the Cash Flow Projections (as defined in paragraph 57 of this Affidavit) filed by the Proposal Trustee under section 50(6) of the *BIA*;
- (h) to the extent that any Emergency Payments have been funded by advances under the Interim Financing Facility prior to the date of the Order being applied for hereunder, authorizing Mantle to repay such Advances from any amounts received by Mantle subsequent to the Filing Date;
- (i) declaring that:
 - (i) in accordance with section 69(1) of the *BIA*, during the period between the Filing Date and the Expiry Date: (A) no creditor has any remedy against Mantle or the Property, or shall commence or continue any action, execution or other proceedings for the recovery of a claim provable in bankruptcy; (B) no provision of a security agreement between Mantle and a secured creditor that provides, in substance, that on Mantle’s insolvency, the default by Mantle of an obligation under the security agreement, or the filing by Mantle of the NOI, Mantle ceases to have rights to use or deal with Property secured under the security agreement as it would otherwise have, has any force or effect; and
 - (ii) in accordance with section 65.1(1) of the *BIA* but subject to section 65.1(4), no person may terminate or amend any agreement with Mantle or claim an accelerated payment, or a forfeiture of the term, under any agreement with Mantle by reason only that Mantle is insolvent or a NOI has been filed with respect to Mantle;
- (j) requiring that any Person that has collected, realized, seized or taken possession of any money or other Property subsequent to the Filing Date without the consent of the Proposal Trustee or the leave of this Honourable Court promptly deliver or surrender to Mantle such money or other Property; and
- (k) such further and other relief as Mantle may request and this Honourable Court may grant.

II. MANTLE AND ITS BACKGROUND

7. Mantle was incorporated in British Columbia on July 17, 2020 as 1257568 B.C. Ltd., and changed its name on September 21, 2020 to Mantle Materials Group, Ltd. (“**Mantle BC**”). Mantle BC was continued in Alberta under the *Business Corporations Act*, RSA 2000, Ch B-9, as amended (the “**ABCA**”) on April 30, 2021 and amalgamated on May 1, 2021 with JMB Crushing Systems Inc. (“**JMB**”) and its wholly owned subsidiary 2161889 Alberta Ltd. (“**216**”, and together with JMB, “**JMB/216**”) to form Mantle. Attached hereto as **Exhibit “A”** is a true copy of an Alberta corporate registry search for Mantle.
8. Mantle is a wholly owned subsidiary of RLF Canada Holdings Limited (“**RLF Canada**”), a Colorado corporation, which in turn is a wholly owned subsidiary of Resource Land Fund V, LP (“**RLF LP**”), a Delaware limited partnership, which is a fund managed by RLH LLP.
9. Mantle operates from two premises:
 - (a) Mantle’s head office is in Edmonton, which it leases from 93 Street Office Holdings Ltd. (“**93 OHL**”) pursuant to a lease dated May 12, 2023; and
 - (b) Mantle leases a yard, shop and field office in Bonnyville, Alberta from Bonnie’s Equipment Services (“**Bonnie’s Equipment**”) pursuant to a property lease agreement dated December 16, 2022 (the “**Bonnyville Premises Lease**”).
10. Mantle operates and holds interests in aggregate and gravel pits (the “**Aggregate Pits**”) in the Province of Alberta consisting of:
 - (a) fourteen (14) Aggregate Pits held pursuant to surface material leases issued by Alberta Environment and Parks (the “**AEP**”) under the *Public Lands Act*, RSA 2000, c P-40 and the *Public Lands Administration Regulation*, AR 187/2011 (collectively, the “**Public Lands Legislation**”) in Athabaska County, Thorhild County, Smoky Lake County, Lac La Biche County and the Municipal District of Bonnyville, plus an old site for storage and a work camp pursuant to a

commercial/industrial miscellaneous lease associated with the surface material lease in Lac La Biche County; and

- (b) ten (10) Aggregate Pits held pursuant to aggregate royalty agreements with private land owners and located in the Counties of Two Hills, St. Paul and Smoky Lake, and in the Municipal District of Bonnyville.
11. JMB was also an indirect subsidiary of RLF LP through Canadian Aggregate Resources Corporation (“**CARC**”), which acquired the majority of the shares in JMB pursuant to a share purchase agreement in November 2018. Certain members of the previous JMB management team (the “**Prior Management**”) remained in place. Following CARC’s acquisition of JMB, it became apparent that JMB was suffering a severe and sustained cash flow shortfall related to the general downturn in Alberta’s economy and its oil and gas industry, resulting in reduced demand for aggregate. Further, JMB had unsustainable levels of debt, its actual financial condition at the time it was acquired by CARC was obscured by an antiquated accounting system and inaccurate financial data, it was unable to provide accurate financial reporting to its secured lenders on a timely basis, its relationship with its secured lenders was rapidly deteriorating, and it had significant legacy environmental reclamation liabilities associated with its aggregate and gravel pits (the “**JMB/216 Pits**”).
 12. On May 1, 2020 JMB/216 applied for and obtained protection under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”) pursuant to an initial order pronounced by the Honourable Madam Justice Eidsvik (the “**CCAA Proceedings**”), and FTI was appointed as their monitor (in such capacity, the “**Monitor**”).
 13. Following commencement of the CCAA Proceedings, the AEP issued environmental protection orders requiring JMB/216 to address significant environmental issues associated with the JMB/216 Pits and long deferred environmental reclamation obligations (the “**Environmental Reclamation Liabilities**”).

14. The Monitor carried out a sale process during the CCAA Proceedings but during the due diligence phase, it was discovered that the majority of the inventory recorded in JMB/216's books did not exist, and shortly after the Prior Management resigned or were terminated.
15. In order to protect its investment in JMB/216, RLF LP incorporated Mantle BC, which submitted a bid for the business of JMB/216, the Aggregate Pits (which were a portion of the JMB/216 Pits) and other assets. Pursuant to an amended and restated purchase agreement dated March 3, 2021 between JMB, 216 and Mantle BC, an amended and restated plan of arrangement of JMB, 216 and Mantle BC, and an amended reverse vesting order, an amended sale approval and vesting order and amended plan sanction order, each pronounced by the Honourable Justice K.M. Eidsvik on March 31, 2021, JMB and 216 were amalgamated with Mantle BC following its continuance in Alberta to form Mantle, which resulted in Mantle acquiring the Aggregate Pits and certain other assets of JMB/216 (the "**Reorganization Transaction**"). The Reorganization Transaction was completed on May 1, 2021.
16. Contemporaneously with the Reorganization Transaction, Mantle negotiated reclamation plans with the AEP in order to address the Environmental Reclamation Liabilities associated with the JMB/216 Pits (the "**Reclamation Plans**"). Cory Pichota, joined Mantle in May of 2021 as its President and Chief Operating Officer. He has 28 years of experience working in the sand and gravel industry throughout central and northern Alberta, occupying positions from engineering tech, superintendent, operations manager to general manger and currently serves as President and Chief Operating Officer of Mantle.

III. EVENTS LEADING TO MANTLE'S CURRENT SITUATION

A. Operational Issues

17. In the period since the closing of the Reorganization Transaction, Mantle implemented improved management and operational practices and performed reclamation work to address the Environmental Reclamation Liabilities in accordance with the Reclamation Plans. It also attempted to secure immediate sales of aggregate and enter into longer term secure aggregate supply contracts which would have produced the income necessary to

support ongoing operations and allow it to repay its indebtedness. Mantle produced inventory to facilitate such sales and/or supply contracts, but was unable to generate sufficient sales or secure sufficient supply contracts and therefore continued to suffer working capital shortfalls. According to Mantle's management team, one of the headwinds to securing sales was that the Aggregate Pits were too far in distance from the current projects of potential customers. Because the costs of trucking aggregate are a significant component of the price of aggregate, it was difficult for Mantle to successfully bid on supplying those projects.

18. Ultimately, sustained growth would have required investment in new pits as most sales have been coming from the Oberg Aggregate Pit which is nearing depletion. However, given the lack of performance and inability to secure longer term supply agreements, acquiring new pits would be too speculative an investment for Mantle.

B. Credit Facilities

19. While Mantle's lenders attempted to work with Mantle to give it time to ramp up operations to a level sufficient to sustain its indebtedness, Mantle's difficulties following closing of the Reorganization Transaction were enhanced by large amounts of debt that it both assumed in the Reorganization Transaction or incurred in the period following closing.

(i) Fiera Credit Facilities

20. Prior to the completion of the Reorganization Transaction, Fiera was JMB's term lender and had prior ranking security against equipment and the interests of JMB/216 in the JMB/216 Aggregate Pits. As part of the Reorganization Transaction, Mantle assumed a portion of secured loans made to JMB by Fiera Private Debt Fund VI LP, by its general partner Fiera Private Debt Fund GP Inc., and Fiera Private Debt Fund V LP, by its general partner Fiera Private Debt Fund GP Inc. (collectively, "**Fiera**") and in connection therewith entered into a loan agreement dated April 26, 2021, as amended October 19, 2022 and June 12, 2023 (as amended, the "**Fiera Loan Agreement**") with Fiera.
21. Pursuant to the Fiera Loan Agreement, Fiera provided the following secured credit facilities to Mantle:

- (a) a non-revolving interest bearing facility in the original principal amount of \$3,550,000;
- (b) a non-revolving, non-interest bearing facility in the original principal amount of \$6,125,000;
- (c) a non-revolving, non-interest bearing facility based on the estimated value of certain equipment acquired by Mantle in the Reorganization Transaction in the original estimated amount of \$3,695,630; and
- (d) a non-revolving facility with a fixed rate term option, in the principal amount of \$150,000.

Attached as **Exhibit "B"** to this Affidavit is a true copy of the Fiera Loan Agreement.

(ii) CWB LC Facility

22. Under a letter agreement dated May 12, 2021 (the "**CWB LC Facility Agreement**"), Canadian Western Bank ("**CWB**") created a letter of credit facility in favour of Mantle in the aggregate amount of \$1,000,000 (the "**CWB LC Facility**"). Pursuant to the CWB LC Facility Agreement, CWB has issued 11 letters of credit (each a "**CWB LC**") to the AEP as security for the Environmental Reclamation Obligations in respect of the Aggregate Pits.

(iii) Travelers Credit Facility

23. Following the closing of the Reorganization Transaction, Mantle in November of 2021 acquired certain equipment from Faber Inc. in its capacity as trustee in bankruptcy of Flasha Holdings Ltd. (the "**Flasha Equipment**"). The Flasha Equipment was necessary in order for Mantle to successfully operate its Aggregate Pits. Mantle financed the acquisition of the Flasha Equipment pursuant to a secured loan from Travelers Restructuring Capital Inc. ("**Travelers**").
24. Pursuant to a loan and security agreement dated October 8, 2021, as amended October 15, 2022 (as amended, the "**Travelers Loan Agreement**") between Mantle as borrower and Travelers as lender, Travelers loaned Mantle \$1,700,000 for the purpose of acquiring the

Flasha Equipment (the “**Travelers Loan**”). The initial term of the Travelers Loan was 36 months, terminating on October 15, 2024. Attached as **Exhibit “C”** to this Affidavit is a true copy of the Travelers Loan Agreement.

(iv) Pathward Credit Facility

25. In order to alleviate its continuing working capital shortfall, in June 2022 Mantle obtained a working capital facility from Pathward, National Association (“**Pathward**”, formerly Crestmark, a division of Metabank, National Association). Pursuant to a loan agreement dated June 6, 2022 (the “**Pathward Loan Agreement**”) between Mantle and Pathward, Pathward established a \$1,500,000 margined, revolving, working capital facility in favour of Mantle (the “**Pathward Facility**”). Attached as **Exhibit “D”** to this Affidavit is a true copy of the Pathward Loan Agreement.

(v) RLF Lender Secured Loans

26. Because Mantle continued to struggle to secure sufficient sales and supply contracts, and thus continued to have a working capital shortfall despite the Pathward Facility, RLF LP, through its wholly owned subsidiary RLF Canada Lender Limited (“**RLF Lender**”), provided funding operations through debt injections.
27. Pursuant to a secured convertible debenture dated October 19, 2022 (the “**RLF Debenture**”) granted by Mantle in favour of RLF Lender, RLF Lender made various advances to Mantle (including an initial advance of \$94,000) (the aggregate principal amount of such advances being the “**RLF Indebtedness**”) for general corporate purposes. There is no limit on the amounts which can be advanced pursuant to the RLF Debenture. Attached as **Exhibit “E”** to this Affidavit is a true copy of the RLF Debenture.

(vi) ATB

28. Prior to the completion of the Reorganization Transaction, ATB Financial (“**ATB**”) had been JMB’s secured operating lender and had prior ranking security inventory and accounts receivable. As part of the Reorganization Transaction, in accordance with an agreement dated as of April 26, 2021 (the “**ATB Agreement**”) between Mantle BC, JMB, 216 and

ATB, Mantle assumed on a non-recourse basis ATB Financial indebtedness up to the value of remaining aggregate inventory from the period prior to the commencement of the CCAA Proceedings (the “**ATB Inventory**”), which was repayable by way of royalties on the sale of the ATB Inventory. Attached as **Exhibit “F”** is a true copy of the ATB Agreement.

29. Unfortunately, it was discovered after the closing of the Reorganization Transaction that the ATB Inventory was contaminated with irregularly sized aggregate and wood and earth debris and was therefore less marketable.

(vi) *Equipment Leases*

30. Mantle has also leased certain equipment pursuant to the following leases:
- (a) master equity lease agreement dated August 28, 2019 together with open-end (equity) lease schedule between Enterprise Fleet Management Canada, Inc. (“**Enterprise**”) and Mantle, under which Mantle leased a 2019 Ford F-150 truck;
 - (b) equipment leasing agreement with De Lage Landen Financial Services Canada Inc. (“**De Lage**”) under which Mantle leased a Ricol MPC 3004 copier;
 - (c) standard lease agreement dated June 10, 2022 with Alberta Auto Finance Ltd. (“**AAF**”) under which Mantle leased a 2020 RAM 2500 truck; and
 - (d) standard lease agreement dated June 10, 2022 with AAF under which Mantle leased a 2022 RAM 1500 truck.
31. Mantle leases equipment from Diversity Equipment Rentals & Sales Ltd. (“**Diversity Equipment**”) pursuant to the following equipment leases:
- (a) rental agreement dated April 10, 2022 under which Mantle leased a 2011 Cat 980K loader and 7.5 yard tooth bucket;
 - (b) rental agreement dated July 12, 2022 under which Mantle leased a 2012 Cat 972K loader and 6.25 yard bucket;

- (c) rental agreement dated October 17, 2022 under which Mantle leased a Cat 329EL excavator and 3 buckets;
 - (d) rental agreement dated March 13, 2023 under which Mantle leased a 2019 Cat 980M loader and spade nose bucket; and
 - (e) rental agreement dated June 29, 2023 under which Mantle leased a 2011 D8T ripper with 2 shanks.
32. Mantle leases garbage bins from Wildrose Disposal Inc.
33. Finally, Mantle leased portable toilets and garbage bins from Seven Lakes Oilfield Services Corp. (“**Seven Lakes**”) but Seven Lakes on July 31, 2023 entered the Oberg Aggregate Pit and removed the portable toilet. They did not have Mantle’s consent and were aware of the Proposal Proceedings.

C. Decision to commence Proposal Proceedings

34. As discussed above, Mantle faced many challenges in its attempt to establish a viable business. Its Aggregate Pits were too far from potential customers, the recovery being experienced in Alberta’s economy did not lead to a sufficient increase in the demand for aggregate, it had significant legacy Environmental Reclamation Obligations, and its debt levels from the legacy indebtedness inherited from JMB’s Reorganization Transaction and the need to secure working capital financing since then. All of these factors led the management and the board of directors of Mantle conclude that there was no path to financial sustainability for Mantle and that it was therefore necessary to carry out a controlled liquidation in a manner that permitted it to address its Environmental Reclamation Obligations. Therefore, the board of directors in consultation with RLF LP determined that Mantle should initiate these Proposal Proceedings (the “**Proposal Proceedings**”) and engage FTI to assist in the preparation therefor.
35. On July 13, 2023 John Stout, a Vice President with RLH LLC (of which RLF LP is a subsidiary) and I contacted Fiera to advise them of the intention to file the NOI under the

BIA and engaged FTI to act as Proposal Trustee. Also on July 13, 2023, John Stout contacted Travelers and Pathward to similarly advise them of the filing.

36. On July 14, 2023 Mantle filed the NOI, commencing the Proposal Proceedings.

IV. CURRENT FINANCIAL STATUS OF MANTLE AND LIABILITIES

A. Financial Statements

37. A true copy of Mantle's draft unaudited financial statements for the financial year ending December 31, 2022 is attached hereto as **Exhibit "G"**. A true copy of Mantle's draft unaudited financial statements for the quarter ended June 30, 2023 is attached hereto as **Exhibit "H"**.

B. Property and Assets

38. The book value of Mantle's Property was approximately \$7,452,838 as at June 30, 2023, consisting of the following (unless otherwise noted, the values are based on the June 30, 2023 financial statements):
- (a) accounts receivable, which as of July 14, 2023 was in the approximate amount of \$697,396.40, of which \$147,604.46 is current, \$454,174.56 is aged 31 to 60 days, \$80,194.84 is aged 61 to 90 days, and \$15,422.54 is aged 90 to 121 days;
 - (b) inventory of aggregate, in the approximate amount of \$1,406,306.36, of which \$60,612 is subject to the prior ranking security in favour of ATB;
 - (c) equipment consisting of pickup trucks, crushing and earthmoving equipment, heavy trucks, furniture and fixtures, shop equipment and IT equipment, in the approximate amount of \$1,353,733.86;
 - (d) its interest in Aggregate Pits, in the approximate amount of \$1,296,248;
 - (e) term deposits purchased by Mantle from CWB (the "**CWB Term Deposits**") which have been assigned to CWB to secure Mantle's obligation to reimburse CWB in

respect of any drawings by the AEP under the CWB LCs. The aggregate amount of the CWB Term Deposits is approximately \$580,000; and

- (f) Mantle has posted cash collateral security with the AEP in the aggregate amount of \$516,811.24 for Aggregate Pits in respect of which CWB LCs have not been posted with the AEP as security.

C. Liabilities

(i) General Indebtedness

39. The total liabilities of Mantle were approximately \$16,046,272.21, which included the following:

- (a) Indebtedness to financial institutions or credit facility providers amounted to \$11,469,721.99, of which:
 - (i) to Fiera:
 - (A) as of June 30, 2023, \$8,136,601.23 was owed on three (3) credit facilities under the Fiera Loan Agreement on account of principal and interest; and
 - (B) as of July 17, 2023, \$67,209 was owed on account of royalties on the sale of aggregate pursuant to the Fiera Loan Agreement;
 - (ii) to ATB:
 - (A) as of June 30, 2023, \$11,187.77 was owed under the ATB Agreement; and
 - (B) as of July 17, 2023, \$5,232 was owed on account of royalties on the sale of the ATB Inventory;
 - (iii) to Travelers, as of June 30, 2023, \$1,022,396.31 was owed on account of principal and interest under the Travelers Facility;
 - (iv) to Pathward, as of July 14, 2023, \$474,369.88 was owed on account of principal and interest under the Pathward Facility;
 - (v) to RLF Lender, as of June 30, 2023, \$1,774,190.62 was owed on account of principal and interest under the RLF Debenture;

- (vi) to TD Bank, as of July 14, 2023, \$8,652.61 was owed on account of company credit card debt for senior management of Mantle;
 - (vii) to CWB, as of July 14, 2023, CWB issued CWB LCs in the aggregate amount of \$541,150, in respect of which amount Mantle is contingently liable for any drawings thereunder;
- (b) indebtedness to landlords as of July 14, 2023 as follows:
- (i) for the Edmonton office, Mantle is current on its rent; and
 - (ii) for the Bonnyville yard, shop and field office, Mantle owes Bonnie's Equipment \$43,216.14;
- (c) indebtedness to equipment lessors for the capital leases of equipment amounted to \$52,055.56 as of June 30, 2023. In addition, on operating equipment leases, the following amounts were owed:
- (i) \$2,501.40 was owed to Enterprise;
 - (ii) \$4,418.53 was owed to De Lage;
 - (iii) \$55,233.05 was owed to AAF;
 - (iv) \$100,418.85 was owed to Diversity Equipment;
 - (v) \$1,423.51 was owed to Seven Lakes; and
 - (vi) \$38.59 was owed to Wildrose Disposal Inc.;
- (d) indebtedness to trade creditors as follows as at July 17, 2023 as follows:
- (i) \$80,181.92 for equipment repairs;
 - (ii) \$9,132.58 for fuel;
 - (iii) \$37,860.37 for hauling gravel;
 - (iv) \$95,292.75 for reclamation costs;
 - (v) \$6,388.20 for gravel testing;
 - (vi) \$94,803.95 for insurance and general and administrative costs;
- (e) Mantle is current in its remittances of goods and services tax although \$6,515.66 had accrued but was not owing as of the Filing Date.

(ii) *Environmental Reclamation Obligations*

40. On Mantle’s balance sheet as at June 30, 2023, the aggregate Environmental Reclamation Obligations is \$3,666,893, of which approximately \$2,128,075 is referred to as “non-current decommissioning liability” (the “**Non-Current Liability**”) and approximately \$1,538,818 is referred to as “current decommissioning liability” (the “**Current Liability**”). As at July 23, 2023, the Environmental Reclamation Obligations relating to inactive Aggregate Pits that are no longer in production is estimated to be \$1,678,308. In accordance with good industry practice, Mantle has been carrying out reclamation work on the active Aggregate Pits in the course of its production so that it would not be left, like JMB and 216, with a legacy of unfulfilled Environmental Reclamation Obligations. As such, the management of Mantle advises me that the value of the Aggregate Pits that are still producing likely exceeds the amount of their Environmental Reclamation Obligations.
41. The security posted with the AEP for the Environmental Reclamation Obligations in respect of each Aggregate Pit, in the aggregate amount of \$1,057,961.24, is made up of the following:

Aggregate Pit	Security Posted with AEP	Amount of Security
SML 060060	Letter of Credit	\$41,400.00
SML 080085	Letter of Credit	\$19,540.00
SML100085	Letter of Credit	\$42,010.00
SML 110025	Letter of Credit	\$79,690.00
SML 110026	Letter of Credit	\$77,540.00
SML 110045	Letter of Credit	\$57,030.00
SML 110046	Letter of Credit	\$44,380.00
SML 110047	Letter of Credit	\$46,110.00
SML 120005	Letter of Credit	\$78,110.00
SML 120006	Letter of Credit	\$25,690.00
SML 120100	Letter of Credit	\$29,650.00
17395-01-00 (Havener)	Cash	\$206,651.00
263318-00-00 (O’Kane)	Cash	\$47,847.00
308161-00-00 (Shankowski)	Cash	\$217,965.00
SML 120027	Cash	\$2,960.00
SML 930040	Cash	\$1,000.00
SML 980116	Cash	\$9,140.00
JMB Pit (NE 35-56-6-W4)	Cash	\$14,016.24
DML 120032	Cash	\$17,232.00

42. My counsel has advised me that in any insolvency proceedings, Environmental Reclamation Obligations must be performed prior to any distributions being made to

secured or unsecured creditors as a result of the decision of the Supreme Court of Canada in *Orphan Well Association v. Grant Thornton Ltd.*, 2019 SCC 5.

(iii) *Employees*

Mantle currently has 14 employees, of which four (4) are in the corporate office, seven (7) are in the field and are responsible for crushing, one (1) is a field shop manager, one (1) is in the field and responsible for safety, and (1) one is in the field and is responsible for sales and earthworks. The total bi-weekly payroll is \$78,293, source deductions is \$24,801 and benefits \$5,257, for a total of \$108,351. Also, seven (7) employees receive vehicle fuel allowances in the total weekly amount of \$3,840. As of the Filing Date, Mantle was up-to-date with respect to wages and the remittance of source deductions to the Canada Revenue Agency (the “CRA”). As of the Filing Date, Mantle was up-to-date with respect to wages and the remittance of source deductions to the Canada Revenue Agency (the “CRA”). As of the Filing Date, wages, benefits, workers’ compensation and source deductions were current but there was accrued and unpaid vacation pay equal to 29,836.12.

D. Security Interests

(i) *PPR Searches*

43. Attached as **Exhibit “I”** to this Affidavit is a true copy of the Personal Property Registry search against Mantle dated July 31, 2023. The registrations by secured creditors (collectively, the “**Secured Creditors**”) consist of the following:
- (a) Fiera Private Debt Fund V LP, as collateral agent, Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP registered April 6, 2017 as amended from time-to-time against all present and after acquired personal property of Mantle;
 - (b) Fiera Private Debt Fund V LP, as collateral agent, Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP registered June 20, 2018 as amended from time-to-time against approximately six (6) pieces of serial numbered equipment;
 - (c) Canadian Western Bank registered January 14, 2019 as amended from time-to-time against, “The entire right, title, claim and interest of the Debtor in and to all moneys

owing and payable hereafter owing and payable to the Debtor pursuant to the terms of the instrument or instruments described GIC under CIF 691154 and all proceeds including, without limitation all goods, securities, instruments, documents of title, chattel paper, intangibles and money”;

- (d) a land charge registered March 16, 2020 by Fiera Private Debt Fund V LP, as collateral agent, Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP;
- (e) Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP registered October 1, 2020 as amended from time-to-time against all present and after acquired personal property of Mantle;
- (f) a land charge registered October 1, 2020 by Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP;
- (g) Travelers Capital Corp. registered October 7, 2021 as amended from time-to-time against, among other things, approximately 41 pieces of serial numbered equipment;
- (h) Crestmark, a Division of Metabank, National Association and Metabank National Association registered March 18, 2022 against all of Mantle’s present and after-acquired personal property;
- (i) Alberta Auto Finance Ltd. registered June 15, 2022 against 2 pieces of serial numbered vehicles; and
- (j) RLF Canada Lender Limited registered July 31, 2023 against all present and after-acquired personal property of Mantle and proceeds thereof.

(ii) *Security in favour of Fiera, Travelers, Pathward, ATB, CWB and RLF Lender*

44. The indebtedness under the Fiera Loan Agreement is secured by, *inter alia*, (i) a general security agreement constituting a first ranking fixed charge over all the present and after acquired property, assets and undertaking of Mantle; (ii) an assignment of material agreements, including each aggregate royalty agreement to which Mantle is a party; (iii) a

mortgage of lease of certain surface material leases granted by the AEP to a Mantle; (iv) a limited recourse guarantee and share pledge of the equity securities in Mantle granted by RLF Canada; (v) an assignment of insurance; and (vi) a blocked account agreement with TD Bank (collectively, the “**Fiera Security**”). Attached as **Exhibits “J” to “O”** of this Affidavit are true copies of the Fiera Security.

45. The obligation of Mantle to indemnify CWB for any drawing by the AEP under the CWB LCs is secured by assignments of eleven (11) floating rate redeemable term deposits issued by CWB to Mantle in the aggregate amount of \$583,503.15.
46. The Travelers Loan is secured by a security agreement granting a purchase-money security interest (the “**Travelers Security**”) over the Flasha Equipment and all associated rights with such Equipment and proceeds therefrom (collectively, the “**Equipment Collateral**”). Attached as **Exhibit “P”** to this Affidavit is a true copy of the Travelers Security.
47. The Pathward Facility is secured by a general security agreement over all of the assets of Mantle (the “**Pathward Security**”). The security interest created by the Pathward Security is subject to security interests created by the Fiera Security and the Travelers Security, other than with respect to inventory and accounts receivable (and proceeds thereof), in respect of which Pathward’s security interest had priority (the “**Pathward Priority Collateral**”) pursuant to a priority agreement with Fiera dated June 6, 2022 (the “**Pathward/Fiera Priority Agreement**”). Attached as **Exhibit “Q”** to this Affidavit is a true copy of the Pathward Security. Attached as **Exhibit “R”** is a true copy of the Pathward/Fiera Priority Agreement.
48. The RLF Indebtedness is secured by a charge and security interest created by the RLF Debenture over all of the personal and real property of Mantle (the “**RLF Security**”). The RLF Security is subject to a subordination agreement with Fiera dated as of October 19, 2022, as amended June 12, 2023 (as amended, the “**RLF/Fiera Subordination Agreement**”), pursuant to which Fiera subordinated and postponed the Fiera Security to the RLF Security in respect of up to \$2,250,000 (the “**RLF Debt Cap**”), and RLF Lender subordinated and postponed the RLF Security to the Fiera Security in respect of any

amounts in excess of the RLF Debt Cap. Attached as **Exhibit “S”** to this Affidavit is a true copy of the RLF/Fiera Subordination Agreement.

49. Pursuant to a consent agreement dated October 19, 2022, as amended on June 12, 2023 (as amended, the “**RLF/Pathward Consent Agreement**”), Pathward consented to the RLF Security up to the RLF Debt Cap and RLF agreed to the priority of the Pathward Security. Attached as **Exhibit “T”** to this Affidavit is a true copy of the RLF/Pathward Consent Agreement.
50. Pursuant to a consent agreement dated November 22, 2022 (the “**RLF/Travelers Consent Agreement**”), Travelers consented to the RLF Indebtedness and the RLF Security, and RLF agreed to the priority of the Travelers Security. Attached as **Exhibit “U”** to this Affidavit is a true copy of the RLF/Travelers Consent Agreement.
51. Under the ATB Agreement, a general security agreement in favour of ATB Financial remained in place but only attached to the ATB Inventory and its proceeds.
52. The relative priority of the security interests created by the Fiera Security, Travelers Security, Pathward Security, ATB Security and RLF Security is as follows:
 - (a) Travelers has priority over the Equipment Collateral, followed by Pathward (up to the maximum amount of \$1,750,000), followed by RLF Lender (up to the RLF Debt Cap), followed by Fiera (any amount in excess of the RLF Debt Cap);
 - (b) Pathward has priority over the Pathward Priority Collateral (up to the maximum amount of \$1,750,000), followed by RLF Lender (up to RLF Debt Cap), followed by Fiera (any amount in excess of the RLF Debt Cap);
 - (c) RLF Lender has priority over the remaining assets of Mantle (up to the RLF Debt Cap);
 - (d) ATB Financial has priority with respect to the ATB Inventory and its proceeds; and
 - (e) Fiera has residual priority for all assets in excess of the RLF Debt Cap.

V. THE PROPOSAL PROCEEDINGS

A. Tasks to be Accomplished in the Proposal Proceedings

53. The purpose of the Proposal Proceedings is twofold:
- (a) first and foremost, to ensure that Mantle is able to complete a reclamation project (the “**Reclamation Project**”) in order to fully and properly address the Environmental Reclamation Obligations in accordance with the *Environmental Protection and Enhancement Act*, RSA 2000, Chapter E 12, as amended, the Public Lands Legislation and the Reclamation Plans;
 - (b) second:
 - (i) to the extent possible complete any profitable contracts for the supply and sale of aggregate and thereafter cease the operations of Mantle; and
 - (ii) collect Mantle’s accounts receivable; and
 - (c) third, in consultation with the relevant Secured Creditors, to attempt to sell or otherwise dispose of the equipment and Aggregate Pits in a commercially reasonable manner.
54. Any proceeds realized in the collections and sales described above would be held until such time as the Environmental Reclamation Obligations were addressed to the satisfaction of the AEP. The reclamation work that is required to be performed is summarized in the Progress Update Report dated October 28, 2022 (the “**Reclamation Progress Report**”) submitted by Mantle to the EAP. The Reclamation Progress Report reviews, for each of the Aggregate Pits, the work performed in 2021 and 2022, the time frame within which the remaining work will be performed and a reclamation certificate applied for. Examples of this work include:
- (a) the removal of any remaining marketable aggregate;

- (b) the rough grading and contouring of the Aggregate Pits to tie them into the surrounding landscape, the elimination of piles, the disposal of oversize rocks, the placement of topsoil and the seeding of topsoil with pasture mix;
- (c) dewatering of waterbodies, remediation of waterbody-backfilling and recontouring constructed waterbodies;
- (d) during the monitoring period, assessing soil stability after the spring thaw, assessing pasture vegetation success and surveying for the presence of weeds; and
- (e) addressing any shortfalls discovered during the assessments.

The majority of the work described in paragraphs (a) to (c) is scheduled to be completed by November 1, 2023, following which there will be a six month monitoring period required by the EAP. The assessments will occur in 2024 and 2025. It is anticipated that for the majority of the Aggregate Pits, reclamation certificates will be applied for in September of 2025 and upon their issuance, the surface material leases or registrations will be cancelled. Attached as **Exhibit "V"** hereto is a true copy of the Reclamation Progress Report.

- 55. To the extent that the Environmental Reclamation Obligations are satisfied, amounts will be distributed to secured creditors or if practical collateral subject to their security will be surrendered to them.
- 56. The principal benefits of Proposal Proceedings over other alternatives such as bankruptcy or receivership are as follows:
 - (a) the Environmental Reclamation Obligations must be satisfied before secured or unsecured creditors are entitled to any distributions, and Mantle's management has the best knowledge available as to how the Environmental Obligations for each Aggregate Pit can be best addressed, as opposed to a trustee in bankruptcy or receiver;

- (b) it is uncertain to what extent there is a market for Mantle's Property or the value thereof, and therefore it is unclear whether there are sufficient funds to satisfy the Environmental Reclamation Obligations out of Mantle's estate;
- (c) the RLF Lender is willing to provide the Interim Financing Facility which will principally be funding the reclamation work needed to satisfy the Environmental Reclamation Obligations, in addition to the operation and professional costs to be incurred during the Proposal Proceedings; and
- (d) Mantle and the Proposal Trustee are willing to work with the Secured Creditors in order to determine the most expeditious, efficient and commercially reasonable manner in which to realize any available value from the Property.

B. Actions since the Filing Date

57. Since the Filing Date, Mantle prepared, and on August 2, 2023 the Proposal Trustee filed, rolling 13 week cash flow projections commencing July 28, 2023 and ending October 19, 2023 for Mantle in accordance with section 50(6) of the BIA (the "**Cash Flow Projections**"). The Proposal Trustee has also filed its report on the reasonableness of the Cash Flow Projections. Attached as **Exhibit "W"** hereto is a true copy of the Cash Flow Projections.
58. Since the Filing Date, Mantle has worked diligently with a view to advancing these Proposal Proceedings, including taking the following steps:
- (a) preparing and analysing a list of creditors and identifying issues specific to certain creditors;
 - (b) providing the Proposal Trustee with access to its books and records;
 - (c) working with the Proposal Trustee on the preparation of the Cash Flow Projections and weekly monitoring for Mantle;
 - (d) communicating with the Secured Creditors, unsecured creditors, suppliers and other stakeholders regarding the proposal process;

- (e) communicating with customers regarding the proposal process;
 - (f) working with the Administrative Professionals; and
 - (g) reviewing their operating expenses, pursuing the collection of accounts receivable and taking other steps to ensure Mantle remains financially viable during these Proposal Proceedings.
59. In the period following the Filing Date, Pathward collected at least \$328,000 from account debtors of Mantle pursuant to the Pathward Security over Mantle's accounts receivable and directions previously provided by Mantle to its account debtors. I have been informed by Gowling that they requested Pathward's counsel to return those funds to Mantle, as they were not entitled to collect these accounts receivable after the Filing Date. This issue is still under discussion between Mantle and Pathward. However, in the event that Mantle and Pathward are unable to resolve this question, Mantle is seeking a direction from this Honourable Court requiring that these funds be paid to Mantle.
60. Following the Filing Date on July 14, 2023, a number of other creditors have exercised or threatened to exercise self-help remedies in order to collect amounts owing to them prior to the filing date. Examples of these creditors are as follows:
- (a) Lafarge Canada Inc. ("**Lafarge**"), who granted to Mantle the right to enter on and extract aggregate from an extraction area known as the Oberg Pit threatened to terminate the underlying agreement. Lafarge has been advised by Gowling that the stay of proceedings which arose automatically upon the filing of the NOI prevents it from exercising remedies against Mantle or its Property, but it was not clear that Lafarge would comply with the stay of proceedings.
 - (b) Diversity Equipment, that leases equipment to Mantle and as of the Filing Date was owed \$100,418.85, threatened to terminate their equipment leases and real property lease with Mantle and repossess the equipment and yard. I am advised by Cory Pichota that Diversity Equipment had been advised by the Proposal Trustee that the stay of proceedings which arose automatically upon the filing of the NOI prevented

it from exercising remedies against Mantle or its Property, but it was not clear that Diversity Equipment accepted that it was stayed from exercising remedies; and

- (c) Seven Lakes repossessed its leased equipment on July 31, 2023 notwithstanding the stay of proceedings.
61. I believe that some creditors of and counterparties to agreements with Mantle do not understand that they are not permitted to exercise remedies and terminate contracts with Mantle as a result of unpaid claims that arose prior to the Filing Date, and that a direction from this Honourable Court re-stating the restrictions on creditors and counterparties under sections 69(1) and 65.1 of the *BIA* would greatly assist in clarifying the restrictions on what they are permitted to do.

VI. BIA CHARGES

62. As discussed above, Mantle is also applying to this Honourable Court for a first ranking Administration Charge, Interim Financing Charge and D&O Charge.
63. I am advised by Gowling that Notice of this Application will be provided to all Secured Creditors, lessors, landlords, the CRA and the AEP.

A. Administration Charge

64. As indicated in paragraph 6(b) of this Affidavit, the draft Order being applied for would create an Administration Charge against the Property in favour of the Administrative Professionals (being the Proposal Trustee, counsel for the Proposal Trustee and counsel for Mantle) to secure their reasonable fees and disbursements up to a maximum amount of \$425,000, which Administration Charge would rank in priority to all other mortgages, charges, security interests, liens, deemed trusts or other encumbrances against the Property (collectively, “**Encumbrances**”).
65. I believe that the Administration Charge is fair and reasonable in the circumstances because the expertise, knowledge and continuing participation of the Administrative Professionals is critical in order to complete the orderly liquidation and the Reclamation Project.

B. Interim Financing

66. Based on the Cash Flow Projections, Mantle does not have sufficient working capital to permit it to continue with the Proposal Proceedings or fund its Environmental Reclamation Obligations, including carrying out the tasks itemized in paragraph 53. The only party that is willing to provide working capital to Mantle is RLF Lender, but only pursuant to an interim financing facility secured by a super-priority charge under section 50.6 of the *BIA*.
67. In order to ensure that Mantle has sufficient working capital during the Proposal Proceedings, the Interim Lender is prepared to provide the Interim Facility on the terms and subject to the conditions set out in the Interim Loan Agreement. Attached hereto as **Exhibit "X"** is a true copy of the executed Interim Loan Agreement.
68. The key terms of the Interim Loan Agreement are:
- (a) the Interim Loan Facility is a secured, non-revolving loan available by way of multiple advances;
 - (b) the aggregate maximum principal amount available under the Interim Loan Facility is \$1,400,000, which is the amount contemplated by the Cash Flow Projections together with a margin;
 - (c) the purpose of the Interim Loan Facility is to fund:
 - (i) the satisfaction of Mantle's Environmental Reclamation Obligations;
 - (ii) the payment of the reasonable professional fees and expenses of the Administrative Professionals;
 - (iii) the payment of expenses incurred by Mantle in its remaining operations and orderly liquidation during the Proposal Proceedings;
 - (iv) the payment of RLF Lender's reasonable legal fees and expenses; and
 - (v) the payment of other costs agreed to by RLF Lender and consented to by the Proposal Trustee,all as contemplated by the Cash Flow Projections, as updated from time to time;

- (d) the indebtedness under the Interim Loan Facility bears interest at 14.5%, which rate is based on the prime rate of the Bank of Canada plus a margin representing the median of such margins for interim loan facilities provided in proceedings under the *CCAA* and *BIA* in the last year, according to information provided to me by the Proposal Trustee;
 - (e) the availability of the Interim Loan Facility is conditional on, among other things, the following:
 - (i) this Honourable Court approving the Interim Financing Agreement and granting the Interim Lender Charge to and in favour of the RLF Lender with priority over all Encumbrances other than the Administration Charge;
 - (ii) RLF Lender being satisfied that the Interim Financing Charge ranks in priority to all Encumbrances other than the Administration Charge;
 - (iii) there being no continuing Event of Default; and
 - (iv) RLF Lender having approved the Cash Flow Projections, as updated from time to time;
 - (f) the Interim Loan Facility terminates on the earlier of: (i) the termination of the Interim Loan Facility by notice in writing from RLF Lender following the occurrence of an event of default; (ii) the repayment in full of the Obligations; or (iii) the termination of the stay of proceedings or the Proposal Proceedings.
69. This Honourable Court's approval of the Interim Loan Facility and granting of the Interim Lender Charge is crucial to the ability of Mantle to satisfy its Environmental Reclamation Obligations and to conduct an orderly liquidation in the manner described in this Affidavit. The Interim Loan Facility is being provided on reasonable terms and would not be available from other lenders or on better terms.
70. Based on the forgoing, I believe that the Interim Loan Agreement and Interim Lender Charge are necessary and in the best interests of all of Mantle's stakeholders.

C. D&O Charge

71. Mantle also seeks a D&O Charge against the Property to indemnify the Directors against any obligations or liabilities that they may incur in such capacity after the Filing Date, other than any obligation or liability incurred by a Director as a result of such Director's gross negligence or wilful misconduct. The D&O Charge applied for would rank in priority to all other Encumbrances against the Property other than the Administration Charge and Interim Lender Charge, and would secure obligations or liabilities up to \$150,000.
72. I believe that the D&O Charge is fair and reasonable in the circumstances because their knowledge and expertise is required to successfully meet the Environmental Reclamation Obligations and liquidate the business and Property in an orderly manner, and it is therefore necessary to motivate them to remain in place. The Directors have expressed their desire for certainty with respect to potential personal liability if they continue in their current capacity in the context of these Proposal Proceedings, and the D&O Charge should give the Directors' adequate assurance of reasonable protection against liabilities that can be incurred by them without gross negligence or wilful misconduct.
73. While there is directors' and officers' liability insurance in place, the Directors remain concerned with respect to the many exclusions in that policy and the willingness of insurers to deny or limit coverage.
74. The quantum of the D&O Charge was developed with the assistance and support of the Proposal Trustee and is supported by the Interim Lender.

VII. EXTENSION OF TIME TO MAKE A PROPOSAL

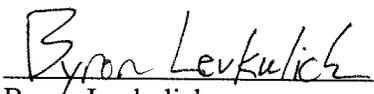
75. The Expiry Date of the Stay Period, which is the time within which Mantle is required under section 50.4(8) of the BIA to file a proposal, is August 13, 2023. Mantle requests an extension of the Stay Period by an additional 45 days, with the extended Expiry Date being September 27, 2023.
64. The extension of the Stay Period will allow Mantle to, among other things:
 - (a) complete the remaining contracts for sale of inventory;

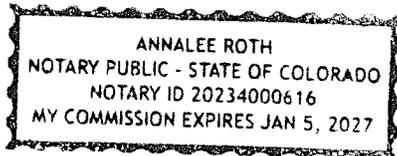
- (b) continue collecting its accounts receivable;
 - (c) carry out the Reclamation Project to satisfy its Environmental Reclamation Obligations in a manner acceptable to the AEP, and consult with the AEP in connection therewith; and
 - (d) preserve and enhance the value of Mantle's business and Property during the controlled liquidation and develop in coordination with the Proposal Trustee and the Secured Creditors a plan for liquidating the remaining Property of Mantle in a manner that is commercially reasonable and is beneficial to the extent possible to its stakeholders.
76. Mantle's creditors will not be prejudiced by the extension of the Stay Period. Rather, the extension is critical to ensuring that the Environmental Reclamation Obligations are properly addressed, and the business and Property of Mantle is liquidated in an orderly and commercially reasonable manner.
77. I swear this Affidavit in support of an Application for the relief set out in paragraph 6 of this Affidavit and for no other or improper purpose.

Sworn before me at the City of Denver, in the State of Colorado, on this 7 day of August, 2023



A Notary Public in
and for the State of Colorado

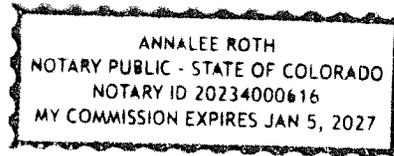
} 
Byron Levkulich



This is **Exhibit "A"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



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

Date of Search: 2023/07/27
Time of Search: 08:15 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
Service Request Number: 40192392
Customer Reference Number:

Corporate Access Number: 2023450345
Business Number: 761265461
Legal Entity Name: MANTLE MATERIALS GROUP, LTD.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Method of Registration: Amalgamation
Registration Date: 2021/05/01 YYYY/MM/DD

Registered Office:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Records Address:

Street: 1600, 421 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P4K9

Email Address: GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
JAFFER	ZAFAR	B.	GOWLING WLG (CANADA) LLP/GOWLING WLG (CANADA) S.E.N.C.R.L., S.R.L.	1600, 421 - 7TH AVENUE SW	CALGARY	ALBERTA	T2P4K9	GWLG.CALGARY.CORPORATE@GOWLINGWLG.COM

Directors:

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

Last Name: PATSCH
First Name: AARON
Street/Box Number: 1400 16TH STREET, SUITE 320
City: DENVER
Province: COLORADO
Postal Code: 80202

Voting Shareholders:

Last Name: RLF CANADA HOLDINGS LIMITED
Street: 1400 16TH STREET, SUITE 320
City: DENVER
Province: COLORADO
Postal Code: 80202
Percent Of Voting Shares: 100

Details From Current Articles:**The information in this legal entity table supersedes equivalent electronic attachments**

Share Structure: SEE SHARE STRUCTURE SCHEDULE ATTACHED HERETO.

Share Transfers Restrictions: NO SHARES IN THE CAPITAL STOCK OF THE CORPORATION SHALL BE TRANSFERRED TO ANY PERSON WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS.

Min Number Of Directors: 1

Max Number Of Directors: 15

Business Restricted To: NO RESTRICTIONS.

Business Restricted From: NO RESTRICTIONS.

Other Provisions: NO SECURITIES OF THE CORPORATION, OTHER THAN NON-CONVERTIBLE DEBT SECURITIES, SHALL BE TRANSFERRED TO ANY PERSON WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS.

Holding Shares In:

Legal Entity Name
ATLAS AGGREGATES INC.

Other Information:**Amalgamation Predecessors:**

Corporate Access Number	Legal Entity Name
2021618893	2161889 ALBERTA LTD.
2023447887	JMB CRUSHING SYSTEMS INC.
2023448042	MANTLE MATERIALS GROUP, LTD.

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2022	2023/03/28

Outstanding Returns:

Annual returns are outstanding for the 2023 file year(s).

Filing History:

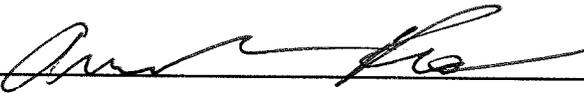
List Date (YYYY/MM/DD)	Type of Filing
2021/05/01	Amalgamate Alberta Corporation
2021/06/01	Update Business Number Legal Entity
2022/10/28	Change Director / Shareholder
2023/03/28	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

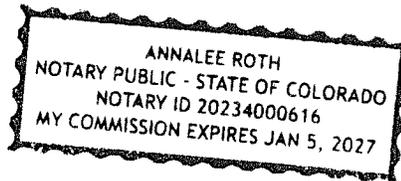
Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Amalgamation Agreement	10000207115351883	2021/05/01
Statutory Declaration	10000507115351886	2021/05/01
Share Structure	ELECTRONIC	2021/05/01
Statutory Declaration Notice Error	10000307115351910	2022/10/28

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

This is **Exhibit "B"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



LOAN AGREEMENT

THIS AGREEMENT made effective this 26 day of April, 2021.

AMONG:

MANTLE MATERIALS GROUP, LTD., a body corporate duly formed by incorporation under the laws of the Province of British Columbia (hereinafter referred to as "**Mantle**" or the "**Borrower**")

- and -

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

- and -

2161889 ALBERTA LTD., a body corporate duly formed by incorporation under the laws of the Province of Alberta (hereinafter referred to as "**216**", and together with JMB, the "**Guarantors**", and each a "**Guarantor**")

- and -

FIERA PRIVATE DEBT FUND VI LP, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** ("**Fund VI**"), and **FIERA PRIVATE DEBT FUND V LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** ("**Fund V**", and together with Fund VI, collectively, the "**Lender**")

PREAMBLE

WHEREAS:

- A. Pursuant to the JMB Loan Agreements (as defined herein), the Lender made certain credit facilities available to JMB from time to time, as guaranteed by, *inter alios*, 216 and secured by certain mortgages, charges and security interests.
- B. Fund V and Fund VI, as acknowledged by, *inter alios*, JMB and 216, entered into a collateral agency agreement dated November 5, 2019, pursuant to which Fund V was directed to act as collateral agent and representative for and on behalf of and for the benefit of the Lender (in such capacity, the "**Collateral Agent**") in respect of all security granted by JMB and 216 to the Lender to secure all or any portion of the indebtedness and obligations owing by JMB and 216 to the Lender under the JMB Loan Agreements (the "**Existing Collateral Agency Agreement**");
- C. Pursuant to an Order of the Honourable Madam Justice K.M. Eidsvik of the Court of Queen's Bench of Alberta (the "**Court**") pronounced on May 1, 2020, as amended and restated by an Order pronounced on May 11, 2020 (as amended and restated, the "**Initial Order**"), JMB and 216 were granted protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**", and such proceedings, the "**CCAA Proceedings**").

- D. Pursuant to the Purchase Agreement (as hereinafter defined), JMB and 216 agreed to sell the Acquired Assets (as defined in the Purchase Agreement) to Mantle, and Mantle agreed to pay the Purchase Price (as defined in the Purchase Agreement) for the Acquired Assets in part by the assumption of a portion of the indebtedness of JMB owing to the Lender pursuant to the JMB Loan Agreements and any promissory notes issued in connection therewith, on terms and conditions agreeable to the Borrower and Lender (the “**Initial Acquisition**”).
- E. Pursuant to a plan of arrangement under the CCAA and *Business Corporations Act*, SBC 2002, c 57 (the “**Plan**”), Mantle was deemed to assume a portion of the indebtedness of JMB owing to the Lender referred to in Recital D (together with the Initial Acquisition, the “**Transaction**”).
- F. The Lender consented to the Transaction and in connection therewith, has agreed to:
- (i) amend, restate, and consolidate the JMB Loan Agreements subject to the terms and conditions as set forth herein;
 - (ii) amend and restate the Existing Collateral Agency Agreement in its entirety to, *inter alia*, reaffirm (A) the appointment, duties and responsibilities of the Collateral Agent, and (B) the agreement between the Lender as to decisions relating to the exercise of remedies under the Security (as defined herein) granted to the Collateral Agent, and certain limitations on the exercise of such remedies; and
 - (iii) continue certain Credit Facilities in favour of the Borrower, and the Borrower has agreed to avail itself of such Credit Facilities.

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

1. Definitions

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

- (a) “**216 Dispositions**” means the Dispositions listed on Schedule F under the heading “216 Dispositions” together with any security deposited with the AEP in respect thereof to secure Reclamation Obligations;
- (b) “**Additional Guarantor**” means such Subsidiaries of the Borrower or the Parent Group, as applicable, from time to time that provide Security pursuant to Section 14(ii);
- (c) “**Advance**” means any actual or deemed advance, extension or utilization of credit pursuant to this Agreement;
- (d) “**AEP**” means Alberta Environment & Parks;
- (e) “**Affiliate**” means any Person which, directly or indirectly, controls, is controlled by or is under common control with another Person or group of Persons, and for the purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” or “under common control”) means the power to direct or

cause the direction of the management and policies of any Person, whether through the ownership of shares or by contract or otherwise;

- (f) **“Aggregate”** means gravel and other aggregates extracted from a Purchased Pit after the Closing Date;
- (g) **“Aggregate Equipment Sale Net Proceeds”** means the aggregate proceeds of sale of the Remaining Fiera Equipment net of reasonable costs incurred in disposing such Fiera Equipment that have been approved by the Lender;
- (h) **“Agreement”** means this loan agreement, as the same may be amended, restated, modified, supplemented or replaced from time to time in accordance with the provisions hereof;
- (i) **“Applicable Canada Bond”** means with respect to a prepayment of an Advance the non-callable Government of Canada bond denominated in Cdn. currency determined by the Lender as having a remaining term to maturity closest to the remaining term to maturity of the Advance in respect of which the prepayment is to be made;
- (j) **“Applicable Canada Bond Yield”** means with respect to the prepayment of an Advance, the arithmetic average (rounded to the nearest 1/100th of 1%) of the respective percentages reasonably determined by the Lender, calculated in accordance with the generally accepted financial practices, assuming monthly compounding, to be the yield to maturity, expressed as an annual rate of interest, on the Applicable Canada Bond on the 2nd Business Day preceding the date of such prepayment;
- (k) **“Applicable Law”** means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, orders, codes, treaties, conventions, judgments, awards, determinations and decrees of any governmental, regulatory, fiscal or monetary body or court of competent jurisdiction in any applicable jurisdiction, including all Environmental Laws;
- (l) **“Appraised Equipment Value”** means the appraised gross orderly liquidation value of the Fiera Equipment or the Remaining Fiera Equipment, as applicable, under the Machinery and Equipment valuation and review prepared by Gordon Brothers for JMB dated May 5, 2020 and effective April 23, 2020;
- (m) **“ATB”** means ATB Financial;
- (n) **“ATB Agreement”** means the agreement between ATB and the Borrower setting out the terms governing the ATB Assumed Debt;
- (o) **“ATB Aggregate”** means the Acquired Tranche B Aggregate, as such term is defined in the Purchase Agreement;
- (p) **“ATB Assumed Debt”** means that portion of the indebtedness owed by JMB and 216 to ATB which was assumed by the Borrower pursuant to the Plan;
- (q) **“Basis Points”** or **“bps”** means one one-hundredth of one percent;
- (r) **“Borrower”** means Mantle Materials Group, Ltd.;

- (s) **“Business Day”** means a day other than Saturday, Sunday or other day on which commercial banks in Calgary, Alberta or Toronto, Ontario are required by Applicable Law to close;
- (t) **“Capital Stock”** means, with respect to any Person from time to time, any and all shares, units, trust units, partnership, membership or other interests, participations or other equivalent rights in the Person’s equity or capital from time to time, however designated and whether voting or non-voting;
- (u) **“Change in Control”** means any one of the following: (i) the Parent Group or any member or Affiliate thereof ceases to hold fifty (50%) percent of the outstanding Equity Interests of the Borrower; or (ii) in any Fiscal Year, the majority of the Board of Directors of the Borrower changes; provided that, notwithstanding the foregoing, a substitution, addition or change of directors of the Borrower shall not constitute a Change in Control where such newly appointed director or directors are employees, officers or directors of the Parent Group or an Affiliate thereof;
- (v) **“Chattels”** means all the machinery, equipment, furniture, vehicles, goods and tangible personal property of the Borrower as well as every interest of such Loan Party therein, whether as purchaser under a conditional sale agreement, as mortgagor under a chattel mortgage or as lessee under a rental or rental/purchase agreement including all equipment, accessories, tools and appliances thereto now or thereafter fixed or appertaining thereto or used in connection therewith and all other machinery, equipment, furniture, vehicles, goods and Chattels now or hereafter owned or acquired by such Loan Party whether in addition thereto, substitution therefore, replacement thereof, or otherwise;
- (w) **“Closing Date”** means the date on which all conditions precedent set out in Section 12 have been satisfied or waived, in accordance with this Agreement.
- (x) **“Collateral”** means all real and personal property (and the revenues, insurance proceeds, issues, profits, proceeds and products of the foregoing) which are subject, or are intended or required to become subject, to the Security or Encumbrance granted under any of the Loan Documents;
- (y) **“Commitment Fee”** means Ninety Five Thousand (\$95,000) Dollars;
- (z) **“Compliance Certificate”** means a certificate addressed to the Lender and executed by the Borrower in the form attached as Schedule B attached hereto;
- (aa) **“Credit Facilities”** has the meaning set out in Section 3 of this Agreement;
- (bb) **“Crown”** means Her Majesty the Queen in right of the Province of Alberta;
- (cc) **“Current Assets”** means, at any time, those assets ordinarily realizable within one (1) year from the date of determination or within the normal operating cycle, where such cycle is longer than one (1) year;
- (dd) **“Current Liabilities”** means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for Current Assets), but excluding, for certainty, the ATB Assumed Debt;

- (ee) **“Current Ratio”** means the Current Assets divided by the Current Liabilities, excluding the current portion of long term debt;
- (ff) **“Debt Service Coverage”** means EBITDA plus (to the extent not already included) any other non-cash expenses acceptable to the Lender less un-financed capital expenditure, advances to related parties deferred charges, Distributions and cash taxes, divided by the total of (A) scheduled principal repayments in respect of Facility A, (B) principal repayments in respect of Facility B, (C) scheduled principal payments on all other consolidated debt (other than, for greater certainty, payments of ATB Assumed Debt), and (D) all interest payments; provided that for the purposes of this definition (i) at all times, principal repayments in respect of Facility C Principal Amount and Facility D Principal Amount shall be excluded and (ii) for any time up to and including March 31, 2025, repayments of the Facility B Principal Amount shall be excluded. For certainty, beginning with the quarterly fiscal period beginning as of April 1, 2025, principal repayments of the Facility B Principal Amount shall be included in Debt Service Coverage;
- (gg) **“Disposition”** means a disposition of land of the Crown in right of Alberta under the *Public Lands Act*, RSA 2000, Ch. P-40;
- (hh) **“Distribution”** means any amount paid by any Loan Party to or on behalf of the employees, directors, officers, shareholders or partners of any Loan Party or to any Related Person thereto, by way of salary, bonus, commission, management fees, directors’ fees, dividends, redemption of Capital Stock or other Equity Interests, distribution of profits, or otherwise, and whether payments are made to such Persons in their capacity as shareholders, partners, directors, officers, employees, owners or creditors of any Loan Party or otherwise, or any other direct or indirect payment in respect of earnings or capital of any Loan Party; provided however that (A) the payment of salaries and management fees from time to time to partners, officers and employees of a Loan Party in the ordinary course of business at levels not in excess of (i) normal industry remuneration and (ii) those in existence as at the Closing Date shall not be considered Distributions, and (B) the issuance of Capital Stock or other Equity Interests of any Loan Party to any existing shareholder thereof, and the issuance of Capital Stock or other Equity Interests of any Loan Party to any employee under such Loan Party’s long term incentive plan;
- (ii) **“Eastside”** means Eastside Rock Products, Inc.;
- (jj) **“EBITDA”** means, with respect to the Borrower, earnings before interest, taxes, depreciation, depletion expenses, accretion, amortization and payments under Facility B, but does not include such non-cash items as stock based compensation, loss/gain on disposal of assets and/or any one time/non-recurring items. EBITDA shall include adjustments for trailing results of the Transaction and other acquisitions, as reasonably applicable and approved by the Lender, acting reasonably;
- (kk) **“Encumbrance”** means, with respect to any Person or any property, any mortgage, debenture, chattel mortgages, conditional sales contracts, pledge, hypothec, lien, charge, lease, sublease, easement, preference, priority, assignment by way of security, hypothecation or security interest granted or permitted by such Person or arising by operation of law, in respect of any of such

Person's property or assets, or any consignment by way of security or Finance Lease Obligations of such Person as consignee or lessee, as the case may be, or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or other obligation, including title reservations, limitations, provisos or conditions, and "**Encumbrances**" and "**Encumbered**" have corresponding meanings;

- (ll) "**Environmental Complaint**" shall have the meaning set forth in Section 14(bb) hereof;
- (mm) "**Environmental Laws**" shall mean all federal, Canadian, state, provincial and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the environment, human health and/or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of Governmental Authorities with respect thereto which are applicable to the Lands, operations or assets of the applicable Loan Party;
- (nn) "**EPEA**" means the *Environmental Protection and Enhancement Act*, RSA 2000, c E-12 and the regulations thereunder, including the Code of Practice for Pits issued thereunder;
- (oo) "**Equity Interests**" means, in respect of any Person, Capital Stock of such Person, warrants, options or other rights to acquire Capital Stock of the Person and securities convertible into or exchangeable for Capital Stock of such Person;
- (pp) "**Event of Default**" means the occurrence of any event listed in Section 19 hereof;
- (qq) "**Facility D Maturity Date**" means the date that is Eighteen (18) months from the date of the Closing Date;
- (rr) "**Fiera Equipment**" means the tangible personal property listed on Schedule I hereto;
- (ss) "**Finance Lease Obligation**" of any Person means the obligations of such Person under any Finance Lease to which it is a party;
- (tt) "**Finance Leases**" has the meaning ascribed to such term, and, for certainty, includes "lease liabilities" as it relates to a lessee, in the International Financial Reporting Standard 16, as same may be amended from time to time;
- (uu) "**Fiscal Year**" means, in respect of the Borrower, its fiscal year commencing on the 1st of January each year and ending on 31st of December of that same year, or such other fiscal year as may be agreed to by the Lender;
- (vv) "**Funded Debt**" means, with respect to any Person:
 - (i) money borrowed (including, without limitation, by way of overdraft) or indebtedness represented by notes payable and drafts accepted representing extensions of credit;
 - (ii) bankers' acceptances and similar instruments;
 - (iii) letters of credit, letters of guarantee and surety bonds issued at the request of such Person;

- (iv) all obligations (whether or not with respect to the borrowing of money) that are evidenced by bonds, debentures, notes or other similar instruments, excluding any such instruments that are at the sole option of the Borrower, convertible into capital of the Borrower but including without limitation, any indebtedness or liabilities of such Person that may be satisfied by the delivery of shares of such Person to the holder thereof or to another Person on behalf of the holder, or that are not so evidenced but that would be considered by GAAP to be indebtedness for borrowed money;
- (v) all obligations as lessee under sale and lease-back, transactions and Finance Leases;
- (vi) all Purchase Money Obligations of such Person; and
- (vii) any guarantee or indemnity (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business) in any manner of any part or all of an Obligation included in items (a) through (f) above,

and, for certainty, shall include the Credit Facilities but shall not include the ATB Assumed Debt;

- (ww) **“Generally Accepted Accounting Principles”** or **“GAAP”** means those accounting principles recommended by Chartered Professional Accountants Canada (**“CPA Canada”**) as successor to the Canadian Institute of Chartered Accountants) and includes any recommendation in its Handbook concerning accounting treatment or statement presentation, such recommendation shall be regarded as the only generally accepted accounting principle applicable to the circumstances that it covers and reference herein to **“Generally Accepted Accounting Principles”** shall be interpreted accordingly, and means in reference to the Loan Parties, IFRS;
- (xx) **“Governmental Authority”** means (i) any government or political subdivision thereof national, provincial, county, municipal or regional having jurisdiction in the relevant circumstances; (ii) any agency or instrumentality of any such government, political subdivision or other government entity (including any central bank or comparable agency); (iii) any court, arbitral tribunal or arbitrator; and (iv) any non-government regulating body, to the extent that the rules, regulations or orders of such body have the force of law;
- (yy) **“Hazardous Discharge”** shall have the meaning set forth in Section 14(bb) hereof;
- (zz) **“Hazardous Substance”** shall mean, without limitation, any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum products, methane, hazardous materials, Hazardous Wastes, hazardous or Toxic Substances or related materials;
- (aaa) **“Hazardous Wastes”** shall mean all waste materials subject to regulation under any Environmental Laws now in force or hereafter enacted relating to hazardous waste disposal;

- (bbb) **“IFRS”** means International Financial Reporting Standards, including International Accounting Standards and Interpretations together with their accompanying documents, which are set by the International Accounting Standards Board, the independent standard-setting body of the International Accounting Standards Committee Foundation (the **“IASC Foundation”**), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation, but only to the extent the same are adopted in Canada as GAAP and then subject to such modifications thereto as are agreed to as part of such adoption, if any;
- (ccc) **“Indebtedness”** means the principal sum or aggregate amount outstanding at any given time of all loans and advances made, or which may be made, by the Lender to the Borrower (including the Credit Facilities) and interest on such loans and advances and all costs, charges and expenses of, or incurred by the Lender, in connection with any Security and in connection with all Collateral (whether in protecting, preserving, realizing or collecting any such Security or Collateral or attempting so to do or otherwise), and all other obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, of the Borrower to the Lender arising from this or any agreement or dealings between the Lender and the Borrower or from any agreement or dealings with any Person by which the Lender may be or become in any manner whatsoever a creditor of the Borrower or otherwise howsoever arising and whether the Borrower be bound alone or with another or others and whether as principal or surety, including without limitation the fees, costs and expenses contemplated by Section 14(k), it being the express intention of the parties that the word **“Indebtedness”** include such amount as is necessary to indemnify and save harmless the Lender from all such costs, expenses and monies as aforesaid;
- (ddd) **“Interest Rate”** means the rate of interest equal to seven (7%) percent per annum;
- (eee) **“Interest Rate Differential”** means the greater of:
- (i) three (3) months interest calculated in accordance with this Agreement; and
 - (ii) the premium equal to the difference between:
 - (A) the present value of the Credit Facilities interest and the principal payments which are foregone, discounted at the Applicable Canada Bond Yield, (on a compounded monthly equivalent basis, as determined by the Lender), for the term from the date of prepayment to the date of original maturity plus 50 Basis Points; and
 - (B) the face value of the principal amount being prepaid at the date of prepayment;
- (fff) **“Initial Acquisition”** has the meaning set out in the Recitals to this Agreement;
- (ggg) **“Inventory”** has the meaning defined in the *Personal Property Security Act* (Alberta);

- (hhh) “**JMB Dispositions**” means the Dispositions listed on Schedule F under the heading “JMB Dispositions” together with any security deposited with the AEP in respect thereof to secure Reclamation Obligations;
- (iii) “**JMB Loan Agreements**” means the amended and restated loan agreement effective December 14, 2018 between JMB, as borrower, Eastside, as guarantor, and Fiera Private Debt Fund V LP (formerly known as Integrated Private Debt Fund V LP), by its general partner Fiera Private Debt Fund GP Inc. (formerly known as Integrated Private Debt Fund GP Inc.), as lender, together with the loan agreement effective October 17, 2019 between JMB, as borrower, Eastside and 216, as guarantors, and Fund VI, as lender;
- (jjj) “**Lands**” means those lands located in the Province of Alberta and referenced in Schedule G;
- (kkk) “**Loan Documents**” means, collectively, this Agreement, the Security and each agreement, instrument and each certificate, agreement or document executed in connection with or pursuant to any of the foregoing, in each case as the same may be amended, restated, modified, supplemented or replaced from time to time;
- (lll) “**Loan Parties**” means the Borrower, the Guarantors, and each Additional Guarantor, from time to time, and each is a “**Loan Party**”;
- (mmm) “**Material Adverse Change**” means any event, development or circumstance that has had or would reasonably be expected to have a Material Adverse Effect;
- (nnn) “**Material Adverse Effect**” means a material adverse effect on (a) the business, assets, operations or condition, financial or otherwise, of the Borrower, or (b) the amount which the Lender would be likely to receive (after giving effect to delays in payment and costs of enforcement) upon the liquidation of the Collateral;
- (ooo) “**Material Agreement**” means an agreement made between the Borrower, and/or a Guarantor, and another Person which if terminated by reason of breach, wrongdoing or neglect by or on behalf of the Borrower, or a Guarantor, as applicable, would reasonably be expected to have a Material Adverse Effect or result in an Event of Default, and includes, without limitation, those agreements specifically listed in Schedule F;
- (ppp) “**Maturity Date**” means the date that is Ninety-Six (96) months from the date of the Closing Date;
- (qqq) “**Maximum Allowable Interest**” has the meaning ascribed to such term in Section 7(b)(ii);
- (rrr) “**Parent Group**” means RLF Canada Holdings Limited;
- (sss) “**Payment Failure**” has the meaning ascribed to such term in Section 7(d);
- (ttt) “**Permitted Encumbrances**” means the Encumbrances and registrations registered against the Borrower and described in Schedule A attached hereto and forming part of this Agreement;

- (uuu) **“Permitted Future Finance Leases”** means those certain Finance Leases entered into by the Borrower after the advance of the Credit Facilities provided always that that the maximum aggregate limit for all such leases, taken together with Permitted Future PMOs, shall not exceed Four Million (\$4,000,000) Dollars for the Borrower at any time;
- (vvv) **“Permitted Future PMOs”** means the Encumbrances granted against specific purchased property or assets in connection with those certain Purchase Money Obligations entered into by the Borrower after the advance of the Credit Facilities; provided always that that the maximum aggregate limit for all such Purchase Money Obligations, taken together with Permitted Future Finance Leases, shall not exceed Four Million (\$4,000,000) Dollars for the Borrower at any time;
- (www) **“Permitted Future Subordinated Debt”** means Funded Debt, in an amount to be approved by the Lender, which is subordinated to the Credit Facilities and is either unsecured, or if secured, such Encumbrances are subordinated and postponed to the Security, on terms and conditions acceptable to the Lender, acting reasonably;
- (xxx) **“Permitted Future Subordinated Debt Security”** means those Encumbrances securing Permitted Future Subordinated Debt; provided that such Encumbrances are postponed to the Security, on terms and conditions acceptable to the Lender, acting reasonably;
- (yyy) **“Permitted Future Working Capital Security”** means the Encumbrances granted against the Collateral (or any portion thereof) or any other assets or property of the Loan Parties as security for certain credit facilities for the purposes of financing the Borrower and Loan Parties working capital and other operating needs entered into by the Borrower after the advance of the Credit Facilities; provided always that that the maximum aggregate limit for all such credit facilities shall not exceed Five Million (\$5,000,000) Dollars for the Borrower at any time and security for such financings shall be first priority over the Loan Parties’ respective accounts receivable and inventory only;
- (zzz) **“Permitted Restructuring”** is defined in Section 15(p), and for certainty, includes the Planned Reorganization;
- (aaaa) **“Person”** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, limited partnership, Governmental Authority or other entity;
- (bbbb) **“PLA”** means the *Public Lands Act*, RSA 2000, c P-4 and all regulations thereunder.
- (cccc) **“Plan”** has the meaning set out in the Recitals to this Agreement;
- (dddd) **“Planned Reorganization”** has the meaning given to it in Section 15(p);
- (eeee) **“Pledged Securities”** means the Equity Interests of the Loan Parties and other Persons that are specifically pledged as part of the Security from time to time;
- (ffff) **“Property”** means, with respect to any Person, any or all of its undertaking, property and assets;

- (gggg) **“Purchase Agreement”** means the amended and restated purchase agreement dated as of March 3, 2021, entered into between, *inter alios*, JMB and 216, as vendors, and Mantle, as purchaser, as may be further amended;
- (hhhh) **“Purchase Money Obligations”** means any indebtedness incurred, assumed or owed by the Borrower as all or part of, or incurred or assumed by the Borrower to provide funds to pay all or part of the purchase price of any property or assets acquired by the Borrower;
- (iiii) **“Purchased Pits”** means the gravel and aggregate pits located on the Lands;
- (jjjj) **“Reclamation Obligations”** means the reclamation and remediation obligations in respect of the Aggregate Pits under the EPEA and the PLA;
- (kkkk) **“Related Person”** in relation to any Person means a subsidiary, affiliate, associate, employee or partner of such Person, or an associate of such employee (the terms “subsidiary”, “affiliate” and “associate” having the respective meanings ascribed thereto in the Canada *Business Corporations Act*;
- (llll) **“Relevant Jurisdiction”** means, from time to time, with respect to a Person that is granting Security hereunder, any province or territory of Canada or state of the United States of America in which such Person is incorporated or formed, has its chief executive office or chief place of business or has Collateral and, for greater certainty, includes the provinces set out in Schedule H;
- (mmmm) **“Remaining Fiera Equipment”** means the Fiera Equipment that is not sold to Persons other than the Borrower during the SISP or to be retained by a Loan Party;
- (nnnn) **“Retained Fiera Equipment Amount”** means the aggregate Appraised Equipment Value of all Fiera Equipment which any Loan Party elects, in its sole discretion, to retain;
- (oooo) **“Sale”** means each sale by the Borrower of the Fiera Equipment in a commercially reasonable manner that is acceptable to the Lender, acting reasonably;
- (pppp) **“Security”** means any security or security documentation (including any evidences of debt) as more fully described in Section 11 hereof, granted by a Loan Party to the Lender (including, for certainty, the Security to be delivered by a Subsidiary pursuant to Section 14(ii)) to secure the Indebtedness, and includes any amendments thereto or renewals or substitutions thereof;
- (qqqq) **“SISP”** means the Court approved sale and investment solicitation process to market and sell the property and assets of JMB;
- (rrrr) **“SISP Equipment Disposition Amount”** means the aggregate net proceeds of sale of any Fiera Equipment under the SISP or during the CCAA Proceedings to one or more Persons other than the Borrower;
- (ssss) **“Subsidiary”** of any Person means any other Person of which Capital Stock or other Equity Interests having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners’ Capital Stock or other

Equity Interests or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any one or more of that first Person and the Subsidiaries of that first Person, and includes any other Person in like relationship to a Subsidiary of that first Person;

- (tttt) **“Term Sheet”** means that certain letter dated July 20, 2020, delivered on behalf of the Lender to the Borrower prior to the date hereof, and any amendments thereto or substitutions therefore, a copy of which is attached hereto and marked as Schedule D;
- (uuuu) **“Third Party”** means a Person other than the Borrower, the Guarantors, the Lender or any Affiliate thereof;
- (vvvv) **“Total Senior Funded Debt”** means all Funded Debt other than Permitted Future Subordinated Debt, including, without limitation, any operating debt, short term debt, senior long term debt, and all financial contingent obligations (including without limitation, financial guarantees, capitalized interest, and obligations pursuant to any Finance Leases); provided that for the purposes of this definition (i) at all times, it shall exclude Indebtedness under Facility C and Facility D, and (ii) for any time up to and including December 31, 2023, it shall exclude the principal amount then outstanding under Facility B, but for all periods and thereafter, it shall include the net present value (as determined in accordance with GAAP using a discount rate equivalent to the Interest Rate) of the principal amount then outstanding under Facility B;
- (wwww) **“Toxic Substance”** shall mean and include any material present on the Real Property or the Leasehold Interests which has been shown to have significant adverse effect on human health or which is subject to regulation under applicable Environmental Laws; and
- (xxxx) **“Transaction”** has the meaning set out in the Recitals to this Agreement.

2. Preamble, Schedules, and Amendment and Restatement

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

Except as otherwise stated herein, as of the date hereof, the terms, conditions, covenants, agreements, representations and warranties set forth in the JMB Loan Agreements are hereby replaced and superseded in their entirety by the terms, conditions, covenants, agreements, representations and warranties set forth in this Agreement. The amendment and restatement contained herein, other than to the extent expressed hereunder, shall not, in any manner, be construed to constitute payment of, or impair, limit, cancel or extinguish, or constitute a novation in respect of, the indebtedness and other obligations and liabilities of the Loan Parties, as applicable, secured under or in connection with the JMB Loan Agreements or any of the Encumbrances and security interests securing such indebtedness and other obligations and liabilities, which shall not in any manner be impaired, limited, terminated, waived or released. The JMB Loan Agreements continue, up to the date hereof, to constitute a legal, valid and binding obligation of the Loan Parties, to which they are a party, enforceable against it in accordance with its terms.

3. Establishment of Credit Facilities and Advance

Subject to the terms and conditions of this Agreement, the following credit facilities are deemed to be fully advanced (collectively, the “**Credit Facilities**”) pursuant to advances from time to time to JMB under the JMB Loan Agreements:

- (a) a non-revolving facility (“**Facility A**”) with a fixed rate term option, in the principal amount equal to Three Million Five Hundred and Fifty Thousand (\$3,550,000) Dollars, which amount is inclusive of \$50,000 of the Commitment Fee Dollars, plus, to the extent applicable, the Retained Fiera Equipment Amount (collectively, the “**Facility A Principal**”);
- (b) a non-revolving facility (“**Facility B**”), non-interest bearing, available in the principal amount equal to Six Million One Hundred and Twenty Five Thousand (\$6,125,000) Dollars (the “**Facility B Principal**”);
- (c) a non-revolving facility (“**Facility C**”), non-interest bearing, available in a principal amount (the “**Facility C Principal**”) equal to the lesser of (i) the aggregate Appraised Equipment Value of the Fiera Equipment, less (A) the SISP Equipment Disposition Amount, and (B) the Retained Fiera Equipment Amount, and (ii) the Aggregate Equipment Sale Net Proceeds, which as of the date hereof is estimated to be Three Million Six Hundred Ninety Five Thousand Six Hundred Thirty (\$3,695,630) Dollars; and
- (d) a non-revolving facility (“**Facility D**”) with a fixed rate term option, in the principal amount equal to One Hundred and Fifty Thousand (\$150,000) Dollars (the “**Facility D Principal**”).

Each Credit Facility shall be evidenced by a promissory note made and delivered by the Borrower in favour of the Lender (each, a “**Promissory Note**”), and if not already delivered on or prior to the Closing Date, each such original Promissory Note may be provided on a post-closing basis within 30 days of the Closing Date. The Promissory Notes shall be dated as of the date hereof, shall be in the principal amount of each Credit Facility and shall bear interest, if applicable, at the Interest Rate as hereinafter provided. The Credit Facilities shall be deemed to have been already advanced by the Lender to the Borrower as follows:

- (i) \$11,818,944.71 (87.41%) by Fund V; and
- (ii) \$1,701,685.29 (12.59%) by Fund VI.

Any payment of Indebtedness pursuant to the provisions hereof shall be deemed to be made *pro rata* in proportion to the Advances outlined above.

4. Purpose

The Borrower acknowledges its assumption pursuant to the Plan of that portion of the indebtedness owing to the Lender under the JMB Loan Agreements equal to the aggregate of the Facility A Principal, the Facility B Principal, the Facility C Principal, and the Facility D Principal, that such amounts were fully advanced to JMB and were not repaid, such assumption does not constitute a repayment of such assumed indebtedness, and such assumption and the granting by the Lender to the Borrower of the Credit Facilities have facilitated the completion of the Transaction.

5. Evidence of Indebtedness

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

6. Repayment

The Borrower agrees to repay Facility A with interest as aforesaid calculated daily not in advance, as follows:

- (a) provided there has occurred no Event of Default that is continuing, interest only payments at the Interest Rate for Twenty-Four (24) months on a quarterly basis following the Closing Date (the "**Interest-Only Period**");
- (b) blended monthly payments of principal and interest at the Interest Rate for Seventy-Two (72) months following the Interest-Only Period, all as more particularly specified in the amortization and payment schedule set out in the attached Schedule E; and
- (c) all other amounts outstanding with respect to Facility A pursuant to this Agreement or the Security, plus any interest and fees in connection therewith, shall be due and payable on the Maturity Date.

The Borrower agrees to repay Facility B in monthly payments commencing Twelve (12) months following the Closing Date based on \$1 per tonne of Aggregate sold by the Borrower to Third Parties, which such sum shall increase on each subsequent anniversary of the Closing Date by a rate of 2% per annum compounding annually; such monthly payments shall be payable Fifteen (15) days following the end of each month after commencement on the basis of the proceeds of such sales actually received in the last month by the Borrower, and shall continue until the Maturity Date, at which such time the Facility B Principal shall be due and payable in full.

The Borrower agrees to repay Facility C from time to time from the proceeds of any Sale of the Remaining Fiera Equipment, net of such reasonable costs associated with or incurred in such Sale as approved by the Lender and any Post-First Anniversary Maintenance Costs described in Section 14(g)(ii), and to remit, or authorize the Lender to debit from its account, as applicable, such net proceeds to the Lender, within Fifteen (15) days following the end of each month after commencement on the basis of the proceeds of such sales actually received in the last month by the Borrower; provided that in the event (i) the amount of such net sale proceeds in the aggregate does not then exceed \$1,000, no such payment shall then be required and instead shall be deferred until the next date of payment and (ii) in the event that such net sale proceeds at any time prior to such payment date exceeds \$500,000 or includes net proceeds of the sale of the last piece of the Fiera Equipment, the Borrower shall make an interim payment of such net sale proceeds within Five (5) days. Upon the Sale of the last piece of Fiera Equipment and repayment of the net proceeds thereof in accordance with this provision, the Facility C Principal shall be deemed to be repaid in full. For certainty, if the aggregate of all proceeds

realized on the Sales exceeds the Facility C Principal, the Lender shall be entitled to retain the full benefit of such proceeds.

The Borrower agrees to repay Facility D with interest as aforesaid calculated daily not in advance, as follows:

- (a) quarterly payments of interest at the Interest Rate for Eighteen (18) months following the Closing Date, all as more particularly specified in the amortization and payment schedule set out in the attached Schedule E; and
- (b) the Facility D Principal Amount, and all other amounts outstanding with respect to Facility D pursuant to this Agreement or the Security, plus any interest and fees in connection therewith, shall be due and payable on the Facility D Maturity Date.

Without in any way limiting the foregoing, and notwithstanding anything contained herein, the parties hereto expressly acknowledge, covenant and agree that any net proceeds from the sale of any JMB Dispositions and/or 216 Dispositions shall be immediately payable and transferred to the Lender upon receipt, to be applied against the then outstanding Indebtedness to the Lender, in accordance with Section 8 herein.

Each of the Loan Parties further acknowledge, covenant and agree that any and all net proceeds from the sale of Surface Material Lease No. 060060 in favour of 216 located within SW-13-65-18-W4M, shall be immediately payable and transferred to the Lender upon receipt, to be applied as follows:

- (a) *firstly*, up to One Hundred Thousand (\$100,000) Dollars (the “**Economic Cost**”) to be applied by the Lender towards any costs, fees, and disbursements incurred in relation to this Agreement and the CCAA Proceedings; and
- (b) *secondly*, the remainder of the sale proceeds in excess of the Economic Cost to be applied towards the outstanding Indebtedness under the Credit Facilities, to be allocated to the Credit Facilities as mutually agreed to between the Borrower and the Lender.

7. Interest

- (a) The Borrower agrees to pay interest on the unpaid Facility A Principal Amount and Facility D Principal Amount outstanding from time to time from the Closing Date until repayment in full of such Facility A Principal Amount or Facility D Principal Amount, respectively, at a rate per annum (calculated on the basis of a 365/366 day year), equal to the Interest Rate. Interest at such rate shall be payable monthly, or quarterly, as applicable, and as more particularly specified in the amortization and payment schedule set out in the attached Schedule E both before and after demand, default, maturity and the obtaining of any judgment by the Lender against the Borrower and all interest on becoming overdue shall be treated, as to payment of further interest, as principal and shall bear compound interest at the rate payable with respect to Facility A and Facility D both before and after the obtaining of any judgment by the Lender against the Borrower to the extent permitted by Applicable Law.
- (b) Notwithstanding anything to the contrary hereinbefore or hereinafter contained in the Loan Documents or any of them, the parties hereto expressly acknowledge, covenant and agree that:

- (i) the Loan Documents shall not constitute an agreement or arrangement whereby or pursuant to which the Lender would or will receive Interest on an Advance at a Criminal Rate of Interest;
 - (ii) this Agreement shall at all times be construed, interpreted and, to the extent required, deemed to have been amended to reflect and provide that the maximum Interest that the Lender is and shall be entitled to charge and receive in respect of the Advance shall be 1/10th of 1% less than the Criminal Rate (the “**Maximum Allowable Interest**”);
 - (iii) no payment or partial payment of interest on the Credit Facilities shall be in excess of the Maximum Allowable Interest;
 - (iv) any payment of Interest made by the Borrower on account of the Credit Facilities that would be in excess of the Maximum Allowable Interest or would otherwise be deemed to be at a Criminal Rate shall, in respect of the amount that is in excess of the Maximum Allowable Interest or is at a Criminal Rate, be deemed to be held in a suspense account, with the applicable Maturity Date being extended as necessary to make such payment less than the Maximum Allowable Interest; and
 - (v) for the purposes hereof, “Criminal Rate” and “Interest” shall have the meaning specified in the *Criminal Code of Canada*.
- (c) For purposes of the *Interest Act* (Canada) (A) whenever a rate of interest hereunder is calculated on the basis of a year (the “deemed year”) which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year; (B) the principal of deemed reinvestment shall not apply to any interest calculation hereunder; and (C) the rates of interest quoted by Lender to the Borrower pursuant hereto are intended to be nominal rates and not effective rates or yields.
- (d) Notwithstanding any other provision to the contrary herein, if the Borrower fails to pay any amount of principal, interest or other amount payable hereunder on the due date for any such amount (a “**Payment Failure**”), then during the occurrence and continuance of such Payment Failure, interest on such overdue amount shall accrue at a rate equal to the Interest Rate plus 2% per annum to the maximum extent permitted by Applicable Law (i) calculated and accruing daily from and including such due date up to but excluding the date of actual payment, both before and after demand, default or judgment, (ii) compounded monthly on the first Business Day of each calendar month with the amount of such accrued interest being added to the outstanding principal amount on such Business Day; and (iii) shall be payable by the Borrower on the earlier of: (a) the date on which the Borrower has remedied such Payment Failure, (b) the date on which the Indebtedness has been paid in full, and (c) the Maturity Date or Facility D Maturity Date, if and as applicable.

8. Prepayment

Provided no Event of Default has occurred and is continuing, the Borrower shall have the ability:

- (a) to prepay all (and only all) of the Indebtedness outstanding at any time in relation to Facility A by provision of thirty (30) days' notice and payment of the Interest Rate Differential;
- (b) to prepay some or all of the Indebtedness outstanding at any time in relation to Facility B, Facility C, and Facility D in accordance with the payment process set forth in Section 9 below for such Credit Facilities, without any further notice, bonus or penalty,

provided however, that any partial prepayment shall in no way release the Borrower from its obligation to make any payments required pursuant to the provisions of the Security or this Agreement.

9. Payment Process

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

All sums to be paid to the Lender in respect of Facility B and Facility C pursuant to this Agreement, whether for principal, interest or otherwise, shall be paid to the Lender by way of an authorization and direction from the Borrower specifying the date and the amount of the applicable payment and permitting the Lender to withdraw the amount of any such payment to the Lender. The Borrower will from time to time provide such further authorization or other authorization or direction as required to allow the Lender to charge or be paid, as applicable, all the payments due and payable under this Agreement within the time specified for such payment in Section 6.

10. Fees

The Borrower shall pay to the Lender, on or prior to the date of the Closing Date, \$45,000 of the Commitment Fee in respect of the Credit Facilities (less any non-refundable upfront portion of the Commitment Fee which has been previously paid by the Borrower prior to the Closing Date as acknowledged and received by the Lender). The remaining \$50,000 of the Commitment Fee shall be added to and form part of the Facility A Principal and shall be payable during the course of this Agreement as such.

11. Security

To secure the due and punctual payment of the Indebtedness, and to secure the due and punctual performance of each of the Loan Parties' and the Parent Group's obligations and covenants hereunder, each of the Loan Parties and the Parent Group have, as applicable, executed, or shall execute and deliver, or cause to be executed and delivered to or assigned in favour of the Collateral Agent, or the Lender, as required herein, the Security.

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

- (a) an amended and restated collateral agency agreement among the Lender, the Borrower, and the Guarantors, amending and restating the Existing Collateral Agency Agreement in its entirety;
- (b) a general security agreement from Mantle in favour of the Lender granting a first ranking security interest in all of its present and after-acquired property, assets and undertaking;
- (c) an unlimited guarantee from JMB in respect of the Borrower's Indebtedness owing to the Lender;
- (d) a general security agreement from JMB in favour of the Lender granting a first ranking security interest in all of its present and after-acquired property, assets and undertaking;
- (e) an unlimited guarantee from 216 in respect of the Borrower's Indebtedness owing to the Lender;
- (f) a general security agreement from 216 in favour of the Lender granting a first ranking security interest in all of its present and after-acquired property, assets and undertaking;
- (g) an assignment of Material Agreements granted by the Borrower and Guarantors in favour of the Lender, in respect of, without limitation, each aggregate royalty agreement to which a Loan Party is a party, together with the interest in the Lands subject thereto created thereby, including the aggregate royalty agreements identified in Schedule G hereto;
- (h) acknowledgments or notices, as required by the Lender, of the assignment of Material Agreements set forth in Subsection 11(e), from each of the landlords under the aggregate royalty agreements identified in Schedule G hereto;
- (i) a mortgage of lease granted by JMB in favour of the Collateral Agent in respect of certain surface material leases granted by the Crown to JMB, including those surface material leases identified in Schedule G hereto held by JMB (the "**JMB SMLs**");
- (j) conditional surrender of leases granted by JMB in favour of the Collateral Agent in respect of the JMB SMLs;
- (k) a mortgage of lease granted by 216 in favour of the Collateral Agent in respect of certain surface material leases granted by the Crown to 216, including those surface material leases identified in Schedule G hereto held by 216 (the "**216 SMLs**");
- (l) conditional surrender of leases granted by 216 in favour of the Collateral Agent in respect of the 216 SMLs;

- (m) a memorandum of agreement among Her Majesty the Queen in right of the Province of Alberta, as represented by Alberta Environment and Parks, and the Collateral Agent;
- (n) landlord waivers and other inter-creditor agreements as may be required by the Lender, including, without limitation, in respect of the Bonnyville Lease; provided that the Loan Parties shall only be required to use commercially reasonable efforts to obtain such agreement;
- (o) a postponement and assignment of creditor's claims and postponement of security executed by each shareholder of the Borrower and/or member of the Parent Group;
- (p) a limited recourse guarantee and pledge of all Equity Interests of the Loan Parties that are owned by the Parent Group, pledged by the Parent Group in favour of the Lender, with all stock transfer power of attorneys in respect thereof endorsed in blank;
- (q) a pledge of all Equity Interests of the Loan Parties that are owned by JMB, pledged by JMB in favour of the Lender, with all stock transfer power of attorneys in respect thereof endorsed in blank;
- (r) an assignment of insurance granted by the Borrower and Guarantors in favour of the Lender;
- (s) a certificate of insurance/binder letter showing the Lender as first loss payee pursuant to the Standard Mortgage Clause provisions;
- (t) a blocked accounts agreement with The Toronto-Dominion Bank in respect of the Borrower's deposit accounts, in form satisfactory to the Lender, acting reasonably;
- (u) a priority agreement among the Borrower, the Guarantors, the Lender and ATB Financial; and
- (v) such other security against the property and assets of the Loan Parties as may be reasonably required by the Lender,

provided that each of the Security in subsections (h), (n), (t) and (u), may be provided on a post-closing basis, in the case of subsections (h), (n) and (t) within 90 days of the Closing Date and in the case of subsection (u), within 30 days of the Closing Date, in any case, using commercially reasonable efforts. With the respect to the share certificate(s) of JMB required to be delivered to the Lender in connection with subsection (p), such share certificates shall be provided to the Lender or its counsel on a post-closing basis, within 10 days of the Closing Date; provided that to the extent the Planned Reorganization becomes effective prior to the delivery of such JMB share certificate(s) required to be delivered pursuant to subsection (p), delivery of replacement share certificate(s) to the Lender will instead be required within 10 days of the Planned Reorganization, in accordance with Section 15(p) herein.

The Loan Parties and the Parent Group will from time to time at their expense duly authorize, execute and deliver to the Lender such further instruments and documents and take such further action as the Lender or Collateral Agent, as applicable, may reasonably request for the purpose of obtaining or preserving the full benefits granted or intended to be granted to the Lender or Collateral Agent, as applicable, pursuant to the Security and of the rights and

remedies therein granted to the Lender or Collateral Agent, as applicable, including without limitation, the filing of financing statements or other documents under any Applicable Law with respect to the liens created thereby. Unless prohibited by Applicable Law, each of the Loan Parties and Parent Group authorize the Lender or Collateral Agent to file any such financing statement or similar documents without the signature of such Loan Party or Parent Group.

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

To the extent any of the Loan Parties have previously executed certain Loan Documents in favour of the Lender or Collateral Agent pursuant to the JMB Loan Agreements, each of them (i) reaffirms and agrees that the security interests granted under each such Loan Document to which it is a party are continuing, with the ranking that it is expressed to have (as applicable), continue as collateral security for the prompt and complete payment when due (whether at stated maturity, by acceleration or otherwise) of all Obligations under the Credit Facilities and are and shall remain in full force and effect, except as amended hereby, and (ii) acknowledges and reaffirms all Obligations owing by each of them to the Lender under the Loan Documents as amended hereby.

12. Conditions Precedent and Effectiveness

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

- (a) at or prior to the Closing Date, no Event of Default shall have occurred and be continuing;
- (b) the Borrower shall have obtained from the Court:
 - (i) a sale approval and vesting order from the Court in respect of the Transaction vesting in the Borrower the property and assets purchased pursuant to the Purchase Agreement free and clear of all Encumbrances other than Permitted Encumbrances;
 - (ii) an order vesting all Remaining JMB Assets and Remaining JMB Liabilities (as such terms are defined in the Purchase Agreement) in 216, but subject to any Encumbrances attaching thereto; and
 - (iii) an order sanctioning the Plan;
- (c) the Lender shall have received this Agreement, the other Loan Documents (including, without limitation the Security in Section 11 and any necessary consents or subordinations of third parties as may be required by the Lender) and all other documentation related hereto and thereto duly executed and delivered by the Loan Parties and in form and substance satisfactory to the Lender and its legal counsel;

- (d) the Lender shall have received the Purchase Agreement, the Plan and all other documentation related thereto and to the Transaction duly executed and delivered by the Loan Parties, in form and substance satisfactory to the Lender and its legal counsel;
- (e) the Lender shall have first ranking security over all Property of the Loan Parties pursuant to the Security, subject only to Permitted Encumbrances, and the Loan Documents (other than those expressly permitted to be delivered or registered on a post-closing basis) shall have been registered, recorded or filed in all jurisdictions deemed necessary by the Lender and its legal counsel;
- (f) the Lender shall have received certificates representing all Pledged Securities and endorsements executed in blank relating to those certificates;
- (g) the Lender shall have received an undertaking from the Parent Group committing to make a minimum \$3,500,000 cash equity contribution to the Borrower by the first anniversary of the Closing Date, or by such other date or amount as may be agreed to in writing by the Borrower, the Parent Group and the Lender;
- (h) the Lender shall have received payment in full from the Borrower of all reasonable legal fees and out of pocket expenses of legal counsel to the Lender, up to the amount of One Hundred Thousand (\$100,000) Dollars, which have become due in respect of the preparation of the loan documentation in connection with the Credit Facilities (for greater certainty such legal fees shall not include any legal fees of the Lender in connection with the CCAA Proceedings), and the Lender shall have received payment in full from the Borrower the balance of the Commitment Fee;
- (i) at the Lender's discretion, but subject to Permitted Encumbrances, the Lender shall have received from all of the secured creditors who have registered against a Loan Party pursuant to the PPSA appropriate discharges or acknowledgments in favour of the Lender, in a form acceptable to the Lender, specifying the collateral which is the subject matter of such registration in its favour;
- (j) the Lender shall have completed to its satisfaction (at its sole and absolute discretion) its due diligence of the Loan Parties and be reasonably satisfied with, without limitation: (i) the organizational, legal, management and capital structure of the Loan Parties, (ii) the nature and status of all insurance, material contractual obligations, securities, labour, tax, employee benefit (including pension plan), regulatory and environmental and health and safety matters, (iii) the structure, steps in connection with and tax effect of any transactions contemplated by this Agreement, (v) anti-money laundering due diligence in respect of the Loan Parties, and (vi) any other matters involving or affecting any Loan Party as is required to be disclosed in this Agreement as at the Closing Date, and in connection therewith, the Lender shall have received true and complete copies of all relevant documents relating thereto;
- (k) the Lender shall have received copies of all Leases between the Loan Parties and their landlords in respect of the premises operated by it and the Lender shall be satisfied with them in its sole discretion;
- (l) the Loan Parties shall have delivered or cause to be delivered to the Lender, as requested by the Lender, all documentation and other information required under

Anti-Terrorism Laws by any Governmental Authority including, without limitation, “know your customer” rules and regulations;

- (m) the Loan Parties, as applicable, shall have delivered to the Lender and their solicitors in form and substance satisfactory to the Lender, acting reasonably:
 - (i) a certificate of each Loan Party, certifying as to its constating documents and bylaws (copies of which shall be attached to such certificate), a list of its officers and directors with specimens of the signatures of those who are executing Loan Documents on its behalf, and the corporate or equivalent proceedings taken to authorize it to execute, deliver and perform its obligations under the Loan Documents and such other corporate information as the Lender may reasonably require;
 - (ii) a certificate of status, compliance, good standing or similar certificate for the jurisdiction of incorporation of each Loan Party and for each jurisdiction where any such Loan Party carries on business or where registrations or filings in relation to the Security made by that Loan Party have been effected;
 - (iii) currently dated opinions, addressed to the Lender in form and substance satisfactory to the Lender and Lender’s counsel, acting reasonably and in accordance with customary opinion practise, from counsel for the Loan Parties, and such other local counsel to the Loan Parties as the Lender may reasonably require and opining to such matters as the Lender or its solicitors may require; and
 - (iv) such additional supporting documents as the Lender or its counsel may reasonably request;
- (n) the Lender shall have received certificates of insurance or other evidence that the covenants and conditions of the Loan Documents concerning insurance coverage are being complied with;
- (o) the Loan Parties (as at such time) shall have delivered to the Lender a certificate signed by an authorized officer of each Loan Party to the effect that as at the date of the Closing Date:
 - (i) all of the representations and warranties of the Loan Parties herein shall be true and correct on and as of the Closing Date as though made on and as of such date; and
 - (ii) no other event shall have occurred that, in the Lender’s sole discretion, materially adversely affects or could have a Material Adverse Effect.
 - (iii) all conditions precedent contained in this Agreement and the other Loan Documents to be observed or performed by the Loan Parties have been observed or performed; and
 - (iv) at or prior to the Closing Date, no Event of Default shall have occurred and be continuing;
- (p) all necessary governmental and third party consents and approvals necessary in connection with this Agreement and the transactions contemplated hereby,

including the Transaction, shall have been obtained (in form and substance reasonably acceptable to the Lender) and shall remain in effect. All applicable government filings shall have been made and all applicable waiting periods shall have expired without in either case any action being taken by any competent authority; and no law or regulation shall be applicable in the judgement of the Lender that restrains, prevents or imposes materially adverse conditions upon this Agreement or the transactions contemplated hereby;

- (q) the Lender must have received consents that are required from the directors, shareholders, partners or members of the Loan Parties, either in connection with the pledges of Pledged Securities or in connection with any disposition of the Pledged Securities upon enforcement of the Security; and
- (r) the Lender having received all fees required pursuant to the Term Sheet.

13. [Intentionally Deleted]

14. Affirmative Covenants

Each Loan Party covenants and agrees that they each shall:

- (a) with respect to the Borrower, it will duly and punctually repay to the Lender amounts owing pursuant to the Credit Facilities and interest thereon, as applicable, as provided in this Agreement and all other sums payable pursuant to the terms of this Agreement, on the dates, at the places, in the monies and in the manner provided for in the Loan Documents;
- (b) perform, observe and comply at all times with the covenants, terms, conditions, stipulations and provisos of the Loan Documents and other reasonable requirements stipulated by the Lender from time to time;
- (c) upon request of the Lender, execute and deliver or cause to be executed and delivered to the Lender such further and other documents, agreements, opinions, conveyances, mortgages, assignments, pledges and assurances from time to time as the Lender or its solicitors may reasonably require for the purpose of protecting or perfecting the Security, including any after acquired property whether or not now charged under the Security, all to be in such form and to contain such terms and conditions as may be required by the Lender's solicitors;
- (d) fully and effectually maintain and keep maintained the Security hereby created as valid and effective security at all times;
- (e) execute as required, and deliver to the Lender such other instruments of security, assurances and documentation as the Lender may require in accordance with the terms and conditions of Loan Documents, including, but not limited to, agreements for the benefit of the Lender from landlords of leased Premises designated by the Lender in which any Loan Party carries on business and from counterparties to material contracts and material permits designated by the Lender, all of which instruments of security, evidences of indebtedness and documents shall be in such form and shall contain such terms and conditions as may be required by the Lender's solicitors;
- (f) repair and keep in repair and good order and condition all buildings, erections, machinery and other plant and equipment and appurtenances thereto, the use of

which is necessary or advantageous in connection with its business, up to a modern standard of usage and maintain the same consistent with the best practice of other corporations having similar undertakings; renew and replace all and any of the same which may be worn, dilapidated, unserviceable, obsolete, inconvenient or destroyed or may otherwise require renewal or replacement and at all reasonable times allow the Lender or its representative access to its premises in order to view the state and condition the same are in and in the event of any loss or damage thereto or destruction thereof, the Lender may give notice to the Borrower to repair, rebuild, replace or reinstate within a time to be determined by the Lender and to be stated in such notice and upon such Loan Party failing to so repair, rebuild, replace or reinstate within such time, such failure shall constitute default hereunder, and will keep all of its assets in good condition and repair and maintain and replace as required according to the nature thereof;

- (g) store and maintain in current condition the Remaining Fiera Equipment at the Borrower's premises located in the Town of Bonnyville, in the Province of Alberta, other than Remaining Fiera Equipment currently located in Washington State which shall be stored at an acceptable location in Washington State determined by the Borrower and the Lender (acting reasonably), and maintain casualty and property insurance in respect of the Remaining Fiera Equipment in amounts not less than the Appraised Equipment Value, provided that:
 - (i) commencing on the first anniversary of the Closing Date, any reasonable costs incurred by the Borrower thereafter to maintain, insure and/or provide security for the Remaining Fiera Equipment (such costs, after the first anniversary of the Closing Date, being "**Post-First Anniversary Maintenance Costs**") shall be the responsibility of the Lender and shall be reimbursable from amounts payable to the Lender under Facility C in the manner described in Section 6; and
 - (ii) in the event that it is not possible for the Borrower to obtain casualty and property insurance in respect of the Remaining Fiera Equipment, the Remaining Fiera Equipment shall be at the risk of the Lender provided that the Borrower makes commercially reasonable arrangements for security of such Remaining Fiera Equipment;
- (h) the Borrower shall employ reasonable commercial efforts to sell the Remaining Fiera Equipment in a commercially reasonable manner that is acceptable to the Lender, acting reasonably;
- (i) keep in good repair and free from all Encumbrances, other than the Security and Permitted Encumbrances, of any nature whatsoever any and all Chattels which are now or which may in the future be used either directly or indirectly in the operations and business of the Loan Parties;
- (j) duly and punctually pay all debts and obligations to or on behalf of or in respect of workmen, employees and others which, if unpaid, might under the laws of Canada or of the Provinces of Alberta or British Columbia (or the equivalent legislation applicable in the State of Washington) priority over the Security hereby created or any part thereof;
- (k) promptly pay the full amount of:

- (i) any reasonable charges by or expenses of the Lender in inspecting, protecting or valuing each Loan Party's assets;
- (ii) all costs, fees, disbursements, charges and expenses, including all reasonable legal fees and disbursements incurred by the lender as between a solicitor and its own client in connection with the Credit Facilities, the preparation, execution and registration as appropriate, of any Loan Document; in investigating or perfecting title to each Loan Party's assets and the capacity of each Loan Party to borrow the money secured hereby; in preparing and registering the Security, and all documents incidental or collateral hereto; in advancing any portion of the monies secured under the Security, in taking, recovering and keeping or attempting to procure possession of each Loan Party's assets or any part thereof; in enforcing or attempting to enforce the personal remedies or any other remedies available under the Security; in collecting or attempting to collect any of the monies secured under the Security; in realizing or attempting to realize on any Security collateral hereto; in any foreclosure or other proceedings, judicial or otherwise, to protect each Loan Party's assets or to realize on the Security or any part thereof; or in connection with any receivership and if a solicitor is retained in connection with any of the foregoing, such solicitor's fees and disbursements shall be paid on a solicitor and his own client basis and, at the option of the Lender, on the basis of a lump sum bill; and if any other professional person or firm is retained or employed such person's or firm's fees shall be paid on the basis of his or its normal professional charges; and
- (iii) all other reasonable costs and expenses of the Lender incurred in connection with the Credit Facilities;
- (l) pay or cause to be paid all sums that become due by a Loan Party to any person, subject to the obligation of such Loan Party to make payments to the Lender hereunder;
- (m) pay or cause to be paid all business taxes as and when the same become payable and upon request produce to the Lender receipts thereof;
- (n) make or cause to be made all payments required pursuant to any mortgage, charge or Encumbrance which has priority to any of the Security;
- (o) subject to Section 141(g)(ii), maintain insurance on all of its assets and properties with financially sound and reputable insurance companies against such perils as is usual with corporations holding similar assets and properties and in an amount not less than their full insurable value, as required by the Term Sheets, and is acceptable to the Lender and its solicitors and provide proof of same to the Lender;
- (p) maintain public liability insurance with financially sound and reputable insurance companies as is usual for corporations conducting businesses similar to the Borrower and as is acceptable to the Lender and its solicitors and provide proof of same to the Lender;

- (q) forthwith upon request furnish at its own expense, a certificate of a competent appraiser or other competent person selected by the Lender as to the sufficiency or otherwise of any insurance and as to the type and amount thereof;
- (r) provide upon request any information, whether financial or otherwise, which the Lender may reasonably require from time to time;
- (s) keep adequate records and books of account in accordance with Generally Accepted Accounting Principles and permit, upon reasonable notice by the Lender to the Borrower, the Lender by its agents, accountants and solicitors to enter upon the premises of a Loan Party and examine such Loan Party's records and books of account and make extracts therefrom and to discuss the records and books of account with officers of such Loan Party at such reasonable times as may be required by the Lender;
- (t) upon reasonable notice by the Lender to the Borrower, permit the Lender its servants and agents, to enter at all reasonable times into and upon the Lands and premises owned or occupied by a Loan Party and view the state and condition thereof and of all such Loan Party's Collateral;
- (u) give to the Lender prompt and immediate notice of any statement of claim, petition writ or other Court process, or distress or seizure that may affect a Loan Party, where such claim, petition writ or Court process advances claims or affects assets of Loan Party in an amount in excess of One Hundred Thousand (\$100,000) Dollars;
- (v) give written notice to the Lender of the occurrence of an Event of Default hereunder or of any other event which, with the giving of notice or the lapse of time, would constitute an Event of Default hereunder, forthwith upon the happening of such occurrence and provide the Lender with details of the action taken or proposed to be taken such Loan Party to remedy same;
- (w) maintain its corporate existence and do all such acts as are required in order to permit it to legally carry on its business;
- (x) carry on and conduct the business of the Loan Parties in a proper and efficient manner;
- (y) **[Intentionally Deleted]**
- (z) do, observe and perform or cause to be done, observed and performed all of its obligations and all matters and things necessary or expedient to be done, observed or performed under or by virtue of any law of Canada or any province or municipality thereof, including, but not limited to, any law pertaining to workplace health and safety and Environmental Laws;
- (aa) ensure that the Lands remain in compliance with all Environmental Laws and shall not place or permit to be placed any Hazardous Substances on the Lands except as permitted by Applicable Law or an appropriate Governmental Authority;
- (bb) shall maintain a system to assure and monitor continued compliance with all applicable Environmental Laws which system shall include periodic review of such compliance and maintain current all environmental remediation payments;

- (cc) (A) employ in connection with the use of the Lands appropriate technology necessary to maintain compliance with any applicable Environmental Laws and (B) dispose of any and all Hazardous Waste generated at the Lands only at facilities and with carriers that maintain valid permits under applicable Environmental Laws. The Loan Parties shall use their best efforts to obtain certificates of disposal, such as hazardous waste manifest receipts, from all treatment, transport, storage or disposal facilities or operators employed by the Loan Parties in connection with the transport or disposal of any Hazardous Waste generated at the Lands;
- (dd) in the event a Loan Party obtains, gives or receives notice of any release or threat of release of a reportable quantity of any Hazardous Substances at the Lands (any such event being hereinafter referred to as a "**Hazardous Discharge**") or receives any notice of violation, request for information or notification that it is potentially responsible for environmental investigation, study, audit, remedial response, or cleanup order or decrees of environmental conditions at the Lands, demand letter or complaint, order, citation, or other written notice with regard to any Hazardous Discharge or violation of Environmental Laws affecting the Lands or any Loan Party's interest therein (any of the foregoing is referred to herein as an "**Environmental Complaint**") from any Person, including any Governmental Authority responsible in whole or in part for enforcement of Environmental Laws where the Lands are located, then the Borrower shall, within five (5) Business Days, give written notice of same to the Lender, detailing facts and circumstances of which any Loan Party is aware giving rise to the Hazardous Discharge or Environmental Complaint. Such information is to be provided to allow the Lender to protect its security interest in the Lands and the Collateral and is not intended to create nor shall it create any obligation upon the Lender with respect thereto;
- (ee) respond promptly to any Hazardous Discharge or Environmental Complaint and take all necessary action in response thereto in order to safeguard the health of any Person and to avoid subjecting the Collateral or Lands to any Encumbrance;
- (ff) pay all statutory payroll source deductions when due and immediately advise the Lender of any source deductions that are unremitted;
- (gg) on request by the Lender, the Borrower shall give Canada Revenue Agency and other Governmental Authorities written authorization to disclose to the Lender the status of any priority claims;
- (hh) will pay all premiums and sums of money necessary in relation to any policy or policies of insurance maintained by a Loan Party as the same shall become due;
- (ii) within 10 Business Days of creating or acquiring any Subsidiary (or in the case of the Parent Group, any Subsidiary which carries on business in North America the same as, similar to or related to the Borrower's business), the Borrower or the Parent Group, as applicable, will cause such Subsidiary to provide the Security required by Section 11 and such other Security as the Lender may reasonably require, in each case, in form and substance acceptable to the Lender, acting reasonably, together with such other supporting documentation and legal opinions as the Lender may reasonably require. The Borrower or the Parent Group, as applicable, will notify the Lender upon the creation or acquisition of

any new Subsidiary promptly upon the creation or acquisition thereof, and in any event, no later than 10 Business Days after any such creation or acquisition; and

- (jj) promptly cure or cause to be cured any defects in the execution and delivery of any of the Loan Documents or any defects in the validity or enforceability of any of the security agreements and at their expense (to the extent the Borrower was responsible for any such defect or default), execute and deliver or cause to be executed and delivered, all such agreements, instruments and other documents as the Lender may consider necessary or desirable, acting reasonably, for the foregoing purposes.

15. Negative Covenants

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

- (a) permit any material change in a Loan Party's business or operations;
- (b) except as it pertains to the Lands or the Fiera Equipment, sell or otherwise dispose of any of its assets – outside the ordinary course - by conveyance, transfer, lease or otherwise where net proceeds from any sale or disposition of assets unless:
 - (i) for a conveyance, transfer or lease less than Two Hundred Fifty Thousand (\$250,000.00) Dollars: the net proceeds of such conveyance, transfer or lease are reinvested in the business of the Loan Party within one hundred eighty (180) days; or
 - (ii) for a conveyance, transfer or lease equal to or greater than Two Hundred Fifty Thousand (\$250,000.00) Dollars: the Lender has provided prior approval for such conveyance, transfer or lease and no Event of Default has occurred or will result from such conveyance, transfer or lease;
- (c) sell or otherwise dispose of the Lands, or any portion thereof, by conveyance, transfer, lease or otherwise;
- (d) other than in relation to the Security, Permitted Future Finance Leases and Permitted Encumbrances, create, assume or permit to exist any Encumbrance on any of the Collateral;
- (e) at any time that:
 - (i) the Debt Service Coverage is less than 2:1, make any Distribution except with the express written consent of the Lender; and
 - (ii) the Debt Service Coverage is equal to or greater than 2:1, make any Distribution where an Event of Default has occurred and is continuing or the making of such Distribution would result in the occurrence of an Event of Default;

other than those Distributions which are made by payment in additional Equity Interests or are otherwise not paid or payable in cash;

- (f) make any payments or transfer any of their undertaking, properties, rights or assets to any person without due consideration which in any manner diverts, or could result in the diversion of, assets and/or opportunities of a Loan Party to such other person;
- (g) reduce its capital or make any distribution of assets (other than Distributions permitted under subsection (e) above);
- (h) redeem or purchase any of its present or future outstanding Equity Interests or otherwise retire or pay off any such Equity Interests;
- (i) do or suffer anything to be done whereby any policy or policies of insurance maintained by a Loan Party may become vitiated; if such Loan Party shall fail to insure or cause to be insured all of its assets or any part thereof, or to pay or cause to be paid the premiums with respect to such insurance or to deliver the policies or contracts as aforesaid or if the Lender receives notice of the intended cancellation of any such policy or contract, the Lender shall be entitled to insure all of its assets, provided however that the Lender shall not be bound to insure all of its assets or, in the event of insuring all of its assets to insure any other than the interest of the Lender only, or to see to the payment of the premiums on any policy or be liable or responsible for any loss arising out of any defect in any policy or failure of any insurance company to pay for any loss thereunder;
- (j) make a loan to or investments in any person (other than to another Loan Party);
- (k) lend any amount to any shareholder, director or officer of a Loan Party (other than to another Loan Party) or person whose relationship to them is non-arms-length as that term is defined in the *Income Tax Act* (Canada) or lend any amount to any other person, firm or corporation, other than in the ordinary course of such Loan Party's business;
- (l) other than in relation to the Loan Documents, become a guarantor of any obligation nor become endorser in respect of any obligation or otherwise become liable upon any note or obligation of any nature or kind whatsoever except for the benefit of the Lender;
- (m) surrender its Certificate of Incorporation, voluntarily wind up its business or take any other steps toward discontinuance of its business;
- (n) change its present Fiscal Year;
- (o) change its name, or the location of its place of business, if it has only one place of business, or its chief executive office without giving the Lender 30 days prior written notice;
- (p) merge, amalgamate or consolidate with or into any other person or corporation, or enter into any transaction or proceeding (whether by way of amalgamation, merger, winding-up, consolidation, arrangement, plan or arrangement, reorganization, transfer, sale, lease or otherwise) whereby any of their undertaking, properties, rights or assets would become the property of any other person or entity, or in the case of amalgamation, of the continuing corporation resulting therefrom, other than a merger, amalgamation, consolidation,

transaction or proceeding where the Borrower gives prior written notice thereof to the Lender and the effect thereof is that:

- (i) the Borrower sells all or substantially all of its assets, or the Parent Group ceases to be the holder of the Equity Interests in the Borrower; or
- (ii) the Borrower amalgamates with JMB (the “**Planned Reorganization**”),

provided that, in respect of subsections (i) and (ii) above, as applicable, the Lender is satisfied with the terms and structure thereof, and such purchaser of the assets, or the Person proposed to be the holder of the Equity Interests, if applicable, provides satisfactory evidence to the Lender (in its sole discretion) that it is financially and operationally able to perform or cause the performance of the terms reflected hereby and the Security contemplated herein, and/or the Parent Group, Loan Parties, and continuing corporation from the Planned Reorganization, as applicable, shall grant in favour of the Lender such new and/or replacement Security to the satisfaction of the Lender, including, without limitation, a reaffirmation and confirmation in respect of the Security, and a new limited recourse guarantee and pledge of equity interests with stock transfers endorsed in blank, and deliver replacement share certificates in respect thereof within 10 days of the Planned Reorganization (“**Permitted Restructuring**”);

- (q) destroy any of its material financial records;
- (r) enter into any contract or arrangement of any nature or kind which would, or would reasonably be expected to, materially adversely affect the Borrower’s assets and the Security;
- (s) make unfinanced capital expenditures in any Fiscal Year in excess of the sum of Two Hundred Fifty Thousand (\$250,000) Dollars;
- (t) during the term of this Agreement, have Purchase Money Obligations or Finance Lease Obligations having annual payment obligations of more than \$2,000,000.00 in the aggregate without prior written consent of the Lender;
- (u) remove any Chattels forming part of each Loan Party’s assets from the Provinces of Alberta or British Columbia;
- (v) permit a Loan Party to default in its obligations pursuant to any Material Agreement which is not waived or, if applicable, cured within the permitted time period provided under such Material Agreement;
- (w) incur or repay any Funded Debt, other than pursuant to or as otherwise expressly permitted under this Agreement, except for Funded Debt secured by the Permitted Encumbrances or any arm’s length trade debts, obligations or other liabilities incurred in the ordinary course of business; and
- (x) do any other act that by the terms of the Loan Documents it is not permitted to do unless the applicable term of such Loan Document is inconsistent with the terms hereof.

16. Financial Covenants

During the term of this Agreement, the Borrower covenants with the Lender that commencing April 1, 2022:

- (a) the ratio of Total Senior Funded Debt to EBITDA shall at all times within such specified period, but tested on a rolling four quarter and consolidated basis, be equal to or less than:
 - (i) for the rolling four fiscal quarters ending June 30, 2022, 10.0:1;
 - (ii) for the rolling four fiscal quarters ending September 30, 2022, 6.0:1;
 - (iii) for the rolling four fiscal quarters ending December 31, 2022, 4.0:1
 - (iv) for the rolling four fiscal quarters ending March 31, 2023 and thereafter, 3.5:1;
- (b) the ratio of Debt Service Coverage shall at all times, but tested on a rolling four quarter and consolidated basis, be equal to or greater than:
 - (i) for the rolling four fiscal quarters ending June 30, 2022, 0.50:1;
 - (ii) for the rolling four fiscal quarters ending September 30, 2022, 0.75:1;
 - (iii) for the rolling four fiscal quarters ending December 31, 2022 and thereafter, 1.25:1; and
- (c) the Current Ratio shall at all times, but tested on a quarterly basis, be equal to or greater than:
 - (i) as at June 30, 2022, 1.00:1;
 - (ii) as at September 30, 2022 and all periods thereafter, 1.25:1.

Provided the Borrower remains in compliance with Section 17 below, compliance with the financial covenants set out herein shall be suspended for a period of one year following the Closing Date.

17. Reports

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

- (a) audited Financial statements of the Borrower within one hundred and twenty (120) days of the end of the Fiscal Year, along with a report showing calculations of financial covenants and a Compliance Certificate signed by an officer of the Borrower;
- (b) unaudited internally prepared, monthly financial statements of the Borrower within thirty (30) days of the end of each month, along with a report showing calculations of financial covenants, a Compliance Certificate and a comparison to

budget and the same period for the year previous signed by an officer of the Borrower is to be included with the reporting package;

- (c) a business plan and monthly operating budget for the coming Fiscal Year within thirty (30) days of the end of each Fiscal Year, including a financial forecast, including income statements, capital expenditures statements, capital expenditure, budget, balance sheet, cash flow, detailed list of assumptions and projected compliance ratios along with (after the first Fiscal Year) management discussion and analysis of any deviation of more than 10% from the prior Fiscal Year;
- (d) a report setting out the sales by the Borrower of Aggregate in the last month and the proceeds of sale of Aggregate actually received in the last month by the Borrower within thirty (30) days of each month end;
- (e) a report on all equipment (as defined in the *Alberta Personal Property Security Act*) purchased and sold which has a purchase or sale price, as applicable, in excess of \$50,000, including costs incurred in such sales and application of proceeds of sale, within one hundred and twenty (120) days of the end of the Fiscal Year;
- (f) a compliance report signed by an officer of the Borrower within thirty (30) days of the end of each month, the effect that full payment has been made of all source deductions (employee deductions, CPP, employment insurance and goods and services tax) required by the applicable government authority have been paid in full and there are no principal interest arrears, all property taxes have been paid and Borrower is in full and complete compliance with conditions of its Funded Debt;
- (g) such additional financial information with respect to the Borrower as and when reasonably requested by the Lender; and
- (h) forthwith, particulars of any occurrence which constitutes an Event of Default, or of any action, suit or proceeding, pending or to the Borrower's knowledge threatened against the Borrower,

provided that to the extent the Planned Reorganization does not occur within 90 days following the Closing Date, each of the Loan Parties shall be required to deliver the information required to be delivered pursuant to subsections (a) through (g), inclusive.

18. Representations

Each Loan Party represents and warrants that:

- (a) each Loan Party: (i) is a corporation or company has been duly incorporated, amalgamated or continued, as the case may be, and is validly subsisting as a corporation or company and qualified to do business under the laws of its jurisdiction of incorporation, amalgamation, or continuance, as the case may be, (ii) that is not a corporation or company has been duly created or established as a partnership, limited partnership, trust or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) has not adopted or designated any name (including any French name) except as set forth on Schedule H;

- (b) each Loan Party is in compliance with all material laws, regulations and orders of any Governmental Authority applicable to it or its property and all material indentures, agreements and other instruments binding upon it or its property;
- (c) each Loan Party has full power, authority and capacity to execute and deliver the Loan Documents to which it is party and to carry out the transactions contemplated herein and therein, all of which have been duly and validly authorized by all necessary corporate proceedings and that the documents hereinbefore referred to have been duly executed and delivered by such Loan Party;
- (d) neither the execution nor delivery of a Loan Document, nor the fulfillment of or compliance with the terms and provisions thereof will contravene any provision of law, including, without limitation, any statute, rule, regulation, judgment, decree, order, franchise or permit applicable to a Loan Party or conflict with or result in a material breach of the terms, conditions or provisions of or constitute a default under any agreement or instrument to which such Loan Party is now a party or by which any of its property or assets may be bound or affected;
- (e) each Loan Document constitutes legal, valid and binding obligations of the each Loan Party enforceable in accordance with their respective terms, except as enforceability may be limited by general principles of equity and by bankruptcy and insolvency laws;
- (f) except as disclosed to the Lender in Schedule J, to the best of its knowledge and belief, there are no pending or threatened actions or proceedings before any Court or administrative agency which may materially adversely affect the financial condition or operations of the Loan Parties;
- (g) the contents of all documents furnished to the Lender by or on behalf of a Loan Party to induce the Lender to lend the monies hereunder are true and correct in all material respects and accurately set out all the facts contained therein and do not omit any fact necessary in order to make such information not misleading in any material way;
- (h) all financial information and statements which have been delivered to the Lender are true and accurate and have been prepared in accordance with Generally Accepted Accounting Principles consistently applied and fairly represent the financial position of the person or entity which each purports to reflect and the financial position so reflected has not suffered, or could not reasonably be expected to have suffered, either individually or in the aggregate, any Material Adverse Effect to the date hereof;
- (i) other than in relation to Permitted Encumbrances, each Loan Party and its assets are not a party to or bound by any contract, agreement or undertaking or subject to any restriction in constating documents or to any other corporate, contractual or personal restriction or inhibition howsoever imposed that would materially or adversely affect the business, property, assets or financial condition of such Loan Party;
- (j) each Loan Party lawfully owns and is lawfully in possession of all of its assets and that it has a good right and lawful authority to grant, convey, assign, transfer,

hypothecate, mortgage, pledge and charge its assets as provided herein and in the Security;

- (k) other than in relation to the Permitted Encumbrances, there are no Encumbrances of any nature or kind in existence or promised which are in any manner capable of becoming registered so as to give priority of same to the detriment of the Security;
- (l) there are no outstanding judgments or awards against the Loan Parties, except as have been disclosed to the Lender in writing;
- (m) except as disclosed to the Lender in Schedule J, there is no fact known to the Loan Parties which materially or adversely affects or to the extent reasonably foreseeable by the Loan Parties is reasonably expected in the future to materially or adversely affect the business prospects or financial condition of the any of the Loan Parties or their assets;
- (n) each Loan Party has filed all material tax returns which are required to be filed by it and has paid all taxes and claims arising therefrom ranking in priority to the Encumbrances created by the Security (including interest and penalties) which are due and payable, unless such payment is being contested in good faith by appropriate proceedings and adequate reserves, as determined by the Lender acting reasonably, are held in respect thereof;
- (o) the authorized capital of the Loan Parties is as set out in the attached Schedule C;
- (p) each Loan Party owns, or is licensed to use, all trademarks, tradenames, copyrights, patents or other intellectual property material to its business, and the use thereof by such Loan Party does not infringe upon the rights of any other person;
- (q) (i) as of the date hereof, none of the Loan Parties is in default under any of their respective obligations and, except as disclosed to the Lender in Schedule J, there are no actions, suits or proceedings, pending or, to their knowledge, threatened, against or affecting any of them and (ii) none of the Loan Parties is in default under any of their respective material obligations and, except as disclosed to the Lender in Schedule J, there are no material actions, suits or proceedings, pending or, to their knowledge, threatened, against or affecting any of them;
- (r) except as disclosed to the Lender in Schedule J, none of the Loan Parties are aware of any facts or circumstances that would have a material adverse impact on the value of the Collateral;
- (s) as of the date hereof, both before and after giving effect to (a) the financing transaction to be consummated on the date hereof and (b) the payment and accrual of all fees, costs and expenses in connection therewith, each Loan Party is and will be solvent;
- (t) the ownership structure set out in Schedule H accurately reflects the organizational and ownership structure of each Loan Party as at the date hereof.

The Relevant Jurisdictions for each of the Loan Parties are set forth on Schedule H; and

- (u) no event or circumstance has occurred which has had or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, which has not been fully and accurately disclosed to the Lender in writing.

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

19. Events of Default

Each of the following shall constitute an Event of Default:

- (a) if the Borrower shall make default in payment of any principal or interest in regard to the Indebtedness;
- (b) if any Loan Party should default or be in breach of the performance or observance of any part of the covenants, agreements, conditions on the part of such Loan Party to be kept, observed, performed or given hereunder or under the Loan Documents or should any other person, firm, or company being a party to Loan Document fail to carry out or observe any covenant or condition herein or therein on its part to be observed or performed and such deficit or failure is not cured by such Loan Party within thirty (30) days following receipt of notice from the Lender;
- (c) if any representation or warranty made by a Loan Party with respect to a Loan Document or any other information provided in support of the Borrower's application to the Lender for the Credit Facilities is found to be materially incorrect and such incorrect representation or warranty has not remedied within thirty (30) days after written notice of such incorrect representation or warranty is given to the Borrower by the Lender;
- (d) if any Loan Party shall create or attempt to create any mortgage or charge or permit any Encumbrance to be created or arise on any of its assets except a Permitted Encumbrance;
- (e) if a Loan Party should fail to pay any charges, rents, taxes, or rates on leasehold property, or other charges of a like nature, or if a Loan Party fails to observe and perform any of the covenants, payments or conditions in any lease, license, concession, agreement, mortgage, agreement for sale, charge or Encumbrance and such failure or default could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect;
- (f) if a Loan Party defaults under any Material Agreement to which it is a party and such failure or breach is not waived, remedied or cured by such Loan Party within thirty (30) days;
- (g) if a Loan Party makes default in the payment of the principal or interest in relation to any other borrowed money, credit facilities or mortgages, and such default is

not cured or waived within the earlier of ten (10) Business Days of notice or any applicable cure period provided for thereunder;

- (h) if a Loan Party makes default in the performance of any term, condition or covenant contained in any instrument under which any Funded Debt in an amount exceeding \$100,000 is outstanding and such default is not cured or waived within any applicable cure period provided for thereunder;
- (i) if an order shall be made or an effective resolution passed for the winding-up of a Loan Party or any member of the Parent Group, or if a petition is filed for the winding-up of such Loan Party or member of the Parent Group;
- (j) if a Loan Party or any member of the Parent Group shall make an assignment for the benefit of creditors or be declared bankrupt, or if a custodian or receiver or receiver and manager or other officer with similar powers be appointed with respect to such Loan Party or member of the Parent Group or any of its property or if such Loan Party or member of the Parent Group makes or files a notice of intention to make a proposal or otherwise takes advantage of provisions for relief under the *Bankruptcy and Insolvency Act* or the *Companies' Creditors Arrangement Act* (or equivalent legislation in the promulgated pursuant to the laws of the United States of America) as now or hereafter in force or makes any arrangement with its creditors pursuant to the terms of the *Business Corporations Act* of Alberta (or equivalent legislation in the promulgated pursuant to the laws of the United States of America) as now or hereafter in force;
- (k) if a Loan Party ceases or threatens to cease to carry on its business or if such Loan Party or a member of the Parent Group commits any act of bankruptcy;
- (l) if a Loan Party or any member of the Parent Group passes or purports to pass any resolution or takes or purports to take any corporate proceedings which would result in its reorganization, amalgamation or merger with another entity or the transfer of all or substantially all of its assets other than as permitted under this Agreement or with the prior written consent of the Lender, or take proceedings for its dissolution or liquidation;
- (m) if a Loan Party or any member of the Parent Group shall lose its charter by expiration, forfeiture or otherwise or if a receiver or receiver-manager for all or any part of such Loan Party's or member of the Parent Group's assets or any other party with like powers shall be appointed;
- (n) if any execution, distress, sequestration or any other process of any court become enforceable against a Loan Party or any member of the Parent Group or if a distress or analogous process is levied upon the property of such Loan Party or member of the Parent Group or any part thereof, provided however that the Security shall not be enforceable if:
 - (i) such execution, sequestration or other process is in good faith being disputed by such Loan Party or member of the Parent Group;
 - (ii) the Lender does not, in its sole discretion, feel that such execution, distress, sequestration or other process hereinbefore referred to jeopardizes or impairs its security, or prejudices the rights of the Lender; and

- (iii) at the Lender's request, such Loan Party or member of the Parent Group provides further security which the Lender in its absolute discretion deems sufficient to pay in full the amount claimed in the event that the execution, distress, sequestration or any other process as hereinbefore referred to is held to be valid against such Loan Party or member of the Parent Group;
- (o) except in the ordinary course of business or as permitted pursuant to the Loan Documents, if any assets of a Loan Party are either directly or indirectly (including without limitation by way of transfer or sale of Equity Interests) sold, transferred, assigned, conveyed, removed, alienated or disposed of in any manner whatsoever by such Loan Party or if the Lender, acting reasonably, deems such Loan Party's assets or any part thereof are in danger of being sold, transferred, assigned, conveyed, removed, alienated or disposed of;
- (p) if, without the Lender's prior written consent, there is a Change in Control, other than a Change of Control that constitutes a Permitted Restructuring;
- (q) if a Loan Party defaults under any other loan or mortgage to which it is a party, including, but not limited to, any breach of the Security and any agreement regarding a Finance Lease and such default is not waived or cured;
- (r) if the Security shall cease to be in full force and effect and/or ceases to rank in the priority contemplated herein against the Collateral, or the validity thereof or the applicability thereof to this Agreement or of any of the obligations of a Loan Party thereunder or hereunder shall be disaffirmed by or on behalf of such Loan Party;
- (s) if any default occurs under any other credit, facility or security agreement to which a Loan Party or any member of the Parent Group is a party and such breach continues for ten (10) days after such Loan Party or member of the Parent Group shall have received written notice of same;
- (t) if a Loan Party makes a Distribution except as otherwise permitted hereunder;
- (u) if the Security is or becomes illegal, invalid, prohibited or unenforceable and/or ceases to rank in the priority contemplated herein against the Collateral; and
- (v) if a Material Adverse Change has occurred.

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

20. Environmental Indemnity

Each Loan Party hereby represents and warrants that its business and assets and are operated in compliance with applicable Environmental Laws and that, except as disclosed to the Lender in Schedule J, to its knowledge, no enforcement action in respect thereof is threatened or pending, and covenants to continue to so operate. If (i) a Loan Party has knowledge of or (ii) if the Lender, at any time, has a reasonable basis to believe that the property of a Loan Party has had a Hazardous Discharge, or remediation work to the Lands is required, including, without limitation, remediation to the Purchased Pits, or is subject to any Environmental Complaint, then each Loan Party shall provide the Lender with such reports, certificates, environmental audits, engineering studies or other written material or data as the Lender, acting reasonably, may require from it so as to satisfy the Lender that the Loan Parties, as applicable, are in compliance with all applicable Environmental Laws. If the Lender is required to expend any funds in compliance with applicable Environmental Laws or court orders in respect thereof in respect of the operations or assets of a Loan Party, each Loan Party shall indemnify the Lender in respect of such expenditures as if an Advance had been made to the Borrower under this Agreement for such purpose.

21. Preserve Security

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

22. Subordination/Intercreditor Arrangements

Upon the Borrower establishing credit facilities with an operating lender for the sole purpose of financing the operating expenses of the Borrower, the Lender shall, within a reasonable period of time, enter into an inter-creditor agreement with such operating lender to, *inter alia*, address the rank and priority of the operating facilities, and pursuant to which the Lender shall subordinate to such operating lender's interest in the Borrower's accounts receivables and Inventory (but explicitly excluding the proceeds of sale of the Inventory payable to the Lender in accordance with the terms herein to repay the Facility B Principal).

23. Further Security

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

24. Deemed Reinvestment

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

25. Legal Fees

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

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

26. Enforcement

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

27. No Merger

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

28. Right of Application

The Lender may from time to time apply and re-apply (and notwithstanding any previous application) in such manner as it, in its sole discretion sees fit, any monies received by it from a Loan Party or from collections, sales, or realizations of, on or under any Security, other than in respect of the Fiera Equipment (which shall be applicable solely to Facility C) or Inventory (which shall be applied first to Facility B), after first deducting the charges therefore or any

expenses thereof, including costs as between a solicitor and his client, in or toward payment of any portion of the Indebtedness; and any such monies may be held by the Lender unappropriated in a collateral account for such time as the Lender sees fit; and the Loan Parties shall have no right to make or require any appropriation inconsistent with any such application by the Lender; and the taking of a judgment or judgments or any other action or dealing whatsoever by the Lender in respect of any Security given or to be given by the Loan Parties shall not operate as a merger of any other Security given to the Lender or any part thereof, or in any way suspend payment or affect or prejudice the rights, remedies and powers, legal or equitable, which the Lender may have in connection with such Security or the Indebtedness; and the foreclosure, surrender, cancellation, variation or any other dealing with or modification of any Security for such Indebtedness shall not release or affect the liability of a Loan Party for its total Indebtedness or release or affect any other part of the Security held by the Lender.

29. Termination

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

30. Taxes

The following shall apply as to taxes payable (excluding income taxes of the Lender):

- (a) any and all payments by or on account of any obligation of a Loan Party hereunder shall be made free and clear of and without deduction for any taxes; provided that if a Loan Party shall be required to deduct any taxes from such payments, then (i) the sum payable shall be increased as necessary so that, after making all required deductions (including deductions applicable to additional sums payable under this Section), the Lender receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Loan Party shall make such deductions and (iii) the Loan Party shall pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.
- (b) in addition, each Loan Party shall pay any such taxes to the relevant Governmental Authority in accordance with Applicable Law.
- (c) each Loan Party shall indemnify the Lender, within 10 days after written demand therefor, for the full amount of any such taxes paid by the Lender, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to a Loan Party by the Lender, shall be *prima facie* evidence absent manifest error.
- (d) if requested by the Lender from time to time, each Loan Party shall deliver to the Lender the original or a certified copy of a receipt issued by the applicable Governmental Authority, a copy of the return reporting payment, or such other

evidence reasonably satisfactory to the Lender evidencing payment of taxes by the Loan Party.

31. Incorporate Terms

Subject to Section 32, the terms of the Security form a part of this Agreement as if the terms thereof were expressly and specifically set forth or stated herein.

32. Conflict

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

33. Notices

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

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

Resource Land Holdings, LLC
1400 16th St, Suite 320
Denver, CO 80209

Attention: Byron Levkulich, CFA, CPA, Director
Email: Byron.Levkulich@RLHoldings.com

- (ii) if to the Lender prior to April 30, 2021 (or such other date as the Lender may notify the Loan Parties) then:

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

Attention: Stephen Zagrodny, Senior Director, Corporate & Infrastructure
Debt Financing
E-mail: szagrodny@fieracapital.com

and thereafter at:

Fiera Private Debt
RBC Plaza South Tower
200 Bay Street, Suite 3700
Toronto, Ontario M5J 2T6

Attention: Stephen Zagrodny, Senior Director, Corporate & Infrastructure
Debt Financing
Email: szagrodny@fieracapital.com

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

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

34. Headings

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

35. Governing Law

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

36. Additional Agreements

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

37. Review

The Lender may conduct periodic reviews of the affairs of the Loan Parties, as and when determined by the Lender for the purpose of evaluating the financial condition of the Loan Parties. Each Loan Party shall make available to the Lender such financial statements and other information and documentation as the Lender may reasonably require and shall do all things reasonably necessary to facilitate such review.

38. Schedules

The Schedules attached hereto are incorporated into this Agreement by reference

39. Time of Essence

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

40. Payment of Monies

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

41. Due Date Extended

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

42. Unenforceable Terms

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

43. Survival of Representations and Warranties

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

44. Joint and Several

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

45. Amendments

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

46. Entire Agreement

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

47. Counterparts; Electronic Signature

This Agreement may be executed by one or more of the parties hereto on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same agreement and shall become effective when all counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all

parties need not sign the same counterpart. Each party agrees that the electronic signatures, whether digital or encrypted, of any party included in this Agreement shall be as effective as delivery by the parties of a manually executed copy of this Agreement and is intended to authenticate this writing and to have the same force and effect as manual signatures.

48. No Waiver

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

49. Assignment

This Agreement may be assigned by the Lender prior to the occurrence of an Event of Default with the prior written consent of the Borrower and after the occurrence of an Event of Default without consent, in which event the Borrower shall attorn in all respects to such assignment and the assignee thereof. No Borrower may assign this Agreement without the consent of the Lender, provided, however, that the Lender shall upon prior written request by the Borrower provide consent to an assignment of this Agreement in the case of a Permitted Restructuring as approved hereunder.

50. Singular, Plural and Gender

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

51. Enurement

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

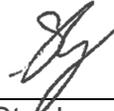
[SIGNATURES FOLLOW ON NEXT PAGE]

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

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

Per: 

Name: Philip Robson
Title: ASO

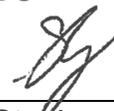
Per: 

Name: Stephen Zagrodny
Title: ASO

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

Per: 

Name: Philip Robson
Title: ASO

Per: 

Name: Stephen Zagrodny
Title: ASO

MANTLE MATERIALS GROUP, LTD.

Per: _____
Name: Byron Levkulich
Title: Director

Per: _____
Name: Aaron Patsch
Title: Director

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

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

Per:

Name:

Title:

Per:

Name:

Title:

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

Per:

Name:

Title:

Per:

Name:

Title:

MANTLE MATERIALS GROUP, LTD.

Per:



Name: Byron Levkulich

Title: Director

Per:



Name: Aaron Patsch

Title: Director

JMB CRUSHING SYSTEMS INC.

Per: Byron Levkulich
Byron Levkulich (Apr 13, 2021 18:40 MDT)
Name: Byron Levkulich
Title: Director

Per: Aaron M Patsch
Aaron M Patsch (Apr 20, 2021 20:47 MDT)
Name: Aaron Patsch
Title: Director

2161889 ALBERTA LTD.

Per: Blake M. Elyea
Blake M. Elyea (Apr 20, 2021 21:55 PDT)
Name: Blake Elyea
Title: Chief Restructuring Advisor

Per: _____
Name:
Title:

SCHEDULE A
PERMITTED ENCUMBRANCES

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

- (a) liens for taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested in good faith by appropriate proceedings;
- (b) deemed liens and trusts arising by operation of law in connection with workers' compensation, employment insurance and other social security legislation, in each case, which secure obligations not at the time due or delinquent or, if due or delinquent, the validity of which is being contested in good faith and by appropriate proceedings;
- (c) easements, rights of way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights of way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of the Borrower;
- (d) any builder's, mechanic's, garageman's, labourer's or materialman's lien or other similar lien arising in the ordinary course of business or out of the construction or improvement of any land or arising out of the furnishing of materials or supplies, provided that such lien secures monies not at the time overdue, or, if due or delinquent, the validity of which is being contested in good faith by appropriate proceedings;
- (e) Encumbrances incidental to the conduct of business or the ownership of property and assets not incurred in connection with the borrowing of money or obtaining credit and which do not, in the aggregate, detract in any material way from the value or usefulness of the property and assets of the Borrower;
- (f) any claim or Encumbrance from time to time consented to by the Lender;
- (g) in respect of any land, any defects or irregularities in the title to such land which are of a minor nature and which, in the aggregate, will not materially impair the use of such land for the purposes for which such land is held;
- (h) Security Interests or Encumbrances given by the Borrower to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of the Borrower, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the Borrower;
- (i) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions and reservations to title;
- (j) Security Interests securing a purchase money obligation, provided that (i) such security interests shall attach only to the property acquired in connection with which such purchase money obligation was incurred and (ii) such purchase money obligation is not prohibited pursuant to Section 15(t);

- (k) landlords' liens or any other rights of distress reserved in or exercisable under any lease of real property for rent and for compliance with the terms of such lease; provided that such lien does not attach generally to all or substantially all of the undertaking, assets and property of the Borrower;
- (l) deposits to secure performance of (i) bids, tenders, contracts (other than contracts for the payment of money), (ii) leases of real property entered into in the ordinary course of business, in each case, to which the Borrower is a party, or (iii) letters of credit or bonds securing the Borrower's reclamation and remediation obligations under surface material agreements and royalty agreements;
- (m) the Security Documents and the Security;
- (n) the Permitted Future Finance Leases;
- (o) the Permitted Future PMOs;
- (p) the Permitted Future Working Capital Security;
- (q) the Permitted Future Subordinated Debt Security; and
- (r) the Security Interest in favour of ATB attaching to the ATB Aggregate and any proceeds thereof, including a real property mortgage (provided the mortgage does not secure Debt for longer than a 4 year term, with payment amounts calculated on the basis of a not shorter than 20 year amortization, and with an interest rate of not greater than 3.5%) granted by the Borrower in favour ATB in respect of the lands legally described as:

The North East Quarter of Section Thirty Five (35)
 Township Fifty Six (56)
 Range Six (6)
 West of the Fourth Meridian
 Containing 64.7 Hectares (160 Acres) more or less
 Excepting thereout:

	Hectares (Acres) more or less
A) Plan 6430 KS – Road	0.417 (1.03)
B) Plan 395 RS – Road	0.615 (1.52)
C) Plan 9222585 – Road	0.407 (1.01)

Excepting thereout all mines and minerals

and

The South West Quarter of Section Eleven (11)
 Township Fifty Seven (57)
 Range Six (6)
 West of the Fourth Meridian, lying to the west of the westerly limit of land required for railway purposes, as shown on Plan 7521297 and south of the south limit of Road Plan 3445BM, containing 7.17 hectares (17.72 acres) more or less
 Excepting thereout all mines and minerals and the right to work the same

**SCHEDULE B
COMPLIANCE CERTIFICATE**

FIERA PRIVATE DEBT FUND V LP
- AND -
FIERA PRIVATE DEBT FUND VI LP
 20 Adelaide Street East, Suite 1500,
 Toronto, Ontario M5C 2T6
 E-mail: szagrodny@fieracapital.com

This Compliance Certificate is provided pursuant to the loan agreement made effective the 26 day of April, 2021 (as the same may be amended, restated, modified, supplemented or replaced from time to time, the "**Loan Agreement**") among Mantle Materials Group, Ltd., as borrower (the "**Borrower**"), and JMB Crushing Systems Inc., and 2161889 Alberta Ltd., as guarantors, and Fiera Private Debt Fund V LP, by its general partner Fiera Private Debt Fund GP Inc., and Fiera Private Debt Fund VI LP, by its general partner Fiera Private Debt Fund GP Inc., as lenders (collectively, the "**Lender**"). All terms and expressions used herein but not otherwise defined shall have the same meanings herein as are ascribed thereto in the Loan Agreement.

The Borrower represents and warrants as follows:

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

[NTD: To be included for applicable reporting periods only.] [The Borrower hereby certifies that as follows:

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

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

[SIGNATURES FOLLOW ON NEXT PAGE]

DATED this _____ day of _____.

MANTLE MATERIALS GROUP, LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

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

[See attached]

**SCHEDULE C
SHARE CAPITAL**

MANTLE MATERIALS GROUP, LTD.	
Shareholder	Number and Class of Shares
RLF Canada Holdings Limited	100 Class A Preferred Shares

JMB CRUSHING SYSTEMS INC.	
Shareholder	Number and Class of Shares
RLF Canada Holdings Limited	51,513.165 Class A Common Shares

2161889 ALBERTA LTD.	
Shareholder	Number and Class of Shares
JMB Crushing Systems Inc.	15,500,049 Class A Common Shares

**SCHEDULE D
TERM SHEET**

[See attached]



1257568 B.C. Ltd.

**Summary of Terms to be incorporated into a new Loan Agreement upon the purchase of the assets of JMB Crushing Systems Inc. ("JMB") and 2161889 Alberta Ltd. ("216")
July 20, 2020**

This summary proposal is for discussion purposes only and should not be considered exhaustive or conclusive. It is not a commitment, but rather, upon acceptance by the New Borrower of the terms and conditions herein, a more detailed Loan Agreement will be prepared by the Lender's counsel. All dollar figures are Canadian dollars. All capitalized terms set out herein and not otherwise defined shall have the meaning ascribed to them in the draft loan agreement circulated on July 21, 2020 (the "Loan Agreement").

Pursuant to an initial order of the Court of Queen's Bench of Alberta made on May 1, 2020, as amended on May 11, 2020, JMB and 216 were given protection under the Companies' Creditors Arrangement Act (Canada), FTI Consulting Canada Inc. was appointed monitor (the "Monitor") and a sale and investment solicitation procedure was approved pursuant to which the Monitor and a sale advisor would market and sell the property and assets of JMB and 216 (the "SISP").

1257568 B.C. Ltd. (the "New Borrower") intends to submit a Phase 2 Bid in the SISP in the form of an asset purchase agreement dated as of July 21, 2020 between JMB and 216 as vendors and the New Borrower as purchaser (the "APA", and such purchase and sale, the "Transaction"), pursuant to which the New Borrower will purchase certain assets of JMB and 216 for a purchase price payable in part by way of assuming a portion of the secured indebtedness owing to the Lender by JMB in the amount of \$15,500,000 (the "Loan"). Therefore, in the event the APA is approved by the Court and is the successful Transaction under the SISP, the Lender is prepared to put forward to the New Borrower the following terms and conditions that would be agreed to as part of the Loan Agreement with the New Borrower.

- Lender:** Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP
- New Borrower:** 1257568 B.C. Ltd.
- Guarantors:** All existing and future subsidiaries of the New Borrower as determined by the Lender.
- Facilities:**
- Facility A – Amortizing Debt**
- CDN\$3,500,000 non-revolving credit facility
 - Facility B – Repayment per Sale of Aggregate**
- CDN \$6,000,000 non-revolving credit facility
 - Facility C – Equipment**
- non-revolving credit facility available in an amount equal to the lesser of (i) CDN \$6,000,000, being the aggregate appraised value of the equipment listed in Schedule D of the APA under the heading "Fiera Equipment", less lesser of the net proceeds of sale to third parties in the SISP of any Fiera Equipment or the appraised value of such Fiera Equipment, or (ii) aggregate net proceeds of sale by the New Borrower of the remaining Fiera Equipment after the SISP.

**Amortization and
Principal Repayments:**

Facility A

- Provided there has occurred no Event of Default that is continuing, two (2) years of interest-only payments payable quarterly, followed by equal blended monthly payments of principal and interest based on a six (6) year amortization period.

Facility B

- in monthly payments commencing one (1) year following close, in an amount equal to \$1 per tonne of aggregates sold by the New Borrower to third parties to repay the principal.
- such monthly payments shall be payable after commencement on the forty-fifth (45th) day after the end of the month in which such sales occur on the basis of the proceeds of such sales actually received in such month by the New Borrower, and shall continue until the Facility B principal amount is repaid in full.
- The New Borrower shall deliver to the Lender within 30 days of each month end a sales report setting out the proceeds of sales actually received in the last month by the New Borrower.

Facility C

- to be repaid from the proceeds of any sale of the Fiera Equipment, net of such reasonable costs associated with such sales as approved by the Lender, such that upon the sale of the last item of Fiera Equipment, the principal amount under Facility C shall be repaid in full.

Interest Rate:

7.00% per annum accrued daily with respect to Facility A.

Prepayment:

Provided no Event of Default has occurred and is continuing, the New Borrower shall have the ability to prepay:

- (i) all (and only all) of the indebtedness outstanding at any time in relation to Facility A by provision of thirty (30) days' notice and payment of the Interest Rate Differential;
- (ii) some or all of the indebtedness outstanding at any time in relation to Facility B and Facility C by provision of thirty (30) days' notice, but without further notice, bonus or penalty, provided however, that any partial prepayment shall in no way release the New Borrower from its obligation to make any payments required pursuant to the provisions of the Security or the loan agreement.

Security:

Standard for a loan of this nature, including but not limited to:

- (i) a general security agreement from the New Borrower;
- (ii) an assignment of Material Agreements;
- (iii) a mortgage of lease for each surface mineral lease located on the lands owned by the Crown;

- (iv) a conditional surrender of lease for each surface mineral lease on the lands owned by the Crown;
- (v) a charge as against the aggregate royalty agreements for each aggregate pit located on the privately-owned lands;
- (vi) commercially reasonable efforts to obtain a tripartite agreement among the New Borrower, the Lender and each private owner of the lands with respect to the aggregate royalty agreements;
- (vii) commercially reasonable efforts to obtain landlord waivers and intercreditor agreement as may be required by the Lender, if required;
- (viii) a postponement and assignment of creditor's claims and postponement of security executed by each shareholder of the New Borrower, if required;
- (ix) an assignment of insurance;
- (x) pledges of all Equity Interests of the Loan Parties that are owned by the Loan Parties or the Parent Group, from time to time, securing a guarantee by the grantor of any such pledge under which recourse is limited to such Equity Interests, in each case if required;
- (xi) a collateral agency agreement among the Lender, a collateral agent and the New Borrower, if required; and
- (xii) such other security as may be reasonably required by the Lender.

Conditions Precedent:

All Conditions Precedent must be satisfied at or before the time of the advance under the Loan Agreement and all deliveries must be satisfactory to the Lender in form and substance. Standard conditions precedent for a loan of this nature, including for reference, but not limited to:

- (i) New Borrower successfully obtaining an approval and vesting order from the Court and completing the acquisition of the assets of JMB and 216 resulting in the exit of the business from the current CCAA process on terms and conditions satisfactory to the Lender;
- (ii) Lender shall have received the Loan Agreement, the other Loan Documents, the Security, and all other documentation related thereto duly executed and delivered, provided that with respect to the Security referred to in (iv), (vi) and (viii), it shall not be required as a condition to closing;
- (iii) Lender shall have received a duly executed copy of the Assignment and Assumption Agreement;
- (iv) Lender shall have received a duly executed copy of the APA;
- (v) A favourable opinion of the Lender's counsel including authorization and enforceability as to Security;
- (vi) Such further loan and security documentation as required by the Lender;

- (vii) Representations and warranties must be true and correct in all material respects;
- (viii) Lender shall have received certificates of insurance or other evidence that the covenants and conditions of the Loan Documents concerning insurance coverage are being complied with;
- (ix) There shall be no material adverse change in the New Borrower's business or its financial condition since Loan approval;
- (x) Lender shall have received an undertaking from RLF Canada Holdings Limited ("RCH") committing to make a \$3,500,000 equity contribution to the New Borrower by the first anniversary of the Effective Date, or by such other date or amount as may be agreed to in writing by the New Borrower, RCH and the Lender; and
- (xi) Such other documents, as required by the Lender.

Negative Covenants:

Such similar negative covenants as set out in the draft Loan Agreement circulated on July 21, 2020, provided that the New Borrower (a) will be entitled to obtain purchase-money security financing or capital lease financing from third party lenders or lessors in an aggregate amount to be determined, provided the purchase money security interest(s) or security or leasehold interest created thereby is limited to the acquired or leased assets, (b) will be permitted to enter corporate restructuring transactions with JMB and other affiliates for the purpose of preserving the tax attributes of JMB or its shares, (c) will be permitted to obtain operating or working capital financing from third party lenders in an aggregate amount to be determined, provided that such lender(s) enter into an inter-creditor agreement acceptable to the Lender and any security interest(s) securing such financing be subsequent in priority to the Lender's security interests other than with respect to inventory and accounts receivable, (d) will be permitted to incur indebtedness and security in an aggregate amount to be determined that is subordinate to the Lender, and (e) will be permitted to accumulate capitalized dividends.

Positive Covenants:

Such similar positive covenants as set out in the draft Loan Agreement circulated on July 21, 2020, including, but not limited to:

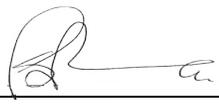
- (i) store and maintain in current condition the Fiera Equipment at the New Borrower's premises located in the Town of Bonnyville, in the Province of Alberta, or if currently stored in Washington State, at an acceptable location in Washington State; and
- (ii) the New Borrower shall employ reasonable commercial efforts to sell the Fiera Equipment in a commercially

reasonable manner that is acceptable to the Lender, acting reasonably.

- Insurance:** The New Borrower shall maintain:
- (i) All risks fire and extended coverage insurance on all assets to the full insurable value from time to time outstanding, with first loss payable to the Lender and a standard mortgage clause on an Insurance Bureau of Canada form. Insurance shall not be cancellable except on 30 days prior written notice to the Lender;
 - (ii) Public liability, bodily injury and property damage insurance of the type and in such amount as is acceptable to the Lender; and
 - (iii) Maintain casualty and property insurance in respect of the Fiera Equipment from JMB in amounts not less than the appraised equipment value.
- Financial Covenants:** Such similar financial covenants as set out in the draft Loan Agreement circulated on July 21, 2020.
- Reporting Requirements:** Such similar reporting requirements as set out in the draft Loan Agreement circulated on July 21, 2020.
- Events of Default:** Standard for a loan of this nature, provided that the amount realizable in respect of Facility C shall be limited to the net proceeds of sale of remaining Fiera Equipment.
- Transaction Expenses:** Legal fees and disbursements, appraisal fees, any out of pocket due-diligence expenses including costs incurred in the preparation, execution, delivery, registration and discharge of the Loan documents, including, without limitation, work fees charged by the Lender, or in the collection of any amount owing under the Loan shall be for the New Borrower's account.
- Governing Law:** The Province of Alberta
- Assignment:** In the event that the New Borrower sells all or substantially all of its assets, or its parent sells its shares in the capital of the New Borrower, provided that the purchaser provides satisfactory evidence to the Lender (in its sole discretion) that it is financially and operationally able to perform or cause the performance of the terms reflected hereby, the Lender shall consent to such sale.

[Signature page follows]

**FIERA PRIVATE DEBT FUND V LP,
BY ITS GENERAL PARTNER FIERA PRIVATE DEBT FUND INC.**

Per: 
Authorized Signature

Per: _____
Authorized Signature

**FIERA PRIVATE DEBT FUND VI LP,
BY ITS GENERAL PARTNER FIERA PRIVATE DEBT FUND INC.**

Per: 
Authorized Signature

Per: _____
Authorized Signature

Agreed and accepted this 21 day of July, 2020.

By: 1257568 B.C. LTD.

Per: _____
Authorized Signature

Per: _____
Authorized Signature

**FIERA PRIVATE DEBT FUND V LP,
BY ITS GENERAL PARTNER FIERA PRIVATE DEBT FUND INC.**

Per: _____
Authorized Signature

Per: _____
Authorized Signature

**FIERA PRIVATE DEBT FUND VI LP,
BY ITS GENERAL PARTNER FIERA PRIVATE DEBT FUND INC.**

Per: _____
Authorized Signature

Per: _____
Authorized Signature

Agreed and accepted this 21 day of July, 2020.

By: 1257568 B.C. LTD.

DocuSigned by:
Byron J Levtulich

Per: _____
Authorized Signature

Per: _____
Authorized Signature

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

[See attached]

Mantle Materials Group Ltd. Tranche A

V \$ 12,351,146.60 87.41%
 VI \$ 1,778,983.37 12.59%
 \$ 14,130,129.97

\$3,550,000.00 **Valuation Date:** 26-Apr-21

Interest Rate: 7.000% **# of Payments:** 80

Blended payment \$60,523.97 **Amortization:** 72

Fund V

Fund VI

Pymt. #	Date	Total Payment	Interest Portion	Principal Portion	Principal Outstanding	Fund V			Fund VI		
						Total Payment	Interest	Principal	Total Payment	Interest	Principal
46	15-Jun-26	60,523.97	11,362.36	49,161.62	1,862,018.31	52,904.00	9,931.84	42,972.17	7,619.97	1,430.52	6,189.45
47	15-Jul-26	60,523.97	10,712.98	49,810.99	1,812,207.32	52,904.00	9,364.22	43,539.79	7,619.97	1,348.76	6,271.20
48	15-Aug-26	60,523.97	10,773.94	49,750.03	1,762,457.29	52,904.00	9,417.51	43,486.50	7,619.97	1,356.44	6,263.53
49	15-Sep-26	60,523.97	10,478.17	50,045.80	1,712,411.49	52,904.00	9,158.97	43,745.04	7,619.97	1,319.20	6,300.77
50	15-Oct-26	60,523.97	9,852.23	50,671.74	1,661,739.75	52,904.00	8,611.83	44,292.17	7,619.97	1,240.40	6,379.57
51	15-Nov-26	60,523.97	9,879.38	50,644.59	1,611,095.16	52,904.00	8,635.57	44,268.43	7,619.97	1,243.81	6,376.15
52	15-Dec-26	60,523.97	9,269.31	51,254.66	1,559,840.50	52,904.00	8,102.31	44,801.70	7,619.97	1,167.01	6,452.96
53	15-Jan-27	60,523.97	9,273.57	51,250.40	1,508,590.10	52,904.00	8,106.03	44,797.98	7,619.97	1,167.54	6,452.43
54	15-Feb-27	60,523.97	8,968.88	51,555.09	1,457,035.01	52,904.00	7,839.70	45,064.31	7,619.97	1,129.18	6,490.79
55	15-Mar-27	60,523.97	7,824.08	52,699.89	1,404,335.11	52,904.00	6,839.03	46,064.98	7,619.97	985.05	6,634.92
56	15-Apr-27	60,523.97	8,349.06	52,174.91	1,352,160.20	52,904.00	7,297.91	45,606.09	7,619.97	1,051.15	6,568.82
57	15-May-27	60,523.97	7,779.55	52,744.42	1,299,415.78	52,904.00	6,800.11	46,103.90	7,619.97	979.45	6,640.52
58	15-Jun-27	60,523.97	7,725.29	52,798.68	1,246,617.10	52,904.00	6,752.68	46,151.33	7,619.97	972.61	6,647.35
59	15-Jul-27	60,523.97	7,172.32	53,351.66	1,193,265.44	52,904.00	6,269.32	46,634.68	7,619.97	902.99	6,716.97
60	15-Aug-27	60,523.97	7,094.21	53,429.76	1,139,835.68	52,904.00	6,201.05	46,702.96	7,619.97	893.16	6,726.81
61	15-Sep-27	60,523.97	6,776.56	53,747.42	1,086,088.26	52,904.00	5,923.39	46,980.62	7,619.97	853.17	6,766.80
62	15-Oct-27	60,523.97	6,248.73	54,275.25	1,031,813.02	52,904.00	5,462.01	47,441.99	7,619.97	786.71	6,833.25
63	15-Nov-27	60,523.97	6,134.34	54,389.63	977,423.39	52,904.00	5,362.03	47,541.98	7,619.97	772.31	6,847.65
64	15-Dec-27	60,523.97	5,623.53	54,900.44	922,522.94	52,904.00	4,915.53	47,988.48	7,619.97	708.00	6,911.97
65	15-Jan-28	60,523.97	5,484.59	55,039.38	867,483.56	52,904.00	4,794.08	48,109.93	7,619.97	690.51	6,929.46
66	15-Feb-28	60,523.97	5,143.28	55,380.70	812,102.86	52,904.00	4,495.74	48,408.27	7,619.97	647.54	6,972.43
67	15-Mar-28	60,523.97	4,504.29	56,019.69	756,083.18	52,904.00	3,937.20	48,966.81	7,619.97	567.09	7,052.88
68	15-Apr-28	60,523.97	4,482.79	56,041.18	700,041.99	52,904.00	3,918.41	48,985.60	7,619.97	564.38	7,055.59

**SCHEDULE F
MATERIAL AGREEMENTS**

1. 216 Dispositions

- (a) Surface Material Lease No. 080085 in favour of 216 dated April 26, 2012 in respect of Aggregate Pit JLG 3 located within NW-12-63-19 W4M and SW-13-63-19 W4M.
- (b) Surface Material Lease No. 100085 in favour of 216 dated June 24, 2016 in respect of Aggregate Pit JLG 4 located within NE-12-63-19 W4M and NW-12-63-19 W4M.
- (c) Surface Material Lease No. 110025 in favour of 216 dated February 11, 2014 in respect of Aggregate Pit JLG 5 located within NE-11-61-18 W4M.
- (d) Surface Material Lease No. 110026 in favour of 216 dated April 11, 2012 in respect of Aggregate Pit JLG 6 located within SE-11-61-18 W4M.
- (e) Surface Material Lease No. 110045 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 7 located within SE-15-61-18 W4M and NE-15-61-18 W4M.
- (f) Surface Material Lease No. 110046 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 8 located within NE-15-61-18 W4M and NW-15-61-18 W4M.
- (g) Surface Material Lease No. 120006 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 11 located within NW-14-61-18 W4M.
- (h) Surface Material Lease No. 120100 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 12 located within SE-21-61-18 W4M.
- (i) Surface Material Lease No. 110047 in favour of 216 located within SE-15-61-18 W4M, SW-15-61-18 W4M, and NW-15-61-18 W4M.
- (j) Surface Material Lease No. 120005 in favour of 216 located within SW-14-61-18 W4M and NW-14-61-18 W4M.
- (k) Surface Material Lease No. 060060 in favour of 216 located within SW-13-65-18-W4M.
- (l) Department Licence of Occupation 170011 in favour of 216 located within SE-13-65-18-W4M and SW-13-65-18-W4M.

2. JMB Dispositions

- (a) Surface Material Lease No. 120027 in favour of JMB located within SW-30-63-08-W4M.
- (b) Surface Material Lease No. 930040 in favour of JMB located within SE-23-61-07-W4M.

- (c) Surface Material Lease 980116 in favour of JMB located within SW-21-63-12-W4M.
- (d) Department Miscellaneous Lease 120032 in favour of JMB located within NW-20-74-8-W4M.
- (e) Surface Materials Exploration 150106 in favour of JMB located within SW-26-75-11-W4M, SE-34-75-11-W4M, NW-23-75-11-W4M, NE-27-75-11-W4M, SW-35-75-11-W4M, and NW-26-75-11-W4M.
- (f) Surface Materials Exploration 200009 in favour of JMB located within NE-30-81-6-W4M, NE-31-81-6-W4M, SE-31-81-6-W4M, and SW-31-81-6-W4M.

3. **Royalty Agreements**

- (a) Royalty Agreement made as of June 28, 2019 between JMB and Lafarge Canada Inc. ("**Lafarge**") in respect of the Aggregate Pit referred to as Moose River for which Lafarge has a surface material lease identified as SML 100043 located at SW-35-61-7-W4M and having 18.46 acres.
- (b) Royalty Agreement made as of June 28, 2019 between JMB and Lafarge in respect of the Aggregate Pit referred to as Oberg for which Lafarge had registration number 15215-01-01 located on lands described as SE-5-62-7-W4 and having 159.88 acres.
- (c) Royalty Agreement made as of October 29, 2018 between JMB and Jerry Shankowski (945441 Alberta Ltd.) in respect of an Aggregate Pit located at SW 21-56-7-W4, which Aggregate Pit is registered under the EPEA as registration no. 308161-00-00.
- (d) Royalty Agreement made as of November 8, 2018 between Helen Havener, Gail Havener and JMB in respect of the Aggregate Pit located at NW 16-56-7-W4M, which Aggregate Pit is registered under the EPEA as registration no. 17395-01-00.
- (e) Royalty Agreement made as of February 26, 2020 between Darren Andrychuk & Daphne Andrychuk and JMB in respect of the Aggregate Pit located at SW 15-57-14-W4.

4. **Other Contracts**

- (a) Lease dated September 1, 2011 between 489786 Alberta Ltd., as landlord, and JMB, as tenant, as amended September 3, 2015, December 12, 2016, February 26, 2018 and March 1, 2020, in respect of the lands and premises located at NW-20-61-5-4 in Bonnyville, Alberta.
- (b) Supply agreement entered into November 1, 2013 between the Municipal District of Bonnyville No. 87 and JMB, as amended by the first amendment dated September 30, 2015, the second amendment dated December 12, 2016, the third amendment dated February 26, 2018, and the amendment to agreement dated February 28, 2020.

- (c) Cenovus Energy master service and supply agreement 700322 effective as of March 13, 2020 between Cenovus Energy Inc. and JMB.
- (d) Commitment Letter dated January 8, 2018 between Canadian Western Bank and 216, as amended, together with all cash collateral security delivered in connection therewith and the rights of the Vendors in respect of the letters of credit issued by Canadian Western Bank thereunder, including:
 - i. the letter of credit in the amount of \$19,540 issued in connection with the 216 Disposition identified as SML 080085;
 - ii. the letter of credit in the amount of \$42,010 issued in connection with the 216 Disposition identified as SML 100085;
 - iii. the letter of credit in the amount of \$79,690 issued in connection with the 216 Disposition identified as SML 110025;
 - iv. the letter of credit in the amount of \$77,540 issued in connection with the 216 Disposition identified as SML 110026;
 - v. the letter of credit in the amount of \$57,030 issued in connection with the 216 Disposition identified as SML 110045;
 - vi. the letter of credit in the amount of \$44,380 issued in connection with the 216 Disposition identified as SML 110046;
 - vii. the letter of credit in the amount of \$25,690 issued in connection with the 216 Disposition identified as SML 120006;
 - viii. the letter of credit in the amount of \$29,650 issued in connection with the 216 Disposition identified as SML 120100;
 - ix. the letter of credit in the amount of \$46,110 issued in connection with the 216 Disposition identified as SML 110047;
 - x. the letter of credit in the amount of \$78,110 issued in connection with the 216 Disposition identified as SML 120005; and
 - xi. the letter of credit in the amount of \$41,440 issued in connection with the 216 Disposition identified as SML 060060;
- (c) Contracts granting a licence or other right to use the Axon software, the ISNetwork software and the software provided by ComplyWorks Ltd..
- (d) Non-competition agreement dated March 22, 2019 between 541466 Alberta Ltd., Lisa Ball, Gordon Ball, and JMB.
- (e) Master Equity Vehicle Lease Agreement dated August 23, 2019 between Enterprise Fleet Management Canada, Inc. and JMB, together with Open-End (Equity) Lease Schedule in respect of 2019 Ford, Model F-150, Series XLT 4x4 SuperCrew Cab Styleside 6.5, 1FTFW1E52KFC66669.

**SCHEDULE G
LANDS**

Pit/Agreement Name	Primary Market Served	SML #	Ownership / Lease Type	Expiration Date
216 SML Gravel Pits				
JLG 7	Smoky Lake	110045	SML	17/03/2025
JLG 6	Smoky Lake	110026	SML	10/04/2022
JLG 8	Smoky Lake	110046	SML	17/03/2025
JLG 5	Smoky Lake	110025	SML	10/02/2024
JLG 12	Smoky Lake	120100	SML	04/10/2027
JLG 4	Thorhild	100085	SML	23/06/2026
JLG 3	Thorhild	080085	SML	25/04/2022
JLG 11	Smoky Lake	120006	SML	04/10/2027
JLG 9	Smoky Lake	110047	SML	17/3/2025
JLG10	Smoky Lake	120005	SML	4/10/2027
	Smoky Lake	060060	SML	27/5/2024
JMB SML Gravel Pits				
		120027	SML	
		930040	SML	
		980116	SML	
Royalty Gravel Pits				
Shankowski Royalty Agreement	Bonnyville / Cold Lake	Private	Royalty Agreement	19/10/2028
Oberg	Bonnyville / Cold Lake	15215-01-01	Royalty Agreement	01/07/2024
Moose River	Bonnyville / Cold Lake	100043	Royalty Agreement	01/07/2024 06/01/2023
Andrychuk Royalty Agreement	Bonnyville / Cold Lake	Private	Royalty Agreement	26/02/2030
Havener Royalty Agreement	NW 16-56-7-W4	Elk Point	Royalty Agreement	Freehold
Owned Gravel Pit and Other				
JMB	Bonnyville / Cold Lake	Private	JMB-Owned	Freehold
Gagne	Bonnyville / Cold Lake	Private	JMB-Owned	Freehold
Bonnyville Premises lease	Bonnyville / Cold Lake			Leased premises

**SCHEDULE H
OWNERSHIP STRUCTURE**

Name	Jurisdiction of Incorporation/ Formation	Holder of Equity Interest	Province of Chief Executive Office	Relevant Jurisdictions of Collateral
Mantle Materials Group, Ltd.	British Columbia	RLF Canada Holdings Limited	Alberta	Alberta
JMB Crushing Systems Inc.	British Columbia	RLF Canada Holdings Limited	Alberta	Alberta
2161889 Alberta Ltd.	Alberta	JMB Crushing Systems Inc.	Alberta	Alberta

**SCHEDULE I
FIERA EQUIPMENT**

Year	Manufacturer	Model	Size / Capacity / Asset Type	Serial # / VIN
2001	Travco		5-Unit Wellsite Camp each unit 12' x 56'	1256110534, 1256110533, 1256110532, 1256110531, 1256110530
2007	Bold Developments		12' x 56' Wellsite	T06-012
2007	Arctic		10' x 30' Tri-Axle Wellsite Trailer	2GRTV30T975073015
2007	Arctic		10' x 30' Tri-Axle Wellsite Trailer	2GRTN30T075070316
2007	Britco		12' x 62' 6-Sleeper Wellsite	07066-3
2007	Britco		12' x 62' 6-Sleeper Wellsite	07066-8
2007	Britco		12' x 62' 6-Sleeper Wellsite	07066-9
2015	Stratis		2,500 Gallon Water Storage Tank	SOSWS035
2014	Komatsu	HM400-3	44 ton Off-Highway Articulated Dump Truck	3384
2014	Komatsu	HM400-3	44 ton Off-Highway Articulated Dump Truck	3578
2014	Komatsu	HM400-3	44 ton Off-Highway Articulated Dump Truck	3420
2006	Volvo	L180E	Articulated Wheel Loader	L180EV8273
2008	Caterpillar	988H	Articulated Wheel Loader	CAT0988HCBXY02382
2006	Volvo	L180E	Articulated Wheel Loader	L180EV8379
1999	Komatsu	WA450-3	Articulated Wheel Loader	53372
2012	Caterpillar	988H	Articulated Wheel Loader	CAT0988HABXY05172
2012	Caterpillar	246C	Skid Steer Loader	CAT0246CJJAY07005
2012	Caterpillar	246C	Skid Steer Loader	CAT0246CVJAY08691
2013	Volvo	L220G	Articulated Wheel Loader	VCEL220GC00012444
2013	Volvo	L220G	Articulated Wheel Loader	VCEL220GA00012852
2009	Volvo	L220F	Articulated Wheel Loader	VCEL220FP00006937
2004	Caterpillar	D6N LGP	Crawler Dozer	ALY01814
2005	Daewoo	Solar 470LC-V	Crawler Excavator	1357
1996	Hitachi	EX55UR	Mini Crawler Excavator	1BG-02075
2012	Caterpillar	345D	Crawler Excavator	CAT0345DJEEH01226
2009	Caterpillar	160M	Motor Grader	CAT0160MAB9E00358
2001	Toyota	7FGU30	6,000 lb LP Gas Lift Truck	61607
2001	Caterpillar	535B	Grapple Skidder	AAE00408
1996	Grizzly	250-5	250 kw Diesel Generator	
2014	Wacker	G100	80 kw Generator	20278208
	Ingersoll-Rand		20 kw Portable Light Tower	
2006	Terex Amida	AL5200D-4MH	20 kw Portable Light Tower	G0F-24939
2014	Wacker	LTW20	20 kw Portable Light Tower	20239723
2014	Wacker	LTW20	20 kw Portable Light Tower	20239727
2014	Wacker	LTW20	20 kw Portable Light Tower	20241937
	Frontier	PT4000K	20 kw Portable Light Tower	PTS2002-33
2006	Ingersoll-Rand		6 kw Portable Light Tower	372495UFQC13
2004	Precision		95 ton Truck Scale	
2015	Precision		100 ton Truck Scale	15-589
1980	Midland		48' Tandem Axle Van Trailer	2ATD10186AM110007
1979	Fruehauf	FP9F1271	28' Single Axle Van Trailer	DXV180718
1999	Manac	Super B	Tri-Axle Tool Van Trailer	2M5931033X1062925
2004	Detroit Diesel	Series 60	Diesel Generator	6R753345
1998	Stamford		60 kw Portable Diesel Generator	E980749726
2004	Elrus	25YD3 SB	25-Cubic Yard Portable Surge Bin	M3461ER04SB
2008	Kolberg- Pioneer	L3-36125	36" x 125' Portable Telescopic Radial Stacking Belt Conveyor	407136

Year	Manufacturer	Model	Size / Capacity / Asset Type	Serial # / VIN
2006	Powerscreen		36" x 80' Portable Folding Stacking Belt Conveyor	6002232
2008	Kolberg-Pioneer		36" x 70' Portable Belt Conveyor	408560
2004	Elrus		36" x 60' Portable Belt Conveyor	M3445ER04PC
2004	Elrus	36X60FT-PC	36" x 60' Portable Belt Conveyor	M3446ER04PC
	Thor	T150-8	150' Portable Telescopic Radial Stacking Belt Conveyor	1846
	Tyalta		42" x 60' Portable Belt Conveyor	144260350
2010	CEC		30" x 60' Portable Belt Conveyor	30600606-J
			36" x 40' Portable Belt Conveyor	36400706-J
2004	Elrus	6X20-3D SC	6' x 20' Portable Screen Plant	M3499ER04SP
2008	Clemro Industries, Ltd.		Portable Jaw Crusher	1498-4127
2011	Clemro Industries, Ltd.		Portable Low Profile Belt Feeder	1679-4599
			15,000 liter Fuel Tank	
	Westeel		15,000 Gallon Fuel Tank	641500334
	Westeel		1,000 Gallon Double-Walled Steel Fuel Tank	671301089
	Westeel		1,000 Gallon Double-Walled Steel Fuel Tank	671502620
		TH5G00	2,200 liter Double-Walled Steel Fuel Tank	
		TH5G00	2,200 liter Double-Walled Steel Fuel Tank	
2008	Dodge	Ram 2500HD	Mega Cab Flatbed Truck	3D7KS29D78G155808
2008	Ford	F350 Super Duty XL	Crew Cab Flatbed Truck	1FTWW31568ED84921
2008	Ford	F350 Super Duty XLT	Crew Cab Flatbed Truck	1FTWW31598EE44965
2012	Ford	F250 Super Duty XLT	Crew Cab Pickup Truck	1FT7W2B69CEB71377
2012	Ford	F250 Super Duty XLT	Crew Cab Pickup Truck	1FT7W2B61CEB76184
2012	Ford	F150 XLT	Supercrew Pickup Truck	1FTFW1EF2CFA97764
2012	Ford	F350 Super Duty	Crew Cab Pickup Truck	1FT8W3B60CEA94375
2012	Ford	F350 Super Duty	Crew Cab Pickup Truck	1FT8W3B60CEB56034
2008	Peterbilt	367	Tri-Drive Conventional Tractor	1NPTX4EX48D737575
2009	Peterbilt	367	Tandem Axle Dump Truck	1NPTL40X19D778993
2009	Kenworth	T800	Tri-Drive Dump Truck	1XKDP40X49R941482
2009	Peterbilt	367	Tri-Drive Conventional Tractor	1XPTP40X79D789572
2013	Peterbilt	337	Single Axle Mechanics Truck	2NP2HN8X1DM205263
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X6FD284564
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X8FD284565
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0XXFD284566
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X1FD284567
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X3FD284568
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X5FD284569
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X1FD284570
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X3FD284571
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X5FD284572
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X7FD284573
2013	Peterbilt	367	Tri-Drive Winch Tractor	1XPTP4TX9DD184358
1997	Freightliner	FL60	Single Axle Service Truck	1FV6GJBA0VHH80602
2014	Peterbilt	348	Tandem Axle Water Truck	2NP3LJ0X2EM242007
1996	Arrow		Tandem Axle Jeep	259CSCB2XT1073252

Year	Manufacturer	Model	Size / Capacity / Asset Type	Serial # / VIN
1994	Arnes		Tandem Axle 16-Wheel Jeep	AR804203
2000	Decap	Super B	Tri-Axle Lead Belly Dump Trailer	2D9D54C37YL017498
2000	Decap	Super B	Tandem Axle Pup Belly Dump Trailer	2D9DS2B31YL017499
2006	Arnes		Quad-Axle End Dump Pup Trailer	2A92142466A003242
2006	Decap	Super B	Tri-Axle Lead Belly Dump Trailer	2D9DS4C476L017782
2006	Decap	Super B	Tandem Axle Pup Belly Dump Trailer	2D9DS2B326L017783
2006	Decap	Super B	Tri-Axle Lead Belly Dump Trailer	2D9DS4C406L017784
2006	Decap	Super B	Tandem Axle Pup Belly Dump Trailer	2D9DS2B366L017785
2006	Decap	Super B	Tri-Axle Lead Belly Dump Trailer	2D9DS4C446L017786
2006	Decap	Super B	Tandem Axle Pup Belly Dump Trailer	2D9DS2B3X6L017787
2007	Arnes		Tri-Axle End Dump Trailer	2A90737307A003528
2008	Arnes		Quad-Axle End Dump Pup Trailer	2A92142498A003884
2008	Arnes		Quad-Axle End Dump Pup Trailer	2A92142408A003885
2008	Load Max		20' Tandem Axle Equipment Trailer	5L8PH202681013062
2009	Arnes		Tri-Axle End Dump Trailer	2A90737359A003298
2009	Arnes		Tri-Axle End Dump Trailer	2A90737379A003299
2009	Arnes		Tri-Axle End Dump Trailer	2A907373X9A003300
2009	Arnes		Tri-Axle End Dump Trailer	2A90737319A003301
2009	Arnes		Tri-Axle End Dump Trailer	2A90737339A003302
2009	Arnes		Quad-Axle End Dump Pup Trailer	2A92142499A003238
1999	Argo		8' x 21' Tandem Axle Cargo Trailer	2AABDE821X1000122
2008	Doepker		Tri-Axle End Dump Trailer	2DEGEDZ3381023677
2006	Doepker		Tri-Axle Scissor Neck Lowboy Trailer	2DESNSZ3161018845
2015	Arnes		Tri-Axle End Dump Trailer	2A9074131FA003583
1997	Roadmaster		Tri-Axle Trombone Step Deck Trailer	2T9DF513XV1011230
2013	Lode King	SDS53-3	40 ton Tri-Axle Scissor Neck Lowboy Trailer	2LDSD5331DS055478
1980	Willock		Single Axle Float Trailer	2ATA06238AM107038
1999	Manac		Tandem Axle Lube & Tool Van Trailer	2M5920884X1062932
2008	Ford	F350 Super Duty XLT	Crew Cab Pickup Truck	1FTWW31518EE16691
2008	Ford	F350 Super Duty XLT	Crew Cab Pickup Truck	1FTWW31598ED98117
2008	Ford	F350 Super Duty XLT	Crew Cab Pickup Truck	1FTWW31538EE44962
2012	Dodge	Ram 2500 SLT	Crew Cab Pickup Truck	3C6TD5JT2CG113379
			Engine identified as TT009	
			Engine identified as TT002	
			Equipment identified as PT003	
			Equipment identified as TV100 and TV101	
			Dump box identified as TR006	
			3 Terex portable light towers	
	Maxi		2 portable light towers	
	Isuzu		20 kw generator	
	Volvo		360 kw generator	
2007	Peterbilt	379	379 Tandem Axle Winch Tractor	1NP5L40X77D742313
2007	Clemro Industries, Ltd.	BF100	Portable Belt Feeder	1463-4120
2009	Terex Amida	AL5200D-4MH	20 kw Portable Light Tower	E0F-09186
2006	Terex Amida	AL5200D-4MH	20 kw Portable Light Tower	4ZJSL151161H23687
2006	Allmand	Maxi Lite 15330	15 kw Portable Light Tower	0425MXL06
2006	Allmand	Maxi Lite 15330	15 kw Portable Light Tower	058ML03
1998	Stamford	360 kw	Diesel Generator	106V3257
1997	Great Dane	7911TJW-53	53' Tandem Axle Control Van Trailer	1GRAA0625VB117102

Year	Manufacturer	Model	Size / Capacity / Asset Type	Serial # / VIN
1999	Elrus	2434	36" x 125' Portable Telescopic Radial Stacking Belt Conveyor	ER99PC1524
2012	Ford	F150 XLT	Supercrew Pickup Truck	1FTFW1EF0CFA97763
2015	Arnes		Tri-Axle End Dump Trailer	2A9073731FA003598
2015	Arnes		Tri-Axle End Dump Trailer	2A9073730FA003575
2015	Arnes		Tri-Axle End Dump Trailer	2A9073738FA003596
2015	Arnes		Tri-Axle End Dump Trailer	2A907373XFA003597
2013	Arnes		40 ton Tri-Axle Scissor Neck Lowboy Trailer	2A9125335DA003461
2015	Arnes		50 ton Tri-Axle Lowboy Trailer	2A9105630FA003016
2007	Dodge	Ram 3500HD	Quad Cab Pickup Truck	3D7MX48A27G781634
2006	Isuzu	20 kw	Diesel Generator	198196/X06D170482
2007	Dodge	3500HD	Diesel Pickup (not running)	3D7MX48A27G781634
2012	Ford	F150	XL T Pick up Truck	1FTFW1 EF0CFA97763
1997	Great Dane		Power Van plus Tower (Serial Number M3243ER03CT)	1GRAA0625VB117102
2004	Detroit		Series 60 Generator	06R0753345
2008	Kolberg-Pioneer	L3-36125	125' Conveyor	407136
1999	Elrus	2434	125' radial stacking belt conveyor	ER99PC1524 M#2434
			Misc spare crusher parts	
1996	Arrow		Jeep	2L9CSCB2XT1078252
2015	Arnes		End Dump Trailer (Trombone 375)	2A9074131FA003583
2015	Arnes		Tri-Axle End Dump Trailer	2A9073732FA003576
2015	Arnes		Tri-Axle End Dump Trailer	2A9073733FA003599
2013	MTU Onsite Energy	DP550D65-AH1484	550-kW Diesel Generator	366258101013
2015	Arnes		End Dump Trailer	2A9073738FA00359

**SCHEDULE J
ENVIRONMENTAL PROTECTION ORDERS (“EPO”)
AND ENFORCEMENT ORDERS (“EO”)**

Pit	EPO	EO
MacDonald	EPO-EPEA-35659-01	-
Megley	02	-
Kucy	03	-
Havener	04	-
Buksa	05	-
Okane	06	-
SML 060060	07	EO-WA-35659-01
SML 930040	08	-
SML 980116	09	-
SML 120027	10	-
TOTAL	10	1

FIRST AMENDMENT TO LOAN AGREEMENT

THIS FIRST AMENDMENT is dated and made effective as of the 19 day of October, 2022.

AMONG:

MANTLE MATERIALS GROUP, LTD.

as Borrower

- and -

FIERA PRIVATE DEBT FUND VI LP, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** (“Fund V”), and **FIERA PRIVATE DEBT FUND VI LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.**, with Fiera V acting as collateral agent for and on behalf of and for the benefit of the Lenders

as Lenders

PREAMBLE

WHEREAS the predecessors of the Borrower, being Mantle Materials Group, Ltd., JMB Crushing Systems Inc., and 2161889 Alberta Ltd., and the Lenders entered into that certain loan agreement dated April 26, 2021 (as may have been amended, restated, supplemented, revised, replaced, extended or otherwise modified from time to time prior to the date hereof, the “**Existing Loan Agreement**”);

AND WHEREAS the Borrower has requested and the Lenders have agreed to amend certain terms and conditions of the Existing Loan Agreement, as more particularly described herein;

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE I – INTERPRETATION

- 1.1 All capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Existing Loan Agreement, as amended by this First Amendment (as amended, restated, supplemented, revised, replaced, extended or otherwise modified from time to time, the “**Loan Agreement**”).

ARTICLE II – AMENDMENTS TO THE EXISTING LOAN AGREEMENT

- 2.1 With effect on the First Amendment Effective Date (hereinafter defined), the Existing Loan Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the conformed Loan Agreement attached hereto as Exhibit A.

ARTICLE III – CONDITIONS TO EFFECTIVENESS

- 3.1 This First Amendment shall become effective upon the satisfaction of each of the following conditions precedent (such date being referred to herein as the “**First Amendment Effective Date**”):
- (a) the recitals to this First Amendment shall be true and correct;
 - (b) the Lenders shall have received and be satisfied with the results of recent personal property, bankruptcy, litigation and other searches with respect to the Borrower in all jurisdictions required by the Lenders;
 - (c) the Borrower shall have delivered satisfactory evidence to the Lenders that Travelers Capital Corp. (“**Travelers**”) has provided a 9-month deferral of principal payments from October 1, 2022 until June 30, 2023, in respect of its loans to the Borrower pursuant to a loan and security agreement dated as of October 8, 2021 between Travelers, as lender, and the Borrower, as borrower;
 - (d) the Borrower shall have delivered to the Lenders a duly executed version of this First Amendment;
 - (e) the Borrower shall have delivered to the Lenders a duly executed version of the Subordination Agreement dated concurrently herewith among the Borrower, RLF Canada Lender Limited and the Lenders;
 - (f) the Borrower shall have delivered a certificate of an officer of the Borrower dated as of the First Amendment Effective Date, and certifying (i) copies of the resolutions of the Board of Directors of the Borrower, approving, inter alia, this First Amendment and the transactions contemplated herein, (ii) the name, title and true signature of each officer of such Person authorized to execute this First Amendment, (iii) that attached thereto is a true and complete copy of the articles of incorporation and bylaws of the Borrower as amended to date, and (iv) a recent certificate of status or analogous certificate;
 - (g) the Lender shall have received a currently dated opinion, addressed to the Lenders in form and substance satisfactory to the Lenders and the Lenders’ counsel, acting reasonably and in accordance with customary opinion practise, from counsel for the Loan Parties, and such other local counsel to the Loan Parties as the Lenders may reasonably require and opining to such matters as the Lender or its solicitors may require;
 - (h) nothing shall have occurred (nor shall any Lender become aware of any facts not previously known), which the Lenders determine is reasonably likely to result in or have a Material Adverse Change since the date of the latest financial statements provided by the Borrower to the Lenders;
 - (i) the Lenders shall be satisfied that there is no pending judicial, administrative or other proceedings, investigations or litigation which seek to adjourn, delay, enjoin, prohibit or impose material limitations on any aspect of the transactions contemplated by this First Amendment;
 - (j) the Lenders shall be satisfied that the Borrower has not:

- (i) made an assignment in bankruptcy, made a proposal to its creditors or filed notice of its intention to do so, instituted any other proceeding under Applicable Law seeking to adjudicate it a bankrupt or an insolvent, or seeking liquidation, dissolution, winding up, reorganization, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors, composition of it or its debts or any other similar relief; or
- (ii) applied for the appointment of or the taking of possession by, a receiver, interim receiver, receiver/manager, sequestrator, conservator, custodian, administrator, trustee, liquidator or other similar official for its or a substantial part of its property; or
- (iii) had a petition filed, application made or other proceeding instituted against or in respect of it in any jurisdiction seeking any of the results described in (i) or (ii), above.

ARTICLE IV – FEES

- 4.1 The Borrower acknowledges and agrees to pay a loan amendment fee in the amount of \$49,500 to the Lenders, which is fully earned on the First Amendment Effective Date and payable in three installments of \$16,500 each on February 15, 2023, March 15, 2023 and April 15, 2023.

ARTICLE V – REPRESENTATIONS AND WARRANTIES

- 5.1 The Borrower represents and warrants to the Lenders that the following statements are true, correct and complete:
- (a) Authorization, Validity, and Enforceability of this First Amendment. The Borrower has the power and authority to execute and deliver this First Amendment and to perform its obligations under this First Amendment and the Loan Agreement. The Borrower has taken all necessary action (including, without limitation, obtaining approval of its shareholders if necessary) to authorize the execution and delivery of this First Amendment, and the performance of its obligations under this First Amendment and the Loan Agreement. This First Amendment has been duly executed and delivered by the Borrower, and this First Amendment and the Loan Agreement constitutes legal, valid and binding obligations of the Borrower, enforceable against it in accordance with its respective terms without defence, compensation, setoff or counterclaim. The Borrower's execution and delivery of this First Amendment, and the performance by the Borrower of its obligations under this First Amendment and the Loan Agreement do not and will not conflict with, or constitute a violation or breach of, or constitute a default under, or result in the creation or imposition of any lien upon the property of the Borrower by reason of the terms of (a) any contract, mortgage, hypothec, Encumbrance, lease, agreement, indenture, or instrument to which the Borrower is a party or which is binding on the Borrower, (b) any requirement of law applicable to the Borrower, or (c) the certificate or articles of incorporation or amalgamation or bylaws of the Borrower.
 - (b) Governmental Authorization. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any governmental authority or other person is necessary or required in connection with the execution, delivery or performance by, or enforcement against the Borrower of this First Amendment or the Loan Agreement

except for such as have been obtained or made and filings required in order to perfect and render enforceable the Lenders' security interests and hypothecs.

- (c) Security. All security delivered to or for the benefit of the Lenders pursuant to the Loan Agreement and the other Loan Documents remains in full force and effect and secures all Obligations of the Borrower under the Loan Agreement and the other Loan Documents to which it is a party.
- (d) No Default. No Default or Event of Default has occurred and is continuing or will result from the entering into of this First Amendment.
- (e) Representations, Warranties and Covenants in Loan Agreement. Upon this First Amendment becoming effective, the Borrower will be in full compliance with all of its covenants in the Loan Agreement and each Loan Document.

ARTICLE VI – MISCELLANEOUS

- 6.1 The Borrower has previously executed certain Loan Documents and it (i) reaffirms and agrees that the Existing Loan Agreement (as amended hereby) and the other Loan Documents to which it is a party remain in full force and effect, (ii) acknowledges and reaffirms all obligations owing by it to the Lenders under the Existing Loan Agreement (as amended hereby) and the other Loan Documents, (iii) reaffirms and agrees that nothing in the Loan Documents obligates the Lenders to seek reaffirmation of the Loan Documents in connection with similar matters in the future, and (iv) reaffirms and agrees that no requirement to so notify the Borrower or to seek the Borrower's reaffirmation in connection with similar matters in the future shall be implied by the execution of this First Amendment.
- 6.2 The amendments in Article II are effective only in this instance and for the specific purpose stated herein. They shall not be, or be deemed to be, a consent to, or waivers of, any preceding or any additional or any subsequent breach or Default or Event of Default of any covenant or provision of the Loan Agreement or any of the other Loan Documents except as expressly provided herein nor shall they operate as waivers of any right, power or remedy of the Lenders under the Loan Agreement and the other Loan Documents.
- 6.3 The Borrower acknowledges and agrees that it is responsible for the payment of all legal fees, disbursements, and taxes thereon reasonably incurred by counsel to the Lenders in respect of this First Amendment, such payment to be made within 5 Business Days of presentation of applicable invoices.
- 6.4 The Borrower hereby absolutely and unconditionally releases and forever discharges the Lenders, and any and all participants, parent corporations, subsidiary corporations, affiliated corporations, insurers, indemnitors, successors and assigns thereof, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state, provincial or federal law or otherwise, which the Borrower has had, now has or has made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this First Amendment, whether such claims, demands and causes of action are matured or unmatured or known or unknown other than claims, liabilities or obligations to the extent caused by a Lender's own gross negligence or willful misconduct.

- 6.5 This First Amendment shall be exclusively (without regard to any rules or principles relating to conflicts of laws) construed in accordance with and governed by the laws of the Province of Alberta and the parties hereto hereby attorn to the jurisdiction of the courts thereof.
- 6.6 This First Amendment may be executed in original and/or PDF counterparts and all such counterparts taken together shall be deemed to constitute one and the same agreement.

[Balance of page left blank, signature pages follow]

The parties have executed this First Amendment as of the date first above written.

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

Per:



Name: Russell French
Title: Managing Director

Per:



Name: Brian Ko
Title: Managing Director

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

Per:



Name: Russell French
Title: Managing Director

Per:



Name: Brian Ko
Title: Managing Director

MANTLE MATERIALS GROUP, LTD.

Per:

Name:
Title: Authorized Signing Officer

Per:

Name:
Title: Authorized Signing Officer

The parties have executed this First Amendment as of the date first above written.

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

Per:

Name:

Title:

Per:

Name:

Title:

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

Per:

Name:

Title:

Per:

Name:

Title:

MANTLE MATERIALS GROUP, LTD.

Per:



Name: John Jeffrey Ryks

Title: Authorized Signing Officer

Per:

Name:

Title: Authorized Signing Officer

EXHIBIT A
CONFORMED LOAN AGREEMENT

See attached.

LOAN AGREEMENT

THIS AGREEMENT made effective this 26 day of April, 2021.

AMONG:

MANTLE MATERIALS GROUP, LTD., a body corporate duly formed by incorporation under the laws of the Province of British Columbia (hereinafter referred to as "**Mantle**" or the "**Borrower**")

- and -

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

- and -

2161889 ALBERTA LTD., a body corporate duly formed by incorporation under the laws of the Province of Alberta (hereinafter referred to as "**216**", and together with JMB, the "**Guarantors**", and each a "**Guarantor**")

- and -

FIERA PRIVATE DEBT FUND VI LP, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** ("**Fund VI**"), and **FIERA PRIVATE DEBT FUND V LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** ("**Fund V**", and together with Fund VI, collectively, the "**Lender**")

PREAMBLE

WHEREAS:

- A. Pursuant to the JMB Loan Agreements (as defined herein), the Lender made certain credit facilities available to JMB from time to time, as guaranteed by, *inter alios*, 216 and secured by certain mortgages, charges and security interests.
- B. Fund V and Fund VI, as acknowledged by, *inter alios*, JMB and 216, entered into a collateral agency agreement dated November 5, 2019, pursuant to which Fund V was directed to act as collateral agent and representative for and on behalf of and for the benefit of the Lender (in such capacity, the "**Collateral Agent**") in respect of all security granted by JMB and 216 to the Lender to secure all or any portion of the indebtedness and obligations owing by JMB and 216 to the Lender under the JMB Loan Agreements (the "**Existing Collateral Agency Agreement**");
- C. Pursuant to an Order of the Honourable Madam Justice K.M. Eidsvik of the Court of Queen's Bench of Alberta (the "**Court**") pronounced on May 1, 2020, as amended and restated by an Order pronounced on May 11, 2020 (as amended and restated, the "**Initial Order**"), JMB and 216 were granted protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**", and such proceedings, the "**CCAA Proceedings**").

- D. Pursuant to the Purchase Agreement (as hereinafter defined), JMB and 216 agreed to sell the Acquired Assets (as defined in the Purchase Agreement) to Mantle, and Mantle agreed to pay the Purchase Price (as defined in the Purchase Agreement) for the Acquired Assets in part by the assumption of a portion of the indebtedness of JMB owing to the Lender pursuant to the JMB Loan Agreements and any promissory notes issued in connection therewith, on terms and conditions agreeable to the Borrower and Lender (the “**Initial Acquisition**”).
- E. Pursuant to a plan of arrangement under the CCAA and *Business Corporations Act*, SBC 2002, c 57 (the “**Plan**”), Mantle was deemed to assume a portion of the indebtedness of JMB owing to the Lender referred to in Recital D (together with the Initial Acquisition, the “**Transaction**”).
- F. The Lender consented to the Transaction and in connection therewith, has agreed to:
- (i) amend, restate, and consolidate the JMB Loan Agreements subject to the terms and conditions as set forth herein;
 - (ii) amend and restate the Existing Collateral Agency Agreement in its entirety to, *inter alia*, reaffirm (A) the appointment, duties and responsibilities of the Collateral Agent, and (B) the agreement between the Lender as to decisions relating to the exercise of remedies under the Security (as defined herein) granted to the Collateral Agent, and certain limitations on the exercise of such remedies; and
 - (iii) continue certain Credit Facilities in favour of the Borrower, and the Borrower has agreed to avail itself of such Credit Facilities.

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

1. Definitions

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

- (a) “**216 Dispositions**” means the Dispositions listed on Schedule F under the heading “216 Dispositions” together with any security deposited with the AEP in respect thereof to secure Reclamation Obligations;
- (b) “**Additional Guarantor**” means such Subsidiaries of the Borrower or the Parent Group, as applicable, from time to time that provide Security pursuant to Section 14(ii);
- (c) “**Advance**” means any actual or deemed advance, extension or utilization of credit pursuant to this Agreement;
- (d) “**AEP**” means Alberta Environment & Parks;
- (e) “**Affiliate**” means any Person which, directly or indirectly, controls, is controlled by or is under common control with another Person or group of Persons, and for the purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” or “under common control”) means the power to direct or

cause the direction of the management and policies of any Person, whether through the ownership of shares or by contract or otherwise;

- (f) **“Aggregate”** means gravel and other aggregates extracted from a Purchased Pit after the Closing Date;
- (g) **“Aggregate Equipment Sale Net Proceeds”** means the aggregate proceeds of sale of the Remaining Fiera Equipment net of reasonable costs incurred in disposing such Fiera Equipment that have been approved by the Lender;
- (h) **“Agreement”** means this loan agreement, as the same may be amended, restated, modified, supplemented or replaced from time to time in accordance with the provisions hereof;
- (i) **“Applicable Canada Bond”** means with respect to a prepayment of an Advance the non-callable Government of Canada bond denominated in Cdn. currency determined by the Lender as having a remaining term to maturity closest to the remaining term to maturity of the Advance in respect of which the prepayment is to be made;
- (j) **“Applicable Canada Bond Yield”** means with respect to the prepayment of an Advance, the arithmetic average (rounded to the nearest 1/100th of 1%) of the respective percentages reasonably determined by the Lender, calculated in accordance with the generally accepted financial practices, assuming monthly compounding, to be the yield to maturity, expressed as an annual rate of interest, on the Applicable Canada Bond on the 2nd Business Day preceding the date of such prepayment;
- (k) **“Applicable Law”** means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, orders, codes, treaties, conventions, judgments, awards, determinations and decrees of any governmental, regulatory, fiscal or monetary body or court of competent jurisdiction in any applicable jurisdiction, including all Environmental Laws;
- (l) **“Appraised Equipment Value”** means the appraised gross orderly liquidation value of the Fiera Equipment or the Remaining Fiera Equipment, as applicable, under the Machinery and Equipment valuation and review prepared by Gordon Brothers for JMB dated May 5, 2020 and effective April 23, 2020;
- (m) **“ATB”** means ATB Financial;
- (n) **“ATB Agreement”** means the agreement between ATB and the Borrower setting out the terms governing the ATB Assumed Debt;
- (o) **“ATB Aggregate”** means the Acquired Tranche B Aggregate, as such term is defined in the Purchase Agreement;
- (p) **“ATB Assumed Debt”** means that portion of the indebtedness owed by JMB and 216 to ATB which was assumed by the Borrower pursuant to the Plan;
- (q) **“Basis Points”** or **“bps”** means one one-hundredth of one percent;
- (r) **“Borrower”** means Mantle Materials Group, Ltd.;

- (s) **“Business Day”** means a day other than Saturday, Sunday or other day on which commercial banks in Calgary, Alberta or Toronto, Ontario are required by Applicable Law to close;
- (t) **“Capital Stock”** means, with respect to any Person from time to time, any and all shares, units, trust units, partnership, membership or other interests, participations or other equivalent rights in the Person’s equity or capital from time to time, however designated and whether voting or non-voting;
- (u) **“Change in Control”** means any one of the following: (i) the Parent Group or any member or Affiliate thereof ceases to hold fifty (50%) percent of the outstanding Equity Interests of the Borrower; or (ii) in any Fiscal Year, the majority of the Board of Directors of the Borrower changes; provided that, notwithstanding the foregoing, a substitution, addition or change of directors of the Borrower shall not constitute a Change in Control where such newly appointed director or directors are employees, officers or directors of the Parent Group or an Affiliate thereof;
- (v) **“Chattels”** means all the machinery, equipment, furniture, vehicles, goods and tangible personal property of the Borrower as well as every interest of such Loan Party therein, whether as purchaser under a conditional sale agreement, as mortgagor under a chattel mortgage or as lessee under a rental or rental/purchase agreement including all equipment, accessories, tools and appliances thereto now or thereafter fixed or appertaining thereto or used in connection therewith and all other machinery, equipment, furniture, vehicles, goods and Chattels now or hereafter owned or acquired by such Loan Party whether in addition thereto, substitution therefore, replacement thereof, or otherwise;
- (w) **“Closing Date”** means the date on which all conditions precedent set out in Section 12 have been satisfied or waived, in accordance with this Agreement.
- (x) **“Collateral”** means all real and personal property (and the revenues, insurance proceeds, issues, profits, proceeds and products of the foregoing) which are subject, or are intended or required to become subject, to the Security or Encumbrance granted under any of the Loan Documents;
- (y) **“Commitment Fee”** means Ninety Five Thousand (\$95,000) Dollars;
- (z) **“Compliance Certificate”** means a certificate addressed to the Lender and executed by the Borrower in the form attached as Schedule B attached hereto;
- (aa) **“Credit Facilities”** has the meaning set out in Section 3 of this Agreement;
- (bb) **“Crown”** means Her Majesty the Queen in right of the Province of Alberta;
- (cc) **“Current Assets”** means, at any time, those assets ordinarily realizable within one (1) year from the date of determination or within the normal operating cycle, where such cycle is longer than one (1) year;
- (dd) **“Current Liabilities”** means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for Current Assets), but excluding, for certainty, the ATB Assumed Debt;

- (ee) **“Current Ratio”** means the Current Assets divided by the Current Liabilities, excluding the current portion of long term debt;
- (ff) **“Debt Service Coverage”** means EBITDA plus (to the extent not already included) any other non-cash expenses acceptable to the Lender less un-financed capital expenditure, advances to related parties deferred charges, Distributions and cash taxes, divided by the total of (A) scheduled principal repayments in respect of Facility A, (B) principal repayments in respect of Facility B, (C) scheduled principal payments on all other consolidated debt (other than, for greater certainty, payments of ATB Assumed Debt), and (D) all interest payments; provided that for the purposes of this definition (i) at all times, principal repayments in respect of Facility C Principal Amount and Facility D Principal Amount shall be excluded and (ii) for any time up to and including March 31, 2025, repayments of the Facility B Principal Amount shall be excluded. For certainty, beginning with the quarterly fiscal period beginning as of April 1, 2025, principal repayments of the Facility B Principal Amount shall be included in Debt Service Coverage;
- (gg) **“Disposition”** means a disposition of land of the Crown in right of Alberta under the *Public Lands Act*, RSA 2000, Ch. P-40;
- (hh) **“Distribution”** means any amount paid by any Loan Party to or on behalf of the employees, directors, officers, shareholders or partners of any Loan Party or to any Related Person thereto, by way of salary, bonus, commission, management fees, directors’ fees, dividends, redemption of Capital Stock or other Equity Interests, distribution of profits, or otherwise, and whether payments are made to such Persons in their capacity as shareholders, partners, directors, officers, employees, owners or creditors of any Loan Party or otherwise, or any other direct or indirect payment in respect of earnings or capital of any Loan Party; provided however that (A) the payment of salaries and management fees from time to time to partners, officers and employees of a Loan Party in the ordinary course of business at levels not in excess of (i) normal industry remuneration and (ii) those in existence as at the Closing Date shall not be considered Distributions, and (B) the issuance of Capital Stock or other Equity Interests of any Loan Party to any existing shareholder thereof, and the issuance of Capital Stock or other Equity Interests of any Loan Party to any employee under such Loan Party’s long term incentive plan;
- (ii) **“Eastside”** means Eastside Rock Products, Inc.;
- (jj) **“EBITDA”** means, with respect to the Borrower, earnings before interest, taxes, depreciation, depletion expenses, accretion, amortization and payments under Facility B, but does not include such non-cash items as stock based compensation, loss/gain on disposal of assets and/or any one time/non-recurring items. EBITDA shall include adjustments for trailing results of the Transaction and other acquisitions, as reasonably applicable and approved by the Lender, acting reasonably;
- (kk) **“Encumbrance”** means, with respect to any Person or any property, any mortgage, debenture, chattel mortgages, conditional sales contracts, pledge, hypothec, lien, charge, lease, sublease, easement, preference, priority, assignment by way of security, hypothecation or security interest granted or permitted by such Person or arising by operation of law, in respect of any of such

Person's property or assets, or any consignment by way of security or Finance Lease Obligations of such Person as consignee or lessee, as the case may be, or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or other obligation, including title reservations, limitations, provisos or conditions, and "**Encumbrances**" and "**Encumbered**" have corresponding meanings;

- (ll) "**Environmental Complaint**" shall have the meaning set forth in Section 14(bb) hereof;
- (mm) "**Environmental Laws**" shall mean all federal, Canadian, state, provincial and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the environment, human health and/or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of Governmental Authorities with respect thereto which are applicable to the Lands, operations or assets of the applicable Loan Party;
- (nn) "**EPEA**" means the *Environmental Protection and Enhancement Act*, RSA 2000, c E-12 and the regulations thereunder, including the Code of Practice for Pits issued thereunder;
- (oo) "**Equity Interests**" means, in respect of any Person, Capital Stock of such Person, warrants, options or other rights to acquire Capital Stock of the Person and securities convertible into or exchangeable for Capital Stock of such Person;
- (pp) "**Event of Default**" means the occurrence of any event listed in Section 19 hereof;
- (qq) "**Facility D Maturity Date**" means the date that is Eighteen (18) months from the date of the Closing Date;
- (rr) "**Fiera Equipment**" means the tangible personal property listed on Schedule I hereto;
- (ss) "**Finance Lease Obligation**" of any Person means the obligations of such Person under any Finance Lease to which it is a party;
- (tt) "**Finance Leases**" has the meaning ascribed to such term, and, for certainty, includes "lease liabilities" as it relates to a lessee, in the International Financial Reporting Standard 16, as same may be amended from time to time;
- (uu) "**Fiscal Year**" means, in respect of the Borrower, its fiscal year commencing on the 1st of January each year and ending on 31st of December of that same year, or such other fiscal year as may be agreed to by the Lender;
- (vv) "**Funded Debt**" means, with respect to any Person:
 - (i) money borrowed (including, without limitation, by way of overdraft) or indebtedness represented by notes payable and drafts accepted representing extensions of credit;
 - (ii) bankers' acceptances and similar instruments;
 - (iii) letters of credit, letters of guarantee and surety bonds issued at the request of such Person;

- (iv) all obligations (whether or not with respect to the borrowing of money) that are evidenced by bonds, debentures, notes or other similar instruments, excluding any such instruments that are at the sole option of the Borrower, convertible into capital of the Borrower but including without limitation, any indebtedness or liabilities of such Person that may be satisfied by the delivery of shares of such Person to the holder thereof or to another Person on behalf of the holder, or that are not so evidenced but that would be considered by GAAP to be indebtedness for borrowed money;
- (v) all obligations as lessee under sale and lease-back, transactions and Finance Leases;
- (vi) all Purchase Money Obligations of such Person; and
- (vii) any guarantee or indemnity (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business) in any manner of any part or all of an Obligation included in items (a) through (f) above,

and, for certainty, shall include the Credit Facilities but shall not include the ATB Assumed Debt;

- (ww) **“Generally Accepted Accounting Principles”** or **“GAAP”** means those accounting principles recommended by Chartered Professional Accountants Canada (**“CPA Canada”**) as successor to the Canadian Institute of Chartered Accountants) and includes any recommendation in its Handbook concerning accounting treatment or statement presentation, such recommendation shall be regarded as the only generally accepted accounting principle applicable to the circumstances that it covers and reference herein to **“Generally Accepted Accounting Principles”** shall be interpreted accordingly, and means in reference to the Loan Parties, IFRS;
- (xx) **“Governmental Authority”** means (i) any government or political subdivision thereof national, provincial, county, municipal or regional having jurisdiction in the relevant circumstances; (ii) any agency or instrumentality of any such government, political subdivision or other government entity (including any central bank or comparable agency); (iii) any court, arbitral tribunal or arbitrator; and (iv) any non-government regulating body, to the extent that the rules, regulations or orders of such body have the force of law;
- (yy) **“Hazardous Discharge”** shall have the meaning set forth in Section 14(bb) hereof;
- (zz) **“Hazardous Substance”** shall mean, without limitation, any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum products, methane, hazardous materials, Hazardous Wastes, hazardous or Toxic Substances or related materials;
- (aaa) **“Hazardous Wastes”** shall mean all waste materials subject to regulation under any Environmental Laws now in force or hereafter enacted relating to hazardous waste disposal;

- (bbb) **“IFRS”** means International Financial Reporting Standards, including International Accounting Standards and Interpretations together with their accompanying documents, which are set by the International Accounting Standards Board, the independent standard-setting body of the International Accounting Standards Committee Foundation (the **“IASC Foundation”**), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation, but only to the extent the same are adopted in Canada as GAAP and then subject to such modifications thereto as are agreed to as part of such adoption, if any;
- (ccc) **“Indebtedness”** means the principal sum or aggregate amount outstanding at any given time of all loans and advances made, or which may be made, by the Lender to the Borrower (including the Credit Facilities) and interest on such loans and advances and all costs, charges and expenses of, or incurred by the Lender, in connection with any Security and in connection with all Collateral (whether in protecting, preserving, realizing or collecting any such Security or Collateral or attempting so to do or otherwise), and all other obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, of the Borrower to the Lender arising from this or any agreement or dealings between the Lender and the Borrower or from any agreement or dealings with any Person by which the Lender may be or become in any manner whatsoever a creditor of the Borrower or otherwise howsoever arising and whether the Borrower be bound alone or with another or others and whether as principal or surety, including without limitation the fees, costs and expenses contemplated by Section 14(k), it being the express intention of the parties that the word **“Indebtedness”** include such amount as is necessary to indemnify and save harmless the Lender from all such costs, expenses and monies as aforesaid;
- (ddd) **“Interest Rate”** means the rate of interest equal to seven (7%) percent per annum;
- (eee) **“Interest Rate Differential”** means the greater of:
- (i) three (3) months interest calculated in accordance with this Agreement; and
 - (ii) the premium equal to the difference between:
 - (A) the present value of the Credit Facilities interest and the principal payments which are foregone, discounted at the Applicable Canada Bond Yield, (on a compounded monthly equivalent basis, as determined by the Lender), for the term from the date of prepayment to the date of original maturity plus 50 Basis Points; and
 - (B) the face value of the principal amount being prepaid at the date of prepayment;
- (fff) **“Initial Acquisition”** has the meaning set out in the Recitals to this Agreement;
- (ggg) **“Inventory”** has the meaning defined in the *Personal Property Security Act* (Alberta);

- (hhh) “**JMB Dispositions**” means the Dispositions listed on Schedule F under the heading “JMB Dispositions” together with any security deposited with the AEP in respect thereof to secure Reclamation Obligations;
- (iii) “**JMB Loan Agreements**” means the amended and restated loan agreement effective December 14, 2018 between JMB, as borrower, Eastside, as guarantor, and Fiera Private Debt Fund V LP (formerly known as Integrated Private Debt Fund V LP), by its general partner Fiera Private Debt Fund GP Inc. (formerly known as Integrated Private Debt Fund GP Inc.), as lender, together with the loan agreement effective October 17, 2019 between JMB, as borrower, Eastside and 216, as guarantors, and Fund VI, as lender;
- (jjj) “**Lands**” means those lands located in the Province of Alberta and referenced in Schedule G;
- (kkk) “**Loan Documents**” means, collectively, this Agreement, the Security and each agreement, instrument and each certificate, agreement or document executed in connection with or pursuant to any of the foregoing, in each case as the same may be amended, restated, modified, supplemented or replaced from time to time;
- (lll) “**Loan Parties**” means the Borrower, the Guarantors, and each Additional Guarantor, from time to time, and each is a “**Loan Party**”;
- (mmm) “**Material Adverse Change**” means any event, development or circumstance that has had or would reasonably be expected to have a Material Adverse Effect;
- (nnn) “**Material Adverse Effect**” means a material adverse effect on (a) the business, assets, operations or condition, financial or otherwise, of the Borrower, or (b) the amount which the Lender would be likely to receive (after giving effect to delays in payment and costs of enforcement) upon the liquidation of the Collateral;
- (ooo) “**Material Agreement**” means an agreement made between the Borrower, and/or a Guarantor, and another Person which if terminated by reason of breach, wrongdoing or neglect by or on behalf of the Borrower, or a Guarantor, as applicable, would reasonably be expected to have a Material Adverse Effect or result in an Event of Default, and includes, without limitation, those agreements specifically listed in Schedule F;
- (ppp) “**Maturity Date**” means the date that is Ninety-Six (96) months from the date of the Closing Date;
- (qqq) “**Maximum Allowable Interest**” has the meaning ascribed to such term in Section 7(b)(ii);
- (rrr) “**Parent Group**” means RLF Canada Holdings Limited;
- (sss) “**Payment Failure**” has the meaning ascribed to such term in Section 7(d);
- (ttt) “**Permitted Encumbrances**” means the Encumbrances and registrations registered against the Borrower and described in Schedule A attached hereto and forming part of this Agreement;

- (uuu) **“Permitted Future Finance Leases”** means those certain Finance Leases entered into by the Borrower after the advance of the Credit Facilities provided always that that the maximum aggregate limit for all such leases, taken together with Permitted Future PMOs, shall not exceed Four Million (\$4,000,000) Dollars for the Borrower at any time;
- (vvv) **“Permitted Future PMOs”** means the Encumbrances granted against specific purchased property or assets in connection with those certain Purchase Money Obligations entered into by the Borrower after the advance of the Credit Facilities; provided always that that the maximum aggregate limit for all such Purchase Money Obligations, taken together with Permitted Future Finance Leases, shall not exceed Four Million (\$4,000,000) Dollars for the Borrower at any time;
- (www) **“Permitted Future Subordinated Debt”** means Funded Debt, in an amount to be approved by the Lender, which is subordinated to the Credit Facilities and is either unsecured, or if secured, such Encumbrances are subordinated and postponed to the Security, on terms and conditions acceptable to the Lender, acting reasonably;
- (xxx) **“Permitted Future Subordinated Debt Security”** means those Encumbrances securing Permitted Future Subordinated Debt; provided that such Encumbrances are postponed to the Security, on terms and conditions acceptable to the Lender, acting reasonably;
- (yyy) **“Permitted Future Working Capital Security”** means the Encumbrances granted against the Collateral (or any portion thereof) or any other assets or property of the Loan Parties as security for certain credit facilities for the purposes of financing the Borrower and Loan Parties working capital and other operating needs entered into by the Borrower after the advance of the Credit Facilities; provided always that that the maximum aggregate limit for all such credit facilities shall not exceed Five Million (\$5,000,000) Dollars for the Borrower at any time and security for such financings shall be first priority over the Loan Parties’ respective accounts receivable and inventory only;
- (zzz) **“Permitted Restructuring”** is defined in Section 15(p), and for certainty, includes the Planned Reorganization;
- (aaaa) **“Person”** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, limited partnership, Governmental Authority or other entity;
- (bbbb) **“PLA”** means the *Public Lands Act*, RSA 2000, c P-4 and all regulations thereunder.
- (cccc) **“Plan”** has the meaning set out in the Recitals to this Agreement;
- (dddd) **“Planned Reorganization”** has the meaning given to it in Section 15(p);
- (eeee) **“Pledged Securities”** means the Equity Interests of the Loan Parties and other Persons that are specifically pledged as part of the Security from time to time;
- (ffff) **“Property”** means, with respect to any Person, any or all of its undertaking, property and assets;

- (gggg) **“Purchase Agreement”** means the amended and restated purchase agreement dated as of March 3, 2021, entered into between, *inter alios*, JMB and 216, as vendors, and Mantle, as purchaser, as may be further amended;
- (hhhh) **“Purchase Money Obligations”** means any indebtedness incurred, assumed or owed by the Borrower as all or part of, or incurred or assumed by the Borrower to provide funds to pay all or part of the purchase price of any property or assets acquired by the Borrower;
- (iiii) **“Purchased Pits”** means the gravel and aggregate pits located on the Lands;
- (jjjj) **“Reclamation Obligations”** means the reclamation and remediation obligations in respect of the Aggregate Pits under the EPEA and the PLA;
- (kkkk) **“Related Person”** in relation to any Person means a subsidiary, affiliate, associate, employee or partner of such Person, or an associate of such employee (the terms “subsidiary”, “affiliate” and “associate” having the respective meanings ascribed thereto in the Canada *Business Corporations Act*;
- (llll) **“Relevant Jurisdiction”** means, from time to time, with respect to a Person that is granting Security hereunder, any province or territory of Canada or state of the United States of America in which such Person is incorporated or formed, has its chief executive office or chief place of business or has Collateral and, for greater certainty, includes the provinces set out in Schedule H;
- (mmmm) **“Remaining Fiera Equipment”** means the Fiera Equipment that is not sold to Persons other than the Borrower during the SISP or to be retained by a Loan Party;
- (nnnn) **“Retained Fiera Equipment Amount”** means the aggregate Appraised Equipment Value of all Fiera Equipment which any Loan Party elects, in its sole discretion, to retain;
- (oooo) **“Sale”** means each sale by the Borrower of the Fiera Equipment in a commercially reasonable manner that is acceptable to the Lender, acting reasonably;
- (pppp) **“Security”** means any security or security documentation (including any evidences of debt) as more fully described in Section 11 hereof, granted by a Loan Party to the Lender (including, for certainty, the Security to be delivered by a Subsidiary pursuant to Section 14(ii)) to secure the Indebtedness, and includes any amendments thereto or renewals or substitutions thereof;
- (qqqq) **“SISP”** means the Court approved sale and investment solicitation process to market and sell the property and assets of JMB;
- (rrrr) **“SISP Equipment Disposition Amount”** means the aggregate net proceeds of sale of any Fiera Equipment under the SISP or during the CCAA Proceedings to one or more Persons other than the Borrower;
- (ssss) **“Subsidiary”** of any Person means any other Person of which Capital Stock or other Equity Interests having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners’ Capital Stock or other

Equity Interests or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any one or more of that first Person and the Subsidiaries of that first Person, and includes any other Person in like relationship to a Subsidiary of that first Person;

- (tttt) **“Term Sheet”** means that certain letter dated July 20, 2020, delivered on behalf of the Lender to the Borrower prior to the date hereof, and any amendments thereto or substitutions therefore, a copy of which is attached hereto and marked as Schedule D;
- (uuuu) **“Third Party”** means a Person other than the Borrower, the Guarantors, the Lender or any Affiliate thereof;
- (vvvv) **“Total Senior Funded Debt”** means all Funded Debt other than Permitted Future Subordinated Debt, including, without limitation, any operating debt, short term debt, senior long term debt, and all financial contingent obligations (including without limitation, financial guarantees, capitalized interest, and obligations pursuant to any Finance Leases); provided that for the purposes of this definition (i) at all times, it shall exclude Indebtedness under Facility C and Facility D, and (ii) for any time up to and including December 31, 2023, it shall exclude the principal amount then outstanding under Facility B, but for all periods and thereafter, it shall include the net present value (as determined in accordance with GAAP using a discount rate equivalent to the Interest Rate) of the principal amount then outstanding under Facility B;
- (wwww) **“Toxic Substance”** shall mean and include any material present on the Real Property or the Leasehold Interests which has been shown to have significant adverse effect on human health or which is subject to regulation under applicable Environmental Laws; and
- (xxxx) **“Transaction”** has the meaning set out in the Recitals to this Agreement.

2. Preamble, Schedules, and Amendment and Restatement

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

Except as otherwise stated herein, as of the date hereof, the terms, conditions, covenants, agreements, representations and warranties set forth in the JMB Loan Agreements are hereby replaced and superseded in their entirety by the terms, conditions, covenants, agreements, representations and warranties set forth in this Agreement. The amendment and restatement contained herein, other than to the extent expressed hereunder, shall not, in any manner, be construed to constitute payment of, or impair, limit, cancel or extinguish, or constitute a novation in respect of, the indebtedness and other obligations and liabilities of the Loan Parties, as applicable, secured under or in connection with the JMB Loan Agreements or any of the Encumbrances and security interests securing such indebtedness and other obligations and liabilities, which shall not in any manner be impaired, limited, terminated, waived or released. The JMB Loan Agreements continue, up to the date hereof, to constitute a legal, valid and binding obligation of the Loan Parties, to which they are a party, enforceable against it in accordance with its terms.

3. Establishment of Credit Facilities and Advance

Subject to the terms and conditions of this Agreement, the following credit facilities are deemed to be fully advanced (collectively, the “**Credit Facilities**”) pursuant to advances from time to time to JMB under the JMB Loan Agreements:

- (a) a non-revolving facility (“**Facility A**”) with a fixed rate term option, in the principal amount equal to Three Million Five Hundred and Fifty Thousand (\$3,550,000) Dollars, which amount is inclusive of \$50,000 of the Commitment Fee Dollars, plus, to the extent applicable, the Retained Fiera Equipment Amount (collectively, the “**Facility A Principal**”);
- (b) a non-revolving facility (“**Facility B**”), non-interest bearing, available in the principal amount equal to Six Million One Hundred and Twenty Five Thousand (\$6,125,000) Dollars (the “**Facility B Principal**”);
- (c) a non-revolving facility (“**Facility C**”), non-interest bearing, available in a principal amount (the “**Facility C Principal**”) equal to the lesser of (i) the aggregate Appraised Equipment Value of the Fiera Equipment, less (A) the SISP Equipment Disposition Amount, and (B) the Retained Fiera Equipment Amount, and (ii) the Aggregate Equipment Sale Net Proceeds, which as of the date hereof is estimated to be Three Million Six Hundred Ninety Five Thousand Six Hundred Thirty (\$3,695,630) Dollars; and
- (d) a non-revolving facility (“**Facility D**”) with a fixed rate term option, in the principal amount equal to One Hundred and Fifty Thousand (\$150,000) Dollars (the “**Facility D Principal**”).

Each Credit Facility shall be evidenced by a promissory note made and delivered by the Borrower in favour of the Lender (each, a “**Promissory Note**”), and if not already delivered on or prior to the Closing Date, each such original Promissory Note may be provided on a post-closing basis within 30 days of the Closing Date. The Promissory Notes shall be dated as of the date hereof, shall be in the principal amount of each Credit Facility and shall bear interest, if applicable, at the Interest Rate as hereinafter provided. The Credit Facilities shall be deemed to have been already advanced by the Lender to the Borrower as follows:

- (i) \$11,818,944.71 (87.41%) by Fund V; and
- (ii) \$1,701,685.29 (12.59%) by Fund VI.

Any payment of Indebtedness pursuant to the provisions hereof shall be deemed to be made *pro rata* in proportion to the Advances outlined above.

4. Purpose

The Borrower acknowledges its assumption pursuant to the Plan of that portion of the indebtedness owing to the Lender under the JMB Loan Agreements equal to the aggregate of the Facility A Principal, the Facility B Principal, the Facility C Principal, and the Facility D Principal, that such amounts were fully advanced to JMB and were not repaid, such assumption does not constitute a repayment of such assumed indebtedness, and such assumption and the granting by the Lender to the Borrower of the Credit Facilities have facilitated the completion of the Transaction.

5. Evidence of Indebtedness

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

6. Repayment

The Borrower agrees to repay Facility A with interest as aforesaid calculated daily not in advance, as follows:

- (a) provided there has occurred no Event of Default that is continuing, interest only payments at the Interest Rate for Twenty-Four (24) months on a quarterly basis following the Closing Date (the "**Interest-Only Period**");
- (b) blended monthly payments of principal and interest at the Interest Rate for Seventy-Two (72) months following the Interest-Only Period, all as more particularly specified in the amortization and payment schedule set out in the attached Schedule E; and
- (c) all other amounts outstanding with respect to Facility A pursuant to this Agreement or the Security, plus any interest and fees in connection therewith, shall be due and payable on the Maturity Date.

The Borrower agrees to repay Facility B in monthly payments commencing Twelve (12) months following the Closing Date based on \$1 per tonne of Aggregate sold by the Borrower to Third Parties, which such sum shall increase on each subsequent anniversary of the Closing Date by a rate of 2% per annum compounding annually; such monthly payments shall be payable Fifteen (15) days following the end of each month after commencement on the basis of the proceeds of such sales actually received in the last month by the Borrower, and shall continue until the Maturity Date, at which such time the Facility B Principal shall be due and payable in full.

The Borrower agrees to repay Facility C from time to time from the proceeds of any Sale of the Remaining Fiera Equipment, net of such reasonable costs associated with or incurred in such Sale as approved by the Lender and any Post-First Anniversary Maintenance Costs described in Section 14(g)(ii), and to remit, or authorize the Lender to debit from its account, as applicable, such net proceeds to the Lender, within Fifteen (15) days following the end of each month after commencement on the basis of the proceeds of such sales actually received in the last month by the Borrower; provided that in the event (i) the amount of such net sale proceeds in the aggregate does not then exceed \$1,000, no such payment shall then be required and instead shall be deferred until the next date of payment and (ii) in the event that such net sale proceeds at any time prior to such payment date exceeds \$500,000 or includes net proceeds of the sale of the last piece of the Fiera Equipment, the Borrower shall make an interim payment of such net sale proceeds within Five (5) days. Upon the Sale of the last piece of Fiera Equipment and repayment of the net proceeds thereof in accordance with this provision, the Facility C Principal shall be deemed to be repaid in full. For certainty, if the aggregate of all proceeds

realized on the Sales exceeds the Facility C Principal, the Lender shall be entitled to retain the full benefit of such proceeds.

The Borrower agrees to repay Facility D with interest as aforesaid calculated daily not in advance, as follows:

- (a) quarterly payments of interest at the Interest Rate for Eighteen (18) months following the Closing Date, all as more particularly specified in the amortization and payment schedule set out in the attached Schedule E; and
- (b) the Facility D Principal Amount, and all other amounts outstanding with respect to Facility D pursuant to this Agreement or the Security, plus any interest and fees in connection therewith, shall be due and payable on the Facility D Maturity Date.

Without in any way limiting the foregoing, and notwithstanding anything contained herein, the parties hereto expressly acknowledge, covenant and agree that any net proceeds from the sale of any JMB Dispositions and/or 216 Dispositions shall be immediately payable and transferred to the Lender upon receipt, to be applied against the then outstanding Indebtedness to the Lender, in accordance with Section 8 herein.

Each of the Loan Parties further acknowledge, covenant and agree that any and all net proceeds from the sale of Surface Material Lease No. 060060 in favour of 216 located within SW-13-65-18-W4M, shall be immediately payable and transferred to the Lender upon receipt, to be applied as follows:

- (a) *firstly*, up to One Hundred Thousand (\$100,000) Dollars (the “**Economic Cost**”) to be applied by the Lender towards any costs, fees, and disbursements incurred in relation to this Agreement and the CCAA Proceedings; and
- (b) *secondly*, the remainder of the sale proceeds in excess of the Economic Cost to be applied towards the outstanding Indebtedness under the Credit Facilities, to be allocated to the Credit Facilities as mutually agreed to between the Borrower and the Lender.

7. Interest

- (a) The Borrower agrees to pay interest on the unpaid Facility A Principal Amount and Facility D Principal Amount outstanding from time to time from the Closing Date until repayment in full of such Facility A Principal Amount or Facility D Principal Amount, respectively, at a rate per annum (calculated on the basis of a 365/366 day year), equal to the Interest Rate. Interest at such rate shall be payable monthly, or quarterly, as applicable, and as more particularly specified in the amortization and payment schedule set out in the attached Schedule E both before and after demand, default, maturity and the obtaining of any judgment by the Lender against the Borrower and all interest on becoming overdue shall be treated, as to payment of further interest, as principal and shall bear compound interest at the rate payable with respect to Facility A and Facility D both before and after the obtaining of any judgment by the Lender against the Borrower to the extent permitted by Applicable Law.
- (b) Notwithstanding anything to the contrary hereinbefore or hereinafter contained in the Loan Documents or any of them, the parties hereto expressly acknowledge, covenant and agree that:

- (i) the Loan Documents shall not constitute an agreement or arrangement whereby or pursuant to which the Lender would or will receive Interest on an Advance at a Criminal Rate of Interest;
 - (ii) this Agreement shall at all times be construed, interpreted and, to the extent required, deemed to have been amended to reflect and provide that the maximum Interest that the Lender is and shall be entitled to charge and receive in respect of the Advance shall be 1/10th of 1% less than the Criminal Rate (the “**Maximum Allowable Interest**”);
 - (iii) no payment or partial payment of interest on the Credit Facilities shall be in excess of the Maximum Allowable Interest;
 - (iv) any payment of Interest made by the Borrower on account of the Credit Facilities that would be in excess of the Maximum Allowable Interest or would otherwise be deemed to be at a Criminal Rate shall, in respect of the amount that is in excess of the Maximum Allowable Interest or is at a Criminal Rate, be deemed to be held in a suspense account, with the applicable Maturity Date being extended as necessary to make such payment less than the Maximum Allowable Interest; and
 - (v) for the purposes hereof, “Criminal Rate” and “Interest” shall have the meaning specified in the *Criminal Code of Canada*.
- (c) For purposes of the *Interest Act* (Canada) (A) whenever a rate of interest hereunder is calculated on the basis of a year (the “deemed year”) which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year; (B) the principal of deemed reinvestment shall not apply to any interest calculation hereunder; and (C) the rates of interest quoted by Lender to the Borrower pursuant hereto are intended to be nominal rates and not effective rates or yields.
- (d) Notwithstanding any other provision to the contrary herein, if the Borrower fails to pay any amount of principal, interest or other amount payable hereunder on the due date for any such amount (a “**Payment Failure**”), then during the occurrence and continuance of such Payment Failure, interest on such overdue amount shall accrue at a rate equal to the Interest Rate plus 2% per annum to the maximum extent permitted by Applicable Law (i) calculated and accruing daily from and including such due date up to but excluding the date of actual payment, both before and after demand, default or judgment, (ii) compounded monthly on the first Business Day of each calendar month with the amount of such accrued interest being added to the outstanding principal amount on such Business Day; and (iii) shall be payable by the Borrower on the earlier of: (a) the date on which the Borrower has remedied such Payment Failure, (b) the date on which the Indebtedness has been paid in full, and (c) the Maturity Date or Facility D Maturity Date, if and as applicable.

8. Prepayment

Provided no Event of Default has occurred and is continuing, the Borrower shall have the ability:

- (a) to prepay all (and only all) of the Indebtedness outstanding at any time in relation to Facility A by provision of thirty (30) days' notice and payment of the Interest Rate Differential;
- (b) to prepay some or all of the Indebtedness outstanding at any time in relation to Facility B, Facility C, and Facility D in accordance with the payment process set forth in Section 9 below for such Credit Facilities, without any further notice, bonus or penalty,

provided however, that any partial prepayment shall in no way release the Borrower from its obligation to make any payments required pursuant to the provisions of the Security or this Agreement.

9. Payment Process

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

All sums to be paid to the Lender in respect of Facility B and Facility C pursuant to this Agreement, whether for principal, interest or otherwise, shall be paid to the Lender by way of an authorization and direction from the Borrower specifying the date and the amount of the applicable payment and permitting the Lender to withdraw the amount of any such payment to the Lender. The Borrower will from time to time provide such further authorization or other authorization or direction as required to allow the Lender to charge or be paid, as applicable, all the payments due and payable under this Agreement within the time specified for such payment in Section 6.

10. Fees

The Borrower shall pay to the Lender, on or prior to the date of the Closing Date, \$45,000 of the Commitment Fee in respect of the Credit Facilities (less any non-refundable upfront portion of the Commitment Fee which has been previously paid by the Borrower prior to the Closing Date as acknowledged and received by the Lender). The remaining \$50,000 of the Commitment Fee shall be added to and form part of the Facility A Principal and shall be payable during the course of this Agreement as such.

11. Security

To secure the due and punctual payment of the Indebtedness, and to secure the due and punctual performance of each of the Loan Parties' and the Parent Group's obligations and covenants hereunder, each of the Loan Parties and the Parent Group have, as applicable, executed, or shall execute and deliver, or cause to be executed and delivered to or assigned in favour of the Collateral Agent, or the Lender, as required herein, the Security.

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

- (a) an amended and restated collateral agency agreement among the Lender, the Borrower, and the Guarantors, amending and restating the Existing Collateral Agency Agreement in its entirety;
- (b) a general security agreement from Mantle in favour of the Lender granting a first ranking security interest in all of its present and after-acquired property, assets and undertaking;
- (c) an unlimited guarantee from JMB in respect of the Borrower's Indebtedness owing to the Lender;
- (d) a general security agreement from JMB in favour of the Lender granting a first ranking security interest in all of its present and after-acquired property, assets and undertaking;
- (e) an unlimited guarantee from 216 in respect of the Borrower's Indebtedness owing to the Lender;
- (f) a general security agreement from 216 in favour of the Lender granting a first ranking security interest in all of its present and after-acquired property, assets and undertaking;
- (g) an assignment of Material Agreements granted by the Borrower and Guarantors in favour of the Lender, in respect of, without limitation, each aggregate royalty agreement to which a Loan Party is a party, together with the interest in the Lands subject thereto created thereby, including the aggregate royalty agreements identified in Schedule G hereto;
- (h) acknowledgments or notices, as required by the Lender, of the assignment of Material Agreements set forth in Subsection 11(e), from each of the landlords under the aggregate royalty agreements identified in Schedule G hereto;
- (i) a mortgage of lease granted by JMB in favour of the Collateral Agent in respect of certain surface material leases granted by the Crown to JMB, including those surface material leases identified in Schedule G hereto held by JMB (the "**JMB SMLs**");
- (j) conditional surrender of leases granted by JMB in favour of the Collateral Agent in respect of the JMB SMLs;
- (k) a mortgage of lease granted by 216 in favour of the Collateral Agent in respect of certain surface material leases granted by the Crown to 216, including those surface material leases identified in Schedule G hereto held by 216 (the "**216 SMLs**");
- (l) conditional surrender of leases granted by 216 in favour of the Collateral Agent in respect of the 216 SMLs;

- (m) a memorandum of agreement among Her Majesty the Queen in right of the Province of Alberta, as represented by Alberta Environment and Parks, and the Collateral Agent;
- (n) landlord waivers and other inter-creditor agreements as may be required by the Lender, including, without limitation, in respect of the Bonnyville Lease; provided that the Loan Parties shall only be required to use commercially reasonable efforts to obtain such agreement;
- (o) a postponement and assignment of creditor's claims and postponement of security executed by each shareholder of the Borrower and/or member of the Parent Group;
- (p) a limited recourse guarantee and pledge of all Equity Interests of the Loan Parties that are owned by the Parent Group, pledged by the Parent Group in favour of the Lender, with all stock transfer power of attorneys in respect thereof endorsed in blank;
- (q) a pledge of all Equity Interests of the Loan Parties that are owned by JMB, pledged by JMB in favour of the Lender, with all stock transfer power of attorneys in respect thereof endorsed in blank;
- (r) an assignment of insurance granted by the Borrower and Guarantors in favour of the Lender;
- (s) a certificate of insurance/binder letter showing the Lender as first loss payee pursuant to the Standard Mortgage Clause provisions;
- (t) a blocked accounts agreement with The Toronto-Dominion Bank in respect of the Borrower's deposit accounts, in form satisfactory to the Lender, acting reasonably;
- (u) a priority agreement among the Borrower, the Guarantors, the Lender and ATB Financial; and
- (v) such other security against the property and assets of the Loan Parties as may be reasonably required by the Lender,

provided that each of the Security in subsections (h), (n), (t) and (u), may be provided on a post-closing basis, in the case of subsections (h), (n) and (t) within 90 days of the Closing Date and in the case of subsection (u), within 30 days of the Closing Date, in any case, using commercially reasonable efforts. With the respect to the share certificate(s) of JMB required to be delivered to the Lender in connection with subsection (p), such share certificates shall be provided to the Lender or its counsel on a post-closing basis, within 10 days of the Closing Date; provided that to the extent the Planned Reorganization becomes effective prior to the delivery of such JMB share certificate(s) required to be delivered pursuant to subsection (p), delivery of replacement share certificate(s) to the Lender will instead be required within 10 days of the Planned Reorganization, in accordance with Section 15(p) herein.

The Loan Parties and the Parent Group will from time to time at their expense duly authorize, execute and deliver to the Lender such further instruments and documents and take such further action as the Lender or Collateral Agent, as applicable, may reasonably request for the purpose of obtaining or preserving the full benefits granted or intended to be granted to the Lender or Collateral Agent, as applicable, pursuant to the Security and of the rights and

remedies therein granted to the Lender or Collateral Agent, as applicable, including without limitation, the filing of financing statements or other documents under any Applicable Law with respect to the liens created thereby. Unless prohibited by Applicable Law, each of the Loan Parties and Parent Group authorize the Lender or Collateral Agent to file any such financing statement or similar documents without the signature of such Loan Party or Parent Group.

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

To the extent any of the Loan Parties have previously executed certain Loan Documents in favour of the Lender or Collateral Agent pursuant to the JMB Loan Agreements, each of them (i) reaffirms and agrees that the security interests granted under each such Loan Document to which it is a party are continuing, with the ranking that it is expressed to have (as applicable), continue as collateral security for the prompt and complete payment when due (whether at stated maturity, by acceleration or otherwise) of all Obligations under the Credit Facilities and are and shall remain in full force and effect, except as amended hereby, and (ii) acknowledges and reaffirms all Obligations owing by each of them to the Lender under the Loan Documents as amended hereby.

12. Conditions Precedent and Effectiveness

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

- (a) at or prior to the Closing Date, no Event of Default shall have occurred and be continuing;
- (b) the Borrower shall have obtained from the Court:
 - (i) a sale approval and vesting order from the Court in respect of the Transaction vesting in the Borrower the property and assets purchased pursuant to the Purchase Agreement free and clear of all Encumbrances other than Permitted Encumbrances;
 - (ii) an order vesting all Remaining JMB Assets and Remaining JMB Liabilities (as such terms are defined in the Purchase Agreement) in 216, but subject to any Encumbrances attaching thereto; and
 - (iii) an order sanctioning the Plan;
- (c) the Lender shall have received this Agreement, the other Loan Documents (including, without limitation the Security in Section 11 and any necessary consents or subordinations of third parties as may be required by the Lender) and all other documentation related hereto and thereto duly executed and delivered by the Loan Parties and in form and substance satisfactory to the Lender and its legal counsel;

- (d) the Lender shall have received the Purchase Agreement, the Plan and all other documentation related thereto and to the Transaction duly executed and delivered by the Loan Parties, in form and substance satisfactory to the Lender and its legal counsel;
- (e) the Lender shall have first ranking security over all Property of the Loan Parties pursuant to the Security, subject only to Permitted Encumbrances, and the Loan Documents (other than those expressly permitted to be delivered or registered on a post-closing basis) shall have been registered, recorded or filed in all jurisdictions deemed necessary by the Lender and its legal counsel;
- (f) the Lender shall have received certificates representing all Pledged Securities and endorsements executed in blank relating to those certificates;
- (g) the Lender shall have received an undertaking from the Parent Group committing to make a minimum \$3,500,000 cash equity contribution to the Borrower by the first anniversary of the Closing Date, or by such other date or amount as may be agreed to in writing by the Borrower, the Parent Group and the Lender;
- (h) the Lender shall have received payment in full from the Borrower of all reasonable legal fees and out of pocket expenses of legal counsel to the Lender, up to the amount of One Hundred Thousand (\$100,000) Dollars, which have become due in respect of the preparation of the loan documentation in connection with the Credit Facilities (for greater certainty such legal fees shall not include any legal fees of the Lender in connection with the CCAA Proceedings), and the Lender shall have received payment in full from the Borrower the balance of the Commitment Fee;
- (i) at the Lender's discretion, but subject to Permitted Encumbrances, the Lender shall have received from all of the secured creditors who have registered against a Loan Party pursuant to the PPSA appropriate discharges or acknowledgments in favour of the Lender, in a form acceptable to the Lender, specifying the collateral which is the subject matter of such registration in its favour;
- (j) the Lender shall have completed to its satisfaction (at its sole and absolute discretion) its due diligence of the Loan Parties and be reasonably satisfied with, without limitation: (i) the organizational, legal, management and capital structure of the Loan Parties, (ii) the nature and status of all insurance, material contractual obligations, securities, labour, tax, employee benefit (including pension plan), regulatory and environmental and health and safety matters, (iii) the structure, steps in connection with and tax effect of any transactions contemplated by this Agreement, (v) anti-money laundering due diligence in respect of the Loan Parties, and (vi) any other matters involving or affecting any Loan Party as is required to be disclosed in this Agreement as at the Closing Date, and in connection therewith, the Lender shall have received true and complete copies of all relevant documents relating thereto;
- (k) the Lender shall have received copies of all Leases between the Loan Parties and their landlords in respect of the premises operated by it and the Lender shall be satisfied with them in its sole discretion;
- (l) the Loan Parties shall have delivered or cause to be delivered to the Lender, as requested by the Lender, all documentation and other information required under

Anti-Terrorism Laws by any Governmental Authority including, without limitation, “know your customer” rules and regulations;

- (m) the Loan Parties, as applicable, shall have delivered to the Lender and their solicitors in form and substance satisfactory to the Lender, acting reasonably:
 - (i) a certificate of each Loan Party, certifying as to its constating documents and bylaws (copies of which shall be attached to such certificate), a list of its officers and directors with specimens of the signatures of those who are executing Loan Documents on its behalf, and the corporate or equivalent proceedings taken to authorize it to execute, deliver and perform its obligations under the Loan Documents and such other corporate information as the Lender may reasonably require;
 - (ii) a certificate of status, compliance, good standing or similar certificate for the jurisdiction of incorporation of each Loan Party and for each jurisdiction where any such Loan Party carries on business or where registrations or filings in relation to the Security made by that Loan Party have been effected;
 - (iii) currently dated opinions, addressed to the Lender in form and substance satisfactory to the Lender and Lender’s counsel, acting reasonably and in accordance with customary opinion practise, from counsel for the Loan Parties, and such other local counsel to the Loan Parties as the Lender may reasonably require and opining to such matters as the Lender or its solicitors may require; and
 - (iv) such additional supporting documents as the Lender or its counsel may reasonably request;
- (n) the Lender shall have received certificates of insurance or other evidence that the covenants and conditions of the Loan Documents concerning insurance coverage are being complied with;
- (o) the Loan Parties (as at such time) shall have delivered to the Lender a certificate signed by an authorized officer of each Loan Party to the effect that as at the date of the Closing Date:
 - (i) all of the representations and warranties of the Loan Parties herein shall be true and correct on and as of the Closing Date as though made on and as of such date; and
 - (ii) no other event shall have occurred that, in the Lender’s sole discretion, materially adversely affects or could have a Material Adverse Effect.
 - (iii) all conditions precedent contained in this Agreement and the other Loan Documents to be observed or performed by the Loan Parties have been observed or performed; and
 - (iv) at or prior to the Closing Date, no Event of Default shall have occurred and be continuing;
- (p) all necessary governmental and third party consents and approvals necessary in connection with this Agreement and the transactions contemplated hereby,

including the Transaction, shall have been obtained (in form and substance reasonably acceptable to the Lender) and shall remain in effect. All applicable government filings shall have been made and all applicable waiting periods shall have expired without in either case any action being taken by any competent authority; and no law or regulation shall be applicable in the judgement of the Lender that restrains, prevents or imposes materially adverse conditions upon this Agreement or the transactions contemplated hereby;

- (q) the Lender must have received consents that are required from the directors, shareholders, partners or members of the Loan Parties, either in connection with the pledges of Pledged Securities or in connection with any disposition of the Pledged Securities upon enforcement of the Security; and
- (r) the Lender having received all fees required pursuant to the Term Sheet.

13. [Intentionally Deleted]

14. Affirmative Covenants

Each Loan Party covenants and agrees that they each shall:

- (a) with respect to the Borrower, it will duly and punctually repay to the Lender amounts owing pursuant to the Credit Facilities and interest thereon, as applicable, as provided in this Agreement and all other sums payable pursuant to the terms of this Agreement, on the dates, at the places, in the monies and in the manner provided for in the Loan Documents;
- (b) perform, observe and comply at all times with the covenants, terms, conditions, stipulations and provisos of the Loan Documents and other reasonable requirements stipulated by the Lender from time to time;
- (c) upon request of the Lender, execute and deliver or cause to be executed and delivered to the Lender such further and other documents, agreements, opinions, conveyances, mortgages, assignments, pledges and assurances from time to time as the Lender or its solicitors may reasonably require for the purpose of protecting or perfecting the Security, including any after acquired property whether or not now charged under the Security, all to be in such form and to contain such terms and conditions as may be required by the Lender's solicitors;
- (d) fully and effectually maintain and keep maintained the Security hereby created as valid and effective security at all times;
- (e) execute as required, and deliver to the Lender such other instruments of security, assurances and documentation as the Lender may require in accordance with the terms and conditions of Loan Documents, including, but not limited to, agreements for the benefit of the Lender from landlords of leased Premises designated by the Lender in which any Loan Party carries on business and from counterparties to material contracts and material permits designated by the Lender, all of which instruments of security, evidences of indebtedness and documents shall be in such form and shall contain such terms and conditions as may be required by the Lender's solicitors;
- (f) repair and keep in repair and good order and condition all buildings, erections, machinery and other plant and equipment and appurtenances thereto, the use of

which is necessary or advantageous in connection with its business, up to a modern standard of usage and maintain the same consistent with the best practice of other corporations having similar undertakings; renew and replace all and any of the same which may be worn, dilapidated, unserviceable, obsolete, inconvenient or destroyed or may otherwise require renewal or replacement and at all reasonable times allow the Lender or its representative access to its premises in order to view the state and condition the same are in and in the event of any loss or damage thereto or destruction thereof, the Lender may give notice to the Borrower to repair, rebuild, replace or reinstate within a time to be determined by the Lender and to be stated in such notice and upon such Loan Party failing to so repair, rebuild, replace or reinstate within such time, such failure shall constitute default hereunder, and will keep all of its assets in good condition and repair and maintain and replace as required according to the nature thereof;

- (g) store and maintain in current condition the Remaining Fiera Equipment at the Borrower's premises located in the Town of Bonnyville, in the Province of Alberta, other than Remaining Fiera Equipment currently located in Washington State which shall be stored at an acceptable location in Washington State determined by the Borrower and the Lender (acting reasonably), and maintain casualty and property insurance in respect of the Remaining Fiera Equipment in amounts not less than the Appraised Equipment Value, provided that:
 - (i) commencing on the first anniversary of the Closing Date, any reasonable costs incurred by the Borrower thereafter to maintain, insure and/or provide security for the Remaining Fiera Equipment (such costs, after the first anniversary of the Closing Date, being "**Post-First Anniversary Maintenance Costs**") shall be the responsibility of the Lender and shall be reimbursable from amounts payable to the Lender under Facility C in the manner described in Section 6; and
 - (ii) in the event that it is not possible for the Borrower to obtain casualty and property insurance in respect of the Remaining Fiera Equipment, the Remaining Fiera Equipment shall be at the risk of the Lender provided that the Borrower makes commercially reasonable arrangements for security of such Remaining Fiera Equipment;
- (h) the Borrower shall employ reasonable commercial efforts to sell the Remaining Fiera Equipment in a commercially reasonable manner that is acceptable to the Lender, acting reasonably;
- (i) keep in good repair and free from all Encumbrances, other than the Security and Permitted Encumbrances, of any nature whatsoever any and all Chattels which are now or which may in the future be used either directly or indirectly in the operations and business of the Loan Parties;
- (j) duly and punctually pay all debts and obligations to or on behalf of or in respect of workmen, employees and others which, if unpaid, might under the laws of Canada or of the Provinces of Alberta or British Columbia (or the equivalent legislation applicable in the State of Washington) priority over the Security hereby created or any part thereof;
- (k) promptly pay the full amount of:

- (i) any reasonable charges by or expenses of the Lender in inspecting, protecting or valuing each Loan Party's assets;
- (ii) all costs, fees, disbursements, charges and expenses, including all reasonable legal fees and disbursements incurred by the lender as between a solicitor and its own client in connection with the Credit Facilities, the preparation, execution and registration as appropriate, of any Loan Document; in investigating or perfecting title to each Loan Party's assets and the capacity of each Loan Party to borrow the money secured hereby; in preparing and registering the Security, and all documents incidental or collateral hereto; in advancing any portion of the monies secured under the Security, in taking, recovering and keeping or attempting to procure possession of each Loan Party's assets or any part thereof; in enforcing or attempting to enforce the personal remedies or any other remedies available under the Security; in collecting or attempting to collect any of the monies secured under the Security; in realizing or attempting to realize on any Security collateral hereto; in any foreclosure or other proceedings, judicial or otherwise, to protect each Loan Party's assets or to realize on the Security or any part thereof; or in connection with any receivership and if a solicitor is retained in connection with any of the foregoing, such solicitor's fees and disbursements shall be paid on a solicitor and his own client basis and, at the option of the Lender, on the basis of a lump sum bill; and if any other professional person or firm is retained or employed such person's or firm's fees shall be paid on the basis of his or its normal professional charges; and
- (iii) all other reasonable costs and expenses of the Lender incurred in connection with the Credit Facilities;
- (l) pay or cause to be paid all sums that become due by a Loan Party to any person, subject to the obligation of such Loan Party to make payments to the Lender hereunder;
- (m) pay or cause to be paid all business taxes as and when the same become payable and upon request produce to the Lender receipts thereof;
- (n) make or cause to be made all payments required pursuant to any mortgage, charge or Encumbrance which has priority to any of the Security;
- (o) subject to Section 141(g)(ii), maintain insurance on all of its assets and properties with financially sound and reputable insurance companies against such perils as is usual with corporations holding similar assets and properties and in an amount not less than their full insurable value, as required by the Term Sheets, and is acceptable to the Lender and its solicitors and provide proof of same to the Lender;
- (p) maintain public liability insurance with financially sound and reputable insurance companies as is usual for corporations conducting businesses similar to the Borrower and as is acceptable to the Lender and its solicitors and provide proof of same to the Lender;

- (q) forthwith upon request furnish at its own expense, a certificate of a competent appraiser or other competent person selected by the Lender as to the sufficiency or otherwise of any insurance and as to the type and amount thereof;
- (r) provide upon request any information, whether financial or otherwise, which the Lender may reasonably require from time to time;
- (s) keep adequate records and books of account in accordance with Generally Accepted Accounting Principles and permit, upon reasonable notice by the Lender to the Borrower, the Lender by its agents, accountants and solicitors to enter upon the premises of a Loan Party and examine such Loan Party's records and books of account and make extracts therefrom and to discuss the records and books of account with officers of such Loan Party at such reasonable times as may be required by the Lender;
- (t) upon reasonable notice by the Lender to the Borrower, permit the Lender its servants and agents, to enter at all reasonable times into and upon the Lands and premises owned or occupied by a Loan Party and view the state and condition thereof and of all such Loan Party's Collateral;
- (u) give to the Lender prompt and immediate notice of any statement of claim, petition writ or other Court process, or distress or seizure that may affect a Loan Party, where such claim, petition writ or Court process advances claims or affects assets of Loan Party in an amount in excess of One Hundred Thousand (\$100,000) Dollars;
- (v) give written notice to the Lender of the occurrence of an Event of Default hereunder or of any other event which, with the giving of notice or the lapse of time, would constitute an Event of Default hereunder, forthwith upon the happening of such occurrence and provide the Lender with details of the action taken or proposed to be taken such Loan Party to remedy same;
- (w) maintain its corporate existence and do all such acts as are required in order to permit it to legally carry on its business;
- (x) carry on and conduct the business of the Loan Parties in a proper and efficient manner;
- (y) **[Intentionally Deleted]**
- (z) do, observe and perform or cause to be done, observed and performed all of its obligations and all matters and things necessary or expedient to be done, observed or performed under or by virtue of any law of Canada or any province or municipality thereof, including, but not limited to, any law pertaining to workplace health and safety and Environmental Laws;
- (aa) ensure that the Lands remain in compliance with all Environmental Laws and shall not place or permit to be placed any Hazardous Substances on the Lands except as permitted by Applicable Law or an appropriate Governmental Authority;
- (bb) shall maintain a system to assure and monitor continued compliance with all applicable Environmental Laws which system shall include periodic review of such compliance and maintain current all environmental remediation payments;

- (cc) (A) employ in connection with the use of the Lands appropriate technology necessary to maintain compliance with any applicable Environmental Laws and (B) dispose of any and all Hazardous Waste generated at the Lands only at facilities and with carriers that maintain valid permits under applicable Environmental Laws. The Loan Parties shall use their best efforts to obtain certificates of disposal, such as hazardous waste manifest receipts, from all treatment, transport, storage or disposal facilities or operators employed by the Loan Parties in connection with the transport or disposal of any Hazardous Waste generated at the Lands;
- (dd) in the event a Loan Party obtains, gives or receives notice of any release or threat of release of a reportable quantity of any Hazardous Substances at the Lands (any such event being hereinafter referred to as a “**Hazardous Discharge**”) or receives any notice of violation, request for information or notification that it is potentially responsible for environmental investigation, study, audit, remedial response, or cleanup order or decrees of environmental conditions at the Lands, demand letter or complaint, order, citation, or other written notice with regard to any Hazardous Discharge or violation of Environmental Laws affecting the Lands or any Loan Party’s interest therein (any of the foregoing is referred to herein as an “**Environmental Complaint**”) from any Person, including any Governmental Authority responsible in whole or in part for enforcement of Environmental Laws where the Lands are located, then the Borrower shall, within five (5) Business Days, give written notice of same to the Lender, detailing facts and circumstances of which any Loan Party is aware giving rise to the Hazardous Discharge or Environmental Complaint. Such information is to be provided to allow the Lender to protect its security interest in the Lands and the Collateral and is not intended to create nor shall it create any obligation upon the Lender with respect thereto;
- (ee) respond promptly to any Hazardous Discharge or Environmental Complaint and take all necessary action in response thereto in order to safeguard the health of any Person and to avoid subjecting the Collateral or Lands to any Encumbrance;
- (ff) pay all statutory payroll source deductions when due and immediately advise the Lender of any source deductions that are unremitted;
- (gg) on request by the Lender, the Borrower shall give Canada Revenue Agency and other Governmental Authorities written authorization to disclose to the Lender the status of any priority claims;
- (hh) will pay all premiums and sums of money necessary in relation to any policy or policies of insurance maintained by a Loan Party as the same shall become due;
- (ii) within 10 Business Days of creating or acquiring any Subsidiary (or in the case of the Parent Group, any Subsidiary which carries on business in North America the same as, similar to or related to the Borrower’s business), the Borrower or the Parent Group, as applicable, will cause such Subsidiary to provide the Security required by Section 11 and such other Security as the Lender may reasonably require, in each case, in form and substance acceptable to the Lender, acting reasonably, together with such other supporting documentation and legal opinions as the Lender may reasonably require. The Borrower or the Parent Group, as applicable, will notify the Lender upon the creation or acquisition of

any new Subsidiary promptly upon the creation or acquisition thereof, and in any event, no later than 10 Business Days after any such creation or acquisition; and

- (jj) promptly cure or cause to be cured any defects in the execution and delivery of any of the Loan Documents or any defects in the validity or enforceability of any of the security agreements and at their expense (to the extent the Borrower was responsible for any such defect or default), execute and deliver or cause to be executed and delivered, all such agreements, instruments and other documents as the Lender may consider necessary or desirable, acting reasonably, for the foregoing purposes.

15. Negative Covenants

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

- (a) permit any material change in a Loan Party's business or operations;
- (b) except as it pertains to the Lands or the Fiera Equipment, sell or otherwise dispose of any of its assets – outside the ordinary course - by conveyance, transfer, lease or otherwise where net proceeds from any sale or disposition of assets unless:
 - (i) for a conveyance, transfer or lease less than Two Hundred Fifty Thousand (\$250,000.00) Dollars: the net proceeds of such conveyance, transfer or lease are reinvested in the business of the Loan Party within one hundred eighty (180) days; or
 - (ii) for a conveyance, transfer or lease equal to or greater than Two Hundred Fifty Thousand (\$250,000.00) Dollars: the Lender has provided prior approval for such conveyance, transfer or lease and no Event of Default has occurred or will result from such conveyance, transfer or lease;
- (c) sell or otherwise dispose of the Lands, or any portion thereof, by conveyance, transfer, lease or otherwise;
- (d) other than in relation to the Security, Permitted Future Finance Leases and Permitted Encumbrances, create, assume or permit to exist any Encumbrance on any of the Collateral;
- (e) at any time that:
 - (i) the Debt Service Coverage is less than 2:1, make any Distribution except with the express written consent of the Lender; and
 - (ii) the Debt Service Coverage is equal to or greater than 2:1, make any Distribution where an Event of Default has occurred and is continuing or the making of such Distribution would result in the occurrence of an Event of Default;

other than those Distributions which are made by payment in additional Equity Interests or are otherwise not paid or payable in cash;

- (f) make any payments or transfer any of their undertaking, properties, rights or assets to any person without due consideration which in any manner diverts, or could result in the diversion of, assets and/or opportunities of a Loan Party to such other person;
- (g) reduce its capital or make any distribution of assets (other than Distributions permitted under subsection (e) above);
- (h) redeem or purchase any of its present or future outstanding Equity Interests or otherwise retire or pay off any such Equity Interests;
- (i) do or suffer anything to be done whereby any policy or policies of insurance maintained by a Loan Party may become vitiated; if such Loan Party shall fail to insure or cause to be insured all of its assets or any part thereof, or to pay or cause to be paid the premiums with respect to such insurance or to deliver the policies or contracts as aforesaid or if the Lender receives notice of the intended cancellation of any such policy or contract, the Lender shall be entitled to insure all of its assets, provided however that the Lender shall not be bound to insure all of its assets or, in the event of insuring all of its assets to insure any other than the interest of the Lender only, or to see to the payment of the premiums on any policy or be liable or responsible for any loss arising out of any defect in any policy or failure of any insurance company to pay for any loss thereunder;
- (j) make a loan to or investments in any person (other than to another Loan Party);
- (k) lend any amount to any shareholder, director or officer of a Loan Party (other than to another Loan Party) or person whose relationship to them is non-arms-length as that term is defined in the *Income Tax Act* (Canada) or lend any amount to any other person, firm or corporation, other than in the ordinary course of such Loan Party's business;
- (l) other than in relation to the Loan Documents, become a guarantor of any obligation nor become endorser in respect of any obligation or otherwise become liable upon any note or obligation of any nature or kind whatsoever except for the benefit of the Lender;
- (m) surrender its Certificate of Incorporation, voluntarily wind up its business or take any other steps toward discontinuance of its business;
- (n) change its present Fiscal Year;
- (o) change its name, or the location of its place of business, if it has only one place of business, or its chief executive office without giving the Lender 30 days prior written notice;
- (p) merge, amalgamate or consolidate with or into any other person or corporation, or enter into any transaction or proceeding (whether by way of amalgamation, merger, winding-up, consolidation, arrangement, plan or arrangement, reorganization, transfer, sale, lease or otherwise) whereby any of their undertaking, properties, rights or assets would become the property of any other person or entity, or in the case of amalgamation, of the continuing corporation resulting therefrom, other than a merger, amalgamation, consolidation,

transaction or proceeding where the Borrower gives prior written notice thereof to the Lender and the effect thereof is that:

- (i) the Borrower sells all or substantially all of its assets, or the Parent Group ceases to be the holder of the Equity Interests in the Borrower; or
- (ii) the Borrower amalgamates with JMB (the “**Planned Reorganization**”),

provided that, in respect of subsections (i) and (ii) above, as applicable, the Lender is satisfied with the terms and structure thereof, and such purchaser of the assets, or the Person proposed to be the holder of the Equity Interests, if applicable, provides satisfactory evidence to the Lender (in its sole discretion) that it is financially and operationally able to perform or cause the performance of the terms reflected hereby and the Security contemplated herein, and/or the Parent Group, Loan Parties, and continuing corporation from the Planned Reorganization, as applicable, shall grant in favour of the Lender such new and/or replacement Security to the satisfaction of the Lender, including, without limitation, a reaffirmation and confirmation in respect of the Security, and a new limited recourse guarantee and pledge of equity interests with stock transfers endorsed in blank, and deliver replacement share certificates in respect thereof within 10 days of the Planned Reorganization (“**Permitted Restructuring**”);

- (q) destroy any of its material financial records;
- (r) enter into any contract or arrangement of any nature or kind which would, or would reasonably be expected to, materially adversely affect the Borrower’s assets and the Security;
- (s) make unfinanced capital expenditures in any Fiscal Year in excess of the sum of Two Hundred Fifty Thousand (\$250,000) Dollars;
- (t) during the term of this Agreement, have Purchase Money Obligations or Finance Lease Obligations having annual payment obligations of more than \$2,000,000.00 in the aggregate without prior written consent of the Lender;
- (u) remove any Chattels forming part of each Loan Party’s assets from the Provinces of Alberta or British Columbia;
- (v) permit a Loan Party to default in its obligations pursuant to any Material Agreement which is not waived or, if applicable, cured within the permitted time period provided under such Material Agreement;
- (w) incur or repay any Funded Debt, other than pursuant to or as otherwise expressly permitted under this Agreement, except for Funded Debt secured by the Permitted Encumbrances or any arm’s length trade debts, obligations or other liabilities incurred in the ordinary course of business; and
- (x) do any other act that by the terms of the Loan Documents it is not permitted to do unless the applicable term of such Loan Document is inconsistent with the terms hereof.

16. Financial Covenants

During the term of this Agreement, the Borrower covenants with the Lender that commencing April 1, 2022:

- (a) the ratio of Total Senior Funded Debt to EBITDA shall at all times within such specified period, but tested on a rolling four quarter and consolidated basis, be equal to or less than:
 - (i) for the rolling four fiscal quarters ending June 30, 2022, 10.0:1;
 - (ii) for the rolling four fiscal quarters ending September 30, 2022, 6.0:1;
 - (iii) for the rolling four fiscal quarters ending December 31, 2022, 4.0:1
 - (iv) for the rolling four fiscal quarters ending March 31, 2023 and thereafter, 3.5:1;
- (b) the ratio of Debt Service Coverage shall at all times, but tested on a rolling four quarter and consolidated basis, be equal to or greater than:
 - (i) for the rolling four fiscal quarters ending June 30, 2022, 0.50:1;
 - (ii) for the rolling four fiscal quarters ending September 30, 2022, 0.75:1;
 - (iii) for the rolling four fiscal quarters ending December 31, 2022 and thereafter, 1.25:1; and
- (c) the Current Ratio shall at all times, but tested on a quarterly basis, be equal to or greater than:
 - (i) as at June 30, 2022, 1.00:1;
 - (ii) as at September 30, 2022 and all periods thereafter, 1.25:1.

Provided the Borrower remains in compliance with Section 17 below, compliance with the financial covenants set out herein shall be suspended for a period of one year following the Closing Date.

17. Reports

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

- (a) audited Financial statements of the Borrower within one hundred and twenty (120) days of the end of the Fiscal Year, along with a report showing calculations of financial covenants and a Compliance Certificate signed by an officer of the Borrower;
- (b) unaudited internally prepared, monthly financial statements of the Borrower within thirty (30) days of the end of each month, along with a report showing calculations of financial covenants, a Compliance Certificate and a comparison to

budget and the same period for the year previous signed by an officer of the Borrower is to be included with the reporting package;

- (c) a business plan and monthly operating budget for the coming Fiscal Year within thirty (30) days of the end of each Fiscal Year, including a financial forecast, including income statements, capital expenditures statements, capital expenditure, budget, balance sheet, cash flow, detailed list of assumptions and projected compliance ratios along with (after the first Fiscal Year) management discussion and analysis of any deviation of more than 10% from the prior Fiscal Year;
- (d) a report setting out the sales by the Borrower of Aggregate in the last month and the proceeds of sale of Aggregate actually received in the last month by the Borrower within thirty (30) days of each month end;
- (e) a report on all equipment (as defined in the *Alberta Personal Property Security Act*) purchased and sold which has a purchase or sale price, as applicable, in excess of \$50,000, including costs incurred in such sales and application of proceeds of sale, within one hundred and twenty (120) days of the end of the Fiscal Year;
- (f) a compliance report signed by an officer of the Borrower within thirty (30) days of the end of each month, the effect that full payment has been made of all source deductions (employee deductions, CPP, employment insurance and goods and services tax) required by the applicable government authority have been paid in full and there are no principal interest arrears, all property taxes have been paid and Borrower is in full and complete compliance with conditions of its Funded Debt;
- (g) such additional financial information with respect to the Borrower as and when reasonably requested by the Lender; and
- (h) forthwith, particulars of any occurrence which constitutes an Event of Default, or of any action, suit or proceeding, pending or to the Borrower's knowledge threatened against the Borrower,

provided that to the extent the Planned Reorganization does not occur within 90 days following the Closing Date, each of the Loan Parties shall be required to deliver the information required to be delivered pursuant to subsections (a) through (g), inclusive.

18. Representations

Each Loan Party represents and warrants that:

- (a) each Loan Party: (i) is a corporation or company has been duly incorporated, amalgamated or continued, as the case may be, and is validly subsisting as a corporation or company and qualified to do business under the laws of its jurisdiction of incorporation, amalgamation, or continuance, as the case may be, (ii) that is not a corporation or company has been duly created or established as a partnership, limited partnership, trust or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) has not adopted or designated any name (including any French name) except as set forth on Schedule H;

- (b) each Loan Party is in compliance with all material laws, regulations and orders of any Governmental Authority applicable to it or its property and all material indentures, agreements and other instruments binding upon it or its property;
- (c) each Loan Party has full power, authority and capacity to execute and deliver the Loan Documents to which it is party and to carry out the transactions contemplated herein and therein, all of which have been duly and validly authorized by all necessary corporate proceedings and that the documents hereinbefore referred to have been duly executed and delivered by such Loan Party;
- (d) neither the execution nor delivery of a Loan Document, nor the fulfillment of or compliance with the terms and provisions thereof will contravene any provision of law, including, without limitation, any statute, rule, regulation, judgment, decree, order, franchise or permit applicable to a Loan Party or conflict with or result in a material breach of the terms, conditions or provisions of or constitute a default under any agreement or instrument to which such Loan Party is now a party or by which any of its property or assets may be bound or affected;
- (e) each Loan Document constitutes legal, valid and binding obligations of the each Loan Party enforceable in accordance with their respective terms, except as enforceability may be limited by general principles of equity and by bankruptcy and insolvency laws;
- (f) except as disclosed to the Lender in Schedule J, to the best of its knowledge and belief, there are no pending or threatened actions or proceedings before any Court or administrative agency which may materially adversely affect the financial condition or operations of the Loan Parties;
- (g) the contents of all documents furnished to the Lender by or on behalf of a Loan Party to induce the Lender to lend the monies hereunder are true and correct in all material respects and accurately set out all the facts contained therein and do not omit any fact necessary in order to make such information not misleading in any material way;
- (h) all financial information and statements which have been delivered to the Lender are true and accurate and have been prepared in accordance with Generally Accepted Accounting Principles consistently applied and fairly represent the financial position of the person or entity which each purports to reflect and the financial position so reflected has not suffered, or could not reasonably be expected to have suffered, either individually or in the aggregate, any Material Adverse Effect to the date hereof;
- (i) other than in relation to Permitted Encumbrances, each Loan Party and its assets are not a party to or bound by any contract, agreement or undertaking or subject to any restriction in constating documents or to any other corporate, contractual or personal restriction or inhibition howsoever imposed that would materially or adversely affect the business, property, assets or financial condition of such Loan Party;
- (j) each Loan Party lawfully owns and is lawfully in possession of all of its assets and that it has a good right and lawful authority to grant, convey, assign, transfer,

hypothecate, mortgage, pledge and charge its assets as provided herein and in the Security;

- (k) other than in relation to the Permitted Encumbrances, there are no Encumbrances of any nature or kind in existence or promised which are in any manner capable of becoming registered so as to give priority of same to the detriment of the Security;
- (l) there are no outstanding judgments or awards against the Loan Parties, except as have been disclosed to the Lender in writing;
- (m) except as disclosed to the Lender in Schedule J, there is no fact known to the Loan Parties which materially or adversely affects or to the extent reasonably foreseeable by the Loan Parties is reasonably expected in the future to materially or adversely affect the business prospects or financial condition of the any of the Loan Parties or their assets;
- (n) each Loan Party has filed all material tax returns which are required to be filed by it and has paid all taxes and claims arising therefrom ranking in priority to the Encumbrances created by the Security (including interest and penalties) which are due and payable, unless such payment is being contested in good faith by appropriate proceedings and adequate reserves, as determined by the Lender acting reasonably, are held in respect thereof;
- (o) the authorized capital of the Loan Parties is as set out in the attached Schedule C;
- (p) each Loan Party owns, or is licensed to use, all trademarks, tradenames, copyrights, patents or other intellectual property material to its business, and the use thereof by such Loan Party does not infringe upon the rights of any other person;
- (q) (i) as of the date hereof, none of the Loan Parties is in default under any of their respective obligations and, except as disclosed to the Lender in Schedule J, there are no actions, suits or proceedings, pending or, to their knowledge, threatened, against or affecting any of them and (ii) none of the Loan Parties is in default under any of their respective material obligations and, except as disclosed to the Lender in Schedule J, there are no material actions, suits or proceedings, pending or, to their knowledge, threatened, against or affecting any of them;
- (r) except as disclosed to the Lender in Schedule J, none of the Loan Parties are aware of any facts or circumstances that would have a material adverse impact on the value of the Collateral;
- (s) as of the date hereof, both before and after giving effect to (a) the financing transaction to be consummated on the date hereof and (b) the payment and accrual of all fees, costs and expenses in connection therewith, each Loan Party is and will be solvent;
- (t) the ownership structure set out in Schedule H accurately reflects the organizational and ownership structure of each Loan Party as at the date hereof.

The Relevant Jurisdictions for each of the Loan Parties are set forth on Schedule H; and

- (u) no event or circumstance has occurred which has had or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, which has not been fully and accurately disclosed to the Lender in writing.

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

19. Events of Default

Each of the following shall constitute an Event of Default:

- (a) if the Borrower shall make default in payment of any principal or interest in regard to the Indebtedness;
- (b) if any Loan Party should default or be in breach of the performance or observance of any part of the covenants, agreements, conditions on the part of such Loan Party to be kept, observed, performed or given hereunder or under the Loan Documents or should any other person, firm, or company being a party to Loan Document fail to carry out or observe any covenant or condition herein or therein on its part to be observed or performed and such deficit or failure is not cured by such Loan Party within thirty (30) days following receipt of notice from the Lender;
- (c) if any representation or warranty made by a Loan Party with respect to a Loan Document or any other information provided in support of the Borrower's application to the Lender for the Credit Facilities is found to be materially incorrect and such incorrect representation or warranty has not remedied within thirty (30) days after written notice of such incorrect representation or warranty is given to the Borrower by the Lender;
- (d) if any Loan Party shall create or attempt to create any mortgage or charge or permit any Encumbrance to be created or arise on any of its assets except a Permitted Encumbrance;
- (e) if a Loan Party should fail to pay any charges, rents, taxes, or rates on leasehold property, or other charges of a like nature, or if a Loan Party fails to observe and perform any of the covenants, payments or conditions in any lease, license, concession, agreement, mortgage, agreement for sale, charge or Encumbrance and such failure or default could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect;
- (f) if a Loan Party defaults under any Material Agreement to which it is a party and such failure or breach is not waived, remedied or cured by such Loan Party within thirty (30) days;
- (g) if a Loan Party makes default in the payment of the principal or interest in relation to any other borrowed money, credit facilities or mortgages, and such default is

not cured or waived within the earlier of ten (10) Business Days of notice or any applicable cure period provided for thereunder;

- (h) if a Loan Party makes default in the performance of any term, condition or covenant contained in any instrument under which any Funded Debt in an amount exceeding \$100,000 is outstanding and such default is not cured or waived within any applicable cure period provided for thereunder;
- (i) if an order shall be made or an effective resolution passed for the winding-up of a Loan Party or any member of the Parent Group, or if a petition is filed for the winding-up of such Loan Party or member of the Parent Group;
- (j) if a Loan Party or any member of the Parent Group shall make an assignment for the benefit of creditors or be declared bankrupt, or if a custodian or receiver or receiver and manager or other officer with similar powers be appointed with respect to such Loan Party or member of the Parent Group or any of its property or if such Loan Party or member of the Parent Group makes or files a notice of intention to make a proposal or otherwise takes advantage of provisions for relief under the *Bankruptcy and Insolvency Act* or the *Companies' Creditors Arrangement Act* (or equivalent legislation in the promulgated pursuant to the laws of the United States of America) as now or hereafter in force or makes any arrangement with its creditors pursuant to the terms of the *Business Corporations Act* of Alberta (or equivalent legislation in the promulgated pursuant to the laws of the United States of America) as now or hereafter in force;
- (k) if a Loan Party ceases or threatens to cease to carry on its business or if such Loan Party or a member of the Parent Group commits any act of bankruptcy;
- (l) if a Loan Party or any member of the Parent Group passes or purports to pass any resolution or takes or purports to take any corporate proceedings which would result in its reorganization, amalgamation or merger with another entity or the transfer of all or substantially all of its assets other than as permitted under this Agreement or with the prior written consent of the Lender, or take proceedings for its dissolution or liquidation;
- (m) if a Loan Party or any member of the Parent Group shall lose its charter by expiration, forfeiture or otherwise or if a receiver or receiver-manager for all or any part of such Loan Party's or member of the Parent Group's assets or any other party with like powers shall be appointed;
- (n) if any execution, distress, sequestration or any other process of any court become enforceable against a Loan Party or any member of the Parent Group or if a distress or analogous process is levied upon the property of such Loan Party or member of the Parent Group or any part thereof, provided however that the Security shall not be enforceable if:
 - (i) such execution, sequestration or other process is in good faith being disputed by such Loan Party or member of the Parent Group;
 - (ii) the Lender does not, in its sole discretion, feel that such execution, distress, sequestration or other process hereinbefore referred to jeopardizes or impairs its security, or prejudices the rights of the Lender; and

- (iii) at the Lender's request, such Loan Party or member of the Parent Group provides further security which the Lender in its absolute discretion deems sufficient to pay in full the amount claimed in the event that the execution, distress, sequestration or any other process as hereinbefore referred to is held to be valid against such Loan Party or member of the Parent Group;
- (o) except in the ordinary course of business or as permitted pursuant to the Loan Documents, if any assets of a Loan Party are either directly or indirectly (including without limitation by way of transfer or sale of Equity Interests) sold, transferred, assigned, conveyed, removed, alienated or disposed of in any manner whatsoever by such Loan Party or if the Lender, acting reasonably, deems such Loan Party's assets or any part thereof are in danger of being sold, transferred, assigned, conveyed, removed, alienated or disposed of;
- (p) if, without the Lender's prior written consent, there is a Change in Control, other than a Change of Control that constitutes a Permitted Restructuring;
- (q) if a Loan Party defaults under any other loan or mortgage to which it is a party, including, but not limited to, any breach of the Security and any agreement regarding a Finance Lease and such default is not waived or cured;
- (r) if the Security shall cease to be in full force and effect and/or ceases to rank in the priority contemplated herein against the Collateral, or the validity thereof or the applicability thereof to this Agreement or of any of the obligations of a Loan Party thereunder or hereunder shall be disaffirmed by or on behalf of such Loan Party;
- (s) if any default occurs under any other credit, facility or security agreement to which a Loan Party or any member of the Parent Group is a party and such breach continues for ten (10) days after such Loan Party or member of the Parent Group shall have received written notice of same;
- (t) if a Loan Party makes a Distribution except as otherwise permitted hereunder;
- (u) if the Security is or becomes illegal, invalid, prohibited or unenforceable and/or ceases to rank in the priority contemplated herein against the Collateral; and
- (v) if a Material Adverse Change has occurred.

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

20. Environmental Indemnity

Each Loan Party hereby represents and warrants that its business and assets and are operated in compliance with applicable Environmental Laws and that, except as disclosed to the Lender in Schedule J, to its knowledge, no enforcement action in respect thereof is threatened or pending, and covenants to continue to so operate. If (i) a Loan Party has knowledge of or (ii) if the Lender, at any time, has a reasonable basis to believe that the property of a Loan Party has had a Hazardous Discharge, or remediation work to the Lands is required, including, without limitation, remediation to the Purchased Pits, or is subject to any Environmental Complaint, then each Loan Party shall provide the Lender with such reports, certificates, environmental audits, engineering studies or other written material or data as the Lender, acting reasonably, may require from it so as to satisfy the Lender that the Loan Parties, as applicable, are in compliance with all applicable Environmental Laws. If the Lender is required to expend any funds in compliance with applicable Environmental Laws or court orders in respect thereof in respect of the operations or assets of a Loan Party, each Loan Party shall indemnify the Lender in respect of such expenditures as if an Advance had been made to the Borrower under this Agreement for such purpose.

21. Preserve Security

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

22. Subordination/Intercreditor Arrangements

Upon the Borrower establishing credit facilities with an operating lender for the sole purpose of financing the operating expenses of the Borrower, the Lender shall, within a reasonable period of time, enter into an inter-creditor agreement with such operating lender to, *inter alia*, address the rank and priority of the operating facilities, and pursuant to which the Lender shall subordinate to such operating lender's interest in the Borrower's accounts receivables and Inventory (but explicitly excluding the proceeds of sale of the Inventory payable to the Lender in accordance with the terms herein to repay the Facility B Principal).

23. Further Security

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

24. Deemed Reinvestment

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

25. Legal Fees

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

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

26. Enforcement

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

27. No Merger

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

28. Right of Application

The Lender may from time to time apply and re-apply (and notwithstanding any previous application) in such manner as it, in its sole discretion sees fit, any monies received by it from a Loan Party or from collections, sales, or realizations of, on or under any Security, other than in respect of the Fiera Equipment (which shall be applicable solely to Facility C) or Inventory (which shall be applied first to Facility B), after first deducting the charges therefore or any

expenses thereof, including costs as between a solicitor and his client, in or toward payment of any portion of the Indebtedness; and any such monies may be held by the Lender unappropriated in a collateral account for such time as the Lender sees fit; and the Loan Parties shall have no right to make or require any appropriation inconsistent with any such application by the Lender; and the taking of a judgment or judgments or any other action or dealing whatsoever by the Lender in respect of any Security given or to be given by the Loan Parties shall not operate as a merger of any other Security given to the Lender or any part thereof, or in any way suspend payment or affect or prejudice the rights, remedies and powers, legal or equitable, which the Lender may have in connection with such Security or the Indebtedness; and the foreclosure, surrender, cancellation, variation or any other dealing with or modification of any Security for such Indebtedness shall not release or affect the liability of a Loan Party for its total Indebtedness or release or affect any other part of the Security held by the Lender.

29. Termination

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

30. Taxes

The following shall apply as to taxes payable (excluding income taxes of the Lender):

- (a) any and all payments by or on account of any obligation of a Loan Party hereunder shall be made free and clear of and without deduction for any taxes; provided that if a Loan Party shall be required to deduct any taxes from such payments, then (i) the sum payable shall be increased as necessary so that, after making all required deductions (including deductions applicable to additional sums payable under this Section), the Lender receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Loan Party shall make such deductions and (iii) the Loan Party shall pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.
- (b) in addition, each Loan Party shall pay any such taxes to the relevant Governmental Authority in accordance with Applicable Law.
- (c) each Loan Party shall indemnify the Lender, within 10 days after written demand therefor, for the full amount of any such taxes paid by the Lender, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to a Loan Party by the Lender, shall be *prima facie* evidence absent manifest error.
- (d) if requested by the Lender from time to time, each Loan Party shall deliver to the Lender the original or a certified copy of a receipt issued by the applicable Governmental Authority, a copy of the return reporting payment, or such other

evidence reasonably satisfactory to the Lender evidencing payment of taxes by the Loan Party.

31. Incorporate Terms

Subject to Section 32, the terms of the Security form a part of this Agreement as if the terms thereof were expressly and specifically set forth or stated herein.

32. Conflict

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

33. Notices

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

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

- (i) if to the Loan Parties, then:

Resource Land Holdings, LLC
1400 16th St, Suite 320
Denver, CO 80209

Attention: Byron Levkulich, CFA, CPA, Director
Email: Byron.Levkulich@RLHoldings.com

- (ii) if to the Lender prior to April 30, 2021 (or such other date as the Lender may notify the Loan Parties) then:

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

Attention: Stephen Zagrodny, Senior Director, Corporate & Infrastructure
Debt Financing
E-mail: szagrodny@fieracapital.com

and thereafter at:

Fiera Private Debt
RBC Plaza South Tower
200 Bay Street, Suite 3700
Toronto, Ontario M5J 2T6

Attention: Stephen Zagrodny, Senior Director, Corporate & Infrastructure
Debt Financing
Email: szagrodny@fieracapital.com

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

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

34. Headings

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

35. Governing Law

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

36. Additional Agreements

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

37. Review

The Lender may conduct periodic reviews of the affairs of the Loan Parties, as and when determined by the Lender for the purpose of evaluating the financial condition of the Loan Parties. Each Loan Party shall make available to the Lender such financial statements and other information and documentation as the Lender may reasonably require and shall do all things reasonably necessary to facilitate such review.

38. Schedules

The Schedules attached hereto are incorporated into this Agreement by reference

39. Time of Essence

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

40. Payment of Monies

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

41. Due Date Extended

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

42. Unenforceable Terms

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

43. Survival of Representations and Warranties

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

44. Joint and Several

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

45. Amendments

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

46. Entire Agreement

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

47. Counterparts; Electronic Signature

This Agreement may be executed by one or more of the parties hereto on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same agreement and shall become effective when all counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all

parties need not sign the same counterpart. Each party agrees that the electronic signatures, whether digital or encrypted, of any party included in this Agreement shall be as effective as delivery by the parties of a manually executed copy of this Agreement and is intended to authenticate this writing and to have the same force and effect as manual signatures.

48. No Waiver

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

49. Assignment

This Agreement may be assigned by the Lender prior to the occurrence of an Event of Default with the prior written consent of the Borrower and after the occurrence of an Event of Default without consent, in which event the Borrower shall attorn in all respects to such assignment and the assignee thereof. No Borrower may assign this Agreement without the consent of the Lender, provided, however, that the Lender shall upon prior written request by the Borrower provide consent to an assignment of this Agreement in the case of a Permitted Restructuring as approved hereunder.

50. Singular, Plural and Gender

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

51. Enurement

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

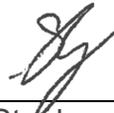
[SIGNATURES FOLLOW ON NEXT PAGE]

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

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

Per: 

Name: Philip Robson
Title: ASO

Per: 

Name: Stephen Zagrodny
Title: ASO

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

Per: 

Name: Philip Robson
Title: ASO

Per: 

Name: Stephen Zagrodny
Title: ASO

MANTLE MATERIALS GROUP, LTD.

Per: _____
Name: Byron Levkulich
Title: Director

Per: _____
Name: Aaron Patsch
Title: Director

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

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

Per:

Name:

Title:

Per:

Name:

Title:

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

Per:

Name:

Title:

Per:

Name:

Title:

MANTLE MATERIALS GROUP, LTD.

Per:



Name: Byron Levkulich

Title: Director

Per:



Name: Aaron Patsch

Title: Director

JMB CRUSHING SYSTEMS INC.

Per: Byron Levkulich
Byron Levkulich (Apr 13, 2021 18:40 MDT)
Name: Byron Levkulich
Title: Director

Per: Aaron M Patsch
Aaron M Patsch (Apr 20, 2021 20:47 MDT)
Name: Aaron Patsch
Title: Director

2161889 ALBERTA LTD.

Per: Blake M. Elyea
Blake M. Elyea (Apr 20, 2021 21:55 PDT)
Name: Blake Elyea
Title: Chief Restructuring Advisor

Per: _____
Name:
Title:

**SCHEDULE A
PERMITTED ENCUMBRANCES**

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

- (a) liens for taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested in good faith by appropriate proceedings;
- (b) deemed liens and trusts arising by operation of law in connection with workers' compensation, employment insurance and other social security legislation, in each case, which secure obligations not at the time due or delinquent or, if due or delinquent, the validity of which is being contested in good faith and by appropriate proceedings;
- (c) easements, rights of way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights of way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of the Borrower;
- (d) any builder's, mechanic's, garageman's, labourer's or materialman's lien or other similar lien arising in the ordinary course of business or out of the construction or improvement of any land or arising out of the furnishing of materials or supplies, provided that such lien secures monies not at the time overdue, or, if due or delinquent, the validity of which is being contested in good faith by appropriate proceedings;
- (e) Encumbrances incidental to the conduct of business or the ownership of property and assets not incurred in connection with the borrowing of money or obtaining credit and which do not, in the aggregate, detract in any material way from the value or usefulness of the property and assets of the Borrower;
- (f) any claim or Encumbrance from time to time consented to by the Lender;
- (g) in respect of any land, any defects or irregularities in the title to such land which are of a minor nature and which, in the aggregate, will not materially impair the use of such land for the purposes for which such land is held;
- (h) Security Interests or Encumbrances given by the Borrower to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of the Borrower, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the Borrower;
- (i) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions and reservations to title;
- (j) Security Interests securing a purchase money obligation, provided that (i) such security interests shall attach only to the property acquired in connection with which such purchase money obligation was incurred and (ii) such purchase money obligation is not prohibited pursuant to Section 15(t);

- (k) landlords' liens or any other rights of distress reserved in or exercisable under any lease of real property for rent and for compliance with the terms of such lease; provided that such lien does not attach generally to all or substantially all of the undertaking, assets and property of the Borrower;
- (l) deposits to secure performance of (i) bids, tenders, contracts (other than contracts for the payment of money), (ii) leases of real property entered into in the ordinary course of business, in each case, to which the Borrower is a party, or (iii) letters of credit or bonds securing the Borrower's reclamation and remediation obligations under surface material agreements and royalty agreements;
- (m) the Security Documents and the Security;
- (n) the Permitted Future Finance Leases;
- (o) the Permitted Future PMOs;
- (p) the Permitted Future Working Capital Security;
- (q) the Permitted Future Subordinated Debt Security; and
- (r) the Security Interest in favour of ATB attaching to the ATB Aggregate and any proceeds thereof, including a real property mortgage (provided the mortgage does not secure Debt for longer than a 4 year term, with payment amounts calculated on the basis of a not shorter than 20 year amortization, and with an interest rate of not greater than 3.5%) granted by the Borrower in favour ATB in respect of the lands legally described as:

The North East Quarter of Section Thirty Five (35)
 Township Fifty Six (56)
 Range Six (6)
 West of the Fourth Meridian
 Containing 64.7 Hectares (160 Acres) more or less
 Excepting thereout:

	Hectares (Acres) more or less
A) Plan 6430 KS – Road	0.417 (1.03)
B) Plan 395 RS – Road	0.615 (1.52)
C) Plan 9222585 – Road	0.407 (1.01)

Excepting thereout all mines and minerals

and

The South West Quarter of Section Eleven (11)
 Township Fifty Seven (57)
 Range Six (6)
 West of the Fourth Meridian, lying to the west of the westerly limit of land required for railway purposes, as shown on Plan 7521297 and south of the south limit of Road Plan 3445BM, containing 7.17 hectares (17.72 acres) more or less
 Excepting thereout all mines and minerals and the right to work the same

**SCHEDULE B
COMPLIANCE CERTIFICATE**

FIERA PRIVATE DEBT FUND V LP
- AND -
FIERA PRIVATE DEBT FUND VI LP
 20 Adelaide Street East, Suite 1500,
 Toronto, Ontario M5C 2T6
 E-mail: szagrodny@fieracapital.com

This Compliance Certificate is provided pursuant to the loan agreement made effective the 26 day of April, 2021 (as the same may be amended, restated, modified, supplemented or replaced from time to time, the "**Loan Agreement**") among Mantle Materials Group, Ltd., as borrower (the "**Borrower**"), and JMB Crushing Systems Inc., and 2161889 Alberta Ltd., as guarantors, and Fiera Private Debt Fund V LP, by its general partner Fiera Private Debt Fund GP Inc., and Fiera Private Debt Fund VI LP, by its general partner Fiera Private Debt Fund GP Inc., as lenders (collectively, the "**Lender**"). All terms and expressions used herein but not otherwise defined shall have the same meanings herein as are ascribed thereto in the Loan Agreement.

The Borrower represents and warrants as follows:

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

[NTD: To be included for applicable reporting periods only.] [The Borrower hereby certifies that as follows:

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

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

[SIGNATURES FOLLOW ON NEXT PAGE]

DATED this _____ day of _____.

MANTLE MATERIALS GROUP, LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

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

[See attached]

**SCHEDULE C
SHARE CAPITAL**

MANTLE MATERIALS GROUP, LTD.	
Shareholder	Number and Class of Shares
RLF Canada Holdings Limited	100 Class A Preferred Shares

JMB CRUSHING SYSTEMS INC.	
Shareholder	Number and Class of Shares
RLF Canada Holdings Limited	51,513.165 Class A Common Shares

2161889 ALBERTA LTD.	
Shareholder	Number and Class of Shares
JMB Crushing Systems Inc.	15,500,049 Class A Common Shares

**SCHEDULE D
TERM SHEET**

[See attached]



1257568 B.C. Ltd.

**Summary of Terms to be incorporated into a new Loan Agreement upon the purchase of the assets of JMB Crushing Systems Inc. ("JMB") and 2161889 Alberta Ltd. ("216")
July 20, 2020**

This summary proposal is for discussion purposes only and should not be considered exhaustive or conclusive. It is not a commitment, but rather, upon acceptance by the New Borrower of the terms and conditions herein, a more detailed Loan Agreement will be prepared by the Lender's counsel. All dollar figures are Canadian dollars. All capitalized terms set out herein and not otherwise defined shall have the meaning ascribed to them in the draft loan agreement circulated on July 21, 2020 (the "Loan Agreement").

Pursuant to an initial order of the Court of Queen's Bench of Alberta made on May 1, 2020, as amended on May 11, 2020, JMB and 216 were given protection under the Companies' Creditors Arrangement Act (Canada), FTI Consulting Canada Inc. was appointed monitor (the "Monitor") and a sale and investment solicitation procedure was approved pursuant to which the Monitor and a sale advisor would market and sell the property and assets of JMB and 216 (the "SISP").

1257568 B.C. Ltd. (the "New Borrower") intends to submit a Phase 2 Bid in the SISP in the form of an asset purchase agreement dated as of July 21, 2020 between JMB and 216 as vendors and the New Borrower as purchaser (the "APA", and such purchase and sale, the "Transaction"), pursuant to which the New Borrower will purchase certain assets of JMB and 216 for a purchase price payable in part by way of assuming a portion of the secured indebtedness owing to the Lender by JMB in the amount of \$15,500,000 (the "Loan"). Therefore, in the event the APA is approved by the Court and is the successful Transaction under the SISP, the Lender is prepared to put forward to the New Borrower the following terms and conditions that would be agreed to as part of the Loan Agreement with the New Borrower.

- Lender:** Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP
- New Borrower:** 1257568 B.C. Ltd.
- Guarantors:** All existing and future subsidiaries of the New Borrower as determined by the Lender.
- Facilities:**
- Facility A – Amortizing Debt**
- CDN\$3,500,000 non-revolving credit facility
 - Facility B – Repayment per Sale of Aggregate**
- CDN \$6,000,000 non-revolving credit facility
 - Facility C – Equipment**
- non-revolving credit facility available in an amount equal to the lesser of (i) CDN \$6,000,000, being the aggregate appraised value of the equipment listed in Schedule D of the APA under the heading "Fiera Equipment", less lesser of the net proceeds of sale to third parties in the SISP of any Fiera Equipment or the appraised value of such Fiera Equipment, or (ii) aggregate net proceeds of sale by the New Borrower of the remaining Fiera Equipment after the SISP.

**Amortization and
Principal Repayments:**

Facility A

- Provided there has occurred no Event of Default that is continuing, two (2) years of interest-only payments payable quarterly, followed by equal blended monthly payments of principal and interest based on a six (6) year amortization period.

Facility B

- in monthly payments commencing one (1) year following close, in an amount equal to \$1 per tonne of aggregates sold by the New Borrower to third parties to repay the principal.
- such monthly payments shall be payable after commencement on the forty-fifth (45th) day after the end of the month in which such sales occur on the basis of the proceeds of such sales actually received in such month by the New Borrower, and shall continue until the Facility B principal amount is repaid in full.
- The New Borrower shall deliver to the Lender within 30 days of each month end a sales report setting out the proceeds of sales actually received in the last month by the New Borrower.

Facility C

- to be repaid from the proceeds of any sale of the Fiera Equipment, net of such reasonable costs associated with such sales as approved by the Lender, such that upon the sale of the last item of Fiera Equipment, the principal amount under Facility C shall be repaid in full.

Interest Rate:

7.00% per annum accrued daily with respect to Facility A.

Prepayment:

Provided no Event of Default has occurred and is continuing, the New Borrower shall have the ability to prepay:

- (i) all (and only all) of the indebtedness outstanding at any time in relation to Facility A by provision of thirty (30) days' notice and payment of the Interest Rate Differential;
- (ii) some or all of the indebtedness outstanding at any time in relation to Facility B and Facility C by provision of thirty (30) days' notice, but without further notice, bonus or penalty, provided however, that any partial prepayment shall in no way release the New Borrower from its obligation to make any payments required pursuant to the provisions of the Security or the loan agreement.

Security:

Standard for a loan of this nature, including but not limited to:

- (i) a general security agreement from the New Borrower;
- (ii) an assignment of Material Agreements;
- (iii) a mortgage of lease for each surface mineral lease located on the lands owned by the Crown;

- (iv) a conditional surrender of lease for each surface mineral lease on the lands owned by the Crown;
- (v) a charge as against the aggregate royalty agreements for each aggregate pit located on the privately-owned lands;
- (vi) commercially reasonable efforts to obtain a tripartite agreement among the New Borrower, the Lender and each private owner of the lands with respect to the aggregate royalty agreements;
- (vii) commercially reasonable efforts to obtain landlord waivers and intercreditor agreement as may be required by the Lender, if required;
- (viii) a postponement and assignment of creditor's claims and postponement of security executed by each shareholder of the New Borrower, if required;
- (ix) an assignment of insurance;
- (x) pledges of all Equity Interests of the Loan Parties that are owned by the Loan Parties or the Parent Group, from time to time, securing a guarantee by the grantor of any such pledge under which recourse is limited to such Equity Interests, in each case if required;
- (xi) a collateral agency agreement among the Lender, a collateral agent and the New Borrower, if required; and
- (xii) such other security as may be reasonably required by the Lender.

Conditions Precedent:

All Conditions Precedent must be satisfied at or before the time of the advance under the Loan Agreement and all deliveries must be satisfactory to the Lender in form and substance. Standard conditions precedent for a loan of this nature, including for reference, but not limited to:

- (i) New Borrower successfully obtaining an approval and vesting order from the Court and completing the acquisition of the assets of JMB and 216 resulting in the exit of the business from the current CCAA process on terms and conditions satisfactory to the Lender;
- (ii) Lender shall have received the Loan Agreement, the other Loan Documents, the Security, and all other documentation related thereto duly executed and delivered, provided that with respect to the Security referred to in (iv), (vi) and (viii), it shall not be required as a condition to closing;
- (iii) Lender shall have received a duly executed copy of the Assignment and Assumption Agreement;
- (iv) Lender shall have received a duly executed copy of the APA;
- (v) A favourable opinion of the Lender's counsel including authorization and enforceability as to Security;
- (vi) Such further loan and security documentation as required by the Lender;

- (vii) Representations and warranties must be true and correct in all material respects;
- (viii) Lender shall have received certificates of insurance or other evidence that the covenants and conditions of the Loan Documents concerning insurance coverage are being complied with;
- (ix) There shall be no material adverse change in the New Borrower's business or its financial condition since Loan approval;
- (x) Lender shall have received an undertaking from RLF Canada Holdings Limited ("RCH") committing to make a \$3,500,000 equity contribution to the New Borrower by the first anniversary of the Effective Date, or by such other date or amount as may be agreed to in writing by the New Borrower, RCH and the Lender; and
- (xi) Such other documents, as required by the Lender.

Negative Covenants:

Such similar negative covenants as set out in the draft Loan Agreement circulated on July 21, 2020, provided that the New Borrower (a) will be entitled to obtain purchase-money security financing or capital lease financing from third party lenders or lessors in an aggregate amount to be determined, provided the purchase money security interest(s) or security or leasehold interest created thereby is limited to the acquired or leased assets, (b) will be permitted to enter corporate restructuring transactions with JMB and other affiliates for the purpose of preserving the tax attributes of JMB or its shares, (c) will be permitted to obtain operating or working capital financing from third party lenders in an aggregate amount to be determined, provided that such lender(s) enter into an inter-creditor agreement acceptable to the Lender and any security interest(s) securing such financing be subsequent in priority to the Lender's security interests other than with respect to inventory and accounts receivable, (d) will be permitted to incur indebtedness and security in an aggregate amount to be determined that is subordinate to the Lender, and (e) will be permitted to accumulate capitalized dividends.

Positive Covenants:

Such similar positive covenants as set out in the draft Loan Agreement circulated on July 21, 2020, including, but not limited to:

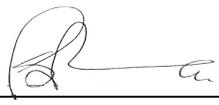
- (i) store and maintain in current condition the Fiera Equipment at the New Borrower's premises located in the Town of Bonnyville, in the Province of Alberta, or if currently stored in Washington State, at an acceptable location in Washington State; and
- (ii) the New Borrower shall employ reasonable commercial efforts to sell the Fiera Equipment in a commercially

reasonable manner that is acceptable to the Lender, acting reasonably.

- Insurance:** The New Borrower shall maintain:
- (i) All risks fire and extended coverage insurance on all assets to the full insurable value from time to time outstanding, with first loss payable to the Lender and a standard mortgage clause on an Insurance Bureau of Canada form. Insurance shall not be cancellable except on 30 days prior written notice to the Lender;
 - (ii) Public liability, bodily injury and property damage insurance of the type and in such amount as is acceptable to the Lender; and
 - (iii) Maintain casualty and property insurance in respect of the Fiera Equipment from JMB in amounts not less than the appraised equipment value.
- Financial Covenants:** Such similar financial covenants as set out in the draft Loan Agreement circulated on July 21, 2020.
- Reporting Requirements:** Such similar reporting requirements as set out in the draft Loan Agreement circulated on July 21, 2020.
- Events of Default:** Standard for a loan of this nature, provided that the amount realizable in respect of Facility C shall be limited to the net proceeds of sale of remaining Fiera Equipment.
- Transaction Expenses:** Legal fees and disbursements, appraisal fees, any out of pocket due-diligence expenses including costs incurred in the preparation, execution, delivery, registration and discharge of the Loan documents, including, without limitation, work fees charged by the Lender, or in the collection of any amount owing under the Loan shall be for the New Borrower's account.
- Governing Law:** The Province of Alberta
- Assignment:** In the event that the New Borrower sells all or substantially all of its assets, or its parent sells its shares in the capital of the New Borrower, provided that the purchaser provides satisfactory evidence to the Lender (in its sole discretion) that it is financially and operationally able to perform or cause the performance of the terms reflected hereby, the Lender shall consent to such sale.

[Signature page follows]

**FIERA PRIVATE DEBT FUND V LP,
BY ITS GENERAL PARTNER FIERA PRIVATE DEBT FUND INC.**

Per: 

Authorized Signature

Per: _____
Authorized Signature

**FIERA PRIVATE DEBT FUND VI LP,
BY ITS GENERAL PARTNER FIERA PRIVATE DEBT FUND INC.**

Per: 

Authorized Signature

Per: _____
Authorized Signature

Agreed and accepted this 21 day of July, 2020.

By: 1257568 B.C. LTD.

Per: _____
Authorized Signature

Per: _____
Authorized Signature

**FIERA PRIVATE DEBT FUND V LP,
BY ITS GENERAL PARTNER FIERA PRIVATE DEBT FUND INC.**

Per: _____
Authorized Signature

Per: _____
Authorized Signature

**FIERA PRIVATE DEBT FUND VI LP,
BY ITS GENERAL PARTNER FIERA PRIVATE DEBT FUND INC.**

Per: _____
Authorized Signature

Per: _____
Authorized Signature

Agreed and accepted this 21 day of July, 2020.

By: 1257568 B.C. LTD.

DocuSigned by:
Byron J Levtulich

Per: _____
Authorized Signature

Per: _____
Authorized Signature

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

[See attached]

Mantle Materials Group Ltd. Tranche A

V \$ 12,351,146.60 87.41%
 VI \$ 1,778,983.37 12.59%
 \$ 14,130,129.97

\$3,550,000.00 **Valuation Date:** 26-Apr-21

Interest Rate: 7.000% **# of Payments:** 80

Blended payment \$60,523.97 **Amortization:** 72

Fund V

Fund VI

Pymt. #	Date	Total Payment	Interest Portion	Principal Portion	Principal Outstanding	Fund V			Fund VI		
						Total Payment	Interest	Principal	Total Payment	Interest	Principal
23	15-Jul-24	60,523.97	17,049.39	43,474.59	2,927,990.05	52,904.00	14,902.87	38,001.14	7,619.97	2,146.52	5,473.45
24	15-Aug-24	60,523.97	17,359.94	43,164.03	2,884,826.01	52,904.00	15,174.32	37,729.68	7,619.97	2,185.62	5,434.35
25	15-Sep-24	60,523.97	17,104.02	43,419.95	2,841,406.06	52,904.00	14,950.63	37,953.38	7,619.97	2,153.40	5,466.57
26	15-Oct-24	60,523.97	16,303.15	44,220.82	2,797,185.24	52,904.00	14,250.58	38,653.42	7,619.97	2,052.57	5,567.40
27	15-Nov-24	60,523.97	16,584.40	43,939.57	2,753,245.67	52,904.00	14,496.43	38,407.58	7,619.97	2,087.98	5,531.99
28	15-Dec-24	60,523.97	15,797.31	44,726.66	2,708,519.01	52,904.00	13,808.43	39,095.58	7,619.97	1,988.88	5,631.09
29	15-Jan-25	60,523.97	16,058.71	44,465.27	2,664,053.74	52,904.00	14,036.91	38,867.09	7,619.97	2,021.79	5,598.18
30	15-Feb-25	60,523.97	15,838.35	44,685.63	2,619,368.12	52,904.00	13,844.30	39,059.71	7,619.97	1,994.05	5,625.92
31	15-Mar-25	60,523.97	14,065.65	46,458.33	2,572,909.79	52,904.00	12,294.78	40,609.22	7,619.97	1,770.87	5,849.10
32	15-Apr-25	60,523.97	15,296.48	45,227.50	2,527,682.30	52,904.00	13,370.65	39,533.35	7,619.97	1,925.83	5,694.14
33	15-May-25	60,523.97	14,542.83	45,981.14	2,481,701.15	52,904.00	12,711.89	40,192.12	7,619.97	1,830.94	5,789.03
34	15-Jun-25	60,523.97	14,754.22	45,769.75	2,435,931.40	52,904.00	12,896.67	40,007.34	7,619.97	1,857.56	5,762.41
35	15-Jul-25	60,523.97	14,014.95	46,509.03	2,389,422.38	52,904.00	12,250.47	40,653.54	7,619.97	1,764.48	5,855.49
36	15-Aug-25	60,523.97	14,205.61	46,318.37	2,343,104.01	52,904.00	12,417.12	40,486.88	7,619.97	1,788.49	5,831.48
37	15-Sep-25	60,523.97	13,930.23	46,593.74	2,296,510.27	52,904.00	12,176.42	40,727.59	7,619.97	1,753.82	5,866.15
38	15-Oct-25	60,523.97	13,212.80	47,311.17	2,249,199.10	52,904.00	11,549.31	41,354.70	7,619.97	1,663.49	5,956.48
39	15-Nov-25	60,523.97	13,371.95	47,152.02	2,202,047.08	52,904.00	11,688.42	41,215.58	7,619.97	1,683.53	5,936.44
40	15-Dec-25	60,523.97	12,669.31	47,854.66	2,154,192.42	52,904.00	11,074.25	41,829.76	7,619.97	1,595.07	6,024.90
41	15-Jan-26	60,523.97	12,807.12	47,716.86	2,106,475.56	52,904.00	11,194.70	41,709.30	7,619.97	1,612.42	6,007.55
42	15-Feb-26	60,523.97	12,523.43	48,000.54	2,058,475.02	52,904.00	10,946.73	41,957.27	7,619.97	1,576.70	6,043.27
43	15-Mar-26	60,523.97	11,053.73	49,470.24	2,009,004.77	52,904.00	9,662.06	43,241.94	7,619.97	1,391.66	6,228.30
44	15-Apr-26	60,523.97	11,943.95	48,580.03	1,960,424.75	52,904.00	10,440.20	42,463.80	7,619.97	1,503.74	6,116.23
45	15-May-26	60,523.97	11,279.16	49,244.82	1,911,179.93	52,904.00	9,859.11	43,044.89	7,619.97	1,420.05	6,199.92

Mantle Materials Group Ltd. Tranche A

V \$ 12,351,146.60 87.41%
 VI \$ 1,778,983.37 12.59%
 \$ 14,130,129.97

\$3,550,000.00 **Valuation Date:** 26-Apr-21

Interest Rate: 7.000% **# of Payments:** 80

Blended payment \$60,523.97 **Amortization:** 72

Fund V

Fund VI

Pymt. #	Date	Total Payment	Interest Portion	Principal Portion	Principal Outstanding	Fund V			Fund VI		
						Total Payment	Interest	Principal	Total Payment	Interest	Principal
46	15-Jun-26	60,523.97	11,362.36	49,161.62	1,862,018.31	52,904.00	9,931.84	42,972.17	7,619.97	1,430.52	6,189.45
47	15-Jul-26	60,523.97	10,712.98	49,810.99	1,812,207.32	52,904.00	9,364.22	43,539.79	7,619.97	1,348.76	6,271.20
48	15-Aug-26	60,523.97	10,773.94	49,750.03	1,762,457.29	52,904.00	9,417.51	43,486.50	7,619.97	1,356.44	6,263.53
49	15-Sep-26	60,523.97	10,478.17	50,045.80	1,712,411.49	52,904.00	9,158.97	43,745.04	7,619.97	1,319.20	6,300.77
50	15-Oct-26	60,523.97	9,852.23	50,671.74	1,661,739.75	52,904.00	8,611.83	44,292.17	7,619.97	1,240.40	6,379.57
51	15-Nov-26	60,523.97	9,879.38	50,644.59	1,611,095.16	52,904.00	8,635.57	44,268.43	7,619.97	1,243.81	6,376.15
52	15-Dec-26	60,523.97	9,269.31	51,254.66	1,559,840.50	52,904.00	8,102.31	44,801.70	7,619.97	1,167.01	6,452.96
53	15-Jan-27	60,523.97	9,273.57	51,250.40	1,508,590.10	52,904.00	8,106.03	44,797.98	7,619.97	1,167.54	6,452.43
54	15-Feb-27	60,523.97	8,968.88	51,555.09	1,457,035.01	52,904.00	7,839.70	45,064.31	7,619.97	1,129.18	6,490.79
55	15-Mar-27	60,523.97	7,824.08	52,699.89	1,404,335.11	52,904.00	6,839.03	46,064.98	7,619.97	985.05	6,634.92
56	15-Apr-27	60,523.97	8,349.06	52,174.91	1,352,160.20	52,904.00	7,297.91	45,606.09	7,619.97	1,051.15	6,568.82
57	15-May-27	60,523.97	7,779.55	52,744.42	1,299,415.78	52,904.00	6,800.11	46,103.90	7,619.97	979.45	6,640.52
58	15-Jun-27	60,523.97	7,725.29	52,798.68	1,246,617.10	52,904.00	6,752.68	46,151.33	7,619.97	972.61	6,647.35
59	15-Jul-27	60,523.97	7,172.32	53,351.66	1,193,265.44	52,904.00	6,269.32	46,634.68	7,619.97	902.99	6,716.97
60	15-Aug-27	60,523.97	7,094.21	53,429.76	1,139,835.68	52,904.00	6,201.05	46,702.96	7,619.97	893.16	6,726.81
61	15-Sep-27	60,523.97	6,776.56	53,747.42	1,086,088.26	52,904.00	5,923.39	46,980.62	7,619.97	853.17	6,766.80
62	15-Oct-27	60,523.97	6,248.73	54,275.25	1,031,813.02	52,904.00	5,462.01	47,441.99	7,619.97	786.71	6,833.25
63	15-Nov-27	60,523.97	6,134.34	54,389.63	977,423.39	52,904.00	5,362.03	47,541.98	7,619.97	772.31	6,847.65
64	15-Dec-27	60,523.97	5,623.53	54,900.44	922,522.94	52,904.00	4,915.53	47,988.48	7,619.97	708.00	6,911.97
65	15-Jan-28	60,523.97	5,484.59	55,039.38	867,483.56	52,904.00	4,794.08	48,109.93	7,619.97	690.51	6,929.46
66	15-Feb-28	60,523.97	5,143.28	55,380.70	812,102.86	52,904.00	4,495.74	48,408.27	7,619.97	647.54	6,972.43
67	15-Mar-28	60,523.97	4,504.29	56,019.69	756,083.18	52,904.00	3,937.20	48,966.81	7,619.97	567.09	7,052.88
68	15-Apr-28	60,523.97	4,482.79	56,041.18	700,041.99	52,904.00	3,918.41	48,985.60	7,619.97	564.38	7,055.59

**SCHEDULE F
MATERIAL AGREEMENTS**

1. 216 Dispositions

- (a) Surface Material Lease No. 080085 in favour of 216 dated April 26, 2012 in respect of Aggregate Pit JLG 3 located within NW-12-63-19 W4M and SW-13-63-19 W4M.
- (b) Surface Material Lease No. 100085 in favour of 216 dated June 24, 2016 in respect of Aggregate Pit JLG 4 located within NE-12-63-19 W4M and NW-12-63-19 W4M.
- (c) Surface Material Lease No. 110025 in favour of 216 dated February 11, 2014 in respect of Aggregate Pit JLG 5 located within NE-11-61-18 W4M.
- (d) Surface Material Lease No. 110026 in favour of 216 dated April 11, 2012 in respect of Aggregate Pit JLG 6 located within SE-11-61-18 W4M.
- (e) Surface Material Lease No. 110045 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 7 located within SE-15-61-18 W4M and NE-15-61-18 W4M.
- (f) Surface Material Lease No. 110046 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 8 located within NE-15-61-18 W4M and NW-15-61-18 W4M.
- (g) Surface Material Lease No. 120006 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 11 located within NW-14-61-18 W4M.
- (h) Surface Material Lease No. 120100 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 12 located within SE-21-61-18 W4M.
- (i) Surface Material Lease No. 110047 in favour of 216 located within SE-15-61-18 W4M, SW-15-61-18 W4M, and NW-15-61-18 W4M.
- (j) Surface Material Lease No. 120005 in favour of 216 located within SW-14-61-18 W4M and NW-14-61-18 W4M.
- (k) Surface Material Lease No. 060060 in favour of 216 located within SW-13-65-18-W4M.
- (l) Department Licence of Occupation 170011 in favour of 216 located within SE-13-65-18-W4M and SW-13-65-18-W4M.

2. JMB Dispositions

- (a) Surface Material Lease No. 120027 in favour of JMB located within SW-30-63-08-W4M.
- (b) Surface Material Lease No. 930040 in favour of JMB located within SE-23-61-07-W4M.

- (c) Surface Material Lease 980116 in favour of JMB located within SW-21-63-12-W4M.
- (d) Department Miscellaneous Lease 120032 in favour of JMB located within NW-20-74-8-W4M.
- (e) Surface Materials Exploration 150106 in favour of JMB located within SW-26-75-11-W4M, SE-34-75-11-W4M, NW-23-75-11-W4M, NE-27-75-11-W4M, SW-35-75-11-W4M, and NW-26-75-11-W4M.
- (f) Surface Materials Exploration 200009 in favour of JMB located within NE-30-81-6-W4M, NE-31-81-6-W4M, SE-31-81-6-W4M, and SW-31-81-6-W4M.

3. **Royalty Agreements**

- (a) Royalty Agreement made as of June 28, 2019 between JMB and Lafarge Canada Inc. ("**Lafarge**") in respect of the Aggregate Pit referred to as Moose River for which Lafarge has a surface material lease identified as SML 100043 located at SW-35-61-7-W4M and having 18.46 acres.
- (b) Royalty Agreement made as of June 28, 2019 between JMB and Lafarge in respect of the Aggregate Pit referred to as Oberg for which Lafarge had registration number 15215-01-01 located on lands described as SE-5-62-7-W4 and having 159.88 acres.
- (c) Royalty Agreement made as of October 29, 2018 between JMB and Jerry Shankowski (945441 Alberta Ltd.) in respect of an Aggregate Pit located at SW 21-56-7-W4, which Aggregate Pit is registered under the EPEA as registration no. 308161-00-00.
- (d) Royalty Agreement made as of November 8, 2018 between Helen Havener, Gail Havener and JMB in respect of the Aggregate Pit located at NW 16-56-7-W4M, which Aggregate Pit is registered under the EPEA as registration no. 17395-01-00.
- (e) Royalty Agreement made as of February 26, 2020 between Darren Andrychuk & Daphne Andrychuk and JMB in respect of the Aggregate Pit located at SW 15-57-14-W4.

4. **Other Contracts**

- (a) Lease dated September 1, 2011 between 489786 Alberta Ltd., as landlord, and JMB, as tenant, as amended September 3, 2015, December 12, 2016, February 26, 2018 and March 1, 2020, in respect of the lands and premises located at NW-20-61-5-4 in Bonnyville, Alberta.
- (b) Supply agreement entered into November 1, 2013 between the Municipal District of Bonnyville No. 87 and JMB, as amended by the first amendment dated September 30, 2015, the second amendment dated December 12, 2016, the third amendment dated February 26, 2018, and the amendment to agreement dated February 28, 2020.

- (c) Cenovus Energy master service and supply agreement 700322 effective as of March 13, 2020 between Cenovus Energy Inc. and JMB.
- (d) Commitment Letter dated January 8, 2018 between Canadian Western Bank and 216, as amended, together with all cash collateral security delivered in connection therewith and the rights of the Vendors in respect of the letters of credit issued by Canadian Western Bank thereunder, including:
 - i. the letter of credit in the amount of \$19,540 issued in connection with the 216 Disposition identified as SML 080085;
 - ii. the letter of credit in the amount of \$42,010 issued in connection with the 216 Disposition identified as SML 100085;
 - iii. the letter of credit in the amount of \$79,690 issued in connection with the 216 Disposition identified as SML 110025;
 - iv. the letter of credit in the amount of \$77,540 issued in connection with the 216 Disposition identified as SML 110026;
 - v. the letter of credit in the amount of \$57,030 issued in connection with the 216 Disposition identified as SML 110045;
 - vi. the letter of credit in the amount of \$44,380 issued in connection with the 216 Disposition identified as SML 110046;
 - vii. the letter of credit in the amount of \$25,690 issued in connection with the 216 Disposition identified as SML 120006;
 - viii. the letter of credit in the amount of \$29,650 issued in connection with the 216 Disposition identified as SML 120100;
 - ix. the letter of credit in the amount of \$46,110 issued in connection with the 216 Disposition identified as SML 110047;
 - x. the letter of credit in the amount of \$78,110 issued in connection with the 216 Disposition identified as SML 120005; and
 - xi. the letter of credit in the amount of \$41,440 issued in connection with the 216 Disposition identified as SML 060060;
- (c) Contracts granting a licence or other right to use the Axon software, the ISNetwork software and the software provided by ComplyWorks Ltd..
- (d) Non-competition agreement dated March 22, 2019 between 541466 Alberta Ltd., Lisa Ball, Gordon Ball, and JMB.
- (e) Master Equity Vehicle Lease Agreement dated August 23, 2019 between Enterprise Fleet Management Canada, Inc. and JMB, together with Open-End (Equity) Lease Schedule in respect of 2019 Ford, Model F-150, Series XLT 4x4 SuperCrew Cab Styleside 6.5, 1FTFW1E52KFC66669.

**SCHEDULE G
LANDS**

Pit/Agreement Name	Primary Market Served	SML #	Ownership / Lease Type	Expiration Date
216 SML Gravel Pits				
JLG 7	Smoky Lake	110045	SML	17/03/2025
JLG 6	Smoky Lake	110026	SML	10/04/2022
JLG 8	Smoky Lake	110046	SML	17/03/2025
JLG 5	Smoky Lake	110025	SML	10/02/2024
JLG 12	Smoky Lake	120100	SML	04/10/2027
JLG 4	Thorhild	100085	SML	23/06/2026
JLG 3	Thorhild	080085	SML	25/04/2022
JLG 11	Smoky Lake	120006	SML	04/10/2027
JLG 9	Smoky Lake	110047	SML	17/3/2025
JLG10	Smoky Lake	120005	SML	4/10/2027
	Smoky Lake	060060	SML	27/5/2024
JMB SML Gravel Pits				
		120027	SML	
		930040	SML	
		980116	SML	
Royalty Gravel Pits				
Shankowski Royalty Agreement	Bonnyville / Cold Lake	Private	Royalty Agreement	19/10/2028
Oberg	Bonnyville / Cold Lake	15215-01-01	Royalty Agreement	01/07/2024
Moose River	Bonnyville / Cold Lake	100043	Royalty Agreement	01/07/2024 06/01/2023
Andrychuk Royalty Agreement	Bonnyville / Cold Lake	Private	Royalty Agreement	26/02/2030
Havener Royalty Agreement	NW 16-56-7-W4	Elk Point	Royalty Agreement	Freehold
Owned Gravel Pit and Other				
JMB	Bonnyville / Cold Lake	Private	JMB-Owned	Freehold
Gagne	Bonnyville / Cold Lake	Private	JMB-Owned	Freehold
Bonnyville Premises lease	Bonnyville / Cold Lake			Leased premises

**SCHEDULE H
OWNERSHIP STRUCTURE**

Name	Jurisdiction of Incorporation/ Formation	Holder of Equity Interest	Province of Chief Executive Office	Relevant Jurisdictions of Collateral
Mantle Materials Group, Ltd.	British Columbia	RLF Canada Holdings Limited	Alberta	Alberta
JMB Crushing Systems Inc.	British Columbia	RLF Canada Holdings Limited	Alberta	Alberta
2161889 Alberta Ltd.	Alberta	JMB Crushing Systems Inc.	Alberta	Alberta

**SCHEDULE I
FIERA EQUIPMENT**

Year	Manufacturer	Model	Size / Capacity / Asset Type	Serial # / VIN
2001	Travco		5-Unit Wellsite Camp each unit 12' x 56'	1256110534, 1256110533, 1256110532, 1256110531, 1256110530
2007	Bold Developments		12' x 56' Wellsite	T06-012
2007	Arctic		10' x 30' Tri-Axle Wellsite Trailer	2GRTV30T975073015
2007	Arctic		10' x 30' Tri-Axle Wellsite Trailer	2GRTN30T075070316
2007	Britco		12' x 62' 6-Sleeper Wellsite	07066-3
2007	Britco		12' x 62' 6-Sleeper Wellsite	07066-8
2007	Britco		12' x 62' 6-Sleeper Wellsite	07066-9
2015	Stratis		2,500 Gallon Water Storage Tank	SOSWS035
2014	Komatsu	HM400-3	44 ton Off-Highway Articulated Dump Truck	3384
2014	Komatsu	HM400-3	44 ton Off-Highway Articulated Dump Truck	3578
2014	Komatsu	HM400-3	44 ton Off-Highway Articulated Dump Truck	3420
2006	Volvo	L180E	Articulated Wheel Loader	L180EV8273
2008	Caterpillar	988H	Articulated Wheel Loader	CAT0988HCBXY02382
2006	Volvo	L180E	Articulated Wheel Loader	L180EV8379
1999	Komatsu	WA450-3	Articulated Wheel Loader	53372
2012	Caterpillar	988H	Articulated Wheel Loader	CAT0988HABXY05172
2012	Caterpillar	246C	Skid Steer Loader	CAT0246CJJAY07005
2012	Caterpillar	246C	Skid Steer Loader	CAT0246CVJAY08691
2013	Volvo	L220G	Articulated Wheel Loader	VCEL220GC00012444
2013	Volvo	L220G	Articulated Wheel Loader	VCEL220GA00012852
2009	Volvo	L220F	Articulated Wheel Loader	VCEL220FP00006937
2004	Caterpillar	D6N LGP	Crawler Dozer	ALY01814
2005	Daewoo	Solar 470LC-V	Crawler Excavator	1357
1996	Hitachi	EX55UR	Mini Crawler Excavator	1BG-02075
2012	Caterpillar	345D	Crawler Excavator	CAT0345DJEEH01226
2009	Caterpillar	160M	Motor Grader	CAT0160MAB9E00358
2001	Toyota	7FGU30	6,000 lb LP Gas Lift Truck	61607
2001	Caterpillar	535B	Grapple Skidder	AAE00408
1996	Grizzly	250-5	250 kw Diesel Generator	
2014	Wacker	G100	80 kw Generator	20278208
	Ingersoll-Rand		20 kw Portable Light Tower	
2006	Terex Amida	AL5200D-4MH	20 kw Portable Light Tower	G0F-24939
2014	Wacker	LTW20	20 kw Portable Light Tower	20239723
2014	Wacker	LTW20	20 kw Portable Light Tower	20239727
2014	Wacker	LTW20	20 kw Portable Light Tower	20241937
	Frontier	PT4000K	20 kw Portable Light Tower	PTS2002-33
2006	Ingersoll-Rand		6 kw Portable Light Tower	372495UFQC13
2004	Precision		95 ton Truck Scale	
2015	Precision		100 ton Truck Scale	15-589
1980	Midland		48' Tandem Axle Van Trailer	2ATD10186AM110007
1979	Fruehauf	FP9F1271	28' Single Axle Van Trailer	DXV180718
1999	Manac	Super B	Tri-Axle Tool Van Trailer	2M5931033X1062925
2004	Detroit Diesel	Series 60	Diesel Generator	6R753345
1998	Stamford		60 kw Portable Diesel Generator	E980749726
2004	Elrus	25YD3 SB	25-Cubic Yard Portable Surge Bin	M3461ER04SB
2008	Kolberg- Pioneer	L3-36125	36" x 125' Portable Telescopic Radial Stacking Belt Conveyor	407136

Year	Manufacturer	Model	Size / Capacity / Asset Type	Serial # / VIN
2006	Powerscreen		36" x 80' Portable Folding Stacking Belt Conveyor	6002232
2008	Kolberg-Pioneer		36" x 70' Portable Belt Conveyor	408560
2004	Elrus		36" x 60' Portable Belt Conveyor	M3445ER04PC
2004	Elrus	36X60FT-PC	36" x 60' Portable Belt Conveyor	M3446ER04PC
	Thor	T150-8	150' Portable Telescopic Radial Stacking Belt Conveyor	1846
	Tyalta		42" x 60' Portable Belt Conveyor	144260350
2010	CEC		30" x 60' Portable Belt Conveyor	30600606-J
			36" x 40' Portable Belt Conveyor	36400706-J
2004	Elrus	6X20-3D SC	6' x 20' Portable Screen Plant	M3499ER04SP
2008	Clemro Industries, Ltd.		Portable Jaw Crusher	1498-4127
2011	Clemro Industries, Ltd.		Portable Low Profile Belt Feeder	1679-4599
			15,000 liter Fuel Tank	
	Westeel		15,000 Gallon Fuel Tank	641500334
	Westeel		1,000 Gallon Double-Walled Steel Fuel Tank	671301089
	Westeel		1,000 Gallon Double-Walled Steel Fuel Tank	671502620
		TH5G00	2,200 liter Double-Walled Steel Fuel Tank	
		TH5G00	2,200 liter Double-Walled Steel Fuel Tank	
2008	Dodge	Ram 2500HD	Mega Cab Flatbed Truck	3D7KS29D78G155808
2008	Ford	F350 Super Duty XL	Crew Cab Flatbed Truck	1FTWW31568ED84921
2008	Ford	F350 Super Duty XLT	Crew Cab Flatbed Truck	1FTWW31598EE44965
2012	Ford	F250 Super Duty XLT	Crew Cab Pickup Truck	1FT7W2B69CEB71377
2012	Ford	F250 Super Duty XLT	Crew Cab Pickup Truck	1FT7W2B61CEB76184
2012	Ford	F150 XLT	Supercrew Pickup Truck	1FTFW1EF2CFA97764
2012	Ford	F350 Super Duty	Crew Cab Pickup Truck	1FT8W3B60CEA94375
2012	Ford	F350 Super Duty	Crew Cab Pickup Truck	1FT8W3B60CEB56034
2008	Peterbilt	367	Tri-Drive Conventional Tractor	1NPTX4EX48D737575
2009	Peterbilt	367	Tandem Axle Dump Truck	1NPTL40X19D778993
2009	Kenworth	T800	Tri-Drive Dump Truck	1XKDP40X49R941482
2009	Peterbilt	367	Tri-Drive Conventional Tractor	1XPTP40X79D789572
2013	Peterbilt	337	Single Axle Mechanics Truck	2NP2HN8X1DM205263
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X6FD284564
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X8FD284565
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0XXFD284566
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X1FD284567
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X3FD284568
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X5FD284569
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X1FD284570
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X3FD284571
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X5FD284572
2015	Peterbilt	567	Tandem Axle Conventional Tractor	1XPCDP0X7FD284573
2013	Peterbilt	367	Tri-Drive Winch Tractor	1XPTP4TX9DD184358
1997	Freightliner	FL60	Single Axle Service Truck	1FV6GJBA0VHH80602
2014	Peterbilt	348	Tandem Axle Water Truck	2NP3LJ0X2EM242007
1996	Arrow		Tandem Axle Jeep	259CSCB2XT1073252

Year	Manufacturer	Model	Size / Capacity / Asset Type	Serial # / VIN
1994	Arnes		Tandem Axle 16-Wheel Jeep	AR804203
2000	Decap	Super B	Tri-Axle Lead Belly Dump Trailer	2D9D54C37YL017498
2000	Decap	Super B	Tandem Axle Pup Belly Dump Trailer	2D9DS2B31YL017499
2006	Arnes		Quad-Axle End Dump Pup Trailer	2A92142466A003242
2006	Decap	Super B	Tri-Axle Lead Belly Dump Trailer	2D9DS4C476L017782
2006	Decap	Super B	Tandem Axle Pup Belly Dump Trailer	2D9DS2B326L017783
2006	Decap	Super B	Tri-Axle Lead Belly Dump Trailer	2D9DS4C406L017784
2006	Decap	Super B	Tandem Axle Pup Belly Dump Trailer	2D9DS2B366L017785
2006	Decap	Super B	Tri-Axle Lead Belly Dump Trailer	2D9DS4C446L017786
2006	Decap	Super B	Tandem Axle Pup Belly Dump Trailer	2D9DS2B3X6L017787
2007	Arnes		Tri-Axle End Dump Trailer	2A90737307A003528
2008	Arnes		Quad-Axle End Dump Pup Trailer	2A92142498A003884
2008	Arnes		Quad-Axle End Dump Pup Trailer	2A92142408A003885
2008	Load Max		20' Tandem Axle Equipment Trailer	5L8PH202681013062
2009	Arnes		Tri-Axle End Dump Trailer	2A90737359A003298
2009	Arnes		Tri-Axle End Dump Trailer	2A90737379A003299
2009	Arnes		Tri-Axle End Dump Trailer	2A907373X9A003300
2009	Arnes		Tri-Axle End Dump Trailer	2A90737319A003301
2009	Arnes		Tri-Axle End Dump Trailer	2A90737339A003302
2009	Arnes		Quad-Axle End Dump Pup Trailer	2A92142499A003238
1999	Argo		8' x 21' Tandem Axle Cargo Trailer	2AABDE821X1000122
2008	Doepker		Tri-Axle End Dump Trailer	2DEGEDZ3381023677
2006	Doepker		Tri-Axle Scissor Neck Lowboy Trailer	2DESNSZ3161018845
2015	Arnes		Tri-Axle End Dump Trailer	2A9074131FA003583
1997	Roadmaster		Tri-Axle Trombone Step Deck Trailer	2T9DF513XV1011230
2013	Lode King	SDS53-3	40 ton Tri-Axle Scissor Neck Lowboy Trailer	2LDSD5331DS055478
1980	Willock		Single Axle Float Trailer	2ATA06238AM107038
1999	Manac		Tandem Axle Lube & Tool Van Trailer	2M5920884X1062932
2008	Ford	F350 Super Duty XLT	Crew Cab Pickup Truck	1FTWW31518EE16691
2008	Ford	F350 Super Duty XLT	Crew Cab Pickup Truck	1FTWW31598ED98117
2008	Ford	F350 Super Duty XLT	Crew Cab Pickup Truck	1FTWW31538EE44962
2012	Dodge	Ram 2500 SLT	Crew Cab Pickup Truck	3C6TD5JT2CG113379
			Engine identified as TT009	
			Engine identified as TT002	
			Equipment identified as PT003	
			Equipment identified as TV100 and TV101	
			Dump box identified as TR006	
			3 Terex portable light towers	
	Maxi		2 portable light towers	
	Isuzu		20 kw generator	
	Volvo		360 kw generator	
2007	Peterbilt	379	379 Tandem Axle Winch Tractor	1NP5L40X77D742313
2007	Clemro Industries, Ltd.	BF100	Portable Belt Feeder	1463-4120
2009	Terex Amida	AL5200D-4MH	20 kw Portable Light Tower	E0F-09186
2006	Terex Amida	AL5200D-4MH	20 kw Portable Light Tower	4ZJSL151161H23687
2006	Allmand	Maxi Lite 15330	15 kw Portable Light Tower	0425MXL06
2006	Allmand	Maxi Lite 15330	15 kw Portable Light Tower	058ML03
1998	Stamford	360 kw	Diesel Generator	106V3257
1997	Great Dane	7911TJW-53	53' Tandem Axle Control Van Trailer	1GRAA0625VB117102

Year	Manufacturer	Model	Size / Capacity / Asset Type	Serial # / VIN
1999	Elrus	2434	36" x 125' Portable Telescopic Radial Stacking Belt Conveyor	ER99PC1524
2012	Ford	F150 XLT	Supercrew Pickup Truck	1FTFW1EF0CFA97763
2015	Arnes		Tri-Axle End Dump Trailer	2A9073731FA003598
2015	Arnes		Tri-Axle End Dump Trailer	2A9073730FA003575
2015	Arnes		Tri-Axle End Dump Trailer	2A9073738FA003596
2015	Arnes		Tri-Axle End Dump Trailer	2A907373XFA003597
2013	Arnes		40 ton Tri-Axle Scissor Neck Lowboy Trailer	2A9125335DA003461
2015	Arnes		50 ton Tri-Axle Lowboy Trailer	2A9105630FA003016
2007	Dodge	Ram 3500HD	Quad Cab Pickup Truck	3D7MX48A27G781634
2006	Isuzu	20 kw	Diesel Generator	198196/X06D170482
2007	Dodge	3500HD	Diesel Pickup (not running)	3D7MX48A27G781634
2012	Ford	F150	XL T Pick up Truck	1FTFW1 EF0CFA97763
1997	Great Dane		Power Van plus Tower (Serial Number M3243ER03CT)	1GRAA0625VB117102
2004	Detroit		Series 60 Generator	06R0753345
2008	Kolberg-Pioneer	L3-36125	125' Conveyor	407136
1999	Elrus	2434	125' radial stacking belt conveyor	ER99PC1524 M#2434
			Misc spare crusher parts	
1996	Arrow		Jeep	2L9CSCB2XT1078252
2015	Arnes		End Dump Trailer (Trombone 375)	2A9074131FA003583
2015	Arnes		Tri-Axle End Dump Trailer	2A9073732FA003576
2015	Arnes		Tri-Axle End Dump Trailer	2A9073733FA003599
2013	MTU Onsite Energy	DP550D65-AH1484	550-kW Diesel Generator	366258101013
2015	Arnes		End Dump Trailer	2A9073738FA00359

**SCHEDULE J
ENVIRONMENTAL PROTECTION ORDERS (“EPO”)
AND ENFORCEMENT ORDERS (“EO”)**

Pit	EPO	EO
MacDonald	EPO-EPEA-35659-01	-
Megley	02	-
Kucy	03	-
Havener	04	-
Buksa	05	-
Okane	06	-
SML 060060	07	EO-WA-35659-01
SML 930040	08	-
SML 980116	09	-
SML 120027	10	-
TOTAL	10	1

SECOND AMENDMENT TO LOAN AGREEMENT

THIS SECOND AMENDMENT is dated and made effective as of the 12th day of June, 2023.

AMONG:

MANTLE MATERIALS GROUP, LTD.

as Borrower

- and -

FIERA PRIVATE DEBT FUND VI LP, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** (“Fund V”), and **FIERA PRIVATE DEBT FUND VI LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.**, with Fiera V acting as collateral agent for and on behalf of and for the benefit of the Lenders

as Lenders

PREAMBLE

WHEREAS the predecessors of the Borrower, being Mantle Materials Group, Ltd., JMB Crushing Systems Inc., and 2161889 Alberta Ltd., and the Lenders entered into that certain loan agreement dated April 26, 2021, as amended by a first amendment dated October 19, 2022 (as may have been amended, restated, supplemented, revised, replaced, extended or otherwise modified from time to time prior to the date hereof, the “**Existing Loan Agreement**”);

AND WHEREAS the Borrower has requested and the Lenders have agreed to amend certain terms and conditions of the Existing Loan Agreement, as more particularly described in this Second Amendment (this “**Second Amendment**”);

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE I – INTERPRETATION

1.1 All capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Existing Loan Agreement, as amended by this Second Amendment (as amended, restated, supplemented, revised, replaced, extended or otherwise modified from time to time, the “**Loan Agreement**”).

ARTICLE II – AMENDMENTS TO THE EXISTING LOAN AGREEMENT

2.1 With effect on the Second Amendment Effective Date (hereinafter defined), the Existing Loan Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the conformed Loan Agreement attached hereto as Exhibit A.

ARTICLE III – CONDITIONS TO EFFECTIVENESS

- 3.1 This Second Amendment shall become effective upon the satisfaction of each of the following conditions precedent (such date being referred to herein as the “**Second Amendment Effective Date**”):
- (a) the recitals to this Second Amendment shall be true and correct;
 - (b) the Borrower shall have delivered to the Lenders a duly executed version of this Second Amendment;
 - (c) the Borrower shall have delivered to the Lenders a duly executed version of the first amendment to the subordination agreement dated concurrently herewith among the Borrower, RLF Canada Lender Limited and the Lenders;
 - (d) the Borrower shall have delivered a certificate of an officer of the Borrower dated as of the Second Amendment Effective Date, and certifying (i) copies of the resolutions of the Board of Directors of the Borrower, approving, inter alia, this Second Amendment and the transactions contemplated herein, (ii) the name, title and true signature of each officer of such Person authorized to execute this Second Amendment, (iii) that attached thereto is a true and complete copy of the articles of incorporation and bylaws of the Borrower as amended to date, and (iv) a recent certificate of status or analogous certificate;
 - (e) the Lender shall have received a currently dated opinion, addressed to the Lenders in form and substance satisfactory to the Lenders and the Lenders’ counsel, acting reasonably and in accordance with customary opinion practise, from counsel for the Loan Parties, and such other local counsel to the Loan Parties as the Lenders may reasonably require and opining to such matters as the Lender or its solicitors may require;
 - (f) nothing shall have occurred (nor shall any Lender become aware of any facts not previously known), which the Lenders determine is reasonably likely to result in or have a Material Adverse Change since the date of the latest financial statements provided by the Borrower to the Lenders;
 - (g) the Lenders shall be satisfied that there is no pending judicial, administrative or other proceedings, investigations or litigation which seek to adjourn, delay, enjoin, prohibit or impose material limitations on any aspect of the transactions contemplated by this Second Amendment;
 - (h) the Lenders shall be satisfied that the Borrower has not:
 - (i) made an assignment in bankruptcy, made a proposal to its creditors or filed notice of its intention to do so, instituted any other proceeding under Applicable Law seeking to adjudicate it a bankrupt or an insolvent, or seeking liquidation, dissolution, winding up, reorganization, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors, composition of it or its debts or any other similar relief; or
 - (ii) applied for the appointment of or the taking of possession by, a receiver, interim receiver, receiver/manager, sequestrator, conservator, custodian,

administrator, trustee, liquidator or other similar official for its or a substantial part of its property; or

- (iii) had a petition filed, application made or other proceeding instituted against or in respect of it in any jurisdiction seeking any of the results described in (i) or (ii), above.

ARTICLE IV – FEES

- 4.1 The Borrower acknowledges and agrees to pay a loan amendment fee in the amount of \$49,500 to the Lenders, which is fully earned on the Second Amendment Effective Date and payable in three installments of \$16,500 each on July 15, 2023, August 15, 2023 and September 15, 2023.

ARTICLE V – REPRESENTATIONS AND WARRANTIES

- 5.1 The Borrower represents and warrants to the Lenders that the following statements are true, correct and complete:
 - (a) Authorization, Validity, and Enforceability of this Second Amendment. The Borrower has the power and authority to execute and deliver this Second Amendment and to perform its obligations under this Second Amendment and the Loan Agreement. The Borrower has taken all necessary action (including, without limitation, obtaining approval of its shareholders if necessary) to authorize the execution and delivery of this Second Amendment, and the performance of its obligations under this Second Amendment and the Loan Agreement. This Second Amendment has been duly executed and delivered by the Borrower, and this Second Amendment and the Loan Agreement constitutes legal, valid and binding obligations of the Borrower, enforceable against it in accordance with its respective terms without defence, compensation, setoff or counterclaim. The Borrower's execution and delivery of this Second Amendment, and the performance by the Borrower of its obligations under this Second Amendment and the Loan Agreement do not and will not conflict with, or constitute a violation or breach of, or constitute a default under, or result in the creation or imposition of any lien upon the property of the Borrower by reason of the terms of (a) any contract, mortgage, hypothec, Encumbrance, lease, agreement, indenture, or instrument to which the Borrower is a party or which is binding on the Borrower, (b) any requirement of law applicable to the Borrower, or (c) the certificate or articles of incorporation or amalgamation or bylaws of the Borrower.
 - (b) Governmental Authorization. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any governmental authority or other person is necessary or required in connection with the execution, delivery or performance by, or enforcement against the Borrower of this Second Amendment or the Loan Agreement except for such as have been obtained or made and filings required in order to perfect and render enforceable the Lenders' security interests and hypothecs.
 - (c) Security. All security delivered to or for the benefit of the Lenders pursuant to the Loan Agreement and the other Loan Documents remains in full force and effect and secures all Obligations of the Borrower under the Loan Agreement and the other Loan Documents to which it is a party.

- (d) No Default. No Default or Event of Default has occurred and is continuing or will result from the entering into of this Second Amendment.
- (e) Representations, Warranties and Covenants in Loan Agreement. Upon this Second Amendment becoming effective, the Borrower will be in full compliance with all of its covenants in the Loan Agreement and each Loan Document.

ARTICLE VI – MISCELLANEOUS

- 6.1 The Borrower has previously executed certain Loan Documents and it (i) reaffirms and agrees that the Existing Loan Agreement (as amended hereby) and the other Loan Documents to which it is a party remain in full force and effect, (ii) acknowledges and reaffirms all obligations owing by it to the Lenders under the Existing Loan Agreement (as amended hereby) and the other Loan Documents, (iii) reaffirms and agrees that nothing in the Loan Documents obligates the Lenders to seek reaffirmation of the Loan Documents in connection with similar matters in the future, and (iv) reaffirms and agrees that no requirement to so notify the Borrower or to seek the Borrower's reaffirmation in connection with similar matters in the future shall be implied by the execution of this Second Amendment.
- 6.2 The amendments in Article II are effective only in this instance and for the specific purpose stated herein. They shall not be, or be deemed to be, a consent to, or waivers of, any preceding or any additional or any subsequent breach or Default or Event of Default of any covenant or provision of the Loan Agreement or any of the other Loan Documents except as expressly provided herein nor shall they operate as waivers of any right, power or remedy of the Lenders under the Loan Agreement and the other Loan Documents.
- 6.3 The Borrower acknowledges and agrees that it is responsible for the payment of all legal fees, disbursements, and taxes thereon reasonably incurred by counsel to the Lenders in respect of this Second Amendment, such payment to be made within 5 Business Days of presentation of applicable invoices.
- 6.4 The Borrower hereby absolutely and unconditionally releases and forever discharges the Lenders, and any and all participants, parent corporations, subsidiary corporations, affiliated corporations, insurers, indemnitors, successors and assigns thereof, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state, provincial or federal law or otherwise, which the Borrower has had, now has or has made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Second Amendment, whether such claims, demands and causes of action are matured or unmatured or known or unknown other than claims, liabilities or obligations to the extent caused by a Lender's own gross negligence or willful misconduct.
- 6.5 This Second Amendment shall be exclusively (without regard to any rules or principles relating to conflicts of laws) construed in accordance with and governed by the laws of the Province of Alberta and the parties hereto hereby attorn to the jurisdiction of the courts thereof.
- 6.6 This Second Amendment may be executed in original and/or PDF counterparts and all such counterparts taken together shall be deemed to constitute one and the same agreement.

[Balance of page left blank, signature pages follow]

The parties have executed this Second Amendment as of the date first above written.

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

Per:



Name: Russell French
Title: ASO

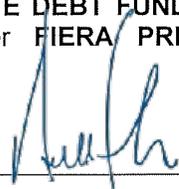
Per:



Name: Brian Ko
Title: ASO

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

Per:



Name: Russell French
Title: ASO

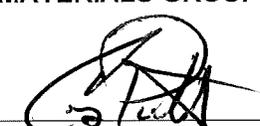
Per:



Name: Brian Ko
Title: ASO

MANTLE MATERIALS GROUP, LTD.

Per:



Name: Cory Pichota
Title: Authorized Signing Officer

Per:

Name:
Title: Authorized Signing Officer

EXHIBIT A
CONFORMED LOAN AGREEMENT

See attached.

EXHIBIT A – Conformed Loan Agreement to include amendments from First Amendment dated effective October 19, 2022, [and a Second Amendment dated effective June 12, 2023](#)

MANTLE MATERIALS GROUP, LTD.

as Borrower

-and-

**FIERA PRIVATE DEBT FUND VI LP,
by its general partner FIERA PRIVATE DEBT FUND GP INC.,
and FIERA PRIVATE DEBT FUND V LP,
by its general partner FIERA PRIVATE DEBT FUND GP INC.**

as Lender

LOAN AGREEMENT

DATED AS OF APRIL 26, 2021

as amended by a letter agreement dated July 14, 2021 ~~and~~, a First Amendment dated effective as of October 19, 2022, [and a Second Amendment dated effective as of June 12, 2023](#)

TABLE OF CONTENTS

SECTION 1	DEFINITIONS.....	5
SECTION 2	PREAMBLE, SCHEDULES, AND AMENDMENT AND RESTATEMENT.....	15
SECTION 3	ESTABLISHMENT OF CREDIT FACILITIES AND ADVANCE.....	15
SECTION 4	PURPOSE.....	16
SECTION 5	EVIDENCE OF INDEBTEDNESS.....	16
SECTION 6	REPAYMENT.....	16
SECTION 7	INTEREST.....	19
SECTION 8	PREPAYMENT.....	20
SECTION 9	PAYMENT PROCESS.....	20
SECTION 10	FEES.....	21
SECTION 11	SECURITY.....	21
SECTION 12	CONDITIONS PRECEDENT AND EFFECTIVENESS.....	23
SECTION 13	AFFIRMATIVE COVENANTS.....	26
SECTION 14	NEGATIVE COVENANTS.....	30
SECTION 15	FINANCIAL COVENANTS.....	32
SECTION 16	REPORTING.....	33
SECTION 17	REPRESENTATIONS.....	34
SECTION 18	EVENTS OF DEFAULT.....	36
SECTION 19	ENVIRONMENTAL INDEMNITY.....	39
SECTION 20	PRESERVE SECURITY.....	39
SECTION 21	SUBORDINATION/INTERCREDITOR ARRANGEMENTS.....	40
SECTION 22	FURTHER SECURITY.....	40
SECTION 23	DEEMED REINVESTMENT.....	40
SECTION 24	LEGAL FEES.....	40
SECTION 25	ENFORCEMENT.....	40
SECTION 26	NO MERGER.....	41
SECTION 27	RIGHT OF APPLICATION.....	41
SECTION 28	TERMINATION.....	41
SECTION 29	TAXES.....	41
SECTION 30	INCORPORATE TERMS.....	42
SECTION 31	CONFLICT.....	42
SECTION 32	NOTICES.....	42
SECTION 33	HEADINGS.....	43
SECTION 34	GOVERNING LAW.....	43

SECTION 35	ADDITIONAL AGREEMENTS.....	43
SECTION 36	REVIEW.....	44
SECTION 37	SCHEDULES.....	44
SECTION 38	TIME OF ESSENCE.....	44
SECTION 39	PAYMENT OF MONIES.....	44
SECTION 40	DUE DATE EXTENDED.....	44
SECTION 41	UNENFORCEABLE TERMS.....	44
SECTION 42	SURVIVAL OF REPRESENTATIONS AND WARRANTIES.....	44
SECTION 43	JOINT AND SEVERAL.....	44
SECTION 44	AMENDMENTS.....	44
SECTION 45	ENTIRE AGREEMENT.....	45
SECTION 46	COUNTERPARTS; ELECTRONIC SIGNATURE.....	45
SECTION 47	NO WAIVER.....	45
SECTION 48	ASSIGNMENT.....	45
SECTION 49	SINGULAR, PLURAL AND GENDER.....	45
SECTION 50	ENUREMENT.....	45

LOAN AGREEMENT

THIS AGREEMENT made effective this 26 day of April, 2021, as amended by a First Amendment dated effective October 19, 2022, [and a Second Amendment dated effective June 12, 2023](#)

AMONG:

MANTLE MATERIALS GROUP, LTD., a corporation under the laws of the Province of Alberta (hereinafter referred to as the "**Borrower**")

- and -

FIERA PRIVATE DEBT FUND VI LP, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** ("**Fund VI**"), and **FIERA PRIVATE DEBT FUND V LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** ("**Fund V**", and together with Fund VI, collectively, the "**Lender**")

PREAMBLE

WHEREAS:

- A. Pursuant to the JMB Loan Agreements (as defined herein), the Lender made certain credit facilities available to JMB Crushing Systems Inc. ("**JMB**") from time to time, as guaranteed by, *inter alios*, 2161889 Alberta Ltd. ("**216**") and secured by certain mortgages, charges and security interests.
- B. Fund V and Fund VI, as acknowledged by, *inter alios*, JMB and 216, entered into a collateral agency agreement dated November 5, 2019, pursuant to which Fund V was directed to act as collateral agent and representative for and on behalf of and for the benefit of the Lender (in such capacity, the "**Collateral Agent**") in respect of all security granted by JMB and 216 to the Lender to secure all or any portion of the indebtedness and obligations owing by JMB and 216 to the Lender under the JMB Loan Agreements (the "**Existing Collateral Agency Agreement**").
- C. Pursuant to an Order of the Honourable Madam Justice K.M. Eidsvik of the Court of Queen's Bench of Alberta (the "**Court**") pronounced on May 1, 2020, as amended and restated by an Order pronounced on May 11, 2020 (as amended and restated, the "**Initial Order**"), JMB and 216 were granted protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**", and such proceedings, the "**CCAA Proceedings**").
- D. Pursuant to the Purchase Agreement (as hereinafter defined), JMB and 216 agreed to sell the Acquired Assets (as defined in the Purchase Agreement) to Mantle Materials Group, Ltd. ("**Mantle**"), and Mantle agreed to pay the Purchase Price (as defined in the Purchase Agreement) for the Acquired Assets in part by the assumption of a portion of the indebtedness of JMB owing to the Lender pursuant to the JMB Loan Agreements and any promissory notes issued in connection therewith, on terms and conditions agreeable to Mantle and the Lender (the "**Initial Acquisition**").
- E. Pursuant to a plan of arrangement under the CCAA and *Business Corporations Act*, SBC 2002, c 57 (the "**Plan**"), Mantle was deemed to assume a portion of the indebtedness of JMB owing to the Lender referred to in Recital D (together with the Initial Acquisition, the "**Transaction**").

- F. The Lender consented to the Transaction and in connection therewith, agreed to:
- i. amend, restate, and consolidate the JMB Loan Agreements subject to the terms and conditions as set forth herein;
 - ii. amend and restate the Existing Collateral Agency Agreement in its entirety to, *inter alia*, reaffirm (A) the appointment, duties and responsibilities of the Collateral Agent, and (B) the agreement between the Lender as to decisions relating to the exercise of remedies under the Security (as defined herein) granted to the Collateral Agent, and certain limitations on the exercise of such remedies; and
 - iii. continue certain Credit Facilities in favour of Mantle, and Mantle agreed to avail itself of such Credit Facilities.
- G. Effective May 1, 2021, Mantle, JMB and 216 (collectively, the “**Amalgamating Corporations**”) amalgamated, with the Borrower being the continuing corporation resulting from the amalgamation, and pursuant to an Assumption and Confirmation Agreement dated as of June 4, 2021 (the “**Assumption and Confirmation Agreement**”), the Borrower, *inter alia*, assumed all debts, liabilities, obligations, liens, charges and security interests of whatsoever nature or kind granted by the Amalgamating Corporations under this Agreement and the Loan Documents.

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

SECTION 1 DEFINITIONS

- 1.1 In this Agreement unless there is something in the subject matter or context inconsistent therewith:
- (a) “**216**” has the meaning set out in the preamble hereto;
 - (b) “**216 Dispositions**” means the Dispositions listed on Schedule “F” under the heading “216 Dispositions” together with any security deposited with the AEP in respect thereof to secure Reclamation Obligations;
 - (c) “**Additional Guarantor**” means such Subsidiaries of the Borrower or the Parent Group, as applicable, from time to time that provide Security pursuant to Section 13.1(ff);
 - (d) “**Advance**” means any actual or deemed advance, extension or utilization of credit pursuant to this Agreement;
 - (e) “**AEP**” means Alberta Environment & Parks;
 - (f) “**Affiliate**” means any Person which, directly or indirectly, controls, is controlled by or is under common control with another Person or group of Persons, and for the purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” or “under common control”) means the power to direct or cause the direction of the management and policies of any Person, whether through the ownership of shares or by contract or otherwise;
 - (g) “**Aggregate**” means gravel and other aggregates extracted from a Purchased Pit after the Closing Date;

- (h) **“Agreement”** means this loan agreement, as amended by a letter agreement dated July 14, 2021 ~~and~~, a First Amendment dated effective as of October 19, 2022, [a Second Amendment dated effective as of June 12, 2023](#), and as the same may be further amended, restated, modified, supplemented or replaced from time to time in accordance with the provisions hereof;
- (i) **“Amalgamating Corporations”** has the meaning set out in the preamble hereto;
- (j) **“Applicable Canada Bond”** means with respect to a prepayment of an Advance the non-callable Government of Canada bond denominated in Cdn. currency determined by the Lender as having a remaining term to maturity closest to the remaining term to maturity of the Advance in respect of which the prepayment is to be made;
- (k) **“Applicable Canada Bond Yield”** means with respect to the prepayment of an Advance, the arithmetic average (rounded to the nearest 1/100th of 1%) of the respective percentages reasonably determined by the Lender, calculated in accordance with the generally accepted financial practices, assuming monthly compounding, to be the yield to maturity, expressed as an annual rate of interest, on the Applicable Canada Bond on the 2nd Business Day preceding the date of such prepayment;
- (l) **“Applicable Law”** means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, orders, codes, treaties, conventions, judgments, awards, determinations and decrees of any governmental, regulatory, fiscal or monetary body or court of competent jurisdiction in any applicable jurisdiction, including all Environmental Laws;
- (m) **“Appraised Equipment Value”** means the appraised gross orderly liquidation value of the Fiera Equipment under the Machinery and Equipment valuation and review prepared by Gordon Brothers for JMB dated May 5, 2020 and effective April 23, 2020;
- (n) **“Assumption and Confirmation Agreement”** has the meaning set out in the preamble hereto;
- (o) **“ATB”** means ATB Financial;
- (p) **“ATB Agreement”** means the agreement between ATB and Mantle setting out the terms governing the ATB Assumed Debt;
- (q) **“ATB Aggregate”** means the Acquired Tranche B Aggregate, as such term is defined in the Purchase Agreement;
- (r) **“ATB Assumed Debt”** means that portion of the indebtedness owed by JMB and 216 to ATB which was assumed by Mantle pursuant to the Plan;
- (s) **“Basis Points”** or **“bps”** means one one-hundredth of one percent;
- (t) **“Borrower”** has the meaning set out in the recitals hereto;
- (u) **“Business Day”** means a day other than Saturday, Sunday or other day on which commercial banks in Calgary, Alberta or Toronto, Ontario are required by Applicable Law to close;

- (v) **“Capital Stock”** means, with respect to any Person from time to time, any and all shares, units, trust units, partnership, membership or other interests, participations or other equivalent rights in the Person’s equity or capital from time to time, however designated and whether voting or non-voting;
- (w) **“CCAA”** has the meaning set out in the preamble hereto;
- (x) **“CCAA Proceedings”** has the meaning set out in the preamble hereto;
- (y) **“Change in Control”** means any one of the following: (i) the Parent Group or any member or Affiliate thereof ceases to hold fifty (50%) percent of the outstanding Equity Interests of the Borrower; or (ii) in any Fiscal Year, the majority of the Board of Directors of the Borrower changes; provided that, notwithstanding the foregoing, a substitution, addition or change of directors of the Borrower shall not constitute a Change in Control where such newly appointed director or directors are employees, officers or directors of the Parent Group or an Affiliate thereof;
- (z) **“Chattels”** means all the machinery, equipment, furniture, vehicles, goods and tangible personal property of the Borrower as well as every interest of such Loan Party therein, whether as purchaser under a conditional sale agreement, as mortgagor under a chattel mortgage or as lessee under a rental or rental/purchase agreement including all equipment, accessories, tools and appliances thereto now or thereafter fixed or appertaining thereto or used in connection therewith and all other machinery, equipment, furniture, vehicles, goods and Chattels now or hereafter owned or acquired by such Loan Party whether in addition thereto, substitution therefore, replacement thereof, or otherwise;
- (aa) **“Closing Date”** means the date on which all conditions precedent set out in Section 12 have been satisfied or waived, under the initial Agreement dated April 26, 2021.
- (bb) **“Collateral”** means all real and personal property (and the revenues, insurance proceeds, issues, profits, proceeds and products of the foregoing) which are subject, or are intended or required to become subject, to the Security or Encumbrance granted under any of the Loan Documents;
- (cc) **“Collateral Agent”** has the meaning set out in the preamble hereto;
- (dd) **“Commitment Fee”** means Ninety Five Thousand (\$95,000) Dollars;
- (ee) **“Compliance Certificate”** means a certificate addressed to the Lender and executed by the Borrower in the form attached as Schedule “B” attached hereto;
- (ff) **“Conversion Date”** has the meaning set out in Section 6.2 of this Agreement;
- (gg) **“Conversion Notice”** has the meaning set out in Section 6.2(f) of this Agreement;
- (hh) **“Conversion Option”** has the meaning set out in Section 6.2 of this Agreement;
- (ii) **“Conversion Price”** means the total shareholder capital contributed (which as at November 1, 2022 is \$58,645,799) divided by the total number of issued and outstanding common shares of the Borrower calculated on a fully diluted basis;
- (jj) **“Conversion Shares”** means common shares of the Borrower;
- (kk) **“Court”** has the meaning set out in the preamble hereto;

- (ll) **“Credit Facilities”** has the meaning set out in Section 3.1 of this Agreement;
- (a) **“Crestmark Loan”** means the secured credit facility made available by Crestmark, a division of MetaBank, National Association, to the Borrower pursuant to the Crestmark Loan Agreement;
- (b) **“Crestmark Loan Agreement”** means the loan and security agreement dated as of June 6, 2022 between Crestmark, a division of MetaBank, National Association, as lender, and the Borrower, as borrower, together with all schedules thereto, as the same may be amended, modified, supplemented, restated or replaced from time to time; ~~and~~
- (c) **“Crestmark Documents”** means, collectively, the Crestmark Loan Agreement and any other documents, agreements or instruments entered into by the Borrower in connection with the Crestmark Loan; ~~;~~
- (d) **“Crown”** means His Majesty the King in right of the Province of Alberta (formerly, Her Majesty the Queen in right of the Province of Alberta);
- (e) **“Current Assets”** means, at any time, those assets ordinarily realizable within one (1) year from the date of determination or within the normal operating cycle, where such cycle is longer than one (1) year;
- (f) **“Current Liabilities”** means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for Current Assets), but excluding, for certainty, the ATB Assumed Debt;
- (g) **“Current Ratio”** means the Current Assets divided by the Current Liabilities, excluding the current portion of long term debt;
- (h) **“Debt Service Coverage”** means EBITDA plus (to the extent not already included) any other non-cash expenses acceptable to the Lender less un-financed capital expenditure, advances to related parties deferred charges, Distributions and cash taxes, divided by the total of (A) scheduled principal repayments in respect of Facility A, (B) principal repayments in respect of Facility B, (C) scheduled principal payments on all other consolidated debt (other than, for greater certainty, payments of ATB Assumed Debt), and (D) all interest payments; provided that for the purposes of this definition (i) at all times, principal repayments in respect of the Facility D Principal shall be excluded and (ii) for any time up to and including March 31, 2025, repayments of the Facility B Principal shall be excluded. For certainty, beginning with the quarterly fiscal period beginning as of April 1, 2025, principal repayments of the Facility B Principal shall be included in Debt Service Coverage;
- (i) **“Disposition”** means a disposition of land of the Crown in right of Alberta under the *Public Lands Act*, RSA 2000, Ch. P-40;
- (j) **“Distribution”** means any amount paid by any Loan Party to or on behalf of the employees, directors, officers, shareholders or partners of any Loan Party or to any Related Person thereto, by way of salary, bonus, commission, management fees, directors’ fees, dividends, redemption of Capital Stock or other Equity Interests, distribution of profits, or otherwise, and whether payments are made to such Persons in their capacity as shareholders, partners, directors, officers, employees, owners or creditors of any Loan Party or otherwise, or any other direct or indirect payment in respect of earnings or capital of any Loan Party; provided however that

(A) the payment of salaries and management fees from time to time to partners, officers and employees of a Loan Party in the ordinary course of business at levels not in excess of (i) normal industry remuneration and (ii) those in existence as at the Closing Date shall not be considered Distributions, and (B) the issuance of Capital Stock or other Equity Interests of any Loan Party to any existing shareholder thereof, and the issuance of Capital Stock or other Equity Interests of any Loan Party to any employee under such Loan Party's long term incentive plan;

- (k) **"Eastside"** means Eastside Rock Products, Inc.;
- (l) **"EBITDA"** means, with respect to the Borrower, earnings before interest, taxes, depreciation, depletion expenses, accretion, amortization and payments under Facility B, but does not include such non-cash items as stock based compensation, loss/gain on disposal of assets and/or any one time/non-recurring items. EBITDA shall include adjustments for trailing results of the Transaction and other acquisitions, as reasonably applicable and approved by the Lender, acting reasonably;
- (m) **"EBIT"** means earnings before interest and taxes.
- (n) ~~(m)~~ **"Economic Cost"** has the meaning set out in Section 6.4(b)(i);
- (o) ~~(n)~~ **"Encumbrance"** means, with respect to any Person or any property, any mortgage, debenture, chattel mortgages, conditional sales contracts, pledge, hypothec, lien, charge, lease, sublease, easement, preference, priority, assignment by way of security, hypothecation or security interest granted or permitted by such Person or arising by operation of law, in respect of any of such Person's property or assets, or any consignment by way of security or Finance Lease Obligations of such Person as consignee or lessee, as the case may be, or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or other obligation, including title reservations, limitations, provisos or conditions, and **"Encumbrances"** and **"Encumbered"** have corresponding meanings;
- (p) ~~(o)~~ **"Environmental Complaint"** shall have the meaning set forth in Section 13.1(aa) hereof;
- (q) ~~(p)~~ **"Environmental Laws"** shall mean all federal, Canadian, state, provincial and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the environment, human health and/or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of Governmental Authorities with respect thereto which are applicable to the Lands, operations or assets of the applicable Loan Party;
- (r) ~~(q)~~ **"EPEA"** means the *Environmental Protection and Enhancement Act*, RSA 2000, c E-12 and the regulations thereunder, including the Code of Practice for Pits issued thereunder;
- (s) ~~(r)~~ **"Equity Interests"** means, in respect of any Person, Capital Stock of such Person, warrants, options or other rights to acquire Capital Stock of the Person and securities convertible into or exchangeable for Capital Stock of such Person;

- (t) ~~(s)~~ “**Existing Collateral Agency Agreement**” has the meaning set out in the preamble hereto;
- (u) ~~(t)~~ “**Event of Default**” means the occurrence of any event listed in Section 18 hereof;
- (v) ~~(u)~~ “**Facility A**” has the meaning set out in Section 3.1(a) herein;
- (w) ~~(v)~~ “**Facility A Deferral Period**” has the meaning set out in Section 6.1(b) herein;
- ~~(w) “**Facility A Interest-Only Period**” has the meaning set out in Section 6.1(a) herein;~~
- (x) “**Facility A Principal**” has the meaning set out in Section 3.1(a) herein;
- (y) “**Facility B**” has the meaning set out in Section 3.1(b) herein;
- (z) “**Facility B Principal**” has the meaning set out in Section 3.1(b) herein;
- (aa) “**Facility D**” has the meaning set out in Section 3.1(d) herein;
- (bb) “**Facility D Deferral Period**” has the meaning set out in Section 6.3(b) herein;
- ~~(cc) “**Facility D Interest-Only Period**” has the meaning set out in Section 6.3(a) herein;~~
- (cc) ~~(dd)~~ “**Facility D Principal**” has the meaning set out in Section 3.1(d) herein;
- (dd) ~~(ee)~~ “**Facility D Maturity Date**” means October 15, 2023;
- (ee) ~~(ff)~~ “**Fiera Equipment**” means the tangible personal property listed on Schedule “I” hereto;
- (ff) ~~(gg)~~ “**Finance Lease Obligation**” of any Person means the obligations of such Person under any Finance Lease to which it is a party;
- (gg) ~~(hh)~~ “**Finance Leases**” has the meaning ascribed to such term, and, for certainty, includes “lease liabilities” as it relates to a lessee, in the International Financial Reporting Standard 16, as same may be amended from time to time;
- (hh) ~~(ii)~~ “**Fiscal Year**” means, in respect of the Borrower, its fiscal year commencing on the 1st of January each year and ending on 31st of December of that same year, or such other fiscal year as may be agreed to by the Lender;
- (ii) ~~(j)~~ “**Funded Debt**” means, with respect to any Person:

 - (i) money borrowed (including, without limitation, by way of overdraft) or indebtedness represented by notes payable and drafts accepted representing extensions of credit;
 - (ii) bankers’ acceptances and similar instruments;
 - (iii) letters of credit, letters of guarantee and surety bonds issued at the request of such Person;
 - (iv) all obligations (whether or not with respect to the borrowing of money) that are evidenced by bonds, debentures, notes or other similar instruments,

excluding any such instruments that are at the sole option of the Borrower, convertible into capital of the Borrower but including without limitation, any indebtedness or liabilities of such Person that may be satisfied by the delivery of shares of such Person to the holder thereof or to another Person on behalf of the holder, or that are not so evidenced but that would be considered by GAAP to be indebtedness for borrowed money;

- (v) all obligations as lessee under sale and lease-back, transactions and Finance Leases;
- (vi) all Purchase Money Obligations of such Person; and
- (vii) any guarantee or indemnity (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business) in any manner of any part or all of an Obligation included in items (a) through (f) above,

and, for certainty, shall include the Credit Facilities but shall not include the ATB Assumed Debt;

(jj) ~~(kk)~~ **“Generally Accepted Accounting Principles”** or **“GAAP”** means those accounting principles recommended by Chartered Professional Accountants Canada (**“CPA Canada”**) as successor to the Canadian Institute of Chartered Accountants) and includes any recommendation in its Handbook concerning accounting treatment or statement presentation, such recommendation shall be regarded as the only generally accepted accounting principle applicable to the circumstances that it covers and reference herein to **“Generally Accepted Accounting Principles”** shall be interpreted accordingly, and means in reference to the Loan Parties, IFRS;

(kk) ~~(ll)~~ **“Governmental Authority”** means (i) any government or political subdivision thereof national, provincial, county, municipal or regional having jurisdiction in the relevant circumstances; (ii) any agency or instrumentality of any such government, political subdivision or other government entity (including any central bank or comparable agency); (iii) any court, arbitral tribunal or arbitrator; and (iv) any non-government regulating body, to the extent that the rules, regulations or orders of such body have the force of law;

(ll) ~~(mm)~~ **“Hazardous Discharge”** shall have the meaning set forth in Section 13.1(aa) hereof;

(mm) ~~(nn)~~ **“Hazardous Substance”** shall mean, without limitation, any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum products, methane, hazardous materials, Hazardous Wastes, hazardous or Toxic Substances or related materials;

(nn) ~~(oo)~~ **“Hazardous Wastes”** shall mean all waste materials subject to regulation under any Environmental Laws now in force or hereafter enacted relating to hazardous waste disposal;

(oo) ~~(pp)~~ **“IFRS”** means International Financial Reporting Standards, including International Accounting Standards and Interpretations together with their accompanying documents, which are set by the International Accounting Standards Board, the independent standard-setting body of the International Accounting

Standards Committee Foundation (the "**IASC Foundation**"), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation, but only to the extent the same are adopted in Canada as GAAP and then subject to such modifications thereto as are agreed to as part of such adoption, if any;

(pp) ~~(qq)~~ "**Indebtedness**" means the principal sum or aggregate amount outstanding at any given time of all loans and advances made, or which may be made, by the Lender to the Borrower (including the Credit Facilities) and interest on such loans and advances and all costs, charges and expenses of, or incurred by the Lender, in connection with any Security and in connection with all Collateral (whether in protecting, preserving, realizing or collecting any such Security or Collateral or attempting so to do or otherwise), and all other obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, of the Borrower to the Lender arising from this or any agreement or dealings between the Lender and the Borrower or from any agreement or dealings with any Person by which the Lender may be or become in any manner whatsoever a creditor of the Borrower or otherwise howsoever arising and whether the Borrower be bound alone or with another or others and whether as principal or surety, including without limitation the fees, costs and expenses contemplated by Section 13.1(i), it being the express intention of the parties that the word "Indebtedness" include such amount as is necessary to indemnify and save harmless the Lender from all such costs, expenses and monies as aforesaid;

(qq) ~~(rr)~~ "**Initial Order**" has the meaning set out in the preamble hereto;

(rr) ~~(ss)~~ "**Interest Rate**" means the rate of interest equal to seven (7%) percent per annum;

(ss) ~~(tt)~~ "**Interest Rate Differential**" means the greater of:

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

(tt) ~~(uu)~~ "**Initial Acquisition**" has the meaning set out in the preamble hereto;

(uu) ~~(vv)~~ "**Inventory**" has the meaning defined in the *Personal Property Security Act* (Alberta);

(vv) ~~(ww)~~ "**JMB**" has the meaning set out in the preamble hereto;

(ww) ~~(xx)~~ "**JMB Dispositions**" means the Dispositions listed on Schedule "F" under the heading "JMB Dispositions" together with any security deposited with the AEP in respect thereof to secure Reclamation Obligations;

- (xx) ~~(yy)~~ “**JMB Loan Agreements**” means the amended and restated loan agreement effective December 14, 2018 between JMB, as borrower, Eastside, as guarantor, and Fiera Private Debt Fund V LP (formerly known as Integrated Private Debt Fund V LP), by its general partner Fiera Private Debt Fund GP Inc. (formerly known as Integrated Private Debt Fund GP Inc.), as lender, together with the loan agreement effective October 17, 2019 between JMB, as borrower, Eastside and 216, as guarantors, and Fund VI, as lender;
- (yy) ~~(zz)~~ “**Lands**” means those lands located in the Province of Alberta and referenced in Schedule “G”;
- (zz) ~~(aaa)~~ “**Lender**” has the meaning set out in the recitals hereto;
- (aaa) ~~(bbb)~~ “**Loan Documents**” means, collectively, this Agreement, the Security and each agreement, instrument and each certificate, agreement or document executed in connection with or pursuant to any of the foregoing, in each case as the same may be amended, restated, modified, supplemented or replaced from time to time;
- (bbb) ~~(ccc)~~ “**Loan Parties**” means the Borrower and each Additional Guarantor, from time to time, and each is a “**Loan Party**”;
- (ccc) ~~(ddd)~~ “**Mantle**” has the meaning set out in the preamble hereto;
- (ddd) ~~(eee)~~ “**Material Adverse Change**” means any event, development or circumstance that has had or would reasonably be expected to have a Material Adverse Effect;
- (eee) ~~(fff)~~ “**Material Adverse Effect**” means a material adverse effect on (a) the business, assets, operations or condition, financial or otherwise, of the Borrower, or (b) the amount which the Lender would be likely to receive (after giving effect to delays in payment and costs of enforcement) upon the liquidation of the Collateral;
- (fff) ~~(ggg)~~ “**Material Agreement**” means an agreement made between the Borrower and another Person which if terminated by reason of breach, wrongdoing or neglect by or on behalf of the Borrower, would reasonably be expected to have a Material Adverse Effect or result in an Event of Default, and includes, without limitation, those agreements specifically listed in Schedule “F”;
- (ggg) ~~(hhh)~~ “**Maturity Date**” means April 26, 2029;
- (hhh) ~~(iii)~~ “**Maximum Allowable Interest**” has the meaning ascribed to such term in Section 7.2(b);
- (iii) ~~(jjj)~~ “**Parent Group**” means RLF Canada Holdings Limited;
- (jjj) ~~(kkk)~~ “**Permitted Encumbrances**” means the Encumbrances and registrations registered against the Borrower and described in Schedule “A” attached hereto and forming part of this Agreement;
- (kkk) ~~(lll)~~ “**Permitted Future Finance Leases**” means those certain Finance Leases entered into or assumed by the Borrower after the advance of the Credit Facilities provided always that that the maximum aggregate limit for all such leases, taken together with Permitted Future PMOs, shall not exceed Four Million (\$4,000,000) Dollars for the Borrower at any time;

- (lll) ~~(mmm)~~ **“Permitted Future PMOs”** means the Encumbrances granted against specific purchased property or assets in connection with those certain Purchase Money Obligations entered into or assumed by the Borrower after the advance of the Credit Facilities; provided always that that the maximum aggregate limit for all such Purchase Money Obligations, taken together with Permitted Future Finance Leases, shall not exceed Four Million (\$4,000,000) Dollars for the Borrower at any time;
- (mmm) ~~(nnn)~~ **“Permitted Future Subordinated Debt”** means Funded Debt, in an amount to be approved by the Lender, which is subordinated to the Credit Facilities and is either unsecured, or if secured, such Encumbrances are subordinated and postponed to the Security, on terms and conditions acceptable to the Lender, acting reasonably;
- (nnn) ~~(ooo)~~ **“Permitted Future Subordinated Debt Security”** means those Encumbrances securing Permitted Future Subordinated Debt; provided that such Encumbrances are postponed to the Security, on terms and conditions acceptable to the Lender, acting reasonably;
- (ooo) ~~(ppp)~~ **“Permitted Future Working Capital Security”** means the Encumbrances granted against the Collateral (or any portion thereof) or any other assets or property of the Loan Parties as security for certain credit facilities for the purposes of financing the Borrower and Loan Parties working capital and other operating needs entered into or assumed by the Borrower after the advance of the Credit Facilities; provided always that that the maximum aggregate limit for all such credit facilities shall not exceed Five Million (\$5,000,000) Dollars for the Borrower at any time and security for such financings shall be first priority over the Loan Parties’ respective accounts receivable and inventory only;
- (ppp) ~~(qqq)~~ **“Permitted Restructuring”** is defined in Section 14.1(p);
- (qqq) ~~(rrr)~~ **“Person”** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, limited partnership, Governmental Authority or other entity;
- (rrr) ~~(sss)~~ **“PLA”** means the *Public Lands Act*, RSA 2000, c P-4 and all regulations thereunder.
- (sss) ~~(ttt)~~ **“Plan”** has the meaning set out in the preamble hereto;
- (ttt) ~~(uuu)~~ **“Pledged Securities”** means the Equity Interests of the Loan Parties and other Persons that are specifically pledged as part of the Security from time to time;
- (uuu) ~~(vvv)~~ **“Promissory Note”** has the meaning set out in Section 3.2 herein;
- (vvv) ~~(www)~~ **“Property”** means, with respect to any Person, any or all of its undertaking, property and assets;
- (www) ~~(xxx)~~ **“Purchase Agreement”** means the amended and restated purchase agreement dated as of March 3, 2021, entered into between, *inter alios*, JMB and 216, as vendors, and Mantle, as purchaser, as may be further amended;
- (xxx) ~~(yyy)~~ **“Purchase Money Obligations”** means any indebtedness incurred, assumed or owed by the Borrower as all or part of, or incurred or assumed by the Borrower to provide funds to pay all or part of the purchase price of any property or assets acquired by the Borrower;

- (yyy) ~~(zzz)~~ **“Purchased Pits”** means the gravel and aggregate pits located on the Lands;
- (zzz) ~~(aaaa)~~ **“Reclamation Obligations”** means the reclamation and remediation obligations in respect of the Aggregate Pits under the EPEA and the PLA;
- (aaaa) ~~(bbbb)~~ **“Redeemable Amount”** has the meaning set out in Section 6.2 of this Agreement;
- (bbbb) ~~(cccc)~~ **“Related Person”** in relation to any Person means a subsidiary, affiliate, associate, employee or partner of such Person, or an associate of such employee (the terms “subsidiary”, “affiliate” and “associate” having the respective meanings ascribed thereto in the *Canada Business Corporations Act*;
- (cccc) ~~(dddd)~~ **“Relevant Jurisdiction”** means, from time to time, with respect to a Person that is granting Security hereunder, any province or territory of Canada or state of the United States of America in which such Person is incorporated or formed, has its chief executive office or chief place of business or has Collateral and, for greater certainty, includes the provinces set out in Schedule “H”;
- (dddd) ~~(eeee)~~ **“Retained Fiera Equipment Amount”** means the aggregate Appraised Equipment Value of all Fiera Equipment which any Loan Party elects, in its sole discretion, to retain;
- (eeee) **“RLF Debenture”** has the meaning set out in the [RLF Subordination Agreement](#).
- (ffff) **“RLF Indebtedness”** has the meaning set out in the [RLF Subordination Agreement](#).
- (gggg) **“RLF Subordination Agreement”** means [a subordination agreement dated October 19, 2022 among the Borrower, the Parent Group and the Lender, in respect of certain RLF Indebtedness under the RLF Debenture, as amended by a first amendment dated May _____, 2023, and as may be further amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms therein.](#)
- (hhhh) ~~(ffff)~~ **“Security”** means any security or security documentation (including any evidences of debt) as more fully described in Section 11 hereof, granted by a Loan Party to the Lender (including, for certainty, the Security to be delivered by a Subsidiary pursuant to Section 13.1(i)(iii)) to secure the Indebtedness, and includes any amendments thereto or renewals or substitutions thereof;
- (iiii) ~~(gggg)~~ **“SML 60”** has the meaning set out in Section 6.5(a) herein;
- (jjjj) ~~(hhhh)~~ **“Subsidiary”** of any Person means any other Person of which Capital Stock or other Equity Interests having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners’ Capital Stock or other Equity Interests or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any one or more of that first Person and the Subsidiaries of that first Person, and includes any other Person in like relationship to a Subsidiary of that first Person;
- (kkkk) ~~(iiii)~~ **“Third Party”** means a Person other than the Borrower, the Lender or any Affiliate thereof;

(llll) ~~(jjjj)~~ **“Total Senior Funded Debt”** means all Funded Debt other than Permitted Future Subordinated Debt, including, without limitation, any operating debt, short term debt, senior long term debt, and all financial contingent obligations (including without limitation, financial guarantees, capitalized interest, and obligations pursuant to any Finance Leases); provided that for the purposes of this definition (i) at all times, it shall exclude Indebtedness under Facility D, and (ii) for any time up to and including December 31, 2023, it shall exclude the principal amount then outstanding under Facility B, but for all periods and thereafter, it shall include the net present value (as determined in accordance with GAAP using a discount rate equivalent to the Interest Rate) of the principal amount then outstanding under Facility B;

(mmmm) ~~(kkkk)~~ **“Toxic Substance”** shall mean and include any material present on the Real Property or the Leasehold Interests which has been shown to have significant adverse effect on human health or which is subject to regulation under applicable Environmental Laws;

(nnnn) ~~(llll)~~ **“Transaction”** has the meaning set out in the preamble hereto;

(oooo) ~~(mmmm)~~ **“Travelers Loan”** means the secured credit facility made available by Travelers Capital Corp. to the Borrower pursuant to the Travelers Loan Agreement;

(pppp) ~~(nnnn)~~ **“Travelers Loan Agreement”** means the loan and security agreement dated as of October 8, 2021 between Travelers Capital Corp., as lender, and the Borrower, as borrower, together with all schedules thereto, as the same may be amended, modified, supplemented, restated or replaced from time to time; and

(qqqq) ~~(oooo)~~ **“Travelers Documents”** means, collectively, the Travelers Loan Agreement and any other documents, agreements or instruments entered into by the Borrower in connection with the Travelers Loan.

SECTION 2 PREAMBLE, SCHEDULES, AND AMENDMENT AND RESTATEMENT

- 2.1 The parties hereby confirm and ratify the matters contained and referred to in the Preamble to this Agreement and agree that the Schedules attached hereto are expressly incorporated into and form part of this Agreement.
- 2.2 Except as otherwise stated herein, as of the date hereof, the terms, conditions, covenants, agreements, representations and warranties set forth in the JMB Loan Agreements are hereby replaced and superseded in their entirety by the terms, conditions, covenants, agreements, representations and warranties set forth in this Agreement. The amendment and restatement contained herein, other than to the extent expressed hereunder, shall not, in any manner, be construed to constitute payment of, or impair, limit, cancel or extinguish, or constitute a novation in respect of, the indebtedness and other obligations and liabilities of the Loan Parties, as applicable, secured under or in connection with the JMB Loan Agreements or any of the Encumbrances and security interests securing such indebtedness and other obligations and liabilities, which shall not in any manner be impaired, limited, terminated, waived or released. The JMB Loan Agreements continue, up to the date hereof, to constitute a legal, valid and binding obligation of the Loan Parties, to which they are a party, enforceable against it in accordance with its terms.

SECTION 3 ESTABLISHMENT OF CREDIT FACILITIES AND ADVANCE

- 3.1 Subject to the terms and conditions of this Agreement, the following credit facilities are deemed to be fully advanced (collectively, the **“Credit Facilities”**) pursuant to advances from time to time to JMB under the JMB Loan Agreements:

- (a) a non-revolving facility (“**Facility A**”) with a fixed rate term option, in the current principal amount as at ~~October 15~~ June 12, 2022~~2023~~ equal to Three Million Seven Hundred Thirty Thousand Five Hundred (\$3,730,500) Dollars, which amount is inclusive of \$50,000 of the Commitment Fee (collectively, the “**Facility A Principal**”);
- (b) a non-revolving facility (“**Facility B**”), non-interest bearing, in the current principal amount as at ~~October 15~~ June 12, 2022~~2023~~ equal to Five Million Nine Hundred Eighty ~~Seven~~Four Thousand ~~Five~~One Hundred ~~Thirty~~Five (~~\$5,987,535.58~~Eighty Three (\$5,984,183.24)) Dollars and ~~Fifty~~Eight ~~Twenty~~Four Cents (the “**Facility B Principal**”);
- (c) [Reserved – Facility C has been repaid in full];
- (d) a non-revolving facility (“**Facility D**”) with a fixed rate term option, in the current principal amount as at ~~October 15~~ June 12, 2022~~2023~~ equal to One Hundred and Eleven Thousand (\$111,000) Dollars (the “**Facility D Principal**”).

3.2 Each Credit Facility shall be evidenced by a promissory note made and delivered by the Borrower in favour of the Lender (each, a “**Promissory Note**”). The Promissory Notes shall be dated as of the Closing Date, shall be in the principal amount of each Credit Facility and shall bear interest, if applicable, at the Interest Rate as hereinafter provided. The Credit Facilities shall be deemed to have been already advanced by the Lender on the Closing Date, and the remaining balance of the principal amounts owing are as follows:

- (a) ~~\$8,591,968.58~~ \$8,557,162.12 (87.41%) by Fund V; and
- (b) ~~\$1,237,067.00~~ \$1,232,521.12 (12.59%) by Fund VI.

3.3 Any payment of Indebtedness pursuant to the provisions hereof shall be deemed to be made *pro rata* in proportion to the Advances outlined above.

SECTION 4 PURPOSE

4.1 The Borrower, as the continuing company from the amalgamation of the Amalgamating Corporations, acknowledges Mantle’s prior assumption pursuant to the Plan of that portion of the indebtedness owing to the Lender under the JMB Loan Agreements equal to the aggregate of the outstanding Facility A Principal, the Facility B Principal, and Facility C Principal and the Facility D Principal (as such terms were defined under the initial Agreement dated April 26, 2021), that such amounts were fully advanced to JMB and were not repaid, such assumption did not constitute a repayment of such assumed indebtedness, and such assumption and the granting by the Lender to Mantle of the Credit Facilities have facilitated the completion of the Transaction.

SECTION 5 EVIDENCE OF INDEBTEDNESS

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

to time under the Credit Facilities, and all accrued and unpaid issuance fees, interest, or other fees.

SECTION 6 REPAYMENT

6.1 The Borrower agrees to repay Facility A with interest as aforesaid calculated daily, not in advance, as follows:

~~(a) quarterly interest only payments at the Interest Rate from the Closing Date until and including October 15, 2022 (the "Facility A Interest-Only Period"), provided such accrued interest from July 16, 2022 until and including October 15, 2022 shall be capitalized;~~

(a) ~~(b) following the Facility A Interest-Only Period~~ until and including July 14, 2023, payments of principal and interest shall be deferred (the "Facility A Deferral Period"), provided that during the Facility A Deferral Period, payment-in-kind (PIK) interest shall accrue at a rate of nine (9%) percent per annum (interest-on-interest to apply);

(b) ~~(c)~~ following the Facility A Deferral Period, blended monthly payments of principal (including the capitalized interest in subsection (a) and PIK interest in subsection (b) above) and interest at the Interest Rate until the Maturity Date, all as more particularly specified in the amortization and payment schedule set out in the attached Schedule "E"; and

(c) ~~(d)~~ the Facility A Principal, and all other amounts outstanding with respect to Facility A pursuant to this Agreement or the Security, plus any interest and fees in connection therewith, shall be due and payable on the Maturity Date.

6.2 The Borrower agrees to repay Facility B in monthly payments commencing Twelve (12) months following the Closing Date based on \$1 per tonne of Aggregate sold by the Borrower to Third Parties, which such sum shall increase on each subsequent anniversary of the Closing Date by a rate of 2% per annum compounding annually. In addition to the foregoing, at all times while the RLF Indebtedness is in excess of \$1,000,000.00, the Borrower shall pay to the Lender monthly payments of:

(a) for each metric tonne of Aggregate sold by the Borrower to Third Parties each Fiscal Year in excess of 250,000 metric tonnes and up to 310,000 metric tonnes, \$0.50 on each metric tonne sold; such and

(b) for each metric tonne of Aggregate sold by the Borrower to Third Parties each Fiscal Year in excess of 310,000 metric tonnes, the greater of (i) \$0.50 on each metric tonne sold, and (ii) 50% of incremental EBIT generated on Aggregate sold by the Borrower to Third Parties (other than sub-contract crushing),

provided the parameters of the above noted payments shall be reset by the Lender and the Borrower each calendar year on January 1. The Borrower acknowledges and agrees that the Lender may appoint a financial advisor, in its sole discretion and at the cost of the Borrower, to review the calculations and underlying records which support the calculation of the foregoing royalty payments set out in this Section. Such monthly payments under this Section shall be payable fifteen (15) days following the end of each month after commencement on the basis of the proceeds of such sales actually received in the last month by the Borrower, and shall continue until the Maturity Date, at which such time the Facility B Principal shall be due and payable in full. Notwithstanding the foregoing, at any time and from time to time, the Lender shall have the option, in its sole discretion, to elect to

require the Borrower to redeem all or any portion of the outstanding amounts under Facility B (the principal amount required to be redeemed plus interest to the Conversion Date being the "**Redeemable Amount**") by issuing to the Lender that number of Conversion Shares equal to the Redeemable Amount divided by the Conversion Price, in full satisfaction of the Redeemable Amount (the "**Conversion Option**"), whereupon the Borrower shall within 90 days of receipt of the Conversion Notice (the "**Conversion Date**") issue to the Lender such Conversion Shares. If the Lender elects such Conversion Option:

- (c) ~~(a)~~ The Lender's rights of redemption shall extend only to a whole number of Conversion Shares. Notwithstanding anything contained herein, the Borrower shall in no case be required to issue fractional Conversion Shares upon the conversion of the Redeemable Amount. If any fractional interest in a Conversion Share would, except for the provisions of this subsection, be deliverable upon the conversion of the Redeemable Amount, the such fractional interest shall remain as an outstanding obligation under Facility B, in an amount in lawful money of Canada equal to the remaining Redeemable Amount after so much of the Redeemable Amount as may be converted into a whole number of Conversion Shares has been converted. Any Conversion Shares issued or delivered pursuant to this Agreement shall be fully paid and non-assessable, without any further compensation therefor.
- (d) ~~(b)~~ In order to benefit from the redemption of any obligations into Conversion Shares under this Section 6.2, the Lender shall provide the Borrower 90 days written notice to elect the Conversion Option (such notice to be provided in accordance with the terms herein) (the "**Conversion Notice**"). Thereupon the Lender or, subject to compliance with any requirements of any applicable securities laws determined by the Borrower acting reasonably, its nominee(s) approved by the Borrower, shall be entitled to be entered in the books of the Borrower as at the date of such notice as the holder of the number of Conversion Shares into which the Redeemable Amount is convertible, in accordance with the provisions of this Section and, as soon as practicable thereafter, the Borrower shall deliver to the Lender, or subject as aforesaid, its nominee(s), certificates for such Conversion Shares.
- (e) ~~(c)~~ The Conversion Notice shall be deemed to constitute a contract between the Lender and the Borrower whereby: (i) the Lender subscribes for the number of Conversion Shares which it shall be entitled to receive on such conversion; (ii) the Lender releases the Borrower from all liability with respect to the Redeemable Amount effective upon its conversion to Conversion Shares; and (iii) the Borrower agrees that the aforementioned release of obligations constitutes full payment of the subscription price for the Conversion Shares issuable upon such conversion.
- (f) ~~(d)~~ The Borrower covenants with the Lender that it will at all times reserve and keep available out of its authorized Conversion Shares, solely for the purpose of issue upon conversion of the obligations under this Section 6.2, and conditionally allot to the Lender, such number of Conversion Shares as shall then be issuable upon the full conversion of the obligations. The Borrower covenants with the Lender that all Conversion Shares which shall be so issuable shall be duly and validly issued as fully paid and non-assessable.
- (g) ~~(e)~~ The certificates representing the Conversion Shares issuable upon exercising the Conversion Option as provided for in this Section 6.2 will bear such legend(s) denoting the restrictions on transferability posed by any unanimous shareholders agreement and by applicable corporate and securities laws. The Lender agrees to sell, assign or transfer such Conversion Shares only in accordance with the requirements of all such legends and all applicable corporate and securities laws.

6.3 The Borrower agrees to repay Facility D with interest as aforesaid calculated daily not in advance, as follows:

~~(a) quarterly interest only payments at the Interest Rate from the Closing Date until and including October 26, 2022 (the "Facility D Interest Only Period"), provided such accrued interest from July 16, 2022 until and including October 15, 2022 shall be capitalized;~~

(a) ~~(b) following the Facility D Interest Only Period,~~ until and including the Facility D Maturity Date, payments of principal and interest shall be deferred (the "**Facility D Deferral Period**"), provided that during the Facility D Deferral Period, PIK interest shall accrue at a rate of nine (9%) percent per annum (interest-on-interest to apply); and

(b) ~~(c)~~ the Facility D Principal, and all other amounts outstanding with respect to Facility D pursuant to this Agreement or the Security, plus any interest and fees in connection therewith, shall be due and payable on the Facility D Maturity Date.

6.4 Without in any way limiting the foregoing, and notwithstanding anything contained herein, the parties hereto expressly acknowledge, covenant and agree that any net proceeds from the sale of any JMB Dispositions and / or 216 Dispositions shall be immediately payable and transferred to the Lender upon receipt, to be applied against the then outstanding Indebtedness to the Lender, in accordance with Section 8 herein.

6.5 Each of the Loan Parties further acknowledge, covenant and agree that:

(a) if Surface Material Lease No. 060060 in favour of the Borrower (previously in favour of its predecessor, 216) located within SW-13-65-18-W4M ("**SML 60**") shall be sold, any and all net proceeds from such sale shall be immediately payable and transferred to the Lender upon receipt; and

(b) at all times prior to the completion of such sale contemplated in the foregoing subsection (a), \$1 per tonne of Aggregate sold by the Borrower to Third Parties under SML 60 shall be immediately payable and transferred to the Lender upon receipt,

the foregoing proceeds to be applied as follows:

(i) *firstly*, up to One Hundred Thousand (\$100,000) Dollars (the "**Economic Cost**") to be applied by the Lender towards any costs, fees, and disbursements incurred in relation to this Agreement and the CCAA Proceedings; and

(ii) *secondly*, the remainder of the sale proceeds in excess of the Economic Cost to be applied towards the outstanding Indebtedness under the Credit Facilities, to be allocated to the Credit Facilities as mutually agreed to between the Borrower and the Lender.

SECTION 7 INTEREST

7.1 Subject to and in accordance with Section 6 herein, the Borrower agrees to pay interest on the outstanding Facility A Principal and Facility D Principal, respectively, from time to time from the Closing Date until repayment in full, at a rate per annum (calculated on the basis of a 365/366 day year), equal to the Interest Rate or such other rate set out herein. Interest at such rate shall be payable monthly, or quarterly, as applicable, and

as more particularly specified in the amortization and payment schedule set out in the attached Schedule "E" both before and after demand, default, maturity and the obtaining of any judgment by the Lender against the Borrower and all interest on becoming overdue shall be treated, as to payment of further interest, as principal and shall bear compound interest at the rate payable with respect to Facility A and Facility D both before and after the obtaining of any judgment by the Lender against the Borrower to the extent permitted by Applicable Law.

7.2 Notwithstanding anything to the contrary hereinbefore or hereinafter contained in the Loan Documents or any of them, the parties hereto expressly acknowledge, covenant and agree that:

- (a) the Loan Documents shall not constitute an agreement or arrangement whereby or pursuant to which the Lender would or will receive Interest on an Advance at a Criminal Rate of Interest;
- (b) this Agreement shall at all times be construed, interpreted and, to the extent required, deemed to have been amended to reflect and provide that the maximum Interest that the Lender is and shall be entitled to charge and receive in respect of the Advance shall be 1/10th of 1% less than the Criminal Rate (the "**Maximum Allowable Interest**");
- (c) no payment or partial payment of interest on the Credit Facilities shall be in excess of the Maximum Allowable Interest;
- (d) any payment of Interest made by the Borrower on account of the Credit Facilities that would be in excess of the Maximum Allowable Interest or would otherwise be deemed to be at a Criminal Rate shall, in respect of the amount that is in excess of the Maximum Allowable Interest or is at a Criminal Rate, be deemed to be held in a suspense account, with the applicable Maturity Date being extended as necessary to make such payment less than the Maximum Allowable Interest; and
- (e) for the purposes hereof, "Criminal Rate" and "Interest" shall have the meaning specified in the Criminal Code of Canada.

7.3 For purposes of the *Interest Act* (Canada) (A) whenever a rate of interest hereunder is calculated on the basis of a year (the "deemed year") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year; (B) the principal of deemed reinvestment shall not apply to any interest calculation hereunder; and (C) the rates of interest quoted by Lender to the Borrower pursuant hereto are intended to be nominal rates and not effective rates or yields.

7.4 Notwithstanding any other provision to the contrary herein, if an Event of Default has occurred and is continuing, interest shall accrue at a rate equal to the Interest Rate plus 2% per annum to the maximum extent permitted by Applicable Law (i) calculated and accruing daily from and including such date the Event of Default has occurred, up to but excluding the date such Event of Default has been remedied, both before and after demand, default or judgment, (ii) compounded monthly on the first Business Day of each calendar month with the amount of such accrued interest being added to the outstanding Facility A Principal Amount on such Business Day; and (iii) shall be payable

by the Borrower on the earlier of: (a) the date on which the Borrower has remedied such Event of Default, (b) the date on which the Indebtedness has been paid in full, and (c) the Maturity Date or Facility D Maturity Date, if and as applicable.

SECTION 8 PREPAYMENT

8.1 Subject to payment of interest in accordance Section 7.4, if applicable, the Borrower shall have the ability:

- (a) to prepay all (and only all) of the Indebtedness outstanding at any time in relation to Facility A by provision of thirty (30) days' notice and payment of the Interest Rate Differential;
- (b) to prepay some or all of the Indebtedness outstanding at any time in relation to Facility B and Facility D in accordance with the payment process set forth in Section 9 below for such Credit Facilities, without any further notice, bonus or penalty,

provided however, that any partial prepayment shall in no way release the Borrower from its obligation to make any payments required pursuant to the provisions of the Security or this Agreement.

SECTION 9 PAYMENT PROCESS

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

9.2 All sums to be paid to the Lender in respect of Facility B pursuant to this Agreement, whether for principal, interest or otherwise, shall be paid to the Lender by way of an authorization and direction from the Borrower specifying the date and the amount of the applicable payment and permitting the Lender to withdraw the amount of any such payment to the Lender. The Borrower will from time to time provide such further authorization or other authorization or direction as required to allow the Lender to charge or be paid, as applicable, all the payments due and payable under this Agreement within the time specified for such payment in Section 6.

SECTION 10 FEES

10.1 Mantle has paid to the Lender, on or prior to the Closing Date, \$45,000 of the Commitment Fee in respect of the Credit Facilities (less any non-refundable upfront portion of the Commitment Fee which has been previously paid by the Borrower prior to the Closing Date as acknowledged and received by the Lender). The remaining \$50,000 of the Commitment Fee has been added to and forms part of the Facility A Principal and shall be payable during the course of this Agreement as such.

SECTION 11 SECURITY

11.1 To secure the due and punctual payment of the Indebtedness, and to secure the due and punctual performance of each of the Loan Parties' and the Parent Group's obligations and covenants hereunder, each of the Loan Parties and the Parent Group have, as applicable, executed, or shall execute and deliver, or cause to be executed and delivered to or assigned in favour of the Collateral Agent, or the Lender, as required herein, the Security.

- 11.2 The Security includes the following documents and instruments in favour of the Collateral Agent or Lender, as applicable, all in form and substance satisfactory to the Lender and subject only to Permitted Encumbrances:
- (a) the Assumption and Confirmation Agreement;
 - (b) an amended and restated collateral agency agreement among the Lender and Mantle, amending and restating the Existing Collateral Agency Agreement in its entirety;
 - (c) a general security agreement from Mantle in favour of the Lender granting a first ranking security interest in all of its present and after-acquired property, assets and undertaking;
 - (d) an unlimited guarantee from JMB in respect of the Borrower's Indebtedness owing to the Lender;
 - (e) a general security agreement from JMB in favour of the Lender granting a first ranking security interest in all of its present and after-acquired property, assets and undertaking;
 - (f) an unlimited guarantee from 216 in respect of the Borrower's Indebtedness owing to the Lender;
 - (g) a general security agreement from 216 in favour of the Lender granting a first ranking security interest in all of its present and after-acquired property, assets and undertaking;
 - (h) an assignment of Material Agreements (other than the Crestmark Documents and the Travelers Documents) granted by Mantle in favour of the Lender, in respect of, without limitation, each aggregate royalty agreement to which a Loan Party is a party, together with the interest in the Lands subject thereto created thereby, including the aggregate royalty agreements identified in Schedule "G" hereto;
 - (i) acknowledgments or notices, as required by the Lender, of the assignment of Material Agreements set forth in Subsection 11.2(h), from each of the landlords under the aggregate royalty agreements identified in Schedule "G" hereto;
 - (j) a mortgage of lease granted by JMB in favour of the Collateral Agent in respect of certain surface material leases granted by the Crown to JMB, including those surface material leases identified in Schedule "G" hereto held by JMB (the "**JMB SMLs**");
 - (k) conditional surrender of leases granted by JMB in favour of the Collateral Agent in respect of the JMB SMLs;
 - (l) a mortgage of lease granted by 216 in favour of the Collateral Agent in respect of certain surface material leases granted by the Crown to 216, including those surface material leases identified in Schedule "G" hereto held by 216 (the "**216 SMLs**");
 - (m) conditional surrender of leases granted by 216 in favour of the Collateral Agent in respect of the 216 SMLs;

- (n) a memorandum of agreement among Her Majesty the Queen in right of the Province of Alberta, as represented by Alberta Environment and Parks, and the Collateral Agent;
- (o) landlord waivers and other inter-creditor agreements as may be required by the Lender, including, without limitation, in respect of the Bonnyville Lease; provided that the Loan Parties shall only be required to use commercially reasonable efforts to obtain such agreement;
- (p) a postponement and assignment of creditor's claims and postponement of security executed by each shareholder of the Borrower and/or member of the Parent Group;
- (q) an amended and restated limited recourse guarantee and share pledge agreement of all Equity Interests of the Loan Parties that are owned by the Parent Group, pledged by the Parent Group in favour of the Lender, with all stock transfer power of attorneys in respect thereof endorsed in blank;
- (r) a pledge of all Equity Interests of the Loan Parties that are owned by JMB, pledged by JMB in favour of the Lender, with all stock transfer power of attorneys in respect thereof endorsed in blank;
- (s) an assignment of insurance granted by Mantle in favour of the Lender;
- (t) a certificate of insurance/binder letter showing the Lender as first loss payee pursuant to the Standard Mortgage Clause provisions;
- (u) a blocked accounts agreement with The Toronto-Dominion Bank in respect of the Borrower's deposit accounts, in form satisfactory to the Lender, acting reasonably;
- (v) a priority agreement among Mantle, the Lender and ATB Financial;
- (w) a priority agreement among Mantle, the Lender and Crestmark, a division of MetaBank National Association;
- (x) ~~a subordination agreement among the Borrower, the Parent Group and the Lender, in respect of certain RLF indebtedness under the RLF Debenture (as such terms are defined therein);~~ and the RLF Subordination Agreement;
- (y) such other security against the property and assets of the Loan Parties as may be reasonably required by the Lender.

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

11.4 The Loan Parties and Parent Group acknowledge that changes to Applicable Law may require the execution and delivery of different forms of documentation and accordingly the

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

- 11.5 To the extent any of the Loan Parties have previously executed certain Loan Documents in favour of the Lender or Collateral Agent pursuant to the JMB Loan Agreements, each of them (i) reaffirms and agrees that the security interests granted under each such Loan Document to which it is a party are continuing, with the ranking that it is expressed to have (as applicable), continue as collateral security for the prompt and complete payment when due (whether at stated maturity, by acceleration or otherwise) of all Obligations under the Credit Facilities and are and shall remain in full force and effect, except as amended hereby, and (ii) acknowledges and reaffirms all obligations owing by each of them to the Lender under the Loan Documents as amended hereby.

SECTION 12 CONDITIONS PRECEDENT AND EFFECTIVENESS

- 12.1 The effectiveness of this Agreement on the initial Closing Date is subject to and conditional upon the prior satisfaction of the following conditions precedent:
- (a) at or prior to the Closing Date, no Event of Default shall have occurred and be continuing;
 - (b) Mantle shall have obtained from the Court:
 - (i) a sale approval and vesting order from the Court in respect of the Transaction vesting in Mantle the property and assets purchased pursuant to the Purchase Agreement free and clear of all Encumbrances other than Permitted Encumbrances;
 - (ii) an order vesting all Remaining JMB Assets and Remaining JMB Liabilities (as such terms are defined in the Purchase Agreement) in 216, but subject to any Encumbrances attaching thereto; and
 - (iii) an order sanctioning the Plan;
 - (c) the Lender shall have received this Agreement, the other Loan Documents (including, without limitation the Security in Section 11 and any necessary consents or subordinations of third parties as may be required by the Lender) and all other documentation related hereto and thereto duly executed and delivered by the Loan Parties and in form and substance satisfactory to the Lender and its legal counsel;
 - (d) the Lender shall have received the Purchase Agreement, the Plan and all other documentation related thereto and to the Transaction duly executed and delivered by the Loan Parties, in form and substance satisfactory to the Lender and its legal counsel;
 - (e) the Lender shall have first ranking security over all Property of the Loan Parties pursuant to the Security, subject only to Permitted Encumbrances, and the Loan Documents (other than those expressly permitted to be delivered or registered on a post-closing basis) shall have been registered, recorded or filed in all jurisdictions deemed necessary by the Lender and its legal counsel;

- (f) the Lender shall have received certificates representing all Pledged Securities and endorsements executed in blank relating to those certificates;
- (g) the Lender shall have received an undertaking from the Parent Group committing to make a minimum \$3,500,000 cash equity contribution to Mantle by the first anniversary of the Closing Date, or by such other date or amount as may be agreed to in writing by Mantle, the Parent Group and the Lender;
- (h) the Lender shall have received payment in full from Mantle of all reasonable legal fees and out of pocket expenses of legal counsel to the Lender, up to the amount of One Hundred Thousand (\$100,000) Dollars, which have become due in respect of the preparation of the loan documentation in connection with the Credit Facilities (for greater certainty such legal fees shall not include any legal fees of the Lender in connection with the CCAA Proceedings), and the Lender shall have received payment in full from Mantle the balance of the Commitment Fee;
- (i) at the Lender's discretion, but subject to Permitted Encumbrances, the Lender shall have received from all of the secured creditors who have registered against a Loan Party pursuant to the PPSA appropriate discharges or acknowledgments in favour of the Lender, in a form acceptable to the Lender, specifying the collateral which is the subject matter of such registration in its favour;
- (j) the Lender shall have completed to its satisfaction (at its sole and absolute discretion) its due diligence of the Loan Parties and be reasonably satisfied with, without limitation: (i) the organizational, legal, management and capital structure of the Loan Parties, (ii) the nature and status of all insurance, material contractual obligations, securities, labour, tax, employee benefit (including pension plan), regulatory and environmental and health and safety matters, (iii) the structure, steps in connection with and tax effect of any transactions contemplated by this Agreement, (v) anti-money laundering due diligence in respect of the Loan Parties, and (vi) any other matters involving or affecting any Loan Party as is required to be disclosed in this Agreement as at the Closing Date, and in connection therewith, the Lender shall have received true and complete copies of all relevant documents relating thereto;
- (k) the Lender shall have received copies of all Leases between the Loan Parties and their landlords in respect of the premises operated by it and the Lender shall be satisfied with them in its sole discretion;
- (l) the Loan Parties shall have delivered or cause to be delivered to the Lender, as requested by the Lender, all documentation and other information required under Anti-Terrorism Laws by any Governmental Authority including, without limitation, "know your customer" rules and regulations;
- (m) the Loan Parties, as applicable, shall have delivered to the Lender and their solicitors in form and substance satisfactory to the Lender, acting reasonably:
 - (i) a certificate of each Loan Party, certifying as to its constating documents and bylaws (copies of which shall be attached to such certificate), a list of its officers and directors with specimens of the signatures of those who are executing Loan Documents on its behalf, and the corporate or equivalent proceedings taken to authorize it to execute, deliver and perform its obligations under the Loan Documents and such other corporate information as the Lender may reasonably require;

- (ii) a certificate of status, compliance, good standing or similar certificate for the jurisdiction of incorporation of each Loan Party and for each jurisdiction where any such Loan Party carries on business or where registrations or filings in relation to the Security made by that Loan Party have been effected;
 - (iii) currently dated opinions, addressed to the Lender in form and substance satisfactory to the Lender and Lender's counsel, acting reasonably and in accordance with customary opinion practise, from counsel for the Loan Parties, and such other local counsel to the Loan Parties as the Lender may reasonably require and opining to such matters as the Lender or its solicitors may require; and
 - (iv) such additional supporting documents as the Lender or its counsel may reasonably request;
- (n) the Lender shall have received certificates of insurance or other evidence that the covenants and conditions of the Loan Documents concerning insurance coverage are being complied with;
- (o) the Loan Parties (as at such time) shall have delivered to the Lender a certificate signed by an authorized officer of each Loan Party to the effect that as at the date of the Closing Date:
- (i) all of the representations and warranties of the Loan Parties herein shall be true and correct on and as of the Closing Date as though made on and as of such date; and
 - (ii) no other event shall have occurred that, in the Lender's sole discretion, materially adversely affects or could have a Material Adverse Effect.
 - (iii) all conditions precedent contained in this Agreement and the other Loan Documents to be observed or performed by the Loan Parties have been observed or performed; and
 - (iv) at or prior to the Closing Date, no Event of Default shall have occurred and be continuing;
- (p) all necessary governmental and third party consents and approvals necessary in connection with this Agreement and the transactions contemplated hereby, including the Transaction, shall have been obtained (in form and substance reasonably acceptable to the Lender) and shall remain in effect. All applicable government filings shall have been made and all applicable waiting periods shall have expired without in either case any action being taken by any competent authority; and no law or regulation shall be applicable in the judgement of the Lender that restrains, prevents or imposes materially adverse conditions upon this Agreement or the transactions contemplated hereby;
- (q) the Lender must have received consents that are required from the directors, shareholders, partners or members of the Loan Parties, either in connection with the pledges of Pledged Securities or in connection with any disposition of the Pledged Securities upon enforcement of the Security; and
- (r) the Lender having received all fees required pursuant to this Agreement.

SECTION 13 AFFIRMATIVE COVENANTS

13.1 Each Loan Party covenants and agrees that they each shall:

- (a) with respect to the Borrower, it will duly and punctually repay to the Lender amounts owing pursuant to the Credit Facilities and interest thereon, as applicable, as provided in this Agreement and all other sums payable pursuant to the terms of this Agreement, on the dates, at the places, in the monies and in the manner provided for in the Loan Documents;
- (b) perform, observe and comply at all times with the covenants, terms, conditions, stipulations and provisos of the Loan Documents and other reasonable requirements stipulated by the Lender from time to time;
- (c) upon request of the Lender, execute and deliver or cause to be executed and delivered to the Lender such further and other documents, agreements, opinions, conveyances, mortgages, assignments, pledges and assurances from time to time as the Lender or its solicitors may reasonably require for the purpose of protecting or perfecting the Security, including any after acquired property whether or not now charged under the Security, all to be in such form and to contain such terms and conditions as may be required by the Lender's solicitors;
- (d) fully and effectually maintain and keep maintained the Security hereby created as valid and effective security at all times;
- (e) execute as required, and deliver to the Lender such other instruments of security, assurances and documentation as the Lender may require in accordance with the terms and conditions of Loan Documents, including, but not limited to, agreements for the benefit of the Lender from landlords of leased Premises designated by the Lender in which any Loan Party carries on business and from counterparties to material contracts and material permits designated by the Lender, all of which instruments of security, evidences of indebtedness and documents shall be in such form and shall contain such terms and conditions as may be required by the Lender's solicitors;
- (f) repair and keep in repair and good order and condition all buildings, erections, machinery and other plant and equipment and appurtenances thereto, the use of which is necessary or advantageous in connection with its business, up to a modern standard of usage and maintain the same consistent with the best practice of other corporations having similar undertakings; renew and replace all and any of the same which may be worn, dilapidated, unserviceable, obsolete, inconvenient or destroyed or may otherwise require renewal or replacement and at all reasonable times allow the Lender or its representative access to its premises in order to view the state and condition the same are in and in the event of any loss or damage thereto or destruction thereof, the Lender may give notice to the Borrower to repair, rebuild, replace or reinstate within a time to be determined by the Lender and to be stated in such notice and upon such Loan Party failing to so repair, rebuild, replace or reinstate within such time, such failure shall constitute default hereunder, and will keep all of its assets in good condition and repair and maintain and replace as required according to the nature thereof;
- (g) keep in good repair and free from all Encumbrances, other than the Security and Permitted Encumbrances, of any nature whatsoever any and all Chattels which are now or which may in the future be used either directly or indirectly in the operations and business of the Loan Parties;

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

- (o) forthwith upon request furnish at its own expense, a certificate of a competent appraiser or other competent person selected by the Lender as to the sufficiency or otherwise of any insurance and as to the type and amount thereof;
- (p) provide upon request any information, whether financial or otherwise, which the Lender may reasonably require from time to time;
- (q) keep adequate records and books of account in accordance with Generally Accepted Accounting Principles and permit, upon reasonable notice by the Lender to the Borrower, the Lender by its agents, accountants and solicitors to enter upon the premises of a Loan Party and examine such Loan Party's records and books of account and make extracts therefrom and to discuss the records and books of account with officers of such Loan Party at such reasonable times as may be required by the Lender;
- (r) upon reasonable notice by the Lender to the Borrower, permit the Lender its servants and agents, to enter at all reasonable times into and upon the Lands and premises owned or occupied by a Loan Party and view the state and condition thereof and of all such Loan Party's Collateral;
- (s) give to the Lender prompt and immediate notice of any statement of claim, petition writ or other Court process, or distress or seizure that may affect a Loan Party, where such claim, petition writ or Court process advances claims or affects assets of Loan Party in an amount in excess of One Hundred Thousand (\$100,000) Dollars;
- (t) give written notice to the Lender of the occurrence of an Event of Default hereunder or of any other event which, with the giving of notice or the lapse of time, would constitute an Event of Default hereunder, forthwith upon the happening of such occurrence and provide the Lender with details of the action taken or proposed to be taken such Loan Party to remedy same;
- (u) maintain its corporate existence and do all such acts as are required in order to permit it to legally carry on its business;
- (v) carry on and conduct the business of the Loan Parties in a proper and efficient manner;
- (w) do, observe and perform or cause to be done, observed and performed all of its obligations and all matters and things necessary or expedient to be done, observed or performed under or by virtue of any law of Canada or any province or municipality thereof, including, but not limited to, any law pertaining to workplace health and safety and Environmental Laws;
- (x) ensure that the Lands remain in compliance with all Environmental Laws and shall not place or permit to be placed any Hazardous Substances on the Lands except as permitted by Applicable Law or an appropriate Governmental Authority;
- (y) shall maintain a system to assure and monitor continued compliance with all applicable Environmental Laws which system shall include periodic review of such compliance and maintain current all environmental remediation payments;
- (z) (A) employ in connection with the use of the Lands appropriate technology necessary to maintain compliance with any applicable Environmental Laws and (B) dispose of any and all Hazardous Waste generated at the Lands only at facilities

and with carriers that maintain valid permits under applicable Environmental Laws. The Loan Parties shall use their best efforts to obtain certificates of disposal, such as hazardous waste manifest receipts, from all treatment, transport, storage or disposal facilities or operators employed by the Loan Parties in connection with the transport or disposal of any Hazardous Waste generated at the Lands;

- (aa) in the event a Loan Party obtains, gives or receives notice of any release or threat of release of a reportable quantity of any Hazardous Substances at the Lands (any such event being hereinafter referred to as a "**Hazardous Discharge**") or receives any notice of violation, request for information or notification that it is potentially responsible for environmental investigation, study, audit, remedial response, or cleanup order or decrees of environmental conditions at the Lands, demand letter or complaint, order, citation, or other written notice with regard to any Hazardous Discharge or violation of Environmental Laws affecting the Lands or any Loan Party's interest therein (any of the foregoing is referred to herein as an "**Environmental Complaint**") from any Person, including any Governmental Authority responsible in whole or in part for enforcement of Environmental Laws where the Lands are located, then the Borrower shall, within five (5) Business Days, give written notice of same to the Lender, detailing facts and circumstances of which any Loan Party is aware giving rise to the Hazardous Discharge or Environmental Complaint. Such information is to be provided to allow the Lender to protect its security interest in the Lands and the Collateral and is not intended to create nor shall it create any obligation upon the Lender with respect thereto;
- (bb) respond promptly to any Hazardous Discharge or Environmental Complaint and take all necessary action in response thereto in order to safeguard the health of any Person and to avoid subjecting the Collateral or Lands to any Encumbrance;
- (cc) pay all statutory payroll source deductions when due and immediately advise the Lender of any source deductions that are unremitted;
- (dd) on request by the Lender, the Borrower shall give Canada Revenue Agency and other Governmental Authorities written authorization to disclose to the Lender the status of any priority claims;
- (ee) will pay all premiums and sums of money necessary in relation to any policy or policies of insurance maintained by a Loan Party as the same shall become due;
- (ff) within 10 Business Days of creating or acquiring any Subsidiary (or in the case of the Parent Group, any Subsidiary which carries on business in North America the same as, similar to or related to the Borrower's business), the Borrower or the Parent Group, as applicable, will cause such Subsidiary to provide the Security required by Section 11 and such other Security as the Lender may reasonably require, in each case, in form and substance acceptable to the Lender, acting reasonably, together with such other supporting documentation and legal opinions as the Lender may reasonably require. The Borrower or the Parent Group, as applicable, will notify the Lender upon the creation or acquisition of any new Subsidiary promptly upon the creation or acquisition thereof, and in any event, no later than 10 Business Days after any such creation or acquisition; and
- (gg) promptly cure or cause to be cured any defects in the execution and delivery of any of the Loan Documents or any defects in the validity or enforceability of any of the security agreements and at their expense (to the extent the Borrower was responsible for any such defect or default), execute and deliver or cause to be executed and delivered, all such agreements, instruments and other documents as

the Lender may consider necessary or desirable, acting reasonably, for the foregoing purposes.

SECTION 14 NEGATIVE COVENANTS

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

- (a) permit any material change in a Loan Party's business or operations;
- (b) except as it pertains to the Lands or the Fiera Equipment, sell or otherwise dispose of any of its assets – outside the ordinary course - by conveyance, transfer, lease or otherwise where net proceeds from any sale or disposition of assets unless:
 - (i) for a conveyance, transfer or lease less than Two Hundred Fifty Thousand (\$250,000.00) Dollars: the net proceeds of such conveyance, transfer or lease are reinvested in the business of the Loan Party within one hundred eighty (180) days; or
 - (ii) for a conveyance, transfer or lease equal to or greater than Two Hundred Fifty Thousand (\$250,000.00) Dollars: the Lender has provided prior approval for such conveyance, transfer or lease and no Event of Default has occurred or will result from such conveyance, transfer or lease;
- (c) sell or otherwise dispose of the Lands, or any portion thereof, by conveyance, transfer, lease or otherwise;
- (d) other than in relation to the Security, Permitted Future Finance Leases and Permitted Encumbrances, create, assume or permit to exist any Encumbrance on any of the Collateral;
- (e) at any time that:
 - (i) the Debt Service Coverage is less than 2:1, make any Distribution except with the express written consent of the Lender; and
 - (ii) the Debt Service Coverage is equal to or greater than 2:1, make any Distribution where an Event of Default has occurred and is continuing or the making of such Distribution would result in the occurrence of an Event of Default;other than those Distributions which are made by payment in additional Equity Interests or are otherwise not paid or payable in cash;
- (f) make any payments or transfer any of their undertaking, properties, rights or assets to any person without due consideration which in any manner diverts, or could result in the diversion of, assets and/or opportunities of a Loan Party to such other person;
- (g) reduce its capital or make any distribution of assets (other than Distributions permitted under subsection (e) above);
- (h) redeem or purchase any of its present or future outstanding Equity Interests or otherwise retire or pay off any such Equity Interests;

- (i) do or suffer anything to be done whereby any policy or policies of insurance maintained by a Loan Party may become vitiated; if such Loan Party shall fail to insure or cause to be insured all of its assets or any part thereof, or to pay or cause to be paid the premiums with respect to such insurance or to deliver the policies or contracts as aforesaid or if the Lender receives notice of the intended cancellation of any such policy or contract, the Lender shall be entitled to insure all of its assets, provided however that the Lender shall not be bound to insure all of its assets or, in the event of insuring all of its assets to insure any other than the interest of the Lender only, or to see to the payment of the premiums on any policy or be liable or responsible for any loss arising out of any defect in any policy or failure of any insurance company to pay for any loss thereunder;
- (j) make a loan to or investments in any person (other than to another Loan Party);
- (k) lend any amount to any shareholder, director or officer of a Loan Party (other than to another Loan Party) or person whose relationship to them is non-arms-length as that term is defined in the *Income Tax Act* (Canada) or lend any amount to any other person, firm or corporation, other than in the ordinary course of such Loan Party's business;
- (l) other than in relation to the Loan Documents, become a guarantor of any obligation nor become endorser in respect of any obligation or otherwise become liable upon any note or obligation of any nature or kind whatsoever except for the benefit of the Lender;
- (m) surrender its Certificate of Incorporation, voluntarily wind up its business or take any other steps toward discontinuance of its business;
- (n) change its present Fiscal Year;
- (o) change its name, or the location of its place of business, if it has only one place of business, or its chief executive office without giving the Lender 30 days prior written notice;
- (p) merge, amalgamate or consolidate with or into any other person or corporation, or enter into any transaction or proceeding (whether by way of amalgamation, merger, winding-up, consolidation, arrangement, plan or arrangement, reorganization, transfer, sale, lease or otherwise) whereby any of their undertaking, properties, rights or assets would become the property of any other person or entity, or in the case of amalgamation, of the continuing corporation resulting therefrom, other than a merger, amalgamation, consolidation, transaction or proceeding where the Borrower gives prior written notice thereof to the Lender and the effect thereof is that the Borrower sells all or substantially all of its assets, or the Parent Group ceases to be the holder of the Equity Interests in the Borrower; provided that, the Lender is satisfied with the terms and structure thereof, and such purchaser of the assets, or the Person proposed to be the holder of the Equity Interests, if applicable, provides satisfactory evidence to the Lender (in its sole discretion) that it is financially and operationally able to perform or cause the performance of the terms reflected hereby and the Security contemplated herein, and/or the Parent Group, Loan Parties, and continuing corporation shall grant in favour of the Lender such new and/or replacement Security to the satisfaction of the Lender, including, without limitation, a reaffirmation and confirmation in respect of the Security, and a new limited recourse guarantee and pledge of equity interests with stock transfers endorsed in blank, and deliver replacement share certificates in respect thereof within 10 days of such reorganization ("**Permitted Restructuring**");

- (q) destroy any of its material financial records;
- (r) enter into any contract or arrangement of any nature or kind which would, or would reasonably be expected to, materially adversely affect the Borrower's assets and the Security;
- (s) make unfinanced capital expenditures in any Fiscal Year in excess of the sum of Two Hundred Fifty Thousand (\$250,000) Dollars;
- (t) during the term of this Agreement, have Purchase Money Obligations or Finance Lease Obligations having annual payment obligations of more than \$2,000,000.00 in the aggregate without prior written consent of the Lender;
- (u) remove any Chattels forming part of each Loan Party's assets from the Province of Alberta;
- (v) permit a Loan Party to default in its obligations pursuant to any Material Agreement which is not waived or, if applicable, cured within the permitted time period provided under such Material Agreement;
- (w) incur or repay any Funded Debt, other than pursuant to or as otherwise expressly permitted under this Agreement, except for Funded Debt secured by the Permitted Encumbrances or any arm's length trade debts, obligations or other liabilities incurred in the ordinary course of business; and
- (x) do any other act that by the terms of the Loan Documents it is not permitted to do unless the applicable term of such Loan Document is inconsistent with the terms hereof.

SECTION 15 FINANCIAL COVENANTS

15.1 During the term of this Agreement, the Borrower covenants with the Lender that ~~commencing April 1, 2022:~~

- (a) the ratio of Total Senior Funded Debt to EBITDA shall at all times within such specified period, but tested on a rolling four quarter and consolidated basis, be equal to or less than:
 - (i) ~~10.00:1~~ 170.00:1 as at June 30, ~~2022;~~
 - (ii) ~~7.50:1 as at September 30, 2022;~~
 - (iii) ~~14.50:1 as at December 31, 2022;~~
 - (iv) ~~13.50:1 as at March 31, 2023;~~
 - (v) ~~12.50:1 as at June 30, 2023; and~~
 - (ii) ~~(vi) 6.50:~~ 18.50:1 as at September 30, 2023; and
 - (iii) 6.50:1 as at December 31, 2023.
- (b) the ratio of Debt Service Coverage shall at all times, but tested on a rolling four quarter and consolidated basis, be equal to or greater than:
 - (i) ~~0.50:~~ 10.10:1 as at June 30, ~~2022;~~

~~(ii) 0.50:1 as at September 30, 2022;~~

~~(iii) 0.25:1 as at December 31, 2022;~~

~~(iv) 0.25:1 as at March 31, 2023;~~

~~(v) 0.75:1 as at June 30, 2023; and~~

(ii) ~~(vi)~~ 1.25:1 as at September 30, 2023; and

(iii) 1.25 as at December 31, 2023.

(c) the Current Ratio shall at all times, but tested on a quarterly basis, be equal to or greater than:

~~(i) 1.00:1 as at June 30, 2022;~~

~~(ii) 1.00:1 as at September 30, 2022;~~

~~(iii) 1.25:1 as at December 31, 2022;~~

~~(iv) 1.25:1 as at March 31, 2023;~~

(i) ~~(v)~~ 1.00:1 as at June 30, 2023; and

(ii) ~~(vi)~~ 1.00:1 as at September 30, 2023; and

(iii) 1.00:1 as at December 31, 2023.

15.2 Prior to ~~September 30,~~December 31 2023, the Borrower and the Lender agree to set additional thresholds for the above noted financial covenants, based on such financial statements, projections, other information and documentation of the Borrower as the Lender may reasonably require.

SECTION 16 REPORTING

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

(a)

(a) audited financial statements of the Borrower within one hundred and twenty (120) days of the end of the Fiscal Year, along with a report showing calculations of financial covenants and a Compliance Certificate signed by an officer of the Borrower;

(b) unaudited internally prepared, monthly financial statements of the Borrower within thirty (30) days of the end of each month, along with a report showing calculations of financial covenants, a Compliance Certificate and a comparison to budget and the same period for the year previous signed by an officer of the Borrower is to be included with the reporting package;

(c) a business plan and monthly operating budget for the coming Fiscal Year within thirty (30) days of the end of each Fiscal Year, including a financial forecast,

including income statements, capital expenditures statements, capital expenditure, budget, balance sheet, cash flow, detailed list of assumptions and projected compliance ratios along with (after the first Fiscal Year) management discussion and analysis of any deviation of more than 10% from the prior Fiscal Year;

- (d) a report setting out the sales by the Borrower of Aggregate in the last month and the proceeds of sale of Aggregate actually received in the last month by the Borrower within thirty (30) days of each month end;
- (e) a report on all equipment (as defined in the Alberta *Personal Property Security Act*) purchased and sold which has a purchase or sale price, as applicable, in excess of \$50,000, including costs incurred in such sales and application of proceeds of sale, within one hundred and twenty (120) days of the end of the Fiscal Year;
- (f) a compliance report signed by an officer of the Borrower within thirty (30) days of the end of each month, the effect that full payment has been made of all source deductions (employee deductions, CPP, employment insurance and goods and services tax) required by the applicable government authority have been paid in full and there are no principal interest arrears, all property taxes have been paid and Borrower is in full and complete compliance with conditions of its Funded Debt;
- (g) such additional financial information with respect to the Borrower as and when reasonably requested by the Lender; and
- (h) forthwith, particulars of any occurrence which constitutes an Event of Default, or of any action, suit or proceeding, pending or to the Borrower's knowledge threatened against the Borrower.

16.2 The Lenders shall be entitled to have an observer present at all meetings of the Board of Directors of the Borrower and shall be provided no less than 48 hours' notice of any board meeting. All costs incurred by Lender attending board meetings accrue to the account of Lenders, other than with respect to any meetings of the Board of Directors held by way of a web based video conference system or conference call.

SECTION 17 REPRESENTATIONS

17.1 Each Loan Party represents and warrants that:

- (a) each Loan Party: (i) is a corporation or company has been duly incorporated, amalgamated or continued, as the case may be, and is validly subsisting as a corporation or company and qualified to do business under the laws of its jurisdiction of incorporation, amalgamation, or continuance, as the case may be, (ii) that is not a corporation or company has been duly created or established as a partnership, limited partnership, trust or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) has not adopted or designated any name (including any French name) except as set forth on Schedule "H";
- (b) each Loan Party is in compliance with all material laws, regulations and orders of any Governmental Authority applicable to it or its property and all material indentures, agreements and other instruments binding upon it or its property;
- (c) each Loan Party has full power, authority and capacity to execute and deliver the Loan Documents to which it is party and to carry out the transactions contemplated herein and therein, all of which have been duly and validly authorized by all

necessary corporate proceedings and that the documents hereinbefore referred to have been duly executed and delivered by such Loan Party;

- (d) neither the execution nor delivery of a Loan Document, nor the fulfillment of or compliance with the terms and provisions thereof will contravene any provision of law, including, without limitation, any statute, rule, regulation, judgment, decree, order, franchise or permit applicable to a Loan Party or conflict with or result in a material breach of the terms, conditions or provisions of or constitute a default under any agreement or instrument to which such Loan Party is now a party or by which any of its property or assets may be bound or affected;
- (e) each Loan Document constitutes legal, valid and binding obligations of the each Loan Party enforceable in accordance with their respective terms, except as enforceability may be limited by general principles of equity and by bankruptcy and insolvency laws;
- (f) except as disclosed to the Lender in Schedule “J”, to the best of its knowledge and belief, there are no pending or threatened actions or proceedings before any Court or administrative agency which may materially adversely affect the financial condition or operations of the Loan Parties;
- (g) the contents of all documents furnished to the Lender by or on behalf of a Loan Party to induce the Lender to lend the monies hereunder are true and correct in all material respects and accurately set out all the facts contained therein and do not omit any fact necessary in order to make such information not misleading in any material way;
- (h) all financial information and statements which have been delivered to the Lender are true and accurate and have been prepared in accordance with Generally Accepted Accounting Principles consistently applied and fairly represent the financial position of the person or entity which each purports to reflect and the financial position so reflected has not suffered, or could not reasonably be expected to have suffered, either individually or in the aggregate, any Material Adverse Effect to the date hereof;
- (i) other than in relation to Permitted Encumbrances, each Loan Party and its assets are not a party to or bound by any contract, agreement or undertaking or subject to any restriction in constating documents or to any other corporate, contractual or personal restriction or inhibition howsoever imposed that would materially or adversely affect the business, property, assets or financial condition of such Loan Party;
- (j) each Loan Party lawfully owns and is lawfully in possession of all of its assets and that it has a good right and lawful authority to grant, convey, assign, transfer, hypothecate, mortgage, pledge and charge its assets as provided herein and in the Security;
- (k) other than in relation to the Permitted Encumbrances, there are no Encumbrances of any nature or kind in existence or promised which are in any manner capable of becoming registered so as to give priority of same to the detriment of the Security;
- (l) there are no outstanding judgments or awards against the Loan Parties, except as have been disclosed to the Lender in writing;

- (m) except as disclosed to the Lender in Schedule "J", there is no fact known to the Loan Parties which materially or adversely affects or to the extent reasonably foreseeable by the Loan Parties is reasonably expected in the future to materially or adversely affect the business prospects or financial condition of the any of the Loan Parties or their assets;
- (n) each Loan Party has filed all material tax returns which are required to be filed by it and has paid all taxes and claims arising therefrom ranking in priority to the Encumbrances created by the Security (including interest and penalties) which are due and payable, unless such payment is being contested in good faith by appropriate proceedings and adequate reserves, as determined by the Lender acting reasonably, are held in respect thereof;
- (o) the authorized capital of the Loan Parties is as set out in the attached Schedule "C";
- (p) each Loan Party owns, or is licensed to use, all trademarks, tradenames, copyrights, patents or other intellectual property material to its business, and the use thereof by such Loan Party does not infringe upon the rights of any other person;
- (q) (i) as of the date hereof, none of the Loan Parties is in default under any of their respective obligations and, except as disclosed to the Lender in Schedule "J", there are no actions, suits or proceedings, pending or, to their knowledge, threatened, against or affecting any of them and (ii) none of the Loan Parties is in default under any of their respective material obligations and, except as disclosed to the Lender in Schedule "J", there are no material actions, suits or proceedings, pending or, to their knowledge, threatened, against or affecting any of them;
- (r) except as disclosed to the Lender in Schedule "J", none of the Loan Parties are aware of any facts or circumstances that would have a material adverse impact on the value of the Collateral;
- (s) as of the date hereof, both before and after giving effect to (a) the financing transaction to be consummated on the date hereof and (b) the payment and accrual of all fees, costs and expenses in connection therewith, each Loan Party is and will be solvent;
- (t) the ownership structure set out in Schedule "H" accurately reflects the organizational and ownership structure of each Loan Party as at the date hereof. The Relevant Jurisdictions for each of the Loan Parties are set forth on Schedule "H"; and
- (u) no event or circumstance has occurred which has had or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, which has not been fully and accurately disclosed to the Lender in writing.

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

SECTION 18 EVENTS OF DEFAULT

18.1 Each of the following shall constitute an Event of Default:

- (a) if the Borrower shall make default in payment of any principal or interest in regard to the Indebtedness;
- (b) if any Loan Party should default or be in breach of the performance or observance of any part of the covenants, agreements, conditions on the part of such Loan Party to be kept, observed, performed or given hereunder or under the Loan Documents or should any other person, firm, or company being a party to Loan Document fail to carry out or observe any covenant or condition herein or therein on its part to be observed or performed and such deficit or failure is not cured by such Loan Party within thirty (30) days following receipt of notice from the Lender;
- (c) if any representation or warranty made by a Loan Party with respect to a Loan Document or any other information provided in support of the Borrower's application to the Lender for the Credit Facilities is found to be materially incorrect and such incorrect representation or warranty has not remedied within thirty (30) days after written notice of such incorrect representation or warranty is given to the Borrower by the Lender;
- (d) if any Loan Party shall create or attempt to create any mortgage or charge or permit any Encumbrance to be created or arise on any of its assets except a Permitted Encumbrance;
- (e) if a Loan Party should fail to pay any charges, rents, taxes, or rates on leasehold property, or other charges of a like nature, or if a Loan Party fails to observe and perform any of the covenants, payments or conditions in any lease, license, concession, agreement, mortgage, agreement for sale, charge or Encumbrance and such failure or default could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect;
- (f) if a Loan Party defaults under any Material Agreement to which it is a party and such failure or breach is not waived, remedied or cured by such Loan Party within thirty (30) days;
- (g) if a Loan Party makes default in the payment of the principal or interest in relation to any other borrowed money, credit facilities or mortgages, and such default is not cured or waived within the earlier of ten (10) Business Days of notice or any applicable cure period provided for thereunder;
- (h) if a Loan Party makes default in the performance of any term, condition or covenant contained in any instrument under which any Funded Debt in an amount exceeding \$100,000 is outstanding and such default is not cured or waived within any applicable cure period provided for thereunder;
- (i) if an order shall be made or an effective resolution passed for the winding-up of a Loan Party or any member of the Parent Group, or if a petition is filed for the winding-up of such Loan Party or member of the Parent Group;
- (j) if a Loan Party or any member of the Parent Group shall make an assignment for the benefit of creditors or be declared bankrupt, or if a custodian or receiver or receiver and manager or other officer with similar powers be appointed with respect to such Loan Party or member of the Parent Group or any of its property or if such Loan Party or member of the Parent Group makes or files a notice of intention to make a proposal or otherwise takes advantage of provisions for relief under the *Bankruptcy and Insolvency Act* or the *Companies' Creditors Arrangement Act* (or equivalent legislation in the promulgated pursuant to the laws of the United States

of America) as now or hereafter in force or makes any arrangement with its creditors pursuant to the terms of the *Business Corporations Act* of Alberta (or equivalent legislation in the promulgated pursuant to the laws of the United States of America) as now or hereafter in force;

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

- (r) if the Security shall cease to be in full force and effect and/or ceases to rank in the priority contemplated herein against the Collateral, or the validity thereof or the applicability thereof to this Agreement or of any of the obligations of a Loan Party thereunder or hereunder shall be disaffirmed by or on behalf of such Loan Party;
- (s) if any default occurs under any other credit, facility or security agreement to which a Loan Party or any member of the Parent Group is a party and such breach continues for ten (10) days after such Loan Party or member of the Parent Group shall have received written notice of same;
- (t) if a Loan Party makes a Distribution except as otherwise permitted hereunder;
- (u) if the Security is or becomes illegal, invalid, prohibited or unenforceable and/or ceases to rank in the priority contemplated herein against the Collateral; and
- (v) if a Material Adverse Change has occurred.

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

SECTION 19 ENVIRONMENTAL INDEMNITY

19.1 Each Loan Party hereby represents and warrants that its business and assets and are operated in compliance with applicable Environmental Laws and that, except as disclosed to the Lender in Schedule "J", to its knowledge, no enforcement action in respect thereof is threatened or pending, and covenants to continue to so operate. If (i) a Loan Party has knowledge of or (ii) if the Lender, at any time, has a reasonable basis to believe that the property of a Loan Party has had a Hazardous Discharge, or remediation work to the Lands is required, including, without limitation, remediation to the Purchased Pits, or is subject to any Environmental Complaint, then each Loan Party shall provide the Lender with such reports, certificates, environmental audits, engineering studies or other written material or data as the Lender, acting reasonably, may require from it so as to satisfy the Lender that the Loan Parties, as applicable, are in compliance with all applicable Environmental Laws. If the Lender is required to expend any funds in compliance with applicable Environmental Laws or court orders in respect thereof in respect of the operations or assets of a Loan Party, each Loan Party shall indemnify the Lender in respect of such expenditures as if an Advance had been made to the Borrower under this Agreement for such purpose.

SECTION 20 PRESERVE SECURITY

20.1 In the event that a Loan Party shall fail to pay or cause to be paid any sum payable by it, whether according to the terms of this Agreement or otherwise, when they become payable, or shall fail to repair or cause to be repaired any buildings or improvements on the Lands, the Lender may, without prejudice to any other rights available to the Lender, pay said sum or make arrangements for such repairs and the Lender may make such other expenditures as it deems necessary so as to protect any Security or to perfect title to any Security and all

sums so expended or Indebtedness incurred by the Lender, together with all costs, charges and expenses, including legal fees as between a solicitor and his client, shall be added to and form part of the Indebtedness and be secured by the Security and bear interest until paid at a rate equal to the rate of interest specified herein.

SECTION 21 SUBORDINATION/INTERCREDITOR ARRANGEMENTS

21.1 Upon the Borrower establishing credit facilities with an operating lender for the sole purpose of financing the operating expenses of the Borrower, the Lender shall, within a reasonable period of time, enter into an inter-creditor agreement with such operating lender to, *inter alia*, address the rank and priority of the operating facilities, and pursuant to which the Lender shall subordinate to such operating lender's interest in the Borrower's accounts receivables and Inventory (but explicitly excluding the proceeds of sale of the Inventory payable to the Lender in accordance with the terms herein to repay the Facility B Principal).

SECTION 22 FURTHER SECURITY

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

SECTION 23 DEEMED REINVESTMENT

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

SECTION 24 LEGAL FEES

24.1 All legal fees and disbursements of the Lender related to the preparation of this Agreement, the other Loan Documents and any amendments, restatements, replacements, extensions or any other modifications thereto, shall be paid by the Borrower within five (5) Business Days of presentation of applicable invoices, and if the Borrower fails to make such payment within the required deadline, the Borrower hereby irrevocably authorizes the Lender to debit the Borrower's account set out in Schedule "D" hereto, for the purpose of making such payment set out in the applicable invoice.

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

SECTION 25 ENFORCEMENT

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

SECTION 26 NO MERGER

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

SECTION 27 RIGHT OF APPLICATION

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

SECTION 28 TERMINATION

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

SECTION 29 TAXES

29.1 The following shall apply as to taxes payable (excluding income taxes of the Lender):

- (a) any and all payments by or on account of any obligation of a Loan Party hereunder shall be made free and clear of and without deduction for any taxes; provided that if a Loan Party shall be required to deduct any taxes from such payments, then (i) the sum payable shall be increased as necessary so that, after making all required deductions (including deductions applicable to additional sums payable under this Section), the Lender receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Loan Party shall make such deductions and (iii) the Loan Party shall pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.
- (b) in addition, each Loan Party shall pay any such taxes to the relevant Governmental Authority in accordance with Applicable Law.
- (c) each Loan Party shall indemnify the Lender, within 10 days after written demand therefor, for the full amount of any such taxes paid by the Lender, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to a Loan Party by the Lender, shall be *prima facie* evidence absent manifest error.
- (d) if requested by the Lender from time to time, each Loan Party shall deliver to the Lender the original or a certified copy of a receipt issued by the applicable Governmental Authority, a copy of the return reporting payment, or such other evidence reasonably satisfactory to the Lender evidencing payment of taxes by the Loan Party.

SECTION 30 INCORPORATE TERMS

30.1 Subject to Section 31, the terms of the Security form a part of this Agreement as if the terms thereof were expressly and specifically set forth or stated herein.

SECTION 31 CONFLICT

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

SECTION 32 NOTICES

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

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

Resource Land Holdings, LLC
1400 16th St, Suite 320
Denver, CO 80209

Attention: Byron Levkulich, CFA, CPA, Director
Email: Byron.Levkulich@RLHoldings.com

(ii) if to the Lender, then:

Fiera Private Debt Fund V LP
Fiera Private Debt Fund VI LP
RBC Plaza South Tower
200 Bay Street, Suite 3800
Toronto, Ontario M5J 2T6

Attention: Russell French, Managing Director
Email: rfrench@fieracapital.com

with a copy to:

Fiera Private Debt Inc.
1699, boulevard Le Corbusier, Bureau 400
Laval, Québec H7S 1Z3

Attention: Brian Ko
Email: bko@fieracapital.com

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

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

SECTION 33 HEADINGS

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

SECTION 34 GOVERNING LAW

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

SECTION 35 ADDITIONAL AGREEMENTS

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

SECTION 36 REVIEW

36.1 The Lender may conduct periodic reviews of the affairs of the Loan Parties, as and when determined by the Lender for the purpose of evaluating the financial condition of the Loan Parties. Each Loan Party shall make available to the Lender such financial statements and other information and documentation as the Lender may reasonably require and shall do all things reasonably necessary to facilitate such review.

SECTION 37 SCHEDULES

37.1 The Schedules attached hereto are incorporated into this Agreement by reference

SECTION 38 TIME OF ESSENCE

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

SECTION 39 PAYMENT OF MONIES

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

SECTION 40 DUE DATE EXTENDED

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

SECTION 41 UNENFORCEABLE TERMS

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

SECTION 42 SURVIVAL OF REPRESENTATIONS AND WARRANTIES

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

SECTION 43 JOINT AND SEVERAL

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

SECTION 44 AMENDMENTS

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

SECTION 45 ENTIRE AGREEMENT

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

SECTION 46 COUNTERPARTS; ELECTRONIC SIGNATURE

46.1 This Agreement may be executed by one or more of the parties hereto on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same agreement and shall become effective when all counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart. Each party agrees that the electronic signatures, whether digital or encrypted, of any party included in this Agreement shall be as effective as delivery by the parties of a manually executed copy of this Agreement and is intended to authenticate this writing and to have the same force and effect as manual signatures.

SECTION 47 NO WAIVER

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

SECTION 48 ASSIGNMENT

48.1 This Agreement may be assigned by the Lender prior to the occurrence of an Event of Default with the prior written consent of the Borrower and after the occurrence of an Event of Default without consent, in which event the Borrower shall attorn in all respects to such assignment and the assignee thereof. No Borrower may assign this Agreement without the consent of the Lender, provided, however, that the Lender shall upon prior written request by the Borrower provide consent to an assignment of this Agreement in the case of a Permitted Restructuring as approved hereunder.

SECTION 49 SINGULAR, PLURAL AND GENDER

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

SECTION 50 ENUREMENT

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

[SIGNATURES FOLLOW ON NEXT PAGE]

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

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

Per:

Name:

Title:

Per:

Name:

Title:

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

Per:

Name:

Title:

Per:

Name:

Title:

MANTLE MATERIALS GROUP, LTD.

Per:

Name:

Title:

Per:

Name:

Title:

Schedule "A"

PERMITTED ENCUMBRANCES

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

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

such purchase money obligation was incurred and (ii) such purchase money obligation is not prohibited pursuant to Section 14.1(t);

- (k) landlords' liens or any other rights of distress reserved in or exercisable under any lease of real property for rent and for compliance with the terms of such lease; provided that such lien does not attach generally to all or substantially all of the undertaking, assets and property of the Borrower;
- (l) deposits to secure performance of (i) bids, tenders, contracts (other than contracts for the payment of money), (ii) leases of real property entered into in the ordinary course of business, in each case, to which the Borrower is a party, or (iii) letters of credit or bonds securing the Borrower's reclamation and remediation obligations under surface material agreements and royalty agreements;
- (m) the Security Documents and the Security;
- (n) the Permitted Future Finance Leases;
- (o) the Permitted Future PMOs;
- (p) the Permitted Future Working Capital Security;
- (q) the Permitted Future Subordinated Debt Security; and
- (r) the Security Interest in favour of ATB attaching to the ATB Aggregate and any proceeds thereof, including a real property mortgage (provided the mortgage does not secure Debt for longer than a 4 year term, with payment amounts calculated on the basis of a not shorter than 20 year amortization, and with an interest rate of not greater than 3.5%) granted by Mantle in favour ATB in respect of the lands legally described as:

The North East Quarter of Section Thirty Five (35)
Township Fifty Six (56)
Range Six (6)
West of the Fourth Meridian
Containing 64.7 Hectares (160 Acres) more or less
Excepting thereout: Hectares (Acres) more or less
A) Plan 6430 KS – Road 0.417 (1.03)
B) Plan 395 RS – Road 0.615 (1.52)
C) Plan 9222585 – Road 0.407 (1.01)
Excepting thereout all mines and minerals

and

The South West Quarter of Section Eleven (11)
Township Fifty Seven (57)
Range Six (6)
West of the Fourth Meridian, lying to the west of the westerly limit of land required for railway purposes, as shown on Plan 7521297 and south of the south limit of Road Plan 3445BM, containing 7.17 hectares (17.72 acres) more or less
Excepting thereout all mines and minerals and the right to work the same

Schedule "B"

COMPLIANCE CERTIFICATE

**FIERA PRIVATE DEBT FUND V LP
- AND - FIERA PRIVATE DEBT FUND VI LP**

200 Bay Street, Suite 3800
Toronto, Ontario M5J 2T6
E-mail: rfrench@fieracaptial.com

This Compliance Certificate is provided pursuant to the loan agreement made effective the 26 day of April, 2021, as amended by a first amendment dated effective October 19, 2022, and a second amendment dated effective June 12, 2023 (as the same may be further amended, restated, modified, supplemented or replaced from time to time, the "**Loan Agreement**") among Mantle Materials Group, Ltd., as borrower (the "**Borrower**") and Fiera Private Debt Fund V LP, by its general partner Fiera Private Debt Fund GP Inc., and Fiera Private Debt Fund VI LP, by its general partner Fiera Private Debt Fund GP Inc., as lenders (collectively, the "**Lender**"). All terms and expressions used herein but not otherwise defined shall have the same meanings herein as are ascribed thereto in the Loan Agreement.

The Borrower represents and warrants as follows:

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

[NTD: To be included for applicable reporting periods only.] [The Borrower hereby certifies that as follows:

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

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

[SIGNATURES FOLLOW ON NEXT PAGE]

DATED this _____ day of _____.

MANTLE MATERIALS GROUP, LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

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

[See attached]

SCHEDULE "C"
SHARE CAPITAL

MANTLE MATERIALS GROUP, LTD.	
Shareholder	Number and Class of Shares
RLF Canada Holdings Limited	58,086.6477 Class A shares

SCHEDULE "D"

PRE-AUTHORIZED PAYMENT AUTHORITY

[See attached]

SCHEDULE "E"

AMORTIZATION AND PAYMENT SCHEDULE OF THE LOAN

[See attached]

SCHEDULE "F"

MATERIAL AGREEMENTS

1. 216 Dispositions

- (a) Surface Material Lease No. 080085 in favour of 216 dated April 26, 2012 in respect of Aggregate Pit JLG 3 located within NW-12-63-19 W4M and SW-13-63-19 W4M.
- (b) Surface Material Lease No. 100085 in favour of 216 dated June 24, 2016 in respect of Aggregate Pit JLG 4 located within NE-12-63-19 W4M and NW-12-63-19 W4M.
- (c) Surface Material Lease No. 110025 in favour of 216 dated February 11, 2014 in respect of Aggregate Pit JLG 5 located within NE-11-61-18 W4M.
- (d) Surface Material Lease No. 110026 in favour of 216 dated April 11, 2012 in respect of Aggregate Pit JLG 6 located within SE-11-61-18 W4M.
- (e) Surface Material Lease No. 110045 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 7 located within SE-15-61-18 W4M and NE-15-61-18 W4M.
- (f) Surface Material Lease No. 110046 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 8 located within NE-15-61-18 W4M and NW-15-61-18 W4M.
- (g) Surface Material Lease No. 120006 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 11 located within NW-14-61-18 W4M.
- (h) Surface Material Lease No. 120100 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 12 located within SE-21-61-18 W4M.
- (i) Surface Material Lease No. 110047 in favour of 216 located within SE-15-61-18 W4M, SW-15-61-18 W4M, and NW-15-61-18 W4M.
- (j) Surface Material Lease No. 120005 in favour of 216 located within SW-14-61-18 W4M and NW-14-61-18 W4M.
- (k) Surface Material Lease No. 060060 in favour of 216 located within SW-13-65-18-W4M.
- (l) Department Licence of Occupation 170011 in favour of 216 located within SE-13-65-18-W4M and SW-13-65-18-W4M.

2. JMB Dispositions

- (a) Surface Material Lease No. 120027 in favour of JMB located within SW-30-63-08-W4M.
- (b) Surface Material Lease No. 930040 in favour of JMB located within SE-23-61-07-W4M.
- (c) Surface Material Lease 980116 in favour of JMB located within SW-21-63-12-W4M.
- (d) Department Miscellaneous Lease 120032 in favour of JMB located within NW-20-74-8-W4M.

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3. Royalty Agreements

- (a) Royalty Agreement made as of April 26, 2022 between Mantle and Lafarge in respect of the Aggregate Pit referred to as Oberg for which Lafarge had registration number 15215-01-01 located on lands described as SE-5-62-7-W4 and having 159.88 acres.
- (b) Royalty Agreement made as of October 29, 2018 between JMB and Jerry Shankowski (945441 Alberta Ltd.) in respect of an Aggregate Pit located at SW 21-56-7-W4, which Aggregate Pit is registered under the EPEA as registration no. 308161-00-00.
- (c) Royalty Agreement made as of November 8, 2018 between Helen Havener, Gail Havener and JMB in respect of the Aggregate Pit located at NW 16-56-7-W4M, which Aggregate Pit is registered under the EPEA as registration no. 17395-01-00.
- (d) Royalty Agreement made as of February 26, 2020 between Darren Andrychuk & Daphne Andrychuk and JMB in respect of the Aggregate Pit located at SW 15-57-14-W4.

4. Other Contracts

- (a) Lease dated September 1, 2011 between 489786 Alberta Ltd., as landlord, and JMB, as tenant, as amended September 3, 2015, December 12, 2016, February 26, 2018 and March 1, 2020, in respect of the lands and premises located at NW-20-61-5-4 in Bonnyville, Alberta.
- (b) Commitment Letter dated January 8, 2018 between Canadian Western Bank and 216, as amended, together with all cash collateral security delivered in connection therewith and the rights of the Vendors in respect of the letters of credit issued by Canadian Western Bank thereunder, including:
 - (i) the letter of credit in the amount of \$19,540 issued in connection with the 216 Disposition identified as SML 080085;
 - (ii) the letter of credit in the amount of \$42,010 issued in connection with the 216 Disposition identified as SML 100085;
 - (iii) the letter of credit in the amount of \$79,690 issued in connection with the 216 Disposition identified as SML 110025;
 - (iv) the letter of credit in the amount of \$77,540 issued in connection with the 216 Disposition identified as SML 110026;
 - (v) the letter of credit in the amount of \$57,030 issued in connection with the 216 Disposition identified as SML 110045;
 - (vi) the letter of credit in the amount of \$44,380 issued in connection with the 216 Disposition identified as SML 110046;
 - (vii) the letter of credit in the amount of \$25,690 issued in connection with the 216 Disposition identified as SML 120006;
 - (viii) the letter of credit in the amount of \$29,650 issued in connection with the 216 Disposition identified as SML 120100;

- (ix) the letter of credit in the amount of \$46,110 issued in connection with the 216 Disposition identified as SML 110047;
- (x) the letter of credit in the amount of \$78,110 issued in connection with the 216 Disposition identified as SML 120005; and
- (xi) the letter of credit in the amount of \$41,440 issued in connection with the 216 Disposition identified as SML 060060;
- (c) Contracts granting a licence or other right to use the Axon software, the ISNetwork software and the software provided by ComplyWorks Ltd..
- (d) Non-competition agreement dated March 22, 2019 between 541466 Alberta Ltd., Lisa Ball, Gordon Ball, and JMB.
- (e) Master Equity Vehicle Lease Agreement dated August 23, 2019 between Enterprise Fleet Management Canada, Inc. and JMB, together with Open-End (Equity) Lease Schedule in respect of 2019 Ford, Model F-150, Series XLT 4x4 SuperCrew Cab Styleside 6.5, 1FTFW1E52KFC66669.
- (f) Lease Agreement number 11145, dated June 10, 2022 between Alberta Auto Finance and Mantle in respect of a 2020 Dodge Ram 2500, 3C6UR5DJ7LG221464.
- (g) Lease Agreement number 11146, dated June 10, 2022 between Alberta Auto Finance and Mantle in respect of a 2020 Dodge Ram 1500, 1C6RR7ST5NS153795.
- (h) The Crestmark Documents
- (i) The Travelers Documents.

SCHEDULE "G"

LANDS

Pit/Agreement Name	Primary Market Served	SML #	Ownership / Lease Type	Expiration Date
216 SML Gravel Pits				
JLG 7	Smoky Lake	110045	SML	17/03/2025
JLG 6	Smoky Lake	110026	SML	10/04/2022
JLG 8	Smoky Lake	110046	SML	17/03/2025
JLG 5	Smoky Lake	110025	SML	10/02/2024
JLG 12	Smoky Lake	120100	SML	04/10/2027
JLG 4	Thorhild	100085	SML	23/06/2026
JLG 3	Thorhild	080085	SML	25/04/2022
JLG 11	Smoky Lake	120006	SML	04/10/2027
JLG 9	Smoky Lake	110047	SML	17/3/2025
JLG10	Smoky Lake	120005	SML	4/10/2027
	Smoky Lake	060060	SML	27/5/2024
JMB SML Gravel Pits				
		120027	SML	
		930040	SML	
		980116	SML	
Royalty Gravel Pits				
Shankowski Royalty Agreement	Bonnyville / Cold Lake	Private	Royalty Agreement	19/10/2028
Oberg	Bonnyville / Cold Lake	15215-01-01	Royalty Agreement	01/07/2024
Moose River	Bonnyville / Cold Lake	100043	Royalty Agreement	01/07/2024 06/01/2023
Andrychuk Royalty Agreement	Bonnyville / Cold Lake	Private	Royalty Agreement	26/02/2030
Havener Royalty Agreement	NW 16-56-7-W4	Elk Point	Royalty Agreement	Freehold
Owned Gravel Pit and Other				
JMB	Bonnyville / Cold Lake	Private	JMB-Owned	Freehold
Gagne	Bonnyville / Cold Lake	Private	JMB-Owned	Freehold
Bonnyville Premises lease	Bonnyville / Cold Lake			Leased premises

SCHEDULE "H"

OWNERSHIP STRUCTURE

Name	Jurisdiction of Incorporation/ Formation	Holder of Equity Interest	Province of Chief Executive Office	Relevant Jurisdictions of Collateral
Mantle Materials Group, Ltd.	Alberta	RLF Canada Holdings Limited	Alberta	Alberta

SCHEDULE "I"

FIERA EQUIPMENT

Year	Manufacturer	Model	Size / Capacity / Asset Type	Serial # / VIN
2008	Ford	F350 Super Duty XLT	Crew Cab Pickup Truck	1FTWW31518EE16691
2001	Toyota	7FGU30	6,000 lb LP Gas Lift Truck	61607
2015	Precision	100 Ton	100 ton Truck Scale	15-589
2012	Caterpillar	246C	Skid Steer Loader	CAT0246CVJAY08691
2013	Volvo	L220G	Articulated Wheel Loader	VCEL220GC00012444
1991	Epcor	MA-L5129	Office Trailer	2N9M08324L1013860
N/A	Magnum	N/A	Light Plant	1204671

SCHEDULE "J"

**ENVIRONMENTAL PROTECTION ORDERS ("EPO")
AND ENFORCEMENT ORDERS ("EO")**

Pit	EPO	EO
MacDonald	EPO-EPEA-35659-01	-
Megley	02	-
Kucy	03	-
Havener	04	-
Buksa	05	-
Okane	06	-
SML 060060	07	EO-WA-35659-01
SML 930040	08	-
SML 980116	09	-
SML 120027	10	-
TOTAL	10	1

Document comparison by Workshare Compare on Friday, May 19, 2023 3:13:20 PM

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Rendering set	Standard

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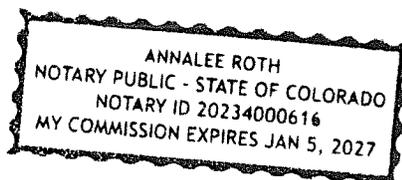
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Format changes	0

Total changes	418
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This is **Exhibit "C"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



LOAN AND SECURITY

AGREEMENT DATED

OCTOBER 8, 2021

AMONG

TRAVELERS RESTRUCTURING CAPITAL INC., having an office at 400-4180 Lougheed Highway, Burnaby, BC V5C 6A7

-AND-

MANTLE MATERIALS GROUP, LTD., having an office at 9043 22 Ave SW, Edmonton, AB, T6X 1Z6

In consideration of the covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **INTERPRETATION:** For the purpose of this Agreement:
 - (a) **“Agreement”** means this Loan and Security Agreement, as may be amended, restated or replaced from time to time together with each Schedule, unless the context otherwise requires, and “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement;
 - (b) **“ATB Agreement”** means, collectively, the letter loan agreement dated December 19, 2017 between JMB Crushing Systems ULC (an amalgamation predecessor to the Borrower) and ATB Financial (by its former name, Alberta Treasury Branches), as amended by a first amending agreement dated June 21, 2017, as further amended by a second amending agreement dated June 7, 2018 and as supplemented by an agreement governing ATB assumed debt dated as of April 26, 2021;
 - (c) **“Borrower”** means Mantle Materials Group, Ltd., and their respective permitted assigns and successors;
 - (d) **“Business Day”** means a day when Lender’s office at the address of Lender stated herein is open for business, excluding Saturdays, Sundays and statutory holidays in the Provinces of Alberta and British Columbia;
 - (e) **“Collateral”** means the Equipment and any other property and assets which are charged by the Security Documents;

- (f) “**Commencement Date**” means the loan commencement date specified in a Schedule;
- (g) “**Conditions Precedent**” has the meaning given to it in Section 4 hereof;
- (h) “**Equipment**” means the equipment and other personal property set out in a Schedule together with all additions, parts, attachments and accessories now or hereafter attached to or forming a part thereof, any substitutions, repairs, replacements, related software, and all proceeds therefrom including trade-ins, chattel paper, documents of title, contract rights, rental payments, insurance payments and other property and obligations received as a result of the equipment being sold, dealt with or otherwise disposed of;
- (i) “**Equipment Collateral**” has the meaning given to such term in Section 12 hereof;
- (j) “**Financed Amount**” means the amount stated in a Schedule as owing by Borrower to Lender or the unpaid outstanding balance thereof, as the context requires;
- (k) “**Financing Rate**” means the rate per annum payable on a Financed Amount as stated in the applicable Schedule;
- (l) “**Guarantor**” means any person or individual who guarantees the indebtedness of Borrower to Lender arising under this Agreement;
- (m) “**Lender**” means Travelers Restructuring Capital Inc. and its assigns and successors;
- (n) “**Loan**” has the meaning given to such term in Section 2 hereof;
- (o) “**Loan Documentation Fee**” has the meaning given to it in Section 8 hereof;
- (p) “**Loan Fee**” has the meaning given to such term in Section 8 hereof;
- (q) “**Loan Payment**” means in respect of a Loan, a payment of principal, principal and interest, or interest-only, as specified in the applicable Schedule;
- (r) “**Material Adverse Effect**” means a material adverse effect:
 - i. on the financial condition, business, business prospects, operations, continuance of operations, results of operation, real property or other assets of Borrower or Guarantor;
 - ii. on the validity or enforceability of this Agreement or any of the Security Documents; and

- iii. on the ability of Borrower or Guarantor, taken as a whole, to perform their obligations under this Agreement or the Security Documents;
- (s) **“Obligations”** means all debts, all present and future liabilities and obligations of the Borrower to Lender under this Agreement (for further certainty including any related Schedule) and under any of the Security Documents, or any other agreement existing from time to time between the Borrower and Lender, including but not limited to the Financed Amount, interest thereon, other amounts payable under this Agreement, a Schedule, any of the Security Documents, any other amount which may be owing by the Borrower to the Lender under the subject or any other financing agreement, or the performance of any obligations of the Borrower under this Agreement;
 - (t) **“Overdue Payment”** means any amount owing by Borrower hereunder and any sum disbursed by Lender pursuant to Section 22 which is not paid when due hereunder, or any portion thereof.
 - (u) **“Permitted Encumbrances”** means:
 - i. liens for taxes, assessments or governmental charges not yet due or delinquent;
 - ii. liens arising in connection with workers’ compensation, unemployment insurance, pension, employment or other social benefits laws or regulations which are not yet due or delinquent;
 - iii. easements, rights of way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights of way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of the Borrower;
 - iv. undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law or which relate to obligations not due or delinquent;
 - v. liens arising by operation of law such as builders’ liens, carriers’ liens, materialmens’ liens and other liens of a similar nature incurred in the ordinary course of business which relate to obligations not due or delinquent;

- vi. liens incidental to the conduct of business or the ownership of property and assets not incurred in connection with the borrowing of money or obtaining credit and which do not, in the aggregate, detract in any material way from the value or usefulness of the property and assets of the Borrower;
- vii. banker's liens, rights of set-off or compensation with respect to deposit accounts or the funds maintained with a creditor depository institution;
- viii. liens in respect of any land, any defects or irregularities in the title to such land which are of a minor nature and which, in the aggregate, will not materially impair the use of such land for the purposes for which such land is held;
- ix. liens given by the Borrower to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of the Borrower, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the Borrower;
- x. the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions and reservations to title;
- xi. liens securing purchase money obligations not exceeding an aggregate of \$100,000, provided that such security interests do not attach to the Equipment Collateral;
- xii. landlords' liens or any other rights of distress reserved in or exercisable under any lease of real property for rent, provided that such liens do not attach generally to the Equipment Collateral or all or substantially all of the undertaking, assets and property of the Borrower;
- xiii. deposits to secure performance of (i) bids, tenders, contracts (other than contracts for the payment of money), (ii) leases of real property entered into in the ordinary course of business, in each case, to which the Borrower is a party, or (iii) letters of credit or bonds securing the Borrower's reclamation and remediation obligations under surface material agreements and royalty agreements;
- xiv. security interests and charges granted in favour of ATB Financial pursuant to the ATB Agreement, provided that such security interests shall not extend to the Equipment Collateral;
- xv. security interests and charges granted in favour of the Senior Lender

pursuant to the Senior Loan Agreement, provided that such security interests shall not rank in priority to the Lender's interest in the Equipment Collateral;

- xvi. security interests and charges against Borrower or Guarantor or their respective assets granted in favour of Lender; and
 - xvii. present and future security interests and charges against Borrower or Guarantor or their respective assets that are agreed to by Lender in writing and are subject of priority or subordination agreements on terms acceptable to Lender;
- (v) “**Schedule**” means each loan schedule executed by Borrower, Guarantor and Lender from time to time and which refers to and incorporates by reference this Agreement, as it may be amended, restated or replaced from time to time;
 - (w) “**Security Documents**” has the meaning given to it in Section 13 hereof;
 - (x) “**Senior Lender**” means, collectively, Fiera Private Debt Fund VI LP, by its general partner, Fiera Private Debt Fund GP Inc. and Fiera Private Debt Fund V LP, by its general partner, Fiera Private Debt Fund GP Inc.;
 - (y) “**Senior Loan Agreement**” means the loan agreement dated as of April 26, 2021 between, *inter alios*, the Borrower and the Senior Lender;
 - (z) “**Term**” means the term specified in a Schedule; and
 - (aa) “**Termination Date**” means the loan termination date specified in a Schedule.
2. **LOAN AND LOAN PAYMENTS:** Borrower hereby acknowledges that it has borrowed from Lender and is thereby, or has otherwise become, indebted to and agrees to repay to Lender, at the address of Lender stated herein or such other place notified by Lender to Borrower, the Financed Amount, together with interest thereon, by paying the Loan Payments. Unless otherwise set out in Schedule, the first Loan Payment is payable on the first day of the calendar month following the Commencement Date and subsequent Loan Payments on the first day of each month thereafter throughout the Term. On the Termination Date, Borrower shall pay Lender the outstanding balance of the Financed Amount, all accrued and unpaid interest thereon and all other amounts payable hereunder. Loan Payments and any other amounts due are payable to Lender shall be paid without counterclaim, defence, set off or abatement. Each Schedule shall constitute a separate loan from Lender to Borrower, in each case on the terms and conditions set out in this Agreement and such Schedule (each, a “**Loan**”). In the event of any conflict between any provision of this Loan and Security Agreement and any provision in any Schedule hereto, the provision of such Schedule shall prevail with respect to the Loan affected thereby.
3. **APPLICATION OF PAYMENTS:** All Loan Payments will be applied in the following

order:

- (a) any prepayment charge or fee (if applicable);
- (b) any outstanding protective disbursements required under this Agreement, including any insurance premium payments, as applicable;
- (c) payment arrears, in the following order: (i) commitment, transaction and amendment fees, (ii) Lender costs and expenses in accordance with structuring, executing, and facilitating this Agreement, (iii) interest, and (iv) principal;
- (d) current balances, in the following order (i) commitment, transaction and amendment fees, (ii) Lender costs and expenses in accordance with structuring, executing, and facilitating this Agreement, (iii) interest, and (iv) principal; and
- (e) other amounts due and payable under this Agreement and the Schedules hereto and any amendments thereof.

Lender may apply any monies received by it, before or after default, to any debt Borrower may owe Lender under or pursuant to this Agreement or any other agreement and Lender may change those applications from time to time in its sole discretion. Notwithstanding anything to the contrary herein, any partial or late payments shall be applied against any part of the indebtedness owing hereunder by Borrower to Lender as Lender may see fit in its sole and absolute discretion and Lender shall at all times and from time to time have the right to change any application of any late or partial payment received by it and to re-apply the same on any part or parts of such indebtedness as Lender may see fit in its sole and absolute discretion, notwithstanding any previous application.

4. **CONDITIONS PRECEDENT:** The obligation of Lender to enter into any Loan and advance the Financed Amount is subject to the fulfilment of the following conditions precedent (each to be satisfied or waived in the sole discretion of Lender) (collectively, the “**Conditions Precedent**”):

- (a) approval of the loan by the credit committee of Lender;
- (b) execution of this Agreement and the Security Documents by Borrower and Guarantor (if applicable), in a form satisfactory to Lender in its sole discretion;
- (c) registration of this Agreement and Security Documents, where applicable;
- (d) payment by Borrower to Lender of any Loan Documentation Fee or Loan Fee;

- (e) receipt by Lender, on an itemized basis, of complete descriptions of the Equipment, including make (manufacturer), model number(s), serial number(s) of all major components, together with photos and original purchase orders or invoices for the Equipment, proof of registration, if applicable, and proof of payment; **[satisfied]**
- (f) receipt by Lender of the constating documents of Borrower and Guarantor, as applicable;
- (g) satisfaction of Lender's AML/KYC requirements;
- (h) an appraisal completed by an appraisal firm satisfactory to Lender, confirming a satisfactory minimum value and condition of the Equipment; **[satisfied]**
- (i) receipt of waivers and priority and subordinations agreements as required by Lender to give rise and effect to the Security Documents and to the priority rankings contemplated herein;
- (j) satisfactory review by Lender of appraisals commissioned by Borrower in respect of any real property owned by the Borrower and, if required by the Lender, reliance letters in favour of Lender from the appraiser; **[satisfied/ waived]**
- (k) satisfactory review by Lender of any and all environmental reports in respect of any real property owned by Borrower and if required by the Lender reliance letters in favour of Lender from the applicable environmental firm; **[satisfied/ waived]**
- (l) satisfactory review by Lender of any and all existing and previously issued demand notices, forbearance agreements and court materials between each of Borrower and Guarantor and their existing creditors; **[satisfied/ waived]**
- (m) satisfactory review by Lender of any and all leases with respect to tenants in occupancy of any real property of Borrower, as applicable; **[satisfied/ waived]**
- (n) Lender shall have conducted and be satisfied with an inspection of the Equipment and site inspection of Borrower's premises; **[satisfied/ waived]**
- (o) the delivery to and satisfactory review by Lender of evidence that no amounts are owed to unpaid vendors who have a right of repossession, rights of set-off, or any amounts owing to creditors which may claim priority by statute or under a lien; **[satisfied/ waived]**
- (p) satisfactory review of any and all existing lending agreements entered into by Borrower that may impact performance of Borrower of this Agreement or bind Borrower to any payment, reporting, security, or covenant obligations; **[satisfied]**

- (q) corporate and financial information on Borrower and Guarantor, including but not limited to the following:
- i. an organizational chart for Borrower highlighting shareholder ownership and collateral ownership; **[satisfied/ waived]**
 - ii. a comprehensive asset and liability summary of the Borrower, inclusive of the required fixed and floating recurring payments of principal and interest on all existing credit, lease, and rental facilities; **[satisfied/ waived]**
 - iii. a 12-month future looking pro-forma income statement for Borrower on a consolidated basis, inclusive of a year-to-date statement from the most recent fiscal year-end, plus evidence of any and all material contracts for work-in-place; **[satisfied/ waived]**
 - iv. a 13-week or 12-month future looking pro-forma cash flow forecast for Borrower on a consolidated basis, inclusive of working capital requirements, capital expenditures and forecasted accounts receivable and collections, as applicable; **[satisfied/ waived]**
 - v. unaudited financial statements for Borrower since emerging from CCAA proceedings; **[satisfied/ waived]** and
 - vi. any other financial/ownership information at the request of the Lender (acting reasonably),
- (r) receipt and satisfactory review by Lender of amended certificates of insurance for the Collateral and Borrower, including general liability insurance policy;
- (s) receipt and satisfactory review by Lender that all property taxes and utilities are fully paid and up to date for any real property of Borrower;
- (t) receipt of certificates of officer, resolutions and legal opinions, as required, by Lender;
- (u) receipt of Canada Revenue Agency representative authorization form(s) authorizing Lender view only access of Borrower Canada Revenue Agency online portal;
- (v) the delivery to and satisfactory review by Lender of evidence that all federal and provincial corporate taxes, source deductions, and sales taxes for Borrower and Guarantor are up to date, including but not limited to corporate

income tax, real property tax, statutory liens, Crown claims including employee source deductions, HST, EHT, any amounts due under *Wage Earner Protection Plan Act* and Workplace Safety and Insurance Board premiums and any other amounts owing to the Crown that would rank in priority to the Loans or the Security Documents;

- (w) satisfactory completion by Lender of all business, environmental, legal and financial due diligence, including, but not limited to, evidence that Borrower has the required licenses in place to operate the business; and
 - (x) any other conditions precedent required by Lender as set out in the Schedule relating to such Loan.
5. **TENURE OF AGREEMENT:** This Agreement will come into effect on the date it is signed by Lender and Borrower and will continue in effect as long as any Obligations remain outstanding.
 6. **INTEREST:** Each Financed Amount shall bear interest at the Financing Rate set out in the applicable Schedule from the Commencement Date until the Financed Amount is unconditionally paid in full to Lender, and shall be payable in arrears on the date of each Loan Payment. Interest payable hereunder shall accrue and be calculated daily upon the daily outstanding balance of the Financed Amount or Overdue Payment, as applicable, on the basis of the actual number of days elapsed in a year of 365 or 366 days, as the case may be. All interest payments to be made under this Agreement in respect of the outstanding balance of the Financed Amount or any Overdue Payment, as applicable, shall be paid both before and after maturity and before and after default and/or judgment, if any, until full and unconditional payment of the outstanding balance of the Financed Amount or such Overdue Payment is made. The yearly rate of interest to which each rate of interest expressed herein is equivalent is the product of (a) such rate multiplied by (b) the actual number of days in the calendar year in which it is to be ascertained divided by 365. The principle of deemed reinvestment shall not apply to this Agreement or any payments made by Borrower hereunder.
 7. **INTEREST ON OVERDUE PAYMENTS:** Each Overdue Payment shall bear interest from the date due until unconditionally paid in full to Lender at the rate of 24% per annum, compounded monthly, and shall be payable on demand by Lender.
 8. **FEEES:** In addition to the Loan Payments, Borrower will pay to Lender:
 - (a) the documentation and onboarding fee set out in each Schedule (each, a “**Loan Documentation Fee**”);
 - (b) the loan fee set out in each Schedule (each, a “**Loan Fee**”);
 - (c) a non-refundable annual management fee in the amount of 35 basis points multiplied by the outstanding Obligations, payable on the first anniversary of

this Agreement and each year thereafter so long as any Obligations remain outstanding; and

- (d) for each default by Borrower of a reporting or monitoring covenant in this Agreement, including but not limited to the reporting obligations set out in Section 18, a default fee of \$1,250.00 per default (or the re-occurrence of a previously waived or remedied default), such fee to be payable within five (5) Business Days of the relevant default. Receipt by Lender of such fee shall not constitute a waiver of such default and shall not relieve or discharge the Borrower from remedying such default.

- 9. **PREPAYMENT:** Except as may be expressly permitted in the applicable Schedule, no prepayments of the Financed Amount are permitted without the prior written consent of Lender.
- 10. **PRE-AUTHORIZED PAYMENT:** Borrower agrees that it will authorize Lender to automatically draw Loan Payments and all other fees due under this Agreement from Borrower's appointed financial institution via Borrower's pre-authorized payment plan. Payment by other means must receive Lender's prior approval and may be subject to a service fee at Lender's sole discretion.
- 11. **PURPOSE:** The Financed Amount is to be used only for the purpose specified in the applicable Schedule.
- 12. **SECURITY INTEREST:** As general and continuing security for the payment and performance of the Obligations, Borrower hereby grants to Lender and Lender hereby takes a security interest in: (a) the Equipment, (b) all present and after-acquired intellectual property and other intangibles relating to the Equipment; (c) all present and after-acquired contracts, chattel paper, intangibles or instruments, written or oral, for the sale, exchange, lease, license, rental, sublease or other disposition of any kind whatsoever of the foregoing; (d) all insurance claims and proceeds resulting therefrom with respect to any loss or damage to any of the foregoing; and (e) all proceeds of the foregoing in the form of chattel paper, documents of title, goods, instruments, intangibles, money, fixtures or investment property, (collectively, the "**Equipment Collateral**"), and as further general and continuing security for the payment and performance of the Obligations Borrower hereby mortgages, transfers, pledges, charges and assigns the Equipment Collateral to Lender. The security constituted hereby is in addition to and not in substitution of the Security Documents or any other security which Lender may from time to time hold or take from Borrower or any other person.
- 13. **SECURITY DOCUMENTS:** Borrower shall deliver or cause to be delivered to Lender as security for the Obligations, the following documents (collectively, the "**Security Documents**") completed in a form and manner satisfactory to Lender's counsel and registered where applicable:

- (a) security agreement granted by the Borrower to Lender granting a first ranking purchase money security interest in respect of the Equipment Collateral;
- (b) assignment of insurance coverage against the Collateral with Lender named as first loss payee and additional insured, as applicable;
- (c) postponement and subordination of any and all shareholder and related party loans owed to or by Borrower and related entities; and
- (d) such other security and documentation which Lender and its counsel deem advisable.

In addition to the above-listed security, the Borrower shall provide, at their expense, all such releases, waivers, subordinations, inter-creditor agreements, registrations, authorizations, certificates, acknowledgements and legal opinions as Lender and its solicitor may reasonably require to give effect to the foregoing.

14. INSURANCE:

- (a) Borrower shall obtain, and maintain for the entire Term, at its own expense, property damage and liability insurance against loss or damage to the Equipment, including without limitation, loss by fire, (including extended coverage) theft, collision and such other risks of loss as customarily covered by insurance on the type of Equipment and by prudent operators of business similar to that in which Borrower is engaged, in such amounts, in such form and with such insurers which shall be satisfactory to Lender. The amount of insurance on the type of Equipment shall not be less than the greater of the full replacement value of the Equipment or the Loan Payments then remaining and unpaid hereunder. Each insurance policy will name Borrower and Lender as insureds, will name Lender as first loss payee thereof and will contain a clause requiring the insurer to give Lender at least 30 days' written notice of any alterations in the terms of such policy or of the cancellation thereof.
- (b) In addition, Borrower shall maintain all risks property insurance in connection with its assets, including any real property, and business and other types of insurance, including liability insurance with respect to claims for personal injury, death or property damage, with respect to the operation of its business, all with responsible and reputable insurance companies in such amounts and with such deductibles as are customary in the case of businesses of established reputation engaged in the same or similar businesses and in any event as are acceptable to Lender. Each insurance policy will name Borrower and Lender as insureds, will name Lender as first loss payee thereof and will contain a clause requiring the insurer to give Lender at least 30 days' written notice of any alterations in the terms of such policy or of the cancellation thereof.
- (c) At Lender's request, Borrower shall furnish to Lender certificates of insurance,

or other evidence satisfactory to Lender, that such insurance coverage is in effect, provided, however that Lender shall be under no duty to ascertain the existence of, or to examine such insurance policy, or to advise Borrower in the event such insurance shall not comply with the requirements hereof. Borrower further agrees to give Lender prompt notice of any damage or loss of the Equipment, other assets of Borrower, or any part thereof.

- (d) Borrower will, at its expense, make all proofs of loss and take all other steps necessary to recover insurance benefits, unless advised in writing by Lender that Lender desires to do so at Borrower's expense. With respect to the Equipment, proceeds of insurance will be disbursed by Lender against satisfactory invoices for repair or replacement of Equipment provided the Loan not then be in default. Performance by Borrower under this paragraph will not affect or release Borrower from the Obligations and liabilities herein elsewhere provided.

15. REPRESENTATIONS AND WARRANTIES OF BORROWER: Borrower represents and warrants in favour of Lender that:

- (a) Borrower is a corporation duly incorporated and validly existing under the laws of its jurisdiction of formation and has all requisite power and authority to own its assets and to carry on its business as such business is presently carried on.
- (b) Borrower has full power, capacity, authority and legal right to enter into this Agreement and the Security Documents to which it is party and to do all such acts and things are required to be done, observed and performed in accordance with the terms of this Agreement and the Security Documents to which it is party.
- (c) All corporate acts and proceedings on the part of Borrower necessary to authorize the execution, delivery and performance of this Agreement and the Security Documents to which it is party have been taken by Borrower and this Agreement and the Security Documents to which it is party have been or will be duly executed and delivered by Borrower.
- (d) Except to the extent disclosed to Lender in writing, Borrower is not in default under any agreement or instrument to which it is a party and which default would have a Material Adverse Effect.
- (e) All third party consents required by Borrower and Guarantor to enter into this Agreement and observe and perform their obligations hereunder have been obtained.
- (f) Other than as disclosed in writing to Lender, there are no actions, suits or

proceedings pending or, to the knowledge of Borrower, threatened against or affecting Borrower or any of their undertakings and assets, at law, in equity or before any arbitrator or before any governmental department, body, commission, board, bureau, agency or instrumentality having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to Borrower and which could, if determined adversely, materially and adversely affect the ability of Borrower to perform its obligations under this Agreement and the Security Documents to which it is a party, and Borrower is not in default with respect to any law, regulation, order, writ, judgment, injunction or award of any government, commission, board, agency, court, arbitrator or instrumentality which would have such an effect.

- (g) Borrower is the registered and beneficial owner of its assets, including the Equipment, and has good, valid and marketable title thereto, free and clear of all mortgages, charges, liens and other encumbrances except for Permitted Encumbrances and those mortgages, charges, liens and other encumbrances which are to be discharged and released using the proceeds of the Financed Amount.
- (h) To the best of Borrower's knowledge after due and diligent inquiry, no regulated, hazardous or toxic substances are being stored on any real property of Borrower or any adjacent property except in accordance with applicable law and industry standard, nor have any such substances been stored or used on any real property of Borrower or in Borrower's business or any adjacent property prior to Borrower's ownership, possession or control of any real property except in accordance with applicable law and industry standard.

16. AFFIRMATIVE COVENANTS: Borrower hereby covenants and agrees with Lender that unless otherwise consented to in writing by Lender:

- (a) Borrower shall duly and punctually pay the Loan Payments and all fees and other amounts required to be paid by Borrower hereunder in the manner specified in this Agreement.
- (b) Borrower shall maintain its corporate existence in good standing and do or cause to be done all things necessary to keep in full force and effect all properties, rights, franchises, licenses and qualifications to carry on business in any jurisdiction in which it carries on business and it shall maintain all of its properties and assets consistent with industry standards.
- (c) Borrower shall do or cause to be done all acts necessary or desirable to comply with all material applicable federal, provincial, regulatory and municipal laws, requirements or standards, and to preserve and keep in full force and effect all material regulatory requirements, franchises, licenses, rights, privileges and permits necessary to enable Borrower to operate and conduct its business in accordance with standard industry practice and to advise Lender of any

anticipated changes, loss or sale of such material franchises, licenses, rights, privileges and permits.

- (d) Borrower shall give written notice to Lender within 2 Business Days of notice thereof of any dispute, contractual or financial in nature, litigation, proceeding or dispute affecting Borrower or Guarantor if either (a) the claim is greater than \$50,000, or (b) the result might, in Borrower's bona fide opinion, have a Material Adverse Effect on Borrower or Guarantor or on the operations of Borrower, or (c) the claim relates to or directly impacts the Equipment Collateral, and in each case from time to time furnish to Lender all reasonable information requested by Lender concerning the status of any such litigation, proceeding or dispute.
- (e) At any reasonable time during regular business hours upon reasonable prior notice (which for greater certainty is no longer than 5 Business Days), Borrower shall permit Lender or any representative thereof, at the expense and risk of Borrower, to examine and make copies of and abstracts from the records and books of account of Borrower, to visit and inspect the premises and properties of Borrower, and to discuss the affairs, finances and accounts of Borrower with any of the officers, senior employees or managers of Borrower.
- (f) Subject to Permitted Encumbrances, the Borrower shall keep the Collateral free of levies, mortgages, charges, liens and other encumbrances, and shall pay all license fees, registration fees, assessments, charges and taxes (Municipal, Provincial and Federal), which may be levied or assessed directly or indirectly against, or on account of the said Collateral or any interest therein or use thereof.
- (g) Borrower shall deliver to Lender, forthwith upon becoming aware of any default in the performance of any covenant, agreement or condition contained in this Agreement or the occurrence of an event of default, a certificate of an officer of Borrower, specifying such default or defaults or such event.
- (h) Borrower shall from time to time pay or cause to be paid all rents, taxes, rates, levies or assessments, ordinary or extraordinary, governmental fees or dues, levied, assessed or imposed upon Borrower or any of the assets of Borrower, as and when the same become due and payable, including all statutory liens, trust and other Crown claims including employee source deductions, income taxes, GST, PST, HST, EHT, WEPPA and WSIB premiums, except when and so long as the validity of any such rents, taxes, rates, levies, assessments, fees or dues is in good faith being contested by Borrower and such disputes have been previously disclosed in writing to Lender.
- (i) Borrower shall from time to time pay all rents and other amounts when the same become due and payable for any and all premises leased by Borrower.

- (j) Borrower shall disclose to Lender in writing any fact of which Borrower becomes aware which will result in a Material Adverse Effect, or so may reasonably foresee may result in a Material Adverse Effect.
- (k) Borrower must obtain Lender's prior written consent, before permitting shareholder(s) to sell or transfer their shares or before any change in effective voting control of Borrower by contractual or other means, provided that the Borrower shall not be required to seek consent for a share transfer with respect to any dispositions of shares of the Borrower related to management equity compensation in the ordinary course which do not cumulatively impact more than 10% of the shares in the capital of the Borrower and do not result in a change in effective voting control of the Borrower.
- (l) The Equipment is and shall at all times remain personal or movable property and shall not be affixed or attached to any lands, buildings, motor vehicles or other chattels without the prior written consent of Lender. In the event Lender grants its permission, Borrower shall install the said Equipment in a manner which will permit its removal without material injury to the Equipment or to the place of installation. Borrower shall be responsible for any damage done to any real estate, building or structure by the removal of the Equipment and shall indemnify and save harmless Lender therefrom. If the Equipment is to be delivered to leased premises Borrower shall advise Lender of the name and address of the landlord of such leased premises and upon Lender's request, obtain a postponement of the landlord's interest in the Equipment to the interest of Lender and a landlord access agreement on terms satisfactory to Lender. Notwithstanding the foregoing, the Equipment may be affixed or attached to other Equipment without the prior written consent of Lender.
- (m) The Equipment shall be located and used at the place designated in the Schedule and not elsewhere, without the prior written consent of Lender. Borrower shall cause the Equipment to be maintained and operated carefully in compliance with manufacturer's recommendations, and applicable laws and legislation, by competent and duly qualified personnel only, and for business purposes. Borrower shall comply with and conform to all Federal, Provincial, Municipal and other laws, ordinances and regulations in any way relating to the possession, use or maintenance of the Equipment. Lender shall have the right and Borrower shall allow Lender free access to inspect the Equipment Collateral on request.

17. NEGATIVE COVENANTS: Borrower hereby covenants and agrees with Lender that unless otherwise consented to in writing by Lender:

- (a) Borrower shall not amalgamate, merge, consolidate or otherwise enter into any other form of business combination with any other person.
- (b) Borrower shall not liquidate, dissolve or wind-up or take any steps or

proceedings in connection therewith.

- (c) Borrower shall not incur, assume, suffer to exist, or otherwise become or remain directly or indirectly liable with respect to any indebtedness, except (i) indebtedness incurred pursuant to this Agreement; (ii) indebtedness for trade payable to suppliers in the ordinary course of business, (iii) indebtedness secured by or which could be secured by Permitted Encumbrances, and (iv) indebtedness hereafter approved by Lender in writing.
- (d) Borrower shall not create, issue, incur, assume or permit to exist any mortgage, charge, lien or other encumbrance on any of the assets which are the subject of the Security Documents, other than Permitted Encumbrances.
- (e) Borrower shall not grant, sell, exchange, transfer, assign, lease or otherwise dispose of the any interest in the Collateral.
- (f) Borrower shall not (i) pay distributions or dividends on any capital stock or partnership units or pay any amount to redeem, reduce, purchase or retire in any manner any capital stock, or partnership units, including without limitation, in connection with any put option agreement entered into by Borrower and its shareholders as of the date hereof or at any time hereafter, other than distributions or dividends which are made by payment of equity interests or are otherwise not paid or payable in cash; or (ii) repay any shareholder or related party loans or debentures issued by Borrower without the consent of the Lender (acting reasonably).
- (g) Borrower may not make loans to or investments in, or give guarantees or other financial assistance on behalf of others, other than guarantees or other financial assistance by the Borrower to or to the benefit of its direct or indirect shareholders which are unsecured.
- (h) Borrower shall not pay any management, consulting or similar fees or pay any other amounts whatsoever or any income to any affiliate or to any director or senior management employee of Borrower or any affiliate thereof (“**Fees**”) other than payment of income or compensation in the amounts being paid as at the Commencement Date for reasonable services rendered to, and reimbursement of expenses reasonably incurred for Borrower or Guarantor in the ordinary course of business (“**Permitted Payments**”). Other than Permitted Payments to senior management employees, including for certainty expenses incidental to or incurred in the ordinary course of their employment, no Fees shall be paid if a default exists under this Agreement or any of the Security Documents or the making of such payment will result in a default.
- (i) Borrower shall not make any alterations to the Equipment, except for routine alterations required to improve, update or certify the Equipment which do not reduce the value of the Equipment.

- (j) The use of the Equipment shall not be changed to any use which would result in a change of capital cost allowance class.
- (k) Borrower shall not undertake any actions with respect to their business operations and/or capital structure which would, in the determination of Lender, have a Material Adverse Effect on Borrower.

18. REPORTING:

- (a) Borrower shall deliver to Lender:
 - i. unaudited internally prepared, monthly financial statements of the Borrower within thirty (30) days of the end of each month;
 - ii. a compliance report signed by an officer of the Borrower within thirty (30) days of the end of each month, the effect that full payment has been made of all source deductions (employee deductions, CPP, employment insurance and goods and services tax) required by the applicable government authority have been paid in full and there are no principal interest arrears, all property taxes have been paid and Borrower is in full and complete compliance with conditions of this Agreement;
 - iii. a report setting out the sales by the Borrower of Aggregate (as defined in the Senior Loan Agreement) in the last month and the proceeds of sale of Aggregate actually received in the last month by the Borrower within thirty (30) days of each month end, including confirmation that all royalties in respect of the Aggregate have been paid in full for such month;
 - iv. monthly, within 30 days after the end of each fiscal month of Borrower, or otherwise upon request of Lender, the financial statements of Borrower, including profit & loss statements and balance sheets and schedules of accounts receivable and accounts payable;
 - v. monthly, or such other interval at Lender's sole discretion, an updated asset listing with respect to the Equipment, which includes, but is not limited to, the location and/or storing site of the Equipment;
 - vi. a report on all equipment (as defined in the Alberta *Personal Property Security Act*) purchased and sold which has a purchase or sale price, as applicable, in excess of \$50,000, including costs incurred in such sales and application of proceeds of sale, within one hundred and twenty (120) days of the end of the fiscal year;

- vii. annually, within 120 days after the end of each fiscal year of Borrower, the audited or reviewed financial statements of Borrower, including profit & loss statements and balance sheets and schedules of accounts receivable and accounts payable and cash flow statements;
 - viii. a business plan and monthly operating budget for the coming fiscal year within thirty (30) days of the end of each fiscal year, including a financial forecast, including income statements, capital expenditures statements, capital expenditure, budget, balance sheet, cash flow and a detailed list of assumptions; and
 - ix. any further information, data, financial statements and reports, accounting or banking statements which Lender may from time to time require, acting reasonably.
- (b) In addition, Borrower agrees that Lender shall be entitled to and have the right to, but not the obligation, to request the following, each at the reasonable cost of Borrower:
- i. annually, or such other interval if Lender, acting reasonably, believes its security may be materially impaired, an updated appraisal or opinion of value in respect of the Collateral satisfactory to Lender, completed by an appraisal firm satisfactory to Lender.

19. INDEMNITY: Borrower hereby indemnifies Lender and agrees to save Lender harmless from and against all loss, cost (including taxable costs on a solicitor and client basis) and expenses (including actual legal fees and disbursements incurred by Lender) whatsoever arising in connection with this Agreement, the Equipment and the use thereof, including but not limited to its manufacture, selection, purchase order, possession, use, operation or return and recovery of claims under any insurance policy relating to the Equipment and enforcement of the rights of Lender hereunder. This indemnity will survive the termination of this Agreement.

20. DEFAULT: Each of the following is a “default”:

- (a) Borrower fails to make any Loan Payment or pay any other sum owing under this Agreement or any Security Document within 3 Business Days after the same is due and payable; or
- (b) Borrower or Guarantor shall fail to perform or observe any covenant, condition or agreement to be performed or observed by it hereunder or under the Security Documents, including any reporting requirements, provided that for the affirmative covenants contained in Section **Error! Reference source not found.** Borrower and Guarantor shall have 5 Business Days to cure any such failure; or
- (c) any representation or warranty made by Borrower or the Guarantor herein or

in any document or certificate furnished to Lender in connection herewith or pursuant hereto, including pursuant to the Security Documents, shall prove to be incorrect at any time in any material respect; or

- (d) Borrower or Guarantor fails to pay its employees in the ordinary course of business when such payments are due, provided that Borrower and Guarantor shall have 5 Business Days to cure any such default; or
- (e) Borrower or Guarantor defaults under its material obligations to governmental agencies when such obligations are due, provided that Borrower and Guarantor shall have 5 Business Days to cure any such default; or
- (f) Borrower or Guarantor fails to remit taxes or source deductions or any other amounts due to the Canada Revenue Agency when due and payable, provided that Borrower and Guarantor shall have 10 Business Days to cure any such default; or
- (g) if any event of default as defined in any indenture, agreement or instrument evidencing, or under which, any indebtedness of Borrower or Guarantor is outstanding shall have happened and be continuing, and such default either involves the failure to make any payment, whether of principal, interest or otherwise, in an amount exceeding \$50,000 or which results in the acceleration of any debt exceeding \$50,000; or
- (h) if a decree or order of a court of competent jurisdiction is entered adjudging Borrower or Guarantor a bankrupt or insolvent or approving as properly filed a petition seeking the winding-up of Borrower or Guarantor (as applicable) under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada) or the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against, or against any substantial part of the assets of Borrower or Guarantor or proceedings commenced for the dissolution, liquidation or winding-up of Borrower or Guarantor; or
- (i) if a final judgment or decree for the payment of money due shall have been obtained or entered against Borrower or Guarantor in an amount which, in the reasonable opinion of Lender, would materially and adversely affect the ability of Borrower or Guarantor to fulfill its obligations to Lender under this Agreement and such judgment or decree shall not have been and remain vacated, discharged or stayed pending appeal within the applicable appeal period; or
- (j) if any of the security, as outlined in the Security Documents, shall cease to be a valid and perfected first priority security interest in the assets charged thereby as against third parties, provided that Borrower and Guarantor shall have 5 Business Days to cure any such default; or

- (k) the occurrence of a Material Adverse Effect; or
- (l) if the Equipment or any other assets charged by the Security Documents or any material part thereof is seized under legal process, confiscated, sequestered or attached or if a distress is levied thereon; or
- (m) if Borrower or Guarantor is a corporation, and (i) the control or beneficial ownership thereof changes from that which existed at the date of execution of this Agreement; (ii) changes its name without obtaining the prior notice to Lender; (iii) any special resolution is passed on other proceedings taken regarding the wind-up of the corporation; or (iv) it ceases to carry on the business presently conducted by it; or
- (n) Borrower shall suffer the loss or suspension of any licenses, permits, or other operating authorities required for the present operation of its business or any part of it, and such loss or suspension would reasonably be expected to result in a Material Adverse Effect; or
- (o) Borrower or Guarantor defaults under any other agreement with Lender or any of its affiliates.

21. REMEDIES: Upon the happening of any default Lender may, to the extent permitted by law:

- (a) appoint an individual to monitor the day-to-day operations of Borrower, with approval rights on all cash disbursements and all material contracts of Borrower; or
- (b) declare the then outstanding Loan Payments, interest, costs and all moneys owing by Borrower and all Obligations to be immediately due and payable and such moneys and liabilities shall forthwith become due and payable without presentment, demand, protest or other notice of any kind to Borrower, all of which are hereby expressly waived; or
- (c) exercise any or all of its remedies under the Security Documents or any rights and remedies available at law or in equity; or
- (d) take possession of the Equipment Collateral for the purposes of administration and for that purpose enter any premises where the Equipment is located whether or not the Equipment is affixed to any such premises, and sell, lease or otherwise dispose of the Equipment Collateral, or both, by public or private means and upon such terms and consideration as Lender may in its sole discretion accept. Borrower hereby waives any damages or claim to damages arising from any retaking of possession under the terms of this Agreement or

any Security Documents; or

- (e) terminate the Loan and by written notice to Borrower require Borrower to forthwith pay to Lender on the date specified in such notice, as a genuine pre-estimate of liquidated damages for loss of a bargain and not as penalty the present worth of the aggregate of all unpaid amounts due hereunder as rent or otherwise to the expiration of the Term (as if the Loan had not been terminated) less the net amount received by Lender on any sale, lease or other disposition of the Equipment.

No one or more of the remedies referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedies referred to herein or otherwise available to Lender at law or in equity; and in particular pursuant to the Personal Property Security Act or other similar legislation of the jurisdiction under whose laws this Agreement may from time to time be interpreted. If upon disposition of the Collateral under this Agreement or any Security Documents or under the provisions of any remedies available to Lender there shall be a surplus, such surplus shall be the property of Lender if not prohibited by law.

- 22. LENDER'S RIGHTS:** If Borrower fails to perform or comply with any Obligations, Lender may, but has no obligation to, perform same in the name of Borrower or Lender and make all necessary disbursements in connection therewith, which shall be reimbursed by Borrower immediately on demand. Lender is hereby appointed Borrower's lawful attorney to take any such action in Borrower's name.
- 23. EXPENSES:** Borrower shall pay Lender on demand all reasonable costs incurred by Lender, directly or indirectly, including, without limitation, expenses of legal counsel, due diligence, appraisals, environmental audits and reports, consulting engineers' fees, security filings, transfer fees and taxes, survey costs and other third party costs, as well as time spent by Lender's personnel and reasonable expenses incurred by Lender's personnel, in conjunction with preparing the Loan documents or in respect of the transaction contemplated herein, regardless of whether or not the loan is completed and funded. Borrower agrees to pay all of Lender's reasonable costs incurred from time to time (including without limitation reasonable legal fees, accountant fees and additional monitoring fees) incurred following the occurrence and continuance of an event of default in the operation, recovery or enforcement of this Agreement or any other agreement entered into pursuant to this Agreement.
- 24. EXPENSE UNDER DEFAULT:** If Borrower repudiates the Loan or is in default hereunder Borrower shall be liable for any and all unpaid additional Loan Payments due or to become due hereunder, interest, and other costs and expenses incurred by reason of any event of repudiation or of default or the exercise of Lender's remedies in respect thereof.
- 25. WAIVER BY LENDER:** No delay or omission to exercise any right or remedy accruing to Lender upon any breach or default of Borrower will impair any such right

or remedy or be construed to be a waiver of any such breach or default, nor will a waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval on the part of Lender of any breach or default under this Agreement or of any provision or condition hereof, must be in writing and will effect only to the extent in such writing specifically set forth. All remedies, either under this Agreement or at law or in equity or otherwise afforded to Lender, are cumulative and not alternate.

26. **WAIVER BY BORROWER:** To the extent not prohibited by law or statute, Borrower hereby waives the benefit of all provisions of all applicable conditional sales, regulatory credit and other statutes and regulations made thereunder any and all Provinces and Territories of Canada, which would in any manner affect, restrict or limit the rights of Lender hereunder, including, without limiting the generality of the foregoing, all of Borrower's rights, benefits and protections given or afforded by the provisions of the *Limitations of Civil Rights Act* of Saskatchewan as amended and *The Distress Act* of Manitoba. Borrower also waives and assigns to Lender the right of any statutory exemption from execution or otherwise and further waives any right to demand security for costs in the event of litigation.
27. **BINDING UPON HEIRS, SUCCESSORS AND ASSIGNS:** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, assigns and legal representatives, provided that nothing in this clause contained shall impair any of the provisions hereinbefore set forth prohibiting transfer of the Equipment by Borrower, or assignment of this Agreement by Borrower without the written consent of Lender.
28. **ASSIGNMENTS AND SUBLETTING:** Borrower shall not transfer, deliver up possession of, or lease the said Equipment, and this Agreement and any Loan shall not be assignable by Borrower without written permission of Lender, which permission may be arbitrarily withheld. Other than to a direct competitor of Borrower, Lender may at any time assign all or part of its interest in this Agreement or any Loan and nothing contained herein shall prevent Lender from assigning, pledging, mortgaging, transferring or otherwise disposing, either in whole or in part, of Lender's rights hereunder. Borrower hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy thereof. Borrower shall recognize any such assignment, transfer or pledge and shall not assert against any assignee any claims or rights of set off, defences or abatement which it may have against the original Lender respecting this Agreement or any Loan and waives all claims and equities against assignee's rights to enforce this Agreement or any Loan based on Lender's alleged failure to perform same.
29. **FURTHER ASSURANCES:** Borrower agrees to do all things and execute all documents as may reasonably be required by Lender in order to give effect to this Agreement including and to provide Lender with a security interest in the Equipment, proceeds of the Equipment and all other assets as required by the Security Documents.

30. **SEVERABILITY:** Any provision of this Agreement prohibited by or unlawful or unenforceable under any applicable law or jurisdiction shall, at the sole option of Lender, be ineffective as to such jurisdiction without invalidating the remaining provisions of this Agreement, provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Borrower.
31. **INTERPRETATION:** It is hereby agreed by and between the parties hereto that whenever the context of this Agreement so requires, the singular number shall include the plural and vice versa, and that words importing the masculine gender shall include the feminine and neuter genders, and that in case more than one Borrower is named as Borrower, the liability of such Borrowers shall be joint and several, without benefit of division or discussion.
32. **APPLICABLE LAW:** This Agreement shall be interpreted and enforced in accordance with the laws of the Province of Alberta.
33. **TIME:** Time is of the essence of this Agreement.
34. **NAME CHANGE, ETC.:** Borrower shall promptly notify Lender in writing of:
- (a) any change in name of Borrower or Guarantor;
 - (b) any transfer, authorized or unauthorized, by Borrower of any interest in or benefit from the Equipment;
 - (c) any change, authorized or unauthorized, by Borrower in the location of any Equipment; and
 - (d) any change in the location of Borrower's head office specified in the Schedule.
35. **CHOICE OF LANGUAGE:** The parties hereby acknowledge that they have required this contract and all other agreements and notices required or permitted to be entered into or give pursuant hereto, to be drawn up in the English language. Les parties reconnaissent avoir demande que le present contrat ainsi que toute autre entente our avis requis ou permis a entre conclu ou donne en ventu des disositions due present contrat, soient rediges dans langue anglaise.
36. **HEADINGS:** The insertion of headings in this Agreement is for convenience of reference only and shall not affect the interpretation thereof.
37. **NOTICES:** Any notice, demand, consent or other communication required or permitted hereunder ("**Notice**") shall be in writing and may be delivered, or sent by prepaid registered mail, or by telex, telecopier, email or other means which produces a permanent written record (a "**transmission**"). Mailed Notice shall be deemed to have been given two Business Days after mailing provided there is no general disruption or stoppage of postal services then in effect, in which case delivery shall be made by one

of the other methods permitted herein; delivered Notice shall be effective upon delivery during business hours to an apparently responsible adult, and transmissions shall be deemed to have been received at the opening of the next Business Day immediately following transmission. Addresses for Notice shall be those addresses stated on the face hereof and may be changed in accordance with the foregoing.

38. **ENTIRE AGREEMENTS:** This Agreement together with any and all Schedules constitutes the entire agreement between Borrower and Lender.
39. **COPY OF AGREEMENT:** Borrower acknowledges receipt of a copy of this Agreement and waives all right to receive from Lender copies of financing statements, financing change statements or verification statements filed with respect to this Agreement.
40. **PPSA WORDS AND EXPRESSIONS:** Words and expressions used herein that have been in the Personal Property Security Act of the jurisdiction under whose laws this Agreement may from time to time be interpreted shall have the same meaning herein.
41. **CREDIT INFORMATION:** Each of Borrower and Guarantor hereby authorize Lender and any of its representatives or partners to collect, use and disclose its personal information for the purposes of investigating and providing financial services. Borrower and Guarantor have been informed by Lender or its partners or representatives, that its personal information is collected, used and disclosed for the following purposes: (i) to collect credit and related financial information from me, from credit agencies, and from any parties listed herein, (ii) to use the information collected to determine financial situation of Borrower and Guarantor and confirm identity of Borrower and Guarantor, to provide financial services Borrower has requested and to offer additional products and services of Lender that may be of benefit to Borrower and Guarantor, (iii) to share the information with assignees, bankers or funding partners of Lender, (iv) to share the information collected and any information on Borrower's commercial dealings with Lender with credit agencies or other financial institutions. Further, Borrower and Guarantor each specifically acknowledges that Lender may assign this Agreement and any related agreements in whole or in part from time to time and agrees that any personal information collected in relation to this Agreement may be made available to any such proposed assignee.
42. **CONFIRMATION OF PAYABLE STATUS:** Borrower certifies to Lender that the information provided in this statement and on any accompanying reports is complete and accurate in all respects as at the date specified above. Furthermore, Borrower certifies that all sums owed privileged and preferred creditors, including government agencies have been paid and are current amounts owing in accordance with the permitted time frame for payment set by the particular creditor/agency. Borrower agrees to maintain such payables in a current status while indebted to Lender and to provide Lender with confirmations of the status of such outstanding payables from time to time upon request.

In addition to providing the information specified above, Borrower hereby authorizes Lender to make inquiries of government departments including Revenue Canada, the Provincial Treasurer, the Worker's Compensation Board, and applicable municipal government departments, and Borrower hereby directs such departments to provide Lender information respecting Borrower's status of payments due to such government departments and/or agencies.

43. CONFIDENTIALITY:

- (a) Borrower agrees not to disclose, and to cause Related Parties (as defined below) not to disclose any of the terms, conditions or other facts relating to this Agreement, including the status thereof (all such information whether written or oral, the other documents and such other materials relating to this Agreement as may hereafter be exchanged between the parties, being hereinafter referred to as the "**Loan Information**"), except that Loan Information may be disclosed to its direct and indirect shareholders, lenders, principals, lawyer, accountants, consultants, partners, employees or agents and their respective affiliates and legal counsel (collectively, the "**Related Parties**"). Related Parties will be informed of the confidential nature of the Loan Information and will be directed to keep the Loan Information in the strictest confidence and to use the Loan Information only for the purpose of causing the consummation of the transactions contemplated by this Agreement. Notwithstanding the foregoing the Borrower and Related Parties may disclose Loan Information (i) as required by law, order or rule (including the rules of any applicable supervisory or regulatory authority having jurisdiction over such Related Party) or regulation or a court of competent jurisdiction, (ii) in seeking to establish any defense in any legal or regulatory proceeding or investigation relating to the matters set out herein, or (iii) in connection with any actual or potential dispute or claim which relates to the matters set out herein.
- (b) Lender agrees that it shall not, and shall cause its affiliates, principals, lawyers, accountants, consultants, partners, employees or agents and their respective affiliates and legal counsel, not to disclose any Loan Information, or any financial, operational or other non-public information relating to the Borrower or any Guarantor to any competitor of the Borrower. Notwithstanding the foregoing the Lender and its affiliates, principals, lawyers, accountants, consultants, partners, employees or agents and their respective affiliates and legal counsel may disclose Loan Information (i) as required by law, order or rule (including the rules of any applicable supervisory or regulatory authority having jurisdiction over such Person) or regulation or a court of competent jurisdiction, (ii) in seeking to establish any defense in any legal or regulatory proceeding or investigation relating to the matters set out herein, or (iii) in connection with any actual or potential dispute or claim which relates to the matters set out herein.

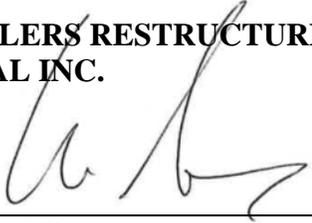
44. **COUNTERPARTS/ELECTRONIC DOCUMENTS OR SIGNATURES:** This Agreement and each Schedule may be executed in counterparts. The counterpart that has Lender's original signature and/or is in Lender's possession will constitute the single true original agreement for all purposes. Borrower may execute and/or transmit this Agreement manually, by facsimile or other electronic or digital means. If Borrower signs and transmits this Agreement by facsimile or other electronic transmission, that copy, upon execution by Lender (either manually or electronically), shall be binding on the parties. Borrower agrees to deliver to Lender upon request the counterpart to this Agreement containing Borrower's manual signature.
45. **JOINT & SEVERAL LIABILITY:** If more than one person executes this Agreement as Borrower, and, where the context so admits, each reference in this Agreement to "Borrower" shall include reference to any one or more or all of such persons and the acts or omissions of any such persons shall bind all of them. Each Borrower hereby: (i) expressly acknowledges and confirms its joint and several liability under this Agreement, and that each of them receives benefit and consideration from the financial accommodation provided herein by Lender (ii) irrevocably and unconditionally accepts, not merely as a surety but as a co-debtor, joint and several liability with the other Borrower(s) with respect to the payment and performance of all of the Obligations under this Agreement; (iii) acknowledges that any notice delivered to a Borrower at the address set out in this Agreement shall be deemed to have been received by each Borrower concurrently; (iv) until the final unconditional payment and performance in full of all of the Obligations under this Agreement: (a) no Borrower shall exercise by way of subrogation, reimbursement or otherwise any rights such Borrower may have against another Borrower or any Guarantor of such obligations arising as a result of amounts paid hereunder; (b) no Borrower shall threaten, make or advance any claim in competition with Lender in respect of any payment hereunder in any bankruptcy, insolvency or reorganization case or proceedings of any nature; and (c) no Borrower shall claim any setoff, recoupment or counterclaim against another Borrower or any Guarantor in respect of any liability of another Borrower or such Guarantor, and (v) Lender's rights hereunder may be enforced from time to time against any Borrower without requirement on the part of Lender first to marshal any of its claims or to exercise any of its rights against any other Borrower or to exhaust any remedies available to it against any other Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy.

[Signature Page Follows]

The parties hereby acknowledge and agree to the terms and conditions of this Agreement as of the date first written above.

LENDER:

**TRAVELERS RESTRUCTURING
CAPITAL INC.**



Authorized Signatory
Name: Warren Miller
Title: Vice President

BORROWER:

MANTLE MATERIALS GROUP, LTD.

Authorized Signatory
Name:
Title:

The parties hereby acknowledge and agree to the terms and conditions of this Agreement as of the date first written above.

LENDER:

**TRAVELERS RESTRUCTURING
CAPITAL INC.**

Authorized Signatory
Name: Warren Miller
Title: Vice President

BORROWER:

MANTLE MATERIALS GROUP, LTD.



Authorized Signatory
Name: Jeff Ryks
Title: Chief Financial Officer

SCHEDULE TO LOAN AND SECURITY AGREEMENT

SCHEDULE NO. 1

Loan and Security Agreement Schedule Number 1 to the Loan and Security Agreement dated October 8, 2021 (as amended or amended and restated from time to time, the “**Loan and Security Agreement**”) among Travelers Restructuring Capital Inc., as lender (the “**Lender**”), and MANTLE MATERIALS GROUP, LTD., as borrower (the “**Borrower**”).

In consideration of the covenants and agreements between Lender and Borrower contained in the Loan and Security Agreement and herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lender provides to Borrower the loan described below, on the terms and conditions of this Schedule and the Loan and Security Agreement. Any capitalized term not defined herein will have the meaning given to it in the Loan and Security Agreement.

1. BORROWER

MAILING ADDRESS 9046 22 Ave SW		TEL.NO. 780-826-1774
CITY/PROV. Edmonton, AB		POSTAL CODE T6X 1Z6
CONTACT/TITLE Jeff Ryks	BANK NAME and ADDRESS: The Toronto-Dominion Bank, 10205 101 Street, 148 Edmonton City Centre East, Edmonton, Alberta, T5J 2Y8	FAX NO. 780-826-6280
HEAD OFFICE ADDRESS 9046 22 Ave SW, Edmonton, AB T6X 1Z6		

2. FINANCED AMOUNT

The principal amount of up to \$1,700,000.00 (the “**Financed Amount**”), to be made by way of a single advance to the Borrower upon satisfaction of the Conditions Precedent set out in the Loan and Security Agreement and any Conditions to Funding in this Schedule No. 1.

3. FINANCING RATE

The Financed Amount shall bear interest at the rate of 11.50% per annum, calculated in arrears and payable monthly (the “**Financing Rate**”).

4. PURPOSE

The Financed Amount shall be used for the purpose of the acquisition of the Equipment set out in Exhibit A pursuant to a purchase and sale agreement between the Borrower and Flasha Holdings Ltd., and the Financed Amount shall only be used to the Borrower to acquire the Equipment and to pay the Loan Fees,

Loan Documentation Fee, legal fees and expenses of legal counsel to the Lender and all other fees and costs associated with the acquisition of the Equipment.

The Lender shall advance the Financed Amount directly to Flasha Holdings Ltd. (or as directed by Flasha Holdings Ltd. or its trustee) in payment of the purchase price for the Equipment.

5. AVAILABILITY

Unless otherwise agreed upon and permitted by Lender, any Financed Amount not advanced by the date which is 1 months from the date of the Commencement Date will be automatically cancelled.

In addition to the conditions precedent set out in the Loan and Security Agreement, it shall be a condition precedent to this Loan that the Borrower provide a form of vesting order with respect to the Equipment to the Lender which will be issued to the Borrower upon completion of the acquisition of the Equipment and will evidence the Borrower as the legal and beneficial owner of the Equipment.

6. EQUIPMENT

See attached Exhibit A.

PLACE OF USE OF EQUIPMENT (OR, IF MOBILE GOODS, SPECIFY SUCH)

The province of Alberta – and any other area as approved in writing by the Lender in writing.

The Borrower agrees that the Equipment located at the location above will not be moved without prior written consent of Lender.

7. TERM

TERM (MONTHS)	COMMENCEMENT DATE	TERMINATION DATE
Approximately 36 months from the Commencement Date	October 8, 2021	October 15, 2024

8. LOAN PAYMENTS

Loan Payments will be made MONTHLY QUARTERLY OTHER

The Borrower shall pay thirty-six (36) monthly Loan Payments of blended principal and interest. The Loan Payments will be calculated based on a fifty-four (54) month amortization. For clarity, any outstanding balance of the Financed Amount will be due at the Termination Date.

Loan Payments shall become due and payable on the fifteenth day of the subsequent month following the Commencement Date shown above.

9. FEES

In addition to the Loan Payments, Borrower will pay to Lender:

- (a) a Loan Fee equal to 2.15% of the total Financed Amount; and
- (b) a Loan Documentation Fee equal to \$2,500.00.

10. PREPAYMENT

The Financed Amount may not be prepaid in whole or in part until such a date that is after twelve (12) Loan Payments have been received by the Lender. Thereafter, the Financed Amount may be prepaid in whole or in part prior to the Termination Date, provided however, that:

- (a) the Borrower shall provide to the Lender not less than ten (10) days prior written notice of such prepayment; and
- (b) at the time of such prepayment, the Borrower shall also pay to the Lender the amount that equals the lesser of (i) 6 months interest payable in respect of the prepayment, or (ii) the remaining interest payable in respect of the prepaid amount if prepayment had not occurred.

[Signature Page Follows]

In witness whereof the parties have executed this Schedule No. 1 on the respective dates set forth below and this Schedule shall be deemed to have been executed on the later of such dates.

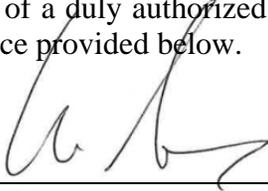
LENDER

BORROWER

**TRAVELERS RESTRUCTURING
CAPITAL INC.**

MANTLE MATERIALS GROUP, LTD.

This loan shall not become binding upon Lender until accepted in writing as evidenced by the signature of a duly authorized officer of Lender in the space provided below.



Authorized Signatory
Name: Warren Miller
Title: ViceP resident

Authorized Signatory
Name:
Title:

Authorized Signatory
Name:
Title:

DATE OF LENDER'S ACCEPTANCE

DATE OF ACCEPTANCE OF BORROWER

October 8, 2021

October 8, 2021

In witness whereof the parties have executed this Schedule No. 1 on the respective dates set forth below and this Schedule shall be deemed to have been executed on the later of such dates.

LENDER

BORROWER

**TRAVELERS RESTRUCTURING
CAPITAL INC.**

MANTLE MATERIALS GROUP, LTD.

This loan shall not become binding upon Lender until accepted in writing as evidenced by the signature of a duly authorized officer of Lender in the space provided below.



Authorized Signatory

Name:
Title:

Authorized Signatory

Name: Jeff Ryks
Title: Chief Financial Officer

Authorized Signatory

Name:
Title:

DATE OF LENDER'S ACCEPTANCE

DATE OF ACCEPTANCE OF BORROWER

October 8, 2021

October 8, 2021

**EXHIBIT "A"
EQUIPMENT**

<u>Item</u>	<u>Unit</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
1	M6545 & M6546	2015	Elrus	2054	Jaw Screen Plant	M6545ERC15JS
2	M4768 & 4617	2008	Elrus	H4800CC	Cone Crusher	M4768ER08CC
3	M4544 & M4545	2008	Elrus	6X20 3D SP	Screen Plant	M4544ER08SP
4	M6443	2014	Elrus	42"	Belt Feeder	M6443ERC14F
5	M5379	2011	Elrus	30 YRD SB	Surge Bin	M5379ERC11SB
6	CM1	2006	Trio	36"	Coarse Washer	TCW3618-178
7			Eagle Iron Works		Sand Screw	9789
8	M4540	2008	Elrus	6X10 CT	Control Tower	M4540ER08CT
9		1995	Bonair	BA-19SS	Testing Travel Trailer	2BL2RSH29S2450233
10	M5650	2011	Superior	36X125 PC	Radial Stacking Conveyor	216044
11	Stacker 1	2008	Superior	36X60 PRSC	Portable Radial Stacking Conveyor	8608-08
12	Stacker 2	2008	Superior	36X60 PRSC	Portable Radial Stacking Conveyor	8607-08
13	Jump 1		Superior	36X60 PFTC	Portable Transfer Conveyor	8191
14	Jump 2	2007	Superior	36X60 PFTC	Portable Transfer Conveyor	7252-07
15	Jump 3	2007	Superior	36X60 PFTC	Portable Transfer Conveyor	8190-07
16	Stacker 3		Telsmith	20X40	Portable Transfer Conveyor	PK40T274
17			Rice Lake	EZ8010-ST-ATV	Portable Truck Scale	3FBP
18			Ancoma	PV5301030S	Portable Truck Scale	301109
19	AT3	2014	Komatsu	HM300-3	Articulated Dump Truck	KMTHM011H29003484
20	AT2	2008	Komatsu	HM300-2	Articulated Dump Truck	KMTHM005K54A11150
21		2013	Komatsu	PC490LC-10	Excavator	KMTPC239C54A40412
22		2012	Komatsu	PC290LC-10	Excavator	KMTPC241E54A25013
23	WL-01	2008	Komatsu	WA500-6	Wheel Loader	KMTWA096E57A92512
24	WL-04	2006	Komatsu	WA500-6	Wheel Loader	KMTWA096P01055036
25	WL-03	2012	Komatsu	WA380-7	Wheel Loader	KMTWA118A01010060

<u>Item</u>	<u>Unit</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
26	WL-02	2007	Komatsu	WA380-6	Wheel Loader	KMTWA095K57A53125
27	D1	1986	Caterpillar	D6D	Crawler Dozer	04X10622
28		2015	Case	SR200	Skid Steer	JAFSR200KEM467993
29	Unit 1	2012	Western Star	4900FA	Tandem Dump Truck	5KKHAEDR1CPBL0002
30	Unit 3	2011	Western Star	4900SA	Tandem Tractor	5KKHALDR0BPAZ2488
31	BD01	2008	Castleton		Tridem Bottom Dump Trailer	2C9B3S4D38S133073
32	ED01	2012	Arne's		Tridem End Dump Trailer	2A9073735CA003146
33	P-2	2012	Arne's		Tridem End Dump Pup Trailer	2A9212932EA003965
34	LB01	1988	Columbia	SFM-40	Tridem Lowbed Trailer	2C9HFD2W4G1026006
35		1981	Fruehauf	FB9 F2W 14M 102	Tandem Van Trailer	2H8V04523BS004517
36		1985	GMC	Grumman	S/A Van Truck	1GDHP32T3F3510093
38		2015	Chevrolet	2500HD LTZ	4X4 Crewcab Pickup Truck	1GC1KWEG7FF613309
39		2013	Chevrolet	2500HD LTZ	4X4 Crewcab Pickup Truck	1GC1KYEG5DF106658
40	LT-03	2013	Doosan/IR	L8-60HZ-T4F	Light Tower	4FVLTBDA7DU449843
41	LT-02	2013	Doosan/IR	L8-60HZ-T4F	Light Tower	4FVLTBDA3DU447703
42	LT-05	2005	Allmand	ML20330	Light Tower	0021MXL05
43	LT-06		Allmand	ML20330	Light Tower	0020MXL05
44	LT-01	2003	Allmand	ML15330	Light Tower	0036MXL04
45	MP1	2008	Magnum	4"	S/A Diesel Trash Pump	5AJGS11168B000784
46	Pump 2	2008	Magnum	4"	S/A Diesel Trash Pump	5AJGS11198B000746

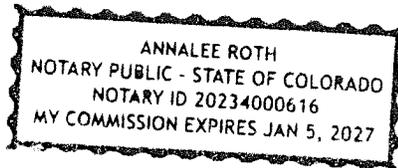
[Schedule No. 1 to Loan and Security Agreement]

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This is **Exhibit "D"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



LOAN AGREEMENT
("Agreement")

This Agreement dated June 10, 2022, is an agreement between **CRESTMARK, A DIVISION OF METABANK, NATIONAL ASSOCIATION** ("Crestmark"), and **MANTLE MATERIALS GROUP, LTD.**, an Alberta corporation ("Borrower"). In this Agreement, Crestmark and Borrower are collectively the "Parties". Any person who guarantees the obligations of Borrower (each a "Guarantor") is required to sign this Agreement. The Parties have the addresses shown on the schedule (the "Schedule") which is attached to this Agreement. These are the addresses of the Parties for all purposes and may be changed by one party giving notice to the other party in writing of the new address.

1. **PURPOSE.** The purpose of this Agreement, including the Schedule, is to set forth the terms and conditions of the revolving line of credit loans made from time to time by Crestmark to Borrower (collectively, the "Loan") and the obligations of Borrower. The Schedule is an integral part of this Agreement. This Agreement (including the Schedule), the promissory note ("Note") to be signed by Borrower, any security agreement to be signed by Borrower, any mortgage to be signed by Borrower, any guarantee(s) and any other documents now or hereafter signed by any of the Parties in connection with this Agreement, the Loan or any document issued by Crestmark or the bank holding the lockbox ("Lockbox Bank"), including subordination agreements or intercreditor agreements, are also all part of the agreement between the Parties and are (as each of the foregoing may be amended, amended and restated or otherwise modified from time to time) referred to collectively as the "Loan Documents".

2. **LOAN; LOAN ADVANCES.**

A. Any disbursement of money or advance of credit by Crestmark, including but not limited to amounts advanced for the payment of interest, fees, expenses and amounts necessary to protect, maintain and preserve Crestmark's Collateral under the Loan Documents ("Protective Disbursements"), is individually referred to as an "Advance" and collectively referred to as the "Advances". Whether Crestmark makes an Advance is in Crestmark's sole discretion. If an Advance is made, it will be made in accordance with the advance formula set forth in the Schedule ("Advance Formula"); but not at any time to exceed the maximum amount set forth on the Schedule ("Maximum Amount"), provided that Crestmark may choose to make Protective Disbursements in excess of the Maximum Amount or the Advance Formula in its sole discretion. Each time Crestmark makes an Advance, including a Protective Disbursement, the Advance will be debited against an account in Borrower's name on Crestmark's books ("Loan Account"), and each payment will be credited against the Loan Account in the manner described in this Agreement. All Advances and payments from Crestmark to Borrower, and all payments from Borrower to Crestmark, shall be in the lawful currency of Canada ("Canadian Dollars" or "C\$").

B. The total amount Borrower owes to Crestmark will be the aggregate of the Advances made by Crestmark, the expenses and fees set forth in the Schedule and any and all costs incurred by Crestmark (including reasonable legal fees), and interest at the rate set forth in the Note on all amounts advanced (together with all other obligations of Borrower under the Loan Documents, the "Obligations").

C. Borrower must repay all Advances with respect to the Loan with interest, which is due monthly as specified in the Note, along with all other fees and expenses of Crestmark set forth herein or in the Schedule. Crestmark may, in its sole discretion, collect any Obligations due Crestmark by (i) directly applying any funds in the Lockbox Account, as defined in paragraph 5 below, to the Obligations (ii) directly applying funds from any reserve to the Obligations, (iii) collecting the Obligations directly from Borrower; or (d) otherwise collecting the Obligations. Borrower understands that all the Obligations are repayable at any time in full or in part upon demand by Crestmark. Crestmark may make demand for partial payments and such demand will not preclude Crestmark from demanding payment in full at any time.

D. Borrower must comply with its representations, promises, covenants and reporting requirements set forth in this Agreement, in the Schedule and in the other Loan Documents. Borrower's failure to do any of the foregoing, or if the Borrower or any Guarantor becomes insolvent, commits an act

of insolvency or makes a proposal (or a proposal is made by any creditor) under any applicable bankruptcy or insolvency laws, is a default ("Default"). Crestmark, in its sole discretion, may declare all or any part of Obligations to be immediately due and payable, without demand or notice of any kind, in the event of default, or, if Crestmark considers or deems itself insecure. The demand nature of the Obligations is not modified by reference to a Default in this Agreement or the other Loan Documents and any reference to a Default is for the purpose of permitting Crestmark to exercise its remedies for Default, including charging interest at the Extra Rate provided, and as defined, in the Note.

E. The aggregate amount of all Advances, plus the expenses and fees set forth in the Schedule, any and all costs incurred by Crestmark (including reasonable legal fees), and interest at the rate set forth in the Note on all amounts advanced and any other obligations whatsoever owed to Crestmark (the "Loan Amount"), may not, at any time, exceed the lesser of (a) the Maximum Amount or (b) the Advance Formula, and Borrower understands that if at any time the Loan Amount exceeds the lesser of (a) the Maximum Amount and (b) the Advance Formula, it shall repay that amount immediately, whether or not demand to repay the whole of the Obligations has been made. Protective Disbursements must be immediately repaid whether or not the lesser of the Maximum Amount or the Advance Formula has been exceeded.

3. **RESERVES.** If Crestmark believes in its sole discretion that the prospect for repayment of the Obligations is impaired or that its Collateral margin is insufficient, Crestmark may establish cash reserves and credit balances to protect its interests and the repayment of the Obligations. The reserve may only be established by reducing the Advance Formula to achieve the target reserve level, withholding monies due Borrower from any payments Crestmark receives, from a cash payment from Borrower or any other method Crestmark chooses. Any money in a reserve account, whether or not it is a cash reserve, will not earn interest for Borrower, and Crestmark may apply the funds in the reserve account to reduce the Obligations at any time Crestmark elects.
4. **FEES AND EXPENSES.** In connection with the Loan there are several types of fees that may be charged and Borrower may be required to maintain a minimum Loan balance. Such fees and requirements are set forth in the Schedule. In addition, all expenses incurred by Crestmark in connection with the Loan, any Advance, collection of the Obligations, inspection, and examination are to be paid by Borrower, except as set forth in the Schedule.
5. **LOCKBOX.** Borrower must immediately notify and direct all persons who are obligated on accounts ("Account Debtors") and any other person or party that is liable to Borrower (collectively a "Debtor") to remit all payments due to Borrower to the lock box address or pursuant to the wire transfer or Automated Clearing House ("ACH") instructions set forth in the Schedule (the "Lockbox Account"). The remit to address on all documents related to such accounts, including invoices, purchase orders, or contracts ("Documents") must be the Lockbox Account. At Crestmark's request, all Documents must be marked by Borrower to show assignment to Crestmark, and Borrower must notify each Account Debtor by mail that the Account has been assigned to Crestmark and that all payments on the Account, whether made by mail or electronically or otherwise must be made payable to Borrower or Crestmark, at Crestmark's sole discretion, to the Lockbox Account or other address provided by Crestmark in writing. The language used in such notices shall be approved by Crestmark in writing. Crestmark may at any time and from time to time, and at its sole discretion, notify any Debtor or third party payee to make payments payable directly to Crestmark or to notify Debtor of the assignment to Crestmark. All expenses for notification of each Account Debtor will be paid by Borrower.

If, notwithstanding the notice to Debtors, Borrower receives any funds from a Debtor, including any cash, cheques, drafts or wire transfers from the collection, enforcement, sale or other disposition of the Collateral (defined below), whether derived in the ordinary course of business or not, or if Borrower receives any proceeds of insurance, tax refunds or any and all other funds of any kind, Borrower shall hold such funds in trust for Crestmark, shall not mix such funds received with any other funds, and shall immediately deposit such funds in the Lockbox Account in the form received. That means if the funds are received by mail, the Debtor cheques will be sent to the Lockbox Account uncashed, and if the funds are received electronically, the funds will be transferred immediately to the Lockbox Account electronically. Crestmark

will have sole possession and control over the Lockbox Account. The Lockbox Bank will process all deposits and Borrower has no right to the Lockbox Account, it belongs to Crestmark. Crestmark is the owner of all deposits in the Lockbox Account, and has no duty as to collection or protection of funds as long as it is not grossly negligent or commits actual fraud. All expenses plus any applicable administration and servicing fees of the Lockbox Account will be paid by Borrower.

6. **LOAN ACCOUNT.** All of the Obligations which are owed by Borrower will be shown in the Loan Account and Borrower will receive a monthly statement either by mail, electronically or via access to the Crestmark online system at Crestmark's sole discretion. The statement is binding on Borrower unless Borrower provides a written objection to Crestmark that is actually received by Crestmark within fifteen (15) business days of the time the statement is provided or made available to Borrower.

7. **PAYMENTS.** Should a cheque or other credit instrument not be collected after Borrower has been given credit for such payment, then the credit will be reversed and a fee charged at Crestmark's then standard rate. Crestmark, at its sole discretion, may establish reserves as set forth above or not apply a payment that it reasonably believes may be returned unpaid for any reason or disgorged due to a preference claim or garnishment, and in such event the Maintenance Fee (as defined in the Schedule) will still be payable. In the event that any payment received by Crestmark is sought to be recovered by or on behalf of the payer (including a trustee in bankruptcy or assignee for the benefit of creditors), then Borrower agrees to immediately reimburse Crestmark on demand for any amount so recovered and all of Crestmark's expenses in connection with any such proceeding, including reasonable attorneys fees. This provision shall survive termination of this Agreement. Any payments received by Crestmark shall be applied to the Obligations in whatever order Crestmark determines in its reasonable discretion.

8. **SECURITY INTEREST.**

A. Borrower agrees to grant to Crestmark a security interest in all of its present and after-acquired personal property, now existing or hereafter arising, wherever located (the "Collateral") to secure repayment of the Obligations ("Security Interest") and agrees to provide Crestmark with a Security Agreement in Crestmark's standard form.

B. Borrower gives Crestmark all of the rights of a secured party under the Personal Property Security Act of the province where the Collateral may be located as amended from time to time, which Act or Acts, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "PPSA". Borrower grants Crestmark the authority to file all appropriate documentation for Crestmark to perfect its security interest in the Collateral, including PPSA financing statements, as well as PPSA financing change statements and amendments as may be required or desirable from time to time to perfect or protect the Security Interest. All expenses of Crestmark relating to searching, filing or protecting the Security Interest shall be deemed to be part of the Obligations.

C. The Security Interest shall give Crestmark rights with respect to the Collateral and the Security Interest and this Agreement imposes duties upon Borrower which relate to the Collateral. Some of such rights and duties are: (i) the right of Crestmark at any time to notify any persons who may hold any part of the Collateral, such as Account Debtors and other debtors, of Crestmark's Security Interest. Borrower understands that Crestmark may verify Accounts with the Account Debtors; (ii) Borrower must cooperate with Crestmark in obtaining control of any Collateral in the possession of third persons, particularly Collateral consisting of deposit accounts, investment property, letter of credit rights or other Collateral which is evidenced by electronic entries; (iii) except for the right of Borrower to sell its inventory in the ordinary course of business, Borrower shall not sell or transfer any of the Collateral or grant any other security interest in the Collateral, except as Crestmark may specifically agree to in writing. Borrower remains liable to perform all of its obligations with respect to the Collateral such as the recognition of any warranties in inventory sold and Crestmark is under no responsibility to perform any of the obligations of Borrower; and (iv) Borrower must notify Crestmark immediately if it knows that any Account Debtor disputes an Account whether or not such disputes are deemed valid by Borrower.

9. **POWER OF ATTORNEY.** Borrower irrevocably appoints Crestmark, or any person(s) designated by Crestmark, as its attorney-in-fact, which appointment is coupled with an interest and shall remain in full force and effect until all Obligations of Borrower to Crestmark have been fully satisfied and discharged, with full power, at Borrower's sole expense, to exercise at any time in Crestmark's reasonable discretion all or any of the following powers:

A. Receive, take, endorse, assign, deliver, accept and deposit, in the name of Crestmark or Borrower, any and all cash, cheques, commercial paper, drafts, remittances and other instruments and documents relating to the Collateral or the proceeds thereof.

B. Change Borrower's address on all invoices and statements of Account mailed or to be mailed to Borrower's customers and to substitute thereon the address designated by Crestmark, to place legends on all invoices and statements of Account mailed or to be mailed to Borrower's customers, and to receive and open all mail addressed to Borrower, or to Borrower's trade name at Crestmark's address, or any other designated address.

C. Upon and after the occurrence of a Default, to change the address for delivery of Borrower's mail to Crestmark's or an address designated by Crestmark. Borrower specifically authorizes Crestmark to sign any forms on behalf of Borrower to affect this change with the United States Postal Service, Canada Post or any third party and requests such change to be accepted.

D. Upon and after the occurrence of a Default, to take or bring, in the name of Crestmark or Borrower, all steps, actions, suits or proceedings deemed by Crestmark necessary or desirable to effect collection of or other realization upon any Collateral.

E. Execute and file on behalf of Borrower any PPSA Financing Statement(s) or Financing Change Statements and/or any notices or other documents necessary or desirable to carry out the purpose and intent of this Agreement, and to do any and all things reasonably necessary and proper to carry out the purpose and intent of this Agreement.

F. Upon and after the occurrence of a Default, to transfer any lockboxes belonging to Borrower to Crestmark at Crestmark's sole discretion.

G. To initiate ACH transfers from Borrower's depository accounts.

H. Upon and after the occurrence of a Default, to endorse and take any action with respect to bills of lading covering any inventory.

I. Upon and after a Default, or at any time in the event that Borrower fails to do so within a reasonable time, execute, file and serve, in its own name or in the name of Borrower, mechanics lien or similar notices, or claims under any payment or performance bond for the benefit of Borrower.

J. Upon and after a Default, or at any time in the event that Borrower fails to do so within a reasonable time, pay any sums necessary to discharge any lien or encumbrance on the Collateral, which sums shall be included as Obligations hereunder, and which sums shall accrue interest at the Extra Rate until paid in full.

10. **REPRESENTATIONS.** Borrower makes the following representations and warranties to Crestmark and such representations and warranties must be true at all times until the Obligations are paid in full. If Borrower learns that a representation and warranty once made is no longer true, it has the duty to immediately notify Crestmark in writing:

A. Borrower is in good standing under the laws of the state or province of its organization and is authorized to conduct business in any state or province that it conducts business. Borrower has the power and authority to enter into this Agreement, and the persons signing this Agreement and all

persons who sign any documents with Crestmark have the appropriate authority. Borrower's organization identification number, state or province of organization, and addresses where it conducts business is as shown on the Schedule.

B. Borrower's entry into the Loan Documents do not violate any agreement which Borrower has or which binds Borrower.

C. The Loan Documents are fully enforceable against Borrower and the Collateral.

D. There are no litigation or criminal charges pending or threatened against Borrower or Guarantor and neither Borrower nor Guarantor are in default of any order or judgment of any court or any governmental agency of any kind. There are no unsatisfied liens or judgments pending against Borrower in any jurisdiction except as shown on the Schedule.

E. The financial information furnished by Borrower to Crestmark has been prepared in accordance with IFRS, all financial statements are true and correct, and any projections of the business operations of Borrower that have been given or will be given to Crestmark in the future will be based upon Borrower's reasonable assumptions and estimates.

F. Borrower is the owner of all of the Collateral and there are no other liens or claims against the Collateral, except the Security Interest of Crestmark or as shown on the Schedule.

G. All of the Collateral is personal property and none of the Collateral will be permanently affixed to real estate.

H. Borrower has filed and will file all federal, state, provincial, local and foreign tax returns that it is required to file and has paid and will pay all taxes and all other governmental charges as they become due.

I. Borrower is able to pay its debts as they become due and has sufficient capital to carry on its business. Borrower's obligations under this Agreement and the Loan Documents, including the obligation to repay the Loan and the grant of the Security Interest, do not render Borrower insolvent.

J. Borrower only uses the fictitious names, d/b/a's, tradenames and tradestyles set forth on the Schedule (collectively the "Tradenames"), and Borrower certifies that all sales and any and all business done in the name of the Tradenames are the sales and business of Borrower. Any and all cheques, remittances or other payments received in the name of any of the Tradenames are Borrower's sole and exclusive property, and are subject to Crestmark's security interest hereunder. Any and all authority given to Crestmark by Borrower in this Agreement or elsewhere to endorse Borrower's name on any cheques, negotiable instruments or other remittances extends with equal and full force and effect to any cheques, negotiable instruments, and other remittances received in the name of any Tradename.

K. All Accounts assigned to Crestmark by Borrower are and will at all times be bonafide accounts arising from the sale of inventory or providing services, and are not subject to discounts, deductions, allowances, contra items, offset or counterclaim and are free and clear of all encumbrances of any kind whatsoever, except as disclosed to Crestmark in writing and approved by Crestmark in writing.

L. Borrower's assignment of any Accounts to Crestmark pursuant to this Agreement will not at any time violate any federal, state, provincial and/or local law, rule or regulation, court or other governmental order or decree or terms of any contract relating to such Accounts.

M. Borrower possesses all necessary trademarks, trade names, copyrights, patents, patent rights and licenses to conduct its business as now operated, without any known conflict with any trademarks, trade names, copyrights, patents and license rights of any other person or entity.

N. Borrower's legal name as of the date hereof as it appears in its official filing with its state or province of organization is as set forth in the opening paragraph of this Agreement. Borrower has not organized another entity or Tradename using Borrower's name or Tradename as set forth herein in any other jurisdiction.

O. As to all of Borrower's Inventory and Equipment:

- A. The Inventory and Equipment are currently located only at the locations identified on the Schedule, or such other locations as consented to by Crestmark in writing;
- B. All Inventory is now and at all times hereafter shall be of good and merchantable quality, free from defects, except as disclosed to Crestmark in writing;
- C. The Inventory and Equipment are and shall remain free from all liens, claims, encumbrances, and security interests (except as held by Crestmark, and except as identified on the Schedule).
- D. The Inventory is not now stored with a bailee, warehouseman or similar party unless such party has entered into a waiver letter in form satisfactory to Crestmark.

11. **BORROWER'S PROMISES AND POSITIVE COVENANTS.** Borrower makes the following promises and covenants to Crestmark and these promises and covenants are effective until the Obligations are fully paid:

A. To pay all Obligations when due and perform all terms, conditions and obligations of the Loan Documents.

B. To permit Crestmark, or its representatives, access to the Collateral on Borrower's premises and to Borrower's computer systems, books of account and financial records. Borrower will pay the cost of Field Examinations as specified in the Schedule upon or after the occurrence of a Default.

C. To notify Crestmark promptly of any litigation, administrative or tax proceeding or other action threatened or instituted against Borrower or Guarantor or its property, or of any other material matter which may adversely affect Borrower's financial condition. The amount of claims as to which Borrower must notify Crestmark is specified in the Schedule as the "Borrower Claims Threshold".

D. To pay when due all taxes, assessments and governmental charges, provided that Borrower has the right to contest the same as long as it has a cash reserve with Crestmark in an amount as determined by Crestmark in its sole discretion.

E. To comply with the Financial Covenants described in the Schedule.

F. To maintain insurance on its business activities in such amount and in such form as Crestmark may from time to time require, and with respect to such insurance if so designated, Crestmark shall be named as "Lender Loss Payee" and/or "Additional Insured", as applicable, under the policy and receive evidence of the insurance. All insurance which protects Crestmark shall have at least a 30-day notice to Crestmark prior to any cancellation. With respect to the insurance, Borrower appoints Crestmark as its attorney-in-fact, upon and after the occurrence of a Default, to negotiate any and all claims under all insurance policies and Crestmark also has the power to negotiate any payments on the insurance policies.

G. To comply with all laws, ordinances and regulations or other requirements of any governmental authority or agency applicable to Borrower's business.

H. To maintain and preserve all Collateral in good repair, working order and condition, and with respect to accounts, pursue collections thereof.

I. To provide Crestmark with evidence of ownership of any Collateral upon the request of Crestmark.

J. To maintain a Loan Amount balance which shall not exceed the sum of Eligible Collateral times the corresponding Advance Rate.

12. **NEGATIVE COVENANTS.** Borrower agrees until the Obligations are paid in full, it will not:

A. Change its state or province of organization or its name, or move its executive office or at any time adopt any assumed name without giving Crestmark at least 30 days prior written notice.

B. Declare or pay any dividend or make any other distribution with regard to its equity or purchase or retire any of its equity without Crestmark's prior written consent, provided if it is taxed as an S Corporation or other "pass through" entity, Borrower may prior to a Default distribute profits to its equity holders in an amount necessary to enable such holders to pay personal, state, provincial and federal taxes directly attributable to the profits earned by Borrower for such year.

C. Make any loan or guarantee or assume any obligation or liability, whether as borrower, guarantor, surety, indemnitor or otherwise (a "Borrower Obligation") (i) that would result in or create a Default, or (ii) that together with all other existing Borrower Obligations would exceed the "Obligation Threshold" set forth in the Schedule, without Crestmark's prior written consent.

D. Enter into any transaction with its equity holders or any affiliates of Borrower except on terms at least as favorable as would be usual and customary in similar transactions if the person with whom the transaction is entered into was not related to Borrower.

E. Release, redeem, purchase, or acquire any of its equity interests without the prior written consent of Crestmark.

F. Default in the payment of any debt to any other person where such person is a secured creditor, or default in the payment of any debt to any other person in excess of \$50,000 where such person is an unsecured creditor.

G. Suffer or permit any judgment, decree or order not fully covered by insurance to be entered against Borrower or a Guarantor in an aggregate amount in excess of the "Borrower Claims Threshold", or permit or suffer any warrant or attachment to be filed against Borrower, any Guarantor, or against any property or asset of Borrower or Guarantor.

H. Transfer the ownership of any equity interest in Borrower without the prior written consent of Crestmark which shall not be unreasonably withheld.

I. Sell any of the Collateral outside the normal course of its business without the prior written consent of Crestmark.

J. Purchase the stock or assets of any other entity without the prior written consent of Crestmark.

K. Not, in one transaction or a series of related transactions, amalgamate with, merge or wind up or liquidate into or consolidate with any other person.

Create, incur, assume or permit to exist any security interest or lien on any Collateral except for those in favour of Crestmark, set out as Permitted Encumbrances in the Schedule or approved in writing by Crestmark.

13. **FINANCIAL REPORTS.** Borrower promises that until the Obligations are fully paid and this Agreement is terminated, it will keep its books and records in a manner satisfactory to Crestmark and Crestmark will have the right at any time to verify any of the Collateral, documentation or books and records of Borrower in whatever manner and as often as Crestmark deems necessary. Borrower will permit Crestmark, or its representatives, access to the Collateral and Borrower's premises and to Borrower's computer systems, books of account and financial records. Borrower will furnish to Crestmark the financial reports identified on the Schedule, certified to by the president or chief financial officer of Borrower and Borrower's certified public accountant, if applicable. All financial reports will be prepared in accordance with generally acceptable accounting principles and will be true and accurate.
14. **CRESTMARK'S REMEDIES.** Crestmark has all the remedies available at law or in equity (including those under the PPSA) in the event of a Default or if Borrower fails to pay the Obligations on demand, including but not limited to the following: to charge the Extra Rate; to notify Account Debtors to make the payments directly to Crestmark; to settle or compromise any disputed Account, sue on any Account and make any agreement to deal with the accounts as if it were the owner; to offset any of Borrower's or Guarantor's funds under the control of Crestmark against the Obligations; and to require Borrower to gather up the Collateral and make it available to Crestmark for Crestmark to conduct public or private PPSA foreclosure sales. Borrower grants to Crestmark a license or other right to use, without charge, Borrower's labels, patents, copyrights, trademarks, rights of use of any name, trade secrets, tradenames and advertising materials, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale and selling any Collateral, and Borrower's rights under all licenses and franchise agreements shall inure to Crestmark's benefit. If Crestmark should proceed against the Collateral and sell any of the Collateral on credit, Borrower will be credited on the Obligations only with the amount actually received by Crestmark and Borrower waives any and all provisions as to notice or a particular method of sale of any of the Collateral. Borrower will pay all expenses in connection with the assembly or sale of the Collateral. Crestmark does not have to incur its own expenses in realizing upon the Collateral, but all the expenses are for the account of Borrower. Borrower recognizes that at no time is Crestmark its agent in dealing with the Collateral, but Crestmark acts only in its own interest.
15. **CUMULATIVE RIGHTS.** Crestmark's rights and remedies under this Agreement and all other agreements shall be cumulative. Crestmark shall have all other rights and remedies not inconsistent herewith as provided under the PPSA, by law, or in equity. No exercise by Crestmark of one right or remedy shall be deemed an election, and no waiver by Crestmark of any Default on Borrower's part shall be deemed a continuing waiver. No delay by Crestmark shall constitute a waiver, election or acquiescence by it.
16. **LENDER ACTIONS.** To the extent applicable law may impose duties on Crestmark to exercise remedies in a commercially reasonable manner, Borrower agrees that it is not commercially unreasonable for Crestmark: to fail to exercise remedies against any Collateral or any particular Account Debtor; to proceed against Account Debtors either directly or through collection agencies; to advertise disposition of Collateral through publications or media of general circulation; to hire professional auctioneers to dispose of Collateral; to dispose of Collateral in wholesale or retail markets; to disclaim warranties with respect to Collateral; or to obtain services of attorneys or other professionals. The foregoing is not an exhaustive list and nothing contained in the foregoing shall be construed to grant any rights to Borrower or to impose any duties on Crestmark that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 16. Borrower agrees that under no circumstances is Crestmark the agent or representative of Borrower.
17. **APPLICATION OF PROCEEDS.** Once collection efforts are commenced by Crestmark, any proceeds of sale or disposition of Collateral may be applied by Crestmark first to expenses authorized by this Agreement, including Crestmark's reasonable attorneys' fees, which Borrower must pay, and the balance to payment of the Obligations in such manner as Crestmark may elect. Borrower and Guarantor remain liable for any deficiency.
18. **NOTICES.** Any notice is effective by either party if sent in writing or facsimile with confirmation of receipt or by certified mail or personal delivery or expedited mail services to the addresses shown on the Schedule.

19. **MISCELLANEOUS PROVISIONS.**

A. This Agreement is binding upon and is for the benefit of Borrower and Crestmark, and their respective successors and assigns. However, under no circumstances may Borrower assign this Agreement or its rights and duties hereunder. Crestmark may assign this Agreement and its rights under the Loan Documents and Borrower will make payments to any such assignee if so directed.

B. Crestmark has the right at any time to assign, transfer, negotiate or sell participations in this Agreement or the Obligations or the rights of Crestmark hereunder. In connection with any assignment, Borrower consents to disclosure of any and all books, records, files, Loan Documents and all other documents in the possession or under the control of Crestmark.

C. No delay or failure of Crestmark in exercising any right or remedy will affect such right or remedy. No delay or failure of Crestmark to demand strict adherence to the terms of this Agreement will be deemed to waive Crestmark's rights to demand such adherence at any time in the future.

D. The term "including" means "including, without limitation", and the term "includes" means "includes, without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall." The definitions of terms in this Agreement shall apply equally to the singular and plural forms of the terms defined.

E. This Agreement and the other Loan Documents will be governed by, interpreted and determined under the laws of the Province of Alberta and the federal laws of Canada applicable therein without any regard to any conflict of laws provisions.

F. Borrower, at Crestmark's request, will make, execute and acknowledge any and all further instruments or agreements necessary to carry out the intent of this Agreement and the other Loan Documents.

G. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if all signatures were upon the same instrument. Delivery of an executed counterpart of the signature page to this Agreement by facsimile or electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement, and any party delivering such an executed counterpart of the signature page to this Agreement by facsimile or electronic mail to any other party shall thereafter also promptly deliver a manually executed counterpart of this Agreement to such other party, provided that the failure to deliver such manually executed counterpart shall not affect the validity, enforceability, or binding effect of this Agreement.

H. Neither Crestmark nor its affiliates directors, officers, agents, attorneys or employees are liable to Borrower or Guarantor or affiliates for any action taken or omitted by it or any of them under the Loan Documents except for such liability as may be imposed by law for gross negligence or actual fraud, and no claim shall be made by Borrower or Guarantor or any of Borrower's affiliated, directors, officers, agents, employees for any special or consequential damages or punitive damages arising out of, or related to the Loan Documents or the transactions between the Parties.

I. This Agreement and the other Loan Documents represent the complete Agreement between the parties with respect to the subject matter of this Agreement, and there are no promises, undertakings, representations or warranties by Crestmark relative to the subject matter of this Agreement not expressly set forth in this Agreement or the other Loan Documents. This Agreement and the other Loan Documents may be amended only in writing.

J. If any provision of this Agreement is in conflict with any law or statute or is otherwise unenforceable, then the provision will be deemed null and void only to the extent of such provision and the provision will be deemed severable and the remainder of this Agreement shall be in full force and effect.

K. Any payment made to Crestmark by either Borrower or any Guarantor which is subsequently invalidated, declared fraudulent or preferential or otherwise set aside under any bankruptcy, state, provincial, federal or equitable law, then to the extent of such invalidity such payment will be deemed not to have been made and the obligation will continue in full force and effect. This provision shall survive termination of this Agreement.

L. **USA Patriot Act Notification** – The following notification is provided to Borrower pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, United States Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan or other extension of credit. We may ask for the name, address, date of birth, and other information that will allow us to identify all Borrowers, principals and owners. We may also ask to see your driver's license or other identifying documents.

20. **[Intentionally deleted]**

21. **INDEMNIFICATION.** Borrower hereby agrees to indemnify, defend and hold Crestmark and its executive committees, parent affiliates, subsidiaries, agents, directors, officers, participants, employees, agents and their successors and assigns (collectively "Indemnified Parties") harmless against any and all liabilities of any kind, nature or description and damages whether they are direct, indirect or consequential, including legal fees and other professionals and experts incurred or suffered directly or indirectly by Indemnified Parties or asserted against Indemnified Parties by anyone whatsoever, including Borrower or Guarantor, which arise out of the Loan Documents or the relationship and transaction between the Parties, including, without limitation, liabilities or damages related to the Environmental Protection and Enhancement Act of Alberta (and any regulations thereunder) or similar laws. This provision shall survive the termination of this Agreement.

22. **INTEREST ACT (CANADA).** Each interest rate which is calculated under this Agreement on any basis other than a full calendar year (the "Deemed Interest Period") is, for the purposes of the Interest Act (Canada), equivalent to a yearly rate calculated by dividing such interest rate by the actual number of days in the Deemed Interest Period, then multiplying such result by the actual number of days in the calendar year (365 or 366).

23. **CRIMINAL CODE.** In no event shall the aggregate "interest" (as defined in Section 347 of the Criminal Code (Canada) (the "Criminal Code")), payable to Crestmark under the Notes or this Agreement exceed the effective annual rate of interest lawfully permitted under the Criminal Code. Further, if any payment, collection or demand pursuant to the Notes and the Agreement in respect of such "interest" is determined to be contrary to the provisions of the Criminal Code, such payment, collection, or demand shall be deemed to have been made by mutual mistake of Crestmark and Borrower and such "interest" shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in the receipt by Crestmark of interest at a rate not in contravention of the Criminal Code. If any amount in excess of such limit shall have been paid, then such amount shall be credited to the outstanding principal balance of the Notes, or if no such amount is outstanding, refunded to Borrower.

24. **JOINT AND SEVERAL OBLIGATIONS.** If more than one person or entity is named as Borrower in this Agreement, all Obligations, representations, warranties, covenants and indemnities of Borrower set forth herein and in the other Loan Documents shall be the joint and several obligations of such persons and/or entities.

25. **JURISDICTION.** BORROWER AGREES THAT ANY ACTION TO ENFORCE BORROWER'S OBLIGATIONS TO CRESTMARK SHALL BE PROSECUTED IN THE COURTS OF THE PROVINCE OF

ALBERTA (UNLESS CRESTMARK, IN ITS SOLE DISCRETION, ELECTS SOME OTHER JURISDICTION), AND BORROWER SUBMITS TO THE JURISDICTION OF ANY SUCH COURT SELECTED BY CRESTMARK. BORROWER WAIVES ANY AND ALL RIGHTS TO CONTEST THE JURISDICTION AND VENUE OF ANY ACTION BROUGHT IN THIS MATTER AND BORROWER AND GUARANTOR MAY BRING ANY ACTION AGAINST CRESTMARK ONLY IN THE COURTS LOCATED IN THE PROVINCE OF ALBERTA.

26. **WAIVER.** ALL PARTIES, INCLUDING BORROWER, EACH KNOWINGLY AND VOLUNTARILY WAIVE ANY CONSTITUTIONAL RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY CLAIM, DISPUTE OR CONFLICT BETWEEN THE PARTIES OR UNDER THE LOAN DOCUMENTS AND AGREE THAT ANY LITIGATION SHALL BE HEARD BY A COURT OF COMPETENT JURISDICTION SITTING WITHOUT A JURY. BORROWER ACKNOWLEDGES THAT IT HAS HAD THE OPPORTUNITY TO REVIEW THE EFFECT OF THIS PROVISION WITH COUNSEL OF ITS CHOICE.
27. **RELEASE.** BORROWER RELEASES AND FOREVER DISCHARGES CRESTMARK, ITS AFFILIATES, OFFICERS, AGENTS, EMPLOYEES AND DIRECTORS FROM ANY AND ALL CLAIMS OF ANY KIND WHATSOEVER FROM THE BEGINNING OF TIME TO DATE OF THIS AGREEMENT EXCEPT TO THE EXTENT ANY SUCH CLAIMS ARISE FROM THE GROSS NEGLIGENCE OR WILFUL MISCONDUCT OF CRESTMARK OR ITS OFFICERS, AGENTS, EMPLOYEES OR DIRECTORS.

[Signature page follows]

The parties have executed this Agreement as of the date and year first written above.

**CRESTMARK, A DIVISION OF METABANK,
NATIONAL ASSOCIATION**

By: 
Name: LISA GOENLE
Its: VICE PRESIDENT

BORROWER:

MANTLE MATERIALS GROUP, LTD.,
an Alberta corporation

By: 
Name: John Jeffrey Ryks
Its: Chief Financial Officer
I have the Authority to Bind the Corporation

By signing this Agreement, the undersigned Guarantor has read and understands the Agreement and acknowledges all of its terms.

GUARANTOR:

RLF CANADA HOLDINGS LIMITED,
a Colorado corporation

By: _____
Name: Byron Levkulich
Its: Chief Executive Officer
I have the Authority to Bind the Corporation

The parties have executed this Agreement as of the date and year first written above.

**CRESTMARK, A DIVISION OF METABANK,
NATIONAL ASSOCIATION**

By: _____
Name: _____
Its: _____

BORROWER:

MANTLE MATERIALS GROUP, LTD.,
an Alberta corporation

By: _____
Name: John Jeffrey Ryks
Its: Chief Financial Officer
I have the Authority to Bind the Corporation

By signing this Agreement, the undersigned
Guarantor has read and understands the Agreement
and acknowledges all of its terms.

GUARANTOR:

RLF CANADA HOLDINGS LIMITED,
a Colorado corporation

By: Byron Levkulich
Name: Byron Levkulich
Its: Chief Executive Officer
I have the Authority to Bind the Corporation

SCHEDULE TO LOAN AGREEMENT

This Schedule is part of the Loan Agreement dated as of June 0, 2022 (the "Agreement") between:

**CRESTMARK, A DIVISION OF METABANK,
NATIONAL ASSOCIATION ("Crestmark")
5480 CORPORATE DRIVE
SUITE 350
TROY, MICHIGAN 48098**

AND

**MANTLE MATERIALS GROUP, LTD. ("Borrower")
PO BOX 6977
BONNYVILLE, ALBERTA, CANADA T9N 2H4**

(The following paragraph numbers correspond to paragraph numbers contained in the Agreement)

2. LOAN; LOAN ADVANCES.

Advance Formula: Advances of the Loan shall be measured against a percentage of Eligible Accounts.

A. The Loan Amount may not exceed an amount which is the lesser of:

- (a) One Million Five Hundred Thousand and 00/100 Canadian Dollars (C\$1,500,000.00) ("Maximum Amount"); or
- (b) Eighty-five percent (85%) of Eligible Accounts (the "Advance Formula").

Crestmark in its sole discretion may raise or lower any percentage advance rate with respect to the Advance Formula. To the extent any currency exchange is required in connection with the calculation of the Advance Formula, such calculation shall be based on exchange rates determined by Crestmark in accordance with its customary practice. The Maximum Amount at any time shall be calculated by Crestmark and, to the extent any currency conversion is required in connection with the calculation of the Maximum Amount, shall be based on exchange rates determined by Crestmark in accordance with its customary practice.

Eligible Accounts means and includes those Accounts:

- (i) which are payable in Canadian Dollars;
- (ii) which have been validly assigned to Crestmark;
- (iii) strictly comply with all of Borrower's promises, warranties and representations to Crestmark;
- (iv) contain payment terms of not greater than sixty (60) days from the date of invoice;
- (v) are not past due more than ninety (90) days past the date of invoice, or in the case of LaFarge Canada Inc. and MD of Bonnyville No. 87, are not past due more than one hundred twenty (120) days past the date of invoice; and
- (vi) are invoiced not later than 14 days from the date of service or sale.

Eligible Accounts shall not include the following:

- (a) Accounts with respect to which the Account Debtor is an officer, employee or agent of Borrower;
- (b) Accounts with respect to which services or goods are placed on consignment, guaranteed sale, or other terms by reason of which the payment by the Account Debtor may be conditional;

- (c) Accounts with respect to which the Account Debtor is not a resident of the United States or Canada; provided, however, that the eligibility of any Accounts originating from the Province of Quebec shall be determined by Crestmark in its sole discretion;
- (d) Accounts with respect to which the Account Debtor is the United States, Canada or any department, agency or instrumentality of the United States or of Canada; unless, Borrower has completed all of the steps necessary, in the sole opinion of Crestmark, to comply with the Federal Assignment of Claims Act of 1940 (31 U.S.C. Section 3727) or applicable Canadian laws with respect to such Account. Notwithstanding the foregoing, Accounts with respect to which the Account Debtor is a municipality, city, or town within the Province of Alberta will not be deemed ineligible as a result of this clause (d).
- (e) Accounts with respect to which the Account Debtor is a subsidiary of, related to, affiliated with, or has common shareholders, officers or directors with Borrower;
- (f) Accounts with respect to which Borrower is or becomes liable to the Account Debtor for goods sold or services rendered by the Account Debtor to Borrower;
- (g) those Accounts where Crestmark has notified Borrower that, in Crestmark's sole discretion, the Account or Account Debtor is not acceptable to Crestmark;
- (h) all of the Accounts owed by an Account Debtor who is the subject of a bankruptcy, receivership or similar proceeding;
- (i) all of the Accounts owed by an Account Debtor where twenty-five (25%) percent or more of all of the Accounts owed by that Account Debtor are more than ninety (90) days from the invoice date, or in the case of LaFarge Canada Inc. and MD of Bonnyville No. 87, are more than one hundred twenty (120) days from invoice date;
- (j) Accounts for which the services have not yet been rendered to the Account Debtor or the goods sold have not yet been delivered to the Account Debtor (commonly referred to as "pre-billed accounts");
- (k) any contra or affiliate contra Accounts, including, without limitation, Accounts from Account Debtors, Bonnie's Equipment Services, Rockslide Gravel Ltd., and Seven Lakes Oilfield Services Corp.
- (l) COD, credit card sales and cash sales; and
- (m) Accounts are disputed.

Crestmark will determine in its sole discretion whether any Collateral is eligible for an Advance, but no Collateral will be considered eligible unless the requirements set forth above are met. Regardless of whether any Collateral is eligible, it is still part of the Collateral securing the Obligations.

Prior to any request for an Advance Borrower must furnish to Crestmark invoices, credit memos, purchase orders and/or customer contract, evidence of delivery, proof of shipment, proof of pickup and/or proof of crushing (whereby, if a proof of crushing is being relied upon, it must be accompanied with way logs or such other evidence satisfactory to Crestmark confirming the weight of the materials crushed), timesheets or any other documents Crestmark requests, in its sole discretion, with respect to the Accounts that Borrower is tendering to Crestmark to support the Advance ("Account Documents"). Crestmark will endeavor to provide the requested Advance by the end of the day on the date it receives the request as long as the complete package of information for the request has been received by Crestmark by 10:30 a.m. Mountain Time on the date of the request for the Advance. All requests for funding will be subject to Crestmark's then standard fees for electronic funds transfer, wire transfers and cheque services.

Each time an Advance is made, the amount of the Obligations will be increased by the amount of the Advance. On the later of three (3) business days ("Clearance Days") after cheques, Automated Clearing House transactions ("ACH") or wire transfers or other credit instruments are applied to a specific invoice, Crestmark will credit the Loan Account with the net amount actually received, whereupon interest and Maintenance Fee will no longer be charged. On the date a collection is applied to a specific invoice Borrower will receive immediate credit on such funds in determining availability for Advances.

When Crestmark receives a payment from an Account Debtor, it will attempt to apply it against the appropriate Account Debtor and invoice according to the Account Debtor's remittance advice. If it is not clear which Account Debtor or invoice the payment is to be applied against, Crestmark may contact Borrower or the payor for assistance. Unless there is clear error, the application of payments by Crestmark is final.

4. **FEES AND EXPENSES.** The following fees will be paid by Borrower:

Loan Fee: At closing of the Loan and on each one year anniversary of the date of the Agreement, Borrower will pay Crestmark a loan fee in the aggregate amount of one percent (1%) of the Maximum Amount, which will be fully earned as of such date and not refundable in any event, but, as a courtesy to Borrower, may be paid in twelve (12) equal consecutive monthly payments commencing on date of execution of the Agreement (and, with respect to each year starting with the one year anniversary, the first day of each one year anniversary) and continuing on the first day of each month thereafter.

Late Reporting Fee: Borrower will pay Crestmark a Late Reporting Fee in an amount equal to C\$150.00 per document per business day for any day in which any report, financial statement or schedule required by the Agreement is delivered late.

Lockbox Fee: Each month Borrower will pay all costs in connection with the Lockbox and the Lockbox Account, as determined by Crestmark from time to time.

Documentation Fee: In consideration of the extension of the Loan and the execution of the Agreement, Borrower will pay Crestmark a documentation fee of C\$750.00, which fee is fully earned as of the date hereof and is non-refundable.

Maintenance Fee: Waived.

Exit Fee. Borrower may elect to prepay the Obligations but only upon the payment of all Obligations including the following exit fee ("Exit Fee"), as liquidated damages and not as a penalty: (i) prior to the one year anniversary date of the Agreement, the exit fee will be two (2.00%) percent of the Maximum Amount, and (ii) on and after the one year anniversary date, the Exit Fee will be one percent (1.00%) of the Maximum Amount. No partial prepayment will affect the Borrower's obligation to continue the regular payments due under the Note. If, after 12 months, the Loan is repaid by a conventional lender or a related party, the Exit Fee will not apply.

The facility shall automatically renew on each anniversary date of the Agreement for an additional twelve (12) month period unless (i) Borrower notifies Crestmark in writing within sixty (60) days before such anniversary date of Borrower's intention to terminate the Agreement and (ii) the Obligations are paid in full by such anniversary date. In the event that a Default has occurred and is continuing at the time Crestmark demands payment of the Obligations, the Exit Fee will be due and payable by Borrower.

MINIMUM LOAN BALANCE. Borrower shall maintain an average outstanding principal balance of the Loan for each month in the amount of (a) C\$200,000 for the period beginning from the date of this Agreement through and including June 30, 2022, and (b) C\$350,000.00 commencing July 1, 2022 and any time thereafter (in each case, the "Minimum Loan Balance"). If the actual average outstanding principal balance of the Loan in any month is less than the Minimum Loan Balance, Borrower must pay interest and Maintenance Fees (as defined in the Schedule) for such month calculated on the Minimum Loan Balance.

5. **LOCKBOX.**

The Lockbox Account means:

Canadian Imperial Bank of Commerce
Lockbox #TX4050C
PO Box 4590, STN A
Toronto, ON M5K 1K1

Or

US Lockbox Account (for US Account Debtors only)
Drawer # 2766
PO Box 5935
Troy, MI 48007-5935

10. **REPRESENTATIONS.**

Borrower makes the following additional representations:

(A) Borrower is an Alberta (Canada) corporation, with a business number of 723397733 and a corporate access number of 2023450345.

(D) List pending and threatened litigation and unsatisfied judgments:

- Enforcement Order No. EO-WA-35659-01
- Environmental Protection Order No. EPO-EPEA-35659-01
- Environmental Protection Order No. EPO-EPEA-35659-02
- Environmental Protection Order No. EPO-EPEA-35659-03
- Environmental Protection Order No. EPO-EPEA-35659-05
- Environmental Protection Order No. EPO-EPEA-35659-06
- Environmental Protection Order No. EPO-EPEA-35659-07
- Environmental Protection Order No. EPO-EPEA-35659-08
- Environmental Protection Order No. EPO-EPEA-35659-09
- Environmental Protection Order No. EPO-EPEA-35659-10

Plus, inchoate or statutory liens arising in respect of the operation of assets in the ordinary course of business, provided that such liens are with respect to obligations which are not due or delinquent, are not registered against title to any assets of the Borrower, and which liens are being contested in good faith by appropriate legal proceedings diligently pursued and as to which adequate reserves have been established on the Borrower's books and records or a stay of enforcement of such liens is in effect.

(F) List Security Interests in the Collateral held by creditors other than Crestmark as Permitted Encumbrances (collectively, "**Permitted Encumbrances**"):

All Security Interests granted by the Borrower in connection with the following registrations made under the Personal Property Registry of Alberta:

- PPSA filing no. 21100725361, filed on October 7, 2021 by Secured Party, Travelers Restructuring Capital Inc., it being acknowledged that Security Interests granted to Crestmark shall remain subordinated to such creditor.
- PPSA filing no. 20110921992, filed on November 9, 2020 by Secured Party, ATB Financial, subject to Crestmark receiving a no interest letter, in form and substance satisfactory to Crestmark.

- The following PPSA filings, filed by Secured Parties, Fiera Private Debt Fund V LP, as collateral agent, Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP, subject to an Intercreditor/Subordination Agreement, in form and substance satisfactory to Crestmark.
 - PPSA file no. 17040638801 filed on 4/6/2017
 - PPSA file no. 18062002625 filed on 6/20/2018
 - PPSA file no. 20031623522 filed on 3/16/2020
- The following PPSA filings, filed by Secured Parties, Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP, subject to an Intercreditor/Subordination Agreement, in form and substance satisfactory to Crestmark.
 - PPSA file no. 20100116475 filed on 10/1/2020
 - PPSA file no. 20100116566 filed on 10/1/2020
- PPSA filing number 19011424597, filed on January 14, 2019 by Canadian Western Bank – Credit Support, NAB Region. Crestmark's approval of this Permitted Encumbrance has been granted in consideration of the additional negative covenant set out in clause 12 of this Schedule below.

For greater certainty and avoidance of doubt:

- it is understood that the Security Interests granted to Crestmark shall have first priority over the inventory, account receivables and proceeds thereof and the purpose and intent of the Intercreditor/Subordination Agreement with Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP is to have such creditor postpone and subordinate its security interests to that of Crestmark with respect to inventory, account receivables and proceeds thereof, with Crestmark remaining in a subordinate position with respect to the remainder of the Borrower's present and after-acquired personal property;
- regarding Travelers Restructuring Capital Inc., Crestmark will remain in a subordinate position with respect to the collateral described in the registration made in favour of such creditor;
- regarding ATB Financial, Crestmark will remain in a subordinate position with respect to the collateral described in the registration made in favour of such creditor, provided that ATB Financial confirms that it has no interest in the Borrower's inventory, accounts receivable and proceeds thereof, save and except for the "Acquired Tranche B Inventory" described in such registration; and
- regarding Canadian Western Bank, Crestmark will remain in a subordinate position with respect to the collateral described in the registration made in favour of such creditor, subject to the negative covenant set out in clause 12 of this Schedule below.

(J) List Borrower's Tradenames: None

11. **BORROWER'S PROMISES:**

C. BORROWER CLAIMS THRESHOLD: C\$50,000.00 (including any equivalent amount in another currency).

E. FINANCIAL COVENANTS: At no time shall Borrower make any loans, advances, intercompany transfers or cash flow between Borrower and any subsidiary, related entity or affiliate of Borrower or with any company that has common shareholders, officers or directors with Borrower.

All of the financial covenants in the Agreement and this Schedule shall be determined in accordance with IFRS, unless otherwise provided.

"IFRS" means International Financial Reporting Standards, including International Accounting Standards and Interpretations together with their accompanying documents

which are set by the International Accounting Standards Board, the independent standard-setting body of the International Accounting Standards Committee Foundation (the "**IASC Foundation**"), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation, but only to the extent the same are adopted by the Canadian Institute of Chartered Accountants ("**CICA**") as generally accepted accounting principles in Canada and then subject to such modifications thereto as are agreed by CICA, applied on a consistent basis; provided that for the purposes of this Agreement, including for the purposes of any financial calculations, any lease which would be accounted for as an operating lease under GAAP as in effect on the December 31, 2018 shall be, notwithstanding any subsequent change in GAAP, deemed to continue to be accounted for in the same manner as an operating lease was accounted for as at December 31, 2018, notwithstanding and regardless of the implementation under GAAP of IFRS 16 (regardless of whether such lease is entered into or assumed before or after December 31, 2018) and the obligations for or in respect of lease payments under any such lease shall not constitute debt.

F. **REQUIRED INSURANCE.** Without limiting Crestmark's requirement for insurance coverage, which may change from time to time, the following is/are the minimum insurance requirements:

Property Damage: "Crestmark, a division of MetaBank, National Association, ISAOA" named as Lender Loss Payee

General and Professional Liability: "Crestmark, a division of MetaBank, National Association, ISAOA" named as Additional Insured for an amount not less than the smallest amount required under any contract with any Account Debtor.

12. **NEGATIVE COVENANTS:**

C. **OBLIGATION THRESHOLD:** C\$50,000.00 (including any equivalent amount in another currency).

Notwithstanding the Obligation Threshold defined in this Schedule, Crestmark acknowledges and consents to the existing Borrower Obligations secured by Permitted Encumbrances as of the date of the Loan Agreement only, which excludes, for certainty, any increases to such Borrower Obligations that remain subject to the Obligation Threshold or otherwise requires Crestmark's prior written consent.

In addition to the terms and conditions set out in the Agreement and this Schedule, Borrower covenants and agrees not to increase the face value of the guaranteed investment certificate (including replenishing any redeemed or withdrawn amounts from time to time) held with or maintained by Canadian Western Bank and, in connection with this negative covenant, confirms that the collateral secured by the Permitted Encumbrance in favour of Canadian Western Bank is limited to the guaranteed investment certificate and proceeds therefrom as described under PPSA filing number 19011424597.

13. **FINANCIAL REPORTS.**

Management Prepared Financial Statements: Borrower will deliver to Crestmark management prepared financial statements, balance sheets, and profit and loss statements for month then ended, certified to by the president or chief financial officer of Borrower. Such reports will set forth the financial affairs and true condition of Borrower for such time period and will be delivered to Crestmark no later than thirty (30) days after the end of each month.

Projections: Borrower shall deliver to Crestmark, promptly upon request by Crestmark, an annual financial projection including balance sheet, income statements, and statement of cash flows together with assumptions for the following year, broken down monthly.

Guarantors' Corporate Financial Statements. Upon request, Guarantors will provide Crestmark with annual corporate financial statements on forms supplied by Crestmark. Such reports will set forth with detail Guarantors' financial affairs and the true financial condition of Guarantors, as of the end of each calendar year and shall be delivered to Crestmark on the earlier of April 30th or 120 days after the end of each calendar year.

Annual Financial Statements: Each year Borrower will deliver to Crestmark annual management prepared financial statements, cash flow statements, balance sheets, and profit and loss statements prepared by a certified public accountant acceptable to Crestmark, all without exceptions. Such reports will set forth in detail Borrower's true condition as of the end of Borrower's fiscal year no later than one hundred twenty (120) days after the end of Borrower's fiscal years.

All financial statements are and will be prepared in accordance with GAAP applied on a consistent basis.

Accounts Receivable and Accounts Payable Aging: Borrower will furnish to Crestmark the following certified to by the president or chief financial officer of Borrower within the time periods set forth:

- (a) **Accounts Receivable Reports:** Monthly detailed Accounts Receivable Aging Reports no later than fifteen (15) days after the end of each month, but can be requested more frequently at Crestmark's sole discretion;
- (b) **Accounts Payable Reports:** Monthly summary Accounts Payable Aging Reports no later than fifteen (15) days after the end of each month, but can be requested more frequently at Crestmark's sole discretion; and

Tax Returns: Upon request, Guarantor and Borrower will each provide Crestmark with current annual tax returns prior to 180 days after the end of each financial year end, if a corporation, and by April 30 of each year, if an individual or if an extension is filed, at the earlier of (a) filing, or (b) the extension deadline.

Field Examinations: Upon and after the occurrence of a Default, Borrower will reimburse Crestmark for the costs to perform field examinations of Borrower's books and records, assets and liabilities, to be performed by Crestmark's inspector, whether a Crestmark officer or an independent party with all expenses, (whether for a Crestmark employee or otherwise), including all out of pocket expenses including, but not limited to, transportation, hotel, parking, and meals paid by Borrower. Field examinations are performed for Crestmark's internal use and Crestmark has no obligation to provide Borrower or Guarantor with the results of the examination or copies of any reports or work papers in whole or in part. For clarity, prior to the occurrence of a Default, Crestmark shall be entitled to perform field examinations of Borrower's books and records, assets and liabilities, provided that Crestmark shall be responsible for all costs and expenses associated with such field examinations that are not triggered by or do not otherwise occur upon or after a Default.

Tax Deposit Evidence: Upon request, submit weekly payroll summaries and evidence of tax payments together with copies of bank statements from which the funds are impounded.

Customer Lists: Upon Crestmark's request, Borrower will deliver to Crestmark detailed customer lists showing the customer's name, address, phone number and any other information Crestmark reasonably requests.

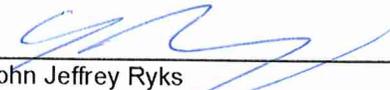
Other Information: Borrower and Guarantor will also deliver to Crestmark such other financial statements, financial reports, documentation, tax returns and other information as Crestmark requests from time to time.

18. **NOTICES.** Addresses for Notices are as set forth at the beginning of this Schedule.

[Signature page follows]

The parties have executed this Schedule as of the date and year first written above.

MANTLE MATERIALS GROUP, LTD.,
an Alberta corporation

By: 
Name: John Jeffrey Ryks
Its: Chief Financial Officer
I have the Authority to Bind the Corporation

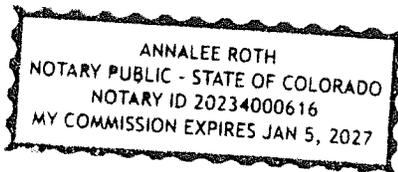
**CRESTMARK, A DIVISION OF METABANK
NATIONAL ASSOCIATION**

By: 
Name: LISA SPENCE
Its: VICE PRESIDENT

This is **Exhibit "E"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



SECURED CONVERTIBLE DEBENTURE

MANTLE MATERIALS GROUP, LTD.

(incorporated under the laws of the Province of Alberta)
9046 22nd Avenue SW
Edmonton, AB T6X 1Z6

FOR VALUE RECEIVED, Mantle Materials Group, Ltd. (the "**Corporation**") hereby promises to pay to **RLF Canada Lender Limited** (the "**Debenture Holder**") a principal sum equal to the aggregate outstanding advances by the Debenture Holder to the Corporation made on or after October 19, 2022 (the "**Issue Date**"), together with any other Obligations (as defined in section 1.1 of **Schedule "A"**) arising from and after the Issue Date under this secured convertible debenture (this "**Debenture**") on the terms and subject to the provisions set out on **Schedule "A"**.

IN WITNESS WHEREOF, the Corporation has caused this Debenture to be executed by a duly authorized officer.

DATED for reference this 19 day of October, 2022 (the "**Issue Date**").

MANTLE MATERIALS GROUP, LTD.

Per: _____

Name: John Jeffrey Bykes
Title: CFO

(See terms and conditions attached hereto as Schedule "A")

SCHEDULE "A"

TERMS AND CONDITIONS OF SECURED CONVERTIBLE DEBENTURE

Terms and Conditions attached to the Convertible Debenture issued by Mantle Materials Group, Ltd. to RLF Canada Lender Limited as of the Issue Date of October 19, 2022.

1. INTERPRETATION

1.1 Definitions

In this Debenture, unless there is something in the subject matter or context inconsistent therewith, the expressions following shall have the following meanings, namely:

- (a) **"Business Day"** means a calendar day excluding Saturday, Sunday and statutory holidays in the Province of Alberta;
- (b) **"Collateral"** shall have the meaning ascribed to it in Section 3.1;
- (c) **"Contractual Rights"** shall have the meaning ascribed to it in Section 3.5;
- (d) **"Conversion Amount"** means the Principal Sum and Interest Amount elected by the Debenture Holder at the Maturity Date in a Notice of Conversion to be converted to Conversion Shares at the Conversion Price;
- (e) **"Conversion Price"** means a conversion price equal to the Market Price of the Conversion Shares;
- (f) **"Conversion Shares"** means common shares of the Corporation;
- (g) **"Corporation"** means Mantle Materials Group, Ltd., a corporation incorporated under the laws of the Province of Alberta;
- (h) **"Debenture Holder"** means RLF Canada Lender Limited or any Person or Persons approved by the Corporation, to be a holder of this Debenture in accordance with the terms hereof;
- (i) **"Default Interest Rate"** means the Interest Rate plus two percent (2%) per annum, compounded daily on the Obligations that remain unpaid or unconverted after the occurrence and during the continuance of an Event of Default;
- (j) **"Equity Notice"** means a notice substantially in the form of Appendix "A" attached hereto;
- (k) **"Equity Offering"** means a distribution of any class of the Corporation's equity securities to investors, whether such investors are security holders of the Corporation prior to the distribution or not but excluding any equity securities issued on a conversion of any outstanding securities of the Corporation;

- (l) **“Event of Default”** means any event specified in Article 5, which has not been waived, cured or remedied;
- (m) **“Fiera Lenders”** means Fiera Private Debt Fund VI LP, by its general partner Fiera Private Debt Fund GP Inc. and Fiera Private Debt Fund V LP, by its general partner Fiera Private Debt Fund GP Inc. (“Fiera V”), with Fiera V acting as collateral agent for and on behalf of and for the benefit of the Fiera Lenders;
- (n) **“Interest Amount”** means any interest accrued hereunder but neither paid nor converted into Conversion Shares;
- (o) **“Interest Rate”** means an interest rate equal to nine percent (9%) per annum in the period commencing from and after October 1, 2022 to and including June 30, 2023, and thereafter to and including the Maturity Date at seven percent (7%) per annum;
- (p) **“Insolvency Law”** means applicable federal, provincial or state law relating to bankruptcy, insolvency, reorganization or relief of debtors;
- (q) **“Market Price”** at any date means the fair value of the Common Shares as determined by the Debenture Holder;
- (r) **“Material Adverse Effect”** means a material adverse effect on, or a material adverse change to the financial condition of the Corporation, the Corporation’s ability to perform its material obligations under this Debenture or the property, business, operations, liabilities or prospects of the Corporation and its subsidiaries taken as a whole;
- (s) **“Maturity Date”** means the earlier of April 26, 2029 or the date on which the Debenture Holder declares an Acceleration;
- (t) **“Obligations”** means all indebtedness, liabilities and obligations of the Corporation to the Debenture Holder under this Debenture, whether present or future, including the Principal Sum, any Interest Amount and any other amounts outstanding hereunder, and whether direct or indirect, absolute or contingent, matured or not;
- (u) **“Person”** means an individual, partnership, corporation other business or legal entity or any duly constituted government of or in Canada and any minister, department, commission, board, bureau, agency, authority, instrumentality or court and the like of any such government;
- (v) **“Principal Sum”** means the amounts advanced from time to time by the Debenture Holder to the Corporation, including an initial advance of CDN\$94,000.00, together with any unpaid Interest Amount or other Obligations added thereto and forming part thereof pursuant to Sections 2.1(c) and 2.2;
- (w) **“Receiver”** shall have the meaning ascribed to it in Section 4.2(b);
- (x) **“Security Interest”** means any mortgage, charge, security interest, lien or other encumbrance;

- (y) **“Shareholders”** means all of the shareholders of the Corporation for the time being and **“Shareholder”** means any one of them; and
- (z) **“this Debenture”**, **“hereto”**, **“hereby”**, **“hereunder”**, **“hereof”** and similar expressions refer to the convertible debenture represented hereby and not to any particular Article, Section, subsection, clause, subdivision or other portion hereof and include any and every instrument supplemental or ancillary hereto and every debenture issued in replacement hereof.

1.2 Gender and Number

Any reference in this Debenture to gender includes all genders and words importing the singular number only shall include the plural and *vice versa*.

1.3 Headings, etc.

The division of this Debenture into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect its interpretation.

1.4 Further Assurances

From time to time after the date hereof, each Party shall, at the request of any other Party, execute and deliver such additional documents and assurances and do all such other acts or things as may be reasonably required to effect and evidence and carry out the purposes and intent of this Agreement.

1.5 Incorporation of Appendix and Schedules

The schedules and appendix attached to this Debenture form an integral part of it for all purposes of this Debenture.

2. PAYMENT TERMS

2.1 Principal and Interest

- (a) The principal amount of this Debenture from time to time shall be the initial Principal Sum of CDN \$94,000.00 (the **“Initial Principal Advance”**) together with additional amounts advanced by the Debenture Holder to the Corporation under this Debenture from time to time, together with any Interest Amount and other Obligations added to the Principal Sum under Sections 2.1(c) and 2.2.
- (b) Subject to Section 2.1(c), the outstanding Principal Sum, any Interest Amount and any other Obligations shall be due and fully payable to the Debenture Holder on the Maturity Date. Any Interest Amount accruing or other Obligations incurred subsequent to the Maturity Date shall be immediately due and payable to the Debenture Holder as and when any such amount accrues or is incurred without any notice or demand by the Debenture Holder.
- (c) The Principal Sum shall bear interest at the Interest Rate, calculated and compounded monthly, not in advance, on the fifteenth (15th) day of each month, on the Principal Sum. The Corporation shall pay to the Debenture Holder the

Principal Sum and Interest Amounts in blended monthly instalments in accordance with the amortization and payment schedule set out on **Schedule "B"**, with each instalment being applied firstly in payment of the Interest Amount and secondly on account of the outstanding Principal Sum, with the balance of the Principal Sum and any other unpaid Obligations becoming immediately due and payable on the Maturity Date, provided that in the period between October 18, 2022 and June 15, 2023, the Interest Amount of each installment becoming payable in such period shall be added to and form part of the Principal Sum, and thereafter shall be payable in cash. Any Interest Amount which is not paid when due shall be added to and compounded with the Principal Sum in computing the Interest Amount.

- (d) Upon the occurrence and during the continuance of any Event of Default, interest shall accrue on the Obligations at the Default Interest Rate, calculated and compounded monthly (both before and after any Event of Default, the Maturity Date or judgment), and such accrued interest shall be immediately due and payable to the Debenture Holder, and in the event that such interest is not immediately paid by the Corporation to the Debenture Holder, the accrued and unpaid amount thereof shall be added to the Principal Sum in accordance with Section 2.1(c).
- (e) The Corporation may at any time on two (2) days' notice to the Debenture Holder repay all or any portion of the Obligations without notice or bonus.
- (f) In the event that:
 - (i) the Debenture Holder makes additional advances to the Corporation after making the Initial Principal Advance;
 - (ii) an Interest Amount is added to the Principal Sum in accordance with Section 2.1(c) or 2.1(d);
 - (iii) Obligations incurred under Section 2.2 are added to the Principal Sum;
 - (iv) the Corporation repays a portion of the Obligations under Section 2.1(e);
or
 - (v) the Corporation redeems a portion of the Obligations under Section 2.5,

the Debenture Holder shall amend and restate the amortization and payment schedule attached as Schedule "B" and upon delivery to the Corporation of such amended and restated amortization and payment schedule, the amended and restated Schedule "B" shall be deemed to be attached to and to replace the then current Schedule "B".

- (g) Interest on the indebtedness evidenced by this Debenture shall be computed on the basis of a three hundred sixty five (365) day year and shall accrue on the actual number of days elapsed for any whole or partial month in which interest is being computed. In computing the number of days during which interest accrues, the days on which funds are initially advanced shall be included regardless of the time of day such advance is made, and the day on which funds are repaid shall be included unless repayment is credited prior to the close of business on the

Business Day received as provided in Section 2.3. Where a rate of interest hereunder is calculated on the basis of a year (a “**calculation year**”) which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for the purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in a calendar year of calculation and dividing it by the number of days in the calculation year.

2.2 **Costs and Expenses**

All costs and expenses (including the fees and disbursements of accountants, financial advisors, lawyers and other professional advisers) incurred by the Debenture Holder in connection with this Debenture and the exercise by the Debenture Holder of any rights or remedies hereunder shall be paid by the Corporation immediately upon demand by the Debenture Holder and shall, if not paid immediately upon such demand, shall be added to and form part of the Principal Sum.

2.3 **Application**

Except as expressly provided herein to the contrary, all payments under this Debenture shall be applied in the following order of priority: (a) first, the payment or reimbursement of any expenses, costs or obligations (other than the outstanding Principal Sum and Interest Amount) payable by the Corporation pursuant to this Debenture, (ii) second, the payment of Interest Amount, and (iii) third, the payment of all or any portion of the outstanding Principal Sum. If an Event of Default exists under this Debenture, then the Debenture Holder may, at the sole option of the Debenture Holder, apply any such payments, at any time and from time to time, to any of the items specified in clauses (i), (ii) or (iii) of in this Section 2.3 without regard to the order of priority otherwise specified in this Section 2.3.

2.4 **Payments**

All payments under this Debenture shall be in immediately available funds denominated in Canadian currency and shall be by cheque or bank draft delivered to the Debenture Holder's address under Section 7.11, or by wire transfer in accordance with wire transfer instructions provided by the Debenture Holder to the Corporation in writing. Payments in immediately available funds received by the Debenture Holder at the place designated for payment on a Business Day at or prior to 2:00 p.m. (Mountain Time) shall be credited prior to the close of business on the Business Day received, while payments received by Debenture Holder on a day other than a Business Day or after 2:00 p.m. (Mountain Time) on a Business Day shall not be credited until the next succeeding Business Day. If any payment of Principal Sum or Interest Amount shall become due and payable on a day other than a Business Day, such payment shall be made on the succeeding Business Day. Any extension of time for payment shall be included in computing interest which has accrued and shall be payable in connection with such payment.

2.5 **Redemption**

- (a) At any time and from time to time, the Debenture Holder shall have the option, in its sole discretion, to elect to require the Corporation to redeem all or any portion of the Obligations by issuing to the Debenture Holder Conversion Shares having a Market Price equal to the amount of Obligations required to be redeemed, whereupon the Corporation shall within five (5) Business Days issue to the Debenture Holders such Conversion Shares.

- (b) The Corporation may, with the prior written approval of the Debenture Holder, redeem this Debenture prior to the Maturity Date either in whole at any time or, when not in default hereunder, in part from time to time for a cash amount equal to the outstanding Obligations.
- (c) The rights of redemption and the rights provided for pursuant to Section 2.6 arising from an Equity Offering shall extend only to a whole number of Conversion Shares, and upon conversion of the whole Obligations. Notwithstanding anything contained herein, the Corporation shall in no case be required to issue fractional Conversion Shares upon the conversion of any Obligations. If any fractional interest in a Conversion Share would, except for the provisions of this Section 2.5(c), be deliverable upon the conversion of any Obligations, the Corporation shall adjust such fractional interest by paying to the Debenture Holder an amount in lawful money of Canada equal to the Obligations then outstanding after so much of the Obligations as may be converted into a whole number of Conversion Shares has been converted. Any Conversion Shares issued or delivered pursuant to this Debenture shall be fully paid and non-assessable, without any further compensation therefor.
- (d) To benefit from the redemption of any Obligations into Conversion Shares, the Debenture Holder shall surrender this Debenture to the Corporation at its principal office, together with an Equity Notice duly completed and executed by the Debenture Holder. Thereupon such Debenture Holder or, subject to compliance with any requirements of any applicable securities laws determined by the Corporation acting reasonably, its nominee(s) approved by the Corporation, shall be entitled to be entered in the books of the Corporation as at the date of the Equity Notice as the holder of the number of Conversion Shares into which the Conversion Amount is convertible, in accordance with the provisions of this Article and, as soon as practicable thereafter, the Corporation shall deliver to such Debenture Holder, or subject as aforesaid, its nominee(s), certificates for such Conversion Shares, and if applicable, payment for any amount payable under Section 2.5.
- (e) The surrender of this Debenture accompanied by such Equity Notice shall be deemed to constitute a contract between the Debenture Holder and the Corporation whereby: (i) the Debenture Holder subscribes for the number of Conversion Shares which it shall be entitled to receive on such conversion; (ii) the Debenture Holder releases the Corporation of all liability thereon or from all liability with respect to that portion of the Obligations to be converted; and (iii) the Corporation agrees that the surrender of this Debenture for conversion constitutes full payment of the subscription price for the Conversion Shares issuable upon such conversion.
- (f) The Debenture Holder shall be entitled to receive and the Corporation shall deliver to the Debenture Holder a new Debenture for any unconverted portion of the Obligations so surrendered.
- (g) The Corporation covenants with the Debenture Holder that it will at all times reserve and keep available out of its authorized Conversion Shares, solely for the purpose of issue upon conversion of the Obligations under this Section 2.5, and conditionally allot to the Debenture Holder, such number of Conversion Shares as

shall then be issuable upon the full conversion of the Obligations. The Corporation covenants with the Debenture Holder that all Conversion Shares which shall be so issuable shall be duly and validly issued as fully paid and non-assessable.

- (h) Certificates representing the Conversion Shares issuable upon conversion of the Debenture as provided for in this Article will bear such legend(s) denoting the restrictions on transferability posed by any unanimous shareholders agreement and by applicable corporate and securities laws. The Debenture Holder agrees to sell, assign or transfer such Conversion Shares only in accordance with the requirements of all such legends and all applicable corporate and securities laws.

2.6 Equity Offering

On the day after the closing date of an Equity Offering, the Corporation shall redeem this Debenture for Conversion Shares at the Conversion Price. Furthermore, upon the Corporation converting this Debenture in accordance with this Section 2.6, the Debenture Holder will have the option to require the Corporation to exchange the Conversion Shares received by the Debenture Holder hereunder into the class of equity securities being offered under the Equity Offering on a *pro rata* basis upon the closing of the Equity Offering, provided the equity securities being offered under the Equity Offering are not Conversion Shares.

2.7 Satisfaction through Redemption

Occurrence of any of the redemption events described herein will be deemed to be payment in satisfaction of the Obligations under this Debenture, whereupon this Debenture and the Security Interest created hereby shall be discharged, all without delivery of any instrument or performance of any act by any party. The Debenture Holder shall, at the request and expense of the Corporation, execute and deliver to the Corporation such documents as the Corporation shall reasonably request to evidence any termination or release contemplated by this Section.

2.8 Mutilation, Loss, Theft or Destruction

In case the Debenture certificate becomes mutilated, lost, stolen or destroyed, the Corporation, in its discretion, may issue and deliver a new Debenture certificate upon surrender and cancellation of the mutilated Debenture certificate or, in the case of a lost, stolen or destroyed Debenture certificate, in lieu of and in substitution for the same. In case of loss, theft or destruction, the Debenture Holder shall furnish to the Corporation such evidence of such loss, theft or destruction as shall be satisfactory to the Corporation in its discretion and shall also furnish an indemnity satisfactory to the Corporation in its discretion. The Debenture Holder shall pay all reasonable expenses incidental to the issuance of any substituted Debenture certificate.

3. SECURITY

3.1 Grant of Security

As general and continuing collateral security for the due payment of the Principal Sum, the Interest Amount and all other monies payable hereunder or from time to time secured hereby and as security for the performance and observance of the covenants and agreements on the part of the Corporation herein contained, the Corporation hereby grants to and in favour of the Debenture Holder:

- (a) a first and fixed Security Interest over all of the Corporation's right, title and interest, whether freehold, leasehold or other, under or in respect of any lands and leases (and related tangibles) in which the Debenture Holder has an interest;
- (b) a Security Interest over all of the Corporation's present and after-acquired real property not validly made subject to the fixed charge granted in clause (a) of this Section; and
- (c) a first priority Security Interest in and over all of the Corporation's present and after-acquired personal property, tangible and intangible, in each case, of every nature and kind and wherever situate, including, without limitation, accounts, general intangibles, goods (including inventory, equipment and fixtures), chattel paper, investment property, documents of title, instruments, money, cash and cash equivalents, trade-marks, copyrights, patents, licenses and other intellectual property or intangibles and all proceeds thereof.

In this Debenture, the subject matter of the Security Interest is referred to as the "**Collateral**".

For better securing to the Debenture Holder the repayment in the manner aforesaid of the Principal Sum, interest and other monies hereby secured, and for the due performance by the Corporation of all of the covenants, provisos and conditions herein expressed or implied, the Corporation hereby mortgages to the Debenture Holder all of its estate and interest in the Collateral.

3.2 Fixed Security

Without limiting its rights hereunder to crystallize the Security Interest in any manner, the Debenture Holder may, at any time, upon the occurrence of and during the continuance of an Event of Default register such Security Interest in respect of all or a portion of the Collateral which is subject thereto under Section 3.1 by: (a) giving notice to the Corporation of, and (b) registering this Debenture or a caveat, security notice, financing statement or other instrument in respect of this Debenture, at any public registry or other office maintained for the purposes of registering fixed and specific Security Interests, and after such fixing, such Security Interest in respect of such Collateral that is the subject of the registration shall constitute a fixed and specific Security Interest in favour of the Debenture Holder and its successors and assigns, in respect of such Collateral, and the Corporation shall not thereafter dispose of or otherwise deal with such Collateral without the consent of the Debenture Holder. The Corporation shall execute such further documents and do all acts reasonably requested by the Debenture Holder to give effect to the foregoing.

3.3 Disposition of Assets in the Ordinary Course of Business

Until the occurrence of an Event of Default, the Corporation may dispose of or deal with the Collateral in the ordinary course of its business and for the purpose of carrying on the same, so that purchasers thereof or parties dealing with such Corporation take title thereto free and clear of the Security Interest. In the event of any such disposition in the ordinary course of business, the Debenture Holder will, at the written request (which will include a certificate of such Corporation stating that such Collateral is being dealt with or disposed of in accordance with this Section 3.3) and at the sole expense of such Corporation, release its Security Interest over the Collateral which is being or has been disposed.

3.4 Leasehold Interests

The Security Interest will not extend or apply to the last day of the term of any lease of real property or agreement therefor, but upon the enforcement of the Security Interest, the relevant Corporation will stand possessed of such last day in trust to assign the same at the direction of the Debenture Holder to any Person acquiring such term.

3.5 Contractual Rights

The Security Interest does not and will not extend to, and the Collateral will not include, any agreement, right, franchise, licence or permit (the “**Contractual Rights**”) to which any Corporation is a party or of which any Corporation has the benefit, to the extent that the creation of the Security Interest would constitute a breach of the terms of or permit any Person to terminate the Contractual Rights, but any such Corporation will hold its interest therein in trust for the Debenture Holder to the extent permitted by law and will assign such Contractual Rights to the Debenture Holder forthwith upon obtaining the consent of the other party or parties thereto. The Corporation will use all commercially reasonable efforts to obtain the consent of each other party to any and all Contractual Rights to the assignment of such Contractual Rights to the Debenture Holder in accordance with this Debenture. The Corporation will also use all commercially reasonable efforts to ensure that all agreements entered into on and after the date of this Debenture expressly permit assignments of the benefits of such agreements as collateral security to the Debenture Holder in accordance with the terms of this Debenture.

3.6 Attachment of Security Interest

The Corporation confirms that value has been given, that such Corporation has rights in its Collateral, other than after-acquired Collateral, that such Corporation and the Debenture Holder have not agreed to postpone the time for attachment of the Security Interest to any of the Collateral. In respect of Collateral which is acquired after the date of execution hereof, the time for attachment will be the time when any Corporation acquires such Collateral. The Corporation acknowledges receipt of an executed copy of this Debenture. The Corporation waives the right to receive a printed copy of any financing statement issued by any registry or a copy of the statement used by any such registry to confirm any registration in connection with this Debenture. The Corporation waives the right to receive any amount that it may now or hereafter be entitled to receive (whether by way of damages, fine, penalty, or otherwise) by reason of the failure of the Debenture Holder to deliver to the Corporation a copy of any financing statement or any statement issued by any registry that confirms registration of a financing statement relating to this Debenture.

3.7 Corporation’s Continuing Obligations

Notwithstanding the provisions of this Debenture: (i) the Corporation shall remain liable to perform all of its duties and obligations in regard to its Collateral (including, without limitation, all of its duties and obligations arising under any leases, licenses, permits, reservations, contracts, agreements, instruments, contractual rights and governmental orders, authorizations, licenses and permits now or hereafter pertaining thereto) to the same extent as if this Debenture had not been executed; (ii) the exercise by the Debenture Holder of any of its rights and remedies under or in regard to this Debenture shall not release any such Corporation from such duties and obligations; and (iii) the Debenture Holder shall have no liability for such duties and obligations or be accountable for any reason to any such Corporation by reason only of the execution and delivery of this Debenture.

3.8 Non-Impairment of Security Interest

To the extent permitted by applicable law, the Security Interest shall not be impaired by any indulgence, moratorium or release which may be granted including, but not limited to, any renewal, extension or modification which may be granted with respect to any secured indebtedness, or any surrender, compromise, release, renewal, extension, exchange or substitution which may be granted in respect of the Collateral, or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any of the Obligations.

4. EVENTS OF DEFAULT

4.1 Event of Default

The occurrence of any one or more of the following shall constitute an event of default under this Debenture (each, an “**Event of Default**”):

- (a) if the Corporation makes default in payment of the Principal Sum and Interest Amount when the same becomes due and payable under this Debenture;
- (b) if the Corporation defaults in the observation or performance of any covenant, condition, or obligation contained in this Debenture, or any representation and warranty made or deemed to be made by the Corporation contained in this Debenture is found to be false or incorrect, and such default is not waived, cured or remedied to the satisfaction of the Debenture Holder within thirty (30) days of Corporation receiving written notification of such an event by the Debenture Holder;
- (c) the institution by the Corporation of proceedings to be adjudicated a bankrupt or insolvent or the consent by it to the institution of bankruptcy or insolvency proceedings against it or the filing by it of a petition or answer or consent seeking reorganization or relief under any Insolvency Law, or the consent by it to the filing of any such petition or to the appointment under any such law of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Corporation or of substantially all of its property, or the making by it of a general assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due;
- (d) the entry of a decree or order by a court having jurisdiction adjudging the Corporation a bankrupt or insolvent or approving as properly filed a petition seeking reorganization, arrangement or adjustment of or in respect of the Corporation under any Insolvency Law, or appointing under any such Insolvency Law or otherwise a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Corporation or of substantially all of its property, or ordering pursuant to any such Insolvency Law the winding-up or liquidation of its affairs;
- (e) proceedings are commenced for the winding-up, liquidation or dissolution of the Corporation;
- (f) if the Corporation or any of its subsidiaries fails to pay the principal of, or premium or interest on, any of its debt (other than this Debenture) which is outstanding in

an aggregate principal amount exceeding CDN\$1,000,000 when such amount becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise); OR

- (g) if there has occurred, in the sole opinion of the Debenture Holder, acting reasonably, an event or development that constitutes or would reasonably be expected to constitute a Material Adverse Effect.

4.2 Remedies upon Event of Default

Upon the occurrence and during the continuance of an Event of Default, the Debenture Holder shall have the right, at its sole discretion, without presentment, notice of nonpayment or non-performance, protest or notice of protest, other than as required by applicable law, to declare the entire unpaid balance of the Obligations to be immediately payable and to collect the Obligations forthwith, whereupon all Obligations shall become due and payable (an "**Acceleration**"), and the Debenture Holder shall be entitled and empowered to exercise any of the remedies specified below:

- (a) The Debenture Holder may institute any action or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Corporation or other obligors upon this Debenture and collect in the manner provided by law out of the property of the Corporation or other obligors upon this Debenture wherever situated the monies adjudged or decreed to be payable, and take any actions the Debenture Holder deems appropriate to protect and enforce the rights vested in it by this Debenture by such appropriate judicial proceedings as the Debenture Holder shall deem most effectual to protect and enforce any of such rights, either at law or in equity and either in bankruptcy or otherwise;
- (b) If permitted by applicable law, the Debenture Holder may appoint by instrument in writing one or more receivers, managers or receiver/manager for the Collateral or the business and undertaking of the Corporation pertaining to the Collateral (the "**Receiver**"). Any such Receiver will have, in addition to any other rights, remedies and powers which a Receiver may have at law, in equity or by statute, the rights and powers set out in Sections 4.2(c) through (f). In exercising such rights and powers, any Receiver will act as, and for all purposes will be deemed to be the agent of, the Corporation and the Debenture Holder will not be responsible for any act or default of any Receiver. The Debenture Holder may remove any Receiver and appoint another from time to time. No Receiver appointed by the Debenture Holder need be appointed by, nor need its appointment be ratified by, or its actions in any way supervised by, a court;
- (c) The Debenture Holder or any Receiver may, subject to applicable law, sell, consign, lease or otherwise dispose of any Collateral by public auction, private tender, private contract, lease or deferred payment with or without notice, advertising or any other formality, all of which are hereby waived by the Corporation to the extent permitted by applicable law. The Debenture Holder or any Receiver may, at its discretion establish the terms of such disposition, including terms and conditions as to cash proceeds, credit, upset, reserve bid or price. All payments made pursuant to such dispositions will be credited against the

Principal Sum only as they are actually received. The Debenture Holder or any Receiver may buy in, rescind or vary any contract for the disposition of any Collateral and may dispose of any Collateral without being answerable for any loss occasioned thereby. Any such disposition may take place whether or not the Debenture Holder or any Receiver has taken possession of the Collateral;

- (d) The Debenture Holder or any Receiver may pay any liability secured by any actual or threatened Security Interest against any Collateral. The Debenture Holder or any Receiver may borrow money for the maintenance, preservation or protection of any Collateral or for carrying on any of the business or undertaking of the Corporation pertaining to the Collateral and may grant Security Interests in any Collateral (in priority to the Security Interest or otherwise) as security for the money so borrowed. The Corporation will forthwith upon demand reimburse the Debenture Holder or any Receiver for all such payments and borrowings and such payments and borrowings will be secured hereby and will be added to the money hereby secured and bear interest at the Interest Rate;
- (e) The Debenture Holder or any Receiver may seize, collect, realize, dispose of, enforce, release to third parties or otherwise deal with any Collateral in such manner, upon such terms and conditions and at such time as it deems advisable, subject to applicable law, including without limitation:
 - (i) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Collateral;
 - (ii) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper in connection with Section 4.2(e)(i);
 - (iii) to file any claims or take any action or institute any proceedings which the Debenture Holder may deem to be necessary or desirable for the collection of the Collateral or to enforce compliance with the terms and conditions of any contract or any account; and
 - (iv) to perform the affirmative obligations of the Corporation hereunder (including, without limitation, all obligations of the Corporation pursuant to this Debenture and the other credit documents);
- (f) The Debenture Holder or any Receiver may carry on, or concur in the carrying on of, any or all of the business or undertaking of the Corporation and enter on, occupy and use (without charge by the Corporation) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Corporation;
- (g) The Debenture Holder may, at any time, apply to a court of competent jurisdiction for the appointment of a Receiver, or other official, who may have powers the same as, greater or lesser than, or otherwise different from, those capable of being granted to a Receiver appointed by the Debenture Holder pursuant to this Debenture or file proof of claims and other documents with a court of competent jurisdiction in any proceeding relative to any Corporation;

- (h) Instead of, or in addition to, exercising its rights, remedies and powers under Sections 4.2(b), (g) and (i), the Debenture Holder has, and may exercise, any of the rights and powers which are capable of being granted to a Receiver appointed by the Debenture Holder pursuant to this Debenture; and
- (i) The Debenture Holder may, subject to applicable law, elect to retain any Collateral in satisfaction of the Obligations, and may designate any part of the Obligations to be satisfied by the retention of particular Collateral which the Debenture Holder considers to have a net realizable value approximating the amount of the designated part of the Obligations, in which case only the designated part of the Obligations will be deemed to be satisfied by the retention of the particular Collateral.

4.3 **Effect of Exercise of Remedies**

- (a) The Debenture Holder will not be liable or accountable for any failure to take possession of, seize, collect, realize, dispose of, enforce or otherwise deal with any Collateral and it will not be bound to institute proceedings for any such purposes or for the purpose of reserving any rights, remedies and powers of the Debenture Holder, the Corporation or any other Person in respect of any Collateral. If any Receiver or the Debenture Holder takes possession of any Collateral, neither the Debenture Holder nor any Receiver will have any liability as a mortgagee in possession or be accountable for anything except actual receipts.
- (b) Following any Acceleration, the Debenture Holder may grant renewals, extensions of time and other indulgences, accept compositions, grant releases and discharges, and otherwise deal or fail to deal with the Corporation, debtors of the Corporation, guarantors, sureties and others and with any Collateral as the Debenture Holder may see fit, all without prejudice to the liability of the Corporation to the Debenture Holder's rights, remedies and powers under this Debenture;
- (c) No Person dealing with the Debenture Holder or any Receiver, or with any officer, employee, agent or solicitor of the Debenture Holder or any Receiver will be concerned to inquire whether the Security Interests have become enforceable, whether the right, remedy or power of the Debenture Holder or the Receiver has become exercisable, whether the Principal Sum remaining outstanding or otherwise as to the propriety or regularity of any dealing by the Debenture Holder or the Receiver with any Collateral or to see to the application of any money paid to the Debenture Holder or the Receiver, and in the absence of fraud on the part of such Person such dealings will be deemed, as regards such Person, to be within the rights, remedies and powers hereby conferred and to be valid and effective accordingly.
- (d) As soon as the Debenture Holder takes possession of any Collateral or appoints a Receiver to do so, all powers, functions, rights and privileges of the Corporation including, without limitation, any such powers, functions, rights and privileges which have been delegated to directors, officers of the Corporation or committees with respect to such Collateral will cease, unless specifically continued by the written consent of the Debenture Holder or the Receiver.

- (e) The rights of the Debenture Holder (whether arising under this Debenture, any other agreement, at law or in equity) will not be capable of being waived or varied otherwise than by an express waiver or variation in writing, and in particular any failure to exercise or any delay in exercising any of such rights will not operate as a waiver or variation of that or any other such right; any defective or partial exercise of any of such rights will not preclude any other or further exercise of that or any other such right, and no act or course of conduct or negotiation on the part of the Debenture Holder or on its behalf will in any way preclude the Debenture Holder from exercising any such right or constitute a suspension or any variation of any such right.
- (f) The rights, remedies and powers conferred by this Article are in addition to, and not in substitution for, any other rights, remedies or powers that the Debenture Holder may have under this Debenture, at law, in equity or by any other statute or agreement. The Debenture Holder may proceed by way of any action, suit or other proceeding at law or in equity and no right, remedy or power of the Debenture Holder will be exclusive of or dependent on any other. The Debenture Holder may exercise any of their rights, remedies or powers separately or in combination and at any time.

4.4 Intellectual Property

For the purpose of enabling the Debenture Holder and any Receiver to exercise rights and remedies hereunder following Acceleration, and for no other purposes, the Corporation hereby grants to the Debenture Holder and any Receiver an irrevocable, non-exclusive license, (exercisable without payments of royalty or other compensation to the Corporation) to use, assign, license or sub-license any of the Collateral of the Corporation consisting of trade-marks, copyrights, patents, licenses and other intellectual property in which the Corporation now has or hereafter acquires rights, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. The Debenture Holder shall not exercise its rights under the foregoing license except following Acceleration.

4.5 Deliver Possession

If the Debenture Holder or any Receiver exercises their rights herein to take possession of the Collateral, the Corporation will upon request from the Debenture Holder or any such Receiver, assemble and deliver possession of the Collateral at such place or places as directed by the Debenture Holder or any such Receiver.

4.6 Release

If the Corporation pays to the Debenture Holder the balance of the Obligations, then the Debenture Holder will, at the written request and sole expense of the Corporation, reassign and re-convey the Collateral to the Corporation and release the Security Interest.

4.7 Attorney in Fact

The Corporation hereby irrevocably constitutes and appoints the Debenture Holder and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Corporation and in the name of

the Corporation or in its own name, from time to time in the Debenture Holder's discretion, following any Acceleration for the purpose of carrying out the terms of this Debenture, to take any and all appropriate action and to execute any and all documents and instruments which may be reasonably necessary or desirable to accomplish the purposes of this Debenture and which the Corporation being required to take or execute has failed to take or execute. The Corporation hereby ratifies all that said attorneys will lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and will be irrevocable until the Obligations have been unconditionally and irrevocably paid and performed in full. The Corporation also authorizes the agent, at any time and from time to time, to execute any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral in connection with the sale provided for in Section 4.2(c).

4.8 Waiver

The Debenture Holder may, by instrument in writing signed by the Debenture Holder or by an authorized officer of the Debenture Holder, but not otherwise, waive any breach by the Corporation of any of the provisions contained in this Debenture or any default by the Corporation in the observance or performance of any covenant, agreement or condition required to be kept, observed or performed by the Corporation under the terms of this Debenture; provided always that no act or omission of the Debenture Holder in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default or to affect the rights of the Debenture Holder resulting therefrom.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties

The Corporation represents and warrants to the Debenture Holder as follows:

- (a) it is a Corporation duly formed, validly existing and in good standing under the laws of the Province of Alberta, it has all requisite power and authority to own, lease and operate its assets and property, carry on its business as currently conducted and the Corporation's subsidiaries are duly formed, validly existing and in good standing under the law of its place of formation and it has the power to own and operate its respective assets and property and carry on their respective business as currently conducted;
- (b) the Corporation is duly qualified, licensed or registered to carry on or transact business and are in good standing in each jurisdiction in which such qualification, licensing or registration is necessary;
- (c) this Debenture has been duly executed and delivered by, and constitutes a legal, valid and binding obligation of, and is enforceable against, the Corporation in accordance with its terms; and
- (d) it has the necessary power, capacity and authority to enter into and deliver this Debenture and all corporate action on the part of the Corporation, and its officers, directors and shareholders, necessary for the authorization, execution and delivery of this Debenture, the performance of all obligations of the Corporation hereunder has been duly and effectively taken.

5.2 Merger of Representations and Warranties

The representations and warranties in this Debenture and in any certificates or documents delivered to the Debenture Holder shall not merge in or be prejudiced by and shall survive any advance and shall continue in full force and effect so long as any amounts are owing by the Corporation to the Debenture Holder.

6. COVENANTS

6.1 Covenants

So long as the Debenture remains outstanding, the Corporation shall:

- (a) at any time and from time to time, upon the written request of the Debenture Holder, and at the sole expense of the relevant Corporation, the Corporation will promptly and duly execute and deliver such further instruments and documents and take such further action as the Debenture Holder may reasonably request for the purpose of obtaining or preserving the full benefits of this Debenture and of the rights and powers herein granted, including the filing or execution of any financing or financing change statements under any applicable law with respect to the Security Interest;
- (b) pay or cause to be paid all Obligations and other amounts payable under this Debenture punctually when due;
- (c) preserve and maintain its corporate existence;
- (d) carry on and conduct its business and operate its properties in a lawful, efficient, diligent and businesslike manner and in accordance with good business practices;
- (e) comply in all material respects with the requirements of all applicable laws, judgments, orders, decisions and awards and maintain all permits, licenses, consents and approvals necessary to the ownership of its property and to the conduct of its business in each jurisdiction where it carries on material business or owns material property and necessary in order for the Corporation to comply with its obligations to the Holder, including those issued or granted by governmental entities, in each case except to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect; and
- (f) insure and keep insured all properties customarily insured by Persons engaged in the same or a similar business in similar locations or owning or operating such properties, against loss or damage by fire and from other causes customarily insured against by such Persons and deliver to the Debenture Holder upon request evidence that all policies of insurance it is required to maintain are in full force and effect.

7. GENERAL

7.1 Successors and Assigns

The provisions of this Debenture will be binding upon the Corporation and its successors and will enure to the benefit of the Debenture Holder and their respective successors and assigns. This Debenture is not a negotiable instrument and may be not transferred or assigned by the Debenture Holder in whole or in part without the prior written consent of the Corporation.

7.2 Transfers of Collateral

In the event the ownership of the Collateral or any part thereof becomes vested in a Person other than the Corporation, then, without notice to the Debenture Holder, such successor or successors in interest may be dealt with, with reference to this Debenture and to the indebtedness secured hereby, in the same manner as with such Corporation, without in any way vitiating or discharging such Corporation's liability hereunder or for the payment of the indebtedness or performance of the obligations secured hereby. No transfer of the Collateral, no forbearance, and no extension of the time for the payment of the indebtedness secured hereby, shall operate to release, discharge, modify, change or affect, in whole or in part, the liability of such Corporation hereunder or for the payment of the indebtedness or performance of the obligations secured hereby, or the liability of any other Person hereunder or for the payment of the indebtedness secured hereby.

7.3 Governing Law

This Debenture will be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without giving effect to the conflict of law principles thereof. Without prejudice to the ability of the Debenture Holder to enforce this Debenture in any other proper jurisdiction, the Corporation hereby irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta, or any appellate courts thereof, for the purposes of this Debenture.

7.4 Severability

Each Section of this Debenture is distinct and severable. If any Section of this Debenture, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that Section, in whole or in part, will not affect the legality, validity or enforceability of the remaining Sections of this Debenture, in whole or in part, or the legality, validity or enforceability of that Section, in whole or in part, in any other jurisdiction.

7.5 Time of Essence

Time is of the essence in all respects of this Debenture.

7.6 Legal Rates of Interest

The Corporation covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury law or other law that would prohibit or forgive the Corporation from paying all or any portion of the Principal Sum or Interest Amount on this Debenture, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the

performance of this Debenture. If any provision of this Debenture would oblige the Corporation to make any payment of interest or other amount payable to any holder in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by that holder of "interest" at a "criminal rate" (as such terms are construed under the *Criminal Code* (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by that holder of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows: (i) first, by reducing the amount or rate of interest required to be paid to the holder hereunder and (ii) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to the holder which would constitute interest for purposes of section 347 of the *Criminal Code* (Canada).

7.7 **Waivers**

No consent or waiver by the Debenture Holder will be effective unless made in writing and signed by an authorized officer of the Debenture Holder, which makes specific reference to the provision being waived.

7.8 **Amendment**

This Debenture may be amended only by an agreement in writing signed by the Corporation and the Debenture Holder.

7.9 **Currency**

All references to currency herein shall be to lawful money of Canada.

7.10 **Entire Agreement**

This Debenture embodies the entire agreement and understanding between the Debenture Holder and the Corporation. This Debenture shall supersede all prior agreements and understandings relating to the subject matter hereof.

7.11 **Notices**

All notices or other communication required or permitted by this Debenture must be in writing and be delivered personally or by courier, sent by prepaid registered mail or transmitted by e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid. Any such notices or communications must be sent to the intended recipient at its address as follows:

- (a) If to the Corporation:

9046 22nd Avenue SW
Edmonton, AB T6X 1Z6

Attention: Jeff Ryks, CPA CMA
Chief Financial Officer
Email: jeff.ryks@mantlegroup.ca

- (b) If to the Debenture Holder:

c/o Resource Land Holdings, LLC
1400 16th Street, Suite 320
Denver, CO 80202

Attention: Byron Levkulich, CFA, CPA
Email: byron.levkulich@rlholdings.com

or at any other address as any recipient may at any time advise the other by notice given or made in accordance with this Section 7.11. Any notice will be deemed to have been given or made and received on the day it is delivered at the recipient's address, provided that if that day is not a Business Day then the notice will be deemed to have been given or made and received on the next Business Day. Any notice sent by prepaid registered mail will be deemed to have been given or made and received on the fifth Business Day after which it is mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every notice must be delivered personally or by courier or transmitted by e-mail or functionally equivalent electronic means of transmission. Any notice transmitted by e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the notice is transmitted on a day which is not a Business Day or after 4:00 pm (local time of the recipient), the notice will be deemed to have been given or made and received on the next Business Day.

7.12 Subordination Agreement

Notwithstanding anything to the contrary contained herein, this Debenture is subject to the terms of a Subordination Agreement dated as of _____, 2022 among the Debenture Holder, the Fiera Lenders and the Corporation (as may be amended, restated, replaced, supplemented or otherwise modified in accordance with the terms therein).

7.13 Electronic Signatures and Delivery

This Debenture and any counterpart of it may be signed by manual, digital or other electronic signatures and delivered or transmitted by any digital, electronic or other intangible means, including by e-mail or other functionally equivalent electronic means of transmission, and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the Corporation and Debenture Holder.

[Remainder of this page left intentionally blank]

APPENDIX "A"
EQUITY NOTICE

TO: Mantle Materials Group, Ltd. (the "**Corporation**")

The undersigned hereby irrevocably elects to receive securities of the Corporation in accordance with the terms of the convertible debenture issued by the Corporation on _____, 2022 (the "**Debenture**"). The undersigned directs that the securities issuable and deliverable upon the redemption be issued and delivered to the Debenture Holder. Unless otherwise defined herein, the capitalized terms used herein have the meaning ascribed thereto in the Debenture.

DATED _____, 20__.

(Signature of Debenture Holder)

ACCEPTED:

MANTLE MATERIALS GROUP, LTD.

Per: _____
Authorized Signatory

SCHEDULE "B"
AMORTIZATION AND PAYMENT

Mantle Materials Group

RLF V Senior Secured Note (Amortization Schedule)

Initial Balance (10/18/22)	94,000
Pre 6/30/23 Interest Rate	9.0%
Balance at 6/30/23	\$100,078
Post 6/30/23 Interest Rate	7.0%
Number of Periods	71
Post 6/30/23 Mo. Payment	\$1,726
Maturity Date	4/26/2029

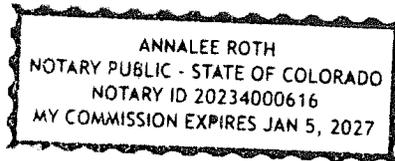
<u>Date</u>	<u>Beginning Balance</u>	<u>Interest</u>	<u>Principal</u>	<u>Total Payment</u>	<u>Ending Balance</u>
10/18/2022	\$0	\$0	\$0	\$0	\$94,000
11/15/2022	94,000	649	0	0	94,649
12/15/2022	94,649	700	0	0	95,349
1/15/2023	95,349	729	0	0	96,078
2/15/2023	96,078	734	0	0	96,812
3/15/2023	96,812	668	0	0	97,481
4/15/2023	97,481	745	0	0	98,226
5/15/2023	98,226	727	0	0	98,952
6/15/2023	98,952	756	0	0	99,709
6/30/2023	99,709	369	0	0	100,078
7/15/2023	100,078	288	1,438	1,726	98,640
8/15/2023	98,640	586	1,139	1,726	97,501
9/15/2023	97,501	580	1,146	1,726	96,355
10/15/2023	96,355	554	1,171	1,726	95,184
11/15/2023	95,184	566	1,160	1,726	94,024
12/15/2023	94,024	541	1,185	1,726	92,839
1/15/2024	92,839	552	1,174	1,726	91,666
2/15/2024	91,666	545	1,181	1,726	90,485
3/15/2024	90,485	503	1,222	1,726	89,263
4/15/2024	89,263	531	1,195	1,726	88,068
5/15/2024	88,068	507	1,219	1,726	86,849
6/15/2024	86,849	516	1,209	1,726	85,640
7/15/2024	85,640	493	1,233	1,726	84,407
8/15/2024	84,407	502	1,224	1,726	83,183
9/15/2024	83,183	495	1,231	1,726	81,952
10/15/2024	81,952	472	1,254	1,726	80,698
11/15/2024	80,698	480	1,246	1,726	79,452
12/15/2024	79,452	457	1,268	1,726	78,184
1/15/2025	78,184	465	1,261	1,726	76,923
2/15/2025	76,923	457	1,268	1,726	75,655
3/15/2025	75,655	406	1,319	1,726	74,335
4/15/2025	74,335	442	1,284	1,726	73,052
5/15/2025	73,052	420	1,305	1,726	71,747
6/15/2025	71,747	427	1,299	1,726	70,448
7/15/2025	70,448	405	1,320	1,726	69,127
8/15/2025	69,127	411	1,315	1,726	67,813
9/15/2025	67,813	403	1,322	1,726	66,490
10/15/2025	66,490	383	1,343	1,726	65,147
11/15/2025	65,147	387	1,338	1,726	63,809
12/15/2025	63,809	367	1,358	1,726	62,450
1/15/2026	62,450	371	1,354	1,726	61,096
2/15/2026	61,096	363	1,362	1,726	59,734
3/15/2026	59,734	321	1,405	1,726	58,329
4/15/2026	58,329	347	1,379	1,726	56,950
5/15/2026	56,950	328	1,398	1,726	55,552
6/15/2026	55,552	330	1,395	1,726	54,157
7/15/2026	54,157	312	1,414	1,726	52,743
8/15/2026	52,743	314	1,412	1,726	51,331
9/15/2026	51,331	305	1,420	1,726	49,911
10/15/2026	49,911	287	1,438	1,726	48,472
11/15/2026	48,472	288	1,437	1,726	47,035
12/15/2026	47,035	271	1,455	1,726	45,580
1/15/2027	45,580	271	1,455	1,726	44,125
2/15/2027	44,125	262	1,463	1,726	42,662
3/15/2027	42,662	229	1,496	1,726	41,165
4/15/2027	41,165	245	1,481	1,726	39,685
5/15/2027	39,685	228	1,497	1,726	38,187
6/15/2027	38,187	227	1,499	1,726	36,689
7/15/2027	36,689	211	1,514	1,726	35,174
8/15/2027	35,174	209	1,516	1,726	33,658
9/15/2027	33,658	200	1,525	1,726	32,132
10/15/2027	32,132	185	1,541	1,726	30,592
11/15/2027	30,592	182	1,544	1,726	29,048
12/15/2027	29,048	167	1,558	1,726	27,490
1/15/2028	27,490	163	1,562	1,726	25,927
2/15/2028	25,927	154	1,571	1,726	24,356
3/15/2028	24,356	135	1,590	1,726	22,766

4/15/2028	22,766	135	1,590	1,726	21,176
5/15/2028	21,176	122	1,604	1,726	19,572
6/15/2028	19,572	116	1,609	1,726	17,963
7/15/2028	17,963	103	1,622	1,726	16,340
8/15/2028	16,340	97	1,628	1,726	14,712
9/15/2028	14,712	87	1,638	1,726	13,074
10/15/2028	13,074	75	1,650	1,726	11,424
11/15/2028	11,424	68	1,658	1,726	9,766
12/15/2028	9,766	56	1,669	1,726	8,096
1/15/2029	8,096	48	1,677	1,726	6,419
2/15/2029	6,419	38	1,687	1,726	4,732
3/15/2029	4,732	25	1,700	1,726	3,031
4/15/2029	3,031	18	1,708	1,726	1,324
4/26/2029	\$1,324	\$3	\$1,324	\$1,327	\$0

This is **Exhibit "F"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



AGREEMENT GOVERNING ATB ASSUMED DEBT

THIS AGREEMENT is dated as of the 26th day of April, 2021

B E T W E E N :

Mantle Materials Group, Ltd. (“Mantle”), JMB Crushing Systems Inc. (“JMB”) and 2161889 Alberta Ltd. (“216”,
and together with JMB, the **“Mantle Parties”**, and individually, a **“Mantle Party”**)

- and -

ATB Financial (“ATB”)

CONTEXT:

- A. JMB carries on the business of extracting, processing, selling and delivery and hauling of gravel and other aggregates in the Province of Alberta and, together with 216, owns or has interests in various gravel and other aggregate pits throughout the Province.
- B. JMB is indebted to ATB under the ATB Loan Agreement. The ATB Indebtedness is guaranteed, *inter alia*, by 216 and secured by certain Security Interests created by the ATB GSAs.
- C. JMB and 216 applied to the Court of Queen’s Bench of Alberta (the **“Court”**) for protection under the CCAA and the Honourable Madam Justice K.M. Eidsvik pronounced an initial order on May 1, 2020 granting the JMB Parties such protection, as amended and restated by an order pronounced on May 11, 2020, under which proceedings against the JMB Parties were stayed and FTI Consulting Canada Inc. was approved as monitor.
- D. Pursuant to the amended and restated purchase agreement dated as of March 3, 2021 (the **“Purchase Agreement”**) between JMB, 216 and Mantle, JMB and 216 will be subsidiaries of Mantle’s parent company and certain core assets of JMB and 216 are either to be retained by JMB and 216 or acquired by Mantle, with the remaining assets and excluded liabilities to be bested in ResidualCo.
- E. The Purchase Agreement provides for Mantle becoming liable for a portion of the ATB Indebtedness pursuant to the Amended Plan and this Agreement sets out the terms governing such assumption.

THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, in addition to terms defined elsewhere in this Agreement, the following terms have the following meanings:

- (a) **“216”** is defined in Context paragraph A;

- (b) “**216 GSA**” means the security agreement dated March 20, 2020 by 216 in favour of ATB, the particulars of which are set out on **Schedule “A”**;
- (c) “**Affiliate**” means, with respect to a specified Person, another Person that directly or indirectly through one or more intermediaries Controls or is Controlled by or is under common Control with the Person specified;
- (d) “**Aggregate**” means aggregates including Sand and Gravel;
- (e) “**Aggregate Pit**” is defined in the Purchase Agreement;
- (f) “**Aggregate Pit Agreements**” means the Royalty Agreements, Surface Material Leases and other Dispositions listed on **Schedule “B”** and all amendments, renewals and extensions of such documents and all documents issued in substitution therefor;
- (g) “**Aggregate Reserves**” means reserves of Aggregate located in and under the Lands subject to the Aggregate Pit Agreements and in and under the JMB Real Property that has not been extracted as of the date of this Agreement;
- (h) “**Agreement**” means this agreement, including all Schedules, as it may be confirmed, amended, modified, supplemented or restated by written agreement between the Parties;
- (i) “**Amended Plan**” means the amended and restated plan of arrangement of JMB, 216 and Mantle under the CCAA and the *Business Corporations Act*, SBC 2002, c 57, as amended and approved pursuant to the Amended Sanction Order;
- (j) “**Amended RVO**” means the amended and restated reverse vesting order pronounced by the Honourable Madam Justice K.M. Eidsvik on March 31, 2021;
- (k) “**Amended Sanction Order**” means the amended and restated sanction order pronounced by the Honourable Madam Justice K.M. Eidsvik on March 31, 2021;
- (l) “**Amended SAVO**” means the amended and restated sale approval and vesting order pronounced by the Honourable Madam Justice K.M. Eidsvik on March 31, 2021;
- (m) “**Applicable Law**” means, at any time, with respect to any Person, property, transaction or event, all applicable laws, statutes, regulations, treaties, judgments and decrees and (whether or not having the force of law) all applicable official directives, rules, consents, approvals, by-laws, permits, authorizations, guidelines, orders and policies of any Governmental Authority having authority over that Person, property, transaction or event;
- (n) “**ATB**” is defined in the introductory paragraph of this Agreement;
- (o) “**ATB Assumed Debt**” is defined in Section 2.1(a);
- (p) “**ATB GSAs**” means the ATB GSA and the 216 GSA;
- (q) “**ATB Indebtedness**” means any indebtedness, liabilities and obligations of any kind whatsoever, whether direct, indirect, liquidated or contingent, which immediately prior to Closing is owing by JMB and 216 to ATB;

- (r) “**ATB Loan Agreement**” means the letter loan agreement dated October 16, 2019 by ATB to JMB, as amended;
- (s) “**ATB Loan Documents**” means this Agreement, the ATB Mortgage, the ATB Loan Agreement, the ATB GSAs and the other loan documents contemplated thereby which are listed on **Schedule “A”**;
- (t) “**ATB Mortgage**” means a mortgage granted by JMB in favour of ATB against the JMB Real Property substantially in the form attached as **Schedule “F”**;
- (u) “**Bonnyville Premises**” is defined in the Purchase Agreement;
- (v) “**Business Day**” means any day excluding a Saturday, Sunday or statutory holiday in the Provinces of Alberta, and also excluding any day on which the principal chartered banks located in the City of Calgary are not open for business during normal banking hours;
- (w) “**CCAA**” means the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended;
- (x) “**Closing**” means the completion of the Transactions;
- (y) “**Closing Date**” means the date on which the Closing occurs;
- (z) “**Communication**” means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party;
- (aa) “**Control**” means, with respect to any corporate entity, the ownership at the relevant time of securities carrying more than 50% of the exercisable voting rights attached to all outstanding securities of that entity, other than by way of security only, if the votes carried by those securities are sufficient to elect a majority of that entity’s board of directors or otherwise provide for effective control of that entity, and “**Controlled by**” and similar words have corresponding meanings;
- (bb) “**Cooperation Agreement**” is the litigation cooperation agreement dated ●, 2021 between the Mantle Parties, ATB and Fiera;
- (cc) “**Court**” is defined in Context paragraph C;
- (dd) “**Disposition**” means a disposition of land of the Crown in right of Alberta under the *Public Lands Act*, RSA 2000, Ch. P-40.
- (ee) “**Event of Default**” means the occurrence of any one of the following events:
 - (i) a Mantle Party defaults in the payment of any Principal Payment when such Principal Payment is due and payable and such default continues for a period of five (5) Business Days;
 - (ii) a Mantle Party defaults in observing or performing any of its obligations under this Agreement, other than a payment default, and such default continues for a period of twenty (20) days;

- (iii) the institution by a Mantle Party of proceedings to be adjudicated a bankrupt or insolvent or the consent by it to the institution of bankruptcy or insolvency proceedings against it or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable federal or provincial law relating to bankruptcy, insolvency, reorganization or relief of debtors, or the consent by it to the filing of any such petition or to the appointment under any such law of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of Mantle or of substantially all of its property, or the making by it of a general assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due;
- (iv) the entry of a decree or order by a court having jurisdiction adjudging a Mantle Party bankrupt or insolvent or approving as properly filed a petition seeking reorganization, arrangement or adjustment of or in respect of such Mantle Party under any applicable federal or provincial law relating to bankruptcy, insolvency, reorganization or relief of debtors, or appointing under any such law a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of such Mantle Party or of substantially all of its property, or ordering pursuant to any such law the winding-up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of thirty (30) days; or
- (v) any Person holding a Security Interest in the Tranche B Inventory or the JMB Real Property enforces such Security Interest and such enforcement remains unstayed and in effect for a period of thirty (30) days;
- (ff) “**Fiera**” means Fiera Private Debt Fund VI LP, by its general partner Fiera Private Debt Fund GP Inc. (“**Fund VI**”) and Fiera Private Debt Fund V LP, by its general partner Fiera Private Debt Fund GP Inc., acting in its capacity as collateral agent for and on behalf of and for the benefit of Fund VI;
- (gg) “**Gagne Real Property**” means the lands and premises legally described as all that portion of the South West Quarter of Section Eleven (11), Township Fifty Seven (57), Range Six (6), West of the Fourth Meridian, lying to the west of the westerly limit of land required for railway purposes, as shown on Plan 7521297 and south of the south limit of Road Plan 3445BM, containing 7.17 hectares (17.72 acres) more or less excepting thereout all mines and minerals and the right to work the same;
- (hh) “**Governmental Authority**” means (i) any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory or taxing authority or power of any nature; and (ii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them;
- (ii) “**Gravel**” means Tranche B Inventory classified on **Schedule “C”** as Armour Rock, Des 4 Class 20, Des 6 Class 80, 40mm rock, Des 2 Class 20, Des 2 Class 40, Des 2 Class 25, 14mm Pea Gravel, Natural Washed Weeping Tile, Des 4 Class 40 or Des 3 Class 12.5C;

- (jj) “**Initial Order**” is defined in Context paragraph C;
- (kk) “**Inventory Component**” is defined in Section 2.1(a)(ii);
- (ll) “**JMB**” is defined in the introductory paragraph of this Agreement;
- (mm) “**216 Caveat**” mean a caveat registered by ATB against title to the Gagne Real Property, the particulars of which are set out on **Schedule “A”**;
- (nn) “**JMB GSA**” means the security agreement dated May 31, 2017 by JMB in favour of ATB, the particulars of which are set out on **Schedule “A”**;
- (oo) “**JMB Real Property**” means the lands and premises owned by JMB containing 64.7 hectares (160 acres) more or less, and legally described as NE ¼ of 35-56-6-W4M;
- (pp) “**Lands**” means (i) the lands and premises referred to in **Schedule “C”**, insofar as rights pertaining to those lands and premises are granted pursuant to the Aggregate Pit Agreements, (ii) all plants, buildings, structures, erections, improvements, fixtures and appurtenances situated on or forming part of the Bonnyville Premises, (iii) the JMB Real Property, (iv) the Gagne Real Property, and (v) any other lands and premises where Tranche B Inventory is located;
- (qq) “**Mantle**” is defined in the introductory paragraph of this Agreement;
- (rr) “**Mantle Party**” and “**Mantle Parties**” are defined in the introductory paragraph of this Agreement;
- (ss) “**Non-Recourse Event**” is defined in Section 2.1(f);
- (tt) “**Parties**” means the Mantle Parties and ATB, collectively, and “**Party**” means any one of them;
- (uu) “**Permitted Encumbrances**” means the “Permitted Encumbrances” listed on Schedule F to the Purchase Agreement, together with the caveats registered against title to the JMB Real Property and the Gagne Real Property and permitted encumbrances referred to in the ATB Mortgage;
- (vv) “**Person**” will be broadly interpreted and includes (i) a natural person, whether acting in their own capacity, or in their capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person; (ii) a corporation or a company of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind; and (iii) a Governmental Authority;
- (ww) “**Purchase Agreement**” is defined in Context paragraph D;
- (xx) “**Principal Payment(s)**” is defined in Section 3.1(d);

- (yy) “**Proceeds**” has the meaning given to the term “proceeds” in Applicable Laws providing for the creation of Security Interests in personal property, including the *Personal Property Security Act*, RSA 2000, Ch P-7, as amended;
- (zz) “**Proxy**” is defined in the Amended Plan;
- (aaa) “**Realty Component**” is defined in Section 2.1(a)(i);
- (bbb) “**Remaining ATB Debt**” means the ATB Indebtedness in excess of the ATB Assumed Debt;
- (ccc) “**ResidualCo**” means 2324159 Alberta Inc.;
- (ddd) “**Royalty Agreement**” means a royalty agreement between a Third Party and JMB under which the Third Party granted to JMB, in exchange for payment of a royalty, the right to explore and prospect for, test, extract, process and dispose of Aggregates contained in and under such Lands subject to such agreement, to have access and use of such Lands and bring equipment and machinery onto such Lands for such purposes, and to place and pile upon such Lands excavated or processed Aggregates and other materials;
- (eee) “**Sand**” means Tranche B Inventory classified on **Schedule “C”** as Des 5 Class 10A, 10mm Natural Fines, Des 5 Class 10A, FA1 Unwashed screened, 8 mm screened winter sand, FA1 Washed screened or FA1 Concrete Course;
- (fff) “**Security Interest**” means any mortgage, charge or other security interest in any real or personal property;
- (ggg) “**Surface Material Lease**” means a Disposition in the form of a surface material lease granted by the Crown in right of the Province of Alberta in favour of JMB or 216 granting JMB or 216 rights to enter the Lands identified therein for the purpose of the extraction of Aggregate from in or under such Lands and carrying out construction, operation, use and reclamation in respect thereof, together with the associated conservation reclamation business plan associated with such Lands;
- (hhh) “**Third Party**” means any Person other than a JMB Party;
- (iii) “**Tranche A Inventory**” means the inventory of extracted Aggregate consisting of approximately (i) 5,300 tonnes of Des 6 Class 80 located on the Lands subject to SML110025, (ii) 4,000 tonnes of Des 2 Class 25 located on the Lands subject to SML110025, and (iii) 4,000 tonnes of Des 2 Class 25 located on the Lands subject to SML110026;
- (jjj) “**Tranche B Inventory**” means the Inventory listed on Schedule “C” which is located on (i) the Lands subject to the Havener Royalty Agreement, the Shankowski Royalty Agreement, (ii) the Dispositions identified as SML 110045, SML 110047 and SML 120005, and (iii) the Bonnyville Lands, but for greater certainty does not include any of the Aggregate Reserves or any of the Tranche A Inventory;
- (kkk) “**Transactions**” means the transactions contemplated by the Purchase Agreement and Amended Plan;

- (III) **“Transaction Assets”** means all of the undertaking, property and assets of the JMB Parties acquired by Mantle or retained by JMB and 216 pursuant to the Purchase Agreement.

1.2 **Certain Rules of Interpretation**

- (a) In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words “including” or “includes” in this Agreement is to be construed as meaning “including, without limitation” or “includes, without limitation”, respectively.
- (b) The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (c) References in this Agreement to an Article, Section or Schedule are to be construed as references to an Article, Section or Schedule of or to this Agreement unless otherwise specified.
- (d) References to an amount of money in this Agreement will, unless otherwise expressly stated, be references to the currency of Canada which, as at the time of payment or determination, is legal tender in Canada for the payment of public or private debts.

1.3 **Governing Law**

This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Alberta and the laws of Canada applicable in that Province.

1.4 **Entire Agreement**

This Agreement, and any other agreements and documents to be delivered under this Agreement, constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, and there are no representations, warranties or other agreements between the Parties, express or implied, in connection with the subject matter of this Agreement except as specifically set out in this Agreement. No Party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Agreement.

1.5 **Schedules**

The following is a list of Schedules:

Schedule	Subject Matter
Schedule “A”	ATB Loan Documents
Schedule “B”	Aggregate Pit Agreements
Schedule “C”	Tranche B Inventory

Schedule	Subject Matter
Schedule "D"	Form of ATB Mortgage

**ARTICLE 2
ASSUMPTION UNDER PLAN**

2.1 Deemed Assumption under the Amended Plan

Effective on Closing, ATB and the Mantle Parties agree as follows:

- (a) In accordance with the terms and provisions of the Plan, Mantle shall be deemed to have assumed and become liable for, and JMB and 216 shall be deemed to continue to be liable for, that portion of the ATB Indebtedness (such portion being the "**ATB Assumed Debt**") consisting of the following:
 - (i) the realty component pursuant to the ATB Mortgage equal to the principal amount of \$111,000 plus interest and costs as provided for in the ATB Mortgage, in respect of the JMB Real Property and the Gagne Real Property (the "**Realty Component**"); plus
 - (ii) the Tranche B Inventory component (the "**Inventory Component**") equal to the lesser of:
 - (A) the aggregate of the estimated Principal Payments set out in the column on **Schedule "C"** labelled "Estimated Principal Payments"; and
 - (B) the aggregate of the actual Principal Payments calculated in accordance with Section 3.1(d).
- (b) The ATB Assumed Debt and the rights and obligations of ATB and the Mantle Parties in respect thereof shall be governed by the terms and provisions ATB Loan Documents, as amended by this Agreement, and the ATB Mortgage.
- (c) The transfer to and vesting in ResidualCo of the Remaining ATB Debt pursuant to the Amended RVO shall be without prejudice to the continuing liability of JMB and 216 for the Remaining ATB Debt in accordance with the Amended Plan.
- (d) The Security Interests created by the ATB Security Documents shall severally attach to and charge:
 - (i) the Tranche B Inventory and its Proceeds as security for the ATB Assumed Debt, but upon repayment in full of the ATB Assumed Debt in accordance with the ATB Agreement, such Security Interests shall cease to attach to any property or assets of JMB, 216 or Mantle; and
 - (ii) all of the property and assets of JMB and 216 as security for the Remaining ATB Debt, but upon the occurrence of the Non-Recourse Event, shall cease to attach to any such property or assets of JMB, 216 or Mantle; and

- (iii) the JMB Real Property and the Gagne Real Property pursuant to the ATB Mortgage.
- (e) The Amended RVO shall not affect the nature or priority of the ATB Assumed Debt, the Remaining ATB Debt or the Security Interests created by the ATB Security Documents, which Security Interests shall continue to be of the same nature and have the same priority as they had immediately prior to the Amended RVO becoming effective and the Closing being completed.
- (f) In the event that following Closing, JMB and Mantle amalgamate, effective immediately prior to such amalgamation becoming effective:
 - (i) ATB shall cease to have recourse against JMB or 216 for the Remaining ATB Debt, but without prejudice to the continuing liability of ResidualCo for the Remaining ATB Debt;
 - (ii) the Security Interests created by the ATB Security Documents that secure the Remaining ATB Debt shall cease to attach to any property or assets of JMB, 216 or Mantle, but without prejudice to the attachment of Security Interests created by the ATB Security Documents to the Tranche B Inventory and their Proceeds, or by the ATB Mortgage to the JMB Real Property and Gagne Real Property, to secure the ATB Assumed Debt;(such amalgamation, and the termination of recourse against JMB and 216, being the "**Non-Recourse Event**"). Any costs incurred by ATB in connection with the discharge of the Security Interests created by the ATB GSAs as against JMB and 216 shall be at the expense of Mantle.
- (g) Any material amendment to the Amended Plan shall require the prior written consent of ATB, provided that if such amendment does not negatively affect ATB rights or interest under this Agreement or the ATB Loan Documents, such consent shall not be unreasonably withheld.
- (h) The Mantle Parties agree that as of the date of this Agreement there is no set-off, counter-claim, damages or other defence on any basis whatsoever in respect of the ATB Assumed Debt.
- (i) For greater certainty, Mantle does not assume and shall have no obligation to pay, observe, perform or fulfill, and shall not be bound by, the Remaining ATB Debt.

2.2 **Consent of JMB and 216**

JMB and 216 consent to this Agreement and acknowledge and agree that notwithstanding Closing, Mantle's assumption of the ATB Assumed Debt under and pursuant to the Amended Plan and this Agreement, and the amendments to the ATB Loan Agreement provided for in Section 3.4, the ATB Loan Documents remains valid and enforceable, in full force and effect and unamended as against JMB and 216, the Security Interests created by the ATB GSAs remain valid and perfected and continue to secure the payment and performance by JMB and 216 of the ATB Loan Documents and the Remaining ATB Debt, and the Remaining ATB Debt remains outstanding and unpaid.

2.3 **Support of the Plan**

The Mantle Parties acknowledge the receipt of the Proxy duly executed by ATB. ATB shall not revoke the Proxy unless the Closing does not occur by April 30, 2021 or such later date as the Parties agree to.

2.4 **Mutual Conditions Precedent**

The obligations of the Parties under this Agreement (other than in Section 2.3) shall be subject to the satisfaction or waiver of the following conditions, which are for the mutual benefit of the Parties, and can only be waived, in whole or in part, by agreement in writing of the Parties:

- (a) this Agreement shall have been fully executed by each of the Parties;
- (b) there shall have been no appeal of or application to set aside, vary or amend the Amended SAVO, the Amended RVO or the Amended Sanction Order by any Third Party, or any such appeal or application shall have been dismissed or abandoned;
- (c) the conditions precedent set out in the Amended Plan and the Purchase Agreement shall be satisfied or waived in accordance therewith and the Closing shall have occurred;
- (d) the ATB Mortgage shall have created a first ranking charge and registered financial encumbrance and Security Interest against the JMB Real Property and the Gagne Real Property, subject to Permitted Encumbrances; and
- (e) ATB, the Mantle Parties and Fiera shall have executed and delivered a priority agreement in form and substance acceptable to such parties.

ARTICLE 3 TERMS GOVERNING THE ATB ASSUMED DEBT

3.1 **ATB Assumed Debt**

- (a) The Mantle Parties shall not sell, convey or use, for reclamation or otherwise, any Tranche B Inventory until the earlier of (i) May 31, 2021 or (ii) such time as ATB has obtained the results of a drone survey, from an independent third party retained by ATB.
- (b) a new third party assessment in relation to the quantum and quality of the Tranche B Inventory, and ATB agrees to use commercially reasonable efforts to complete such inspection on a timely basis.
- (c) The Inventory Component of the ATB Assumed Debt shall be non-interest bearing and shall be repayable by the Mantle Parties from the proceeds of sales to Third Parties of Tranche B Inventory.
- (d) The repayment of the Inventory Component of the ATB Assumed Debt shall be determined on the basis of the rates per tonne of Tranche B Inventory sold by the Mantle Parties with respect to the Tranche B Inventory based on the following:
 - (i) \$2 per tonne for Tranche B Inventory classified as Gravel; and
 - (ii) \$1 per tonne for Tranche B Inventory classified as Sand,

payable within ten (10) days following the end of each month on the basis of the proceeds of sales of Tranche B Inventory actually received by the applicable Mantle Party in such month (each such payment being a “**Principal Payment**”). The Principal Payments shall commence in the second month following the Closing Date and continue until all of the Tranche B Inventory has been sold by the Mantle Parties and the Principal Payments payable from the Proceeds of such Tranche B Inventory received by the applicable Mantle Parties have been paid in full.

- (e) The repayment of the Realty Component of the ATB Assumed Debt, and the consequences of failure to make payments of the Realty Component and otherwise perform the terms and provisions of the ATB Mortgage, shall be governed by the ATB Mortgage.
- (f) Upon the occurrence of an Event of Default, ATB may declare the Inventory Component of ATB Assumed Debt to be immediately due and payable by the Mantle Parties, whereupon ATB shall be entitled to exercise any rights or remedies it has under the ATB GSAs against the Tranche B Inventory and any Proceeds thereof, and under the ATB Mortgage against the JMB Real Property. For greater certainty, the recourse of ATB against the Mantle Parties under the ATB Loan Documents shall be limited to the Tranche B Inventory, the Proceeds thereof, and the JMB Real Property.
- (g) Upon sale by the Mantle Parties of all of the Tranche B Inventory and payment of the Principal Payments to ATB from the Proceeds thereof, the Mantle Parties shall have no further indebtedness, liabilities or obligations to ATB under the Inventory Component of the ATB Assumed Debt, and the Security Interest created by the ATB GSAs in the Tranche B Inventory shall be discharged as against the Mantle Parties.

3.2 **Reporting**

During the period between the Closing Date and payment of the final Principal Payment from the proceeds of sale of the Tranche B Inventory, the Mantle Parties shall:

- (a) within thirty (30) days of the end of each month, deliver to ATB a report setting out the sales by the Mantle Parties of Tranche B Inventory in such month, broken down into the categories of Gravel and Sand identified on **Schedule “C”**, and identifying the Aggregate Pit from which such Tranche B Inventory came, and including a calculation of the Principal Payment for such month, which report shall be in form and substance satisfactory to ATB, acting reasonably;
- (b) within one hundred and twenty (120) days of the end of each fiscal year of the Mantle Parties, deliver to ATB audited financial statements of the Mantle Parties prepared on a consolidated basis;
- (c) within thirty (30) days of the end of each month, deliver to ATB unaudited internally prepared, monthly financial statements of the Mantle Parties prepared on a consolidated basis; and
- (d) upon reasonable notice by ATB to the Mantle Parties, permit ATB and its representatives and agent to enter at all reasonable times into and upon the Lands and inspect and confirm the nature, state, condition, quality and quantity of the Tranche B Inventory.

3.3

Security

- (a) The Inventory Component of the ATB Assumed Debt shall be secured by the Security Interests created by the ATB GSAs, provided that such Security Interest shall only attach to the Tranche B Inventory and the Proceeds thereof, and shall not attach to any Transaction Assets other than the Tranche B Inventory and the Proceeds thereof.
- (b) The Mantle Parties hereby acknowledge that the ATB Indebtedness, ATB Loan Agreement, ATB Loan Documents and ATB GSAs are valid and enforceable in accordance with their terms, as amended by this Agreement.
- (c) As between the Mantle Parties and ATB, the ATB GSAs are amended as follows:
 - (i) all references in the ATB GSAs to “Collateral” mean the Tranche B Inventory and the Proceeds thereof;
 - (ii) the reference in section 2(a) in the ATB GSAs to “Indebtedness” means the ATB Assumed Debt;
 - (iii) subsections 5(b) and (c) in the ATB GSAs are deleted;
 - (iv) subsections 6(g), (k) and (l) in the ATB GSAs are deleted;
 - (v) section 7 is replaced by 3.1(f) in the ATB GSAs;
 - (vi) sections 9, 10, 15 in the ATB GSAs is deleted;
 - (vii) section 3 of Schedule A of the ATB GSAs is revised such that the only location of personal property Collateral is the Province of Alberta; and
 - (viii) section 4 of Schedule A of the ATB GSAs is amended such that Permitted Encumbrances are defined in Section 1.1(uu).
- (d) The Realty Component of the ATB Assumed Debt shall be secured against the JMB Real Property by the Security Interest created by the ATB Mortgage and by the ATB GSAs.
- (e) The Mantle Parties hereby acknowledges that (i) the ATB Mortgage is valid and enforceable in accordance with its terms, (ii) the ATB Mortgage shall be registered by ATB against title to the JMB Real Property, and (iii) the ATB Mortgage shall create and be a first ranking registered financial encumbrance and Security Interest against the JMB Real Property, subject only to Permitted Encumbrances.

3.4

ATB Loan Agreement

- (a) The obligations of the Mantle Parties under the ATB Loan Agreement and the ATB Loan Documents shall be joint and several with respect to, and shall only relate only to the ATB Assumed Debt. Without in any way amending the ATB Loan Documents as between ResidualCo and ATB, effective on Closing the ATB Loan Agreement shall be amended, as between the Mantle Parties and ATB, as follows:
 - (i) sections 1 and 2 of the ATB Loan Agreement are amended and replaced by Section 3.1;

- (ii) section 3 of the ATB Loan Agreement is amended and replaced by Section 3.3;
 - (iii) the conditions precedent in section 4 of the ATB Loan Agreement and condition subsequent in section 5 of the ATB Loan Agreement do not apply to the ATB Assumed Debt or to the Mantle Parties;
 - (iv) the positive and negative covenants in sections 6 and 7 of the ATB Loan Agreement apply to the Mantle Parties only in so far as they relate to the ATB Assumed Debt, references to the property and assets of a Loan Party shall relate only to the Tranche B Inventory, and subsections 6(b), (c), (g), (k)(iv), (k)(v), (l), (m), (p) and (q) and 7(b), (c), (d), (e), (f), (g), (h), (j), (k), (m), (n), (o), (p), (r) and (s) are deleted;
 - (v) the reporting covenants in section 8 of the ATB Loan Agreement are amended and replaced by Section 3.2;
 - (vi) section 9 of the ATB Loan Agreement is deleted;
 - (vii) the representations and warranties in subsections 10(a), (c) and (d) of the ATB Loan Agreement are amended to apply to the Mantle Parties, except that Mantle is a corporation incorporated under the laws of British Columbia, the reference therein to the Loan Documents amended to be a reference to this Agreement, subsections 10(e) to (i), (k) and (l) are deleted, and the representations and warranties in section 10, as amended hereby, are deemed to be repeated upon Closing;
 - (viii) sections 11, 12 and 13 of the ATB Loan Agreement are deleted;
 - (ix) subsections 14(e), (g), (i) and (j) of the ATB Loan Agreement are deleted;
 - (x) section 15 of the ATB Loan Agreement is deleted;
 - (xi) section 16 of the ATB Loan Agreement is amended to delete the definitions of Accounts Receivable, Borrowing Base, Borrowing Base Certificate, Borrowings, Canadian A/R, Change of Control, Commodity Swap, Compliance Certificate, Contra Accounts Payable, Currency Swap, Current Assets, Current Liabilities, Current Ratio, EBITDA, Eligible A/R, Eligible Inventory, Equity, Equivalent Amount, Fixed Charge Coverage Ratio, Fixed Charges, Funded Debt, Holdback A/R, Indebtedness, Ineligible A/R, Ineligible Inventory, Insured A/R, Interest Expense, Inventory, Investment Grade A/R, Letter of Credit, Liable Payables, Long Term Debt, Material Adverse Change, Material Adverse Effect, Net Senior Funded Debt to EBITDA, Prime, Related Company A/R, Related Parties, Subordinated Debt, Subsidiary, Swap and Unfunded Capital Expenditures; and
 - (xii) Schedules "A" and "B" to the ATB Loan Agreement are deleted.
- (b) To the extent that any provisions of the ATB Loan Documents are inconsistent with the provisions of this Agreement, the provisions of this Agreement shall govern.

3.5 **Sale of the JMB Real Property and Gagne Real Property**

- (a) ATB and the Mantle Parties, each acting reasonably, shall consult with respect to any reclamation or remediation obligations to be performed in respect of the Gagne Real Property, the manner in which the Gagne Real Property is to be marketed and sold, the selection of the broker, the determination of the commission and the list price in any listing agreement, and the acceptance or rejection of any offers submitted to purchase the Gagne Real Property.
- (b) In the event that the Gagne Real Property is sold or otherwise disposed of before the JMB Real Property, ATB shall discharge the ATB Mortgage against title to the Gagne Real Property upon being paid ten (10) percent of the then outstanding balance of the Realty Component (inclusive of interest, costs and expenses in accordance with the terms of the ATB Mortgage) of the ATB Assumed Debt.
- (c) In the event that the JMB Real Property is sold or otherwise disposed of before the Gagne Real Property, ATB shall discharge the ATB Mortgage against title to the JMB Real Property upon being paid ninety (90) percent of the then outstanding balance of the Realty Component (inclusive of interest, costs and expenses in accordance with the terms of the ATB Mortgage) of the ATB Assumed Debt.
- (d) Upon the occurrence of either of the events referenced in Sections 3.5(b) or 3.5(c), upon the sale or disposal of the remaining parcel of the Lands, ATB shall discharge the ATB Mortgage against the remaining parcel of the Lands upon the balance of the Realty Component of the ATB Assumed debt being paid in full (inclusive of interest, costs and expenses in accordance with the terms of the ATB Mortgage).

ARTICLE 4 GENERAL

4.1 **Time of Essence**

Time is of the essence in all respects of this Agreement.

4.2 **Notices**

Any Communication must be in writing and either delivered personally or by courier, sent by prepaid registered mail or transmitted by e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid. Any Communication must be sent to the intended recipient at its address as follows:

- (a) to the Mantle Parties at:

JMB Crushing Systems Inc. and 2161889 Alberta Ltd.

PO Box 6977

Bonnyville, AB T9N 2H4

Attention: Blake M. Elyea, CPA, CGA, CIRP, LIT, Chief Restructuring Advisor

E-mail: blakeelyea@jmbcrush.com

Mantle Materials Group, Ltd.

1400 16th St, Suite 320

Denver, CO 80209

Attention: Byron Levkulich, Director
E-mail: byron.levkulich@rholdings.com

with a copy to:

Gowling WLG (Canada) LLP
Suite 1600, 421 - 7th Avenue SW
Calgary AB T2P 4K9
Attention: Tom Cumming
E-mail: tom.cumming@gowlingwlg.com

(b) to ATB at:

ATB Financial
Suite 2500, 10020 - 100 Street
Edmonton Alberta T5J 0N3
Attention: Ian Mark Philip, Director, Turnaround and Restructuring Group
E-mail: iphilip@atb.com

with a copy to:

Dentons Canada LLP
2500 Stantec Tower
10220 - 103 Avenue NW
Edmonton, AB T5J 0K4
Attention: Tom Gusa
E-mail: tom.gusa@dentons.com

or at any other address as any Party may at any time advise the other by Communication given or made in accordance with this Section 4.2. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given or made and received on the next Business Day. Any Communication sent by prepaid registered mail will be deemed to have been given or made and received on the fifth (5th) Business Day after which it is mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be delivered personally or by courier or transmitted by e-mail or functionally equivalent electronic means of transmission. Any Communication transmitted by e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the Communication is transmitted on a day which is not a Business Day or after 4:00 pm (local time of the recipient), the Communication will be deemed to have been given or made and received on the next Business Day.

4.3 Severability

Each Section of this Agreement is distinct and severable. If any Section of this Agreement, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that Section, in whole or in part, will not affect the legality, validity or enforceability of the remaining Sections of this Agreement, in whole or in part or the legality, validity or enforceability of that Section, in whole or in part, in any other jurisdiction.

4.4 Submission to Jurisdiction

Without prejudice to the ability of any Party to enforce this Agreement in any other proper jurisdiction, each of the Parties irrevocably and unconditionally submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta to determine all issues, whether at law or in equity, arising from this Agreement. To the extent permitted by Applicable Law, each of the Parties irrevocably waives any objection, including any claim of inconvenient forum, that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Agreement in the courts of that Province, or that the subject matter of this Agreement may not be enforced in those courts; and irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 4.4, of the substantive merits of any suit, action or proceeding.

4.5 Amendment and Waiver

No amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by the Party to be bound. No waiver of, failure to exercise, or delay in exercising, any Section of this Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

4.6 Further Assurances

Each Party will, at the cost and expense of Mantle, execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the requesting Party to give effect to this Agreement and, without limiting the generality of this Section 4.6, will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide any assurances, undertakings and information as may be required at any time by all Governmental Authorities having jurisdiction over the affairs of a Party or as may be required at any time under Applicable Law.

4.7 Assignment and Enurement

Neither this Agreement nor any right or obligation under this Agreement may be assigned by the JMB Party or Purchaser, other than in the case of Mantle, to an Affiliate of Mantle that assumes the obligations of Mantle under this Agreement. This Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

4.8 Conduct of Parties

All requests, consents, approvals, opinions and decisions given or made by either Party as permitted by this Agreement and any other agreement or agreements and other documents to be delivered under this Agreement must be reasonable, not be unreasonably withheld or delayed, not be subject to unreasonable conditions or qualifications, be based on good and sound business judgment, and be consistent with the terms of this Agreement. Whenever a Section of this Agreement or a Schedule or an Exhibit requires a consent or approval by a Party and notification of the consent or approval is not delivered within the applicable time limit, then, unless otherwise specified, the Party whose consent or approval is required will be conclusively deemed to have withheld its consent or approval.

4.9 **Costs and Expenses**

Except as otherwise specified in this Agreement, all costs and expenses (including the fees and disbursements of accountants, financial advisors, lawyers and other professional advisers) incurred in connection with this Agreement, the obligations under this Agreement and the completion of the transactions contemplated by this Agreement, are to be paid by the Party incurring those costs and expenses. If there is a breach of this Agreement or this Agreement is terminated, the obligation of each Party to pay its own costs and expenses is subject to that Party's respective rights arising from a breach or termination.

4.10 **Remedies Cumulative**

The rights, powers and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights, powers and remedies available at law or in equity or otherwise. No single or partial exercise by a Party of any right, power or remedy precludes or otherwise affects the exercise of any other right, power or remedy to which that Party may be entitled.

4.11 **No Contra Proferentem**

This Agreement has been prepared on behalf of Parties and their respective professional advisors, and revised during the course of negotiations between the Parties. Each Party acknowledges that this Agreement is the product of their joint efforts, that it expresses their agreement, and that, if there is any ambiguity in any of its provisions, no rule of interpretation favouring one Party over another based on authorship will apply.

4.12 **Language**

The Parties have expressly required that this Agreement, any Communication and all other contracts, documents and notices relating to this Agreement be drafted in the English language. Les parties ont expressément exigé que la présente convention, la communication et tous les autres contrats, documents et avis qui y sont afférents soient rédigés dans la langue anglaise.

4.13 **Confidentiality**

The Parties acknowledge and agree that the information contained in the column titled "A – Volume (tonnes)" on the table in **Schedule "C"** is confidential, was obtained by Allnorth Consultants Limited pursuant to its engagement by Gowling WLG (Canada) LLP in contemplation of litigation, and shall be subject to and used only in accordance with the Cooperation Agreement.

4.14 **Counterparts**

This Agreement may be executed and delivered by the Parties in one or more counterparts, each of which will be an original, and each of which may be delivered by e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

SIGNATURE PAGE FOLLOWS

Each of the Parties has executed and delivered this Agreement, as of the date noted at the beginning of this Agreement.

JMB Crushing Systems Inc.

By:

Byron Levkulich

Name: Byron Levkulich

Title: Director

2161889 Alberta Ltd.

By:

Name:

Title:

Mantle Materials Group, Ltd.

By:

Byron Levkulich

Name: Byron Levkulich

Title: Director

ATB Financial

By:

Name:

Title:

Each of the Parties has executed and delivered this Agreement, as of the date noted at the beginning of this Agreement.

JMB Crushing Systems Inc.

By:

Name:

Title:

Mantle Materials Group, Ltd.

By:

Name:

Title:

ATB Financial

By:

Name:

Title:

2161889 Alberta Ltd.

By:

Blake M. Elyea

Name: Blake Elyea

Title: Chief Restructuring Advisor

Each of the Parties has executed and delivered this Agreement, as of the date noted at the beginning of this Agreement.

JMB Crushing Systems Inc.

By: _____

Name:

Title:

2161889 Alberta Ltd.

By: _____

Name:

Title:

Mantle Materials Group, Ltd.

By: _____

Name:

Title:

ATB Financial

By: _____

DocuSigned by:

Trina Holland

Name: ~~Trina Holland~~

1D1BB44136D1476J

Title: Managing Director

By: _____

DocuSigned by:

Claudia Yu

Name: ~~Claudia Yu~~

0B11275CF59646A...

Title: Associate Director, TRG

SCHEDULE "A"
LOAN DOCUMENTS

1. ATB Loan Agreement, as amended by amending agreements dated January 29, 2020, April 1, 2020, April 17, 2020 and April 30, 2020.
2. General Security Agreement dated May 31, 2017 by JMB in favour of ATB granting a Security Interest in all present and after acquired real and personal property of JMB which was registered at the Alberta Personal Property Registry on May 5, 2017 as 17050508652 and 17050508719 and registered as a caveat against the Gagne Real Property with the Land Titles Office on April 1, 2020 as Instrument No. 202 072 644.
3. General Security Agreement dated March 20, 2020 by 216 in favour of ATB granting a Security Interest in all present and after acquired real and personal property of 216 which was registered at the Alberta Personal Property Registry on April 6, 2020 as 17040638801 and 20031909111.

SCHEDULE "B"
AGGREGATE PIT AGREEMENTS

1. 216 Dispositions

- (a) Surface Material Lease No. 080085 in favour of 216 dated April 26, 2012 in respect of Aggregate Pit JLG 3 located within NW-12-63-19 W4M and SW-13-63-19 W4M.
- (b) Surface Material Lease No. 100085 in favour of 216 dated June 24, 2016 in respect of Aggregate Pit JLG 4 located within NE-12-63-19 W4M and NW-12-63-19 W4M.
- (c) Surface Material Lease No. 110025 in favour of 216 dated February 11, 2014 in respect of Aggregate Pit JLG 5 located within NE-11-61-18 W4M.
- (d) Surface Material Lease No. 110026 in favour of 216 dated April 11, 2012 in respect of Aggregate Pit JLG 6 located within SE-11-61-18 W4M.
- (e) Surface Material Lease No. 110045 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 7 located within SE-15-61-18 W4M and NE-15-61-18 W4M.
- (f) Surface Material Lease No. 110046 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 8 located within NE-15-61-18 W4M and NW-15-61-18 W4M.
- (g) Surface Material Lease No. 120006 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 11 located within NW-14-61-18 W4M.
- (h) Surface Material Lease No. 120100 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 12 located within SE-21-61-18 W4M.
- (i) Surface Material Lease No. 110047 in favour of 216 located within SE-15-61-18 W4M, SW-15-61-18 W4M, and NW-15-61-18 W4M.
- (j) Surface Material Lease No. 120005 in favour of 216 located within SW-14-61-18 W4M and NW-14-61-18 W4M.
- (k) Surface Material Lease No. 060060 in favour of 216 located within SW-13-65-18-W4M.
- (l) Department Licence of Occupation 170011 in favour of 216 located within SE-13-65-18-W4M and SW-13-65-18-W4M.

2. JMB Dispositions

- (a) Surface Material Lease No. 120027 in favour of JMB located within SW-30-63-08-W4M.
- (b) Surface Material Lease No. 930040 in favour of JMB located within SE-23-61-07-W4M.
- (c) Surface Material Lease 980116 in favour of JMB located within SW-21-63-12-W4M.
- (d) Department Miscellaneous Lease 120032 in favour of JMB located within NW-20-74-8-W4M.

- (e) Surface Materials Exploration 150106 in favour of JMB located within SW-26-75-11-W4M, SE-34-75-11-W4M, NW-23-75-11-W4M, NE-27-75-11-W4M, SW-35-75-11-W4M, and NW-26-75-11-W4M.
- (f) Surface Materials Exploration 200009 in favour of JMB located within NE-30-81-6-W4M, NE-31-81-6-W4M, SE-31-81-6-W4M, and SW-31-81-6-W4M.

3. JMB Active Royalty Agreements

- (a) Royalty Agreement made as of June 28, 2019 between JMB and Lafarge Canada Inc. ("**Lafarge**") in respect of the Aggregate Pit referred to as Moose River for which Lafarge has a surface material lease identified as SML 100043 located at SW-35-61-7-W4M and having 18.46 acres.
- (b) Royalty Agreement made as of June 28, 2019 between JMB and Lafarge in respect of the Aggregate Pit referred to as Oberg for which Lafarge had registration number 15215-01-01 located on lands described as SE-5-62-7-W4 and having 159.88 acres.
- (c) Royalty Agreement made as of October 29, 2018 between JMB and Jerry Shankowski (945441 Alberta Ltd.) in respect of an Aggregate Pit located at SW 21-56-7-W4.
- (d) Royalty Agreement made as of November 8, 2018 between Helen Havener, Gail Havener and JMB in respect of the Aggregate Pit located at NW 16-56-7-W4M.
- (e) Royalty Agreement made as of February 26, 2020 between Darren Andrychuk and Daphne Andrychuk and JMB in respect of the Aggregate Pit located at SW 15-57-14-W4.

4. JMB Inactive Royalty Agreements

- (a) Royalty Agreement made as of December 31, 2018 between JMB and 302016 Alberta Limited, care of Rose Short, in respect of the Aggregate Pit located at NE-24-56-7-W4.
- (b) Royalty Agreement made as of January 7, 2020 between Ron and Rita Kucy, Ron and Vonda Hoye, and JMB in respect of an Aggregate Pit located at LSD 1-19-63-9-W4.
- (c) Royalty Agreement made as of October 27, 2019 between Allan K MacDonald and JMB in respect of an Aggregate Pit located at SW 34-56-7-W4.
- (d) Royalty Agreement made as of September 30, 2018 between Doug Megley and JMB in respect of an Aggregate Pit located at SE-35-58-16-W4M.
- (e) Royalty Agreement made as of April 30, 2018 between Colleen Penner/Estate of Ed Okane and JMB in respect of an Aggregate Pit located at NE 10-57-6-W4 and NE 10-57-6-W4.

SCHEDULE "C" ACQUIRED TRANCHE B INVENTORY

Category	1 - Sand
	2 - GBC (Granular Base Course)
	4 - Traffic
	5 - Rock/other
	6 - Granular fill ⁶ - Granular fill

Location	Product	Category	A – Volume (tonnes) ¹
Buksa Pit Elk Point	Des 5 Class 10A	1	7,921
Buksa Pit Elk Point	Armour Rock	5	2,719
Havener Pit Elk Point	10mm Natural Fines	5	73,211
Havener Pit Elk Point	Des 5 Class 10A	1	0
Havener Pit Elk Point	Des 4 Class 20	4	1,400
Havener Pit Elk Point	Armour Rock	5	1,008
Hoye/Kucy Pit	Des 4 Class 40	4	1,500
JMB Pit NW 35-56-6 W4M	Armour Rock	5	7,241
JMB Yard NW 20-61-5 W4M	Des 6 Class 80	6	1,000
JMB Yard NW 20-61-5 W4M	40mm rock	5	74
JMB Yard NW 20-61-5 W4M	Des 2 Class 20	2	4,664
JMB Yard NW 20-61-5 W4M	Des 2 Class 40	2	1,889
JMB Yard NW 20-61-5 W4M	Des 4 Class 20	4	1,772
JMB Yard NW 20-61-5 W4M	Des 2 Class 25	2	4,265
MacDonald Pit	Des 4 Class 20	4	8,500
MacDonald Pit	10mm Natural Fines	5	3,000
MacDonald Pit	12.5mm ACP material	5	4,492
MacDonald Pit	Des 5 Class 10A	1	20,000
MacDonald Pit	Armour Rock	5	6,000
MacDonald Pit	Des 2 Class 20	2	1,000
Megley Pit	10mm ACP material	5	1,390
Megley Pit	12.5mm ACP material	5	1,000
Megley Pit	Des 4 Class 20	4	1,000
Megley Pit	Des 5 Class 10A	1	214,904
O'Kane Pit	Des 5 Class 10A	1	85,684
Shankowski Pit Elk Point	14mm Pea Gravel	5	4,415
Shankowski Pit Elk Point	Des 5 Class 10A	1	257,904
SML110045 JLG 7 - Smokey Lake	FA1 Unwashed screened	1	57,968
SML110045 JLG 7 - Smokey Lake	8mm screened winter sand	1	75,000
SML110045 JLG 7 - Smokey Lake	FA1 Washed screened	1	500
SML110045 JLG 7 - Smokey Lake	FA1 Concrete Course	1	500
SML110045 JLG 7 - Smokey Lake	Natural Washed Weeping Tile	2	200
SML110047 JLG 9 - Smokey Lake	Des 5 Class 10A	1	77,324
SML120005 JLG 10 - Smokey Lake	Des 4 Class 40	4	10,756
SML120005 JLG 10 - Smokey Lake	Des 5 Class 10A	1	1,026,524
SML120005 JLG 10 - Smokey Lake	Des 4 Class 20	4	600
SML120005 JLG 10 - Smokey Lake	Des 2 Class 20	2	500
SML120005 JLG 10 - Smokey Lake	Des 3 Class 12.5C	5	300
Total			1,968,125

¹ The information in this column is based on: (a) a report prepared Allnorth Consultants Limited with respect to the Buksa Pit Elk Point, the Havener Pit Elk Point and the JMB Pit NW 35-56-6 W4M pursuant to an engagement by Gowling WLG (Canada) LLP, as counsel for CARC, in July of 2020, for the purposes of quantifying the extent of the over-statement of the inventory of JMB and 216 in their financial records, which report was prepared in contemplation of litigation and is subject to litigation privilege and common interest privilege; and (b) for all other Aggregate Pits, the inventory levels recorded in the books and records of JMB and 216, as adjusted pursuant to site visits to the Aggregate Pits by operational employees of JMB in and around June of 2020 under the direction of the Chief Restructuring Advisor of JMB and 216, which were performed to verify whether Aggregate referred to in the books and records appeared to be located at the Aggregate Pits.

SCHEDULE "D"
FORM OF ATB MORTGAGE

See the attached.

LAND TITLES ACT

MORTGAGE

JMB CRUSHING SYSTEMS INC. (the "**Mortgagor**") has become or may hereafter become indebted, obligated or liable to ATB Financial, of 2500, 10020 – 100 Street, Edmonton, AB T5J 0N3 (the "**Mortgagee**") in connection with its purchase of the Lands (as defined below) pursuant to a purchase agreement dated March 3, 2021 (the "**Purchase Agreement**") between the Mortgagor and 2161889 Alberta Ltd. ("**216**") as vendors and Mantle Materials Group, Ltd. ("**Mantle**") as purchaser, an agreement governing ATB assumed debt dated April 21, 2021 (as amended, amended and restated, modified, replaced or supplemented from time to time, the "**Assumption Agreement**") between the Mortgagor, 216, Mantle and the Mortgagee and the plan of arrangement of the Mortgagor, 216 and the Mortgagee under the *Companies' Creditors Arrangement Act* (Canada) and *Business Corporations Act* (British Columbia) (the "**Plan**"), pursuant to which on the completion of the purchase and sale transaction under the Purchase Agreement, the Mortgagor shall continue to be liable for that portion of the indebtedness owing by the Mortgagor to the Mortgagee equal to the principal sum of \$111,000.00, which assumption shall be on the terms set out in the Agreement and in this mortgage.

As security for the payment by the Mortgagor of any sums required to be paid from time to time to the Mortgagee and the performance of any covenants and obligations of the Mortgagor to the Mortgagee to be performed from time to time, the Mortgagor has agreed to execute and deliver this mortgage.

The Mortgagor, being or being entitled to become registered as owner of an estate in fee simple possession, subject however to such encumbrances, liens and interests as are described in Schedule "A" attached hereto, in those lands located in the Province of Alberta as described in Schedule "A" attached hereto (which, with the buildings and improvements located thereon, are collectively called the "**Lands**"), in consideration of the premises, COVENANTS with the Mortgagee as follows:

1. PAYMENT

The Mortgagor hereby acknowledges that the Mortgagor is or may become obligated to pay to the Mortgagee the Obligations (as hereinafter defined) from time to time in accordance with and in the manner agreed to between the Mortgagee and the Mortgagor.

"**Obligations**" means, collectively, all amounts owing to the Mortgagee by the Mortgagor from time to time, whether present or future, direct or indirect, absolute or contingent, matured or not, and however arising, and whether incurred or arising before, during or after the time that the Mortgagor is the owner of the Lands, including the Principal Sum, interest at the Interest Rate accrued thereon, and costs, under and pursuant to the Plan, the Assumption Agreement and this Mortgage.

The Mortgagor hereby promises to pay the Obligations to the Mortgagee as follows:

- (a) blended payments of interest and principal on the first (1st) day of each month the Obligations remain outstanding, commencing May 1, 2021, such blended payments to be based on a twenty (20) year amortization period and term of four (4) years commencing on the date hereof;
- (b) all of the outstanding Obligations on the Maturity Date, or, subject to the terms hereof, on demand of the Mortgagee; and
- (c) notwithstanding any other term or provision of this mortgage to the contrary, the rights, remedies and recourses of the Mortgagee under this mortgage shall be limited to the Lands and proceeds thereof, and in any action or proceeding to enforce its rights, remedies and recourses under and pursuant to this mortgage, any orders, judgments or other relief as against the Mortgagor shall be limited to the interest of the Mortgagor in the Lands.

2. SECURITY

The Mortgagor hereby encumbers, mortgages and charges the Lands with payment of the Obligations, up to: (a) the principal amount of One Hundred and Eleven Thousand (\$111,000.00) Dollars (the "**Principal Sum**"), plus (b) interest thereon, before and after maturity, default and judgment, until paid, computed at a floating rate equal to 2.0% per annum above the prime lending rate established by the Mortgagee from time to time for commercial loans made by it in Canada in Canadian dollars (the "**Interest Rate**"), calculated daily and payable monthly not in advance, with interest on overdue interest at the same rate, and (c) all further monies which may become payable pursuant to the terms of this mortgage.

This mortgage is given and taken as general and continuing security to secure payment and performance of the Obligations and this mortgage shall obtain priority for all Obligations notwithstanding that at any time or from time to time there may not be any Obligations then outstanding or the amount of the Obligations may fluctuate from time to time. The accounts and records of the Mortgagee shall, in the absence of manifest error, constitute *prima facie* evidence of the amount of Obligations outstanding and owing from time to time by the Mortgagor to the Mortgagee.

3. NO MERGER

The taking of a judgment or judgments under any of the covenants contained in this mortgage, in any agreement evidencing the Obligations, or in any other security for payment of the Obligations will not operate as a merger of such covenants or of the Mortgagee's security by way of a charge against the Lands or affect the Mortgagee's right to interest hereunder at the Interest Rate. It is distinctly understood and agreed that the Interest Rate will be payable on the amount of any judgment.

4. TAXES, CLAIMS AND COSTS

- (a) The Mortgagor will pay all taxes, rates, levies, assessments and impositions of the municipality or any other taxing authority which are now or may hereafter be levied, charged, assessed, imposed or payable against or in respect of the Lands, or any part thereof, or on this mortgage or on the Mortgagee in respect of this mortgage, when the same become due, and will provide the Mortgagee with the receipts therefor.
- (b) The Mortgagor will pay and discharge when due all claims of and obligations to labourers, builders, material suppliers and others and all other claims, debts and obligations which by the laws of Canada or of the Province of Alberta have or might have priority over the security hereby created, and will provide the Mortgagee with the receipts therefor.
- (c) If the Mortgagor fails to pay when due any of the items required to be paid by the Mortgagor pursuant to any provision of this mortgage, the Mortgagee may, but will not be obligated to, pay such items.

- (d) If the Mortgagor fails to repair as provided by this mortgage, the Mortgagee may, but will not be obligated to, at such time or times as it deems necessary and without the concurrence of any other person, make arrangements for maintaining, restoring, repairing, finishing, adding to, or putting in order the Lands, and for managing, improving, and taking care of them.
- (e) All solicitor's, inspector's, valuator's, surveyor's and other fees and expenses for drawing and registering this mortgage, for examining the Lands and the title thereto, and for making or maintaining this mortgage a first charge, or if approved by the Mortgagee, a subsequent charge, on the Lands, and in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder or subsisting (including legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of the Mortgagee or of any agent, solicitor or servant of the Mortgagee for any purpose herein provided), together with all sums which the Mortgagee from time to time advances, expends or incurs pursuant to any provision contained in this mortgage, whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Mortgagor or otherwise, are to be secured hereby and will be a charge on the Lands, together with interest thereon at the Interest Rate calculated from the date of advance or expenditure by the Mortgagee to the date of payment to the Mortgagee. All such monies will be payable to the Mortgagee on demand.

5. **INSURANCE**

- (a) The Mortgagor will immediately insure and keep insured during the continuance of this security the Lands to their full insurable value, with an insurer or insurers approved by the Mortgagee, against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and such other risks as the Mortgagee requires. The Mortgagor will also obtain such other insurance, of kinds and in amounts required by the Mortgagee (including but not limited to business interruption or rental loss insurance if appropriate). The Mortgagor will not do or permit anything which might impair, reduce or void such insurance.
- (b) The Mortgagor will deliver to the Mortgagee the policy or policies of insurance affecting the Lands with a mortgage clause attached, any loss thereunder to be payable to the Mortgagee.
- (c) The Mortgagor will pay all premiums and sums of money necessary to obtain and maintain such insurance as the same become due and, if requested by the Mortgagee, will immediately after payment deliver to the Mortgagee the receipts therefor. Evidence of the renewal of such insurance will, if requested by the Mortgagee, be provided to the Mortgagee at least seven business days before the insurance then existing expires; otherwise the Mortgagee may insure as herein provided.
- (d) If there is loss or damage from any of the risks insured against, the Mortgagor will furnish proof of loss at its own expense and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies and in respect of any such insurance monies received by the Mortgagee the Mortgagee may at its option:
 - (i) apply the same in or towards substantially rebuilding, reinstating or repairing the Lands; or
 - (ii) apply the same in the manner set forth in paragraph 21(c) hereof; or
 - (iii) pay the same in whole or in part to the Mortgagor, but no such payment will operate as payment or a novation of the Mortgagor's indebtedness hereunder or as a reduction of this Mortgage; or
 - (iv) apply the same partly in one way and partly in another as the Mortgagee in its sole discretion determines.

To ensure that the Mortgagee may so apply such insurance monies in the manner aforesaid, the Mortgagor assigns and releases to the Mortgagee all rights of the Mortgagor to receive the insurance monies and expressly waives all rights and benefits, to the extent that the same is permitted by law, pursuant to any legislation which provides for a contrary application of such insurance monies.

- (e) The Mortgagor hereby constitutes and appoints the Mortgagee as its attorney for the purpose of demanding, recovering and receiving payment of all insurance monies to which it may become entitled. Without limiting the generality of the foregoing, the Mortgagee may, in the name of the Mortgagor, file proofs of claim with any insurer who insures the Lands, settle or compromise any claim for insurance proceeds in respect of the Lands, commence and prosecute any action for recovery of insurance proceeds in respect of the Lands, and settle or compromise any such action. Notwithstanding the foregoing, it will remain the Mortgagor's responsibility to demand, recover and receive such payments and nothing herein will render the Mortgagee liable to the Mortgagor for any act done by it in pursuance of the power of attorney granted in this paragraph 5(e) or for its failure to do any act or take any step permitted herein.
- (f) Pending application of any insurance monies by the Mortgagee, the same will be deemed to form part of the Lands and be subject to the charge hereby created.
- (g) If the Mortgagor neglects to keep the Lands or any part of them insured as aforesaid or to pay the said premiums and sums of money necessary for such purpose or to deliver the policy or policies or receipts as aforesaid then the Mortgagee will be entitled, but will not be obliged, to insure the Lands in the manner aforesaid.

6. **IMPROVEMENTS TO BE FIXTURES**

All improvements, fixed or otherwise, now on or hereafter put on the Lands (including but not limited to all buildings, mobile homes, machinery, plant, fences, furnaces, boilers, water heaters, heating, plumbing, air conditioning, cooking, refrigerating, ventilating, lighting and water-heating equipment, window blinds, storm windows, storm doors, window screens and screen doors, and all apparatus and equipment appurtenant thereto, whether movable or stationary, with the proper, usual and necessary gears, construction and appliances) are and will, in addition to other fixtures thereon, be and become fixtures and become part of the realty and of the security and are included in the expression the "Lands".

7. **USE OF THE LANDS**

- (a) The Mortgagor will not commit or permit any act of waste on the Lands or any portion thereof or do or permit anything which might impair the value thereof.

- (b) The Mortgagor will at all times during the continuance of this mortgage well and sufficiently repair, maintain, restore and keep the Lands and every part thereof in good and substantial repair (normal wear and tear excepted).
- (c) The Mortgagee by its agents, solicitors or inspectors may enter upon the Lands or any part thereof at any reasonable time and upon reasonable notice to view their state of repair.
- (d) If in the opinion of the Mortgagee the Lands or any part thereof are not in a proper state of repair it may serve notice upon the Mortgagor to make such repairs or replacements as the Mortgagee deems proper within a time limited by such notice. If the Mortgagor fails to comply with such notice such failure will constitute a breach of covenant hereunder and in such event the Mortgagee or its agents, employees or contractors may enter upon the Lands and proceed to repair as provided in this mortgage and will have all the remedies set forth herein.
- (e) The Mortgagor will not make, or permit to be made, any alterations or additions to the Lands, or change their present use thereof, without the consent of the Mortgagee.
- (f) If the Mortgagor rents out all or any portion of the Lands, the Mortgagor will faithfully perform any landlord's covenants which it may have undertaken or which it may hereafter undertake as landlord under any such leases and will neither do, neglect to do, nor permit to be done, anything (other than pursuing the enforcement of the terms of such leases in accordance with the terms thereof) which may cause a material modification or termination of any such leases or which may diminish the value of any leases, the rents provided for therein, or the interest of the Mortgagor or Mortgagee herein. The Mortgagor will not assign its interest in any such leases. The Mortgagor will give the Mortgagee immediate notice of any material default or notice of cancellation under any such leases.
- (g) In its ownership, operation and management of the Lands, the Mortgagor will observe and comply with all applicable federal, provincial and municipal by-laws, statutes, ordinances, regulations, orders and restrictions including but not limited to all health, fire safety and land use by-laws and all building codes affecting the Lands.

8. CARE OF THE LANDS

- (a) In this mortgage:
 - (i) "**environment**" includes the Lands and surroundings;
 - (ii) "**pollutant**" means any substance, class of substances, mixture of substances, form of energy or combination thereof that is capable of entering the environment in a quantity or concentration or under conditions that may cause an immediate or long term adverse effect, and includes anything defined as a hazardous substance, hazardous waste, toxic substance, dangerous goods, hazardous chemical, contaminant, or agricultural chemical under any federal, provincial or municipal laws or by-laws now or hereafter in force;
 - (iii) "**release**" includes the noun or verb form of spill, discharge, spray, inject, abandon, deposit, leak, seep, pour, emit, empty, throw, dump, place, exhaust and words of like or similar meaning.
- (b) Neither the Mortgagor, nor, to the knowledge of the Mortgagor after diligent inquiry and investigation, any other person, has ever caused or permitted any pollutant to be placed, handled, stored or disposed of on, under or at the Lands, or on, under or at adjacent lands, except as disclosed to the Mortgagee in writing.
- (c) The Mortgagor will not allow any pollutant to be placed, handled, stored or disposed of on, under or at the Lands without the prior written consent of the Mortgagee, which consent may be arbitrarily or unreasonably withheld.
- (d) In the event of a release, the Mortgagor will promptly take any and all necessary remedial action; provided, however, that the Mortgagor will not, without the Mortgagee's prior written consent, take any such remedial action nor enter into any settlement agreement, consent decree, or other compromise in respect of any related claims, proceedings, lawsuits or action commenced or threatened pursuant to any environmental, health or safety laws or in connection with any third party, if such remedial action, settlement, consent or compromise might impair the value of the Mortgagee's security hereunder. The Mortgagee's prior consent will not, however, be necessary if the release either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature that an immediate remedial response is necessary and it is not possible to obtain the Mortgagee's consent prior to undertaking such action. If the Mortgagor undertakes any remedial action the Mortgagor will immediately notify the Mortgagee of any such remedial action in compliance with all applicable federal, provincial and municipal laws and by-laws, and in accordance with the orders and directives of all federal, provincial and municipal governmental authorities, to the satisfaction of the Mortgagee.
- (e) The Mortgagor agrees to defend, indemnify, and hold the Mortgagee harmless from and against any and all claims, losses, liabilities, damages and expenses (including, without limitation, legal costs as between a solicitor and his own client on a full indemnity basis, including those arising by reason of any of the aforesaid or an action under this indemnity) arising directly or indirectly from, out of or by reason of any release, environmental complaint, or any environmental health, fire, safety, and land use law governing the Mortgagor, its operations or the Lands. This indemnity will apply notwithstanding any negligent or other contributory conduct by or on the part of the Mortgagee or any one or more other parties or third parties and will survive the payment of and the satisfaction of this mortgage.

9. COVENANTS UNDER THE LAND TITLES ACT

- (a) The Mortgagor has a good title to the Lands;
- (b) The Mortgagor has the right to mortgage the Lands;
- (c) On default the Mortgagee will have quiet possession of the Lands;
- (d) The Lands are free from all encumbrances except as consented to in writing by the Mortgagee;
- (e) The Mortgagor will execute such further assurances of the Lands as may be required by the Mortgagee; and
- (f) The Mortgagor has done no act to encumber the Lands except as consented to in writing by the Mortgagee.

10. **DEFAULT AND ACCELERATION**

The Obligations will, at the option of the Mortgagee, immediately become due and payable, and this mortgage shall become enforceable and may be enforced, without the requirement of any or any further notice from the Mortgagee to the Mortgagor, in each of the following events, each of which shall constitute an event of default:

- (a) if the Mortgagor defaults in payment or in the observance or performance of any of the Obligations, or of any obligation, covenant or liability of the Mortgagor to the Mortgagee contained herein or in another security or agreement executed and delivered by the Mortgagor to the Mortgagee, and, except as otherwise expressly provided, such default continues for more than seven days following written notice from the Mortgagee to pay or to otherwise remedy the same;
- (b) if any warranty, representation or statement made or furnished to the Mortgagee by or on behalf of the Mortgagor in respect of the Lands or the Mortgagor proves to have been false or misleading in any material respect when made or furnished;
- (c) if the Lands are capable of generating income and there is loss or damage to the Lands or any part thereof which materially adversely affects its income-generating ability thereof in the reasonable opinion of the Mortgagee, and such loss or damage cannot be repaired or replaced so as to re-establish the income-generating ability of the Lands within a reasonable time and in any case within 150 days following such loss or damage;
- (d) if there is a seizure or attachment to or on the Lands;
- (e) if any charge or encumbrance created or issued by the Mortgagor affecting the Lands becomes enforceable and any step is taken to enforce the same;
- (f) if an order is made, an effective resolution passed or a petition is filed for the winding up of the Mortgagor, or a receiver of the Mortgagor or the Lands is appointed;
- (g) if the Mortgagor becomes insolvent, makes a general assignment for the benefit of its creditors or otherwise acknowledges insolvency, or a bankruptcy petition or receiving order is filed or made against the Mortgagor;
- (h) if the Mortgagor ceases or threatens to cease to carry on its business, makes a bulk sale of its assets or commits or threatens to commit any act of bankruptcy;
- (i) if any other mortgagee, encumbrancee or other party having a charge on the Lands commences proceedings to enforce its rights or security in such mortgage, encumbrance or charge or takes steps to collect all or any of the income generated from the Lands, or any part thereof;
- (j) if the Mortgagor grants or attempts to grant any form of security to any person other than the Mortgagee ranking or purporting to rank in priority to or equally with the security held by the Mortgagee on the Lands;
- (k) if the Mortgagor abandons the Lands or any part thereof; or
- (l) if the Mortgagor operates a business on the Lands and fails to maintain and operate such business as a going concern in a prudent and businesslike manner to the reasonable satisfaction of the Mortgagee.

11. **POWER OF ATTORNEY**

Upon the occurrence of an event of default pursuant to paragraph 10, the following power of attorney will take effect: the Mortgagor hereby irrevocably appoints the Mortgagee, or such person or corporation as may be designated by the Mortgagee, as attorney on behalf of the Mortgagor to sell, lease, mortgage or otherwise dispose of or encumber the Lands or any part thereof, and to execute all instruments and do all acts, matters and things that may be necessary or convenient for carrying out the powers hereby given and for the recovery of all sums of money owing for or in respect of the Lands or any part thereof, and for the enforcement of all contracts and covenants in respect of the Lands or any part thereof, and for the taking and maintaining of possession of and the protection and preservation of the Lands or any part thereof.

12. **RIGHT TO SEIZE**

If the Mortgagor defaults in performing or fulfilling any of the covenants set forth in this mortgage it will be lawful for, and the Mortgagor hereby grants full power and license to, the Mortgagee to enter, seize and distrain upon the Lands or any part thereof, and by distress warrant to recover by way of rent reserved as in the case of a demise of the Lands as much of the principal and interest and other monies as is from time to time in arrears, together with all costs, charges and expenses attending such levy or distress as in like cases of distress for rent.

13. **APPOINTMENT OF RECEIVER OR RECEIVER-MANAGER**

- (a) At any time when there is default under any of the provisions of this mortgage the Mortgagee may, with or without entering into possession of the Lands or any part thereof, appoint in writing a receiver or a receiver/manager (the "Receiver") of the Lands or any part thereof and of the rents and revenues therefrom with or without security. The Mortgagee may from time to time by similar writing remove any Receiver and appoint another in its place. In making any such appointment or removal the Mortgagee will be deemed to be acting as agent or attorney for the Mortgagor. The statutory declaration of an officer of the Mortgagee as to the existence of such default will be conclusive evidence of such default. Every Receiver will be the irrevocable assignee or attorney of the Mortgagor for the collection of all rents falling due in respect of the Lands or any part of them. Every Receiver may, in the discretion of the Mortgagee and by writing under its corporate seal, be vested with all or any powers and discretions of the Mortgagee. The Mortgagee may from time to time fix the remuneration of every Receiver, who will be entitled to deduct the same from the income or proceeds of sale of the Lands. Every Receiver will, as far as concerns responsibility for his acts or omissions, be deemed the agent or attorney of the Mortgagor and in no event the agent of the Mortgagee. The appointment of every Receiver by the Mortgagee will not incur or create any liability on the part of the Mortgagee to the Receiver in any respect and such appointment or anything which may be done by the Receiver or the removal of any Receiver or the termination of any receivership will not have the effect of constituting the Mortgagee a mortgagee in possession of the Lands or any part of them. Every Receiver will from time to time have the power to rent any portion of the Lands which may become

vacant for such term and subject to such provisions as it may deem advisable or expedient and in so doing every Receiver will act as the attorney or agent of the Mortgagor and will have the authority to execute under the Mortgagor's seal any lease of any such premises in the name of and on behalf of the Mortgagor. The Mortgagor undertakes to ratify and confirm whatever any Receiver may do in respect of the Lands. Every Receiver will have full power to manage, operate, amend, repair, alter or extend the Lands or any part thereof in the name of the Mortgagor for all purposes including securing the payment of rental for the Lands or any part of them. In exercising such powers, the Receiver will have all incidental powers, including the power to borrow such funds as may be required in connection therewith. No Receiver will be liable to the Mortgagor to account for monies or damages other than cash received by it in respect of the Lands or any part thereof. Out of such cash so received every Receiver will in the following order pay:

- (i) its remuneration,
 - (ii) all payments made or incurred by it in connection with the management, operation, amendment, repair, alteration or extension of the Lands or any part of them, and
 - (iii) interest, principal and other money which may from time to time be charged upon the Lands in priority to this mortgage, and all taxes, insurance premiums and every other expenditure made or incurred by it in respect of the Lands or any part of them.
- (b) Notwithstanding the provisions of subparagraph (a) above, the Mortgagee, in addition to the right of private appointment contained therein, will have the right to apply to a court of competent jurisdiction for the appointment of a receiver or a receiver-manager, whether such application is made prior to or after the appointment of a receiver pursuant to subparagraph (a). The right to apply to a court for the appointment of a receiver or receiver-manager will be in addition to the right to appoint a receiver pursuant to subparagraph (a) and may be exercised at any time by the Mortgagee in its sole discretion.

14. DUE ON SALE

If, without the prior written consent of the Mortgagee:

- (a) the Mortgagor sells, conveys, transfers or assigns all or any part of its interest in the Lands the full amount then secured by this mortgage shall, at the option of the Mortgagee, become immediately due and payable upon notice to the Mortgagor.

15. ASSIGNMENT OF RENTALS

As further security to the Mortgagee for repayment and performance of its other obligations as aforesaid, the Mortgagor hereby assigns, transfers and sets over to the Mortgagee all rents and other revenues from the Lands now or hereafter due or to become due, provided that:

- (a) the Mortgagor will be entitled to receive and recover such rents and other revenues until default under this mortgage;
- (b) if the Mortgagor defaults, all monies received by the Mortgagor in respect of the Lands after the default will be received by the Mortgagor in trust for the Mortgagee. Immediately after receiving such monies the Mortgagor will pay them to the Mortgagee;
- (c) the Mortgagee will have no obligation to collect any such rents or other revenues at any time and will be liable only for monies actually received;
- (d) nothing contained in this clause nor the exercise by the Mortgagee of any rights or remedies arising herefrom will place or be deemed to place the Mortgagee in possession of the Lands;
- (e) neither this assignment, nor the collection of rents pursuant to it, will be construed as a recognition or acceptance of any lease with respect to the Lands or any part thereof;
- (f) the Mortgagor will not accept any rents in excess of one monthly instalment in advance;
- (g) whenever requested by the Mortgagee the Mortgagor will assign to the Mortgagee its interest in each specific lease of the Lands or any part thereof and will execute such further specific or general assignments as may be requested by the Mortgagee from time to time; and
- (h) the Mortgagee or its agents may, but will not be obligated to, register this assignment at such registry offices as the Mortgagee in its discretion deems appropriate.

16. CONDOMINIUM

If the Lands are or hereafter become subject to a condominium plan duly created pursuant to the provisions of the *Condominium Property Act* (Alberta) (which, as amended from time to time, together with any legislation substituted therefor is herein collectively called the "**Act**"), then:

- (a) the Mortgagor fully and absolutely assigns, transfers and sets over to the Mortgagee all of the Mortgagor's voting rights now existing or which may hereafter come into existence with respect to the Lands and with respect to the Condominium Corporation of which the Mortgagor is a member by virtue of the Mortgagor's ownership of the condominium unit or units being charged by this mortgage (the "Condominium Corporation"), whether such voting rights arise under the Act, under the by-laws of the Condominium Corporation, under any agreement with the Condominium Corporation, or otherwise howsoever. The Mortgagor will execute any documentation which in the sole opinion of the Mortgagee is necessary or advisable to give full effect to the foregoing. Provided however, that if the Mortgagee is not present in person or by proxy, or, if present, does not wish to vote, then the Mortgagor may without further authority exercise all voting rights other than the right to vote on any matter requiring a unanimous resolution. Provided further that the Mortgagee may, by written notice to the Mortgagor, terminate all voting rights and privileges of the Mortgagor;
- (b) notwithstanding anything to the contrary herein contained:

- (i) the Mortgagor will observe and perform every covenant and provision required to be performed under or pursuant to the terms of this mortgage, the Act, the by-laws of the Condominium Corporation in effect from time to time, and under any agreement between the Mortgagor and the Condominium Corporation; and
- (ii) without limiting the generality of the preceding subparagraph, the Mortgagor will pay promptly when due all assessments, instalments or payments owing by it to the Condominium Corporation; and
- (c) where the Mortgagor defaults in the Mortgagor's obligations to contribute to the common expenses assessed or levied by the Condominium Corporation or any authorized agent on its behalf, or any assessment, instalment or payment owing to the Condominium Corporation, or upon breach of any covenant or provision contained in this section, then regardless of any other action or proceeding taken or to be taken by the Condominium Corporation, the Mortgagee, at its option and without notice to the Mortgagor may pay such contribution owing to the Condominium Corporation or rectify any such default or breach by the Mortgagor.

17. **SUBROGATION**

The Mortgagee may pay off any charges or encumbrances against the Lands and in such cases will be subrogated to the rights of, stand in the position of, and be entitled to all the equities of the person so paid off, whether the same are or are not discharged.

18. **PRIOR CHARGE**

If the Mortgagor defaults in the performance of any covenants, payments or conditions contained in any mortgage, lien, agreement for sale, encumbrance, interest in land or other charge or claim upon or with respect to the Lands which has or may have or which may acquire priority to this mortgage (any and all of which are herein called the "**Prior Charge**") then such default will constitute a default under this mortgage and the Obligations will, at the option of the Mortgagee, become immediately due and payable without notice or demand. The Mortgagee will be entitled but not obligated to pay any arrears or other sums payable under the Prior Charge, or to pay off all or any portion of the amount thereby secured. For the purposes of tendering any arrears or other sums payable to a holder of a Prior Charge, the Mortgagor hereby irrevocably appoints the Mortgagee its agent and irrevocably directs the Mortgagee to tender such monies upon the holder of a Prior Charge in the name of and on behalf of the Mortgagor. In this regard the Mortgagor hereby assigns to the Mortgagee its equity of redemption, if any, with respect to the Prior Charge, together with the statutory right of redemption given to the Mortgagor by the provisions of *The Law of Property Act* (Alberta), as in force and amended from time to time. It is the intention of the parties that the Mortgagee will have the same rights and powers, but not the liabilities, as the Mortgagor under and pursuant to the terms of the Prior Charge so that the Mortgagee will be in a position to take whatever steps are necessary to bring the Prior Charge into good standing once default has occurred thereunder. This assignment is not intended to encompass the Mortgagor's entire interest in the Prior Charge, but only to the extent hereinbefore stipulated. Furthermore, nothing herein contained will create any obligation upon the Mortgagee to cure any default on behalf of the Mortgagor.

19. **PARTIAL RELEASE**

The Mortgagee may release any part of the Lands at any time at its discretion, or may release any person from this mortgage or from any of the covenants herein contained or contained in any collateral security, either with or without any consideration therefor, without responsibility therefor and without releasing any other part of the Lands, any other person or any collateral security.

20. **MORTGAGEE IN POSSESSION**

If the Mortgagee exercises any of its rights hereunder, or goes into possession of the Lands or any part thereof for any purpose under the powers conferred upon it by this mortgage or by law, it will not be deemed to be a mortgagee in possession nor responsible in any way for anything other than monies actually received by it.

21. **APPROPRIATION OF PAYMENTS**

- (a) This mortgage is intended as security to secure the Obligations and any other amounts owing under and secured hereby in accordance with the terms hereof, and will secure any ultimate balance owing. No payment by the Mortgagor will reduce the amount secured by this mortgage unless:
 - (i) the Mortgagee so agrees in writing; or
 - (ii) the Mortgagor's obligations to the Mortgagee do not exceed the principal sum secured as set forth in paragraph 2 of this mortgage, the Mortgagee has no obligation to advance further funds to the Mortgagor or for which the Mortgagor would be liable, and the Mortgagor advises the Mortgagee in writing that the amount paid will reduce the principal sum secured by this mortgage.
- (b) Subject to clause (c) below, any amount received by the Mortgagee which reduces the gross amount secured by this mortgage will be applied in whatever manner the Mortgagee thinks fit as between principal, interest or other monies secured by this mortgage.
- (c) If, prior to the Mortgagee requiring payment from the Mortgagor under the Obligations, the Mortgagee received:
 - (i) a payment from the Mortgagor which reduces the amount secured hereunder;
 - (ii) insurance proceeds which are not applied to rebuild, reinstate or repair the Lands or released to the Mortgagor; or
 - (iii) any monies as a result of a demand upon or realizing upon the security of this mortgage and which reduces the amount secured by this mortgage;

the Mortgagee will retain the amount received (after deduction of any appropriate costs and expenses in accordance with this mortgage) in a collateral account in substitution for this mortgage to the extent of the amount so retained, and such amount will constitute security to the Mortgagee for the Obligations of the Mortgagor.

22. **EXPROPRIATION AND CONDEMNATION**

- (a) Notwithstanding anything to the contrary contained herein, if the Mortgagee receives a notice of intention to expropriate (as referred to in the *Expropriation Act* (Alberta)) the Lands or the estate or interest of the Mortgagee in the Lands, or the Lands are condemned by any authority having jurisdiction in that regard, then the Obligations will at the option of the Mortgagee automatically become due in full on demand by the Mortgagee.
- (b) The damages, proceeds, consideration and award, whether awarded by the Land Compensation Board, the Surface Rights Board, a court or otherwise, resulting from any expropriation are, to the extent of the full amount of the monies and obligations secured by this mortgage and remaining unpaid on the date of such expropriation, hereby assigned by the Mortgagor to the Mortgagee and will be paid immediately to the Mortgagee.
- (c) The Mortgagor acknowledges that it is aware of the provisions of Sections 49 and 52 of the *Expropriation Act* (Alberta); and any amendments thereto, and hereby waives the benefit of such provisions or any legislation similar thereto or in replacement thereof. The Mortgagor covenants to pay to the Mortgagee the difference between the amount secured under this mortgage and the monies paid by the expropriating authority to the Mortgagee, together with interest thereon at the Interest Rate both before and after maturity, default, acceleration and the obtaining of any judgment by the Mortgagee.

23. **GENERAL CLAUSES**

- (a) Any notice required or permitted to be given to the Mortgagor in connection with this mortgage may be delivered or mailed to it by registered mail addressed to it at its last address as shown on the records of the Mortgagee. Such notice will be conclusively deemed to have been received on the date of delivery or three business days after the date of mailing. No want of notice or publication when required by this mortgage or by any statute, nor any impropriety or irregularity, will invalidate any sale made or purported to be made under this mortgage.
- (b) No waiver by the Mortgagee of the performance of any covenant, proviso, condition or agreement herein contained will take effect or be binding on the Mortgagee unless the same is expressed in writing by the Mortgagee or its duly authorized agent. Such waiver will not nullify such covenant, proviso, condition or agreement, affect its future enforcement or be a waiver of any subsequent breach of the same.
- (c) A default in the due observance or performance by the Mortgagor of any of its covenants contained in the Obligations or in any promissory notes, agreements, or other securities which may now or at any time be held or taken by the Mortgagee in respect of the Obligations will, in addition to its usual effect, have the same effect and give rise to the same rights and remedies as a default under the terms of this mortgage. If the Mortgagee becomes entitled to take legal proceedings of any nature whatsoever against the Mortgagor in respect of this mortgage or in respect of the Obligations or any of the said promissory notes, agreements or other securities, the Mortgagee may either concurrently with such suit, successively or otherwise, pursue any or all of its other remedies. If the Mortgagee pursues one or other of the said remedies this will not constitute an election by the Mortgagee to abandon any of the other remedies.
- (d) The lien and charge hereby created will take effect immediately on the execution of this mortgage, and will secure the full amounts referenced in paragraph 2 hereof.
- (e) If the Mortgagor is a body corporate it will maintain its separate corporate existence and do all such things as are required in order to permit it to carry on its business.
- (f) If the Mortgagor operates a business on the lands or otherwise derives revenue therefrom the Mortgagor will:
 - (i) maintain proper records and books of account with respect to the operation of its business on the Lands and the income and expenses related thereto. The Mortgagor will allow the Mortgagee's representatives at all reasonable times to inspect all such records and books of account as such representatives may deem necessary; and
 - (ii) provide to the Mortgagee such information, financial or otherwise, as to the business and affairs of the Mortgagor, in relation to the Mortgagor being able to observe and perform its obligations to the Mortgagee under this mortgage, as the Mortgagee may from time to time request.
- (g) The Mortgagor will fulfill or comply with such additional terms, conditions and covenants, if any, as are contained on Schedule "B" to this mortgage.
- (h) This mortgage is issued subject to the terms of the Assumption Agreement. In the event of any inconsistency or conflict between the terms of this mortgage and the Assumption Agreement, the terms of the Assumption Agreement shall govern. Notwithstanding the foregoing, in the event that this mortgage contains rights or remedies in favour of the Mortgagee which are in addition to the rights and remedies of the Mortgagee set forth in the Assumption Agreement, the existence of such additional rights and remedies shall not constitute a conflict or inconsistency with the provisions of the Assumption Agreement.

24. **INTERPRETATION**

- (a) If the context so requires, wherever the neuter is used it will include the feminine and masculine, and wherever the singular is used it will include the plural.
- (b) If there is more than one Mortgagor then all covenants and stipulations herein contained or implied will apply to and be binding upon all the Mortgagors jointly and severally; provided always, and it is expressly agreed, that all covenants, provisos, powers, privileges and licenses herein expressed or implied will be binding upon and enure to the benefit of the respective legal personal representatives, successors and assigns of the parties.
- (c) The provisions contained in any schedules to this mortgage are incorporated by reference and form a part of this mortgage as fully as if set out in the body of this mortgage. The covenants and obligations of the Mortgagor and the rights and remedies of the Mortgagee contained in this mortgage are in addition to those granted or implied by statute or otherwise imposed or granted by law.

- (d) If any provision of this mortgage is held to be invalid or unenforceable by a Court of competent jurisdiction it will be deemed to have been deleted from the mortgage and the remaining provisions of this mortgage will continue in full force and effect and be enforceable to the greatest extent permitted by law.
- (e) The headings contained in this mortgage are inserted for ease of reference only and will not be construed so as to limit or restrict the obligations of the Mortgagor or the rights and remedies of the Mortgagee herein.
- (f) Neither the execution nor registration of this mortgage or any additional or other security or documentation will act as a merger of or otherwise affect the enforceability of the Obligations. All agreements and securities now or hereafter entered into by the Mortgagor with or in favour of the Mortgagee, whether related to the within transaction or otherwise, will be in addition to and not in substitution for any agreements or securities previously granted, unless expressly provided to the contrary therein.

25. **CHARGE**

For better securing to the Mortgagee the repayment in the manner aforesaid of the said principal sum and interest and other charges and monies hereby secured, and for the due performance by the Mortgagor of all of the covenants, provisos and conditions herein expressed or implied, the Mortgagor hereby mortgages to the Mortgagee all its estate and interest in the Lands.

26. **DISCHARGE**

The Mortgagee will have a reasonable time to provide the Mortgagor with a registrable discharge of this mortgage, upon the Mortgagor becoming entitled to such discharge. All costs related to such discharge will be borne by the Mortgagor to the extent permitted by law.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF the Mortgagor has executed this mortgage on the ____ day of _____, 2021.

JMB CRUSHING SYSTEMS INC.

Witness:

Per:

Witness:

Per:

AFFIDAVIT OF EXECUTION

I, _____ of _____, in the Province of Alberta, MAKE OATH AND SAY:

1. That I was personally present and did see _____ who is known to me be the person named in the within (or annexed) instrument, duly sign the instrument;

or

I was personally present and did see _____ who, on the basis of the identification provided to me, I believe to be the person named in the within (or annexed) instrument, duly sign the instrument;

2 That the same was executed at _____, in the Province of Alberta, and that I am the subscribing witness thereto.

3 That I know the said person(s) named in paragraph 1 and he/she is in my belief of the full age of eighteen years.

SWORN BEFORE ME at the City of _____)
_____, in the Province of Alberta this ____)
of _____, 2021.)

A Commissioner for Oaths in and for Alberta)
(Print or Stamp Name Next to Signature)
My Commission Expires

AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY

I, _____, of _____, in the Province of Alberta, MAKE OATH AND SAY:

1. I am an officer or a director of JMB Crushing Systems Inc. named in the within or annexed instrument.

2. I am authorized by JMB Crushing Systems Inc. to execute the instrument without affixing a corporate seal.

SWORN BEFORE ME at the City of _____)
_____, in the Province of Alberta this ____)
of _____, 2021.)

A Commissioner for Oaths in and for Alberta)
(Print or Stamp Name Next to Signature)
My Commission Expires

AFFIDAVIT OF EXECUTION

I, _____ of _____, in the Province of Alberta, MAKE OATH AND SAY:

1. That I was personally present and did see _____ who is known to me be the person named in the within (or annexed) instrument, duly sign the instrument;

or

I was personally present and did see _____ who, on the basis of the identification provided to me, I believe to be the person named in the within (or annexed) instrument, duly sign the instrument;

4 That the same was executed at _____, in the Province of Alberta, and that I am the subscribing witness thereto.

5 That I know the said person(s) named in paragraph 1 and he/she is in my belief of the full age of eighteen years.

SWORN BEFORE ME at the City of _____)
_____, in the Province of Alberta this ____)
of _____, 2021.)
)
)
)
)
_____)

A Commissioner for Oaths in and for Alberta
(Print or Stamp Name Next to Signature)
My Commission Expires

AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY

I, _____, of _____, in the Province of Alberta, MAKE OATH AND SAY:

3. I am an officer or a director of JMB Crushing Systems Inc. named in the within or annexed instrument.

4. I am authorized by JMB Crushing Systems Inc. to execute the instrument without affixing a corporate seal.

SWORN BEFORE ME at the City of _____)
_____, in the Province of Alberta this ____)
of _____, 2021.)
)
)
)
)
_____)

A Commissioner for Oaths in and for Alberta
(Print or Stamp Name Next to Signature)
My Commission Expires

SCHEDULE "A"
LANDS AND ENCUMBRANCES

LANDS:

**ALL THAT PORTION OF THE SOUTH WEST QUARTER OF SECTION ELEVEN (11)
TOWNSHIP FIFTY SEVEN (57)
RANGE SIX (6)
WEST OF THE FOURTH MERIDIAN,
LYING TO THE WEST OF THE WESTERLY LIMIT OF LAND REQUIRED FOR RAILWAY
PURPOSES,
AS SHOWN ON PLAN 7521297 AND SOUTH OF THE SOUTH LIMIT OF ROAD PLAN 3445BM
CONTAINING 7.17 HECTARES (17.72 ACRES) MORE OR LESS
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME**

-and-

**THE NORTH EAST QUARTER OF SECTION THIRTY FIVE (35)
TOWNSHIP FIFTY SIX (56)
RANGE SIX (6)
WEST OF THE FOURTH MERIDIAN
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT: HECTARES (ACRES) MORE OR LESS
A) PLAN 6430 KS - ROAD 0.417 1.03
B) PLAN 395 RS - ROAD 0.615 1.52
C) PLAN 9222585 - ROAD 0.407 1.01
EXCEPTING THEREOUT ALL MINES AND MINERALS**

ENCUMBRANCES, LIENS AND INTERESTS:

Instrument No. 7814UH (Caveat)

Instrument No. 792 233 325 (Caveat re: Easement)

Instrument No. 832 213 053 (Caveat re: Easement)

Instrument No. 122 244 840 (Caveat re: Lease)

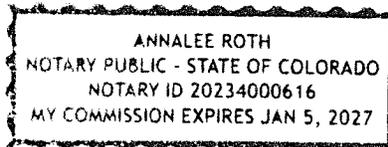
Instrument No. 902 080 605 (Caveat re: Easement)

Instrument No. 972 286 681 (Caveat re: Right of Way Agreement)

This is **Exhibit "G"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



Financial statements of
Mantle Materials Group Ltd

December 31, 2022

DRAFT

Independent Auditor's Report	1-3
Statement of financial position	4
Statement of comprehensive income	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8-28

Independent Auditor's Report

To the Directors of
Mantle Materials Group Ltd

Qualified Opinion

We have audited the financial statements of Mantle Materials Group Ltd (the "Company"), which comprise the statement of financial position as at December 31, 2022, and the statements of comprehensive loss, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, except for the possible effects described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standard ("IFRS").

Basis for Qualified Opinion

We were not able to satisfy ourselves concerning the quantity of inventories at the beginning of 2022. Since opening inventories affect the determination of the results of operations and cash flows, we were unable to determine whether adjustments to the results of operations and cash flows might be necessary for the year ended December 31, 2022.

We were not able to satisfy ourselves concerning the valuation of mineral properties at the beginning of 2022. As opening mineral properties affect the determination of the results of operations, we were unable to determine whether adjustments to the results of operations might be necessary for the year ended December 31, 2022.

Our audit opinion on the financial statements for the period ended December 31, 2021 was modified accordingly.

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

Emphasis of Matter Related to Going Concern

We draw your attention to Note 1 in the financial statements which describes the material uncertainties that cast significant doubt as to whether the Company has the ability to continue to operate as a going concern and that the preparation of these financial statements on a going concern basis may not be appropriate. Our opinion is not modified in this respect.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

[DATE]

DRAFT

Mantle Materials Group Ltd
Statement of financial position

As at December 31, 2022

	Notes	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents		42,241	919,155
Accounts receivable	5	808,733	233,683
Prepaid expenses and deposits		102,968	435,626
Inventories		849,055	438,556
Other current assets		205,867	77,581
Total current assets		2,008,864	2,104,601
Property and equipment	8	1,506,810	1,967,821
Investment in Associate	10	981,643	981,643
Mineral properties	11	—	1,285,928
Right-of-use Asset	8	105,713	247,290
Long-term pre-payments		52,700	40,500
Other non-current assets	9	1,237,582	1,489,542
Total assets		5,893,312	8,117,325
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	7	424,733	1,236,565
Current portion of lease liabilities	13	66,805	220,236
Current portion of debt	12	9,459,849	523,870
Current portion of accrued site reclamation costs	6	1,768,596	382,122
Total current liabilities		11,719,983	2,362,793
Non-current portion of lease liabilities	13	41,255	42,785
Non-current portion of debt	12	949,989	9,173,003
Non-current portion of accrued site reclamation costs	6	1,523,058	1,874,203
Total liabilities		14,234,285	13,452,784
Shareholders' equity			
Share capital	14	58,888,202	58,645,799
Retained deficit		(67,229,175)	(63,981,258)
		(8,340,973)	(5,335,459)
		5,893,312	8,117,325

The accompanying notes are an integral part of the combined financial statements.

Approved by the Board

_____, Director

_____, Director

Mantle Materials Group Ltd
Statement of comprehensive loss
Year ended December 31, 2022

	Notes	2022 \$	2021 \$
Revenues			
Crushing and supply of aggregates		8,066,423	5,204,699
Other revenue		212,238	98,990
		8,278,661	5,303,689
Cost of sales		(5,713,819)	(4,646,410)
Gross profit		2,564,842	657,279
Operating expenses			
General and administrative	16	(1,405,912)	(3,249,640)
Payroll expenses		(1,207,222)	(1,116,189)
Finance costs	15	(602,212)	(346,566)
Other expenses		—	(531,664)
		(3,215,346)	(5,244,059)
Net loss before other items		(650,504)	(4,586,780)
Other income and expenses	17	(2,597,413)	37,105,991
Net (loss) income before income taxes		(3,247,917)	32,519,211
Income taxes		—	841,562
Net (loss) income and comprehensive (loss) income		(3,247,917)	33,360,773

The accompanying notes are an integral part of the combined financial statements.

Mantle Materials Group Ltd
Statement of changes in equity
Year ended December 31, 2022

	JMB Class A shares \$	JMB Class B shares \$	JMB contributed capital \$	Mantle contributed capital \$	Mantle Class A shares \$	Mantle contributed capital \$	Total share capital \$	Retained deficit \$	Total \$
December 31, 2021	—	—	—	—	58,086,647	559,152	58,645,799	(63,981,258)	(5,335,459)
Capital contributions	—	—	—	—	—	242,403	242,403	—	242,403
Capital contributions	—	—	—	—	—	—	—	—	—
Redemption of class B shares for nil consideration	—	—	—	—	—	—	—	—	—
Conversion of JMB shares into Amalco shares	—	—	—	—	—	—	—	—	—
Conversion of Mantle shares into Amalco shares	—	—	—	—	—	—	—	—	—
Net profit for the year	—	—	—	—	—	—	—	(3,247,917)	(3,247,917)
December 31, 2022	—	—	—	—	58,086,647	801,555	58,888,202	(67,229,175)	(8,340,973)
	JMB Class A shares \$	JMB Class B shares \$	JMB contributed capital \$	Mantle contributed capital \$	Mantle Class A shares \$	Mantle contributed capital \$	Total share capital \$	Retained deficit \$	Total \$
December 31, 2020 (Unaudited)	51,513,165	2,890,198	651,469	46,244	—	—	55,101,076	(100,232,229)	(45,131,153)
Capital contributions	—	—	(311,361)	3,571,131	—	—	3,259,770	—	3,259,770
Capital contributions	—	—	3,100,000	—	—	—	3,100,000	—	3,100,000
Redemption of class B shares for nil consideration	—	(2,890,198)	—	—	—	—	(2,890,198)	2,890,198	—
Conversion of JMB shares into Amalco shares	(51,513,165)	—	(3,440,108)	—	54,469,272	559,152	75,151	—	75,151
Conversion of Mantle shares into Amalco shares	—	—	—	(3,617,375)	3,617,375	—	—	—	—
Net profit for the year	—	—	—	—	—	—	—	33,360,773	33,360,773
December 31, 2021	—	—	—	—	58,086,647	559,152	58,645,799	(63,981,258)	(5,335,459)

The accompanying notes are an integral part of the combined financial statements.

Mantle Materials Group Ltd**Statement of cash flows**

Year ended December 31, 2022

	2022 \$	2021 \$
Operating activities		
Comprehensive (loss) income	(3,247,917)	33,360,773
Adjustments for non-cash items		
Depreciation, depletion, and amortization expense	666,612	611,582
Cancellation of debt	—	(33,590,768)
Share of profit of associates	—	(72,007)
Loss on disposal of assets held for sale	—	143,996
Change in fair value of contingent consideration	—	(1,832,931)
Change in accrued site reclamation costs	1,035,329	(1,292,300)
Impairment of inventory	—	221,495
Impairment of property and equipment	—	24,960
Gain on disposal of property and equipment	(57,564)	(110,407)
Impairment of mineral properties	1,294,981	—
Net impact of items not affecting cash	(308,559)	(2,535,607)
Change in non-cash operating working capital items		
(Increase)/decrease in trade and other receivables	(575,050)	702,990
Decrease in trade and other payables	(811,832)	(12,935,386)
(Increase)/decrease in inventories	(410,499)	100,398
Decrease prepaid expenses and deposits	320,458	2,105,199
Decrease in deferred income	—	(38,900)
Decrease/(increase) in other assets	123,674	(1,015,952)
Decrease/(increase) in taxes (recoverable) payable	—	(841,562)
Net cash provided by operating activities	(1,661,808)	(14,458,820)
Investing activities		
Purchase of property and equipment	(327,868)	(2,249,606)
Spending on mineral properties	—	(68,225)
Spending on reclamation	—	(12,496)
Proceeds from disposal of property and equipment	312,355	4,995,447
Net cash (used in) provided by investing activities	(15,513)	2,665,120
Financing activities		
Proceeds from issuance of share units	—	3,571,130
Proceeds from additional contributed capital	242,403	2,863,791
Proceeds from loans and borrowings	—	5,665,255
Repayment of borrowings	(446,650)	(452,247)
Repayment of convertible debenture	(3,419)	—
Proceeds from convertible debenture	699,335	—
Repayment of lease liabilities	(154,961)	(206,919)
Proceeds from promissory note	463,699	—
Net cash used in financing activities	800,407	11,441,010
Net cash (outflow) inflow	(876,914)	(352,690)
Cash, beginning of year	919,155	1,271,845
Cash, end of year	42,241	919,155

The accompanying notes are an integral part of the combined financial statements.

1. Nature of operations and corporate information

Mantle Materials Group Ltd. (the "Company") is a full-cycle supplier and producer of aggregates in the province of Alberta. Additionally, it owns and operates various gravel mineral rights.

The Company was formed from a restructuring under the Company's Creditors Arrangement Act ("CCAA") of Mantle Materials Group Ltd. ("Mantle"), JMB Crushing Systems Inc. ("JMB") and 2161889 Alberta Ltd. ("216" and together with JMB, the "Applicants"), who became insolvent in early 2020 and commenced proceedings under the CCAA on May 01, 2020.

On April 29, 2021, the restructuring transaction closed allowing Mantle, JMB and 216 to exit the CCAA Proceedings. On May 1, 2021, pursuant to an amalgamation agreement, articles of amalgamation were filed in the province of Alberta to amalgamate JMB Crushing Systems Inc., Mantle Materials Group Ltd., and 2161889 Alberta Ltd., together under the Alberta Business Corporations Act, pursuant to which a certificate of amalgamation was issued confirming that the amalgamated entity was formed under the corporate name "Mantle Materials Group, Ltd."

The Company's head office is located at 61329 Range Road 455, Bonnyville, Alberta, T9N 2H4, Canada. Prior to the restructuring Mantle, JMB and 216 were all under common ownership with the ultimate parent company being Resource Land Holdings V, LLC. The Company's ultimate parent company continues to be Resource Land Holdings V, LLC.

Going concern

At December 31, 2022 the Company has liabilities in excess of assets of \$8,340,973 and current liabilities in excess of current assets of \$9,711,119. For the year ended December 31, 2022 the Company generated a net loss of \$3,247,917, negative cash flows from operating activities of \$1,661,808 and a net cash outflow of \$876,914. The company is currently in negotiations with lenders to secure additional operating and long term debt facilities that will increase the funds available for operations and the overall liquidity position of the Company. The Company also continues to focus on increasing the current level of operations and sales to return the Company to profitability. These facts create a material uncertainty as to the Company's ability to continue operations, and cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to secure additional operating and long term debt facilities and return to profitability the preparation of these financial statements on a going concern basis may not be appropriate. These financial statements do not include adjustments to the recorded assets or liabilities that may be necessary should the Company be unable to continue as a going concern.

2. Basis of presentation

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements were approved by the Company's Board of Directors (the "Directors") on _____.

Basis of measurement

These financial statements have been prepared on the historical cost basis with the exception of certain financial instruments which are measured at fair value.

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. Summary of significant accounting policies

(a) Cash and bank indebtedness

Cash includes cash in banks, short-term investments with maturities of three months or less at the date of acquisition and overdrawn bank accounts.

(b) Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is calculated as the estimated selling price in the ordinary course of business less estimated costs required to sell the inventory. Cost is determined by the weighted average method, including direct purchase costs, the associated costs of crushing and hauling and an appropriate portion of direct overhead costs including applicable amortizations and depletion of estimated resource properties. Any write down of inventory is recognized as a charge against income in the period the write down occurs.

(c) Financial instruments

(i) Classification and measurement of financial assets and liabilities

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument or non-financial derivative contract.

All financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in net income.

Financial assets are subsequently measured at amortized cost where a financial asset is held within a business model with the objective to collect contractual cash flows and the contractual cash flows arise on specified dates and are payments that consist solely of principal and interest on the principal amount outstanding. All other financial assets and equity investments are subsequently measured at fair value through profit or loss.

Financial liabilities are classified as fair value through profit and loss when the financial liability is held for trading. Financial liabilities at fair value through profit and loss are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. All other financial liabilities are subsequently measured at amortized cost, except for derivative financial instruments that are not designated in a qualifying hedging relationship, which are measured at fair value at the Combined statement of financial position date. The fair value quote received from the bank counterparty is used as a proxy for the fair value of derivative financial instruments, including any outstanding interest rate swaps.

Net amounts receivable or payable on the interest swaps are recorded on the accrual basis of accounting and are recognized as an adjustment to interest on the long-term debt in the period in which they accrue.

3. Summary of significant accounting policies (continued)

(c) Financial instruments (continued)

(i) Classification and measurement of financial assets and liabilities (continued)

The Company recognizes and measures existing financial instruments as follows:

<i>Financial instrument</i>	<i>IFRS 9 classification</i>
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Bank Indebtedness	Amortized cost
Borrowings	Amortized cost
Lease liabilities	Amortized cost
Derivative financial instrument	Fair value through profit or loss

(ii) Impairment of financial assets

The Company assesses the expected credit loss for accounts receivable and due from related parties based on historical data adjusted for forward-looking information. The Company recognizes impairment losses for all financial instruments with a corresponding adjustment to their carrying amount through a separate loss allowance account.

(iii) Derecognition of financial assets and liabilities

The Company derecognizes a financial asset only when the contractual right to the cash flows from the asset expires, or when it transfers the financial asset and substantially all risks and rewards associated with the asset to another party. On derecognition of a financial asset measured at amortized cost, the difference between the carrying amount and the sum of the consideration receivable is recognized in profit or loss.

The Company derecognizes financial liabilities only when all obligations are discharged, cancelled, or expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, is recognized in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for an extinguishment of the original facility liability and the recognition of new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability, or part of it, as an extinguishment of the original facility liability and the recognition of a new liability. It is assumed that the terms are substantially different if discounted present value of cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognized in profit or loss.

3. Summary of significant accounting policies (continued)

(d) Property and equipment

Property and equipment are recorded at the historical cost less accumulated amortization and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset and bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of self-constructed assets includes materials and direct labour, as well as any other costs directly attributable to bringing the assets to a working condition for their intended use.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are included in the cost of those assets, until such time as the assets are substantially available for their intended use. All other borrowing costs are recognized in net income in the period incurred.

The cost of replacing a component of equipment is recognized in the carrying amount of the asset if it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When a replacement component is recognized, the carrying amount of the corresponding item being replaced is derecognized from the financial statements. Repairs and maintenance expenditures that do not extend the useful life or improve the efficiency of the asset are expensed.

Amortization is based on the estimated useful lives at the following rates and methods:

Class	Method	Rate
Automotive equipment	Declining Balance	25%
Computer hardware	Declining balance	30%
Computer software	Declining balance	30%
Furniture and fixtures	Declining balance	20%
Other equipment	Declining balance	10-30%
Pit development	Units-of-production	Over expected output of pit
Leasehold improvements	Straight line	Lesser of estimate useful life or lease term
Right-of-use assets	Straight line	Lesser of estimate useful life or lease term
Mobile equipment	Declining balance	25%

Useful lives, residual values and depreciation methods are reviewed at the end of each year. The review takes into consideration the nature of the assets, their intended use, historical experience, and technological changes.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in "Other operating income and expenses" in profit or loss.

(e) Leases as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an asset, the Company considers whether the contract provides the use of an identified asset, the right to obtain substantially all of the economic benefits from the use of the asset and the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component based on their relative selling prices.

3. Summary of significant accounting policies (continued)

(e) Leases as a lessee (continued)

When the Company enters into a lease as the lessee, it recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the useful life of the right-of-use asset or the end of the lease term. In addition, where applicable, the right-of-use asset is periodically reduced by impairment losses and adjusted for remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be paid under a residual value guarantee or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

The total consideration of the contract included in the measurement of the lease liability consists of fixed payments and variable lease payments that depend on an index or rate or amounts expected to be payable under a residual value guarantee. The consideration also includes the exercise price of a purchase option, lease payments in an optional renewal period or penalties for early termination, if the Company is reasonably certain to trigger those additional costs.

When a lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to nil.

The total consideration of the contract included in the measurement of the lease liability consists of fixed payments and variable lease payments that depend on an index or rate or amounts expected to be payable under a residual value guarantee. The consideration also includes the exercise price of a purchase option, lease payments in an optional renewal period or penalties for early termination, if the Company is reasonably certain to trigger those additional costs.

When a lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to nil.

The Company enters into some leases with renewal options. The Company assesses the options at lease commencement to determine whether it is reasonably certain to exercise the renewal and includes the extension period where there is reasonable certainty that it will be executed. The Company reassesses the renewal options whenever a significant event or change in circumstances would impact the assessment.

The Company applies the practical expedients for leases of low-value assets and short-term leases with terms of 12 months or less. The payments associated with these leases are expensed using the straight-line method. The Company also applies the option for contracts comprising lease and non-lease components to not split these components, except in the case of real estate leases.

3. Summary of significant accounting policies (continued)

(f) Impairment of long-lived assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have an indefinite life, intangible assets that are not yet available for use or goodwill arising from business combinations, the recoverable amount is estimated each year in the fourth quarter.

The recoverable amount of an asset is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of impairment testing, if an asset does not generate cash inflows that are largely independent of the cash inflows from other assets, it is grouped with other assets to create a cash generating unit ("CGU"). A CGU is the smallest identifiable group of assets that can generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For the purposes of goodwill impairment testing, goodwill is allocated to each of the Company's CGUs that are expected to benefit from an acquisition as of the date of the business combination.

An impairment charge is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs, and then to reduce the carrying amount of the other assets in the CGUs on a pro-rata basis.

An impairment recognized in prior periods for an asset or CGU is reversed when there has been a change in the estimates used to determine the recoverable amount since the impairment loss was recognized. When a reversal occurs, the carrying amount of the asset is increased to its recoverable amount, without exceeding the carrying amount that would have been determined (net of depreciation or amortization) had no impairment been recognized. An impairment charge against goodwill cannot be reversed.

(g) Capitalization of borrowing costs

The Company capitalizes borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets as they are being constructed. Other borrowing costs are recognized as an expense in the period in which they are incurred.

To the extent that the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, it determines the amount of borrowing costs eligible for capitalization by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the Company's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining qualifying assets.

To the extent that the Company borrows funds specifically for the purpose of obtaining a qualifying asset, it determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

3. Summary of significant accounting policies (continued)

(h) Provisions

In general, provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where appropriate, the future cash

flow estimates are adjusted to reflect risks specific to the liability. Where the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Where discounting is used, the increase in the provision due to the passage of time is recognized as other finance expense. A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognized, but are disclosed where an inflow of economic benefits is probable.

(i) Environmental rehabilitation

Liabilities for environment rehabilitation include restoration costs for which the Company has an obligation to dismantle and remove infrastructure and residual materials as well as to restore the disturbed area. Estimated restoration costs are provided for in the accounting period when the obligation arising from the disturbance occurs, whether this occurs during the development or during the production phase, based on the net present value of estimated future costs. The provision for environmental rehabilitation costs is reviewed annually based on management's estimate of future costs updated for known developments which could include changes in timing for closure, a change in legislation or through a decision to terminate operations.

The amount recognized is the present value of the estimated future costs determined in accordance with local conditions and requirements. The amortization or unwinding of the discount applied in establishing the net present value of the provision is recognized in the statement of comprehensive income, included in financing expense. The applicable discount rate will be the risk-free rate for the jurisdiction where the environmental rehabilitation obligation will be settled.

The initial closure provision together with other movements in the provisions for close down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates, are capitalized within property, plant and equipment. These costs are then amortized over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each statement of financial position date. Changes in the provision resulting from new disturbance, updated cost estimates and revisions to discount rates are charged to operations.

(j) Revenue recognition

Revenue from the sale of goods or provision of services is recognized when the Company transfers control of the goods to the customer, reflecting the amount of consideration to which the Company expects to be entitled in exchange for those goods. Control transfers to the customer on the provision of the service or on delivery of the product.

3. Summary of significant accounting policies (continued)

(k) Income taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of comprehensive income except to the extent that it relates to items recognized directly in equity or other comprehensive Income.

Current income taxes is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Future income taxes is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Future tax liabilities are generally recognized for all taxable temporary differences.

Future tax assets are generally recognized for all deductible temporary differences, carry-forward of unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and carry-forward of unused tax losses and unused tax credits can be utilized.

Future income taxes is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Future tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. The financial statements include corporate income taxes payable by the amalgamated entities, which are accounted for using the future income taxes method. Under this method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of future tax assets and liabilities of a change in tax rates is recognized in the profit or loss in the period that includes the enactment or substantive enactment date.

(l) Foreign currency translation

Transactions denominated in a foreign currency are translated into Canadian dollars at a rate of exchange in effect at the time of such transactions. Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange at the Combined statement of financial position date. The resulting gains and losses are included in earnings. Non-monetary items are translated at the historical exchange rate.

(m) Use of estimates and judgements

The preparation of financial statements in accordance with IFRS requires management to make estimates and judgments that affect the amounts reported and accompanying note disclosures. Actual results could differ from those estimates.

Estimates and judgments are continually evaluated by management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Summary of significant accounting policies (continued)

(m) Use of estimates and judgements (continued)

Significant estimates and judgments made by management in the preparation of the financial statements are outlined below:

(i) Depreciation and amortization

Determining the carrying value of non-financial assets requires the Company to assess the expected useful lives, residual values, and depreciation methods of each asset. Estimates of useful lives, residual values and depreciation methods are reviewed annual and adjusted prospectively, if needed.

Changes to estimates, which could be significant, could be caused by a variety of factors, including changes to the physical life of the assets or changes in the nature of the utilization of the assets. A change in any of the estimates would result in a change in the amount of depreciation or amortization and, as a result, a change to net income recorded in the period in which the change occurs.

(ii) Carrying amount of financial assets

Accounts receivable are initially recorded at fair value and then are subsequently carried at amortized cost using the effective interest rate method, less provisions for impairment. Provisions for impairment are made using the simplified approach based on lifetime expected credit losses. The carrying amount of accounts receivable is therefore dependent on management's estimate of the probability of non-payment and the expected loss arising from such a default.

(iii) Impairment of non-financial assets

Management applies judgment in assessing whether there are any indicators of impairment at each reporting date that would require a full impairment test to be performed. Impairment indicators include, but are not limited to, a significant decline in an asset's market value, significant adverse changes in the technological, market, economic or legal environment in which assets are operated, planned use of an asset or ongoing underperformance of an asset. Application of these factors to the facts and circumstances of a particular asset requires a significant amount of judgment. Should an impairment test be required, the determination of the magnitude of impairment involves the use of estimates, assumptions and judgments on highly uncertain matters particularly with respect to estimating the recoverable amount of a CGU or a group of CGUs. Such estimates, assumption and judgments include, but are not limited to the choice of discount rates that reflect appropriate asset-specific risks, timing of revenue and customer turnover, inflation factors for projected costs and the level of capital expenditures required in future periods to maintain operations.

3. Summary of significant accounting policies (continued)

(m) Use of estimates and judgements (continued)

(iv) Mineral properties

Reserve estimates are important in determining the commercial viability of a site, depletion amounts charged to the cost of sales and the extent of any asset impairment. There are numerous uncertainties inherent in estimating quantities of proven and probable mineral reserves and associated cash flows that are beyond management's control.

Estimated future net cash flow from the Company's mineral properties is based on reserve estimates determined in conjunction with qualified persons. These estimates include a number of assumptions relating to factors such as production rates, grade or quality of the mineral reserve, and processing recovery rates, which are subject to change. Reserve estimates may also be subject to regulatory changes. As such, the life or profitability of future operations cannot be assured.

Mineral properties are amortized using a units-of-production basis which involves the estimation of recoverable reserves that are assessed annually.

(v) Environmental rehabilitation

The Enterprise's operations are subject to environmental regulations in Canada. Future obligations are estimated based on costs which may not be incurred for several years or decades taking into consideration expected closure plans, environmental impacts, technological changes, regulatory changes, inflation, discount rates and internal and external studies. The environmental rehabilitation provision is measured by discounting the expected cash flows at current interest rates. The actual rate depends on a number of factors, including the timing of cash flows and the location of the property.

(vi) Inventories

Inventories are valued at the lower of average cost and net realizable value. Net realizable value is based on management's estimate of market prices and timing of sales, which could vary significantly from actual value realized.

(vii) Discount rate for the measurement of lease liabilities

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the implicit interest rate in the lease. If the rate cannot be readily determined, the lessee's incremental borrowing rate is used. The Company estimates the incremental borrowing rate based on the economic environment, the nature and quality of the asset, the Company's credit rating and other factors.

3. Summary of significant accounting policies (continued)

(m) Use of estimates and judgements (continued)

(viii) Investment in associates

Investments in significantly-influenced entities are recorded using the equity method. Under the equity method, the investments are initially recorded at cost and the carrying value is adjusted thereafter to include the Company's allocation of income or loss from the entity. The Company's investment account is also increased or decreased to reflect its share of capital transactions and changes in accounting policies and corrections of errors relating to prior-period financial statements applicable to post acquisition periods. Profit distributions received from an investee reduce the carrying value of the investment.

The Company recognizes in earnings an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the investee. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously-recognized impairment loss is reversed in earnings in the period the reversal occurs.

(n) Government assistance

Government grants are recognized as receivables when there is reasonable assurance that the Company will comply with the conditions needing to be met. Government grants are recognized in the combined statement of comprehensive income where the Company has incurred the related costs for which the grants are intended to compensate and are recorded as a reduction of such expenses. Included in payroll in the combined statement of comprehensive income is \$313,940 (\$414,171 in 2021) of government grants related to the Hardest Hit Business Recovery Program ("HHBRP"), and Canada Recovery Hiring Program ("CHRP").

4. Future accounting pronouncements not yet in effect

Management has reviewed new and amended accounting standards relevant to the Company's operations that are not yet effective for the period ended December 31, 2022.

(a) IFRS 17, Insurance Contracts (effective January 1, 2023) replaces IFRS 4, Insurance Contracts

Establishes the principles for the recognition, measurement, presentation, and disclosure of insurance contracts. Management expects that adoption of this standard will not impact the Company's financial statements.

(b) Amendments to IAS 1: Presentation of Financial Statements (effective January 1, 2023)

The amendment requires entities to disclose their material accounting policy information rather than significant accounting policy information. The amendments provide guidance on how an entity can identify material accounting policy information and clarify that information may be material because of its nature, even if the related amounts are immaterial. Management reviewed the Company's accounting policies and believes no changes will be required to the disclosure of accounting policy information for the December 31, 2023 annual financial statements.

4. Future accounting pronouncements not yet in effect (continued)

(c) Amendments to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors (effective January 1, 2023)

The amendments introduce a definition of 'accounting estimates' and clarify the difference between changes in accounting policies and changes in accounting estimates. These amendments will impact changes in accounting policies and changes in accounting estimates made after these amendments are adopted by the Company.

(d) Amendments to IAS 12, Income Taxes (effective January 1, 2023)

The amendments clarify how companies should account for deferred tax related to assets and liabilities arising from a single transaction, such as leases and decommissioning obligations. The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of the related asset and liability. The Company is currently evaluating the potential impact of these amendments on the Company's financial statements.

(e) Amendments to IAS 1, Presentation of Financial Statements (effective January 1, 2024)

The amendments clarify the classification of liabilities as current or non-current based on contractual rights that are in existence at the end of the reporting period and is unaffected by expectations about whether an entity will exercise its right to defer or accelerate settlement. A liability not due over the next twelve months is classified as non-current even if management intends or expects to settle the liability within twelve months. The amendments also introduce a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. Management is currently assessing the impact of these amendments. The amendments also clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current. In addition, the amendments require a company to disclose information about these covenants in the notes to the financial statements. Management is currently assessing the impact of these amendments.

(f) Amendments to IFRS 16, Leases (effective January 1, 2024)

The amendments explain how an entity accounts for a sale and leaseback after the transaction date. The amendments clarify how a seller-lessee should subsequently measure lease liabilities and when it is appropriate to record a gain or loss on these transactions. The amendments apply to all sale and leaseback transactions entered since the effective date of IFRS 16 (January 1, 2019) and the effective date of this amendment. Management will consider these amendments in the accounting treatment of future sale and leaseback transactions.

5. Accounts receivable

The following table summarizes the aging of accounts receivable:

	2022	2021
	\$	\$
<30 days outstanding	160,590	123,348
61-90 days outstanding	408,685	81,281
> 90 days outstanding	239,458	29,054
Total accounts receivable	808,733	233,683

6. Accrued site reclamation costs

	2022	2021
	\$	\$
Decommissioning liability – beginning of the year	2,256,325	3,561,122
Liabilities acquired	1,587,148	223,193
Liabilities settled	(551,819)	(174,065)
Transfer of liabilities	–	(1,353,925)
Decommissioning liability – end of the year	3,291,654	2,256,325
Non-current decommissioning liability	1,523,058	1,874,203
Current decommissioning liability	1,768,596	382,122

The Company has estimated that it will require approximately \$3,627,967 (\$2,256,326 in 2021) in undiscounted cash flows to settle these obligations, with \$1,768,596 (\$382,122 in 2021) payable within the next twelve months.

Environmental rehabilitation is a normal consequence of mineral extraction and the majority of environmental rehabilitation expenditure is incurred after closure.

Although the ultimate cost to be incurred is uncertain, the Company estimates the cost based on external pricing quotes and rates set out by local authorities for reclamation security deposits. Environmental rehabilitation obligations are adjusted periodically to reflect the results of on-going monitoring as well as evolving environmental requirements and mitigating activities.

Where the reclamation activities will not be incurred in the near term, the expected future cash outflows are discounted back using current interest rates.

7. Accounts payable and accrued liabilities

	2022	2021
	\$	\$
Accounts payable	330,875	958,566
Wages payable	39,746	35,868
Accrued liabilities	54,112	242,131
Income tax payable	–	–
Government remittances payable	–	–
	424,733	1,236,565

8. Property and equipment

	Land	Vehicles	Leasehold improvements	Furniture and Fixture	Equipment	Computer hardware	Equipment under capital lease	Computer software	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost									
As at January 1, 2021	250,000	—	38,343	110,057	—	149,320	—	—	547,720
Additions	—	177,246	—	3,244	2,054,704	—	—	14,412	2,249,606
Disposals	(250,000)	—	(38,343)	—	—	—	—	—	(288,343)
As at December 31, 2021	—	177,246	—	113,301	2,054,704	149,320	—	14,412	2,508,983
Additions	—	18,717	—	—	213,621	—	—	3,621	235,959
Disposals	—	(156,967)	—	—	(134,550)	—	—	—	(291,517)
As at December 31, 2022	—	38,996	—	113,301	2,133,775	149,320	—	18,033	2,453,425
Accumulated depreciation									
As at January 1, 2021	80,000	—	—	72,679	—	116,035	—	—	268,714
Depreciation	—	8,030	—	83,269	305,140	40,078	—	2,420	438,937
Disposals	(80,000)	—	—	(53,832)	—	(32,657)	—	—	(166,489)
As at December 31, 2021	—	8,030	—	102,116	305,140	123,456	—	2,420	541,162
Depreciation	—	17,121	—	1,551	415,064	5,278	—	3,165	442,179
Disposals	—	(15,781)	—	—	(20,945)	—	—	—	(36,726)
As at December 31, 2022	—	9,370	—	103,667	699,259	128,734	—	5,585	946,615
Carrying value									
As at December 31, 2021	—	169,216	—	11,185	1,749,564	25,864	—	11,992	1,967,821
As at December 31, 2022	—	29,626	—	9,634	1,434,516	20,586	—	12,448	1,506,810

8. Property and equipment (continued)

The right of use assets carried as non-current assets resulting from leases are presented separately in the following table:

	Building \$	Equipment \$	Vehicles \$	Total \$
Cost				
As at December 31, 2021	593,320	12,000	29,494	634,814
As at December 31, 2022	593,320	12,000	112,357	717,677
Aggregate Depreciation				
As at December 31, 2021	362,584	2,000	22,940	387,524
As at December 31, 2022	560,358	6,000	45,606	611,964
Net carrying amount				
As at December 31, 2021	230,736	10,000	6,554	247,290
As at December 31, 2022	32,962	6,000	66,751	105,713

9. Other non-current assets

	2022	2021
	\$	\$
Reclamation Security	1,047,582	844,096
Reclamation Trust	—	455,446
Other obligations held in trust	190,000	190,000
	1,237,582	1,489,542

Other assets relate to restricted funds of the Company held as security for reclamation expenses and other obligations held in trust.

10. Investments in associates

As at December 31, 2022, the Company held 7,820,077 shares (7,820,077 in 2021) (31.7%) (31.7% in 2021) of Atlas Aggregates Inc. ("Atlas") which has mineral property reserves and operates as a natural resources company. The Company accounts for its investment in Atlas as an investment in associate using the equity method of accounting.

11. Mineral properties

	\$
Cost	
As at January 1, 2021	1,217,703
Additions	80,770
Disposals	—
As at December 31, 2021	1,298,473
Additions	—
Disposals	(3,492)
Impairment	(1,294,981)
As at December 31, 2022	—
Accumulated depreciation	
As at January 1, 2021	—
Depreciation	12,545
Disposals	—
As at December 31, 2021	12,545
Depreciation	6,082
Disposals	(18,627)
As at December 31, 2022	—
Carrying value	
As at December 31, 2021	1,285,928
As at December 31, 2022	—

During the year the Company determined that due to market conditions the carrying amount of mineral properties was not recoverable and recorded an impairment of \$1,294,981 which is included in other income and expenses.

12. Debt

	2022	2021
	\$	\$
Travelers Restructuring Capital	1,160,130	1,605,917
Pathward, National Association	463,699	—
RLF Canada Lenders Limited	695,916	—
Fiera Private Debt Tranche A	3,711,182	3,565,554
Fiera Private Debt Tranche B	4,215,596	4,289,355
Fiera Private Debt Tranche D	114,666	150,000
CAFO Financing	31,707	49,914
ATB	16,942	36,113
Total borrowings	10,409,838	9,696,853
Current portion of borrowings	9,459,849	523,870
Non-current portion of borrowings	949,989	9,172,983

	2022	2021
	\$	\$
Maturity analysis of debt		
One year	9,459,849	523,870
Two years	949,989	901,830
Three years	—	1,790,018
Four years	—	898,993
Five or more years	—	5,582,162
Total borrowings	10,409,838	9,696,873

Travelers Restructuring Capital

The loan bears interest at 11.5%, is due October 15, 2024, is repayable in blended monthly installments of \$40,567 and is secured by equipment with a net book value of \$1,434,516.

Pathward, National Association

The loan amount may not exceed the lesser of \$1,500,000 and 85% of eligible accounts receivable, and the Company must maintain a minimum loan balance of \$350,000, bears interest at prime plus 4.55% with a minimum effective rate of 7%, is due on demand and is secured by 85% of eligible accounts receivable.

RLF Canada Lender Limited

On October 19, 2022 the Company entered into an agreement with RLF Canada Lender Limited, a company related due to common shareholders, to issue secured convertible debentures up to a maximum of \$1,000,000. The debentures bear interest at 7% per annum, are due August 26, 2029, are repayable in blended monthly installments commencing July 15, 2023 based on the amount outstanding at that time, with the right to convert the indebtedness, or any part thereof, into class A common shares of the Company at any time. The conversion price will be the current market price of the common shares of the Company on the date of the conversion. As such, the full amount of the secured convertible debentures has been recorded as a liability. The debentures are secured by a first charge on all remaining assets of the Company to a maximum of \$1,000,000 subordinate to the security held by Travelers Restructuring Capital and Pathward, National Association.

Subsequent to year end, on June 12, 2023, the Company amended the agreement with RLF Canada Lender Limited to increase the maximum amount of debentures and the related security to \$2,250,000.

12. Debt (continued)

Fiera Private Debt Tranche A

The loan bears interest at 7% and is due April 26, 2029. Repayment has been deferred until July 15, 2023 after which the loan is repayable in blended monthly installments based on the amount outstanding at that time. Payment-in-kind interest of 9% is accruing until July 14, 2023.

Fiera Private Debt Tranche B

The loan is non-interest bearing, is due April 26, 2029, and is repayable monthly based on \$1 per tonne of aggregate sold, with an annual increase in the rate of 2%. On October 19, 2022 the agreement with Fiera Private Debt was amended. As a result the loan became convertible at any time into class A common shares of the Company. The conversion price will be the total shareholder capital contributed divided by the number of issued and outstanding common shares of the Company on a fully diluted basis at the date of the conversion. Based on the current estimated fair value of the Company's shares, no amount has been recorded as equity, and the full amount of the loan has been recorded as a liability.

Fiera Private Debt Tranche D

The loan bears interest at 7% and is due October 15, 2023. Repayment has been deferred until the maturity date and payment-in-kind interest of 9% is accruing until the loan is repaid.

The Fiera Private Debt loans are secured by the remaining assets of the Company subordinate to the security held by Travelers Restructuring Capital, Pathward, National Association and RLF Canada Lender Limited.

The agreement with Fiera Private Debt includes certain financial covenants. At December 31, 2022 the Company was not in compliance with these covenants. As such, all of the Fiera Private Debt has been classified as current on the statement of financial position.

Subsequent to year end, on June 12, 2023 the Company amended the agreement with Fiera Private Debt as follows:

- Repayment of the Tranche B loan was amended to include additional amounts of \$0.50 per tonne of aggregate sold in excess of 250,000 tonnes, and \$0.50 and 50% of incremental EBIT generated on aggregate sold in excess of 310,000 tonnes.
- The financial covenants were amended such that the Company is no longer non-compliant. The new financial covenants take effect as at and for the rolling four quarter period ending June 30, 2023.

CAFO Financing

The loans bear interest between 7.65% and 16.94% and are due between March 6, 2023 and October 4, 2023.

ATB

The loan bears interest at prime plus 6.2% and is due on demand.

13. Leases

The Company leases a shop and items of equipment with the following contractual cash flows:

	2022 \$	2021 \$
Less than one year	66,805	220,236
One to five years	41,255	42,785
Total undiscounted contractual cash outflows	108,060	263,021
Current	66,805	220,236
Non-current	41,255	42,785
Total lease liabilities	108,060	263,021

Interest expense of \$14,294 (\$26,079 in 2021) and total cash outflows of \$154,961 (\$206,920 in 2021) were recognized relating to lease liabilities for the fiscal year ended December 31, 2022.

14. Share capital

Share capital consists of 58,086.6477 issued class A common voting shares (2021 - 58,086.6477). During the year, \$242,403 (2021 - \$559,152) was further contributed as a capital contribution.

15. Finance costs

	2022 \$	2021 \$
Interest on debt facilities	453,988	222,775
Interest on lease liabilities	14,294	26,079
Total interest expense on leases, current and long-term debt	468,282	248,854
Other	133,930	97,712
Total finance costs	602,212	346,566

16. General and administrative costs

	2022 \$	2021 \$
Rental	7,749	167,513
Travel and entertainment	—	14,288
Office and miscellaneous	687,276	1,038,629
Professional fees	233,798	1,382,120
Advertising and promotion	8,250	15,942
Other insurance and service charges	—	67,988
Depreciation	468,839	219,764
Bad debts	—	343,397
Total general and administrative costs	1,405,912	3,249,640

17. Other income and expenses

	2022	2021
	\$	\$
Impairment of mineral properties	(1,294,981)	(1)
Impairment of property and equipment	—	(24,960)
Cancellation of debts and lease obligation	—	33,590,768
Gain on disposal of property and equipment	57,564	110,407
Loss on disposal of assets held for sale	—	(143,996)
Change in accrued site reclamation costs	(1,587,148)	1,292,300
(Loss) gain on fair value of borrowings	(123,421)	1,832,931
Other income	350,573	448,543
Total other income and expenses	(2,597,413)	37,105,992

18. Financial risk management

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The Company's classification of its' financial instruments is as below:

Classification of financial instruments

	2022	2021
	\$	\$
Financial assets		
Recorded at amortized cost		
Cash	42,241	919,155
Accounts receivable	808,733	233,683
Prepaid expenses and deposits	102,968	435,626
Other non-current assets	1,237,582	1,489,542
	2,191,524	3,078,006
Financial liabilities		
Recorded at amortized cost		
Debt	10,409,838	9,696,873
Accounts payable and accrued liabilities	424,733	1,236,565
Accrued site reclamation costs	3,627,967	2,256,325
Promissory note	463,699	—
Lease liabilities	108,060	263,021
	15,034,297	13,452,784

Credit risk

The Company is exposed to credit risk through accounts receivable. The Company carries out, on a continuing basis, credit checks on its customers and maintains provisions for potential credit losses.

At December 31, 2022, accounts receivable greater than 90 days is \$239,548 (\$29,054 in 2021).

18. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will be unable to fulfill its obligations on time at a reasonable cost. The Company is primarily exposed to liquidity risk from the accounts payable and accrued liabilities, current portion of debt and other general working capital requirements, which are primarily funded by receivables and operations. Significant liabilities of the Company include the debt, accounts payable and accrued liabilities.

The Company has the following undiscounted contractual maturities coming due:

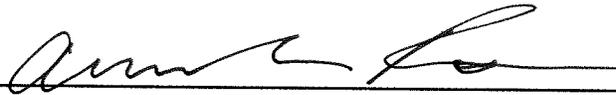
	Carrying amount \$	Less than 1 year \$	1 to 3 years \$	More than three years \$	Total \$
As at December 31, 2022					
Debt	10,409,838	1,704,077	2,251,386	6,454,375	10,409,838
Leases	108,060	66,805	41,255	—	108,060
Accounts payable and accrued liabilities	424,733	424,733	—	—	424,733
	10,942,631	2,195,615	2,292,641	6,454,375	10,942,631
	Carrying amount \$	Less than 1 year \$	1 to 3 years \$	More than three years \$	Total \$
As at December 31, 2021					
Debt	9,696,873	483,494	2,691,848	6,521,531	9,696,873
Leases	263,021	220,236	42,785	—	263,021
Accounts payable and accrued liabilities	1,236,565	1,236,565	—	—	1,236,565
	11,196,459	1,940,295	2,734,633	6,521,531	11,196,459

Interest rate risk

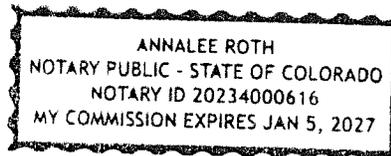
The debt as disclosed in Note 12 require interest payment that are subject to both fixed and floating rates.

If interest rates increased or decreased by 1%, the Company's net income for the twelve months ending December 31, 2022 would be significantly impacted.

This is **Exhibit "H"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



INTERNAL FLASH FINANCIAL REPORT

June 2023



MANTLE

MATERIALS GROUP

Prepared for ATB

TABLE OF CONTENTS

3 INCOME STATEMENT

4 BALANCE SHEET

5 STATEMENT OF CASH FLOWS

These financial statements are internally prepared and have not been subjected to an audit, review, or compilation engagement, and no assurance is provided on them.

INCOME STATEMENT

	<u>Month-to-Date</u>	<u>Year-to-Date</u>
Revenue	331,319	1,100,843
Cost of Sales		
<i>Direct Cost of Sales</i>	71,867	510,991
<i>Gross Margin % - Direct Cost</i>		
<i>InDirect Cost of Sales</i>	35,740	254,249
Total Cost of Sales	107,607	765,239
Gross Profit	223,712	335,603
General & Administrative	136,851	923,652
Operating Income	86,862	(588,049)
Other Expenses		
Other Income	-	(20,103)
Interest	62,623	339,985
Fees	6,784	36,556
Loss(Gain) On Disposal Of Asset	(26,000)	(21,824)
Loss(Gain) On FV Change of Contingent Consideration	5,231	5,558
Loss(Gain) On Disposal Of ARO	-	282,908
Tax Expense	-	-
Total Other Expenses	48,638	623,081
Net Income	38,223	(1,211,131)

BALANCE SHEET

<u>Current Assets</u>	
Cash	129,809
Accounts Receivable	688,331
Other Receivable	73,274
Prepaid Expenses & Deposits	131,967
Assets Held for Sale	-
Tax Receivable	-
Contract Asset	-
Work In Process	16,541
Gravel Inventory - ATB	60,612
Gravel Inventory	1,345,695
Parts Inventory	-
Total Current Assets	2,446,227
<u>Fixed Assets</u>	
Property, Plant & Equipment	2,149,859
Accumulated Depreciation - Property, Plant & Equip.	(796,125)
Total Property, Plant & Equipment	1,353,734
Right of Use Asset	717,677
Accumulated Depreciation - Right of Use Asset	(660,737)
Total Right of Use Asset	56,940
Total Fixed Assets	1,410,674
<u>Intangible Assets</u>	
Customer contracts	-
Total Intangible Assets	-
<u>Other Assets</u>	
Mineral Properties	1,296,248
Reclamation Security	1,090,846
Reclamation Trust	-
Severance Trust	190,000
Investment	981,643
Due From JMB Estate	-
Deferred Tax Asset	-
Long Term Prepaid Expenses & Deposits	37,200
Capitalized Financing Fee	-
Total Other Assets	3,595,937
TOTAL ASSETS	7,452,838

<u>Current Liabilities</u>	
Accounts Payable	687,358
Accrued Liabilities	109,754
Crestmark LOC	481,173
Wages Payable	19,279
Vacation Payable	33,563
Tax Payable	7,647
Current Portion of LTD	1,374,924
CPLTD Under Lease Obligation	31,805
Total Current Liabilities	2,745,503
<u>Long Term Liabilities</u>	
Accrued Reclamation Obligation	3,666,893
Future Income Tax	-
Due to Related Party	-
<u>Long Term Debt</u>	
Fiera Tranche A	4,029,840
Fiera Tranche D	119,907
Fiera - Finance Fees (Contra)	(226,210)
ATB Mortgage	-
Travellers	1,065,475
Travellers - Finance Fees (Contra)	(43,078)
Crestmark - Finance Fees (Contra)	(6,803)
RLF Lender	1,774,191
Other Long Term Debt	50,976
Current Portion of Long Term Debt (Contra)	(1,374,924)
Total Long Term Debt	5,389,373
<u>Long Term Debt Under Lease Obligation</u>	
Equipment Leases	52,056
Property Leases	-
Current Portion of Lease Obligation (Contra)	(31,805)
Total Long Term Debt Under Lease Obligation	20,250
<u>Contingent Consideration</u>	
Fiera Tranche B	4,213,065
Fiera Tranche C	-
ATB Inventory Facility	11,188
Total Contingent Consideration	4,224,253
Total Long Term Liabilities	13,300,769
TOTAL LIABILITIES	16,046,272
<u>Shareholders Equity</u>	
Share Capital	58,888,202
Beginning Retained Earnings	(66,270,505)
Current Earnings	(1,211,131)
Dividends Paid	-
Total Shareholders Equity	(8,593,434)
TOTAL LIABILITIES & SHAREHOLDERS EQUITY	7,452,838

STATEMENT OF CASH FLOWS

<u>Statement of Cash Flow</u>	<u>Month-to-Date Year-To-Date</u>	
Beginning Cash Balance	1,564	42,241
<i>Cash from operating activities:</i>		
Net Income	38,223	(1,211,131)
Depreciation	7,746	189,174
Change in Accounts Receivable	(77,646)	236,454
Change in Accounts Payable	62,072	426,452
Change in Gravel Inventory	(158,487)	(557,251)
Change in Work In Process	-	-
Change in Parts Inventory	-	-
Change in Tax Payable	(17,903)	6,420
Change in Other Current Assets	(121,074)	(33,338)
	(267,068)	(943,220)
<i>Cash from investing activities:</i>		
Change in PP&E	52,161	12,675
Change In Investment	-	-
Change in Other Long Term Assets	5,500	14,233
	57,661	26,908
<i>Cash from financing activities:</i>		
Change In Revolver	187,072	6,590
Change in Long Term Debt	160,101	1,026,583
Change in Lease Obligation	(3,549)	(21,007)
Change in Contingent Consideration	(5,971)	(8,285)
Change in Amounts to Due to Shareholder	-	-
Change in Amounts to Due to Related Party	-	-
Change in Equity	-	-
Change in Dividends	-	-
	337,653	1,003,880
Ending Cash Balance	129,809	129,809

INTERNAL FLASH FINANCIAL REPORT

June 2023



MANTLE

MATERIALS GROUP

- 3** INCOME STATEMENT
- 4** BALANCE SHEET & COVENANTS
- 5** STATEMENT OF CASH FLOWS
- 6** LAST TWELVE MONTHS ("LTM") - INCOME STATEMENT

These financial statements are internally prepared and have not been subjected to an audit, review, or compilation engagement, and no assurance is provided on them.

INCOME STATEMENT
Period End 30-Jun-23

	<u>Month-to-Date Year-to-Date</u>	
	<u>Actual</u>	<u>Actual</u>
Revenue	331,319	1,100,843
Cost of Sales	107,607	765,239
Gross Profit	223,712	335,603
<i>Gross Margin %</i>	68%	30%
General & Administrative	136,851	923,652
Operating Income	86,862	(588,049)
Other Expenses		
Other Income	-	(20,103)
Interest	62,623	339,985
Fees	6,784	36,556
Loss(Gain) On Disposal Of Asset	(26,000)	(21,824)
Loss(Gain) On FV Change of Contingent Consideration	5,231	5,558
Loss(Gain) On Disposal Of ARO	-	282,908
Tax Expense	-	-
Total Other Expenses	48,638	623,081
Net Income	38,223	(1,211,131)
<u>EBITDA</u>		
(+) Depreciation & Amortization	29,315	210,743
(+) Total Other Expenses	48,638	623,081
Total Add Back	77,953	833,824
EBITDA	116,176	(377,307)
ADJUSTED EBITDA	116,176	(348,307)

BALANCE SHEET & COVENANTS

Period End 30-Jun-23

<u>Current Assets</u>	
Cash	129,809
Accounts Receivable	688,331
Other Receivable	73,274
Prepaid Expenses & Deposits	131,967
Assets Held for Sale	-
Tax Receivable	-
Contract Asset	-
Work In Process	16,541
Gravel Inventory - ATB	60,612
Gravel Inventory	1,345,695
Parts Inventory	-
Total Current Assets	2,446,227
<u>Fixed Assets</u>	
Property, Plant & Equipment	2,149,859
Accumulated Depreciation - Property, Plant & Equip.	(796,125)
Total Property, Plant & Equipment	1,353,734
Right of Use Asset	717,677
Accumulated Depreciation - Right of Use Asset	(660,737)
Total Right of Use Asset	56,940
Total Fixed Assets	1,410,674
<u>Other Assets</u>	
Mineral Properties	1,296,248
Reclamation Security	1,090,846
Reclamation Trust	-
Severance Trust	190,000
Investment	981,643
Due From JMB Estate	-
Deferred Tax Asset	-
Long Term Prepaid Expenses & Deposits	37,200
Capitalized Financing Fee	-
Total Other Assets	3,595,937
TOTAL ASSETS	7,452,838

<u>Current Liabilities</u>	
Accounts Payable	687,358
Accrued Liabilities	109,754
Crestmark LOC	481,173
Wages Payable	19,279
Vacation Payable	33,563
Tax Payable	7,647
Current Portion of LTD	1,374,924
CPLTD Under Lease Obligation	31,805
Total Current Liabilities	2,745,503
<u>Long Term Liabilities</u>	
Accrued Reclamation Obligation	3,666,893
Future Income Tax	-
Due to Related Party	-
<u>Long Term Debt</u>	
Fiera Tranche A	4,029,840
Fiera Tranche D	119,907
Fiera - Finance Fees (Contra)	(226,210)
ATB Mortgage	-
Travellers	1,065,475
Travellers - Finance Fees (Contra)	(43,078)
Crestmark - Finance Fees (Contra)	(6,803)
RLF Lender	1,774,191
Other Long Term Debt	50,976
Current Portion of Long Term Debt (Contra)	(1,374,924)
Total Long Term Debt	5,389,373
<u>Long Term Debt Under Lease Obligation</u>	
Equipment Leases	52,056
Property Leases	-
Current Portion of Lease Obligation (Contra)	(31,805)
Total Long Term Debt Under Lease Obligation	20,250
<u>Contingent Consideration</u>	
Fiera Tranche B	4,213,065
Fiera Tranche C	-
ATB Inventory Facility	11,188
Total Contingent Consideration	4,224,253
Total Long Term Liabilities	13,300,769
TOTAL LIABILITIES	16,046,272
<u>Shareholders Equity</u>	
Share Capital	58,888,202
Beginning Retained Earnings	(66,270,505)
Current Earnings	(1,211,131)
Dividends Paid	-
Total Shareholders Equity	(8,593,434)
TOTAL LIABILITES & EQUITY	7,452,838

STATEMENT OF CASH FLOWS
Period End 30-Jun-23

Statement of Cash Flow	Month-to-Date Year-to-Date	
Beginning Cash Balance	1,564	42,241
<i>Cash from operating activities:</i>		
Net Income	38,223	(1,211,131)
Depreciation	7,746	189,174
Change in Accounts Receivable	(77,646)	236,454
Change in Accounts Payable	62,072	426,452
Change in Gravel Inventory	(158,487)	(557,251)
Change in Work In Process	-	-
Change in Parts Inventory	-	-
Change in Tax Payable	(17,903)	6,420
Change in Other Current Assets	(121,074)	(33,338)
	(267,068)	(943,220)
<i>Cash from investing activities:</i>		
Change in PP&E	52,161	12,675
Change In Investment	-	-
Change in Other Long Term Assets	5,500	14,233
	57,661	26,908
<i>Cash from financing activities:</i>		
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Change in Long Term Debt	160,101	1,026,583
Change in Lease Obligation	(3,549)	(21,007)
Change in Contingent Consideration	(5,971)	(8,285)
Change in Amounts to Due to Shareholder	-	-
Change in Amounts to Due to Related Party	-	-
Change in Equity	-	-
Change in Dividends	-	-
	337,653	1,003,880
Ending Cash Balance	129,809	129,809

LAST TWELVE MONTHS ("LTM") - INCOME STATEMENT
Period End 30-Jun-23

	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	LTM
Revenue	939,143	233,762	546,579	775,113	546,140	218,053	13,454	86,940	238,707	44,339	386,084	331,319	4,359,632
Cost of Sales	645,738	179,059	379,482	578,709	316,046	131,182	49,378	110,900	250,268	51,896	195,190	107,607	2,995,455
Gross Profit	293,405	54,703	167,097	196,403	230,094	86,871	(35,924)	(23,960)	(11,561)	(7,557)	190,893	223,712	1,364,177
<i>Gross Margin %</i>	31%	23%	31%	25%	42%	40%					49%	68%	31%
General & Administrative	144,895	123,712	190,438	170,513	187,773	183,299	157,331	140,671	151,766	158,586	178,448	136,851	1,924,282
Total Operating Income	148,510	(69,009)	(23,341)	25,890	42,322	(96,428)	(193,255)	(164,631)	(163,327)	(166,143)	12,445	86,862	(560,105)
Other Expenses													
Other Income	-	(242,845)	(39,430)	(46,746)	(8,328)	(13,224)	-	-	(9,359)	(10,744)	-	-	(370,676)
Interest	39,625	40,997	38,554	43,567	45,388	63,813	55,511	48,276	56,575	55,927	61,073	62,623	611,929
Fees	34,861	4,045	4,045	5,188	5,427	9,022	5,427	6,087	6,087	6,087	6,087	6,784	99,144
Loss(Gain) On Disposal Of Asset	(15,659)	-	-	1,943	198	-	-	-	-	4,176	-	(26,000)	(35,342)
Loss(Gain) On FV Change of Cont. Cons.	106	275	103	95	99	152	32	294	0	12	(10)	5,231	6,388
Loss(Gain) On Disposal Of ARO	-	-	-	-	-	1,923,461	282,908	-	-	-	-	-	2,206,369
Tax Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Expenses	58,933	(197,528)	3,272	4,048	42,782	1,983,224	343,877	54,657	53,303	55,456	67,150	48,638	2,517,813
Net Income	89,578	128,519	(26,613)	21,843	(461)	(2,079,652)	(537,132)	(219,288)	(216,630)	(221,599)	(54,704)	38,223	(3,077,918)
EBITDA													
(+) Depreciation & Amortization	58,131	57,243	55,320	56,026	54,557	55,454	46,582	43,918	30,352	29,751	30,824	29,315	547,475
(+) Total Other Expenses	58,933	(197,528)	3,272	4,048	42,782	1,983,224	343,877	54,657	53,303	55,456	67,150	48,638	2,517,813
Total Add Back	117,064	(140,284)	58,592	60,074	97,340	2,038,678	390,459	98,575	83,655	85,208	97,974	77,953	3,065,288
EBITDA	206,642	(11,765)	31,979	81,916	96,879	(40,974)	(146,673)	(120,713)	(132,975)	(136,392)	43,269	116,176	(12,630)
Adjustments to normalize EBITDA	15,700	(18,771)	-	3,100	18,771	41,916	29,000	-	-	-	-	-	89,716
Adjusted EBITDA	222,342	(30,536)	31,979	85,016	115,650	942	(117,673)	(120,713)	(132,975)	(136,392)	43,269	116,176	77,087

INTERNAL FLASH FINANCIAL REPORT

June 2023



MANTLE

MATERIALS GROUP

TABLE OF CONTENTS

- 1 INCOME STATEMENT
- 2 BALANCE SHEET
- 4 OPERATING INCOME STATEMENT (1/3)
- 2 OPERATING INCOME STATEMENT (2/3)
- 3 OPERATING INCOME STATEMENT (3/3)
- 5 STATEMENT OF CASH FLOWS
- 6 LAST TWELVE MONTHS ("LTM") - OPERATING INCOME STATEMENT (1/3)
- 7 LAST TWELVE MONTHS ("LTM") - OPERATING INCOME STATEMENT (2/3)
- 8 LAST TWELVE MONTHS ("LTM") - OPERATING INCOME STATEMENT (3/3)
- 9 LAST TWELVE MONTHS - ADJUSTED EBITDA
- 10 AGED ACCOUNTS RECEIVABLE SUMMARY
- 11 AGED ACCOUNTS PAYABLE SUMMARY

These financial statements are internally prepared and have not been subjected to an audit, review, or compilation engagement, and no assurance is provided on them.

INCOME STATEMENT

Period End 30-Jun-23

	Month to Date				Year to Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Revenue	331,319	933,399	(602,079)	-65%	1,100,843	1,745,398	(644,555)	-37%
Cost of Sales								
<i>Direct Cost of Sales</i>	71,867	554,188	482,321	87%	510,991	1,009,967	498,977	49%
<i>Gross Margin % - Direct Cost</i>	78%	41%	38%		54%	42%	11%	
<i>Indirect Cost of Sales</i>	35,740	75,799	40,059	53%	254,249	287,241	32,992	11%
Total Cost of Sales	107,607	629,987	522,380	83%	765,239	1,297,208	(531,969)	-41%
Gross Profit	223,712	303,412	(79,699)	-26%	335,603	448,189	(112,586)	-25%
<i>Gross Margin %</i>	68%	33%	35%	108%	30%	26%	5%	19%
General & Administrative	136,851	159,878	23,027	14%	923,652	942,534	18,881	2%
Operating Income	86,862	143,534	(56,672)	-39%	(588,049)	(494,344)	(93,705)	-19%
Other Expenses								
Other Income	-	-	-		(20,103)	-	20,103	
Interest	62,623	65,785	3,163	5%	339,985	346,089	6,104	2%
Fees	6,784	4,045	(2,739)	-68%	36,556	24,270	(12,287)	-51%
Loss(Gain) On Disposal Of Asset	(26,000)	-	26,000	100%	(21,824)	-	21,824	100%
Loss(Gain) On FV Change of Cont. Cons.	5,231	24,258	19,027	78%	5,558	140,824	135,266	96%
Loss(Gain) On Disposal Of ARO	-	-	-		282,908	-	(282,908)	-100%
Tax Expense	-	-	-		-	-	-	
Total Other Expenses	48,638	94,088	45,450	48%	623,081	511,183	(111,898)	-22%
Net Income	38,223	49,445	(11,222)	-23%	(1,211,131)	(1,005,527)	(205,603)	-20%
EBITDA								
(+) Depreciation & Amortization	29,315	41,871	12,556	30%	210,743	245,395	34,652	14%
(+) Total Other Expenses	48,638	94,088	45,450	48%	623,081	511,183	(111,898)	-22%
Total Add Back	77,953	135,960	58,007	43%	833,824	756,578	(77,246)	-10%
EBITDA	116,176	185,405	(69,229)	-37%	(377,307)	(248,950)	(128,357)	-52%
Adjusted EBITDA	116,176	185,405	(69,229)	-37%	(348,307)	(248,950)	(99,357)	-40%

BALANCE SHEET
Period End 30-Jun-23

<u>Current Assets</u>		<u>Current Liabilities</u>		<u>Financial Covenants</u>	
Cash	129,809	Accounts Payable	687,358	<u>Senior Leverage</u>	
Accounts Receivable	688,331	Accrued Liabilities	109,754	Trailing 12 month Adjusted EBITDA	77,087
Other Receivable	73,274	Crestmark LOC	481,173	(+) Total Long Term Debt	5,389,373
Prepaid Expenses & Deposits	131,967	Wages Payable	19,279	(+) Total Long Term Debt Under Lease	20,250
Tax Receivable	-	Vacation Payable	33,563	(+) Contra Finance Fee Accounts	276,091
Contract Asset	-	Tax Payable	7,647	(+) Current Portion of LTD	1,374,924
Work In Process	16,541	Current Portion of LTD	1,374,924	(+) CPLTD Under Lease Obligation	31,805
Gravel Inventory - ATB	60,612	CPLTD Under Lease Obligation	31,805	(-) Fiera Tranche D	(119,907)
Gravel Inventory	1,345,695	Total Current Liabilities	2,745,503	Total Senior Funded Debt	6,972,537
Parts Inventory	-			EBITDA / Total Senior Funded Debt	90.45x
Reclamation Trust	-			Covenant Limit Maximum	70.00x
Total Current Assets	2,446,227			Pass/Fail	Fail
		<u>Long Term Liabilities</u>		<u>Current Ratio</u>	
<u>Fixed Assets</u>		Accrued Reclamation Obligation	3,666,893	Current Assets	2,446,227
Property, Plant & Equipment	2,149,859	Due to Related Party	-	(+) Total Current Liability	2,745,503
Accumulated Depreciation - Property, Plant & Equip.	(796,125)			(-) Current Portion of LTD	(1,374,924)
Total Property, Plant & Equipment	1,353,734	<u>Long Term Debt</u>		(-) CPLTD Under Lease Obligation	(31,805)
		Fiera Tranche A	4,029,840	Total From Above	1,338,774
Right of Use Asset	717,677	Fiera Tranche D	119,907	Current Ratio	1.83x
Accumulated Depreciation - Right of Use Asset	(660,737)	Fiera - Finance Fees (Contra)	(226,210)	Covenant Limit Minimum	1.00x
Total Right of Use Asset	56,940	Travellers	1,065,475	Pass/Fail	Pass
Total Fixed Assets	1,410,674	Travellers - Finance Fees (Contra)	(43,078)	<u>Fixed Charge Coverage</u>	
		Crestmark - Finance Fees (Contra)	(6,803)	Trailing 12 month Adjusted EBITDA	77,087
<u>Other Assets</u>		RLF Lender	1,774,191	(+) Non-Cash Expenses	-
Mineral Properties	1,296,248	Other Long Term Debt	50,976	(+) Capital Contributions	242,403
Reclamation Security	1,090,846	Current Portion of Long Term Debt (Contra)	(1,374,924)	(-) Unfinanced Capital Expenditure	(365,472)
Severance Trust	190,000	Total Long Term Debt	5,389,373	(-) Distributions & Cash Taxes	-
Investment	981,643			(-) Advances to related parties	-
Deferred Tax Asset	-	<u>Long Term Debt Under Lease Obligation</u>		Total From Above	(45,982)
Long Term Prepaid Expenses & Deposits	37,200	Equipment Leases	52,056	(+) Total Debt & Interest Repayment	780,372
Capitalized Financing Fee	-	Property Leases	-	(-) Fiera Tranch D	(15,170)
Total Other Assets	3,595,937	Current Portion of Lease Obligation (Contra)	(31,805)	(-) Fiera Tranch B	(142,897)
		Total Long Term Debt Under Lease Obligation	20,250	(+) Total lease payments	192,011
TOTAL ASSETS	7,452,838	<u>Contingent Consideration</u>		Total From Above	814,315
		Fiera Tranche B	4,213,065	Fixed Charge Coverage Ratio	-0.06x
		ATB Inventory Facility	11,188	Covenant Limit Minimum	0.10x
		Total Contingent Consideration	4,224,253	Pass/Fail	Fail
		Total Long Term Liabilities	13,300,769		
		TOTAL LIABILITIES	16,046,272		
		<u>Shareholders Equity</u>			
		Share Capital	58,888,202		
		Beginning Retained Earnings	(66,270,505)		
		Current Earnings	(1,211,131)		
		Dividends Paid	-		
		Total Shareholders Equity	(8,593,434)		
		TOTAL LIABILITIES & SHAREHOLDERS EQUITY	7,452,838		

OPERATING INCOME STATEMENT (1/3)

Period End 30-Jun-23

	Month to Date				Year to Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Volume - Production	40,696	50,000	(9,304)	-19%	150,106	230,000	(79,894)	-35%
Volume - Trucking	521	29,250	(28,729)	-98%	696	46,125	(45,429)	-98%
Volume - Sold (Includes Subcontract Crushing)	12,920	29,250	(16,329)	-56%	65,241	46,125	19,116	41%
Volume - Subcontract Crushing	-	-	-	-	26,552	40,000	(13,448)	-34%
Aggregate Sales	329,769	933,399	(603,629)	-65%	923,865	1,471,898	(548,032)	-37%
Crushing Sales	-	-	-	-	132,760	260,000	(127,240)	-49%
Other Revenue	1,550	-	1,550	-	44,217	13,500	30,717	228%
Total Revenue	331,319	933,399	(602,079)	-65%	1,100,843	1,745,398	(644,555)	-37%
Aggregate Sales Per Tonne	25.52	31.91	(6)	-20%	14.16	31.91	(18)	-56%
Crushing Sales Per Tonne	-	-	-	-	5.00	6.50	(2)	-23%
Aggregate Processing - Wages	55,535	-	(55,535)	-	307,988	-	(307,988)	-
Aggregate Processing - Fuel	37,646	-	(37,646)	-	137,863	-	(137,863)	-
Aggregate Processing - Consumables	359	-	(359)	-	12,804	-	(12,804)	-
Aggregate Processing - Equipment Rentals	46,040	-	(46,040)	-	191,332	-	(191,332)	-
Aggregate Processing - Subcontract Crushing	-	-	-	-	23,244	120,000	96,756	81%
Inventory Transfer	-	-	-	-	-	-	-	-
Total Cost of Aggregate Processing	139,580	187,500	47,920	26%	673,233	712,500	39,267	6%
Pit Work - Wages	14,306	-	(14,306)	-	35,873	-	(35,873)	-
Pit Work - Fuel	7,351	-	(7,351)	-	17,221	-	(17,221)	-
Pit Work - Equipment Rentals	-	-	-	-	-	-	-	-
Pit Work - Subcontractors	-	-	-	-	53,189	-	(53,189)	-
Total Cost of Pit Work	21,657	75,000	53,343	71%	106,282	205,000	98,718	48%
Mobilization/Demobilization - Subcontractor	4,010	25,000	20,990	84%	47,206	62,500	15,294	24%
Total Direct Cost of Aggregate Production	165,248	287,500	122,252	43%	826,721	980,000.00	153,279	16%
Net Changes in Aggregate Inventory	(130,616)	(125,350)	(5,266)	-4%	(448,938)	(708,246)	259,308	37%
Total Direct Cost of Aggregate Sales	34,632	162,150	127,519	79%	377,783	271,754	(106,029)	39%
Load & Scale	11,277	11,700	423	4%	43,328	18,449.97	(24,878)	-135%
Stockpile	(1,562)	-	1,562	100%	503	-	(503)	-100%
Gravel Testing	1,825	4,387	2,562	58%	8,952	6,918.74	(2,033)	-29%
Trucking - Subcontractors	3,180	292,499	289,319	99%	5,382	461,249	455,867	99%
Other - Subcontractors	-	-	-	-	2,165	-	(2,165)	-100%
Road Usage Fees	1,233	3,380	2,147	64%	2,652	5,330	2,678	50%
Royalty Expense	21,282	80,071	58,789	73%	70,226	126,266	56,040	44%
Total Direct Cost of Sales	71,867	554,188	482,321	87%	510,991	1,009,967	498,977	49%
Contribution Margin %	78%	41%	38%	93%	54%	31%	22%	71%
Total Direct Cost of Subcontract Crushing	-	-	-	-	-	-	-	-
Contribution Margin %	0%	0%	0%	-	100%	100%	0%	-
Aggregate Processing - Wages	1.36	-	(1.36)	-	2.05	-	(2.05)	-
Aggregate Processing - Fuel	0.93	-	(0.93)	-	0.92	-	(0.92)	-
Aggregate Processing - Consumables	0.01	-	(0.01)	-	0.09	-	(0.09)	-
Aggregate Processing - Equipment Rentals	1.13	-	(1.13)	-	1.27	-	(1.27)	-
Aggregate Processing - Subcontract Crushing	-	-	-	-	0.15	0.52	0.37	70%
Inventory Transfer	-	-	-	-	-	-	-	-
Total Cost Aggregate Processing	3.43	3.75	0.32	9%	4.49	3.10	(1.39)	-45%
Pit Work - Wages	0.35	-	(0.35)	-	0.24	-	(0.24)	-
Pit Work - Fuel	0.18	-	(0.18)	-	0.11	-	(0.11)	-
Pit Work - Equipment Rentals	-	-	-	-	-	-	-	-
Pit Work - Subcontractors	-	-	-	-	0.35	-	(0.35)	-
Total Cost of Pit Work	0.53	1.50	0.97	65%	0.71	0.89	0.18	21%
Total Direct Cost of Aggregate Production	4.06	5.75	1.69	29%	5.51	4.26	(1.25)	-29%
Total Direct Cost of Aggregate Sold	2.68	5.54	2.86	52%	5.79	5.89	0.10	2%
Load & Scale	0.87	0.40	(0.47)	-118%	0.66	0.40	(0.26)	-66%
Stockpile	(0.12)	-	0.12	100%	0.01	-	(0.01)	-100%
Gravel Testing	0.14	0.15	0.01	6%	0.14	0.15	0.01	9%
Trucking - Subcontractors	6.11	10.00	3.89	39%	7.73	10.00	2.27	23%
Other - Subcontractors	-	-	-	-	0.03	-	(0.03)	-100%
Road Usage Fees	0.10	0.12	0.02	17%	0.04	0.12	0.07	65%
Royalty Expense	1.65	2.74	1.09	40%	1.82	20.62	18.80	91%
Total Direct Cost Per Tonne Sold	5.56	18.95	13.38	71%	7.83	21.90	14.06	64%
Direct Profit Per Tonne Sold	19.96	12.96	7.00	54%	8.36	10.01	(1.65)	-16%
Direct Cost of Subcontract Crushing	-	-	-	-	-	-	-	-

OPERATING INCOME STATEMENT (2/3)

Period End 30-Jun-23

	Month to Date				Year to Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
<i>Indirect Cost of Sales:</i>								
Wages - Indirect	5,876	-	(5,876)	-100%	35,739	-	(35,739)	-100%
Equipment Repair & Maintenance	25,354	36,667	11,312	31%	134,664	220,000	85,336	39%
Equipment Rentals	-	-	-	-	-	-	-	-
Fuel - Pickup Trucks & Shop Equipment	1,847	1,500	(347)	-23%	6,098	9,000	2,902	32%
Third Party Shop Services	37	50	13	27%	879	300	(579)	-193%
Shop Personnel Lodging & Meals	-	-	-	-	-	-	-	-
Shop Supplies	-	1,100	1,100	100%	9	6,600	6,591	100%
Small Tools	1,182	1,650	468	28%	4,790	9,900	5,110	52%
Freight Expense	-	1,500	1,500	100%	200	9,000	8,800	98%
Safety Supplies	-	600	600	100%	1,544	3,600	2,056	57%
Licensing & Registration	-	200	200	100%	859	1,200	341	28%
Droning	-	-	-	-	-	-	-	-
Total Indirect Cost of Aggregate Prod.	34,296	43,267	8,970	21%	184,781	259,600	74,819	29%
Net Changes in Aggregate Inv. - Indirect	(27,871)	(6,704)	(21,167)	-316%	(108,313)	(201,944)	93,631	46%
Total Indirect Cost of Aggregate Sold	6,425	36,562	30,137	82%	76,468	57,656	(18,812)	-33%
Depreciation - Equipment	29,315	39,236	9,921	25%	177,780	229,585	51,804	23%
Net Changes in Dep. to Aggregate Inventory	-	-	-	-	-	-	-	-
Total Depreciation - Production Equipment	29,315	39,236	9,921	25%	177,780	229,585	51,804	23%
Amortization - Pit Development	-	-	-	-	-	-	-	-
Amortization - ARO	-	-	-	-	-	-	-	-
Total Indirect Cost of Sales	35,740	75,799	40,059	53%	254,249	287,241	32,992	11%
Total Cost of Sales	107,607	629,987	522,380	83%	765,239	1,297,208	531,969	41%
Gross Profit (Before Dep. & Amort.)	253,027	342,648	(89,621)	-26%	513,384	677,774	(164,390)	-24%
Gross Margin % (Before Dep. & Amort.)	76%	37%	40%	108%	47%	39%	8%	20%
Gross Profit	223,712	303,412	(79,699)	-26%	335,603	448,189	(112,586)	-25%
Gross Margin %	68%	33%	35%	108%	30%	26%	5%	19%
<i>Indirect Cost of Sales Per Tonne</i>								
Wages - Indirect	0.14	-	(0.14)	-100%	0.24	-	(0.24)	-100%
Equipment Repair & Maintenance	0.62	0.73	0.11	15%	0.90	0.96	0.06	6%
Equipment Rentals	-	-	-	-	-	-	-	-
Fuel - Pickup Trucks & Shop Equipment	0.05	0.03	(0.02)	-51%	0.04	0.04	(0.00)	-4%
Third Party Shop Services	0.00	0.00	0.00	10%	0.01	0.00	(0.00)	-349%
Shop Personnel Lodging & Meals	-	-	-	-	-	-	-	-
Shop Supplies	-	0.02	0.02	100%	0.00	0.03	0.03	100%
Small Tools	0.03	0.03	0.00	12%	0.03	0.04	0.01	26%
Freight Expense	-	0.03	0.03	100%	0.00	0.04	0.04	97%
Safety Supplies	-	0.01	0.01	100%	0.01	0.02	0.01	34%
Licensing & Registration	-	0.00	0.00	100%	0.01	0.01	(0.00)	-10%
Droning	-	-	-	-	-	-	-	-
Total Indirect Cost of Aggregate Prod.	0.84	0.87	0.02	3%	1.23	1.13	(0.10)	-9%
Net Changes in Aggregate Inv. - Indirect	(0.35)	0.38	(1.87)	-486%	(0.06)	0.12	(0.88)	-727%
Total Indirect Cost of Aggregate Sold	0.50	1.25	(1.85)	-148%	1.17	1.25	(0.98)	-79%
Depreciation - Equipment	2.27	1.34	(0.93)	-69%	2.72	4.98	2.25	45%
Amortization - Pit Development	-	-	-	-	-	-	-	-
Amortization - ARO	-	-	-	-	-	-	-	-
Total Indirect Cost per Tonne Sold	2.77	2.59	(0.17)	-7%	3.90	6.23	2.33	37%
Total Cost of Sales per Tonne	8.33	21.54	13.21	61%	11.73	28.12	16.39	58%
Profit Per Tonne Sold (Before Dep. & Amort.)	19.58	11.71	(7.87)	-67%	7.87	14.69	6.83	46%
Profit Per Tonne Sold	17.31	10.37	(6.94)	-67%	5.14	9.72	4.57	47%

OPERATING INCOME STATEMENT (3/3)

Period End 30-Jun-23

	Month to Date				Year to Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
General & Administrative								
Management Wages	81,756	89,626	7,870	9%	493,979	554,651	60,671	11%
Bonus Expense	-	-	-	-	-	-	-	-
Group Benefit Plan	4,095	4,000	(95)	-2%	21,196	24,000	2,804	12%
WCB PIR Refund	-	-	-	-	(1,730)	-	1,730	100%
Insurance	6,087	5,477	(611)	-11%	37,475	32,860	(4,616)	-14%
Accounting Fees	8,560	20,000	11,440	57%	87,618	80,000	(7,618)	-10%
Legal Fees	3,091	2,000	(1,091)	-55%	63,742	12,000	(51,742)	-431%
Other Professional Services	-	-	-	-	3,928	-	(3,928)	-100%
Utilities	863	465	(398)	-86%	11,637	2,790	(8,847)	-317%
Property Rent	8,594	11,468	2,874	25%	53,625	68,808	15,184	22%
Property Taxes	1,915	1,534	(381)	-25%	15,759	15,590	(169)	-1%
Depreciation - Capitalized Property Lease	-	2,635	2,635	100%	32,962	15,810	(17,152)	-108%
Advertising & Promotions	750	1,000	250	25%	2,003	6,000	3,997	67%
Business Subscriptions	-	347	347	100%	-	2,083	2,083	100%
Dues & Licenses	558	401	(158)	-39%	2,544	2,404	(140)	-6%
Office Supplies	162	350	188	54%	2,016	2,100	84	4%
Office Services	903	860	(43)	-5%	5,248	5,160	(88)	-2%
Small Office Assets	1,319	150	(1,169)	-779%	1,978	900	(1,078)	-120%
Bank Service Fees	518	400	(118)	-30%	5,317	2,400	(2,917)	-122%
Software Subscriptions	2,063	2,419	356	15%	14,323	14,498	175	1%
IT Services	95	350	255	73%	2,286	2,100	(186)	-9%
Internet & Web Hosting	213	478	266	56%	2,078	2,870	793	28%
Communications	1,089	748	(342)	-46%	6,936	4,487	(2,449)	-55%
Management - Travel & Accommodations	229	1,000	771	77%	687	6,000	5,313	89%
Management - Vehicle Fuel	6,499	5,000	(1,499)	-30%	25,123	30,000	4,877	16%
Management - Vehicle R&M	1,761	500	(1,261)	-252%	2,771	3,000	229	8%
Management - Vehicle Allowances	4,469	5,500	1,031	19%	23,368	33,000	9,632	29%
Meals & Entertainment	1,041	1,000	(41)	-4%	3,596	6,000	2,404	40%
Professional Development	221	1,271	1,050	83%	3,189	7,624	4,435	58%
Recruitment Expense	-	700	700	100%	-	4,200	4,200	100%
Gifts	-	200	200	100%	-	1,200	1,200	100%
Total General & Administrative	136,851	159,878	23,027	14%	923,652	942,534	18,881	2%
<i>% of Revenue</i>	<i>41%</i>	<i>17%</i>	<i>-24%</i>	<i>-141%</i>	<i>84%</i>	<i>54%</i>	<i>-30%</i>	<i>-55%</i>
Operating Income	86,862	143,534	(56,672)	39%	(588,049)	(494,344)	(93,705)	-19%
Other Expenses								
Other Income	-	-	-	-	(20,103)	-	20,103	-
Interest	62,623	65,785	3,163	5%	339,985	346,089	6,104	2%
Fees	6,784	4,045	(2,739)	-68%	36,556	24,270	(12,287)	-51%
Loss(Gain) On Disposal Of Asset	(26,000)	-	26,000	-	(21,824)	-	21,824	-
Loss(Gain) On FV Change of Cont. Cons.	5,231	24,258	19,027	78%	5,558	140,824	135,266	96%
Loss(Gain) On Disposal Of ARO	-	-	-	-	282,908	-	(282,908)	-
Tax Expense	-	-	-	-	-	-	-	-
Total Other Expenses	48,638	94,088	45,450	48%	623,081	511,183	(111,898)	-22%
Net Income	38,223	49,445	(11,222)	23%	(1,211,131)	(1,005,527)	(205,603)	-20%
EBITDA								
(+) Depreciation & Amortization	29,315	41,871	12,556	30%	210,743	245,395	34,652	14%
(+) Total Other Expenses	48,638	94,088	45,450	48%	623,081	511,183	(111,898)	-22%
Total Add Back	77,953	135,960	58,007	43%	833,824	756,578	(77,246)	-10%
EBITDA	116,176	185,405	(69,229)	-37%	(377,307)	(248,950)	(128,357)	-52%
Adjusted EBITDA	116,176	185,405	(69,229)	-37%	(348,307)	(248,950)	(99,357)	-40%

STATEMENT OF CASH FLOWS

<u>Statement of Cash Flow</u>	<u>Month-to-Date</u>	<u>Year-To-Date</u>
Beginning Cash Balance	1,564	42,241
<i>Cash from operating activities:</i>		
Net Income	38,223	(1,211,131)
Depreciation	7,746	189,174
Change In Revolver	187,072	6,590
Change in Accounts Receivable	(77,646)	236,454
Change in Accounts Payable	62,072	426,452
Change in Gravel Inventory	(158,487)	(557,251)
Change in Work In Process	-	-
Change in Parts Inventory	-	-
Change in Tax Payable	(17,903)	6,420
Change in Other Current Assets	(121,074)	(33,338)
	(79,996)	(936,630)
<i>Cash from investing activities:</i>		
Change in PP&E	52,161	12,675
Change In Investment	-	-
Change in Other Long Term Assets	5,500	14,233
	57,661	26,908
<i>Cash from financing activities:</i>		
Change in Long Term Debt	160,101	1,026,583
Change in Lease Obligation	(3,549)	(21,007)
Change in Contingent Consideration	(5,971)	(8,285)
Change in Amounts to Due to Shareholder	-	-
Change in Amounts to Due to Related Party	-	-
Change in Equity	-	-
Change in Dividends	-	-
	150,581	997,290
Ending Cash Balance	129,809	129,809

LAST TWELVE MONTHS ("LTM") - OPERATING INCOME STATEMENT (1/3)

Period End 30-Jun-23

	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>
Volume - Production	43,528	41,559	27,807	71,798	77,083	31,103	-	2,000	43,516	43,121	20,773	40,696
Volume - Trucking	28,087	2,612	13,215	11,566	424	-	58	-	-	-	175	521
Volume - Sold (Includes Subcontract Crushing)	50,619	9,068	19,918	76,973	78,238	31,481	657	5,420	30,538	2,255	14,108	12,920
Volume - Subcontract Crushing	-	-	-	64,108	77,083	31,103	-	2,000	24,552	-	-	-
Aggregate Sales	915,175	221,173	533,661	311,034	26,726	2,271	5,924	57,022	100,473	44,339	386,339	329,769
Crushing Sales	-	-	-	448,135	501,661	202,170	-	-	132,760	-	-	-
Other Revenue	23,968	12,590	12,918	15,943	17,753	13,612	7,530	29,918	5,474	-	(255)	1,550
Total Revenue	939,143	233,762	546,579	775,113	546,140	218,053	13,454	86,940	238,707	44,339	386,084	331,319
Aggregate Sales Revenue Per Tonne	18.08	24.39	26.79	4.04	0.34	0.07	9.02	10.52	3.29	19.66	27.39	25.52
<i>Direct Cost of Sales:</i>												
Aggregate Processing - Wages	75,196	76,513	69,909	86,744	85,028	38,371	252	10,922	79,239	78,661	83,379	55,535
Aggregate Processing - Fuel	54,147	40,996	54,533	56,913	55,480	14,403	-	15,345	29,995	18,020	36,857	37,646
Aggregate Processing - Consumables	10,975	2,901	3,107	991	2,002	1,229	227	336	3,075	7,750	1,058	359
Aggregate Processing - Equipment Rentals	30,912	34,332	29,514	11,514	27,570	12,364	3,500	9,709	46,756	33,264	52,063	46,040
Aggregate Processing - Subcontract Crushing	-	-	-	-	-	-	-	23,244	-	-	-	-
Inventory Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Total Cost of Aggregate Processing	171,230	154,742	157,063	156,162	170,080	66,367	3,979	59,556	159,065	137,694	173,358	139,580
Pit Work - Wages	14,559	24,547	4,329	8,950	8,094	-	-	1,544	4,924	5,584	9,516	14,306
Pit Work - Fuel	20,685	16,030	2,030	3,420	3,090	-	-	600	2,160	2,350	4,760	7,351
Pit Work - Equipment Rentals	-	-	-	-	-	-	-	-	-	-	-	-
Pit Work - Subcontractors	38,713	32,501	-	-	-	-	-	-	18,438	34,751	-	-
Total Cost of Pit Work	73,956	73,078	6,359	12,370	11,184	-	-	2,144	25,521	42,685	14,276	21,657
Mobilization/Demobilization - Subcontractor	-	3,999	1,980	39,964	345	1,876	-	3,507	14,726	5,286	19,677	4,010
Total Direct Cost of Aggregate Production	245,186	231,818	165,403	208,495	181,610	68,243	3,979	65,207	199,312	185,665	207,311	165,248
Net Changes in Aggregate Inventory	(44,015)	(186,648)	(57,780)	(7,541)	18,088	6,213	-	865	(40,523)	(176,878)	(101,785)	(130,616)
Total Direct Cost of Aggregate Sold	201,171	45,170	107,623	200,954	199,698	74,456	3,979	66,071	158,789	8,787	105,525	34,632
Load & Scale	14,358	8,537	11,142	7,463	3,736	-	-	5,240	10,231	3,585	12,994	11,277
Stockpile	7,143	-	-	-	-	-	1,779	286	-	-	-	(1,562)
Gravel Testing	5,132	6,576	3,136	936	-	-	-	-	1,323	1,217	4,586	1,825
Trucking - Subcontractors	244,091	35,916	126,672	142,994	5,017	-	409	390	-	-	1,403	3,180
Other - Subcontractors	6,239	2,177	2,447	16,130	2,679	(751)	-	-	-	150	2,015	-
Road Usage Fees	494	457	12	3,416	-	-	-	1,028	274	66	51	1,233
Royalty Expense	87,318	24,733	54,483	61,339	5,920	(14,444)	160	6,629	16,277	6,245	19,632	21,282
Total Direct Cost of Sales	565,946	123,567	305,515	433,233	217,049	59,261	6,327	79,645	186,894	20,049	146,208	71,867
Contribution Margin %	40%	47%	44%	44%	60%	73%	53%	8%	22%	55%	62%	78%
Aggregate Processing - Wages	1.73	1.84	2.51	1.21	1.10	1.23	-	5.46	1.82	1.82	4.01	1.36
Aggregate Processing - Fuel	1.25	0.99	1.96	0.79	0.72	0.46	-	7.67	0.69	0.42	1.77	0.93
Aggregate Processing - Consumables	0.25	0.07	0.11	0.01	0.03	0.04	-	0.17	0.07	0.18	0.05	0.01
Aggregate Processing - Equipment Rentals	0.71	0.83	1.06	0.16	0.36	0.40	-	4.85	1.07	0.77	2.51	1.13
Aggregate Processing - Subcontract Crushing	-	-	-	-	-	-	-	11.62	-	-	-	-
Inventory Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Total Cost of Aggregate Processing	3.94	3.72	5.65	2.18	2.21	2.13	-	29.78	3.66	3.19	8.35	3.43
Pit Work - Wages	0.34	0.59	0.16	0.12	0.11	-	-	0.77	0.11	0.13	0.46	0.35
Pit Work - Fuel	0.48	0.39	0.07	0.05	0.04	-	-	0.30	0.05	0.05	0.23	0.18
Pit Work - Equipment Rentals	-	-	-	-	-	-	-	-	-	-	-	-
Pit Work - Subcontractors	0.89	0.78	-	-	-	-	-	-	0.42	0.81	-	-
Total Cost of Pit Work	1.70	1.76	0.23	0.17	0.15	-	-	1.07	0.59	0.99	0.69	0.53
Mobilization/Demobilization - Subcontractor	-	0.10	0.07	0.56	0.00	0.06	-	1.75	0.34	0.12	0.95	0.10
Total Direct Cost of Aggregate Production	5.65	5.58	5.95	2.90	2.36	2.19	-	32.60	4.58	4.31	9.98	4.06
Total Direct Cost of Aggregate Sold	3.97	4.98	5.40	2.61	2.55	2.37	6.06	12.19	5.20	3.90	7.48	2.68
Load & Scale	0.28	0.94	0.56	0.10	0.05	-	-	0.97	0.34	1.59	0.92	0.87
Stockpile	0.14	-	-	-	-	-	2.71	0.05	-	-	-	(0.12)
Gravel Testing	0.10	0.73	0.16	0.01	-	-	-	-	0.04	0.54	0.33	0.14
Trucking - Subcontractors	8.69	13.75	9.59	12.36	11.85	-	7.00	-	-	-	8.00	6.11
Other - Subcontractors	0.12	0.24	0.12	0.21	0.03	(0.02)	-	-	-	0.07	0.14	-
Road Usage Fees	0.01	0.05	0.00	0.04	-	-	-	0.19	0.01	0.03	0.00	0.10
Royalty Expense	1.73	2.73	2.74	4.77	5.13	(38.21)	0.24	1.94	2.72	2.77	1.39	1.65
Total Direct Cost Per Tonne Sold	11.18	13.63	15.34	5.63	2.77	1.88	9.64	14.69	6.12	8.89	10.36	5.56
Direct Profit Per Tonne Sold	6.90	10.76	11.45	4.23	3.98	4.61	(0.61)	(4.17)	1.52	10.77	17.02	19.96

LAST TWELVE MONTHS ("LTM") - OPERATING INCOME STATEMENT (2/3)

Period End 30-Jun-23

	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>
<i>Indirect Cost of Sales</i>												
Wages - Indirect	4,711	7,465	6,533	6,220	5,861	4,039	7,487	5,300	5,860	5,511	5,705	5,876
Equipment Repair & Maintenance	45,607	69,140	41,560	71,686	46,431	12,449	5,195	10,875	29,318	25,586	38,336	25,354
Equipment Rentals	-	-	-	-	-	-	-	-	-	-	-	-
Fuel - Pickup Trucks & Shop Equipment	819	2,047	3,028	3,060	794	552	231	562	1,225	1,084	1,149	1,847
Third Party Shop Services	115	35	35	35	115	35	37	611	37	37	121	37
Shop Personnel Lodging & Meals	-	-	-	-	-	-	-	-	-	-	-	-
Shop Supplies	-	-	-	-	-	35	-	-	9	-	-	-
Small Tools	2,728	1,351	1,610	771	2,581	924	-	-	1,595	724	1,288	1,182
Freight Expense	919	860	167	2,403	918	-	-	-	200	-	-	-
Safety Supplies	57	2,291	-	115	349	-	-	-	994	44	506	-
Licensing & Registration	-	-	-	-	-	-	-	859	-	-	-	-
Droning	-	-	-	-	-	-	-	-	-	-	-	-
Total Indirect Cost of Aggregate Prod.	54,956	83,188	52,933	84,291	57,049	18,035	12,950	18,208	39,238	32,985	47,104	34,296
Net Changes in Aggregate Inv. - Indirect	(16,815)	(68,459)	(17,806)	21,641	3,871	14,914	-	(14,389)	(6,217)	(30,890)	(28,945)	(27,871)
Total Indirect Cost of Aggregate Sold	38,141	14,729	35,127	105,932	60,920	32,948	12,950	3,818	33,021	2,095	18,158.9	6,425
Depreciation - Equipment	41,650	40,762	38,839	39,545	38,076	38,973	30,101	27,437	30,352	29,751	30,824	29,315
Net Changes in Dep. to Aggregate Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Total Depreciation - Production Equipment	41,650	40,762	38,839	39,545	38,076	38,973	30,101	27,437	30,352	29,751	30,824	29,315
Other - Cost of Sales	-	-	-	-	-	-	-	-	-	-	-	-
Amortization - Pit Development	-	-	-	-	-	-	-	-	-	-	-	-
Amortization - ARO	-	-	-	-	-	-	-	-	-	-	-	-
Total Indirect Cost of Sales	79,791	55,491	73,967	145,477	98,996	71,921	43,051	31,255	63,374	31,846	48,983	35,740
Total Cost of Sales	645,738	179,059	379,482	578,709	316,046	131,182	49,378	110,900	250,268	51,896	195,190	107,607
Gross Profit (Before Depreciation & Amort.)	335,055	95,466	205,936	235,948	268,171	125,844	(5,823)	3,477	18,791	22,195	221,717	253,027
Gross Margin %	37%	43%	39%	76%	1003%	5541%	-	6%	19%	50%	57%	77%
Gross Profit	293,405	54,703	167,097	196,403	230,094	86,871	(35,924)	(23,960)	(11,561)	(7,557)	190,893	223,712
Gross Margin %	31%	23%	31%	25%	42%	40%	-	-	-	-	49%	68%
<i>Indirect Cost per Tonne Sold</i>												
Wages - Indirect	0.09	0.82	0.33	0.08	0.07	0.13	11.40	0.98	0.19	2.44	0.40	0.45
Equipment Repair & Maintenance	0.90	7.62	2.09	0.93	0.59	0.40	7.91	2.01	0.96	11.34	2.72	1.96
Equipment Rentals	-	-	-	-	-	-	-	-	-	-	-	-
Fuel - Pickup Trucks & Shop Equipment	0.02	0.23	0.15	0.04	0.01	0.02	0.35	0.10	0.04	0.48	0.08	0.14
Third Party Shop Services	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.11	0.00	0.02	0.01	0.00
Shop Personnel Lodging & Meals	-	-	-	-	-	-	-	-	-	-	-	-
Shop Supplies	-	-	-	-	-	0.00	-	-	0.00	-	-	-
Small Tools	0.05	0.15	0.08	0.01	0.03	0.03	-	-	0.05	0.32	0.09	0.09
Freight Expense	0.02	0.09	0.01	0.03	0.01	-	-	-	0.01	-	-	-
Safety Supplies	0.00	0.25	-	0.00	0.00	-	-	-	0.03	0.02	0.04	-
Licensing & Registration	-	-	-	-	-	-	-	0.16	-	-	-	-
Droning	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation - Equipment	0.82	4.50	1.95	0.51	0.49	1.24	45.84	5.06	0.99	13.19	2.18	2.27
Amortization - Pit Development	-	-	-	-	-	-	-	-	-	-	-	-
Amortization - ARO	-	-	-	-	-	-	-	-	-	-	-	-
Total Indirect Cost per Tonne Sold	0.75	1.62	1.76	1.38	0.78	1.05	19.72	0.70	1.08	0.93	1.29	0.50
Total Cost per Tonne Sold	12.76	19.75	19.05	7.52	4.04	4.17	75.20	20.46	8.20	23.01	13.84	8.33
Contributed Profit Per Tonne Sold	5.32	4.64	7.74	2.34	2.71	2.33	(66.18)	(9.94)	(0.56)	(3.35)	13.55	17.19

LAST TWELVE MONTHS ("LTM") - OPERATING INCOME STATEMENT (3/3)
Period End 30-Jun-23

	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>
<i>General & Administrative</i>												
Management Wages	84,156	61,780	116,359	102,672	80,887	85,566	82,527	82,290	91,195	68,410	87,802	81,756
Bonus Expense	-	-	-	-	-	-	-	-	-	-	-	-
Group Benefit Plan	3,779	4,435	4,210	3,805	4,679	3,321	4,439	1,301	2,928	5,010	3,424	4,095
WCB PIR Refund	-	-	-	-	-	-	-	-	-	-	(1,730)	-
Insurance	5,645	5,675	5,675	6,527	6,727	6,727	6,776	6,219	6,219	6,087	6,087	6,087
Accounting Fees	-	-	8,090	-	-	-	-	10,700	-	35,868	32,490	8,560
Legal Fees	649	2,447	-	-	41,916	3,780	-	385	24,965	15,784	19,517	3,091
Other Professional Services	-	-	-	-	-	1,760	1,794	1,925	-	(535)	744	-
Utilities	2,171	2,446	3,009	3,327	4,905	6,376	7,719	1,024	553	848	630	863
Property Rent	6,000	6,050	6,000	7,295	6,000	6,000	14,283	2,028	6,722	11,000	11,000	8,594
Property Taxes	5,913	5,913	5,913	5,913	5,913	6,260	2,769	2,769	2,769	2,769	2,769	1,915
Depreciation - Capitalized Property Lease	16,481	16,481	16,481	16,481	16,481	16,481	16,481	16,481	-	-	-	-
Advertising & Promotions	500	380	333	873	590	1,925	333	920	-	-	-	750
Business Subscriptions	-	-	-	-	-	-	-	-	-	-	-	-
Dues & Licenses	213	213	584	183	799	450	389	411	222	222	740	558
Office Supplies	674	189	223	640	171	314	502	18	1,044	130	159	162
Office Services	575	748	4,607	1,096	420	882	1,645	635	884	585	596	903
Small Office Assets	-	320	85	20	34	-	-	-	206	-	453	1,319
Bank Service Fees	512	470	578	524	578	481	3,151	437	491	307	412	518
Software Subscriptions	2,603	2,595	2,948	2,913	2,679	2,569	2,499	2,748	2,897	2,075	2,041	2,063
IT Services	48	380	-	-	48	71	586	333	333	119	822	95
Internet & Web Hosting	478	478	478	478	478	353	379	379	379	316	414	213
Communications	1,336	1,262	1,315	1,734	1,196	1,208	1,137	1,314	1,158	1,147	1,091	1,089
Management - Travel & Accommodations	499	469	303	38	96	-	-	-	134	114	211	229
Management - Vehicle Fuel	7,675	5,507	6,590	8,812	5,551	4,588	3,065	3,284	4,120	3,580	4,577	6,499
Management - Vehicle R&M	28	262	326	36	234	-	99	-	368	234	309	1,761
Management - Vehicle Allowances	4,186	4,195	4,895	6,274	4,230	4,565	4,175	4,171	3,590	4,169	2,794	4,469
Meals & Entertainment	608	672	332	810	298	610	679	160	556	200	960	1,041
Professional Development	45	345	-	-	1,364	-	1,905	740	35	150	138	221
Recruitment Expense	122	(0)	1,104	64	-	29,000	-	-	-	-	-	-
Gifts	-	-	-	-	1,500	11	-	-	-	-	-	-
Total General & Administrative	144,895	123,712	190,438	170,513	187,773	183,299	157,331	140,671	151,766	158,586	178,448	136,851
% of Revenue	15%	53%	35%	22%	34%	84%	1169%	162%	64%	358%	46%	41%
Operating Income	148,510	(69,009)	(23,341)	25,890	42,322	(96,428)	(193,255)	(164,631)	(163,327)	(166,143)	12,445	86,862
Other Expenses												
Other Income	-	(242,845)	(39,430)	(46,746)	(8,328)	(13,224)	-	-	(9,359)	(10,744)	-	-
Interest	39,625	40,997	38,554	43,567	45,388	63,813	55,511	48,276	56,575	55,927	61,073	62,623
Fees	34,861	4,045	4,045	5,188	5,427	9,022	5,427	6,087	6,087	6,087	6,087	6,784
Loss(Gain) On Disposal Of Asset	(15,659)	-	-	1,943	198	-	-	-	-	4,176	-	(26,000)
Loss(Gain) On Disposal Of ARO	-	-	-	-	-	1,923,461	282,908	-	-	-	-	-
Loss(Gain) On FV Change of Cont. Cons.	106	275	103	95	99	152	32	294	0	12	(10)	5,231
Tax Expense	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Expenses	58,933	(197,528)	3,272	4,048	42,782	1,983,224	343,877	54,657	53,303	55,456	67,150	48,638
Net Income	89,578	128,519	(26,613)	21,843	(461)	(2,079,652)	(537,132)	(219,288)	(216,630)	(221,599)	(54,704)	38,223
EBITDA												
(+) Depreciation & Amortization	58,131	57,243	55,320	56,026	54,557	55,454	46,582	43,918	30,352	29,751	30,824	29,315
(+) Total Other Expenses	58,933	(197,528)	3,272	4,048	42,782	1,983,224	343,877	54,657	53,303	55,456	67,150	48,638
Total Add Back	117,064	(140,284)	58,592	60,074	97,340	2,038,678	390,459	98,575	83,655	85,208	97,974	77,953
EBITDA	206,642	(11,765)	31,979	81,916	96,879	(40,974)	(146,673)	(120,713)	(132,975)	(136,392)	43,269	116,176

LAST TWELVE MONTHS - ADJUSTED EBITDA

Period End 30-Jun-23

	Account Impacted	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>
EBITDA		206,642	(11,765)	31,979	81,916	96,879	(40,974)	(146,673)	(120,713)	(132,975)	(136,392)	43,269	116,176
<i>Adjustments</i>													
1 Denver Board Meeting Costs	Meal/Travel	15,700											
JMB one-time document shredding	Office Services				3,100								
2 SML 060060 Royalties	Royalty Expense		(18,771)			18,771							
3 Various Legal Fees	Legal Fees						41,916						
CFO Recruitment Expense	Recruitment Expense							29,000					
Adjusted EBITDA		222,342	(30,536)	31,979	85,016	115,650	942	(117,673)	(120,713)	(132,975)	(136,392)	43,269	116,176

Notes

- 1 - Cost expensed in May 2022 belongs in the previous fiscal year.
- 2 - This amount was expensed in October 2022, belongs in July 2022.
- 3 - Various legal fees incurred through 2022 belonging to JMB reclamation matters, JMB general legal matters and Mantle financial restructuring matters

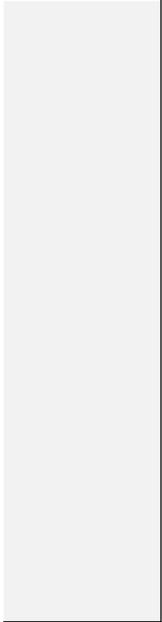
AGED ACCOUNTS RECEIVABLE SUMMARY

Name	Amount	Current	Over 30	Over 60	Over 90	Over 120
955937 Alberta Ltd.	3,356	3,356	-	-	-	-
Absolute Multicorp Ltd.	117,930	11,427	90,222	2,596	13,686	-
Accurate Industries Canada Inc.	94,923	84,680	10,243	-	-	-
CFM Concrete	997	997	-	-	-	-
Knelsen Sand and Gravel Ltd.	2,822	-	2,822	-	-	-
Ledcor Highways Ltd.	388,308	388,308	-	-	-	-
Matt Silver Trucking Ltd.	16,450	14,030	2,420	-	-	-
R. Batke Oilfield Ltd.	2,336	667	1,669	-	-	-
Ryan Blocha	1,355	1,355	-	-	-	-
Seven Lakes Oilfield Services Corp.	10,270	10,270	-	-	-	-
Stony Valley Contracting	42,834	42,834	-	-	-	-
Timberwolf Environmental Services Ltd.	6,750	6,750	-	-	-	-

Other						
TOTAL	688,331	564,673	107,376	2,596	13,686	-

AGED ACCOUNTS PAYABLE SUMMARY

Name	Amount	Current	Over 30	Over 60	Over 90	Over 120
Supplier	Amount	Current	Over 30	Over 60	Over 90	
302016 Alberta Ltd.	5,494	5,494	-	-	-	
93 St Office Holdings Ltd. c/o Qualico Properties	(3,721)	(3,721)	-	-	-	
ATB Financial	5,233	5,233	-	-	-	
Absolute Multicorp Ltd.	18,719	2,927	15,792	-	-	
Accurate Scale Industries Ltd.	1,815	1,815	-	-	-	
Advantage Welding & Fabrication Ltd.	3,715	3,715	-	-	-	
Anarchy Aggregate Services Inc.	5,685	5,685	-	-	-	
Bonnie's Equipment Services	64,895	6,535	24,403	-	33,956	
Bonnyville Jr. A Pontiacs	2,000	2,000	-	-	-	
Bonnyville Truck Parts	882	882	-	-	-	
Bonnyville Water Conditioning Ltd.	66	-	66	-	-	
Bumper to Bumper (Uni-Select Canada)	193	-	193	-	-	
CPP Environmental	3,023	3,023	-	-	-	
Cortex Management Inc.	6,491	6,491	-	-	-	
Cougar Fuels Ltd.	911	-	911	-	-	
Deloitte Management Services LP	16,853	8,988	7,865	-	-	
Digital Connections (NextGen Automation)	862	862	-	-	-	
Diversity Construction Inc.	10,234	4,211	6,024	-	-	
Diversity Equipment Rentals & Sales Ltd.	93,195	93,195	-	-	-	
Elrus Aggregate Systems	16,940	16,940	-	-	-	
Expenses Abby Horne	30	30	-	-	-	
Expenses Jason Mercier	241	241	-	-	-	
Fiera Private Debt Fund	67,209	62,757	-	2,277	2,175	
Five 64 Ventures Ltd.	723	723	-	-	-	
Harvey Yadowski	10,555	10,555	-	-	-	
Havener, Gail	1,078	826	252	-	-	
Havener, Helen (Estate of)	1,078	826	252	-	-	
Lafarge Canada Inc.	35,815	35,815	-	-	-	
Location Cats	214,493	214,493	-	-	-	
MCS Net	(27)	-	-	-	(27)	
Machinery Supply	5,215	5,215	-	-	-	
Matt Silver Trucking Ltd.	1,163	1,163	-	-	-	
MicroAge (The Computer Cache St. Paul) Ltd.	8,330	7,468	863	-	-	
Miller Thomson LLP	3,246	3,246	-	-	-	
Mistol Seeds	4,158	4,158	-	-	-	
North Country Co-Op	2,349	2,349	-	-	-	
Northern Truck & Industrial Supplies Ltd.	3,066	1,563	1,503	-	-	
Overdrive Heavy Duty Services	1,305	1,305	-	-	-	
PetroCanada SuperPass	5,872	5,872	-	-	-	
Receiver General - Payroll Source Deductions	53,017	53,017	-	-	-	
SMS Equipment Inc.	4,056	4,056	-	-	-	
Seven Lakes Oilfield Services Corp.	1,513	649	1,052	-	(188)	
Source Industrial Bonnyville Ltd.	895	-	895	-	-	
Superior Safety (2005) Ltd.	349	-	349	-	-	
Tridon Communications	192	128	64	-	-	
UAV Imaging Inc.	415	-	415	-	-	
Victor Insurance Managers Inc.	(4,252)	(4,252)	-	-	-	
WSP E&I Canada Limited	6,732	5,749	983	-	-	
Wearpro Equipment & Supply Ltd.	4,891	-	4,891	-	-	
Wildrose Disposal Inc.	165	165	-	-	-	
TOTAL	687,358	582,391	66,773	2,277	35,917	-



LTM
442,884
56,658
332,195
198,846
2,933,905
1,284,726
141,001
4,359,632
8.83
739,749
414,335
34,010
337,538
23,244
-
1,548,876
96,352
62,476
-
124,402
283,230
95,370
1,927,476
(720,621)
1,206,855
88,566
7,646
24,732
560,072
31,086
7,032
289,574
2,215,562
49%
1.67
0.94
0.08
0.76
0.05
-
3.50
0.22
0.14
-
0.28
0.64
0.22
4.35
3.63
0.27
0.02
0.07
9.89
0.09
0.02
0.87
6.67
6.03

LTM
70,568
421,537
-
16,397
1,249
-
44
14,755
5,467
4,357
859
-
535,234
(170,967)
364,266
415,626
-
415,626
-
-
-
779,893
2,995,455
1,779,803
61%
1,364,177
31%
<i>0.21</i>
<i>1.27</i>
-
<i>0.05</i>
<i>0.00</i>
-
<i>0.00</i>
<i>0.04</i>
<i>0.02</i>
<i>0.01</i>
<i>0.00</i>
-
<i>1.25</i>
-
-
1.10
9.02
3.68

LTM
1,025,400
-
45,425
(1,730)
74,450
95,708
112,534
5,688
33,871
90,967
51,582
131,849
6,605
-
4,986
4,228
13,576
2,437
8,459
30,629
2,832
4,823
14,988
2,092
63,846
3,658
51,713
6,925
4,943
30,289
1,511
1,924,282
44%
(560,105)
(370,676)
611,929
99,144
(35,342)
2,206,369
6,388
-
2,517,813
(3,077,918)
547,475
2,517,813
3,065,288
(12,630)

LTM

(12,630)

-

-

-

-

-

15,700

3,100

-

41,916

29,000

-

77,087

Mantle Materials Group

Axon Trial Balance Import

Month-to-Date Axon Trial Balance Import						Year-to-Date Axon Trial Balance Import						
As of:		2023-06-30				As of:		2023-06-30				
Start of Current Pe		2023-06-01				Start of Current Pe		2023-01-01				
Account	GL Account Name	Opening Bal	Cur Debits	Cur Credits	YTD Debits	YTD Credits	Account	GL Account Name	Opening Bal	Cur Debits	Cur Credits	YTD Debits
1000	CWB Chequing Account 4186	288.75	-	-	288.75	-	1000	CWB Chequing Account 4186	3,063.75	-	2,775.00	288.75
1001	CWB GIC	-	-	-	-	-	1001	CWB GIC	-	-	-	-
1010	TD Chequing Account 7152	1,274.76	128,244.99	-	129,519.75	-	1010	TD Chequing Account 7152	39,176.92	90,342.83	-	129,519.75
1020	Accounts Receivable	440,218.44	248,112.48	-	688,330.92	-	1020	Accounts Receivable	808,733.03	-	120,402.11	688,330.92
1030	Pending Accounts Receivable	-	-	-	-	-	1030	Pending Accounts Receivable	-	-	-	-
1040	Revenue In Excess Of Billing	243,740.00	-	243,740.00	-	-	1040	Revenue In Excess Of Billing	-	-	-	-
1050	Holdbacks Receivable	-	41,090.75	-	41,090.75	-	1050	Holdbacks Receivable	-	41,090.75	-	41,090.75
1060	Other Accounts Receivable	-	32,128.00	-	32,128.00	-	1060	Other Accounts Receivable	189,325.50	-	157,197.50	32,128.00
1070	Expected Credit Loss Provision	-	-	-	-	-	1070	Expected Credit Loss Provision	-	-	-	-
1080	GST Receivable	8,649.04	-	8,649.04	-	-	1080	GST Receivable	-	-	-	-
1090	Prepaid Expenses	118,243.58	-	59,864.48	58,379.10	-	1090	Prepaid Expenses	36,217.65	22,161.45	-	58,379.10
1100	Deposits & Retainers	73,587.50	-	-	73,587.50	-	1100	Deposits & Retainers	66,750.00	6,837.50	-	73,587.50
1110	Employee Receivable	-	-	-	-	-	1110	Employee Receivable	-	-	-	-
1115	Advances Receivable	0	0	-	0	-	1115	Advances Receivable	0	0	-	0
1116	Arrears Receivable	-	54.98	-	54.98	-	1116	Arrears Receivable	-	54.98	-	54.98
1120	Contract Asset	-	-	-	-	-	1120	Contract Asset	-	-	-	-
1130	Short Term Note Receivable	-	-	-	-	-	1130	Short Term Note Receivable	-	-	-	-
1140	Assets Held for Sale	-	-	-	-	-	1140	Assets Held for Sale	-	-	-	-
1142	Work In Process (Direct)	16,540.59	-	-	16,540.59	-	1142	Work In Process (Direct)	16,540.59	-	-	16,540.59
1143	Work In Process (Indirect)	-	-	-	-	-	1143	Work In Process (Indirect)	-	-	-	-
1145	Inventory Aggregate - ATB	60,611.73	-	-	60,611.73	-	1145	Inventory Aggregate - ATB	60,611.73	-	-	60,611.73
1150	Inventory Aggregate	972,491.45	128,693.76	-	1,101,185.21	-	1150	Inventory Aggregate	654,169.11	447,016.10	-	1,101,185.21
1151	Inventory Aggregate - Variable Overhead	214,716.06	29,793.36	-	244,509.42	-	1151	Inventory Aggregate - Variable Overhead	134,274.47	110,234.95	-	244,509.42
1160	Inventory Parts	-	-	-	-	-	1160	Inventory Parts	-	-	-	-
1200	Pickup Trucks	37,386.41	-	-	37,386.41	-	1200	Pickup Trucks	37,386.41	-	-	37,386.41
1210	Accumulated Depreciation - Pickup Trucks	-	11,618.51	504.87	-	12,123.38	1210	Accumulated Depreciation - Pickup Trucks	-	9,077.32	3,046.06	-
1220	Crushing & Earthmoving Equipment	1,974,009.71	-	59,177.80	1,914,831.91	-	1220	Crushing & Earthmoving Equipment	1,934,523.81	-	19,691.90	1,914,831.91
1230	Accumulated Depreciation - Crushing & Earthmoving Equipment	-	632,841.21	3,836.28	-	636,677.49	1230	Accumulated Depreciation - Crushing & Earthmoving Equipment	-	503,288.29	133,389.20	-
1240	Heavy Trucks	1,603.59	-	-	1,603.59	-	1240	Heavy Trucks	1,603.59	-	-	1,603.59
1250	Accumulated Depreciation - Heavy Trucks	-	387.99	18.91	-	406.90	1250	Accumulated Depreciation - Heavy Trucks	-	292.81	114.09	-
1260	Furniture & Fixtures	34,289.59	-	-	34,289.59	-	1260	Furniture & Fixtures	34,289.59	-	-	34,289.59
1270	Accumulated Depreciation - Furniture & Fixtures	-	25,169.36	101.99	-	25,271.35	1270	Accumulated Depreciation - Furniture & Fixtures	-	24,656.01	615.34	-
1280	Shop Equipment	18,751.75	-	-	18,751.75	-	1280	Shop Equipment	18,751.75	-	-	18,751.75
1290	Accumulated Depreciation - Shop Equipment	-	15,580.86	23.22	-	15,604.08	1290	Accumulated Depreciation - Shop Equipment	-	15,464.00	140.08	-
1300	IT Equipment	121,566.53	7,017.22	-	128,583.75	-	1300	IT Equipment	121,566.53	7,017.22	-	128,583.75
1310	Accumulated Depreciation - IT Equipment	-	98,914.20	443.71	-	99,357.91	1310	Accumulated Depreciation - IT Equipment	-	97,360.15	1,997.76	-
1320	Software Development	14,412.00	-	-	14,412.00	-	1320	Software Development	14,412.00	-	-	14,412.00
1330	Accumulated Depreciation - Software Development	-	6,501.92	182.11	-	6,684.03	1330	Accumulated Depreciation - Software Development	-	5,585.30	1,098.73	-
1340	Leasehold Improvements	-	-	-	-	-	1340	Leasehold Improvements	-	-	-	-
1350	Accumulated Depreciation - Leasehold Improvements	0	0	-	0	-	1350	Accumulated Depreciation - Leasehold Improvements	0	0	-	0
1360	Real Property	-	-	-	-	-	1360	Real Property	-	-	-	-
1500	ROU - Pickup Trucks	112,357.25	-	-	112,357.25	-	1500	ROU - Pickup Trucks	112,357.25	-	-	112,357.25
1510	ROU - Accumulated Depreciation - Pickup Trucks	-	57,115.14	2,301.75	-	59,416.89	1510	ROU - Accumulated Depreciation - Pickup Trucks	-	45,606.39	13,810.50	-
1520	ROU - Crushing & Earthmoving Equipment	-	-	-	-	-	1520	ROU - Crushing & Earthmoving Equipment	-	-	-	-
1530	ROU - Accumulated Depreciation - Crushing & Earthmoving Equipment	-	-	-	-	-	1530	ROU - Accumulated Depreciation - Crushing & Earthmoving Equipment	-	-	-	-
1540	ROU - Heavy Trucks	-	-	-	-	-	1540	ROU - Heavy Trucks	-	-	-	-
1550	ROU - Accumulated Depreciation - Heavy Trucks	-	-	-	-	-	1550	ROU - Accumulated Depreciation - Heavy Trucks	-	-	-	-
1560	ROU - Furniture & Fixtures	-	-	-	-	-	1560	ROU - Furniture & Fixtures	-	-	-	-
1570	ROU - Accumulated Depreciation - Furniture & Fixtures	-	-	-	-	-	1570	ROU - Accumulated Depreciation - Furniture & Fixtures	-	-	-	-
1580	ROU - Shop Equipment	-	-	-	-	-	1580	ROU - Shop Equipment	-	-	-	-
1590	ROU - Accumulated Depreciation - Shop Equipment	-	-	-	-	-	1590	ROU - Accumulated Depreciation - Shop Equipment	-	-	-	-
1600	ROU - IT Equipment	12,000.00	-	-	12,000.00	-	1600	ROU - IT Equipment	12,000.00	-	-	12,000.00
1610	ROU - Accumulated Depreciation - IT Equipment	-	7,666.59	333.33	-	7,999.92	1610	ROU - Accumulated Depreciation - IT Equipment	-	5,999.94	1,999.98	-
1615	ROU - Tenancy Agreements	593,320.03	-	-	593,320.03	-	1615	ROU - Tenancy Agreements	593,320.03	-	-	593,320.03
1616	ROU - Accumulated Depreciation - Tenancy Agreements	-	593,320.03	-	-	593,320.03	1616	ROU - Accumulated Depreciation - Tenancy Agreements	-	560,357.77	32,962.26	-
1695	Exploration & Evaluation	25,027.50	-	-	25,027.50	-	1695	Exploration & Evaluation	25,027.50	-	-	25,027.50
1700	Resource Properties	1,271,220.42	-	-	1,271,220.42	-	1700	Resource Properties	1,269,953.72	1,266.70	-	1,271,220.42
1710	Resource Properties - Accumulated Depletion	-	-	-	-	-	1710	Resource Properties - Accumulated Depletion	-	-	-	-
1720	Resource Properties - ARO	-	-	-	-	-	1720	Resource Properties - ARO	-	-	-	-
1730	Resource Properties - ARO - Accumulated Amortization	-	-	-	-	-	1730	Resource Properties - ARO - Accumulated Amortization	-	-	-	-
1750	Reclamation Security	1,042,762.72	48,083.23	-	1,090,845.95	-	1750	Reclamation Security	1,047,581.57	43,264.38	-	1,090,845.95
1760	Reclamation Trust	-	-	-	-	-	1760	Reclamation Trust	-	-	-	-
1765	Severance Trust	190,000.00	-	-	190,000.00	-	1765	Severance Trust	190,000.00	-	-	190,000.00
1800	Deferred Tax Asset	-	-	-	-	-	1800	Deferred Tax Asset	-	-	-	-
1810	Investment	981,643.47	-	-	981,643.47	-	1810	Investment	981,643.47	-	-	981,643.47
1820	Due From RLF Canada Holdings Limited	0	0	-	0	-	1820	Due From RLF Canada Holdings Limited	0	0	-	0
1830	Due From 2161889 AB Ltd.	-	-	-	-	-	1830	Due From 2161889 AB Ltd.	-	-	-	-
1840	Due From JMB Estate	-	-	-	-	-	1840	Due From JMB Estate	-	-	-	-
1850	Goodwill	-	-	-	-	-	1850	Goodwill	-	-	-	-
1860	Long Term Prepaid Expenses	-	-	-	-	-	1860	Long Term Prepaid Expenses	-	-	-	-
1865	Long Term Deposits & Retainers	42,700.00	-	5,500.00	37,200.00	-	1865	Long Term Deposits & Retainers	52,700.00	-	15,500.00	37,200.00
1870	Capitalized Financing Fee	-	-	-	-	-	1870	Capitalized Financing Fee	-	-	-	-
1875	Intangible Asset - Option Lands	-	-	-	-	-	1875	Intangible Asset - Option Lands	-	-	-	-
2000	Accounts Payable	505,852.35	-	181,506.00	-	687,358.35	2000	Accounts Payable	330,874.63	-	356,483.72	-
2010	Accrued Liabilities	157,981.73	69,542.82	-	88,438.91	-	2010	Accrued Liabilities	52,875.53	-	35,563.38	-
2020	Employee Health Plan Payable	-	-	-	-	-	2020	Employee Health Plan Payable	-	-	-	-
2030	Other Employee Benefits Payable	407.69	407.69	-	-	-	2030	Other Employee Benefits Payable	-	-	-	-
2040	Garnishment Payable	-	-	-	-	-	2040	Garnishment Payable	-	-	-	-
2045	Maintenance Payment Payable	-	-	-	-	-	2045	Maintenance Payment Payable	-	-	-	-
2050	Deferred Revenue	-	-	-	-	-	2050	Deferred Revenue	-	-	-	-
2060	Wages Payable	74,007.81	54,728.81	-	19,279.00	-	2060	Wages Payable	-	-	19,279.00	-
2070	Bonus Payable	-	-	-	-	-	2070	Bonus Payable	-	-	-	-
2080	Accrued Wages	9,380.77	-	6,253.84	15,634.61	-	2080	Accrued Wages	15,153.85	-	480.76	-
2090	Vacation Payable	30,068.43	-	2,354.41	32,422.84	-	2090	Vacation Payable	21,123.05	-	11,299.79	-
2095	Accrued Salary Vacation	684.17	-	456.12	1,140.29	-	2095	Accrued Salary Vacation	1,103.27	-	37.02	-
2100	Subcontractor Holdback Payable	-	-	-	-	-	2100	Subcontractor Holdback Payable	-	-	-	-
2110	Income Tax Payable	21,145.66	21,145.66	-	-	-	2110	Income Tax Payable	-	-	-	-
2120	Canada Pension Plan Payable	6,984.36	6,984.36	-	-	-	2120	Canada Pension Plan Payable	-	-	-	-
2130	Employment Insurance Payable	2,364.44	2,364.44	-	-	-	2130	Employment Insurance Payable	-	-	-	-
2140	Accrued WCB Liability	394.37	-	1,525.97	-	1,131.60	2140	Accrued WCB Liability	-	-	1,131.60	-
2150	GST Collected	-	-	-	-	-	2150	GST Collected	-	-	-	-
2160	GST Paid	0	0	-	0	-	2160	GST Paid	0	0	-	0
2170	GST Liability	4,098.95	-	2,416.71	-	6,515.66	2170	GST Liability	1,227.59	-	5,288.07	-
2175	HST NS Collected	-	-	-	-	-	2175	HST NS Collected	-	-	-	-
2176	HST NS Paid	-	-	-	-							

2635 Alberta Auto Finance Lease 11145 - PT004	30,584.09	1,169.35		29,414.74	2635 Alberta Auto Finance Lease 11145 - PT004	36,303.40	6,888.66		
2640 Alberta Auto Finance Lease 11146 - PT005	26,861.39	1,043.08		25,818.31	2640 Alberta Auto Finance Lease 11146 - PT005	31,983.18	6,164.87		
2800 CAFO Financing	57,348.39	6,372.21		50,976.18	2800 CAFO Financing	31,707.14		19,269.04	
2850 Current Portion of Long Term Debt (Contra)	1,226,917.69	148,006.06	1,374,923.75		2850 Current Portion of Long Term Debt (Contra)	567,185.76	807,737.99		1,374,923.75
2855 Current Portion of Lease Obligation (Contra)	31,581.03	224.37	31,805.40		2855 Current Portion of Lease Obligation (Contra)	66,804.68		34,999.28	31,805.40
3900 Class A Common Shares	-	-	-	-	3900 Class A Common Shares	-	-	-	-
3901 Class A Perferred Shares	-	-	-	-	3901 Class A Perferred Shares	-	-	-	-
3910 Additional Paid-In-Capital	58,645,798.55	-	58,645,798.55		3910 Additional Paid-In-Capital	58,645,798.55	-	-	-
3920 Shares To Be Issued	242,403.14	-	242,403.14		3920 Shares To Be Issued	242,403.14	-	-	-
3930 Current Earnings	-	-	-	-	3930 Current Earnings	-	-	-	-
3940 Retained Earnings - Adjustment	63,620,898.50	-	63,620,898.50		3940 Retained Earnings - Adjustment	63,620,898.50	-	-	63,620,898.50
3950 Retained Earnings	-264,966.49	0	264,966.49		3950 Retained Earnings	-264,966.49	0	-	264,966.49
3960 Dividends Paid	-	-	-	-	3960 Dividends Paid	-	-	-	-
4010 Crushing Sales	132,760.00	-	132,760.00		4010 Crushing Sales	-	-	132,760.00	-
4020 Aggregate Sales	594,096.02	329,769.23	923,865.25		4020 Aggregate Sales	-	-	923,865.25	-
4025 Aggregate Sales - Pre-Existing Inventory	-	-	-	-	4025 Aggregate Sales - Pre-Existing Inventory	-	-	-	-
4040 Trucking Revenue	-	-	-	-	4040 Trucking Revenue	-	-	-	-
4050 Earthworks Revenue	-	-	-	-	4050 Earthworks Revenue	-	-	-	-
4060 Other Revenue	42,667.41	1,549.99	44,217.40		4060 Other Revenue	-	-	44,217.40	-
6000 Wages - Direct	-	-	-	-	6000 Wages - Direct	-	-	-	-
6005 Wages - Aggregate Processing	212,613.16	41,288.76	253,901.92		6005 Wages - Aggregate Processing	-	253,901.92	-	253,901.92
6006 Direct Wages - Load & Scale	23,390.73	7,284.96	30,675.69		6006 Direct Wages - Load & Scale	-	30,675.69	-	30,675.69
6007 Direct Wages - Stockpile	-	-	-	-	6007 Direct Wages - Stockpile	-	-	-	-
6008 Direct Wages - Pit Work	21,566.44	14,306.16	35,872.60		6008 Direct Wages - Pit Work	-	35,872.60	-	35,872.60
6010 Subcontractors - Crushing	23,244.35	-	23,244.35		6010 Subcontractors - Crushing	-	23,244.35	-	23,244.35
6020 Subcontractors - Trucking	2,202.04	3,180.38	5,382.42		6020 Subcontractors - Trucking	-	5,382.42	-	5,382.42
6030 Subcontractors - Trucking Inventory Transfer	-	-	-	-	6030 Subcontractors - Trucking Inventory Transfer	-	-	-	-
6040 Subcontractors - Clearing & Stripping	53,188.65	-	53,188.65		6040 Subcontractors - Clearing & Stripping	-	53,188.65	-	53,188.65
6045 Subcontractors - Load & Scale	-	-	-	-	6045 Subcontractors - Load & Scale	-	-	-	-
6047 Subcontractors - Mob/Demob	43,195.87	4,010.00	47,205.87		6047 Subcontractors - Mob/Demob	-	47,205.87	-	47,205.87
6050 Subcontractors - Other	2,164.92	-	2,164.92		6050 Subcontractors - Other	-	2,164.92	-	2,164.92
6055 Subcontractors - Other Aggregate Processing	-	-	-	-	6055 Subcontractors - Other Aggregate Processing	-	-	-	-
6060 Royalty Expense	48,943.40	21,282.25	70,225.65		6060 Royalty Expense	-	70,225.65	-	70,225.65
6061 Royalty Expense - Inventory Transfer	-	-	-	-	6061 Royalty Expense - Inventory Transfer	-	-	-	-
6065 Cost of Goods Sold - Parts	-	-	-	-	6065 Cost of Goods Sold - Parts	-	-	-	-
6066 Equipment Fuel - Pit Work	9,870.00	7,351.20	17,221.20		6066 Equipment Fuel - Pit Work	-	17,221.20	-	17,221.20
6067 Equipment Fuel - Production	100,216.74	37,646.49	137,863.23		6067 Equipment Fuel - Production	-	137,863.23	-	137,863.23
6068 Equipment Fuel - Stockpile	0	0	0		6068 Equipment Fuel - Stockpile	0	0	-	0
6069 Equipment Fuel - Load & Scale	8,660.00	3,992.20	12,652.20		6069 Equipment Fuel - Load & Scale	-	12,652.20	-	12,652.20
6070 Equipment Diesel/Marked	1,562.32	1,562.32	-		6070 Equipment Diesel/Marked	-	-	-	-
6080 Equipment Diesel/Clear	502.88	-	502.88		6080 Equipment Diesel/Clear	-	502.88	-	502.88
6090 Equipment Gasoline	-	-	-	-	6090 Equipment Gasoline	-	-	-	-
6100 Equipment Propane	575.60	-	575.60		6100 Equipment Propane	-	575.60	-	575.60
6110 Equipment Oil	1,924.89	-	1,924.89		6110 Equipment Oil	-	1,924.89	-	1,924.89
6120 Equipment Lubricants/Grease	8,002.94	-	8,002.94		6120 Equipment Lubricants/Grease	-	8,002.94	-	8,002.94
6130 Gravel Testing	7,126.60	1,825.20	8,951.80		6130 Gravel Testing	-	8,951.80	-	8,951.80
6140 Gravel Purchase	-	-	-	-	6140 Gravel Purchase	-	-	-	-
6150 Highway Transport Permits	-	-	-	-	6150 Highway Transport Permits	-	-	-	-
6160 Road Usage Fees	1,419.72	1,232.66	2,652.38		6160 Road Usage Fees	-	2,652.38	-	2,652.38
6170 Jobsite Lodging	21,125.00	8,875.00	30,000.00		6170 Jobsite Lodging	-	30,000.00	-	30,000.00
6180 Jobsite Meals	-	-	-	-	6180 Jobsite Meals	-	-	-	-
6190 Jobsite Allowances	18,715.50	5,371.00	24,086.50		6190 Jobsite Allowances	-	24,086.50	-	24,086.50
6200 Production Consumables	1,942.38	358.67	2,301.05		6200 Production Consumables	-	2,301.05	-	2,301.05
6210 Project Penalties	-	-	-	-	6210 Project Penalties	-	-	-	-
6220 Net Changes In Aggregate Inventory	318,322.35	130,615.86	448,938.21		6220 Net Changes In Aggregate Inventory	-	-	448,938.21	-
6230 Direct Contract Costs - Contra	0	0	0		6230 Direct Contract Costs - Contra	0	0	-	0
6240 Amortization - Direct Contract Costs	-	-	-	-	6240 Amortization - Direct Contract Costs	-	-	-	-
7000 Wages - Indirect	29,863.12	5,875.84	35,738.96		7000 Wages - Indirect	-	35,738.96	-	35,738.96
7010 Wages - Allowances	-	-	-	-	7010 Wages - Allowances	-	-	-	-
7020 Third Party R&M - Crushing	35,717.26	7,434.00	43,151.26		7020 Third Party R&M - Crushing	-	43,151.26	-	43,151.26
7030 Third Party R&M - Earthworks	15,600.87	10,796.41	26,397.28		7030 Third Party R&M - Earthworks	-	26,397.28	-	26,397.28
7040 Third Party R&M - Trucking	-	-	-	-	7040 Third Party R&M - Trucking	-	-	-	-
7050 Third Party R&M - Vehicles	225.65	-	225.65		7050 Third Party R&M - Vehicles	-	225.65	-	225.65
7060 Parts Expense - Crushing Equipment	45,904.25	6,586.64	52,490.89		7060 Parts Expense - Crushing Equipment	-	52,490.89	-	52,490.89
7070 Parts Expense - Earthworks Equipment	11,767.30	537.41	12,304.71		7070 Parts Expense - Earthworks Equipment	-	12,304.71	-	12,304.71
7080 Parts Expense - Trucking Equipment	-	-	-	-	7080 Parts Expense - Trucking Equipment	-	-	-	-
7090 Parts Expense - Vehicles	94.43	-	94.43		7090 Parts Expense - Vehicles	-	94.43	-	94.43
7100 Equipment Rentals - Crushing	145,291.63	46,040.42	191,332.05		7100 Equipment Rentals - Crushing	-	191,332.05	-	191,332.05
7110 Equipment Rentals - Pit Work	-	-	-	-	7110 Equipment Rentals - Pit Work	-	-	-	-
7120 Equipment Rentals - Trucking	-	-	-	-	7120 Equipment Rentals - Trucking	-	-	-	-
7130 Equipment Rentals - Vehicles	-	-	-	-	7130 Equipment Rentals - Vehicles	-	-	-	-
7140 Fuel - Pickup Trucks & Shop Equipment	4,250.33	1,847.38	6,097.71		7140 Fuel - Pickup Trucks & Shop Equipment	-	6,097.71	-	6,097.71
7150 Performance Bonds	-	-	-	-	7150 Performance Bonds	-	-	-	-
7160 Third Party Shop Services	842.26	36.75	879.01		7160 Third Party Shop Services	-	879.01	-	879.01
7170 Shop Personnel Lodging	0	0	0		7170 Shop Personnel Lodging	0	0	-	0
7180 Shop Personnel Meals	-	-	-	-	7180 Shop Personnel Meals	-	-	-	-
7190 Shop Supplies	8.97	-	8.97		7190 Shop Supplies	-	8.97	-	8.97
7200 Small Tools	3,607.80	1,181.78	4,789.58		7200 Small Tools	-	4,789.58	-	4,789.58
7210 Freight Expense	200.00	-	200.00		7210 Freight Expense	-	200.00	-	200.00
7220 Safety Supplies	1,543.76	-	1,543.76		7220 Safety Supplies	-	1,543.76	-	1,543.76
7230 Vehicle Licensing & Registration	859.00	-	859.00		7230 Vehicle Licensing & Registration	-	859.00	-	859.00
7240 Trucking Licensing & Registration	-	-	-	-	7240 Trucking Licensing & Registration	-	-	-	-
7250 Droning	-	-	-	-	7250 Droning	-	-	-	-
7255 Net Changes in Aggregate Inv. - Indirect	80,441.58	27,871.26	108,312.84		7255 Net Changes in Aggregate Inv. - Indirect	-	-	108,312.84	-
7260 Depreciation - Pickup Trucks	2,541.19	504.87	3,046.06		7260 Depreciation - Pickup Trucks	-	3,046.06	-	3,046.06
7265 Depreciation - Crushing & Earthmoving Equipment	129,552.92	25,405.02	154,957.94		7265 Depreciation - Crushing & Earthmoving Equipment	-	154,957.94	-	154,957.94
7270 Depreciation - Heavy Trucks	95.18	18.91	114.09		7270 Depreciation - Heavy Trucks	-	114.09	-	114.09
7275 Depreciation - Furniture & Fixtures	513.35	101.99	615.34		7275 Depreciation - Furniture & Fixtures	-	615.34	-	615.34
7280 Depreciation - Shop Equipment	116.86	23.22	140.08		7280 Depreciation - Shop Equipment	-	140.08	-	140.08
7285 Depreciation - IT Equipment	1,554.05	443.71	1,997.76		7285 Depreciation - IT Equipment	-	1,997.76	-	1,997.76
7290 Depreciation - Software Development	916.62	182.11	1,098.73		7290 Depreciation - Software Development	-	1,098.73	-	1,098.73
7300 Depreciation - ROU Earthworks Equipment	-	-	-	-	7300 Depreciation - ROU Earthworks Equipment	-	-	-	-
7310 Depreciation - ROU Trucking Equipment	-	-	-	-	7310 Depreciation - ROU Trucking Equipment	-	-	-	-
7320 Depreciation - ROU Crushing Equipment	0	0	0		7320 Depreciation - ROU Crushing Equipment	0	0	-	0
7330 Depreciation - ROU Vehicles	11,508.75	2,301.75	13,810.50		7330 Depreciation - ROU Vehicles	-	13,810.50	-	13,810.50
7335 Depreciation - ROU IT Equipment	1,666.65	333.33	1,999.98		7335 Depreciation - ROU IT Equipment	-	1,999.98	-	1,999.98
7350 Amortization - Pit Development	-	-	-	-	7350 Amortization - Pit Development	-	-	-	-
7360 Amortization - ARO (Pit Development)	-	-	-	-	7360 Amortization - ARO (Pit Development)	-	-	-	-
7361 Amortization - ARO (Production)	-	-	-	-	7361 Amortization - ARO (Production)	-	-	-	-
8000 Wages - General & Administration	372,095.09	71,923.27	444,018.36		8000 Wages - General & Administration	-	444,018.36	-	444,018.36
8010 Employment Insurance Expense	13,510.04	2,358.18	15,868.22		8010 Employment Insurance Expense	-	15,868.22	-	15,868.22
8020 Canada Pension Plan Expense	34,487.35	5,948.33	40,435.68		8020 Canada Pension Plan Expense	-	40,435.68	-	40,435.68
8030 WCB Expense	8,530.53	1,525.97	10,056.50		8030 WCB Expense	-	10,056.50	-	10,056.50
8040 WCB PIR Refund	1,730.02	-	1,730.02		8040 WCB PIR Refund	-	-	1,730.02	-
8045 Wages Burden (Contra)	16,399.52	-	16,399.52		8045 Wages Burden (Contra)	-	-	16,399.52	-
8050 Payroll Payments To Be Coded	-	-	-	-	8050 Payroll Payments To Be Coded	-	-	-	-
8060 Bonus Expense	-	-	-	-	8060 Bonus Expense	-	-	-	-
8065 Employee RRSP Plan	4,484.59	815.38	5,299.97		8065 Employee RRSP Plan	-	5,299.97	-	5,299.97
8070 Group Benefit Plan	12,617.21	3,279.13	15,896.34		8070 Group Benefit Plan	-	15,896.34	-	15,896.34
8080 Insurance	31,387.90	6,087.25	37,475.15		8080 Insurance	-	37,475.15	-	37,475.15
8090 Accounting Fees	79,057.50	8,560.00	87,617.50		8090 Accounting Fees	-	87,617.50	-	87,617.50
8100 Legal Fees	60,650.91	3,091.00	63,741.91		8100 Legal Fees	-	63,741.91	-	63,741.91
8110 Other Professional Services	3927.5	0	3927.5		8110 Other Professional Services	0	3927.5	-	3927.5
8120 Utilities	10,773.54	863.44	11,636.98		8120 Utilities	-	11,636.98	-	11,636.98
8130 Property Rent	39,997.95	8,543.75	48,541.70		8130 Property Rent	-	48,541.70	-	48,541.70
8140 Property Taxes	13,843.90	1,914.68	15,758.58		8140 Property Taxes	-	15,758.58	-	15,758.58
8150 Depreciation - Capitalized Property Lease	32,962.26	-	32,962.26		8150 Depreciation - Capitalized Property Lease	-	32,962.26	-	32,962.26
8155 AEP Rental Charges	5,033.16	500.00	5,033.16		8155 AEP Rental Charges	-	5,033.16	-	5,033.16
8156 Environmental Monitoring	-	-	-	-	8156 Environmental Monitoring	-	-	-	-
8160 Advertising & Promotions	1,253.32	500.00	1,753.32		8160 Advertising & Promotions	-	1,753.32	-	1,753.32
8170 Sponsorship	-	-	-	-	8170 Sponsorship	-	-	-	-
8180 Donations To Registered Charities	-	250.00	250.00		8180 Donations To Registered Charities	-	250.00	-	250.00
8190 Search Engine Optimization	-	-	-	-	8190 Search Engine Optimization	-	-	-	-
8200 Subscriptions	-	-	-	-	8200 Subscriptions	-	-	-	-
8210 Dues & Licenses	1,985.12	558.41	2,543.53		8210 Dues & Licenses	-	2,543.53	-	2,543.53
8220 Office Supplies	1,853.93	162.38	2,016.31		8220 Office Supplies	-	2,016.31	-	2,016.31
8230 Office Services	4,344.76	902.76	5,247.52		8230				

8360 Professional Development	825.00	-	825.00		8360 Professional Development	-	825.00	825.00
8370 Safety Training	2,142.95	221.00	2,363.95		8370 Safety Training	-	2,363.95	2,363.95
8380 Employment Testing	-	-	-		8380 Employment Testing	-	-	-
8390 Recruitment Expense	-	-	-		8390 Recruitment Expense	-	-	-
8400 Gifts	-	-	-		8400 Gifts	-	-	-
8410 Startup Costs	-	-	-		8410 Startup Costs	-	-	-
8420 To Be Coded	-	-	-		8420 To Be Coded	-	-	-
9000 Interest - Financed Assets	251,018.50	56,387.62	307,406.12		9000 Interest - Financed Assets	-	307,406.12	307,406.12
9001 Interest - Operating Line	24,579.72	6,054.28	30,634.00		9001 Interest - Operating Line	-	30,634.00	30,634.00
9005 Interest - Early Break Fees	-	-	-		9005 Interest - Early Break Fees	-	-	-
9010 Interest - Capital Leases	2460.17	403.32	2863.49		9010 Interest - Capital Leases	0	2863.49	2863.49
9020 Interest - Receiver General & Non-Deductible Penalties	-	-	-		9020 Interest - Receiver General & Non-Deductible Penalties	-	-	-
9030 Interest - Provincial Treasurer	-	-	-		9030 Interest - Provincial Treasurer	-	-	-
9040 Interest - Trade Accounts	173.89	-	173.89		9040 Interest - Trade Accounts	-	173.89	173.89
9050 Interest - Credit Cards	650.36	13.89	664.25		9050 Interest - Credit Cards	-	664.25	664.25
9060 Interest - Income	-	1,520.19	236.23	1,756.42	9060 Interest - Income	-	-	1,756.42
9070 Fees - Financing	29,772.75	6,783.73	36,556.48		9070 Fees - Financing	-	36,556.48	36,556.48
9080 Fees - Loan Prepayment	-	-	-		9080 Fees - Loan Prepayment	-	-	-
9090 Fees - Transaction	-	-	-		9090 Fees - Transaction	-	-	-
9095 Other Income	-	20,102.99	-	20,102.99	9095 Other Income	-	-	20,102.99
9100 Debt Settlement	-	-	-		9100 Debt Settlement	-	-	-
9110 Bad Debt	-	-	-		9110 Bad Debt	-	-	-
9115 Discounts	-	-	-		9115 Discounts	-	-	-
9116 Loss (Gain) On FV Change of Contingent Consideration	326.96	5,231.33	5,558.29		9116 Loss (Gain) On FV Change of Contingent Consideration	-	5,558.29	5,558.29
9120 Loss (Gain) From Investment - Atlas	-	-	-		9120 Loss (Gain) From Investment - Atlas	-	-	-
9130 Loss (Gain) On Disposal Of Asset	4,175.91	-	25,999.82	21,823.91	9130 Loss (Gain) On Disposal Of Asset	-	-	21,823.91
9140 Loss (Gain) On De-Recognition Of Asset - Mineral Properties	-	-	-		9140 Loss (Gain) On De-Recognition Of Asset - Mineral Properties	-	-	-
9150 Loss (Gain) On Foreign Exchange - Unrealized	-	-	-		9150 Loss (Gain) On Foreign Exchange - Unrealized	-	-	-
9160 Loss (Gain) On Foreign Exchange - Realized	-	-	-		9160 Loss (Gain) On Foreign Exchange - Realized	-	-	-
9165 Loss (Gain) On Disposal of ARO	282,908.10	-	282,908.10		9165 Loss (Gain) On Disposal of ARO	-	282,908.10	282,908.10
9170 Provision For Expected Credit Loss	-	-	-		9170 Provision For Expected Credit Loss	-	-	-
9180 Write Down (Up) - Parts Inventory	-	-	-		9180 Write Down (Up) - Parts Inventory	-	-	-
9190 Write Down (Up) - Sand & Gravel Inventory	-	-	-		9190 Write Down (Up) - Sand & Gravel Inventory	-	-	-
9200 Write Down (Up) - Mineral Properties Development	-	-	-		9200 Write Down (Up) - Mineral Properties Development	-	-	-
9210 Write Down (Up) - Reclamation Obligation	-	-	-		9210 Write Down (Up) - Reclamation Obligation	-	-	-
9220 Current Income Tax Expense	-	-	-		9220 Current Income Tax Expense	-	-	-
9230 Future Income Tax Expense	0	0	0		9230 Future Income Tax Expense	0	0	0
9240 Provision For Income Tax Expense	-	-	-		9240 Provision For Income Tax Expense	-	-	-
9300 Clearing Account	-	-	-		9300 Clearing Account	-	-	-
		1,712,137.66	1,712,137.66	79,801,658.76		4,846,074.10	4,846,074.10	79,801,658.76

Mapping Formula's						
YTD Credits	BS & IS Month-to-Date Amount	BS & IS Year-to-Date Amount	BS & IS Account Map	Cash Account Map	Cash Year-to-Date Balance	Cash Month-to-Date Balance
	-	288.75	Cash	Beginning Cash Balance	2,775.00	-
	-	-	Reclamation Security	Change in Other Current Assets	-	-
	-	129,519.75	Cash	Beginning Cash Balance	(90,343)	(128,245)
	-	688,330.92	Accounts Receivable	Change in Accounts Receivable	120,402.11	(248,112)
	-	-	- Other Receivable	Change in Accounts Receivable	-	-
	-	-	- Other Receivable	Change in Accounts Receivable	-	243,740.00
	-	41,090.75	Other Receivable	Change in Accounts Receivable	(41,091)	(41,091)
	-	32,128.00	Other Receivable	Change in Accounts Receivable	157,197.50	(32,128)
	-	-	- Other Receivable	Change in Accounts Receivable	-	-
	-	-	- Tax Receivable	Change in Tax Payable	-	8,649.04
	-	58,379.10	Prepaid Expenses & Deposits	Change in Other Current Assets	(22,161)	59,864.48
	-	73,587.50	Prepaid Expenses & Deposits	Change in Other Current Assets	(6,838)	-
	-	-	- Other Receivable	Change in Accounts Receivable	-	-
	-	-	- Other Receivable	Change in Accounts Receivable	-	-
	-	54.98	Other Receivable	Change in Accounts Receivable	(55)	(55)
	-	-	- Contract Asset	Change in Other Current Assets	-	-
	-	-	- Other Receivable	Change in Accounts Receivable	-	-
	-	-	- Assets Held for Sale	Change in Gravel Inventory	-	-
	-	16,540.59	Work In Process	Change in Work In Process	-	-
	-	-	- Work In Process	Change in Work In Process	-	-
	-	60,611.73	Gravel Inventory - ATB	Change in Gravel Inventory	-	-
	-	1,101,185.21	Gravel Inventory	Change in Gravel Inventory	(447,016)	(128,694)
	-	244,509.42	Gravel Inventory	Change in Gravel Inventory	(110,235)	(29,793)
	-	-	- Parts Inventory	Change in Parts Inventory	-	-
	-	37,386.41	Property, Plant & Equipment	Change in PP&E	-	-
12,123.38	-	(12,123)	Accumulated Depreciation - Property, Plant & Equip.	Depreciation	3,046.06	504.87
636,677.49	-	1,914,831.91	Property, Plant & Equipment	Change in PP&E	19,691.90	59,177.80
	-	(636,677)	Accumulated Depreciation - Property, Plant & Equip.	Depreciation	133,389.20	3,836.28
	-	1,603.59	Property, Plant & Equipment	Change in PP&E	-	-
406.90	-	(407)	Accumulated Depreciation - Property, Plant & Equip.	Depreciation	114.09	18.91
	-	34,289.59	Property, Plant & Equipment	Change in PP&E	-	-
25,271.35	-	(25,271)	Accumulated Depreciation - Property, Plant & Equip.	Depreciation	615.34	101.99
	-	18,751.75	Property, Plant & Equipment	Change in PP&E	-	-
15,604.08	-	(15,604)	Accumulated Depreciation - Property, Plant & Equip.	Depreciation	140.08	23.22
	-	128,583.75	Property, Plant & Equipment	Change in PP&E	(7,017)	(7,017)
99,357.91	-	(99,358)	Accumulated Depreciation - Property, Plant & Equip.	Depreciation	1,997.76	443.71
	-	14,412.00	Property, Plant & Equipment	Change in PP&E	-	-
6,684.03	-	(6,684)	Accumulated Depreciation - Property, Plant & Equip.	Depreciation	1,098.73	182.11
	-	-	- Property, Plant & Equipment	Change in PP&E	-	-
	-	-	- Accumulated Depreciation - Property, Plant & Equip.	Depreciation	-	-
	-	-	- Property, Plant & Equipment	Change in PP&E	-	-
	-	112,357.25	Right of Use Asset	Change in PP&E	-	-
59,416.89	-	(59,417)	Accumulated Depreciation - Right of Use Asset	Depreciation	13,810.50	2,301.75
	-	-	- Right of Use Asset	Change in PP&E	-	-
	-	-	- Accumulated Depreciation - Right of Use Asset	Depreciation	-	-
	-	-	- Right of Use Asset	Change in PP&E	-	-
	-	-	- Accumulated Depreciation - Right of Use Asset	Depreciation	-	-
	-	-	- Right of Use Asset	Change in PP&E	-	-
	-	-	- Accumulated Depreciation - Right of Use Asset	Depreciation	-	-
	-	-	- Right of Use Asset	Change in PP&E	-	-
	-	-	- Accumulated Depreciation - Right of Use Asset	Depreciation	-	-
7,999.92	-	12,000.00	Right of Use Asset	Change in PP&E	-	-
	-	(8,000)	Accumulated Depreciation - Right of Use Asset	Depreciation	1,999.98	333.33
	-	593,320.03	Right of Use Asset	Change in PP&E	-	-
593,320.03	-	(593,320)	Accumulated Depreciation - Right of Use Asset	Depreciation	32,962.26	-
	-	25,027.50	Mineral Properties	Change in Other Long Term Assets	-	-
	-	1,271,220.42	Mineral Properties	Change in Other Long Term Assets	(1,267)	-
	-	-	- Mineral Properties	Change in Other Long Term Assets	-	-
	-	-	- Mineral Properties	Change in Other Long Term Assets	-	-
	-	-	- Mineral Properties	Change in Other Long Term Assets	-	-
	-	1,090,845.95	Reclamation Security	Change in Other Current Assets	(43,264)	(48,083)
	-	-	- Reclamation Trust	Change in Other Current Assets	-	-
	-	190,000.00	Severance Trust	Change in Other Current Assets	-	-
	-	-	- Deferred Tax Asset	Change in Tax Payable	-	-
	-	981,643.47	Investment	Change in Investment	-	-
	-	-	- Other Receivable	Change in Accounts Receivable	-	-
	-	-	- Due From JMB Estate	Change in Amounts to Due to Related Party	-	-
	-	-	- Due From JMB Estate	Change in Amounts to Due to Related Party	-	-
	-	-	- Goodwill	Change in Other Current Assets	-	-
	-	-	- Long Term Prepaid Expenses & Deposits	Change in Other Long Term Assets	-	-
	-	37,200.00	Long Term Prepaid Expenses & Deposits	Change in Other Long Term Assets	15,500.00	5,500.00
	-	-	- Capitalized Financing Fee	Change in Other Long Term Assets	-	-
	-	-	- Mineral Properties	Change in Other Long Term Assets	-	-
687,358.35	-	(687,358)	Accounts Payable	Change in Accounts Payable	356,483.72	181,506.00
88,438.91	-	(88,439)	Accrued Liabilities	Change in Accounts Payable	35,563.38	(69,543)
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	(408)
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
19,279.00	-	(19,279)	Wages Payable	Change in Accounts Payable	19,279.00	(54,729)
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
15,634.61	-	(15,635)	Accrued Liabilities	Change in Accounts Payable	480.76	6,253.84
32,422.84	-	(32,423)	Vacation Payable	Change in Accounts Payable	11,299.79	2,354.41
1,140.29	-	(1,140)	Vacation Payable	Change in Accounts Payable	37.02	456.12
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	(21,146)
	-	-	- Tax Payable	Change in Tax Payable	-	(6,984)
	-	-	- Tax Payable	Change in Tax Payable	-	(2,364)
1,131.60	-	(1,132)	Tax Payable	Change in Tax Payable	1,131.60	1,525.97
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	-
6,515.66	-	(6,516)	Tax Payable	Change in Tax Payable	5,288.07	2,416.71
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
9.15	-	(9)	Accrued Liabilities	Change in Accounts Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
4,296.92	-	(4,297)	Accrued Liabilities	Change in Accounts Payable	2,623.14	(4,703)
	-	-	- Accrued Liabilities	Change in Accounts Payable	-	-
1,374.12	-	(1,374)	Accrued Liabilities	Change in Accounts Payable	684.82	884.12
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Tax Payable	Change in Tax Payable	-	-
1,374,923.75	-	(1,374,924)	Current Portion of LTD	Change in Long Term Debt	807,737.99	148,006.06
31,805.40	-	(31,805)	CPLTD Under Lease Obligation	Change in Long Term Debt	(34,999)	224.37
	-	-	- Accrued Reclamation Obligation	Change in Other Current Assets	-	-
3,666,893.21	-	(3,666,893)	Accrued Reclamation Obligation	Change in Other Current Assets	38,925.74	(132,855)
	-	-	- Tax Payable	Change in Tax Payable	-	-
	-	-	- Due to Related Party	Change in Amounts to Due to Related Party	-	-
	-	-	- Fiera Tranche A	Change in Long Term Debt	-	-
402,983.57	-	(4,029,840)	Fiera Tranche A	Change in Long Term Debt	176,203.77	30,569.76
	-	226,210.10	Fiera - Finance Fees (Contra)	Change in Long Term Debt	(83,756)	(46,268)
4,213,065.00	-	(4,213,065)	Fiera Tranche B	Change in Contingent Consideration	(2,531)	(5,970)
	-	-	- Fiera Tranche C	Change in Contingent Consideration	-	-
119,906.76	-	(119,907)	Fiera Tranche D	Change in Long Term Debt	5,242.89	909.59
11,187.77	-	(11,188)	ATB Inventory Facility	Change in Contingent Consideration	(5,755)	(1)
	-	-	- ATB Mortgage	Change in Long Term Debt	-	-
1,065,474.64	-	(1,065,475)	Travellers	Change in Long Term Debt	(154,965)	(66,638)
	-	43,078.33	Travellers - Finance Fees (Contra)	Change in Long Term Debt	17,231.33	2,871.89
481,172.60	-	(481,173)	Crestmark LOC	Change in Revolver	6,589.61	187,072.06
	-	6,802.72	Crestmark - Finance Fees (Contra)	Change in Long Term Debt	4,081.63	680.27
1,774,190.62	-	(1,774,191)	RLF Lender	Change in Long Term Debt	1,078,274.45	244,124.29
	-	7,596.02	Equipment Leases	Change in Lease Obligation	(4,587)	(764)
	-	-	- Property Leases	Change in Lease Obligation	(36,322)	-
4,418.53	-	(4,419)	Equipment Leases	Change in Lease Obligation	(2,044)	(348)

29,414.74	-	(29,415)	Equipment Leases	Change in Lease Obligation	(6,889)	(1,169)
25,818.31	-	(25,818)	Equipment Leases	Change in Lease Obligation	(6,165)	(1,043)
50,976.18	-	(50,976)	Other Long Term Debt	Change in Long Term Debt	19,269.04	(6,372)
	-	1,374,923.75	Current Portion of Long Term Debt (Contra)	Change in Long Term Debt	(807,738)	(148,006)
	-	31,805.40	Current Portion of Lease Obligation (Contra)	Change in Lease Obligation	34,999.28	(224)
	-	-	Share Capital	Change in Equity	-	-
	-	-	Share Capital	Change in Equity	-	-
58,645,798.55	(58,645,799)	-	Share Capital	Change in Equity	-	-
242,403.14	(242,403)	-	Share Capital	Change in Equity	-	-
	-	-	Current Earnings	Change in Equity	-	-
	-	63,620,898.50	Beginning Retained Earnings	Beginning Cash Balance	-	-
	-	2,649,606.49	Beginning Retained Earnings	Change in Equity	-	-
	-	-	Dividends Paid	Change in Dividends	0	-
132,760.00	-	132,760.00	Crushing Sales		0	132,760.00
923,865.25	329,769.23	923,865.25	Aggregate Sales		0	923,865.25
	-	-	Aggregate Sales		0	-
	-	-	Aggregate Sales		0	-
	-	-	Earthworks Revenue		0	-
44,217.40	1,549.99	44,217.40	Other Revenue		0	44,217.40
	-	-	Stockpile		0	-
(41,289)	(253,902)	(253,902)	Aggregate Processing - Wages		(253,902)	(41,289)
(7,285)	(30,676)	(30,676)	Load & Scale		(30,676)	(7,285)
	-	-	Stockpile		0	-
(14,306)	(35,873)	(35,873)	Pit Work - Wages		(35,873)	(14,306)
	(23,244)	(23,244)	Aggregate Processing - Subcontract Crushing		(23,244)	-
(3,180)	(5,382)	(5,382)	Trucking - Subcontractors		(5,382)	(3,180)
	-	-	Inventory Transfer		0	-
	(53,189)	(53,189)	Pit Work - Subcontractors		(53,189)	-
	-	-	Load & Scale		0	-
(4,010)	(47,206)	(47,206)	Mobilization/Demobilization - Subcontractor		(47,206)	(4,010)
	(2,165)	(2,165)	Other - Subcontractors		(2,165)	-
	-	-	Subcontractors - Other Aggregate Processing		0	-
(21,282)	(70,226)	(70,226)	Royalty Expense		(70,226)	(21,282)
	-	-	Inventory Transfer		0	-
	-	-	Other - Cost of Sales		0	-
(7,351)	(17,221)	(17,221)	Pit Work - Fuel		(17,221)	(7,351)
(37,646)	(137,863)	(137,863)	Aggregate Processing - Fuel		(137,863)	(37,646)
	-	-	Stockpile		0	-
(3,992)	(12,652)	(12,652)	Load & Scale		(12,652)	(3,992)
1,562.32	-	-	Stockpile		0	1,562.32
	(503)	(503)	Stockpile		(503)	-
	-	-	Equipment Fuel		0	-
	(576)	(576)	Aggregate Processing - Consumables		(576)	-
	(1,925)	(1,925)	Aggregate Processing - Consumables		(1,925)	-
	(8,003)	(8,003)	Aggregate Processing - Consumables		(8,003)	-
(1,825)	(8,952)	(8,952)	Gravel Testing		(8,952)	(1,825)
	-	-	Net Changes in Aggregate Inventory		0	-
	-	-	Highway Transport Permits		0	-
(1,233)	(2,652)	(2,652)	Road Usage Fees		(2,652)	(1,233)
(8,875)	(30,000)	(30,000)	Aggregate Processing - Wages		(30,000)	(8,875)
	-	-	Aggregate Processing - Wages		0	-
(5,371)	(24,087)	(24,087)	Aggregate Processing - Wages		(24,087)	(5,371)
(359)	(2,301)	(2,301)	Aggregate Processing - Consumables		(2,301)	(359)
	-	-	Project Penalties		0	-
448,938.21	130,615.86	448,938.21	Net Changes in Aggregate Inventory		448,938.21	130,615.86
	-	-	Direct Contract Costs - Contra		0	-
	-	-	Amortization - Direct Contract Costs		0	-
(5,876)	(35,739)	(35,739)	Wages - Indirect		(35,739)	(5,876)
	-	-	Wages - Indirect		0	-
(7,434)	(43,151)	(43,151)	Equipment Repair & Maintenance		(43,151)	(7,434)
(10,796)	(26,397)	(26,397)	Equipment Repair & Maintenance		(26,397)	(10,796)
	-	-	Equipment Repair & Maintenance		0	-
	(226)	(226)	Equipment Repair & Maintenance		(226)	-
(6,587)	(52,491)	(52,491)	Equipment Repair & Maintenance		(52,491)	(6,587)
(537)	(12,305)	(12,305)	Equipment Repair & Maintenance		(12,305)	(537)
	-	-	Equipment Repair & Maintenance		0	-
	(94)	(94)	Equipment Repair & Maintenance		(94)	-
(46,040)	(191,332)	(191,332)	Aggregate Processing - Equipment Rentals		(191,332)	(46,040)
	-	-	Pit Work - Equipment Rentals		0	-
	-	-	Equipment Rentals		0	-
	-	-	Equipment Rentals		0	-
(1,847)	(6,098)	(6,098)	Fuel - Pickup Trucks & Shop Equipment		(6,098)	(1,847)
	-	-	Performance Bonds		0	-
(37)	(879)	(879)	Third Party Shop Services		(879)	(37)
	-	-	Shop Personnel Lodging & Meals		0	-
	-	-	Shop Personnel Lodging & Meals		0	-
	(9)	(9)	Shop Supplies		(9)	-
(1,182)	(4,790)	(4,790)	Small Tools		(4,790)	(1,182)
	(200)	(200)	Freight Expense		(200)	-
	(1,544)	(1,544)	Safety Supplies		(1,544)	-
	(859)	(859)	Licensing & Registration		(859)	-
	-	-	Licensing & Registration		0	-
	-	-	Droning		0	-
108,312.84	27,871.26	108,312.84	Net Changes in Aggregate Inv. - Indirect		108,312.84	27,871.26
(505)	(3,046)	(3,046)	Depreciation - Equipment		(3,046)	(505)
(25,405)	(154,958)	(154,958)	Depreciation - Equipment		(154,958)	(25,405)
(19)	(114)	(114)	Depreciation - Equipment		(114)	(19)
(102)	(615)	(615)	Depreciation - Equipment		(615)	(102)
(23)	(140)	(140)	Depreciation - Equipment		(140)	(23)
(444)	(1,998)	(1,998)	Depreciation - Equipment		(1,998)	(444)
(182)	(1,099)	(1,099)	Depreciation - Equipment		(1,099)	(182)
	-	-	Depreciation - Equipment		0	-
	-	-	Depreciation - Equipment		0	-
	-	-	Depreciation - Equipment		0	-
(2,302)	(13,811)	(13,811)	Depreciation - Equipment		(13,811)	(2,302)
(333)	(2,000)	(2,000)	Depreciation - Equipment		(2,000)	(333)
	-	-	Amortization - Pit Development		0	-
	-	-	Amortization - ARO		0	-
	-	-	Amortization - ARO		0	-
(71,923)	(444,018)	(444,018)	Management Wages		(444,018)	(71,923)
(2,358)	(15,868)	(15,868)	Management Wages		(15,868)	(2,358)
(5,948)	(40,436)	(40,436)	Management Wages		(40,436)	(5,948)
(1,526)	(10,057)	(10,057)	Management Wages		(10,057)	(1,526)
1,730.02	-	1,730.02	WCB PIR Refund		1,730.02	-
16,399.52	16,399.52	16,399.52	Management Wages		16,399.52	-
	-	-	Management Wages		0	-
	-	-	Bonus Expense		0	-
(815)	(5,300)	(5,300)	Group Benefit Plan		(5,300)	(815)
(3,279)	(15,896)	(15,896)	Group Benefit Plan		(15,896)	(3,279)
(6,087)	(37,475)	(37,475)	Insurance		(37,475)	(6,087)
(8,560)	(87,618)	(87,618)	Accounting Fees		(87,618)	(8,560)
(3,091)	(63,742)	(63,742)	Legal Fees		(63,742)	(3,091)
	(3,928)	(3,928)	Other Professional Services		(3,928)	-
(863)	(11,637)	(11,637)	Utilities		(11,637)	(863)
(8,544)	(48,542)	(48,542)	Property Rent		(48,542)	(8,544)
(1,915)	(15,759)	(15,759)	Property Taxes		(15,759)	(1,915)
	(32,962)	(32,962)	Depreciation - Capitalized Property Lease		(32,962)	-
(50)	(5,083)	(5,083)	Property Rent		(5,083)	(50)
	-	-	Dues & Licenses		0	-
(500)	(1,753)	(1,753)	Advertising & Promotions		(1,753)	(500)
	-	-	Advertising & Promotions		0	-
(250)	(250)	(250)	Advertising & Promotions		(250)	(250)
	-	-	Advertising & Promotions		0	-
	-	-	Business Subscriptions		0	-
(558)	(2,544)	(2,544)	Dues & Licenses		(2,544)	(558)
(162)	(2,016)	(2,016)	Office Supplies		(2,016)	(162)
(903)	(5,248)	(5,248)	Office Services		(5,248)	(903)
(1,319)	(1,978)	(1,978)	Small Office Assets		(1,978)	(1,319)
(518)	(5,317)	(5,317)	Bank Service Fees		(5,317)	(518)
(2,063)	(14,323)	(14,323)	Software Subscriptions		(14,323)	(2,063)
(95)	(2,286)	(2,286)	IT Services		(2,286)	(95)
(213)	(2,078)	(2,078)	Internet & Web Hosting		(2,078)	(213)
(1,089)	(6,936)	(6,936)	Communications		(6,936)	(1,089)
(229)	(679)	(679)	Management - Travel & Accommodations		(679)	(229)
	-	-	Management - Travel & Accommodations		0	-
	(8)	(8)	Management - Travel & Accommodations		(8)	-
(6,499)	(25,123)	(25,123)	Management - Vehicle Fuel		(25,123)	(6,499)
(1,761)	(2,771)	(2,771)	Management - Vehicle R&M		(2,771)	(1,761)
(4,469)	(23,368)	(23,368)	Management - Vehicle Allowances		(23,368)	(4,469)
(1,041)	(3,596)	(3,596)	Meals & Entertainment		(3,596)	(1,041)

Mantle Materials Group

Axon to financial reporting workbook account mapping

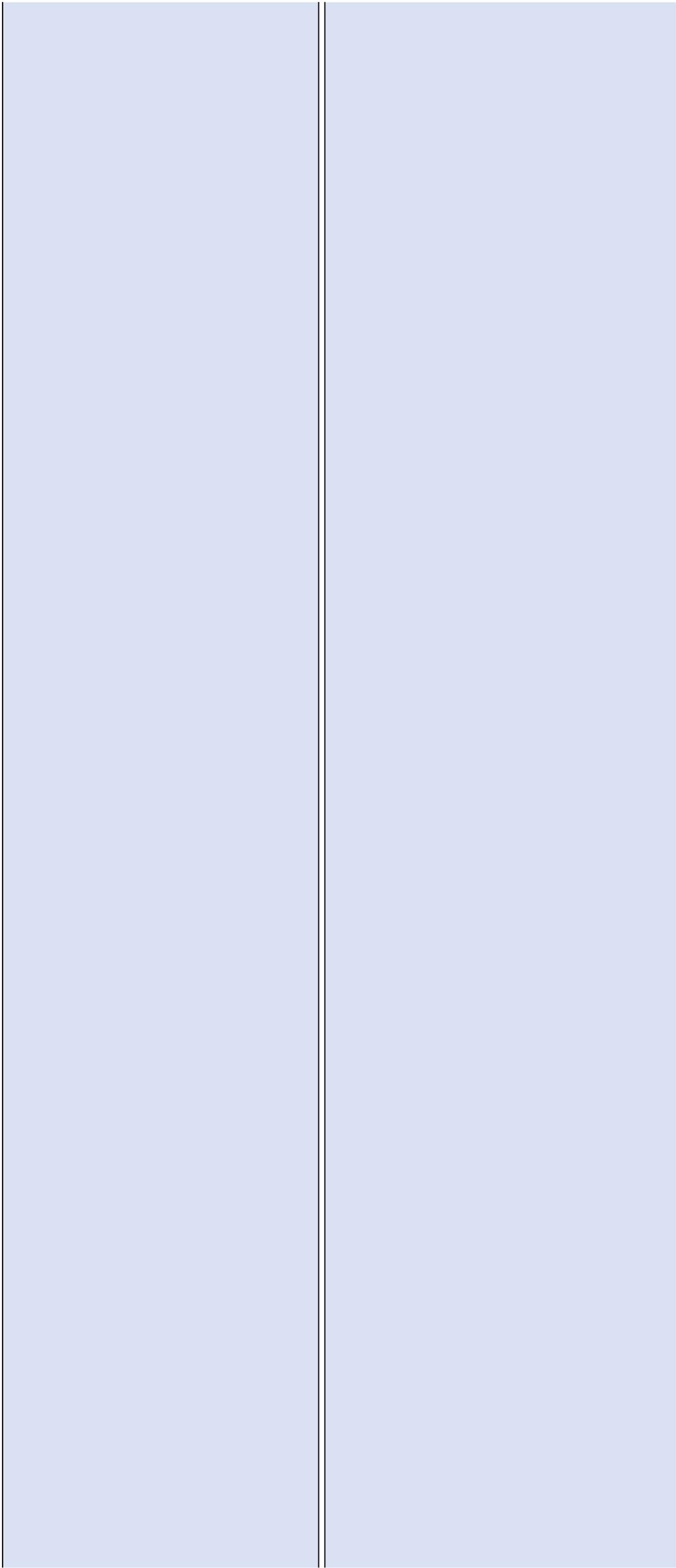
Axon Chart of Accounts		Model Mapped Accounts		Model Accounts				
Account	GL Account Name	Model Account Mapping	Check	Model Cash Mapping	Model Account Name	Check	Mapped Cash Account	Model Cash Account Name
1000	CWB Chequing Account 4186	Cash	TRUE	Beginning Cash Balance	Cash	TRUE	Beginning Cash Balance	Beginning Cash Balance
1001	CWB GIC	Reclamation Security	TRUE	Change in Other Current Assets	Accounts Receivable	TRUE	Change in Accounts Receivable	
1010	TD Chequing Account 7152	Cash	TRUE	Beginning Cash Balance	Other Receivable	TRUE	Change in Accounts Receivable	Cash from operating activities:
1020	Accounts Receivable	Accounts Receivable	TRUE	Change in Accounts Receivable	Prepaid Expenses & Deposits	TRUE	Change in Other Current Assets	Net Income
1030	Pending Accounts Receivable	Other Receivable	TRUE	Change in Accounts Receivable	Assets Held for Sale	TRUE	Change in Gravel Inventory	Depreciation
1040	Revenue In Excess Of Billing	Other Receivable	TRUE	Change in Accounts Receivable	Work In Process	TRUE	Change in Work In Process	Change in Accounts Receivable
1050	Holdbacks Receivable	Other Receivable	TRUE	Change in Accounts Receivable	Gravel Inventory - ATB	TRUE	Change in Gravel Inventory	Change in Accounts Payable
1060	Other Accounts Receivable	Other Receivable	TRUE	Change in Accounts Receivable	Gravel Inventory	TRUE	Change in Gravel Inventory	Change in Gravel Inventory
1070	Expected Credit Loss Provision	Other Receivable	TRUE	Change in Accounts Receivable	Parts Inventory	TRUE	Change in Parts Inventory	Change in Work In Process
1080	GST Receivable	Tax Receivable	TRUE	Change in Tax Payable	Property, Plant & Equipment	TRUE	Change in PP&E	Change in Parts Inventory
1090	Prepaid Expenses	Prepaid Expenses & Deposits	TRUE	Change in Other Current Assets	Accumulated Depreciation - Property, Plant & Equip.	TRUE	Depreciation	Change in Tax Payable
1100	Deposits & Retainers	Prepaid Expenses & Deposits	TRUE	Change in Other Current Assets	Right of Use Asset	TRUE	Change in PP&E	Change in Other Current Assets
1110	Employee Receivable	Other Receivable	TRUE	Change in Accounts Receivable	Accumulated Depreciation - Right of Use Asset	TRUE	Depreciation	
1115	Advances Receivable	Other Receivable	TRUE	Change in Accounts Receivable	Investment	TRUE	Change in Investment	Cash from investing activities:
1116	Arrears Receivable	Other Receivable	TRUE	Change in Accounts Receivable	Long Term Prepaid Expenses & Deposits	TRUE	Change in Other Long Term Assets	Change in PP&E
1120	Contract Asset	Contract Asset	TRUE	Change in Other Current Assets	Due from Related Party	FALSE	Change in Amounts to Due to Related Party	Change in Investment
1130	Short Term Note Receivable	Other Receivable	TRUE	Change in Accounts Receivable	Due from JMB Estate	TRUE	Change in Amounts to Due to Related Party	Change in Other Long Term Assets
1140	Assets Held for Sale	Assets Held for Sale	TRUE	Change in Gravel Inventory	Mineral Properties	TRUE	Change in Other Long Term Assets	
1142	Work In Process (Direct)	Work In Process	TRUE	Change in Work In Process	Customer Contracts	FALSE	Change in Other Current Assets	Cash from financing activities:
1143	Work In Process (Indirect)	Work In Process	TRUE	Change in Work In Process	Reclamation Security	TRUE	Change in Other Current Assets	Change in Revolver
1145	Inventory Aggregate - ATB	Gravel Inventory - ATB	TRUE	Change in Gravel Inventory	Reclamation Trust	TRUE	Change in Other Current Assets	
1150	Inventory Aggregate	Gravel Inventory	TRUE	Change in Gravel Inventory	Severance Trust	TRUE	Change in Other Current Assets	Change in Long Term Debt
1151	Inventory Aggregate - Variable Overhead	Gravel Inventory	TRUE	Change in Gravel Inventory	Tax Receivable	TRUE	Change in Tax Payable	Change in Lease Obligation
1160	Inventory Parts	Parts Inventory	TRUE	Change in Parts Inventory	Deferred Tax Asset	TRUE	Change in Tax Payable	Change in Contingent Consideration
1200	Pickup Trucks	Property, Plant & Equipment	TRUE	Change in PP&E	Goodwill	TRUE	Change in Other Current Assets	Change in Amounts to Due to Shareholder
1210	Accumulated Depreciation - Pickup Trucks	Accumulated Depreciation - Property, Plant & Equip.	TRUE	Depreciation	Capitalized Financing Fee	TRUE	Change in Other Long Term Assets	Change in Amounts to Due to Related Party
1220	Crushing & Earthmoving Equipment	Property, Plant & Equipment	TRUE	Change in PP&E	Long Term Prepaid Expenses	FALSE	Change in Other Long Term Assets	Change in Equity
1230	Accumulated Depreciation - Crushing & Earthmoving Equipment	Accumulated Depreciation - Property, Plant & Equip.	TRUE	Depreciation	Accounts Payable	TRUE	Change in Accounts Payable	Change in Dividends
1240	Heavy Trucks	Property, Plant & Equipment	TRUE	Change in PP&E	Accrued Liabilities	TRUE	Change in Accounts Payable	Ending Cash Balance
1250	Accumulated Depreciation - Heavy Trucks	Accumulated Depreciation - Property, Plant & Equip.	TRUE	Depreciation	Wages Payable	TRUE	Change in Accounts Payable	
1260	Furniture & Fixtures	Property, Plant & Equipment	TRUE	Change in PP&E	Vacation Payable	TRUE	Change in Accounts Payable	
1270	Accumulated Depreciation - Furniture & Fixtures	Accumulated Depreciation - Property, Plant & Equip.	TRUE	Depreciation	Tax Payable	TRUE	Change in Tax Payable	
1280	Shop Equipment	Property, Plant & Equipment	TRUE	Change in PP&E	Contingent Liability	FALSE	Change in Other Current Assets	
1290	Accumulated Depreciation - Shop Equipment	Accumulated Depreciation - Property, Plant & Equip.	TRUE	Depreciation	Current Portion of LTD	TRUE	Change in Long Term Debt	
1300	IT Equipment	Property, Plant & Equipment	TRUE	Change in PP&E	CPLTD Under Lease Obligation	TRUE	Change in Long Term Debt	
1310	Accumulated Depreciation - IT Equipment	Accumulated Depreciation - Property, Plant & Equip.	TRUE	Depreciation	Accrued Reclamation Obligation	TRUE	Change in Other Current Assets	
1320	Software Development	Property, Plant & Equipment	TRUE	Change in PP&E	Fiera Tranche A	TRUE	Change in Long Term Debt	
1330	Accumulated Depreciation - Software Development	Accumulated Depreciation - Property, Plant & Equip.	TRUE	Depreciation	Fiera Tranche B	TRUE	Change in Contingent Consideration	
1340	Leasehold Improvements	Property, Plant & Equipment	TRUE	Change in PP&E	Fiera Tranche C	TRUE	Change in Contingent Consideration	
1350	Accumulated Depreciation - Leasehold Improvements	Accumulated Depreciation - Property, Plant & Equip.	TRUE	Depreciation	Fiera Tranche D	TRUE	Change in Long Term Debt	
1360	Real Property	Property, Plant & Equipment	TRUE	Change in PP&E	Fiera - Finance Fees (Contra)	TRUE	Change in Long Term Debt	
1500	ROU - Pickup Trucks	Right of Use Asset	TRUE	Change in PP&E	Crestmark - Finance Fees (Contra)	TRUE	Change in Long Term Debt	
1510	ROU - Accumulated Depreciation - Pickup Trucks	Accumulated Depreciation - Right of Use Asset	TRUE	Depreciation	ATB Inventory Facility	TRUE	Change in Contingent Consideration	
1520	ROU - Crushing & Earthmoving Equipment	Right of Use Asset	TRUE	Change in PP&E	ATB Mortgage	TRUE	Change in Long Term Debt	
1530	ROU - Accumulated Depreciation - Crushing & Earthmoving Eq	Accumulated Depreciation - Right of Use Asset	TRUE	Depreciation	Travellers	TRUE	Change in Long Term Debt	
1540	ROU - Heavy Trucks	Right of Use Asset	TRUE	Change in PP&E	Travellers - Finance Fees (Contra)	TRUE	Change in Long Term Debt	
1550	ROU - Accumulated Depreciation - Heavy Trucks	Accumulated Depreciation - Right of Use Asset	TRUE	Depreciation	Other Long Term Debt	TRUE	Change in Long Term Debt	
1560	ROU - Furniture & Fixtures	Right of Use Asset	TRUE	Change in PP&E	Long Term Debt	FALSE	Change in Long Term Debt	
1570	ROU - Accumulated Depreciation - Furniture & Fixtures	Accumulated Depreciation - Right of Use Asset	TRUE	Depreciation	Current Portion of Long Term Debt (Contra)	TRUE	Change in Long Term Debt	
1580	ROU - Shop Equipment	Right of Use Asset	TRUE	Change in PP&E	Current Portion of Lease Obligation (Contra)	TRUE	Change in Lease Obligation	
1590	ROU - Accumulated Depreciation - Shop Equipment	Accumulated Depreciation - Right of Use Asset	TRUE	Depreciation	Crestmark LOC	TRUE	Change in Revolver	
1600	ROU - IT Equipment	Right of Use Asset	TRUE	Change in PP&E	Equipment Leases	TRUE	Change in Lease Obligation	
1610	ROU - Accumulated Depreciation - IT Equipment	Accumulated Depreciation - Right of Use Asset	TRUE	Depreciation	Property Leases	TRUE	Change in Lease Obligation	
1615	ROU - Tenancy Agreements	Right of Use Asset	TRUE	Change in PP&E	Future Income Tax	FALSE	Change in Other Current Assets	
1616	ROU - Accumulated Depreciation - Tenancy Agreements	Accumulated Depreciation - Right of Use Asset	TRUE	Depreciation	Due to Related Party	TRUE	Change in Amounts to Due to Related Party	
1695	Exploration & Evaluation	Mineral Properties	TRUE	Change in Other Long Term Assets	Share Capital	TRUE	Change in Equity	
1700	Resource Properties	Mineral Properties	TRUE	Change in Other Long Term Assets	Beginning Retained Earnings	TRUE	Change in Equity	
1710	Resource Properties - Accumulated Depletion	Mineral Properties	TRUE	Change in Other Long Term Assets	Current Earnings	TRUE	Beginning Cash Balance	
1720	Resource Properties - ARO	Mineral Properties	TRUE	Change in Other Long Term Assets	Dividends Paid	TRUE	Change in Dividends	
1730	Resource Properties - ARO - Accumulated Amortization	Mineral Properties	TRUE	Change in Other Long Term Assets	RLF Lender	TRUE	Change in Long Term Debt	
1750	Reclamation Security	Reclamation Security	TRUE	Change in Other Current Assets	Contract Asset	TRUE	Change in Other Current Assets	
1760	Reclamation Trust	Reclamation Trust	TRUE	Change in Other Current Assets				
1765	Severance Trust	Severance Trust	TRUE	Change in Other Current Assets				
1800	Deferred Tax Asset	Deferred Tax Asset	TRUE	Change in Tax Payable				
1810	Investment	Investment	TRUE	Change in Investment				
1820	Due from RLF Canada Holdings Limited	Other Receivable	TRUE	Change in Accounts Receivable				
1830	Due from RLF Canada Holdings Limited	Due From JMB Estate	TRUE	Change in Amounts to Due to Related Party				
1840	Due from JMB Estate	Due From JMB Estate	TRUE	Change in Amounts to Due to Related Party				
1850	Goodwill	Goodwill	TRUE	Change in Other Current Assets				
1860	Long Term Prepaid Expenses	Long Term Prepaid Expenses & Deposits	TRUE	Change in Other Long Term Assets				
1865	Long Term Deposits & Retainers	Long Term Prepaid Expenses & Deposits	TRUE	Change in Other Long Term Assets				
1870	Capitalized Financing Fee	Capitalized Financing Fee	TRUE	Change in Other Long Term Assets				
1875	Intangible Asset - Option Lands	Mineral Properties	TRUE	Change in Other Long Term Assets				
2000	Accounts Payable	Accounts Payable	TRUE	Change in Accounts Payable				
2010	Accrued Liabilities	Accrued Liabilities	TRUE	Change in Accounts Payable				
2020	Employee Health Plan Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2030	Other Employee Benefits Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2040	Garnishment Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2045	Maintenance Payment Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2050	Deferred Revenue	Accrued Liabilities	TRUE	Change in Accounts Payable				
2060	Wages Payable	Wages Payable	TRUE	Change in Accounts Payable				
2070	Bonus Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2080	Accrued Wages	Accrued Liabilities	TRUE	Change in Accounts Payable				
2090	Vacation Payable	Vacation Payable	TRUE	Change in Accounts Payable				
2095	Accrued Salary Vacation	Vacation Payable	TRUE	Change in Accounts Payable				
2100	Subcontractor Holdback Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2110	Income Tax Payable	Tax Payable	TRUE	Change in Tax Payable				
2120	Canada Pension Plan Payable	Tax Payable	TRUE	Change in Tax Payable				
2130	Employment Insurance Payable	Tax Payable	TRUE	Change in Tax Payable				
2140	Accrued WCB Liability	Tax Payable	TRUE	Change in Tax Payable				
2150	GST Collected	Tax Payable	TRUE	Change in Tax Payable				
2160	GST Paid	Tax Payable	TRUE	Change in Tax Payable				
2170	GST Liability	Tax Payable	TRUE	Change in Tax Payable				
2191	Alimony Payment Payable	Tax Payable	TRUE	Change in Tax Payable				
2192	Registered Pension Plan Payable	Tax Payable	TRUE	Change in Tax Payable				
2193	Retirement Savings Plan Payable	Tax Payable	TRUE	Change in Tax Payable				
2194	Union Fee Payable	Tax Payable	TRUE	Change in Tax Payable				
2200	Pending Accounts Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2210	Pending Accounts Payable - Purchase Orders	Accrued Liabilities	TRUE	Change in Accounts Payable				
2220	TD Visa 4747 Cory Pichota Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2221	TD Visa 7491 Jeff Ryks Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2222	TD Visa 6713 Terille Paul Payable	Accrued Liabilities	TRUE	Change in Accounts Payable				
2250	Corporate Tax Payable - Federal	Tax Payable	TRUE	Change in Tax Payable				
2260	Corporate Tax Payable - Provincial	Tax Payable	TRUE	Change in Tax Payable				
2270	Current Portion Of Long Term Debt	Current Portion of LTD	TRUE	Change in Long Term Debt				
2280	Current Portion Of Assels Under ROU	CPLTD Under Lease Obligation	TRUE	Change in Long Term Debt				
2290	Current Portion Of Accrued Reclamation Obligation	Accrued Reclamation Obligation	TRUE	Change in Other Current Assets				
2400	Accrued Reclamation Obligation	Accrued Reclamation Obligation	TRUE	Change in Other Current Assets				
2410	Future Tax Liability	Tax Payable	TRUE	Change in Tax Payable				
2420	Due To Canadian Aggregate Resources Corp.	Due to Related Party	TRUE	Change in Amounts to Due to Related Party				
2425	Due To RLF Canada	Fiera Tranche A	TRUE	Change in Long Term Debt				
2500	Fiera Debt - Tranche A	Fiera Tranche A	TRUE	Change in Long Term Debt				
2501	Fiera Debt - Finance Fees (Contra)	Fiera - Finance Fees (Contra)	TRUE	Change in Long Term Debt				
2510	Fiera Debt - Tranche B	Fiera Tranche B	TRUE	Change in Contingent Consideration				
2520	Fiera Debt - Tranche C	Fiera Tranche C	TRUE	Change in Contingent Consideration				
2521	Fiera Debt - Tranche D	Fiera Tranche D	TRUE	Change in Long Term Debt				
2530	ATB - Inventory Debt	ATB Inventory Facility	TRUE	Change in Contingent Consideration				
2540	ATB - Mortgage Debt	ATB Mortgage	TRUE	Change in Long Term Debt				
2550	Travelers Debt	Travellers	TRUE	Change in Long Term Debt				
2551	Travelers Debt - Finance Fees (Contra)	Travellers - Finance Fees (Contra)	TRUE	Change in Long Term Debt				
2560	Crestmark LOC	Crestmark LOC	TRUE	Change in Revolver				
2565	RLF Lender Canada Limited	RLF Lender	TRUE	Change in Long Term Debt				
2561	Crestmark - Finance Fees (Contra)	Crestmark - Finance Fees (Contra)	TRUE	Change in Long Term Debt				
2600	Enterprise Lease - PT034	Equipment Leases	TRUE	Change in Lease Obligation				
2625	Bonnyville Office Lease	Property Leases	TRUE	Change in Lease Obligation				
2630	De Lage Landen Lease 727889	Equipment Leases	TRUE	Change in Lease Obligation				
2635	Alberta Auto Finance Lease 11145 - PT004	Equipment Leases	TRUE	Change in Lease Obligation				
2640	Alberta Auto Finance Lease 11146 - PT005	Equipment Leases	TRUE	Change in Lease Obligation				
2800	CAFO Financing	Other Long Term Debt	TRUE	Change in Long Term Debt				
2850	Current Portion of Long Term Debt (Contra)	Current Portion of Long Term Debt (Contra)	TRUE	Change in Long Term Debt				
2855	Current Portion of Lease Obligation (Contra)	Current Portion of Lease Obligation (Contra)	TRUE	Change in Lease Obligation				
2175	HST NS Collected	Tax Payable	TRUE	Change in Tax Payable				
2176	HST NS Paid	Tax Payable	TRUE	Change in Tax Payable				
2177	HST Collected	Tax Payable	TRUE	Change in Tax Payable				

2178 HST Paid	Tax Payable	TRUE	Change in Tax Payable		
2180 Contract Driver Liability	Accrued Liabilities	TRUE	Change in Accounts Payable		
2190 Owner Operator Liability	Accrued Liabilities	TRUE	Change in Accounts Payable		
3900 Class A Common Shares	Share Capital	TRUE	Change in Equity		
3901 Class A Preferred Shares	Share Capital	TRUE	Change in Equity		
3910 Additional Paid-In-Capital	Share Capital	TRUE	Change in Equity		
3920 Shares To Be Issued	Share Capital	TRUE	Change in Equity		
3930 Current Earnings	Current Earnings	TRUE	Beginning Cash Balance		
3940 Retained Earnings - Adjustment	Beginning Retained Earnings	TRUE	Change in Equity		
3950 Retained Earnings	Beginning Retained Earnings	TRUE			
3960 Dividends Paid	Dividends Paid	TRUE	Change in Dividends		
4010 Crushing Sales	Crushing Sales	TRUE	Crushing Sales	TRUE	
4020 Aggregate Sales	Aggregate Sales	TRUE	Aggregate Sales	TRUE	
4025 Aggregate Sales - Pre-Existing Inventory	Aggregate Sales	TRUE			
4030 Aggregate Sales - Owned SML's	Aggregate Sales	TRUE	Earthworks Revenue	TRUE	
4040 Trucking Revenue	Aggregate Sales	TRUE	Other Revenue	TRUE	
4050 Earthworks Revenue	Earthworks Revenue	TRUE			
4060 Other Revenue	Other Revenue	TRUE	Aggregate Processing - Wages	TRUE	
6000 Wages - Direct	Stockpile	TRUE	Aggregate Processing - Fuel	TRUE	
6005 Wages - Aggregate Processing	Aggregate Processing - Wages	TRUE	Aggregate Processing - Consumables	TRUE	
6006 Direct Wages - Load & Scale	Load & Scale	TRUE	Aggregate Processing - Equipment Rentals	TRUE	
6007 Direct Wages - Stockpile	Stockpile	TRUE	Aggregate Processing - Subcontract Crushing	TRUE	
6008 Direct Wages - Pit Work	Pit Work - Wages	TRUE			
6010 Subcontractors - Crushing	Aggregate Processing - Subcontract Crushing	TRUE	Pit Work - Wages	TRUE	
6020 Subcontractors - Trucking	Trucking - Subcontractors	TRUE	Pit Work - Fuel	TRUE	
6030 Subcontractors - Trucking Inventory Transfer	Inventory Transfer	TRUE	Pit Work - Equipment Rentals	TRUE	
6040 Subcontractors - Clearing & Stripping	Pit Work - Subcontractors	TRUE	Pit Work - Subcontractors	TRUE	
6045 Subcontractors - Load & Scale	Load & Scale	TRUE			
6047 Subcontractors - Mob/Demob	Mobilization/Demobilization - Subcontractor	TRUE	Inventory Transfer	TRUE	
6050 Subcontractors - Other	Other - Subcontractors	TRUE	Mobilization/Demobilization - Subcontractor	TRUE	
6055 Subcontractors - Other Aggregate Processing	Subcontractors - Other Aggregate Processing	TRUE			
6060 Royalty Expense	Royalty Expense	TRUE	Load & Scale	TRUE	
6061 Royalty Expense - Inventory Transfer	Inventory Transfer	TRUE			
6065 Cost of Goods Sold - Parts	Other - Cost of Sales	TRUE	Stockpile	TRUE	
6066 Equipment Fuel - Pit Work	Pit Work - Fuel	TRUE			
6067 Equipment Fuel - Production	Aggregate Processing - Fuel	TRUE	Trucking - Subcontractors	TRUE	
6068 Equipment Fuel - Stockpile	Stockpile	TRUE			
6069 Equipment Fuel - Load & Scale	Load & Scale	TRUE	Other - Subcontractors	TRUE	
6070 Equipment Diesel/Marked	Stockpile	TRUE			
6080 Equipment Diesel/Clear	Stockpile	TRUE	Subcontractors - Other Aggregate Processing	TRUE	
6090 Equipment Gasoline	Equipment Fuel	TRUE			
6100 Equipment Propane	Aggregate Processing - Consumables	TRUE			
6110 Equipment Oil	Aggregate Processing - Consumables	TRUE			
6120 Equipment Lubricants/Grease	Aggregate Processing - Consumables	TRUE			
6130 Gravel Testing	Gravel Testing	TRUE	Royalty Expense	TRUE	
6140 Gravel Purchase	Net Changes in Aggregate Inventory	TRUE			
6150 Highway Transport Permits	Highway Transport Permits	TRUE			
6160 Road Usage Fees	Road Usage Fees	TRUE	Equipment Fuel	TRUE	
6170 Jobsite Lodging	Aggregate Processing - Wages	TRUE			
6180 Jobsite Meals	Aggregate Processing - Wages	TRUE	Gravel Testing	TRUE	
6190 Jobsite Allowances	Aggregate Processing - Wages	TRUE			
6200 Production Consumables	Aggregate Processing - Consumables	TRUE	Highway Transport Permits	TRUE	
6210 Project Penalties	Project Penalties	TRUE	Road Usage Fees	TRUE	
6220 Net Changes In Aggregate Inventory	Net Changes in Aggregate Inventory	TRUE			
6230 Direct Contract Costs - Contra	Direct Contract Costs - Contra	TRUE			
6240 Amortization - Direct Contract Costs	Amortization - Direct Contract Costs	TRUE	Project Penalties	TRUE	
7000 Wages - Indirect	Wages - Indirect	TRUE	Net Changes in Aggregate Inventory	TRUE	
7010 Wages - Allowances	Wages - Indirect	TRUE	Direct Contract Costs - Contra	TRUE	
7020 Third Party R&M - Crushing	Equipment Repair & Maintenance	TRUE	Amortization - Direct Contract Costs	TRUE	
7030 Third Party R&M - Earthworks	Equipment Repair & Maintenance	TRUE			
7040 Third Party R&M - Trucking	Equipment Repair & Maintenance	TRUE			
7050 Third Party R&M - Vehicles	Equipment Repair & Maintenance	TRUE			
7060 Parts Expense - Crushing Equipment	Equipment Repair & Maintenance	TRUE	Wages - Indirect	TRUE	
7070 Parts Expense - Earthworks Equipment	Equipment Repair & Maintenance	TRUE			
7080 Parts Expense - Trucking Equipment	Equipment Repair & Maintenance	TRUE	Equipment Repair & Maintenance	TRUE	
7090 Parts Expense - Vehicles	Equipment Repair & Maintenance	TRUE	Other - Cost of Sales	TRUE	
7100 Equipment Rentals - Crushing	Aggregate Processing - Equipment Rentals	TRUE	Equipment Rentals	TRUE	
7110 Equipment Rentals - Pit Work	Pit Work - Equipment Rentals	TRUE	Fuel - Pickup Trucks & Shop Equipment	TRUE	
7120 Equipment Rentals - Trucking	Equipment Rentals	TRUE	Performance Bonds	TRUE	
7130 Equipment Rentals - Vehicles	Equipment Rentals	TRUE	Third Party Shop Services	TRUE	
7140 Fuel - Pickup Trucks & Shop Equipment	Fuel - Pickup Trucks & Shop Equipment	TRUE	Shop Personnel Lodging & Meals	TRUE	
7150 Performance Bonds	Performance Bonds	TRUE	Shop Supplies	TRUE	
7160 Third Party Shop Services	Third Party Shop Services	TRUE	Small Tools	TRUE	
7170 Shop Personnel Lodging	Shop Personnel Lodging & Meals	TRUE	Freight Expense	TRUE	
7180 Shop Personnel Meals	Shop Personnel Lodging & Meals	TRUE	Safety Supplies	TRUE	
7190 Shop Supplies	Shop Supplies	TRUE	Licensing & Registration	TRUE	
7200 Small Tools	Small Tools	TRUE	Droning	TRUE	
7210 Freight Expense	Freight Expense	TRUE	Depreciation - Equipment	TRUE	
7220 Safety Supplies	Safety Supplies	TRUE			
7230 Vehicle Licensing & Registration	Licensing & Registration	TRUE	Amortization - Pit Development	TRUE	
7240 Trucking Licensing & Registration	Licensing & Registration	TRUE	Amortization - ARO	TRUE	
7250 Droning	Droning	TRUE	Net Changes in Aggregate Inv. - Indirect	TRUE	
7255 Net Changes in Aggregate Inv. - Indirect	Net Changes in Aggregate Inv. - Indirect	TRUE	Dues & Licenses	TRUE	
7260 Depreciation - Pickup Trucks	Depreciation - Equipment	TRUE	Group Benefit Plan	TRUE	
7265 Depreciation - Crushing & Earthmoving Equipment	Depreciation - Equipment	TRUE	Management Wages	TRUE	
7270 Depreciation - Heavy Trucks	Depreciation - Equipment	TRUE	Bonus Expense	TRUE	
7275 Depreciation - Furniture & Fixtures	Depreciation - Equipment	TRUE	Insurance	TRUE	
7280 Depreciation - Shop Equipment	Depreciation - Equipment	TRUE	Accounting Fees	TRUE	
7285 Depreciation - IT Equipment	Depreciation - Equipment	TRUE	Legal Fees	TRUE	
7290 Depreciation - Software Development	Depreciation - Equipment	TRUE	Other Professional Services	TRUE	
7300 Depreciation - ROU Earthworks Equipment	Depreciation - Equipment	TRUE	Utilities	TRUE	
7310 Depreciation - ROU Trucking Equipment	Depreciation - Equipment	TRUE	Property Taxes	TRUE	
7320 Depreciation - ROU Crushing Equipment	Depreciation - Equipment	TRUE	Depreciation - Capitalized Property Lease	TRUE	
7330 Depreciation - ROU Vehicles	Depreciation - Equipment	TRUE	Property Rent	TRUE	
7335 Depreciation - ROU IT Equipment	Depreciation - Equipment	TRUE	Business Subscriptions	TRUE	
7350 Amortization - Pit Development	Amortization - Pit Development	TRUE	Advertising & Promotions	TRUE	
7360 Amortization - Accrued Reclamation Obligation	Amortization - ARO	TRUE	Office Supplies	TRUE	
7361 Amortization - ARO (Production)	Amortization - ARO	TRUE	Office Services	TRUE	
8000 Wages - General & Administration	Management Wages	TRUE	Small Office Assets	TRUE	
8010 Employment Insurance Expense	Management Wages	TRUE	Bank Service Fees	TRUE	
8020 Canada Pension Plan Expense	Management Wages	TRUE	Software Subscriptions	TRUE	
8030 WCB Expense	Management Wages	TRUE	IT Services	TRUE	
8040 WCB PIR Refund	WCB PIR Refund	TRUE	Internet & Web Hosting	TRUE	
8045 Wages Burden (Contra)	Management Wages	TRUE	Communications	TRUE	
8050 Payroll Payments To Be Coded	Management Wages	TRUE	Management - Travel & Accommodations	TRUE	
8060 Bonus Expense	Bonus Expense	TRUE	Management - Vehicle Fuel	TRUE	
8065 Employee RRSP Plan	Group Benefit Plan	TRUE	Management - Vehicle R&M	TRUE	
8070 Group Benefit Plan	Group Benefit Plan	TRUE	Management - Vehicle Allowances	TRUE	
8080 Insurance	Insurance	TRUE	Meals & Entertainment	TRUE	
8090 Accounting Fees	Accounting Fees	TRUE	Professional Development	TRUE	
8100 Legal Fees	Legal Fees	TRUE	Recruitment Expense	TRUE	
8110 Other Professional Services	Other Professional Services	TRUE	Gifts	TRUE	
8120 Utilities	Utilities	TRUE	WCB PIR Refund	TRUE	
8130 Property Rent	Property Rent	TRUE	Other Income	TRUE	
8140 Property Taxes	Property Taxes	TRUE	Startup Costs	TRUE	
8150 Depreciation - Capitalized Property Lease	Depreciation - Capitalized Property Lease	TRUE	Interest	TRUE	
8155 AEP Rental Charges	Property Rent	TRUE	Fees	TRUE	
8160 Environmental Monitoring	Dues & Licenses	TRUE	Debt Settlement	TRUE	
8170 Advertising & Promotions	Advertising & Promotions	TRUE	Bad Debt	TRUE	
8180 Sponsorship	Advertising & Promotions	TRUE	Loss(Gain) On FV Change of Cont. Cons.	TRUE	
8180 Donations To Registered Charities	Advertising & Promotions	TRUE	Loss(Gain) On Disposal Of Asset	TRUE	
8190 Search Engine Optimization	Advertising & Promotions	TRUE	Loss (Gain) On De-Recognition Of Asset - Mineral Properties	TRUE	
8200 Subscriptions	Business Subscriptions	TRUE	Loss (Gain) On Foreign Exchange	TRUE	
8210 Dues & Licenses	Dues & Licenses	TRUE	Expected Credit Loss Provision	TRUE	
8220 Office Supplies	Office Supplies	TRUE	Write Down (Up) - Parts Inventory	TRUE	
8230 Office Services	Office Services	TRUE	Write Down (Up) - Sand & Gravel Inventory	TRUE	
8240 Small Office Assets	Small Office Assets	TRUE	Write Down (Up) - Mineral Properties Development	TRUE	
8250 Bank Service Fees	Bank Service Fees	TRUE	Write Down (Up) - Reclamation Obligation	TRUE	
8260 Software Subscriptions	Software Subscriptions	TRUE	Tax Expense	TRUE	
8270 IT Services	IT Services	TRUE	Loss(Gain) On Disposal Of ARO	TRUE	
8280 Internet & Web Hosting	Internet & Web Hosting	TRUE			
8290 Communications	Communications	TRUE			
8300 Management - Accommodations	Management - Travel & Accommodations	TRUE			
8310 Management - Air Travel	Management - Travel & Accommodations	TRUE			
8320 Management - Travel	Management - Travel & Accommodations	TRUE			
8330 Management - Vehicle Fuel	Management - Vehicle Fuel	TRUE			
8340 Management - Vehicle Repair & Maintenance	Management - Vehicle R&M	TRUE			
8345 Management - Vehicle Allowances	Management - Vehicle Allowances	TRUE			

8350 Management - Meals & Entertainment	Meals & Entertainment	TRUE		
8360 Professional Development	Professional Development	TRUE		
8370 Safety Training	Professional Development	TRUE		
8380 Employment Testing	Recruitment Expense	TRUE		
8390 Recruitment Expense	Recruitment Expense	TRUE		
8400 Gifts	Gifts	TRUE		
8410 Startup Costs	Startup Costs	TRUE		
8420 To Be Coded	Fees	TRUE		
9000 Interest - Financed Assets	Interest	TRUE		
9001 Interest - Operating Line	Interest	TRUE		
9005 Interest - Early Break Fees	Interest	TRUE		
9010 Interest - Capital Leases	Interest	TRUE		
9020 Interest - Receiver General & Non-Deductible Penalties	Interest	TRUE		
9030 Interest - Provincial Treasurer	Interest	TRUE		
9040 Interest - Trade Accounts	Interest	TRUE		
9050 Interest - Credit Cards	Interest	TRUE		
9060 Interest - Income	Interest	TRUE		
9070 Fees - Financing	Fees	TRUE		
9080 Fees - Loan Prepayment	Fees	TRUE		
9090 Fees - Transaction	Fees	TRUE		
9095 Other Income	Other Income	TRUE		
9100 Debt Settlement	Debt Settlement	TRUE		
9110 Bad Debt	Bad Debt	TRUE		
9115 Discounts	Interest	TRUE		
9116 Loss (Gain) On FV Change of Contingent Consideration	Loss(Gain) On FV Change of Cont. Cons.	TRUE		
9120 Loss (Gain) From Investment - Atlas	Loss(Gain) On Disposal Of Asset	TRUE		
9130 Loss (Gain) On Disposal Of Asset	Loss(Gain) On Disposal Of Asset	TRUE		
9140 Loss (Gain) On De-Recognition Of Asset - Mineral Properties	Loss (Gain) On De-Recognition Of Asset - Mineral Properties	TRUE		
9150 Loss (Gain) On Foreign Exchange - Unrealized	Loss (Gain) On Foreign Exchange	TRUE		
9160 Loss (Gain) On Foreign Exchange - Realized	Loss (Gain) On Foreign Exchange	TRUE		
9165 Loss (Gain) On Disposal of ARO	Loss(Gain) On Disposal Of ARO	TRUE		
9170 Provision For Expected Credit Loss	Expected Credit Loss Provision	TRUE		
9180 Write Down (Up) - Parts Inventory	Write Down (Up) - Parts Inventory	TRUE		
9190 Write Down (Up) - Sand & Gravel Inventory	Write Down (Up) - Sand & Gravel Inventory	TRUE		
9200 Write Down (Up) - Mineral Properties Development	Write Down (Up) - Mineral Properties Development	TRUE		
9210 Write Down (Up) - Reclamation Obligation	Write Down (Up) - Reclamation Obligation	TRUE		
9220 Current Income Tax Expense	Tax Expense	TRUE		
9230 Future Income Tax Expense	Tax Expense	TRUE		
9240 Provision For Income Tax Expense	Tax Expense	TRUE		
9300 Clearing Account	Interest	TRUE		

Mantle Materials Group
Axon Aged AR & AP Import

Axon Aged AR Report Import						Axon Aged AP Report					
Name	Amount	Current	Over 30	Over 60	Over 90	Supplier	Amount	Current	Over 30	Over 60	Over 90
956937 Alberta Ltd.	3,356.22	3,356.22	-	-	-	302016 Alberta Ltd.	5,494.15	5,494.15	-	-	-
Absolute Multicorp Ltd.	117,930.25	11,426.85	90,221.81	2,595.89	13,685.70	93 St Office Holdings Ltd. c/o Qualico Properties	(3,720.94)	(3,720.94)	-	-	-
Accurate Industries Canada Inc.	94,922.74	84,679.70	10,243.04	-	-	ATB Financial	5,232.52	5,232.52	-	-	-
CFM Concrete	997.10	997.10	-	-	-	Absolute Multicorp Ltd.	18,719.36	2,526.92	15,792.44	-	-
Kneisen Sand and Gravel Ltd.	2,822.18	-	2,822.18	-	-	Accurate Scale Industries Ltd.	1,815.19	1,815.19	-	-	-
Ladcor Highways Ltd.	388,307.54	388,307.54	-	-	-	Advantage Welding & Fabrication Ltd.	3,714.69	3,714.69	-	-	-
Matt Silver Trucking Ltd.	16,449.90	14,029.86	2,420.04	-	-	Anarchy Aggregate Services Inc.	5,685.32	5,685.32	-	-	-
R. Batka Oilfield Ltd.	2,336.01	666.79	1,669.22	-	-	Bonnie's Equipment Services Inc.	64,894.86	6,535.13	24,403.46	-	33,956.27
Ryan Biocha	1,355.30	1,355.30	-	-	-	Bonnyville Jr. A Pontiacs	2,000.00	2,000.00	-	-	-
Seven Lakes Oilfield Services Corp	10,270.35	10,270.35	-	-	-	Bonnyville Truck Parts	882.00	882.00	-	-	-
Stony Valley Contracting	42,833.60	42,833.60	-	-	-	Bonnyville Water Conditioning Ltd.	66.00	-	66.00	-	-
Timberwolf Environmental Services	6,749.73	6,749.73	-	-	-	Bumper to Bumper (Uni-Select Canada)	193.41	-	193.41	-	-
						CPP Environmental	3,023.22	3,023.22	-	-	-
						Cortex Management Inc.	6,491.10	6,491.10	-	-	-
						Cougar Fuels Ltd.	911.32	-	911.32	-	-
						Deloitte Management Services LP	16,852.50	8,988.00	7,864.50	-	-
						Digital Connections (NextGen Automation)	861.69	861.69	-	-	-
						Diversity Construction Inc.	10,234.36	4,210.50	6,023.86	-	-
						Diversity Equipment Rentals & Sales Ltd.	93,194.85	93,194.85	-	-	-
						Elnus Aggregate Systems	16,940.44	16,940.44	-	-	-
						Expenses Abby Home	30.00	30.00	-	-	-
						Expenses Jason Mercier	241.00	241.00	-	-	-
						Fiera Private Debt Fund	67,209.30	62,756.77	-	2,277.20	2,175.33
						Five 51 Ventures Ltd.	722.74	722.74	-	-	-
						Harvey Yadowski	10,555.38	10,555.38	-	-	-
						Havener, Gal	1,077.61	825.54	252.07	-	-
						Havener, Helen (Estate of)	1,077.61	825.54	252.07	-	-
						Lafarge Canada Inc.	35,814.99	35,814.99	-	-	-
						Location Cats	214,492.80	214,492.80	-	-	-
						MCS Net	(26.59)	-	-	-	(26.59)
						Machinery Supply	5,214.97	5,214.97	-	-	-
						Matt Silver Trucking Ltd.	1,163.10	1,163.10	-	-	-
						MicroAge (The Computer Cache St. Paul) Ltd.	8,330.40	7,467.83	862.57	-	-
						Miller Thomson LLP	3,245.55	3,245.55	-	-	-
						Mistal Seeds	4,158.00	4,158.00	-	-	-
						North Country Co-Op	2,349.28	2,349.28	-	-	-
						Northern Truck & Industrial Supplies Ltd.	3,065.89	1,562.98	1,502.91	-	-
						Overdrive Heavy Duty Services	1,305.33	1,305.33	-	-	-
						PetroCanada SuperPass	5,871.98	5,871.98	-	-	-
						Receiver General - Payroll Source Deductions	53,017.36	53,017.36	-	-	-
						SMS Equipment Inc.	4,055.55	4,055.55	-	-	-
						Seven Lakes Oilfield Services Corp.	1,512.78	649.39	1,051.55	-	(188.16)
						Source Industrial Bonnyville Ltd.	895.09	-	895.09	-	-
						Superior Safety (2005) Ltd.	348.86	-	348.86	-	-
						Tridon Communications	192.06	127.84	64.22	-	-
						UAV Imaging Inc.	414.75	-	414.75	-	-
						Victor Insurance Managers Inc.	(4,252.44)	(4,252.44)	-	-	-
						WSP E&I Canada Limited	6,732.18	5,749.38	982.80	-	-
						Wearpro Equipment & Supply Ltd.	4,891.40	-	4,891.40	-	-
						Wildrose Disposal Inc.	165.38	165.38	-	-	-





Mantle Materials Group*Production & Sales Volume Inputs (In Tonnes)*

	Total	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Month-To-Date	Year-To-Date
Volume Produced	805,700	43,428	41,559	27,807	71,798	77,083	31,103		2,000	43,516	43,121	20,773	40,696	40,696	150,106
Volume Delivered	437,865	28,087	2,612	13,215	11,566	424		58				175	521	521	696
Volume Sold (Includes Subcrushing)	713,781	50,619	9,068	19,918	76,973	78,238	31,481	657	5,420	30,538	2,255	14,108	12,920	12,920	65,241
Volume Subcrushing	198,846				64,108	77,083	31,103		2,000	24,552	-			-	26,552

Total Cost of Pit Work	-	-	0.75	1.00	1.00	1.50	1.50	1.50	-	-	-	-	7.25
Inventory Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Mobilization/Demobilization - Subcontractor	-	-	0.31	0.50	-	0.50	-	-	-	-	-	-	1.31
Total Direct Cost of Aggregate Production	-	-	4.81	5.25	4.75	5.75	7.42	7.42	-	-	-	-	35.40
Total Direct Cost of Aggregate Sold	-	0.15	12.75	5.54	5.54	5.54	6.39	5.71	5.69	2.81	1.47	6.13	57.74
Subcontract Crushing	-	3.00	-	-	-	-	-	-	-	3.00	3.00	-	9.00
Load & Scale	-	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	4.40
Stockpile	-	-	-	-	-	-	-	-	-	-	-	-	-
Gravel Testing	-	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	1.65
Trucking - Subcontractors	-	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	110.00
Other - Subcontractors	-	-	-	-	-	-	-	-	-	-	-	-	-
Road Usage Fees	-	0.12	0.12	0.12	0.12	0.12	0.12	0.23	0.23	0.23	0.12	0.12	1.61
Royalty Expense	-	2.74	2.74	2.74	2.74	2.74	2.74	3.23	3.23	3.26	2.74	2.74	31.62
Total Direct Cost Per Tonne Sold	-	125.47	26.15	18.95	18.95	18.95	19.80	19.72	19.70	22.76	29.06	19.54	339.04
Direct Profit Per Tonne Sold	-	3.76	5.76	12.96	12.96	12.96	12.11	10.65	10.68	7.02	5.63	12.37	106.88
<i>Indirect Cost of Sales</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Wages - Indirect	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Repair & Maintenance	36,666.67	36,666.67	36,666.67	36,666.67	36,666.67	36,666.67	36,666.67	36,666.67	36,666.67	36,666.67	36,666.67	36,666.67	440,000.00
Equipment Rentals	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel - Pickup Trucks & Shop Equipment	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Third Party Shop Services	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Shop Personnel Lodging & Meals	-	-	-	-	-	-	-	-	-	-	-	-	0%
Shop Supplies	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	13,200
Small Tools	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	19,800
Freight Expense	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Safety Supplies	600	600	600	600	600	600	600	600	600	600	600	600	7,200
Licensing & Registration	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Droning	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Indirect Cost of Aggregate Prod.	43,267	43,267	43,267	43,267	43,267	43,267	43,267	43,267	43,267	43,267	43,267	43,267	519,200
Net Changes in Aggregate Inv. - Indirect	(43,267)	(41,860)	(40,454)	(40,454)	(29,204)	(6,704)	(2,485)	46,994	46,994	42,775	(23,579)	(40,454)	131,701
Total Indirect Cost of Aggregate Sold	-	1,406	2,812	2,812	14,062	36,562	40,781	90,260	90,260	86,042	19,687	2,812	387,500
Depreciation - Equipment	37,070	37,570	38,070	38,570	39,070	39,236	39,403	39,570	39,736	39,903	40,070	40,236	468,503
Net Changes in Dep. to Aggregate Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Depreciation - Production Equipment	37,070	37,570	38,070	38,570	39,070	39,236	39,403	39,570	39,736	39,903	40,070	40,236	468,503
Amortization - Pit Development	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization - ARO	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Indirect Cost of Sales	37,070	38,976	40,882	41,382	53,132	75,799	80,184	129,830	129,997	125,945	59,757	43,049	856,002
<i>Indirect Cost Per Tonne</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Wages - Indirect	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Shop Services	-	0	1	1	1	1	1	1	-	0	0	-	6
Equipment Rentals	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel - Pickup Trucks & Shop Equipment	-	0	0	0	0	0	0	0	-	0	0	-	0
Third Party Shop Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Shop Personnel Lodging & Meals	-	0	0	0	0	0	0	0	-	0	0	-	0
Shop Supplies	-	0	0	0	0	0	0	0	-	0	0	-	0
Small Tools	-	0	0	0	0	0	0	0	-	0	0	-	0
Freight Expense	-	0	0	0	0	0	0	0	-	0	0	-	0
Safety Supplies	-	0.01	0.02	0.01	0.01	0.01	0.01	0.01	-	0.00	0.01	-	0.10
Licensing & Registration	-	0.00	0.01	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	-	0.03
Droning	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Indirect Cost of Aggregate Prod.	-	1.08	1.08	0.87	0.87	0.87	0.96	0.96	-	0.62	0.87	-	8.17
Net Changes in Aggregate Inv. - Indirect	-	(1.05)	0.17	0.38	0.38	0.38	0.29	0.29	1.25	0.00	(0.57)	1.25	2.79
Total Indirect Cost of Aggregate Sold	-	0.03	1.25	1.25	1.25	1.25	1.25	1.25	1.25	0.62	0.30	1.25	10.95

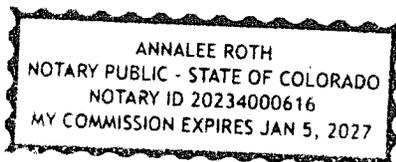
Loss (Gain) On De-Recognition Of Asset - Mineral Properties														0%
Loss (Gain) On Foreign Exchange														-
Debt Settlement														-
Bad Debt														-
Expected Credit Loss Provision														-
Write Down (Up) - Parts Inventory														-
Write Down (Up) - Sand & Gravel Inventory														-
Write Down (Up) - Mineral Properties Development														-
Write Down (Up) - Reclamation Obligation														-
Tax Expense														-
Total Other Expenses	81,548	83,523	78,958	85,739	87,327	94,088	91,605	92,529	99,295	96,425	96,640	94,966	1,082,644	-
Net Income	(255,561)	(108,858)	(282,375)	(270,044)	(138,134)	49,445	81,841	406,593	404,945	612,233	76,894	(420,339)	156,639	-
EBITDA														-
Net Income	(255,561)	(108,858)	(282,375)	(270,044)	(138,134)	49,445	81,841	406,593	404,945	612,233	76,894	(420,339)	156,639	-
(+) Depreciation & Amortization	39,705	40,205	40,705	41,205	41,705	41,871	42,038	42,205	42,371	42,538	42,705	42,871	500,123	-
(+) Total Other Expenses	81,548	83,523	78,958	85,739	87,327	94,088	91,605	92,529	99,295	96,425	96,640	94,966	1,082,644	-
EBITDA	(134,309)	14,869	(162,712)	(143,101)	(9,102)	185,405	215,484	541,327	546,611	751,196	216,238	(282,502)	1,739,405	-
Adjusted EBITDA														-
EBITDA	(134,309)	14,869	(162,712)	(143,101)	(9,102)	185,405	215,484	541,327	546,611	751,196	216,238	(282,502)	1,739,405	-
Adjusted EBITDA	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	(134,309)	14,869	(162,712)	(143,101)	(9,102)	185,405	215,484	541,327	546,611	751,196	216,238	(282,502)	1,739,405	-

Note

This is **Exhibit "I"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



Search ID #: Z16409077

Transmitting Party

GOWLING WLG (CANADA) LLP/ GOWLING WLG
(CANADA) S.E.N.C.R.L

1600, 421 - 7 Avenue SW
CALGARY, AB T2P 4K9

Party Code: 60008545

Phone #: 403 298 1951

Reference #: A171561/S.Kroeger

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 17040638801

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Apr-06

Registration Status: Current

Expiry Date: 2027-Apr-06 23:59:59

Exact Match on: Debtor No: 5

Amendments to Registration

18112724291	Amendment	2018-Nov-27
19040524519	Amendment	2019-Apr-05
19121706344	Amendment	2019-Dec-17
21040714530	Amendment	2021-Apr-07
21051008332	Amendment	2021-May-10
22071433438	Amendment	2022-Jul-14

Debtor(s)

Block

Status

1 JMB CRUSHING SYSTEMS ULC
BOX 6977
BONNYVILLE, AB T9N 2H4

Current

Block

Status

2 EASTSIDE ROCK PRODUCTS, INC.
1000 2ND AVENUE, SUITE 3210
SEATTLE, WA 98104

Current

Block

Status

3 JMB CRUSHING SYSTEMS INC.
1400 16TH STREET, SUITE 320
DENVER, CO 80202

Current by
18112724291

Search ID #: Z16409077

Block

4 2161889 ALBERTA LTD.
1400 16TH STREET, SUITE 320
DENVER, CO 80202

Status

Current by
19040524519

Block

5 MANTLE MATERIALS GROUP, LTD.
RANGE RD 55
BONNYVILLE, AB T9N 2H4

Status

Current by
21051008332

Secured Party / Parties

Block

1 INTEGRATED PRIVATE DEBT FUND V LP
70 UNIVERSITY AVENUE, SUITE 1200
TORONTO, ON M5J 2M4

Status

Deleted by
19121706344

Block

2 FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Status

Deleted by
22071433438

Block

3 FIERA PRIVATE DEBT FUND V LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Status

Deleted by
22071433438

Block

4 FIERA PRIVATE DEBT FUND VI LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Status

Deleted by
22071433438

Block

5 FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT
200 BAY STREET, SUITE 3800, SOUTH TOWER
TORONTO, ON M5J 2J1
Email: rfrench@fieracapital.com

Status

Current by
22071433438

Block

6 FIERA PRIVATE DEBT FUND V LP
200 BAY STREET, SUITE 3800, SOUTH TOWER
TORONTO, ON M5J 2J1

Status

Current by
22071433438

Search ID #: Z16409077

Email: rfrench@fieracapital.com

Block

7 FIERA PRIVATE DEBT FUND VI LP
200 BAY STREET, SUITE 3800, SOUTH TOWER
TORONTO, ON M5J 2J1
Email: rfrench@fieracapital.com

Status

Current by
22071433438

Collateral: General

Block **Description**

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.
2 Full address of Debtor in Block 3: c/o Resource Land Holdings, LLC, 1400 16th Street,
Suite 320, Denver, CO 80202

Status

Current
Current By
18112724291

Particulars

Block **Additional Information**

1 The full address of Debtor #4 is as follows:

2161889 Alberta Ltd.
c/o JMB Crushing Systems Inc.
1400 16th Street, Suite 320
Denver, CO 80202

Status

Current By
19040524519

Block **Additional Information**

2 JMB Crushing Systems Inc., 2161889 Alberta Ltd., and Mantle Materials Group, Ltd.
recently amalgamated on May 1, 2021, with the continuing corporation resulting being
Mantle Materials Group, Ltd.

Status

Current By
21051008332

Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 18062002625

Registration Date: 2018-Jun-20

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Jun-20 23:59:59

Exact Match on: Debtor No: 3

Amendments to Registration

18112724269	Amendment	2018-Nov-27
19121706478	Amendment	2019-Dec-17
20031325642	Amendment	2020-Mar-13
20062505117	Amendment	2020-Jun-25
21020517937	Amendment	2021-Feb-05
21020524170	Amendment	2021-Feb-05
21020524474	Amendment	2021-Feb-05
21040714461	Amendment	2021-Apr-07
21040923867	Amendment	2021-Apr-09
21041518813	Amendment	2021-Apr-15
21051025061	Amendment	2021-May-10
21051134577	Amendment	2021-May-11
21080504831	Amendment	2021-Aug-05
21080618388	Amendment	2021-Aug-06
21091027796	Amendment	2021-Sep-10
21102623211	Amendment	2021-Oct-26
21102624589	Amendment	2021-Oct-26
22030109467	Amendment	2022-Mar-01
22030206660	Amendment	2022-Mar-02
22030708320	Amendment	2022-Mar-07

Search ID #: Z16409077

22030726977

Amendment

2022-Mar-07

Debtor(s)

Block

Status

1 JMB CRUSHING SYSTEMS ULC
BOX 6977
BONNYVILLE, AB T9N 2H4

Current

Block

Status

2 JMB CRUSHING SYSTEMS INC.
1400 16TH STREET, SUITE 320
DENVER, CO 80202

Current by
18112724269

Block

Status

3 MANTLE MATERIALS GROUP, LTD.
RANGE RD 55
BONNYVILLE, AB T9N 2H4

Current by
21051025061

Secured Party / Parties

Block

Status

1 INTEGRATED PRIVATE DEBT FUND V LP
70 UNIVERSITY AVENUE, SUITE 1200
TORONTO, ON M5J 2M4

Deleted by
19121706478

Block

Status

2 FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Current by
19121706478

Block

Status

3 FIERA PRIVATE DEBT FUND V LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Current by
21040714461

Block

Status

4 FIERA PRIVATE DEBT FUND VI LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Current by
21040714461

Search ID #: Z16409077

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	CAT0988HCBXY02382	2008	CAT 988H	MV - Motor Vehicle	Deleted By 19121706478
2	1NP5L40X77D742313	2007	PETERBILT 379	MV - Motor Vehicle	Deleted By 19121706478
3	1NKDL40X68J936318	2008	KENWORTH T800	MV - Motor Vehicle	Deleted By 19121706478
4	1NKDL40X88J936319	2008	KENWORTH T800	MV - Motor Vehicle	Deleted By 19121706478
5	1HTMPAFM67H406957	2007	IHC 4200	MV - Motor Vehicle	Deleted By 19121706478
6	3D7MX48A07G781633	2007	DODGE 3500	MV - Motor Vehicle	Deleted By 19121706478
7	3D7MX48A27G781634	2007	DODGE 3500	MV - Motor Vehicle	Deleted By 19121706478
8	3D7KS29D78G155808	2008	DODGE 2500	MV - Motor Vehicle	Deleted By 19121706478
9	1FTWW31568ED84921	2008	FORD F350	MV - Motor Vehicle	Deleted By 19121706478
10	1FTWW31518EE16691	2008	FORD F350	MV - Motor Vehicle	Deleted By 19121706478
11	1FTWW31598ED98117	2008	FORD F350	MV - Motor Vehicle	Deleted By 19121706478
12	1FTWW31538EE44962	2008	FORD F350	MV - Motor Vehicle	Deleted By 19121706478
13	1FTWW31598EE4965	2008	FORD F350	MV - Motor Vehicle	Deleted By 19121706478
14	1FT7W2B69CEB71377	2012	FORD F250	MV - Motor Vehicle	Deleted By 19121706478
15	1FT7W2B61CEB76184	2012	FORD F250	MV - Motor Vehicle	Deleted By 19121706478
16	1FTFW1EF2CFA97764	2012	FORD F150	MV - Motor Vehicle	Deleted By 19121706478
17	1FTFW1EF0CFA97763	2012	Ford F150	MV - Motor Vehicle	Deleted By 19121706478
18	2L9CSCB2XT1078252	1996	ARNES TANDEM JEEP	MV - Motor Vehicle	Deleted By 19121706478
19	2D9D54C37YL017498	2000	Decap Super B Bellydump -	MV - Motor Vehicle	Deleted By 19121706478

Search ID #: Z16409077

20	2D9DS2B31YL017499	2000	Decap Super B Bellydump -	MV - Motor Vehicle	Deleted By 19121706478
21	2A92142466A003242	2006	Arnes Quad Wagon	MV - Motor Vehicle	Deleted By 19121706478
22	2D9DS4C476L017782	2006	Decap Super B Bellydump -	MV - Motor Vehicle	Deleted By 19121706478
23	2D9DS2B326L017783	2006	Decap Super B Bellydump -	MV - Motor Vehicle	Deleted By 19121706478
24	2D9DS4C406L017784	2006	Decap Super B Bellydump -	MV - Motor Vehicle	Deleted By 19121706478
25	2D9DS2B366L017785	2006	Decap Super B Bellydump -	MV - Motor Vehicle	Deleted By 19121706478
26	2D9DS4C446L017786	2006	Decap Super B Bellydump -	MV - Motor Vehicle	Deleted By 19121706478
27	2D9DS2B3X6L017787	2006	Decap Super B Bellydump -	MV - Motor Vehicle	Deleted By 19121706478
28	2A90737307A003528	2007	Arnes Tridem End Dump	MV - Motor Vehicle	Deleted By 19121706478
29	2A92142408A003885	2008	ARNES QUAD WAGON	MV - Motor Vehicle	Deleted By 19121706478
30	2A9214208A003885	2008	ARNES QUAD WAGON	MV - Motor Vehicle	Deleted By 19121706478
31	2M5931033X1062925	1999	MANAC SUPER B VAN - LEAD	MV - Motor Vehicle	Deleted By 19121706478
32	2M5920884X1062932	1999	MANAC SUPER B VAN - PUP	MV - Motor Vehicle	Deleted By 19121706478
33	2GRTW30T975073015	2007	Arctic Trailer	MV - Motor Vehicle	Deleted By 19121706478
34	2GRTN30T075070316	2007	Arctic Trailer	MV - Motor Vehicle	Deleted By 19121706478
35	2A90737359A003298	2008	ARNES TRIDEM END DUMP	MV - Motor Vehicle	Deleted By 19121706478
36	2A90737379A003299	2009	ARNES TRIDEM END DUMP	MV - Motor Vehicle	Deleted By 19121706478
37	2A907373X9A003300	2009	ARNES TRIDEM END DUMP	MV - Motor Vehicle	Deleted By 19121706478
38	2A90737319A003301	2009	ARNES TRIDEM END DUMP	MV - Motor Vehicle	Deleted By 19121706478

Search ID #: Z16409077

39	2A90737339A003302	2008	ARNES TRIDEM END DUMP	MV - Motor Vehicle	Deleted By 19121706478
40	2A92142499A003238	2009	ARNES QUAD WAGON	MV - Motor Vehicle	Deleted By 19121706478
41	2AABDE821X1000122	1999	ARGO ENCLOSED TRAILER	MV - Motor Vehicle	Deleted By 19121706478
42	2DEGEDZ3381023677	2008	Doepker 35' Tridem End	MV - Motor Vehicle	Deleted By 19121706478
43	2DESNSZ3161018845	2006	DOEPKER TRIDEN HIBOY	MV - Motor Vehicle	Deleted By 19121706478
44	5KKXAM0067PX64941	2007	WESTERN STAR TRIDRIVE	MV - Motor Vehicle	Deleted By 19121706478
45	2NP2HN8X1DM205263	2013	PETERBILT 379	MV - Motor Vehicle	Deleted By 19121706478
46	CAT0345DJEEH01266	2012	CAT 345D	MV - Motor Vehicle	Deleted By 19121706478
47	CAT0345DJRAJ00435	2012	CAT 345D	MV - Motor Vehicle	Deleted By 19121706478
48	1NPTX4EX48D737575	2008	PETERBILT 367 TRIDRIVE	MV - Motor Vehicle	Deleted By 19121706478
49	1NPTL40X19D778993	2009	PETERBILT 367 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
50	1XKDP40X49R941482	2009	KENWORTH T800 TRIDRIVE	MV - Motor Vehicle	Deleted By 19121706478
51	1XPTP40X79D789572	2009	PETERBILT 367 TRIDRIVE	MV - Motor Vehicle	Deleted By 19121706478
52	1XPTP4TX9DD184358	2013	PETERBILT TRIDRIVE	MV - Motor Vehicle	Deleted By 19121706478
53	2A9125335DA003461	2013	ARNES TRIDEM SCISSORNECK	MV - Motor Vehicle	Deleted By 19121706478
54	1XPTD40X6DD197601	2013	PETERBILT TANDEM	MV - Motor Vehicle	Deleted By 19121706478
55	2T9DF513XV1011230	1997	THRUWAY TRIDEM TROMBONE	MV - Motor Vehicle	Deleted By 19121706478
56	2LDSD5331DS055478	2013	LODE KING TRIDEM LOWBOY	MV - Motor Vehicle	Deleted By 19121706478
57	1FT8W3B69CEA94374	2012	FORD F350	MV - Motor Vehicle	Deleted By 19121706478
58	1FT8W3B60CE856034	2012	FORD F350	MV - Motor Vehicle	Deleted By 19121706478

Search ID #: Z16409077

59	3C6TD5JT2CG113379	2012	DODGE RAM	MV - Motor Vehicle	Deleted By 19121706478
60	1GC1KXE87FF637818	2015	CHEVY SILVERADO Z500	MV - Motor Vehicle	Deleted By 19121706478
61	1FTFW1EFXGFC63082	2016	FORD F150	MV - Motor Vehicle	Deleted By 19121706478
62	VCEL220FP00006937	2009	VOLVO L220F	MV - Motor Vehicle	Deleted By 19121706478
63	CAT0160MAB9E00358	2009	CAT 160M	MV - Motor Vehicle	Deleted By 19121706478
64	1XPCDPDX6FD284564	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
65	1XPCDPDX8FD284565	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
66	2A9073731FA003598	2015	ARNES END DUMP TRIDEM TUB	MV - Motor Vehicle	Deleted By 19121706478
67	2A9073736FA003595	2015	ARNES END DUMP TRIDEM TUB	MV - Motor Vehicle	Deleted By 19121706478
68	2A9074131FA003583	2015	ARNES END DUMP TROMBONE	MV - Motor Vehicle	Deleted By 19121706478
69	1XPCDP0XXFD284566	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
70	1XPCDP0X1FD284567	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
71	1XPCDP0X3FD284568	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
72	1XPCDP0X5FD284569	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
73	1XPCDP0X1FD284570	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
74	1XPCDP0X3FD284571	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
75	1XPCDP0X5FD284572	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
76	1XPCDP0X7FD284573	2015	PETERBILT 567 TANDEM	MV - Motor Vehicle	Deleted By 19121706478
77	2A9073730FA003575	2015	ARNES END DUMP TUB	MV - Motor Vehicle	Deleted By 19121706478

Search ID #: Z16409077

78	2A9073732FA003576	2015	Ames End Dump Tub	MV - Motor Vehicle	Deleted By 19121706478
79	2A9073738FA003596	2015	Ames End Dump Tub	MV - Motor Vehicle	Deleted By 19121706478
80	2A907373XFA003597	2015	Ames End Dump Tub	MV - Motor Vehicle	Deleted By 19121706478
81	2A907373XFA003597	2015	Ames End Dump Tub	MV - Motor Vehicle	Deleted By 19121706478
82	VCEL220GC00012444	2013	Volvo L220G Wheel Loader	MV - Motor Vehicle	Deleted By 19121706478
83	VCEL220GA00012852	2013	Volvo L220G Wheel Loader	MV - Motor Vehicle	Deleted By 19121706478
84	VCEL180GC00022042	2013	Volvo L180G Wheel Loader	MV - Motor Vehicle	Deleted By 19121706478
85	CAT0988HABXY05172	2013	Cat 988H Wheel Loader	MV - Motor Vehicle	Deleted By 19121706478
86	CAT0246CJJAY07005	2012	Cat 246C Skid Steer Load	MV - Motor Vehicle	Deleted By 19121706478
87	CAT0246CJJAY07005	2012	Cat 246C Skid Steer Load	MV - Motor Vehicle	Deleted By 19121706478
88	CAT0246CVJAY08691	2012	Cat 246C Skid Steer Load	MV - Motor Vehicle	Deleted By 19121706478
89	2A9105630FA003016	2015	Ame's Lowboy 50TTridem DD	MV - Motor Vehicle	Deleted By 19121706478
90	1GRAA0625V8117102	1997	Great Dane Traller	MV - Motor Vehicle	Deleted By 19121706478
91	5L8PH202681013062	2008	Load Max 20' plntle model	MV - Motor Vehicle	Deleted By 19121706478
92	1JJV533W99L314662	2009	Lonetrack/Wabash 53' van	MV - Motor Vehicle	Deleted By 19121706478
93	2ATA06238AM107038	1999	Willock Envirotank	MV - Motor Vehicle	Deleted By 19121706478
94	2ATD10186AM110007	1980	Midland Van	MV - Motor Vehicle	Deleted By 19121706478
95	AR804203	1994	ARNES 16WHEEL JEEP	MV - Motor Vehicle	Deleted By 19121706478
96	DXV180718	1979	FRUEHAUF 28' VAN	MV - Motor Vehicle	Deleted By 19121706478
97	2NP3LJ0X2EM242007	2014	PETERBILT 348 AUTO T/A	MV - Motor Vehicle	Deleted By 19121706478

Search ID #: Z16409077

98	1GRAA0625VB117102	1997	GREAT DANE TRAILER	MV - Motor Vehicle	Deleted By 19121706478
99	M3314RT04CC	2004	H4800 HYDROCONE CRUSHER	MV - Motor Vehicle	Deleted By 19121706478
100	7XM02813	1998	Caterpillar D8R	MV - Motor Vehicle	Deleted By 22030206660
101	L220EV4779	2007	Volvo L220E	MV - Motor Vehicle	Current By 19121706478
102	L180EV8273	2006	Volvo L180	MV - Motor Vehicle	Deleted By 21080618388
103	CAT0988HCBXY02382	2008	Caterpillar 988H	MV - Motor Vehicle	Deleted By 22030206660
104	L180EV8379	2006	Volvo L180E	MV - Motor Vehicle	Deleted By 21080618388
105	1NP5L40X77D742313	2007	Peterbilt 379	MV - Motor Vehicle	Deleted By 22030206660
106	1NKDL40X68J936318	2008	Kenworth T800	MV - Motor Vehicle	Deleted By 22030206660
107	1NKDL40X88J936319	2008	Kenworth	MV - Motor Vehicle	Deleted By 22030206660
108	1HTMPAFM67H406957	2007	International 4200	MV - Motor Vehicle	Deleted By 22030206660
109	3D7MX48A07G781633	2007	Dodge 3500HD	MV - Motor Vehicle	Current By 19121706478
110	3D7MX48A27G781634	2007	Dodge 3500HD	MV - Motor Vehicle	Deleted By 22030206660
111	3D7KS29D78G155808	2008	Dodge 2500HD	MF - Manufactured Home	Deleted By 21080618388
112	1FTWW31568ED84921	2008	Ford F350	MV - Motor Vehicle	Deleted By 22030206660
113	1FTWW31518EE16691	2008	Ford F350	MV - Motor Vehicle	Current By 19121706478
114	1FTWW31598ED98117	2008	Ford F350	MV - Motor Vehicle	Deleted By 22030109467
115	1FTWW31538EE44962	2008	Ford F350	MV - Motor Vehicle	Deleted By 22030206660
116	1FTWW31598EE44965	2008	Ford	MV - Motor Vehicle	Deleted By 21080618388

Search ID #: Z16409077

117	1FT7W2B69CEB71377	2012	Ford	MV - Motor Vehicle	Deleted By 21080618388
118	1FT7W2B61CEB76184	2012	Ford F250	MV - Motor Vehicle	Deleted By 21080618388
119	1FTFW1EF2CFA97764	2012	Ford F150	MV - Motor Vehicle	Deleted By 21080618388
120	1FTFW1EF0CFA97763	2012	Ford F150	MV - Motor Vehicle	Deleted By 22030726977
121	259CSCB2XT1073252	1996	Arrow Jeep	MV - Motor Vehicle	Deleted By 22030726977
122	AR804203	1994	Arnes Jeep	MH - Mobile Home	Deleted By 22030726977
123	2D9D54C37YL017498	2000	Decap Super B	MV - Motor Vehicle	Deleted By 21080618388
124	2D9DS2B31YL017499	2000	Decap Super B	MV - Motor Vehicle	Deleted By 21080618388
125	2A92142466A003242	2006	Arnes Pup	MV - Motor Vehicle	Deleted By 22030726977
126	2D9DS4C476L017782	2006	Decap Super B	MV - Motor Vehicle	Deleted By 21080618388
127	2D9DS2B326L017783	2006	Decap Super B	MV - Motor Vehicle	Deleted By 21080618388
128	2D9DS4C406L017784	2006	Decap Super B	MV - Motor Vehicle	Deleted By 21080618388
129	2D9DS2B366L017785	2006	Decap Super B	MV - Motor Vehicle	Deleted By 21080618388
130	2D9DS4C446L017786	2006	Decap Super B	MV - Motor Vehicle	Deleted By 22030726977
131	2D9DS2B3X6L017787	2006	Decap Super B	MV - Motor Vehicle	Deleted By 22030726977
132	2A90737307A003528	2007	Arnes Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
133	DXV180718	1979	Fruehauf 28 crusher wat	MV - Motor Vehicle	Deleted By 22030726977
134	2A92142498A003884	2008	Arnes	MV - Motor Vehicle	Deleted By 21080618388
135	2A92142408A003885	2008	Arnes Quad-Axle	MV - Motor Vehicle	Deleted By 21080618388
136	2M5931033X1062925	1999	Manac Super B Tri-Axle	MV - Motor Vehicle	Deleted By 21051134577

Search ID #: Z16409077

137	2M5920884X1062932	1999	Manac Tandem-Axle	MV - Motor Vehicle	Deleted By 21051134577
138	2GRTV30T975073015	2007	Arctic 10' x 30' Tri-Axle	MV - Motor Vehicle	Deleted By 21080618388
139	2GRTN30T075070316	2007	Arctic 10' x 30' Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
140	2A90737359A003298	2009	Arnes Tri-Axle End Dump T	MV - Motor Vehicle	Deleted By 22030726977
141	2A90737379A003299	2009	Arnes Tri-Axle End Dump T	MV - Motor Vehicle	Deleted By 22030726977
142	2A907373X9A003300	2009	Arnes Tri-Axle End Dump T	MV - Motor Vehicle	Deleted By 22030726977
143	2A90737319A003301	2009	Arnes Tri-Axle End Dump T	MV - Motor Vehicle	Deleted By 22030726977
144	2A90737339A003302	2009	Arnes Tri-Axle End Dump T	MV - Motor Vehicle	Deleted By 21080618388
145	2A92142499A003238	2009	Arnes Quad-Axle End Dump	MV - Motor Vehicle	Deleted By 21080618388
146	2AABDE821X1000122	1999	Argo 8' x 21' Tandem-Axl	MV - Motor Vehicle	Deleted By 21080618388
147	2DEGEDZ3381023677	2008	Doepker Tri-Axle End Dump	MV - Motor Vehicle	Deleted By 21080618388
148	ALY01814	2004	Caterpillar D6N LGP	MV - Motor Vehicle	Deleted By 21080618388
149	EC330V10699	2006	Volvo EC330B	MV - Motor Vehicle	Deleted By 22030726977
150	1357	2005	Daewoo Solar 470LC-V	MV - Motor Vehicle	Deleted By 21080618388
151	1BG02075	1996	Hitachi EX55UR	MV - Motor Vehicle	Deleted By 22030726977
152	AAE00408	2001	Caterpillar 535B	MV - Motor Vehicle	Deleted By 21080618388
153	BE300DT201655	2006	John Deere 300D	MV - Motor Vehicle	Deleted By 20062505117
154	2DESNSZ3161018845	2006	Doepker	MV - Motor Vehicle	Deleted By 21080618388
155	5KKXAM0067PX64941	2007	Western Star 4900SA	MV - Motor Vehicle	Deleted By 22030726977

Search ID #: Z16409077

156	2NP2HN8X1DM205263	2013	Peterbilt 337 Single-Axle	MV - Motor Vehicle	Deleted By 21091027796
157	NM12SB3043	2013	Peterbilt 337 Single-Axle	MV - Motor Vehicle	Deleted By 22030726977
158	53372	1999	Komatsu WA450-3	MV - Motor Vehicle	Deleted By 21080618388
159	LH0410092	2007	Hyundai HL780-7A	MV - Motor Vehicle	Deleted By 22030726977
160	L60210168	2006	Hyundai HL780-3A	MV - Motor Vehicle	Deleted By 22030726977
161	1DW844KX627428	2010	John Deere 844K	MV - Motor Vehicle	Deleted By 22030726977
162	CAT0345DJEEH01226	2012	Caterpillar 345D	MV - Motor Vehicle	Deleted By 21080618388
163	CAT0345DJRAJ00435	2012	Caterpillar 345D	MV - Motor Vehicle	Deleted By 22030726977
164	1NPTX4EX48D737575	2008	Peterbilt 367 Tri Drive	MV - Motor Vehicle	Deleted By 21080618388
165	1NP4L40X19D778993	2009	Peterbilt 367 Tandem-Axle	MV - Motor Vehicle	Deleted By 21080618388
166	1XKDP40X49R941482	2009	Kenworth T800	MV - Motor Vehicle	Deleted By 21080618388
167	1XPTP40X79D789572	2009	Peterbilt 367 Tri Drive	MV - Motor Vehicle	Deleted By 21080618388
168	1XPTP4TX9DD184358	2013	Peterbilt 367 Tri Drive	MV - Motor Vehicle	Deleted By 21080618388
169	2A9125335DA003461	2013	Arnes 40-Ton Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
170	1XPTD40X6DD197601	2013	Peterbilt 367 Tandem-Axle	MV - Motor Vehicle	Deleted By 22030726977
171	2T9DF513XV1011.230	1997	Roadmaster Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
172	2LDSD5331DS055478	2013	Lode King SDS53-3	MV - Motor Vehicle	Deleted By 22030726977
173	1FT8W3B60CEA94375	2012	Ford F350	MV - Motor Vehicle	Deleted By 22030726977
174	1FT8W3B60CEB56034	2012	Ford F350	MV - Motor Vehicle	Deleted By 21080618388
175	3C6TD5JT2CG113379	2012	Dodge Ram 2500	MV - Motor Vehicle	Deleted By 22030726977

Search ID #: Z16409077

176	1GC1KXE87FF637818	2015	Chevrolet Silverado 2500H	MV - Motor Vehicle	Deleted By 22030726977
177	1FTFW1EFXGFC63082	2016	Ford F150	MV - Motor Vehicle	Deleted By 21020517937
178	VCEL220FP00006937	2009	Volvo L220F	MV - Motor Vehicle	Deleted By 21080618388
179	CAT0160MAB9E00358	2009	Caterpillar 160M	MV - Motor Vehicle	Deleted By 21080618388
180	2A9073736FA003595	2015	Arnes Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
181	2A9074131FA003583	2015	Arnes Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
182	1XPCDP0XXFD284566	2015	Peterbilt 563 Tandem Axel	MV - Motor Vehicle	Deleted By 22030726977
183	1XPCDP0X1FD284567	2015	Peterbilt 564 Tandem Axel	MV - Motor Vehicle	Deleted By 22030726977
184	1XPCDP0X3FD284568	2015	Peterbilt 565 Tandem Axel	MV - Motor Vehicle	Deleted By 22030726977
185	1XPCDP0X5FD284569	2015	Peterbilt 566 Tandem Axel	MV - Motor Vehicle	Deleted By 22030708320
186	1XPCDP0X1FD284570	2015	Peterbilt 567 Tandem Axel	MV - Motor Vehicle	Deleted By 22030726977
187	1XPCDP0X5FD284569	2015	Peterbilt 568 Tandem Axel	MV - Motor Vehicle	Deleted By 22030708320
188	1XPCDP0X5FD284569	2015	Peterbilt 569 Tandem Axel	MV - Motor Vehicle	Deleted By 22030708320
189	1XPCDP0X5FD284569	2015	Peterbilt 570 Tandem Axel	MV - Motor Vehicle	Deleted By 22030708320
190	1XPCDP0X5FD284569	2015	Arnes Tri-Axle	MV - Motor Vehicle	Deleted By 22030708320
191	2A9073732FA003576	2015	Arnes Tri-Axle	MV - Motor Vehicle	Deleted By 21041518813
192	2A9073738FA003596	2015	Arnes Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
193	2A907373XFA003597	2015	Arnes Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
194	2A9073733FA003599	2015	Arnes Tri-Axle	MV - Motor Vehicle	Deleted By 21041518813

Search ID #: Z16409077

195	3384	2014	Komatsu HM400-3	MV - Motor Vehicle	Deleted By 21102623211
196	3578	2014	Komatsu HM400-4	MV - Motor Vehicle	Deleted By 22030726977
197	3420	2014	Komatsu HM400-5	MV - Motor Vehicle	Deleted By 21102623211
198	VCEL220GC00012444	2013	Volvo L220G	MV - Motor Vehicle	Deleted By 21080618388
199	VCEL220GA00012852	2013	Volvo L220G	MV - Motor Vehicle	Deleted By 22030726977
200	VCEL180GC00022042	2013	Volvo L180G	MV - Motor Vehicle	Deleted By 22030726977
201	1FTFW1EF3FFC07984	2015	Ford F150	MV - Motor Vehicle	Deleted By 21020517937
202	1FTFW1EF7FFC07986	2015	Ford F150	MV - Motor Vehicle	Deleted By 21020517937
203	1FTFW1EF0FFC07988	2015	Ford F150	MV - Motor Vehicle	Deleted By 21040923867
204	1FTFW1EF9FFC07990	2015	Ford F150	MV - Motor Vehicle	Deleted By 21020517937
205	1FTFW1EF0FFC07991	2015	Ford F150	MV - Motor Vehicle	Deleted By 21020517937
206	1FTFW1EF0FFC07991	2012	Caterpillar 988H	MV - Motor Vehicle	Deleted By 22030726977
207	CAT0246CJJAY07005	2012	Caterpillar 246C	MV - Motor Vehicle	Deleted By 22030726977
208	CAT0246CVJAY08691	2012	Caterpillar 246C	MV - Motor Vehicle	Current By 19121706478
209	2NP3LJ0X2EM242007	2014	Peterbilt 348	MV - Motor Vehicle	Deleted By 21080504831
210	2A9105630FA003016	2015	Arnes 50-Ton Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
211	1S9SS3735CL476517	2012	Smith-co	MV - Motor Vehicle	Deleted By 21020524170
212	1S9SS2929CL476518	2013	Smith-co	MV - Motor Vehicle	Deleted By 21020524170
213	6R753345(GS100)	2004	Detroit Series 60	MV - Motor Vehicle	Deleted By 22030726977
214	M3242ER03CT	1997	Great Dane 7911TJW-53	MV - Motor Vehicle	Deleted By 22030726977

Search ID #: Z16409077

215	1GRAA0625VB117102	1997	Great Dane 7911TJW-53	MV - Motor Vehicle	Deleted By 22030726977
216	198196/X06D170482	2006	Isuzu 20-kW Diesel Genera	MV - Motor Vehicle	Deleted By 22030726977
217	E980749726	1998	Stamford 60-kW Portable D	MV - Motor Vehicle	Deleted By 22030726977
218	SW6756	2004	Elrus H4800	MV - Motor Vehicle	Deleted By 22030726977
219	M2943ER02JP	2002	Elrus 22x36" jaw	MV - Motor Vehicle	Deleted By 22030726977
220	M3490ER04SC	2004	Elrus 6X20-3D	MV - Motor Vehicle	Deleted By 21051134577
221	M3461ER04SB	2004	Elrus 25YD3	MV - Motor Vehicle	Deleted By 21051134577
222	M3445ER04PC	2004	Elrus 36"x60' Portable Be	MV - Motor Vehicle	Deleted By 21080618388
223	M3446ER04PC	2004	Elrus 36X60FT-PC	MV - Motor Vehicle	Deleted By 21080618388
224	ER99PC1524	1999	Elrus 2434	MV - Motor Vehicle	Deleted By 22030726977
225	14634120	2007	Clemro Portable Belt Feed	MV - Motor Vehicle	Deleted By 21080618388
226	1420500044	2004	Precision	MV - Motor Vehicle	Deleted By 21080618388
227	E0F09186	2009	Terex AL5200D-4MH	MV - Motor Vehicle	Deleted By 22030726977
228	4ZJSL151161H23687	2006	Terex AL5200D-4MH	MV - Motor Vehicle	Deleted By 22030726977
229	2M5931033X1062925	1999	Manac Super B	MV - Motor Vehicle	Deleted By 22030726977
230	16794599	2011	Clemro	MV - Motor Vehicle	Deleted By 21080618388
231	407136	2008	Kolberg-Pioneer L3-36125	MV - Motor Vehicle	Deleted By 22030726977
232	409329	2008	Kolberg-Pioneer 33-36150	MV - Motor Vehicle	Deleted By 21020524474
233	410244	2010	Kolberg-Pioneer 47-3670S	MV - Motor Vehicle	Deleted By 22030726977

Search ID #: Z16409077

234	410245	2010	Kolberg-Pioneer 36"x70' P	MV - Motor Vehicle	Deleted By 22030726977
235	410246	2010	Kolberg-Pioneer 36"x70' P	MV - Motor Vehicle	Deleted By 22030726977
236	6002232	2006	Powerscreen 36"x80' Porta	MV - Motor Vehicle	Deleted By 21080618388
237	408560	2008	Kolberg-Pioneer 36"x70' P	MV - Motor Vehicle	Deleted By 21080618388
238	30600606J	2010	CEC 30"X60' Portable Belt	MV - Motor Vehicle	Deleted By 22030726977
239	16824471	2011	Clemro 7X20-3D	MV - Motor Vehicle	Deleted By 22030726977
240	P620332506	2006	Fabtec 6'x20' Portable Sc	MV - Motor Vehicle	Deleted By 22030726977
241	14964103	2008	Clemro Portable Jaw Crush	MV - Motor Vehicle	Deleted By 21080618388
242	1JJV533W99L314662	2009	Wabash Mfg Tri-Axle Contr	MV - Motor Vehicle	Deleted By 22030726977
243	2005542575	2005	Fintec 542	MV - Motor Vehicle	Deleted By 22030726977
244	RDIBF099000010	1999	Red Deer Industries dozer	MV - Motor Vehicle	Deleted By 22030726977
245	2ATA06238AM107038	1980	Willock Single-Axle Float	MV - Motor Vehicle	Deleted By 21080618388
246	2ATD10186AM110007	1980	Midland 48' Tandem-Axle V	MV - Motor Vehicle	Deleted By 21080618388
247	T06012	2007	Bold Developments 12'x56'	MV - Motor Vehicle	Deleted By 21080618388
248	1256110530	2001	Travco 12'x56' 5-Unit Wel	MV - Motor Vehicle	Deleted By 22030726977
249	1256110532	2001	Travco 12'x56' 5-Unit Wel	MV - Motor Vehicle	Deleted By 22030726977
250	1256110531	2001	Travco 12'x56' 5-Unit Wel	MV - Motor Vehicle	Deleted By 21080618388
251	1256110533	2001	Travco 12'x56' 5-Unit Wel	MV - Motor Vehicle	Deleted By 22030726977
252	1256110534	2001	Travco 12'x56' 5-Unit Wel	MV - Motor Vehicle	Deleted By 22030726977
253	366258101013.00	2013	MTU Onsite Energy DP550D	MV - Motor Vehicle	Deleted By 22030726977

Search ID #: Z16409077

254	M2765ER01CC	2001	Svedala H-6000	MV - Motor Vehicle	Deleted By 22030726977
255	4ZJSL151261524939	2006	Terex Amida AL5200D-4MH	MV - Motor Vehicle	Deleted By 22030726977
256	G0F24939	2006	Terex Amida AL5200D-4MH	MV - Motor Vehicle	Deleted By 21102624589
257	0425MXL06	2006	Allmand 15330	MV - Motor Vehicle	Deleted By 22030726977
258	5AEA15136H000216	2006	Allmand 15330	MV - Motor Vehicle	Deleted By 22030726977
259	058ML03	2006	Allmand 15330	MV - Motor Vehicle	Deleted By 22030726977
260	5AEA15183H000093	2006	Allmand 15330	MV - Motor Vehicle	Deleted By 22030726977
261	20278208	2014	Wacker G100	MV - Motor Vehicle	Deleted By 22030726977
262	20239723	2014	Wacker LTW20	MV - Motor Vehicle	Deleted By 21080618388
263	5XFLW0512EN001332	2014	Wacker LTW20	MV - Motor Vehicle	Deleted By 22030726977
264	20239727	2014	Wacker LTW20	MV - Motor Vehicle	Deleted By 21080618388
265	5XFLW051XEN001336	2014	Wacker LTW20	MV - Motor Vehicle	Deleted By 22030726977
266	20241937	2014	Wacker LTW20	MV - Motor Vehicle	Deleted By 21080618388
267	S0SWS035	2015	Stratis 2500 gallon Water	MV - Motor Vehicle	Deleted By 21080618388
268	144260350	2014	Tyalta 42"x60' Transfer B	MV - Motor Vehicle	Deleted By 22030726977
269	15589	2015	Precision 100-Ton Truck S	MV - Motor Vehicle	Current By 19121706478
270	070663	2007	Britco 12'x62' 6-Sleeper	MV - Motor Vehicle	Deleted By 21080618388
271	070668	2007	Britco 12'x62' 6-Sleeper	MV - Motor Vehicle	Deleted By 22030726977
272	070669	2007	Britco 12'x62' 6-Sleeper	MV - Motor Vehicle	Deleted By 22030726977

Search ID #: Z16409077

273	M6028ERC12CJS	2012	Elrus 20X54	MV - Motor Vehicle	Deleted By 22030726977
274	61607	2001	Toyota 7FGU30	MV - Motor Vehicle	Current By 19121706478
275	CAT0140MPD9G01354	2012	Caterpillar 140MAWD	MV - Motor Vehicle	Deleted By 20062505117
276	CAT0140MPD9G01354	2012	Caterpillar 140MAWD	MV - Motor Vehicle	Deleted By 20062505117
277	1XPCDP0X6FD284564	2015	Peterbilt 567 Tandem-Axle	MV - Motor Vehicle	Deleted By 21080618388
278	1XPCDP0X8FD284565	2015	Peterbilt 567 Tandem-Axle	MV - Motor Vehicle	Deleted By 21080618388
279	2A9073731FA003598	2015	Arnes Tri-Axle	MV - Motor Vehicle	Deleted By 22030726977
280	CAT0972MKEDW00340	2015	CATERPILLAR 972MXE	MV - Motor Vehicle	Deleted By 21091027796
281	CAT0246DCJSL00439	2015	CATERPILLAR 246D	MV - Motor Vehicle	Deleted By 21091027796
282	1FT7W2B66GEB46457	2016	FORD F250	MV - Motor Vehicle	Deleted By 21020517937
283	1FTEW1EG7JFC34831	2018	FORD F150	MV - Motor Vehicle	Deleted By 21040923867
284	CAT0980MCKRS01308	2016	CATERPILLAR 980M	MV - Motor Vehicle	Deleted By 21091027796
285	CAT0246DLBYF00587	2014	CATERPILLAR 246D	MV - Motor Vehicle	Deleted By 21091027796
286	CAT0246DTBYF02460	2016	CATERPILLAR 246D	MV - Motor Vehicle	Deleted By 21091027796
287	1FTFW1E53KFA45940	2019	FORD F150	MV - Motor Vehicle	Deleted By 21020517937
288	A96809	2019	KOMATSU WA500-8	MV - Motor Vehicle	Deleted By 22030726977
289	VCE0A40GC00352008	2019	VOLVO A40G	MV - Motor Vehicle	Deleted By 22030726977
290	VCEC480EJ00311233	2019	VOLVO EC480EL EXCAVATOR	MV - Motor Vehicle	Deleted By 22030726977
291	VCE0A40GT00342483	2018	VOLVO A40G ARTICULATED HA	MV - Motor Vehicle	Deleted By 22030726977
292	A42247	2019	KOMATSU PC490LC-11	MV - Motor Vehicle	Deleted By 22030726977

Search ID #: Z16409077

293	80234	2019	KOMATSU WA600-8	MV - Motor Vehicle	Deleted By 22030726977
294	1FTFW1E52KFC66669	2019	FORD F-150	MV - Motor Vehicle	Deleted By 22030206660
295	VCEL220GC00012444	2013	Volvo L220G Wheel Loader	MV - Motor Vehicle	Current By 22030206660
296	1703600068	2015	PV Scale - 15-589	MV - Motor Vehicle	Current By 22030726977

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	Full address of Debtor in Block 2: c/o Resource Land Holdings, LLC, 1400 16th Street, Suite 320, Denver, CO 80202	Current By 18112724269

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	JMB Crushing Systems Inc., 2161889 Alberta Ltd., and Mantle Materials Group, Ltd. recently amalgamated on May 1, 2021, with the continuing corporation resulting being Mantle Materials Group, Ltd.	Current By 21051025061

Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 19011424597

Registration Type: SECURITY AGREEMENT

Registration Date: 2019-Jan-14

Registration Status: Current

Expiry Date: 2024-Jan-14 23:59:59

Exact Match on: Debtor No: 2

Amendments to Registration

19110446124 Amendment 2019-Nov-04

20102725166 Amendment 2020-Oct-27

Debtor(s)

Block

Status

1 2161889 ALBERTA LTD.
19507 5A HWY 63
BOYLE, AB T0A 0M0

Current

Block

Status

2 MANTLE MATERIALS GROUP, LTD.
9046 - 22 AVENUE SW
EDMONTON, AB T6X 1Z6

Current by
20102725166

Secured Party / Parties

Block

Status

1 CANADIAN WESTERN BANK - CREDIT SUPPORT, NAB REGION
201, 12230 JASPER AVENUE
EDMONTON, AB T5N 3K3
Phone #: 888 851 9087 Fax #: 855 392 3014

Deleted by
19110446124

Block

Status

2 CANADIAN WESTERN BANK - CREDIT SUPPORT, NAB REGION
201, 12230 JASPER AVENUE
EDMONTON, AB T5N 3K3
Phone #: 780 421 5582 Fax #: 800 392 3015

Current by
19110446124

Search ID #: Z16409077

Email: CSNA.Collsec@cwbank.com

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	THE ENTIRE RIGHT, TITLE, CLAIM AND INTEREST OF THE DEBTOR IN AND TO ALL MONEYS OWING AND PAYABLE HEREAFTER OWING AND PAYABLE TO THE DEBTOR PURSUANT TO THE TERMS OF THE INSTRUMENT OR INSTRUMENTS DESCRIBED GIC UNDER CIF 691154 AND ALL PROCEEDS INCLUDING, WITHOUT LIMITATION, ALL GOODS, SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES AND MONEY (ALL AS DEFINED IN THE PPSA, ANY REGULATIONS THEREUNDER AND ANY AMENDMENTS THERETO).	Current

Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 20031623522

Registration Type: LAND CHARGE

Registration Date: 2020-Mar-16

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor No: 4

Amendments to Registration

21040714617

Amendment

2021-Apr-07

21051008349

Amendment

2021-May-10

Debtor(s)

Block

Status

1 JMB CRUSHING SYSTEMS INC.
1400 16TH STREET, SUITE 320
DENVER, CO 80202

Current

Block

Status

2 2161889 ALBERTA LTD.
1400 16TH STREET, SUITE 320
DENVER, CO 80202

Current

Block

Status

3 EASTSIDE ROCK PRODUCTS, INC.
1000 2ND AVENUE, SUITE 3210
SEATTLE, WA 98104

Current

Block

Status

4 MANTLE MATERIALS GROUP, LTD.
RANGE RD 55
BONNYVILLE, AB T9N 2H4

Current by
21051008349

Search ID #: Z16409077

Secured Party / Parties

Block

Status

Current

1 FIERA PRIVATE DEBT FUND V LP, AS COLLATERAL AGENT
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Block

Status

Current by
21040714617

2 FIERA PRIVATE DEBT FUND V LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Block

Status

Current by
21040714617

3 FIERA PRIVATE DEBT FUND VI LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Particulars

Block **Additional Information**

Status

1 JMB Crushing Systems Inc., 2161889 Alberta Ltd., and Mantle Materials Group, Ltd.
recently amalgamated on May 1, 2021, with the continuing corporation resulting being
Mantle Materials Group, Ltd.

Current By
21051008349

Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 20100116475

Registration Type: SECURITY AGREEMENT

Registration Date: 2020-Oct-01

Registration Status: Current

Expiry Date: 2030-Oct-01 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

21051008259	Amendment	2021-May-10
22071433446	Amendment	2022-Jul-14

Debtor(s)

Block

Status

1 MANTLE MATERIALS GROUP, LTD.
RANGE RD 55
BONNYVILLE, AB T9N 2H4

Current

Secured Party / Parties

Block

Status

1 FIERA PRIVATE DEBT FUND V LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Deleted by
22071433446

Block

Status

2 FIERA PRIVATE DEBT FUND VI LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Deleted by
22071433446

Block

Status

3 FIERA PRIVATE DEBT FUND V LP
200 BAY STREET, SUITE 3800, SOUTH TOWER
TORONTO, ON M5J 2J1
Email: rfrench@fieracapital.com

Current by
22071433446

Search ID #: Z16409077

Block

4 FIERA PRIVATE DEBT FUND VI LP
200 BAY STREET, SUITE 3800, SOUTH TOWER
TORONTO, ON M5J 2J1
Email: rfrench@fieracapital.com

Status

Current by
22071433446

Collateral: General

Block

Description

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.

Status

Current

Particulars

Block

Additional Information

1 JMB Crushing Systems Inc., 2161889 Alberta Ltd., and Mantle Materials Group, Ltd.
recently amalgamated on May 1, 2021, with the continuing corporation resulting being
Mantle Materials Group, Ltd.

Status

Current By
21051008259

Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 20100116566

Registration Type: LAND CHARGE

Registration Date: 2020-Oct-01

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor No: 1

Amendments to Registration

21051008322

Amendment

2021-May-10

Debtor(s)

Block

Status

1 MANTLE MATERIALS GROUP, LTD.
RANGE RD 55
BONNYVILLE, AB T9N 2H4

Current

Secured Party / Parties

Block

Status

1 FIERA PRIVATE DEBT FUND V LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Current

Block

Status

2 FIERA PRIVATE DEBT FUND VI LP
20 ADELAIDE STREET EAST, SUITE 1500
TORONTO, ON M5C 2T6
Email: szagrodny@fieracapital.com

Current

Particulars

Block

Additional Information

Status

1 JMB Crushing Systems Inc., 2161889 Alberta Ltd., and Mantle Materials Group, Ltd.
recently amalgamated on May 1, 2021, with the continuing corporation resulting being
Mantle Materials Group, Ltd.

Current By
21051008322

Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 21100725361

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Oct-07

Registration Status: Current

Expiry Date: 2027-Oct-07 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

22021113359	Amendment	2022-Feb-11
22031006174	Amendment	2022-Mar-10
22040608750	Amendment	2022-Apr-06
22061419053	Amendment	2022-Jun-14

Debtor(s)

Block

Status

1 MANTLE MATERIALS GROUP, LTD.
9043 22 AVE SW
EDMONTON, AB T6X 1Z6

Current

Secured Party / Parties

Block

Status

1 TRAVELERS RESTRUCTURING CAPITAL INC.
400 - 4180 LOUGHEED HIGHWAY
BURNABY, BC V5C 6A7
Email: wmillier@travelerscapital.com

Deleted by
22040608750

Block

Status

2 TRAVELERS CAPITAL CORP.
400 - 4180 LOUGHEED HIGHWAY
BURNABY, BC V5C 6A7
Email: wmillier@travelerscapital.com

Current by
22040608750

Search ID #: Z16409077

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	KMTHM011H29003484	2014	KOMATSU HM300-3	MV - Motor Vehicle	Current
2	KMTHM005K54A11150	2008	KOMATSU HM300-2	MV - Motor Vehicle	Current
3	5KKHAEDR1CPBL0002	2012	WESTERN STAR 4900FA	MV - Motor Vehicle	Deleted By 22021113359
4	5KKHALDR0BPAZ2488	2011	WESTERN STAR 4900SA	MV - Motor Vehicle	Current
5	2C9B3S4D38S133073	2008	CASTLETON	TR - Trailer	Deleted By 22031006174
6	2A9073735CA003146	2012	ARNE'S	TR - Trailer	Deleted By 22061419053
7	2A9212932EA003965	2012	ARNE'S	TR - Trailer	Deleted By 22021113359
8	2C9HFD2W4G1026006	1988	COLUBIA SFM-40	TR - Trailer	Current
9	2H8V04523BS004517	1981	FRUEHAUF FB9 F2W 14M 102	TR - Trailer	Current
10	1GDHP32T3F3510093	1985	GMC GRUMAN	MV - Motor Vehicle	Current
11	1GC1KWE7FF613309	2015	CHEVROLET 2500HD LTZ	MV - Motor Vehicle	Current
12	1GC1KYEG5DF106658	2013	CHEVROLET 2500HD LTZ	MV - Motor Vehicle	Current
13	2BL2RSH29S2450233	1995	Bonair BA-19SS	TR - Trailer	Current
14	M4540ER08CT	2008	Elrus	TR - Trailer	Current
15	KMTPC239C54A40412	1111	KOMATSU PC490LC-10	MV - Motor Vehicle	Current
16	KMTPC241E54A25013	2012	KOMATSU PC290LC-10	MV - Motor Vehicle	Current
17	KMTWA096E57A92512	2008	KOMATSU WA500-6	MV - Motor Vehicle	Current
18	KMTWA096P01055036	2006	KOMATSU WA500-6	MV - Motor Vehicle	Current
19	KMTWA118A01010060	2012	KOMATSU WA380-7	MV - Motor Vehicle	Current
20	KMTWA095K57A53125	2007	KOMATSU WA380-6	MV - Motor Vehicle	Current
21	04X10622	1986	CATERPILLAR D6D	MV - Motor Vehicle	Current
22	JAFSR200KEM467993	2015	CASE SR200	MV - Motor Vehicle	Current
23	4FVLTBDA7DU449843	2013	DOOSAN/IR L8-60HZ-T4F	TR - Trailer	Current
24	4FVLTBDA3DU447703	2013	DOOSAN/IR L8-60HZ-T4F	TR - Trailer	Current
25	0021MXL05	2005	ALLMAND ML20330	TR - Trailer	Current
26	0020MXL05	1111	ALLMAND ML20330	TR - Trailer	Current

Search ID #: Z16409077

27	0036MXL04	2003	ALLMAND ML15330	TR - Trailer	Current
28	5AJGS11168B000784	2008	MAGNUM	TR - Trailer	Current
29	5AJGS11198B000746	2008	MAGNUM	TR - Trailer	Current
30	M6545ERC15JS	2015	Elrus 2054	TR - Trailer	Current By 22040608750
31	M4768ER08CC	2008	Elrus H4800CC	TR - Trailer	Current By 22040608750
32	M4544ER08SP	2008	Elrus 6X20 3D SP	TR - Trailer	Current By 22040608750
33	M5379ERC11SB	2011	Elrus	TR - Trailer	Current By 22040608750
34	M6443ERC14F	2014	Elrus	TR - Trailer	Current By 22040608750
35	216044	2011	Superior 36X125 PC	TR - Trailer	Current By 22040608750
36	860808	2008	Superior 36X60 PRSC	TR - Trailer	Current By 22040608750
37	860708	2008	Superior 36X60 PRSC	TR - Trailer	Current By 22040608750
38	8191	1111	Superior 36X60 PFTC	TR - Trailer	Current By 22040608750
39	725207	2007	Superior 36X60 PFTC	TR - Trailer	Current By 22040608750
40	819007	2007	Superior 36X60 PFTC	TR - Trailer	Current By 22040608750
41	PK40T274	1900	Telsmith 20X40	TR - Trailer	Current By 22040608750
42	3FBP	1111	Rice Lake EZ8010-ST-ATV	TR - Trailer	Current By 22040608750
43	301109	1111	Ancoma PV5301030S	TR - Trailer	Current By 22040608750
44	TCW3618178	2014	Elrus	TR - Trailer	Current By 22040608750
45	9789	1111	Eagle Iron Works	TR - Trailer	Current By 22040608750

Search ID #: Z16409077

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	2015 Elrus 2054 Jaw Screen Plant, Serial No. M6545ERC15JS 2008 Elrus H4800CC Cone Crusher, Serial No. M4768ER08CC 2008 Elrus 6X20 3D SP Screen Plant, Serial No. M4544ER08SP 2014 Elrus 42" Belt Feeder, Serial No. M6443ERC14F 2011 Elrus 30 YRD SB Surge Bin, Serial No. M5379ERC11SB 2006 Trio 36" Coarse Washer, Serial No. TCW3618-178 Eagle Iron Works Sand Screw, Serial No. 9789 2008 Elrus 6X10 CT Control Tower, Serial No. M4540ER08CT 2011 Superior 36X125 PC Radial Stacking Conveyor, Serial No. 216044 2008 Superior 36X60 PRSC Portable Radial Stacking, Serial No. 8608-08 2008 Superior 36X60 PRSC Portable Radial Stacking, Serial No. 8607-08 Superior 36X60 PFTC Portable Transfer Conveyor, Serial No. 8191 2007 Superior 36X60 PFTC Portable Transfer Conveyor, Serial No. 7252-07 2007 Superior 36X60 PFTC Portable Transfer Conveyor, Serial No. 8190-07 Telsmith 20X40 Portable Transfer Conveyor, Serial No. PK40T274 Rice Lake EZ8010-ST-ATV Portable Truck Scale, Serial No. 3FBP Ancoma PV5301030S Portable Truck Scale, Serial No. 301109 Komatsu PC490LC-10 Excavator, Serial No. KMTPC239C54A40412 2012 Komatsu PC290LC-10 Excavator, Serial No. KMTPC241E54A25013 2008 Komatsu WA500-6 Wheel Loader, Serial No. KMTWA096E57A92512 2006 Komatsu WA500-6 Wheel Loader, Serial No. KMTWA096P01055036 2012 Komatsu WA380-7 Wheel Loader, Serial No. KMTWA118A01010060 2007 Komatsu WA380-6 Wheel Loader, Serial No. KMTWA095K57A53125 1986 Caterpillar D6D Crawler Dozer, Serial No. 04X10622 2015 Case SR200 Skid Steer, Serial No. JAFSR200KEM467993 2013 Doosan/IR L8-60HZ-T4F Light Tower, Serial No. 4FVLTBDA7DU449843 2013 Doosan/IR L8-60HZ-T4F Light Tower, Serial No. 4FVLTBDA3DU447703 2005 Allmand ML20330 Light Tower, Serial No. 0021MXL05	Current
2	Allmand ML20330 Light Tower, Serial No. 0020MXL05 2003 Allmand ML15330 Light Tower, Serial No. 0036MXL04 2008 Magnum 4" S/A Diesel Trash Pump, Serial No. 5AJGS11168B000784 2008 Magnum 4" S/A Diesel Trash Pump, Serial No. 5AJGS11198B000746 Komatsu PC290LC - 10 Digging Bucket AT3 Komatsu HM300-2 Articulated Dump Truck Tailgate Komatsu PC490LC - 10 Clean-up Bucket Komatsu PC490LC - 10 Clean-up Bucket CM1 Course Material Washer parts, lay flat hose Pump suction hose Jaw Screen Plant Sand Elimination Cover Jaw Screen Plant Cross Conveyor Jaw Screen Hopper Feeder Grizzly Bars Rice Lake Scale House Ancoma Scale House Misc parts in Fruehaul Van Misc parts in Elrus Control Van Screens Skid Steer Rake Jump 3 Conveyor belting (stored @ Steven's)	Current

Search ID #: Z16409077

3 ALL ADDITIONS, PARTS, ATTACHMENTS, ACCESSIONS AND ACCESSORIES NOW Current

OR HEREAFTER ATTACHED TO OR FORMING A PART OF THE AFOREMENTIONED COLLATERAL, ANY SUBSTITUTIONS, REPAIRS, REPLACEMENTS, RELATED SOFTWARE, AND ALL PROCEEDS THEREFROM INCLUDING TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS AND OTHER PROPERTY AND OBLIGATIONS RECEIVED AS A RESULT OF THE AFOREMENTIONED COLLATERAL BEING SOLD, DEALT WITH OR OTHERWISE DISPOSED OF.

ALL PRESENT AND AFTER ACQUIRED INTELLECTUAL PROPERTY AND OTHER INTANGIBLES RELATING TO THE AFOREMENTIONED COLLATERAL.

ALL PRESENT AND AFTER-ACQUIRED CONTRACTS, CHATTEL PAPER, INTANGIBLES OR INSTRUMENTS, WRITTEN OR ORAL, FOR THE SALE, EXCHANGE, LEASE, LICENSE, RENTAL, SUBLEASE OR OTHER DISPOSITION OF ANY KIND WHATSOEVER OF THE AFOREMENTIONED COLLATERAL.

ALL INSURANCE CLAIMS AND PROCEEDS RESULTING THEREFROM WITH RESPECT TO ANY LOSS OR DAMAGE TO ANY OF THE AFOREMENTIONED COLLATERAL.

PROCEEDS: GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY AND INTANGIBLES.

Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 22031826000

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Mar-18

Registration Status: Current

Expiry Date: 2027-Mar-18 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 MANTLE MATERIALS GROUP, LTD.
61329 RR 455, PO BOX 6977
BONNEYVILLE, AB T9N 2H4

Current

Secured Party / Parties

Block

Status

1 CRESTMARK, A DIVISION OF METABANK, NATIONAL ASSOCIATION
5480 CORPORATE DRIVE, SUITE 350
TROY, MI 48098
Email: psaliga@crestmark.com

Current

Block

Status

2 METABANK, NATIONAL ASSOCIATION
5480 CORPORATE DRIVE, SUITE 350
TROY, MI 48098
Email: psaliga@crestmark.com

Current

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.

Current

Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 22061520766

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Jun-15

Registration Status: Current

Expiry Date: 2026-Jun-15 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 MANTLE MATERIALS GROUP, LTD.
61329 RANGE ROAD 455
BONNYVILLE, AB T9N 2H4

Current

Secured Party / Parties

Block

Status

1 ALBERTA AUTO FINANCE LTD.
6103-130TH AVENUE SE
CALGARY, AB T2Z 5E1
Phone #: 587 393 3976 Fax #: 866 990 7087
Email: gmaclaren@abautoleasing.com

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	3C6UR5DJ7LG221464	2020	RAM 2500	MV - Motor Vehicle	Current
2	1C6RR7ST5NS153795	2022	RAM 1500	MV - Motor Vehicle	Current

Search ID #: Z16409077

Business Debtor Search For:

MANTLE MATERIALS GROUP, LTD.

Search ID #: Z16409077

Date of Search: 2023-Jul-31

Time of Search: 08:23:31

Registration Number: 23073107540

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jul-31

Registration Status: Current

Expiry Date: 2028-Jul-31 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

<u>Block</u>		<u>Status</u>
1	MANTLE MATERIALS GROUP, LTD. 9046 - 22 AVENUE SW EDMONTON, AB T6X 1Z6	Current

Secured Party / Parties

<u>Block</u>		<u>Status</u>
1	RLF CANADA LENDER LIMITED 1400 - 16 STREET, SUITE 320 DENVER, CO 80202 Email: Byron.levkulich@rlholdings.com	Current

Collateral: General

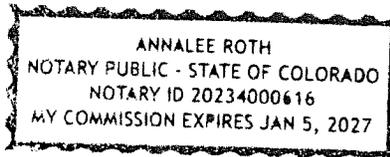
<u>Block</u>	<u>Description</u>	<u>Status</u>
1	All present and after-acquired personal property of the Debtor. Proceeds: All present and after-acquired personal property of the Debtor.	Current

Result Complete

This is **Exhibit "J"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made effective as of the 26 day of April, 2021.

TO: **FIERA PRIVATE DEBT FUND V LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** (“**Fund V**”);

AND TO: **FIERA PRIVATE DEBT FUND VI LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** (“**Fund VI**” and together with Fund V, and their successors, affiliates and assigns, the “**Lenders**”)

GRANTED BY: **MANTLE MATERIALS GROUP, LTD.**, a body corporate duly formed by incorporation under the laws of the Province of British Columbia (the “**Grantor**”)

RECITALS:

- A. The Lenders have established certain credit facilities in favour of the Grantor pursuant to a loan agreement dated April 26, 2021 among, *inter alios*, the Lenders, as lender, and the Grantor, as borrower (as same may be amended, supplemented, restated, replaced or otherwise modified from time to time, the “**Loan Agreement**”); and
- B. As security for the fulfilment of the Grantor’s obligations under the Loan Documents (as hereinafter defined), the Grantor has agreed to grant a security interest in its present and after acquired personal property in favour of the Lenders.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor agrees as follows:

ARTICLE 1 INTERPRETATION

1.1 Defined Terms

Unless the context otherwise requires or unless otherwise specified, all the terms used in this Agreement without initial capitals which are defined in the *Personal Property Security Act* (Alberta) (the “**PPSA**”) have the same meanings in this Agreement as in the PPSA.

1.2 Definitions

The following words and terms have the meanings set out below:

“**Account Borrower**” means any Person who becomes obligated to the Grantor under, with respect to, or on account of, an Account Receivable;

“**Accounts Receivable**” means all “accounts”, as such term is defined in the PPSA, now or in the future owned by the Grantor, and includes without limitation, all accounts receivable, other receivables, book debts, claims and other forms of monetary obligation not evidenced by chattel paper or an instrument now or in the future owned, received or acquired by, or belonging or owing to, the Grantor, whether arising out of goods sold or services rendered by it, or from any other transaction, and “Account Receivable” means any one of them;

“Agreement” means this General Security Agreement and all schedules hereto, as amended, supplemented or restated from time to time; and the expressions “Article” and “Section” followed by a number mean and refer to the specified Article or Section of this Agreement;

“Business Day” means any day of the year other than a Saturday or Sunday or other day on which the Lenders are required or authorized to close in Calgary, Alberta;

“Chattel Paper” means all or any part of any present or future interest of the Grantor in chattel paper;

“Contracts” means any contracts, agreements, indentures, licences, commitments, entitlements, engagements or other arrangements, whether written or unwritten, to which the Grantor is now or subsequently becomes a party or has a benefit or right, or in which the Grantor now or subsequently has an interest;

“Declared Default” means the occurrence and continuance of a Default which has resulted in (i) a notice being served by the Lenders accelerating the obligations under the Loan Documents, or (ii) the occurrence of any automatic acceleration of the obligations under the Loan Documents;

“Default” means an event of default pursuant to the Loan Agreement;

“Documents of Title” means all or any part of any documents of title, whether negotiable or non-negotiable, including, without limitation, all warehouse receipts and bills of lading, in which the Grantor now or subsequently has an interest;

“Equipment” means all equipment in which the Grantor now or subsequently has an interest including, without limitation, all tools, apparatus, fixtures, plant, machinery and furniture;

“Governmental Authority” means the government of Canada or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central Lender or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, and includes a Minister of the Crown, Superintendent of Financial Institutions or other comparable authority or agency;

“Instruments” means all or any part of any letters of credit, advices of credit and other instruments in which the Grantor now or subsequently has an interest;

“Intangibles” means all intangibles and intangible property of whatever kind in which the Grantor now or subsequently has an interest, including, without limitation, all of the Grantor’s rights under Contracts, Intellectual Property Rights, Technical Information and permits;

“Intellectual Property Rights” means all trade-marks, trade-names, brands, trade dress, business names, uniform resource locators, domain names, tag lines, designs, graphics, logos and other commercial symbols and indicia of origin, goodwill, patents and inventions, copyrights, industrial designs, and other intellectual property rights, whether registered or not or the subject of a pending application for registration, owned by the Grantor;

“Inventory” means all inventory, including without limitation, raw materials, works-in-progress, finished goods and by-products, spare parts, operating supplies, packing, shipping and packaging materials of or relating to the business of the Grantor;

“Investment Property” means all investment property of whatever kind in which the Grantor now or subsequently has an interest, including without limitation, certificated and uncertificated securities, securities entitlements, securities accounts, futures accounts and futures contracts;

“Lien” means, with respect to any Person, any mortgage, charge, pledge, hypothecation, lien (statutory or otherwise), security interest or other encumbrance of any nature however arising, or any other security agreement or arrangement creating in favour of any creditor a right in respect of any particular asset that is prior to the right of any other creditor in respect of such property, and includes the right of a lessor relative to a capitalized lease obligation. Solely for the purposes of determining whether a Lien exists for the purposes hereof, a Person shall be deemed to be the owner of any property which it has acquired or holds subject to a conditional sale or capital lease or other title retention agreement and any lease in nature thereof (excluding, for the avoidance of doubt, operating leases as determined in accordance with GAAP) and such retention of title by another Person shall constitute a Lien;

“Loan Agreement” has the meaning specified in the recitals to this Agreement;

“Loan Documents” means the Loan Agreement, and any security document granted in relation to the Loan Agreement, all certificates, instruments, agreements, offset agreements or other documents entered into under or in connection with any cash management services or hedging facilities and all other documents to be executed and delivered to the Lenders by the Grantor or any other Person in connection with the credit facilities set out in or contemplated by the Loan Agreement, and, in each case, any amendments, restatements, supplements or other modifications to any such agreements and documents at any time and from time to time;

“Money” means all or any part of any money in which the Grantor now or subsequently has an interest;

“Obligations” means all present and future moneys, debts, obligations and liabilities due, owing or incurred by the Grantor under or in connection with any Loan Document (whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently, and whether as principal, surety or otherwise, and including, for greater certainty, all interest, principal, costs, fees and reimbursement and indemnity obligations);

“Permitted Lien” means:

- (a) Liens granted to pursuant to the Loan Documents;
- (b) Liens not related to the borrowing of money, incurred or arising by operation of law or in the ordinary course of business or incidental to the ownership of assets;
- (c) Liens for taxes, rates, assessments and other governmental charges or levies not yet due, or for which installments have been paid based on reasonable estimates, or if due, the validity of which is being contested by appropriate proceedings;
- (d) reservations, limitations, provisos and conditions expressed in any original grant from the Crown or other grant of real or immovable property, or interests therein, which do not materially affect the use of the affected land for the purpose for which it is used by the Grantor;
- (e) Permits (including, without limiting the generality of the foregoing, in the nature of easements for sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraph conduits, poles,

wires and cables) and zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, regional, state, municipal and other Governmental Authorities, which will not materially impair the use of the affected land for the purpose for which it is used by the Grantor;

- (f) title defects, encroachments or irregularities which are of a minor nature and which in the aggregate will not materially impair the use of the affected property for the purpose for which it is used by the Grantor;
- (g) pledges or deposits (or Liens on segregated deposits established for such purposes) in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security or social insurance legislation or other similar obligations;
- (h) Liens given to a public utility or any Governmental Authority when required by such utility or Governmental Authority in connection with the operations of the Grantor in the ordinary course of its business;
- (i) deposits (or liens on segregated deposits established for such purposes) to secure performance of bids, tenders, trade contracts and leases, statutory obligations, surety and appeal bonds;
- (j) with respect to any leasehold interest in real property, Liens on the fee or other superior title interest in which such leasehold interest is subject;
- (k) Liens in favour of customs, revenue and taxation authorities arising by operation of law; and
- (l) Liens expressly consented to in writing by the Lenders, including, without limitation, any Liens granted pursuant to the Senior Credit Facility.

“Person” includes any person, firm, company, corporation, government, Governmental Authority, joint venture, association, trust or partnership (whether or not having separate legal personality) or other entity;

“Places of Business” means the Grantor's places of business and location of assets specified in Section 3.1(b), and **“Place of Business”** means any one of them;

“Proceeds” means all proceeds and personal property in any form derived directly or indirectly from any dealing with all or any part of the Secured Property and any insurance or payment that indemnifies or compensates for such property lost, damaged or destroyed, and proceeds of proceeds and any part of any such proceeds;

“Real Property” means all real, immovable and leasehold property, including both surface and minerals, and all easements, rights-of-way, privileges, benefits, licences, improvements and rights, including without limitation, all rights to extract minerals under license or lease, whether connected therewith or appurtenant thereto or separately owned or held, including without limitation, all structures, plant and other fixtures now owned or hereafter owned or acquired by or on behalf of the Grantor;

“Secured Property” means all of the Grantor's undertaking, property and assets, now owned or subsequently acquired, including, without limitation, all personal property, Accounts Receivable, Chattel Paper, Contracts, Documents of Title, Equipment, Intangibles, Instruments, Inventory, Money, securities, Investment Property, Real Property and Proceeds, together with all

increases, additions and accessions to any of them, and all substitutions or any replacements of any of them;

“**Security Interest**” means the security interests granted under Section 2.1;

“**Senior Credit Facility**” means the credit facility granted to the Grantor by ATB Financial; and

“**Technical Information**” means all know-how and information owned by or licensed to any Grantor, confidential or otherwise, including, without limitation, any information of a scientific, technical, financial or business nature regardless of its form.

1.3 Certain Rules of Interpretation In this Agreement:

- (a) *Governing Law* - This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the laws of Canada applicable in that Province.
- (b) *Readings* - The division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement.
- (c) *No Strict Construction* - The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.
- (d) *Number and Gender* - Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (e) *Statutory References* - Unless otherwise stated, any reference in this Agreement to any act or statute or section thereof shall be deemed to be a reference to such act or statute or section, as amended, restated or replaced from time to time.
- (f) *Time* - Time is of the essence in the performance of the parties' respective obligations.
- (g) *Entire Agreement* – This Agreement and all attachments hereto, the security and any other written agreement delivered pursuant to or referred to in this Agreement constitute the entire agreement among the parties with respect to the subject matter set forth herein or therein and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter thereof.
- (h) *Non-Merger* – The representations, warranties and covenants contained in this Agreement and in any other credit document shall not merge the closing and the advances of the facility shall, survive and continue in full force and effect. In the event of any conflict or inconsistency between any provision of this Agreement and any of the other credit documents the Lenders shall decide in their sole discretion which shall prevail.
- (i) *Joint and Several* - Where more than one person is liable as a Grantor for any obligation under this Agreement, the liability of each person for such person.

- (j) *Survival of Representations and Warranties* – The representations and warranties contained herein or made pursuant to this Agreement and all other security documents shall survive until the termination of this Agreement.

ARTICLE 2 SECURITY INTERESTS

2.1 Security Interest

As continuing security for the repayment and the performance of each of the Obligations, the Grantor hereby grants, mortgages and charges to the Lenders, a continuing security interest in, and a security interest is taken in, all of the Grantor's present and after acquired personal property, including, without limitation, all assets, rights and undertaking of every nature and kind, now owned or subsequently owned or acquired and at any time and from time to time existing or in which the Grantor has or acquires an interest, wherever situate, including, without limitation, all of the Secured Property.

2.2 Fixed Nature of Security Interests

The Security Interest is intended to operate as a fixed and specific charge of all of the Secured Property (other than the Real Property which is mortgaged and charged by way of a floating charge) presently existing, and with respect to all future Secured Property, to operate as a fixed and specific charge of such future Secured Property.

2.3 Attachment

The Grantor acknowledges that value has been given. The Security Interest is intended to attach, as to all of the Secured Property in which the Grantor now has rights, upon the execution by the Grantor of this Agreement. In respect of future Secured Property, the time for attachment will be the time at which the Grantor acquires rights in the Secured Property or power to transfer rights in the Secured Property to the Lenders.

2.4 Leases

The last day of any term reserved by any lease, written or unwritten, or any agreement to lease, now held or subsequently acquired by the Grantor is excepted out of the Security Interests. As further security for the payment of the Obligations, the Grantor agrees that it will stand possessed of the reversion of such last day of the term and shall hold it in trust for the Lenders for the purpose of this Agreement. The Grantor shall assign and dispose of the same in such manner as the Lenders may from time to time direct in writing without cost or expense to the Lenders. Upon any sale, assignment, sublease or other disposition of such lease or agreement to lease, the Lenders shall, for the purpose of vesting the residue of any such term in any purchaser, sublessee or such other acquirer of the lease, agreement to lease or any interest in any of them, be entitled by written agreement to assign to such other person, the residue of any such term in place of the Grantor and to vest the residue freed and discharged from any obligation whatsoever respecting the same.

2.5 Consent

Nothing in this Agreement shall constitute an assignment or attempted assignment of any contract, agreement, license, franchise, permit or quota which by its provisions or by law is not assignable or which requires the consent of a third party to its assignment unless such consent has been obtained. In each such case, the Grantor shall, promptly, upon written request by the

Lenders, attempt to obtain the consent of any necessary third party to its assignment under this Agreement and to its further assignment by the Lenders to any third party as a result of the exercise by the Lenders of remedies after demand. Upon such consent being obtained or waived, this Agreement shall apply to the applicable contract, agreement, license, franchise, permit or quota without regard to this section and without the necessity of any further assurance to effect such assignment. Unless and until the consent to assignment is obtained as provided above, the Grantor shall, to the extent it may do so at law or pursuant to the provisions of the contract or interest in question hold all benefit to be derived from such contracts, agreements, licenses, permits or quotas in trust for the Lenders (including, without limitation, the Grantor's beneficial interest in any contract or agreement which may be held in trust for the Grantor by a third party), as additional security for payment of Obligations and shall deliver up all such benefit to the Lenders, promptly upon demand by the Lenders.

ARTICLE 3 GRANTOR'S REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

The Grantor represents and warrants to the Lenders, the matters set out below:

- (a) *No Other Corporate Names or Styles* - The Grantor does not carry on business under or use any name or style other than the name(s) specified in Schedule 3.1 including, without limitation, any names in the French language.
- (b) *Place of Business of Grantor* - The Grantor's Places of Business and chief executive office are set out in Schedule 3.1.
- (c) *Reliance and Survival* - All representations and warranties of the Grantor made in this Agreement or in any certificate or other document delivered by or on behalf of the Grantor to or for the benefit of the Lenders are material, shall survive and shall not merge upon the execution and delivery of this Agreement and shall continue in full force and effect. The Lenders shall be deemed to have relied upon such representations and warranties notwithstanding any investigation made by or on behalf of the Lenders at any time.
- (d) *Due Authorization* – This Agreement has been duly authorized by all necessary corporate action of the Grantor and constitutes a valid and legally binding obligation of the Grantor, enforceable against it in accordance with its terms except as may be limited by applicable bankruptcy, insolvency, moratorium, and other similar laws affecting creditors' rights generally and except that specific performance, injunctions and other equitable remedies may be granted only in the discretion of the court. The making and performance of this Agreement will not result in the breach of, constitute a default under, or result in the creation of any encumbrance or any other rights of others upon any property of the Grantor pursuant to, any agreement, indenture or other instrument to which the Grantor is a party or by which the Grantor or any of its property may be bound or affected.
- (e) *Title* – All of the Secured Property is, or when the Grantor acquires any right, title or interest therein, will be, the sole property of the Grantor's, free and clear of all encumbrances and adverse claims except the Permitted Liens.

ARTICLE 4 COVENANTS

4.1 Covenants

The Grantor agrees with the Lenders that it will:

- (a) maintain, use and operate the Secured Property so as to preserve and protect the Secured Property and the incomes and profits thereof, ordinary wear and tear excepted;
- (b) keep proper books of account and records, with respect to its business and the Secured Property, in accordance with GAAP and permit a representative of the Lenders at any time to inspect, make copies and/or summaries of, and make enquiries and tests for the purpose of verification of, such books of account and records, and any expenses of the Lenders incurred in so doing will be added to the Obligations;
- (c) except for the Permitted Liens, keep the Secured Property free and clear of all encumbrances and adverse claims, whether ranking in priority to, *pari passu* with or subsequent to the mortgage, charge and security interest granted by this Agreement;
- (d) immediately notify the Lenders of:
 - (i) the details of any claim or litigation affecting the Grantor or the Secured Property, including the right of any Person to go into, collect or seize possession of the Secured Property by means of any legal process;
 - (ii) the details of any material acquisition of Secured Property;
 - (iii) any loss of or damage to Secured Property;
 - (iv) any default by any account debtor;

and the Grantor will, at its own expense, defend the Secured Property against any and all such claims;

- (e) upon the request of the Lenders, deliver possession of all originals of all negotiable documents, instruments and chattel paper owned or held by it (duly endorsed in blank, if so requested);
- (f) pay all rents, taxes, rates, assessments and other charges lawfully imposed on the Grantor or the Secured Property when the same are due and payable;
- (g) permit a representative of the Lenders at any time to inspect the Secured Property and for that purpose to enter the Grantor's premises and any other location where the Secured Property may be situated, and any expenses of the Lenders incurred in so doing will be added to the Obligations;
- (h) forthwith reimburse the Lenders on demand for all costs and expenses, including receiver's costs and expenses, and including reasonable legal fees and expenses on a full indemnity basis, incurred by the Lenders or any receiver in connection with the preparation, execution, delivery, perfection, enforcement of

and advice with respect to this Agreement, including those arising in connection with the realization, disposition of, retention, protection or collection of Secured Property, and any such costs and expenses will be added to the Obligations and will bear interest from the date such costs and expenses are incurred to the date paid, at the interest rate specified for the Obligors in the Loan Agreement, which interest will also be added to the Obligations;

- (i) ensure that the representations and warranties set forth in Section 3.1 hereof will be true and correct at all times; and
- (j) not change its name, amalgamate with another corporation or corporations or change the location of its head office, without the prior written consent of the Lenders.

ARTICLE 5 REMEDIES

5.1 Lenders' Rights and Remedies

Upon the occurrence, and during the continuance of, a Declared Default, all of the Obligations shall, at the Lenders' option and without notice to the Grantor become immediately due and payable and the Security Interest shall become enforceable and the Lenders may, in their discretion, proceed to enforce payment and performance of the Obligations and to exercise any or all of the rights and remedies contained in this Agreement, (including, without limitation, the signification and collection of the Grantor's Accounts Receivable), or otherwise afforded by law, in equity or otherwise. The Lenders shall have the right to enforce one or more remedies successively or concurrently in accordance with applicable law and the Lenders expressly retain all rights and remedies not inconsistent with the provisions in this Agreement including all the rights they may have under the PPSA. Without limitation, the Lenders may, upon the occurrence of any Declared Default which is continuing and to the extent permitted by applicable law:

- (a) *Appointment of Receiver* - Appoint by instrument in writing a receiver (which term shall include a receiver and manager or agent) of the Grantor and of all or any part of the Secured Property and remove or replace such receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a receiver. Any such receiver appointed by the Lenders, with respect to responsibility for its acts, shall, to the extent permitted by applicable law, be deemed the agent of the Grantor and not of the Lenders. Where the "Lenders" is referred to in this Article the reference includes, where the context permits, any receiver so appointed and the officers, employees, servants or agents of such receiver;
- (b) *Enter and Repossess* - Immediately and without notice enter the Grantor's premises and repossess, disable or remove the Secured Property;
- (c) *Retain the Secured Property* - Retain and administer the Secured Property in the Lenders' sole and unfettered discretion, which discretion the Grantor acknowledges is commercially reasonable;
- (d) *Dispose of the Secured Property* - Dispose of any Secured Property by public auction, private tender or private contract with or without notice, advertising or any other formality, all of which are waived by the Grantor to the extent permitted by law. The Lenders may, to the extent permitted by law, at their discretion,

establish the terms of such disposition, including, without limitation, terms and conditions as to credit, upset, reserve bid or price. All payments made pursuant to such dispositions shall be credited against the Obligations only as they are actually received. The Lenders may, to the extent permitted by law, enter into, rescind or vary any contract for the disposition of any Secured Property and may dispose of any Secured Property again without being answerable for any related loss. Any such disposition may take place whether or not the Lenders have taken possession of the Secured Property;

- (e) *Foreclosure* - Foreclose upon the Secured Property;
- (f) *Power of Attorney* – The Grantor constitutes and appoints the Lenders, or any receiver appointed of the Grantor as provided for in this Agreement, the true and lawful attorney of the Grantor irrevocably with full power of substitution, upon the occurrence and during the continuance of a Declared Default, to do, make and execute all such documents, acts, matters or things with the right to use the name of the Grantor whenever and wherever it may be deemed necessary or expedient in connection with the exercise of its rights and remedies set forth in this Agreement. Without limitation, the Lenders or their agent are authorized to sign any financing statements and similar forms which may be necessary or desirable to perfect the Security Interest in any jurisdiction on behalf of the Grantor. The Grantor declares that the irrevocable power of attorney granted in this Agreement, being coupled with an interest, is given for valuable consideration;
- (g) *Collection of Accounts Receivable* - Upon the occurrence, and during the continuance of, a Declared Default, the Lenders on their own account or through a receiver, receiver-manager or agent and whether alone or in conjunction with the exercise of all or any other remedies contemplated by this Agreement, shall have the right, at any time, to notify and direct Account Borrowers to make all payments whatsoever to the Lenders and the Lenders shall have the right, at any time, to hold all amounts acquired from any Account Borrowers and any Proceeds as part of the Secured Property. Upon such occurrence and during such continuance, any payments received by the Grantor shall be held by the Grantor in trust for the Lenders in the same medium in which received, shall not be commingled with any assets of the Grantor and shall, at the request of the Lenders be turned over to the Lenders not later than the next Business Day following the day of their receipt;
- (h) *Carry on Business* - Carry on or concur in the carrying on of all or any part of the business of the Grantor and may, in any event, to the exclusion of all others, including the Grantor, enter upon, occupy and use all premises of or occupied or used by the Grantor and use any of the personal property (which shall include fixtures) of the Grantor for such time and such purposes as the Lenders see fit. The Lenders shall not be liable to the Grantor for any neglect in so doing or in respect of any related rent, costs, charges, depreciation or damages;
- (i) *Payment of Encumbrances* - Pay any encumbrance, lien, claim or charge that may exist or be threatened against the Secured Property, and any amount so paid together with costs, charges and expenses incurred shall be added to the Obligations;

- (j) *Payment of Deficiency* - If the proceeds of realization are insufficient to pay all monetary Obligations, the Grantor shall forthwith pay or cause to be paid to the Lenders any deficiency and the Lenders may, subject to applicable law, sue the Grantor to collect the amount of such deficiency; and
- (k) *Dealing with Secured Property* - Subject to applicable law, seize, collect, realize, borrow money on the security of, release to third parties, sell (by way of public or private sale), lease or otherwise deal with the Secured Property in such manner, upon such terms and conditions, at such time or times and place or places and for such consideration as may seem to the Lenders advisable and without notice to the Grantor. The Lenders may charge on their own behalf and pay to others sums for expenses incurred and for services rendered (expressly including without limitation, legal, consulting, broker, management, receivership and accounting fees) in or in connection with seizing, collecting, realizing, borrowing on the security of, selling or obtaining payment of the Secured Property and may add all such sums to the Obligations.

5.2 Demand Obligations

The fact that this Agreement provides for default and rights of acceleration shall not derogate from the nature of the Obligations which are payable on demand.

5.3 Assemble the Secured Property

To assist the Lenders in the implementation of such rights and remedies, the Grantor will, at its own risk and expense and immediately upon the Lenders' request, upon the occurrence and during the continuance of a default, assemble and prepare for removal such items of the Secured Property as are selected by the Lenders as shall, in the Lenders' sole judgment, have a value sufficient to cover all the Obligations.

5.4 Allocation of proceeds

All monies collected or received by the Lenders in respect of the Secured Property may be held by the Lenders and may be applied on account of such parts of the Obligations as shall be determined at the sole discretion of the Lenders.

5.5 Waivers and Extensions

The Lenders may waive default or any breach by the Grantor of any of the provisions contained in this Agreement. No waiver shall extend to a subsequent breach or default, whether or not the same as or similar to the breach or default waived and no act or omission of the Lenders shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of the Grantor or the rights of the Lenders resulting therefrom. Any such waiver must be in writing and signed by the Lenders to be effective.

The Lenders may also grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Secured Property to third parties and otherwise deal with the Grantor's guarantors or sureties and others and with the Secured Property and other securities as the Lenders may see fit without prejudice to the liability of the Grantor to the Lenders, or the Lenders' rights, remedies and powers under this Agreement. No extension of time, forbearance, indulgence or other accommodation now, heretofore or hereafter given by the Lenders to the Grantor shall operate as a waiver, alteration

or amendment of the rights of the Lenders or otherwise preclude the Lenders from enforcing such rights.

5.6 Remedies Cumulative and Waivers

For greater certainty, it is expressly understood and agreed that the rights and remedies of the Lenders under this Agreement are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or equity; and any single or partial exercise by the Lenders of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement shall not be deemed to be a waiver of, or to alter, affect or prejudice, any other right or remedy to which any one or more of the Lenders may be lawfully entitled for such default or breach. Any waiver by the Lenders of the strict observance, performance or compliance with any term, covenant, condition or other matter contained in this Agreement and any indulgence granted, either expressly or by course of conduct by the Lenders shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any right or remedy of the Lenders under this Agreement as a result of any other default or breach under this Agreement.

5.7 Effect of Possession or Receiver

As soon as the Lenders take possession of any Secured Property or appoints a receiver, all powers, functions, rights and privileges of the Grantor and the directors, officers and partners of the Grantor and its general partner, as applicable, with respect to the Secured Property shall cease, unless specifically continued by the written consent of the Lenders or the receiver.

5.8 Set-off or Compensation

In addition to and not in limitation of any rights granted now or after the date of this Agreement at law, upon the occurrence and during the continuance of a Declared Default, the Lenders may at any time and from time to time without notice to the Grantor (it being expressly waived by the Grantor) set-off and compensate and apply any and all securities accounts, futures accounts, deposits, general or special, term or demand, provisional or final, matured or unmatured, and any other indebtedness at any time owing by the Lenders, or to appropriate any other properties or assets at any time held by the Lenders, to or for the credit of or the account of the Grantor, against and on account of the Obligations.

5.9 Limitation of Liability

The Lenders shall not be liable or accountable:

- (a) by reason of any entry into or taking possession of all or any of the Secured Property, to account as mortgagee in possession or for anything except actual receipts, or for any loss on realization or any act or omission for which the Lenders in possession might be liable; or
- (b) for any failure to exercise its remedies, take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Secured Property and shall not be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Lenders, the Grantor or any other person in respect of same.

The Lenders shall not by virtue of these presents be deemed to be a mortgagee in possession of the Secured Property. The Grantor releases and discharges the Lenders and the receiver from every claim of every nature, whether sounding in damages or not, which may arise or be

caused to the Grantor or any person claiming through or under the Grantor by reason or as a result of anything done by the Lenders or any successor or assign claiming through or under the Lenders or the receiver under the provisions of this Agreement unless such claim be the result of dishonesty or gross neglect.

ARTICLE 6 DEALINGS WITH SECURED PROPERTY

6.1 Restrictions on Dealings with Secured Property

Except as expressly provided for in the Loan Agreement, the Grantor agrees that it shall not, without the prior consent in writing of the Lenders:

- (a) sell, assign, transfer, exchange, lease, consign or otherwise dispose of any Secured Property;
- (b) move or transfer any of the Secured Property that is not (i) equipment or inventory leased or held for lease by the Grantor to others, and (ii) of a kind that is normally used in more than one jurisdiction to a jurisdiction where the Lenders have not registered its security interest in such Secured Property; and
- (c) create, assume or suffer to exist any Lien upon the Secured Property other than Permitted Liens.

No provision hereof shall be construed as a subordination or postponement of the Security Interest to or in favour of any other Lien, whether or not such Lien is a Permitted Lien.

6.2 Permitted Dealings with Secured Property

The Grantor may at any time prior to the occurrence of a Declared Default, so long as such action is permitted under and in accordance with the Loan Agreement without the consent of the Lenders:

- (a) make such dispositions as are permitted pursuant to the Loan Agreement or section 7.2 of this Agreement;
- (b) collect Accounts Receivable in the ordinary course of its business;
- (c) use Money available to the Grantor; and
- (d) sell or consume Inventory in the ordinary course of its business.

ARTICLE 7 RIGHTS & OBLIGATIONS OF THE PARTIES

7.1 Insurance

The Grantor will cause the Secured Property to be insured for its full insurable value against fire, theft and all other risks against which a prudent administrator would ensure it. The Lenders are hereby designated as the beneficiary of the indemnities payable under the policies in respect of the Secured Property and the Grantor will cause such designation to be inscribed in the policies. The Grantor may not revoke such designation without the prior written consent of the Lenders. The Grantor will deliver a copy of each policy to the Lenders and at least 15 days prior to the

expiry date of a policy, the Grantor will deliver to the Lenders evidence of the renewal thereof. Should the Grantor fail to comply with the requirements of this Section 7.1, the Lenders may cause the Secured Property to be insured for such amount as it sees fit, without being bound to do so, and in such case the premiums paid by the Lenders will be added to the Obligations.

7.2 Dealings in the Ordinary Course

- (a) Until the occurrence of an Event of Default, the Grantor may dispose of the Secured Property in the ordinary course of its business and for the purpose of carrying on such business; and
- (b) except as set out in Section 7.2(a) above, the Grantor will not sell, lease or otherwise dispose of, or release or abandon possession of, any Secured Property.

7.3 Payment Notification; Proceeds Held in Trust

Upon the occurrence of a Declared Default:

- (a) the Lenders may notify any parties obligated on any of the Secured Property to make payment to the Lenders of any amounts due thereunder; and
- (b) any payment or other proceeds received by the Grantor from any party obligated on any of the Secured Property will be received by the Grantor in trust for the Lenders, must be segregated from other property of the Grantor, and must be paid over or delivered to the Lenders.

7.4 Performance of Duties

Notwithstanding any provision of this Agreement, the Grantor will remain liable to observe and perform all obligations under or relating to any of the Secured Property, and the Lenders will have no such obligations. Upon the Grantor's failure to perform any of its duties hereunder or with respect to the Secured Property, the Lenders may, but will not be obliged to, perform any or all of such duties, without waiving any rights to enforce this Agreement, and the costs and expenses incurred by the Lenders in so doing will be added to the Obligations.

ARTICLE 8 GENERAL

8.1 Expenses

The Grantor shall pay all costs and expenses (including the fees and disbursements of legal counsel and other advisors, with legal fees and disbursements paid on a solicitor and own client basis) incurred by the Lenders in connection with the negotiation, preparation and execution of this Agreement and the perfection, protection of and enforcement under this Agreement, advice with respect to this Agreement, and those arising in connection with the realization, disposition, retention, protection or collection of any Secured Property and the protection or enforcement of the rights, remedies and powers of the Lenders or any receiver and those incurred for registration of any financing statement registered in connection with the Security Interests. All amounts for which the Grantor is required under this Agreement to reimburse the Lenders or any receiver shall, from the date of disbursement until the date the Lenders or the receiver receives reimbursement, be deemed advanced to the Grantor by the Lenders, shall be deemed

to be Obligations secured hereby and shall bear interest at the highest rate per annum charged by the Lenders on any of the other Obligations.

In particular, the Grantor agrees to indemnify and save the Lenders harmless from all legal fees and disbursements (on a solicitor and own client basis) incurred by the Lenders in connection with any enforcement of rights and remedies under this Agreement. This indemnity is independent of and in addition to any right which the Lenders may have to seek recovery of costs in any litigation which results in respect of this Agreement and is intended to ensure that the Lenders are fully reimbursed for one-hundred percent (100%) of the fees and disbursements which may be incurred as by it and its legal counsel.

8.2 Notices

Any notice, direction or other communication required or contemplated by any provision of this Agreement (a “**Notice**”) will be given in accordance with the Loan Agreement.

8.3 Amendment

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any party, shall be binding unless executed in writing by the Lenders and the party or parties to be bound. To be effective, any waiver by the Lenders of any provision of this Agreement or any of the Lenders’ rights or remedies shall be in writing and signed by the Lenders. Any waiver shall extend only to the particular circumstances described in the waiver.

8.4 Enurement

This Agreement shall be binding on the Grantor, and its successors (including any successor by reason of amalgamation), and permitted assigns and enure to the benefit of the Lenders and their successors (including any successor by reason of amalgamation) and assigns.

8.5 Attornment

The Grantor irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province of Alberta, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and the Grantor irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such court. The Grantor agrees that a final, non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Lenders may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against the Grantor or its properties in the courts of any jurisdiction.

The Grantor irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court of competent jurisdiction of the Province of Alberta of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

8.6 Further Assurances

The Grantor shall at all times do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and shall provide such further documents or instruments required by the Lenders as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the Security Interest and the priority accorded to them by law or under this Agreement.

8.7 Execution and Delivery

This Agreement may be executed and delivered by facsimile, email or other electronic transmission. The Grantor acknowledges receiving a copy of this Agreement, and further agrees that a carbon, photographic, photostatic, PDF, or other reproduction of this Agreement or of a financing statement will be sufficient for delivery purposes.

8.8 Language

The parties confirm that it is their wish that this Agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. *Les signataires confirment leur volonté que la présente convention, de même que tous les documents s'y rattachant, y compris tout avis, annexe et autorisation, soient rédigés en anglais seulement.*

8.9 Security Interests Effective Immediately

Neither the execution of, nor any filing with respect to, this Agreement shall obligate the Lenders to make any advance or loan or further advance, or bind the Lenders to grant or extend any credit to the Grantor.

8.10 Statutory Waivers

To the fullest extent permitted by law, the Grantor waives all of the rights, benefits and protections given by the provisions of any existing or future statute which imposes limitations upon the powers, rights or remedies of the Lenders or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute. Without limitation, to the extent that the laws of the Province of Saskatchewan are applicable, the Grantor (if it is a corporate body) agrees that *The Limitation of Civil Rights Act* (Saskatchewan) will not apply to this Agreement, or any of the rights, remedies or powers of the Lenders or any receiver hereunder. The Grantor agrees that *the Land Contracts (Actions) Act* (Saskatchewan) shall have no application to an action (as defined in the said Act) with respect to any mortgage granted or created under the terms hereof.

8.11 Reasonableness

The Grantor acknowledges that the provisions of this Agreement and, in particular, those respecting rights, remedies and powers of the Lenders and any receiver against the Grantor, its business and any Secured Property upon the occurrence of a Declared Default, are commercially reasonable and not manifestly unreasonable.

8.12 Discharge

This Agreement will not be satisfied or discharged, in whole or in part, by any intermediate payment of all or part of the Obligations and will operate as a continuing security interest for a current, running or revolving account or credit facility or similar account or facility. This Agreement and the mortgage, charge and security interest granted hereby, will only be discharged upon receipt by the Grantor of an express written discharge executed by the Lenders.

8.13 Copy of Financing Statements

The Grantor hereby waives any and all rights the Grantor has or may have to receive a copy of any financing statement or financing change statement filed by or for the Lenders or any verification statement in respect thereof.

8.14 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same agreement, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Delivery of a copy of an executed signature page of this Agreement by facsimile transmission or by e-mail in pdf format shall be effective as delivery of a manually executed counterpart thereof.

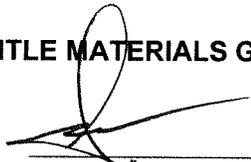
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IN WITNESS OF WHICH each of the undersigned has caused this Agreement to be duly executed as of the date set out at the commencement hereof.

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MANTLE MATERIALS GROUP, LTD.

Per:



Name: Aaron Paetsch

Title: Director

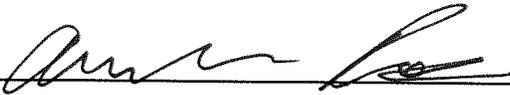
I/We have the authority to bind the company

Schedule 3.1

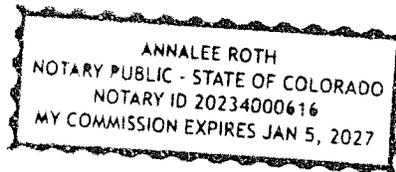
**LOCATIONS OF REGISTERED OFFICE, CHIEF EXECUTIVE OFFICE,
PLACES OF BUSINESS, RECORDS AND COLLATERAL**

Business Names	Mantle Group
French Version of Name	n/a
Any other name or style	n/a
Registered Office	Suite 2300, Bentall 5, 550 Burrard Street Vancouver, British Columbia V6C 2B5
Chief Executive Office	n/a
Places of Business	Range Rd 55, Bonnyville, AB, T9N 2H4

This is **Exhibit "K"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



ASSIGNMENT OF MATERIAL AGREEMENTS

THIS ASSIGNMENT is made effective as of the 26 day of April, 2021.

TO: **FIERA PRIVATE DEBT FUND V LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** (“**Fund V**”);

AND TO: **FIERA PRIVATE DEBT FUND VI LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** (“**Fund VI**” and together with Fund V, and their successors, affiliates and assigns, the “**Lenders**”)

GRANTED BY: **MANTLE MATERIALS GROUP, LTD.**, a body corporate duly formed by incorporation under the laws of the Province of British Columbia (“**Mantle**”)

AND BY: **JMB CRUSHING SYSTEMS INC.**, a body corporate duly formed by amalgamation under the laws of the Province of British Columbia (“**JMB**”)

AND BY: **2161889 ALBERTA LTD.**, a body corporate duly formed by incorporation under the laws of the Province of Alberta (“**216**”, and together with Mantle and JMB, the “**Assignor**”)

RECITALS:

A. The Assignor is, or may become, indebted or liable to the Lenders under or in connection with a loan agreement dated April 26, 2021 among Mantle, as borrower, the Lenders, as lender, and JMB and 216, as guarantors (as the same may be amended, varied, supplemented, restated, renewed or replaced from time to time, the “**Loan Agreement**”); and

B. As security for the due and timely payment and performance of the Obligations (as defined below), the Assignor has agreed to assign to the Lenders all its right, title, interest and benefit in, to and under certain contracts to which it is or they are a party, as applicable, on the terms and conditions of this Assignment.

NOW THEREFORE in consideration of the Lenders entering into the Loan Agreement with the Assignor, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Assignor, the Assignor covenants, agrees and declares in favour of the Lenders as follows:

1. INTERPRETATION

1.1 **Definitions.** In this Assignment, unless there is something in the subject matter or text inconsistent therewith or unless the context otherwise specifies or requires, capitalized terms shall have the meanings ascribed to such terms in the Loan Agreement and, in addition, the following terms shall have the meanings set out below:

- (a) “**Assignment**”, “**this Assignment**”, “**the Assignment**”, “**hereto**”, “**hereof**”, “**herein**”, “**hereby**”, “**hereunder**” and similar expressions mean or refer to this Assignment, as amended, varied, supplemented, renewed, restated or replaced from time to time, and any agreement or instrument supplemental to this Assignment, including the Exhibits, Schedules and Appendices annexed hereto or to any amendment to, or agreement or instrument supplemental to, this Assignment, and the expressions “**Article**”, “**Section**”, “**Schedule**”, “**Appendix**”

and “**Exhibit**” followed by a number or letter mean and refer to the specified Article or Section of, or Schedule, Appendix or Exhibit to, this Assignment;

- (b) “**Collateral**” means (a) all Material Agreements, and each of them, (b) all present and future books and accounts, letters, invoices, papers and documents in any way evidencing or relating to the Material Agreements, (c) all Monies and (d) all Proceeds of any of the foregoing;
- (c) “**Event of Default**” means an event of default pursuant to the Loan Agreement;
- (d) “**Loan Agreement**” has the meaning specified in recital A to this Assignment;
- (e) “**Material Agreements**” means those contracts set forth in Schedule “A” to this Assignment;
- (f) “**Monies**” means all revenues and other monies paid to or received by or now due and payable or hereafter to become due and payable to or receivable by the Assignor pursuant to or in connection with the Material Agreements;
- (g) “**Obligations**” means all debts, liabilities and obligations of the Assignor to the Lenders under or in connection with the Loan Agreement, whether present or future, direct or indirect, absolute or contingent, matured or not, at any time owing or remaining unpaid to the Lenders and all interest, fees, commissions and legal and other costs, charges or expenses;
- (h) “**Other Parties**” means the parties to the Material Agreements, other than the Assignor, which shall include all successors and assigns of any such party;
- (i) “**Person**” shall be broadly interpreted and includes an individual, a corporation, a limited liability company, a partnership, a trust, a joint venture, an association, an unincorporated organization, the government of a country or any political subdivision thereof, any agency or department of any such government, a regulatory agency or any other juridical entity and the heirs, executors, administrators or other legal representatives of an individual;
- (j) “**PPSA**” means the *Personal Property Security Act* (Alberta), as such legislation may be amended, renamed or replaced from time to time (and includes all regulations from time to time made under such legislation); provided that if and to the extent that any part of the Collateral, any provision of this Assignment or any of the rights of the parties hereto is governed by the laws of any jurisdiction other than Alberta, “**PPSA**” means, for that limited purpose, the applicable personal property security legislation of such other jurisdiction, in force at the relevant time;
- (k) “**Proceeds**” has the meaning given to such term in the PPSA;
- (l) “**Security Interest**” has the meaning specified in Section 2.1; and
- (m) “**Secured Agreements**” means the Loan Agreement, all guarantees, and all other present and future documents, security agreements or other arrangements in favour of the Lenders (as those agreements may be amended, supplemented, restated and replaced from time to time), and any reference to the “Secured Agreements” herein shall be interpreted as referring to the Secured Agreements or any of them.

- 1.2 **Interpretation Not Affected by Headings Etc.** Grammatical variations of any terms defined herein have similar meanings; words (including defined terms) importing the singular shall include the plural and vice versa; and words importing gender shall include the masculine, feminine and neuter genders. The division of this Assignment into separate Articles, Sections, Subsections, Paragraphs and Subparagraphs and the insertion of headings and marginal notes and references are for convenience of reference only and shall not affect the construction or interpretation of this Assignment.
- 1.3 **Severability.** If any covenant, obligation or agreement contained in this Assignment, or the application thereof to any Person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Assignment, or the application of such covenant, obligation or agreement to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each covenant, obligation and agreement of this Assignment shall be separately valid and enforceable to the fullest extent permitted by law.
- 1.4 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.
- 1.5 **Binding on Successors. Etc.** This Assignment and everything herein contained shall enure in favour of the Lenders and their successors and assigns and shall be binding upon the Assignor and its successors and permitted assigns. The Assignor may not assign any of its rights and obligations under this Assignment without the prior written consent of the Lenders.

2. **ASSIGNMENT. ETC.**

- 2.1 **Assignment.** As general and continuing collateral security for the due and timely payment and performance of Obligations, the Assignor hereby grants, assigns, conveys, transfers, pledges, hypothecates, charges, sets over and otherwise grants a security interest in, to and in favour of the Lenders, all of its right, title and interest in, to, under and in respect of the Collateral (the "**Security Interest**"). For clarity and as further noted in sections 2.4 and 2.6 below, this Assignment relates to the benefits enjoyed by the Assignor under the Material Agreements, and none of the burdens of payment or performance owed by the Assignor under these Material Agreements, which burdens shall at all times remain with the Assignor and are specifically not assumed by the Lenders.
- 2.2 **Limitations on Grant of Security.** If the Security Interest granted by the Assignor to the Lenders on any Material Agreement forming part of the Collateral or any execution of the Security Interest upon an Event of Default, which is continuing and has not been waived, would result in the termination or breach of such Material Agreement or if any Material Agreement is not assignable by law, then the applicable Material Agreement will not be subject to the Security Interest hereby created, but will be held in trust by the Assignor for the benefit of the Lenders. The Assignor shall grant a security interest in and/or assign any such Material Agreement to the Lenders. Notwithstanding the foregoing and for greater certainty, upon an Event of Default which is continuing and has not been waived, the Assignor will use commercially reasonable efforts obtain a consent and acknowledgement (in a form acceptable to the Lenders acting reasonably) from each Other Party to the Material Agreements listed in Schedule "A" hereto, which require consent to any assignment or trust.

- 2.3 **Attachment.** The Assignor confirms that (i) value has been given for the grant of the Security Interest constituted hereby, (ii) the Assignor has the rights in the Collateral (other than after-acquired Collateral), (iii) the Assignor and the Lenders have not agreed to postpone the time for attachment of such Security Interest in any of the Collateral, except for after-acquired property forming part of the Collateral, the attachment to which will occur forthwith upon the Assignor having rights therein, and (iv) the Assignor has received a duplicate original copy of this Assignment.
- 2.4 **Agreement for Security Purposes.** This Assignment is for security purposes and shall not impair or diminish any obligation of the Assignor or any Other Party or Other Parties to any Material Agreement, or the Assignor under the Obligations, and no obligation or liability arising under any Material Agreement shall be imposed upon or incurred by the Lenders by virtue of this Assignment, and the Lenders shall not, by virtue of this Assignment or the receipt by the Lenders of any Monies or other Proceeds pursuant hereto, become or be deemed to be a mortgagee in possession, and the Lenders shall not be under any obligation to take any action or exercise any remedy in collection or recovery of any Monies hereunder or to seek to or enforce the performance of the obligations of any Other Party or Other Parties under or in respect of any Material Agreement and the Lenders shall be liable to account only for such Monies as shall actually be received by the Lenders, less proper collection charges.
- 2.5 **Payment or the Monies.** Prior to the occurrence of any Event of Default, which is continuing and has not been waived, the Assignor shall have the right to receive all Monies which shall be payable to or receivable by it pursuant to the Material Agreements. On and after an Event of Default which is continuing and has not been waived or remedied, the Assignor hereby covenants and agrees that upon written notice from the Lenders, any and all Monies received by the Assignor, whether consisting of cash, cheques or other near-cash items, shall be held by the Assignor in trust for and on behalf of the Lenders, segregated from the other funds of the Assignor, and will, forthwith upon receipt by the Assignor, be delivered to the Lenders in the exact form received by the Assignor (duly endorsed by the Assignor to the Lenders, if required). Any Monies received by the Lenders pursuant to this Assignment shall be applied to such of the Obligations as the Lenders in their discretion deems appropriate or be held as part of the Collateral pursuant to the terms hereof.
- 2.6 **No Liability.** Nothing herein contained shall render the Lenders, any agents or employees of the Lenders or any other Persons for whom the Lenders are in law responsible, liable to any Person for the fulfilment or non-fulfilment of the obligations, covenants and agreements (including but not limited to the payment of any moneys thereunder or in respect thereof) of the Assignor under any Material Agreement. The Assignor hereby indemnifies and agrees to save and hold the Lenders harmless from and against any and all claims, demands, actions, causes of action, losses, suits, damages and costs whatsoever of any person arising directly or indirectly from or out of any Material Agreement; provided however that such indemnity shall, in respect of any Material Agreement, not apply with (except if resulting from the Lenders' gross negligence or wilful misconduct) respect to the actions of the Lenders relating to such Material Agreement during any period where the Lenders enforce the performance of such Material Agreement, but only so long as the Lenders continue to enforce the same.
- 2.7 **Service and Registration.** The Lenders shall have the right to require the Assignor upon the occurrence and during the continuance of an Event of Default, which has not been waived, to serve the present Assignment or notice thereof on any one or more of the Other Parties to the Material Agreements and failing such service by the Assignor at

the request of the Lenders, the Lenders shall have the right to serve this Assignment or notice thereof on any one or more of the Other Parties to the Material Agreements.

2.8 **Attorney of the Assignor.** The Assignor hereby irrevocably appoints the Lenders, and any officer or agent of the Lenders, as the true and lawful attorney of the Assignor, for and on behalf of the Assignor and in the Assignor's name, with full power of substitution, at any time and from time to time after an Event of Default shall have occurred and be continuing, which has not been waived, or upon the occurrence and continuance of any default referred to in Section 2.10(a), which has not been waived, to exercise any of the rights, powers, benefits, advantages, authority and discretions which under the terms of any Material Agreement could be exercised by the Assignor with respect to such Material Agreement.

2.9 **Performance Until Default.** Subject to the rights of the Lenders under Section 2.10, until an Event of Default shall occur and be continuing, the Assignor shall be entitled to deal with the Material Agreements and collect and receive all Monies payable to the Assignor under or in connection with the Material Agreements (subject to any irrevocable direction given in respect of any such Monies) and to enforce all of the benefits, advantages and powers thereunder as though this Assignment had not been made. On and after an Event of Default which is continuing, which has not been waived, the Lenders may, but shall not be obligated to, upon written notice to the Assignor, exercise all rights, powers, benefits, advantages, authority and discretions of the Assignor in respect of the Material Agreements and to exercise the rights granted to the Lenders hereunder in respect of the Material Agreements in the place and instead of such Assignor, all of which is hereby consented to by the Assignor.

2.10 **Right to Perform.**

(a) In the event that the Assignor shall default in respect of any material obligation, duty or liability of the Assignor under any Material Agreement, which has not been waived by the Other Party, the Lenders shall have the right, but not the obligation, either before or after the occurrence of any Event of Default and without releasing the Assignor from any of their obligations hereunder, to cure such default in such manner and to such extent as the Lender may deem necessary or advisable to protect the Security Interest constituted hereby.

(b) All reasonable costs and expenses incurred by the Lenders in exercising its rights under Section 2.10(a) shall be paid by the Assignor to the Lenders forthwith following demand therefore together with interest thereon at the rate of interest specified in Section 5.8 from the time such costs and expenses were incurred.

3. REPRESENTATIONS AND COVENANTS

3.1 **Representations and Warranties.** The Assignor represents and warrants to the Lenders (and acknowledges that the Lenders are relying on such representations and warranties) that:

(a) **Material Agreement.** The Material Agreements have been duly executed and delivered by the Assignor and constitute a legal, valid and binding obligation of the Assignor enforceable against each of it in accordance with its terms.

- (b) No Assignment. The Assignor has not granted, assigned, conveyed, transferred, pledged, hypothecated, charged, or set over, or granted a security interest on or in respect of, any Material Agreement, goods that are the subject of any Material Agreement, all Proceeds arising from the Material Agreements, other than Permitted Encumbrances.
- (c) No Default. As of the date hereof, the Assignor nor, to the best of the Assignor's knowledge, any Other Party, is in default in respect of any Material Agreement and no event has occurred which with the giving of notice or lapse of time or both would constitute a default under any Material Agreement.
- (d) Assignability, Consents. All of the Material Agreements listed in Schedule "A" hereto are freely assignable, except to the extent provided for in the Material Agreements or provided for in Applicable Law.

3.2 **Covenants**. The Assignor hereby covenants and agrees with the Lenders (and acknowledges that the Lenders are relying on such covenants) that:

- (a) it shall from time to time and at all times hereafter upon written request so to do, make, do, execute and deliver or cause to be made, done, executed and delivered all such further acts, deeds, assurances and things as may be reasonably required by the Lenders for more effectually implementing and carrying out the intent and meaning of this Assignment. The Assignor hereby constitutes and appoints the Lenders and any officer or agent of the Lenders with full power of substitution as the true and lawful attorney of the Lenders upon the occurrence of and during the continuance of any Event of Default, with full irrevocable power and authority to do, make and execute, for and on behalf of and in the name of the Assignor, all such statements, assignments, documents, acts, matters or things with the right to use the name of the Assignor whenever and wherever it may be deemed by the Lenders to be necessary or expedient to do so; and
- (b) it will obtain the prior written consent of the Lenders (such consent not to be unreasonably withheld) before entering into any Material Agreement which is not assignable to the Lenders or which is incapable of further assignment after a default thereunder or which requires the consent of any Other Party to any such assignment or further assignment. Notwithstanding the fact that the Lenders have consented to, or may hereafter consent to, the entering into by the Assignor of a Material Agreement which is not assignable or re-assignable or which requires the consent of an Other Party to an assignment of the same, at the request of the Lenders, acting reasonably, at any time and from time to time, the Lenders will use reasonable commercial efforts to cause any Other Party or Other Parties to such Material Agreement to consent to and acknowledge any or all of the rights of the Lenders in and to such Material Agreement by virtue of this Assignment, in such form or forms as the Lenders may reasonably require.

4. GENERAL

4.1 **No Release**. This Assignment shall remain in full force and effect without regard to, and the obligations of the Assignor hereunder shall not be affected or impaired by:

- (a) any amendment, modification, replacement of or addition or supplement to this Assignment, the Loan Agreement, other Secured Agreements or any other agreement or security provided to the Lenders with respect to any Obligations; or
- (b) any exercise or non-exercise of any right, remedy, power or privilege in respect of this Assignment, the Loan Agreement, other Secured Agreements or any other agreement or security provided to the Lenders with respect to any Obligations; or
- (c) any waiver, consent, extension, indulgence or other action, inaction or omission under or in respect of this Assignment, the Loan Agreement, other Secured Agreements or any other agreement or security provided to the Lenders with respect to any Obligations; or
- (d) any default by the Assignor under, or any invalidity or unenforceability of, (subject to Section 4.2) any limitation of the liability of the Assignor or on the method or terms of payment under, or any irregularity or other defect in the Loan Agreement, other Secured Agreements or any other agreement or security provided to the Lender with respect to any Obligations; or
- (e) any merger, consolidation or amalgamation of the Assignor into or with any other Person; or
- (f) any insolvency, bankruptcy, liquidation, reorganization, arrangement, composition, winding-up, dissolution or similar proceeding involving or affecting the Assignor.

4.2 **Termination of this Assignment.** Upon the payment and performance in full of all of the Obligations, the termination of all rights of the Assignor to receive any additional credit from the Lenders under the Loan Agreement and the payment and performance by the Assignor of all of the Obligations, this Assignment shall be and become fully ended and terminated and all right, title, estate and interest in and to each Material Agreement granted, assigned, conveyed, transferred, pledged, hypothecated, charged, or set over, or granted a security interest on or in respect thereof by the Assignor hereunder shall revert to the Assignor and all covenants and agreements of the Assignor hereunder shall be at an end and the Lenders shall, upon the written request of the Assignor and at the expense of the Assignor, execute such discharges, re-assignments and other instruments and give such notifications or assurances as may be necessary to fully release, cancel and discharge this Assignment in the circumstances.

4.3 **No Partnership.** Nothing herein contained shall be deemed or construed by the parties hereto or by any Other Party as creating the relationship of principal and agent or of partnership or of joint venture between the Assignor and the Lenders; it being understood and agreed that none of the provisions herein contained or any acts of the Lenders or of the Assignor shall be deemed to create any relationship between the Lenders and the Assignor other than the relationship of assignee and Assignor.

4.4 **Rights and Remedies Cumulative.** The rights or remedies given to the Lenders hereunder shall be cumulative of and not substituted for any rights or remedies to which the Lenders may be entitled under the Loan Agreement, other Secured Agreements or any other agreement or security provided to the Lender with respect to any Obligations or under statute or at law and may be exercised whether or not the Lenders have pursued or is then pursuing any other such rights and remedies. Further, nothing in this Assignment shall curtail or limit the remedies of the Lender as permitted by law or in any

statute to a creditor, all such remedies being in addition to and not in substitution for any other rights of the Lenders under this Assignment, the Loan Agreement, other Secured Agreements or any other agreement or security provided to the Lender with respect to any Obligations.

- 4.5 **Continuing Security**. This Assignment and the rights and remedies it creates are a continuing agreement and security, and shall bind the parties until discharge of this Assignment as provided in Section 5.2 hereof.
- 4.6 **Continuing Liability of the Assignor**. The Assignor will remain liable for any Obligations that are outstanding following realization of all or any part of the Collateral and the application of the Proceeds thereof.
- 4.7 **After Acquired Property**. The Assignor covenants and agrees that if and to the extent that its right, title, estate and interest in any Material Agreement is not acquired until after delivery of this Assignment, this Assignment shall nonetheless apply thereto, and the Security Interest of the Lenders hereby created shall attach to any such Material Agreement at the same time as the Assignor acquires rights therein, without the necessity of any further assignment or other assurance.
- 4.8 **Interest**. If any amount payable to the Lenders under this Assignment is not paid when due, the applicable Assignor will pay to the Lenders, on demand, interest on such amount from the date due until paid, which interest shall be calculated daily for the period commencing on and including the date due and ending on but excluding the date of actual payment (both before and after demand, default and judgment), at a rate of interest per annum equal to the highest rate of interest then applicable in respect of any of the Obligations, which rate per annum will change automatically without notice to such Assignor as and when such maximum rate changes; such interest shall be compounded on the last Business Day of each month during the period of arrears. All amounts payable by the Assignor to the Lenders under this Assignment, and all interest on all such amounts, will form part of the Obligations and will be secured by the security constituted hereby.
- 4.9 **Time of Essence**. Time shall be of the essence of this Assignment.
- 4.10 **Notices**. Subject to the express provisions of this Assignment, all communications provided for or permitted hereunder shall be given in accordance with the Loan Agreement.
- 4.11 **Waiver**. No consent or waiver, express or implied, by the Lenders to or of any breach or default by the Assignor in the performance of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such Assignor hereunder. Failure on the part of the Lenders to complain of any act or failure to act of the Assignor or to declare the Assignor in default, irrespective of how long such failure continues, shall not, by itself, constitute a waiver by the Lenders of the Lenders' rights hereunder.
- 4.12 **Amendments**. This Assignment may not be modified or amended except with the written consent of the Assignor and the Lenders.
- 4.13 **Acknowledge of Receipt**. The Assignor acknowledges receipt of an executed copy of this Assignment and of the financing statement filed in respect of the Security Interest constituted hereby under the PPSA.

- 4.14 **Counterparts and Facsimile**. This Assignment may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. For the purposes of this Section, the delivery of a facsimile or email copy in PDF format of an executed counterpart of this Assignment shall be deemed to be valid execution and delivery thereof.

[SIGNATURES ON PAGE TO FOLLOW]

IN WITNESS WHEREOF each of the parties hereto has duly executed this Assignment as of the date indicated on the first page of this Assignment.

MANTLE MATERIALS GROUP, LTD.

Per: *Byron Levkulich*
Byron Levkulich (Apr 13, 2021 18:40 MDT)

Name: Byron Levkulich

Title: Director

I have the authority to bind the company

JMB CRUSHING SYSTEMS INC.

Per: *Byron Levkulich*
Byron Levkulich (Apr 13, 2021 18:40 MDT)

Name: Byron Levkulich

Title: Director

I have the authority to bind the company

2161889 ALBERTA LTD.

Per: *Blake M. Elyea*
Blake M. Elyea (Apr 20, 2021 21:55 PDT)

Name: Blake Elyea

Title: Chief Restructuring Advisor

I have the authority to bind the corporation

[Signature page of Assignment of Material Agreements]

SCHEDULE "A"

MATERIAL AGREEMENTS

1. 216 Dispositions

- (a) Surface Material Lease No. 080085 in favour of 216 dated April 26, 2012 in respect of Aggregate Pit JLG 3 located within NW-12-63-19 W4M and SW-13-63-19 W4M.
- (b) Surface Material Lease No. 100085 in favour of 216 dated June 24, 2016 in respect of Aggregate Pit JLG 4 located within NE-12-63-19 W4M and NW-12-63-19 W4M.
- (c) Surface Material Lease No. 110025 in favour of 216 dated February 11, 2014 in respect of Aggregate Pit JLG 5 located within NE-11-61-18 W4M.
- (d) Surface Material Lease No. 110026 in favour of 216 dated April 11, 2012 in respect of Aggregate Pit JLG 6 located within SE-11-61-18 W4M.
- (e) Surface Material Lease No. 110045 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 7 located within SE-15-61-18 W4M and NE-15-61-18 W4M.
- (f) Surface Material Lease No. 110046 in favour of 216 dated March 18, 2015 in respect of Aggregate Pit JLG 8 located within NE-15-61-18 W4M and NW-15-61-18 W4M.
- (g) Surface Material Lease No. 120006 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 11 located within NW-14-61-18 W4M.
- (h) Surface Material Lease No. 120100 in favour of 216 dated October 5, 2017 in respect of Aggregate Pit JLG 12 located within SE-21-61-18 W4M.
- (i) Surface Material Lease No. 110047 in favour of 216 located within SE-15-61-18 W4M, SW-15-61-18 W4M, and NW-15-61-18 W4M.
- (j) Surface Material Lease No. 120005 in favour of 216 located within SW-14-61-18 W4M and NW-14-61-18 W4M.
- (k) Surface Material Lease No. 060060 in favour of 216 located within SW-13-65-18-W4M.
- (l) Department Licence of Occupation 170011 in favour of 216 located within SE-13-65-18-W4M and SW-13-65-18-W4M.

2. JMB Dispositions

- (a) Surface Material Lease No. 120027 in favour of JMB located within SW-30-63-08-W4M.
- (b) Surface Material Lease No. 930040 in favour of JMB located within SE-23-61-07-W4M.

- (c) Surface Material Lease 980116 in favour of JMB located within SW-21-63-12-W4M.
- (d) Department Miscellaneous Lease 120032 in favour of JMB located within NW-20-74-8-W4M.
- (e) Surface Materials Exploration 150106 in favour of JMB located within SW-26-75-11-W4M, SE-34-75-11-W4M, NW-23-75-11-W4M, NE-27-75-11-W4M, SW-35-75-11-W4M, and NW-26-75-11-W4M.
- (f) Surface Materials Exploration 200009 in favour of JMB located within NE-30-81-6-W4M, NE-31-81-6-W4M, SE-31-81-6-W4M, and SW-31-81-6-W4M.

3. **Royalty Agreements**

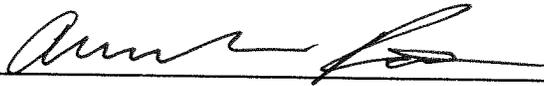
- (a) Royalty Agreement made as of June 28, 2019 between JMB and Lafarge Canada Inc. ("**Lafarge**") in respect of the Aggregate Pit referred to as Moose River for which Lafarge has a surface material lease identified as SML 100043 located at SW-35-61-7-W4M and having 18.46 acres.
- (b) Royalty Agreement made as of June 28, 2019 between JMB and Lafarge in respect of the Aggregate Pit referred to as Oberg for which Lafarge had registration number 15215-01-01 located on lands described as SE-5-62-7-W4 and having 159.88 acres.
- (c) Royalty Agreement made as of October 29, 2018 between JMB and Jerry Shankowski (945441 Alberta Ltd.) in respect of an Aggregate Pit located at SW 21-56-7-W4, which Aggregate Pit is registered under the EPEA as registration no. 308161-00-00.
- (d) Royalty Agreement made as of November 8, 2018 between Helen Havener, Gail Havener and JMB in respect of the Aggregate Pit located at NW 16-56-7-W4M, which Aggregate Pit is registered under the EPEA as registration no. 17395-01-00.
- (e) Royalty Agreement made as of February 26, 2020 between Darren Andrychuk & Daphne Andrychuk and JMB in respect of the Aggregate Pit located at SW 15-57-14-W4.

4. **Other Contracts**

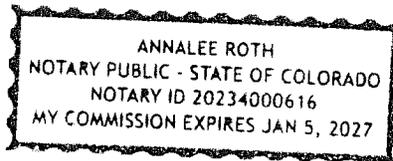
- (a) Lease dated September 1, 2011 between 489786 Alberta Ltd., as landlord, and JMB, as tenant, as amended September 3, 2015, December 12, 2016, February 26, 2018 and March 1, 2020, in respect of the lands and premises located at NW-20-61-5-4 in Bonnyville, Alberta.
- (b) Supply agreement entered into November 1, 2013 between the Municipal District of Bonnyville No. 87 and JMB, as amended by the first amendment dated September 30, 2015, the second amendment dated December 12, 2016, the third amendment dated February 26, 2018, and the amendment to agreement dated February 28, 2020.

- (c) Cenovus Energy master service and supply agreement 700322 effective as of March 13, 2020 between Cenovus Energy Inc. and JMB.
- (d) Commitment Letter dated January 8, 2018 between Canadian Western Bank and 216, as amended, together with all cash collateral security delivered in connection therewith and the rights of the Vendors in respect of the letters of credit issued by Canadian Western Bank thereunder, including:
 - i. the letter of credit in the amount of \$19,540 issued in connection with the 216 Disposition identified as SML 080085;
 - ii. the letter of credit in the amount of \$42,010 issued in connection with the 216 Disposition identified as SML 100085;
 - iii. the letter of credit in the amount of \$79,690 issued in connection with the 216 Disposition identified as SML 110025;
 - iv. the letter of credit in the amount of \$77,540 issued in connection with the 216 Disposition identified as SML 110026;
 - v. the letter of credit in the amount of \$57,030 issued in connection with the 216 Disposition identified as SML 110045;
 - vi. the letter of credit in the amount of \$44,380 issued in connection with the 216 Disposition identified as SML 110046;
 - vii. the letter of credit in the amount of \$25,690 issued in connection with the 216 Disposition identified as SML 120006;
 - viii. the letter of credit in the amount of \$29,650 issued in connection with the 216 Disposition identified as SML 120100;
 - ix. the letter of credit in the amount of \$46,110 issued in connection with the 216 Disposition identified as SML 110047;
 - x. the letter of credit in the amount of \$78,110 issued in connection with the 216 Disposition identified as SML 120005; and
 - xi. the letter of credit in the amount of \$41,440 issued in connection with the 216 Disposition identified as SML 060060;
- (c) Contracts granting a licence or other right to use the Axon software, the ISNetwork software and the software provided by ComplyWorks Ltd..
- (d) Non-competition agreement dated March 22, 2019 between 541466 Alberta Ltd., Lisa Ball, Gordon Ball, and JMB.
- (e) Master Equity Vehicle Lease Agreement dated August 23, 2019 between Enterprise Fleet Management Canada, Inc. and JMB, together with Open-End (Equity) Lease Schedule in respect of 2019 Ford, Model F-150, Series XLT 4x4 SuperCrew Cab Styleside 6.5, 1FTFW1E52KFC66669.

This is **Exhibit "L"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



LAND TITLES ACT
MORTGAGE OF LEASE

2161889 ALBERTA LTD.

TO

**FIERA PRIVATE DEBT FUND V LP, by its general partner
FIERA PRIVATE DEBT FUND GP INC.,
acting in its capacity as collateral agent for and on behalf of and for the benefit of the
Lenders (as herein defined)**

MORTGAGE OF LEASE

Land Titles Act

RECITALS

WHEREAS:

- A. The Mortgagor is the owner of a leasehold estate in the Lands as tenant under the Lease;
- B. The Mortgagee established non-revolving term loan credit facilities by way of three tranche advances of \$14,000,000, \$4,000,000 and \$5,000,000, respectively, pursuant to the amended and restated loan agreement dated December 14, 2018, among the Mortgagor, as borrower, and the Mortgagee, as lender, and the Guarantor (as defined therein) (as amended, supplemented, restated, replaced or otherwise modified from time to time, the “**Fund V Loan Agreement**”);
- C. Fund VI (as defined herein) has agreed to establish an additional \$2,500,000 non-revolving term loan credit facility for the Mortgagor on the terms and conditions set out in the loan agreement dated October 17, 2019, among the Mortgagor, as borrower, Fund VI, as lender, and the Guarantors (as defined therein) (as amended, supplemented, restated, replaced or otherwise modified from time to time, the “**Fund VI Loan Agreement**”, and together with the Fund V Loan Agreement, the “**Loan Agreements**”);
- D. The Mortgagee is acting as collateral agent and representative for and on behalf of and for the benefit of the Lenders in respect of all security now or hereafter granted by the Mortgagor to the Lenders to secure all or any portion of the indebtedness and obligations owing by the Mortgagor to the Lenders under the Loan Agreements; and
- E. As security for repayment of the Principal Sum (as defined herein) together with interest and performance of the covenants contained herein, the Mortgagor has agreed to grant this Mortgage of Lease in favour of the Mortgagee, as collateral agent for and on behalf of and for the benefit of the Lenders.

NOW THEREFORE in consideration of the covenants and promises contained herein, the Mortgagor and Mortgagee covenant each with the other as follows:

1.1 Definitions

Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement and in this Mortgage of Lease:

- (a) “**Assignment**” means the assignment of rents, subleases and warranties contained in Section 7.1 herein;
- (b) “**Business Days**” means days other than Saturdays, Sundays and statutory holidays in the Province of Alberta;
- (c) “**Collateral Security**” means the additional and collateral security, if any, which is required by the Lenders to be granted by the Mortgagor or others pursuant to the provisions of this Mortgage of Lease and the Loan Agreements;
- (d) “**Event of Default**” means “Event of Default” as defined in the Loan Agreements;

- (e) **“Fund V Loan Agreement”** has the meaning as set out in the recitals;
- (f) **“Fund VI”** means Fiera Private Debt Fund VI LP, by its general partner, Fiera Private Debt Fund GP Inc.;
- (g) **“Fund VI Loan Agreement”** has the meaning as set out in the recitals;
- (h) **“Hazardous Substance”** means any substance which is hazardous to persons or property and includes, without limiting the generality of the foregoing:
 - (i) radioactive materials;
 - (ii) explosives;
 - (iii) any substance that, if added to any water, would degrade or alter or form part of a process of degradation or alteration of the quality of that water to the extent that it is detrimental to its use by man or by any animal, fish or plant;
 - (iv) any solid, liquid, gas or odour or combination of any of them that, if emitted into the air, would create or contribute to the creation of a condition of the air that:
 - (A) endangers the health, safety or welfare of persons or the health of animal life;
 - (B) interferes with normal enjoyment of life or property; or
 - (C) causes damage to plant life or to property;
 - (v) toxic substances including, without restriction, urea formaldehyde foam insulation, asbestos and poly-chlorinated biphenyls; and
 - (vi) substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority having jurisdiction over the Mortgagor, the Mortgagee or the Lands;
- (i) **“Improvements”** means all buildings, erections, improvements and fixtures fixed or otherwise, now or hereafter placed, affixed, installed or otherwise put upon the Lands including any chattels, inventory, products, stock in trade, goods for sale, computers, operating equipment, furniture, telephone systems, alarm systems, displays, trade fixtures, manufacturing equipment, alterations, improvements, additions, shades, awnings, signs, shelves, racks, racking systems, counters, slat wall, portable ramps and office equipment;
- (j) **“Indebtedness”** means all or any portion of the indebtedness and obligations owing by the Mortgagor to the Lenders under the Loan Agreements and promissory notes related thereto;
- (k) **“Interest Rate”** means a rate of twenty five (25%) per cent per annum, calculated and compounded monthly, not in advance. Notwithstanding any other term of this Mortgage of Lease:

- (i) if the charge constituted by this Mortgage of Lease becomes enforceable, the Mortgagor will not be liable to pay under this Mortgage of Lease any greater amount than the aggregate of its Indebtedness (as defined in the Loan Agreements); and
 - (ii) full payment to the Mortgagee of interest payable pursuant to the Loan Agreements for any period of time shall fully satisfy and discharge the obligation of the Mortgagor to pay interest on the Principal Sum of this Mortgage of Lease during that period of time.
- (l) “**Lands**” means that parcel or parcels of land situate in the Province of Alberta and legally described in Schedule “A” attached hereto, together with all Improvements, and includes, the Mortgagor’s leasehold interest in and to the Lands under the Lease;
 - (m) “**Lease**” means, collectively and individually, those leases described in Schedule “A” attached hereto;
 - (n) “**Lenders**” means the Mortgagee and Fund VI;
 - (o) “**Loan Agreements**” has the meaning as set out in the recitals;
 - (p) “**Mortgage of Lease**” means this mortgage together with all recitals and all schedules attached hereto;
 - (q) “**Mortgagee**” means the Fiera Private Debt Fund V LP, by its general partner Fiera Private Debt Fund GP Inc., acting in its capacity as collateral agent for and on behalf of and for the benefit of the Lenders;
 - (r) “**Mortgagee’s Address**” means 20 Adelaide Street East, Suite 1500, Toronto, Ontario, M5C 2T6, or such other address as the Mortgagee shall from time to time advise in writing;
 - (s) “**Mortgagor**” means 2161889 Alberta Ltd.;
 - (t) “**Mortgagor’s Address**” means c/o Resource Land Holdings, LLC, 1400 26th Street, Suite 320, Denver, Colorado, 80202, or such other address as the Mortgagor shall from time to time advise in writing;
 - (u) “**Principal Sum**” means the sum of Twenty-Five Million Five Hundred Thousand (\$25,500,000.00) Dollars in lawful money of Canada;
 - (v) “**Prior Charge**” means any mortgage, lien, agreement for transfer or sale, encumbrance, interest in land, interest in the leasehold estate, or other charge or claim upon or with respect to the Lands and/or the Mortgagor’s interest in the Lands, which has or may have or which may acquire priority to this Mortgage of Lease, including, without restriction, the Lease;
 - (w) “**Real Estate Taxes**” means all taxes, local improvement charges, rates, assessments, levies, liens and penalties which are now or may hereafter be imposed or charged or be chargeable against or payable in respect of the Lands and/or the Mortgagor’s interest in the Lands and shall include any levy or mortgage tax or principal and interest tax imposed or which may be imposed on this Mortgage of Lease or on the Mortgagee in respect of this Mortgage of Lease

or on the monies secured by this Mortgage of Lease or on the Lands and/or the Mortgagor's interest in the Lands; and

- (x) **"Receiver"** means any person or persons appointed by the Mortgagee in accordance with Section 6.1 herein and includes a receiver, and a receiver and a manager.

1.2 Preamble and Schedule(s) Incorporated

The parties hereby confirm and ratify the matters contained and referred to in the preamble to this Mortgage of Lease and agree that same and the schedule(s) attached hereto are expressly incorporated into and form part of this Mortgage of Lease.

1.3 Schedules

The schedules to this Mortgage of Lease are as follows:

Schedule "A" - The Lands and Description of Lease

ARTICLE 2

2.1 Security of the Principal Sum

The Mortgagor mortgages all of the Mortgagor's leasehold interest in and to the Lands to the Mortgagee, as collateral agent, for the purposes of securing payment of the Principal Sum secured, interest and all other amounts or sums secured by this Mortgage of Lease.

2.2 Repayment

- (a) Without the necessity of a prior demand, the Mortgagor shall pay to the Mortgagee at the Mortgagee's address, the Indebtedness secured hereby, at the times and in the manner set out in the Loan Agreements and Collateral Security.
- (b) Notwithstanding any other term of this Mortgage of Lease, if the charge constituted by this Mortgage of Lease becomes enforceable, the Mortgagor will not be liable to pay under this Mortgage of Lease any greater amount than the aggregate sum of the Indebtedness.
- (c) Notwithstanding any other term of this Mortgage of Lease, full payment to the Mortgagee of interest payable pursuant to the Loan Agreements for any period of time shall fully satisfy and discharge the obligation of the Mortgagor to pay interest on the Principal Sum of this Mortgage of Lease during that period of time.
- (d) This Mortgage of Lease is declared to be collateral of the Indebtedness and is intended to be a continuing security for the Indebtedness which may include without limitation, revolving credit facilities, and it shall subsist notwithstanding any increase or reduction in the amount of the Indebtedness and notwithstanding the fulfillment from time to time, whether in whole or in part, of any Obligation of the Mortgagor; this Mortgage of Lease shall have full force and effect until the execution of a discharge by the Mortgagee.

ARTICLE 3

3.1 Insurance

The Mortgagor shall forthwith insure the Lands and all chattels located thereon in accordance with the insurance requirements set out in the Loan Agreements.

3.2 Payment of Real Estate Taxes

The Mortgagor shall pay as they become due all Real Estate Taxes and shall submit to the Mortgagee tax receipts evidencing payment within thirty (30) days after they become due, provided that:

- (a) at the request of the Mortgagee, the Mortgagor will transmit to the Mortgagee all assessment notices, tax bills and other notices affecting the imposition of Real Estate Taxes forthwith after the receipt of same by the Mortgagor;
- (b) if the Mortgagor defaults in payment of the Real Estate Taxes, the Mortgagee may, but shall not be obliged to, pay all Real Estate Taxes and all monies expended by the Mortgagee for such purpose, together with interest thereon at the applicable Interest Rate, shall be added to the Principal Sum (such interest to run from the date of payment by the Mortgagee), and shall be a charge upon the Lands and shall be repaid by the Mortgagor to the Mortgagee forthwith upon demand;
- (c) the Mortgagor shall, during an Event of Default which has occurred and is continuing and at the option of the Mortgagee, pay to the Mortgagee such sums in addition thereto as the Mortgagee shall compute to be required to provide a fund sufficient to pay in full the Real Estate Taxes when such taxes become due and payable and the Mortgagee shall be at liberty to exercise its discretion at any time during the currency of this Mortgage of Lease, provided that an Event of Default has occurred and is continuing. A forbearance by the Mortgagee to exercise its discretion, either at the commencement of the term or at any other time thereafter, shall in no way affect or preclude the Mortgagee from requiring the Mortgagor to pay instalments for Real Estate Taxes at any subsequent time. The following provisions shall apply to this subsection:
 - (i) in the event that the Real Estate Taxes actually charged for any particular year exceed the estimated amount or in the event of any part of the estimated amount paid to the Mortgagee being applied by the Mortgagee in or towards principal and interest or other monies in default, the Mortgagor will pay to the Mortgagee on demand the amount required to satisfy the deficiency;
 - (ii) so long as no Event of Default has occurred and is continuing, the Mortgagee shall apply such payments on the Real Estate Taxes, but the Mortgagee shall be under no obligation to apply such payments more often than yearly;
 - (iii) if before any such sum or sums in the hands of the Mortgagee shall have been so applied there shall be an Event of Default which has occurred and is continuing, the Mortgagee may, at its option, apply such sum or

sums in or towards payment of principal, interest or other monies so in default; and

- (iv) if the Mortgagor desires to take advantage of any discounts or avoid any penalties in connection with the payment of Real Estate Taxes, then it shall pay to the Mortgagee such additional amounts as in the opinion of the Mortgagee are required for that purpose; provided always, that the Mortgagee may, at its option, decide to prepay either in whole or in part any Real Estate Taxes.

3.3 Maintenance and Repair of the Lands

- (a) The Mortgagor will not commit any act of waste upon the Lands nor do or permit to be done any act which may impair the value thereof.
- (b) The Mortgagor will take good and reasonable care of all buildings, structures and improvements now or hereafter from time to time erected on the Lands and without cost and expense to the Mortgagee will manage, operate, maintain and keep or cause the same to be kept in good order, repair and condition throughout, both exterior and interior, structural or otherwise, and will promptly make all required or necessary repairs and replacements thereto, including without limitation, the roof, walls, foundations and appurtenances, pipes and mains, and all other fixtures, machinery, facilities and equipment that belong to or are used in connection with the Lands, all of the foregoing to the extent that a prudent owner would do. Notwithstanding the foregoing, the Mortgagor shall not be obligated to maintain or repair any damage caused by reasonable wear and tear which does not affect the use and enjoyment of the improvements or which is not required pursuant to the terms of this Lease.
- (c) The Mortgagee by its agents, solicitors or inspectors may, subject to the rights of the landlord under the Lease and, so long as no Event of Default exists, upon reasonable prior notice, enter upon the Lands at any reasonable time to view the state of repair.
- (d) Should, in the opinion of the Mortgagee, the Lands not be in a proper state of repair in accordance with the requirements of this Mortgage of Lease, the Mortgagee may serve notice upon the Mortgagor to make such repairs or replacements, or commence making such repairs or replacements, as the Mortgagee deems proper within a period of twenty (20) Business Days and in the event of the Mortgagor not having complied or not being in the process of diligently complying with such request, then such non-compliance shall be deemed an Event of Default for the purposes hereunder and the Mortgagee may authorize the making of such repairs or replacements by its agents, employees or contractors and they may enter upon the Lands for the purpose of doing such work with or without the Mortgagor's concurrence and the cost thereof shall be paid for by the Mortgagor upon demand and until paid shall be secured by this Mortgage of Lease, bear interest at the determined Interest Rate and be a charge upon the Lands in priority to the interest of the Mortgagor. Provided always, that should the Mortgagor have vacated or abandoned the Lands, or, should the Lands be occupied by a tenant or tenants who are failing to properly maintain and repair the same, and, the Mortgagee, in its sole discretion, deems it necessary to enter upon the Lands in order to properly maintain and preserve its security, then in such event, the Mortgagee shall be entitled to so enter and such

action by the Mortgagee shall not constitute it a mortgagee in possession nor liable as such.

- (e) In the ownership, operation and management of the Lands, the Mortgagor will observe and comply with all applicable federal, provincial and local bylaws, statutes, rules, ordinances and regulations, orders, directions and restrictions including, without limitation, all zoning and building codes affecting the Lands in force from time to time.

3.4 Fixtures

All Improvements shall, immediately upon being placed on the Lands, become fixtures and form a part of the realty and of the security of these presents, and are included in the expression the "Lands", where used in this Mortgage of Lease.

3.5 Indemnity

The Mortgagor hereby indemnifies and saves harmless the Mortgagee and its successors and assigns from and against any and all losses, liabilities, damages, costs and expenses of any kind whatsoever including, without limitation:

- (a) the costs of defending, counter-claiming or claiming against third parties in respect of any action or matter including legal fees, costs and disbursements on a solicitor and his own client basis and at all court levels;
- (b) any cost, liability or damage arising out of a settlement of any action entered into by the Mortgagee with or without the consent of the Mortgagor; and
- (c) the costs of repair, clean-up or restoration paid by the Mortgagee and any fines levied against the Mortgagee;

which at any time or from time to time may be paid, incurred or asserted against the Mortgagee, as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release, of Hazardous Substances from the Lands either onto any lands (including the Lands), into the atmosphere or into any water. This indemnification shall survive the satisfaction, release or enforcement of this Mortgage of Lease or Collateral Security and the full repayment of the Indebtedness.

3.6 Hazardous Substance

The Mortgagor represents, covenants and warrants to and in favour of the Mortgagee, as collateral agent, that:

- (a) neither the Mortgagor, nor, to the best knowledge of the Mortgagor, any other person has ever caused or permitted any Hazardous Substances to be placed, held, located or disposed of on, under or at the Lands in contravention of any applicable laws intended to protect the environment, save and except as disclosed to the Mortgagee in writing;
- (b) it shall not allow any Hazardous Substances to be placed, held, located or disposed of on, under or at the Lands in contravention of any applicable laws intended to protect the environment;

- (c) it shall not allow the Lands to be utilized in any manner in contravention of any applicable laws intended to protect the environment, including without limitation, laws respecting the disposal and emission of Hazardous Substances;
- (d) to the extent that Hazardous Substances are placed, held, located or disposed of on, under or at the Lands in accordance with the terms hereof, the Mortgagor shall:
 - (i) comply with, or cause to be complied with, all applicable laws and regulations relating to the use, storage and disposal of the Hazardous Substances;
 - (ii) at the reasonable request of the Mortgagee, provide evidence to the Mortgagee of compliance with all applicable laws and regulations, such evidence to include inspection reports and such tests as the Mortgagee may reasonably require, all at the expense of the Mortgagor;
- (e) without restricting the generality of the foregoing, in the event that gasoline or other storage tanks are located under or on the Lands, the Mortgagor shall:
 - (i) maintain and repair such storage tanks in a prudent manner; and
 - (ii) at the request of the Mortgagee, assign any warranties or guarantees received from the manufacturer or installer of such storage tanks in favour of the Mortgagee as additional security.

ARTICLE 4

4.1 Mortgagor's Representations and Warranties

The Mortgagor covenants with the Mortgagee and represents and warrants to the Mortgagee that:

- (a) the Mortgagor is the lawful tenant or lessee of the Lands and has a good and marketable leasehold estate or interest in that portion of the Lands;
- (b) the Lands are leased to the Mortgagor pursuant to the Lease and the Lease is good, valid and subsisting;
- (c) all rents and other moneys payable under the Lease have been paid and the Mortgagor is not in default of any of the Mortgagor's other obligations set out in the Lease;
- (d) the Mortgagor will pay rent and all other amounts, and perform and observe all other obligations of the lessee or tenant, all as required by the Lease, failing which the Mortgagee may (but is not required to) make any such payments or perform or observe any such obligations;
- (e) the Mortgagor will not surrender the Lease or cause or allow it to be terminated or forfeited;
- (f) the Mortgagor will not agree to any material amendment of the Lease, including those which will have a material adverse change on the value or the current use of the Land without first obtaining the Mortgagee's written consent;

- (g) the Mortgagor will promptly give the Mortgagee a copy of any material notice, demand or request that the Mortgagor receives relating to the Lease or the Lands;
- (h) the Mortgagor has the right to mortgage its leasehold interest or estate in the Lands;
- (i) that, during an Event of Default which has occurred and is continuing, the Mortgagee shall have quiet possession of the Lands, subject to Permitted Encumbrances;
- (j) the Mortgagor will execute such further assurances in respect of the Lands and the Lease as may be requisite;
- (k) the Mortgagor has done no act to encumber its leasehold estate or interest in the Lands save and except for Permitted Encumbrances;
- (l) the Mortgagor shall stand possessed of the last day of the term reserved by the Lease and shall hold it in trust for the Mortgagee for the purpose of this Mortgage of Lease. The Mortgagor shall assign and transfer such interest as instructed by the Mortgagee without cost or expense to the Mortgagee. Upon any sale, assignment, sublease or other disposition of the Lease, the Mortgagee shall, for the purpose of vesting the residue of any such term in any purchaser, sublessee or such other acquirer of the Lease, be entitled by written agreement to assign to such other person, the residue of any such term in place of the Mortgagor and to vest the residue freed and discharged from any obligation whatsoever respecting the same;
- (m) if the Credit Facilities remain outstanding at such time, the Mortgagor will at the proper time and times take such proceedings and make, do and execute all such acts, deeds, matters and things as may be requisite for obtaining the renewal of any lease (including, without limitation, the Lease) under which the Mortgagor derives a leasehold interest in the Lands and upon the Mortgagor obtaining any such renewal this Mortgage of Lease shall extend to the term of such renewal save and except the last day of such renewal terms and such renewals shall be subject to this Mortgage of Lease;
- (n) upon the occurrence and during the continuance of an Event of Default, the Mortgagor will assign and dispose of its interest in the Lease as the Mortgagee may direct subject as herein provided; the Mortgagor hereby irrevocably appoints the Mortgagee (or such person as the Mortgagee may specify) as the Mortgagor's substitute to be the Mortgagor's attorney during the continuance of this security and for and on behalf of the Mortgagor, upon the occurrence and during the continuance of an Event of Default, to assign the Lease and convey the leasehold estate of the Mortgagor as the Mortgagee shall direct, and in particular, upon any realization made by the Mortgagee on this security, to assign the Lease and convey the leasehold estate of the Mortgagor to the Mortgagee or anyone designated by the Mortgagee; and, in such circumstances, the Mortgagor will, with respect to the said Lease and other documents, at the request of the Mortgagee but at the cost, charge and expense of the Mortgagor grant and assign unto the Mortgagee or whom it may appoint the last day of the said term hereinbefore excepted, or any renewal or substituted term;

- (o) nothing contained herein shall render the Mortgagee a mortgagee in possession or accountable for any monies except those actually received;
- (p) if the Mortgagor shall refuse or neglect to renew the Lease or any renewals thereof to be hereafter granted, and to pay the fees, costs, charges and expenses incidental to and payable upon such renewals, then and as often as it shall happen, the Mortgagee may, if it thinks proper, effect such renewals in its own name or otherwise, and in that case every such new lease and the Lands and buildings or part thereof thereby demised shall remain and be a security to the Mortgagee for the payment of all money paid by it for such renewal and its costs, charges and expenses as for any other sums that may be due by virtue of this Mortgage of Lease;
- (q) the Mortgagor shall not take advantage of any provisions under the Lease which permit or have the effect of deferring payment of rents or any other payments such that such rents or payments would accrue and become due and owing at a future date, without having first obtained the Mortgagee's prior written consent, which may not be unreasonably withheld; and
- (r) upon an Event of Default which has occurred and is continuing, the Mortgagee may enter into possession of the Lands or the appropriate part thereof and hold and enjoy the same for the then residue of the term of years herein contemplated, without the let, suit, hindrance, interruption or denial of the Mortgagor or of any person whatsoever, and receive and take the rents, issues and profits thereof, and whether in or out of possession make any such sublease as it shall think fit, and may also sell and absolutely dispose of the same in any manner whatsoever.

ARTICLE 5

5.1 Event of Default

During an Event of Default which has occurred and is continuing:

- (a) the Mortgagee may, at its option, and at the Mortgagor's expense and when and to such extent as the Mortgagee deems advisable, observe and perform or cause to be observed and performed such covenant, agreement, proviso or stipulation;
- (b) the Mortgagee may send or employ an inspector or agent to inspect and report upon the value, state and condition of the Lands and a solicitor to examine and report upon the title to the same, all at the expense of the Mortgagor;
- (c) it shall and may be lawful for, and the Mortgagor does hereby grant full power, right and license to the Mortgagee to enter, seize and distrain upon the Lands or any part thereof, and by distress warrant to recover by way of rent reserved as in the case of demise of the Lands as much of the Indebtedness as shall from time to time be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent;
- (d) the Mortgagee may, at its option, transfer, sell, assign, sublease, mortgage or otherwise dispose of or deal with the Mortgagor's interest in and to the Lands, without entering into possession of the same and without giving any notice to the Mortgagor of the Mortgagee's intention to do so. Any transfer, sale, assignment,

sublease or mortgage made under the powers hereby given may be on such terms as to credit or otherwise as shall in the opinion of the Mortgagee be most advantageous and for such price as can be reasonably obtained therefor and such sale may be made of any portion or portions of the Lands, from time to time. The Mortgagee may make any stipulation as to title or otherwise as the Mortgagee may deem proper and the Mortgagee may rescind or vary any contract for transfer of any of the Lands and retransfer without being responsible for any loss occasioned thereby. The proceeds of any transfer shall be applied in payment of the Indebtedness, all legal costs of the Mortgagee as between a solicitor and his own client on a full indemnity basis and the balance, if any, to be paid to the Mortgagor. Any such transfer shall be absolutely conclusive as against the Mortgagor or any persons claiming by, from, through or under the Mortgagor and its assigns and in the event of a transfer on credit or for part cash and part credit, whether by way of contract for sale or by conveyance or transfer and mortgage, the Mortgagee is not to be accountable or charged with any monies until the same shall be actually received by it in cash;

- (e) the whole of the Indebtedness shall, at the option of the Mortgagee, become due and payable;
- (f) the Mortgagee may take such proceedings to realize on the Mortgagee's security created by this Mortgage of Lease or the Collateral Security by foreclosure or otherwise as the Mortgagee may by law be entitled to do;
- (g) the Mortgagee may exercise each of the foregoing powers, together with all other rights and powers provided for in this Mortgage of Lease, without notice to the Mortgagor; and
- (h) the exercise or the attempted exercise of one or more of the Mortgagee's rights or remedies hereunder shall not affect, delay or prejudice any other rights or remedies nor operate as a waiver thereof, and any or all of the said rights or remedies may be exercised concurrently or successively.

5.2 No Merger

The giving and taking of this Mortgage of Lease shall in no way merge or affect any other security or securities that may have been, or that may hereafter be given in respect of any amount secured by this Mortgage of Lease, or any part thereof, or impair or affect any such security or securities or any remedy thereunder, and all rights and remedies which the Mortgagee now has or may hereafter have against the Mortgagor or any other person or entity are hereby reserved. The Mortgagor agrees that the taking of a judgment or judgments on any covenant contained herein or on any covenant which is set forth in any other security for payment of the Indebtedness or performance of the obligations hereby secured or the entering into of any arrangement, including the granting of time, compromise, release or discharge or the termination of any causes of action, claim or right whatsoever by the Mortgagee against the Mortgagor or any other person or entity, whether prejudicial or beneficial to any one or more of them, shall not operate as a merger of such covenant or affect the rights or remedies of the Mortgagee, or affect the Mortgagee's right to interest at the Interest Rate on any monies which are owing to the Mortgagee and such judgment shall provide that interest thereon shall be computed at the Interest Rate in the same manner as provided for herein until the judgment has been paid in full.

The Mortgagor acknowledges that it is aware of the provisions of the *Judgment Interest Act*, R.S.A. 2000, c. J-1, dealing with the award of interest from the date a cause of action arises to the date of judgment, and hereby waives the benefit of such provisions or any legislation similar thereto or in replacement thereof, and agrees to pay interest in accordance with the terms of this Mortgage of Lease, both before and after default, maturity and judgment.

5.3 Release

The Mortgagee may at any time release any part of the Lands, or any of the covenants and agreements herein contained, or any Collateral Security, either with or without any consideration therefor and without being accountable either for the value thereof, or for any money except that which is actually received, and without thereby releasing or affecting any other of the Lands or any of the other covenants or agreements herein contained or releasing any guarantor or any other security.

5.4 No Obligation to Advance

Neither execution nor registration nor acceptance of this Mortgage of Lease, nor the advance of part of the Principal Sum shall bind the Mortgagee to advance the Principal Sum or any unadvanced portion thereof, but nevertheless this Mortgage of Lease shall take effect forthwith on its execution and if the Principal Sum or any part thereof shall not be advanced at the date hereof, the Mortgagee may advance the same in one or more sums to or on behalf of the Mortgagor at any future date or dates and the amount of such advances when so made shall be secured hereby and repayable with interest as herein provided. In all events, the advance of the Principal Sum or any part thereof from time to time shall be in the sole, absolute, unfettered and unqualified discretion of the Mortgagee.

5.5 Additional Charges

All solicitor's, inspector's, valuator's and surveyor's fees and expenses for drawing and registering this Mortgage of Lease and for examining the Lands and the title thereto, and for making or maintaining this Mortgage of Lease as a valid and subsisting charge on the Lands, together with all sums which the Mortgagee may and does from time to time advance, expend or incur hereunder as principal, insurance premiums, Real Estate Taxes, rates or in or toward payment of any Prior Charge, or in maintaining, repairing, restoring or completing the Lands, and in inspecting, leasing, managing, or improving the Lands, including the price or value of any goods of any sort or description supplied to be used on the Lands, and in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder or subsisting, and legal costs as between a solicitor and his own client for any purpose herein provided or whether or not such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Mortgagor or otherwise, are to be secured hereby and shall be a charge on the Lands, together with interest thereon, and all such monies shall be repayable to the Mortgagee on demand. It is the express intention and agreement of the Mortgagor and Mortgagee that the Mortgagor shall fully and totally indemnify the Mortgagee for all costs, expenses, charges and monies of any nature whatsoever either directly or indirectly arising out of or associated with this Mortgage of Lease.

5.6 Right of Subrogation

In the event of the Principal Sum advanced hereunder or any part thereof being applied to the payment of any charge or encumbrance, the Mortgagee shall be subrogated to all the rights of, and stand in the position of and be entitled to all the equities of the party so paid whether such charge or encumbrance has or has not been discharged, and the decision of the

Mortgagee as to the validity or amount of any advance or disbursement made under this Mortgage of Lease or of any claim so paid shall be final and binding on the Mortgagor.

5.7 Monies Received or Collected

The Mortgagee shall not be charged with any monies receivable or collectable out of the Lands or otherwise except those actually received, and all revenue of the Lands received or collected by the Mortgagee from any source other than payment by the Mortgagor may at the option of the Mortgagee be retained in a suspense account or used in maintaining or insuring or improving the Lands, or in payment of Real Estate Taxes or other charges against the Lands, or applied on the mortgage account, and the Mortgagee shall not be under any liability to pay interest on any sums in a suspense account.

5.8 Discharge

Any discharge of this Mortgage of Lease shall be prepared by the solicitor of the Mortgagor and the Mortgagee shall have a reasonable time after receipt of payment in full within which to have prepared and to execute such discharge. A tender of the Indebtedness shall not entitle the Mortgagor to immediately receive such discharge.

5.9 Exercise of Discretion

Any discretion, option, decision or opinion hereunder on the part of the Mortgagee shall be sufficiently exercised or formed if exercised, or formed by or subsequently ratified by the manager or acting manager for the time being or by an executive officer of the Mortgagee, or any officer or agent appointed by the Mortgagee for that purpose.

5.10 Default Under Prior Charge

The Mortgagee shall be at liberty during an Event of Default which has occurred and is continuing, but shall not be obligated, to pay any arrears or other sums payable under a Prior Charge, pay off all or any portion of the principal or interest thereby secured or take such steps including expending of monies as may, in the sole discretion and opinion of the Mortgagee, be necessary to cure such Event of Default. Any amounts so paid by the Mortgagee shall:

- (a) be added to the Indebtedness;
- (b) bear interest at the Interest Rate until paid;
- (c) be a charge upon the Lands; and
- (d) unless repaid to the Mortgagee upon demand, shall be recoverable from the Mortgagor in the same manner as if such sum had been originally advanced and secured hereby.

For the purposes of tendering any arrears or other sums payable to a holder of a Prior Charge, the Mortgagor hereby irrevocably appoints the Mortgagee its agent for such purpose and irrevocably directs the Mortgagee to tender such monies upon the holder of a Prior Charge, in the name of and on behalf of the Mortgagor, and in this regard the Mortgagor hereby assigns unto the Mortgagee, its equity of redemption, if any, with respect to the Prior Charge together with the statutory right of redemption given to the Mortgagor by the provisions of Section 39 of the *Law of Property Act*, R.S.A. 2000, c. L-7. It is the intention of the parties that the Mortgagee shall have the same rights and powers but not the liabilities as the Mortgagor under and pursuant to the terms of the Prior Charge so that the Mortgagee will be in a position to take

whatever steps are necessary to bring the Prior Charge into good standing once an Event of Default has occurred and is continuing. This assignment is not intended to encompass the Mortgagor's entire interest in the Prior Charge, but only to the extent hereinbefore stipulated. Nothing herein contained shall create an obligation upon the Mortgagee to cure any default on behalf of the Mortgagor.

5.11 Attornment

For better securing the punctual payment of the Indebtedness, the Mortgagor hereby attorns and becomes subtenant to the Mortgagee and if any judgment, execution or attachment shall be issued against any of the goods or lands of the Mortgagor or if the Mortgagor shall become insolvent or bankrupt or commit an act of bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* or shall take the benefit of any statute relating to bankruptcy or insolvent debtors then such rental shall, if not already payable, be payable immediately thereafter. The legal relationship of landlord and tenant is hereby constituted between the Mortgagee and the Mortgagor. The Mortgagee may at any time after an Event of Default has occurred and is continuing enter upon the Lands, or any part thereof, and determine the tenancy hereby created without giving the Mortgagor any notice to quit; but neither this clause nor anything done by virtue thereof shall render the Mortgagee a mortgagee in possession or accountable for any monies except those actually received.

5.12 Expropriation and Condemnation

- (a) If the Lease and/or the Lands or any part thereof be condemned under any power of eminent domain or be acquired by expropriation, the damages, proceeds, consideration and award for such acquisition, to the extent of the full amount of the Indebtedness and obligations secured hereby remaining unpaid, are hereby assigned by the Mortgagor and shall be paid forthwith to the Mortgagee and its successors and assigns. If a portion only of the Lands be taken in the expropriation without resulting damage to the Improvements or any part thereof, or if a portion of the Lands shall be taken in such expropriation proceedings with resulting damage to the Improvements and the amount of the award made therein is based on a determination that the portion of the Improvements remaining on the portion of the Lands not so taken can practicably be rehabilitated then the provisions of this Mortgage of Lease relating to insurance proceeds in case of loss or damage shall apply to the award in the said expropriation and the same shall be applied accordingly.
- (b) The Mortgagor acknowledges that it is aware of the provisions of Sections 49 and 52 of the *Expropriation Act*, R.S.A. 2000 c. E-13, and any amendments thereto and hereby waives the benefit of such provisions or any legislation similar thereto or in replacement thereof and in addition the Mortgagor covenants to pay to the Mortgagee the difference between the Indebtedness and the monies paid by the expropriating authority to the Mortgagee together with interest thereon at the Interest Rate both before and after maturity, default, acceleration and the obtaining of any judgment by the Mortgagee.
- (c) Notwithstanding the foregoing subsections (a) and (b) the Mortgagee shall be at liberty, at its sole option, to declare the whole of the Indebtedness as being immediately due and payable in the event that the Lease and/or the Lands or any part thereof shall be the subject matter of an expropriation proceeding.

- (d) Any monies awarded by an order of either the Land Compensation Board or the Surface Rights Board with respect to the Lease and/or the Lands or any part thereof to the extent of the full amount of the Indebtedness are hereby assigned by the Mortgagor and shall be paid forthwith to the Mortgagee, its successors and assigns.

ARTICLE 6

6.1 Appointment of Receiver

If an Event of Default has occurred and is continuing, then the Mortgagee may by instrument in writing or by obtaining an order of the court, appoint any person or persons, whether an officer or officers or employee or employees of the Mortgagee, or not, to be a Receiver of the Lands and assets which are charged in favour of the Mortgagee and the rents and profits derived therefrom or any portion or part thereof, at the Mortgagee's sole discretion. The Mortgagee may remove any Receiver so appointed and appoint another or others in his or their stead. The following provisions shall apply to this paragraph:

- (a) a Receiver so appointed is conclusively the agent or agents of the Mortgagor and the Mortgagor shall be solely responsible for the acts or defaults and for the remuneration and expenses of the Receiver. The Mortgagee shall not be in any way responsible for any misconduct or negligence on the part of any Receiver;
- (b) nothing contained herein and nothing done by the Mortgagee or by a Receiver shall render the Mortgagee a mortgagee in possession or responsible as such;
- (c) all monies received by the Receiver, after providing for payment of charges ranking prior to this Mortgage of Lease and for all costs, charges and expenses of or incidental to the exercise of any of the powers of the Receiver as hereinafter set forth, shall be applied in or towards satisfaction of the monies owing pursuant to this Mortgage of Lease;
- (d) the Receiver so appointed may but shall not be obligated to:
 - (i) take possession of, collect and get in the property, rents and profits charged by this Mortgage of Lease and any Collateral Security granted by the Mortgagor to the Mortgagee and for that purpose to take any proceedings, be they legal or otherwise, in the name of the Mortgagor or otherwise;
 - (ii) carry on or concur in carrying on the business which the Mortgagor is conducting on and from the Lands;
 - (iii) sublease or re-sublease all or any portion of the Lands for any term, and on any condition, and with or without a premium, and for this purpose may execute contracts in the name of the Mortgagor which said contracts shall be binding upon the Mortgagor;
 - (iv) borrow monies for the purpose of carrying on the business of the Mortgagor on the Lands, the maintenance and preservation of the Lands or any part thereof, the payment of taxes, wages and other charges ranking in priority to this Mortgage of Lease or for other purposes approved by the Mortgagee and any money so borrowed shall be repaid

by the Mortgagor on demand and until repaid shall bear interest thereon at the Interest Rate and form a charge upon the Lands;

- (v) receive the revenues, incomes, issues and profits of the Lands and to pay therefrom all expenses, charges and borrowings incurred or payable in carrying on the business as it relates to the Lands and all taxes, assessments and other charges against the Lands, payment of which may be necessary to preserve the Lands and the balance, if any, shall be held and applied in the same manner as if the same arose from a sale or realization of the Lands;
- (vi) transfer, sell and/or dispose of any or all of the Lands at public auction or by tender at such time and on such terms and conditions as the Receiver shall determine or to sell and dispose of any or all of the Lands by private contract and in any event for cash or upon credit and secured or otherwise as the Receiver may deem proper and to deliver to the purchaser or purchasers of the Lands good and sufficient deeds or title document for the same, the Receiver being hereby constituted the irrevocable attorney of the Mortgagor for the purpose of making such transfer and executing such deeds and transfer documents and any such sale shall be absolute and conclusive as against the Mortgagor or any persons claiming by, from, through or under the Mortgagor and its assigns and in the event of a transfer on credit or for part cash and part credit, whether by way of contract for sale or by conveyance or transfer and mortgage, the Mortgagee is not to be accountable or charged with any monies until the same shall be actually received by it in cash; and the Receiver may vary and rescind any contract for sale made by virtue of these presents and may reassume the Lease, transfer and retransfer the Lands or part thereof, either by private sale or public auction without the Mortgagee or Receiver being responsible for any loss or deficiency on retransfer or expense occasioned thereby and for such purposes the Receiver may make and execute all agreements and assurances that the Receiver shall deem advisable or necessary;
- (vii) make any arrangement or compromise which the Receiver shall deem expedient;
- (viii) sue or defend any action in the name of the Mortgagor;
- (ix) exercise all or any of the powers or rights incident to the leasehold ownership of the Lands;
- (x) employ or retain for the execution of the duties and powers conferred upon the Receiver hereunder, such agents, assistants, professional advisors or other persons as required on the terms and at the remuneration the Receiver considers proper;
- (xi) carry on and complete any construction commenced by the Mortgagor and be in charge of completion of any further construction on the Lands;
- (xii) release any of the Lands which in the Receiver's opinion are unprofitable or unrealizable or a source of loss or danger to the Mortgagor or the Mortgagee;

- (xiii) exercise all rights and powers of the Mortgagor hereunder and to act generally in relation to the Lands in such manner and on such terms as may seem expedient in the best interests of the Mortgagee;
 - (xiv) assent to the modification of any contract or agreement which may be subsisting in respect of the Lands; or
 - (xv) enter into, make, execute and sign all such contracts, agreements, transfers, conveyances, assurances, instruments, and do all such things and bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Lands as the Mortgagee may deem expedient;
- (e) the rights and powers conferred by this section are supplemental to and not in substitution for any other rights which the Mortgagee may have from time to time;
 - (f) the Receiver appointed hereunder shall not be obligated to take possession or control of the whole of the business of the Mortgagor. Rather, the Mortgagee's right to appoint may, at the option of the Mortgagee, relate only to the Lands and the rents, profits and any business deriving therefrom;
 - (g) the Mortgagor shall yield up possession of the Lands and the conduct of its business in connection therewith to the Receiver so appointed upon demand and shall facilitate by all legal means the actions of the Receiver and shall not interfere with the carrying out of the powers hereby granted to the Receiver and the Mortgagor shall forthwith by and through its officer and directors execute such documents and transfers as may be necessary to place the Receiver in legal possession of the Lands and thereupon all the powers and functions, rights and privileges of each and every of the directors and officers of the Mortgagor shall cease and determine with respect to the Lands; and
 - (h) the Mortgagee may from time to time fix the remuneration of every such Receiver and direct the payment thereof out of the Lands or the proceeds thereof and if paid by the Mortgagee, such remuneration and all expenses incurred by any Receiver shall be a charge upon the Lands and shall be repaid by the Mortgagor to the Mortgagee forthwith upon demand, and shall bear interest at the Interest Rate until paid.

6.2 Appointment of Attorney

If an Event of Default has occurred and is continuing, then the Mortgagor hereby irrevocably appoints the Mortgagee, or its agent or employee or any Receiver appointed as aforesaid (the choice of which shall be at the election of the Mortgagee, in its sole and absolute discretion) to be its attorney, in its name and on its behalf to execute and perform any conveyances, assurances and things which the Mortgagor ought to execute and perform under the covenants herein contained and generally to use the name of the Mortgagor in the exercise of any of the powers hereby conferred on the Mortgagee and any Receiver and without limiting the generality of the foregoing, the Mortgagee and any Receiver appointed as aforesaid are hereby appointed pursuant to Section 115 of the *Land Titles Act*, R.S.A. 2000 c.L-4 as amended or replaced by substitute legislation from time to time, as the Mortgagor's attorney to execute and deliver, under seal of the Mortgagor, or by the hand and under the seal of the Mortgagee or the Receiver, any agreements, instruments and assurances as the Mortgagee sees fit, for any and all purposes and for the purpose of carrying out the Mortgagee's power of sale contained

herein. Any attorney appointed pursuant to this section shall be entitled, in its capacity as attorney, to exercise all of the powers conferred upon a Receiver hereunder, in addition to any other powers the attorney may have hereunder.

ARTICLE 7

7.1 Interpretation

Wherever the singular number or masculine gender is used in this instrument the same shall be construed as including the plural and feminine and neuter respectively where the fact or context so requires. In any case, where this Mortgage of Lease is executed by more than one party, all covenants and agreements herein contained shall be construed and taken as against such executing parties as joint and several. The respective heirs, executors, administrators, successors and assigns of any party executing this Mortgage of Lease are jointly and severally bound by the covenants, agreements, stipulations and provisos herein contained. The covenants, agreements, stipulations and provisos herein stated shall be in addition to those granted or implied by statute.

7.2 Renewal or Extension

If the Mortgagee shall agree to renew or extend the term of this Mortgage of Lease, then such renewal or extension and the rate of interest, term, payments and other stipulations of such renewal or extension shall be binding upon the Mortgagor, the Mortgagor's successors in title, encumbrancers and others interested in the Lands, whether or not the renewal or extension is registered as an amending agreement or by way of caveat at the Land Titles Office, and whether or not the rate of interest, payments or amortization period applicable during the renewal or extension term is greater than or less than the rate, payments or amortization period stipulated in this Mortgage of Lease. The Mortgagor shall forthwith upon request by the Mortgagee, provide to the Mortgagee, at the Mortgagor's expense, all postponements and other assurances as the Mortgagee may require in order to ensure the foregoing. All renewals shall be done at the Mortgagor's legal expense on a solicitor and his own client basis. Such renewal, even if made by a successor in title to the Mortgagor named herein, shall in no way release or abrogate or render unenforceable the covenants or obligations of the Mortgagor named herein, which shall continue notwithstanding such renewal. In the event that the Mortgage of Lease is renewed as aforesaid, the Mortgage of Lease, as renewed, shall be deemed to be dated as at the date of maturity of this Mortgage of Lease or the Mortgage of Lease as previously renewed, as the case may be, for the purposes of prepayment only.

No extension of time given by the Mortgagee to the Mortgagor or alteration of Interest Rate or principal payments or any other dealing by the Mortgagee with the owner of the Lands shall in any way prejudice or affect the rights of the Mortgagee against the Mortgagor or the Mortgagor's assigns, or anyone claiming under the Mortgagor or any other persons.

7.3 Loan Agreements Not Merged

The provisions of the Loan Agreements are not superseded by or merged in the execution or registration of the Mortgage of Lease or any Collateral Security and the provisions of the Loan Agreements shall remain in full force and effect until all of the conditions thereof to be observed and performed by the Mortgagor have been fully paid and satisfied, provided however that in the event of a conflict between the terms of the Loan Agreements and the terms of this Mortgage of Lease or the Collateral Security, the terms of the Loan Agreements, shall prevail.

7.4 Governing Law

This Mortgage of Lease shall be governed by and construed in accordance with the Laws of the Province of Alberta and the Courts of the Province of Alberta shall have exclusive jurisdiction over any dispute or matter arising herefrom.

7.5 Collateral Security

As additional and collateral security for the repayment of the monies hereby secured and the performance of the covenants contained herein, the Mortgagor shall execute and deliver or cause to be delivered to the Mortgagee the Collateral Security. None of the rights or remedies of the Mortgagee under this Mortgage of Lease or under the Collateral Security shall be merged in, waived, delayed, impaired, prejudiced or suspended by any such additional security or any act of the Mortgagee pursuant thereto.

7.6 Notices

- (a) All notices, requests, demands, pleadings, judicial documentation and any other communications required to be served or given by the terms of this Mortgage of Lease or by the Rules of Court of Alberta, the *Judicature Act*, R.S.A. 2000, C. J-2, and any amendments thereto, the *Law of Property Act*, R.S.A. 2000, C. L-7 and any amendments thereto, or any other statute, as a result of an Event of Default which has occurred and is continuing, including but not restricted to any Statement of Claim issued by the Mortgagee or a Mortgagee's Notice of Motion requesting enforcement of its rights hereunder (the "**Notice**"), shall be sufficiently served either personally or by prepaid registered mail addressed to the Mortgagor at the Mortgagor's Address or, if to the Mortgagee, at the Mortgagee's Address. The Notice shall be conclusively deemed to have been received by the addressee three (3) Business Days after mailing thereof as aforesaid; provided that in the case of any real or reasonably apprehended interruption of the mail, service may be by telegraph, telex, facsimile or other operative form of electronic written telecommunication (in which case the addressee shall be conclusively deemed to have received the same on the day upon which, in the ordinary course of such telecommunication, the same would have been received).
- (b) No want of notice or publication when required by this Mortgage of Lease or by any statute nor any impropriety nor irregularity shall invalidate any sale made or purported to be made under this Mortgage of Lease.

7.7 Receipt Acknowledged

The Mortgagor acknowledges receipt of a true copy of this Mortgage of Lease.

7.8 Charge

For better securing to the Mortgagee repayment of the Indebtedness, the Mortgagor hereby mortgages to the Mortgagee all of its right, title, estate and interest in the Lands. The Mortgagee acknowledges that the right, title, estate and interest of the Mortgagor in and to the Lands is limited to its leasehold interest pursuant to the Lease.

7.9 Due on Sale

Except as permitted pursuant to the Loan Agreements, in the event that the Mortgagor shall transfer, sell, convey or assign (or purport to do so) the Lands or any portion thereof or

interest therein to a transferee, purchaser or assignee without first obtaining the Mortgagee's consent in writing, then, at the Mortgagee's option, the Indebtedness shall become immediately due and payable, without the necessity of a prior demand. Such consent may be unreasonably or arbitrarily withheld. Failure to exercise the aforesaid option shall not be deemed or construed to be an acceptance by the Mortgagee of the aforesaid purchaser, transferee or assignee, nor shall such failure be or constitute or operate as a release, waiver or discharge of any personal covenants contained in this Mortgage of Lease or any Collateral Security, nor shall such failure prejudice or affect the enforcement of such personal covenants, nor shall such failure operate as a release or discharge of this Mortgage of Lease or any surety of or for this Mortgage of Lease. Any promise to pay, written or verbal acknowledgement of the Indebtedness outstanding hereunder, or part payment of the Indebtedness by any of the Mortgagor's successors in title to the Lands shall be conclusively deemed to be made on behalf of the Mortgagor and any successors in title, as the case may be, as its agent for the purpose of furnishing a fresh starting point for the running of any limitation period.

If the Mortgagor or any other party who becomes liable to perform and observe the covenants herein should be a corporation, then any direct or indirect transaction or dealing whatsoever which affects the share structure or share ownership of such corporation and which results in a change in control, either legal or beneficial, of the shareholdings of that corporation shall constitute an event as hereinbefore described such that the Mortgagee's prior written consent as aforesaid is to be obtained, failing which, at the Mortgagee's sole option, the Indebtedness shall become immediately due and payable, without the necessity of a prior demand.

7.10 Unenforceable Terms

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

7.11 Further Advances and Readvances by Mortgagee

This Mortgage of Lease shall be a continuing security and charge for the Principal Sum and all sums of money owed by the Mortgagor to the Mortgagee from time to time pursuant to the provisions of this Mortgage of Lease, notwithstanding the balance hereunder may be fluctuating and even may from time to time be or have been reduced to a "nil" balance, and notwithstanding monies advanced may be repaid and further advances made and shown from time to time. This Mortgage of Lease shall remain in full force and effect until discharged by the Mortgagee, it being the intention of the parties that the amount owing under this Mortgage of Lease may be either increased or decreased from time to time but not to exceed the total Principal Sum. For the purposes of subsection 104(1) of the *Land Titles Act*, R.S.A. 2000 c. L-4 as amended or replaced by substitute legislation from time to time, it is hereby declared by and agreed between the Mortgagor and the Mortgagee that this Mortgage of Lease shall be held by the Mortgagee as continuing collateral security for a revolving line of credit up to the Principal Sum.

ARTICLE 8

8.1 Freehold Estate

If the Mortgagor, at any time or from time to time extends the size of the Lands or increases the size of its equity in the Lands or becomes registered as owner or entitled to be registered as owner of the full fee simple then this Mortgage of Lease shall become enlarged to be a mortgage of the increased size of the Lands or of the increased size of the equity or of the full fee simple, as the case may be.

IN WITNESS WHEREOF the Mortgagor has affixed its corporate seal duly attested to by its authorized signing officers this Mortgage of Lease this 18 day of December, 2019.

2161889 ALBERTA LTD.

Per: 
Name: Jeff Rich
Title: President

Per: _____ c/s
Name:
Title:

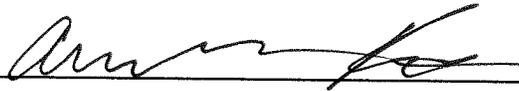
I/We have the authority to bind the corporation

SCHEDULE A

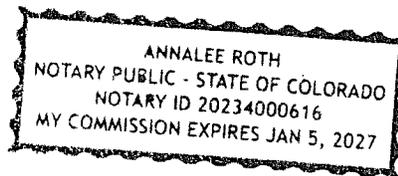
LANDS AND DESCRIPTION OF LEASE

Lands	Description of Lease
SW 13-65-18-W4	SML 060060
S½ 13-65-18-W4	DLO 170011
NW 12, SW 13-63-19-W4	SML 080085
N½ 12-63-19-W4	SML 100085
NE 11-61-18-W4	SML 110025
SE 11-61-18-W4	SML 110026
E½ 15-61-18-W4	SML 110045
N½ 15-61-18-W4	SML 110046
S½, NW 15-61-18-W4	SML 110047
W½ 14-61-18-W4	SML 120005
NW 14-61-18-W4	SML 120006
SE 21-61-18-W4	SML 120100

This is **Exhibit "M"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



LIMITED-RECOURSE GUARANTEE AND SHARE PLEDGE AGREEMENT

THIS AGREEMENT is made effective as of the 26 day of April, 2021.

B E T W E E N:

RLF CANADA HOLDINGS LIMITED, a limited company
incorporated under the laws of the State of Colorado

(hereinafter called the “**Pledgor**”)

- and -

FIERA PRIVATE DEBT FUND VI LP, by its general partner
FIERA PRIVATE DEBT FUND GP INC., and **FIERA PRIVATE
DEBT FUND V LP**, by its general partner **FIERA PRIVATE DEBT
FUND GP INC.**

(hereinafter called the “**Pledgee**”)

WHEREAS the Pledgor is as of the date hereof the registered and beneficial owner of the Current Securities (as hereinafter defined) in the capital of the Companies;

AND WHEREAS the Pledgor has agreed to pledge the Current Securities and other Pledged Collateral (as hereinafter defined) to the Pledgee as general and continuing collateral security for the Guaranteed Obligations (as hereinafter defined) and, in furtherance thereof, to guarantee to and in favour of the Pledgee the payment and performance by the Companies of such Guaranteed Obligations, provided that the Pledgee’s sole recourse against the Pledgor shall be with respect to the Pledged Collateral, as hereinafter provided;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants hereinafter contained and for other good and valuable consideration and the sum of \$1.00 of lawful money of Canada (the receipt and sufficiency of which are hereby acknowledged by the Pledgor), it is hereby agreed by and between the parties hereto as follows:

ARTICLE 1 - INTERPRETATION

1.01 Defined Terms

In this agreement or any amendment to this agreement, unless the context requires otherwise:

“**Act**” means the *Personal Property Security Act* (Alberta) and all Regulations enacted thereunder, as amended from time to time;

“**affiliate**” has the meaning ascribed thereto by the *Business Corporations Act*, (Alberta) as of the date hereof;

“**Business Day**” means a day that Canadian chartered banks are open for business in the City of Toronto;

“Companies” means Mantle, and JMB, and **“Company”** means any one of them as the context requires;

“Current Securities” means, collectively:

- (a) the 100 issued and outstanding Class A Preferred shares in the capital of Mantle, and
- (b) the 51,513.165 issued and outstanding Class A Common shares in the capital of JMB,

owned beneficially and of record as of the date hereof by the Pledgor;

“Event of Default” has the meaning ascribed thereto in the Loan Agreement;

“Guaranteed Obligations” has the meaning ascribed thereto in Section 2.01;

“JMB” means JMB Crushing Systems Inc.;

“Loan Agreement” means the loan agreement made as of the date hereof among, *inter alios*, the Pledgee, as lender, and Mantle, as borrower, as may be amended, restated, replaced or otherwise modified from time to time;

“Mantle” means Mantle Materials Group, Ltd.;

“Obligations” means all debts, obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, now or at any time hereafter owing by the Companies to the Pledgee under the Loan Agreement;

“person” includes any individual, corporation/company, partnership, firm, joint venture, syndicate, association, trust, trustee, government, governmental agency or board or commission or authority and any other form of entity or organization whatsoever, whether incorporated or not;

“Pledged Collateral” means collectively:

- (a) the Current Securities and all Securities in the capital of the Companies hereafter owned or acquired by the Pledgor,
- (b) all substitutions therefor, additions thereto and proceeds thereof,
- (c) all interest, dividends, income, revenue or other distributions made or paid in respect of the Pledged Securities, and
- (d) all rights and claims of the Pledgor in respect of the foregoing or evidenced thereby;

“Pledged Securities” means all Securities forming part of the Pledged Collateral including, without limitation, the Current Securities;

“proceeds” shall have the meaning ascribed thereto by the Act; and

“**Securities**” shall have the meaning ascribed thereto by the Act.

1.02 Applicable Law

This agreement and all documents pursuant hereto shall be deemed to be governed by and construed in accordance with the laws of the Province of Alberta.

1.03 Prohibited Provisions

In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court, this agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

1.04 Number and Gender

Where the context so requires, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders (including the neuter).

1.05 Time of the Essence

Time shall in all respects be of the essence of this agreement.

ARTICLE 2 - LIMITED-RECOURSE GUARANTEE

2.01 Limited Recourse Guarantee

Subject to Section 2.02, the Pledgor hereby guarantees payment to the Pledgee of the Obligations, whether incurred or arising before, on or after the date hereof, together with any costs and expenses incurred with respect to or arising out of such Obligations or any securities therefor, or costs incurred by or awarded in favour of the Pledgee in connection with any proceedings taken against the Companies or the Pledgor or any of them or any moneys paid by the Pledgee on account of taxes, wages, insurance, or the remuneration or costs of any liquidator, trustee, Pledgee or other person, or on any other account whatever with respect to or arising out of such Obligations (the “**Guaranteed Obligations**”).

2.02 Limited Recourse

Notwithstanding any other provision hereof, this guarantee is granted by the Pledgor to the Pledgee for the sole purpose of enabling the Pledgee to obtain security against the Pledged Collateral pursuant to the provisions hereof and, notwithstanding any other provisions hereof:

- (a) the sole recourse of the Pledgee against the Pledgor hereunder shall be with respect to the Pledged Collateral and the rights and remedies of the Pledgee hereunder are expressly limited to the realization by the Pledgee upon the Pledged Collateral or any amounts received upon the realization thereof, and the Pledgee shall not under any circumstances have any right to payment hereunder from the Pledgor.

2.03 All Advances

All moneys, advances, renewals and credits in fact borrowed or obtained from the Pledgee pursuant to the Loan Agreement shall be deemed to form part of the Guaranteed Obligations notwithstanding any incapacity, disability or lack of limitation of status or of power of any Company or of the directors, officers, employees or agents thereof, or that any Company may not be a legal entity, or any irregularity, defect or informality in the borrowing or obtaining of such moneys, advances, renewals or credits. The Pledgee shall not be concerned to see or enquire into the powers of any Company or its directors, officers, employees or other agents, acting or purporting to act on its behalf, and moneys advanced or credits in fact borrowed or obtained through the Pledgee in professed exercise of such powers shall be deemed to form part of the Guaranteed Obligations even though the borrowing or obtaining thereof is in excess of the powers of any Company or of the directors, officers, employees or other agents thereof or is otherwise irregular or defective or is informally effected, the whole whether known to the Pledgee or not, and any moneys advanced or credits used for the payment of the liabilities of any Company shall be deemed to form part of the Guaranteed Obligations. This guarantee shall extend to any successor company upon amalgamation.

2.04 Not bound to Exhaust Recourse

The Pledgee shall not be bound to exhaust its recourse against the Companies or others or the securities (which word as used herein includes other guarantees) it may hold nor to value such securities before being entitled to exercise its remedies hereunder.

2.05 Additional Security

This guarantee shall be in addition to and without prejudice to any other securities by whomsoever given held at any time by the Pledgee and the Pledgee shall be under no obligation to marshal in favour of the Pledgor any such securities or any of the funds or assets the Pledgee may be entitled to receive or have a claim upon, and the Pledgee may in its absolute discretion and without diminishing the liability hereunder of the Pledgor, grant extensions of time or other indulgences to the Companies or others and give up or modify, vary, exchange, renew or abstain from perfecting or taking advantage of any securities and may discharge any party or parties and accept or make any compositions or arrangements and realize any securities, when and in such manner as the Pledgee may see fit and in no case shall the Pledgee be responsible or shall the Pledgor be released either in whole or in part for any act or omission in connection with the registration or filing of any security under any law or statute or otherwise or the realization of any security or the postponement of such realization or having sold any security at an undervalue unless due to the gross negligence or wilful misconduct of the Pledgee or its solicitors, agents or those for whom it is legally responsible.

2.06 Payments Received

- (a) Subject to paragraph (b), all dividends, compositions, proceeds of security valued and payments received by the Pledgee from any Company or from others shall be deemed to be payments in gross without any right on the part of the Pledgor or any of them to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Pledgee or proceeds thereof, and the Pledgor shall have no right to be subrogated in any rights of the Pledgee until the Pledgee shall have received payment in full of the Guaranteed Obligations.

- (b) Any and all moneys received by the Pledgee from any Company or others or from securities and which are properly applicable in reduction of the Guaranteed Obligations shall be applied by the Pledgee to the Guaranteed Obligations pursuant to the terms of the Loan Agreement.

2.07 Pledgee's Security

Where a Company becomes bankrupt or makes an assignment for the benefit of Pledgee or if any circumstances arise necessitating the Pledgee to file its claim against any Company and to value its securities the Pledgee shall be entitled to place such valuation on its securities as the Pledgee may in its absolute good faith discretion see fit and the filing of such claim and such valuing of such securities shall not in any way prejudice or restrict the claim of the Pledgee against the Pledgor and in no way discharge the Pledgor from the liability hereunder to the Pledgee, either in whole or in part.

2.08 Accounts with Companies

Any account settled or stated by or between the Pledgee and any Company, or, if any such account has not been so settled or stated immediately before demand for payment under this guarantee, any account stated by the Pledgee, shall, absent manifest error, be accepted by the Pledgor as conclusive evidence of the amount which at the date of the account so settled or stated is due by such Company to the Pledgee or remains unpaid by such Company to the Pledgee. Subject to any other provisions hereof limiting the liability of the Pledgor, the Pledgor shall be liable to the Pledgee for the total amount of all of the Guaranteed Obligations whether such liabilities are incurred prior to or subsequent to the notice demanding payment together with interest thereon at the same rate as is then payable by the Companies in respect of the indebtedness herein guaranteed from the date of demand for payment or, in case of liabilities incurred or arising subsequent to such demand, from the date of the incurring or arising of such liabilities.

ARTICLE 3 - PLEDGE OF SECURITIES

3.01 Pledge of Collateral

As general and continuing collateral security for the due payment and performance of the Guaranteed Obligations, the Pledgor hereby assigns, hypothecates and pledges to and in favour of the Pledgee, and grants the Pledgee a security interest in, all of the Pledged Collateral.

3.02 Acknowledgment of Receipt

The Pledgee acknowledges receipt from the Pledgor of the share certificate representing the Current Securities, duly endorsed in blank for transfer or accompanied by a duly signed power of attorney for transfer in blank.

3.03 Future Certificates

So long as there are any Guaranteed Obligations outstanding, the Pledgor hereby agrees and undertakes to deliver to and deposit with, or cause to be delivered to and deposited with, the Pledgee all certificates (duly endorsed in blank for transfer or accompanied by a duly signed power of attorney for transfer in blank) representing any of the Pledged Securities that the

Pledgor may from time to time hereafter acquire or be or become entitled to. The Pledgor hereby irrevocably authorizes and directs the Companies to deliver to the Pledgee any such certificates representing Pledged Securities.

3.04 Reclassification, Etc.

In the event that any of the Pledged Securities are changed, classified or reclassified, subdivided or converted into a different number or class of Securities or otherwise, or if any additional Securities are subscribed for or issued to the Pledgor for any other reason, the Securities or other securities resulting from any such change, classification, reclassification, subdivision, conversion, subscription or issuance and the certificates representing the same shall be delivered by the Pledgor to and held by the Pledgee in place of or in addition to, as the case may be, the Pledged Securities. In the event of any consolidation, reorganization, merger or amalgamation of a Company with or into another person, or the sale of a substantial portion of the property and assets of a Company other than in the ordinary course of its business to another person or persons in exchange for securities in or of such other person or persons or any affiliate thereof, any and all securities issued or issuable to or received or receivable by the Pledgor upon such consolidation, reorganization, merger, amalgamation or sale shall form part of the Pledged Collateral and the provisions hereof relating to the Pledged Securities shall, *mutatis mutandi*, apply to such securities. The provisions of this section shall similarly apply to successive such changes, classifications, reclassifications, subdivisions, conversions, subscriptions, consolidations, reorganizations, mergers, amalgamations and sales.

3.05 Attachment of Security Interest

For the purposes of the Act, the parties hereby acknowledge:

- (a) their mutual intention that the security interest created by this agreement is to attach upon the execution of this agreement by the Pledgor;
- (b) that value has been given by the Pledgee to the Pledgor; and
- (c) that the Pledgor has rights in the Pledged Collateral (other than future property) as of the date hereof.

3.06 Collateral Registered in Pledgee's Name

Notwithstanding any other provision hereof, the Pledgee shall have the right, at its option at any time while the security hereby constituted is enforceable, to transfer the Collateral or any part thereof into its own name or that of its nominee so that the Pledgee or its nominee may appear of record as the sole owner thereof; provided, that, prior to the security hereby constituted becoming enforceable under this agreement, the Pledgee shall deliver promptly to the Pledgor all notices, statements or other communications received by it or its nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give to the Pledgor or its designee a proxy or proxies to vote and take all action with respect to such property. At any time while the security hereby constituted is enforceable, the Pledgor waives all rights to be advised of or to receive any notices, statements or communications received by the Pledgee or its nominee as such record owner, and agrees that no proxy or proxies given by the Pledgee to the Pledgor or its designee as aforesaid shall thereafter be effective.

3.07 Control

The Pledgor agrees to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give the Pledgee "control" of such Collateral, as defined in the *Securities Transfer Act* (Alberta), which "control" shall be in such manner as the Pledgee shall designate in its sole good faith judgment and discretion.

ARTICLE 4 - DEALINGS WITH SHARES

4.01 Prior to Default

Until the security hereby constituted shall have become enforceable pursuant to Article 5 hereof, the Pledgor shall be solely entitled to:

- (a) exercise all voting and other rights in respect of the Pledged Securities; and
- (b) receive all dividends, whether in cash or stock, interest, income, revenue or other distributions made to the holders of Securities paid or made in respect of the Pledged Securities for the Pledgor's own use and benefit.

4.02 No Sales

During the term of this agreement, the Pledgor shall not transfer, sell, bargain or assign, nor enter into any agreement for the transfer, sale, bargain or assignment of, any of the Pledged Securities, nor shall the Pledgor grant, or enter into any agreement which has the effect of granting, to any person any option, right or privilege capable of becoming an agreement for the transfer, sale, bargain or assignment of any of the Pledged Securities to such person. Notwithstanding the foregoing, the Pledgor may do any of the above pursuant to an internal reorganization provided that that any entity that is transferred such Pledged Securities shall enter into a limited recourse guarantee and share pledge agreement in favour of the Lender on substantially the same terms as set out herein.

4.03 No Encumbrances

During the term of this agreement, the Pledgor shall not enter into or grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of the Pledged Collateral (other than any such encumbrance in favour of the Pledgee).

ARTICLE 5 - DEFAULT AND ENFORCEMENT

5.01 Events of Default

Upon the occurrence of an Event of Default, the security hereby constituted shall become immediately enforceable and the Pledgee may, in its sole discretion, do any or all of the following:

- (a) effect the registration of, and obtain from the Companies a certificate or certificates for, any of the Pledged Securities in the name of the Pledgee or its nominee(s), and for such purpose the Pledgee is hereby irrevocably appointed the attorney of the Pledgor with full power of substitution to endorse and/or transfer any of the Pledged Securities to the Pledgee or its nominee(s);
- (b) vote any or all of the Pledged Securities (whether or not transferred into the name of the Pledgee) and exercise all other rights and powers and perform all acts of ownership in respect thereof as the Pledgor might do;
- (c) proceed to realize upon the Pledged Collateral or any of it by sale at public or private sale or otherwise realize upon any of the Pledged Collateral for such price and money or other consideration and upon such terms and conditions as it deems best, the whole without advertisement or notice to the Pledgor or other persons (except as may be required by the Act and other applicable law), and, where any such sale or realization is by way of public auction or tender, the Pledgee or any of its affiliates may, subject to applicable law, purchase the Pledged Collateral or such portion thereof free from any right or equity of redemption, and may, in paying the purchase price, apply any portion of the Obligations on account of the purchase price as may be outstanding at the time of such sale or realization;
- (d) enjoy and exercise all of the rights and remedies of a secured party under the Act; and
- (e) generally act in relation to the Pledged Collateral in such manner and on such terms as the Pledgee may deem expedient to its own interest;

provided, however, that the Pledgee shall act in a commercially reasonable manner in exercising its rights under this agreement.

5.02 Dividends, Etc.

After the occurrence of an Event of Default and for so long as such Event of Default has not been cured or waived by the Pledgee, all future dividends to be paid on the Pledged Securities, and all interest, income, revenue and future distributions made to the holders of Securities paid in respect of the Pledged Securities shall be delivered to the Pledgee and, if received by the Pledgor, shall be received in trust for and paid forthwith to the Pledgee.

5.03 Application of Proceeds

In the event of any realization upon or sale or disposition of the Pledged Collateral or any portion thereof as hereinbefore provided, the Pledgee shall apply the proceeds of any such realization, sale or disposition, together with any other monies at the time held by it under the provisions of this agreement, after deducting all costs and expenses of collection, sale and delivery (including, without limitation, reasonable legal fees and expenses) incurred by the Pledgee in connection therewith, to the payment of all amounts owing to the Pledgee in respect of the Obligations, in such order as the Pledgee in its sole discretion may determine, and the balance of such proceeds, if any, shall be paid in accordance with the Act and any other applicable law.

5.04 Rights Cumulative

All rights and remedies of the Pledgee set out in this agreement shall be cumulative and no right or remedy contained herein is intended to be exclusive but each shall be in addition to every other right or remedy contained herein or in any existing or future security document between the parties hereto or now or hereafter existing at law or in equity or by statute.

5.05 No Waiver

No delay or omission on the part of the Pledgee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or of any other right or remedy hereunder, and any Event of Default or other default or breach by the Pledgor may only be waived by the Pledgee in writing, provided that no such written waiver by the Pledgee shall extend to or be taken in any manner to affect any other or any subsequent breach or default or the rights resulting therefrom.

5.06 No Liability

The Pledgee shall not be liable or accountable to the Pledgor or to any other person for any failure to exercise any of the rights, powers and remedies set out in section 5.01 above, or any loss which may be occasioned by such failure, nor shall the Pledgee be bound to commence, continue or defend proceedings for the purpose of preserving or protecting any rights of any party in respect of the same. The Pledgee may compound, compromise, grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Pledgor, the Companies and others and with the Pledged Collateral as it sees fit without prejudice to any of its rights or remedies hereunder. The Pledgee shall not be required to see to the collection of dividends on or the exercise of any option or right in connection with any of the Pledged Securities and shall not be required to protect or preserve the Pledged Securities from depreciating in value.

5.07 Pledgee Appointed Attorney-in-Fact

The Pledgor hereby irrevocably appoints the Pledgee as the Pledgor's attorney-in-fact with effect following the occurrence of an Event of Default which is continuing and has not been waived in writing by Pledgee, with full authority in the place and stead of the Pledgor and in the name of the Pledgor or otherwise from time to time in its discretion, to take any action and to execute any instrument which the Pledgee may reasonably deem necessary or advisable to accomplish the purposes of this Pledge Agreement, including without limitation:

- (a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Pledged Collateral;
- (b) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper, in connection with clause (a) above; and
- (c) to file any claims or take any action or institute any proceedings which the Pledgee may deem necessary or desirable for the collection of any of the Pledged Collateral or otherwise to enforce the rights of Pledgee with respect to any of the Pledged Collateral.

The Pledgor hereby acknowledges, consents and agrees that the power of attorney granted pursuant to this Section is irrevocable and coupled with an interest.

ARTICLE 6 - GENERAL

6.01 Continuing Security

The security interest constituted hereby shall be deemed to be a continuing security for the Obligations until all of the Obligations from time to time outstanding have been satisfied and performed in full and this agreement has been terminated. At any time after all of the Obligations have been so satisfied and performed, the Pledgor may, on five days written notice to the Pledgee, terminate this agreement, in which event the Pledgee shall forthwith release the Pledged Collateral from the assignment, hypothecation, pledge and security interest herein contained and return to the Pledgor all documents evidencing ownership or title to the Pledged Collateral.

6.02 Additional Security

The security hereby constituted is in addition to and not in substitution for any other security now or hereafter held by the Pledgee.

6.03 No Merger

The Pledged Collateral and the security hereby constituted shall not operate by way of merger of any of the Obligations or of any present or future indebtedness, liabilities or obligations of any other person to the Pledgee. The taking of a judgment or judgments with respect to any of the Obligations shall not operate by way of merger of or otherwise affect the security created hereby or any of the covenants, rights or remedies contained in this agreement.

6.04 Entire Agreement

This agreement constitutes the entire agreement between the parties hereto and supersedes any and all prior agreements, undertakings and understandings, whether written or verbal, in respect of the subject matter hereof.

6.05 Notice

Any demand, notice or other communication in connection with this agreement shall be in writing and shall be personally delivered to an officer or other responsible employee of the addressee, mailed by registered mail or sent by telefacsimile or other direct written electronic means, charges prepaid, at or to the address or telefacsimile number of the party set out opposite its name below or to such other address or addresses or telefacsimile number of numbers as either party may from time to time designate to the other party in such manner.

- (a) In the case of the Pledgor:

RLF Canada Holdings Limited
c/o Mantel Materials Group, Ltd.
1400 16th Street, Suite 320
Denver, CO 80209
Attention: Byron Levkulich, CFA, CPA

Email: Byron.Levkulich@RLHoldings.com

- (b) In the case of the Pledgee prior to April 30, 2021 (or such other date as the Lender may notify the Pledgor), at:

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

Attention: Stephen Zagrodny, Senior Director, Corporate & Infrastructure Debt
Financing
Email: szagrodny@fieracapital.com

and thereafter at:

Fiera Private Debt
RBC Plaza South Tower
200 Bay Street, Suite 3700
Toronto, Ontario M5J 2T6

Attention: Stephen Zagrodny, Senior Director, Corporate & Infrastructure Debt
Financing
Email: szagrodny@fieracapital.com

Any communication which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of delivery. Any communication mailed as aforesaid shall be deemed to have been validly and effectively given on the fifth Business Day following the date of mailing provided that, in the event of an interruption in postal service before such fifth Business Day, such communication shall be given by one of the other means. Any communication which is transmitted by telefacsimile or other direct written electronic means as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a Business Day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of transmission.

6.06 Successors and Assigns

This agreement shall enure to the benefit of the Pledgee and its successors and assigns and shall be binding upon the Pledgor and its successors and assigns.

6.07 Limitation Period

The limitation period on this agreement shall not begin to run until demand is made hereunder, and such limitation period (in accordance with the *Limitations Act (Alberta)*) is hereby expressly extended to a period of six (6) years from the date such demand is made.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

The Pledgor, in executing this share pledge agreement, hereby acknowledges receipt of an executed copy thereof.

RLF CANADA HOLDINGS LIMITED

Per:

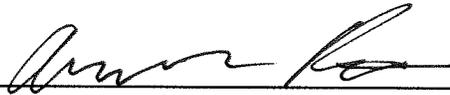


Name: Byron Levkulich

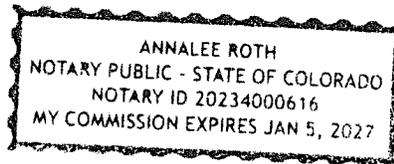
Title: Director

I have authority to bind the Corporation.

This is **Exhibit "N"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



ASSIGNMENT OF INSURANCE POLICIES

THIS ASSIGNMENT is made effective as of the 26 day of April, 2021.

TO: **FIERA PRIVATE DEBT FUND V LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** ("**Fund V**");

AND TO: **FIERA PRIVATE DEBT FUND VI LP**, by its general partner **FIERA PRIVATE DEBT FUND GP INC.** ("**Fund VI**" and together with Fund V, and their successors, affiliates and assigns, the "**Lenders**")

GRANTED BY: **MANTLE MATERIALS GROUP, LTD.**, a body corporate duly formed by incorporation under the laws of the Province of British Columbia ("**Mantle**")

AND BY: **JMB CRUSHING SYSTEMS INC.**, a body corporate duly formed by amalgamation under the laws of the Province of British Columbia ("**JMB**")

AND BY: **2161889 ALBERTA LTD.**, a body corporate duly formed by incorporation under the laws of the Province of Alberta ("**216**", and together with Mantle and JMB, collectively, the "**Assignor**")

RECITALS:

A. Pursuant to a loan agreement dated April 26, 2021 among Mantle, as borrower, the Lenders, as lender, and JMB and 216, as guarantors (as may be amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**"), Mantle agreed to continue to borrow certain credit facilities (the "**Loan**") from the Lenders on the terms and conditions contained therein; and

B. As further security for the repayment of the Loan, the Assignor agrees to assign to the Lenders any and all insurance policies maintained by the Assignor in accordance with the terms of the Loan Agreement and any guarantees and security granted pursuant thereto;

NOW THEREFORE, IN CONSIDERATION OF the advance of the Loan from the Lenders to Mantle, the Assignor hereby agrees as follows:

1. The Assignor hereby assigns to the Lenders the benefit of all insurance policies maintained by the Assignor, including, without restriction, those insurance policies described in Schedule "A" attached hereto (the "**Policies**"). Without restricting the generality of the foregoing, all of the Assignor's rights and benefits under the Policies are hereby vested in the Lenders, including the right to bring action to recover monies under the Policies. Provided however that, nothing contained in this Assignment shall be construed so as to oblige the Lenders to pay any premiums owing under the Policies or to otherwise maintain the Policies in good standing.
2. So long as the Loan, or any portion thereof, remains outstanding, the Assignor shall:
 - (a) keep and maintain insurance in accordance with the requirements of the Lenders as set forth in the Loan Agreement and the security granted pursuant thereto;
 - (b) pay all premiums owing in respect of the Policies as the same become due;

- (c) refrain from committing or omitting any acts which could or would affect the validity or enforceability of the Policies;
 - (d) from time to time, at the reasonable request of the Lenders, provide the Lenders with evidence that the Policies have been obtained and are in good standing.
3. Notwithstanding anything contained herein, it is acknowledged and agreed that this Assignment is taken as security for the repayment of the Loan and that, upon repayment in full of the Loan (and all other monies owing pursuant to the Loan Agreement and the security granted pursuant thereto) this Assignment shall become null and void.
 4. This Assignment shall enure to the benefit of and be binding upon the parties hereto, together with their successors and permitted assigns.

[Signature page follows]

IN WITNESS WHEREOF the Assignor has signed this Assignment as of the date first written above.

MANTLE MATERIALS GROUP, LTD.

Per: Byron Levkulich
Byron Levkulich (Apr 13, 2021 18:40 MDT)

Name: Byron Levkulich

Title: Director

I have the authority to bind the company

JMB CRUSHING SYSTEMS INC.

Per: Byron Levkulich
Byron Levkulich (Apr 13, 2021 18:40 MDT)

Name: Byron Levkulich

Title: Director

I have the authority to bind the company

2161889 ALBERTA LTD.

Per: Blake M. Elyea
Blake M. Elyea (Apr 20, 2021 21:55 PDT)

Name: Blake Elyea

Title: Chief Restructuring Advisor

I have the authority to bind the corporation

[Signature Page to the Assignment of Insurance Policies]

SCHEDULE "A"
Insurance Policies

See attached.

CERTIFICATE OF INSURANCE

CERTIFICATE HOLDER/LOSS PAYEE:

Fiera Private Debt Fund VI LP
 Fiera Private Debt Fund V LP
 RBC Plaza South Tower,
 200 Bay Street, Suite 3700,
 Toronto, Ontario M5J 2T6

Dated: April 12, 2021

Revised April 21, 2021

NAMED INSURED:

Mantle Materials Group, Ltd., 2161889 Alberta Ltd., JMB Crushing
 Systems Inc.
 PO Box 6977
 Bonnyville, AB T9N 2H4

BROKER:

Lloyd Sadd Insurance Brokers Ltd.
 Suite 700, 10240 - 124 Street
 Edmonton, AB T5N 3W6 P: (780) 483-4544

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below. The insurance afforded is subject to the terms, conditions and exclusions of the applicable policy.

COMPANIES AFFORDING COVERAGE:

Company Letter "A" Bishopsgate Insurance Brokers Ltd.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRY DATE	LIMIT	
GENERAL LIABILITY						
A	Commercial General Liability including: - Broad Form Property Damage - Personal & Advertising Injury - Cross Liability/Severability of Interest - Contingent Employers Liability - Incidental Malpractice Liability - Blanket Contractual	B0831EN0022620	October 16, 2020	October 16, 2021	\$5,000,000	Per Occurrence
					\$5,000,000	General Aggregate
					\$2,000,000	Aggregate Products & Completed Operations
A	Employers Liability	B0831EN0022620	October 16, 2020	October 16, 2021	\$1,000,000	Per Occurrence
A	Employee Benefits Liability	B0831EN0022620	October 16, 2020	October 16, 2021	\$1,000,000	Per Occurrence
A	Tenants Legal Liability	B0831EN0022620	October 16, 2020	October 16, 2021	\$2,000,000	Per Occurrence
A	Non-Owned Automobile	B0831EN0022620	October 16, 2020	October 16, 2021	\$2,000,000	Per Occurrence
A	SEF 94 - Legal Liability for Damage to Hired Automobiles	B0831EN0022620	October 16, 2020	October 16, 2021	\$50,000	Per Occurrence
PROPERTY						
	All Risk subject to Insurers Standard Exclusions	50123TG3K	April 6, 2021	April 6, 2022	As per schedules	Limit

Re: Commercial General Liability, Policy #B0831EN0022620 It is hereby understood and agreed that *Fiera Private Debt Fund VI LP & Fiera Private Debt Fund V LP* is added as an Additional Insured **Effective October 16, 2020** but only with respect to liability arising out of the operations of the Named Insured.

CANCELLATION

Should the Commercial General Liability policy be cancelled before the expiration date thereof, the issuing company will endeavor to mail **30** days written notice to the certificate holder named above, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representative.

Lloyd Sadd Insurance Brokers Ltd.

per: *Katie Nagase*

CERTIFICATE OF INSURANCE

TO WHOM IT MAY CONCERN

NAMED INSURED:

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

BROKER:

Lloyd Sadd Insurance Brokers Ltd.
Suite 700, 10240 - 124 Street
Edmonton, AB T5N 3W6 P: (780) 483-4544

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below. The insurance afforded is subject to the terms, conditions and exclusions of the applicable policy.

COMPANIES AFFORDING COVERAGE:

Company Letter "A" Liberty Mutual Canada

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRY DATE	LIMIT
	DIRECTORS & OFFICERS LIABILITY Directors & Officers Liability - Go-forward	B2BPAL1136880 01	March 4, 2019	April 16, 2021	\$5,000,000 Inclusive Limits/Each Claim

CANCELLATION

Should the Commercial General Liability policy be cancelled before the expiration date thereof, the issuing company will endeavor to mail *nil* days written notice to the certificate holder named above, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representative.

Lloyd Sadd Insurance Brokers Ltd.

per: *Katie Magasse*

LIBERTY MUTUAL INSURANCE COMPANY

Private Advantage Liability Policy



Policy Number: B2BPAL113688001

Liberty Private Advantage Liability (PAL) Policy Declarations

THIS IS A CLAIMS MADE POLICY. ALL ITEMS IN BOLD ARE DEFINED IN THE POLICY. Liberty Mutual Insurance Company (hereinafter referred to as "Liberty") agrees to cover any **loss** if the **claim** is first made against any **insured** during the **policy period** and reported to Liberty as soon as practicable. Please read the attached **policy** terms carefully.

Item I **COMPANY:**

JMB Crushing Systems Inc.

Item II **ADDRESS:**

PO Box 6977
 Bonnyville, Alberta
 T9N 2H4 Canada

Item III **POLICY PERIOD:**

From 12:01 am March 04, 2019 To 12:01 am March 04, 2020
 All times above at local time at the address shown in Item II

Item IV **LIMITS OF LIABILITY:**

Any **loss** payable under this **policy** for specific **claim** types is limited to the Limit of Liability for the applicable **claim** type as set forth below. All **loss** payable under this **policy** is further subject to the Total Limits of Liability noted below. If the **insured** has purchased a single combined aggregate Limit of Liability for all **claim** types then any **loss** paid under this **policy** for a specific **claim** type will reduce or potentially exhaust the remaining Limit of Liability for other **claim** types.

Executive / Insured Entity	Each loss and aggregate per policy period	\$ 5 000 000
Wrongdoing: Wrongful Employment Practices:	Each loss and aggregate per policy period	\$ 5 000 000
Fiduciary Wrongdoing:	Each loss and aggregate per policy period	N/A
	Total Limits of Liability:	\$ 5 000 000

Policy Number: B2BPAL113688001

Item V SUBLIMITS OF LIABILITY:

Public Relations Costs Coverage for Crises:	Each loss and aggregate per policy period	\$100,000
Investigation Costs for Derivative Demands:	Each loss and aggregate per policy period	\$250,000
Criminal or Penal Proceeding against insured entity :	Each loss and aggregate per policy period	\$250,000
Formal inquiry, investigation or commission against insured entity :	Each loss and aggregate per policy period	\$250,000

Item VI DEDUCTIBLE(S):

Executive / Insured Entity Wrongdoing:	\$ 5 000
Wrongful Employment Practices:	\$ 5 000
US Wrongful Employment Practices	\$ 25 000
Fiduciary Wrongdoing:	N/A

Item VII PENDING OR PRIOR LITIGATION DATE:

Executive / Insured Entity Wrongdoing:	March 04, 2019
Wrongful Employment Practices:	March 04, 2019
Fiduciary Wrongdoing:	N/A

Item VIII UNILATERAL DISCOVERY PERCENTAGE:	75 %
BILATERAL DISCOVERY PERCENTAGE:	100 %

Item IX ENDORSEMENT(S):	3
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Item X POLICY PERIOD PREMIUM:	\$ 8 690
ANNUALIZED PREMIUM:	\$ 8 690

This **policy** is valid only if, in addition to the facsimile signature of the President of Liberty Mutual Insurance Company, it is dated and signed below by a duly authorized representative of the Liberty Mutual Insurance Company.



Policy Number: B2BPAL113688001

Authorized Representative of Liberty Mutual Insurance Company

March 05, 2019

Date

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Liberty Mutual Insurance Company's insurance business in Canada.

1	INSURING AGREEMENTS		
1.1A	PERSONAL COVERAGE FOR INSURED INDIVIDUALS (SIDE A COVERAGE)	2.4	EXCLUSIONS FOR WRONGFUL EMPLOYMENT PRACTICES OR INSURED ENTITY WRONGDOING OTHER THAN DEFENCE COSTS:
1.1B	COVERAGE FOR ENTITY INDEMNIFICATION (SIDE B COVER)	(a)	Written Employment Contract
1.1C	COVERAGE FOR ENTITY LIABILITY (SIDE C COVER)	(b)	Employee Benefits
1.1D	ADDITIONAL COVERAGE FOR EXECUTIVES (SIDE A COVER)	(c)	Front Pay
1.2	COVERAGE EXTENSIONS	(d)	Termination
(a)	Personal Coverage for Outside Directorships	(e)	Non-Monetary Claim
(b)	Public Relations Costs Coverage for Crises	(f)	Workplace Compliance Costs
(c)	Investigation Costs Coverage for Derivative Demands	(g)	Compensation
		2.5	EXCLUSIONS FOR FIDUCIARY WRONGDOING:
2	EXCLUSIONS	(a)	Liability of Others Assumed Under Contract
2.1	EXCLUSIONS APPLICABLE TO ALL INSURED	(b)	Intentional Breach of Government Benefits Legislation
(a)	Pending and Prior Litigation	(c)	Plan Funding/Deficit
(b)	Prior Claims, Facts, Circumstances	(d)	Employee Benefits
(c)	Dishonesty, Fraud, Criminal Intent	3	DEFINITIONS
(d)	Illegal Benefit	4	CLAIMS CONDITIONS
(e)	Insured Entity vs. Insured	4.1	NOTICE, REPORTING OF CLAIMS AND POTENTIAL CLAIMS AND DUTIES OF THE INSURED
(f)	Bodily Injury, Property Damage	4.2	DEFENCE AND SETTLEMENT
(g)	Pollution	4.3	ALLOCATION
(h)	Securities Claim	4.4	PRIORITY OF PAYMENTS
(i)	Employed Lawyers	4.5	OTHER INSURANCE
2.2	EXCLUSIONS FOR INSURED ENTITY ONLY:	4.6	SUBROGATION AND FURTHER ASSURANCES
(a)	Contract	5	GENERAL CONDITIONS
(b)	Trade Practices	5.1	LIMIT(S) OF LIABILITY
(c)	Government Benefits Legislation	5.2	DEDUCTIBLES
(d)	Services Liability	5.3	DISCOVERY PERIOD
(e)	Intellectual Property	5.4	SPOUSAL BENEFIT & ESTATE ENUREMENT
(f)	Product Liability	5.5	EXPOSURE CHANGES – MERGERS, ACQUISITIONS, SALE
(g)	Dividend/Option	5.6	SEVERABILITY
2.3	EXCLUSIONS FOR WRONGFUL EMPLOYMENT PRACTICES OR INSURED ENTITY WRONGDOING	5.7	TERMINATION AND PREMIUM REFUND
(a)	Liability of Others Assumed Under Contract	5.8	TERRITORY AND CURRENCY
(b)	Labour Relations	5.9	ARBITRATION AND APPLICABLE LAW
(c)	Government Sponsored Benefits	5.10	AUTHORIZATION
(d)	Employee Benefits Administration	5.11	AMENDMENT OR ASSIGNMENT
(e)	Payroll	5.12	INTERPRETATION
(f)	Pay Equity	5.13	NOTICE OF MEMBERSHIP IN LIBERTY MUTUAL HOLDING COMPANY INC
(g)	US Fair Labour Standards Act	5.14	NOTICE OF NON RENEWAL
		5.15	GLOBAL LIBERALIZATION

1. INSURING AGREEMENTS

The Insuring Agreements are part of this contract of insurance (“the **policy**”). This **policy** also includes the Exclusions, Definitions, Claims Conditions and General Conditions found in paragraphs 2 through 5.

Any headings and titles in this **policy** exist only to make the **policy** easier to read and do not create or affect coverage. Terms in **bold** used in this **policy** are defined in paragraph 3.

Liberty has agreed to issue this **policy**:

- i) in reliance on the **application**; and
- ii) on the condition that the **insured** must pay any premium(s) when due.

Liberty only agrees to cover any **loss** if the **claim** is first made against any **insured** during the **policy period** and reported to Liberty as soon as practicable.

1.1 A PERSONAL COVERAGE FOR INSURED INDIVIDUALS (“SIDE A COVER”)

Liberty agrees to pay on behalf of the **insured individuals** any **loss** on the condition that:

- i) the **loss** results from a **claim** first made against an **insured individual** during the **policy period**;
- ii) the **claim** is made against them in the capacity in which they are an **insured** under this **policy**; and
- iii) the **claim** is based on executive wrongdoing, fiduciary wrongdoing or wrongful employment practices;

provided that:

- iv) the **insured individual** is not indemnified for the **loss** by an **insured entity**.

This coverage shall not be rescinded by Liberty in whole or in part for any reason.

1.1 B COVERAGE FOR ENTITY INDEMNIFICATION (“SIDE B COVER”)

Liberty agrees to pay on behalf of the **insured entity** any **loss** on the condition that:

- i) the **loss** results from a **claim** first made against an **insured individual** during the **policy period**;
- ii) the **claim** is made against the **insured individual** in the capacity in which they are an **insured** under this **policy**;
- iii) the **claim** is based on executive wrongdoing, fiduciary wrongdoing or wrongful employment practices; and
- iv) the **insured entity** indemnifies the **insured individual**;

provided that:

- v) the **insured entity** is permitted or required by applicable law to indemnify the **insured individual**.

1.1 C COVERAGE FOR ENTITY LIABILITY (“SIDE C COVER”)

Liberty agrees to pay on behalf of the **insured entity** any **loss** on the condition that:

- i) the **loss** results from a **claim** first made against an **insured entity** during the **policy period**; and
- ii) the **claim** is based on executive wrongdoing, fiduciary wrongdoing, wrongful employment practices or insured entity wrongdoing.

1.1 D ADDITIONAL COVERAGE FOR EXECUTIVES (“SIDE A COVER”):

Liberty agrees to pay on behalf of any **executive** an additional Limit of Liability under this **policy** for any **loss** on the condition that:

- i) the **loss** results from a **claim** made against an **executive** during the **policy period**;
- ii) the additional Limit of Liability is equal to the Executive/Insured Entity Wrongdoing Limit of Liability stated in Item IV of the **declarations** or \$1,000,000, whichever is less; and
- iii) the **claim** is based on **executive wrongdoing, wrongful employment practices** or **fiduciary wrongdoing**;

provided that:

- iv) the **executive** is not indemnified for the **loss** by an **insured entity**;
- v) the additional Limit of Liability provided by this paragraph shall be specifically excess of:
 - 1) the Executive/Insured Entity Wrongdoing Limit of Liability stated in Item IV of the **declarations**; and
 - 2) the limit of liability under any other policy that is excess of this **policy** and such excess insurance must be completely exhausted before Liberty has any obligation to pay any **loss** under this paragraph.

1.2 COVERAGE EXTENSIONS

(a) PERSONAL COVERAGE FOR OUTSIDE DIRECTORSHIPS

Liberty agrees to pay on behalf of the **executives** and the **insured entity** under paragraphs 1.1 A and 1.1 B (“Side A & B Cover”) any **loss**:

- i) in their capacity as members of the board of directors, trustees or equivalent position of any not-for-profit or charitable organization;
- ii) which results from a **claim** first made against them during the **policy period**;
- iii) which results from **executive wrongdoing**; and
- iv) which is excess of any indemnification to which the **executive** is entitled from the not-for-profit or charitable organization, and also of any insurance coverage available under policies issued to such organization or to its **executives**;

provided that:

- v) at the time of the **executive wrongdoing**, which is the subject of the **claim**, the **executive** is or was serving on the board of directors, trustees or equivalent position of the not-for-profit or charitable organization at the request of the **company**.

However there is no coverage for the not-for-profit or charitable organization itself or for any other director, officer or employee of such organization.

(b) PUBLIC RELATIONS COSTS COVERAGE FOR CRISES

Liberty agrees to pay on behalf of the **insured entity** any **public relations costs** which it reasonably incurs in engaging public relations consultants to manage a **crisis**; provided that:

- i) the **crisis** is first reported to Liberty during the **policy period**;
- ii) Liberty has no duty to defend any **insured** against **crises**;

- iii) Liberty has no duty to indemnify any **insured** for any judgment, penalty, sentence, order or condemnation of any kind resulting from a **crises**; and
- iv) coverage under this paragraph is not considered **defence costs** and is subject to the sublimit of liability stated in Item V of the **declarations** and shall not be construed to accumulate or be in excess of the Limits of Liability stated in Item IV of the **declarations**.

(c) **INVESTIGATION COSTS COVERAGE FOR DERIVATIVE DEMANDS**

Liberty agrees to pay on behalf of the **insured entity** any **investigation costs** which it reasonably incurs solely in connection with a **derivative demand**; provided that:

- i) the **derivative demand** is first made during the **policy period**;
- ii) Liberty has no duty to defend any **insured** against a **derivative demand**; and
- iii) coverage under this paragraph is not considered **defence costs** and is subject to the sublimit of liability stated in Item V of the **declarations** and shall not be construed to accumulate or be in excess of the Limits of Liability stated in Item IV of the **declarations**.

2. EXCLUSIONS

2.1 EXCLUSIONS APPLICABLE TO ALL INSURED

There is no coverage for **public relations costs** or **investigation costs** under paragraph 1.2 of this **policy**; or for **loss** resulting from a **claim**:

- (a) **PENDING AND PRIOR LITIGATION: based on** any litigation, claim, demand, cause of action, legal or quasi-legal proceeding, decree or judgment against or involving any **insured**:
 - i) which was pending on the date stated in Item VII of the **declarations** or which happened prior to that date; and
 - ii) which any **insured** knew about on that date,or any subsequent **claim** or **loss based on** substantially the same matters as were alleged in such prior or pending litigation, claim, demand, cause of action, legal or quasi-legal proceeding, decree or judgment;
- (b) **PRIOR CLAIMS, FACTS, CIRCUMSTANCES: based on** a **claim** or facts or circumstances which could reasonably be expected to give rise to a **claim**, which has been notified to and accepted by Liberty or any other insurer under any prior policy of which this **policy** is a renewal or replacement and if such prior policy affords coverage or would afford coverage except for the exhaustion of the applicable Limit of Liability;
- (c) **DISHONESTY, FRAUD, CRIMINAL INTENT: based on wrongdoing** or violation of the law deliberately committed or attempted by an **insured** with dishonest, fraudulent or criminal purpose or intent if a final, non-appealable judgment or adjudication (other than a judgment or adjudication in an action or proceeding initiated by Liberty to determine coverage under the **policy**) establishes that such act, omission or willful violation occurred and was material to the outcome of such judgment or adjudication;
- (d) **ILLEGAL BENEFIT: based on** any profit, sum of money, advantage or benefit obtained by any **insured** to which they are not legally entitled if a final, non-appealable judgment or adjudication (other than a judgment or adjudication in any action or proceeding initiated by Liberty to determine coverage under the **policy**) establishes that such act, omission or willful violation occurred and was material to the outcome of such judgment or adjudication;
- (e) **INSURED ENTITY VS. INSURED: brought by or on behalf of any insured entity**. However, this exclusion does not apply to:
 - i) **defence costs** for a **claim** under paragraph 1.1 A;

- ii) a **claim** that is a **derivative action** and, for the purposes of this exception, the assistance, active participation or intervention for which “whistleblower” protection is afforded under section 425.1 of the *Criminal Code*, R.S.C. 1985, c. C-46, United States Code Title 18 § 1514A or similar provisions of any applicable law or regulation anywhere in the world, shall not alone be considered to be brought with the assistance, active participation, or intervention of any **insured individual** or **insured entity**;
 - iii) a **claim** brought by or on behalf of the **company** by any receiver, trustee, liquidator, monitor or creditors’ committee appointed on behalf of any **insured entity** by a court or creditor when the **company** is **bankrupt or insolvent**;
 - iv) a **claim** brought or maintained outside the United States of America, Canada or any other common law jurisdiction, including any territories therein; or
 - v) a **claim** that is against an **insured individual** who has not acted in that capacity at any time in the past 2 years;
- (f) **BODILY INJURY, PROPERTY DAMAGE:** for bodily injury, sickness, disease or death of any individual, violation or invasion of any right of privacy or private occupancy, or damage or destruction to any property, whether tangible or intangible, including loss of use thereof. However, this exclusion does not apply to:
- i) a **claim** for emotional distress, humiliation or mental anguish or injury resulting from libel, slander, defamation or disparagement or from a violation of an individual’s right of privacy caused by **wrongful employment practices**; or
 - ii) **defence costs** on account of any **claim** which is brought pursuant to section 217.1 of the *Criminal Code*, R.S.C., 1985, c.C-46, Bill 168, the *Ontario Occupational Health and Safety Amendment Act (Violence and Harassment in the Workplace) 2009*, the United Kingdom Corporate Manslaughter and Corporate Homicide Act of 2007, or any similar federal, provincial, territorial, state or other governmental statute, legislation, law, regulation or ordinance, against any **insured individual**;
- (g) **POLLUTION: based on pollution.** However this exclusion does not apply to:
- i) a **claim** under paragraph 1.1 A;
 - ii) a **retaliatory treatment claim**;
 - iii) a **derivative action**;
 - iv) a **claim** in connection with any private purchase or sale or any offer to privately purchase or sell, any shares of the **insured entity**; or
 - v) **defence costs** in which the **insured entity** under paragraph 1.1 B (“Side B Cover”) reasonably incurs to defend a **pollution claim** first brought and conducted against an **insured individual** in Canada;
- (h) **SECURITIES CLAIM:** which is or is **based on** a **securities claim**. However, this exclusion does not apply to:
- i) a **claim** for **executive wrongdoing** or **insured entity wrongdoing** which occurred during the **company’s initial public offering** roadshow activities; or
 - ii) a **securities claim** that is **based on** an **initial public offering** or any public debt securities offering which is subject to registration under applicable law anywhere in the world, provided that Liberty is given at least 30 days prior written notice of such offering along with a copy of the relevant prospectus or offering document and the **insured** agrees to any amendments to the terms and conditions of this **policy** and pays any additional premium which may be required by Liberty; or
- (i) **EMPLOYED LAWYER:** against any **employed lawyer based on** the performance of services as a licensed lawyer or attorney for the benefit of or on behalf of any person or entity other than the **insured**

entity, any employee or executive, in their capacity as such, even if such service is at the request of the insured entity or part of the regular assigned duties of the employed lawyer.

2.2 EXCLUSIONS FOR INSURED ENTITY ONLY

There is no coverage for the insured entity for public relations costs or investigation costs under paragraph 1.2 of this policy; or for loss resulting from a claim:

- (a) **CONTRACT: based on** any breach of or liability arising from any oral or written contract or agreement. However, this exclusion does not apply to defence costs for wrongful employment practices;
- (b) **TRADE PRACTICES: based on** violation of any applicable law anywhere in the world with respect to unfair trade practices, anti-trust, anti-competitive behavior, price fixing, bid-rigging, predatory pricing, restraint of trade or discrimination, including the *Competition Act*, R.S.C., 1985, c.C-34, or similar legislation anywhere in the world;
- (c) **GOVERNMENT BENEFITS LEGISLATION: based on** the violation of or failure to comply with any obligation imposed under legislation relating to government sponsored benefit programs;
- (d) **SERVICES LIABILITY: based on** any services rendered or which should have been rendered to any third party, whether for remuneration or not;
- (e) **INTELLECTUAL PROPERTY: based on** the infringement of any patent, copyright, trademark, trade secret, intellectual property rights and/or misappropriation of ideas, including “product dressing”;
- (f) **PRODUCT LIABILITY: based on** the conception, design, manufacture, advertisement, sale, distribution, use or consumption of any product which is defective, hazardous or unfit for its intended purpose, or based on the failure to warn that any product is defective, hazardous or unfit for its intended purpose; or
- (g) **DIVIDEND/ OPTIONS: for** any dividends or distributions of earnings or losses paid or not paid, or for share options or damages in lieu of share options.

2.3 EXCLUSIONS FOR WRONGFUL EMPLOYMENT PRACTICES OR INSURED ENTITY WRONGDOING

There is no coverage for any insured for loss resulting from a claim based on wrongful employment practices, or a claim based on insured entity wrongdoing which is:

- (a) **LIABILITY OF OTHERS ASSUMED UNDER A CONTRACT: based on** any liability of others that an insured has assumed under any contract, unless the insured would have been legally liable in the absence of such contract;
- (b) **LABOUR RELATIONS: based on** the negotiation or breach of a collective agreement involving the company or a violation of the collective bargaining rights of employees by any insured;
- (c) **GOVERNMENT SPONSORED BENEFITS: for** benefits under a government sponsored benefits program;
- (d) **EMPLOYEE BENEFITS ADMINISTRATION: based on** any actual or alleged wrongful interpretation, application, or administration of an employee benefits program;
- (e) **PAYROLL: based on** the failure or refusal of an insured to:
 - i) collect, retain, return, pay or remit employee taxes, deductions at source, pension or retirement savings contributions or other employee benefit contributions or union dues;
 - ii) pay, retain, reimburse or indemnify any salary, wages, overtime pay, vacation pay, commissions, bonuses, fees, benefits, expenses, or any remuneration of any kind owed to an employee of the company; or

- iii) grant, issue, give effect to, replace, honour, terminate, value, or in any manner whatsoever address stock or share options, whether or not such stock or share options are issued by the **company**;
- (f) **PAY EQUITY:** alleging a systemic differential in pay between **employees** who perform different work allegedly of equal or comparable value, including a **claim based on** a violation of the *Canadian Human Rights Act*, R.S.C., 1985, c.H-6, s. 11, or similar legislation anywhere in the world, but does not include a **claim** for an actual or alleged differential in pay for the same work or substantially similar work. However, this exclusion does not apply to a **retaliatory treatment claim**; or
- (g) **US FAIR LABOUR STANDARDS ACT:** made in the territorial limits and jurisdiction of the United States of America for an actual or alleged violation of or obligation, responsibility, or duty imposed under or with respect to the Fair Labor Standards Act (except the Equal Pay Act). However, this exclusion does not apply to a **retaliatory treatment claim**.

2.4 EXCLUSIONS FOR WRONGFUL EMPLOYMENT PRACTICES OR INSURED ENTITY WRONGDOING OTHER THAN DEFENCE COSTS

Other than for **defence costs**, there is no coverage for any **insured** for **loss** resulting from a **claim based on wrongful employment practices**, or a **claim based on insured entity wrongdoing** which is:

- (a) **WRITTEN EMPLOYMENT CONTRACT:** for an actual or alleged breach of any written employment contract unless the **insured** would have been liable for such **loss** in the absence of such written employment contract;
- (b) **EMPLOYEE BENEFITS:** based on any payment, consideration or benefit, other than salary, wages or commission, owed by the **company** to an **employee** or owed to an individual who is not an **employee** who is entitled to receive benefits as a result of the employment relationship, between the **company** and an **employee**, including under an **employee benefits program**;
- (c) **FRONT PAY:** alleging **loss** which constitutes front pay, future damages or other future economic relief or the equivalent thereof, if the **company** is ordered to reinstate the claimant as an **employee** by a judgment or other final adjudication and fails to do so;
- (d) **TERMINATION:** for any amount payable to an **employee** under any applicable statute or common law following dismissal, including severance, pay in lieu of notice and vacation pay. However, this exclusion does not apply to:
 - i) the portion of a **claim** amount which exceeds amounts equal to what the **insured** has reasonably and in good faith offered prior to arbitration or litigation as payment **based on** the **insured's** obligations to **employees** for termination of employment, including the minimum amount payable under the applicable statute;
 - ii) a **claim** for an actual or alleged differential in pay for the same work or substantially similar work; or
 - iii) a **retaliatory treatment claim**;
- (e) **NON-MONETARY CLAIM:** seeking only injunctive or other non-monetary relief;
- (f) **WORKPLACE COMPLIANCE COSTS:** alleging **loss** which constitutes:
 - i) the cost of compliance with or the satisfaction of obligations imposed under the *Employment Equity Act*, S.C. 1995, c.44 or any similar legislation anywhere in the world; or
 - ii) any costs or expenses associated with any accommodation or affirmative action program imposed under the *Canadian Human Rights Act*, R.S.C., 1985, c.H-6, the Americans with Disabilities Act, the United States Civil Rights Act of 1964, or similar legislation anywhere in the world, including without limitation any costs or expenses incurred by an **insured** to change, modify, alter, or improve a building, real estate, furniture, fixtures, or equipment of any kind to improve accessibility or usability; or

- (g) **COMPENSATION: based on** any dispute with respect to the valuation of salary, wages, commission, benefits, bonus, compensation or any other remuneration whatsoever provided for in a contract of employment.

2.5 EXCLUSIONS FOR FIDUCIARY WRONGDOING

There is no coverage for any **insured** for loss resulting from a **claim based on fiduciary wrongdoing** which is:

- (a) **LIABILITY OF OTHER ASSUMED UNDER A CONTRACT: based on** the liability of others assumed by an **insured** under any contract unless an **insured** would have been legally liable in the absence of such contract;
- (b) **INTENTIONAL BREACH OF GOVERNMENT BENEFITS LEGISLATION: based on** the intentional violation of or failure to comply with any obligation imposed under legislation relating to a **government sponsored benefits program**;
- (c) **PLAN FUNDING/DEFICIT: based on** the intentional failure to fund a **plan** in accordance with applicable law or a **plan** instrument; the failure to collect or pay contributions owed to a **plan**, unless the failure is because of the negligence of the **insured**; or the inability of a **plan** to meet any of its obligations because of the **bankruptcy and insolvency** of the **plan** or any deficit position of the **plan**. However, this exclusion does not apply to **defence costs**; or
- (d) **EMPLOYEE BENEFITS: based on** any payment, consideration or benefit other than salary, wages or commission owed by the **company** to an **employee** or an individual other than an **employee** who is entitled to receive **benefits** as a result of the employment relationship between the **company** and an **employee**, including under an **employee benefits program**. However, this exclusion does not apply to **defence costs**.

3. DEFINITIONS

“**administrator**” means an individual who at any time had, has or will have legal responsibility for the administration or management of a **plan**, but does not include any consultant or outside service provider.

“**application**” means collectively all applications, renewal applications or questionnaires which any **insured** has submitted to Liberty at any time for the purpose of obtaining initial or renewal coverage, and any other documentation or information provided to Liberty by any **insured** in support of an **application**.

“**bankrupt or insolvent/bankruptcy or insolvency**” means a situation where an **insured entity** is in the financial position as a debtor as defined in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. R-3, and occurs when:

- a) any receiver, conservator, liquidator, trustee, sequestrator or similar official has been appointed by a federal, provincial, territorial, state or other governmental body or court or agency or by a creditor to take control of, supervise, manage or liquidate the **insured entity**;
- b) a reorganization proceeding relating to the **insured entity** is brought under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, or any similar federal, provincial, territorial, state or other governmental statute, law, regulation or ordinance; or
- c) the **insured entity** becomes a debtor-in-possession under Title 11 of the United States Bankruptcy Code or any similar federal, provincial, territorial, state or other governmental statute, law, act, rule, regulation or ordinance.

“**based on**” means “based on, arising from or attributable to”.

“**Canada’s Anti-Spam Legislation**” means An Act to Promote the Efficiency and Adaptability of the Canadian Economy by Regulating Certain Activities that Discourage Reliance on Electronic Means of Carrying out Commercial Activities, and to Amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act, SC 2010, c.23.

“**claim**” means:

- a) any written demand for monetary or non-monetary relief;
- b) a civil action or other proceeding seeking damages or other non-monetary or injunctive relief before the civil courts and for the purposes of **wrongful employment practices**, includes an action or proceeding before any federal or provincial tribunal;
- c) a formal request for the extradition of an **executive**, but only where insurable by law;
- d) alternative dispute resolution (“ADR”), arbitration or mediation if the **insured** is obligated to participate in such ADR, arbitration or mediation;
- e) any formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order, service of summons or similar document;
- f) any criminal or penal proceeding against an **insured** commenced by the laying of an information or a return of an indictment; provided however, any coverage provided to the **insured entity** under this paragraph is subject to the sublimit of liability stated in Item V of the **declarations**; or
- g) a formal inquiry, investigation or commission conducted or appointed pursuant to statute, including but not limited to legislation governing securities, occupational health and safety, pensions and competition, initiated in writing against an **insured** and which may reasonably be expected to result in findings relevant to the **insured’s** potential civil, penal or criminal liability for **wrongdoing**; provided however, any coverage provided to the **insured entity** under this paragraph is subject to the sublimit of liability stated in Item V of the **declarations**.

However, **claim** does not include any professional disciplinary investigation or proceeding, or any investigation, inquiry, commission or hearing relating to or in connection with labour relations, labour standards or collective bargaining.

“**company**” means the company or other entity stated in Item I of the **declarations** and any **subsidiary**.

“**crisis**” means one of the following events:

- a) an **employee** layoff or restructuring involving 20% or more of total staff;
- b) an unanticipated death, incapacity or resignation of the president, chief executive officer or chief financial officer; or
- c) **bankruptcy or insolvency**.

“**declarations**” means the most current applicable Policy Declarations.

“**defence costs**” means that part of the **loss** consisting of reasonable and necessary costs incurred by an **insured** with Liberty’s consent, such consent not to be unreasonably withheld, in investigating, defending, appealing or monitoring **claims**, but this does not include expenses incurred by, or, any remuneration paid to, **insured individuals** for time spent in assessing, investigating, dealing with or assisting others to deal with a **claim**.

“**derivative action**” means an action or intervention in an action against an **insured individual** brought by a complainant in the name of and on behalf of a **company** within the meaning of and in accordance with the terms of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 or similar law or regulation anywhere in the world and that is brought without the assistance, active participation, or intervention of any **insured**.

“**derivative demand**” means any written notice, by one or more complainants, to the board of directors of an **insured entity**, of their intention to bring a **derivative action** against an **insured individual** for **wrongdoing**

“**discovery period**” means the period of time described in paragraph 5.3, but only if the requirements set out in that paragraph are met.

“**employed lawyer**” means a licensed lawyer or attorney, who is an **employee** of the **insured entity**, while performing legal services for the benefit of or on behalf of the **insured entity**.

“**employee**” means:

- a) any individual employed by the **company** at any time whether in the past, present or future, including any part-time, seasonal or temporary **employee(s)** and whom the **company** compensates by salary, wages and/or commission and has the right to govern and direct in the performance of such services; or
- b) any **independent contractor**.

“**employee benefits**” means any payment, consideration or benefit, other than salary, wages, or commission, owed by the **company** to an **employee** or a beneficiary as a result of the employment relationship, including benefits payable to an **employee** or a beneficiary under an **employee benefits program**.

“**employee benefits program**” means:

- a) any employee benefits plan, including but not limited to any registered pension plan, group sickness or accident insurance plan, private health services plan, supplementary unemployment benefit plan, deferred profit-sharing plan, employee profit-sharing plan, income maintenance insurance plan, vacation pay trust, employee trust, retirement compensation arrangements or salary deferral arrangements, all as defined in the *Income Tax Act*, R.S.C., 1985, c.1 (5th Supp.);
- b) any plan, including any welfare benefit plan, as defined in the United States Employee Retirement Income Security Act of 1974; or
- c) any similar program, plan or arrangement as described in a) and b) above, anywhere in the world.

“**executive**” means any past, present or future:

- a) duly elected, appointed, “de facto” or “deemed” director, officer, trustee, advisory board member or board observer of the board, or equivalent governing body;
- b) senior management or equivalent positions for which the **company** has provided an indemnification agreement or has amended its applicable by-laws to provide indemnification no less broad than that provided to its directors, officers or trustees;
- c) management or executive committee member of any partnership, limited partnership or joint venture which is a **subsidiary**;
- d) member of a management board or equivalent position of a limited liability company which is a **subsidiary**;
- e) individuals who hold titles, positions or capabilities equivalent to the positions of an executive as defined in items a) through d) above for a **company** incorporated within Canada or the United States of America, operating in a **foreign jurisdiction**; or
- f) **employed lawyer**;

of the **company** or under paragraph 1.2 (a) of a not-for-profit or charitable organization.

“**executive wrongdoing**” means any actual, alleged, attempted or allegedly attempted fault, error, omission, misstatement or breach of duty by any **executive** or **employee**, but only in their capacity as an **executive** or **employee**, or under paragraph 1.2 (a), of a not-for-profit or charitable organization, including any matter claimed against any **executive** solely due to their status as an **executive**.

“**fiduciary**” means any individual who at any time, whether past, present or future, has or exercises discretionary authority or control over the management of any **plan** or its assets, and who therefore is subject to fiduciary obligations under applicable law. However, **fiduciary** does not include any consultant or outside service provider.

“**fiduciary wrongdoing**” means any actual, alleged, attempted or allegedly attempted:

- a) breach of or failure on the part of a **fiduciary** to meet their fiduciary obligations to a **plan** or the beneficiaries of a **plan**;
- b) fault, error, omission, misstatement or breach of duty on the part of any **insured** in the interpretation, application and administration of a **plan**; or

- c) matter claimed against any **insured** solely with respect to a **plan** and solely by reason of their status as a **fiduciary** of a **plan**.

“**foreign jurisdiction**” means any jurisdiction other than Canada or the United States of America.

“**foreign policy**” means any standard executive liability policy (including any mandatory endorsements) approved by Liberty Mutual Insurance Company to be sold within a **foreign jurisdiction** that provides coverage substantially similar to the coverage afforded under this **policy**. If more than one such policy exists, then “**foreign policy**” means the standard policy most recently registered in the local language of the **foreign jurisdiction** or, if no such policy has been registered, then the policy most recently registered in that **foreign jurisdiction**. The term **foreign policy** shall not include any professional liability coverage.

“**government sponsored benefits program**” means any benefits or compensation program created by statute whereby funds are held or managed by a governmental body, including workmen’s compensation, unemployment insurance, pension and social security programs.

“**independent contractor**” means any individual who is contracted in writing to perform services for the **company** in the conduct or operation of the **company’s** business, provided that such individual shall be deemed an **employee** only to the extent that he or she renders services for the benefit of the **company’s** business.

“**initial public offering**” means any initial offering of voting securities of the **company** to the public, which is subject to registration under applicable law anywhere in the world.

“**insured**” means any **insured individual** or **insured entity**.

“**insured individual**” means an **executive**, a **fiduciary**, an **administrator**, or an **employee**.

“**insured entity**” means the **company** or a **plan**.

“**insured entity wrongdoing**” means any actual, alleged, attempted or allegedly attempted fault, error, omission, misstatement or breach of duty by the **insured entity**.

“**investigation costs**” means any reasonable costs, charges, fees (including but not limited to lawyers’ fees and experts’ fees) and expenses (other than regular or overtime wages, salaries or fees of the **insured individual(s)** or **employee(s)** or expenses incurred by, or, any remuneration paid to, **insured individuals** for time spent in assessing, investigating, dealing with or assisting others to deal with a **derivative demand**) approved by Liberty, such approval not to be unreasonably withheld, which are incurred by the **insured entity**, including its board of directors or any committee of the board of directors, in connection with the investigation or evaluation of any **derivative demand**.

“**loss**” means the total amount which the **insured** is legally obligated to pay for all **claims based on wrongdoing** which is covered under this **policy**, including:

- a) **defence costs**;
- b) damages, judgments, settlement amounts, **statutory liabilities**, pre-judgment and post-judgment interest, legal fees and costs awarded pursuant to judgments.

Loss does not include:

- i) any judgment, settlement, sentence, order or condemnation: (i) against an **insured entity**, resulting from a formal administrative or regulatory proceeding, formal investigative order, summons, or criminal or penal proceeding; or (ii) against an **insured entity** resulting from a formal inquiry, investigation, commission or hearing conducted or appointed pursuant to statute;
- ii) any unpaid taxes, duties or levies of the **company** or an **independent contractor** which are not **statutory liabilities**;
- iii) costs associated with the monitoring, clean up, removal, containment, treatment, detoxification or neutralization of pollutants;
- iv) punitive or exemplary damages, or the multiplied portion of any multiplied damage award, except where insurable by law; or
- v) fines and penalties; however, where insurable by law, the following are considered **loss**:

- (a) civil penalties for which an **executive** is found liable as a result of violations of the United States Foreign Corrupt Practices Act or similar legislation anywhere in the world; or
- (b) administrative fines and penalties for which an **executive** is found liable as a result of violations of **Canada's Anti-Spam Legislation**.

With respect to the insurability of iv) and v) above, of all the jurisdictions applicable to a **claim**, the jurisdiction with the most favourable laws to the **insured entity** concerning the insurability of such damages or penalties shall apply to determine whether coverage is available for such damages or penalties.

“**managerial control**” means the right pursuant to any written contract, by-laws, charter, shareholder agreement, trust indenture, joint venture agreement, limited liability company operating agreement, limited partnership agreement or similar documents of an entity to elect, appoint or designate a majority of the directors of a corporation, trustees of an income fund or trust, management committee members of a joint venture, management board members of a limited liability company, general partner of a limited partnership or any other equivalent body.

“**plan**” means

- a) any pension plan of the **company** which was on or prior to the inception date of this **policy** sponsored solely by the **company** or sponsored jointly by the **company** and a labour organization solely for the benefit of the **employees** of the **company**, including any pension plan merged into or consolidated with such pension plan prior to the inception date of this **policy**;
- b) any **employee benefits program** which was on or prior to the inception date of this **policy** sponsored solely by the **company** or sponsored jointly by the **company** and a labour organization, solely for the benefit of the **employees** of the **company**; or
- c) any **employee benefits program** which during the **policy period** becomes sponsored solely by the **company**, or jointly by the **company** and a labour organization, solely for the benefit of the **employees** of the **company**, but only on the condition that Liberty agrees by endorsement to cover it within 90 days of its becoming sponsored.

However, **plan** does not include any multi-employer plan as defined under applicable law.

“**policy**” means:

- a) the **application**;
- b) the **declarations**;
- c) policy paragraphs 1 through 5; and
- d) any endorsements, whether issued at inception or during the **policy period**.

“**policy period**” means the period from the date stated in Item III of the **declarations** to the date of termination of this **policy** pursuant to paragraph 5.7. The **discovery period** is deemed to be part of the most recent **policy period**.

“**pollution**” means:

- a) the actual, alleged or threatened seepage, discharge, dispersal, release or escape of pollutants in contravention of; or
- b) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants under:

the *Canadian Environmental Protection Act*, 1999 (S.C. 1999, c.33) or any federal, provincial, territorial, state, municipal or other governmental statute, law, regulation or ordinance, common law (including but not limited to nuisance and trespass), civil law or equity, including but limited to a **claim** for financial loss to the **insured entity**, its security holders or its creditors **based on** the matters described in a. and b. above. Pollutants include, without limitation, solids, liquids, gasses, thermal or electromagnetic irritants or contaminants or emanations, nuclear radiation or radioactive substances, smoke, vapour, odour, soot, oil or oil products, asbestos or asbestos products, silica, mould, noise, fumes, acids, alkalis, chemicals,

or waste materials including without limitation waste water or infectious or medical waste, whether or not they are to be recycled, reconditioned, or reclaimed.

“**pollution claim**” means a **claim based on pollution**.

“**public relations costs**” means any reasonable costs, charges, fees and expenses (other than expenses incurred by, or any remuneration paid to, **insured individuals** for time spent in assessing, investigating, dealing with or assisting others to deal with a **crisis**) approved by Liberty, such approval not to be unreasonably withheld, which are incurred by the **insured entity** in engaging the services of public relations consultants to advise the **insured entity** with respect to managing the public communication of and limiting disruption to the **insured entity’s** business following a **crisis**.

“**retaliatory treatment claim**” means a **claim based on** retaliatory treatment of the claimant by any **insured** resulting from the exercise by the claimant of any right under any applicable law.

“**securities claim**” means any **claim** (including a **claim** brought by any securities regulator or other government body) **based on**:

- a) a public offering of securities of the **company**, whether on the open market or arising from an **initial public offering**; or
- b) a violation of any statute governing securities including the failure to register securities issued in connection with a private placement which should have been registered with the appropriate securities regulator or other government body.

“**spouse**” means either of two persons, regardless of their gender, who i) are married to each other; ii) have cohabited continuously in a conjugal relationship outside marriage for a period of at least one year; or iii) have cohabited continuously in a conjugal relationship of some permanence outside marriage if they are the natural or adoptive parents of a child.

“**statutory liabilities**” means unpaid liabilities of the **company**, including unpaid tax liabilities and unpaid wages and deductions at source, for which any **executive** becomes personally liable in their capacity as an **executive** under any applicable statute if the **company** is **bankrupt or insolvent**.

“**subsidiary**” means any for-profit entity of which the **company** either directly or through one or more of its **subsidiaries**:

- a) owns or owned more than 50% of any issued and outstanding securities or other interest that carries a residual right to participate in the earnings of an entity, and to participate in the assets of such entity upon a liquidation or winding up of such entity; or
- b) holds or held **managerial control**.

Notwithstanding the above, coverage provided under this **policy** with respect to a **claim** made against any **insured entity** or any **insured individual** shall only apply to **wrongdoing** committed or allegedly committed after the effective date that the **insured entity** became a **subsidiary** and prior to the effective date that the **insured entity** ceased to be a **subsidiary**.

“**wrongdoing**” means any **executive wrongdoing, wrongful employment practices, fiduciary wrongdoing or insured entity wrongdoing**.

“**wrongful employment practices**” means any actual, alleged, attempted or allegedly attempted fault, error, omission, misstatement or breach of duty on the part of the **company** or by an **insured individual** acting in the performance of their duties for the **company**, in connection with one or more of the following:

- a) dismissal, including constructive dismissal, of an **employee** in breach of any employment relationship;
- b) sexual or other harassment of an **employee** at or related directly to:
 - i) the **company’s** workplace, and/or
 - ii) the **employee’s** employment;

- c) unlawful employment discrimination or violation of an **employee's** or prospective **employee's** employment-related civil rights based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy, disability or other class, status or characteristic protected under applicable law, including wrongful failure or refusal to hire or promote, wrongful discipline or demotion, wrongful deprivation of a career-opportunity, or failure to grant tenure;
- d) invasion of privacy, employment-related defamation, employment-related wrongful infliction of emotional distress, or negligent employment evaluation or any employment-related misrepresentation made to an **employee** or prospective **employee** with respect to the **company**;
- e) failure to create, apply or enforce employment-related policies or procedures at or with respect to the **company's** workplace;
- f) retaliatory treatment of an **employee** by the **company** resulting from the exercise by the claimant of any right under any applicable law; or
- g) unlawful discrimination, sexual harassment or violation of a natural person's civil rights based upon age, gender, race, colour, national origin, religion, sexual orientation or preference, pregnancy, disability or other class, status, or characteristic protected under applicable law only with respect to any customer, client or supplier or other individual or group of individuals other than an **employee** or prospective **employee** with the **company**.

4. CLAIMS CONDITIONS

4.1 NOTICE, REPORTING OF CLAIMS AND POTENTIAL CLAIMS AND DUTIES OF THE INSURED

- (a) It is a condition precedent to the **insured's** rights under this **policy** that after the chairperson, president, chief executive officer, chief financial officer or general counsel of any **company** becomes aware of any **claim**, the **insured** must give prompt written notice of such **claim** to Liberty as soon as practicable.
- (b) If the **insured** fails to notify Liberty of a **claim** promptly and Liberty substantially suffers prejudice as a result of that failure, Liberty may deny coverage in respect of that **claim** under the **policy**.
- (c) If during the **policy period**, any **insured** becomes aware of any facts, circumstances (including but not limited to a request to toll a statute of limitations) or **wrongdoing** that could reasonably give rise to a **claim** and if such facts, circumstances or **wrongdoing** are reported to Liberty during the **policy period** in writing with details as to the nature and date of such circumstances or **wrongdoing**, the identity of any potential claimant, the identity of any **insured persons(s)** involved in such circumstances or **wrongdoing**, and the manner in which the **insured** first became aware of such circumstances or **wrongdoing**, any **claim** subsequently arising from those facts or circumstances or **wrongdoing** will be deemed to be a **claim** made during the **policy period**, as long as the **insured** also gives notice of the **claim** as required by paragraph 4.1(a).
- (d) Notice of any **claim**, circumstances or **wrongdoing** as required by paragraph 4.1(a) and (c) shall be forwarded to: Liberty Mutual Insurance Company, 181 Bay St., Suite 900, Toronto, Ontario M5J 2T3, Attention: Specialty Casualty Claims, or to: claims.liu@libertyiu.com
- (e) All other notices required under any other paragraphs of this **policy** will be to the same address, but to the attention of: Specialty Casualty Underwriting Department.
- (f) Notice from Liberty to the **insured** will be given to the **company** at the address stated in Item II of the **declarations**.
- (g) All notices under this **policy** shall be sent in writing by mail, prepaid expense courier, or email and shall be effective upon receipt thereof by the addressee.
- (h) The **insured** agrees:
 - i) to cooperate fully and promptly with Liberty and its representatives when a **claim** is made;

- ii) to do nothing that may prejudice Liberty's position or its rights of recovery; and
- iii) that the **insured's** obligations under paragraphs 4.1 and 4.6 will survive any termination of this **policy**.

The failure of an **insured person(s)** to provide information and cooperate with Liberty under paragraph 4.1 (h) shall not impact the rights of any other **insured person(s)** under this **policy** in any manner.

4.2 DEFENCE AND SETTLEMENT

- (a) Liberty has the right and duty to defend the **insured** including, without limitation, the right to retain and instruct counsel against any **claim** for which coverage is available under the **policy**.
- (b) Liberty may, with the **insured's** consent, settle any **claim** for which coverage is available in whole or in part under this **policy**.
- (c) Liberty's duty to defend the **insured** ends as soon as the applicable Limits of Liability stated in Items IV of the **declarations** are exhausted. If the applicable Limits of Liability are exhausted prior to the conclusion of any **claim**, Liberty can withdraw from the defence of such **claim**, and thereafter Liberty will have no further obligations whatsoever with respect to such **claim** or under the **policy**.
- (d) **Defence costs** incurred by Liberty or by the **insured** with Liberty's consent are part of and not in addition to the applicable Limits of Liability stated in Item IV of the **declarations** and the payment by Liberty of **defence costs** reduces and may exhaust the Limits of Liability.

4.3 ALLOCATION

- (a) If a **claim** made against an **insured individual** involves a **loss** that is only partially covered by this **policy** because such **claim** includes both covered and uncovered matters, the **insured** and Liberty agree that:
 - i) with respect to **defence costs**, in order to create certainty in determining a fair and equitable allocation, 100% of all **defence costs** shall be allocated to covered **loss** and advanced by Liberty on a current basis and that this allocation shall be final and binding and shall not apply to or create any presumption with respect to the allocation of any other **loss**;
 - ii) with respect to **loss** other than **defence costs**, the **insured** and Liberty will undertake to do their best to agree in good faith on a fair allocation between covered **loss** and uncovered loss based on relative legal liability; however, no uncovered loss will be allocated to **insured individuals** if the **company** is **bankrupt or insolvent**; and
 - iii) if the **insured** and Liberty cannot agree on allocation with respect to **loss** other than **defence costs** then Liberty shall, at the **insured's** request, submit the allocation dispute to arbitration pursuant to paragraph 5.9.
- (b) If a **claim** is made against an **insured entity** and involves a **loss** that is only partly covered by this **policy** because such **claim** includes both covered and uncovered matters or covered and uncovered parties, the **insured** and Liberty will undertake to do their best to agree in good faith on a fair allocation between covered **loss** and uncovered loss based on relative legal liability; however, if a **claim** solely for **wrongful employment practices** or **fiduciary wrongdoing** is made against an **insured entity**, the allocation described in paragraph 4.3 (a)(i) shall apply.

4.4 PRIORITY OF PAYMENTS

If **losses** arising from **claim(s)** which are covered under this **policy**, taken in the aggregate, exceed the available or remaining Limits of Liability, then, at the written request of the chairperson, the president, chief executive officer or chief financial officer of the **company**, Liberty will make payments according to the following priorities:

- (a) first, pay under paragraph 1.1 A the **loss** for which any **insured individual** is not indemnified by an **insured entity**;

- (b) second, pay any remainder of the Limits of Liability under paragraph 1.1 B for **loss** for which an **insured entity** has indemnified an **insured individual**; and
- (c) third, pay any remainder of the Limits of Liability under paragraph 1.1 C for **loss** which an **insured entity** is legally obliged to pay.

In the event Liberty withholds payment pursuant to (b) above, then Liberty shall, at such time and in such manner set forth in written instructions of the chairperson, the president, chief executive officer or chief financial officer of the **company**, remit such payment to the **company** or directly to or on behalf of the **insured individuals**.

The **bankruptcy or insolvency** of any **insured** does not change Liberty's obligations to prioritize payment of covered **loss** pursuant to this paragraph.

4.5 OTHER INSURANCE

If a **loss** or part of a **loss** which would, but for this paragraph, be covered by this **policy**, is covered under any other valid and collectible insurance policy, then this **policy** is excess to the other insurance policy and covers the **loss** only to that extent, unless the other insurance policy expressly refers to this **policy** and is specifically underwritten as excess to the limits of this **policy**.

4.6 SUBROGATION AND FURTHER ASSURANCES

Liberty is subrogated to the extent of any payment under this **policy** to all the **insureds'** rights of recovery against anyone, and is entitled to the **insureds'** cooperation and to sue for recovery in the **insured's** name. However, Liberty shall not subrogate against an **insured individual** except as it relates to paragraph 2.1 (c) and (d).

5. GENERAL CONDITIONS

5.1 LIMIT(S) OF LIABILITY

- (a) Liberty's obligation to pay any one **loss** and all **loss** under this **policy** during the **policy period**, including **defence costs**, is limited to the sum of the Total Limits of Liability stated in Item IV of the **declarations** and the additional Limit of Liability provided in paragraph 1.1D. The sublimits of liability stated in Item V of the **declarations** are part of and not in addition to the Total Limits of Liability stated in Item IV of the **declarations**.
- (b) Any one **loss** resulting from one of the **claim** types stated in Item IV of the **declarations** is subject to the Limits of Liability specified for that **claim** type stated in Item IV of the **declarations**.
- (c) If a **loss** results from more than one **claim** type stated in Item IV of the **declarations** the **claim** type limits specified in Item IV apply separately to each part of the **loss**.
- (d) All **claims** arising from the same **wrongdoing** or **wrongdoing** which is causally connected or which has as a common nexus any fact, circumstance, situation, event, transaction, cause, or series of causally connected facts, circumstances, situations, events, transactions or causes, shall be deemed one **claim** and shall be deemed first made on the date the earliest of such **claims** is first made, regardless of whether such date is before or during the **policy period**.

5.2 DEDUCTIBLES

- (a) No deductible applies to **loss** resulting from:
 - i) a **claim** covered under paragraph 1.1 A;
 - ii) **defence costs** resulting from a **claim** covered under paragraph 1.1 B or 1.1 C occurring in Canada; however, a deductible will apply to any **loss** resulting from a **claim based on wrongful employment practices** covered under paragraph 1.1 B or 1.1 C; and
 - iii) **investigation costs** or **public relations costs** covered under 1.2 b) and c).

- (b) With respect to any other **loss** covered under this **policy**, Liberty's obligation is only to pay the amount which is excess of the applicable deductible stated in Item VI of the **declarations**. The **insured entity** must bear the deductible uninsured and at its own risk.
- (c) If a **loss** results from more than one **claim** type stated in Item IV of the **declarations**, the deductibles applicable to each **claim** type stated in Item VI of the **declarations** apply separately to each part of the **loss**. However, the largest deductible is the maximum deductible applicable for all **loss** arising from such **claim**.
- (d) The **insured entities** must indemnify the **insured individuals** to the full extent permitted or required by applicable law and with respect to any advisory board member or board observer, the **insured entities** will be expected to indemnify such individuals in the same manner and Liberty will apply the deductible in the same manner as outlined in paragraph 5.2 (b) to any advisory board member or board observer. However, if the **insured entities** are financially unable to pay the deductible under this **policy** due to **bankruptcy or insolvency** or any **insured entity** refuses to indemnify the **insured individuals**, Liberty will advance the deductible to the **insured individuals** on behalf of the **insured entities**, with a full right of recovery against the **insured entities**, no later than 60 days after Liberty has received in writing details of such refusal or failure.

5.3 DISCOVERY PERIOD

- (a) If Liberty terminates or refuses to renew this **policy** other than for non-payment of premium or if the **insured** terminates or fails to renew this **policy**, coverage under this **policy** is automatically extended for 60 days following the effective date of termination, but only for any **wrongdoing** which happens before the effective date of termination of this **policy** and only if there is no replacement policy obtained providing coverage anytime during this 60 day period.
- (b) If Liberty terminates or refuses to renew this **policy**, other than for non-payment of premium, the **insured** can extend coverage under the **policy** for 12 months following the effective date of termination by written notice to Liberty and by paying an additional premium equal to the Unilateral Discovery Percentage amount stated in Item VIII of the **declarations** of the annual premium stated in Item X of the **declarations**, or revised annual premium amount as agreed to in writing, within 60 days following the effective date of termination.

However, the extension only applies to **wrongdoing** that occurred before the effective date of termination. If the **insured** chooses the automatic extension in paragraph 5.3 (a), such extension is part of and not in addition to the 12 month period in 5.3(b).

- (c) If the **insured** terminates or refuses to renew this **policy**, the **insured** can extend coverage under the **policy** for 12 months following the effective date of termination by giving written notice to Liberty, and paying an additional premium equal to the Bilateral Discovery Percentage amount stated in Item VIII of the **declarations** of the annual premium stated in Item X of the **declarations**, or revised annual premium amount as agreed to in writing, within 60 days following the effective date of termination.

However, the extension only applies to **wrongdoing** that happened before the effective date of termination. If the **insured** chooses the automatic extension in paragraph 5.3 (a), such extension is part of and not in addition to the 12 month period in 5.3(c).

- (d) The **discovery period** is part of the last **policy period** and does not increase the limits under paragraph 5.1.
- (e) An offer by Liberty of renewal terms and conditions or premiums different from those in effect prior to renewal is not a "refusal to renew" by Liberty under paragraphs 5.3 (a) or (b).

5.4 SPOUSAL BENEFIT & ESTATE ENUREMENT

- (a) If a **claim** against the **insured** for **wrongdoing** includes a **claim** against an **executive's spouse** solely because he/she is the **executive's spouse**, or to recover the **spouse's** assets, anything which the **spouse** is legally obliged to pay as a result of the **claim** (including **defence costs**) is a **loss** attributed to the

insured under this **policy**. However, there is no coverage for the **spouse** if the **claim** alleges a wrongful act on the part of the **spouse**.

- (b) This **policy** is binding upon and applies to the benefit of the **insured's** estate, heirs, executors, administrators and legal representatives, but only in respect of **wrongdoing** on the **insured's** part.

5.5 EXPOSURE CHANGES – MERGERS, ACQUISITIONS, SALE

- (a) If during the **policy period** the **company** merges or amalgamates with another entity, the **company** must give prompt notice of the merger or amalgamation to Liberty.
- (b) If during the **policy period** the **company** acquires or creates a new entity which becomes its **subsidiary**, and the new entity's assets at the date of acquisition or creation are less than 35% of the assets of the **company** on a consolidated basis, coverage under this **policy** extends to the new entity and to any **plan** connected with the new entity but only with respect to any **wrongdoing** occurring after such acquisition or creation.
- (c) If during the **policy period** the **company** acquires or creates a new entity which becomes its **subsidiary** and the new entity's assets at the date of acquisition or creation are more than 35% of the assets of the **company** on a consolidated basis, then:
- i) coverage under this **policy** extends to the new entity and to any **plan** connected with the new entity for 90 days but only with respect to any **wrongdoing** occurring after such acquisition or creation;
 - ii) the coverage for the new entity and for any **plan** connected with the new entity terminates at the end of the 90 day period unless, before the end of the 90 day period:
 - a) the **company** has given written notice of the acquisition or creation of the new entity to Liberty,
 - b) Liberty has agreed to cover it by endorsement, and
 - c) the **company** has paid any additional premium required by Liberty.
- (d) If the **company** or any **subsidiary** is sold or dissolved during the **policy period** this **policy** will continue to apply to **claims** involving:

the sold or dissolved entity and/or its **executives**, and any **plan** sponsored by or connected with the sold or dissolved entity, and any **fiduciary** or **administrator** of that **plan** until the termination date of this **policy** or any renewal policy, but only for **wrongdoing** occurring before the sale or dissolution. Sale of the **company** means: a change in the control of the **company** within the meaning of subsection 2(3) of the *Canada Business Corporations Act* R.S.C. 1985 c. C-44. Sale of a **subsidiary** means: a sale of more than 50% of any issued and outstanding securities or other interest of the **subsidiary** that carries a residual right to participate in the earnings of an entity, and to participate in the assets of such entity upon a liquidation or winding up of such entity; or the loss of **managerial control** of the **subsidiary**.

5.6 SEVERABILITY

For the purpose of assessing:

- (a) whether or not there is a material misrepresentation or non-disclosure in the **application**; or
- (b) whether or not exclusions or limitations of coverage apply,
- no knowledge or statement by any **insured individual** will be imputed to any other **insured individual**. However, any knowledge or statement by the chairperson, president, chief executive officer or chief financial officer will be imputed to the **company** or **plan**.

5.7 TERMINATION AND PREMIUM REFUND

- (a) This **policy** terminates at the earliest of the following times:

- i) on the date stated in Item III (B) of the **declarations**;
 - ii) the later of the date of receipt or deemed receipt by Liberty of written notice of termination from the **company** or the date specified in such notice;
 - iii) for non-payment of premium, fifteen (15) days after receipt or deemed receipt by the **company** of Liberty's written notice of termination;
 - iv) on any other date mutually agreed upon by the **company** and Liberty.
- (b) If this **policy** is terminated under paragraph 5.7 (a) (ii) or (iii), Liberty will refund any unearned premium on a pro rata basis.

5.8 TERRITORY AND CURRENCY

- (a) Coverage under this **policy** applies to **wrongdoing** which takes place and to **claims** anywhere in the world.
- (b) Unless the **declarations** expressly state otherwise, all dollar amounts in this **policy** refer to Canadian currency and all **loss** is payable in Canadian currency. If any Items stated in the **declarations** stipulate a currency other than Canadian dollars, all monetary amounts in the **policy** shall refer to such stipulated currency and all **loss** is payable in that stipulated currency.

5.9 ARBITRATION AND APPLICABLE LAW

- (a) If requested by either party, any dispute about coverage under this **policy**, including any dispute as to allocation, will be submitted to mediation and/or arbitration. Except as regards the choice of arbitrator or arbitration panel, the mediation and/or arbitration will be governed by the law of the province or territory of the address of the **company** stated in Item II of the **declarations**, unless the **company** and Liberty expressly agree otherwise in writing. The arbitration panel shall consist of one arbitrator selected by the **company**, one arbitrator selected by Liberty and one arbitrator selected by the first two arbitrators. None of the arbitrators can be former or present **insureds** or shareholders, partners or principals of or otherwise affiliated in business with any **insureds** or Liberty.
- (b) This **policy** is governed by the law of the jurisdiction in which it was issued without giving effect to the choice of law rules of that jurisdiction.

5.10 AUTHORIZATION

The **company** stated in Item I of the **declarations** is appointed as the agent of all **insureds** for all purposes under this **policy**, and by accepting this **policy** the **company** represents and warrants to Liberty that it is authorized to act on behalf of all **insureds**. The **company** is not an agent of Liberty.

5.11 AMENDMENT OR ASSIGNMENT

No amendment or change to, or assignment in whole or in part of an interest in, this **policy** is effective unless made in writing and signed by an authorized representative of Liberty.

5.12 INTERPRETATION

In this **policy**:

- (a) words and expressions shall be read with such changes in gender or number as the context shall require.
- (b) the headings and titles to the table of contents and paragraphs are meant to make it easier to read, and do not create or affect coverage.
- (c) a reference to an act, statute or any applicable law is deemed to extend to and include any amendments and successor acts, statutes or applicable laws and any rules, regulations, orders or directives issued thereunder.

5.13 NOTICE OF MEMBERSHIP IN LIBERTY MUTUAL HOLDING COMPANY INC.

While this **policy** is in effect, the **company** first named in Item I of the **declarations** is a member of Liberty Mutual Holding Company Inc. and is entitled to vote either in person or by proxy at any and all meetings of said company. The Annual Meeting of Liberty Mutual Holding Company Inc. is in Boston, Massachusetts, on the second Wednesday in April each year at ten o'clock in the morning.

The **company** first named in Item I of the **declarations** shall participate in the distribution of any dividends declared by Liberty Mutual Holding Company Inc. for this **policy**. The amount of such **company's** participation is determined by the decision of Liberty Mutual Holding Company Board of Directors in compliance with any laws that apply.

5.14 NOTICE OF NON RENEWAL

Liberty has no obligation to renew this **policy**. However, if Liberty refuses to renew this **policy**, Liberty shall provide written notice of non-renewal to the **company** no less than 90 days prior to the effective date of termination of this **policy**. This notice applies only if the **company** submits a completed **application** in advance of the prescribed notice date. An offer of renewal terms and conditions or premiums different from those in effect prior to renewal shall not constitute refusal to renew.

5.15 GLOBAL LIBERALIZATION

Where legally permissible, this **policy** shall apply to any **claim** made against any **insured** anywhere in the world.

In regard to **claim(s)** brought and maintained solely in a **foreign jurisdiction** against an **insured entity** formed and operating in such **foreign jurisdiction** or **insured individual** thereof for any **wrongdoing** committed in such **foreign jurisdiction**, Liberty shall apply to such **claim(s)** those terms and conditions (and related provisions) of the **foreign policy** registered with the appropriate regulatory body in such **foreign jurisdiction** that are more favourable to such **insured** than the terms and conditions of this **policy**. However, this paragraph shall apply only to Paragraphs 1, 2, 3, 4.1, 5.3, 5.4, 5.5, 5.6, 5.7, 5.8, 5.10 and 5.11 of this **policy** and the comparable provisions of the **foreign policy**. In addition, this paragraph shall not apply to the non-renewal or claims made and reported provisions of this **policy**.



President



Secretary

Endorsement No. 1

FIDUCIARY WRONGDOING EXCLUSION

Effective Date: March 04, 2019
Policy Number: B2BPAL113688001
Issued To: JMB Crushing Systems Inc.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

1. Paragraphs 1.1A, 1.1B, 1.1C, 1.1D, 4.3(b) are amended by deleting the words, **fiduciary wrongdoing**, wherever such words are used.
2. Paragraph 2.1, **EXCLUSIONS APPLICABLE TO ALL INSUREDS**, is amended by adding the following:

FIDUCIARY WRONGDOING: based on any **fiduciary wrongdoing**.

3. Paragraph 2.5, **EXCLUSIONS FOR FIDUCIARY WRONGDOING**, is deleted in its entirety.
4. Paragraph 3 **DEFINITIONS** “insured individual,” “insured entity” and “wrongdoing” are deleted and replaced with the following:
“insured individual” means an **executive**, an **administrator**, an **employee**, an advisory board member or board observer of the **insured entity**.
“insured entity” means the **company**.
“wrongdoing” means any **executive wrongdoing**, **wrongful employment practices** or **insured entity wrongdoing**.

5. Paragraph 5.5, **EXPOSURE CHANGES- MERGERS, ACQUISITIONS, SALE** is deleted and replaced with the following:

5.5 EXPOSURE CHANGES – MERGERS, ACQUISITIONS, SALE

- (a) If during the **policy period** the **company** merges or amalgamates with another entity, the **company** must give prompt notice of the merger or amalgamation to Liberty.
- (b) If during the **policy period** the **company** acquires or creates a new entity which becomes its **subsidiary**, and the new entity’s assets at the date of acquisition or creation are less than 35% of the assets of the **company** on a consolidated basis, coverage under this **policy** extends to the new entity, but only with respect to any **wrongdoing** occurring after such acquisition or creation.
- (c) If during the **policy period** the **company** acquires or creates a new entity which becomes its **subsidiary** and the new entity’s assets at the date of acquisition or creation are more than 35% of the assets of the **company** on a consolidated basis, then:

- i) coverage under this **policy** extends to the new entity for 90 days but only with respect to any **wrongdoing** occurring after such acquisition or creation;
 - ii) the coverage for the new entity terminates at the end of the 90 day period unless, before the end of the 90 day period:
 - a) the **company** has given written notice of the acquisition or creation of the new entity to Liberty,
 - b) Liberty has agreed to cover it by endorsement, and
 - c) the **company** has paid any additional premium required by Liberty.
 - (d) If the **company** or any **subsidiary** is sold or dissolved during the **policy period** this **policy** will continue to apply to **claims** involving:

the sold or dissolved entity and/or its **executives** until the termination date of this **policy** or any renewal **policy**, but only for **wrongdoing** occurring before the sale or dissolution. Sale of the **company** means a change in the control of the **company** within the meaning of subsection 2(3) of the *Canada Business Corporations Act* R.S.C. 1985 c. C-44. Sale of a **subsidiary** means: a sale of more than 50% of any issued and outstanding securities or other interest of the **subsidiary** that carries a residual right to participate in the earnings of an entity, and to participate in the assets of such entity upon a liquidation or winding up of such entity; or the loss of **managerial control** of the **subsidiary**.
6. Paragraph 5.6 **SEVERABILITY** is amended by deleting the words “or **plan**.”

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.



Authorized Representative of Liberty Mutual Insurance Company

March 04, 2019

Date

Endorsement No. 2

PRIOR ACTS EXCLUSION

Effective Date: March 04, 2019
Policy Number: B2BPAL113688001
Issued To: JMB Crushing Systems Inc.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

Paragraph 2.1, **EXCLUSIONS APPLICABLE TO ALL INSUREDS**, is amended by adding the following:

PRIOR ACTS: based on any **wrongdoing** where all or any part of such **wrongdoing** was committed, attempted or allegedly committed or attempted prior to March 04, 2019.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.



Authorized Representative of Liberty Mutual Insurance Company

March 04, 2019

Date

Endorsement No. 3

DEFENCE COSTS IN ADDITION TO THE LIMIT (CANADA ONLY) (specified cap)

Effective Date: March 04, 2019
Policy Number: B2BPAL113688001
Issued To: JMB Crushing Systems Inc.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

1. Paragraph 4.2 (d) is amended to include the following:

However, for any **claim** occurring in Canada, for the purposes of this **policy** an additional limit of \$ 2,000,000 per **loss** and in the aggregate per **policy period** is available solely for payment of **defence costs**. This additional limit does not apply to **defence costs** incurred under paragraph 2.1(g)v).
2. Paragraph 5.1 (a) is deleted in its entirety and replaced with the following:
 - (a) **Liberty's** obligation to pay any one **loss** and all **loss** under this **policy** during the **policy period**, including **defence costs**, is limited to the Total Limits of Liability stated in Item IV of the **declarations** and the additional Limits of Liability provided in paragraph 1.1D and 4.2(d). The Sub-Limits of Liability stated in Item V of the **declarations** are part of and not in addition to the Total Limits of Liability stated in Item IV of the **declarations**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.



Authorized Representative of Liberty Mutual Insurance Company

March 04, 2019

Date



Victor Canada
500-1400 Blair Towers Place
Ottawa, Ontario K1J 9B8
Telephone 613-786-2000
Facsimile 613-786-2001
Toll Free 800-267-6684
www.victorinsurance.ca

Policy

PrivatePlus

Private Entity

Management Liability Insurance

Policy Number: PV-560840 Replacing Policy: New
Client Number: 430699 Broker: LLOYD SADD INS BROKERS LTD.

DECLARATIONS

1. ENTITY: MANTLE MATERIALS GROUP LTD.
2. Address: PO BOX 6977 STN MAIN
BONNYVILLE AB T9N 2H4
3. POLICY PERIOD: 04 November 2020 to 04 November 2021
at 00:01 local time at the address
shown above without tacit renewal
4. Limits of Liability: \$ 3,000,000 per CLAIM
\$ 3,000,000 per POLICY PERIOD
5. Deductible: \$ 10,000 per CLAIM with respect to
Insuring Agreements B and C
6. Premium: \$ 14,010

* All amounts shown in CDN dollars
7. Continuity Date: 04 November 2020
(as per ORIGINAL POLICY, Item V of Section II -
Definitions)
8. These Declarations, together with the statements made in the application
for this insurance, form an integral part of the attached policy
(Form EIM-PV-2013).
9. Endorsements forming part of this policy at issuance: 1 to 6
10. INSURERS: Aviva Insurance Company of Canada 25.00%
Temple Insurance Company 25.00%
Everest Insurance Company of Canada 20.00%
Arch Insurance Canada Ltd. 15.00%
XL Reinsurance America Inc. 15.00%

It is agreed that the above INSURERS are binding themselves, severally and not jointly, up to the extent of their above proportion only.

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of the subscribing INSURERS' insurance business in Canada.

Insurance Manager: Victor Insurance Managers Inc.
500-1400 Blair Towers Place
Ottawa, Ontario K1J 9B8

The INSURERS have duly authorized Victor Insurance Managers Inc. to execute and sign this policy on their behalf.

Dated: 18 November 2020



David G. Cook, President
Authorized Representative



Victor Canada
 500-1400 Blair Towers Place
 Ottawa, Ontario K1J 9B8
 Telephone 613-786-2000
 Facsimile 613-786-2001
 Toll Free 800-267-6684
 www.victorinsurance.ca

Policy

PrivatePlus

Private Entity

Management Liability Insurance

This policy is organized as follows:

Section I – Insuring Agreements Page 1	Section V – Computation of Amounts Payable Page 8
Section II – Definitions Page 1	Section VI – Notice of Claim..... Page 8
Section III – Extensions..... Page 5	Section VII – Defence and Settlement Page 8
Section IV – Exclusions Page 6	Section VIII – General Conditions..... Page 9

This is a claims-made and reported policy. It applies only to CLAIMS first made during the POLICY PERIOD or the Discovery Period and then only if reported to VICTOR within the POLICY PERIOD or the Discovery Period as outlined in Section VI or Section III of the policy, as the case may be. Please read all of the policy terms carefully.

The INSURER shall not rescind this policy.

Section I – Insuring Agreements

In consideration of the payment of the premium, in reliance upon the statements made in the application and attachments thereto, and subject to all of the terms and conditions of this policy, the INSURER agrees that:

A. Insured Persons Liability (Side A)

The INSURER shall pay, on behalf of the INSURED PERSONS, LOSS that they may become legally obligated to pay as a result of a CLAIM for a WRONGFUL ACT for which the ENTITY or an OUTSIDE ENTITY does not indemnify them.

B. Entity Indemnification (Side B)

The INSURER shall pay, on behalf of the ENTITY, LOSS that the INSURED PERSONS may become legally obligated to pay as a result of a CLAIM for a WRONGFUL ACT for which the ENTITY indemnifies them.

C. Entity Liability (Side C)

The INSURER shall pay, on behalf of the ENTITY, LOSS that the ENTITY may become legally obligated to pay as a result of a CLAIM for a WRONGFUL ACT.

Section II – Definitions

A. BENEFIT PLAN means:

1. any employee pension plan or employee welfare benefit plan which, at the inception date of the ORIGINAL POLICY, is operated solely by the ENTITY, or jointly by the ENTITY and a labour organization for the benefit of the EMPLOYEES of the ENTITY;
2. any medical, dental, life and accident or employee profit sharing plan which, at the inception date of the ORIGINAL POLICY, is sponsored solely by the ENTITY;

3. any BENEFIT PLAN acquired or created subsequent to the inception date of the ORIGINAL POLICY but only with respect to FIDUCIARY WRONGFUL ACTS occurring subsequent to the date of such acquisition or creation.

B. CLAIM means:

1. a written demand for monetary damages or non-monetary relief;
2. a civil proceeding commenced by the service of a notice of action, statement of claim or similar proceeding;
3. an arbitration proceeding or mediation proceeding commenced by the service of a demand for arbitration, demand for mediation or similar document;
4. an administrative or regulatory proceeding or investigation commenced by the filing of a notice of hearing, an investigative order or similar document;
5. a criminal or penal proceeding commenced by the laying of an information or similar proceeding; or
6. an official request for EXTRADITION of any INSURED PERSON or the execution of a warrant for the arrest of an INSURED PERSON where such execution is an element of EXTRADITION;

including any appeal therefrom.

CLAIM shall not include any grievance or proceeding brought pursuant to a collective agreement.

C. CONTROL CHANGE means:

1. the acquisition by another entity or person (or group of entities or persons acting in concert) of the ownership or control of voting stock of the ENTITY named in the Declarations resulting in the ownership or control of more than fifty per cent (50%) of the voting stock of the ENTITY;
2. the merger or consolidation of the ENTITY with another entity such that the ENTITY is not the surviving entity; or
3. the initial public offering of securities of the ENTITY.

D. D&O WRONGFUL ACT means any actual or alleged defamation, breach of duty, neglect, error, misstatement, misrepresentation, omission or other act done or attempted by the INSURED PERSONS in the discharge of their duties solely in their capacity as INSURED PERSONS of the ENTITY or any matter claimed against them solely by reason of their status as INSURED PERSONS.

E. DAMAGES means:

1. compensatory damages, including but not limited to amounts for which the INSURED PERSONS are statutorily liable due to the insolvency of the ENTITY (including penalties and interest related to such statutory liabilities) pursuant to any Canadian federal, provincial or territorial law;
2. punitive or exemplary damages first rendered by a court in Canada or the United States; or
3. civil penalties assessed against an INSURED PERSON pursuant to the Corruption of Foreign Public Officials Act of Canada or any equivalent federal, provincial, territorial, state or other governmental law;

which the INSUREDS are legally obligated to pay as a result of a judgment, settlement or assessment, including pre- and post-judgment interest and costs taxed against the INSURED. DAMAGES shall not include fines, penalties or damages that may be deemed uninsurable. It is agreed that insurability shall be governed by such applicable law of the jurisdiction that most favours coverage provided such jurisdiction has a substantial relationship to the relevant INSUREDS or to the CLAIM giving rise to the DAMAGES.

F. DEFENCE COSTS means reasonable and necessary legal, accounting, adjusting or investigating expenses incurred for the defence of CLAIMS.

G. EMPLOYEE means any past, present or future individual whose labour or service is engaged and directed by the ENTITY in the normal course of the ENTITY'S business, including voluntary, part-time, seasonal, temporary, contract or leased employees, but not including independent contractors unless specifically added by endorsement to this policy, solely while acting in their capacity with the ENTITY, including the estates, heirs, legal representatives or assigns of any said deceased, incompetent, insolvent or bankrupt individuals.

H. ENTITY means:

1. the entity named in the Declarations;

2. any SUBSIDIARY at the inception date of this policy and any former SUBSIDIARY; however, coverage is afforded only with respect to WRONGFUL ACTS occurring during its currency as a SUBSIDIARY;
3. any SUBSIDIARY acquired or created after the inception date of this policy on condition that:
 - (a) written notice, together with full information thereof, is provided to VICTOR within ninety (90) days of the acquisition or creation of any new SUBSIDIARY whose total consolidated assets exceed fifty per cent (50%) of the total consolidated assets of the ENTITY as reflected in the ENTITY'S most recent audited consolidated financial statements prior to such acquisition or creation;
 - (b) coverage shall apply only to WRONGFUL ACTS occurring subsequent to the effective date of such acquisition unless the INSURER agrees, after presentation of a complete application and all appropriate information, to provide coverage for WRONGFUL ACTS occurring prior to such acquisition; and
 - (c) an additional premium as may be required by the INSURER be paid;
4. the ENTITY as a debtor-in-possession;
5. an OUTSIDE ENTITY for the purposes of Section IV.

I. ENTITY WRONGFUL ACT means:

1. any actual or alleged breach of duty, neglect, error, omission, misstatement or misrepresentation done or attempted by the ENTITY; or
2. liability alleged against the ENTITY arising out of a D&O WRONGFUL ACT.

ENTITY WRONGFUL ACT shall not include:

- (a) an EPL WRONGFUL ACT;
- (b) a FIDUCIARY WRONGFUL ACT;
- (c) liability arising out of or attributable to any actual or alleged unauthorized use or infringement of any patent, trademark, copyright, service mark, trade dress or trade secret;
- (d) liability arising out of or attributable to the use of products designed, manufactured or distributed by the ENTITY;
- (e) liability arising out of or attributable to any actual or alleged violation of any applicable law with respect to the Competition Act, business competition or unfair trade practices; or
- (f) liability arising out of or attributable to the rendering or failure to render any kind of service for others, either gratuitously or for a fee.

J. EPL WRONGFUL ACT means any actual or alleged:

1. wrongful termination of employment;
2. breach of an employment contract;
3. discrimination or harassment adversely affecting any EMPLOYEE of or applicant for employment with the ENTITY;
4. negligent evaluation or wrongful deprivation of a career opportunity or failure to employ, promote or grant tenure;
5. wrongful discipline or demotion of EMPLOYEES or infliction of emotional distress;
6. employment-related misrepresentation;
7. employment-related defamation;
8. retaliatory treatment against an EMPLOYEE of the ENTITY on account of such EMPLOYEE'S exercise of his/her rights under law; or
9. discrimination or harassment with respect to any past, present or prospective customers or clients of the ENTITY.

K. EXTRADITION means any formal process by which an INSURED PERSON located in any country is surrendered to any other country for trial or otherwise to answer any criminal accusation.

L. FIDUCIARY means any INSURED PERSON, the BENEFIT PLAN and the ENTITY.

- M. FIDUCIARY WRONGFUL ACT means any actual or alleged act, error or omission arising out of the management or administration of a BENEFIT PLAN.
- N. INSURED means the INSURED PERSONS, FIDUCIARY and the ENTITY.
- O. INSURED PERSON means:
1. any past, present or future duly elected, appointed or de facto director, officer, trustee, governor, general counsel, risk manager, management committee member or management board member (including equivalent executive positions in foreign jurisdictions) of the ENTITY, while acting within the scope of his/her duties as such, including the estates, heirs, legal representatives or assigns of any said deceased, incompetent, insolvent or bankrupt INSURED PERSONS;
 2. any EMPLOYEE of the ENTITY only if and to the extent a CLAIM is made against him/her for an EPL WRONGFUL ACT, a FIDUCIARY WRONGFUL ACT, an ODL WRONGFUL ACT, or a PROFESSIONAL SERVICES WRONGFUL ACT; or
 3. any EMPLOYEE of the ENTITY only if and to the extent a CLAIM is made against him/her for a D&O WRONGFUL ACT inasmuch as they are named as a de facto director or officer.
- P. INSURER means the insurers whose names appear in the Declarations.
- Q. INTERRELATED WRONGFUL ACTS means WRONGFUL ACTS that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally connected facts, circumstances, situations, events, transactions or causes.
- R. INVESTIGATIVE COSTS means reasonable and necessary legal, accounting, adjusting or investigating expenses incurred in connection with the investigation or evaluation of any CLAIM made derivatively for a D&O WRONGFUL ACT.
- S. LOSS means DAMAGES and DEFENCE COSTS resulting from a CLAIM for which coverage is provided by this policy.
- T. ODL WRONGFUL ACT means a D&O WRONGFUL ACT committed by an OUTSIDE DIRECTOR.
- U. ORIGINAL POLICY means the first policy purchased by the ENTITY providing coverage of a similar nature to this policy and which has continued through renewal or reinstatement on an uninterrupted basis since its inception. Each Insuring Agreement is considered separately.
- V. OUTSIDE DIRECTOR means any INSURED PERSON acting in the capacity as a duly elected or appointed director, officer or trustee of an OUTSIDE ENTITY, provided such position is being held at the specific request of the ENTITY.
- W. OUTSIDE ENTITY means:
1. any legally constituted non-profit association or organization; or
 2. any other entity specifically stated as such in an endorsement attached hereto.
- X. POLICY PERIOD means the period from the inception date of this policy to the policy expiration date as set out in the Declarations or a shorter period in the event the policy is cancelled.
- Y. POLLUTANTS means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapours, soot, fumes, acids, alkalis, chemicals and waste reconditioned or reclaimed materials, as well as any air emission, odour, waste water, oil or oil products, infectious or biological waste, asbestos or asbestos products, or any noise.
- Z. PROFESSIONAL SERVICES means duties performed for the ENTITY by EMPLOYEES solely in their professional capacity as lawyers, notaries, chartered accountants, certified management accountants, certified general accountants and chartered professional accountants.
- AA. PROFESSIONAL SERVICES WRONGFUL ACT means any actual or alleged act, error or omission arising out of PROFESSIONAL SERVICES.
- BB. SUBSIDIARY means:
1. any entity of which the ENTITY or a SUBSIDIARY owns more than fifty per cent (50%) of the voting stock and controls more than fifty per cent (50%) of the associated votes; or
 2. any partnership, limited partnership (including its general partner), trust or joint venture that the ENTITY or a SUBSIDIARY manages or operates under the terms and conditions of an applicable agreement governing such partnership, limited partnership, trust or joint venture.

CC. VICTOR means the insurance manager whose name and address appear in the Declarations, which is authorized to be the agent of the INSURER. VICTOR is not a party to this contract of insurance.

DD. WRONGFUL ACT means:

1. Solely with respect to Insuring Agreements A and B, WRONGFUL ACT means a D&O WRONGFUL ACT, an EPL WRONGFUL ACT, a FIDUCIARY WRONGFUL ACT, an ODL WRONGFUL ACT, and/or a PROFESSIONAL SERVICES WRONGFUL ACT.
2. Solely with respect to Insuring Agreement C, WRONGFUL ACT means an ENTITY WRONGFUL ACT, an EPL WRONGFUL ACT and/or a FIDUCIARY WRONGFUL ACT.

Section III – Extensions

Subject to the terms, conditions and exclusions of this policy:

A. Discovery Period

If the INSURER refuses to renew this policy, or if the ENTITY cancels or non-renews this policy, and provided there are no outstanding premiums due hereunder, the INSUREDS shall have the right within thirty (30) days of the effective date of cancellation or expiry of this policy and upon payment of a premium calculated as a percentage (see below) of the “full annual premium,” to an extension of the cover granted by this policy for CLAIMS made against the INSUREDS during the period indicated below, but only with respect to any WRONGFUL ACT occurring prior to the date of such cancellation or expiry.

As used herein, “full annual premium” means the premium level in effect immediately prior to the effective date of cancellation or expiry.

Premium Calculation:

1. If the INSURER refuses to renew:
 - (a) One Year Option:
 - (i) 50% if purchased following the initial policy issued by the INSURER; or
 - (ii) 20% if purchased following the second or subsequent consecutive policy issued by the INSURER;
 - (b) Six Year Option: maximum 200%.
2. If the ENTITY cancels or non-renews:
 - (a) One Year Option: 75%;
 - (b) Six Year Option: maximum 200%.

If the Discovery Period extension is purchased, the entire premium shall be deemed earned at its commencement without any obligation by the INSURER to return any part thereof and it shall not in any way increase the limit of liability set forth in the Declarations.

The acceptance by the INSUREDS of the INSURER’S offer of a new policy relieves the INSURER of any obligation it may have had to provide Discovery Period coverage under this policy.

B. Spousal/Co-defendant Clause

Coverage as afforded by this policy shall apply to the spouse (including a domestic partner) of an INSURED PERSON, provided:

1. such spouse is named as a co-defendant in a CLAIM against an INSURED PERSON;
2. such spouse is so named solely by reason of:
 - (a) his/her status as the spouse of an INSURED PERSON; or
 - (b) his/her ownership interest in property that the claimant seeks as recovery in such CLAIM;
3. it is not alleged in the CLAIM that the spouse is liable to the claimant for any reasons other than those contemplated above; and

4. coverage is provided by this policy to the INSURED PERSON for the CLAIM.

C. Side A Excess

Notwithstanding Section V of this policy, the INSURER shall pay additional LOSS up to a maximum of \$1,000,000 each POLICY PERIOD on behalf of the INSURED PERSONS for LOSS that they may become legally obligated to pay as a result of a CLAIM for a D&O WRONGFUL ACT under Insuring Agreement A.

This LOSS shall be specifically excess of the limit of liability stated in the Declarations and any insurance that is specifically stated to be excess of this policy. Such excess insurance must be completely exhausted before the INSURER shall have any obligation to make any payment under this extension.

D. Derivative Investigative Costs

The INSURER shall pay, on behalf of the ENTITY, INVESTIGATIVE COSTS that the INSURED PERSONS may become legally obligated to pay, up to a maximum of \$250,000 per POLICY PERIOD. This amount shall be included in the aggregate limit of liability as stated in the Declarations.

Section IV – Exclusions

This insurance does not apply to:

A. Bodily Injury or Property Damage

CLAIMS for bodily injury, sickness, mental anguish, disease or death of any person, or damage to or destruction of any tangible property, including loss of use thereof or injury resulting from false arrest, detention, imprisonment, wrongful entry or eviction.

However, this exclusion shall not apply to:

1. DEFENCE COSTS arising from a CLAIM pursuant to section 217.1 of the Criminal Code of Canada (as amended by Bill C-45);
2. DEFENCE COSTS arising from a CLAIM pursuant to Bill 168, the Ontario Occupational Health and Safety Act, or any equivalent provincial legislation;
3. allegations of mental anguish in a CLAIM for an EPL WRONGFUL ACT.

B. Pollution

CLAIMS arising out of or attributable to the actual, alleged or threatened discharge, dispersal, release or escape of POLLUTANTS into or upon real or personal property, the atmosphere or water, whether such discharge, dispersal, release or escape is intentional or accidental, or resulting from any direction or request to test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize POLLUTANTS. However, this exclusion shall not apply to:

1. allegations of retaliatory treatment in a CLAIM for an EPL WRONGFUL ACT;
2. LOSS arising from any CLAIM made directly or derivatively by a security holder of the ENTITY in his/her right as such provided that such CLAIM is brought totally without the solicitation, assistance, participation or intervention of any INSURED PERSON or the ENTITY; or
3. LOSS arising from a non-security holder CLAIM to the extent it is covered under Insuring Agreement A of Section I.

LOSS shall not include costs associated with the monitoring, cleanup, removal, containment, treatment, detoxification or neutralization of POLLUTANTS.

C. Nuclear

CLAIMS based upon, arising out of, directly or indirectly resulting from or in consequence of:

1. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
2. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

D. Breach of Contract

CLAIMS for an actual or alleged breach of contract except that this exclusion does not apply to:

1. any allegations of tortious conduct arising out of or attributable to an actual or alleged breach of contract; or
2. DEFENCE COSTS for CLAIMS arising from an EPL WRONGFUL ACT.

E. Prior Notification and Litigation

1. CLAIMS arising from any WRONGFUL ACT if notification has been given under any policy that has expired prior to or upon the inception of this policy, and if such prior policy affords coverage (or would afford such coverage except for the exhaustion of its limits of liability) for such LOSS, in whole or in part, as a result of such notice.
2. CLAIMS arising out of or attributable to any pending or prior CLAIM for a WRONGFUL ACT as at the inception date of the ORIGINAL POLICY or derived from the same or essentially the same facts as alleged in such pending or prior CLAIM.

F. Conduct

CLAIMS arising out of or attributable to any:

1. fraudulent, dishonest or criminal act committed deliberately by any INSURED as determined by final non-appealable adjudication of the CLAIM; or
2. INSURED gaining any profit, remuneration or advantage to which such INSURED was not legally entitled as determined by final non-appealable adjudication of the CLAIM.

G. Entity vs. Insured

CLAIMS brought by or on behalf of the ENTITY. However, this exclusion shall not apply to:

1. CLAIMS made derivatively, provided such CLAIMS are brought totally without the solicitation, assistance, participation or intervention of any INSURED PERSONS or the ENTITY.

If any “whistleblower” protection of an applicable federal, provincial, local or foreign securities law affords protection to any INSURED PERSONS, such CLAIMS shall not be considered to be with the solicitation, assistance, participation or intervention of any INSURED PERSONS or the ENTITY;
2. CLAIMS brought by a liquidator, receiver, creditors committee, trustee in bankruptcy, administrator, monitor, examiner or rehabilitator; or
3. DEFENCE COSTS arising from a CLAIM made against an INSURED PERSON to the extent it is covered under Insuring Agreement A of Section I.

H. Initial Public Offering

CLAIMS arising out of or attributable to any initial public offering of securities of the ENTITY. However, this exclusion shall not apply to:

1. CLAIMS arising out of or attributable to the planning or marketing of any initial public offering prior to the date of such initial public offering; or
2. CLAIMS arising out of or attributable to any initial public offering of securities of the ENTITY if the INSURER is notified in writing of the initial public offering thirty (30) days prior to its effective date and agrees to provide coverage for CLAIMS arising from such initial public offering and the ENTITY accepts any special terms, conditions, exclusions or additional premium charge required by the INSURER.

I. Disbursements/Dividends

Solely with respect to the ENTITY, this insurance does not apply to DAMAGES that constitute an amount attributable to:

1. the actual or proposed payment by the ENTITY of an allegedly inadequate or excessive price or consideration for the purchase of securities issued by the ENTITY; or
2. any dividends or other distributions of corporate profits of the ENTITY to any security holder of the ENTITY.

J. Other Insurance

CLAIMS covered under another valid and collectible insurance policy. Any coverage provided by this policy shall be specifically excess of and shall not act in contribution with such other insurance policy.

Section V – Computation of Amounts Payable

- A. The INSURER will pay LOSS in excess of the deductible stated in the Declarations up to the limit of liability except that DEFENCE COSTS shall be paid over and above the limit of liability provided the said limit of liability has not been exhausted by the payment of DAMAGES. However:
1. **First Dollar Defence**
For CLAIMS, other than CLAIMS for an EPL WRONGFUL ACT, payable under this policy and that are first brought within the territorial limits and jurisdiction of Canada, the deductible shall apply to DAMAGES but not to DEFENCE COSTS; and
 2. **Split Damage Deductible**
For CLAIMS where the deductible applies to DAMAGES, the INSURER and the INSURED shall contribute equally towards DAMAGES until the INSURED has paid the amount of the deductible stated in the Declarations.
- B. All CLAIMS arising out of the same WRONGFUL ACT and all INTERRELATED WRONGFUL ACTS shall be deemed to be one CLAIM, and such CLAIM shall be deemed to have originated in the earliest POLICY PERIOD in which a CLAIM is first made against any INSURED alleging any such WRONGFUL ACT or INTERRELATED WRONGFUL ACTS.
- C. If a CLAIM triggers more than one (1) deductible amount, the highest of such deductible amounts shall be deemed the deductible amount applicable to LOSS arising from such CLAIM.
- D. The fact that this policy may be extended by virtue of the exercise of the Discovery Period shall not in any way increase the limit of liability set forth in the Declarations.

Section VI – Notice of Claim

- A. The INSUREDS shall, as soon as practicable after the chief executive officer, chief financial officer, general counsel, risk manager or equivalent first becomes aware of the CLAIM, provide written notice to VICTOR at the address indicated in the Declarations but in no event later than ninety (90) days following the expiration date of the POLICY PERIOD. This ninety (90) day extended reporting period will only apply if no replacement coverage is obtained during such ninety (90) day period.
- Notwithstanding the aforementioned, any late notice or absence of notice is cause of forfeiture of the rights of the INSUREDS, if the INSURER sustains injury therefrom.
- B. If during the POLICY PERIOD or the Discovery Period the INSUREDS become aware of a WRONGFUL ACT that could reasonably give rise to a CLAIM, and the INSUREDS deliver written notice thereof to VICTOR prior to the date of expiry of the policy, any CLAIM arising out of such reported WRONGFUL ACT shall be treated as a CLAIM made during the POLICY PERIOD in which such written notice was delivered. The written notice shall include:
1. the names of the potential claimants and a description of the specific WRONGFUL ACT that forms the basis of their potential CLAIM;
 2. the consequences that have resulted or may result from such specific WRONGFUL ACT;
 3. the nature of the potential damages arising from such specific WRONGFUL ACT; and
 4. the circumstances by which the INSUREDS first became aware of the specific WRONGFUL ACT.
- C. If the effective date of termination of the policy is a Saturday, Sunday or Statutory Holiday, any CLAIM reported to VICTOR on the business day immediately following the termination date will be deemed to have been reported within the POLICY PERIOD or the Discovery Period.

Section VII – Defence and Settlement

The INSURER has a duty and right to defend any CLAIM made against the INSUREDS for which coverage is provided under this policy, except that:

1. where such CLAIM is for an ODL WRONGFUL ACT; or
2. where such CLAIM is first brought outside of Canada or the United States;

it shall be the duty of the INSURED, and not the INSURER, to defend the CLAIM.

Where it is the duty of the INSURED to defend, the INSUREDS shall not select defence counsel without the INSURER'S written consent, which shall not be unreasonably withheld. The INSURER shall have the right and shall be given the opportunity to effectively associate with the INSUREDS in the investigation, defence and settlement of any CLAIM for which coverage is provided under this policy. DEFENCE COSTS shall be paid, excess of any applicable deductible, on a current basis.

In no event shall the INSURED incur any DEFENCE COSTS, settle or offer to settle any CLAIM, assume any contractual obligation or admit any liability without the INSURER'S written consent, which shall not be unreasonably withheld. The INSURER shall not settle any CLAIM without the written consent of the INSUREDS involved in the CLAIM.

The INSURER'S obligation to defend or continue to defend any CLAIM ends once the available limit of liability is exhausted.

Section VIII – General Conditions

A. Authorized Agent of the Insureds

In consideration of the issuance of this policy, the INSUREDS agree that the ENTITY is hereby appointed and authorized to act as agent on behalf of the INSUREDS with respect to all matters of any nature or kind relating to or affecting this policy.

B. Co-operation

The INSUREDS shall give the INSURER such information and co-operation as it may reasonably require and as shall be in the power of the INSUREDS to provide for the purpose of the investigation, defence and/or settlement of any CLAIM for which coverage is provided under this policy.

The failure of any INSURED PERSON to provide such information and co-operation shall not impair the rights of any other INSURED PERSON under this policy.

C. Non-renewal

If the INSURED submits a completed renewal application and the INSURER decides not to offer any renewal terms for this policy, the INSURER shall provide written notice to the INSURED'S broker and the POLICY PERIOD will be extended, if necessary, to ensure that the policy expiration date is at least sixty (60) days subsequent to the date of such notice of non-renewal. If an extension of the POLICY PERIOD is required, the additional premium shall be computed on a pro rata basis.

D. Cancellation

This policy may be cancelled by the INSUREDS by delivering written notice by mail, by facsimile or by hand to VICTOR stating when thereafter such cancellation shall be effective. This policy may be cancelled by VICTOR because of non-payment of premium by said delivery of written notice of cancellation to the INSURED at the address shown in the Declarations stating when, not less than fifteen (15) days thereafter, such cancellation shall be effective. The delivery of notice as aforesaid shall be sufficient proof of notice and the effective date and hour of cancellation stated in the notice shall become the end of the POLICY PERIOD.

Unearned premium shall be computed on a pro rata basis. The INSURER'S cheque delivered as aforesaid shall be a sufficient tender of any refund of premium due hereunder. Payment or tender of any unearned premium by the INSURER shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

E. Allocation of Loss

If a CLAIM includes covered and uncovered allegations:

1. the INSURER shall pay one hundred per cent (100%) of DEFENCE COSTS incurred on account of such CLAIM made against the INSUREDS;
2. the payment of DAMAGES by the INSURER shall be based on the relative legal exposure of the INSUREDS to covered and uncovered allegations, which shall be determined upon settlement or final adjudication of the CLAIM.

In the event that the INSURED and INSURER cannot otherwise agree on the allocation of DAMAGES, the issue of allocation shall be submitted to binding arbitration pursuant to the Arbitration Act of the Canadian province or territory in which the policy was issued. In the absence of such provincial or territorial legislation, the Arbitration Act of Ontario shall govern the arbitration. The arbitration panel shall consist of one arbitrator appointed by the INSURED, one arbitrator

appointed by the INSURER and a third independent arbitrator selected by the INSURED and INSURER'S appointees. The fees and disbursements of the arbitrators shall be shared equally by the INSURED and INSURER, who shall otherwise bear their own costs of the arbitration.

F. Order of Payments

If a CLAIM includes allegations against the INSURED PERSONS and the ENTITY, and if it is determined that the potential LOSS payable exceeds the remaining limit of liability available under the policy, the ENTITY may elect in writing through its chief executive officer (or equivalent executive position) to:

1. have the INSURER first pay LOSS attributable to the INSURED PERSONS; and
2. decline or defer payment of LOSS attributable to the ENTITY.

If this election is made, the ENTITY shall be responsible for the initial payment of any deferred LOSS. The INSURER shall have no obligation to pay LOSS after exhaustion of the limit of liability regardless of whether the ENTITY has declined or deferred payment.

The financial impairment of the ENTITY shall not relieve the INSURER of any of its obligations to prioritize payment of covered LOSS, pursuant to this clause.

G. Change in Control

In the event of a CONTROL CHANGE, coverage under this policy shall continue until its expiry, but only with respect to CLAIMS for WRONGFUL ACTS occurring prior to the effective date of the CONTROL CHANGE, unless VICTOR is notified in writing of the CONTROL CHANGE prior to its effective date, VICTOR agrees in writing to provide coverage for WRONGFUL ACTS occurring on or after such effective date, and the ENTITY accepts any special terms, conditions, exclusions or additional premium charge required by the INSURER.

H. Action Against Insurer

No action shall be taken against the INSURER unless, as a condition precedent thereto, the INSUREDS shall have been in full compliance with all the terms of this policy.

I. Subrogation

In the event of any payment under this policy, the INSURER shall be subrogated to the extent of such payment to all the rights of recovery of the INSUREDS, and the INSUREDS shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents as may be necessary to enable the INSURER effectively to bring suit in the name of the INSUREDS or the ENTITY.

The INSURER shall not exercise its right of subrogation against an INSURED unless the Conduct Exclusion applies to such INSURED.

J. Severability of Exclusions

The WRONGFUL ACT of any INSURED PERSON shall not be imputed to any other INSURED for purposes of determining the applicability of the exclusions in Section IV, except that for Insuring Agreement C, the WRONGFUL ACT of any past, present or future chief executive officer or chief financial officer shall be imputed to the ENTITY.

K. Severability, Application and Representations

Subject to all of its terms and conditions, this policy shall apply to each INSURED in the same manner and to the same extent as if a separate policy had been issued to each. With respect to the declarations, statements and representations contained in the application for coverage, the knowledge of any INSURED PERSON shall not be imputed to any other INSURED, except that the knowledge of the chief executive officer or chief financial officer shall be imputed to the ENTITY.

In granting coverage under this policy, the INSURER has relied upon the declarations, statements and representations contained in the application for this policy (including materials submitted therewith, any public documents filed by the ENTITY during the twelve (12) month period immediately preceding the inception of the POLICY PERIOD, and in the case of a renewal application, all such previous policy applications for which this policy is a renewal) as being accurate and complete.

If the declarations, statements and representations in the application were not accurate and complete and materially affected the acceptance of the risk by the INSURER, then there shall be no coverage for:

1. LOSS under Insuring Agreement A or B with respect to any INSURED PERSON who had knowledge, as of the effective date of the POLICY PERIOD, of facts that were not accurately and completely disclosed, whether or not the INSURED PERSON knew the application contained such facts; or
2. LOSS under Insuring Agreement C with respect to the ENTITY if any INSURED PERSON who is or was a chief executive officer or chief financial officer of the ENTITY had knowledge, as of the initial date of the POLICY PERIOD, of the facts that were not accurately and completely disclosed, whether or not the INSURED PERSON knew the application contained such facts.

The INSURER shall not rescind this policy.

L. Territory

Except as otherwise stated, coverage shall apply worldwide.

M. Currency

Except as otherwise stated, all amounts under this policy are expressed and payable in the currency of Canada.

N. Headings

The headings to the provisions in this policy, including those found in any endorsements attached hereto, are provided solely for convenience, and form no part of the terms and conditions of coverage.

O. Interpretation

This policy shall be interpreted and construed in accordance with the laws of the Canadian province in which the policy was issued.

P. Conformity to Statute

The terms of this policy that are in conflict with the terms of any applicable laws construing this policy, including the Quebec Civil Code, are hereby amended to conform to such laws.

Q. Declarations

In consideration of the payment of the premium, and in reliance upon the statements made in the application for this insurance, which is made a part hereof and subject to all of the terms and conditions of this policy, the INSURER has caused this policy to be executed on the Declarations.



Victor Canada
500-1400 Blair Towers Place
Ottawa, Ontario K1J 9B8
Telephone 613-786-2000
Facsimile 613-786-2001
Toll Free 800-267-6684
www.victorinsurance.ca

Endorsement

Endorsement No.: 0001
Standard Form: DOPV550
Attached to and forming part
of Policy Number: PV-560840

Prior Acts Exclusion

It is agreed that this policy does not apply to CLAIMS arising out of or attributable to a WRONGFUL ACT committed or alleged to have been committed by any INSURED on or before 04 November 2020.

Except as otherwise provided by this endorsement, all terms, provisions and conditions of this policy shall have full force and effect.



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Ottawa, Ontario K1J 9B8
Telephone 613-786-2000
Facsimile 613-786-2001
Toll Free 800-267-6684
www.victorinsurance.ca

Endorsement

Endorsement No.: 0002
Standard Form: DOPV590
Attached to and forming part
of Policy Number: PV-560840

Wage and Hour Claim Coverage (\$250,000 Defence
Sublimit in Canada)

It is agreed that this policy does not apply to CLAIMS arising out of or attributable to a WAGE AND HOUR VIOLATION. However, this exclusion shall not apply to DEFENCE COSTS arising from such CLAIMS that are first brought in Canada.

Notwithstanding Item A of Section V - Computations of Amounts Payable, the limit of liability of the INSURER under this endorsement shall be \$250,000 per POLICY PERIOD, which amount shall be included in the aggregate limit of liability as stated in the Declarations.

For the purpose of this endorsement, WAGE AND HOUR VIOLATION means any actual or alleged violation of the Fair Labor Standards Act (except the Equal Pay Act) or similar provisions of any federal, provincial, territorial, state or local law or regulation governing the payment of wages (including but not limited to the payment of overtime, on-call time, rest periods and minimum wages) or the classification of employees for the purpose of determining employee's eligibility for compensation or other benefits.

Except as otherwise provided by this endorsement, all terms, provisions and conditions of this policy shall have full force and effect.



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Facsimile 613-786-2001
Toll Free 800-267-6684
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Endorsement

Endorsement No.: 0003
Standard Form: DOPV560
Attached to and forming part
of Policy Number: PV-560840

Majority Shareholder Claim Exclusion

It is agreed that this policy does not apply to CLAIMS initiated or instituted by or on behalf of any shareholder owning greater than or equal to ten per cent (10%) of any class of shares of the ENTITY.

Except as otherwise provided by this endorsement, all terms, provisions and conditions of this policy shall have full force and effect.



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Ottawa, Ontario K1J 9B8
Telephone 613-786-2000
Facsimile 613-786-2001
Toll Free 800-267-6684
www.victorinsurance.ca

Endorsement

Endorsement No.: 0004
Standard Form: DOPV685
Attached to and forming part
of Policy Number: PV-560840

Public Relations Management Costs (\$50,000)

The INSURER agrees to reimburse the ENTITY for PUBLIC RELATIONS MANAGEMENT COSTS paid by the ENTITY as a result of an ADVERSE EVENT.

Definitions Specific to This Endorsement

- A. ADVERSE EVENT means any of the following events first occurring and reported during the POLICY PERIOD:
1. the unanticipated death, incapacity or resignation of any executive officer;
 2. an unanticipated financial loss incurred by the ENTITY due to a catastrophic event;
 3. the seeking of protection by the ENTITY under the Companies' Creditors Arrangement Act; or
 4. the bankruptcy of the ENTITY;

which results in the public communication of unfavourable information regarding the INSUREDS and which could reasonably be considered to lessen public confidence in the ENTITY.

- B. PUBLIC RELATIONS MANAGEMENT COSTS means the reasonable fees, costs and expenses incurred and paid by the ENTITY, with the INSURER'S prior written consent, to a professional law firm or public relations firm for services provided to prevent and minimize business disruption and negative publicity with respect to an ADVERSE EVENT.

Sublimit and Deductible

Notwithstanding Item A of Section V - Computation of Amounts Payable, the limit of liability of the INSURER under this endorsement shall be \$50,000 per POLICY PERIOD, which amount shall be included in the aggregate limit of liability of the INSURER as stated in the Declarations. There shall be no deductible applicable to this amount.

Except as otherwise provided by this endorsement, all terms, provisions and conditions of this policy shall have full force and effect.



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Endorsement

Endorsement No.: 0005
Standard Form: DOPV688
Attached to and forming part
of Policy Number: PV-560840

Workplace Violence Costs (\$250,000)

The INSURER agrees to reimburse the ENTITY for WORKPLACE VIOLENCE COSTS paid by the ENTITY resulting from any WORKPLACE VIOLENCE.

Definitions Specific to This Endorsement

- A. PREMISES means the buildings, facilities or properties occupied by the ENTITY.
- B. WORKPLACE VIOLENCE means an intentional and unlawful:
1. act of deadly force with a lethal weapon; or
 2. threat of deadly force with the display of a lethal weapon;
- which occurs on or in the PREMISES and which did or could reasonably result in bodily injury or death to an INSURED PERSON.
- C. WORKPLACE VIOLENCE COSTS means the reasonable fees, costs and expenses incurred and paid by the ENTITY for:
1. services of an independent security consultant or an independent public relations consultant for ninety (90) days following a WORKPLACE VIOLENCE event;
 2. counselling seminars for employees conducted by an independent consultant following a WORKPLACE VIOLENCE event;
 3. security guard services for up to thirty (30) days following a WORKPLACE VIOLENCE event;
 4. services of an independent forensic analyst; and
 5. other reasonable services expenses incurred and paid by the ENTITY, with the prior written approval of the INSURER.

Sublimit and Deductible

Notwithstanding Item A of Section V - Computation of Amounts Payable, the limit of liability of the INSURER under this endorsement shall be \$250,000 per POLICY PERIOD, which amount shall be included in the aggregate limit of liability of the INSURER as stated in the Declarations. There shall be no deductible

applicable to this amount.

Except as otherwise provided by this endorsement, all terms, provisions and conditions of this policy shall have full force and effect.

Adam Fowler
Lloyd Sadd Insurance Brokers Ltd.
Suite 700, 10240 – 124 Street
Edmonton, T5N 3W6
Canada

Evidence of Cover

Insured: MANTLE MATERIALS GROUP LTD.
Type: Energy Liability Insurance.
Policy Number: B0831EN0022620

24 October 2020

Please find attached evidence of cover that has been placed with (re)insurers in accordance with your instructions. Standard registered market clauses may be referred to within the contract documentation but not attached to the contract. If you require a copy of any clause(s) referred to, these will be provided upon request.

Please review the attached documentation carefully to confirm that it accurately reflects the cover, limits and terms that you instructed us to place, If you have any questions about the contract described or if any of the terms and conditions are unclear or do not meet your requirements, or if any of the details are incorrect you must advise us immediately.

Warranties/Subjectivities/Conditions Precedent

(Re)insurers may have imposed specific and possibly restrictive terms on your contract that need to be strictly complied with.

In particular, please note those terms contained under the Express Warranties, Conditions Precedent and Subjectivities headings on the attached document. These have been expressly added by underwriters in addition to or possibly instead of other warranties conditions precedent and onerous terms included in the contract. Please be advised that warranties and conditions precedent may be included but may not be necessarily labelled as such. Please make sure you understand all such terms fully and are able to comply with their requirements exactly. Failure to comply with warranties and/or conditions precedent and/or subjectivities may lead to cancellation of cover and/or denial of claims.

If you are in any doubt as to compliance with any such terms, please contact us immediately

Premium Payment Terms

Your attention is drawn to the premium payment terms in the contract. It is important that these terms are complied with in order to avoid the risk of your cover being cancelled for failure to pay on time. Premium Payment will need to be made to us no later than **30 November 2020** in order that we can pay (re)insurers by the required date. Where further instalments are due the premium payment dates can be determined from the debit notes that we send you.

If you have any questions about your obligations in this respect, please advise us immediately.

Bishopsgate Insurance Brokers Limited Contact

Peter Burton
Managing Director – Energy
Peter.burton@bishopsgateinsurance.co.uk
+44 (0)20 3984 4294

Notification of Claims

Claims must be advised to your usual contact(s), as may be detailed herein, at Bishopsgate Insurance Brokers Ltd., which cannot be held liable for its lack of action regarding a claim notified to an email address which does not specify an individual representative of Bishopsgate Insurance Brokers, Ltd.

Please note any special obligations for reporting and handling claims in the contract. It is important that these are complied with in order not to prejudice cover. It is essential that all actual, threatened or potential claims are immediately notified to us or the party identified in the contract so that (re)insurers can be advised promptly. Failure to comply may mean that a claim will not be paid.

Duty of Disclosure

For insureds whose insurance contract is not governed by UK law, the insured must disclose to insurers all material facts concerning the subject of this insurance.

A matter or circumstance is a "Material Fact" if it would influence a prudent insurer's acceptance or assessment of the risk, the insured's proposal for insurance, or the terms of any insurance offered (including the premium charged).

If there is any doubt as to whether or not an item of information is material, it should be disclosed. However, individual insurance contract terms may stipulate stricter requirements.

This duty applies before cover is placed, throughout the policy period, and at any subsequent renewal. The duty also applies to the claims process and to any extensions or amendment to the contract.

Failure to disclose a material fact may prejudice the cover and any claims under it may not be paid.

Other Information

Please notify us promptly if you require any amendments to the cover under this contract. Amendments will be provided to you as an endorsement to this document, subject to agreement by your (re)insurers where required.

RISK DETAILS

THIS CONTRACT
HAS BEEN PLACED
ELECTRONICALLY
VIA PPL

UNIQUE MARKET REFERENCE :

B0831EN0022620

ATTACHING TO LINESLIP REFERENCE:

Declaration Number 13 to Lloyd Sadd 2020 Canadian Liability Lineslip (UMR:B0831P048412020).

TYPE :

Energy Liability Insurance.

INSURED :

MANTLE MATERIALS GROUP LTD.

and/or their parent and/or subsidiary and/or associated and/or affiliated and/or controlled companies as their respective rights and interests may appear as now existing or as hereafter created and any other organisation under the Insured's control, of which it assumes active management or where the Insured has a legal and/or contractual responsibility to insure. Including principals, officers, directors, stockholders and employees of the Insured whilst acting in their capacity as such.

Address: 9046 22 Avenue SW,
Edmonton, AB T6X 1Z6

PERIOD :

From: 16th October 2020
To: 16th October 2021

Both days at 00.01 hours Local Standard Time at the address of the Named Insured.

INTEREST :

Liabilities arising out of the operations of the Insured.

LIMIT(S) OF LIABILITY (100% unless otherwise stated) :

CAD	5,000,000	Each Occurrence.
CAD	5,000,000	Personal & Advertising Injury Limit. Any One Person or Organisation (included within General Aggregate).
CAD	2,000,000	Sudden and Accidental Pollution Liability
CAD	2,000,000	Products & Completed Operations Aggregate Limit.
CAD	10,000	Medical Payments Each Person.
CAD	50,000	Medical Payments Per Accident.
CAD	2,000,000	Tenants Legal Liability.
CAD	1,000,000	Employee Benefits Liability Per Claim.
CAD	1,000,000	Employers Liability.
CAD	2,000,000	Non-Owned Automobile Liability S.P.F. No. 6
CAD	3,000,000	Excess Automobile S.P.F. No. 7
CAD	50,000	in respect of legal Liability for Damage to Hired Vehicles S.E.F. No. 94
CAD	1,000,000	Forest Fire Fighting Expenses
CAD	5,000,000	General Aggregate Limit.

Mantle Materials Group Ltd.
UMR: B0831EN0022620

Author	Checker
 J. Ward	 P. Burton

Date: 19 October 2020

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MARKET REFORM CONTRACT

DEDUCTIBLE(S)/EXCESS (100% unless otherwise stated):	CAD	10,000	Each Occurrence including all Allocated Loss adjustment Expenses, but;
	CAD	5,000	Each Occurrence in respect of Sudden and Accidental Pollution.
	CAD	1,000	Each Occurrence in respect of Employee Benefit Liability
	CAD	5,000	Each Occurrence in respect Forest Fire Fighting Expense
	CAD	2,500	Each Occurrence in respect of Tenants Legal Liability
	CAD	1,000	Each Occurrence in respect of legal Liability for Damage to Hired Vehicles S.E.F. No. 94
	CAD	2,000,000	Excess Automobile S.P.F. No. 7

SITUATION : Worldwide (Non-EEA).

CONDITIONS : Form all as per PIC1201706 as attached, plus endorsements attached hereto including but not limited to:
 SPF 6 – Standard Non-Owned Automobile Endorsement, as attached.
 S.E.F. 94 – Legal Liability for Damage to Hired Automobiles Endorsement, as attached.
 S.E.F. No. 96 – Contractual Liability Endorsement, as attached.
 S.E.F. No. 99 – Excluding Long Term Leased Vehicle Endorsement, as attached
 S.P.F. No.7 - Excess Automobile, as attached.
 Fire Fighting Expense Liability Endorsement, as attached.
 Medical Payments, as attached
 Blanket Additional Insured Endorsement, as attached.
 United States of America Jurisdiction Clause, as attached.
 Asbestos Exclusion Endorsement, as attached.
 Excluding USA absolutely.

Additional Endorsements and Clauses to apply:
 Exclusion – US Operations or Sales, as attached.
 Sanction Limitation and Exclusion Clause LMA 3100, as attached.
 Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical, Electromagnetic Weapons Exclusion Clause 10/11/03 CL370 (10.11.03).
 Institute Cyber Attack Exclusion Clause CL380 (10.11.03).
 War and Terrorism Exclusion Clause, NMA 2918, as attached.
 War and Civil War Exclusion Clause NMA 464, as attached.
 Special Termination Clause (LMA 5001) (amended), as attached.
 LMA 5180 Intention for AIF to Bind Clause.
 Coronavirus Exclusion LMA 5395, as attached.
 (Re)Insurers Liability Clause LMA 3333, as attached.

NOTICES: None.

EXPRESS WARRANTIES: None, other than as may exist in this document.

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CONDITIONS

PRECEDENT: None, other than as may exist in this document.

SUBJECTIVITIES: None, other than as may exist in this document.

CHOICE OF LAW & JURISDICTION:

Any dispute between the Insured and Insurers relating to this Policy or to a claim (including but not limited thereto, the interpretation of any provision of the Policy hereon shall be governed by the law and practice of Canada.

Each party agrees to submit to the exclusive jurisdiction Alberta.

Subject to Service of Suit Clause (Canada) LMA 5028, as attached.

Any provision in any form specified in the Conditions which provides for any law and/or practice other than that stated in this Choice of Law and Jurisdiction is deemed deleted.

PREMIUM: CAD 15,000 Per annum and pro-rata.

PREMIUM PAYMENT TERMS:

Premium Payment Clause LSW 3001 (60/15 days).

TAXES PAYABLE BY INSURED AND ADMINISTERED BY INSURERS:

None.

RECORDING, TRANSMITTING AND STORING INFORMATION:

Bishopsgate Insurance Brokers Limited may maintain all files electronically.

INSURER CONTRACT DOCUMENTATION:

This document details the contract terms entered into with (re)insurer(s) and constitutes the contract documentation.

Any further documentation changing this contract, agreed in accordance with the contract change provisions set out in this contract, shall form the evidence of such change.

This contract is subject to US state surplus lines requirements. It is the responsibility of the surplus lines broker to affix a surplus lines notice to the contract document before it is provided to the insured. In the event that the surplus lines notice is not affixed to the contract document the insured should contact the surplus lines broker.

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CLAUSES

SERVICE OF SUIT CLAUSE (CANADA)

(Action against Insurer)

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is 1155, rue Metcalfe, Suite 1540, Montreal, Quebec, H3B 2V6.

LMA5028

10/08/06

PREMIUM PAYMENT CLAUSE

Notwithstanding any provision to the contrary within this contract or any endorsement hereto, in respect of non-payment of premium only the following clause will apply.

The (Re)Insured undertakes that premium will be paid in full to (Re)Insurers within 60 days of inception of this contract (or, in respect of instalment premiums, when due).

If the premium due under this contract has not been so paid to (Re)Insurers by the 61st day from the inception of this contract (and, in respect of instalment premiums, by the date they are due) (Re)Insurers shall have the right to cancel this contract by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to (Re)Insurers on a pro rata basis for the period that (Re)Insurers are on risk but the full contract premium shall be payable to (Re)Insurers in the event of a loss or Occurrence prior to the date of termination which gives rise to a valid claim under this contract.

It is agreed that (Re)Insurers shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to (Re)Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the contract shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

LSW3001

September 2008

Mantle Materials Group Ltd.
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ADDITIONAL ENDORSEMENTS AND CLAUSES

EXCLUSION – US OPERATIONS OR SALES

This endorsement modifies coverage provided by the policy form PICI201706.

The following exclusion is added to EXCLUSIONS

This insurance does not apply to "personal injury" or "property damage" arising out of your work in or sales of your product to the United States of America, its territories or possessions.

All other terms, clauses, conditions and exclusions of this policy remain unchanged.

SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

LMA3100
15 September 2010

All other terms, clauses, conditions and exclusions of this policy remain unchanged.

INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
 - 1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

10/11/2003
CL.370

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MARKET REFORM CONTRACT

All other terms, clauses, conditions and exclusions of this policy remain unchanged.

INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

- 1.1 Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- 1.2 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

10/11/03
CL380

All other terms, clauses, conditions and exclusions of this policy remain unchanged.

WAR AND TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (2) any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

NMA2918
08/10/2001

All other terms, clauses, conditions and exclusions of this policy remain unchanged.

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WAR AND CIVIL WAR EXCLUSION CLAUSE

(Approved by Lloyd's Underwriters' Non-Marine Association)

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

1/1/38
NMA464

All other terms, clauses, conditions and exclusions of this policy remain unchanged.

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SPECIAL TERMINATION CLAUSE

The insured may terminate this insurance agreement in respect of any insurer's participation at any time by giving notice in writing through Bishopsgate Insurance Brokers Limited to the insurer in the event that any one of the following circumstances has occurred since the inception date of this insurance agreement (or, in the case of a continuous contract, the immediately preceding anniversary date):

- (a) A state insurance department or similar regulatory authority outside the USA has ordered the insurer to cease accepting business; or
- (b) The insurer has become insolvent or has been placed into liquidation or receiverships (whether voluntary or involuntary), or there has been instituted against it proceedings for the appointment of a receiver, liquidator, rehabilitator, conservator, or trustee in bankruptcy, or other agent known by whatever name, to take possession of its assets or control its operations; or
- (c) The insurer's policyholders' surplus (or total stamp capacity by managing agent in respect of Lloyd's syndicates) has been reduced by 50% of the amount at which it stood at the inception of this insurance agreement (or, in the case of a continuous contract, the immediately preceding anniversary date): or
- (d) The insurer has merged with, been acquired by, or relinquished control of itself to any other company, corporation or individual(s): or
- (e) The insurer's AM Best rating has been assigned or downgraded below A-; or
- (f) The insurer's Standard and Poor's rating has been assigned or downgraded below A.

In the event of such termination the liability of the insurer shall cease upon receipt of notice from the insured (except in respect of losses which may have occurred or commenced prior to such date of termination but for which settlement remains outstanding) and the insurer shall receive premium pro rata as to time of the full premium.

However, if losses have occurred between the inception date of this insurance agreement (or, in the case of a continuous contract, the anniversary date immediately preceding termination) and the date of termination which exceed pro rata as to time of the full premium, then the insurer shall receive premium equal to the losses or the full premium, whichever is lesser.

For the purpose of this clause full premium shall mean the full adjusted premium that would have been earned by the insurer for the period of this insurance agreement had it not been terminated, taking into account any minimum premium condition and including any reinstatement premium in respect of losses occurring prior to the date of termination.

14/07/04
LMA5001 (Amended)

Mantle Materials Group Ltd.
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INTENTION FOR AIF TO BIND CLAUSE

Whereas Lloyd's Underwriters have been granted an order to insure in Canada risks under the Insurance companies Act (Canada) and are registered in all provinces and territories in Canada to carry on insurance business under the laws of these jurisdictions or to transact insurance in these jurisdictions.

And whereas applicants for insurance coverage in respect of risks located in Canada and Canadian Cedants wish that Lloyd's insurance and reinsurance coverage be provided in a manner that requires Lloyd's Underwriters to vest assets in trust in respect of their risks pursuant to the Insurance Companies Act (Canada);

- a) This contract shall be in force and shall be the governing contract pending the decision by Lloyd's Underwriters' attorney and chief agent in Canada (the "AIF") to confirm coverage in accordance with both the terms and conditions set out in this contract and applicable Canadian law;
- b) The AIF shall confirm Lloyd's Underwriters' coverage by signing in Canada a policy that will contain the terms and conditions set out in this contract (the "Canadian Policy"), and by communicating from Canada the issuance of that policy to the policyholder or his broker;
- c) This contract shall cease to have effect upon the communication by the AIF from Canada of the Canadian Policy to the policyholder or his broker, and the Canadian Policy will replace and supersede this contract.

LMA5180
01 November 2011

All other terms, clauses, conditions and exclusions of this policy remain unchanged.

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CORONAVIRUS EXCLUSION (for use on marine and energy liability policies)

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

This insurance excludes coverage for:

- 1) any loss, damage, liability, cost, or expense directly arising from the transmission or alleged transmission of:
 - a) Coronavirus disease (COVID-19);
 - b) Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2); or
 - c) any mutation or variation of SARS-CoV-2;or from any fear or threat of a), b) or c) above;
- 2) any liability, cost or expense to identify, clean up, detoxify, remove, monitor, or test for a), b) or c) above;
- 3) any liability for or loss, cost or expense arising out of any loss of revenue, loss of hire, business interruption, loss of market, delay or any indirect financial loss, howsoever described, as a result of any of a), b) or c) above or the fear or the threat thereof.

All other terms, conditions and limitations of the insurance remain the same.

LMA5395
09 April 2020

Mantle Materials Group Ltd.
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Date: 19 October 2020

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INFORMATION

Information, as applicable, made available to and seen by all subscribing insurers hereon and initialled by Contract Leader only, includes the following and as may be held on file in the offices of Bishopsgate Insurance Brokers Limited, but always available to insurers hereon.

Information provided by Lloyd Sadd Insurance Brokers via email dated 15th October 2020.

Mantle Materials Group Ltd – Commercial Insurance Submission, as attached (19 pages).
Mantle 20-21 Schedules – (8 pages).

By Stamping, signing and dating the subscription section of this Market Reform Contract, subscribing (re)insurers hereby acknowledge receipt of the above listed information in its entirety.

SECURITY DETAILS

Mantle Materials Group Ltd.
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**(RE)INSURER'S
LIABILITY:**

**LMA 3333 – (RE)INSURER'S LIABILITY CLAUSE
(Re)insurer's liability several not joint**

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportion underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to market services, Lloyd's at the above address.

Proportion of liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as reference to contracts in the plural.

ORDER HEREON:

100% of 100%

Mantle Materials Group Ltd.
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MARKET REFORM CONTRACT

BASIS OF WRITTEN

LINES: Percentage of whole.
Lines Clause NMA2419, if applicable.

SIGNING

PROVISIONS:

Proportionate signing:
In the event that the written lines hereon exceed 100% of the order, any lines written "to stand" will be allocated in full and all other lines will be signed down in equal proportions so that the aggregate signed lines are equal to 100% of the order without further agreement of any of the (re)insurers:

However:

- a) In the event that the placement of the order is not completed by the commencement date of the period of (re)insurance then all lines written by that date will be signed in full;
- b) the disproportionate signing of (re)insurer's lines can be effected without further specific agreement of (re)insurers, provided that any such variation is made prior to the commencement date of the period of (re)insurance, and that lines written "to stand" may not be varied without the documented agreement of those (re)insurers;
- c) The signed lines resulting from the application of the above provisions can be varied, before or after the commencement date of the period of (re)insurance, by the documented agreement of the (re)insured and all (re)insurers whose lines are to be varied. The variation to the contracts will take effect only when all such (re)insurers have agreed, with the resulting variation in signed lines commencing from the date set out in that agreement.

LINE CONDITIONS:

None unless (re)insurers indicate otherwise hereon

MODE OF EXECUTION:

This contract and any changes to it may be executed by:

- a. electronic signature technology employing computer software and a digital signature or digitiser pen pad to capture a person's handwritten signature in such a manner that the signature is unique to the person signing, is under the sole control of the person signing, is capable of verification to authenticate the signature and is linked to the document signed in such a manner that if the data is changed, such signature is invalidated;
- b. a unique authorisation provided via a secure electronic trading platform;
- c. a timed and dated authorisation provided via an electronic message/system;
- d. an exchange of facsimile/scanned copies showing the original written ink signature of paper documents;
- e. an original written ink signature of paper documents (or a true representation of a signature, such as a rubber stamp).

The use of any one or a combination of these methods of execution shall constitute a legally binding and valid signing of this contract. This contract may be executed in one or more of the above counterparts, each of which, when duly executed, shall be deemed an original.

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Mantle Materials Group Ltd.

PIC1201706 Form

Mantle Materials Group Ltd.
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Definitions

Applicable to all section(s):

1. Administration

Administration when used in the context of Employee Benefit Programs means the following, provided the same are authorized by the Named Insured:

- (A) the counselling of employees with respect to Employee Benefit Programs;
- (B) the interpretation of Employee Benefit Programs;
- (C) the keeping of records in connection with Employee Benefit Programs;
- (D) the enrolment, termination or cancellation of employees under the Employee Benefit Programs.

2. Advertising Liability Advertising Liability means:

- (A) libel, slander or defamation;
- (B) any infringement of copyright or of title or of slogan;
- (C) piracy or unfair competition or idea misappropriation under an implied contract;
- (D) any invasion of right of privacy;
committed or alleged to have been committed in any advertisement, publicity article, broadcast or telecast and arising out of the Insured's advertising activities.

3. Automobile

Automobile shall be defined as a land motor vehicle, trailer or semi-trailer or other vehicle which, if it were to be insured, would be required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including any attached machinery, apparatus or equipment.

4. Claim

Claim means that part of any written demand received by the Insured for damages covered by this Policy including the service of suit or instigation of arbitration proceedings.

5. Completed Operations Liability

Completed Operations Liability means liability arising out of operations, if the Occurrence occurs after such operations have been completed or abandoned and occurs away from premises owned, rented or controlled by the Insured; provided operations shall not be deemed incomplete because improperly or defectively performed or because further operations may be required pursuant to an agreement. The following shall be deemed not to be operations within the meaning of this paragraph:

- (A) pick-up or delivery, except from or onto a railroad car;
- (B) the maintenance of vehicles owned or used by or on behalf of the Insured;
- (C) the existence of tools, uninstalled equipment and abandoned or unused materials.

6. Employee Benefits Liability

Employee Benefits Liability means all sums which the Insured shall become legally obligated to pay any employee or former employee or the heirs, beneficiaries or legal representatives of either as damages arising from any act of negligence, error, mistake or omission of the Insured or others for whom the Insured is legally responsible in the Administration of Employee Benefit Programs of the Insured.

7. Employee Benefits Programs

Employee Benefits Programs means, without limitation, group life insurance, group health insurance, group accident insurance, profit sharing plans, pension plans, employee stock subscription benefits, government unemployment compensation insurance, dental plans, optical plans, social insurance and disability benefits insurance and other similar plans.

8. Employer's Liability

Employer's Liability means all sums which the Insured shall be legally obligated to pay as damages on account of Personal Injury sustained by any employee of the Insured arising out of and in the course their employment. However, Employer's Liability shall not include any liability of the Insured under workers' compensation acts or similar legislation.

9. Fissionable Substance

Fissionable Substance means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

10. Incidental Medical Malpractice Liability

Incidental Medical Malpractice Liability means Personal Injury or Property Damage arising out of malpractice, error or mistake committed at or in connection with the Insured's premises or operations:

- (A) in the rendering of or failure to render any medical, first aid, surgical, dental, x-ray or nursing service, advice or treatment,
- (B) or the furnishing of food or beverages in connection therewith; the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

11. Insured

The unqualified word Insured includes:

- (A) the Named Insured and associated, affiliated or subsidiary companies or other entities predecessor thereto which may exist or be hereafter constituted;
- (B) Co-owners, Joint-Ventures, Partners having a non-operating interest, managers, contractors, sub-contractors, suppliers or any other parties with whom the Insured has entered into agreement and/or contract in connection with the interests covered by this Policy and for whom the Insured has agreed to provide insurance as provided by this Policy and coverage shall be limited to those operations in which there is a common interest.
- (C) any present or former officer, director, partner or employee of the Insured, while acting in his capacity as such;
- (D) any person, organization, partnership, firm, government, entity, trustee or estate to whom the Insured is obligated by virtue of a written contract or agreement to provide insurance such as is afforded by this Policy, but only to the extent of such obligation and in respect of operations by or on behalf of the Insured, or facilities of the Insured, or facilities used by the Insured;
- (E) with respect to any aircraft owned or leased by or hired for use on behalf of the Insured, any person while using such aircraft and any person or organization legally responsible for the use thereof, provided the actual use of the aircraft is with the permission of the Insured. The insurance extended by this sub-clause (E), with respect to any person or organization other than the Insured shall not apply:

1. to any manufacturer of aircraft, aircraft engines, or aviation accessories, or any aviation sales or service or repair
 2. organization or airport or hangar operator or their respective employees or agents with respect to any Occurrence arising out of any of the aforementioned:
 3. with respect to any hired aircraft, to the owner thereof or any employee of such owner;
 4. to any person or organization, or to any agent or employee thereof engaged in the operation of or engaged as a member of the air crew of any such aircraft.
- This sub-clause (E) shall not apply to restrict the insurance granted under sub-clause (D).
- (F) any contractor or sub-contractor working on behalf of the Insured, where the Insured is responsible for providing workers' compensation benefits, or where the Insured has agreed to provide insurance as is provided under this Policy;
- (G) all employee sports or social clubs of any insured, and members thereof while participating in the activities of such clubs.

12. Nuclear Energy Hazard

Nuclear Energy Hazard means the radioactive, toxic, explosive, or other hazardous properties of Radioactive Material.

13. Nuclear Facility

Nuclear Facility means:

- (A) any apparatus used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium, and uranium or any one or more of them;
- (B) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them (ii) processing or utilizing spent fuel, or (iii) handling, processing or packaging waste;
- (C) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235.
- (D) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste Radioactive Material;

and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations;

14. Non-Owned Aircraft Liability

Non-owned Aircraft Liability means any Personal Injury or Property Damage for which the Insured is legally liable, caused by an aircraft that was not owned or leased by the Insured at the time of the Occurrence.

15. Non-Owned Watercraft Liability

Non-owned Watercraft Liability means any Personal Injury or Property Damage that the Insured is legally liable for caused by a watercraft that was not owned or leased by the Insured at the time of the Occurrence.

MARKET REFORM CONTRACT

16. Occurrence

Occurrence means an accident or event including continuous or repeated exposure to conditions which cause, allegedly cause or are deemed to cause Personal Injury or Property Damage or gives rise to any liability not otherwise excluded, which Personal Injury, Property Damage or liability is neither expected nor intended by the Insured. For this purpose, such Personal Injury, Property Damage or liability shall not be deemed expected or intended by the Insured solely because the event or condition is caused by:

- (a) a fraudulent, dishonest or criminal act (not authorized by the Insured) of an officer, employee, representative, contractor or agent of the Insured or
- (b) an action committed by or on behalf of the Insured with the intent to safeguard or preserve life or property.

Where a series of or several losses, injuries, damages or liabilities occur which are attributable directly or indirectly to the same event, condition or cause, all such losses, injuries, damages or liabilities shall be treated as one Occurrence irrespective of the period or area over which the losses, injuries, damages or liabilities occur or the number of such losses, injuries, damages or liabilities and shall be deemed to have occurred at the time the first of the series of or several losses, injuries, damages or liabilities had occurred.

17. Personal Injury

Personal Injury means bodily injury (including death resulting from bodily injury), mental injury, mental anguish, shock, sickness, disease, disability (including death at any time resulting therefrom), false arrest, false imprisonment, wrongful entry or eviction, detention, malicious prosecution, harassment, discrimination, humiliation, libel, slander or defamation of character or invasion of rights of privacy including any other legal action alleging the foregoing by any other name.

18. Pollutant

Pollutant means any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance which may, does or is alleged to affect adversely the environment, property, persons or animals, including, but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals, oil and petroleum and their derivatives, and waste. Waste includes, without limitation, materials to be recycled, reconditioned, reclaimed, discarded or stored pending final disposal.

Discharge means discharge, dispersal, release, or escape of pollutant. A series of related discharges shall be deemed to constitute a single discharge commencing with the first discharge in the series.

Commenced and commencement in Exclusion 2.14 shall mean that specific, identified point in time at which the discharge of the Pollutant in question shall have first begun.

19. Pollution Liability

Pollution Liability means any Personal Injury, Property Damage or costs for clean up or evacuation for which the Insured is liable caused by an unexpected and unintended discharge of Pollutants.

20. Paid Premium

Paid Premium means premium actually paid by the Insured to the Insurer or the broker, and does not include any premium or part thereof paid to the Insurer by the broker if not paid by the Insured.

21. Property Damage

Property Damage means loss of, damage to, or destruction of tangible property not owned by the Insured, and loss of use of tangible property not owned by the Insured that has not been physically damaged or destroyed.

22. Products Liability

Products Liability means liability arising out of goods or products manufactured, sold, handled, serviced, repaired or distributed by the Insured or by others trading under its name (hereinafter called the Insured's Products) if the Occurrence occurs after possession of the goods or products has been relinquished to others by the Insured or by others trading under its name and if such Occurrence occurs away from premises owned, rented or controlled by the Insured; provided such goods or products shall be deemed to include any container thereof, other than a vehicle, but shall not include any vending machine or any property, other than such container, rented to or located for use of others but not sold.

23. Radioactive Material

Radioactive Material means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioisotopes of other elements and any other substances that the Atomic Energy Control Board may, by regulation, designate as being prescribed substances capable of releasing atomic energy, or as being requisite for production, use or application of atomic energy;

24. Tenant's Legal Liability

Tenants Legal Liability means all sums which the Insured shall become legally obligated to pay as compensatory damages because of Property Damage caused by an Occurrence to premises and structures or portions thereof, including fixtures permanently attached thereto, rented, occupied, leased, hired or borrowed by the Insured.

25. Ultimate Net Loss

Ultimate Net Loss means the actual loss sustained by the Insured (or his underlying insurers where applicable) arising out of or resulting from any one Occurrence, which shall include the total sum which the Insured becomes obligated to pay by reason of any liability not otherwise excluded.

1. Coverage

The coverage under this Policy is afforded solely on a per Occurrence basis with respect to Claims occurring during the policy period.

In consideration of payment of the Premium and in reliance upon the statements made to the Insurer by Application, which forms a part of this Policy, and subject to all terms, conditions and limitations of this Policy, the Insurer, the Policyholder and the Insureds agree as follows:

1.1 Liability Insured

The Insurer will pay on behalf of the Insured all sums which the Insured shall be obligated to pay by reason of the liability:

(A) imposed upon the Insured by law, or
(B) assumed under Contract by the Insured or any officer, director, partner or Employee, while acting in his capacity as such, for damages on account of:

- Personal and Advertising Injury;
- Completed Operations Liability;
- Employee Benefits Errors and Omissions Liability;
- Employer's Liability;
- Incidental Medical Malpractice Liability;
- Non-Owned Aircraft Liability;
- Non-Owned Watercraft Liability;
- Products-Completed Operations Liability;
- Products Liability;
- Property Damage;
- Sudden and Accidental Pollution Liability; and
- Tenant's Legal Liability

caused by or arising out of an Occurrence during the Policy Period subject to the exclusions, limitations and other terms and conditions of this Policy.

1.2 Defence, Settlement, Investigation and Negotiation

The Insurer is entitled to and shall, with respect to claims for injury, liability or damage covered by this Policy:

- (A) defend, in the name of and on behalf of the Insured and at the cost of the Insurer only, allegations, claims, demands, or suits which may at any time be instituted against the Insured even if such allegations, claims, demands, or suits may be groundless, false or fraudulent; or to make settlement of such claims as may be deemed expedient by the Insurer;
- (B) pay all premiums on bonds to release attachments for an amount not in excess of the applicable Limit of Liability of this Policy, and all premiums on bonds required in any legal proceedings, but without any obligation to apply for or furnish such bonds;
- (C) pay all legal costs taxed against the Insured in any suit, appeal, or judgment and all interest accruing after entry of judgment until the Insurer has paid, tendered, or deposited into court such part of such judgment as does not exceed the limit of the Insurer's liability thereon;
- (D) pay all expenses incurred by the Insured for such immediate medical, dental and surgical relief to others as shall be necessary at the time of the Occurrence;
- (E) reimburse the Insured for all reasonable expenses incurred at the Insurer's request, including actual loss or earnings.

The amounts so incurred are payable by the Insurer in addition to the Limit of Liability of this Policy. However, with respect to any action brought in the United States or America, the amounts so incurred are included within the applicable limit of liability of this Policy.

2. Exclusions

There shall be no indemnity or liability on the part of the Insurer under this Policy in respect of:

2.1 Advertising Liability

With respect to Advertising Liability, claims made against the Insured for:

- (F) Failure of performance of contract, but this shall not relate to claims for unauthorized appropriation of ideas based upon alleged breach of an implied contract;
- (G) infringement of registered trademark, service mark or trade name by use thereof as the registered trademark, service mark or trade name of goods or services sold, offered for sale or advertised, but this shall not relate to titles or slogans;
- (H) incorrect description of any article or commodity;
- (I) mistake in advertised price.

2.2 Aircraft

Liability with respect to any aircraft owned or leased by the Insured; however, this exclusion shall not apply to the Insured's liability for Personal Injury to its employees, unless such liability is excluded under Exclusion 2.19.

2.3 Applicable Law

Liability arising out of the violation of any statute, law, ordinance or regulation.

2.4 Asbestos

Liability arising out of, or alleged to arise out of, the manufacture, distribution, sale, installation, removal, utilization, ingestion or inhalation of, or exposure to products manufactured, distributed, sold or installed by the Insured containing or consisting of:

- (A) asbestos fibres;
- (B) 2,4,5 trichlorophenoxyacetic acid ("2,4,5-T");
- (C) asbestiform talc;
- (D) diethylstilbesterol ("DES").

However, this exclusion shall not apply to Personal Injury or Property Damage caused by an Occurrence where such Personal Injury or Property Damage is not related to the asbestos, 2,4,5-T, asbestiform talc, or DES content or nature of the Insured's product or completed operations. The listing of products herein shall not give rise to an inference that Personal Injury or Property Damage attributable to other products was neither expected nor intended by the Insured.

2.5 Care, Custody and Control

Claims arising out of damage to:

- (A) property owned, occupied by, leased, or rented to the Insured,
- (B) that particular part of any property in the care, custody or control of the Insured for the purpose of having operations performed on such property by or on behalf of the insured, or over which the Insured is for any purpose exercising physical control.

This exclusion shall not apply to property of others which is leased to the Insured or in their care, custody and control for the purpose of rights of way, or where no physical or possessory control exists.

2.6 Drilling I Re-drilling

Liability for loss of or damage to any well or hole being drilled by or on behalf of the Insured or any well or hole which is in the care, custody or control of the Insured or for which the Insured is or may be responsible, and any cost or expense incurred in re-drilling or restoring the well or hole or any substitute well or hole.

2.7 Employee Benefit Programs

Liability of the Insured, or others for whom the Insured is legally responsible, in respect of the Administration of Employee Benefit Programs of the Insured:

- (A) arising out of any dishonest, fraudulent or criminal act or libel, slander, discrimination or humiliation;
- (B) arising out of Personal Injury or loss of, damage to or destruction of any tangible property, including the loss of use thereof;
- (C) arising from any claim for failure of performance of contract by any Insured;
- (D) arising from any claim based upon the Insured's deliberate failure to comply with any workers' compensation, unemployment compensation, government pension plans, social security or disability benefits law or any similar law;
- (E) arising from any claim based upon:
- (F) failure of securities to perform as represented by an Insured;
or
- (G) advice given by an Insured in connection with participation or non-participation in stock option or subscription plans.

2.8 Fiduciary Duty

Liability arising out of any actual or alleged error, misstatement or misleading statement or act, omission, neglect, breach of duty or accountability by any person or persons, jointly or severally, while acting within the scope of his Fiduciary Duty as an officer or director.

2.9 Fines or Penalties

Liability for fines or penalties. However, civil fines or penalties imposed to pay or reimburse for loss, damage or expense resulting from an Occurrence to the extent that the amount of the civil fine or penalty is measured by and limited to the actual loss, damage or expense incurred, shall not be excluded. However, with respect to any action brought in the United States of America, there shall be no indemnity or liability on the part of the Insurer under this Policy in respect of liability for fines, penalties, punitive damages, exemplary damages or any additional damages resulting from the multiplication of compensatory damages.

2.10 Intentional Acts

Liability of any Insured for assault and battery committed by or at the direction of any Insured except liability for Personal Injuries resulting from any act alleged to be assault and battery committed for the purpose of preventing Personal Injuries or damage to property of the Insured or of others; however, this exclusion shall not apply to the liability of the Insured for Personal Injury to its employees, unless such liability is excluded under Exclusion 2.19.

2.11 Motor Vehicle

Personal Injury or Property Damage arising out of the ownership, use or operation by or on behalf of any Insured of:

- (A) any Automobile; or
- (B) any motorized snow vehicle or its trailers.

This exclusion does not apply to the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment.

2.12 Mould

Liability resulting from the actual or potential presence of mould, mildew or fungi of any kind whatsoever, whether or not directly or indirectly caused by or resulting from any loss insured under this Policy.

2.13 Nuclear Energy Liability

Liability:

- (A) imposed by or arising under any nuclear act, law or statute;
- (B) for which an Insured is also insured under a contract Nuclear Energy Liability insurance (whether or not the Insured is named in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers and whether or not limited or no indemnity is available under that policy because of complete or partial exhaustion of its limit of liability;
- (C) resulting directly or indirectly from the Nuclear Energy Hazard arising from:
 - 1. the ownership, maintenance, operations or use via Nuclear Facility by or on behalf of an Insured;
 - 2. the furnishing by an Insured of services, materials, parts or equipment in connection with planning, construction, maintenance, operation or use of any Nuclear Facility;
 - 3. the possession, consumption, use, handling, disposal or transportation of Fissionable Substances, or of other Radioactive Material (except radioisotopes away from a Nuclear Facility, which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

This clause shall be paramount and shall override anything contained in this Policy inconsistent therewith.

2.14 Pollution Liability

Liability for loss, cost or expense of whatsoever nature, arising out of any direction, request, demand or order, whether governmental or other, that the Insured test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effects of Pollutants, or any claim that the Insured reimburse any party for the costs thereof, regardless of how the Insured's liability is alleged to arise.

- (A) This exclusion does not apply to any liability of the Insured otherwise covered by the Products Liability hazard or the Completed Operations Liability hazard; or
- (B) Personal Injury or Property Damage caused by a sudden, unexpected and unintended discharge of Pollutants.

Notwithstanding anything in this Policy to the contrary, it is a condition precedent to the Insurer's liability for Pollution Liability that the Insured shall:

- (A) have become aware of the commencement of the discharge within 30 days of such commencement,
- (B) provide the Insurers with written notice of the commencement of such discharge within 2,160 hours (90 days) thereof.

2.15 Products Liability, Faulty Workmanship and Completed Operations

Claims made against the Insured:

- (A) on account of Personal Injuries or Property Damage resulting from the failure of the Insured's products or work completed by or for the Insured to perform the function or serve the purpose intended by the Insured, if such failure is due to a mistake or deficiency in any design, formula, plan, specification, advertising material or printed instructions prepared or developed by the Insured; but this exclusion (A) does not apply to Personal Injuries or Property Damage resulting from the active malfunctioning of such products or work;
- (B) on account of Property Damage to the Insured's products arising out of such products or any part of such products;
- (C) on account of Property Damage to work performed by or on behalf of the Insured arising out of such work or any portion thereof, or out of the materials, parts or equipment furnished in connection therewith;
- (D) for the withdrawal, inspection, repair, replacement, or loss of use of the Insured's products or work completed by or for the Insured or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein.

2.16 Professional Liability

Liability or alleged liability for Property Damage or Personal Injury arising or alleged to arise out of any act, error or omission in the rendering of professional services including, but not limited to, the rendering of legal, accounting, architectural, engineering data processing, consulting or investment advisory services except such services as are an integral part of other work performed by or on behalf of the Insured or any associated or affiliated company. However, this exclusion shall not apply to Incidental Medical Malpractice Liability.

2.17 Watercraft

Claims arising out of the ownership, possession, maintenance, use or operation, Loading or Unloading, by or on behalf of the Insured of any watercraft, it being understood that this exclusion does not apply to:

- (A) watercraft while ashore on premises owned, rented or controlled by any Insured; or
- (B) watercraft not exceeding sixteen (16) metres in length; or
- (C) Bodily Injury sustained by any Employee.

2.18 Well Equipment Below Surface

Liability for loss of or damage to any drilling tool, pipe, collar, casing, bit, pump, drilling or well servicing machinery, or any other equipment while below the surface of the earth.

2.19 Workers' Compensation

Any obligation of the Insured under Workers' Compensation, or employment compensation law or any similar law.

3. General Conditions

Applicable to all sections and endorsements:

3.1 Action Against Insurer

No action shall lie against the Insurer unless, as a condition precedent, the Insured has fully complied with all the terms of this Policy, nor until the amount of the Insured's obligation to pay has been finally determined either by judgment against the Insured after actual trial or by written agreement of the Insured, the claimant and the Insurer.

Every action or proceeding against the Insurer shall be commenced within one year next after the date of such judgment or written agreement and not afterwards.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy and subject to all defences the Insurer had, has, or may have against the Insured.

3.2 Adjustment of Claims

Adjustment of claims shall be carried out by the Insurer in respect of all Insureds.

3.3 Adjustment of Premium

- (A) The premium for each Policy Period will be determined in accordance with the Insurer's rating & premium plan.
- (B) If there is a substantial change in the Insured's operations during the Policy Period, the Insurer will adjust the premium in accordance with its then current rating & premium plan.

3.4 Agency

The Named Insured obtained this Policy and paid the premium on its own behalf and as agent for the other Insureds, including those referred to by general description. Any person, firm or corporation coming within the description of an unnamed person insured by this Policy may ratify such agency at any time subsequent to the issuance of the Policy for the purpose of entitlement to coverage. This insurance shall not be invalidated should the interest of the Insured or any one of them be other than sole or unconditional ownership.

3.5 Appeals

The Insurer may, at its own cost and expense, elect to appeal a judgment in excess of the Deductible and shall be liable for the taxable costs and disbursements and interest on judgments incidental thereto.

3.6 Assignment

Assignment of interest under this Policy shall not bind the Insurer unless and until its consent is endorsed hereon.

3.7 Assistance and Cooperation

Insurer shall be permitted at all reasonable times during the Policy Period or during adjustment of any claim to inspect the Insured's property and operations and to examine the Insured's books and records. The Insurer assumes no responsibility and waives no rights by reason of such inspection, examination, audit or omission thereof. The Insured may require the employees, agents or independent contractors of the Insurer to carry out any such inspection or examination in a manner which will maintain confidential any information obtained and to agree in writing that they shall treat as confidential and not use, except for the purpose of this Policy, or disclose any information obtained as a result of any such inspection or examination without the Insured's written permission.

3.8 Bankruptcy and Insolvency

The bankruptcy or insolvency of the Insured shall not relieve the Insurer of its obligations and shall not increase the Insurer's obligations or liability.

3.9 Cancellation

The Named Insured may cancel this policy at any time by sending a written request or by returning the policy and stating when thereafter cancellation is to take effect.

The Insurer may cancel this policy at any time by sending to the Named insured a notice giving 90 days (15 days in the event of non-payment of premium) notice of the cancellation. Notice of cancellation will be mailed to the last known address of the Insured and will indicate the date of cancellation.

The earned premium will be computed on a pro-rata basis always subject to the minimum premium shown on the Risk Details page. Any unearned premium will be returned as soon as practicable.

3.10 Conflicting Statutes

If any provision of the Policy is unenforceable by the Insured under the laws of any jurisdiction wherein it is claimed that the Insured is liable for any injury or loss covered hereby, because of non-compliance with any statute thereof, then this Policy shall be enforceable by the Insured with the same effect as if it complied with such statute.

3.11 Costs

Where the Ultimate Net Loss is likely to exceed the applicable deductible, no costs shall be incurred on behalf of the Insurer without the Insurer's consent and, if such consent is given, the Insurer shall consider such costs as part of the Ultimate Net Loss. No settlement of losses by agreement shall be effected by the Insured without the Insurer's consent.

3.12 Co-Ventures

This Policy insures the Insured's interest and any or all non-operators, co-venturers, co-owners, partners or other party, all hereinafter referred to as Co-Venturers, for whom the Insured is responsible to provide insurance.

3.13 Cross Liability

If one Insured incurs a liability to any other of the Insureds, this Policy will cover such Insured against whom a claim is made or may be made as if separate policies had been issued to each Insured, but without increasing in any way the Insurer's limit of liability.

3.14 Currency

Premiums, limits and losses are payable in Canadian currency.

3.15 Dispute Resolution

All disputes arising out of or relating to this Policy, including its existence, validity, termination, and interpretation, shall be resolved through mediation or, if mediation is unsuccessful, by binding arbitration in accordance with the provisions of the Alberta Arbitration Act then in effect by a panel of three arbitrators.

This clause survives the expiry, termination, or cancellation of this Policy.

3.16 Errors and Omissions

The Insured will not be prejudiced by any unintentional or inadvertent omission, error, incorrect valuation or incorrect description of the interest or risk provided notice is given to the Insurer as soon as practicable on discovery of any such error or omission.

MARKET REFORM CONTRACT

3.17 Law and Jurisdiction

This Policy is subject to law, practice and jurisdiction of the province and territory in Canada in which the first Named Insured is domiciled.

3.18 Liability Under This Policy

The Insured agrees that the liability and obligations of the Insurer shall be satisfied from the assets (including reinsurance recoveries) of the Insurer alone and that the individual subscribers of the Insurer shall have no other liability to the Insured.

3.19 Loss Payable

Losses are due and payable by the Insurer within 30 days after they are proved in conformity with this Policy.

If judgment is rendered, settlement is denominated or another element of damages is stated in a currency other than Canadian dollars, payment under this Policy shall be made in Canadian dollars at the rate of exchange prevailing on the date the final judgment is rendered, the amount of the settlement is agreed upon or the other element of damages is due.

3.20 Material Facts

The Insurer shall hold in good faith the information provided by the Insured during the application process as being accurate. The onus shall be upon the Insured to render any and all new or unaccounted for material facts to the attention of the Insurer as soon as practicable after this information becomes known to the Insured.

3.21 Named Insured

The Named Insured shall be deemed the sole and irrevocable agent of each and every Insured for the purpose of:

- (A) giving to or receiving from the Insurer notice of cancellation;
- (B) giving instructions to or agreeing with the Insurer for alterations of the Policy wording, premium, limits, deductibles and losses under this Policy;
- (C) making or receiving payments of premiums or adjustments of premium.

3.22 Notice of Loss/Occurrence

Whenever the Insured has information from which the Insured may reasonably conclude that a loss is likely to involve this Policy or that an Occurrence involves injuries or damage which, if the Insured is held liable, are likely to involve this Policy, written notice shall be given as soon as practicable to the Insurer and shall contain all then available information pertaining to the Occurrence.

If claim is made or suit is brought against the Insured, the Insured shall immediately forward to the Insurer every demand, notice, summons or other process received by the Insured or its representative.

3.23 Notices and Declarations to Insurer

Wherever a notice, declaration or other form of notice to the Insurer is required (except as to cancellation), it must, to have any effect, be accepted or acknowledged by the Insurer in writing.

3.24 Other Insurance

This Policy shall be primary insurance and if required by written contract or agreement, this Policy shall not seek contribution from any other insurance available to the Insured. Otherwise, if there is any other insurance available to the Insured, loss under this Policy shall be shared according to the method described below:

- (A) Each insurer shall contribute equal amounts towards the loss until none of the loss remains or until the limit of insurance is reached, whichever comes first; or

- (B) If any of the other insurance does not permit contribution by equal shares, then each insurer shall contribute based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

3.25 Permissions

Permission is granted the Insured to effect contracts or agreements customary or necessary to the conduct of its business under which it may assume liability or grant releases or waivers of subrogation therefrom, and the rights and obligations of the Insurer shall be governed by the terms of such contracts or agreements.

Permission is also granted to the Insured's Broker of Record to issue Certificates of Insurance or other evidence of coverage for the addition of Loss Payees, Mortgagees, Additional Insureds and Waivers of Subrogation, as their interests may appear, including all notice provisions of cancellation or material change, and the Insurer shall be governed by the terms of such Certificates or other evidence of coverage.

3.26 Plurals

Wherever the singular is used, the plural may be implied and vice versa.

3.27 Subrogation

- (A) The Insurer shall, upon payment of any loss, damage or expense, be subrogated to all the Insured's rights of recovery against any other person, firm or corporation who may be legally or contractually liable for such loss, damage or expense.
- (B) The Insurer may make claim upon and institute legal proceedings against any parties believed responsible for loss, damage or expense paid in the Insured's name, and the Insured shall give the Insurer its full co-operation in pursuing such claim or legal proceeding.
- (C) Insurer shall in no event have any right of recovery against any company, or the directors, officers or employees thereof, that is a subsidiary of the Insured.
- (D) In any action for recovery, the Insurer will, where required by the Insured, work jointly with the Insured or its duly appointed legal representatives to include any amount of uninsured loss as submitted by the Insured within the said action for recovery. Any judicially unallocated awards shall be apportioned in the ratio that the Insured's portion of Ultimate Net Loss bears to the total Ultimate Net Loss.

3.28 Submission of Claim

Liability under this Policy with respect to any Occurrence shall not attach unless and until the Insured, or its underlying insurers, shall have paid the amount of Deductible or underlying limits on account of such Occurrence. Failure of the Insured's underlying insurers to pay the amount of the underlying limits because of the underlying insurer's insolvency shall not invalidate this Policy, but the Insurer shall be liable only to the same extent as it would have been had the insolvency not occurred. The Insured shall submit a definite claim for any loss for which the Insurer may be liable within one year after the Insured shall have paid an amount of Ultimate Net Loss in excess of the amount to be borne by the Insured or by underlying insurers where applicable or after the Insured's liability shall have been rendered certain either by final judgment against the Insured after actual trial or by written agreement of the Insured, the claimant and the Insurer. If any subsequent payments shall be made by the Insured on account of the same Occurrence, additional claims shall be made similarly from time to time.

3.29 Territorial Limits

This Policy only applies to activities and losses that occur within the territorial limit shown in Risk Details.

4. Statutory Conditions

Applicable to All Sections and Endorsements

4.1 Misrepresentation

If a person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

4.2 Property of Others

The Insurer is not liable for Claim to property owned by a person other than the Insured unless:

- (A) otherwise specifically stated in the contract, or
- (B) the interest of the Insured in that property is stated in the contract.

4.3 Change of Interest

The Insurer is liable for Claim occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or a change of title by succession, by operation of law or by death.

4.4 Material Change in Risk

- (A) The Insured must promptly give notice in writing to the Insurer or its agent of a change that is
 - (1) material to the risk, and
 - (2) within the control and knowledge of the Insured.
- (B) If an Insurer or its agent is not promptly notified of a change under sub paragraph (A) of this condition, the contract is void as to the part affected by the change.
- (C) If an Insurer or its agent is notified of a change under subparagraph (A) of this condition, the Insurer may
 - (1) terminate the contract in accordance with Statutory Condition 4.5, or
 - (2) notify the insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within fifteen (15) business days after receipt of the notice, pay to the Insurer an additional premium specified in the notice.
- (D) If the Insured fails to pay an additional premium when required to do so under subparagraph (C)(2) of this condition, the contract is terminated at that time and Clause 4.5 (B)(1) applies in respect of the unearned portion of the premium.

4.5 Termination of Insurance

- (A) This contract may be terminated,
 - (1) by the Insurer giving to the Insured fifteen (15) days' notice of termination by registered mail or five (5) days written notice of termination personally delivered; or
 - (2) by the Insured at any time on request.
- (B) If the contract is terminated by the Insurer,
 - (1) the Insurer must refund the excess of premium actually paid by the Insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
 - (2) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- (C) If the contract is terminated by the Insured, the Insurer must refund as soon as practicable by way of certified cheque, bank draft, money order or wire transfer the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- (D) The 15-day period referred to in Clause 4.5 (A)(1) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address. Cancellation is subject to the minimum premium, if applicable, shown in the Risk Details.

4.6 Requirements After Claim

- (A) On the happening of any Claim to Property Insured, the Insured must, if the Claim is covered by the contract, in addition to observing the requirements of Clause 4.9,
- (1) immediately give notice in writing to the Insurer,
 - (2) deliver as soon as practicable to the Insurer a proof of Claim in respect of the Claim to the Property Insured verified by statutory declaration
 - (A) giving a complete inventory of that property and showing in detail quantities and costs of that property and particulars of the amount of Claim claimed,
 - (B) stating when and how the Claim occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
 - (C) stating that the Claim did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,
 - (D) stating the amount of other insurances and the names of other Insurers,
 - (E) stating the interest of the Insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
 - (F) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
 - (G) stating the place where the Property Insured was at the time of Claim,
 - (3) if required by the Insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
 - (4) if required by the Insurer and if practicable,
 - (A) produce books of account and inventory lists,
 - (B) furnish invoices and other vouchers verified by statutory declaration, and
 - (C) furnish a copy of the written portion of any other relevant contract.
- (B) The evidence given, produced or furnished under Clauses 4.6(A)(3) and (4) of this condition must not be considered proofs of Claim within the meaning of Clauses 4.12 and 4.13.

4.7 Fraud

Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Clause 4.6 invalidates the claim of the person who made the declaration.

4.8 Who May Give Notice and Proof

Noticed Claim under Clause 4.6(A)(1) may be given and the proof of Claim under Clause 4.6(A)(2) may be made:

- (A) by the agent of the Insured if:
- (1) the Insured is absent or unable to give the notice or make the proof, and
 - (2) the absence or inability is satisfactorily accounted for, or
- (B) by a person to whom any part of the insurance money is payable, if the insured refuses to do so, or in the circumstances described in subparagraph (A) of this condition.

4.9 Salvage

- (A) In the event of Claim to Property Insured, the Insured must take all reasonable steps to prevent further Claim to that property and to prevent Claim to other property insured under the contract, including, if necessary, removing the property to prevent Claim or further Claim to the property.
- (B) The Insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the Insured under Clause 4.9(A) of this condition.

4.10 Entry, Control, Abandonment

After Claim to Property Insured, the Insurer has

- (A) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimated the Claim, and
- (B) after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the Claim, but
 - (1) without the Insured's consent, the Insurer is not entitled to the control or possession of the Insured Property, and
 - (2) without the Insurer's consent, there can be no abandonment to it of the Insured Property.

4.11 In Case of Disagreement

- (A) In the event of disagreement as to the value of the Insured Property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the Claim, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act whether or not the Insured's right to recover under the contract is disputed, and independently or all other questions.
- (B) There is no right to a dispute resolution process under this condition until:
 - (1) a specific demand is made for it in writing, and
 - (2) the proof of Claim has been delivered to the Insurer.

4.12 When Claim Payable

Unless the contract provides for a shorter period, the Claim is payable within sixty (60) days after the proof of Claim is completed in accordance with Clause 4.6 and delivered to the Insurer.

4.13 Repair or Replacement

- (A) Unless a dispute resolution process has been initiated, the Insurer, instead of making payment, may repair, rebuild or replace the Insured Property lost or damaged, on giving written notice of its intention to do so within thirty (30) days after receiving the proof of Claim.
- (B) If the Insurer gives notice under subparagraph (a) of this condition, the Insurer must begin to repair, rebuild or replace the property within forty-five (45) days after receiving the proof of Claim and must proceed with all due diligence to complete the work within a reasonable time.

4.14 Action

Every action or proceeding against the Insurer for the recovery or any claim shall be absolutely barred unless commenced within one year after the Claim occurs, unless legislation provides otherwise.

4.15 Notice

- (A) Written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the province.
- (B) Written notice to the Insured may be personally delivered at, or sent by registered mail addressed to, the Insured's last known address as provided to the Insurer by the Insured.

The Insured is requested to read this Policy, and if incorrect, return it immediately for alteration. In the event of an Occurrence likely to result in a claim under this Insurance, immediate notice should be given to the Canadian Intermediary designated above.

S.P.F. #6- Non-Owned Automobile Endorsement

In consideration of the payment of the premium specified in Risk Details and of the statements contained in the application and subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated

Section A- Third Party Liability

The Insurer agrees to indemnify the Insured for all sums which the Insured may become legally obligated to pay for loss or damage arising from the use or operation of any automobiles not owned in whole or in part by, or registered in the name of the Insured and resulting from:

- (A) BODILY INJURY TO OR THE DEATH OF ANY PERSON OR DAMAGE TO PROPERTY OF OTHERS IN THE CARE, CUSTODY OR CONTROL OF THE INSURED.

Provided always the Insurer shall not be liable under this endorsement:

- (1) For the liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual, or
- (2) For any liability imposed upon any person insured by this endorsement:
 - By any workers' compensation law;
 - For Bodily Injury to or the death of the Insured or any partner, officer or Employee while engaged in the business of the Insured.
- (3) For any liability voluntarily assumed by any person insured by this endorsement under any oral Contract;
- (4) For loss or damage to property carried in or upon any automobile personally driven by any person insured by this endorsement or to any property owned or rented by, or in the care, custody or control of any such person;
- (5) For any amount in the excess of the amount stated in the Risk Details exclusive of interests and costs, for loss or damage resulting from Bodily Injury to or the death of one or more persons, regardless of the number of Claims arising from any one accident and subject to the provisions of the section of the Insurance Act relating to the nuclear energy hazard.

Additional Agreements of the Insurer

Where indemnity is provided by this endorsement, the Insurer further agrees:

- (A) upon receipt of notice of loss or damage caused to persons or property to serve any person insured by this endorsement by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting Claims, as may be deemed expedient by the Insurer; and
- (B) to defend in the name and on behalf of any person insured by this endorsement and at the cost of the Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and
- (C) to pay all costs taxed against any person insured by this endorsement in any civil action defended by the Insurer and any interest accruing after entry of judgment upon that part of the judgment which is within the limits of the Insurer's liability; and
- (D) if the injury is to a person, reimburse any person insured by this endorsement for outlay for such medical aid as may be immediately necessary at the time of such injury; and
- (E) be liable up to the minimum limit(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than the limit stated in the Risk Details; and
- (F) not set up any defense to a claim that might not be set up if the endorsement were a motor vehicle liability policy issued in the province or territory of Canada in which the accident occurred.

Agreements of Insured

Where indemnity is provided by this section, every person insured by this endorsement

- (A) by the acceptance of this endorsement, constitutes and appoints the Insurer his irrevocable attorney to appear and defend in any province or territory of Canada in which action is brought against the Insured arising out of the use or operation of an automobile with respect to which insurance is provided hereunder; and
- (B) shall reimburse the Insurer, upon demand, in the amount which the Insurer has paid by reason of the provisions of any statute relating to automobile insurance and which the Insurer would not otherwise be liable to pay under this endorsement.

General Provisions and Definitions**(A) ADDITIONAL INSURED**

The Insurer agrees to indemnify in the same manner and to the same extent as if named herein as the Insured, every partner, officer or Employee who, with the consent of the owner thereof, personally drives

- (1) In the business of the Insured, any automobile not owned in whole or in part by or licensed in the name of
 - (A) the Insured; or
 - (B) such additional insured person; or
 - (C) any person or persons residing in the same dwelling premises as the Insured or such additional insured person; or
- (2) Any automobile hired or leased in the name of the Insured except an automobile owned in whole or in part or licensed in the name of such additional insured person.

(B) TERRITORY

This endorsement applies only to the use or operation of automobiles within Canada or the United States of America or upon a vessel plying between ports of those countries.

(C) HIRED AUTOMOBILES DEFINED

The term Hired Automobiles as used in this endorsement means automobiles hired or leased from others with or without drivers, used under the control of the Insured in the business of the Insured but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or Employee.

(D) AUTOMOBILES OPERATED UNDER CONTRACT DEFINED

The term Automobiles Operated under Contract as used in this endorsement means automobiles operated in the business of the Insured where the complete supervision, direction and control of such automobiles remain with the owner thereof, but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or Employee.

(E) TWO OR MORE AUTOMOBILES

When two or more automobiles are insured hereunder the terms of this endorsement shall apply separately to each, but a motor vehicle and a trailer or trailers attached thereto shall be held to be one automobile as respects Limit of Liability under Section A.

(F) PREMIUM ADJUSTMENT

The Advance Premium stated in the Liability Schedule is computed on:

- (1) The estimated total cost of hire for the Policy Period. The words cost of hire mean the entire amount incurred for Hired Automobiles and drivers when such automobiles are hired with drivers or the amount incurred for hired automobiles and the wages paid to drivers when such drivers are employees of the Insured; and
- (2) The estimated total contract cost for the Policy Period. The words contract cost mean the entire amount paid by the Insured for Automobiles Operated under Contract to the owners thereof.

The Advance Premium is subject to adjustment at the end of the Policy Period when the Insured shall deliver to the Insurer a written statement of the total amounts expended for cost of hire during the Policy Period. If such amounts exceed the estimates stated in the application, the Insured shall immediately pay additional premium at the rates applicable thereto; if less, the Insurer shall return to the Insured the unearned premium when determined but the Insurer shall, in any event, receive or retain not less than the Minimum and Retained Premium.

The Insurer shall have the right and opportunity, whenever the Insurer so desires, to examine the books and records of the Insured to the extent they relate to the premium bases or the subject matter of this endorsement.

(G) STATUTORY CONDITIONS

The coverage provided under this Coverage is subject to the Automobile Statutory Conditions approved by the Superintendent of Insurance for the province in which this policy is issued and upon request the Insurer will make available a complete copy of same.

Limit of Liability

CAD **As per Risk Details** (Exclusive of interests and costs) Any One Accident

Deductible Amount

CAD **As per Risk Details** Per Accident

Except as otherwise provided in this Endorsement, all terms, provisions and conditions of the Policy shall have full force and effect.

S.E.F. #94- Legal Liability for Damage to Hired Automobiles Endorsement

(for attachment only to a Non-Owned Policy S.P.F. No.6)

In consideration of the premium herein stated, it is understood and agreed that the Non-Owned Automobile Endorsement to which this endorsement is attached is extended, subject always to the condition that the Insurer shall be liable under the subsection or subsections of the Insuring Agreement hereof for which a premium is stated and no other.

Section B - Legal Liability for Damage to Hired Automobile

The Insurer agrees to indemnify the Insured against the liability imposed by law upon the Insured or assumed by him under any Contract for loss or damage arising from the care, custody or control of Hired Automobiles as defined in the Non-Owned Automobile Liability Coverage Endorsement and resulting from loss or damage thereto, caused by All Perils.

All Perils and Deductible Clause

Each Occurrence causing loss or damage covered herein, except loss or damage caused by fire or lightning or theft of the entire automobile, shall give rise to a separate claim in respect of which the Insurer's liability shall be limited to the amount of loss or damage in excess of the amount deductible, if any, stated herein.

Two or More Automobiles

A motor vehicle and one or more trailers or semi-trailers attached thereto shall be held to be separate automobiles with respect to the Limit of Liability, including deductible provision, if any, under this Insuring Agreement.

Exclusions

The Insurer shall not be liable:

- (A) for loss or damage to any automobile while personally driven by the Insured if the Insured is an individual; or
- (B) for loss or damage:
 - (1) to tires or consisting of or caused by mechanical fracture or breakdown of any part of an automobile or by rusting, corrosion, wear and tear, freezing or explosion within the combustion chamber, unless the loss or damage is coincident with other loss or damage covered herein or is caused by fire, theft or malicious mischief; or
 - (2) to any automobile while being used without the consent of the owner thereof; or
 - (3) caused directly or indirectly by contamination by radioactive material; or
 - (4) to contents of trailers or to rugs or robes; or
 - (5) to tapes, CDs, DVDs and equipment for use with such tape recorder, CD player or DVD player when detached therefrom; or
 - (6) caused directly or indirectly by bombardment, invasion, insurrection, civil war, rebellion, revolution, military or usurped power, or by the operation of armed forces while engaged in hostilities whether war be declared or not; or
 - (7) for any amount in excess of the limit stated herein and expenditures provided for in the Additional Agreements of the Non-Owned Automobile Liability Coverage Endorsement.

Additional Agreements

The Insurer further agrees to pay general average, salvage and fire department charges and custom duties of Canada or of the United States of America for which the Insured is legally liable.

Limit of Liability

CAD **As per Risk Details** (Exclusive of interests and costs) Any One Accident

Deductible Amount

CAD **As per Risk Details** Per Accident

Except as otherwise provided in this Endorsement, all terms, provisions and conditions of the Policy shall have full force and effect.

S.E.F. #99 - Long Term Leased Vehicle Exclusion Endorsement

(for attachment only to a Non-Owned Policy S.P.F. No.6)

In consideration of the premium specified in the Risk Details, it is understood and agreed that Clause (C)- Hired Automobiles Defined of the General Provisions and Definitions of the S.P.F. #6- Non-Owned Automobile Policy is hereby amended to read as follows:

The term Hired Automobiles as used in this endorsement means

- (a) automobiles hired or leased from others with drivers; or
- (b) hired or leased by the Named Insured from others without driver for periods not exceeding 30 days

used under the control of the Insured in the business of the Insured, but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or Employee.

Except as otherwise provided in this Endorsement, all terms, provisions and conditions of the Policy shall have full force and effect.

S.E.F. NO. 96

CONTRACTUAL LIABILITY ENDORSEMENT

(For attachment only to a Non-Owned Rider SPF No . 6)

In consideration of the premium charged it is understood and agreed that exclusion (c) of the Insuring Agreement of the Policy to which this endorsement is attached is amended to read as follows:

(c) For any liability assumed by any person insured by this policy voluntarily under any contract or agreement other than those stated below:

Date(s) of contract(s)

Name(s) of other contracting party or parties

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS REM AIN UNALTERED

Fire Fighting Expense Liability Endorsement

The Insurer will pay on behalf of the Insured those expenses which the Insured becomes obligated to pay for liability imposed upon the Insured by law or statute pursuant to the relevant provisions of the Forest and Prairie Protection Act of Alberta or the equivalent legislation in any Province in Canada or of any State of the United States of America but only as respects the costs to others of controlling or extinguishing forest or prairie fires.

Exclusions

Coverage granted herein shall not extend to cover:

- (A) any Fire Fighting Expenses of the Insured, its Employees or agents;
- (B) any Fire Fighting Expenses of a contractor or subcontractor engaged by the Insured at the time loss first occurs;
- (C) liability assumed by the Insured under any Contract, except liability of the Insured that would have existed in the absence of such Contract; or
- (D) any Action brought against any of the Insureds by any other Insured or Insureds under this Policy in respect to the recovery of Fire Fighting Expenses.

Limits of Liability

The Limit of Liability stated in the Risk Details as applicable to each Occurrence is the Limit of the Insurer's liability hereunder for all sums on account of one Occurrence.

Except as otherwise provided in this Endorsement, all terms, provisions and conditions of the Policy shall have full force and effect.

Medical Payments

The Insurer agrees to pay medical expenses described below for Bodily Injury caused by an accident on premises the Insured owns or rents; on ways next to such premises; or arising out of the Insured's operations; provided that the accident takes place during the Policy Period and the expenses are incurred within one year of the date of the accident.

The Insurer will make these payments regardless of fault. The Insurer will pay reasonable expenses for first aid at the time of an accident; necessary medical, surgical, x-ray and dental services, including prosthetic devices; necessary ambulance, hospital, professional nursing and funeral services.

Exclusions

The Insurer will not pay expenses for Bodily Injury:

- (A) to an Insured or a person hired to do work for or on behalf of any Insured or a tenant of any Insured;
- (B) to a person injured on that part of the Named Insured's premises the person occupies;
- (C) to a person who at the time of injury is entitled to benefits under any worker's compensation or disability benefits law or similar law;
- (D) included within Products Liability or Completed Operations Liability; or
- (E) whereby the payment of which is prohibited by Applicable Law.

Limits of Liability

The Limit of Liability for Each Person stated in the Risk Details is the limit of the Insurer's liability for all expenses incurred by or on behalf of one person who sustains Bodily Injury in any one accident. The Limit of Liability for Each Accident stated in the Risk Details is the total limit of the Insurer's liability for all expenses incurred by or on behalf of two or more persons who sustain Bodily Injury in any one accident.

Except as otherwise provided in this Endorsement, all terms, provisions and conditions of the Policy shall have full force and effect.

Blanket Additional Insured Endorsement

Notwithstanding anything to the contrary contained in this Policy and subject to the conditions contained in this Policy, that if required by a written contract or agreement Section 2.2- Parties Insured shall be amended to include as an Additional Insured any person(s) or organization(s), but only with respect to liability for Bodily Injury, Property Damage or Personal and Advertising Injury caused in whole or in part, by the acts or omissions of or on behalf of the Named Insured:

- (A) in the performance of ongoing operations; or
- (B) in connection with any premises owned by or rented to the

Named Insured. However, the insurance afforded to such Additional

Insured:

- (A) only applies to the extent permitted by law; and
- (B) will not be broader than that required by the written contract or agreement.

Limits of Liability

The Limit of Liability afforded to the Additional Insured shall be the lesser of the:

- (A) amount of insurance required by written contract or agreement; or
- (B) Limit of Liability applicable to each Occurrence and shall not increase the Combined Single Limit for any one Occurrence under this Policy and is subject to the remaining balance of the applicable Annual Aggregate limit.

Except as otherwise provided in this Endorsement, all terms, provisions and conditions of the Policy shall have full force and effect.

United States of America Jurisdiction Clause

Notwithstanding anything contained herein to the contrary it is understood and agreed that this Policy is amended to apply in respect of any judgement award payment or settlement made within countries which operate under the laws of the United States of America (including any order made anywhere in the World to enforce such judgement award payment or settlement either in whole or part) or in respect of legal costs fees and expenses pertaining thereto

Provided always that

- 1) the Underwriters shall not provide indemnity in respect of any company domiciled or registered in the United States of America its territories or possessions

- 2) in respect of legal liability of the Assured arising under lawsuits brought in or subject to the jurisdiction of any Court of Law in the United States of America its territories or possessions and its judgements or orders obtained in the aforesaid Courts for enforcement in any other Court of Law whether by way of reciprocal agreement conventions or otherwise
 - (A) The Limits of Indemnity as stated in the Schedule are inclusive of all legal costs fees and expenses

Subject otherwise to the Terms Conditions Limitations and exclusions of the Policy

Commercial Insurance Submission

Mantle Materials Group Ltd

9046 22 Avenue SW
Edmonton, AB T6X 1Z6

Name	Title	Phone	Email
Lindsay Guindon	Risk Advisor	(780) 930-3872	lguindon@lloydsadd.com
Adam Fowler	Partner, Senior Risk Advisor	(780) 930-8906	afowler@lloydsadd.com
Meagan St.Pierre	Account Manager	(780) 930-3806	mstpierre@lloydsadd.com

Lloyd Sadd Insurance Brokers Ltd.
Suite 700, 10240 - 124 Street
Edmonton, AB T5N 3W6

Index

Index	2
Client Profile	3
Location Schedule.....	5
Additional Interests	6
Property.....	7
Business Interruption	8
Contractors Equipment	9
Crime	11
General Liability.....	12
Automobile - Scheduled	14
Driver Schedule.....	15
Automobile – Fleet (Alberta)	16
Umbrella Liability.....	18
Motor Truck Cargo.....	19

Client Profile

Named Insured(s)

Mantle Materials Group Ltd
Refer to Schedule of Named Insureds

Underwriting Details

Mailing Address: 9046 22 Avenue SW, Edmonton, AB, T6X 1Z6

Territory: All over Alberta, especially Northern Alberta

Operations: Gravel crushing, aggregate

Contact Information for Inspection: Adam Fowler, Lloyd Sadd Insurance Brokers Ltd.
(780) 930-8906

Incumbent Insurer(s): This is new business

Effective Date: October 16, 2020

Additional Client Information

Operation Details/Notes

Mantle Materials Group was started in September 2016. JMB Crushing went into receivership in the summer of 2020. From this process, JMB management (CFO, senior management, safety) and private financing bought a significant amount of the JMB assets. They formed Mantle Materials Group.

Mantle will operate a few pits and start small with a few contracts.

Revenue

Gravel Sales & Crushing - \$3MM

Gravel Trucking - \$3MM

Mantle will be carrying on the same operations as JMB; gravel holdings, gravel trucking, gravel crushing, with more emphasis on sub-contracting in 2021. We will subcontract all crushing and earthworks requirements. Mantle may eventually purchase a small fleet of trucks but that decision has not been made. The emphasis will be sub-contracting out the majority of the risks.

Mantle will only utilize two wheel loaders and 2-3 pick up trucks to start. The rest of the equipment on the asset schedule will be stored in the Mantle Bonnyville yard with the purpose to sell or auction. This yard is occupied under business hours and is fenced, alarmed etc. This area is well populated. There will be no USA exposure or activity outside of Alberta.

Location Schedule

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

No.	Address
1	REFER TO STATEMENT OF VALUES

Additional Interests

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Applicable Coverage

Additional Interests

REFER TO ADDITIONAL INTERESTS SCHEDULES

Property

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Coverage Detail

	Deductible	Limit
Office Contents	\$2,500	\$50,000
Employee Tools	\$2,500	\$29,700
Shop Contents Including Equipment	\$2,500	\$200,000
Electronic Data Processing - Equipment	\$2,500	\$25,000
Electronic Data Processing - Media	\$2,500	\$25,000

Coverages	Deductible	Limit
All Risks of Direct Physical Loss or Damage subject to Insurers Standard Exclusions		
Replacement Cost Settlement Basis except Stock, which is Actual Cash Value Settlement		
90% Co-Insurance		
Standard Mortgage Clause - If Applicable		
Earthquake	5% \$100,000 Minimum	Included
Flood	\$25,000	Included
Sewer Back-up	\$5,000	Include
Water Damage	\$5,000	Included

Additional Coverages	Deductible	Limit
Accounts Receivable		\$100,000
Debris Removal - Additional Amount		\$250,000
Fire Department Service Charges		\$25,000
Newly Constructed or Acquired Property		\$1,000,000
Professional Fees		\$100,000
Property at Installation Site		\$50,000
Property In Transit		\$100,000
Property In Transit By Governmental Postal Service		\$5,000
Valuable Papers And Records Costs Of Research		\$100,000

Amendments, Limitations and Exclusions
Data Exclusion
Fungi and Fungal Derivatives Exclusion
Terrorism Exclusion

Coverage is subject to terms, conditions and exclusions as shown in the policy declarations.

This document is a summary of your coverages. It does not include a full listing of all extensions or exclusions. These are more fully described in your policy wordings.

Business Interruption

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Coverage Detail

Coverage	Deductible	Limit
Business Income - Extended Form (Profits) Indemnity Period - 18 Months		\$3,800,000
Profits Deductible - 24 Hours Waiting Period (100% Co-Insurance)		
Extra Expense		As per statement of value

Additional Coverages	Deductible	Limit
Civil Authority - 30 Consecutive Days: 72 Hours Waiting Period		
Newly Acquired Premises		\$1,000,000
Professional Fees		\$25,000
Transit Business Income		\$25,000
Utility Services - 24 Consecutive Hours Waiting Period		\$50,000
Undescribed Premises		\$25,000
Ingress/Egress - 30 Consecutive Days: 24 Hours Waiting Period - Included		

Coverage is subject to terms, conditions and exclusions as shown in the policy declarations.

This document is a summary of your coverages. It does not include a full listing of all extensions or exclusions. These are more fully described in your policy wordings.

Contractors Equipment

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Coverage Detail

Coverage - Refer to Contractors Equipment Schedule				
Coverage	Basis of Settlement	Deductible Amount	Amount of Insurance	
Scheduled Gravel Crushing Equipment - CAD	Replacement Cost - 5 years old & newer otherwise ACV	Refer to Additional Coverages	\$1,439,500	
Mobile Equipment	Replacement Cost - 5 years old & newer otherwise ACV	Refer to Additional Coverages	\$2,484,000	
Unscheduled Rented, Leased or Borrowed Equipment	Replacement Cost - 5 years old & newer otherwise ACV	Refer to Additional Coverages	\$1,000,000	
Miscellaneous Tools & Equipment	Replacement Cost - 5 years old & newer otherwise ACV	1,000	\$35,000	
Total Insured Value (TIV)			\$4,958,500	

Other Limits/Coverage	Deductible	Limit
Loss or Catastrophe Limit		\$5,000,000
Ice and Muskeg		Included
Automatic Coverage for Newly Acquired Property - Maximum Value		\$250,000
Rental Reimbursement	72 Hours	\$50,000
Co-Insurance		100%

Additional Coverages	Deductible	Limit
Pollutant Clean-up and Removal		\$25,000
Scheduled Contractors Tools and Equipment valued <\$100,000		
Deductible		
- 5%/Min. \$2,500		
Scheduled Contractors Tools and Equipment valued \$100,001 - \$250,000		
Deductible		
- 5%/Min. \$7,500		
Scheduled Contractors Tools and Equipment valued \$250,001 - \$400,000		
Deductible		
- 5%/Min. \$15,000		

Scheduled Contractors Tools and Equipment valued >\$400,001	
Deductible	
- 5%/Min. \$25,000	
Electronic Data Processing Data and Media	\$50,000
Expediting Expenses	\$25,000
Fire Protective Equipment Discharge	\$25,000
Hauling Property of Others	\$50,000
Business Personal Property in Job Trailers	\$10,000
Expendable Supplies	\$1,000
Debris Removal - Additional Amount	\$25,000
Employee Tools, Equipment and Clothing	
- Any One Item - \$1,000 Limit	
Any One Employee - \$2,500 Limit	
Any One Occurrence - \$5,000 Limit	
Fire Department Service Charge	\$25,000
Professional Fees	\$5,000
Valuable Papers and Records - Cost of Research	\$50,000

Additional Interests

Refer to Loss Payee/Lessor Schedule

Coverage is subject to terms, conditions and exclusions as shown in the policy declarations.

This document is a summary of your coverages. It does not include a full listing of all extensions or exclusions. These are more fully described in your policy wordings.

Crime

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Coverage Detail

Coverage	Deductible	Limit
Employee Dishonesty		\$10,000
Broad Form Money and Securities		\$2,500
Forgery or Alteration		\$10,000

Coverage is subject to terms, conditions and exclusions as shown in the policy declarations.

This document is a summary of your coverages. It does not include a full listing of all extensions or exclusions. These are more fully described in your policy wordings.

General Liability

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Coverage Detail

Coverage	Deductible	Per Occurrence	Annual Aggregate
Commercial General Liability - Occurrence			
Combined Bodily Injury/Property Damage	\$2,500	\$2,000,000	
General Aggregate			\$5,000,000
Products and Completed Operations			\$2,000,000
Personal Injury and Advertising	\$2,500	\$2,000,000	
Medical Payments	Each Person	\$25,000	
Tenants Legal Liability	\$2,500	\$2,000,000	
Employee Benefits Liability -	Per Claim	\$1,000	\$1,000,000
	Each Employee Limit	\$1,000,000	
SPF 6 - Standard Non-Owned Automobile		\$2,000,000	
SEF 94 - Legal Liability for Damage to Hired Automobiles	\$1,000	\$50,000	
Endorsement			
Type of Vehicles Covered:			
	Light Trucks		
	Passenger Vans		
SEF 96 - Contractual Liability Endorsement			
SEF 99 - Excluding Long Term Leased Vehicle Endorsement			
Sudden & Accidental Pollution Liability	\$5,000	\$2,000,000	\$2,000,000
"Discovery: 120 Hours			
Reporting: 120 Hours			

Additional Coverages	Deductible	Limit
Fire Fighting Expenses Liability Coverage	\$5,000	\$1,000,000
Blanket Additional Insured		
- Persons or Organizations for your Ongoing Operations as Required By		
Written Contract or Agreement		

Amendments, Limitations and Exclusions

Data Exclusion
Exclusion - Unsolicited Communication
Fungi and Fungal Derivatives Exclusion
Silica Exclusion
Terrorism Exclusion

Coverage is subject to terms, conditions and exclusions as shown in the policy declarations.

This document is a summary of your coverages. It does not include a full listing of all extensions or exclusions. These are more fully described in your policy wordings.

Automobile - Scheduled

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Coverage Detail

Vehicle Schedule														
Veh #	Year, Make & Model	Serial Number	LPN	Class Code	Territory	*Radius	Attached Equipment	Third Party Liability Limit	All Perils Deductible	Collision or Upset Deductible	Comprehensive Deductible	Specified Perils Deductible	Endorsements	Premium
1	REFER TO SCHEDULE							Not Covered						
Total Premium														\$

***Radius**

- A - operating within a 25 mile (40 km) radius
- B - operating within a 50 mile (80 km) radius
- C - operating within a 100 mile (160 km) radius
- D - operating over a 100 mile (160 km) radius within Canada
- E - operating in USA

Endorsements

REFER TO SCHEDULE

Coverage is subject to terms, conditions and exclusions as shown in the policy declarations.

This document is a summary of your coverages. It does not include a full listing of all extensions or exclusions. These are more fully described in your policy wordings.

Driver Schedule

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Name	Date of Birth	Driver's License No.	Date First Licensed	Date Hired	Date of MVR
REFER TO SCHEDULE					

Automobile – Fleet (Alberta)

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Coverage Detail

Third Party Liability Limit	Refer to Scope of Coverage
Accident Benefits	As Required By Law
Section C – Physical Damage	Refer to Scope of Coverage
Schedule of Vehicles	Refer to Attached
Schedule of Drivers	Refer to Attached

SCOPE OF COVERAGE - Alberta						
Type of Use or Description of Automobiles	Third Party Liability Limit	All Perils Deductible	Collision Deductible	Comprehensive Deductible	Specified Perils Deductible	Unit Premium
Heavy Commercial Vehicles	\$2,000,000	\$10,000	Included	Included	Included	
Dump Trucks	\$2,000,000	\$7,500	Included	Included	Included	
Water Trucks	\$2,000,000	\$10,000	Included	Included	Included	
Medium Commercial Vehicles - 2014 and Older	\$2,000,000	Not Covered	Not Covered	Not Covered	Not Covered	
Light Commercial Vehicles - 2016 and Newer	\$2,000,000	\$1,000	Included	Included	Included	
Private Passenger Vehicles	\$2,000,000	\$5,000	Included	Included	Included	
ATV'S	\$2,000,000	\$2,500	Included	Included	Included	
Heavy Commercial Trailers	\$2,000,000	\$5,000	Included	Included	Included	
Dump Trailers	\$2,000,000	\$5,000	Included	Included	Included	
SEF 27 - Non-Owned Heavy Commercial Units - \$200,000 Limit	\$2,000,000	\$8,000	Included	Included	Included	
SEF 27 - Permission to Pull Non-Owned Trailers - \$80,000 Limit	\$2,000,000	\$5,000	Included	Included	Included	
Light Commercial Vehicles - 2014 and Older	\$2,000,000	Not Covered	Not Covered	Not Covered	Not Covered	

Endorsements

21B Blanket Basis Fleet Endorsement - Adjustment Basis

Additional Interests

REFER TO ADDITIONAL INTERESTS SCHEDULES

Coverage is subject to terms, conditions and exclusions as shown in the policy declarations.

This document is a summary of your coverages. It does not include a full listing of all extensions or exclusions. These are more fully described in your policy wordings.

Umbrella Liability

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Coverage Detail

Coverage		Limit
Umbrella Liability	Each Claim	\$8,000,000
	Aggregate	\$8,000,000
Coverage Form:		Occurrence

Deductibles / Self Insured Retention	Limit
Each Claim	\$10,000

Underlying Coverage						
Coverage Type	Insurer	Policy No.	Effective Date	Expiry Date	Limit	Currency
Commercial General Liability	Travelers Insurance Company of Canada				\$2,000,000	CAD
SPF6 - Non-Owned Automobile Liability	Travelers Insurance Company of Canada				\$2,000,000	CAD
SPF1 - Owned Automobile	Travelers Insurance Company of Canada				\$2,000,000	CAD

Coverage is subject to terms, conditions and exclusions as shown in the policy declarations.

This document is a summary of your coverages. It does not include a full listing of all extensions or exclusions. These are more fully described in your policy wordings.

Motor Truck Cargo

Insurance Company: Travelers Insurance Company of Canada

Policy Term: September 30, 2020 to September 30, 2021

Coverage Detail

Coverage	Deductible	Limit	Catastrophe Limit
Motor Truck Cargo Owners and Carriers	\$5,000	\$1,000,000	\$1,000,000

Extensions / Additional Coverages	Deductible	Limit
Loading & Unloading		Included
Debris Removal		\$10,000
Earned Freight Charges		\$10,000
Temporary Location		Not Covered

Coverage is subject to terms, conditions and exclusions as shown in the policy declarations.

This document is a summary of your coverages. It does not include a full listing of all extensions or exclusions. These are more fully described in your policy wordings.

STATEMENT OF VALUES

MANTLE MATERIALS GROUP LTD

SEPTEMBER 30, 2020 - SEPTEMBER 30, 2021

NO.	LOCATION	CONSTRUCTION DETAILS	PROPERTY				COMPUTER EQUIPMENT			BUSINESS INTERRUPTION	
			SHOP CONTENTS INCLUDING EQUIPMENT	OFFICE CONTENTS	EMPLOYEE TOOLS	TOTAL	HARDWARE	SOFTWARE: DATA	TOTAL	PROFITS (18 MONTHS)	EXTRA EXPENSE
1	NW 20-61-5 W4M (PL 8120456) Junction of SH 660 & RR 455 Bonnyville, AB T9N 2H4	Walls: Frame/Concrete Height: 1 Storey - 2 Buildings plus Atco trailer Roof: Frame Heating: Forced Air Year Built: TBA Fenced Perimeter Sprinklers: TBA Total sq. ft.: Insd. Area: Insured's Occupancy: Shop/Office Other Occupants: None Upgrades: Security and Signage	\$ 200,000	\$ 40,000	\$ 29,700	\$ 269,700	\$ 25,000	\$ 25,000	\$ 50,000	\$ 3,800,000	\$ 250,000
2	9046 22 Ave SW, Edmonton AB (Leased Location)	Walls: Concrete & Steel Height: TBA Roof: TBA Heating: Forced Air Year Built: TBA Sprinklers: TBA Total sq. ft.: TBA Insd. Area: 2298 Insured's Occupancy: Office Other Occupants: TBA Upgrades: TBA		\$ 10,000		\$ 10,000					\$ 50,000
TOTALS			\$ 200,000	\$ 50,000	\$ 29,700	\$ 279,700	\$ 25,000	\$ 25,000	\$ 50,000	\$ 3,800,000	\$ 300,000

ALL VALUES SHOWN ARE IN CANADIAN CURRENCY

CONTRACTORS EQUIPMENT SCHEDULE - CANADA

MANTLE MATERIALS GROUP LTD

SEPTEMBER 30, 2020 - SEPTEMBER 30, 2021

NO.	UNIT	DESCRIPTION	SERIAL NUMBER	VALUE	LOSS PAYEE/LESSOR
GRAVEL CRUSHING EQUIPMENT					
1	CY102	1999 Elrus 36x125 Radial Conveyor Aggregate Stacker	ER99PC1524	\$ 50,000	Fiera Private Debt
2	JS100	2002 Elrus M2943 jaw-screener, c/w 22x36 Jaw & 2007 Elrus 5x16 3-deck screener	M2943ER02JP & M416ER0780	\$ 175,000	Fiera Private Debt
3	PV100	2004 Cutler Hammer Aggregate Switch Gear & Elrus 6x10 Control Tower (Housed in Auto Unit PV100 - 1997 Great Dane 53' Trailer)	M3242ER03CT (tower)	\$ 47,000	Fiera Private Debt
4	SB100	2004 Elrus 25 cu yd. Aggregate Surge Bin c/w conveyors	M3461ER04SB	\$ 35,000	Fiera Private Debt
5	CY101	2004 Elrus 36x60 Aggregate Conveyor	M3446ER04PC	\$ 22,500	Fiera Private Debt
6	CY100	2004 Elrus 36x60 Aggregate Conveyor c/w Ramsey belt scale	M3445ER04PC	\$ 22,500	Fiera Private Debt
7	SP100	2004 Elrus 6x20 3 Deck Aggregate Screener Plant c/w conveyors	M3499ER04SP (plant) & M349ER04SC (screen)	\$ 100,000	Fiera Private Debt
8	FS300	2006 Fabtec portable feeder-screener plant c/w Cedar Rapids 6x20 screener	P620332506	\$ 100,000	Fiera Private Debt
9	CY007	2006 Powerscreen 36x80 Telescopic Stacker c/w Diesel Engine Aggregate Stacker c/w Cummins diesel	6002232	\$ 25,000	Fiera Private Debt
10	CY103	2006 Thor T150-8 Telescopic Aggregate Conveyor	1846	\$ 110,000	Fiera Private Debt
11	BF100	2007 Clemro 42x48 Heavy Duty Aggregate Belt Feeder	1463-4120	\$ 75,000	Fiera Private Debt
12	JS200	2008 Clemro jaw-screen plant, c/w 20x54 Jaw Aggregate Crusher & 5x18 2-Deck Screener & conveyors	1498-4127 1496-4103	\$ 225,000	Fiera Private Debt
13	CY001	2008 Kolberg-Pioneer 36x125 Telescopic Aggregate Conveyor	407139	\$ 120,000	Fiera Private Debt
14	CY008	2008 Kolberg-Pioneer 36x70 Aggregate Conveyor	408560	\$ 22,500	Fiera Private Debt
15	CY301	2010 CEC 36x40 Radial Aggregate Stacker	36400706-J	\$ 6,500	Fiera Private Debt
16	CY300	2010 CEC 36x60 Radial Aggregate Stacker	30600606-J	\$ 13,500	Fiera Private Debt
17	BF200	2011 Clemro 42x48 Heavy Duty Aggregate Belt Feeder	1679-4599	\$ 85,000	Fiera Private Debt
18	FS200	2011 Clemro 7x20 Chassis 3 Deck Horizontal Aggregate Feeder-Screener	1682-4471 1681-4600	\$ 180,000	Fiera Private Debt
19	CY201	2014 Tyalta 42x60 Aggregate Transfer Conveyor	144260350	\$ 25,000	Fiera Private Debt
GRAVEL CRUSHING EQUIPMENT TOTAL				\$ 1,439,500	

CONTRACTORS EQUIPMENT SCHEDULE - CANADA

MANTLE MATERIALS GROUP LTD

SEPTEMBER 30, 2020 - SEPTEMBER 30, 2021

NO.	UNIT	DESCRIPTION	SERIAL NUMBER	VALUE	LOSS PAYEE/LESSOR
GENERAL ITEMS					
20	GS900	Caterpillar APS800 Diesel Portable Generator (Housed in Auto Unit Cheetah Trailer s/n: 5EF2GC3008B772456)	0DWB006362007	\$ 100,000	Fiera Private Debt
21	FT400	15,000 L ULC Fuel Tank w/skids	641500334999683T	\$ 27,500	Fiera Private Debt
22	GS104	1996 Grizzly 250KW 480V Diesel Generator Set Skid w/Accessories	250-3	\$ 13,500	Fiera Private Debt
23	EX006	1996 Hitachi EX55UR Mini Excavator	1BG-02075	\$ 15,000	Fiera Private Debt
24	GS102	1998 Stamford 60KW Diesel Generator Set	E980749726	\$ 3,500	Fiera Private Debt
25	WL005	1999 Komatsu WA450-3 Wheel Loader	53372	\$ 25,000	Fiera Private Debt
26	FF003	2001 Caterpillar 535B Grapple Skidder	AAE00408	\$ 35,000	Fiera Private Debt
27	FL001	2001 Toyota &FGU30 6,000 LB Forklift	61607	\$ 6,500	Fiera Private Debt
28	CA001	2001 Travco 12x56 5 Unit Side by Side	S1256110530, 31, 32, 33, & 34	\$ 45,000	Fiera Private Debt
29	GS100	2004 Detroit Diesel Series 60 Diesel Gen. Set (Housed in Auto Unit PV100 - 1997 Great Dane 53' Trailer)	06R0753345	\$50,000	Fiera Private Debt
30	TS001	2004 Precision 95-ton 12x80 Super Duty Aggregate Truck Scale	03-1968	\$ 22,500	Fiera Private Debt
31	EX005	2005 Daewoo 470C-V Crawler Excavator	1357	\$ 35,000	Fiera Private Debt
32	DZ003	2006 Caterpillar D6N LCP Dozer	ALY01814	\$ 55,000	Fiera Private Debt
33	LT004	2006 Terex Amida 20KW S/A Light Tower c/w Isuzu/Stamford	4ZJSL151261524939 & GOF24939	\$ 2,000	Fiera Private Debt
34	WL002	2006 Volvo L180E Wheel Loader	L180EV8273	\$ 60,000	Fiera Private Debt
35	CA002	2007 Bold 12x56 Triple Skidded Wellsite Trailer	T06-012	\$ 35,000	Fiera Private Debt
36	CA005	2007 Britco 6 Man Sleeper Trailer	07066-3	\$ 30,000	Fiera Private Debt
37	CA006	2007 Britco 6 Man Sleeper Trailer	07066-8	\$ 30,000	Fiera Private Debt
38	CA007	2007 Britco 6 Man Sleeper Trailer	07066-9	\$ 30,000	Fiera Private Debt
39	TT011	2007 UBB Service Body model WT2300, Attached to: 2007 International , s/n...6957 (JMB unit TT011)	30-70173	\$ 17,500	Fiera Private Debt
40	WL003	2008 Caterpillar 988H Wheel Loader	CAT0988HCBXY02382	\$ 130,000	Fiera Private Debt
41	MG001	2009 Caterpillar 160M Motor Grader	CAT0160MAB9E00358	\$ 90,000	Fiera Private Debt

CONTRACTORS EQUIPMENT SCHEDULE - CANADA

MANTLE MATERIALS GROUP LTD

SEPTEMBER 30, 2020 - SEPTEMBER 30, 2021

NO.	UNIT	DESCRIPTION	SERIAL NUMBER	VALUE	LOSS PAYEE/LESSOR
42	WL020	2009 Volvo L220F Articulated Wheel Loader w/Groeneveld greaser & 9 1/2 yard Craig bucket	VCEL220FP00006937	\$ 75,000	Fiera Private Debt
43	LT003	2011 Ingersoll-Rand 20kW Model Light Tower	4FVLSBDAX6U36	\$ 1,500	Fiera Private Debt
44	WL016	2012 Caterpillar 246C Skid Steer Loader w/72" General Purpose Bucket	CAT0246CVJAY08691	\$ 22,500	Fiera Private Debt
45	EX007	2012 Caterpillar 345D Excavator Backhoe	CAT0345DJEEH01226	\$ 125,000	Fiera Private Debt
46	WL004	2007 Volvo L180E Wheel loader	L180EV8379	\$ 60,000	Fiera Private Debt
47	WL013	2012 Caterpillar 988H Loader	CAT0988HABXY05172	\$ 225,000	Fiera Private Debt
48	TT014	2013 14' Brutus Service Body c/w crane & compressor (attached to JMB unit TT014)	NM12SB3042	\$ 52,500	Fiera Private Debt
49	TT025	2013 Ramsey Model WC80 40-ton Hydraulic Winch; attached equipment TT025	L15912002	\$ 20,000	Fiera Private Debt
50	TT026	2013 Ramsey Model WC80 40-ton Hydraulic Winch; attached equipment TT026	1XPTD40X6DD197601	\$ 20,000	Fiera Private Debt
51	WL017	2013 Volvo L220G Wheel Loader	VCEL220GC00012444	\$ 175,000	Fiera Private Debt
52	WL018	2013 Volvo L220G Wheel Loader	VCEL220GA00012852	\$ 175,000	Fiera Private Debt
53	RT008	2014 Komatsu HM400 Articulated Haul Truck	3384	\$ 185,000	Fiera Private Debt
54	RT009	2014 Komatsu HM400 Articulated Haul Truck	3576	\$ 185,000	Fiera Private Debt
55	RT010	2014 Komatsu HM400 Articulated Haul Truck	3420	\$ 185,000	Fiera Private Debt
56	LT008	2014 Wacker Neuson 20KW WG/LD Light Tower	20239723	\$ 6,000	Fiera Private Debt
57	LT009	2014 Wacker Neuson 20KW WG/LD Light Tower	20239727	\$ 6,000	Fiera Private Debt
58	LT010	2014 Wacker Neuson 20KW WG/LD Light Tower	20241937	\$ 6,000	Fiera Private Debt
59	GS301	2014 Wacker Neuson G100 80KW/100kVA Aggregate Generator Set	20278208	\$ 13,500	Fiera Private Debt
60	TS003	2015 PGSI 11x90 Aggregate Truck Scale w/Rub Rails	15-589	\$ 40,000	Fiera Private Debt
61	CA008	2015 Stratis 2500-gallon Water Storage Unit	SOSWS035	\$ 5,500	Fiera Private Debt
62	FT100	Envirotank Double-wall Skid 15,000 Litre Fuel Tank		\$ 10,500	Fiera Private Debt
63	TV200	Shopbuilt Skid Mounted Parts Building Trailer		\$ 3,000	Fiera Private Debt
64	LT011	Frontier Light Tower 20kW	S/N PTS2002-33	\$ 2,000	Fiera Private Debt
65	LT012	2006 Ingersoll Rand Light Source 6kW Light Tower	372495UFQC13	\$ 1,500	Fiera Private Debt
66	FT001	1000gal Fuel Tank DW Westeel w/ 3/4 in pump kit FR700V on HD Skid 264683HD	671301089	\$ 5,500	Fiera Private Debt
67	FT002	1000gal Fuel Tank DW Westeel w/ 3/4 in pump kit FR700V on HD Skid 264683HD	671502620	\$ 5,500	Fiera Private Debt

CONTRACTORS EQUIPMENT SCHEDULE - CANADA

MANTLE MATERIALS GROUP LTD

SEPTEMBER 30, 2020 - SEPTEMBER 30, 2021

NO.	UNIT	DESCRIPTION	SERIAL NUMBER	VALUE	LOSS PAYEE/LESSOR
68	FT003	2200L DW Utility Fuel Tank TH5G00		\$ 3,500	Fiera Private Debt
69	FT004	2200L DW Utility Fuel Tank TH5G00		\$ 3,500	Fiera Private Debt
70	DP30	Winch with manufactured deck		\$ 7,500	Fiera Private Debt
GENERAL ITEMS TOTAL				\$ 2,484,000	
MOBILE EQUIPMENT TOTAL				\$ 3,923,500	
Unscheduled Rented, Leased or Borrowed Equipment				\$ 1,000,000	
Miscellaneous Tools & Equipment				\$ 35,000	
TOTAL				\$ 4,958,500	

ALL VALUES SHOWN ARE IN CANADIAN CURRENCY

Annual Adjustment

Annual Rental Equipment - Deposit Upfront, Non Adjustable

Replacement Cost - 5 Years or Newer

FLEET SCHEDULE

MANTLE MATERIALS GROUP LTD

SEPTEMBER 30, 2020 - SEPTEMBER 30, 2021

NO.	UNIT	CATEGORY	YEAR & MAKE	LPN	SERIAL NUMBER	CLASS	USE	RADIUS**	LOSS PAYEE/LESSOR	ATTACHED MACHINERY/OTHER
HEAVY COMMERCIAL - TRUCKS										
1	TT011	HC	2007 International Single Axle (Service Truck)	\$ 15,000	1HTMPAFM677H406957			C	Fiera Private Debt	2007 UBB Service Body (on CEF)
2	TT012	HC	2007 Western Star Tridrive	\$ 45,000	5KXXAM0067PX64941			C	Fiera Private Debt	
3	TT006	HC	2008 Peterbilt 367 Tridrive	\$ 37,500	1NP4X4EX48D737575			C	Fiera Private Debt	
4	TT014	HC	2013 Peterbilt 337 Tandem (Service Truck)	\$ 52,500	2NP2HN8X1DM205263			C	Fiera Private Debt	2013 Brutus Service Body (on CEF)
5	WT001	HC	2014 Peterbilt 348	\$ 105,000	2NP3LJ0X2EM242007			C	Fiera Private Debt	One (1) BBL Water Tank System S/N 14024119
6	TT015	HC	2015 Peterbilt 567	\$ 60,000	1XPCDP0X6FD284564			C	Fiera Private Debt	
7	TT016	HC	2015 Peterbilt 567	\$ 60,000	1XPCDP0X8FD284565			C	Fiera Private Debt	
8	TT017	HC	2015 Peterbilt 567 Tandem	\$ 60,000	1XPCDP0XXFD284566			C	Fiera Private Debt	
9	TT018	HC	2015 Peterbilt 567 Tandem	\$ 60,000	1XPCDP0X1FD284567			C	Fiera Private Debt	
10	TT019	HC	2015 Peterbilt 567 Tandem	\$ 60,000	1XPCDP0X3FD284568			C	Fiera Private Debt	
11	TT021	HC	2015 Peterbilt 567 Tandem	\$ 60,000	1XPCDP0X1FD284570			C	Fiera Private Debt	
12	TT022	HC	2015 Peterbilt 567 Tandem	\$ 60,000	1XPCDP0X3FD284571			C	Fiera Private Debt	
13	TT023	HC	2015 Peterbilt 567 Tandem	\$ 60,000	1XPCDP0X5FD284572			C	Fiera Private Debt	
14	TT024	HC	2015 Peterbilt 567 Tandem	\$ 60,000	1XPCDP0X7FD284573			C	Fiera Private Debt	
15	TT026	HC	2013 Peterbilt 567 Tandem	\$ 70,000	1XPTD40X6DD197601			C	Fiera Private Debt	Winch (on CEF)
16	TT025	HC	2013 Peterbilt tridrive	\$ 75,000	1XPTP4TX9DD184358			C	Fiera Private Debt	Winch (on CEF)
17	TT020	HC	2015 Peterbilt 567 Tandem	\$ 60,000	1XPCDP0X5FD284569			C	Fiera Private Debt	
HEAVY COMMERCIAL - DUMP TRUCKS										
18	TT004	HC	2008 Kenworth T800 Tandem Dump Truck	\$ 55,000	1NKDL40X68J936318			C	Fiera Private Debt	
19	TT008	HC	2009 Kenworth T800 Tridrive Dump Truck	\$ 65,000	1XKDP40X49R941482			C	Fiera Private Debt	
20	TT007	HC	2009 Peterbilt 367 Tandem Dump Truck	\$ 55,000	1NP4TL40X19D778993			C	Fiera Private Debt	
MEDIUM COMMERCIAL - PICKUPS										
21	PT005	MC	2008 Ford F350 XL Flatbed	\$ 5,000	1FTWW31568ED84921			C	Fiera Private Debt	
22	PT006	MC	2008 Ford F350 XLT	\$ 5,000	1FTWW31518EE16691			C	Fiera Private Debt	
23	PT008	MC	2008 Ford F350 XLT	\$ 5,000	1FTWW31598ED98117			C	Fiera Private Debt	
24	PT009	MC	2008 Ford F350 XLT	\$ 5,000	1FTWW31538EE44962			C	Fiera Private Debt	
25	PT020	MC	2012 Ford F350 Super Duty	\$ 15,000	1FT8W3B69CEA94374			C	Fiera Private Debt	
26	PT021	MC	2012 Ford F350 Super Duty	\$ 15,000	1FT8W3B60CEB56034			C	Fiera Private Debt	
LIGHT COMMERCIAL - PICKUPS										
27	PT004	LC	2008 Dodge Ram 2500HD Flatbed	\$ 4,500	3D7KS29D78G155808			C	Fiera Private Debt	
28	PT022	LC	2012 Dodge Ram 2500 4X4	\$ 10,000	3C6TD5J72CG113379			C	Fiera Private Debt	

FLEET SCHEDULE

MANTLE MATERIALS GROUP LTD

SEPTEMBER 30, 2020 - SEPTEMBER 30, 2021

NO.	UNIT	CATEGORY	YEAR & MAKE	LPN	SERIAL NUMBER	CLASS	USE	RADIUS**	LOSS PAYEE/LESSOR	ATTACHED MACHINERY/OTHER
29	PT018	LC	2012 Ford F150 4X4	\$ 12,500	1FTFW1EF2CFA97764			C	Fiera Private Debt	
30	PT019	LC	2012 Ford F150 4X4	\$ 12,500	1FTFW1EFOCA97763			C	Fiera Private Debt	
31	PT015	LC	2012 Ford F250 4X4	\$ 7,000	1FT7W2B69CEB71377			C	Fiera Private Debt	
32	PT034	LC	2019 Ford F150	35,000	1FTFW1E52KFC66669			C	Enterprise Fleet Management	
33	PT016	LC	2012 Ford F250 4X4	\$ 7,000	1FT7W2B61CEB76184			C	Fiera Private Debt	
TRAILERS										
34	TV100	TR	1979 Fruehauf Model FP9F1271 Tandem Trailer	\$ 1,500	DXV180718			C	Fiera Private Debt	
35	TV002	TR	1980 Midland 48' Tandem Van Trailer	\$ 2,500	2ATD10186AM110007			C	Fiera Private Debt	
36	TR003	TR	1994 Arne's Tandem 16 Wheel Jeep	\$ 13,500	AR804203			C	Fiera Private Debt	
37	TR001	TR	1996 Arrow Tandem Jeep	\$ 10,500	2L9CSCB2XT1078252			C	Fiera Private Debt	
38	PV100	TR	1997 Great Dane 53' Trailer	\$ 20,000	1GRAA0625VB117102			C	Fiera Private Debt	Trailer only; see CEF schedule for gen.set & electrical
39	GS900	TR	Cheetah Trailer	\$ 50,000	5EF2GC3008B772456			C	Fiera Private Debt	Trailer only; see CEF schedule for gen.set & electrical
40	TR040	TR	1997 Roadmaster Tridem Trombone Step Deck Trailer	\$ 14,500	2T9DF513XV1011230			C	Fiera Private Debt	
41	TR026	TR	1999 Argo Tandem Enclosed Cargo Trailer	\$ 3,500	2AABDE812X1000122			C	Fiera Private Debt	
42	TV101	TR	1999 Manac Super B Van (Lead)	\$ 5,000	2M5931033X1062925			C	Fiera Private Debt	
43	TV102	TR	1999 Manac Super B Van (Pup)	\$ 5,000	2M5920884X1062932			C	Fiera Private Debt	
44	TR004	TR	2000 Decap Super B Lead Trailer	\$ 15,000	2D9DS4C37YL017498			C	Fiera Private Debt	
45	TR005	TR	2000 Decap Super B Pup Trailer	\$ 12,500	2D9DS2B31YL017499			C	Fiera Private Debt	
46	TR007	TR	2006 Decap Super B Belly Dump Lead Trailer	\$ 25,000	2D9DS4C476L017782			C	Fiera Private Debt	
47	TR009	TR	2006 Decap Super B Belly Dump Lead Trailer	\$ 25,000	2D9DS4C406L017784			C	Fiera Private Debt	
48	TR011	TR	2006 Decap Super B Belly Dump Lead Trailer	\$ 25,000	2D9DS4C446L017786			C	Fiera Private Debt	
49	TR010	TR	2006 Decap Super B Belly Dump Pup Trailer	\$ 20,000	2D9DS2B366L017785			C	Fiera Private Debt	
50	TR008	TR	2006 Decap Super B Belly Dump Pup Trailer	\$ 20,000	2D9DS2B326L017783			C	Fiera Private Debt	
51	TR012	TR	2006 Decap Super B Belly Dump Pup Trailer	\$ 20,000	2D9DS2B3X6L017787			C	Fiera Private Debt	
52	TR028	TR	2006 Doepker Tridem Scissorneck Lowboy Trailer	\$ 35,000	2DESNSZ3161018845			C	Fiera Private Debt	
53	CA003	TR	2007 Arctic Crusher Supervisors Trailer	\$ 15,000	2GRTW30T975073015			C	Fiera Private Debt	
54	CA004	TR	2007 Arctic Crusher Supervisors Trailer	\$ 15,000	2GRTN30T075070316			C	Fiera Private Debt	
55	TR013	TR	2007 Arne's 3160 Tridem End Dump Trailer	\$ 27,500	2A90737307A003528			C	Fiera Private Debt	
56	TR014	TR	2008 Arne's 2010 Quad Wagon Trailer	\$ 20,000	2A92142498A003884			C	Fiera Private Debt	
57	TR015	TR	2008 Arne's 2010 Quad Wagon Trailer	\$ 20,000	2A92142408A003885			C	Fiera Private Debt	
58	TR020	TR	2008 Arne's Tridem End Dump Trailer	\$ 32,500	2A90737359A003298			C	Fiera Private Debt	
59	TR024	TR	2008 Arne's Tridem End Dump Trailer	\$ 32,500	2A90737339A003302			C	Fiera Private Debt	

FLEET SCHEDULE

MANTLE MATERIALS GROUP LTD

SEPTEMBER 30, 2020 - SEPTEMBER 30, 2021

NO.	UNIT	CATEGORY	YEAR & MAKE	LPN	SERIAL NUMBER	CLASS	USE	RADIUS**	LOSS PAYEE/LESSOR	ATTACHED MACHINERY/OTHER
60	TR027	TR	2008 Doepker Tridem End Dump Trailer	\$ 32,500	2DEGEDZ3381023677			C	Fiera Private Debt	
61	TR019	TR	2008 Load Max 20' Pintle Hook Tandem Trailer	\$ 4,000	5L8PH202681013062			C	Fiera Private Debt	
62	TR025	TR	2009 Arne's Quad Wagon Trailer	\$ 25,000	2A92142499A003238			C	Fiera Private Debt	
63	TR022	TR	2008 Arne's model 2010 tridem end dump	\$ 32,500	2A907373X9A003300			C	Fiera Private Debt	
64	TR021	TR	2009 Arne's Tridem End Dump Trailer	\$ 32,500	2A90737379A003299			C	Fiera Private Debt	
65	TR023	TR	2009 Arne's Tridem End Dump Trailer	\$ 32,500	2A90737319A003301			C	Fiera Private Debt	
66	TR042	TR	2013 Arnes Tridem Scissorneck Lowboy Trailer	\$ 50,000	2A9125335DA003461			C	Fiera Private Debt	
67	TR043	TR	2013 Lodeking Tridem Scissorneck Lowboy Trailer	\$ 50,000	2LDS5331DS055478			C	Fiera Private Debt	
68	TR044	TR	2015 Arne's Lowboy 50T Tridem Trailer	\$ 47,500	2A9105630FA003016			C	Fiera Private Debt	
69	TR032	TR	2015 Arne's Tridem End Dump Trailer	\$ 45,000	2A9073731FA003598			C	Fiera Private Debt	
70	TR034	TR	2015 Arne's Trombone End Dump Trailer	\$ 50,000	2A9074131FA003583			C	Fiera Private Debt	
71	TR035	TR	2015 Arne's Tridem End Dump Trailer	\$ 45,000	2A9073730FA003575			C	Fiera Private Debt	
72	TR036	TR	2015 Arne's Tridem End Dump Trailer	\$ 45,000	2A9073732FA003576			C	Fiera Private Debt	
73	TR037	TR	2015 Arne's Tridem End Dump Trailer	\$ 45,000	2A9073738FA003596			C	Fiera Private Debt	
74	TR038	TR	2015 Arne's Tridem End Dump Trailer	\$ 45,000	2A907373XFA003597			C	Fiera Private Debt	
75	TR039	TR	2015 Arne's Tridem End Dump Trailer	\$ 45,000	2A9073733FA003599			C	Fiera Private Debt	
TOTAL				\$ 2,426,000						

COVERAGE AND DEDUCTIBLES ARE IN ACCORDANCE WITH THE SCOPE OF INSURANCE COVERAGES

ALL VALUES SHOWN ARE IN CANADIAN CURRENCY

Category Legend:

- HC - Heavy Commercial
- MC - Medium Commercial
- LC - Light Commercial
- R - Recreational
- TR - Trailers

****Radius**

- A - operating within a 25 mile (40 km) radius
- B - operating within a 50 mile (80 km) radius
- C - operating within a 100 mile (160 km) radius
- D - operating over a 100 mile (160 km) radius within Canada
- E - operating in USA

Security

Please check the security below carefully and contact us immediately if you have any queries.

MANTLE MATERIALS GROUP LTD.
B0831EN0022620
12 months at 16 October 2020

<u>Market:</u>		<u>Signed Line:</u>
Lloyd's Syndicate ASC 1414	Ascot	50.000%
Lloyd's Syndicate BAR 1955	Barbican	50.000%
	Total:	<u><u>100.000%</u></u> of Whole

Bishopsgate Insurance Brokers Limited

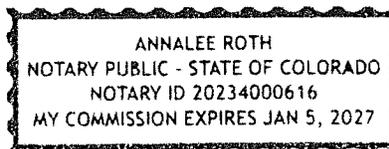


Peter Burton

This is **Exhibit "O"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



BLOCKED ACCOUNTS AGREEMENT

THIS AGREEMENT dated May 28, 2021.

A M O N G :

MANTLE MATERIALS GROUP, LTD.
as the “**Company**”

- and -

**FIERA PRIVATE DEBT FUND V LP, by its general partner,
FIERA PRIVATE DEBT FUND GP INC. and FIERA
PRIVATE DEBT FUND VI LP, by its general partner,
FIERA PRIVATE DEBT FUND GP INC.**
collectively, as the “**Secured Party**”

- and -

THE TORONTO-DOMINION BANK
as the “**Bank**”

RECITALS

- A. The Company and the Secured Party, amongst others, are party to a Loan Agreement dated as of April 26, 2021 (as amended, supplemented, restated or otherwise modified from time to time, the “**Loan Agreement**”).
- B. As required by the Loan Agreement, the Company has granted security to the Secured Party and, pursuant to the Loan Agreement, the Secured Party requires the implementation of the cash management arrangements provided for in this Agreement.

FOR VALUE RECEIVED, the parties agree as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions

In this Agreement:

- (a) “**Activation Date**” means the later of (i) date which is three (3) Business Days after the date upon which the Secured Party delivers an Activation Notice to the Bank and (ii) the date upon which the Secured Party has satisfied the Bank's anti-money laundering and know your customer requirements.
- (b) “**Activation Notice**” means a written notice from the Secured Party to the Bank in the form of Schedule A hereto.

- (c) “**Blocked Accounts**” has the meaning set forth in Section 2.1(b).
- (d) “**Branch of Account**” means the branch of the Bank located at 10205 – 101 Street, Edmonton, AB T5J 2Y8.
- (e) “**Business Day**” means any day on which the Branch of Account is open for business to the public.
- (f) “**Chargebacks**” has the meaning set forth in Section 5.3.
- (g) “**Cheques**” means all cash, cheques, money orders, wire transfers, notes, drafts and other orders for payment of money or other remittances payable to the Company.
- (h) “**Claim**” has the meaning set forth in Section 6.1.
- (i) “**CPA Rules**” means the rules established from time to time by the Canadian Payments Association to govern the clearing and settlement of payment items within the national clearing and settlement system.
- (j) “**Declared Default**” has the meaning given to that term in the General Security Agreement.
- (k) “**fees and expenses**” has the meaning set forth in Section 5.2.
- (l) “**General Security Agreement**” means the general security agreement entered into between the Company, as grantor and the Secured Party, as lenders dated as of April 26, 2021.
- (m) “**Receivables**” means all of the Company's present and future accounts, accounts receivable, debts and book debts of any nature or type.
- (n) “**Rescission Notice**” has the meaning set forth in Section 3.3.

Section 1.2 Interpretation

In interpreting this Agreement, the headings and the division of the Articles and Sections are inserted for convenience only and are to be ignored in construing this Agreement; all references to Articles, Sections, subsections, clauses and Schedules are to Articles, Sections, subsections, clauses and Schedules of and to this Agreement; the words “hereto,” “herein,” “hereof,” “hereunder,” “this Agreement” and similar expressions mean this Agreement as a whole and not any particular Article, Section, subsection or Schedule unless expressly so stated; grammatical variations of any term defined herein shall have similar meanings and words importing the singular shall include the plural and vice versa; reference herein to any agreement or other document shall be deemed to include reference to such agreement or other document as the same may from time to time be amended, supplemented, restated or otherwise modified.

ARTICLE 2
ACKNOWLEDGEMENT OF SECURITY

Section 2.1 Acknowledgement of Security

The Company acknowledges that it has granted to, and has created in favour of, the Secured Party a first-priority, perfected security interest in all of its present and after-acquired property including, without limitation:

- (a) its interest in all Cheques and other remittances received by the Company; and
- (b) the following depository accounts in the name of the Company:

<u>Account Name</u>	<u>Account Number / Branch</u>
Mantle Materials Group, Ltd/ o/a Mantle Materials Group	Account 0701 - 5367152 / Branch 8238

(the “**Blocked Accounts**”), including all sums now on deposit therein or payable thereto and any interest accrued or payable on the credit balances therein.

ARTICLE 3
BLOCKED ACCOUNTS OPERATION

Section 3.1 Instructions

Prior to the Activation Date, the Company shall be authorized to operate all accounts including the Blocked Accounts alone in the usual course and without prior notice to or consent of the Secured Party. Commencing on the Activation Date: (i) the Blocked Accounts shall be subject to instructions only from the Secured Party, which alone shall have all authority and right in connection with the Blocked Accounts, and (ii) the Company shall have no rights in connection with the Blocked Accounts unless and until a Rescission Notice (as defined below) is delivered to the Bank hereunder and such Rescission Notice becomes effective. The Bank shall have the right to rely and act upon the instructions of any person who the Bank believes is a person that the Company (prior to the Activation Date) or the Secured Party (on and after the Activation Date) has identified in writing from time to time to the Bank as being a person authorized to give instructions regarding the Blocked Accounts to the Bank.

Section 3.2 Delivery of Activation Notice

The Secured Party agrees with the Company that it shall not deliver any Activation Notice to the Bank until a Declared Default has occurred. Following the occurrence and continuation of a Declared Default, the Secured Party shall be entitled to deliver to the Bank an Activation Notice. Any Activation Notice delivered by the Secured Party to the Bank shall be the Bank's sole and sufficient authority to act on such Activation Notice, and the Bank shall have no obligation or duty to the Company or any other person to verify or confirm that the Secured Party is entitled to deliver an Activation Notice before so acting.

Section 3.3 Rescission of Activation Notice

Notwithstanding any other provision of this Agreement, the Secured Party may, at any time after the delivery of an Activation Notice, deliver a notice to the Bank rescinding such Activation Notice (a “**Rescission Notice**”) and, three (3) Business Days following receipt of a Rescission Notice, this Agreement shall continue as though no Activation Notice had been delivered, provided that nothing in this Section 3.3 shall preclude the Secured Party from delivering a subsequent Activation Notice.

Section 3.4 Web Business Banking

From and after the Activation Date, the Company hereby irrevocably and unconditionally covenants and agrees to provide the Secured Party with access to its Web Business Banking Wire Payments Service with the Bank and directs the Bank to provide the Secured Party with such access and hereby further consents to the Secured Party initiating wire payments from the Blocked Accounts to the Secured Party’s account(s) and the Bank is hereby authorized and directed to assist the Secured Party in connection with same. From and after the Activation Date, the Company hereby further authorizes and directs the Bank to provide the Secured Party with electronic access to balance and transaction reporting of the Blocked Accounts and any other information concerning the Blocked Accounts the Secured Party may require, including the ability to print any such information. On the Activation Date, the Bank hereby further agrees to change the Company’s access to the Blocked Accounts to “read-only” and the Company hereby consents to same and directs the Bank to change such access accordingly. The Bank shall have no liability to the Company for any claims that may arise as a result of providing the Secured Party with such access upon the Activation Date. The transfers of amounts from the Blocked Accounts to the Secured Party’s account(s) shall be effected in accordance with the Bank’s usual banking practices provided however, that if such amounts are in any currency other than Canadian Dollars, such amounts will be converted at the then applicable exchange rate applied by the Bank into Canadian Dollars.

Section 3.5 Payment Not Realization

The Company and Secured Party acknowledge and agree that:

- (a) the actions and proceedings contemplated by this Article 3 are instrumental to the operation of the cash management system that is required by the Loan Agreement; and
- (b) any action or proceeding pursuant to this Article 3 shall not be considered as a realization on, or enforcement of, security or a demand for payment under the Loan Agreement but rather, following the Activation Date, among other things, a standing irrevocable direction by the Company and the Secured Party to the Bank to thereafter transfer on the direction of the Secured Party all credit balances in the Blocked Accounts and otherwise operate the Blocked Accounts as set forth in this Article 3.

Section 3.6 Wire Transfers

The Bank shall apply and credit to the applicable Blocked Account all wire transfers directed to that Blocked Account in accordance with the Bank’s standard procedures.

**ARTICLE 4
RECORDS AND INFORMATION**

Section 4.1 Records

The Bank shall maintain a record of all money, Cheques and other remittance items deposited in and transfers to the Blocked Accounts in accordance with the Bank's standard procedures.

Section 4.2 Provision of Information

The Bank shall provide to the Company and, upon request by the Secured Party, the Company shall provide to the Secured Party, at the Company's expense, monthly statements summarizing the daily activity in each Blocked Account. The Bank shall also provide to the Secured Party, at the Company's expense, such other information compiled by the Bank with respect to the activity, on a daily, weekly or monthly basis, in or with respect to each Blocked Account as the Secured Party may reasonably request in writing from time to time. The Company hereby authorizes the Bank to release information as contemplated herein and waives any right to confidentiality in respect of any information released by the Bank to the Secured Party pursuant to this Section 4.2.

**ARTICLE 5
FEES, EXPENSES, CHARGEBACKS AND INDEMNITY**

Section 5.1 Waiver of Bank's Rights

Except as expressly provided in this Agreement, the Bank waives and agrees not to assert, claim or endeavour to exercise any right of deduction, set-off, pledge or other right to claim with respect to the Blocked Accounts, or the funds therein.

Section 5.2 Company's Fee Obligations

The Company hereby agrees that it is responsible for all normal and customary fees and expenses established by the Bank from time to time for the establishment and operation of this Agreement and the Blocked Accounts (all such amounts, the "**fees and expenses**"). If any of the fees and expenses are not paid by the Company when due, the Bank shall be entitled to automatically debit, by mechanical, electronic or manual means, any of the Blocked Accounts for such fees and expenses.

Section 5.3 Chargebacks

Notwithstanding Section 5.1, the Bank shall be entitled to automatically debit, by mechanical, electronic or manual means, any one or more of the Blocked Accounts at any time and from time to time solely for:

- (a) the amount of any Cheque deposited in a Blocked Account after the date hereof which is subsequently returned to the Bank for any reason whatsoever; and
- (b) the amount of any required adjustments due to clerical errors or calculation errors directly related to any Blocked Account

((a) and (b) collectively, “**Chargebacks**”),

and provided, further, that if after an Activation Date the Bank has transferred funds on deposit in a Blocked Account at the direction of the Secured Party in respect of which the Bank is entitled to a Chargeback and the funds in the Blocked Accounts are insufficient to cover the amount of the relevant Chargeback, the Secured Party shall pay the Bank the amount of the Chargeback not recoverable from the Blocked Accounts, within three (3) Business Days of receipt by the Secured Party of a statement signed by the Bank confirming the details of such Chargeback and the Bank’s entitlement to such Chargeback under this Section 5.3 in form reasonably satisfactory to the Secured Party.

Section 5.4 Indemnity

The Company and the Secured Party, jointly and severally, hereby agree to pay, indemnify and hold harmless the Bank from and against any and all loss, liability, cost, claim and expense incurred by it with respect to the performance of this Agreement by the Bank or any of the Bank’s directors, officers or employees, unless arising from its or their own violation of law, gross negligence or wilful misconduct and excluding any loss, liability, cost, claim and expense for indirect, special or consequential damages.

ARTICLE 6 GENERAL PROVISIONS

Section 6.1 Adverse Claims

In the event that the Bank shall receive a court order or other statutory legal claim against any of the Blocked Accounts or any sums on deposit therein, whether such claim shall have arisen by tax lien, execution of judgment, statutory attachment, garnishment, levy, claim of a trustee in bankruptcy, debtor-in-possession, court appointed receiver, or other judicial or regulatory order or process (each, a “**Claim**”), the Bank may, in addition to other remedies it possesses under this Agreement or at law or in equity: (a) suspend disbursements from the Blocked Accounts without any liability until the Bank shall have received an appropriate court order or other assurances reasonably acceptable to the Bank establishing that funds may continue to be disbursed according to instructions then applicable to the Blocked Accounts, and/or (b) interplead the funds in the Blocked Accounts in respect of the subject matter of any such Claim into court. The Bank’s costs, expenses and reasonable legal fees incurred in connection with any such Claim shall be reimbursed to the Bank by the Company. Upon request, the Bank shall provide a copy of any such court order or other statutory legal claim to the Company and the Secured Party.

If a bankruptcy or insolvency proceeding were commenced by or against the Company, the Bank shall be entitled, without any liability, to refuse to (a) permit withdrawals or transfers from the Blocked Accounts or (b) accept or comply with the notice thereafter received by the Bank, until the Bank shall have received an appropriate court order or other assurances reasonably acceptable to the Bank establishing that (i) continued withdrawals or transfers from the Blocked Accounts or honoring or following any instruction from the Secured Party are authorized and shall not violate any law, regulation, or order of any court and (ii) the Bank shall have received adequate protection

for its right to set off against or charge the Blocked Accounts or otherwise be reimbursed for fees and expenses and Chargebacks.

Section 6.2 Power of Attorney

The Company constitutes and irrevocably appoints the Secured Party its true and lawful attorney, with full power of substitution, without limitation, to, from and after the Activation Date, demand, collect, receive and sue for all amounts which may become due or payable in respect of any Blocked Account and execute all withdrawal receipts or other orders for the Company, in its own name or in the Company's name or otherwise, which the Secured Party deems necessary or appropriate to protect and preserve its right, title and interest in any Blocked Account and, otherwise, to carry out the provisions and purposes of this Agreement.

Section 6.3 Limitation of the Bank's Liability

The Bank undertakes to perform only such duties as are expressly set forth in this Agreement and to deal with the Blocked Accounts with the degree of skill and care that the Bank accords to all accounts and funds maintained and held by it on behalf of its customers. Notwithstanding any other provision of this Agreement, it is agreed by the parties hereto that the Bank shall not be liable for any action taken by it or any of its directors, officers or employees in accordance with this Agreement except for its or their own violation of law, gross negligence or wilful misconduct. In no event shall the Bank be liable for losses or delays resulting from computer malfunctions or interruption of communication facilities which are beyond the Bank's control or from other causes which are beyond the Bank's control or from force majeure or for indirect, special or consequential damages. With respect to any instructions given or requests made by either of the Company or the Secured Party in connection with this Agreement, in no event shall the Bank be liable for any failure to comply with or satisfy the same if compliance with or satisfaction of the same would have resulted in or may potentially result in the Bank contravening or failing to comply with any standard or customary banking practice in the industry or any of the Bank's usual banking practices, or any law, regulation, order, rule (including, without limitation, any of the CPA Rules), or other matter or thing whatsoever having the force of law. The Bank may be unable to reverse, unwind, retract, abandon or otherwise cancel any instructions or actions or processes undertaken in respect of instructions given to the Bank in accordance with this Agreement once such instructions have been given to the Bank. In such circumstances, the Company and the Secured Party both acknowledge and agree that the Bank shall have no liability to either of them for any inability or failure, or for any resulting damages suffered thereto, to comply with a request to cancel or revoke an instruction previously given to the Bank by either the Company or the Secured Party.

Section 6.4 Collection of Accounts

Notwithstanding anything in this Agreement to the contrary, the Company shall remain liable under each Receivable to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise to each such Receivable. None of the Secured Party or the Bank shall have any obligation or liability under any Receivable (or any agreement giving rise thereto) by reason of or arising out of any of this Agreement or any other agreement or the receipt by the Secured Party or the Bank of any

payment relating to such Receivable nor shall the Secured Party or the Bank be obligated in any manner to perform any of the obligations of the Company under or pursuant to any Receivable (or any agreement giving rise thereto), to make any payment (except as set out in the Loan Agreement), to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Receivable (or any agreement giving rise thereto) to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been hypothecated to it, or in which a security interest may have been created in its favour, or to which it may be entitled at any time or times.

Section 6.5 Termination

- (a) Unless terminated in accordance with the terms of this Section 6.5, this Agreement shall remain in full force and effect and be binding in accordance with and to the extent of its terms until the obligations of the Company to the Secured Party under the Loan Agreement have been paid and performed in full and the Secured Party has no further obligation to make any further advances to the Company under the Loan Agreement.
- (b) The Secured Party may terminate this Agreement at any time upon thirty (30) days' prior written notice to the Bank and the Company.
- (c) The Bank may terminate this Agreement upon providing fifteen (15) days' prior written notice to the Secured Party and the Company, provided that such termination shall not be effective until the earlier of (a) such time as the Secured Party provides written confirmation to the Bank that the Company and the Secured Party have entered into a blocked account agreement in substantially the form of this Agreement, or in such form as may be acceptable to the Secured Party and the Company, with a replacement bank satisfactory to the Company and the Secured Party, or (b) the end of such fifteen (15) day period. In the event of termination of this Agreement pursuant to this Section 6.5(c), the Bank shall close the Blocked Accounts concurrently with the termination of this Agreement, and the Company hereby irrevocably instructs the Bank to transfer all amounts in the Blocked Accounts to such persons and in such amounts as the Secured Party may direct, and this shall be the Bank's sole and sufficient authority for so doing.
- (d) The obligations set forth in Section 5.3, Section 5.4 and Section 6.5 shall survive termination of this Agreement.

Section 6.6 Notices

Except as otherwise provided herein, any notice to the Company, the Bank or the Secured Party under the provisions hereof shall be given by courier delivery or email transmission and if so given shall be deemed to have been received on the date given if given between 9:00 a.m. and 5:00 p.m. (local time at the Branch of Account) on a Business Day and otherwise on the first (1st) Business Day after giving such notice. Each party may from time to time notify each other party of a change of address or email address.

- (a) Notices to the Company shall be addressed as follows:

Mantle Materials Group, Ltd.
1400 16th St, Suite 320
Denver, CO 80209

Attention: Byron Levkulich, CFA, CPA, Director
Email address: Byron.Levkulich@RLHoldings.com

- (b) Notices to the Bank shall be addressed as follows:

The Toronto-Dominion Bank
2601 TD Tower
10088-102 Avenue NW
Edmonton, AB T5J 2Z1

Attention: Curtis Neumann
Telephone: 780-448-8155
Email address: curtis.neumann@td.com

- (c) Notices to the Secured Party shall be addressed as follows:

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

Attention: Stephen Zagrodny, Senior Director, Corporate &
Infrastructure Debt Financing
Email address: szagrodny@fieracapital.com

Section 6.7 Governing Law

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the Province of Alberta and the laws of Canada applicable therein and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta in respect of all matters pertaining to this Agreement.

Section 6.8 Amendments

This Agreement may only be amended or modified by written instrument signed by the parties hereto.

Section 6.9 Severability

Any provision of this Agreement that is or becomes unenforceable shall be unenforceable to the extent of such unenforceability without invalidating the remaining provisions hereof. To the extent

permitted by applicable law, each of the parties hereby waives any provision of law that renders any provision hereof unenforceable in any respect.

Section 6.10 Authorization

For the purposes of this Agreement, any attorney, officer, employee or agent of the Secured Party shall be authorized to act and to give instructions and notice on behalf of the Secured Party hereunder and any attorney, officer, manager or agent of the Bank shall be authorized to act and give instructions and notice on behalf of the Bank hereunder.

Section 6.11 Remedies Cumulative

The rights enumerated in this Agreement are in addition to and not in substitution for any other rights of the Secured Party pursuant to any security held by the Secured Party and except as otherwise contemplated in this Agreement, nothing in this Agreement is to be interpreted as restricting the rights of the Secured Party pursuant to any security held by the Secured Party.

Section 6.12 Further Assurances

The parties shall at all times do, execute, acknowledge and deliver such acts, deeds and agreements as may be reasonably necessary or desirable to give effect to the terms of this Agreement.

Section 6.13 No Fiduciary Obligations

Nothing in this Agreement shall constitute any party to this Agreement a fiduciary in relation to any other party to this Agreement.

Section 6.14 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns; provided that this Agreement may not be assigned by any of the parties hereto without the prior written consent of the Bank.

Section 6.15 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 6.16 Electronic Execution

Any party may deliver an executed signature page to this Agreement by electronic transmission and such delivery will be as effective as delivery of a manually executed copy of the Agreement by such party.

[SIGNATURE PAGE FOLLOWS]

The parties have executed this Agreement as of the date first written above.

THE TORONTO-DOMINION BANK

By: *Chris Neuman*

Name:

Title: *Vice President*

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

By:

Name:

Title:

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

By:

Name:

Title:

The parties have executed this Agreement as of the date first written above.

THE TORONTO-DOMINION BANK

By:

Name:

Title:

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

By: *Philip S. Robson*

Name: Philip S. Robson

Title: A.S.O.

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

By: *Philip S. Robson*

Name: Philip S. Robson

Title: A.S.O.

MANTLE MATERIALS GROUP, LTD.

By: *Byron Levkulich*
Byron Levkulich (Apr 13, 2021 18:40 MDT)

Name: Byron Levkulich

Title: Director

**SCHEDULE A
ACTIVATION NOTICE**

To: The Toronto-Dominion Bank (the “**Bank**”)

Re: Blocked Accounts Agreement dated _____, 2021 among Mantle Materials Group, Ltd. (the “**Company**”), Fiera Private Debt Fund V LP, by its general partner Fiera Private Debt Fund GP Inc. and Fiera Private Debt Fund VI LP, by its general partner Fiera Private Debt Fund GP Inc. (collectively, the “**Secured Party**”) and the Bank (as amended, restated, supplemented or otherwise modified from time to time, the “**Blocked Accounts Agreement**”).

Terms with initial capital letters in this notice and not otherwise defined herein shall have the meanings given to them in the Blocked Accounts Agreement.

The Secured Party hereby notifies the Bank that, pursuant to Article 3 of the Blocked Accounts Agreement, commencing on the Activation Date, the Secured Party shall have access to the Company’s Web Business Banking Wire Payments Service with the Bank and shall be entitled to initiate wire payments from the Blocked Accounts and to any other rights of access to the Blocked Accounts as provided in Article 3 of the Blocked Accounts Agreement.

Dated _____, 20_____.

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

By:

Name:

Title:

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

By:

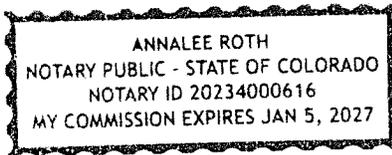
Name:

Title:

This is **Exhibit "P"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



LOAN AND SECURITY

AGREEMENT DATED

OCTOBER 8, 2021

AMONG

TRAVELERS RESTRUCTURING CAPITAL INC., having an office at 400-4180 Lougheed Highway, Burnaby, BC V5C 6A7

-AND-

MANTLE MATERIALS GROUP, LTD., having an office at 9043 22 Ave SW, Edmonton, AB, T6X 1Z6

In consideration of the covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **INTERPRETATION:** For the purpose of this Agreement:
 - (a) **“Agreement”** means this Loan and Security Agreement, as may be amended, restated or replaced from time to time together with each Schedule, unless the context otherwise requires, and “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement;
 - (b) **“ATB Agreement”** means, collectively, the letter loan agreement dated December 19, 2017 between JMB Crushing Systems ULC (an amalgamation predecessor to the Borrower) and ATB Financial (by its former name, Alberta Treasury Branches), as amended by a first amending agreement dated June 21, 2017, as further amended by a second amending agreement dated June 7, 2018 and as supplemented by an agreement governing ATB assumed debt dated as of April 26, 2021;
 - (c) **“Borrower”** means Mantle Materials Group, Ltd., and their respective permitted assigns and successors;
 - (d) **“Business Day”** means a day when Lender’s office at the address of Lender stated herein is open for business, excluding Saturdays, Sundays and statutory holidays in the Provinces of Alberta and British Columbia;
 - (e) **“Collateral”** means the Equipment and any other property and assets which are charged by the Security Documents;

- (f) “**Commencement Date**” means the loan commencement date specified in a Schedule;
- (g) “**Conditions Precedent**” has the meaning given to it in Section 4 hereof;
- (h) “**Equipment**” means the equipment and other personal property set out in a Schedule together with all additions, parts, attachments and accessories now or hereafter attached to or forming a part thereof, any substitutions, repairs, replacements, related software, and all proceeds therefrom including trade-ins, chattel paper, documents of title, contract rights, rental payments, insurance payments and other property and obligations received as a result of the equipment being sold, dealt with or otherwise disposed of;
- (i) “**Equipment Collateral**” has the meaning given to such term in Section 12 hereof;
- (j) “**Financed Amount**” means the amount stated in a Schedule as owing by Borrower to Lender or the unpaid outstanding balance thereof, as the context requires;
- (k) “**Financing Rate**” means the rate per annum payable on a Financed Amount as stated in the applicable Schedule;
- (l) “**Guarantor**” means any person or individual who guarantees the indebtedness of Borrower to Lender arising under this Agreement;
- (m) “**Lender**” means Travelers Restructuring Capital Inc. and its assigns and successors;
- (n) “**Loan**” has the meaning given to such term in Section 2 hereof;
- (o) “**Loan Documentation Fee**” has the meaning given to it in Section 8 hereof;
- (p) “**Loan Fee**” has the meaning given to such term in Section 8 hereof;
- (q) “**Loan Payment**” means in respect of a Loan, a payment of principal, principal and interest, or interest-only, as specified in the applicable Schedule;
- (r) “**Material Adverse Effect**” means a material adverse effect:
 - i. on the financial condition, business, business prospects, operations, continuance of operations, results of operation, real property or other assets of Borrower or Guarantor;
 - ii. on the validity or enforceability of this Agreement or any of the Security Documents; and

- iii. on the ability of Borrower or Guarantor, taken as a whole, to perform their obligations under this Agreement or the Security Documents;
- (s) **“Obligations”** means all debts, all present and future liabilities and obligations of the Borrower to Lender under this Agreement (for further certainty including any related Schedule) and under any of the Security Documents, or any other agreement existing from time to time between the Borrower and Lender, including but not limited to the Financed Amount, interest thereon, other amounts payable under this Agreement, a Schedule, any of the Security Documents, any other amount which may be owing by the Borrower to the Lender under the subject or any other financing agreement, or the performance of any obligations of the Borrower under this Agreement;
- (t) **“Overdue Payment”** means any amount owing by Borrower hereunder and any sum disbursed by Lender pursuant to Section 22 which is not paid when due hereunder, or any portion thereof.
- (u) **“Permitted Encumbrances”** means:
- i. liens for taxes, assessments or governmental charges not yet due or delinquent;
 - ii. liens arising in connection with workers’ compensation, unemployment insurance, pension, employment or other social benefits laws or regulations which are not yet due or delinquent;
 - iii. easements, rights of way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights of way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of the Borrower;
 - iv. undetermined or inchoate liens and charges incidental to construction or current operations which have not at such time been filed pursuant to law or which relate to obligations not due or delinquent;
 - v. liens arising by operation of law such as builders’ liens, carriers’ liens, materialmens’ liens and other liens of a similar nature incurred in the ordinary course of business which relate to obligations not due or delinquent;

- vi. liens incidental to the conduct of business or the ownership of property and assets not incurred in connection with the borrowing of money or obtaining credit and which do not, in the aggregate, detract in any material way from the value or usefulness of the property and assets of the Borrower;
- vii. banker's liens, rights of set-off or compensation with respect to deposit accounts or the funds maintained with a creditor depository institution;
- viii. liens in respect of any land, any defects or irregularities in the title to such land which are of a minor nature and which, in the aggregate, will not materially impair the use of such land for the purposes for which such land is held;
- ix. liens given by the Borrower to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of the Borrower, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the Borrower;
- x. the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions and reservations to title;
- xi. liens securing purchase money obligations not exceeding an aggregate of \$100,000, provided that such security interests do not attach to the Equipment Collateral;
- xii. landlords' liens or any other rights of distress reserved in or exercisable under any lease of real property for rent, provided that such liens do not attach generally to the Equipment Collateral or all or substantially all of the undertaking, assets and property of the Borrower;
- xiii. deposits to secure performance of (i) bids, tenders, contracts (other than contracts for the payment of money), (ii) leases of real property entered into in the ordinary course of business, in each case, to which the Borrower is a party, or (iii) letters of credit or bonds securing the Borrower's reclamation and remediation obligations under surface material agreements and royalty agreements;
- xiv. security interests and charges granted in favour of ATB Financial pursuant to the ATB Agreement, provided that such security interests shall not extend to the Equipment Collateral;
- xv. security interests and charges granted in favour of the Senior Lender

pursuant to the Senior Loan Agreement, provided that such security interests shall not rank in priority to the Lender's interest in the Equipment Collateral;

- xvi. security interests and charges against Borrower or Guarantor or their respective assets granted in favour of Lender; and
 - xvii. present and future security interests and charges against Borrower or Guarantor or their respective assets that are agreed to by Lender in writing and are subject of priority or subordination agreements on terms acceptable to Lender;
- (v) “**Schedule**” means each loan schedule executed by Borrower, Guarantor and Lender from time to time and which refers to and incorporates by reference this Agreement, as it may be amended, restated or replaced from time to time;
 - (w) “**Security Documents**” has the meaning given to it in Section 13 hereof;
 - (x) “**Senior Lender**” means, collectively, Fiera Private Debt Fund VI LP, by its general partner, Fiera Private Debt Fund GP Inc. and Fiera Private Debt Fund V LP, by its general partner, Fiera Private Debt Fund GP Inc.;
 - (y) “**Senior Loan Agreement**” means the loan agreement dated as of April 26, 2021 between, *inter alios*, the Borrower and the Senior Lender;
 - (z) “**Term**” means the term specified in a Schedule; and
 - (aa) “**Termination Date**” means the loan termination date specified in a Schedule.
2. **LOAN AND LOAN PAYMENTS:** Borrower hereby acknowledges that it has borrowed from Lender and is thereby, or has otherwise become, indebted to and agrees to repay to Lender, at the address of Lender stated herein or such other place notified by Lender to Borrower, the Financed Amount, together with interest thereon, by paying the Loan Payments. Unless otherwise set out in Schedule, the first Loan Payment is payable on the first day of the calendar month following the Commencement Date and subsequent Loan Payments on the first day of each month thereafter throughout the Term. On the Termination Date, Borrower shall pay Lender the outstanding balance of the Financed Amount, all accrued and unpaid interest thereon and all other amounts payable hereunder. Loan Payments and any other amounts due are payable to Lender shall be paid without counterclaim, defence, set off or abatement. Each Schedule shall constitute a separate loan from Lender to Borrower, in each case on the terms and conditions set out in this Agreement and such Schedule (each, a “**Loan**”). In the event of any conflict between any provision of this Loan and Security Agreement and any provision in any Schedule hereto, the provision of such Schedule shall prevail with respect to the Loan affected thereby.
3. **APPLICATION OF PAYMENTS:** All Loan Payments will be applied in the following

order:

- (a) any prepayment charge or fee (if applicable);
- (b) any outstanding protective disbursements required under this Agreement, including any insurance premium payments, as applicable;
- (c) payment arrears, in the following order: (i) commitment, transaction and amendment fees, (ii) Lender costs and expenses in accordance with structuring, executing, and facilitating this Agreement, (iii) interest, and (iv) principal;
- (d) current balances, in the following order (i) commitment, transaction and amendment fees, (ii) Lender costs and expenses in accordance with structuring, executing, and facilitating this Agreement, (iii) interest, and (iv) principal; and
- (e) other amounts due and payable under this Agreement and the Schedules hereto and any amendments thereof.

Lender may apply any monies received by it, before or after default, to any debt Borrower may owe Lender under or pursuant to this Agreement or any other agreement and Lender may change those applications from time to time in its sole discretion. Notwithstanding anything to the contrary herein, any partial or late payments shall be applied against any part of the indebtedness owing hereunder by Borrower to Lender as Lender may see fit in its sole and absolute discretion and Lender shall at all times and from time to time have the right to change any application of any late or partial payment received by it and to re-apply the same on any part or parts of such indebtedness as Lender may see fit in its sole and absolute discretion, notwithstanding any previous application.

4. **CONDITIONS PRECEDENT:** The obligation of Lender to enter into any Loan and advance the Financed Amount is subject to the fulfilment of the following conditions precedent (each to be satisfied or waived in the sole discretion of Lender) (collectively, the “**Conditions Precedent**”):

- (a) approval of the loan by the credit committee of Lender;
- (b) execution of this Agreement and the Security Documents by Borrower and Guarantor (if applicable), in a form satisfactory to Lender in its sole discretion;
- (c) registration of this Agreement and Security Documents, where applicable;
- (d) payment by Borrower to Lender of any Loan Documentation Fee or Loan Fee;

- (e) receipt by Lender, on an itemized basis, of complete descriptions of the Equipment, including make (manufacturer), model number(s), serial number(s) of all major components, together with photos and original purchase orders or invoices for the Equipment, proof of registration, if applicable, and proof of payment; **[satisfied]**
- (f) receipt by Lender of the constating documents of Borrower and Guarantor, as applicable;
- (g) satisfaction of Lender's AML/KYC requirements;
- (h) an appraisal completed by an appraisal firm satisfactory to Lender, confirming a satisfactory minimum value and condition of the Equipment; **[satisfied]**
- (i) receipt of waivers and priority and subordinations agreements as required by Lender to give rise and effect to the Security Documents and to the priority rankings contemplated herein;
- (j) satisfactory review by Lender of appraisals commissioned by Borrower in respect of any real property owned by the Borrower and, if required by the Lender, reliance letters in favour of Lender from the appraiser; **[satisfied/ waived]**
- (k) satisfactory review by Lender of any and all environmental reports in respect of any real property owned by Borrower and if required by the Lender reliance letters in favour of Lender from the applicable environmental firm; **[satisfied/ waived]**
- (l) satisfactory review by Lender of any and all existing and previously issued demand notices, forbearance agreements and court materials between each of Borrower and Guarantor and their existing creditors; **[satisfied/ waived]**
- (m) satisfactory review by Lender of any and all leases with respect to tenants in occupancy of any real property of Borrower, as applicable; **[satisfied/ waived]**
- (n) Lender shall have conducted and be satisfied with an inspection of the Equipment and site inspection of Borrower's premises; **[satisfied/ waived]**
- (o) the delivery to and satisfactory review by Lender of evidence that no amounts are owed to unpaid vendors who have a right of repossession, rights of set-off, or any amounts owing to creditors which may claim priority by statute or under a lien; **[satisfied/ waived]**
- (p) satisfactory review of any and all existing lending agreements entered into by Borrower that may impact performance of Borrower of this Agreement or bind Borrower to any payment, reporting, security, or covenant obligations; **[satisfied]**

- (q) corporate and financial information on Borrower and Guarantor, including but not limited to the following:
- i. an organizational chart for Borrower highlighting shareholder ownership and collateral ownership; **[satisfied/ waived]**
 - ii. a comprehensive asset and liability summary of the Borrower, inclusive of the required fixed and floating recurring payments of principal and interest on all existing credit, lease, and rental facilities; **[satisfied/ waived]**
 - iii. a 12-month future looking pro-forma income statement for Borrower on a consolidated basis, inclusive of a year-to-date statement from the most recent fiscal year-end, plus evidence of any and all material contracts for work-in-place; **[satisfied/ waived]**
 - iv. a 13-week or 12-month future looking pro-forma cash flow forecast for Borrower on a consolidated basis, inclusive of working capital requirements, capital expenditures and forecasted accounts receivable and collections, as applicable; **[satisfied/ waived]**
 - v. unaudited financial statements for Borrower since emerging from CCAA proceedings; **[satisfied/ waived]** and
 - vi. any other financial/ownership information at the request of the Lender (acting reasonably),
- (r) receipt and satisfactory review by Lender of amended certificates of insurance for the Collateral and Borrower, including general liability insurance policy;
- (s) receipt and satisfactory review by Lender that all property taxes and utilities are fully paid and up to date for any real property of Borrower;
- (t) receipt of certificates of officer, resolutions and legal opinions, as required, by Lender;
- (u) receipt of Canada Revenue Agency representative authorization form(s) authorizing Lender view only access of Borrower Canada Revenue Agency online portal;
- (v) the delivery to and satisfactory review by Lender of evidence that all federal and provincial corporate taxes, source deductions, and sales taxes for Borrower and Guarantor are up to date, including but not limited to corporate

income tax, real property tax, statutory liens, Crown claims including employee source deductions, HST, EHT, any amounts due under *Wage Earner Protection Plan Act* and Workplace Safety and Insurance Board premiums and any other amounts owing to the Crown that would rank in priority to the Loans or the Security Documents;

- (w) satisfactory completion by Lender of all business, environmental, legal and financial due diligence, including, but not limited to, evidence that Borrower has the required licenses in place to operate the business; and
 - (x) any other conditions precedent required by Lender as set out in the Schedule relating to such Loan.
5. **TENURE OF AGREEMENT:** This Agreement will come into effect on the date it is signed by Lender and Borrower and will continue in effect as long as any Obligations remain outstanding.
 6. **INTEREST:** Each Financed Amount shall bear interest at the Financing Rate set out in the applicable Schedule from the Commencement Date until the Financed Amount is unconditionally paid in full to Lender, and shall be payable in arrears on the date of each Loan Payment. Interest payable hereunder shall accrue and be calculated daily upon the daily outstanding balance of the Financed Amount or Overdue Payment, as applicable, on the basis of the actual number of days elapsed in a year of 365 or 366 days, as the case may be. All interest payments to be made under this Agreement in respect of the outstanding balance of the Financed Amount or any Overdue Payment, as applicable, shall be paid both before and after maturity and before and after default and/or judgment, if any, until full and unconditional payment of the outstanding balance of the Financed Amount or such Overdue Payment is made. The yearly rate of interest to which each rate of interest expressed herein is equivalent is the product of (a) such rate multiplied by (b) the actual number of days in the calendar year in which it is to be ascertained divided by 365. The principle of deemed reinvestment shall not apply to this Agreement or any payments made by Borrower hereunder.
 7. **INTEREST ON OVERDUE PAYMENTS:** Each Overdue Payment shall bear interest from the date due until unconditionally paid in full to Lender at the rate of 24% per annum, compounded monthly, and shall be payable on demand by Lender.
 8. **FEEES:** In addition to the Loan Payments, Borrower will pay to Lender:
 - (a) the documentation and onboarding fee set out in each Schedule (each, a “**Loan Documentation Fee**”);
 - (b) the loan fee set out in each Schedule (each, a “**Loan Fee**”);
 - (c) a non-refundable annual management fee in the amount of 35 basis points multiplied by the outstanding Obligations, payable on the first anniversary of

this Agreement and each year thereafter so long as any Obligations remain outstanding; and

- (d) for each default by Borrower of a reporting or monitoring covenant in this Agreement, including but not limited to the reporting obligations set out in Section 18, a default fee of \$1,250.00 per default (or the re-occurrence of a previously waived or remedied default), such fee to be payable within five (5) Business Days of the relevant default. Receipt by Lender of such fee shall not constitute a waiver of such default and shall not relieve or discharge the Borrower from remedying such default.

- 9. **PREPAYMENT:** Except as may be expressly permitted in the applicable Schedule, no prepayments of the Financed Amount are permitted without the prior written consent of Lender.
- 10. **PRE-AUTHORIZED PAYMENT:** Borrower agrees that it will authorize Lender to automatically draw Loan Payments and all other fees due under this Agreement from Borrower's appointed financial institution via Borrower's pre-authorized payment plan. Payment by other means must receive Lender's prior approval and may be subject to a service fee at Lender's sole discretion.
- 11. **PURPOSE:** The Financed Amount is to be used only for the purpose specified in the applicable Schedule.
- 12. **SECURITY INTEREST:** As general and continuing security for the payment and performance of the Obligations, Borrower hereby grants to Lender and Lender hereby takes a security interest in: (a) the Equipment, (b) all present and after-acquired intellectual property and other intangibles relating to the Equipment; (c) all present and after-acquired contracts, chattel paper, intangibles or instruments, written or oral, for the sale, exchange, lease, license, rental, sublease or other disposition of any kind whatsoever of the foregoing; (d) all insurance claims and proceeds resulting therefrom with respect to any loss or damage to any of the foregoing; and (e) all proceeds of the foregoing in the form of chattel paper, documents of title, goods, instruments, intangibles, money, fixtures or investment property, (collectively, the "**Equipment Collateral**"), and as further general and continuing security for the payment and performance of the Obligations Borrower hereby mortgages, transfers, pledges, charges and assigns the Equipment Collateral to Lender. The security constituted hereby is in addition to and not in substitution of the Security Documents or any other security which Lender may from time to time hold or take from Borrower or any other person.
- 13. **SECURITY DOCUMENTS:** Borrower shall deliver or cause to be delivered to Lender as security for the Obligations, the following documents (collectively, the "**Security Documents**") completed in a form and manner satisfactory to Lender's counsel and registered where applicable:

- (a) security agreement granted by the Borrower to Lender granting a first ranking purchase money security interest in respect of the Equipment Collateral;
- (b) assignment of insurance coverage against the Collateral with Lender named as first loss payee and additional insured, as applicable;
- (c) postponement and subordination of any and all shareholder and related party loans owed to or by Borrower and related entities; and
- (d) such other security and documentation which Lender and its counsel deem advisable.

In addition to the above-listed security, the Borrower shall provide, at their expense, all such releases, waivers, subordinations, inter-creditor agreements, registrations, authorizations, certificates, acknowledgements and legal opinions as Lender and its solicitor may reasonably require to give effect to the foregoing.

14. INSURANCE:

- (a) Borrower shall obtain, and maintain for the entire Term, at its own expense, property damage and liability insurance against loss or damage to the Equipment, including without limitation, loss by fire, (including extended coverage) theft, collision and such other risks of loss as customarily covered by insurance on the type of Equipment and by prudent operators of business similar to that in which Borrower is engaged, in such amounts, in such form and with such insurers which shall be satisfactory to Lender. The amount of insurance on the type of Equipment shall not be less than the greater of the full replacement value of the Equipment or the Loan Payments then remaining and unpaid hereunder. Each insurance policy will name Borrower and Lender as insureds, will name Lender as first loss payee thereof and will contain a clause requiring the insurer to give Lender at least 30 days' written notice of any alterations in the terms of such policy or of the cancellation thereof.
- (b) In addition, Borrower shall maintain all risks property insurance in connection with its assets, including any real property, and business and other types of insurance, including liability insurance with respect to claims for personal injury, death or property damage, with respect to the operation of its business, all with responsible and reputable insurance companies in such amounts and with such deductibles as are customary in the case of businesses of established reputation engaged in the same or similar businesses and in any event as are acceptable to Lender. Each insurance policy will name Borrower and Lender as insureds, will name Lender as first loss payee thereof and will contain a clause requiring the insurer to give Lender at least 30 days' written notice of any alterations in the terms of such policy or of the cancellation thereof.
- (c) At Lender's request, Borrower shall furnish to Lender certificates of insurance,

or other evidence satisfactory to Lender, that such insurance coverage is in effect, provided, however that Lender shall be under no duty to ascertain the existence of, or to examine such insurance policy, or to advise Borrower in the event such insurance shall not comply with the requirements hereof. Borrower further agrees to give Lender prompt notice of any damage or loss of the Equipment, other assets of Borrower, or any part thereof.

- (d) Borrower will, at its expense, make all proofs of loss and take all other steps necessary to recover insurance benefits, unless advised in writing by Lender that Lender desires to do so at Borrower's expense. With respect to the Equipment, proceeds of insurance will be disbursed by Lender against satisfactory invoices for repair or replacement of Equipment provided the Loan not then be in default. Performance by Borrower under this paragraph will not affect or release Borrower from the Obligations and liabilities herein elsewhere provided.

15. REPRESENTATIONS AND WARRANTIES OF BORROWER: Borrower represents and warrants in favour of Lender that:

- (a) Borrower is a corporation duly incorporated and validly existing under the laws of its jurisdiction of formation and has all requisite power and authority to own its assets and to carry on its business as such business is presently carried on.
- (b) Borrower has full power, capacity, authority and legal right to enter into this Agreement and the Security Documents to which it is party and to do all such acts and things are required to be done, observed and performed in accordance with the terms of this Agreement and the Security Documents to which it is party.
- (c) All corporate acts and proceedings on the part of Borrower necessary to authorize the execution, delivery and performance of this Agreement and the Security Documents to which it is party have been taken by Borrower and this Agreement and the Security Documents to which it is party have been or will be duly executed and delivered by Borrower.
- (d) Except to the extent disclosed to Lender in writing, Borrower is not in default under any agreement or instrument to which it is a party and which default would have a Material Adverse Effect.
- (e) All third party consents required by Borrower and Guarantor to enter into this Agreement and observe and perform their obligations hereunder have been obtained.
- (f) Other than as disclosed in writing to Lender, there are no actions, suits or

proceedings pending or, to the knowledge of Borrower, threatened against or affecting Borrower or any of their undertakings and assets, at law, in equity or before any arbitrator or before any governmental department, body, commission, board, bureau, agency or instrumentality having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to Borrower and which could, if determined adversely, materially and adversely affect the ability of Borrower to perform its obligations under this Agreement and the Security Documents to which it is a party, and Borrower is not in default with respect to any law, regulation, order, writ, judgment, injunction or award of any government, commission, board, agency, court, arbitrator or instrumentality which would have such an effect.

- (g) Borrower is the registered and beneficial owner of its assets, including the Equipment, and has good, valid and marketable title thereto, free and clear of all mortgages, charges, liens and other encumbrances except for Permitted Encumbrances and those mortgages, charges, liens and other encumbrances which are to be discharged and released using the proceeds of the Financed Amount.
- (h) To the best of Borrower's knowledge after due and diligent inquiry, no regulated, hazardous or toxic substances are being stored on any real property of Borrower or any adjacent property except in accordance with applicable law and industry standard, nor have any such substances been stored or used on any real property of Borrower or in Borrower's business or any adjacent property prior to Borrower's ownership, possession or control of any real property except in accordance with applicable law and industry standard.

16. AFFIRMATIVE COVENANTS: Borrower hereby covenants and agrees with Lender that unless otherwise consented to in writing by Lender:

- (a) Borrower shall duly and punctually pay the Loan Payments and all fees and other amounts required to be paid by Borrower hereunder in the manner specified in this Agreement.
- (b) Borrower shall maintain its corporate existence in good standing and do or cause to be done all things necessary to keep in full force and effect all properties, rights, franchises, licenses and qualifications to carry on business in any jurisdiction in which it carries on business and it shall maintain all of its properties and assets consistent with industry standards.
- (c) Borrower shall do or cause to be done all acts necessary or desirable to comply with all material applicable federal, provincial, regulatory and municipal laws, requirements or standards, and to preserve and keep in full force and effect all material regulatory requirements, franchises, licenses, rights, privileges and permits necessary to enable Borrower to operate and conduct its business in accordance with standard industry practice and to advise Lender of any

anticipated changes, loss or sale of such material franchises, licenses, rights, privileges and permits.

- (d) Borrower shall give written notice to Lender within 2 Business Days of notice thereof of any dispute, contractual or financial in nature, litigation, proceeding or dispute affecting Borrower or Guarantor if either (a) the claim is greater than \$50,000, or (b) the result might, in Borrower's bona fide opinion, have a Material Adverse Effect on Borrower or Guarantor or on the operations of Borrower, or (c) the claim relates to or directly impacts the Equipment Collateral, and in each case from time to time furnish to Lender all reasonable information requested by Lender concerning the status of any such litigation, proceeding or dispute.
- (e) At any reasonable time during regular business hours upon reasonable prior notice (which for greater certainty is no longer than 5 Business Days), Borrower shall permit Lender or any representative thereof, at the expense and risk of Borrower, to examine and make copies of and abstracts from the records and books of account of Borrower, to visit and inspect the premises and properties of Borrower, and to discuss the affairs, finances and accounts of Borrower with any of the officers, senior employees or managers of Borrower.
- (f) Subject to Permitted Encumbrances, the Borrower shall keep the Collateral free of levies, mortgages, charges, liens and other encumbrances, and shall pay all license fees, registration fees, assessments, charges and taxes (Municipal, Provincial and Federal), which may be levied or assessed directly or indirectly against, or on account of the said Collateral or any interest therein or use thereof.
- (g) Borrower shall deliver to Lender, forthwith upon becoming aware of any default in the performance of any covenant, agreement or condition contained in this Agreement or the occurrence of an event of default, a certificate of an officer of Borrower, specifying such default or defaults or such event.
- (h) Borrower shall from time to time pay or cause to be paid all rents, taxes, rates, levies or assessments, ordinary or extraordinary, governmental fees or dues, levied, assessed or imposed upon Borrower or any of the assets of Borrower, as and when the same become due and payable, including all statutory liens, trust and other Crown claims including employee source deductions, income taxes, GST, PST, HST, EHT, WEPPA and WSIB premiums, except when and so long as the validity of any such rents, taxes, rates, levies, assessments, fees or dues is in good faith being contested by Borrower and such disputes have been previously disclosed in writing to Lender.
- (i) Borrower shall from time to time pay all rents and other amounts when the same become due and payable for any and all premises leased by Borrower.

- (j) Borrower shall disclose to Lender in writing any fact of which Borrower becomes aware which will result in a Material Adverse Effect, or so may reasonably foresee may result in a Material Adverse Effect.
- (k) Borrower must obtain Lender's prior written consent, before permitting shareholder(s) to sell or transfer their shares or before any change in effective voting control of Borrower by contractual or other means, provided that the Borrower shall not be required to seek consent for a share transfer with respect to any dispositions of shares of the Borrower related to management equity compensation in the ordinary course which do not cumulatively impact more than 10% of the shares in the capital of the Borrower and do not result in a change in effective voting control of the Borrower.
- (l) The Equipment is and shall at all times remain personal or movable property and shall not be affixed or attached to any lands, buildings, motor vehicles or other chattels without the prior written consent of Lender. In the event Lender grants its permission, Borrower shall install the said Equipment in a manner which will permit its removal without material injury to the Equipment or to the place of installation. Borrower shall be responsible for any damage done to any real estate, building or structure by the removal of the Equipment and shall indemnify and save harmless Lender therefrom. If the Equipment is to be delivered to leased premises Borrower shall advise Lender of the name and address of the landlord of such leased premises and upon Lender's request, obtain a postponement of the landlord's interest in the Equipment to the interest of Lender and a landlord access agreement on terms satisfactory to Lender. Notwithstanding the foregoing, the Equipment may be affixed or attached to other Equipment without the prior written consent of Lender.
- (m) The Equipment shall be located and used at the place designated in the Schedule and not elsewhere, without the prior written consent of Lender. Borrower shall cause the Equipment to be maintained and operated carefully in compliance with manufacturer's recommendations, and applicable laws and legislation, by competent and duly qualified personnel only, and for business purposes. Borrower shall comply with and conform to all Federal, Provincial, Municipal and other laws, ordinances and regulations in any way relating to the possession, use or maintenance of the Equipment. Lender shall have the right and Borrower shall allow Lender free access to inspect the Equipment Collateral on request.

17. NEGATIVE COVENANTS: Borrower hereby covenants and agrees with Lender that unless otherwise consented to in writing by Lender:

- (a) Borrower shall not amalgamate, merge, consolidate or otherwise enter into any other form of business combination with any other person.
- (b) Borrower shall not liquidate, dissolve or wind-up or take any steps or

proceedings in connection therewith.

- (c) Borrower shall not incur, assume, suffer to exist, or otherwise become or remain directly or indirectly liable with respect to any indebtedness, except (i) indebtedness incurred pursuant to this Agreement; (ii) indebtedness for trade payable to suppliers in the ordinary course of business, (iii) indebtedness secured by or which could be secured by Permitted Encumbrances, and (iv) indebtedness hereafter approved by Lender in writing.
- (d) Borrower shall not create, issue, incur, assume or permit to exist any mortgage, charge, lien or other encumbrance on any of the assets which are the subject of the Security Documents, other than Permitted Encumbrances.
- (e) Borrower shall not grant, sell, exchange, transfer, assign, lease or otherwise dispose of the any interest in the Collateral.
- (f) Borrower shall not (i) pay distributions or dividends on any capital stock or partnership units or pay any amount to redeem, reduce, purchase or retire in any manner any capital stock, or partnership units, including without limitation, in connection with any put option agreement entered into by Borrower and its shareholders as of the date hereof or at any time hereafter, other than distributions or dividends which are made by payment of equity interests or are otherwise not paid or payable in cash; or (ii) repay any shareholder or related party loans or debentures issued by Borrower without the consent of the Lender (acting reasonably).
- (g) Borrower may not make loans to or investments in, or give guarantees or other financial assistance on behalf of others, other than guarantees or other financial assistance by the Borrower to or to the benefit of its direct or indirect shareholders which are unsecured.
- (h) Borrower shall not pay any management, consulting or similar fees or pay any other amounts whatsoever or any income to any affiliate or to any director or senior management employee of Borrower or any affiliate thereof ("**Fees**") other than payment of income or compensation in the amounts being paid as at the Commencement Date for reasonable services rendered to, and reimbursement of expenses reasonably incurred for Borrower or Guarantor in the ordinary course of business ("**Permitted Payments**"). Other than Permitted Payments to senior management employees, including for certainty expenses incidental to or incurred in the ordinary course of their employment, no Fees shall be paid if a default exists under this Agreement or any of the Security Documents or the making of such payment will result in a default.
- (i) Borrower shall not make any alterations to the Equipment, except for routine alterations required to improve, update or certify the Equipment which do not reduce the value of the Equipment.

- (j) The use of the Equipment shall not be changed to any use which would result in a change of capital cost allowance class.
- (k) Borrower shall not undertake any actions with respect to their business operations and/or capital structure which would, in the determination of Lender, have a Material Adverse Effect on Borrower.

18. REPORTING:

- (a) Borrower shall deliver to Lender:
 - i. unaudited internally prepared, monthly financial statements of the Borrower within thirty (30) days of the end of each month;
 - ii. a compliance report signed by an officer of the Borrower within thirty (30) days of the end of each month, the effect that full payment has been made of all source deductions (employee deductions, CPP, employment insurance and goods and services tax) required by the applicable government authority have been paid in full and there are no principal interest arrears, all property taxes have been paid and Borrower is in full and complete compliance with conditions of this Agreement;
 - iii. a report setting out the sales by the Borrower of Aggregate (as defined in the Senior Loan Agreement) in the last month and the proceeds of sale of Aggregate actually received in the last month by the Borrower within thirty (30) days of each month end, including confirmation that all royalties in respect of the Aggregate have been paid in full for such month;
 - iv. monthly, within 30 days after the end of each fiscal month of Borrower, or otherwise upon request of Lender, the financial statements of Borrower, including profit & loss statements and balance sheets and schedules of accounts receivable and accounts payable;
 - v. monthly, or such other interval at Lender's sole discretion, an updated asset listing with respect to the Equipment, which includes, but is not limited to, the location and/or storing site of the Equipment;
 - vi. a report on all equipment (as defined in the Alberta *Personal Property Security Act*) purchased and sold which has a purchase or sale price, as applicable, in excess of \$50,000, including costs incurred in such sales and application of proceeds of sale, within one hundred and twenty (120) days of the end of the fiscal year;

- vii. annually, within 120 days after the end of each fiscal year of Borrower, the audited or reviewed financial statements of Borrower, including profit & loss statements and balance sheets and schedules of accounts receivable and accounts payable and cash flow statements;
 - viii. a business plan and monthly operating budget for the coming fiscal year within thirty (30) days of the end of each fiscal year, including a financial forecast, including income statements, capital expenditures statements, capital expenditure, budget, balance sheet, cash flow and a detailed list of assumptions; and
 - ix. any further information, data, financial statements and reports, accounting or banking statements which Lender may from time to time require, acting reasonably.
- (b) In addition, Borrower agrees that Lender shall be entitled to and have the right to, but not the obligation, to request the following, each at the reasonable cost of Borrower:
- i. annually, or such other interval if Lender, acting reasonably, believes its security may be materially impaired, an updated appraisal or opinion of value in respect of the Collateral satisfactory to Lender, completed by an appraisal firm satisfactory to Lender.

19. INDEMNITY: Borrower hereby indemnifies Lender and agrees to save Lender harmless from and against all loss, cost (including taxable costs on a solicitor and client basis) and expenses (including actual legal fees and disbursements incurred by Lender) whatsoever arising in connection with this Agreement, the Equipment and the use thereof, including but not limited to its manufacture, selection, purchase order, possession, use, operation or return and recovery of claims under any insurance policy relating to the Equipment and enforcement of the rights of Lender hereunder. This indemnity will survive the termination of this Agreement.

20. DEFAULT: Each of the following is a “default”:

- (a) Borrower fails to make any Loan Payment or pay any other sum owing under this Agreement or any Security Document within 3 Business Days after the same is due and payable; or
- (b) Borrower or Guarantor shall fail to perform or observe any covenant, condition or agreement to be performed or observed by it hereunder or under the Security Documents, including any reporting requirements, provided that for the affirmative covenants contained in Section **Error! Reference source not found.** Borrower and Guarantor shall have 5 Business Days to cure any such failure; or
- (c) any representation or warranty made by Borrower or the Guarantor herein or

in any document or certificate furnished to Lender in connection herewith or pursuant hereto, including pursuant to the Security Documents, shall prove to be incorrect at any time in any material respect; or

- (d) Borrower or Guarantor fails to pay its employees in the ordinary course of business when such payments are due, provided that Borrower and Guarantor shall have 5 Business Days to cure any such default; or
- (e) Borrower or Guarantor defaults under its material obligations to governmental agencies when such obligations are due, provided that Borrower and Guarantor shall have 5 Business Days to cure any such default; or
- (f) Borrower or Guarantor fails to remit taxes or source deductions or any other amounts due to the Canada Revenue Agency when due and payable, provided that Borrower and Guarantor shall have 10 Business Days to cure any such default; or
- (g) if any event of default as defined in any indenture, agreement or instrument evidencing, or under which, any indebtedness of Borrower or Guarantor is outstanding shall have happened and be continuing, and such default either involves the failure to make any payment, whether of principal, interest or otherwise, in an amount exceeding \$50,000 or which results in the acceleration of any debt exceeding \$50,000; or
- (h) if a decree or order of a court of competent jurisdiction is entered adjudging Borrower or Guarantor a bankrupt or insolvent or approving as properly filed a petition seeking the winding-up of Borrower or Guarantor (as applicable) under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada) or the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against, or against any substantial part of the assets of Borrower or Guarantor or proceedings commenced for the dissolution, liquidation or winding-up of Borrower or Guarantor; or
- (i) if a final judgment or decree for the payment of money due shall have been obtained or entered against Borrower or Guarantor in an amount which, in the reasonable opinion of Lender, would materially and adversely affect the ability of Borrower or Guarantor to fulfill its obligations to Lender under this Agreement and such judgment or decree shall not have been and remain vacated, discharged or stayed pending appeal within the applicable appeal period; or
- (j) if any of the security, as outlined in the Security Documents, shall cease to be a valid and perfected first priority security interest in the assets charged thereby as against third parties, provided that Borrower and Guarantor shall have 5 Business Days to cure any such default; or

- (k) the occurrence of a Material Adverse Effect; or
- (l) if the Equipment or any other assets charged by the Security Documents or any material part thereof is seized under legal process, confiscated, sequestered or attached or if a distress is levied thereon; or
- (m) if Borrower or Guarantor is a corporation, and (i) the control or beneficial ownership thereof changes from that which existed at the date of execution of this Agreement; (ii) changes its name without obtaining the prior notice to Lender; (iii) any special resolution is passed on other proceedings taken regarding the wind-up of the corporation; or (iv) it ceases to carry on the business presently conducted by it; or
- (n) Borrower shall suffer the loss or suspension of any licenses, permits, or other operating authorities required for the present operation of its business or any part of it, and such loss or suspension would reasonably be expected to result in a Material Adverse Effect; or
- (o) Borrower or Guarantor defaults under any other agreement with Lender or any of its affiliates.

21. REMEDIES: Upon the happening of any default Lender may, to the extent permitted by law:

- (a) appoint an individual to monitor the day-to-day operations of Borrower, with approval rights on all cash disbursements and all material contracts of Borrower; or
- (b) declare the then outstanding Loan Payments, interest, costs and all moneys owing by Borrower and all Obligations to be immediately due and payable and such moneys and liabilities shall forthwith become due and payable without presentment, demand, protest or other notice of any kind to Borrower, all of which are hereby expressly waived; or
- (c) exercise any or all of its remedies under the Security Documents or any rights and remedies available at law or in equity; or
- (d) take possession of the Equipment Collateral for the purposes of administration and for that purpose enter any premises where the Equipment is located whether or not the Equipment is affixed to any such premises, and sell, lease or otherwise dispose of the Equipment Collateral, or both, by public or private means and upon such terms and consideration as Lender may in its sole discretion accept. Borrower hereby waives any damages or claim to damages arising from any retaking of possession under the terms of this Agreement or

any Security Documents; or

- (e) terminate the Loan and by written notice to Borrower require Borrower to forthwith pay to Lender on the date specified in such notice, as a genuine pre-estimate of liquidated damages for loss of a bargain and not as penalty the present worth of the aggregate of all unpaid amounts due hereunder as rent or otherwise to the expiration of the Term (as if the Loan had not been terminated) less the net amount received by Lender on any sale, lease or other disposition of the Equipment.

No one or more of the remedies referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedies referred to herein or otherwise available to Lender at law or in equity; and in particular pursuant to the Personal Property Security Act or other similar legislation of the jurisdiction under whose laws this Agreement may from time to time be interpreted. If upon disposition of the Collateral under this Agreement or any Security Documents or under the provisions of any remedies available to Lender there shall be a surplus, such surplus shall be the property of Lender if not prohibited by law.

- 22. LENDER'S RIGHTS:** If Borrower fails to perform or comply with any Obligations, Lender may, but has no obligation to, perform same in the name of Borrower or Lender and make all necessary disbursements in connection therewith, which shall be reimbursed by Borrower immediately on demand. Lender is hereby appointed Borrower's lawful attorney to take any such action in Borrower's name.
- 23. EXPENSES:** Borrower shall pay Lender on demand all reasonable costs incurred by Lender, directly or indirectly, including, without limitation, expenses of legal counsel, due diligence, appraisals, environmental audits and reports, consulting engineers' fees, security filings, transfer fees and taxes, survey costs and other third party costs, as well as time spent by Lender's personnel and reasonable expenses incurred by Lender's personnel, in conjunction with preparing the Loan documents or in respect of the transaction contemplated herein, regardless of whether or not the loan is completed and funded. Borrower agrees to pay all of Lender's reasonable costs incurred from time to time (including without limitation reasonable legal fees, accountant fees and additional monitoring fees) incurred following the occurrence and continuance of an event of default in the operation, recovery or enforcement of this Agreement or any other agreement entered into pursuant to this Agreement.
- 24. EXPENSE UNDER DEFAULT:** If Borrower repudiates the Loan or is in default hereunder Borrower shall be liable for any and all unpaid additional Loan Payments due or to become due hereunder, interest, and other costs and expenses incurred by reason of any event of repudiation or of default or the exercise of Lender's remedies in respect thereof.
- 25. WAIVER BY LENDER:** No delay or omission to exercise any right or remedy accruing to Lender upon any breach or default of Borrower will impair any such right

or remedy or be construed to be a waiver of any such breach or default, nor will a waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval on the part of Lender of any breach or default under this Agreement or of any provision or condition hereof, must be in writing and will effect only to the extent in such writing specifically set forth. All remedies, either under this Agreement or at law or in equity or otherwise afforded to Lender, are cumulative and not alternate.

26. **WAIVER BY BORROWER:** To the extent not prohibited by law or statute, Borrower hereby waives the benefit of all provisions of all applicable conditional sales, regulatory credit and other statutes and regulations made thereunder any and all Provinces and Territories of Canada, which would in any manner affect, restrict or limit the rights of Lender hereunder, including, without limiting the generality of the foregoing, all of Borrower's rights, benefits and protections given or afforded by the provisions of the *Limitations of Civil Rights Act* of Saskatchewan as amended and *The Distress Act* of Manitoba. Borrower also waives and assigns to Lender the right of any statutory exemption from execution or otherwise and further waives any right to demand security for costs in the event of litigation.
27. **BINDING UPON HEIRS, SUCCESSORS AND ASSIGNS:** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, assigns and legal representatives, provided that nothing in this clause contained shall impair any of the provisions hereinbefore set forth prohibiting transfer of the Equipment by Borrower, or assignment of this Agreement by Borrower without the written consent of Lender.
28. **ASSIGNMENTS AND SUBLETTING:** Borrower shall not transfer, deliver up possession of, or lease the said Equipment, and this Agreement and any Loan shall not be assignable by Borrower without written permission of Lender, which permission may be arbitrarily withheld. Other than to a direct competitor of Borrower, Lender may at any time assign all or part of its interest in this Agreement or any Loan and nothing contained herein shall prevent Lender from assigning, pledging, mortgaging, transferring or otherwise disposing, either in whole or in part, of Lender's rights hereunder. Borrower hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy thereof. Borrower shall recognize any such assignment, transfer or pledge and shall not assert against any assignee any claims or rights of set off, defences or abatement which it may have against the original Lender respecting this Agreement or any Loan and waives all claims and equities against assignee's rights to enforce this Agreement or any Loan based on Lender's alleged failure to perform same.
29. **FURTHER ASSURANCES:** Borrower agrees to do all things and execute all documents as may reasonably be required by Lender in order to give effect to this Agreement including and to provide Lender with a security interest in the Equipment, proceeds of the Equipment and all other assets as required by the Security Documents.

30. **SEVERABILITY:** Any provision of this Agreement prohibited by or unlawful or unenforceable under any applicable law or jurisdiction shall, at the sole option of Lender, be ineffective as to such jurisdiction without invalidating the remaining provisions of this Agreement, provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Borrower.
31. **INTERPRETATION:** It is hereby agreed by and between the parties hereto that whenever the context of this Agreement so requires, the singular number shall include the plural and vice versa, and that words importing the masculine gender shall include the feminine and neuter genders, and that in case more than one Borrower is named as Borrower, the liability of such Borrowers shall be joint and several, without benefit of division or discussion.
32. **APPLICABLE LAW:** This Agreement shall be interpreted and enforced in accordance with the laws of the Province of Alberta.
33. **TIME:** Time is of the essence of this Agreement.
34. **NAME CHANGE, ETC.:** Borrower shall promptly notify Lender in writing of:
- (a) any change in name of Borrower or Guarantor;
 - (b) any transfer, authorized or unauthorized, by Borrower of any interest in or benefit from the Equipment;
 - (c) any change, authorized or unauthorized, by Borrower in the location of any Equipment; and
 - (d) any change in the location of Borrower's head office specified in the Schedule.
35. **CHOICE OF LANGUAGE:** The parties hereby acknowledge that they have required this contract and all other agreements and notices required or permitted to be entered into or give pursuant hereto, to be drawn up in the English language. Les parties reconnaissent avoir demande que le present contrat ainsi que toute autre entente our avis requis ou permis a entre conclu ou donne en ventu des disositions due present contrat, soient rediges dans langue anglaise.
36. **HEADINGS:** The insertion of headings in this Agreement is for convenience of reference only and shall not affect the interpretation thereof.
37. **NOTICES:** Any notice, demand, consent or other communication required or permitted hereunder ("**Notice**") shall be in writing and may be delivered, or sent by prepaid registered mail, or by telex, telecopier, email or other means which produces a permanent written record (a "**transmission**"). Mailed Notice shall be deemed to have been given two Business Days after mailing provided there is no general disruption or stoppage of postal services then in effect, in which case delivery shall be made by one

of the other methods permitted herein; delivered Notice shall be effective upon delivery during business hours to an apparently responsible adult, and transmissions shall be deemed to have been received at the opening of the next Business Day immediately following transmission. Addresses for Notice shall be those addresses stated on the face hereof and may be changed in accordance with the foregoing.

38. **ENTIRE AGREEMENTS:** This Agreement together with any and all Schedules constitutes the entire agreement between Borrower and Lender.
39. **COPY OF AGREEMENT:** Borrower acknowledges receipt of a copy of this Agreement and waives all right to receive from Lender copies of financing statements, financing change statements or verification statements filed with respect to this Agreement.
40. **PPSA WORDS AND EXPRESSIONS:** Words and expressions used herein that have been in the Personal Property Security Act of the jurisdiction under whose laws this Agreement may from time to time be interpreted shall have the same meaning herein.
41. **CREDIT INFORMATION:** Each of Borrower and Guarantor hereby authorize Lender and any of its representatives or partners to collect, use and disclose its personal information for the purposes of investigating and providing financial services. Borrower and Guarantor have been informed by Lender or its partners or representatives, that its personal information is collected, used and disclosed for the following purposes: (i) to collect credit and related financial information from me, from credit agencies, and from any parties listed herein, (ii) to use the information collected to determine financial situation of Borrower and Guarantor and confirm identity of Borrower and Guarantor, to provide financial services Borrower has requested and to offer additional products and services of Lender that may be of benefit to Borrower and Guarantor, (iii) to share the information with assignees, bankers or funding partners of Lender, (iv) to share the information collected and any information on Borrower's commercial dealings with Lender with credit agencies or other financial institutions. Further, Borrower and Guarantor each specifically acknowledges that Lender may assign this Agreement and any related agreements in whole or in part from time to time and agrees that any personal information collected in relation to this Agreement may be made available to any such proposed assignee.
42. **CONFIRMATION OF PAYABLE STATUS:** Borrower certifies to Lender that the information provided in this statement and on any accompanying reports is complete and accurate in all respects as at the date specified above. Furthermore, Borrower certifies that all sums owed privileged and preferred creditors, including government agencies have been paid and are current amounts owing in accordance with the permitted time frame for payment set by the particular creditor/agency. Borrower agrees to maintain such payables in a current status while indebted to Lender and to provide Lender with confirmations of the status of such outstanding payables from time to time upon request.

In addition to providing the information specified above, Borrower hereby authorizes Lender to make inquiries of government departments including Revenue Canada, the Provincial Treasurer, the Worker's Compensation Board, and applicable municipal government departments, and Borrower hereby directs such departments to provide Lender information respecting Borrower's status of payments due to such government departments and/or agencies.

43. CONFIDENTIALITY:

- (a) Borrower agrees not to disclose, and to cause Related Parties (as defined below) not to disclose any of the terms, conditions or other facts relating to this Agreement, including the status thereof (all such information whether written or oral, the other documents and such other materials relating to this Agreement as may hereafter be exchanged between the parties, being hereinafter referred to as the "**Loan Information**"), except that Loan Information may be disclosed to its direct and indirect shareholders, lenders, principals, lawyer, accountants, consultants, partners, employees or agents and their respective affiliates and legal counsel (collectively, the "**Related Parties**"). Related Parties will be informed of the confidential nature of the Loan Information and will be directed to keep the Loan Information in the strictest confidence and to use the Loan Information only for the purpose of causing the consummation of the transactions contemplated by this Agreement. Notwithstanding the foregoing the Borrower and Related Parties may disclose Loan Information (i) as required by law, order or rule (including the rules of any applicable supervisory or regulatory authority having jurisdiction over such Related Party) or regulation or a court of competent jurisdiction, (ii) in seeking to establish any defense in any legal or regulatory proceeding or investigation relating to the matters set out herein, or (iii) in connection with any actual or potential dispute or claim which relates to the matters set out herein.
- (b) Lender agrees that it shall not, and shall cause its affiliates, principals, lawyers, accountants, consultants, partners, employees or agents and their respective affiliates and legal counsel, not to disclose any Loan Information, or any financial, operational or other non-public information relating to the Borrower or any Guarantor to any competitor of the Borrower. Notwithstanding the foregoing the Lender and its affiliates, principals, lawyers, accountants, consultants, partners, employees or agents and their respective affiliates and legal counsel may disclose Loan Information (i) as required by law, order or rule (including the rules of any applicable supervisory or regulatory authority having jurisdiction over such Person) or regulation or a court of competent jurisdiction, (ii) in seeking to establish any defense in any legal or regulatory proceeding or investigation relating to the matters set out herein, or (iii) in connection with any actual or potential dispute or claim which relates to the matters set out herein.

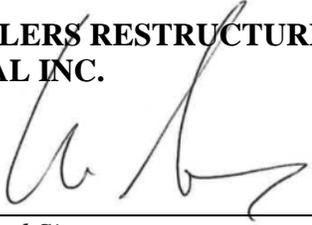
44. **COUNTERPARTS/ELECTRONIC DOCUMENTS OR SIGNATURES:** This Agreement and each Schedule may be executed in counterparts. The counterpart that has Lender's original signature and/or is in Lender's possession will constitute the single true original agreement for all purposes. Borrower may execute and/or transmit this Agreement manually, by facsimile or other electronic or digital means. If Borrower signs and transmits this Agreement by facsimile or other electronic transmission, that copy, upon execution by Lender (either manually or electronically), shall be binding on the parties. Borrower agrees to deliver to Lender upon request the counterpart to this Agreement containing Borrower's manual signature.
45. **JOINT & SEVERAL LIABILITY:** If more than one person executes this Agreement as Borrower, and, where the context so admits, each reference in this Agreement to "Borrower" shall include reference to any one or more or all of such persons and the acts or omissions of any such persons shall bind all of them. Each Borrower hereby: (i) expressly acknowledges and confirms its joint and several liability under this Agreement, and that each of them receives benefit and consideration from the financial accommodation provided herein by Lender (ii) irrevocably and unconditionally accepts, not merely as a surety but as a co-debtor, joint and several liability with the other Borrower(s) with respect to the payment and performance of all of the Obligations under this Agreement; (iii) acknowledges that any notice delivered to a Borrower at the address set out in this Agreement shall be deemed to have been received by each Borrower concurrently; (iv) until the final unconditional payment and performance in full of all of the Obligations under this Agreement: (a) no Borrower shall exercise by way of subrogation, reimbursement or otherwise any rights such Borrower may have against another Borrower or any Guarantor of such obligations arising as a result of amounts paid hereunder; (b) no Borrower shall threaten, make or advance any claim in competition with Lender in respect of any payment hereunder in any bankruptcy, insolvency or reorganization case or proceedings of any nature; and (c) no Borrower shall claim any setoff, recoupment or counterclaim against another Borrower or any Guarantor in respect of any liability of another Borrower or such Guarantor, and (v) Lender's rights hereunder may be enforced from time to time against any Borrower without requirement on the part of Lender first to marshal any of its claims or to exercise any of its rights against any other Borrower or to exhaust any remedies available to it against any other Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy.

[Signature Page Follows]

The parties hereby acknowledge and agree to the terms and conditions of this Agreement as of the date first written above.

LENDER:

**TRAVELERS RESTRUCTURING
CAPITAL INC.**



Authorized Signatory
Name: Warren Miller
Title: Vice President

BORROWER:

MANTLE MATERIALS GROUP, LTD.

Authorized Signatory
Name:
Title:

The parties hereby acknowledge and agree to the terms and conditions of this Agreement as of the date first written above.

LENDER:

**TRAVELERS RESTRUCTURING
CAPITAL INC.**

Authorized Signatory

Name: Warren Miller

Title: Vice President

BORROWER:

MANTLE MATERIALS GROUP, LTD.



Authorized Signatory

Name: Jeff Ryks

Title: Chief Financial Officer

SCHEDULE TO LOAN AND SECURITY AGREEMENT

SCHEDULE NO. 1

Loan and Security Agreement Schedule Number 1 to the Loan and Security Agreement dated October 8, 2021 (as amended or amended and restated from time to time, the “**Loan and Security Agreement**”) among Travelers Restructuring Capital Inc., as lender (the “**Lender**”), and MANTLE MATERIALS GROUP, LTD., as borrower (the “**Borrower**”).

In consideration of the covenants and agreements between Lender and Borrower contained in the Loan and Security Agreement and herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lender provides to Borrower the loan described below, on the terms and conditions of this Schedule and the Loan and Security Agreement. Any capitalized term not defined herein will have the meaning given to it in the Loan and Security Agreement.

1. BORROWER

MAILING ADDRESS 9046 22 Ave SW		TEL.NO. 780-826-1774
CITY/PROV. Edmonton, AB		POSTAL CODE T6X 1Z6
CONTACT/TITLE Jeff Ryks	BANK NAME and ADDRESS: The Toronto-Dominion Bank, 10205 101 Street, 148 Edmonton City Centre East, Edmonton, Alberta, T5J 2Y8	FAX NO. 780-826-6280
HEAD OFFICE ADDRESS 9046 22 Ave SW, Edmonton, AB T6X 1Z6		

2. FINANCED AMOUNT

The principal amount of up to \$1,700,000.00 (the “**Financed Amount**”), to be made by way of a single advance to the Borrower upon satisfaction of the Conditions Precedent set out in the Loan and Security Agreement and any Conditions to Funding in this Schedule No. 1.

3. FINANCING RATE

The Financed Amount shall bear interest at the rate of 11.50% per annum, calculated in arrears and payable monthly (the “**Financing Rate**”).

4. PURPOSE

The Financed Amount shall be used for the purpose of the acquisition of the Equipment set out in Exhibit A pursuant to a purchase and sale agreement between the Borrower and Flasha Holdings Ltd., and the Financed Amount shall only be used to the Borrower to acquire the Equipment and to pay the Loan Fees,

Loan Documentation Fee, legal fees and expenses of legal counsel to the Lender and all other fees and costs associated with the acquisition of the Equipment.

The Lender shall advance the Financed Amount directly to Flasha Holdings Ltd. (or as directed by Flasha Holdings Ltd. or its trustee) in payment of the purchase price for the Equipment.

5. AVAILABILITY

Unless otherwise agreed upon and permitted by Lender, any Financed Amount not advanced by the date which is 1 months from the date of the Commencement Date will be automatically cancelled.

In addition to the conditions precedent set out in the Loan and Security Agreement, it shall be a condition precedent to this Loan that the Borrower provide a form of vesting order with respect to the Equipment to the Lender which will be issued to the Borrower upon completion of the acquisition of the Equipment and will evidence the Borrower as the legal and beneficial owner of the Equipment.

6. EQUIPMENT

See attached Exhibit A.

PLACE OF USE OF EQUIPMENT (OR, IF MOBILE GOODS, SPECIFY SUCH)

The province of Alberta – and any other area as approved in writing by the Lender in writing.

The Borrower agrees that the Equipment located at the location above will not be moved without prior written consent of Lender.

7. TERM

TERM (MONTHS)	COMMENCEMENT DATE	TERMINATION DATE
Approximately 36 months from the Commencement Date	October 8, 2021	October 15, 2024

8. LOAN PAYMENTS

Loan Payments will be made MONTHLY QUARTERLY OTHER

The Borrower shall pay thirty-six (36) monthly Loan Payments of blended principal and interest. The Loan Payments will be calculated based on a fifty-four (54) month amortization. For clarity, any outstanding balance of the Financed Amount will be due at the Termination Date.

Loan Payments shall become due and payable on the fifteenth day of the subsequent month following the Commencement Date shown above.

9. FEES

In addition to the Loan Payments, Borrower will pay to Lender:

- (a) a Loan Fee equal to 2.15% of the total Financed Amount; and
- (b) a Loan Documentation Fee equal to \$2,500.00.

10. PREPAYMENT

The Financed Amount may not be prepaid in whole or in part until such a date that is after twelve (12) Loan Payments have been received by the Lender. Thereafter, the Financed Amount may be prepaid in whole or in part prior to the Termination Date, provided however, that:

- (a) the Borrower shall provide to the Lender not less than ten (10) days prior written notice of such prepayment; and
- (b) at the time of such prepayment, the Borrower shall also pay to the Lender the amount that equals the lesser of (i) 6 months interest payable in respect of the prepayment, or (ii) the remaining interest payable in respect of the prepaid amount if prepayment had not occurred.

[Signature Page Follows]

In witness whereof the parties have executed this Schedule No. 1 on the respective dates set forth below and this Schedule shall be deemed to have been executed on the later of such dates.

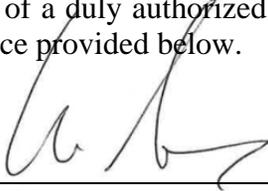
LENDER

BORROWER

**TRAVELERS RESTRUCTURING
CAPITAL INC.**

MANTLE MATERIALS GROUP, LTD.

This loan shall not become binding upon Lender until accepted in writing as evidenced by the signature of a duly authorized officer of Lender in the space provided below.



Authorized Signatory
Name: Warren Miller
Title: ViceP resident

Authorized Signatory
Name:
Title:

Authorized Signatory
Name:
Title:

DATE OF LENDER'S ACCEPTANCE

DATE OF ACCEPTANCE OF BORROWER

October 8, 2021

October 8, 2021

In witness whereof the parties have executed this Schedule No. 1 on the respective dates set forth below and this Schedule shall be deemed to have been executed on the later of such dates.

LENDER

BORROWER

**TRAVELERS RESTRUCTURING
CAPITAL INC.**

MANTLE MATERIALS GROUP, LTD.

This loan shall not become binding upon Lender until accepted in writing as evidenced by the signature of a duly authorized officer of Lender in the space provided below.



Authorized Signatory

Name:
Title:

Authorized Signatory

Name: Jeff Ryks
Title: Chief Financial Officer

Authorized Signatory

Name:
Title:

DATE OF LENDER'S ACCEPTANCE

DATE OF ACCEPTANCE OF BORROWER

October 8, 2021

October 8, 2021

**EXHIBIT "A"
EQUIPMENT**

<u>Item</u>	<u>Unit</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
1	M6545 & M6546	2015	Elrus	2054	Jaw Screen Plant	M6545ERC15JS
2	M4768 & 4617	2008	Elrus	H4800CC	Cone Crusher	M4768ER08CC
3	M4544 & M4545	2008	Elrus	6X20 3D SP	Screen Plant	M4544ER08SP
4	M6443	2014	Elrus	42"	Belt Feeder	M6443ERC14F
5	M5379	2011	Elrus	30 YRD SB	Surge Bin	M5379ERC11SB
6	CM1	2006	Trio	36"	Coarse Washer	TCW3618-178
7			Eagle Iron Works		Sand Screw	9789
8	M4540	2008	Elrus	6X10 CT	Control Tower	M4540ER08CT
9		1995	Bonair	BA-19SS	Testing Travel Trailer	2BL2RSH29S2450233
10	M5650	2011	Superior	36X125 PC	Radial Stacking Conveyor	216044
11	Stacker 1	2008	Superior	36X60 PRSC	Portable Radial Stacking Conveyor	8608-08
12	Stacker 2	2008	Superior	36X60 PRSC	Portable Radial Stacking Conveyor	8607-08
13	Jump 1		Superior	36X60 PFTC	Portable Transfer Conveyor	8191
14	Jump 2	2007	Superior	36X60 PFTC	Portable Transfer Conveyor	7252-07
15	Jump 3	2007	Superior	36X60 PFTC	Portable Transfer Conveyor	8190-07
16	Stacker 3		Telsmith	20X40	Portable Transfer Conveyor	PK40T274
17			Rice Lake	EZ8010-ST-ATV	Portable Truck Scale	3FBP
18			Ancoma	PV5301030S	Portable Truck Scale	301109
19	AT3	2014	Komatsu	HM300-3	Articulated Dump Truck	KMTHM011H29003484
20	AT2	2008	Komatsu	HM300-2	Articulated Dump Truck	KMTHM005K54A11150
21		2013	Komatsu	PC490LC-10	Excavator	KMTPC239C54A40412
22		2012	Komatsu	PC290LC-10	Excavator	KMTPC241E54A25013
23	WL-01	2008	Komatsu	WA500-6	Wheel Loader	KMTWA096E57A92512
24	WL-04	2006	Komatsu	WA500-6	Wheel Loader	KMTWA096P01055036
25	WL-03	2012	Komatsu	WA380-7	Wheel Loader	KMTWA118A01010060

<u>Item</u>	<u>Unit</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
26	WL-02	2007	Komatsu	WA380-6	Wheel Loader	KMTWA095K57A53125
27	D1	1986	Caterpillar	D6D	Crawler Dozer	04X10622
28		2015	Case	SR200	Skid Steer	JAFSR200KEM467993
29	Unit 1	2012	Western Star	4900FA	Tandem Dump Truck	5KKHAEDR1CPBL0002
30	Unit 3	2011	Western Star	4900SA	Tandem Tractor	5KKHALDR0BPAZ2488
31	BD01	2008	Castleton		Tridem Bottom Dump Trailer	2C9B3S4D38S133073
32	ED01	2012	Arne's		Tridem End Dump Trailer	2A9073735CA003146
33	P-2	2012	Arne's		Tridem End Dump Pup Trailer	2A9212932EA003965
34	LB01	1988	Columbia	SFM-40	Tridem Lowbed Trailer	2C9HFD2W4G1026006
35		1981	Fruehauf	FB9 F2W 14M 102	Tandem Van Trailer	2H8V04523BS004517
36		1985	GMC	Grumman	S/A Van Truck	1GDHP32T3F3510093
38		2015	Chevrolet	2500HD LTZ	4X4 Crewcab Pickup Truck	1GC1KWEG7FF613309
39		2013	Chevrolet	2500HD LTZ	4X4 Crewcab Pickup Truck	1GC1KYEG5DF106658
40	LT-03	2013	Doosan/IR	L8-60HZ-T4F	Light Tower	4FVLTBDA7DU449843
41	LT-02	2013	Doosan/IR	L8-60HZ-T4F	Light Tower	4FVLTBDA3DU447703
42	LT-05	2005	Allmand	ML20330	Light Tower	0021MXL05
43	LT-06		Allmand	ML20330	Light Tower	0020MXL05
44	LT-01	2003	Allmand	ML15330	Light Tower	0036MXL04
45	MP1	2008	Magnum	4"	S/A Diesel Trash Pump	5AJGS11168B000784
46	Pump 2	2008	Magnum	4"	S/A Diesel Trash Pump	5AJGS11198B000746

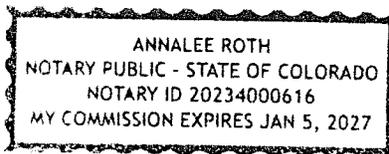
[Schedule No. 1 to Loan and Security Agreement]

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This is **Exhibit "Q"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



SECURITY AGREEMENT
(All Assets)

This Security Agreement ("Agreement") is made June 6, 2022, by and between Crestmark, a division of MetaBank, National Association whose address is 5480 Corporate Drive, Suite 350, Troy, Michigan 48098 ("Bank") and Mantle Materials Group, Ltd., an Alberta corporation, whose address is PO Box 6977, Bonnyville, Alberta, Canada T9N 2H4 ("Borrower").

BACKGROUND:

BORROWER is requesting loans from time to time (the "Loan") from Bank pursuant to a Loan Agreement dated of even date herewith between Bank and Borrower, including all extensions, modifications, alterations, amendments and restatements thereof (the "Loan Agreement").

NOW THEREFORE, for and in consideration hereof, Borrower agrees as follows:

1. **GRANT OF SECURITY INTEREST:** Borrower hereby grants to Bank a continuing security interest in the Collateral described in Paragraph 2 below to secure (i) the repayment of any indebtedness arising under and in connection with the Loan Agreement, as the same may be amended, modified, altered, extended or reaffirmed, from time to time; (ii) the repayment of the Obligations (as defined in the Loan Agreement), including the Loan and all other loans and advances (including all renewals and extensions thereof) to Borrower; and (iii) all obligations of any and every kind and nature heretofore, now or hereafter owing to Bank from Borrower, however incurred or evidenced, plus all interest, costs, expenses, and reasonable legal fees, which may be made or incurred by Bank in the disbursement, administration, and collection of said liabilities, and in the protection, maintenance, and liquidation of the Collateral (collectively, the "Liabilities"). This Agreement will continue in effect as long as any Liabilities of Borrower to Bank are outstanding and unpaid.

2. **COLLATERAL:** The "Collateral" covered by this Agreement is all of Borrower's personal property, wherever located, which Borrower now owns or shall hereafter acquire or create, immediately upon the acquisition or creation thereof, including without limitation all: (a) Accounts; (b) Chattel Paper (whether tangible or electronic); (c) Inventory; (d) Goods (other than Inventory); (e) Equipment, including, but not limited to the equipment described in Exhibit A attached hereto; (f) Instruments, including promissory notes; (g) Investment Property (including Securities); (h) Documents of Title; (i) deposit accounts; (j) commercial tort claims specifically identified by Bank; (k) Money, other than trust monies lawfully belonging to others; (l) letters of credit and letter of credit rights; (m) Intangibles (including payment intangibles and software); (n) all contractual rights and insurance claims and all goodwill, patents, trademarks, copyrights, and other industrial property and (p) to the extent not listed above as original collateral, all Proceeds (including all products) of the foregoing. The Collateral also includes all monies on deposit with Bank, or on deposit in a lockbox account with another bank holding a lockbox for the benefit of Bank. Without limiting the foregoing, Accounts will also mean and include any and all other forms of obligations now owed or hereafter arising or acquired by Borrower evidencing any obligation for payment for goods of any kind, nature, or description sold or leased or services rendered, and all proceeds of any of the foregoing.

The Security Interest granted hereby shall not extend or apply to, and the Collateral shall not include, (a) consumer goods or (b) the last day of the term of any lease or agreement, but upon the enforcement of the security interest herein granted, Borrower shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

Borrower acknowledges that value has been given and that the parties hereto have not agreed to postpone the time of attachment of the security interests created hereby. The security interests granted by Borrower are intended to attach, as to all of the Collateral, and with respect to any particular item of Collateral, upon the execution by Borrower of this Agreement, and Borrower obtaining rights in such item of Collateral or the power to transfer rights in such item of Collateral to a secured party.

Terms used and not otherwise defined in this Agreement shall have the meaning given such terms in the Personal Property Security Act (Alberta), and any regulations thereunder, in each case as amended from time to time, which Act and regulations, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "PPSA". In the event the meaning of any term defined in the PPSA is amended after the date of this Agreement, the meaning of such term as used in this Agreement shall be that of the more encompassing of: (i) the definition contained in the PPSA prior to the amendment, and (ii) the definition contained in the PPSA after the amendment.

The parties agree that the foregoing description of Collateral is meant to cover "all present and after-acquired personal property" of Borrower.

3. **PERFECTION OF SECURITY INTEREST:** Borrower hereby irrevocably authorizes Bank, its subsidiaries, its designated agents or assigns to file financing statement(s) describing the Collateral in all public offices deemed necessary by Bank, and to take any and all actions, including, without limitation, filing all financing statements, financing change statements, continuation financing statements and all other documents that Bank may reasonably determine to be necessary to perfect and maintain Bank's security interests in the Collateral, all at Borrower's expense. Borrower hereby waives any right to receive a copy of any financing statement or financing change statement so registered or a copy of any verification statement with respect to any financing statement or financing change statement so registered. Borrower shall have possession of the Collateral, except where expressly otherwise provided in this Agreement or where Bank chooses to perfect its security interest by possession, whether or not in addition to the filing of a financing statement. Where Collateral is in the possession of a third party, Borrower shall join with Bank in notifying the third party of Bank's security interest and obtaining an acknowledgement from the third party that it is holding the Collateral for the benefit of Bank. Borrower shall provide Bank with "control" (as such term is construed in accordance with the PPSA and the Securities Transfer Act (Alberta) with respect to Collateral consisting of Securities Accounts, Investment Property and any other Collateral that such Securities Transfer Act is applicable to, and, if requested shall cooperate with Bank to enter into blocked account agreements with respect to deposit accounts. Borrower will not create any Chattel Paper without placing a legend on the Chattel Paper acceptable to Bank indicating that Bank has a security interest in the Chattel Paper. Borrower shall pay the cost of filing or recording all financing statement(s) and other documents. Borrower agrees to promptly execute and deliver to Bank all financing statements, continuation financing statements, assignments, certificates of title, applications for vehicle titles, affidavits, reports, notices, schedules of Accounts, designations of Inventory, letters of authority and all other documents that Bank may reasonably request in form satisfactory to Bank to perfect and maintain Bank's security interests in the Collateral. In order to fully consummate all of the transactions contemplated hereunder, Borrower shall make appropriate entries on its books and records disclosing Bank's security interests in the Collateral. Notwithstanding anything to the contrary contained in this Agreement, nothing in this Agreement is intended or shall be deemed to subordinate Crestmark's security interest to any Permitted Encumbrance (as defined below).

4. **REPRESENTATIONS AND WARRANTIES:** Borrower represents and warrants that: (a) the Collateral is free and clear of all liens or security interests, except Bank's security interest and any liens and security interests described on Exhibit A attached hereto ("Permitted Encumbrances"); (b) all Chattel Paper constituting Collateral evidences a perfected security interest in the goods covered by it free from all other liens and security interests; (c) Bank has a first priority security interest in the Collateral subject only to any Permitted Encumbrance described on Exhibit A attached hereto; (d) if Inventory is represented or covered by Documents of Title, Borrower is the owner of the Documents of Title free of all liens and security interests other than Bank's security interest and warehousemen's charges, if any, not delinquent; (e) Borrower's exact legal name and the address of Borrower's chief executive office are as set forth in the first paragraph of this Agreement; (f) the Province under which Borrower is organized is as set forth in the first paragraph of this Agreement; (g) all Collateral consisting of Goods is located in the Province where Borrower's chief executive office is located except as otherwise disclosed in Exhibit A attached hereto; (h) the Collateral, wherever located, is covered by this Agreement; (i) each Account, Chattel Paper and General Intangible constituting Collateral is genuine and enforceable against the account debtor according to its terms, and it, and the transaction out of which it arose, comply with all applicable laws and regulations, the amount represented by Borrower to Bank as owing by each account debtor is the amount actually owing and is not subject to setoff, credit, allowance or adjustment except any discount for prompt payment, nor

has any account debtor returned the goods or disputed his liability, there has been no default according to the terms of any such Collateral, and no step has been taken to foreclose the security interest it evidences or to otherwise enforce its payment; (j) the execution and delivery of this Agreement and any instruments evidencing Liabilities will not violate nor constitute a breach of Borrower's Articles, By-Laws or other organizational documents, or any agreement or restriction of any type whatsoever to which Borrower is a party or is subject; (k) all financial statements and information relating to Borrower delivered or to be delivered by Borrower to Bank are true and correct and prepared in accordance with generally accepted accounting principles, and there has been no material adverse change in the financial condition of Borrower since the submission of any such financial information to Bank; (l) there are no actions or proceedings which are threatened or pending against Borrower which might result in any material adverse change in Borrower's financial condition or which might materially affect any of Borrower's assets; and (m) Borrower has duly filed all federal, state, provincial and other governmental tax returns which Borrower is required by law to file, and will continue to file same during such time as any of the Liabilities hereunder remain owing to Bank, and all such taxes required to be paid have been paid, in full.

5. **COVENANTS:** Borrower covenants and agrees that while any of the Liabilities remain unperformed and unpaid it shall: (a) preserve its legal existence and not, in one transaction or a series of related transactions, amalgamate with, merge or wind up or liquidate into, consolidate with any other entity, or sell all or substantially all of its assets; (b) not change the Province where it is located; (c) neither change its name, form of business entity, address of its chief executive office nor address of the location of its assets without giving written notice to Bank thereof at least thirty (30) days prior to the effective date of such change, and Borrower agrees that all documents, instruments, and agreements demanded by Bank in response to such change shall be prepared, filed, and recorded at Borrower's expense prior to the effective date of such change; (d) not use the Collateral, nor permit the Collateral to be used, for any unlawful purpose, whatsoever; (e) maintain the Collateral in good condition and repair; and (f) indemnify and hold Bank harmless against claims of any persons or entities not a party to this Agreement concerning disputes arising over the Collateral.

6. **BORROWER REMAINS LIABLE:** Anything contained herein to the contrary notwithstanding, (a) Borrower shall remain liable under the contracts and agreements included in the Collateral to perform all of its duties and obligations to the same extent as if this Agreement had not been executed, (b) the exercise by Bank of any of its rights under the Loan Agreement, this Agreement or any other agreement between Borrower and Bank shall not release Borrower from any of its duties or obligations under the contracts and agreements included in the Collateral and (c) Bank shall have no obligation or liability under the contracts and agreements included in the Collateral by reason of this Agreement, nor shall Bank be obligated to perform any of the obligations or duties of Borrower thereunder or to take any action to collect or enforce any claim for payment assigned thereunder.

7. **INSURANCE, TAXES, ETC.:** Borrower shall (a) pay all taxes, levies, assessments, judgments and charges of any kind upon or relating to the Collateral, to Borrower's business, and to Borrower's ownership or use of any of its assets, income or gross receipts; (b) at its own expense, keep and maintain all of the Collateral fully insured against loss or damage by fire, theft, explosion and other risks in such amounts, with such companies, under such policies and in such form as shall be satisfactory to Bank, which policies shall expressly provide that loss thereunder shall be payable to Bank as its interest may appear (and Bank shall have a security interest in the proceeds of such insurance and may apply any such proceeds which may be received by it toward payment of Borrower's Liabilities, whether or not due, in such order of application as Bank may determine); (c) maintain at its own expense public liability and property damage insurance in such amounts with such companies, under such policies and in such form as shall be reasonably satisfactory to Bank; and, upon Bank's request, shall furnish Bank with such policies and evidence of payment of premiums thereon. If Borrower at any time hereafter should fail to obtain or maintain any of the policies required above or pay a premium in whole or in part relating thereto, or shall fail to pay any such tax, assessment, levy, or charge or to discharge any such lien or encumbrance, then Bank, without waiving or releasing any obligation or default of Borrower hereunder, may at any time hereafter (but shall be under no obligation to do so) make such payment or obtain such discharge or obtain and maintain such policies of insurance and pay such premiums, and take such action with respect thereto as Bank deems advisable. All sums so disbursed by Bank, including reasonable legal fees, court costs,

expenses, and other charges relating thereto, shall be part of Borrower's Liabilities, secured hereby, and payable on demand.

8. **INFORMATION:** Borrower shall permit Bank or its agents to have access to and to inspect and verify the Collateral in the name of Bank or Borrower. Borrower will make same available at any time for such purposes. In addition, Borrower shall promptly supply Bank with financial and such other information concerning its affairs and assets as Bank may request from time to time.

9. **CARE, CUSTODY, AND DEALINGS WITH COLLATERAL:** Bank shall have no liability to Borrower with respect to Bank's care and custody of any Collateral in Bank's possession and shall have no duty to sell, surrender, collect or protect the same or to preserve rights against prior parties or to take any action with respect thereto beyond the custody thereof, exercising that reasonable custodial care which it would exercise in holding similar interests for its own account. Bank shall only be liable for its acts of gross negligence. Bank is hereby authorized and empowered to take the following steps, either prior or subsequent to default hereunder: (a) to deal directly with issuers, entities, owners, transfer agents and custodians to effect changes in the registered name of any such Collateral, to effect substitutions and replacements thereof necessitated by any reason (including by reason of recapitalization, merger, acquisition, debt restructuring or otherwise), to execute and deliver receipts therefor and to take possession thereof; (b) to communicate and deal directly with payors of instruments (including securities, promissory notes, letters of credit, certificates of deposits and other instruments), which may be payable to or for the benefit of Borrower at any time, with respect to the terms of payment thereof; (c) in Borrower's name, to agree to any extension of payment, any substitution of Collateral or any other action or event with respect to the Collateral; (d) to notify parties who have an obligation to pay or deliver anything of value (including money or Investment Property) with respect to the Collateral, including Account Debtors, to pay or deliver the same directly to Bank on behalf of Borrower and to receive and receipt for any such payment or delivery in Borrower's name as an addition to the Collateral; (e) to surrender renewable certificates or any other instruments or securities forming a portion of the Collateral which may permit or require reissuance, renewal or substitution at any time and to immediately take possession of and receive directly from the issuer, maker or other obligor, the substituted instrument or securities; (f) to exercise any right which Borrower may have with respect to any portion of the Collateral, including rights to seek and receive information with respect thereto; and (g) to do or perform any other act and to enjoy all other benefits with respect to the Collateral as Borrower could in its own name.

10. **DISPOSITION OF COLLATERAL:** Bank does not authorize, and Borrower agrees not to make any sales or leases of any of the Collateral, license any of the Collateral, or grant any other security interest in any of the Collateral; provided, however, that until such time as Bank shall notify Borrower of the revocation of such power and authority, Borrower (a) may only in the ordinary course of its business, at its own expense, sell, lease or furnish under contracts of service any of the inventory normally held by Borrower for such purpose; (b) may use and consume any raw materials, work in process or materials, the use and consumption of which is necessary in order to carry on Borrower's business; and (c) will at its own expense, endeavor to collect, as and when due, all accounts due with respect to any of the Collateral, including the taking of such action with respect to such collection as Bank may reasonably request or, in the absence of such request, as Borrower may deem advisable. A sale in the ordinary course of business does not include a transfer in partial or total satisfaction of a debt. To the extent Borrower uses any proceeds of any of the Liabilities to purchase Collateral, Borrower's repayment of the Liabilities shall apply on a "first-in-first-out" basis so that the portion of the Liabilities used to purchase a particular item of Collateral shall be deemed paid in the chronological order Borrower purchased the Collateral.

11. **DEFAULT:**

A. The occurrence of any of the following events without notice or demand of any kind, shall constitute a "default" under this Agreement; (a) the non-payment, when due, of any amount payable on any of the Liabilities or any extension or renewal thereof or the failure to perform any agreement of Borrower contained herein, in any agreement between Bank and Borrower or other writing furnished by Borrower to Bank; (b) any statement, representation or warranty of Borrower herein, in any agreement between Bank and Borrower or other writing furnished by Borrower to Bank, at any time, is untrue in any respect as of the date made; (c) any Obligor (which term, as used herein, shall mean Borrower and each

other party primarily or secondarily liable on any of the Liabilities, including but not limited to any guarantors) becomes insolvent or unable to pay debts as they mature or makes an assignment for the benefit of creditors, conveys any assets to a trustee for the benefit of Obligor's creditors, conveys substantially all of its assets, or any proceeding is instituted by or against any Obligor alleging that such Obligor is insolvent or unable to pay debts as they mature or the institution by or against such Obligor of any other type of insolvency proceeding under the United States Federal Bankruptcy Act, the Bankruptcy and Insolvency Act (Canada), Companies' Creditors Arrangement Act (Canada) or otherwise; (d) entry of any final judgment, and the expiration of any appeal period related thereto, against any Obligor or order of attachment, execution, sequestration or other order in the nature of a writ is levied on the Collateral; (e) dissolution, merger, consolidation, or transfer of a substantial part of the property of any Obligor; or (f) the occurrence of a Default as set forth in the Loan Agreement.

B. Upon the occurrence of a default, the notes and all other Liabilities may (notwithstanding any provisions thereof) at the option of Bank and without demand or notice of any kind, be declared, and thereupon immediately shall become due and payable, and Bank may exercise from time to time any rights and remedies, including the right to immediate possession of the Collateral, available to it under the Loan Agreement, the promissory note granted in favour of Bank by Borrower (the "Note") and any other document collateral or ancillary to the Loan Agreement and the Note (the Loan Agreement, the Note and any other document collateral or ancillary thereto being collectively, the "Loan Documents") and any applicable law, in equity or otherwise. Borrower agrees to assemble, at its expense, all the Collateral at a convenient place acceptable to Bank and to pay all costs of Bank of collection of the notes and all other Liabilities, and to pay all costs of the enforcement of this Agreement, including reasonable legal fees and expenses of locating the Collateral and repairing any realty or other property to which any of the Collateral may be affixed or be a part.

C. If any notification of intended disposition of any of the Collateral is required by law, unless otherwise provided by such law, such notification, if mailed, shall be deemed reasonably and properly given if sent at least five (5) days before such disposition, postage pre-paid, addressed to Borrower either at the address shown above or at any other address of Borrower appearing on the records of Bank and to such other parties as may be required by the PPSA. Borrower acknowledges that Bank may be unable to effect a public sale of all or any portion of the Collateral because of certain legal and/or practical restrictions and provisions which may be applicable to the Collateral and, therefore, may be compelled to resort to one or more private sales to a restricted group of offerees and purchasers. Borrower consents to any such private sale so made even though at places and upon terms less favorable than if the Collateral were sold at public sale. Bank shall have no obligation to clean-up or otherwise prepare the Collateral for sale. Bank may comply with any applicable provincial or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. Bank may specifically disclaim any warranties as to the Collateral. If Bank sells any of the Collateral upon credit, Borrower will be credited only with payments actually made by the purchaser, received by Bank and applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, Bank may resell the Collateral and Borrower shall be credited with the proceeds of sale. Bank shall have no obligation to marshal any assets in favor of Borrower. Borrower waives the right to jury trial in any proceeding instituted with respect to the Collateral. Out of the net proceeds from sale or disposition of the Collateral, Bank shall retain all the Liabilities then owing to it and the actual cost of collection (including reasonable legal fees) and shall tender any excess to Borrower or its successors or assigns. If the Collateral shall be insufficient to pay the entire Liabilities, Borrower shall pay to Bank the resulting deficiency upon demand. Borrower expressly waives any and all claims of any nature, kind or description which it has or may hereafter have against Bank or its representatives, by reason of taking, selling or collecting any portion of the Collateral. Borrower consents to releases of the Collateral at any time (including prior to default) and to sales of the Collateral in groups, parcels or portions, or as an entirety, as Bank shall deem appropriate. Borrower expressly absolves Bank from any loss or decline in market value of any Collateral by reason of delay in the enforcement or assertion or nonenforcement of any rights or remedies under this Agreement. Borrower agrees that Bank shall, upon the occurrence of a default, have the right to peacefully retake any of the collateral. Borrower waives any right it may have in such instance to a judicial hearing prior to such retaking.

D. BORROWER AGREES THAT BANK SHALL, IN THE EVENT OF ANY DEFAULT, HAVE THE RIGHT TO PEACEFULLY TAKE OR RETAKE ANY OF THE COLLATERAL, BORROWER WAIVES ANY RIGHT IT MAY HAVE, IN SUCH INSTANCE, TO A JUDICIAL HEARING PRIOR TO SUCH TAKING OR RETAKING.

12. REMEDIES:

A. Upon default, Bank may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of Bank, or not, to be a receiver or receivers (hereinafter called a "Receiver"), which term when used herein shall include a receiver and manager) of the Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of Borrower and not Bank, and Bank shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, his servants, agents or employees. Subject to the provisions of the instrument appointing him, any such Receiver shall have power to take possession of the Collateral, to preserve the Collateral or its value, to carry on or concur in carrying on all or any part of the business of Borrower and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of the Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Borrower, enter upon, use and occupy all premises owned or occupied by Borrower wherein the Collateral may be situate, maintain the Collateral upon such premises, borrow money on a secured or unsecured basis and use the Collateral directly in carrying on Borrower's business or as security for loans or advances to enable him to carry on Borrower's business or otherwise, as such Receiver shall, in his discretion, determine. Except as may be otherwise directed by Bank, all monies received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to Bank. Every such Receiver may, in the discretion of Bank, be vested with all or any of the rights and powers of Bank.

B. Upon default, Bank may, either directly or through its agents or nominees, exercise all the powers and rights given to a Receiver by virtue of the foregoing sub-clause.

C. Upon default, Bank may take possession of, collect, demand, sue on, enforce, recover and receive the Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, Bank may sell, lease or otherwise dispose of the Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to Bank may seem reasonable.

D. In addition to those rights granted herein and in any other agreement now or hereafter in effect between Borrower and Bank and in addition to any other rights Bank may have at law or in equity, Bank shall have, both before and after default, all rights and remedies of a secured party under the PPSA. Provided always, that Bank shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of the Collateral or to institute any proceedings for such purposes. Furthermore, Bank shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper, whether the Collateral or proceeds and whether or not in Bank's possession and shall not be liable or accountable for failure to do so.

E. Borrower acknowledges that Bank or any Receiver appointed by it may take possession of the Collateral wherever it may be located and by any method permitted by law and Borrower agrees upon request from Bank or any such Receiver to assemble and deliver possession of the Collateral at such place or places as directed.

F. Borrower agrees to pay all costs, charges and expenses reasonably incurred by Bank or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitor's and auditor's costs and other legal expenses and Receiver remuneration), in operating Borrower's accounts, in preparing or enforcing this security agreement, taking custody of, preserving, repairing, processing, preparing for disposition and disposing of the Collateral and in enforcing or collecting the Obligations and all such costs, charges and expenses, together with any monies owing as a result of any

borrowing by Bank or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

G. In the event of the sale of the repossessed the Collateral or any part of it by public or private sale or otherwise, for the account of Borrower, gives rise to a deficiency between the amount realized from such sale and the full amount owing from Borrower to Bank in respect of all liabilities and obligations to Bank, Borrower shall immediately pay Bank the full amount of such deficiency.

H. Unless the Collateral in question is perishable or unless Bank believes on reasonable grounds that the Collateral in question will decline speedily in value, Bank will give Borrower such notice of the date, time and place of any public sale or of the date after which any private disposition of the Collateral is to be made, as may be required by the PPSA.

I. For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Borrower irrevocably constitutes and appoints Bank as the true and lawful attorney of Borrower with power of substitution in the name of Borrower to do any and all acts and things, complete any endorsements or registrations and execute and deliver all agreements, documents and instruments as Bank, in its sole discretion, considers necessary or desirable to carry out the provisions and purposes of this Agreement or to exercise its rights and remedies, provided that such power of attorney shall not be exercised until a Default has occurred. This power of attorney being coupled with an interest shall not be revoked or terminated by any act and shall remain in full force and effect until this Agreement has been terminated.

J. Borrower, at its own expense, shall at all times promptly do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and shall promptly provide such further documents or instruments required by Bank as may be necessary or desirable to effect the purpose of this Agreement and carry out its provisions, and for the better granting, transferring, assigning, charging, setting over, assuring, granting control over, confirming or perfecting the security interests created hereby and the priority accorded to them by law or under this Agreement or to enable Bank to exercise and enforce its rights and remedies hereunder.

13. **GENERAL:** Time shall be deemed of the very essence of this Agreement. Bank shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if it takes such action for that purpose as Borrower requests in writing, but failure of Bank to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and failure of Bank to preserve or protect any rights with respect to such Collateral against any prior parties or to do any act with respect to the preservation of such Collateral not so requested by Borrower shall not be deemed a failure to exercise reasonable care in the custody and preservation of such Collateral. Any delay on the part of Bank in exercising any power, privilege or right hereunder, or under any other instrument executed by Borrower to Bank in connection herewith shall not operate as a waiver thereof, and no single or partial exercise thereof, or the exercise of any other power, privilege or right shall preclude other or further exercise thereof, or the exercise of any other power, privilege or right. The waiver by Bank of any default by Borrower shall not constitute a waiver of any subsequent defaults, but shall be restricted to the default so waived. If any part of this Agreement shall be contrary to any law which Bank might seek to apply or enforce, or should otherwise be defective, the other provisions of this Agreement shall not be affected thereby, but shall continue in full force and effect. All rights, remedies and powers of Bank hereunder are irrevocable and cumulative, and not alternative or exclusive, and shall be in addition to all rights, remedies and powers given hereunder or in or by any other instruments or by the PPSA, or any laws now existing or hereafter enacted.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein. BORROWER AGREES THAT ANY ACTION TO ENFORCE BORROWER'S OBLIGATIONS TO BANK SHALL BE PROSECUTED IN THE COURTS OF THE PROVINCE OF ALBERTA (UNLESS BANK, IN ITS SOLE DISCRETION, ELECTS SOME OTHER JURISDICTION), AND BORROWER IRREVOCABLY ATTORNS AND SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE COURTS OF ALBERTA PROVIDED THAT NOTHING SHALL PREVENT BANK FROM PROCEEDING AT ITS ELECTION IN ANY OTHER COURT SELECTED BY

BANK. BORROWER WAIVES ANY AND ALL RIGHTS TO CONTEST THE JURISDICTION AND VENUE OF ANY ACTION BROUGHT IN THIS MATTER AND BORROWER MAY BRING ANY ACTION AGAINST BANK ONLY IN THE COURTS OF THE PROVINCE OF ALBERTA. Whenever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

The rights and privileges of Bank hereunder shall inure to the benefit of its successors and assigns and this Agreement shall be binding on all heirs, executors, administrators, assigns and successors of Borrower.

This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if all signatures were upon the same instrument. Delivery of an executed counterpart of the signature page to this Agreement by facsimile or electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement, and any party delivering such an executed counterpart of the signature page to this Agreement by facsimile or electronic mail to any other party shall thereafter also promptly deliver a manually executed counterpart of this Agreement to such other party, provided that the failure to deliver such manually executed counterpart shall not affect the validity, enforceability, or binding effect of this Agreement.

14. **ENTIRE AGREEMENT:** Borrower acknowledges that this Agreement together with the Loan Documents set forth the entire Agreement between the parties except to the extent that writings signed by the party to be charged are specifically incorporated herein by reference either in this Agreement or in such writings, and acknowledges receipt of a true and complete copy of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto execute this Agreement on the date and year first written above.

"BORROWER"

MANTLE MATERIALS GROUP, LTD.,
an Alberta corporation

By: 
Name: John Jeffrey Ryks
Its: Chief Financial Officer

I have the Authority to Bind the Corporation

"BANK"

CRESTMARK, A DIVISION OF METABANK,
NATIONAL ASSOCIATION

By: 
Name: LISA SPENCE
Its: VICE PRESIDENT

EXHIBIT A

LIST OF EQUIPMENT:

(attach schedule if necessary)

None.

PERMITTED ENCUMBRANCES:

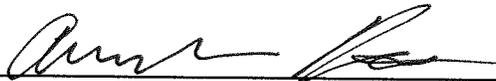
"Permitted Encumbrances" shall have the meaning ascribed to that defined term as set out on the Loan Agreement, which include the following filings made under the Alberta *Personal Property Security Act*:

- PPSA filing no. 21100725361, filed on October 7, 2021 by Secured Party, Travelers Restructuring Capital Inc.
- PPSA filing no. 20110921992, filed on November 9, 2020 by Secured Party, ATB Financial.
- The following PPSA filings, filed by Secured Parties, Fiera Private Debt Fund V LP, as collateral agent, Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP:
 - PPSA file no. 17040638801 filed on 4/6/2017
 - PPSA file no. 18062002625 filed on 6/20/2018
 - PPSA file no. 20031623522 filed on 3/16/2020
- The following PPSA filings, filed by Secured Parties, Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP:
 - PPSA file no. 20100116475 filed on 10/1/2020
 - PPSA file no. 20100116566 filed on 10/1/2020
- PPSA filing number 19011424597, filed on January 14, 2019 by Canadian Western Bank – Credit Support, NAB Region.

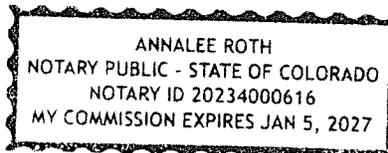
LOCATION OF COLLATERAL:

Throughout the Province of Alberta

This is **Exhibit "R"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



PRIORITY AGREEMENT

This priority agreement (this "**Agreement**") is dated for reference JUNE 6, 2022 (the "**Effective Date**") and made among Mantle Materials Group, Ltd., an Alberta corporation, having a mailing address at P.O. Box 6977, Bonnyville, Alberta, T9N 2H4 (the "**Debtor**"), Fiera Private Debt Fund V LP, by its general partner, Fiera Private Debt Fund GP Inc., on its own behalf and as collateral agent, having an office at RBC Plaza South Tower, 200 Bay Street, Suite 3700, Toronto, Ontario, M5J 2T6 ("**Fiera V**"), Fiera Private Debt Fund VI LP, by its general partner, Fiera Private Debt Fund GP Inc., having an office at 200 Bay Street, Suite 3700, Toronto, Ontario, M5J 2T6 ("**Fiera VI**", and, together with Fiera V and their successors and assigns, the "**Senior Creditor**"), and Crestmark, a division of MetaBank, National Association, having an office at 5480 Corporate Drive, Suite 350, Troy, Michigan 48098 (together with its successors and assigns, "**Crestmark**").

WHEREAS:

- A. Pursuant to a loan agreement dated as of the date hereof among, *inter alios*, the Debtor and Crestmark (as amended, restated, replaced, supplemented, or otherwise modified from time to time, the "**Crestmark Loan Agreement**"), the Debtor has or will obtain a secured loan from Crestmark to finance the Debtor's working capital and other operating needs, in the maximum aggregate principal amount of One Million Five Hundred Thousand (\$1,500,000.00) Canadian Dollars, together with any interest, fees, costs and expenses accruing thereon (including reasonable costs on enforcement), as described in the Crestmark Loan Agreement dated as of the date hereof (the "**Crestmark Debt**");
- B. As security for the Crestmark Debt, the Debtor has or will grant to Crestmark certain security (collectively, the "**Crestmark Security**") in favour of Crestmark pursuant to which the Debtor has or will mortgage, charge and assign to Crestmark, and/or grant to Crestmark a security interest in, some or all of the Debtor Collateral;
- C. Pursuant to a loan agreement dated April 26, 2021 among, *inter alios*, the Debtor and the Senior Creditor (as amended, restated, replaced, supplemented, or otherwise modified from time to time, the "**Senior Loan Agreement**"), the Senior Creditor has provided financing to the Debtor (the "**Senior Creditor Debt**");
- D. As security for the Senior Creditor Debt and/or any other present or future obligations of the Debtor to the Senior Creditor, the Debtor has or will grant to the Senior Creditor certain security (collectively, the "**Senior Creditor Security**") in favour of the Senior Creditor pursuant to which the Debtor has or will mortgage, charge and assign to the Senior Creditor, and/or grant to the Senior Creditor a security interest in, some or all of the Debtor Collateral; and
- E. The parties hereto have agreed to enter into this Agreement in order to set out the respective priorities of the Crestmark Security and the Senior Creditor Security (collectively, the "**Security**").

NOW THEREFORE in consideration of the foregoing, the covenants contained herein and the sum of \$1.00 paid by each party to each of the other parties, the receipt and sufficiency of which are hereby acknowledged, each of the parties hereby covenants, undertakes, declares and agrees with each of the other parties as follows:

1. DEFINED TERMS

In this Agreement, the following terms have the following meanings:

- 1.1 "**Creditors**" means collectively, Crestmark and the Senior Creditor.
- 1.2 "**Debtor Collateral**" means all present and after-acquired personal property of the Debtor.

- 1.3 **"Inventory"** means property of the Debtor held for sale, including products purchased for resale, finished goods, work in process and raw materials but not including any equipment of the Debtor that the Debtor hereafter attempts to sell or lease, including, without limitation, aggregate, gravel and sand acquired, processed, held for sale or sold from time to time in connection with the Debtor's business operations.
- 1.4 **"Proceeds"** means identifiable or traceable personal property in any form derived directly or indirectly from any dealing with the property and assets of the Debtor or the proceeds therefrom, including but not limited to any payment representing indemnity or compensation for loss or damage to any property and assets of the Debtor or proceeds therefrom, trade-ins, lease or sale proceeds and cash.
- 1.5 **"Receivables"** means all books, accounts and book debts and generally all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advice of credit, which are now or may hereafter become due, owing or accruing or growing due to or owned by the Debtor, other than any Proceeds of or receivables arising out of the sale, lease or other disposition of the Debtor's real or immoveable property, equipment and other tangible personal property (other than Inventory).

2. **CONSENT**

- 2.1 Each of the Creditors acknowledge their consent to the creation and issue by the Debtor to the other Creditor of the Crestmark Security and the Senior Creditor Security and to the incurring by the Debtor of the indebtedness evidenced thereby and that the creation, issue, existence and incurring of the same does not constitute a default or event of default under the Crestmark Security or the Senior Creditor Security.

3. **PRIORITY AND SUBORDINATION**

- 3.1 The parties agree that the Crestmark Security and the Senior Creditor Security shall have the following priorities:
- 3.1.1 the Senior Creditor Security is hereby postponed and subordinated in all respects to the Crestmark Security on Inventory and Receivables, including Proceeds of such Inventory and Receivables, with and to the intent that the interests of Crestmark in Inventory, Receivables and Proceeds therefrom pursuant to the Crestmark Security shall rank in priority to the interests of the Senior Creditor in Inventory, Receivables and Proceeds therefrom pursuant to the Senior Creditor Security; and
- 3.1.2 the Crestmark Security is hereby postponed and subordinated in all respects to the Senior Creditor Security on all Debtor Collateral other than Inventory, Receivables and Proceeds therefrom (collectively, the **"Other Debtor Collateral"**).
- 3.2 The priorities and postponements granted hereunder shall be effective notwithstanding:
- 3.2.1 the respective dates of crystallization of any floating charge of any of the Security;
- 3.2.2 that at the date of the crystallization of the floating charges created by any of the Security, the floating charges of the other Security shall not have crystallized;
- 3.2.3 the respective dates on which any notice is given to any of the creditors of the Debtor by any of the Creditors;

- 3.2.4 the priorities or rights that might otherwise apply at law or by virtue of the respective dates or times of execution, registration, attachment, perfection, default or enforcement of any of the Security or any notice or filing with respect thereto;
- 3.2.5 the respective dates of any advance or re-advance under any of the Security;
- 3.2.6 any priority granted by any principle of law or any statute, including any legislation dealing with personal property security (including the *Personal Property Security Act* (Alberta));
- 3.2.7 the giving or failure to give notice to any person, firm or corporation; or
- 3.2.8 the order of any bankruptcy court having jurisdiction over the Debtor or to its property, assets or undertakings or to any proceeds therefrom.
- 3.3 Any insurance proceeds received by any of the parties in respect of any Debtor Collateral charged by any of the Security shall be dealt with according to the other provisions of this Section 3 as though such insurance proceeds were paid or payable as proceeds of realization of the assets for which they compensate.
- 3.4 If any of the Security of any Creditor is claimed by a trustee in bankruptcy, or found by a court of competent jurisdiction, to be unenforceable, invalid, unregistered or unperfected, then the foregoing provisions of this Section 3 shall not apply to such Security to the extent that such Security is so claimed or found to be unenforceable, invalid, unregistered or unperfected as against a third party unless the Creditor shall be diligently contesting such claim or appealing such decision and has provided the other Creditors with a satisfactory indemnity.
- 3.5 Each Creditor shall permit the other Creditor and their employees, agents and contractors, access at all reasonable times to any Debtor Collateral upon which it has a senior charge or security interest in accordance with the terms hereof and to permit such other Creditor to remove such asset from the premises of the Debtor at all reasonable times without interference, provided that such other Creditor shall promptly repair any damage caused to the premises by the removal of any such asset.
- 3.6 Each Creditor agrees that it will use commercially reasonable efforts to give prompt written notice to the other Creditor of any action taken by them against the Debtor to enforce their Security. Such notice may be given prior to or forthwith after taking such action, but failure to give such notice will not give any Creditor any cause of action or right to damages or other remedy against such Creditor.
- 3.7 All net proceeds arising from the sale or disposition of the Debtor Collateral received by any Creditor in connection with any enforcement of or realization on the Creditor's Security will be held by such Creditor in trust for the Creditors so as to give effect to the priorities provided for herein and to that extent will be paid over or otherwise provided to the respective Creditors forthwith upon demand.

4. COVENANTS OF DEBTOR

- 4.1 The Debtor hereby confirms to and agrees with the Creditors that:
 - 4.1.1 so long as any of the indebtedness of the Debtor herein referred to remains outstanding (which, for certainty, includes the continued availability of a revolving credit facility even though the outstanding balance may fluctuate and may be reduced to a nil balance and may be repaid and readvanced from time to time), it shall stand possessed of its assets so charged for the respective Creditors in accordance with their respective interests and priorities as herein set out;
 - 4.1.2 none of the provisions of this Agreement create any rights in favour of the Debtor or affect the manner in which the respective Creditors or any receiver, receiver-manager and/or

receiver and manager appointed by any of them over any of the Debtor Collateral exercises its rights under any Security;

- 4.1.3 the Debtor shall promptly provide any Creditor upon request with any information which such Creditor reasonably requests about the business and affairs of the Debtor; and
- 4.1.4 the Debtor agrees to notify each Creditor, in writing, forthwith of any actions taken or commenced by any Creditor to enforce its Security.

5. GENERAL

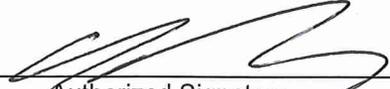
- 5.1 Until the Senior Debt has been paid in full, and notwithstanding anything to the contrary contained in the Crestmark Loan Agreement or Crestmark Security, Crestmark shall not, without the prior written consent of the Senior Creditor, agree to any amendment, modification or supplement to the Crestmark Loan Agreement or Crestmark Security the effect of which is to increase the maximum principal amount of the Crestmark Debt to an amount greater than One Million Five Hundred Thousand (\$1,500,000.00) Canadian Dollars.
- 5.2 Notwithstanding anything to the contrary contained in this Agreement, Crestmark agrees that the maximum outstanding value of the Crestmark Debt at any point in time, which shall be subject to the priority arrangements hereunder, is One Million Seven Hundred Fifty Thousand (\$1,750,000.00) Canadian Dollars. For certainty, the Crestmark Debt includes, without limitation, principal, interest, fees, costs and expenses; however, the maximum limit described hereunder excludes regular payments received in the ordinary course by Crestmark and applied toward the Crestmark Debt from time to time in accordance with the Crestmark Loan Agreement or Crestmark Security. The purpose of this Section 5.2 is to limit the amount of outstanding Crestmark Debt that will remain subject to the priority and subordination provisions set out in Section 3 above so that, at the relevant time, upon the sale or realization of the Security against Inventory, Receivables or Proceeds therefrom, the order of priority in respect of the allocation of funds generated will be applied in the following order, all else being equal:
 - 5.2.1 first, to Crestmark in respect of any amounts due and payable to Crestmark under the Crestmark Debt, up to the sum of \$1,750,000.00 Canadian Dollars;
 - 5.2.2 second, to the Senior Creditor in respect of any amounts due and payable to the Senior Creditor under the Senior Creditor Debt;
 - 5.2.3 third, to Crestmark in respect of any remaining amounts due and payable to Crestmark under the Crestmark Debt, if any, after the Senior Creditor Debt has been fully and indefeasibly repaid; and
 - 5.2.4 fourth, any balance remaining to the Debtor or as otherwise required by applicable law.
- 5.3 From time to time upon request therefor, each of the Creditors may advise each other of any information which it may have relating to the affairs of the Debtor, including its business and financial affairs and the particulars of the indebtedness and liability of the Debtor to such Creditor and all security held by such Creditor therefor. The Debtor hereby consents to any such exchange of information.
- 5.4 No party shall take any action to defeat the priorities set forth in this Agreement. For greater certainty, and notwithstanding anything to the contrary contained in the Crestmark Loan Agreement, the Senior Loan Agreement or the Security, other than the priorities set forth herein, neither Creditor shall in any way limit or restrict the other Creditor's interest under their respective Security or impact the other Creditor's rights to the Debtor Collateral. Each Creditor hereby waives any right the other may have to require any other party to marshal in its favour.

- 5.5 Each of the parties shall do, perform, execute and deliver all acts, deeds and documents as may be necessary from time to time to give full force and effect to the intent of this Agreement; provided, however, that no consent of the Debtor shall be necessary to any amendment of the terms hereof by the other parties unless the interests of the Debtor are directly affected thereby.
- 5.6 This Agreement may be executed in several counterparts (including by facsimile or attachment in electronic mail), each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and shall be effective as of the formal date hereof.
- 5.7 This Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, personal representatives, successors and assigns.
- 5.8 No Creditor shall assign all or part of any of its Security without first obtaining a written agreement from the assignee under which the assignee agrees to be bound by the terms of this Agreement.
- 5.9 This Agreement shall supersede and replace any other agreements between the Creditors in respect of the priorities of the Creditors in or to the Debtor Collateral.
- 5.10 This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- 5.11 Upon any Creditor discharging its Security and all registrations in connection therewith, such Creditor shall cease to be a party to this Agreement.
- 5.12 Each Creditor hereby authorizes each other Creditor's legal counsel (and any agent appointed by such counsel), to complete and file appropriate financing change statements where applicable to reflect the grants of priority, subordinations and postponements by such Creditor in favour of such other Creditor provided for in this agreement, subject to prior approval of the same by such Creditor (such approval not to be unreasonably withheld or delayed).
- 5.13 The Debtor hereby waives all rights to receive from the respective Creditors a copy of any financing statement, financing change statement or verification statement registered or issued at any time in respect of this Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF this Agreement has been duly executed as of the Effective Date.

MANTLE MATERIALS GROUP, LTD.

By:  _____
Authorized Signatory
JOHN JEFFREY RYKY

By: _____
Authorized Signatory

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

By: _____
Authorized Signatory

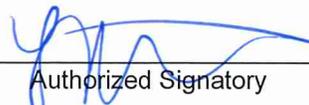
By: _____
Authorized Signatory

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

By: _____
Authorized Signatory

By: _____
Authorized Signatory

CRESTMARK, a division of METABANK, NATIONAL ASSOCIATION

By:  _____
Authorized Signatory
LISA SPENCE

IN WITNESS WHEREOF this Agreement has been duly executed as of the Effective Date.

MANTLE MATERIALS GROUP, LTD.

By: _____
Authorized Signatory

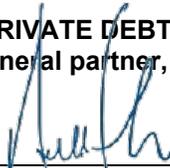
By: _____
Authorized Signatory

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

By:  _____
Authorized Signatory

By:  _____
Authorized Signatory

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

By:  _____
Authorized Signatory

By:  _____
Authorized Signatory

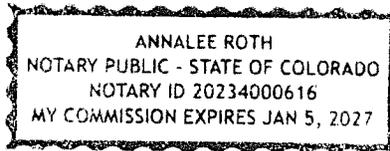
CRESTMARK, a division of METABANK, NATIONAL ASSOCIATION

By: _____
Authorized Signatory

This is **Exhibit "S"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



SUBORDINATION AGREEMENT

THIS AGREEMENT is dated effective as of October 19, 2022 among RLF Canada Lender Limited (“**RLF**”), Fiera Private Debt Fund VI LP, by its general partner Fiera Private Debt Fund GP Inc. (“**Fiera VI**”) and Fiera Private Debt Fund V LP, by its general partner Fiera Private Debt Fund GP Inc. (“**Fiera V**” and together with Fiera VI, the “**Fiera Lenders**”), with Fiera V acting as collateral agent for and on behalf of and for the benefit of the Fiera Lenders, and Mantle Materials Group, Ltd. (the “**Borrower**”)

CONTEXT:

- A. The Fiera Lenders have issued certain credit facilities in favour of the Borrower pursuant to a loan agreement dated as of April 26, 2021, as amended by a first amendment dated effective as of October 19, 2022, among, *inter alios*, the Fiera Lenders and the Borrower (the “**Fiera Loan Agreement**”, which, together with the Fiera Security, and any other loan and security documents between the Borrower and the Fiera Lenders, as they each may be further amended, modified, supplemented, restated, extended or replaced, are collectively referred to as the “**Fiera Loan Documents**”) and as security for the payment and performance of the Fiera Indebtedness, the Borrower has granted the Fiera Security to the Fiera Lenders against the Borrower’s Property.
- B. RLF has or will make advances to the Borrower pursuant to a secured convertible debenture dated as of the date hereof (the “**RLF Debenture**”, as it may be further amended, modified, supplemented, restated or replaced, subject to the terms herein), under which the Borrower has granted the RLF Security to RLF against the Borrower’s Property.
- C. The Parties have entered into this Agreement to clarify their relative rights with respect to the Indebtedness and the Security.

THEREFORE, the Parties agree as follows:

1. Definitions

In this Agreement, the following terms have the following meanings:

- (a) “**Affiliate**” means a corporate Person that is affiliated with another corporate Person in the manner contemplated by section 2(1) of the *Business Corporations Act*, RSA 2000, Chapter B-9.
- (b) “**Agreement**” means this agreement, as it may be supplemented, amended or restated by written agreement between the Parties.
- (c) “**Borrower**” is defined in the preamble.
- (d) “**Borrower’s Property**” means all of the Borrower’s present and after-acquired property, undertaking and assets, real and personal, and all proceeds of that property, undertaking and assets.
- (e) “**Business Day**” means any day excluding a Saturday, Sunday or statutory holiday in the Province of Alberta.
- (f) “**Communication**” means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.

- (g) “**Default**” means any default by the Borrower in the payment or performance of any of its covenants and obligations to RLF under the RLF Debenture, or to the Fiera Lenders under the Fiera Loan Documents, as applicable, which continues after the end of any applicable cure period.
- (h) “**Fiera Lenders**” is defined in the preamble.
- (i) “**Fiera Loan Documents**” is defined in Context paragraph A.
- (j) “**Fiera Indebtedness**” means all present and future debts, liabilities and obligations of the Borrower to the Fiera Lenders, including without limitation, as arising under the Fiera Loan Documents.
- (k) “**Fiera Security**” means any Security Interest held at any time by or for the benefit of the Fiera Lenders with respect to any of the Borrower’s Property, to the extent that it secures the payment or performance of the Fiera Indebtedness, or any other obligations of the Borrower to the Fiera Lenders.
- (l) “**Indebtedness**” means either or both of the RLF Indebtedness and the Fiera Indebtedness, and any portion of that indebtedness, as the context requires.
- (m) “**Lenders**” means RLF and the Fiera Lenders collectively, and “**Lender**” means any one of them, as the context requires.
- (n) “**Loan Documents**” means collectively the Fiera Loan Documents and the RLF Debenture.
- (o) “**Other RLF Indebtedness**” means any debts, liabilities and obligations of the Borrower to RLF, whether direct, indirect, contingent, present or future, other than the RLF Indebtedness.
- (p) “**Parties**” means RLF, the Fiera Lenders and the Borrower, and “**Party**” means any one of them.
- (q) “**Person**” will be broadly interpreted and includes an individual, a corporation, a limited liability company, a partnership, a trust, a joint venture, an association, an unincorporated organization, the government of a country or any political subdivision of a country, any agency or department of any such government, a regulatory agency or any other juridical entity, and the heirs, executors, administrators or other legal representatives of an individual.
- (r) “**RLF**” is defined in the preamble.
- (s) “**RLF Debenture**” is defined in Context paragraph B.
- (t) “**RLF Indebtedness**” means all present and future outstanding principal advanced by RLF to the Borrower under the RLF Debenture between October 1, 2022 and June 30, 2023 together with any accrued and unpaid interest thereon or other liabilities or obligations under the RLF Debenture.
- (u) “**RLF Security**” means any Security Interest created by the RLF Debenture to the extent that it secures the payment or performance of RLF Indebtedness.

- (v) “**Security**” means collectively the RLF Security and the Fiera Security, and any part of that security.
- (w) “**Security Interest**” means any lien, mortgage, charge, security interest or other encumbrance.

2. **Consents**

Despite any other provisions in the Loan Documents:

- (a) RLF consents to the creation and existence of the Fiera Indebtedness and to the creation, execution, delivery, registration, filing and perfection of the Fiera Security; and
- (b) the Fiera Lenders consent to the creation and existence of RLF Indebtedness and to the creation, execution, delivery, registration, filing and perfection of RLF Security.

3. **Subordination and Postponement**

- (a) Provided RLF has delivered two (2) Business Days prior written notice to the Fiera Lenders (in accordance with the notice provisions hereof) of any principal portion of the RLF Indebtedness advanced under the RLF Debenture, the Fiera Lenders irrevocably and unconditionally subordinate and postpone for all purposes the Fiera Security to the RLF Security in respect of such RLF Indebtedness up to a maximum aggregate amount of One Million Dollars (\$1,000,000) (the “**RLF Debt Cap**”), inclusive of outstanding principal, interest and other liabilities and obligations included in the RLF Indebtedness, so that the RLF Security will have full and absolute priority over the Fiera Security and will rank, in all circumstances and for all purposes, in priority to the Fiera Security without any limitation, other than as set out in this subsection.
- (b) In respect of all RLF Indebtedness in excess of the RLF Debt Cap and all Other RLF Indebtedness, RLF irrevocably and unconditionally subordinates and postpones for all purposes the RLF Security to the Fiera Security so that the Fiera Security will have full and absolute priority over the RLF Security and will rank, in all circumstances and for all purposes, in priority to the RLF Security without any limitation.

4. **Permitted Payments**

- (a) Until the RLF Indebtedness has been paid in full, the Borrower may pay, and RLF may receive, payments in connection with the RLF Indebtedness in accordance with the terms of the RLF Debenture provided that:
 - (i) RLF has not received a notice of Default from the Fiera Lenders, and
 - (ii) payments under the RLF Debenture will not cause the Borrower to be in breach of its financial covenants under the Fiera Loan Agreement.
- (b) The restrictions on payment contained in subsections 4(a)(i) and 4(a)(ii) of this Agreement shall not affect RLF’s entitlement under section 3(a) of this Agreement to receive any proceeds realized in any enforcement of any Security or Security Interest, whether by RLF, the Fiera Lenders, any other Person holding a Security Interest, or any receiver, receiver and manager, trustee or similar officer, in accordance with the priority contemplated in section 3(a) of this Agreement.

5. **Standstill**

Unless the Lenders otherwise agree in writing as between each other, each of the Lenders hereby covenant and agree that it will not institute or commence or exercise any enforcement action until the expiry of a period of 120 days after the applicable Lender has provided a notice of Default to the Borrower (in accordance with the notice provisions hereof) and providing details of same. Notwithstanding the foregoing, each Lender may at any time:

- (a) accelerate the maturity of any indebtedness, or make a demand for payment;
- (a) file any proof of claim;
- (b) file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any person objecting to or otherwise seeking the disallowance of the claims of a Lender; or
- (c) file any pleadings (including filing of a statement of claim to preserve limitation periods), objections, motions or agreements which assert rights or interests available to unsecured creditors of the Borrower arising under any insolvency law or other applicable law, so long as no enforcement actions are commenced or exercised;

and in each case, to the extent, but only to the extent, exercised in a manner that does not violate any other provision of this Agreement and that is consistent with the terms and priorities set forth in this Agreement.

6. **Restriction on Transfer and Amendments**

RLF will not, without the prior written consent of the Fiera Lenders, sell, assign or otherwise transfer or dispose of, in whole or in part, voluntarily, involuntarily or by operation of law, all or any part of the RLF Indebtedness, the RLF Debenture or the RLF Security in favour of any other person, other than, on prior written notice to the Fiera Lenders, to an Affiliate of RLF that assumes the rights, benefits and obligations of RLF hereunder, and has provided or has agreed to provide on request by the Fiera Lenders, a limited recourse guarantee and pledge in respect of any Conversion Shares (as defined in the RLF Debenture) acquired by such Affiliate. In addition to the foregoing, RLF will not, without the prior written consent of the Fiera Lenders, amend, modify, waive or otherwise change the terms of the RLF Indebtedness, the RLF Debenture or any part of the RLF Security held therefor, other than any amendment, modification, waiver or other change of which notice in writing is given to the Fiera Lenders and which does not negatively impact the Fiera Lenders or the Fiera Loan, Security Documents or the Fiera Security.

7. **Redemption of Conversion Shares**

In the event that RLF is issued any Conversion Shares pursuant to the RLF Debenture, within 10 Business Days of such issuance RLF shall provide to the Fiera Lenders a limited recourse guarantee and pledge in respect of such Conversion Shares, together with stock transfer power of attorneys endorsed in blank, and the original share certificates in respect thereof.

8. **No Effect on Priority**

The subordination and postponement provided for in this Agreement, and all other rights established in, altered by or specified in this Agreement, will be effective irrespective of any facts, matters or circumstances of any kind, including the time, date or order of creation, execution, delivery, attachment, registration or perfection of the Security, the method of perfection of the Security, the time, date or order of registration or filing of financing statements, real property charges, mortgages or forms, or other

filings, registrations or recordings of the Security under any registration regime, the giving of, or failure to give, notice of the acquisition of any additional Security, the date or dates of any existing or future advances made to the Borrower by any Lender or of any liability of the Borrower to any Lender, the date or dates of any Default or of any demand for payment resulting from any Default, the date or dates of crystallization of any floating charge contained in the Security, the date or dates of commencement of enforcement proceedings under the Security, the place or jurisdiction of creation, execution, delivery, attachment, registration or perfection of any of the Indebtedness or the Security, or any document or agreement relating to them, any other matter which may affect the relative priorities of the Indebtedness or the Security or the priorities otherwise given to the Security by any applicable laws.

9. **Borrower Consent**

The Borrower acknowledges receipt of, and consents to the provisions of, this Agreement, and agrees that so long as any part of RLF Indebtedness or the Fiera Indebtedness remains outstanding, or any claim by RLF or the Fiera Lenders against the Borrower remains unpaid or unsatisfied, the Borrower will stand possessed of the Borrower's Property for the benefit of the Lenders in accordance with the provisions of this Agreement.

10. **Rights of Other Parties**

Nothing in this Agreement will be interpreted to: (a) entitle any Person not a Party to receive any proceeds of realization of any of the Borrower's Property; (b) confer any rights upon the Borrower, or any Person not a Party; (c) confer upon the Borrower or any Person except the Lenders any right to enforce the covenants and agreements of the Lenders contained in this Agreement; (d) require any Lender to advance monies or otherwise extend credit to the Borrower at any time; (e) require any Lender to enforce or realize upon the Borrower's Property; or (f) confer any rights or benefits upon any Person except the Lenders which would enable that Person to claim any priority over either Lender to the proceeds of realization of the Borrower's Property. If any Person other than the Lenders has any valid claim to the proceeds of realization of any of the Borrower's Property in priority to or equal with any of the Lenders, then this Agreement will not diminish the rights, as those rights would have been but for this Agreement, of the Lenders to those proceeds of realization.

11. **Entire Agreement**

This Agreement, together with the Loan Documents, constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties in connection with the subject matter of this Agreement.

12. **Notices**

Any Communication must be in writing and either personally delivered, sent by prepaid registered mail or sent by email or functionally equivalent electronic means of communication, charges (if any) prepaid. Any Communication must be sent to the intended recipient at its address as follows:

(a) to RLF at:

c/o Resource Land Holdings, LLC
1400 16th Street, Suite 320
Denver, CO 80202

Attention: Byron Levkulich, CFA, CPA

Email: byron.levkulich@rlholdings.com

(b) to the Fiera Lenders at:

200 Bay Street, Suite 3800, South Tower
Toronto, Ontario M5J 2J1

Attention: Russell French, Managing Director

Email: rfrench@fieracapital.com

(c) to the Borrower at:

9046 22nd Avenue SW
Edmonton, AB T6X 1Z6

Attention: Jeff Ryks, CPA CMA
Chief Financial Officer

Email: jeff.ryks@mantlegroup.ca

or at any other address as any Party may from time to time advise the other by Communication given in accordance with this Section 12. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given and received on the day it is so delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given and received on the next Business Day. Any Communication transmitted by email or other form of electronic communication will be deemed to have been given and received on the day on which it was transmitted (but if the Communication is transmitted on a day which is not a Business Day or after 3:00 p.m. (local time of the recipient), the Communication will be deemed to have been received on the next Business Day). Any Communication given by registered mail will be deemed to have been received on the 5th Business Day after which it is so mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be effected by personal delivery or by email or functionally equivalent electronic transmission.

13. **Certain Rules of Interpretation**

In this Agreement: (a) words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders; (b) every use of the word "including" is to be construed as meaning "including, without limitation"; (c) its division into Articles and Sections and the insertion of headings are for convenience of reference only and do not affect its construction or interpretation; (d) references to an Article or Section are to be construed as references to an Article or Section of this Agreement; and (e) unless otherwise specified, any reference to any statute includes all regulations made under or in connection with that statute, and is to be construed as a reference to that statute as amended, supplemented or replaced.

14. **Governing Law and Submission to Jurisdiction**

This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Alberta and the laws of Canada applicable in that Province. Without prejudice to the ability of any Party to enforce this Agreement in any other proper jurisdiction, each of the Parties irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta to determine all issues, whether at law or in equity, arising from this Agreement. To the extent permitted by applicable law, each of the Parties irrevocably waives any objection (including any claim of inconvenient forum) that it may now or in the future have to the venue of any legal proceeding arising

out of or relating to this Agreement in the courts of that Province, or that the subject matter of this Agreement may not be enforced in those courts, and irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 14, of the substantive merits of any such suit, action or proceeding.

15. Severability

Each provision of this Agreement is distinct and severable. If any provision of this Agreement, in whole or in part, is or becomes illegal, invalid or unenforceable in any jurisdiction by a court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Agreement or the legality, validity or enforceability of that provision in any other jurisdiction.

16. Amendment and Waiver

No supplement, modification, amendment, waiver, discharge or termination of this Agreement is binding unless it is executed in writing by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any provision of this Agreement constitutes a waiver of any other provision, whether or not similar, nor does such waiver constitute a continuing waiver unless otherwise expressly provided. No consent of the Borrower will be necessary for any amendment to this Agreement by the Lenders unless the interests of the Borrower are directly and adversely affected by that amendment. The Lenders will provide to the Borrower a copy of each amendment to this Agreement, contemporaneously with execution and delivery of it by the Lenders, provided that any failure to deliver a copy of an amendment to the Borrower will not affect the enforceability of this Agreement or that amendment.

17. Further Assurances

Each Party will execute and deliver any further agreements and documents and provide any further assurances as may be reasonably required by the other Party to give effect to this Agreement and, without limiting the generality of the foregoing, will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide all assurances, undertakings and information as may be required from time to time by all regulatory or governmental bodies.

18. Successors and Assigns

Subject to Section 6, neither this Agreement nor any right or obligation under this Agreement may be assigned by any Party without the prior consent of the other Parties. This Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

19. Counterparts and Electronic Signatures and Delivery

This Agreement and any counterpart of it may be signed by manual, digital or other electronic signatures and delivered or transmitted by any digital, electronic or other intangible means, including by e-mail or other functionally equivalent electronic means of transmission, and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the Parties. This Agreement may be signed and delivered by the Parties in counterparts, with the same effect as if each of the Parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

(the remainder of this page is intentionally left blank)

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

RLF Canada Lender Limited

Per:  _____

Name: Aaron M. Yatsch
Title: Authorized Representative

I have authority to bind RLF.

Fiera Private Debt Fund VI LP, by its general partner **Fiera Private Debt Fund GP Inc.** and **Fiera Private Debt Fund V LP**, by its general partner **Fiera Private Debt Fund GP Inc.**, acting in its capacity as collateral agent for and on behalf of and for the benefit of the Fiera Lenders

Per: _____

Name:
Title:

Per: _____

Name:
Title:

We have authority to bind the Fiera Lenders.

Mantle Materials Group, Ltd.

Per: _____

Name:
Title:

I have authority to bind the Borrower.

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

RLF Canada Lender Limited

Per: _____
Name:
Title:

I have authority to bind RLF.

Fiera Private Debt Fund VI LP, by its general partner **Fiera Private Debt Fund GP Inc.** and **Fiera Private Debt Fund V LP**, by its general partner **Fiera Private Debt Fund GP Inc.**, acting in its capacity as collateral agent for and on behalf of and for the benefit of the Fiera Lenders

Per: _____
Name: Russell French
Title: Managing Director

Per: _____
Name: Brian Ko
Title: Managing Director

We have authority to bind the Fiera Lenders.

Mantle Materials Group, Ltd.

Per: _____
Name:
Title:

I have authority to bind the Borrower.

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

RLF Canada Lender Limited

Per: _____
Name:
Title:

I have authority to bind RLF.

Fiera Private Debt Fund VI LP, by its general partner **Fiera Private Debt Fund GP Inc.** and **Fiera Private Debt Fund V LP**, by its general partner **Fiera Private Debt Fund GP Inc.**, acting in its capacity as collateral agent for and on behalf of and for the benefit of the Fiera Lenders

Per: _____
Name:
Title:

Per: _____
Name:
Title:

We have authority to bind the Fiera Lenders.

Mantle Materials Group, Ltd.

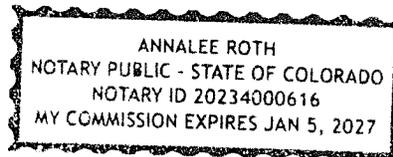
Per: 
Name: John Jeffrey Ryks
Title: CFO

I have authority to bind the Borrower.

This is **Exhibit "T"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



CONSENT

THIS AGREEMENT is dated as of November ____, 2022 between **RLF Canada Lender Limited** (“RLF”), **Pathward, National Association** (the “**Secured Lender**”) and **Mantle Materials Group, Ltd.** (the “**Borrower**”)

CONTEXT:

- A. The Secured Lender have created a credit facility in favour of the Borrower pursuant to a loan agreement dated as of June 6, 2022 between the Secured Lender and the Borrower (which, together with certain other loan and security documents between the Borrower and the Secured Lender, as they may be amended, modified, supplemented, restated or replaced, are collectively the “**Secured Loan Documents**”) and as security for the payment and performance of indebtedness, liability or other obligations owed by the Borrower to the Secured Lender (the “**Secured Lender Indebtedness**”), the Borrower has granted the Secured Lender Security to the Secured Lender.
- B. RLF has or will make advances to the Borrower pursuant to a secured convertible debenture dated as of October 19, 2022 (the “**RLF Debenture**”, as it may be further amended, modified, supplemented, restated or replaced), under which the Borrower has granted or will grant the RLF Security to RLF.
- C. RLF and Mantle have requested that the Secured Lender consent to the RLF Indebtedness and the RLF Security.

THEREFORE, the Parties agree as follows:

1. Definitions

In this Agreement, the following terms have the following meanings:

- (a) “**Agreement**” means this agreement, as it may be supplemented, amended or restated by written agreement between the Parties.
- (b) “**Business Day**” means any day excluding a Saturday, Sunday or statutory holiday in the Province of Alberta.
- (c) “**Communication**” means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.
- (d) “**Parties**” means RLF, the Secured Lender and the Borrower, and “**Party**” means any one of them.
- (e) “**RLF Indebtedness**” means all present and future debts, liabilities and obligations of the Borrower to RLF arising under the RLF Debenture.
- (f) “**RLF Security**” means any Security Interest created by the RLF Debenture to the extent that it secures the payment or performance of RLF Indebtedness.
- (g) “**Secured Lender Security**” means the Security Interests created by the Secured Loan Documents.

- (h) **“Security Interest”** means any lien, mortgage, charge, security interest or other encumbrance.

2. **Certain Rules of Interpretation**

- (a) In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the word “including” in this Agreement is to be construed as meaning “including, without limitation”.
- (b) The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (c) References in this Agreement to an Article or Section are to be construed as references to an Article or Section of this Agreement.
- (d) Unless otherwise specified, any reference in this Agreement to any statute includes all regulations made under or in connection with that statute, and is to be construed as a reference to that statute as amended, supplemented or replaced.

3. **Consent by Secured Lender**

- (a) Despite any provisions in the Secured Loan Documents, the Secured Lender consents to the creation and existence of the RLF Indebtedness and to the creation, execution, delivery, registration, filing and perfection of the RLF Security, provided that RLF shall not, without the Secured Lender’s prior written consent, agree to amend, modify or supplement the RLF Debenture, the effect of which is to increase the maximum principal amount of the RLF Indebtedness to an amount greater than \$1,500,000.
- (b) Further to the condition described under section 3(a) above, RLF covenants and agrees that RLF shall not, without the Secured Lender’s prior written consent, agree to amend, modify or supplement the RLF Debenture, the effect of which is to increase the maximum principal amount of the RLF Indebtedness to an amount greater than \$1,500,000.
- (c) Nothing in this Agreement shall effect the priority of the Secured Lender Indebtedness or the Secured Lender Security.
- (d) RLF hereby postpones the repayment of the RLF Indebtedness, in full, to the prior repayment of the Secured Lender Indebtedness. The Borrower and RLF hereby agree with the Secured Lender that the Borrower will not repay RLF Indebtedness if the Borrower is in default of its obligations or covenants to the Secured Lender and the Secured Lender provides RLF with written notice of such default. Any payment on, or other consideration for, RLF Indebtedness that is received by RLF in violation of this Agreement will be held by RLF in trust for the benefit of, and shall forthwith be paid over to, the Secured Lender. While the Borrower is not in default of its obligations or covenants to the Secured Lender, the Borrower may make payments of principal and interest under the terms of and in accordance with the RLF Indebtedness and RLF may accept such payments from the Borrower. It is understood that the Borrower may only make payments to RLF of the interest or principal owing on RLF Indebtedness, if the Borrower will be in compliance with all of the conditions of credit with respect to the Secured Lender Indebtedness, both before and after any such interest or principal payment is made to RLF.

4. **Governing Law**

This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Alberta and the laws of Canada applicable in that Province.

5. **Entire Agreement**

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties in connection with the subject matter of this Agreement.

6. **Notices**

Any Communication must be in writing and either personally delivered, sent by prepaid registered mail or sent by email or functionally equivalent electronic means of communication, charges (if any) prepaid. Any Communication must be sent to the intended recipient at its address as follows:

(a) to RLF at:

c/o Resource Land Holdings, LLC
1400 16th Street, Suite 320, Denver, CO 80202

Attention: Byron Levkulich, CFA, CPA
Email: byron.levkulich@rlholdings.com

(b) to the Secured Lender at:

Pathward, National Association
5480 Corporate Drive, Suite 350
Troy, Michigan 48098

Attention: Legal Department
Email: ivanwert@metabank.com

(c) to the Borrower at:

9046 22nd Avenue SW
Edmonton, AB T6X 1Z6

Attention: Jeff Ryks, CPA CMA
Chief Financial Officer
Email: jeff.ryks@mantlegroup.ca

or at any other address as any Party may from time to time advise the other by Communication given in accordance with this Section 6. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given and received on the day it is so delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given and received on the next Business Day. Any Communication transmitted by facsimile or other form of electronic communication will be deemed to have been given and received on the day on which it was transmitted (but if the Communication is transmitted on a day which is not a Business Day or after 3:00 p.m. (local time of the recipient), the Communication will be deemed to have been received on the next Business Day). Any Communication given by registered mail will be deemed to have been received

on the 5th Business Day after which it is so mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be effected by personal delivery or by facsimile or functionally equivalent electronic transmission.

7. Severability

Each provision of this Agreement is distinct and severable. If any provision of this Agreement, in whole or in part, is or becomes illegal, invalid or unenforceable in any jurisdiction by a court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Agreement or the legality, validity or enforceability of that provision in any other jurisdiction.

8. Submission to Jurisdiction

Without prejudice to the ability of any Party to enforce this Agreement in any other proper jurisdiction, each of the Parties irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta to determine all issues, whether at law or in equity, arising from this Agreement. To the extent permitted by applicable law, each of the Parties irrevocably waives any objection (including any claim of inconvenient forum) that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Agreement in the courts of that Province, or that the subject matter of this Agreement may not be enforced in those courts, and irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 8, of the substantive merits of any such suit, action or proceeding.

9. Amendment and Waiver

No supplement, modification, amendment, waiver, discharge or termination of this Agreement is binding unless it is executed in writing by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any provision of this Agreement constitutes a waiver of any other provision, whether or not similar, nor does such waiver constitute a continuing waiver unless otherwise expressly provided.

10. Further Assurances

Each Party will execute and deliver any further agreements and documents and provide any further assurances as may be reasonably required by the other Party to give effect to this Agreement and, without limiting the generality of the foregoing, will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide all assurances, undertakings and information as may be required from time to time by all regulatory or governmental bodies.

11. Successors and Assigns

Neither this Agreement nor any right or obligation under this Agreement may be assigned by any Party without the prior consent of the other Parties. This Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

12. Counterparts and Electronic Signatures and Delivery

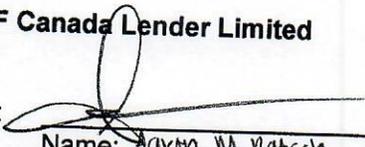
This Agreement and any counterpart of it may be signed by manual, digital or other electronic signatures and delivered or transmitted by any digital, electronic or other intangible means, including by e-mail or other functionally equivalent electronic means of transmission, and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the

Parties. This Agreement may be signed and delivered by the Parties in counterparts, with the same effect as if each of the Parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

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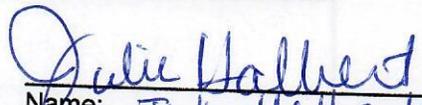
Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

RLF Canada Lender Limited

Per: 
Name: Aaron M. Patsch
Title: Authorized Representative

I have authority to bind RLF.

Pathward, National Association

Per: 
Name: Julie Halbert
Title: Portfolio Manager

I have authority to bind the Secured Lender.

Mantle Materials Group, Ltd.

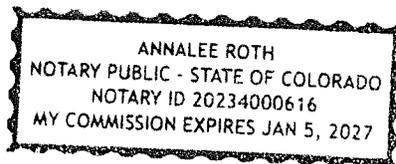
Per: _____
Name:
Title:

I have authority to bind the Borrower.

This is **Exhibit "U"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



CONSENT

THIS AGREEMENT is dated as of November 22, 2022 among **RLF Canada Lender Limited** (“**RLF**”), **Travelers Capital Corp.** (the “**Secured Lender**”) and **Mantle Materials Group, Ltd.** (the “**Borrower**”)

CONTEXT:

- A. The Secured Lender has provided loans in favour of the Borrower pursuant to a loan and security agreement dated as of October 8, 2021 between the Secured Lender and the Borrower (which, together with certain other loan and security documents between the Borrower and the Secured Lender, as they may be amended, modified, supplemented, restated or replaced, and all schedules thereto, are collectively the “**Secured Loan Documents**”) and as security for the payment and performance of the Secured Lender Indebtedness, the Borrower has granted the Secured Lender Security to the Secured Lender.
- B. RLF as or will make advances to the Borrower pursuant to a secured convertible debenture dated effective as of October 19, 2022 (the “**RLF Debenture**”, as it may be further amended, modified, supplemented, restated or replaced), under which the Borrower has granted the RLF Security to RLF.
- C. RLF and the Borrower have requested that the Secured Lender consent to the RLF Indebtedness and the RLF Security.

THEREFORE, the Parties agree as follows:

1. Definitions

In this Agreement, the following terms have the following meanings:

- (a) “**Agreement**” means this agreement, as it may be supplemented, amended or restated by written agreement between the Parties.
- (b) “**Business Day**” means any day excluding a Saturday, Sunday or statutory holiday in the Province of Alberta.
- (c) “**Communication**” means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.
- (d) “**Parties**” means RLF, the Secured Lender and the Borrower, and “**Party**” means any one of them.
- (e) “**RLF Indebtedness**” means all present and future debts, liabilities and obligations of the Borrower to RLF arising under the RLF Debenture.
- (f) “**RLF Security**” means any Security Interest created by the RLF Debenture to the extent that it secures the payment or performance of RLF Indebtedness.

- (g) **“Security Interest”** means any lien, mortgage, charge, security interest or other encumbrance.
- (h) **“Secured Lender Indebtedness”** means all present and future debts, liabilities and obligations of the Borrower to the Secured Lender.
- (i) **“Secured Lender Security”** means the Security Interests created by the Secured Loan Documents.

2. **Certain Rules of Interpretation**

- (a) In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the word “including” in this Agreement is to be construed as meaning “including, without limitation”.
- (b) The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (c) References in this Agreement to an Article or Section are to be construed as references to an Article or Section of this Agreement.
- (d) Unless otherwise specified, any reference in this Agreement to any statute includes all regulations made under or in connection with that statute, and is to be construed as a reference to that statute as amended, supplemented or replaced.

3. **Consent by Secured Lender**

- (a) Despite any provisions in the Secured Loan Documents, the Secured Lender consents to the creation and existence of the RLF Indebtedness and to the creation, execution, delivery, registration, filing and perfection of the RLF Security.
- (b) Nothing in this Agreement shall effect the priority of the Secured Lender Indebtedness or the Secured Lender Security.

4. **Enforcement**

RLF hereby agrees that until repayment and satisfaction of all Secured Lender Indebtedness, RLF will not, without the prior written consent of the Secured Lender, commence any proceeding to enforce any of its remedies under or in connection with any of the RLF Security, until the earliest of:

- (a) the Secured Lender having commenced to enforce the Secured Lender Security; and
- (b) the expiry of ninety (90) days after RLF has given the Secured Lender written notice of its intention to commence enforcement of the RLF Security, which notice shall describe in reasonable detail the nature of the defaults in respect of which RLF proposes to commence enforcement, whereupon the Secured Lender shall have the right, but is not obliged, to cure such defaults which are curable.

For greater certainty, it is agreed that the making of a demand for payment or the sending of a notice under s. 244 of the *Bankruptcy and Insolvency Act* (Canada) or any other such preliminary step does not constitute the commencement of enforcement.

5. Governing Law

This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Alberta and the laws of Canada applicable in that Province.

6. Notices

Any Communication must be in writing and either personally delivered, sent by prepaid registered mail or sent by email or functionally equivalent electronic means of communication, charges (if any) prepaid. Any Communication must be sent to the intended recipient at its address as follows:

(a) to RLF at:

c/o Resource Land Holdings, LLC
1400 16th Street, Suite 320
Denver, CO 80202

Attention: Byron Levkulich, CFA, CPA
Email: byron.levkulich@rlholdings.com

(b) to the Secured Lender at:

Travelers Capital Corp.
400-4180 Lougheed Highway
Burnaby, BC V5C 6A7

Attention: Warren Miller
Email: wmiller@travelerscapital.com

and

Attention: Stephen Jones
Email: sjones@travelerscapital.com

(c) to the Borrower at:

9046 22nd Avenue SW
Edmonton, AB T6X 1Z6

Attention: Jeff Ryks, CPA CMA
Chief Financial Officer
Email: jeff.ryks@mantlegroup.ca

or at any other address as any Party may from time to time advise the other by Communication given in accordance with this Section 6. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given and received on the day it is so delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be

deemed to have been given and received on the next Business Day. Any Communication transmitted by facsimile or other form of electronic communication will be deemed to have been given and received on the day on which it was transmitted (but if the Communication is transmitted on a day which is not a Business Day or after 3:00 p.m. (local time of the recipient), the Communication will be deemed to have been received on the next Business Day). Any Communication given by registered mail will be deemed to have been received on the 5th Business Day after which it is so mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be effected by personal delivery or by facsimile or functionally equivalent electronic transmission.

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Each provision of this Agreement is distinct and severable. If any provision of this Agreement, in whole or in part, is or becomes illegal, invalid or unenforceable in any jurisdiction by a court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Agreement or the legality, validity or enforceability of that provision in any other jurisdiction.

8. Submission to Jurisdiction

Without prejudice to the ability of any Party to enforce this Agreement in any other proper jurisdiction, each of the Parties irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta to determine all issues, whether at law or in equity, arising from this Agreement. To the extent permitted by applicable law, each of the Parties irrevocably waives any objection (including any claim of inconvenient forum) that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Agreement in the courts of that Province, or that the subject matter of this Agreement may not be enforced in those courts, and irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 8, of the substantive merits of any such suit, action or proceeding.

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No supplement, modification, amendment, waiver, discharge or termination of this Agreement is binding unless it is executed in writing by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any provision of this Agreement constitutes a waiver of any other provision, whether or not similar, nor does such waiver constitute a continuing waiver unless otherwise expressly provided.

10. Further Assurances

Each Party will execute and deliver any further agreements and documents and provide any further assurances as may be reasonably required by the other Party to give effect to this Agreement and, without limiting the generality of the foregoing, will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide all assurances, undertakings and information as may be required from time to time by all regulatory or governmental bodies.

11. Successors and Assigns

Neither this Agreement nor any right or obligation under this Agreement may be assigned by any Party without the prior consent of the other Parties. This Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

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This Agreement and any counterpart of it may be signed by manual, digital or other electronic signatures and delivered or transmitted by any digital, electronic or other intangible means, including by e-mail or other functionally equivalent electronic means of transmission, and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the Parties. This Agreement may be signed and delivered by the Parties in counterparts, with the same effect as if each of the Parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

(the remainder of this page is intentionally blank)

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

RLF Canada Lender Limited

Per: _____

Name: Aaron M. Yatsch
Title: Authorized Representative

I have authority to bind RLF.

Travelers Capital Corp.

Per: _____

Name: Warren Miller
Title: VP

I have authority to bind the Secured Lender.

Mantle Materials Group, Ltd.

Per: _____

Name:
Title:

I have authority to bind the Borrower.

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

RLF Canada Lender Limited

Per: _____
Name:
Title:

I have authority to bind RLF.

Travelers Capital Corp.

Per: _____
Name:
Title:

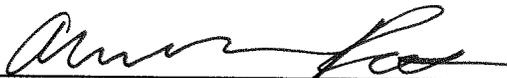
I have authority to bind the Secured Lender.

Mantle Materials Group, Ltd.

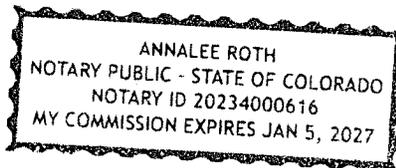
Per: _____
Name: John Jeffrey Ryks
Title: CFO

I have authority to bind the Borrower.

This is **Exhibit "V"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



Progress Update Report

EPO-EPEA-35659-01
MacDonald

EPO-EPEA-35659-02
Megley

EPO-EPEA-35659-03
Hoye/Kucy

EPO-EPEA-35659-04
Havener

EPO-EPEA-35659-05
Buksa

EPO-EPEA-35659-06
Okane

EPO-EPEA-35659-07/ EO-WA-35659-01
SML 060060

EPO-EPEA-35659-08
SML 930040

EPO-EPEA-35659-09
SML 980116

EPO-EPEA-35659-10
SML 120027

Mantle Materials Group, Ltd. (Mantle)

OCTOBER 28th, 2022

Contents

1	Executive Summary	1
2	EPO-EPEA-35659-01 MacDonald	3
3	EPO-EPEA-35659-02 Megley	5
4	EPO-EPEA-35659-03 Hoye/Kucy	7
5	EPO-EPEA-35659-04 Havener	9
6	EPO-EPEA-35659-05 Buksa	10
7	EPO-EPEA-35659-06 Okane	12
8	EPO-EPEA-35659-07 / EO-WA-35659-01 SML 060060	14
9	EPO-EPEA-35659-08 SML930040	17
10	EPO-EPEA-35659-09 SML 980116	19
11	EPO-EPEA-35659-10 SML120027	21
12	Closure	23

Appendix A: MacDonald
Appendix B: Megely
Appendix C: Buksa
Appendix D: SML060060

1 Executive Summary

This is the fourth report as a requirement for detailing the progress of the reclamation activities associated with EPO-EPEA-35659-01 to 10 and EO-WA-35659-01. The reporting period of activities is from July 29, 2022, to October 28, 2022.

Approximately \$630,000 has been spent in 2021 & 2022 on reclamation in MacDonald, Megley, Buksa, SML 930040, SML 980116, SML 120027, and SML 060060. This includes internal costs, third party services, and project materials directly related to reclamation operations.

There is outstanding reclamation to complete in 2023. **Mantle requests amendments for completion dates as per the updated schedules listed in Table 1.**

Table 1 provides a status summary of the EPOs/EO that are covered in this report.

Table 1: EPO/EO Status Summary

EPO #	Pit Identifier	EPO Plan / UAP	EPO Reclamation Activity 4 th report period	Proposed Changes
EPO-EPEA-35659-01	MacDonald	EPO Plan	No	Request to amend the Plan Schedule of Implementation completion date. Refer to Table 2.
EPO-EPEA-35659-02	Megley	EPO Plan	Yes	Request to amend the Plan Schedule of Implementation completion date. Refer to Table 3.
EPO-EPEA-35659-03	Hoye/Kucy	EPO Plan	Yes	Request to amend the Plan Schedule of Implementation completion date. Refer to Table 4.
EPO-EPEA-35659-04	Havener	Updated Activities Plan (UAP) Approved	N/A	None
EPO-EPEA-35659-05	Buksa	EPO Plan	No	Request to amend the Plan Schedule of Implementation completion date. Refer to Table 5.
EPO-EPEA-35659-06	Okane	UAP and WA application submitted.	N/A	None
EPO-EPEA-35659-07 / EO-WA-35659-01	SML 060060	EPO Plan	Yes	Request to amend the Plan Schedule of Implementation completion date. Refer to Table 7.
EPO-EPEA-35659-08	SML 930040	EPO Plan	No	None
EPO-EPEA-35659-09	SML 980116	EPO Plan	No	None
EPO-EPEA-35659-10	SML 120027	EPO Plan	No	None

2 EPO-EPEA-35659-01 MacDonald

2.1 Summary

A portion of the disturbance in the north-west was worked on in May 2022. No further reclamation has occurred since then.

2.2 Marketable Aggregate

All marketable aggregate has been removed from the site.

The amendment for the removal of the oversize rocks has expired and no extension will be required. The rocks will be utilized as fill for reclamation activity on site.

2.3 Reclamation Activities 2022

No further activities occurred since the July 28, 2022, report.

2.4 EPO-EPEA-35659-01 MacDonald - Updated Schedule

Table 2: Updated Schedule of Activities for MacDonald Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2021	EPO	Removed a portion of marketable material	2021
2021	EPO	Site Assessment to finalize topsoil volume availability	May 15 th
2022	EPO	Remove a portion of the marketable material	June 15 th
2022	EPO	Complete a portion of the recontouring activities	July 15 th
2022	EPO	Remove all remaining marketable materials	Oct 28 th
2023	EPO	Complete the remaining of the recontouring activities including disposal of oversize rocks, place topsoil, and seed topsoil with pasture mix Sept 1 st – Oct 31 st	Oct 31 st
2023	EPO	Six-month monitoring requirement as per the EPO	Nov 1 st , 2023, to April 30 th , 2024
2024	EPO	Assess soil stability after spring thaw	May 15 th
2024	EPEA	Assess pasture vegetation success and survey for the presence of weeds	July 1 st
2025	EPEA	Assess the soil stability after spring thaw	May 15 th
2025	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st
2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Nov 1 st

3 EPO-EPEA-35659-02 Megley

3.1 Summary

The dewatering and filling in of both the large waterbody and the dugout in SW 36-58-16-4 have been completed.

Historical documentation stated that soil in the northern portion of the pit was sparse and, in some cases, non-existent. After further field investigation by Mantle, it was determined that adequate soil cover exists on a portion of that area. As such it is believed that this portion of the pit was never stripped of soils and/or excavated for aggregate production. The local farmer that leases the land for crop production has tilled it in preparation for future farming. See included map for location reference of the tilled area.

3.2 Marketable Aggregate

The continued removal of marketable material has continued throughout the fall and will continue into 2023. All remaining product will be removed before final reclamation.

3.3 Reclamation Activities 2022

Reclamation activities have been completed for the season.

3.3.1 Recontouring

Most of the rough grade, contouring, and spreading of the elimination piles has been completed. The remaining areas will require the spreading out of the remaining reclamation material and achieving rough grade to ensure that the pit ties into the surrounding landscape.

3.3.2 Topsoil Placement

No topsoil placement has been carried out to date.

3.3.3 Revegetation

No seeding has occurred to date.

3.4 EPO-EPEA-35659-02 Megley - Updated Schedule

Table 3: Updated Schedule of Activities for Megley Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2021	EPO	Filled in a portion of the eastern waterbody (SW-36-58-16-W4M)	Nov 15 th
2022	EPO	Northern portion was tilled.	July 22 nd
2022	EPO	Complete filling in of all open excavations that have intercepted the ground water	Aug 23 rd
2023	EPO	Complete all remaining recontouring activities and replace topsoil Aug 1 st – Sept 30 th	Sept 30 th
2023	EPO	Remove all remaining marketable material	Sept 30 th
2023	EPO	Six-month monitoring requirement as per the EPO	Oct 1 st , 2023, to March 30 th , 2024
2024	EPEA	Assess the soil stability after spring thaw	May 15 th
2024	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st
2025	EPEA	Assess the soil stability after spring thaw	May 15 th
2025	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st
2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Nov 1 st

4 EPO-EPEA-35659-03 Hoye/Kucy

4.1 Summary

No further aggregate production under a Mantle pit registration will be pursued in the Hoye/Kucy pit. Final reclamation will be completed in 2023.

4.2 Marketable Aggregate

The amendment for the removal of the elimination sand next to the waterbody has expired and no extension is required. The remaining sand will be utilized as reclamation material to fill in the waterbody.

No marketable aggregate has been removed by Mantle. There is no viable opportunity for Mantle to market the small pile of product identified in the EPO Plan.

4.3 Reclamation Activities 2022

The constructed waterbody and the Beaver River were sampled prior to dewatering for total metals and routine water analysis, total suspended solids (TSS), and pH. Once again, the results showed the constructed waterbody is of a higher water quality than the Beaver River. Samples will be taken again prior to the commencement of dewatering activities in 2023.

Preparations for pumping and some pumping occurred in August of this year. The pumping occurred only for a few days as resources were prioritized to SML 060060 EPO reclamation activities for the remainder of the season. Regular water samples from the discharge were sent to a credited lab for analysis. All samples were within the tolerances of the TSS and pH release limits listed in the Code of Practice for Pits.

4.4 EPO-EPEA-35659-03 Hoye/Kucy - Updated Schedule

Table 4: Updated Schedule of Activities for Hoye/Kucy Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2022	EPO	Preparation for dewatering. Dewatering.	Sep 13 th
2023	EPO	Dewatering of the Waterbody. May 1 st – June 30 th	June 30 th
2023	EPO	Deconstruct waterbody, complete final recontouring, topsoil placement, and seeding of topsoil July 1 st – Aug 31 st	Aug 31 st
2023	EPO	Six-month monitoring requirement as per the EPO	Sept 1 st , 2023, to March 1 st , 2024
2024	EPEA	Assess soil stability, revegetation success, and for the presence of weeds	May 15 th
2024	EPEA	Address any shortfalls discovered from the assessment	June 15 th
2025	EPEA	Assess vegetation success and survey for the presence of weeds	May 15 th
2025	EPEA	Address any shortfalls discovered from the assessment	June 15 th
2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Nov 1 st

5 EPO-EPEA-35659-04 Havener

5.1 Summary

An Updated Activities Plan (UAP) has been approved and securities have been paid. Aggregate production under the UAP approval occurred in 2022.

Mantle has requested that the EPO for this pit be closed.

6 EPO-EPEA-35659-05 Buksa

6.1 Summary

No further reclamation activities occurred during this reporting period.

6.2 Marketable Aggregate

The amendment for the removal of the oversize rocks has expired and no extension will be required. The rocks will be utilized as fill for reclamation activity on site.

6.3 Reclamation Activities 2022

No further activities occurred since the July 28, 2022, report.

6.4 EPO-EPEA-35659-05 Buksa - Updated Schedule

Table 5: Updated Schedule of Activities for Buksa Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2021	EPO	Completed the major recontouring	Nov 14 th
2022	EPO	Additional recontouring including backfilling and recontouring along the east side.	May 28 th
2023	EPO	Complete final recontouring including oversize rock disposal, topsoil placement, and seeding Sept 1 st – Oct 31 st	Oct 31 st
2023	EPO	Six-month monitoring requirement as per the EPO	Nov 1 st , 2023, to April 30 th , 2024
2024	EPEA	Assess the soil stability after spring thaw	May 15 th
2024	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st
2024	EPEA	Address any shortfalls discovered from the assessment	Sept 20 th
2025	EPEA	Assess the soil stability after spring thaw	May 15 th
2025	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st
2025	EPEA	Address any shortfalls discovered from the assessment	Sept 20 th
2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Nov 1 st

7 EPO-EPEA-35659-06 Okane

7.1 Summary

An Updated Activities Plan (UAP) was submitted for review in March 2022. Mantle received a Supplemental Information Request (SIR) in which the response for the SIR has been submitted. The Water Act (WA) was submitted October 14, 2022. The approval for both the UAP and the WA is pending.

7.2 Reclamation Activities 2022

No reclamation activities occurred during this reporting period.

7.3 EPO-EPEA-35659-06 Okane - Updated Schedule

Table 6: Updated Schedule of Activities for Okane Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2021	EPO	Completed erosion remediation	Nov 13 th
2022	EPO	UAP submission	March 10 th
2022	EPO	SIR submission	Aug 1 st
2022	EPO	WA Submission	Oct 14 th
2022	EPO	Application for transfer of pit registration and Water Act approval from Mantle to Aarbo Ranching	15 days after receiving UAP approval

8 EPO-EPEA-35659-07 / EO-WA-35659-01 SML 060060

8.1 Summary

Reclamation for SML 060060 began on August 22nd and shut down on October 21st, 2022. Activities on site included dewatering, remediation of the northern ditch, recontouring an area in the northern portion, removing and salvaging buried topsoil and woody debris, interim remediation of the southeastern border, soil salvage, backfilling a portion of the waterbody, recontouring, and rough grading.

To access the pit, Mantle must cross the Amisk River. Historically the Amisk river crossing does not dry up, at this crossing site, until later in the summer. To reduce the risk and avoid extra costs with crossing the Amisk river during a flow period, Mantle is proposing to start earthworks activities August 1st, 2023.

The EPO amendment for hauling aggregate has now expired (July 31st, 2022) no extension was approved. The pit run that was remaining on site was used for recontouring and backfilling the waterbody.

Mantle recently engaged with AEP regarding an amended approach to the end land use. Specifically, Mantle presented the approach of developing a viable end pit lake concept as part of the final reclamation on the landscape. AEP is currently reviewing the request.

8.2 Reclamation Activities 2022

8.2.1 Dewatering

Prior to dewatering the constructed waterbody was again sampled for total metals and routine water analysis, total suspended solids (TSS), and pH. The results were positive to support the start up of dewatering operations.

Dewatering commenced on August 24th and ended on October 19th. During this time seven water samples (TSS/pH) were collected at the entry point into the wetlands adjacent to the lake. All samples were below the discharge threshold maximums as per the “Environmental Quality Guidelines for Alberta Surface Waters” (Government of Alberta, 2018).

Prior to starting the earthworks reclamation activities, the water level monitoring well was installed in the first week of June within the Wooded Coniferous Swamp S-Wc. On August 25th a levellogger and the barologger were installed in the water level monitoring well and were setup to record water level fluctuation and changes in atmospheric pressure and temperature, respectively. The two loggers recorded and logged until October 11, 2022. During the regular monitoring of the wetland water level at the monitoring well it was noticed that the level had receded slightly. As per the EPO/EO Plan tactics the discharge was temporally directed into the wetland to recharge it. The tactic proved successful to bring the level back up pre-existing conditions. The wetland

water level continued to be monitored during the remaining dewatering activities. The level stayed static and no additional recharging tactics were deployed.

The discharged water from the dewatering was not expected to be able to enter Amisk Lake. As part of the regular monitoring, the discharged water was observed to be entering the lake via a wetland with open water that borders the lake. Once discovered Mantle obtained water samples of the discharge at the end of the discharge hose and the entry point into the wetlands adjacent to the lake. After the samples were taken the pump was shut down and the samples were tested for TSS. During the dewatering operations the surface flow showed no signs of erosion, scouring, or sediment build up. An amendment was submitted to AEP along with results of samples at the discharge site, the Amisk Lake entry point, and an additional sample collected from the Amisk River. The Amisk River was sampled for total metals and routine water analysis, TSS, and pH. All results were positive to support the continuation of dewatering into Amisk Lake. AEP approved the amendment and dewatering commenced with the expectation of continuing the weekly sampling of the water prior to draining into the Amisk Lake. Weekly samples were collected for pH and TSS for the remainder of the dewatering program and they continued to be under the maximum thresholds.

8.2.2 Recontouring

The recontouring along the northeast border uncovered topsoil and woody debris that was buried in a natural depression. The burying of this material occurred prior to JMB/Mantle taking over the pit from JLG. The buried material was salvaged and the depression was recontoured to match surrounding patterns of natural drainage. The topsoil and woody debris salvaged is approximately 5,000 m³. This volume will go towards a positive increase in the soil replacement calculations for the pit.

8.2.3 Topsoil Replacement

Topsoil was replaced on the remediated ditch in the northern portion of the SML.

8.2.4 Revegetation

No revegetation activities have occurred to date.

8.3 EPO-EPEA-35659-07 / EO-WA-35659-01 SML 060060 - Schedule

Table 7: Schedule of Activities for SML 060060 Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2022	EPO	Remediation of the North ditches – stripping soils, recontouring, final topsoil placement.	Aug 30 th
2022	EPO	Final recontouring of the Northern area. Interim remediation of southwest erosion. Salvaged topsoil and woody debris. Stripping topsoil. Dewater waterbody and completed partial backfilling of the waterbody.	Oct 21 st
2023	EPO	Dewater the waterbody. July 1 st – July 31 st	July 31 st
2023	EPO	Remediation of the waterbody-backfilling, major recontouring of the constructed waterbody. Complete all remaining reclamation activities; Final fill, final recontouring, final topsoil placement, seeding Aug 1 st – Sept 30 th	Sept 30 th
2023	EPO	Six-month monitoring requirement as per the EPO	Oct 1 st , 2023, to March 31 st , 2024
2024	EPEA	Assess completed reclamation for soil stability, vegetation success, weeds	Aug 15 th
2025	EPEA	Assess completed reclamation for soil stability, vegetation success, weeds	Aug 15 th
2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Sept 15 th

9 EPO-EPEA-35659-08 SML930040

9.1 Summary

On July 28th, 2022, Mantle requested for the EPO to be closed on this pit. In response AEP conducted a field assessment on August 15th and on October 18th AEP denied Mantles request.

As weeds were observed on site in 2022 by both Mantle and AEP (field assessment Aug 15th, 2022), weed management will occur in 2023 as part of the ongoing maintenance required to receive a reclamation certificate in the future.

9.2 EPO-EPEA-35659-08 SML930040 - Updated Schedule

Table 8: Updated Schedule of Activities for SML 930040 Reclamation (Grey = completed)

Year	Activity covered under EPO or Surface Material Lease (SML)	Description	Completion Date
2021	EPO	Removal of garbage and debris. Complete the recontouring, seeding, and block access	Oct 20 th
2022	EPO	Six-month monitoring requirement as per the EPO	Nov 1 st , 2021, to April 30 th , 2022
2022	EPO	Assess soil stability, revegetation success, and check for the presence of weeds	July 15 th
2022	EPO	Address any shortfalls discovered from the assessment	Sept 20 th
2023	SML	Assess the soil stability after spring thaw	May 15 th
2023	SML	Assess vegetation success and survey for the presence of weeds.	July 1 st
2023	SML	Address any shortfalls discovered from the assessment.	Sept 20 th
2023	SML	Apply for reclamation certificate that will go towards cancellation of the Surface Materials Lease	Nov 1 st

10 EPO-EPEA-35659-09 SML 980116

10.1 Summary

On July 28th, 2022, Mantle requested for the EPO to be closed on this pit. In response AEP conducted a field assessment on August 15th and on October 18th AEP denied Mantles request.

As weeds were observed on site in 2022 by both Mantle and AEP (field assessment Aug 15th, 2022), weed management will occur in 2023 as part of the ongoing maintenance required to receive a reclamation certificate in the future.

10.2 EPO-EPEA-35659-09 SML 980116 - Updated Schedule

Table 9: Updated Schedule of Activities for SML 980116 Reclamation (Grey = completed)

Year	Activity covered under EPO or Surface Material Lease (SML)	Description	Completion Date
2021	EPO	Complete the dugout construction and topsoil placement by October 31 st	Oct 14 th
2021	EPO	Seed native grass seed	Dec 31 st
2022	EPO	Six-month monitoring requirement as per the EPO	Jan 1 st , 2022, to June 30 th 2022
2022	EPO	Assess soil stability, revegetation success, and check for the presence of weeds	July 15 th
2022	EPO	Address any shortfalls discovered from the assessment	Sept 20 th
2023	SML	Assess the soil stability after spring thaw	May 15 th
2023	SML	Assess vegetation success and survey for the presence of weeds	July 1 st
2023	EPO	Address any shortfalls discovered from the assessment	Sept 20 th
2023	SML	Apply for reclamation certificate that will go towards cancellation of the Surface Materials Lease	Nov 1 st

11 EPO-EPEA-35659-10 SML120027

11.1 Summary

On July 28th, 2022, Mantle requested for the EPO to be closed on this pit. In response AEP conducted a field assessment on August 15th and on October 18th AEP denied Mantles request.

As weeds were observed on site in 2022, weed management will occur in 2023 as part of the ongoing maintenance required to receive a reclamation certificate in the future.

11.2 EPO-EPEA-35659-10 SML120027 - Updated Schedule

Table 10: Updated Schedule of Activities for SML 120027 Reclamation (Grey = completed)

Year	Activity covered under EPO or Surface Materials Lease (SML)	Description	Completion Date
2021	EPO	Complete hydroseeding on required areas	Oct 13 th
2022	EPO	Six-month monitoring requirement as per the EPO	Nov 1 st , 2021, to April 30, 2022
2022	EPO	Assess soil stability, revegetation success, plant trees and check for the presence of weeds	July 15 th
2022	EPO	Address any shortfalls discovered from the assessment	Sept 20 th
2023	SML	Assess the soil stability after spring thaw	May 15 th
2023	SML	Assess vegetation success and survey for the presence of weeds	July 1 st
2023	EPO	Address any shortfalls discovered from the assessment	Sept 20 th
2023	SML	Apply for reclamation certificate that will go towards cancellation of the Surface Materials Lease	Nov 1 st

12 Closure

This report has been prepared by Abby Horne RPF, Aggregate Planner and Tyler Pell RPFT, Aggregate Resource Manager, Mantle Materials Group, Ltd.



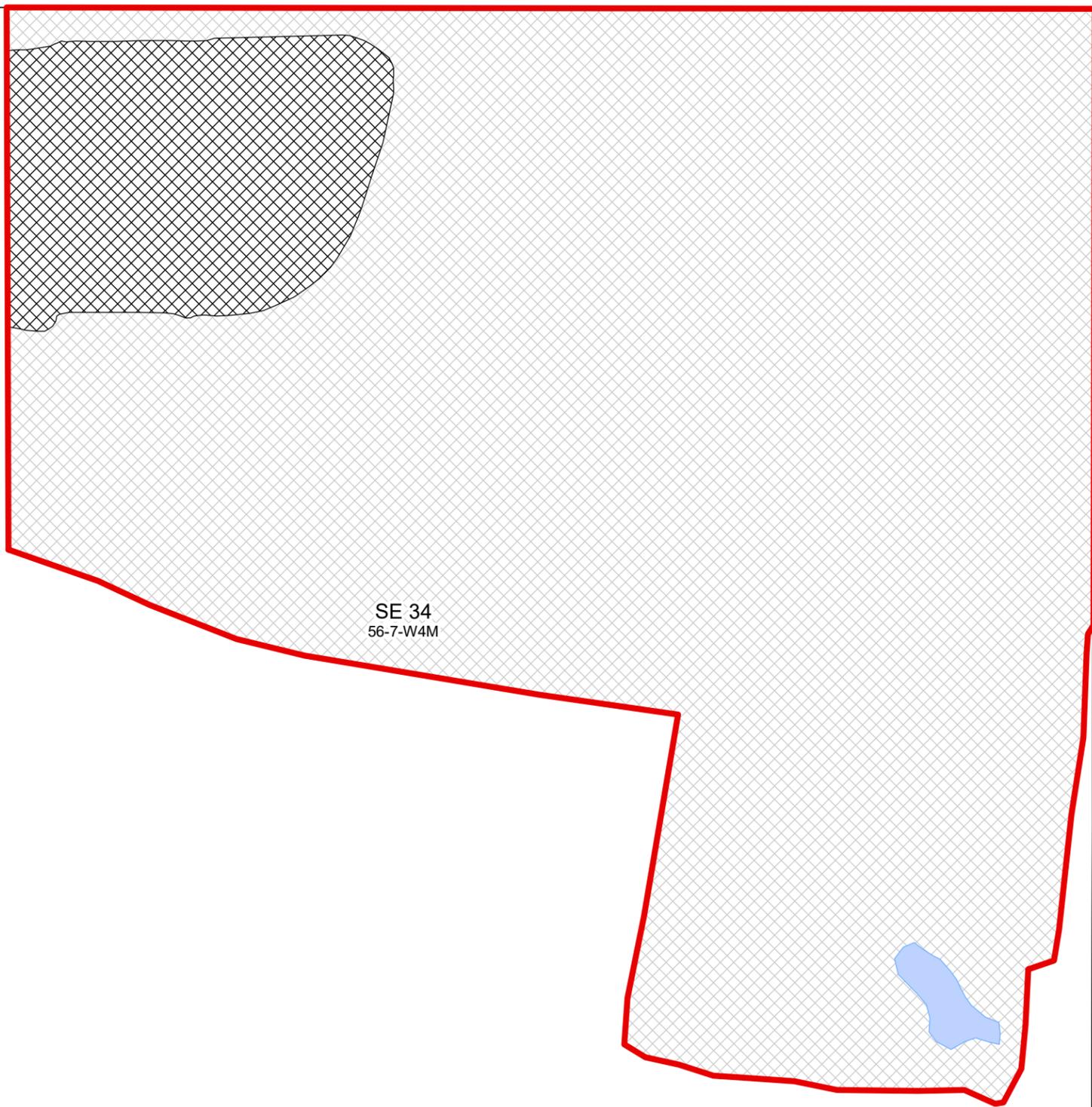
APPENDIX A: MacDonald

NE 34
56-7-W4M

NW 35
56-7-W4M

SE 34
56-7-W4M

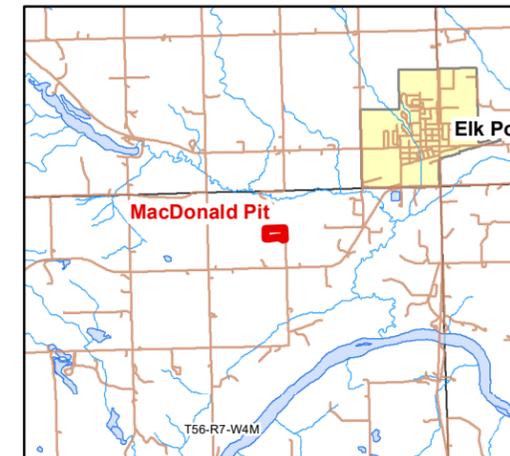
SW 35
56-7-W4M



MANTLE MATERIALS
GROUP LTD.
MacDonald Pit
EPO-EPEA-35659-01 Plan
CURRENT CONDITIONS MAP

County of St. Paul No. 19

WITHIN:
SEC 34 TWP 56 RGE 7 W4M



LEGEND

-  Disturbance Boundary
-  Dugout
-  Recontoured
-  Total Disturbance (11.8 ha)

DATE:
October 27, 2022

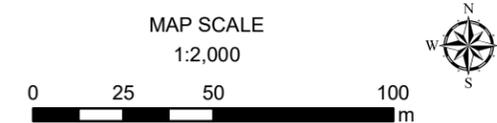
BEARINGS:
Decimal Degrees
North Azimuth

DRAWN BY:
49 North Geospatial

PROJECTION:
NAD83 UTM Zone 12N
Units in meters

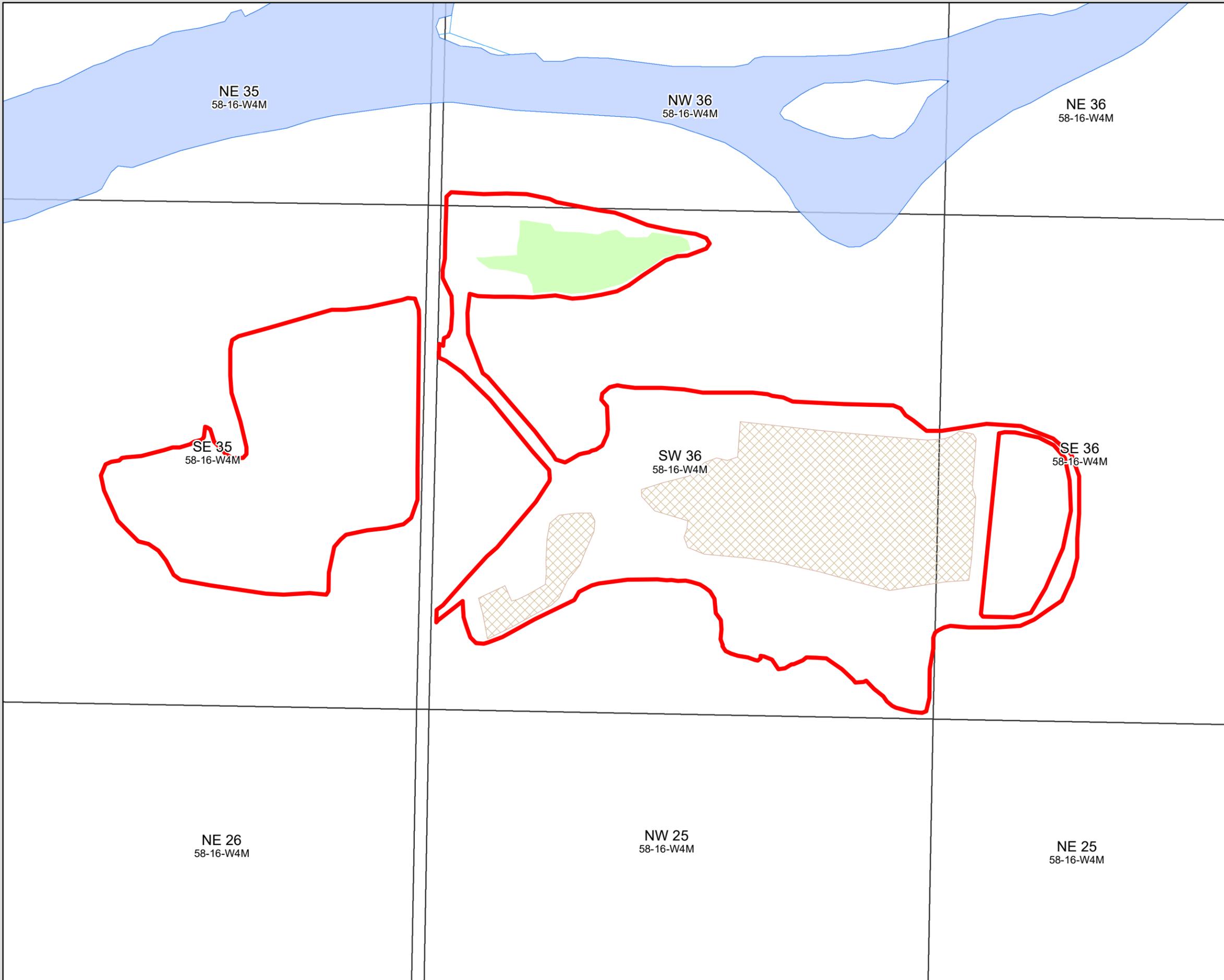
VERSION:
1.0

DATUM:
NAD 1983



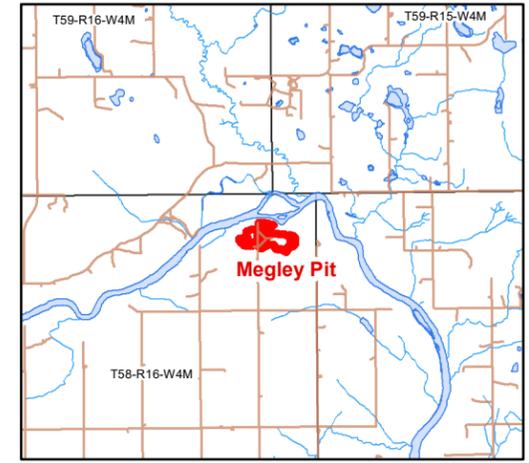
Mantle Materials Group Ltd.
P.O. Box 6977 Bonnyville, AB T9N2H4
Phone: (780)-826-1774

Appendix B: Megley



**MANTLE MATERIALS
GROUP LTD.**
**Megley Pit
Current Conditions**

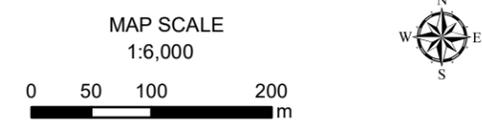
Lamont County
 WITHIN:
 SE 35 TWP 58 RGE 16 W4M
 NW & SW 36 TWP 58 RGE 16 W4M
 SE 36 TWP 58 RGE 16 W4M



LEGEND

-  Disturbance Boundary
-  Recontoured Area
-  Megley Tilled

DATE: October 27, 2022	BEARINGS: Decimal Degrees North Azimuth
DRAWN BY: 49 North Geospatial	PROJECTION: NAD83 UTM Zone 12N Units in meters
VERSION: 1.0	DATUM: NAD 1983



Megley



Photo 1: East side of the pit. Waterbody completely backfilled and recontoured. Aerial view (looking east).



Photo 2: Photo taken looking northwest of the backfilling and recontouring of the dugout (2nd waterbody on site).

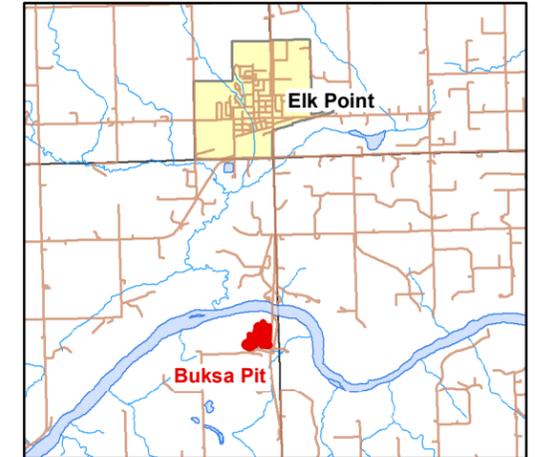


Photo 3: Photo taken looking northeast at the discing completed in the northern section of the pit.

Appendix C: Buksa

MANTLE MATERIALS
GROUP LTD.
Buksa Pit
Current Conditions

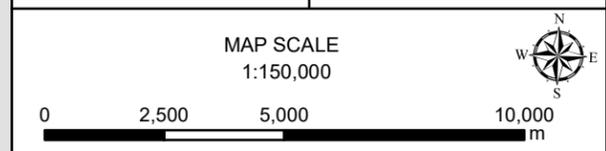
County of St. Paul No. 19
WITHIN:
NE 24 TWP 56 RGE 7 W4M



Legend

-  Disturbance Boundary
-  Recontoured Area

DATE: October 27, 2022	BEARINGS: Decimal Degrees North Azimuth
DRAWN BY: 49 North Geospatial	PROJECTION: NAD83 UTM Zone 12N Units in meters
VERSION: 1.0	DATUM: NAD 1983



24
56-7-W4M

Appendix D: SML 060060

MANTLE MATERIALS
GROUP LTD.
SML 060060
Current Conditions

Athabasca County

WITHIN:
SW 13 TWP 65 RGE 18 W4M



LEGEND

- Disturbance Boundary
- Waterbody (Original)
- Areas Worked 2022
- Ditch Remediation
- Erosion_remediation
- Recontoured Fully
- Salvaged Soil Area

DATE:
October 27, 2022

BEARINGS:
Decimal Degrees
North Azimuth

DRAWN BY:
49 North Geospatial

PROJECTION:
NAD83 UTM Zone 12N
Units in meters

VERSION:
1.0

DATUM:
NAD 1983

MAP SCALE
1:4,000



Mantle Materials Group Ltd.
P.O. Box 6977 Bonnyville, AB T9N2H4
Phone: (780)-826-1774

SW14
65-18-4

SW13
65-18-4

SW11
65-18-4

SW12
65-18-4

SML 060060



Photo 1: Photo taken looking North at the low-lying area where all the buried topsoil and woody debris was salvaged.



Photo 2: Photo taken looking North of the topsoil salvaged from the low lying area.



Photo 3: Photo looking south towards the hill utilized to backfill the waterbody.

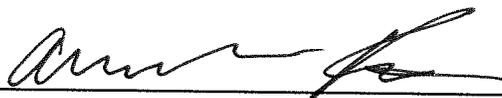


Photo 4: Photo taken looking North of the backfill filling in the waterbody.

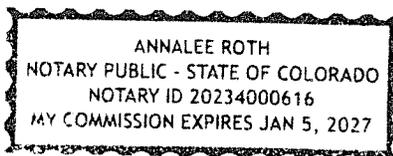


Photo 5: Photo taken looking southwest of the interim remediation of the erosion on the back of the south slopes.

This is **Exhibit "W"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



Mantle Materials Group Ltd.

Projected Cash Flow Statement for the period of July 14, 2023 to October 13, 2023

Projected Cash Flow Statement (C\$ 000s)	Week Ending	Week 1 28-Jul	Week 2 4-Aug	Week 3 11-Aug	Week 4 18-Aug	Week 5 25-Aug	Week 6 1-Sep	Week 7 8-Sep	Week 8 15-Sep	Week 9 22-Sep	Week 10 29-Sep	Week 11 6-Oct	Week 12 13-Oct	Total	Notes
Cash Receipts															
Post-Filing Sales		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,400	\$ 30,400	\$ 976,730	\$ 993,910	\$ 260,030	\$ 75,750	\$ 75,750	\$ 2,442,970	1
Collection of Pre-filing AR		100,279	27,044	403,673	18,796	69,417	49,345	18,541	10,302	-	-	-	-	697,396	2
Total - Cash Receipts		\$ 100,279	\$ 27,044	\$ 403,673	\$ 18,796	\$ 69,417	\$ 79,745	\$ 48,941	\$ 987,032	\$ 993,910	\$ 260,030	\$ 75,750	\$ 75,750	\$ 3,140,366	
Operating Disbursements															
Payroll + Source Deductions		108,351	-	108,351	-	53,983	-	53,983	-	53,983	-	53,983	-	432,634	3
Royalties		-	-	-	-	-	128,471	128,471	186,221	180,813	102,541	102,541	102,541	931,597	4
Trucking		-	-	-	-	-	-	-	502,255	519,735	73,855	15,575	15,575	1,126,995	
Fuel (SG&A)		7,680	3,840	3,840	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,080	27,960	
Fuel (Production)		52,800	-	-	-	-	-	-	-	-	-	-	-	52,800	
Trucking and Fuel		-	-	-	-	-	-	-	-	-	-	-	-	-	5
Repair & Maintenance		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	6
Equipment Lease Payments (Light Equipment)		803	409	-	3,534	-	409	-	2,732	803	-	409	2,732	11,829	
Equipment Lease Payments (Sales)		-	-	8,057	1,344	1,344	1,344	1,714	1,344	6,955	7,459	4,632	1,344	35,537	
Equipment Lease Payments (Production)		32,000	-	-	-	-	-	-	-	-	-	-	-	32,000	
Equipment Lease Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	7
Insurance & Benefits		6,408	-	408	-	408	6,000	408	4,000	408	-	6,408	-	24,446	8
Office Administration		2,323	-	-	-	100	2,223	-	-	-	100	2,223	-	6,970	
Occupancy		8,971	-	-	-	-	8,971	-	-	-	8,971	-	-	26,913	
Accounting		-	-	-	-	7,500	-	-	-	-	7,500	-	-	15,000	
Other / Miscellaneous Contingency		26,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	37,000	
G&A Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	9
EPO Reclamation		-	-	155,787	155,787	155,787	155,787	122,014	122,014	122,014	122,014	59,028	59,028	1,229,259	10
Total - Operating Disbursements		\$ 246,335	\$ 6,249	\$ 278,442	\$ 164,105	\$ 222,562	\$ 306,644	\$ 310,030	\$ 822,005	\$ 888,150	\$ 325,880	\$ 248,239	\$ 184,299	\$ 4,002,940	
Non-Operating Receipts & Disbursements															
Interim Financing (Draw)		(300,000)	-	-	(300,000)	-	-	(450,000)	-	-	-	(250,000)	-	(1,300,000)	11
Professional Fees		40,000	-	-	-	-	-	202,500	-	-	-	82,500	100,000	425,000	12
Total - Non-Operating Receipts & Disbursements		\$ (260,000)	\$ -	\$ -	\$ (300,000)	\$ -	\$ -	\$ (247,500)	\$ -	\$ -	\$ -	\$ (167,500)	\$ 100,000	\$ (875,000)	
Net Cash Flow		\$ 113,944	\$ 20,796	\$ 125,231	\$ 154,691	\$ (153,145)	\$ (226,900)	\$ (13,589)	\$ 165,027	\$ 105,760	\$ (65,850)	\$ (4,989)	\$ (208,549)	\$ 12,427	
Opening Cash		\$ 1,000	\$ 114,944	\$ 135,739	\$ 260,971	\$ 415,661	\$ 262,517	\$ 35,617	\$ 22,028	\$ 187,055	\$ 292,815	\$ 226,965	\$ 221,976	1,000	
Change in Cash		113,944	20,796	125,231	154,691	(153,145)	(226,900)	(13,589)	165,027	105,760	(65,850)	(4,989)	(208,549)	12,427	
Ending Cash Balance		\$ 114,944	\$ 135,739	\$ 260,971	\$ 415,661	\$ 262,517	\$ 35,617	\$ 22,028	\$ 187,055	\$ 292,815	\$ 226,965	\$ 221,976	\$ 13,427	\$ 13,427	

Mantle Materials Group Ltd.
Byron Levkulich, Principal

FTI CONSULTING CANADA INC., TRUSTEE UNDER THE NOTICE
OF INTENTION TO MAKE A PROPOSAL
Dustin Olver, LIT

Notes:

Management of Mantle Materials Group Ltd. ("Mantle") has prepared this Projected Cash Flow Statement solely for the purposes of determining the liquidity requirements of Mantle during the period of July 22, 2023 to October 13, 2023. This Projected Cash Flow Statement is based on probable and hypothetical assumptions detailed in Notes 1-12. Consequently, actual results will likely vary from actual performance and such variances may be material.

- 1 Post-filing amounts are estimated collections from customers for work completed and invoiced after the NOI filing.
- 2 Collection of pre-filing customer accounts receivable.
- 3 Payroll and source deductions represent payments to employees for wages and vacation pay.
- 4 Royalties represent private and public land aggregate royalty payments and land rental costs.
- 5 Trucking expenses to deliver sold material. Fuel related to company vehicles and crushing operations.
- 6 R&M related to historical run rates for costs relating to crushing equipment and loader necessary to complete the permitted sales contracts.
- 7 Forecasted based on current run rates and expected requirements to complete on-going contracts.
- 8 Insurance & Benefits represent recurring payments based on current run rates.
- 9 General and administrative expenses are forecasted based on current run rates and includes occupancy expense, third party accounting expenses, and other miscellaneous costs
- 10 Internal budget based on pending and/or approved work plans set forth with AEP.
- 11 The Interim Financing represents advances for interim funding provided by Interim Financing lender during the NOI proceedings.
- 12 Professional fees relate to the Company's legal counsel and the Trustee.

Mantle Materials Group Ltd.

Professional Fee Summary

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Total
(C\$ 000s)	28-Jul	4-Aug	11-Aug	18-Aug	25-Aug	1-Sep	8-Sep	15-Sep	22-Sep	29-Sep	6-Oct	13-Oct	
Proposal Trustee - FTI Consulting	40,000	-	-	-	-	-	75,000	-	-	-	25,000	35,000	\$ 175,000
Trustee Counsel	-	-	-	-	-	-	52,500	-	-	-	22,500	25,000	\$ 100,000
Company Counsel - Gowlings	-	-	-	-	-	-	75,000	-	-	-	35,000	40,000	\$ 150,000
													\$ -
Total Professionals	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 202,500	\$ -	\$ -	\$ -	\$ 82,500	\$ 100,000	\$ 425,000
Timeline of Events													
	Report	Court Application				Report	Court Application				Report	Court Application	
FTI													
Weekly accural	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
Report & Court		20,000	5,000			20,000	5,000				20,000	5,000	
Billing							75,000				25,000	35,000	\$ 135,000
Trustee Counsel													
Weekly accural	5,000	5,000	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	
Report & Court		10,000	7,500			10,000	7,500				10,000	7,500	
							52,500				22,500	25,000	\$ 100,000
Gowlings													
Weekly accural	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
Report & Court		15,000	15,000			15,000	15,000				15,000	15,000	
							75,000				35,000	40,000	\$ 150,000

TOTAL	149,500	

			0

292	0	0	935	14877	10200	88900

				0
27250	7976	0	0	150,430

Total Projection	134,326
------------------	---------

Weekly Equipment Rental Schedule (Loader for Sales)

Week 1

Week 2

Oberg Tonnes Loaded

Tones Loaded per Machine Hour

Total Machine Hours (+10% contingency)

Minimum Weekly Hrs.

Budget Hours

\$ / Machine Hour

Total Loader Rental

Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9
4-Aug	11-Aug	18-Aug	25-Aug	1-Sep	8-Sep	15-Sep
667	625	625	625	625	500	500
400	475	475	475	475	375	375
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
21,000	19,000	0	0	0	2,000	0
2,000	4,000	2,000	0	0	0	0
0	0	5,000	0	0	0	5,000
650	650	650	650	650	438	438
700	700	700	700	700	625	625
350	350	350	350	350	313	313
25,767	25,800	9,800	2,800	2,800	4,250	7,250

	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9
		21,800	2,800	2,800	2,800	4,250	2,250
		250	250	250	250	250	250
		96	13	13	13	20	11
		16	16	16	16	16	16
		96	16	16	16	20	16
		84	84	84	84	84	84
		8,057	1,344	1,344	1,344	1,714	1,344

Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week 16
22-Sep	29-Sep	6-Oct	13-Oct	20-Oct	27-Oct	3-Nov
500	500	421	421	0	0	0
375	375	67	67	0	0	0
0	1,085	0	0	0	0	0
0	165	0	0	0	0	0
15,000	15,000	10,000	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	5,000	0	0	0
438	438	0	0	0	0	0
625	625	500	500	0	0	0
313	313	500	500	0	0	0
17,250	18,500	11,488	6,488	0	0	0

Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week 16
17,250	18,500	11,488	1,488	0	0	0
250	250	250	250	250	250	250
83	89	55	7	0	0	0
16	16	16	16	16	16	16
83	89	55	16	0	0	0
84	84	84	84	84	84	84
6,955	7,459	4,632	1,344	0	0	0

Weekly Trucking Pmts (\$)			
Week 17	Week 18	Week 19	
0	0	0	
250	250	250	
0	0	0	
16	16	16	
0	0	0	
84	84	84	
0	0	0	35,537

Weekly Trucking Pmts (\$)	
Week Ending	Week 1 21-Jul
Total	0

*** Assumes truckers are paid*



Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8
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28-Jul	4-Aug	11-Aug	18-Aug	25-Aug	1-Sep	8-Sep
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					24,000	24,000
					6,400	6,400
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0

0	0	0	0	0	30,400	30,400
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Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15
15-Sep	22-Sep	29-Sep	6-Oct	13-Oct	20-Oct	27-Oct
24,000	22,500	22,500	22,500	22,500	18,000	18,000
6,400	7,600	7,600	7,600	7,600	6,000	6,000
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
806,400	729,600	0	0	0	76,800	0
94,280	188,560	94,280	0	0	0	0
0	0	90,000	0	0	0	90,000
20,800	20,800	20,800	20,800	20,800	14,000	14,000
16,450	16,450	16,450	16,450	16,450	14,688	14,688
8,400	8,400	8,400	8,400	8,400	7,500	7,500
976,730	993,910	260,030	75,750	75,750	136,988	150,188



Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15
15-Sep	22-Sep	29-Sep	6-Oct	13-Oct	20-Oct	27-Oct
0	0	0	0	0	0	0
428,400	387,600	0	0	0	40,800	0
58,280	116,560	58,280	0	0	0	0
9,100	9,100	9,100	9,100	9,100	6,125	6,125
3,850	3,850	3,850	3,850	3,850	3,438	3,438
2,625	2,625	2,625	2,625	2,625	2,344	2,344
502,255	519,735	73,855	15,575	15,575	52,706	11,906

Week 16	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22
3-Nov	10-Nov	17-Nov	24-Nov	1-Dec	8-Dec	15-Dec
18,000	18,000	15,162	15,162			
6,000	6,000	1,068	1,068			
0	37,975	0	0			
0	5,775	0	0			
367,500	367,500	245,000	0			
0	0	0	0			
0	0	0	0			
0	0	0	90,000			
14,000	14,000	0	0			
14,688	14,688	11,750	11,750			
7,500	7,500	12,000	12,000			
427,688	471,438	284,980	129,980	0	0	0



Week 16	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22
3-Nov	10-Nov	17-Nov	24-Nov	1-Dec	8-Dec	15-Dec
90,000	90,000	60,000	0			
0	0	0	0			
0	0	0	0			
6,125	6,125	0	0			
3,438	3,438	2,750	2,750			
2,344	2,344	3,750	3,750			
101,906	101,906	66,500	6,500	0	0	0



Week 23	Week 24	Week 25	Week 26	Week 27	Week 28
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22-Dec

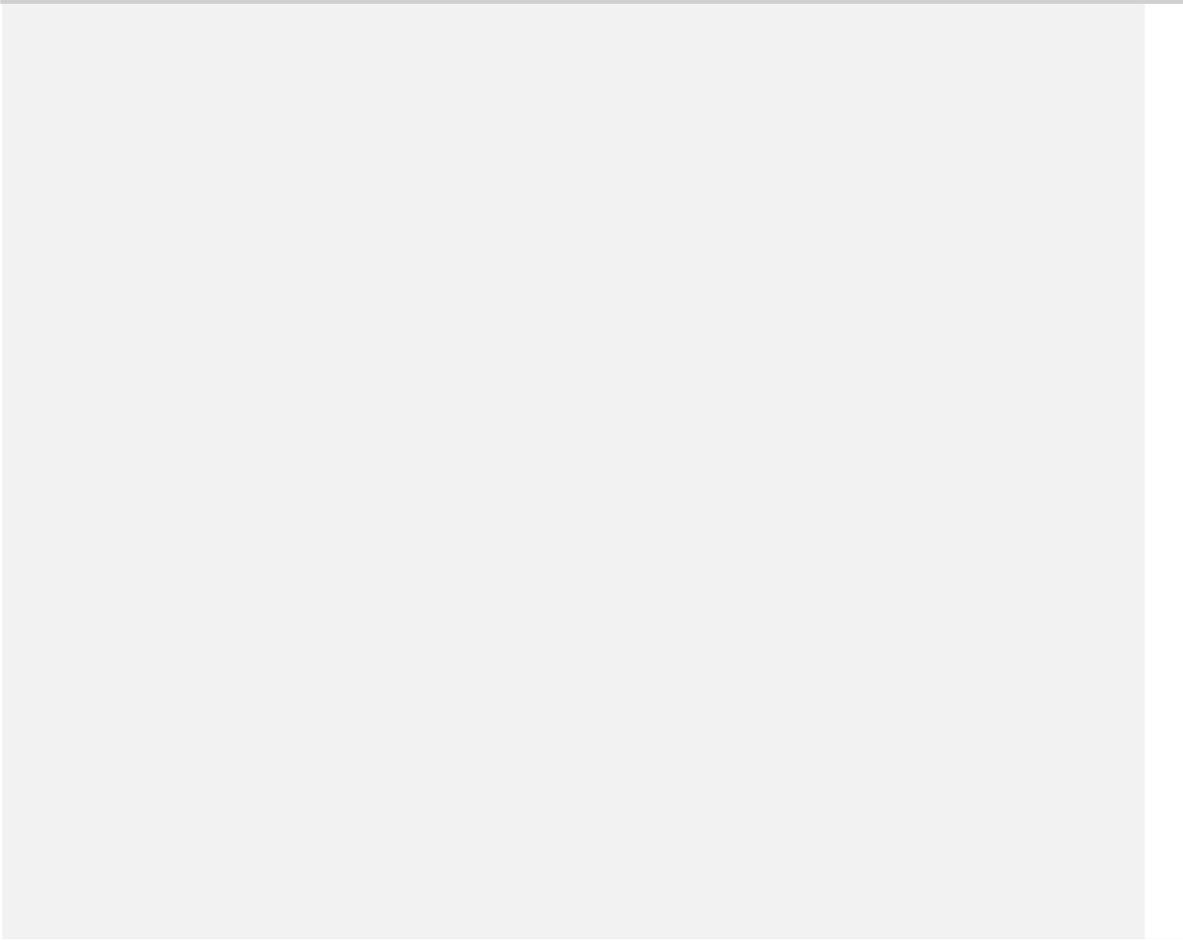
29-Dec

5-Jan

12-Jan

19-Jan

26-Jan



0

0

0

0

0

0



Week 23	Week 24	Week 25	Week 26	Week 27	Week 28
22-Dec	29-Dec	5-Jan	12-Jan	19-Jan	26-Jan
0	0	0	0	0	0

Post-Filing Royalty Pmt. Schedule

Total		Week 1	Week 2	Week 3	Week 4
	Week Ending	21-Jul	28-Jul	4-Aug	11-Aug
264,324	\$2.75				
75,736	\$2.75				
37,975	\$2.75				
5,775	\$2.75				
980,000	\$2.75				
1,612,800	\$2.75				
377,120	\$2.56				
270,000	\$2.56				
160,000	\$2.75				
164,500	\$2.75				
96,000	\$2.75				
4,044,230	Total	0	0	0	0

TRUE



Total

0
0
0
0
240,000
856,800
233,120
0
70,000
38,500
30,000

1,468,420

TRUE

Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11
18-Aug	25-Aug	1-Sep	8-Sep	15-Sep	22-Sep	29-Sep
		1,833	1,833	1,833	1,719	1,719
		1,100	1,100	1,100	1,306	1,306
		0	0	0	0	0
		0	0	0	0	0
		0	0	0	0	0
		0	0	57,750	52,250	0
		57,200	57,200	57,200	57,200	38,500
		45,238	45,238	45,238	45,238	40,391
		23,100	23,100	23,100	23,100	20,625
0	0	128,471	128,471	186,221	180,813	102,541

Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18
6-Oct	13-Oct	20-Oct	27-Oct	3-Nov	10-Nov	17-Nov
1,719	1,719	1,375	1,375	1,375	1,375	1,158
1,306	1,306	1,031	1,031	1,031	1,031	184
0	0	0	0	0	2,984	0
0	0	0	0	0	454	0
0	0	0	0	41,250	41,250	27,500
0	0	5,500	0	0	0	0
0	0	5,120	10,240	5,120	0	0
0	0	0	0	12,800	0	0
38,500	38,500	38,500	0	0	0	0
40,391	40,391	40,391	32,313	32,313	0	0
20,625	20,625	20,625	33,000	33,000	0	0
102,541	102,541	112,542	77,959	126,889	47,094	28,842



Week 19	Week 20	Week 21	Week 22	Week 23	Week 24
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24-Nov	1-Dec	8-Dec	15-Dec	22-Dec	29-Dec
1,158					
184					
0					
0					
0					
0					
0	0	0	0	0	0
0	12,800	0	0	0	12,800
0					
0					
0					
1,342	12,800	0	0	0	12,800



Total



20,191

13,017

2,984

454

110,000

115,500

20,480

38,400

382,800

407,138

240,900

1,351,864

As of: #####
 Aged: Yes
 Only print Current,30,60,90

Invoice#	Type	PO#	Receivable Date	Amount	Current	Over 30
Absolute Multicorp Ltd.						
Work:	825-723-0	Email:	accounts@amcoilfield.com			
1284.01	Invoice		#####	\$13,685.70		
1291	Invoice		#####	\$210.07		
1298	Invoice		#####	\$227.43		
1299	Invoice		#####	\$1,299.34		
1305	Invoice		#####	\$859.05		
1313	Invoice		#####	\$41,132.26		
1314	Invoice		#####	\$5,016.63		
1317	Invoice		#####	\$22,726.12		
1319	Invoice		#####	\$5,969.38		
1321	Invoice		#####	\$2,241.35		\$2,241.35
1326	Invoice		#####	\$13,136.07		\$13,136.07
1333	Invoice		#####	\$2,142.32		\$2,142.32
1354	Invoice		#####	\$4,709.80		\$4,709.80
1365	Invoice		#####	\$4,574.73	\$4,574.73	
				\$117,930.25	\$4,574.73	\$22,229.54
Accurate Industries Canada Inc.						
Work:	780-812-2	Email:	officeadmin@accurateind.ca			
1335	Invoice		#####	\$457.00		\$457.00
1336	Invoice		#####	\$5,799.28		\$5,799.28
1337	Invoice		#####	\$3,919.27		\$3,919.27
1341	Invoice		#####	\$7,807.93		\$7,807.93
1347	Invoice		#####	\$25,561.41		\$25,561.41
1351.01	Invoice		#####	\$11,833.67		\$11,833.67
1352	Invoice		#####	\$375.73		\$375.73
1353	Invoice		#####	\$374.22		\$374.22
1359	Invoice		#####	\$2,060.86	\$2,060.86	
1363	Invoice		#####	\$6,086.47	\$6,086.47	
1364	Invoice		#####	\$10,359.47	\$10,359.47	
1371	Invoice		#####	\$8,087.02	\$8,087.02	
1383	Invoice		#####	\$2,429.41	\$2,429.41	
1386	Invoice		#####	\$5,105.61	\$5,105.61	
				\$90,257.35	\$34,128.84	\$56,128.51
CFM Concrete						
Work:	780-887-3	Email:	cfmc2021@outlook.com			
1361	Invoice		#####	\$242.11	\$242.11	
1372	Invoice		#####	\$754.99	\$754.99	
				\$997.10	\$997.10	\$0.00
Cabana Construction 1984 Ltd.						
1379.01	Invoice		#####	\$6,697.54	\$6,697.54	

			\$6,697.54	\$6,697.54	\$0.00
E Construction Ltd.					
Work:	780-467-7	Email: ap@npaltc	Fax: 780-467-8384		
1382 Invoice	1746845	#####	\$473.84	\$473.84	
			\$473.84	\$473.84	\$0.00
Five 64 Ventures Ltd.					
Email:	five64ventures@gmail.com				
1377 Invoice		#####	\$600.39	\$600.39	
			\$600.39	\$600.39	\$0.00
Knelsen Sand and Gravel Ltd.					
Work:	780-928-3	Email: lcoffice@k	Fax: 780-928-3656		
1318 Invoice		#####	\$2,822.18		
			\$2,822.18	\$0.00	\$0.00
Ledcor Highways Ltd.					
Work:	780-462-4211				
1343 Invoice		#####	\$364,426.52		\$364,426.52
1368 Invoice		#####	\$23,881.02	\$23,881.02	
			\$388,307.54	\$23,881.02	\$364,426.52
Matt Silver, Matt					
Email:	mattsilvertrucking@gmail.com				
1331 Invoice		#####	\$2,420.04		\$2,420.04
1346 Invoice		#####	\$5,135.51		\$5,135.51
1348 Invoice		#####	\$741.83		\$741.83
1378 Invoice		#####	\$4,433.94	\$4,433.94	
			\$12,731.32	\$4,433.94	\$8,297.38
R. Batke Oilfield Ltd.					
Work:	780-812-0	Email: rbatke@m	Fax: 780-826-3477		
1312 Invoice		#####	\$1,669.22		
1356.01 Invoice		#####	\$666.79		\$666.79
			\$2,336.01	\$0.00	\$666.79
Seven Lakes Locke, Hurley					
Email:	hurley.locke@7lakes.ca				
1367.01 Invoice	56224	#####	\$563.39	\$563.39	
1369 Invoice	57494	#####	\$212.56	\$212.56	
1370 Invoice	57551	#####	\$9,494.40	\$9,494.40	
1380.01 Invoice	57619	#####	\$2,216.84	\$2,216.84	
			\$12,487.19	\$12,487.19	\$0.00
Stony Valley Contracting					
Work:	780-743-0	Fax: 780-743-3764			
1360 Invoice		#####	\$41,206.10	\$41,206.10	
1374 Invoice		#####	\$1,627.50	\$1,627.50	
			\$42,833.60	\$42,833.60	\$0.00
Timberwolf Environmental Services Ltd.					
Email:	ap@timberwolfenviro.ca, admin@timberwolfenviro.ca				
1338 Invoice		#####	\$1,518.41		\$1,518.41
1342 Invoice		#####	\$72.03		\$72.03
1357 Invoice		#####	\$835.38		\$835.38

1362 Invoice	#####	\$3,453.56	\$3,453.56	
1366 Invoice	#####	\$870.35	\$870.35	
1375.01 Invoice	#####	\$4,118.21	\$4,118.21	
1384 Invoice	#####	\$129.47	\$129.47	
1385 Invoice	#####	\$2,637.60	\$2,637.60	
		\$13,635.01	\$11,209.19	\$2,425.82
Waskonman Askih (Frog Lake First Nation)				
Work: 780-943-3 Email: ritaquinney@froglake.ca				
1376.01 Invoice	#####	\$5,287.08	\$5,287.08	
		\$5,287.08	\$5,287.08	\$0.00
		\$697,396.40	\$147,604.46	\$454,174.56
GL Amount				



Over 60	Over 90	Est. Collection Date	Week 1
		60 days	21-Jul
	\$13,685.70	2023-05-26	\$0.00
	\$210.07	2023-06-02	\$0.00
	\$227.43	2023-06-05	\$0.00
	\$1,299.34	2023-06-10	\$0.00
\$859.05		2023-06-21	\$0.00
\$41,132.26		2023-07-08	\$0.00
\$5,016.63		2023-07-09	\$0.00
\$22,726.12		2023-07-06	\$0.00
\$5,969.38		2023-07-17	\$0.00
		2023-07-22	\$0.00
		2023-07-29	\$0.00
		2023-07-30	\$0.00
		2023-08-12	\$0.00
		2023-08-25	\$0.00
\$75,703.44	\$15,422.54		
		2023-07-30	\$0.00
		2023-08-02	\$0.00
		2023-08-02	\$0.00
		2023-08-05	\$0.00
		2023-08-09	\$0.00
		2023-08-13	\$0.00
		2023-08-13	\$0.00
		2023-08-13	\$0.00
		2023-08-19	\$0.00
		2023-08-22	\$0.00
		2023-08-22	\$0.00
		2023-08-27	\$0.00
		2023-09-09	\$0.00
		2023-09-15	\$0.00
\$0.00	\$0.00		
		2023-08-22	\$0.00
		2023-08-26	\$0.00
\$0.00	\$0.00		
		2023-09-04	\$0.00

\$0.00	\$0.00		
		2023-09-02	\$0.00
\$0.00	\$0.00		
		2023-09-02	\$0.00
\$0.00	\$0.00		
\$2,822.18		2023-07-14	\$0.00
\$2,822.18	\$0.00		
		2023-08-07	\$0.00
		2023-08-29	\$0.00
\$0.00	\$0.00		
		2023-07-26	\$0.00
		2023-08-10	\$0.00
		2023-08-11	\$0.00
		2023-09-06	\$0.00
\$0.00	\$0.00		
\$1,669.22		2023-07-06	\$0.00
		2023-08-15	\$0.00
\$1,669.22	\$0.00		
		2023-08-25	\$0.00
		2023-08-26	\$0.00
		2023-08-27	\$0.00
		2023-09-03	\$0.00
\$0.00	\$0.00		
		2023-08-22	\$0.00
		2023-08-29	\$0.00
\$0.00	\$0.00		
		2023-08-01	\$0.00
		2023-08-04	\$0.00
		2023-08-15	\$0.00

2023-08-23	\$0.00
2023-08-25	\$0.00
2023-09-04	\$0.00
2023-09-11	\$0.00
2023-09-14	\$0.00

\$0.00 \$0.00

2023-08-30 \$0.00

\$0.00 \$0.00

\$80,194.84 \$15,422.54
\$697,396.40

Total \$0.00

Pre-Filing A/R Collection Schedule

Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9
28-Jul	4-Aug	11-Aug	18-Aug	25-Aug	1-Sep	8-Sep	15-Sep
\$13,685.70	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$210.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$227.43	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,299.34	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$859.05	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$41,132.26	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5,016.63	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$22,726.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5,969.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,241.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$13,136.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$2,142.32	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$4,709.80	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$4,574.73	\$0.00	\$0.00	\$0.00
\$0.00	\$457.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$5,799.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$3,919.27	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$7,807.93	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$25,561.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$11,833.67	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$375.73	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$374.22	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$2,060.86	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$6,086.47	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$10,359.47	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,087.02	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,429.41
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,105.61
\$0.00	\$0.00	\$0.00	\$0.00	\$242.11	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$754.99	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,697.54	\$0.00

\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$473.84	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$600.39	\$0.00
\$2,822.18	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$364,427	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#####	\$0.00	\$0.00
\$2,420.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$5,135.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$741.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,433.94	\$0.00
\$1,669.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$666.79	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$563.39	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$212.56	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,494.40	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,216.84	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$41,206.10	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,627.50	\$0.00	\$0.00
\$0.00	\$1,518.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$72.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$835.38	\$0.00	\$0.00	\$0.00	\$0.00

\$0.00	\$0.00	\$0.00	\$0.00	\$3,453.56	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$870.35	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,118.21	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$129.47
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,637.60

\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,287.08	\$0.00	\$0.00
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\$100,278.77	\$27,044.38	#####	\$18,795.59	\$69,417.04	#####	#####	#####
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Week 10	Week 11	Week 12	Week 13	Total
22-Sep	29-Sep	6-Oct	13-Oct	
\$0.00	\$0.00	\$0.00	\$0.00	\$13,685.70
\$0.00	\$0.00	\$0.00	\$0.00	\$210.07
\$0.00	\$0.00	\$0.00	\$0.00	\$227.43
\$0.00	\$0.00	\$0.00	\$0.00	\$1,299.34
\$0.00	\$0.00	\$0.00	\$0.00	\$859.05
\$0.00	\$0.00	\$0.00	\$0.00	\$41,132.26
\$0.00	\$0.00	\$0.00	\$0.00	\$5,016.63
\$0.00	\$0.00	\$0.00	\$0.00	\$22,726.12
\$0.00	\$0.00	\$0.00	\$0.00	\$5,969.38
\$0.00	\$0.00	\$0.00	\$0.00	\$2,241.35
\$0.00	\$0.00	\$0.00	\$0.00	\$13,136.07
\$0.00	\$0.00	\$0.00	\$0.00	\$2,142.32
\$0.00	\$0.00	\$0.00	\$0.00	\$4,709.80
\$0.00	\$0.00	\$0.00	\$0.00	\$4,574.73
\$0.00	\$0.00	\$0.00	\$0.00	\$457.00
\$0.00	\$0.00	\$0.00	\$0.00	\$5,799.28
\$0.00	\$0.00	\$0.00	\$0.00	\$3,919.27
\$0.00	\$0.00	\$0.00	\$0.00	\$7,807.93
\$0.00	\$0.00	\$0.00	\$0.00	\$25,561.41
\$0.00	\$0.00	\$0.00	\$0.00	\$11,833.67
\$0.00	\$0.00	\$0.00	\$0.00	\$375.73
\$0.00	\$0.00	\$0.00	\$0.00	\$374.22
\$0.00	\$0.00	\$0.00	\$0.00	\$2,060.86
\$0.00	\$0.00	\$0.00	\$0.00	\$6,086.47
\$0.00	\$0.00	\$0.00	\$0.00	\$10,359.47
\$0.00	\$0.00	\$0.00	\$0.00	\$8,087.02
\$0.00	\$0.00	\$0.00	\$0.00	\$2,429.41
\$0.00	\$0.00	\$0.00	\$0.00	\$5,105.61
\$0.00	\$0.00	\$0.00	\$0.00	\$242.11
\$0.00	\$0.00	\$0.00	\$0.00	\$754.99
\$0.00	\$0.00	\$0.00	\$0.00	\$6,697.54

\$0.00	\$0.00	\$0.00	\$0.00	\$473.84
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\$0.00	\$0.00	\$0.00	\$0.00	\$600.39
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\$0.00	\$0.00	\$0.00	\$0.00	\$2,822.18
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\$0.00	\$0.00	\$0.00	\$0.00	\$364,426.52
\$0.00	\$0.00	\$0.00	\$0.00	\$23,881.02

\$0.00	\$0.00	\$0.00	\$0.00	\$2,420.04
\$0.00	\$0.00	\$0.00	\$0.00	\$5,135.51
\$0.00	\$0.00	\$0.00	\$0.00	\$741.83
\$0.00	\$0.00	\$0.00	\$0.00	\$4,433.94

\$0.00	\$0.00	\$0.00	\$0.00	\$1,669.22
\$0.00	\$0.00	\$0.00	\$0.00	\$666.79

\$0.00	\$0.00	\$0.00	\$0.00	\$563.39
\$0.00	\$0.00	\$0.00	\$0.00	\$212.56
\$0.00	\$0.00	\$0.00	\$0.00	\$9,494.40
\$0.00	\$0.00	\$0.00	\$0.00	\$2,216.84

\$0.00	\$0.00	\$0.00	\$0.00	\$41,206.10
\$0.00	\$0.00	\$0.00	\$0.00	\$1,627.50

\$0.00	\$0.00	\$0.00	\$0.00	\$1,518.41
\$0.00	\$0.00	\$0.00	\$0.00	\$72.03
\$0.00	\$0.00	\$0.00	\$0.00	\$835.38

\$0.00	\$0.00	\$0.00	\$0.00	\$3,453.56
\$0.00	\$0.00	\$0.00	\$0.00	\$870.35
\$0.00	\$0.00	\$0.00	\$0.00	\$4,118.21
\$0.00	\$0.00	\$0.00	\$0.00	\$129.47
\$0.00	\$0.00	\$0.00	\$0.00	\$2,637.60

\$0.00	\$0.00	\$0.00	\$0.00	\$5,287.08
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\$0.00	\$0.00	\$0.00	\$0.00	\$697,396.40
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Boucher, Paul Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings	Period	Y.T.D	Deductions	Period
Overtime 36.00hrs 54.000	\$1,944	\$7,398	Arrears	\$55
Overtime 51.000	0	8,364	Canada Pension Plan	318
Regular 34.000	0	14,076	Employment Insurance	89
Regular 80.00hrs 36.000	2,880	10,800	Income Tax	1,400
Travel Allowance 15.00...	540	2,070	Life & Disability Premium	55
Travel Allowance 34.000	0	1,564		
Vacation Pay 3.20hrs 3...	115	432		
Vacation Pay 34.000	0	563		
Total Earnings	\$5,479	\$45,267	Total Deductions	\$1,917
Check Amount	\$3,562		Insured Earnings: 5,479.20 (119 hrs)	

Duthie, Trevor Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings	Period	Y.T.D	Deductions	Period
Overtime 37.00hrs 45.000	\$1,665	\$15,120	Canada Pension Plan	\$257
Regular 80.00hrs 30.000	2,400	21,240	Employment Insurance	73
Special Worksite B/L	1,250	11,125	Income Tax	1,037
Travel Allowance 10.00...	300	2,550	Life & Disability Premium	51
Vacation Pay 3.20hrs 3...	96	850	Room Charges	0
Total Earnings	\$5,711	\$50,885	Total Deductions	\$1,419
Check Amount	\$4,292		Insured Earnings: 4,461.0 (120.2 hrs)	

Heinz, Jessica Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings	Period	Y.T.D	Deductions	Period
Phone Reimbursement	\$28	\$388	Canada Pension Plan	\$175
Salary	3,077	39,692	Employment Insurance	50
Vacation Pay 38.461	0	3,385	Income Tax	652
			Life & Disability Premium	61
Total Earnings	\$3,105	\$43,465	Total Deductions	\$938
Check Amount	\$2,166		Insured Earnings: 3,076.92 (80.00hrs)	

Horne, Abby Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings	Period	Y.T.D	Deductions	Period
Overtime 3.50hrs 48.000	\$168	\$1,764	Canada Pension Plan	\$161
Regular 71.25hrs 32.000	2,280	31,096	Employment Insurance	46
Stat Pay 8.00hrs 32.000	256	2,048	Income Tax	530
Vacation Pay 4.28hrs 3...	137	1,866	Life & Disability Premium	47
Total Earnings	\$2,841	\$36,774	Total Deductions	\$785
Check Amount	\$2,056		Insured Earnings: 2,840.80 (87.03hrs)	

Kane, Michael Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings	Period	Y.T.D	Deductions	Period
Overtime 38.50hrs 63.000	\$2,426	\$23,877	Canada Pension Plan	\$205
Regular 80.00hrs 42.000	3,360	35,322	Employment Insurance	6

Travel Allowance 20.00...	840	5,838	Income Tax	2,085
Vacation Pay 4.80hrs 4...	202	2,119	Life & Disability Premium	64
Vehicle Allowance	0	800		
Total Earnings	\$6,827	\$67,956	Total Deductions	\$2,361
Check Amount	\$4,467		Insured Earnings: 6,827.1 (123.3 hrs)	

Kanzig, Dwayne Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings		Period	Y.T.D	Deductions	Period
Overtime 46.50hrs 54.000	\$2,511		\$10,017	Canada Pension Plan	\$352
Regular 84.00hrs 36.000	3,024		12,816	Employment Insurance	99
Special Worksite B/L	1,375		5,625	Income Tax	1,714
Travel Allowance 11.00...	396		1,512		
Vacation Pay 3.36hrs 3...	121		513		
Total Earnings	\$7,427		\$30,483	Total Deductions	\$2,165
Check Amount	\$5,262			Insured Earnings: 6,051.96 (133.86 hrs)	

Maitland, Andy Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings		Period	Y.T.D	Deductions	Period
Overtime 37.00hrs 45.000	\$1,665		\$15,053	Canada Pension Plan	\$257
Regular 80.00hrs 30.000	2,400		21,240	Employment Insurance	73
Special Worksite B/L	1,250		5,125	Income Tax	1,237
Travel Allowance 10.00...	300		3,390	Life & Disability Premium	50
Vacation Pay 3.20hrs 3...	96		850		
Total Earnings	\$5,711		\$45,657	Total Deductions	\$1,617
Check Amount	\$4,094			Insured Earnings: 4,461.00 (120.20hrs)	

Mercier, Jason Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings		Period	Y.T.D	Deductions	Period
Salary	\$6,346		\$81,577	Canada Pension Plan	\$0
Vacation Pay 67.308	0		2,154	Employment Insurance	0
Vacation Pay 79.328	0		1,269	Income Tax	2,039
Vehicle Allowance	692		9,692	Life & Disability Premium	64
Total Earnings	\$7,038		\$94,692	Total Deductions	\$2,103
Check Amount	\$4,935			Insured Earnings: 7,038.46 (80 hrs)	

Osse, Michael Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings		Period	Y.T.D	Deductions	Period
Overtime 30.00hrs 42.000	\$1,260		\$13,797	Canada Pension Plan	\$191
Regular 64.00hrs 28.000	1,792		19,376	Employment Insurance	55
Special Worksite B/L	1,000		10,875	Income Tax	683
Travel Allowance 8.00hr...	224		1,512	Life & Disability Premium	50
Vacation Pay 2.56hrs 2...	72		775	Room Charges	400
Total Earnings	\$4,348		\$46,335	Total Deductions	\$1,379
Check Amount	\$2,969			Insured Earnings: 3,347.68 (96.56 hrs)	

Paul, Jesse Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings				
Overtime 37.00hrs 54.000	\$1,998	\$19,629	Canada Pension Plan	\$312
Regular 80.00hrs 36.000	2,880	31,482	Employment Insurance	88
Stat Pay 36.000	0	576	Income Tax	1,361
Travel Allowance 10.50...	378	4,014	Life & Disability Premium	62
Vacation Pay 3.20hrs 3...	115	1,259		
Total Earnings	\$5,371	\$56,960	Total Deductions	\$1,822
Check Amount	\$3,549		Insured Earnings: 5,371.20 (120.20hrs)	

Paul, Tenille Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings				
Per Kilometer	\$0	\$163	Canada Pension Plan	\$214
Salary	2,238	48,127	Employment Insurance	61
Vacation Pay 32.00hrs ...	1,492	4,104	Income Tax	799
			Life & Disability Premium	72
Total Earnings	\$3,731	\$52,394	Total Deductions	\$1,146
Check Amount	\$2,585		Insured Earnings: 3,730.77 (80.0 hrs)	

Pichota, Cory Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings				
Group Benefits	\$88	\$1,235	Canada Pension Plan	\$0
Phone Reimbursement	39	549	Employment Insurance	0
Salary	10,192	137,596	Income Tax	3,988
Vacation Pay 127.404	0	5,096	Life & Disability Premium	64
Vehicle Allowance	692	9,692		
Total Earnings	\$11,012	\$154,169	Total Deductions	\$4,052
Check Amount	\$6,960		Insured Earnings: 11,380.56 (80.0 hrs)	

Reed, Harold Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings	Period	Y.T.D	Deductions	Period
Salary	\$2,154	\$57,723	Canada Pension Plan	\$248
Vacation Pay 40.00hrs ...	2,154	2,585	Employment Insurance	17
Vehicle Allowance	0	4,431	Income Tax	982
			Life & Disability Premium	63
Total Earnings	\$4,308	\$64,738	Total Deductions	\$1,311
Check Amount	\$2,997		Insured Earnings: 4,307.69 (80.0 hrs)	

Tovar Mejia, Enrique Next Pay Cut-Off Date: 2023/07/08 Check Date: 2023/07/14 Check #:

Earnings	Period	Y.T.D	Deductions	Period
Overtime 37.00hrs 46.500	\$1,721	\$16,717	Canada Pension Plan	\$266
Regular 80.00hrs 31.000	2,480	22,940	Employment Insurance	75
Travel Allowance 10.00...	310	3,519	Income Tax	1,090
Vacation Pay 3.20hrs 3...	99	918	Life & Disability Premium	53
Total Earnings	\$4,610	\$44,093	Total Deductions	\$1,485

Check Amount

\$3,125

Insured Earnings: 4,609.7 (120.2 hrs)

Tsoukalas, Kostas Next Pay Cut-Off Date: 2023/07/08

Check Date: 2023/07/14

Check #:

Earnings	Period	Y.T.D	Deductions	Period
Salary	\$1,446	\$47,358	Canada Pension Plan	\$207
Vacation Pay 45.673	0	365	Employment Insurance	59
Vacation Pay 48.00hrs ...	2,169	2,892	Income Tax	764
			Life & Disability Premium	57
Total Earnings	\$3,615	\$50,615	Total Deductions	\$1,087
Check Amount	\$2,528		Insured Earnings: 3,615.38 (80.0 hrs)	

Grand Totals	Period	Deductions	Period
Group Benefits	88.23	Arrears	54.98
Overtime	15,357.00	Canada	3,164.78
Phone Reimbursement	66.92	Employment	790.27
Regular	23,496.00	Income Tax	20,361.60
Salary	25,453.81	Life &	814.02
Special Worksite B/L	4,875.00	Room	400.00
Stat Pay	256.00		
Travel Allowance	3,288.00		
Vacation Pay	6,868.05		
Vehicle Allowance	1,384.62		
Total Earnings	81,133.63	Total	25,585.65
# Of Checks: 15			

Y.T.D	Benefits	Period	Y.T.D
\$0	Canada Pension Plan	\$318	\$2,621
2,621	Employment Insurance	125	1,033
738	Workers Compensation	67	566
11,164			
550			
\$15,073	Total Benefits	\$510	\$4,220

Y.T.D	Benefits	Period	Y.T.D
\$2,286	Canada Pension Plan	\$257	\$2,286
648	Employment Insurance	102	907
8,876	Workers Compensation	57	506
508			
1,364			
\$13,681	Total Benefits	\$416	\$3,699

Y.T.D	Benefits	Period	Y.T.D
\$2,451	Canada Pension Plan	\$175	\$2,451
702	Employment Insurance	70	983
9,124	Workers Compensation	42	586
859			
\$13,136	Total Benefits	\$287	\$4,020

Accrued: Vacation (+178.46) 1,911.39

Y.T.D	Benefits	Period	Y.T.D
\$2,076	Canada Pension Plan	\$161	\$2,076
599	Employment Insurance	65	839
6,570	Workers Compensation	39	500
655			
\$9,900	Total Benefits	\$264	\$3,415

Y.T.D	Benefits	Period	Y.T.D
\$3,754	Canada Pension Plan	\$205	\$3,754
1,002	Employment Insurance	8	1,403

20,037	Workers Compensation	81	845
784			

\$25,578	Total Benefits	\$295	\$6,003
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Y.T.D	Benefits	Period	Y.T.D
\$1,439	Canada Pension Plan	\$352	\$1,439
405	Employment Insurance	138	567
6,820	Workers Compensation	77	318

\$8,664	Total Benefits	\$567	\$2,324
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	Benefits	Period	Y.T.D
\$2,332	Canada Pension Plan	\$257	\$2,332
661	Employment Insurance	102	925
11,131	Workers Compensation	57	505
553			

\$14,676	Total Benefits	\$416	\$3,762
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	Benefits	Period	Y.T.D
\$3,754	Canada Pension Plan	\$0	\$3,754
1,002	Employment Insurance	0	1,403
26,716	Workers Compensation	96	1,288
902			

\$32,375	Total Benefits	\$96	\$6,446
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Accrued: Vacation (+488.65) 5,881.76

	Benefits	Period	Y.T.D
\$2,030	Canada Pension Plan	\$191	\$2,030
578	Employment Insurance	76	809
7,483	Workers Compensation	42	462
498			
1,136			

\$11,725	Total Benefits	\$310	\$3,301
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	Benefits	Period	Y.T.D
\$3,301	Canada Pension Plan	\$312	\$3,301
928	Employment Insurance	123	1,300
14,332	Workers Compensation	68	720
620			
\$19,181	Total Benefits	\$502	\$5,321

	Benefits	Period	Y.T.D
\$2,996	Canada Pension Plan	\$214	\$2,996
851	Employment Insurance	85	1,192
11,188	Workers Compensation	51	710
1,009			
\$16,044	Total Benefits	\$350	\$4,898

	Benefits	Period	Y.T.D
\$3,754	Canada Pension Plan	\$0	\$3,754
1,002	Employment Insurance	0	1,403
55,532	RRSP	408	5,708
902	Workers Compensation	0	1,389
\$61,190	Total Benefits	\$408	\$12,254

Accrued: Vacation (+784.71) 12,392.85

Y.T.D	Benefits	Period	Y.T.D
\$3,740	Canada Pension Plan	\$248	\$3,740
1,002	Employment Insurance	24	1,403
15,331	Workers Compensation	59	880
877			
\$20,950	Total Benefits	\$331	\$6,024

Accrued: Vacation (-1,988.0) 6,004.02

Y.T.D	Benefits	Period	Y.T.D
\$2,535	Canada Pension Plan	\$266	\$2,535
719	Employment Insurance	105	1,006
10,217	Workers Compensation	58	552
532			
\$14,004	Total Benefits	\$430	\$4,093

Y.T.D	Benefits	Period	Y.T.D
\$2,900	Canada Pension Plan	\$207	\$2,900
825	Employment Insurance	83	1,155
10,700	Workers Compensation	49	688
795			
\$15,219	Total Benefits	\$339	\$4,743

Accrued: Vacation (-2,085.36) 114.46

Benefits	Period
Canada	3,164.78
Employment	1,106.36
RRSP	407.69
Workers	842.25

Total Benefits 5,521.08

Mantle Materials Group, Ltd.*Payroll Register (bi-weekly amounts)*

Employee Name		Salary	Source Deductions
Paul Boucher	<i>Field - Crushing</i>	\$5,479	\$1,917
Trevor Duthie	<i>Field - Crushing</i>	\$5,711	\$1,419
Jessica Heinz	<i>Corporate</i>	\$3,105	\$938
Michael Kane	<i>Field - Crushing</i>	\$6,827	\$2,361
Dwayne Kanzig	<i>Field - Sales / Earthwork</i>	\$7,427	\$2,165
Andy Maitland	<i>Field - Crushing</i>	\$5,711	\$1,617
Jason Mercier	<i>Corporate</i>	\$7,038	\$2,103
Michael Osse	<i>Field - Crushing</i>	\$4,348	\$1,379
Jesse Paul	<i>Field - Sales / Earthwork</i>	\$5,371	\$1,822
Tenille Paul	<i>Corporate</i>	\$3,731	\$1,146
Cory Pichota	<i>Corporate</i>	\$11,012	\$4,052
Harold Reed	<i>Field - Shop Manager</i>	\$4,308	\$1,311
Enrique Tovar Mejia	<i>Field - Crushing</i>	\$4,610	\$1,485
Kostas Tsoulakas	<i>Field - Safety</i>	\$3,615	\$1,087
Total		\$78,293	\$24,801

Mantle Materials Group, Ltd.*Vehicle Fuel Allowance*

Employee Name		Total	Termination Date
Michael Kane	<i>Field - Crushing</i>	\$600	2023-12-01
Dwayne Kanzig	<i>Field - Sales</i>	\$720	2023-08-11
Jason Mercier	<i>Corporate</i>	\$480	2023-08-11
Jesse Paul	<i>Field - Sales</i>	\$720	2023-08-11
Cory Pichota	<i>Corporate</i>	\$480	2023-12-29
Harold Reed	<i>Field - Shop Manager</i>	\$480	2023-08-11
Kostas Tsoulakas	<i>Field - Safety</i>	\$360	2023-10-06
Total		\$3,840	

Benefits	Total	Termination Date
\$510	\$7,906	2023-10-06
\$416	\$7,545	2023-08-11
\$287	\$4,330	2023-12-29
\$295	\$9,483	2023-12-01
\$567	\$10,159	2023-08-11
\$416	\$7,744	2023-08-11
\$96	\$9,237	2023-08-11
\$310	\$6,037	2023-08-11
\$502	\$7,696	2023-08-11
\$350	\$5,227	2023-10-06
\$408	\$15,472	2023-12-29
\$331	\$5,950	2023-08-11
\$430	\$6,524	2023-10-06
\$339	\$5,041	2023-10-06
\$5,257	\$108,351	

Week Ending

Total

Week Ending

Total

Week 1	Week 2	Week 3	Week 4	Week 5
21-Jul	28-Jul	4-Aug	11-Aug	18-Aug
	\$7,906.44		\$7,906.44	
	\$7,545.31		\$7,545.31	
	\$4,330.05		\$4,330.05	
	\$9,482.86		\$9,482.86	
	\$10,159.10		\$10,159.10	
	\$7,743.56		\$7,743.56	
	\$9,237.37		\$9,237.37	
	\$6,036.71		\$6,036.71	
	\$7,695.65		\$7,695.65	
	\$5,226.64		\$5,226.64	
	\$15,471.90		\$15,471.90	
	\$5,949.53		\$5,949.53	
	\$6,524.17		\$6,524.17	
	\$5,041.26		\$5,041.26	
\$0.00	\$108,350.55	\$0.00	\$108,350.55	\$0.00

Week 1	Week 2	Week 3	Week 4	Week 5
21-Jul	28-Jul	4-Aug	11-Aug	18-Aug
\$600.00	\$600.00	\$600.00	\$600.00	\$600.00
\$720.00	\$720.00	\$720.00	\$720.00	\$0.00
\$480.00	\$480.00	\$480.00	\$480.00	\$0.00
\$720.00	\$720.00	\$720.00	\$720.00	\$0.00
\$480.00	\$480.00	\$480.00	\$480.00	\$480.00
\$480.00	\$480.00	\$480.00	\$480.00	\$0.00
\$360.00	\$360.00	\$360.00	\$360.00	\$360.00
\$3,840.00	\$3,840.00	\$3,840.00	\$3,840.00	\$1,440.00

Week 6	Week 7	Week 8	Week 9	Week 10
25-Aug	1-Sep	8-Sep	15-Sep	22-Sep
\$7,906.44		\$7,906.44		\$7,906.44
\$0.00		\$0.00		\$0.00
\$4,330.05		\$4,330.05		\$4,330.05
\$9,482.86		\$9,482.86		\$9,482.86
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$5,226.64		\$5,226.64		\$5,226.64
\$15,471.90		\$15,471.90		\$15,471.90
\$0.00		\$0.00		\$0.00
\$6,524.17		\$6,524.17		\$6,524.17
\$5,041.26		\$5,041.26		\$5,041.26
\$53,983.32	\$0.00	\$53,983.32	\$0.00	\$53,983.32

Week 6	Week 7	Week 8	Week 9	Week 10
25-Aug	1-Sep	8-Sep	15-Sep	22-Sep
\$600.00	\$600.00	\$600.00	\$600.00	\$600.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$480.00	\$480.00	\$480.00	\$480.00	\$480.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$360.00	\$360.00	\$360.00	\$360.00	\$360.00
\$1,440.00	\$1,440.00	\$1,440.00	\$1,440.00	\$1,440.00

Week 11	Week 12	Week 13	Week 14	Week 15
29-Sep	6-Oct	13-Oct	20-Oct	27-Oct
	\$7,906.44		\$0.00	
	\$0.00		\$0.00	
	\$4,330.05		\$4,330.05	
	\$9,482.86		\$9,482.86	
	\$0.00		\$0.00	
	\$0.00		\$0.00	
	\$0.00		\$0.00	
	\$0.00		\$0.00	
	\$0.00		\$0.00	
	\$5,226.64		\$0.00	
	\$15,471.90		\$15,471.90	
	\$0.00		\$0.00	
	\$6,524.17		\$0.00	
	\$5,041.26		\$0.00	
\$0.00	\$53,983.32	\$0.00	\$29,284.81	\$0.00

Week 11	Week 12	Week 13	Week 14	Week 15
29-Sep	6-Oct	13-Oct	20-Oct	27-Oct
\$600.00	\$600.00	\$600.00	\$600.00	\$600.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$480.00	\$480.00	\$480.00	\$480.00	\$480.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$360.00	\$360.00	\$0.00	\$0.00	\$0.00
\$1,440.00	\$1,440.00	\$1,080.00	\$1,080.00	\$1,080.00

Week 16	Week 17	Week 18	Week 19	Week 20
3-Nov	10-Nov	17-Nov	24-Nov	1-Dec
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$4,330.05		\$4,330.05		\$4,330.05
\$9,482.86		\$9,482.86		\$9,482.86
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$15,471.90		\$15,471.90		\$15,471.90
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$0.00		\$0.00		\$0.00
\$29,284.81	\$0.00	\$29,284.81	\$0.00	\$29,284.81

Week 16	Week 17	Week 18	Week 19	Week 20
3-Nov	10-Nov	17-Nov	24-Nov	1-Dec
\$600.00	\$600.00	\$600.00	\$600.00	\$600.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$480.00	\$480.00	\$480.00	\$480.00	\$480.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,080.00	\$1,080.00	\$1,080.00	\$1,080.00	\$1,080.00

Week 21	Week 22	Week 23	Week 24
8-Dec	15-Dec	22-Dec	29-Dec
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$4,330.05		\$4,330.05
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$15,471.90		\$15,471.90
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
\$0.00	\$19,801.95	\$0.00	\$19,801.95

Week 21	Week 22	Week 23	Week 24
8-Dec	15-Dec	22-Dec	29-Dec
\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00
\$480.00	\$480.00	\$480.00	\$480.00
\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00
\$480.00	\$480.00	\$480.00	\$480.00

Total

\$47,438.64
\$15,090.62
\$51,960.60
\$94,828.60
\$20,318.20
\$15,487.12
\$18,474.74
\$12,073.42
\$15,391.30
\$31,359.84
\$185,662.80
\$11,899.06
\$39,145.02
\$30,247.56

\$589,377.52

Total

\$12,000.00
\$2,880.00
\$1,920.00
\$2,880.00
\$11,520.00
\$1,920.00
\$4,320.00

\$37,440.00

Recurring Payments - Imported from Tab in Disbursement Schedule

Supplier	Amount	Due Date	Frequency	Payment Method
MicroAge	120.75	1	Monthly	EFT
Victor Benefits	6,000.00	1	Monthly	Online Bill Pymt
WCB Workers Compensation Board	4,000.00	19	Bi-Monthly	EFT
Axon Software	1,102.50	31	Monthly	EFT
Bell Mobility	1,000.00	31	Monthly	Online Bill Pymt
Sunlife (SLF INV SER INC)	407.69	Pay Day	Bi-Weekly	Auto Withdrawal
Telus Communications (Internet)	100.00	31	Monthly	Online Bill Pymt

Office & Admin (RECURRING)	6-23-2023	6-30-2023	7-7-2023	7-14-2023
MicroAge		120.75		
Axon Software		1,102.50		
Bell Mobility		843.09		
Telus Communications				
Direct Energy (2nd Last Bill)		80.82		
Epcor (Final Bill)		824.21		
Estimated Recurring Expense Per Week	0.00	2,971.37	0.00	0.00

Insurance & Benefits (RECURRING)	6-23-2023	6-30-2023	7-7-2023	7-14-2023
Victor Benefits		4,252.44		
WCB Workers Compensation Board				4,000.00
Sunlife (SLF INV SER INC)		407.69		407.69
Estimated Recurring Expense Per Week	0.00	4,660.13	0.00	4,407.69

Note - These are on the disbursement schedule as "Priority Pay"

Category	Description	Active?
Office Administration	Additional Data S	YES
Insurance & Benefits	Group Benefits Plan	YES
Insurance & Benefits	WCB Premiums	YES
Office Administration	Accounting Software	YES
Office Administration	Mantle Cell Phone	YES
Insurance & Benefits	Cory Pichota - RF	YES
Office Administration	Edmonton Office	YES

INCLUDE IN SUMMARY (Estimated Recurring Expenses)?

YES

7-21-2023	7-28-2023	8-4-2023	8-11-2023	8-18-2023	8-25-2023	9-1-2023
	120.75					120.75
	1,102.50					1,102.50
	1,000.00					1,000.00
	100.00				100.00	
0.00	2,323.25	0.00	0.00	0.00	100.00	2,223.25

7-21-2023	7-28-2023	8-4-2023	8-11-2023	8-18-2023	8-25-2023	9-1-2023
	6,000.00					6,000.00
	407.69		407.69		407.69	
0.00	6,407.69	0.00	407.69	0.00	407.69	6,000.00

ables and will not be included in AP or any other line on Summary)

9-8-2023	9-15-2023	9-22-2023	9-29-2023	10-6-2023	10-13-2023
			100.00	120.75 1,102.50 1,000.00	
0.00	0.00	0.00	100.00	2,223.25	0.00

9-8-2023	9-15-2023	9-22-2023	9-29-2023	10-6-2023	10-13-2023
	4,000.00			6,000.00	
407.69		407.69		407.69	
407.69	4,000.00	407.69	0.00	6,407.69	0.00

Lease Obligation:

	6-23-2023	6-30-2023	7-7-2023	7-14-2023	7-21-2023
Enterprise Fleet Management					802.65
De Lage Landen		408.64			
Alberta Auto Finance				1,465.16	
Alberta Auto Finance				1,266.42	
	0.00	408.64	0.00	2,731.58	802.65

Info from Master Lia Sched:	Payment	PAD Date
Enterprise Fleet Management	802.65	18
De Lage Landen	408.64	1
Alberta Auto Finance	1465.16	12
Alberta Auto Finance	1266.42	12

7-28-2023	8-4-2023	8-11-2023	8-18-2023	8-25-2023	9-1-2023	9-8-2023	9-15-2023
	408.64		802.65		408.64		
			1,465.16				1,465.16
			1,266.42				1,266.42
0.00	408.64	0.00	3,534.23	0.00	408.64	0.00	2,731.58

9-22-2023	9-29-2023	10-6-2023	10-13-2023
802.65		408.64	1,465.16 1,266.42
802.65	0.00	408.64	2,731.58

Mantle Materials Group

EPO / EO Budget

Updated Date: 19-Jul-23

EPO/EO Summary

Pit	Remaining 2023	Remaining 2024-2026	
Macdonald	87,794	23,000	
Megley	26,400	26,000	
Kucy	716,690	37,306	
Buksa	94,900	18,000	
Okane	-	-	
SML 060060	496,321	112,898	
SML 930040	1,000	12,000	
SML 980116	1,000	12,000	
SML 120027	1,000	12,000	
Other Overhead	-	-	
	1,425,105	253,203	
Check	TRUE	TRUE	#VALUE!

TOTAL REMAINING 1,678,308

Weekly Reclamation Summary

	Week 1	Week 2	Week 3	Week 4
Week Ending	21-Jul	28-Jul	4-Aug	11-Aug
Macdonald	\$0	\$0	\$0	\$0
Megley	\$0	\$0	\$0	\$0
Kucy	\$0	\$0	\$0	\$103,395
Buksa	\$0	\$0	\$0	\$0
Okane	\$0	\$0	\$0	\$0
SML 060060	\$0	\$0	\$0	\$51,642
SML 930040	\$0	\$0	\$0	\$250
SML 980116	\$0	\$0	\$0	\$250
SML 120027	\$0	\$0	\$0	\$250
Other Overhead	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$155,787

Check TRUE

Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2024	2025	2026
-	41,597	46,197	-	-	11,000	6,000	6,000
-	-	26,400	-	-	12,000	7,000	7,000
413,580	235,262	40,542	27,306	-	17,306	10,000	10,000
-	-	94,900	-	-	11,000	6,000	1,000
206,566	211,198	28,074	25,542	24,942	92,898	15,000	5,000
1,000	-	-	-	-	6,000	6,000	-
1,000	-	-	-	-	6,000	6,000	-
1,000	-	-	-	-	6,000	6,000	-
623,146	488,056	236,113	52,848	24,942	162,203	62,000	29,000

Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20
13-Oct	20-Oct	27-Oct	3-Nov	10-Nov	17-Nov	24-Nov	1-Dec
\$11,549	\$11,549	\$11,549	\$0	\$0	\$0	\$0	\$0
\$6,600	\$6,600	\$6,600	\$0	\$0	\$0	\$0	\$0
\$10,136	\$10,136	\$10,136	\$5,461	\$5,461	\$5,461	\$5,461	\$5,461
\$23,725	\$23,725	\$23,725	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$7,018	\$7,018	\$7,018	\$5,108	\$5,108	\$5,108	\$5,108	\$5,108
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$59,028	\$59,028	\$59,028	\$10,570	\$10,570	\$10,570	\$10,570	\$10,570

Note	2023	2024-2026	
	87,794	23,000	
	26,400	26,000	
	716,690	37,306	
	94,900	18,000	
Completed /	-	-	
	496,321	112,898	
	1,000	12,000	
	1,000	12,000	
	1,000	12,000	
	-	-	
	1,425,105	253,203	1,678,308

Week 21	Week 22	Week 23	Week 24
8-Dec	15-Dec	22-Dec	29-Dec
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$6,236	\$6,236	\$6,236	\$6,236
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$6,236	\$6,236	\$6,236	\$6,236

Mantle Materials Group

EPO / EO Budget

Pit: [Macdonald](#)

Updated Date: [23-Nov-22](#)

Summary

Activity	Spent-to-date	Remaining 2023	Remaining 2024-2026	Total
Pit Work	#VALUE!	83,194	-	#VALUE!
Seeding	#VALUE!	4,600	-	#VALUE!
Weed Management	#VALUE!	-	5,000	#VALUE!
Monitoring	#VALUE!	-	18,000	#VALUE!
Planning/Reporting	#VALUE!	-	-	#VALUE!
	#VALUE!	87,794	23,000	#VALUE!
Check	#VALUE!	TRUE	TRUE	#VALUE!

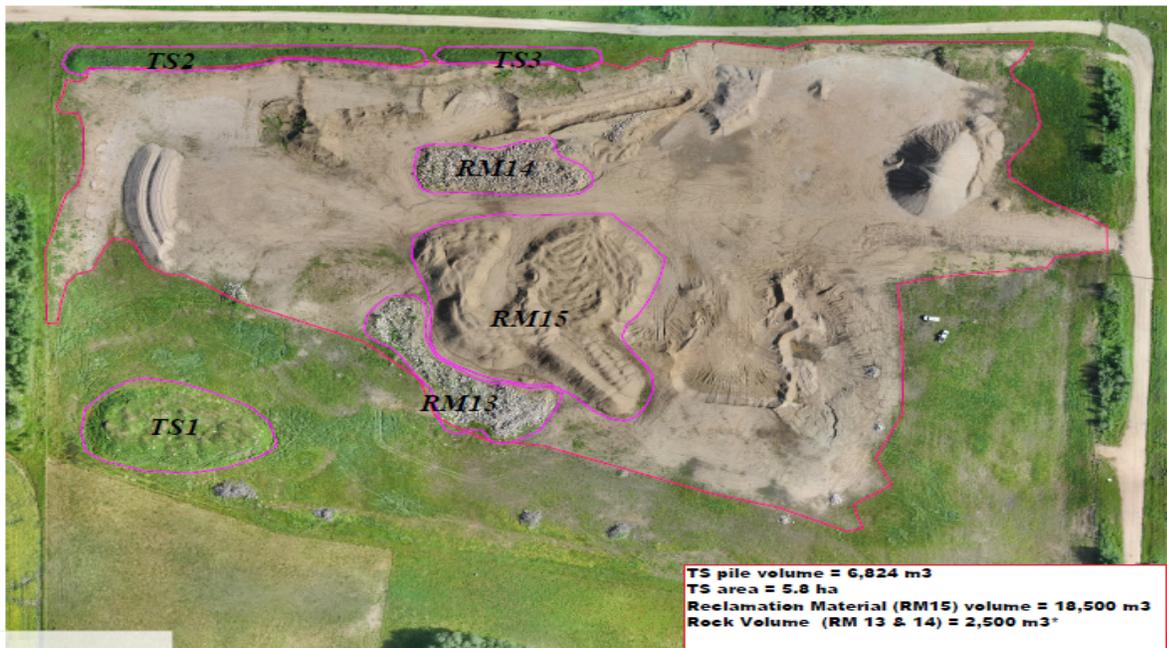
Detail

Area	Activity	Sub-Activity	Volume	Length
Various	Pit Work	Multiple		
Entire Pit	Seeding	Seed/fertilizer		
Entire Pit	Seeding	Seeding		
Various	Weed Management	Spraying/Picking		
Entire Pit	Monitoring	Travel/Site assessments		
Entire Pit	Monitoring	Contingency Fund		

Supplementary Information

Aerial Map (Reclamation required)

MACDONALD PIT





*** this is only an approx volume/ does not include the small piles to the south.**

Width	Depth	Equipment Type	UoM	Supplier	Budget Source	Rate	Hours
		Multiple	Lump Sum	Location Cats	Quote		
			Lump Sum	Mistol Seed	Quote		
		Multiple		Location Cats	Quote		
		Multiple		Cortex	Quote		
		Multiple		Mantle	Internal approx.		
		Multiple		Mantle	Internal approx.		

Schedule

Mantle Materials Group, Ltd.
EPO/EO Progress Update Report
October 28th, 2022

2.4 EPO-EPEA-35659-01 MacDonald - Updated Schedule

Table 2: Updated Schedule of Activities for MacDonald Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2021	EPO	Removed a portion of marketable material	2021
2021	EPO	Site Assessment to finalize topsoil volume availability	May 15 th
2022	EPO	Remove a portion of the marketable material	June 15 th
2022	EPO	Complete a portion of the recontouring activities	July 15 th
2022	EPO	Remove all remaining marketable materials	Oct 28 th
2023	EPO	Complete the remaining of the recontouring activities including disposal of oversize rocks, place topsoil, and seed topsoil with pasture mix Sept 1 st – Oct 31 st	Oct 31 st
2023	EPO	Six-month monitoring requirement as per the EPO	Nov 1 st , 2023, to April 30 th , 2024
2024	EPO	Assess soil stability after spring thaw	May 15 th

Task Des

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Note:

2024	EPEA	Assess pasture vegetation success and survey for the presence of weeds	July 1 st
2025	EPEA	Assess the soil stability after spring thaw	May 15 th
2025	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st
2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Nov 1 st

Total	Description
83,194	See below
4,600	Based on a pasture mix suggested by Mistol Seeds and fertilizer
-	Quote for seeding
5,000	Waiting for quote (2024)
15,000	\$5k/yr approx. Following years after Reclamation-Travel/Site/ Rec Cert othe Incidentals
3,000	Estimate of additional supplies or work required

scription

DONALD

and Use – Pastureland

Objective	Description	Parameters /Considerations
Debris Disposal	<ul style="list-style-type: none"> Bury <ul style="list-style-type: none"> Push into a hole 	<ul style="list-style-type: none"> Boulders will have to be deep enough to meet requirements for pastureland (not showing).
Site Grading	<ul style="list-style-type: none"> Slopes <ul style="list-style-type: none"> Internal slopes: minimum 20:1 Boundary slopes: minimum 3:1 	<ul style="list-style-type: none"> Includes pay piles that are left on site.
Grading	<ul style="list-style-type: none"> Ready for topsoil replacement 	
Topsoil Placement	<ul style="list-style-type: none"> Topsoil volume on site: 6,824 m³ 	
Remove Large Boulders and Topsoil	<ul style="list-style-type: none"> Remove large rocks and boulders from the topsoil. 	

Brush piles will be dealt with by Mantle.

Check	Total	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
TRUE	83,194						
TRUE	4,600						
TRUE	-						
TRUE	5,000						
TRUE	15,000						
TRUE	3,000						
TRUE	-						
	110,794	-	-	-	-	-	-

Quote



Reference No: 22-LC-039-T1

Company: Mantel Materials Group

Attention: Cory Pichota

Reference: Buksa, MacDonald, Megley & Kucy Pit Reclamatic

Dear Cory Pichota

Location Cats is pleased to submit our budgetary proposal tender package and Location Cats clarifications 22-LC-039-T1

Buksa Pit - \$214,332.80

MacDonald Pit - \$83,194.00

Megley Pit - \$136,621.50

Kucy Pit - \$420,639.50

I thank you in advance for the opportunity to quote and look forward to your response.
Please contact the undersigned for any further clarification or information.

Yours truly,

Location Cats Ltd.



Cory Dunlop
Operations Manager

Page 1 of 1

Box 1275
St. Paul, Alberta T0A 3A0
Ph: 780645-5336
Email: sales@locationcats.com

Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2024	2025	2026
		41,597	41,597 4,600					
						5,000		
						5,000	5,000	5,000
						1,000	1,000	1,000
-	-	41,597	46,197	-	-	11,000	6,000	6,000

October 31, 2022

ons

for the above noted projects, based on the C1 document.

forward to working with you on this project.

assistance in this matter.

3

com

Totals	
2023	2024-2026
83,194	-
4,600	-
-	-
-	5,000
-	15,000
-	3,000
-	-
87,794	23,000

110,794

Mantle Materials Group

EPO / EO Budget

Pit: Megley
 Updated Date: 23-Nov-22

Summary

Activity	Spent-to-date	Remaining 2023	Remaining 2024-2026	Total
Pit Work	#VALUE!	-	-	#VALUE!
Testing	#VALUE!	-	-	#VALUE!
Soil Preparation	#VALUE!	26,400	-	#VALUE!
Weed Management	#VALUE!	-	5,000	#VALUE!
Monitoring	#VALUE!	-	21,000	#VALUE!
Planning/Reporting	#VALUE!	-	-	#VALUE!
	#VALUE!	26,400	26,000	#VALUE!
Check	#VALUE!	TRUE	TRUE	#VALUE!

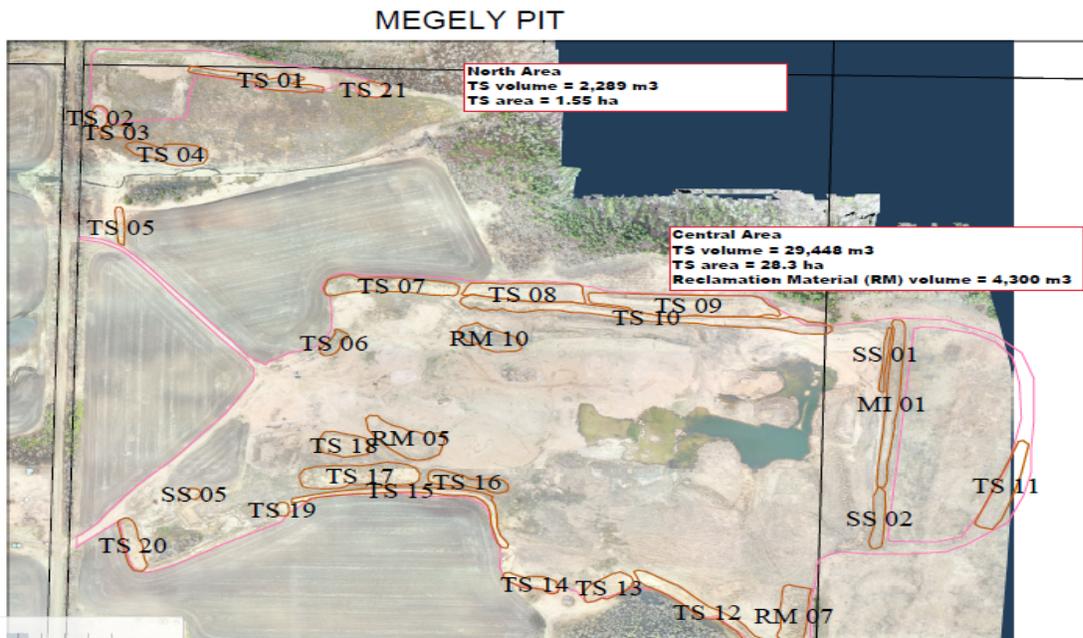
Detail

Area	Activity	Sub-Activity	Volume	Length
Various	Pit Work	Multiple		
Entire SML	Soil Preparation	Rock Picking/Discing		
Various	Weed Management	Spraying/Picking		
Entire SML	Monitoring	Travel/Site assessments		
Entire SML	Monitoring	Contingency Fund		
Entire SML	Planning/Reporting	Planning/Reporting		

Note: Farmer to cover costs of seed/seeding/fertilizer

Supplementary Information

Aerial Map (Reclamation required)





completed in 2023

Width	Depth	Equipment Type	UoM	Supplier	Budget Source	Rate
		Multiple	Lump Sum	Location Cats	Quote	
		Farm	Lump Sum	Harvey (Farmer)	Estimate	
		Multiple	Lump Sum	Harvey (Farmer)	Estimate	
		Multiple		Mantle	Internal approx.	
		Multiple		Mantle	Internal approx.	

Schedule

Mantle Materials Group, Ltd.
EPO/EO Progress Update Report
October 28th, 2022

3.4 EPO-EPEA-35659-02 Megley - Updated Schedule

Table 3: Updated Schedule of Activities for Megley Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2021	EPO	Filled in a portion of the eastern waterbody (SW-36-58-16-W4M)	Nov 15 th
2022	EPO	Northern portion was tilled.	July 22 nd
2022	EPO	Complete filling in of all open excavations that have intercepted the ground water	Aug 23 rd
2023	EPO	Complete all remaining recontouring activities and replace topsoil Aug 1 st – Sept 30 th	Sept 30 th
2023	EPO	Remove all remaining marketable material	Sept 30 th
2023	EPO	Six-month monitoring requirement as per the EPO	Oct 1 st , 2023, to March 30 th , 2024
2024	EPEA	Assess the soil stability after spring thaw	May 15 th
2024	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st
2025	EPEA	Assess the soil stability after spring thaw	May 15 th
2025	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st

2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Nov 1 st
------	------	---	---------------------

Hours	Total	Description
-		Earthworks: recontouring, topsoil placement ect.
26,400		Estimate-Based on \$600/ha for 44 ha (rock picking/discing)
5,000		Estimate
15,000		\$5k/yr approx. Following years after Reclamation-Travel/Site/ Rec Cert othe Incidentals
6,000		Estimate of additional supplies or work required

Task Description

MEGLEY

End Land Use – Agricultural Land

WEST AREA

Objective	Description	Parameters /Considerations
Soil Placement	<ul style="list-style-type: none"> Move topsoil from areas of excess to areas that are short or have no topsoil. 	

Check	Total	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
TRUE	-						
TRUE	26,400						
TRUE	5,000						
TRUE	15,000						
TRUE	6,000						
TRUE	-						
	52,400	-	-	-	-	-	-

Quote



Reference No: 22-LC-039-T1

Company: Mantel Materials Group

Attention: Cory Pichota

Reference: Buksa, MacDonald, Megley & Kucy Pit Reclamations

Dear Cory Pichota

Location Cats is pleased to submit our budgetary proposal for the a tender package and Location Cats clarifications 22-LC-039-TC1 docun

Buksa Pit - \$214,332.80

MacDonald Pit – \$83,194.00

Megley Pit - \$136,621.50

Kucy Pit - \$420,639.50

I thank you in advance for the opportunity to quote and look forward to
Please contact the undersigned for any further clarification or assistance

Yours truly,

Location Cats Ltd.



Cory Dunlop
Operations Manager

Page 1 of 1

Box 1275
St. Paul, Alberta T0A 3A0
Ph: 780645-5336
Email: sales@locationcats.com

Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2024	2025	2026
	-	-	26,400			5,000		
						5,000	5,000	5,000
						2,000	2,000	2,000
-	-	-	26,400	-	-	12,000	7,000	7,000

October 31, 2022

above noted projects, based on the
ment.

working with you on this project.

ce in this matter.

Totals	
2023	2024-2026
-	-
26,400	-
-	5,000
-	15,000
-	6,000
-	-
26,400	26,000

52,400

Mantle Materials Group

EPO / EO Budget

Pit: [Kucy](#)
 Updated Date: [23-Nov-22](#)

Summary

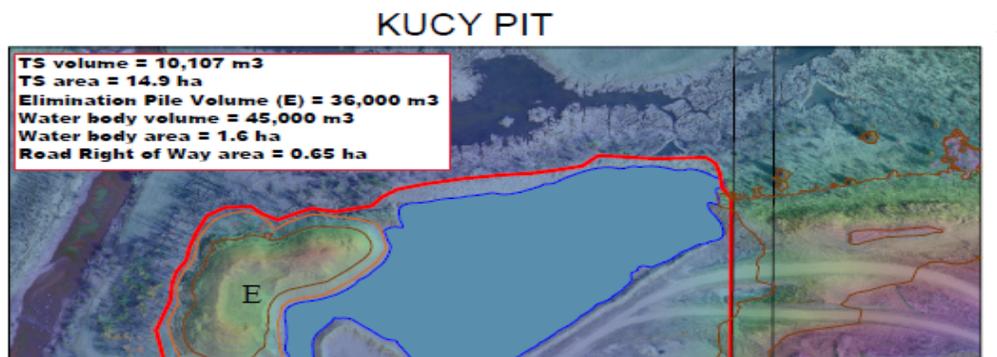
Activity	Spent-to-date	Remaining 2023	Remaining 2024-2026	Total
Pit Work	#VALUE!	420,640	-	#VALUE!
Seeding	#VALUE!	149,900	-	#VALUE!
Testing	#VALUE!	-	-	#VALUE!
Dewatering	#VALUE!	91,539	-	#VALUE!
Weed Management		-	5,000	5,000
Monitoring		-	30,000	30,000
Planning/Reporting	#VALUE!	54,611	2,306	#VALUE!
	#VALUE!	716,690	37,306	#VALUE!
Check	#VALUE!	TRUE	TRUE	#VALUE!

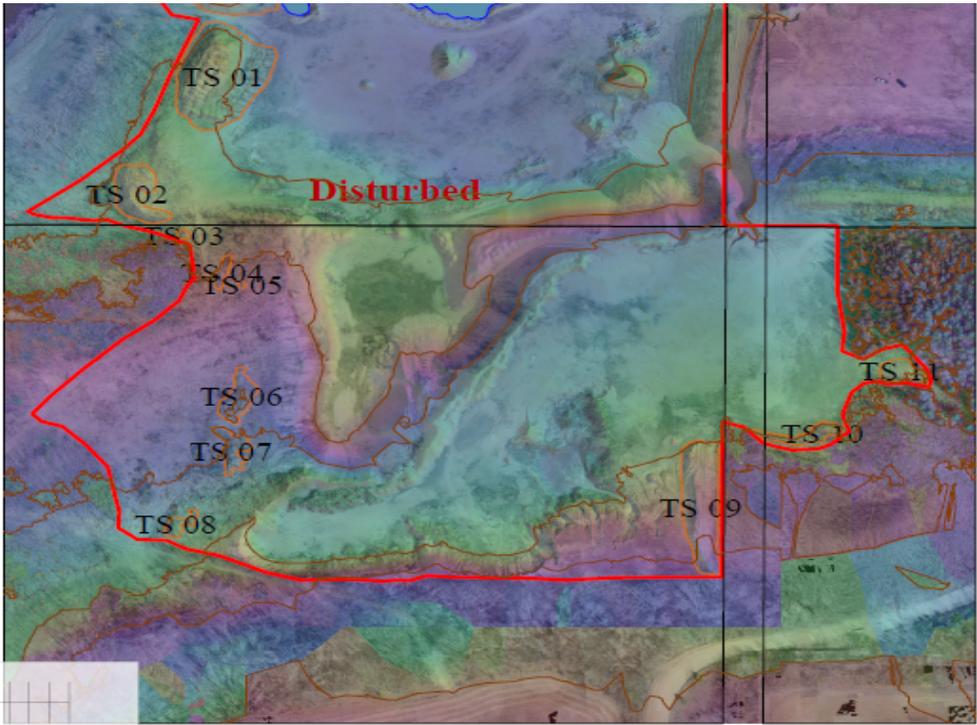
Detail

Area	Activity	Sub-Activity	Volume	Length
Various	Pit Work	Multiple		
Various	Seeding	Seed		
Various	Seeding	Seeding		
Waterbody	Dewatering	Pumping		
Waterbody	Dewatering	Fuel		
Waterbody	Dewatering	Testing		
Waterbody	Dewatering	Supplies		
Waterbody	Dewatering	Fish Removal		
Various	Weed Management	Spraying/Picking		
Entire SML	Monitoring	Travel/Site assessments		
Entire SML	Monitoring	Contingency Fund		
Entire SML	Planning/Reporting	Surveying		
Entire SML	Planning/Reporting	Engineering		
Entire SML	Planning/Reporting	Planning/Reporting		

Supplementary Information

Aerial Map (Reclamation required)





0 m 50 m

Width	Depth	Equipment Type	UoM	Supplier	Budget Source
		Multiple	Lump Sum	Location Cats	Quote
				Mistol Seed	Quote
		Multiple		Locaton Cats	Estimate
		6" pump		Hertz	2022 - Rental Paymer
		Tank		Unknown	2022 Invoices
		Containers		Element	2022 Invoices
		Multiple		Napa/ Cascade Geotechnical	2022 Invoices
		Multiple	Lump Sum	Basin Environmental	Quote
		Multiple		Cortex	Quote
		Multiple		Mantle	Internal approx.
		Multiple		Mantle	Internal approx.
		Drone/Person		UAV	Quote
		Multiple		Engineering Company	Estimate

Schedule

Mantle Materials Group, Ltd.
EPO/EO Progress Update Report
October 28th, 2022

4.4 EPO-EPEA-35659-03 Hoye/Kucy - Updated Schedule

Table 4: Updated Schedule of Activities for Hoye/Kucy Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2022	EPO	Preparation for dewatering. Dewatering.	Sep 13 th
2023	EPO	Dewatering of the Waterbody. May 1 st – June 30 th	June 30 th

2023	EPO	Deconstruct waterbody, complete final recontouring, topsoil placement, and seeding of topsoil July 1 st – Aug 31 st	Aug 31 st
2023	EPO	Six-month monitoring requirement as per the EPO	Sept 1 st , 2023, to March 1 st , 2024
2024	EPEA	Assess soil stability, revegetation success, and for the presence of weeds	May 15 th
2024	EPEA	Address any shortfalls discovered from the assessment	June 15 th
2025	EPEA	Assess vegetation success and survey for the presence of weeds	May 15 th
2025	EPEA	Address any shortfalls discovered from the assessment	June 15 th
2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Nov 1 st

Rate	Hours	Total
		420,640
		6,900
		143,000
nts		19,761
		55,200
		1,278
		300
		15,000
		5,000
		15,000
		15,000
		6,917
		50,000

Task Description

KUCY

End Land Use – Pasture:

Objective	
Boulder Disposal	•
Road Allowance	•
Fill in Waterbody	•
Recontouring	•
	•

Final Grading	•
Soil Placement	•
Rock Picking (from Topsoil)	•

Description

See below
Based on a pasture mix suggested by Mistol Seeds and Fertilizer
Estimate
Three Months rental of a 6" Pump
Three Months of fuel for the 6" pump
Cost of Water Analysis
Silts bag/ Fuel Filter / Air Filter/ other incidentals
Fish Capture
Waiting for quote
\$5k/yr approx. Following years after Reclamation-Travel/Site/ Rec Cert othe Incidentals
Estimate of additional supplies or work required
Surveying/Droning Quote from UAV (Jason)- 3 Surveys
Cut and fill plan. And site visits

Check

TRUE

and

Description	Parameters /Considerations
Burry <ul style="list-style-type: none"> o Under the slope o Into the existing waterbody 	<ul style="list-style-type: none"> • Boulders will have to be deep enough to meet parameters for pastureland.
Keep at least one access open as per the road allowance.	
Use sandpile adjacent to waterbody and surrounding material to fill it in.	
Slopes <ul style="list-style-type: none"> o Internal slopes: minimum 6:1 o Boundary slopes: minimum 3:1 	<ul style="list-style-type: none"> • Risk of Erosion
Northern Aspect	

Ready for Pastureland	
Topsoil volume on site: 9,517 m ³ Subsoil volume on site: 590 m ³	
Remove rocks/boulders from the topsoil.	

Total	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
420,640							
6,900						-	
143,000							
19,761							
55,200							
1,278							
300							
15,000							
5,000							
15,000							
15,000							
6,917							
50,000			-		-		-
-							
753,995	-	-	-	-	-	-	-

Quote



Reference No: 22-LC-039-T1

Company: Mantel Materials Group

Attention: Cory Pichota

Reference: Buksa, MacDonald, Megley & Kucy Pit Reclamations

Call Cory Pichota

Dear Cory Pichota

Location Cats is pleased to submit our budgetary proposal for the above tender package and Location Cats clarifications 22-LC-039-TC1 documents.

Buksa Pit - \$214,332.80

MacDonald Pit – \$83,194.00

Megley Pit - \$136,621.50

Kucy Pit - \$420,639.50

I thank you in advance for the opportunity to quote and look forward to working with you.

Please contact the undersigned for any further clarification or assistance.

Yours truly,

Location Cats Ltd.



Cory Dunlop
Operations Manager

Page 1 of 1

Box 1275
St. Paul, Alberta T0A 3A0
Ph: 780645-5336
Email: sales@locationcats.com

Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2024	2025	2026	Tot 2023
210,320	210,320							420,640
6,900								6,900
143,000								143,000
6,587	6,587	6,587						19,761
18,600	18,000	18,600						55,200
718	280	280						1,278
150	75	75						300
		15,000						15,000
					5,000			-
					5,000	5,000	5,000	-
					5,000	5,000	5,000	-
2,306			2,306		2,306			4,611
25,000			25,000					50,000
								-
413,580	235,262	40,542	27,306	-	17,306	10,000	10,000	716,690

October 31, 2022

we noted projects, based on the
nt.

orking with you on this project.
in this matter.

als
2024-2026
-
-
-
-
-
-
-
-
5,000
15,000
15,000
2,306
-
-
37,306

753,995

Mantle Materials Group

EPO / EO Budget

Pit: [Buksa](#)
 Updated Date: [23-Nov-22](#)

Summary

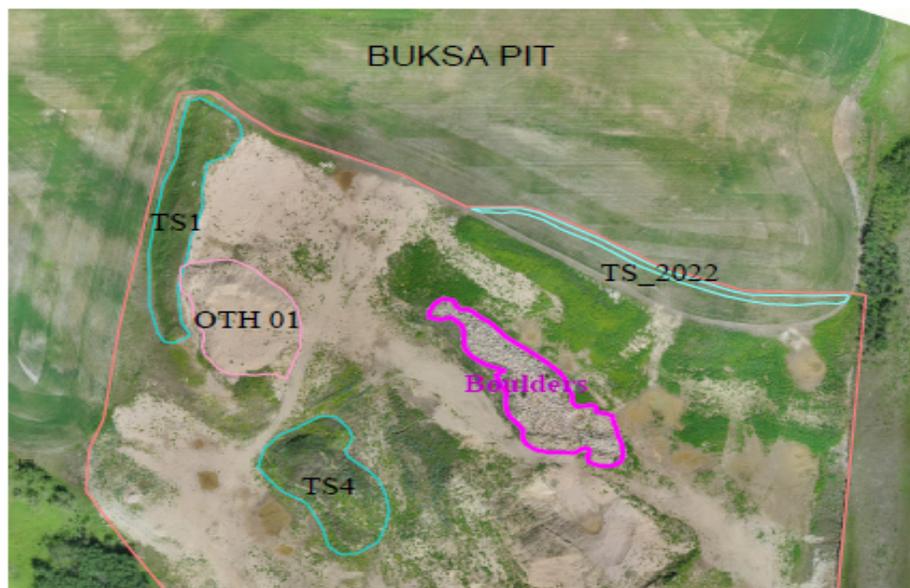
Activity	Spent-to-date	Remaining 2023	Remaining 2024-2026	Total
Pit Work	#VALUE!	-	-	#VALUE!
Testing	#VALUE!	-	-	#VALUE!
Seeding	#VALUE!	85,800	-	#VALUE!
Soil Preparation	#VALUE!	9,100	-	#VALUE!
Weed Management	#VALUE!	-	5,000	#VALUE!
Monitoring	#VALUE!	-	13,000	#VALUE!
Planning/Reporting	#VALUE!	-	-	#VALUE!
	#VALUE!	94,900	18,000	#VALUE!
Check	#VALUE!	TRUE	TRUE	#VALUE!

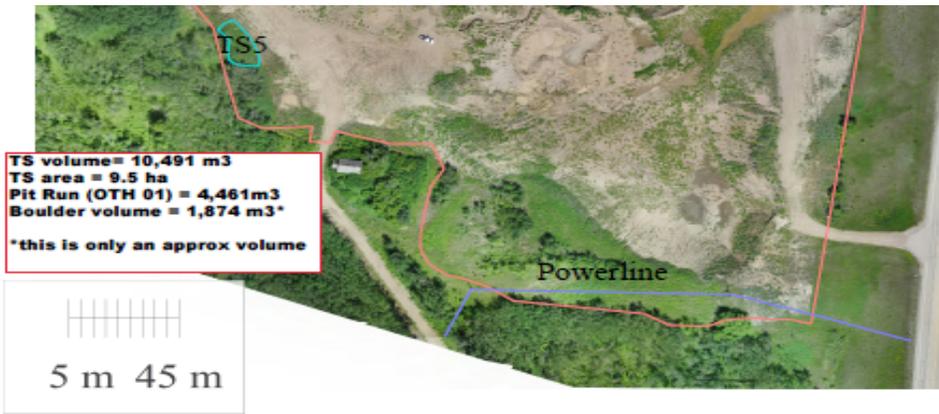
Detail

Area	Activity	Sub-Activity	Volume	Length
Various	Pit Work	Multiple		
Entire SML	Seeding	Multiple		
Entire SML	Soil Preparation	Rock Picking/Discing		
Various	Weed Management	Spraying/Picking		
Entire SML	Monitoring	Travel/Site assessments		
Entire SML	Monitoring	Contingency Fund		
Entire SML	Planning/Reporting	Planning/Reporting		

Supplementary Information

Aerial Map (Reclamation required)





completed in 2023

Width	Depth	Equipment Type	UoM	Supplier	Budget Source	Rate	Hours
		Multiple	Lump Sum	Location Cats	Quote		
		Multiple		Location Cats	Quote		
		Multiple	Lump Sum	Farmer	Estimate		
		Multiple		Cortex	Quote		
		Multiple		Mantle	Internal approx.		
		Multiple		Mantle	Internal approx.		

Schedule

Task Des

Mantle Materials Group, Ltd.
EPO/EEO Progress Update Report
October 28th, 2022

6.4 EPO-EPEA-35659-05 Buksa - Updated Schedule

Table 6: Updated Schedule of Activities for Buksa Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2021	EPO	Completed the major recontouring	Nov 14 th
2022	EPO	Additional recontouring including backfilling and recontouring along the east side.	May 28 th
2023	EPO	Complete final recontouring including oversize rock disposal, topsoil placement, and seeding Sept 1 st – Oct 31 st	Oct 31 st
2023	EPO	Six-month monitoring requirement as per the EPO	Nov 1 st , 2023, to April 30 th , 2024
2024	EPEA	Assess the soil stability after spring thaw	May 15 th
2024	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st
2024	EPEA	Address any shortfalls discovered from the assessment	Sept 20 th
2025	EPEA	Assess the soil stability after spring thaw	May 15 th

BUKSA

End La

Ob
Boulder
Entranc
Recons
Recont
Final Gr
Soil Pla
Rock Pi
Topsoil

2025	EPEA	Assess crop vegetation success and survey for the presence of weeds	July 1 st
2025	EPEA	Address any shortfalls discovered from the assessment	Sept 20 th
2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Nov 1 st

Total	Description
-	See below
85,800	\$3,575/ha
9,100	Estimate-Based on \$700/ha for 13 ha (Rock picking/discing/some seeding)
5,000	Estimate
10,000	\$5k/yr approx. Following years after Reclamation-Travel/Site/ Rec Cert othe Incidentals
3,000	Estimate of additional supplies or work required

escription

id Use – Agricultural Land

ective	Description	Parameters /Considerations
Disposal	<ul style="list-style-type: none"> • Burry <ul style="list-style-type: none"> ○ Move over to the eastern entrance ○ Push over where existing and cover up. 	<ul style="list-style-type: none"> • Boulders will have to be deep enough to meet farmable land. • Not in areas that are easily erodible.
struction	<ul style="list-style-type: none"> • Create a new entrance for the farmer / equipment (east side of the pit). • Access to enter straight into the pit. 	<ul style="list-style-type: none"> • Sloped appropriately to allow access for the farmer and all required equipment
uring	<ul style="list-style-type: none"> • Slopes <ul style="list-style-type: none"> ○ Internal slopes: minimum 6:1 ○ Boundary slopes: minimum 3:1 	<ul style="list-style-type: none"> • Risk of Erosion
ading	<ul style="list-style-type: none"> • Ready to be farmable 	
ement	<ul style="list-style-type: none"> • Topsoil volume on site: 10,491 m³ 	
king (from	<ul style="list-style-type: none"> • Remove rocks from the topsoil to allow the land to be farmable once again. 	

Check	Total	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
TRUE	-						
TRUE	85,800						
TRUE	9,100						
TRUE	5,000						
TRUE	10,000						
TRUE	3,000						
TRUE	-						
	112,900	-	-	-	-	-	-

Quote



Reference No: 22-LC-039-T1

Company: Mantel Materials Group

Attention: Cory Pichota

Reference: Buksa, MacDonald, Megley & Kucy Pit Reclamation

Dear Cory Pichota

Location Cats is pleased to submit our budgetary proposal tender package and Location Cats clarifications 22-LC-039-T1

Buksa Pit - \$214,332.80

MacDonald Pit - \$83,194.00

Megley Pit - \$136,621.50

Kucy Pit - \$420,639.50

I thank you in advance for the opportunity to quote and look forward to your response.

Please contact the undersigned for any further clarification or information.

Yours truly,

Location Cats Ltd.



Cory Dunlop
Operations Manager

Page 1 of 1

Box 1275
St. Paul, Alberta T0A 3A0
Ph: 780645-5336
Email: sales@locationcats.ca

Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2024	2025	2026
		-	-					
			85,800					
			9,100					
						5,000		
						5,000	5,000	
						1,000	1,000	1,000
-	-	-	94,900	-	-	11,000	6,000	1,000

October 31, 2022

ons

for the above noted projects, based on the C1 document.

forward to working with you on this project.

assistance in this matter.

3

com

Totals	
2023	2024-2026
-	-
85,800	-
9,100	-
-	5,000
-	10,000
-	3,000
-	-
94,900	18,000

112,900

Mantle Materials Group

EPO / EO Budget

Pit: SML 060060

Updated Date: 23-Nov-22

Summary

Activity	Spent-to-date	Remaining 2023	Remaining 2024-2026	Total
Pit Work	#VALUE!	372,261	-	#VALUE!
Testing	#VALUE!	-	-	#VALUE!
Seeding	#VALUE!	-	-	#VALUE!
Dewatering	#VALUE!	101,969	-	#VALUE!
Weed Management	#VALUE!	-	7,000	#VALUE!
Monitoring	#VALUE!	-	35,000	#VALUE!
Road Reclamation	#VALUE!	-	68,366	#VALUE!
Planning/Reporting	#VALUE!	22,091	2,532	#VALUE!
	#VALUE!	496,321	112,898	#VALUE!
Check	#VALUE!	TRUE	TRUE	#VALUE!

Detail

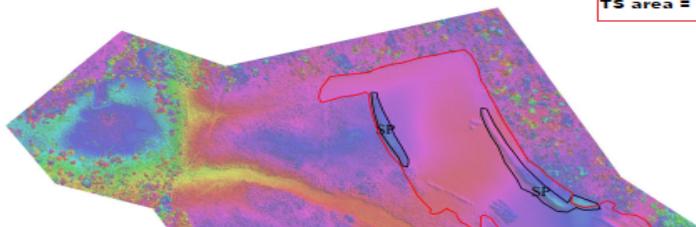
Area	Activity	Sub-Activity	Volume	Length
Various	Pit Work	Multiple		
Various	Pit Work	Road Reclamation		
Waterbody	Dewatering	Pumping		
Waterbody	Dewatering	Fuel		
Waterbody	Dewatering	Testing		
Waterbody	Dewatering	Supplies		
Various	Weed Management	Spraying/Picking		
Road	Road Reclamation			
Entire SML	Monitoring	Travel/Site assessments		
Entire SML	Monitoring	Contingency Fund		
Entire SML	Planning/Reporting	Surveying		
Entire SML	Planning/Reporting	Planning/Reporting		

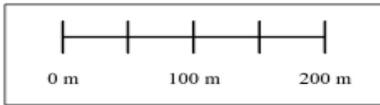
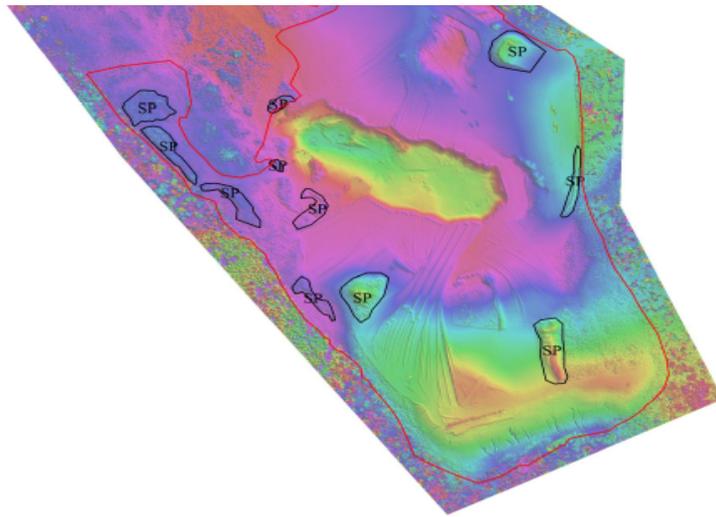
Supplementary Information

Aerial Map (Reclamation required)

SML 060060

TS volume (SP) = 13,240 m³
TS area = 12.4 ha





Width	Depth	Equipment Type	UoM	Supplier	Budget Source	Rate
		Multiple	Lump Sum	Location Cats	Quote	
		6" pump		Location Cats	Quote	
				Hertz	2022 - Rental Payments	
				Unknown	2022 Invoices	
				Element	2022 Invoices	
				Napa/ Cascade Geotec	2022 Invoices	
		Multiple		Cortex	Quote	
		Multiple		Location Cats	Quote	
				Mantle	Internal approx.	
				Mantle	Internal approx.	
				UAV	2022 Invoices	
				CPP Environmental	Quote	

Schedule

Mantle Materials Group, Ltd.
EPO/EO Progress Update Report
October 28th, 2022

8.3 EPO-EPEA-35659-07 / EO-WA-35659-01 SML 060060 - Schedule

Table 7: Schedule of Activities for SML 060060 Reclamation (Grey = completed)

Year	Activity covered under EPO or EPEA Registration	Description	Completion Date
2022	EPO	Remediation of the North ditches – stripping soils, recontouring, final topsoil placement.	Aug 30 th
2022	EPO	Final recontouring of the Northern area. Interim remediation of southwest erosion. Salvaged topsoil and woody debris. Stripping topsoil. Dewater waterbody and completed partial backfilling of the waterbody.	Oct 21 st

2023	EPO	Dewater the waterbody. July 1 st – July 31 st	July 31 st
2023	EPO	Remediation of the waterbody-backfilling, major recontouring of the constructed waterbody. Complete all remaining reclamation activities; Final fill, final recontouring, final topsoil placement, seeding Aug 1 st – Sept 30 th	Sept 30 th
2023	EPO	Six-month monitoring requirement as per the EPO	Oct 1 st , 2023, to March 31 st , 2024
2024	EPEA	Assess completed reclamation for soil stability, vegetation success, weeds	Aug 15 th
2025	EPEA	Assess completed reclamation for soil stability, vegetation success, weeds	Aug 15 th
2025	EPEA	Apply for reclamation certificate that will go towards terminating the registration	Sept 15 th

Hours	Total	Description
372,261		Fill in waterbody, recontouring, final grading, and includes seeding Reclaim ~400 meters of road (from pit to Travis's access)
26,348		Four Months rental of a 6" Pump
73,200		Four Months of fuel for the 6" pump
1,996		Cost of Water Analysis (may require sample for WA Application)
425		Silts bag/ Fuel Filter / Air Filter/ other incidentals
7,000		Waiting for quote
68,366		Includes: reclaiming, topsoil placement and seeding.
10,000		\$5k/yr approx. Travel/Site/ Rec Cert othe Incidentals
25,000		Estimate of additional supplies or work required
7,595		Surveying/Droning from UAV (Jason) fall 2022-3 Surveys
17,028		Revised Remedial Plan/Water Act Application

Task Description

SML 060060

End Land Use – Upland Forest

Objective	Description	Parameters /Considerations
Fill in Waterbody	<ul style="list-style-type: none"> Use the hill and surrounding material to fill in the waterbody. 	<ul style="list-style-type: none"> Require approx. 90,000 m³ of fill 1 m above the original water table with positive drainage towards the north.
Recontouring	<ul style="list-style-type: none"> Slopes <ul style="list-style-type: none"> Internal slopes: minimum 6:1 Boundary slopes: minimum 3:1 South Boundary slopes: minimum 4:1 	<ul style="list-style-type: none"> Risk of Erosion
Final Grading	<ul style="list-style-type: none"> Does not have to be perfect forested upland. 	
Soil Placement	<ul style="list-style-type: none"> Topsoil volume on site: ~13,240 m³ 	
Seeding	<ul style="list-style-type: none"> Native grass seed 	<ul style="list-style-type: none"> Seed already purchased

Check	Total	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
TRUE	372,261							
TRUE	-							
TRUE	26,348							
TRUE	73,200							
TRUE	1,996							
TRUE	425							
TRUE	7,000							
TRUE	68,366							
TRUE	10,000							
TRUE	25,000							
TRUE	7,595							
TRUE	17,028							
	609,219	-	-	-	-	-	-	-

Quote



Reference No: 22-LC-041-T1

Company: Mantel Materials Group

Attention: Cory Pichota

ive

Reference: SML 060060 Pit Reclamation

Dear Cory Pichota

Location Cats is pleased to submit our budgetary proposal for tender package and Location Cats clarifications 22-LC-041-TC

SML 060060 - \$372,261.59

I thank you in advance for the opportunity to quote and look forward to the award of the contract.
Please contact the undersigned for any further clarification or a

Yours truly,

Location Cats Ltd.



Cory Dunlop
Operations Manager

The Project cost estimate is summarized in the following table.

Activity	EC	ET	GIS	RA	SEC	Vehicle (Day)	Accom (Day)	D
Site Assessment (2 ppl/2 days)		40				2	2	
Remedial Plan, and Temporary Field Authorizations	8	40	32		4			
Final report, includes site inspection	2		4	10	1			

Subtotals: 10 80 36 10 5 2 2

Equipm

Project Management (1

Total Project Cost (incl. G

CPP rates used for the cost estimates are summarized in the following table. We assume provide updated LiDAR data, which will be required for the end land use design.

Resource	Rate
Environmental Technician (ET)	\$95/hour
Regulatory Administrator (RA)	\$85/hour
GIS Technician (GIS)	\$90/hour
Environmental Consultant (EC)	\$120/hour
Senior Environmental Consultant (SEC)	\$150/hour

If you require further information or wish to discuss our proposal, please feel free to contact

Darlene Christopher
CPP Environmental
780-570-5818

Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2024	2025	2026	Tot 2023
186,131	186,131							372,261
	6,587	6,587	6,587	6,587				-
	18,000	18,600	18,600	18,000				26,348
876	280	280	280	280				73,200
	200	75	75	75				1,996
					7,000			425
					68,366			-
					5,000	5,000		-
					10,000	10,000	5,000	-
					2,532			-
2,532		2,532						5,063
17,028								17,028
206,566	211,198	28,074	25,542	24,942	92,898	15,000	5,000	496,321

November 10, 2022

or the above noted projects, based on the
1 document.

ward to working with you on this project.

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2	4,640
	8,240
	1,600

2 14,480
ent: 1,000
%): 1,548
ST: 851
iT): \$17,879

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als
2024-2026
-
-
-
-
-
-
7,000
68,366
10,000
25,000
2,532
-
112,898

609,219

Mantle Materials Group

EPO / EO Budget

Pit: SML 930040

Updated Date: 23-Nov-22

Summary

Activity	Spent-to-date	Remaining 2023	Remaining 2024-2026	Total
Pit Work	#VALUE!	-	-	#VALUE!
Seeding	#VALUE!	-	-	#VALUE!
Weed Management		-	-	-
Monitoring	#VALUE!	1,000	12,000	#VALUE!
Planning/Reporting	#VALUE!	-	-	#VALUE!
	#VALUE!	1,000	12,000	#VALUE!
Check	#VALUE!	TRUE	TRUE	#VALUE!

Detail

Area	Activity	Sub-Activity	Volume	Length
Various	Weed Management	Spraying/Picking		
Entire SML	Monitoring	Travel/Site assessments		
Entire SML	Monitoring	Contingency Fund		

Supplementary Information

Schedule

Mantle Materials Group, Ltd.
EPO/EO Progress Update Report
October 28th, 2022

9.2 EPO-EPEA-35659-08 SML930040 - Updated Schedule

Table 8: Updated Schedule of Activities for SML 930040 Reclamation (Grey = completed)

Year	Activity covered under EPO or Surface Material Lease (SML)	Description	Completion Date
2021	EPO	Removal of garbage and debris. Complete the recontouring, seeding, and block access	Oct 20 th
2022	EPO	Six-month monitoring requirement as per the EPO	Nov 1 st , 2021, to April 30 th , 2022
2022	EPO	Assess soil stability, revegetation success, and check for the presence of weeds	July 15 th
2022	EPO	Address any shortfalls discovered from the assessment	Sept 20 th
2023	SML	Assess the soil stability after spring thaw	May 15 th
2023	SML	Assess vegetation success and survey for the presence of weeds.	July 1 st
2023	SML	Address any shortfalls discovered from the assessment.	Sept 20 th
		Apply for reclamation certificate that will go	

2023	SML	towards cancellation of the Surface Materials Lease	Nov 1 st
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completed in 2023

Width	Depth	Equipment Type	UoM	Supplier	Budget Source	Rate	Hours
		Multiple		Seasonal Impa	Quote		
		Multiple		Mantle	Internal approx.		
		Multiple		Mantle	Estimate		

Total	Description
-	Includes 2 applications
10,000	\$5k/yr approx. Following years after Reclamation-Travel/Site/ Rec Cert othe Incidentals
3,000	Seed/Tree Planting ect.

Check	Total	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
TRUE	-						-
TRUE	10,000						
TRUE	3,000						
TRUE	-						
	13,000	-	-	-	-	-	-

Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2024	2025	2026
						5,000	5,000	
	1,000					1,000	1,000	
-	1,000	-	-	-	-	6,000	6,000	-

Totals	
2023	2024-2026
-	-
-	10,000
1,000	2,000
-	-
1,000	12,000

13,000

Mantle Materials Group

EPO / EO Budget

Pit: SML 980116

Updated Date: 23-Nov-22

Summary

Activity	Spent-to-date	Remaining 2023	Remaining 2024-2026	Total
Pit Work	#VALUE!	-	-	#VALUE!
Seeding	#VALUE!	-	-	#VALUE!
Weed Management	#VALUE!	-	-	#VALUE!
Monitoring	#VALUE!	1,000	12,000	#VALUE!
Planning/Reporting	#VALUE!	-	-	#VALUE!
	#VALUE!	1,000	12,000	#VALUE!
Check	#VALUE!	TRUE	TRUE	#VALUE!

Detail

Area	Activity	Sub-Activity	Volume	Length
Various	Weed Management	Spraying/Picking		
Entire SML	Monitoring	Travel/Site assessments		
Entire SML	Monitoring	Contingency Fund		

Supplementary Information

Schedule

Mantle Materials Group, Ltd.
EPO/EO Progress Update Report
October 28th, 2022

10.2 EPO-EPEA-35659-09 SML 980116 - Updated Schedule

Table 9: Updated Schedule of Activities for SML 980116 Reclamation (Grey = completed)

Year	Activity covered under EPO or Surface Material Lease (SML)	Description	Completion Date
2021	EPO	Complete the dugout construction and topsoil placement by October 31 st	Oct 14 th
2021	EPO	Seed native grass seed	Dec 31 st
2022	EPO	Six-month monitoring requirement as per the EPO	Jan 1 st , 2022, to June 30 th 2022
2022	EPO	Assess soil stability, revegetation success, and check for the presence of weeds	July 15 th
2022	EPO	Address any shortfalls discovered from the assessment	Sept 20 th
2023	SML	Assess the soil stability after spring thaw	May 15 th
2023	SML	Assess vegetation success and survey for the presence of weeds	July 1 st
2023	EPO	Address any shortfalls discovered from the	Sept 20 th

2023	LFO	assessment	Sept 2023
2023	SML	Apply for reclamation certificate that will go towards cancellation of the Surface Materials Lease	Nov 1 st

completed in 2023

Width	Depth	Equipment Type	UoM	Supplier	Budget Source	Rate	Hours
		Multiple		Seasonal Impa	Quote		
				Mantle	Internal approx.		
		Multiple		Mantle	Estimate		

Total	Description
0	Includes 2 applications
10,000	\$5k/yr approx. Following years after Reclamation-Travel/Site/ Rec Cert othe Incidentals
3,000	Seed/Tree Planting ect.

Check	Total	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
TRUE	-						-
TRUE	10,000						
TRUE	3,000						
TRUE	-						
	13,000	-	-	-	-	-	-

Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2024	2025	2026
	1,000					5,000 1,000	5,000 1,000	
-	1,000	-	-	-	-	6,000	6,000	-

Totals	
2023	2024-2026
-	-
-	10,000
1,000	2,000
-	-
1,000	12,000

13,000

Mantle Materials Group

EPO / EO Budget

Pit: SML 120027

Updated Date: 23-Nov-22

Summary

Activity	Spent-to-date	Remaining 2023	Remaining 2024-2026	Total
Pit Work	#VALUE!	-	-	#VALUE!
Seeding	#VALUE!	-	-	#VALUE!
Weed Management	#VALUE!	-	-	#VALUE!
Monitoring	#VALUE!	1,000	12,000	#VALUE!
Planning/Reporting	#VALUE!	-	-	#VALUE!
	#VALUE!	1,000	12,000	#VALUE!
Check	#VALUE!	TRUE	TRUE	#VALUE!

Detail

Area	Activity	Sub-Activity	Volume	Length
Various	Weed Management	Spraying/Picking		
Entire SML	Monitoring	Travel/Site assessments		
Entire SML	Monitoring	Contingency Fund		

Supplementary Information

Schedule

Mantle Materials Group, Ltd.
EPO/EO Progress Update Report
October 28th, 2022

11.2 EPO-EPEA-35659-10 SML120027 - Updated Schedule

Table 10: Updated Schedule of Activities for SML 120027 Reclamation (Grey = completed)

Year	Activity covered under EPO or Surface Materials Lease (SML)	Description	Completion Date
2021	EPO	Complete hydroseeding on required areas	Oct 13 th
2022	EPO	Six-month monitoring requirement as per the EPO	Nov 1 st , 2021, to April 30, 2022
2022	EPO	Assess soil stability, revegetation success, plant trees and check for the presence of weeds	July 15 th
2022	EPO	Address any shortfalls discovered from the assessment	Sept 20 th
2023	SML	Assess the soil stability after spring thaw	May 15 th
2023	SML	Assess vegetation success and survey for the presence of weeds	July 1 st
2023	EPO	Address any shortfalls discovered from the assessment	Sept 20 th
2023	SML	Apply for reclamation certificate that will go towards cancellation of the Surface Materials	Nov 1 st



completed in 2023

Width	Depth	Equipment Type	UoM	Supplier	Budget Source	Rate	Hours
		Multiple		Seasonal Impa	Quote		
		Multiple		Mantle	Internal approx.		
		Multiple		Mantle	Estimate		

Total

Description

0 Includes 2 applications

10,000 \$5k/yr approx. Following years after Reclamation-Travel/Site/ Rec Cert othe Incidentals

3,000 Seed/Tree Planting ect.

Check	Total	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
TRUE	-						
TRUE	10,000						
TRUE	3,000						
TRUE	-						
	13,000	-	-	-	-	-	-

Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2024	2025	2026
-								
						5,000	5,000	
	1,000					1,000	1,000	
-	1,000	-	-	-	-	6,000	6,000	-

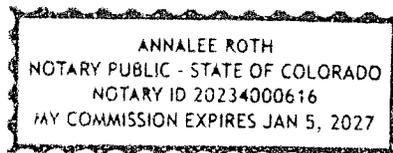
Totals	
2023	2024-2026
-	-
-	10,000
1,000	2,000
-	-
1,000	12,000

13,000

This is **Exhibit "X"** referred to in the Affidavit of
Byron Levkulich Sworn before me this 7 day of August, 2023



A Notary Public in and for the State of Colorado



August 2, 2023

TO: Mantle Materials Group, Ltd.

Re: Interim Loan Facility in favour of Mantle Materials Group, Ltd. in its proceedings under Division I of Part III of the *Bankruptcy and Insolvency Act*

CONTEXT:

A. On July 14, 2023 (the “**Filing Date**”), Mantle Materials Group, Ltd. (the “**Borrower**”) filed a notice of intention to make a proposal to its creditors (the “**Notice of Intention**”) under subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended (the “**BIA**”, and the proceedings commenced thereby, the “**Proposal Proceedings**”) and FTI Consulting Canada Inc. was named as its proposal trustee (in such capacity, the “**Trustee**”).

B. The Borrower has requested that RLF Canada Lender Limited (the “**Lender**”) provide to the Borrower the Interim Facility during the Proposal Proceedings secured by a first ranking charge and security interest created by Order of the Court in the Proposal Proceedings under section 50.6 of the BIA, and the Lender has agreed to provide the Interim Facility on the terms and subject to the conditions set out in this Agreement.

NOW THEREFORE in consideration of the mutual covenants, terms and conditions set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINED TERMS

Unless otherwise defined herein, capitalized words and phrases used in this Agreement have the meanings given in **Schedule “A”**.

2. INTERIM FACILITY

2.1 Interim Facility

- (a) Subject to the terms and conditions of this Agreement, the Lender establishes in favour of the Borrower a non-revolving interim loan facility in an aggregate principal amount of up to but not exceeding \$1,400,000 (the “**Maximum Availability**”, and such interim loan facility, the “**Interim Facility**”).
- (b) Subject to Section **Error! Reference source not found.**, the availability of any Advance shall be subject to the following requirements:
 - (i) the Borrower shall have have requested such Advance by notice in writing to the Lender, copied to the Trustee, setting out the amount, purpose and payee of the Advance, specifying the line items of the Cash Flow Projections supporting the Advance, confirming the continuing accuracy of the representations and warranties in Section 5.1 and the satisfaction of the Advance Conditions, that there are no continuing Events of Default, or any qualifications to the foregoing

(with reasonable detail), and the date on which the Advance is required (the “**Requested Advance Date**”, and such notice, the “**Advance Notice**”), which Advance Notice shall be delivered to the Lender not less than two (2) Business Days prior to the Requested Advance Date;

- (ii) the Trustee shall have verified to the Lender that the Advance is supported by the Cash Flow Projections;
 - (iii) following the satisfaction and/or waiver of the Advance Conditions, provided if in the period between the Signing Date and the date the Interim Financing Order is pronounced, the Borrower is required to pay emergency expenses that are contemplated by the Cash Flow Projections, and the Trustee consents to such payments, the Lender may in its absolute discretion make one or more Advances to the Borrower or as the Borrower directs to pay such Emergency Expenses, without prejudice to the Lender’s right to insist upon the satisfaction of all of the Advance Conditions for any other Advance.
- (c) Provided that the requirements of Section 2.1(b) are satisfied, on the Requested Advance Date the Lender deposit such Advance into the Borrower’s Operating Account or transfer proceeds of the Advance in accordance with the Advance Notice.

2.2 Purpose

- (a) The Borrower shall use the Advances solely for the following purposes:
- (i) to fund the reasonable and documented fees and expenses of the Trustee, counsel to the Trustee and counsel to the Borrower in accordance with the Cash Flow Projections, whether incurred before or subsequent to the Filing Date;
 - (ii) to fund the performance and satisfaction of the Borrower’s Environmental Obligations;
 - (iii) to fund the operating expenses of the Borrower necessary for the preservation and orderly liquidation of its business and the sale of its assets during the Proposal Proceedings, and in accordance with the Cash Flow Projections, including Emergency Expenses incurred prior to the Filing Date;
 - (iv) to pay all documented and reasonable legal fees and disbursements incurred by the Lender (A) prior to the Filing Date in connection with the preparation for, initiation of and participation in the Proposal Proceedings, and (B) in connection with the negotiation of the Interim Facility and; and
 - (v) to fund such other costs and expenses which have been agreed to by the Lender from time to time in writing and consented to by the Trustee.
- (b) The Borrower may only use the Advances to pay any pre-filing obligations either (i) with the prior written consent of the Lender and Trustee and in accordance with the Cash Flow Projections or (ii) as authorized and directed by an Order of the Court.

2.3 Term and Repayment

- (a) The Interim Facility shall terminate on the earlier of the following dates (the “**Termination Date**”, or such later date as the Lender agrees to in writing, on such terms and subject to the satisfaction of such conditions as the Lender may stipulate in writing):
 - (i) the termination of the Interim Facility by notice by the Lender in writing upon the occurrence of an Event of Default;
 - (ii) the repayment in full of the Obligations; or
 - (iii) the termination of the stay of proceedings under section 69(1) of the BIA or the Proposal Proceedings.
- (b) Payments by the Borrower to the Lender under the Interim Facility shall be made as follows:
 - (i) the Borrower shall immediately repay to the Lender all outstanding Obligations on the Termination Date;
 - (ii) unless the Lender otherwise stipulates, the Borrower shall pay to the Lender:
 - (A) the net proceeds of sale, realization or disposition of any Property out of the ordinary course of business, or any sale of obsolete or worn out Property (net of transaction fees previously approved by the Lender, and applicable taxes in respect thereof); or
 - (B) the net proceeds of any insurance claim (excluding liability insurance) greater than \$10,000 made or settled by any Borrower;
- (c) provided the Trustee (i) is satisfied that the Borrower have sufficient cash reserves, and (ii) provides its consent, the Borrower may prepay any outstanding Obligations at any time prior to the Termination Date; and
- (d) with respect to any Advances made between the Signing Date and the date the Interim Financing Order is pronounced, unless the Lender agrees otherwise, such Advances shall be repaid by the Borrower from the proceeds of any accounts receivable received by it.

2.4 Interest

The Borrower shall pay interest on the outstanding Obligations from and including the date of each Advance, which will accrue in Canadian dollars at fourteen and a half percent (14.5%) per annum, calculated daily and compounded monthly on the basis of the actual number of days elapsed in a 365-day or 366-day year, as applicable, and payable on the Termination Date. No commitment fees shall be payable to the Lender under this Agreement or the Interim Facility.

2.5 Cash Flow Projections

- (a) Attached as **Schedule "B"** is the first rolling 13-week cash flow forecast of the cash receipts and cash disbursements of the Borrower for the immediately following consecutive 13 weeks, set forth on a weekly basis, commencing as of the Filing Date (such forecast, and the weekly updates being made during the Proposal Proceedings pursuant to Section 6.3(a), being referred to as the "**Cash Flow Projections**") which were prepared by the Borrower with the assistance of the Trustee and approved in form and substance by the Lender.
- (b) The Cash Flow Projections shall be updated by the Borrower with the assistance of the Trustee on a weekly basis, which updates shall include a comparison of actual receipts and disbursements of the prior week to projected receipts and disbursements for such period together with a Variance Report in respect of the prior week, which Cash Flow Projections and Variance Report shall be subject to the written approval of the Lender and the Trustee.
- (c) The Cash Flow Projections shall be certified by a Director of Borrower to be true, complete and accurate, and the Borrower acknowledges and agrees that the Lender is relying on such certification in determining whether to accept the Cash Flow Projections.

3. INTERIM CHARGE AND LOAN DOCUMENTS

3.1 Interim Charge

- (a) The Obligations (other than Advances made before the Interim Financing Order is pronounced) shall be secured by a second ranking super-priority security interest and charge created by the Court (the "**Interim Charge**") over all Property: (i) subject only to an Administration Charge securing a maximum amount not to exceed \$425,000; (ii) in priority to a Directors' Charge in securing a maximum amount of \$150,000; and (iii) in priority to all other Encumbrances against or attaching to the Property of any kind whatsoever.
- (b) The Interim Charge, Administration Charge and Directors' Charge shall be created by the Court pursuant to the Interim Financing Order on terms and conditions satisfactory to the Lender.
- (c) If the Borrower obtains any interim financing or similar financing from a Person other than the Lender that is approved by the Court and secured by a charge under to section 50.6 of the BIA or pursuant to an order appointing a receiver or receiver and manager of the Borrower or any of its Property following the date on which the Interim Financing Order is pronounced, such interim financing or similar financing shall rank subordinate in all respects to the Interim Charge and the Obligations.

3.2 **Loan Documents**

The Borrower shall enter into such loan and security documents as are reasonably required by the Lender and customary for transactions similar to the Interim Financing (collectively referred to as the “**Loan Documents**”), including the following:

- (a) if requested by the Lender, a blocked account agreement between the Borrower and the Lender, in form and substance acceptable to the Lender, in respect of the Operating Accounts; and
- (b) if requested by the Lender, the Lender shall be named as mortgagee and first loss payee on all property insurance and an additional insured on all liability insurance maintained by the Borrower, which insurance and its terms shall be satisfactory to the Lender.

4. **CONDITIONS PRECEDENT TO ADVANCES**

4.1 **Conditions Precedent**

The effectiveness of the Interim Facility and any obligation of the Lender to fund an Advance shall be subject to the following conditions precedents (collectively, the “**Advance Conditions**”) being satisfied or waived by on or before the Requested Advance Date:

- (a) the Borrower shall have fully executed this Agreement and any other Loan Documents;
- (b) the Court shall have issued the Interim Financing Order, and the Interim Financing Order shall not have been stayed, vacated, appealed, or otherwise caused to be ineffective or amended, restated or modified in any manner that adversely affects the Lender, without the written consent of the Lender, or if any Order is made staying, vacating or amending the Interim Financing Order, such Order shall have been reversed, vacated or over-turned on appeal;
- (c) the Borrower shall be in compliance with the terms and provisions of the Interim Finance Order;
- (d) the Lender shall be satisfied that no Encumbrance ranks in priority to the Interim Charge save and except for the Administration Charge and that the Interim Charge secures all Obligations;
- (e) no Event of Default shall have occurred and be continuing, or result from the making of such Advance;
- (f) the Borrower shall be in compliance in all material respects with all Applicable Laws;
- (g) the Lender shall have received a certificate from a Director of the Borrower in form and substance satisfactory to the Lender, acting reasonably, certifying that each of the representations and warranties made by the Borrower or pursuant to the Loan Documents are true and correct on and as of such date, after giving effect to such Advance;

- (h) the Trustee and Lender shall have approved of the most recent Cash Flow Projections and Variance Report and the Borrower shall be in compliance in all material respects with the most recent Cash Flow Projections approved by the Trustee and Lender; and
- (i) all unpaid documented and reasonable out-of-pocket legal fees and disbursements incurred by the Lender prior to the applicable Requested Advance Date shall be paid in full through deduction from such Advance.

4.2 **Waiver**

Each of the Advance Conditions is for the sole benefit of the Lender and may be waived in writing by the Lender in whole or in part on such terms and subject to such conditions as the Lender may stipulate, and any such waiver shall only relate to the specific Advance Condition being waived for a specific Advance, and shall be without prejudice to the obligation to satisfy all Advance Conditions, including any previously waived Advance Conditions, for any subsequent Advance.

5. **REPRESENTATIONS AND WARRANTIES**

5.1 **Representations and Warranties**

The Borrower represents and warrants to the Lender that:

- (a) the Borrower is duly incorporated, and has been duly continued and amalgamated and is validly existing under the laws of Alberta;
- (b) the Borrower has the power and authority to own or lease its Property and carry on business, has the corporate power to enter into, execute, deliver and perform its obligations under this Agreement and the other Loan Documents, and has taken all corporate and other actions necessary to authorize the execution, delivery and performance of this Agreement and the other Loan Documents and to perform the transactions contemplated hereby and thereby;
- (c) subject to the obtaining of the Interim Financing Order:
 - (i) the execution, delivery and performance by the Borrower of this Agreement and any other Loan Documents do not, and will not, contravene, violate or result in a breach of their constituting documents or Applicable Laws;
 - (ii) this Agreement and any other Loan Documents have been duly executed, delivered and authorized by the Borrower and constitute legal, valid and binding obligations, enforceable in accordance with their respective terms;
- (d) the Borrower is in material compliance with, and operates the business in material compliance with, all Applicable Laws and as of the Filing Date, was in compliance with its Environmental Obligations;
- (e) the Cash Flow Projections and any forward-looking statements, estimates, and pro forma financial information contained in the Cash Flow Projections and any Variance Report and

in any other document, certificate or statement furnished to the Lender or Trustee pursuant to this Agreement, are based on good faith estimates and assumptions believed by the Borrower to be reasonable at the time made, as certified by a Director, provided that the Cash Flow Projections and any such forward-looking statements, estimates, and pro forma financial information are not facts and are subject to material contingencies and assumptions, many of which are beyond the control of the Borrower, and that actual results during the period or periods covered by the Cash Flow Projections and any such forward-looking statements, estimates, and pro forma financial information may differ materially from the projected results;

- (f) the Borrower has in full force and effect policies of insurance with sound and reputable insurance companies in such amounts, with such deductibles and risks as are customarily carried by companies engaged in similar businesses; and
- (g) the Borrower has filed in a timely fashion all required tax returns and reports (except in respect of any prior fiscal period for which the due date for filing the applicable tax return has not yet occurred) and paid all required taxes and remittances, including all employee source deductions (including income taxes, employment insurance and Canada pension plans), sales taxes (both federal and provincial), payroll taxes and workers compensation payments, except for as contemplated in the Cash Flow Projections, and any taxes that are not yet due and payable or which are in dispute in which case appropriate reserves have been made.

5.2 **Reliance and Deemed Repetition of Representations and Warranties**

The Borrower acknowledges that the Lender is relying upon the representations and warranties set out in Section 5.1 in entering into this Agreement and making any Advances, and the Borrower shall be deemed to repeat such representations and warranties upon any Advances being made by the Lender.

6. **COVENANTS**

6.1 **Positive Covenants**

The Borrower covenants and agrees in favour of the Lender as follows:

- (a) during the Proposal Proceedings, the Borrower shall preserve, renew and keep in full force their corporate existence and Material Contracts to the extent they are required in the Proposal Proceedings;
- (b) the Borrower shall pay all Obligations in accordance with this Agreement and any other Loan Documents;
- (c) subject to the terms of the Interim Financing Order and the Cash Flow Projections, the Borrower shall pay all taxes that it is required under the BIA to pay during the Proposal Proceedings, except contested taxes for which appropriate reserves have been made, and make all remittances and tax returns and filings in respect of such taxes on a timely basis;

- (d) the Borrower shall comply with the Interim Financing Order and all other Orders of the Court in the Proposal Proceedings;
- (e) the Borrower shall utilize Advances solely for the purposes stated in Section 2.2 and as contemplated by the Cash Flow Projections;
- (f) the Borrower shall deliver to the Lender, the Trustee and its counsel draft copies of pleadings, applications, judicial or financial information and other documents to be filed by or on behalf of the Borrower with the Court in the Proposal Proceedings within a reasonable time prior to filing and serving the same in order to provide the Lender and Trustee with a reasonable period of time to review and comment upon such materials, all of which materials shall be in form and substance acceptable to the Lender, acting reasonably;
- (g) the Borrower shall allow the Lender and Trustee to have reasonable access during normal business hours and on reasonable notice to any Property and to the Borrower and its officers and employees in order to permit the Lender and Trustee to carry out any inspections, appraisals or field examinations of such Property and obtain information with respect to the Property and the business and financial condition of the Borrower (including to the books, records, financial information and electronic data rooms of or maintained by the Borrower), subject to solicitor-client privilege, all Orders of the Court and Applicable Laws relating to privacy and confidentiality obligations;
- (h) the Borrower shall direct management and any financial advisor and/or legal counsel of the Borrower, to cooperate with reasonable requests for information by the Lender and counsel and other advisors of the Lender, in each case subject to solicitor-client privilege, all court orders and applicable privacy laws, in connection with matters related to the Interim Facility or compliance of the Borrower with their obligations pursuant to this Agreement and subject to confidentiality obligations of the Lender and the Borrower;
- (i) the Borrower shall maintain adequate insurance in accordance with the Cash Flow Projections of such kinds and in such amounts and against such risks as is customary for the business of the Borrower with financially sound and reputable insurers in coverage and scope acceptable to the Lender, acting reasonably, with the Lender noted as loss payee on property insurance policies and additional insured on liability insurance policies;
- (j) subject to the terms of the Interim Financing Order, the Borrower shall comply with all Applicable Laws (including, without limitation, environmental, labour and employment, sanctions, anti-terrorist financing and anti-money laundering laws, and anti-corruption laws);
- (k) the Borrower shall pay all reasonable documented out-of-pocket legal fees and disbursements incurred by the Lender in connection with the Proposal Proceedings within five (5) Business Days of being invoiced therefor;
- (l) the Borrower shall maintain all Authorizations required under Applicable Laws from Governmental Authorities, including under Environmental Laws from Environmental Authorities; and

- (m) the Borrower shall cause all amounts paid to or collected by it to be deposited into its Operating Account.

6.2 Negative Covenants

The Borrower agrees not to do, or cause not to be done, the following, without the prior written consent of the Lender, any of the following:

- (a) the Borrower shall not make any payment or disbursement on account of Indebtedness that:
 - (i) arose or accrued subsequent to the Filing Date where such payment or disbursement is not contemplated by the Cash Flow Projections, unless such payment or disbursement is approved by the Lender and Trustee or by Order of the Court; or
 - (ii) arose or accrued prior to the Filing Date other than any Emergency Expense that is approved of by the Lender and Trustee and is contemplated by the Cash Flow Projections, or is otherwise permitted by an Order of the Court;
- (b) subsequent to the Filing Date, the Borrower shall not create or suffer to exist any Indebtedness, or make or incur capital expenditures or obligations, other than (i) Indebtedness in existence as of the Filing Date and disclosed to the Lender and Trustee in writing; (ii) the Obligations; (iii) post Filing Date trade payables, other post Filing Date unsecured obligations or other post Filing Date capital obligations, or (iv) the Environmental Obligations, provided that in each of the cases referred to in (i) to (iv), such items are contemplated by the Cash Flow Projections;
- (c) the Borrower shall not terminate or amend, or waive compliance with any provision of, any Material Contract in any material manner without the consent in writing of the Lender and Trustee;
- (d) the Borrower shall not make or give any financial assurances, in the form of bonds, letter of credit, financial guarantees or otherwise to any Person or Governmental Authority other than as required or permitted pursuant to the Cash Flow Projections in order to perform its Environmental Obligations and approved of by the Lender and Trustee;
- (e) the Borrower shall not create, incur or suffer to exist any Encumbrances (including any lease and sale back arrangements) over the Property other than Encumbrances in existence on the Filing Date and the BIA Charges, or permit or suffer to exist any Encumbrance ranking senior to or *pari passu* with the BIA Charges;
- (f) the Borrower shall not transfer, sell, lease, assign or otherwise dispose of any Property without the consent of the Trustee, the Lender and any Person holding a Security Interest against such Property which is subordinate only to the BIA Charges, other than inventory sold in the ordinary course of business to Persons at arms' length to the Borrower;

- (g) the Borrower shall not apply for or consent to any Order in the Proposal Proceedings, or seek to vary, supplement, revoke, terminate or discharge the Interim Financing Order, without the prior written approval of the Lender and Trustee, acting reasonably;
- (h) the Borrower shall not enter into any settlement agreement or any settlement arrangements with any Governmental Authority without the prior written consent of the Lender and Trustee; or
- (i) the Borrower shall not maintain or open any account with any bank, financial institution or other Person other than the Operating Accounts.

6.3 Reporting Requirements

The Borrower covenants and agrees to and in favour of the Lender as follows:

- (a) the Borrower shall prepare and deliver to the Lender and Trustee at the end of each week during the Proposal Proceedings:
 - (i) updated Cash Flow Projections for the next consecutive 13 week period; and
 - (ii) a variance report comparing the actual cash receipts and cash disbursements for the preceding week to the projected cash receipts and cash disbursements provided for such week in the most recently delivered Cash Flow Projections, together with an explanation therefor (a “**Variance Report**”);
- (b) the Borrower shall deliver to the Lender and Trustee:
 - (i) promptly upon the request of the Lender or Trustee, any other operating and capital projections, budgets, estimates, analysis, and timelines as the Lender and/or Trustee may reasonably request;
 - (ii) promptly upon the request of the Lender or Trustee, copies of all Material Contracts, and amendments, and provide notice to the Lender and their respective counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over the Borrower in respect of such Material Contract;
 - (iii) within ten (10) days of the beginning of each calendar month, evidence of payment of all remittances owing by the Borrower to any Governmental Authorities in respect of sales tax, goods and services tax and employee source deductions and confirmation that they are in good standing;
 - (iv) on the last Business Day of every other week, a status report and such other updated information relating to the conduct of the business, the Proposal Proceedings, any other process or agreement for the sale of any assets of the

Borrower, and such other information as may be requested by the Lender and/or the Trustee, in form and substance acceptable to the Lender; and

- (v) promptly upon the request of the Lender or Trustee, such other information as the Lender and/or Trustee may reasonably request,

provided that with respect to any information requested by the Trustee, the Borrower shall not be required to provide any information subject to confidentiality obligations binding upon the Borrower or to solicitor-client privilege;

- (c) the Borrower shall, promptly upon becoming aware thereof, provide details of the following to the Lender:
 - (i) copies of all material correspondence and notices received by the Borrower from any Environmental Authority or other Governmental Authority with respect to any Authorizations of the Borrower and compliance therewith or any regulatory or other investigations into the Borrower or its business;
 - (ii) any pending, threatened or potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against any Borrower, by or before any court, tribunal, Environmental Authority or other Governmental Authority;
 - (iii) any existing (or threatened in writing) default or dispute with respect to any of the Material Contracts;
 - (iv) the occurrence of an Event of Default or any event or circumstances that would constitute an Event of Default or a material adverse change from the Cash Flow Projections; and
 - (v) any development or event that has had or could reasonably be expected to have a Material Adverse Effect; and
- (d) on the second Friday of each month following the Filing Date, the Borrower shall organize meetings of the Borrower, the Trustee and Secured Lenders by video conference in order to provide the Secured Lenders with updates on material developments during the Proposal Proceedings and address and provide such information as is reasonably required by the Secured Lenders with respect to the Borrower, the Property, the status of the performance of the Borrowers' Environmental Obligations and the anticipated next steps in respect of the forgoing.

7. EVENTS OF DEFAULT AND REMEDIES

7.1 Events of Default

The occurrence of any one or more of the following shall constitute an event of default (each an "**Event of Default**") under this Agreement:

- (a) the non-payment when due of any Obligations or the breach or default by the Borrower in the performance of any of its obligations under this Agreement or any other Loan Document, or any representation or warranty made in this Agreement or any other Loan Document is or becomes false or inaccurate in any material respect;
- (b) if any proceeding is commenced or consented to by the Borrower challenging the validity, priority, perfection or enforceability of the Interim Charge, the validity and enforceability of the Obligations, or the validity and enforceability of this Agreement or any other Loan Document;
- (c) if the amount or priority of any BIA Charge is varied without the consent of the Lender;
- (d) if the Interim Financing Order is not made by the Court by August 15, 2023 or such other date acceptable to the Lender or if the Interim Financing Order, once granted by the Court, is at any time appealed, amended, supplemented, stayed, terminated or discharged, whether in part or in whole, without the consent of the Lender, and such appeal is not dismissed or supplement, stay, termination or discharge is not set aside;
- (e) the issuance of any Order of the Court (i) dismissing the Proposal Proceedings or lifting the stay of proceedings therein to permit the enforcement of any Encumbrance against the Borrower or any Property, (ii) appointing a receiver, receiver and manager, interim receiver, trustee in bankruptcy, proposal trustee or similar trustee in respect of any Borrower any Property, (iii) granting any Encumbrance that is in priority to or *pari passu* with the Interim Charge, (iv) refusing to extend the stay of proceedings under section 50.2(9) of the BIA, (v) contravening or inconsistent with this Agreement in a manner which adversely affects the Lender, or (vi) staying, reversing, vacating or otherwise modifying any Order granted in the Proposal Proceedings without the prior written consent of the Lender and in a manner adversely affects the Lender;
- (f) the non-compliance by the Borrower with the terms of the Interim Financing Order or any other Order issued in the Proposal Proceedings;
- (g) the non-compliance by the Borrower with the Cash Flow Projections by making payments to Persons not contemplated thereby or where there are variances between actual and projected expenses or cash receipts in excess of twenty-five percent (25%) for any rolling three (3) week period;
- (h) if any Order is made by the Court that contravenes or is inconsistent with this Agreement or the other Loan Documents which adversely affect the interests of the Lender, or which is not in form and substance acceptable to the Lender, as determined by the Lender, acting reasonably; or
- (i) any event or occurrence that has a Material Adverse Effect on the Borrower, its business or the Property.

7.2 Remedies

- (a) Immediately upon the occurrence of an Event of Default, and subject to Applicable Law, the Lender shall have the right but not the obligation to:
 - (i) declare that the commitment under the Interim Facility to be expired and any obligation to make any Advances to be terminated, whereupon the Lender shall have no obligation to make any further Advances;
 - (ii) declare in writing the entire amount of the Obligations to be immediately due and payable, without the necessity of further presentment for payment, notice of non-payment or notice of protest (all of which are hereby expressly waived), whereupon all Obligations shall become due and payable by the Borrower;
 - (iii) subject to the applicable provisions of the Interim Financing Order, set-off or combine any amounts then owing by the Lender to the Borrower against the obligations of the Borrower to the Lender;
 - (iv) subject to the applicable provisions of the Interim Financing Order, exercise any and all rights and remedies available to the Lender under the BIA, the PPSA or any other Applicable Law, in equity, pursuant to this Agreement, the Loan Documents or otherwise;
 - (v) apply to the Court for an Order, on terms acceptable to the Lender, for the appointment of a receiver, interim receiver, or receiver and manager, and/or analogous party, in respect of the Borrower and some or all of its Property, or for an Order declaring the Borrower bankrupt; and
 - (vi) apply to the Court for an order, on terms acceptable to the Trustee and the Lender, providing the Trustee with the power, in the name of and on behalf of one or more of the Borrower, to take all necessary steps in the Proposal Proceedings.
- (b) The rights and remedies of the Lender under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available under Applicable Law.

8. EXPENSES, INDEMNITIES AND TAXES

8.1 Expenses

The Borrower shall pay, on demand, all reasonable fees and documented fees, costs and expenses of the Lender incurred in connection with the preparation, due diligence, negotiation, execution, amendment, administration, and enforcement of the Interim Facility, this Agreement, the other Loan Documents and with respect to the Proposal Proceedings (including all legal fees, disbursements and other charges (the foregoing whether or not the transactions contemplated herein are completed)).

8.2 Indemnity

- (a) The Borrower agrees to indemnify and hold harmless the Lender (and its Affiliates and their respective officers, directors, employees, advisors and agents) from and against any and all actions, suits, proceedings, claims, losses, damages, liabilities (including the fees, disbursements and other charges of counsel to the indemnified parties and, if a conflict of interest exists, one additional counsel to the affected indemnified parties and, if necessary, of one special counsel and one local counsel in any relevant jurisdiction) (excluding indirect or consequential damages, punitive damages, and claims for lost profits), incurred in connection with the financing contemplated hereby or the use of proceeds of the Interim Facility and, upon demand, to pay and reimburse for any legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim, except to the extent they result from such Person's gross negligence or willful misconduct.
- (b) The indemnities granted under this Agreement shall survive any termination of the Interim Facility.

8.3 Taxes, Yield Protection and Increased Costs

- (a) All loan repayments and prepayments will be made free and clear of Taxes. If any Taxes are Withholding Taxes from any amount payable to the Lender under this Agreement, the amount so payable to the Lender shall be increased to the extent necessary to yield to the Lender on a net basis after payment of all Withholding Taxes, the amount payable under such this Agreement at the rate or in the amount specified herein and the Borrower shall provide evidence satisfactory to the Lender that the Taxes have been so withheld and remitted.
- (b) If the Borrower pay an additional amount to the Lender to account for any deduction or withholding, the Lender shall reasonably cooperate with the Borrower to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of such tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the Lender to the applicable Borrower promptly. If reasonably requested by the Borrower, the Lender shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the Lender shall cooperate with the Borrower and assist the Borrower to minimize the amount of deductions or withholdings required.

9. ASSIGNMENTS AND PARTICIPATIONS

9.1 Assignments

- (a) The Borrower cannot assign any of their respective rights or obligations under this Agreement or the other Loan Documents without the prior written consent of the Lender.
- (b) The Lender may assign or otherwise grant participations in this Agreement and its rights and obligations under this Agreement and the other Loan Documents, in whole or in part,

to any party acceptable to the Lender provided that any assignment of the entire obligation of the Lender under this Agreement without recourse to the Lender shall be subject to (i) the Lender providing the Trustee with evidence in form and substance satisfactory to the Trustee, acting reasonably, that such assignee has the financial capacity to fulfill the obligations of the Lender hereunder, and (ii) the assignee entering into an agreement with the Borrower (the consent to which cannot be unreasonably withheld) to confirm such assignment.

9.2 Participations

The Lender may at any time, without the consent of, or notice to, the Borrower or the Trustee, sell participations to any Person (other than a natural person) (each, a “Participant”) in all or a portion of the Lender’s rights and/or obligations under this Agreement (including all or a portion of the Obligations); provided that: (i) the Lender’s obligations under this Agreement shall remain unchanged; (ii) the Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (iii) the Borrower shall continue to deal solely and directly with the Lender in connection with the Lender’s rights and obligations under this Agreement. Any payment by a Participant in connection with a sale of a participation shall not be or be deemed to be a repayment by the Borrower or a new Advance to the Borrower.

10. GENERAL PROVISIONS

10.1 Interpretation

- (a) In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words "including" or "includes" in this Agreement is to be construed as meaning "including, without limitation" or "includes, without limitation", respectively.
- (b) The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (c) References in this Agreement to a Section or Schedule are to be construed as references to a Section or Schedule to this Agreement unless otherwise specified.
- (d) Unless otherwise specified in this Agreement (i) time periods within which or following which any calculation or payment is to be made, or action is to be taken, will be calculated by excluding the day on which the period begins and including the day on which the period ends, and (ii) if the last day of a time period is not a Business Day, the time period will end on the next Business Day.
- (e) Unless otherwise specified, any reference in this Agreement to any statute includes all regulations and subordinate legislation made under or in connection with that statute at any time, and is to be construed as a reference to that statute as amended, modified, restated, supplemented, extended, re-enacted, replaced or superseded at any time.

- (f) References to an amount of money in this Agreement will, unless otherwise expressly stated, be to that amount in Canadian Dollars.
- (g) The approval or consent by the Lender shall be construed to mean the approval or consent in writing by an authorised person designated by the Lender in writing and in the sole and absolute discretion of the Lender, which approval or consent may be unreasonably withheld, denied or delayed.
- (h) This Agreement and any other Loan Documents have been negotiated by each of the parties hereto and thereto with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this Agreement or other Loan Documents.

10.2 **Governing Law**

- (a) This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Alberta and the laws of Canada applicable in that Province.
- (b) The Borrower and the Lender hereby attorn to the exclusive jurisdiction of the Court with respect to all matters arising under or in connection with this Agreement.

10.3 **Entire Agreement**

This Agreement, together with any Loan Documents, constitutes the entire agreement between the Borrower and Lender pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Borrower and Lender, and there are no representations, warranties or other agreements between the Borrower and Lender, express or implied, pertaining to that subject matter.

10.4 **Severability**

Each Section of this Agreement is distinct and severable. If any Section of this Agreement, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that Section, in whole or in part, will not affect the legality, validity or enforceability of the remaining Sections of this Agreement, in whole or in part or the legality, validity or enforceability of that Section, in whole or in part, in any other jurisdiction.

10.5 **Amendment and Waiver**

Except as otherwise provided in this Agreement, no amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by party to be bound. No waiver of, failure to exercise, or delay in exercising, any Section of this Agreement constitutes a waiver of any other Section, whether or not similar, nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

10.6 Further Assurances

Except as otherwise provided in this Agreement, the Borrower will, upon request of the Lender and at the Borrower's own cost and expense, execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the Lender to give effect to this Agreement, and without limiting the generality of this Section 10.6 will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide any assurances, undertakings and information as may be required at any time by in order to obtain any Orders of the Court.

10.7 Time of the Essence

Time is of the essence in this Agreement.

10.8 Enurement

This Agreement enures to the benefit of and is binding upon the Borrower and Lender and their respective successors and permitted assigns.

10.9 Survival

All indemnities set out in this Agreement will survive the repayment of all Obligations and the termination of this Agreement for a period of two years.

10.10 No Third-Party Beneficiary

No Person, other than the Borrower, the Lender and the indemnified parties under Section 8.2, is entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any other party.

10.11 Notice

Except as otherwise expressly provided for in this Agreement, any notice must be in writing and either delivered personally or by courier, sent by prepaid registered mail or transmitted by e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid. Any notice must be sent to the intended recipient at the addresses provided by each party to the other, or at any other address as any Party may at any time advise the others by notice given or made in accordance with this Section 10.11. Any notice delivered to a party hereto will be deemed to have been given or made and received on the day it is delivered at such party's address, provided that if that day is not a Business Day then the notice will be deemed to have been given or made and received on the next Business Day. Any notice sent by prepaid registered mail will be deemed to have been given or made and received on the fifth (5th) Business Day after which it is mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every notice must be delivered personally or by courier or transmitted by e-mail or functionally equivalent electronic means of transmission. Any notice transmitted by e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the notice is transmitted on a day which is not a Business Day or after 5:00 pm (local time of the recipient), the notice will be deemed to have been given or made and received on the next Business Day.

10.12 Creation and Use of Electronic Document, Electronic Signatures and Counterparts

This Agreement and any counterpart of it may be (a) created, provided, received, retained and otherwise used, and will be accepted, in any digital, electronic or other intangible form, (b) signed by manual, digital or other electronic signatures and delivered or transmitted by any digital, electronic or other intangible means, including by e-mail or other functionally equivalent electronic means of transmission, and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the Lender and Borrower, and signed and delivered by the Lender and Borrower in counterparts, with the same effect as if each of such parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

[SIGNATURE PAGES FOLLOW]

EACH OF the Lender and Borrower have executed and delivered this Agreement as of the date set out above.

RLF Canada Lender Limited

By:

DocuSigned by:
Byron

Name: DA7FAEE6A770408...
Title:

Mantle Materials Group, Ltd.

By:

DocuSigned by:
Cory Pichota

Name: AEF40145FC37410...
Title:

SCHEDULE "A"
Defined Terms

Capitalized terms not otherwise defined in the Agreement shall have the following meanings:

"Administration Charge" means a charge and security interest created by the Court in the Interim Financing Order pursuant to section 64.2 of the BIA to secure the payment of the professional fees and disbursements of the Trustee, counsel to the Trustee and counsel to the Borrower, in the aggregate maximum amount of \$425,000.

"Advance" means an advance of money by the Lender under the Interim Facility.

"Advance Conditions" is defined in Section 4.1.

"Advance Notice" is defined in Section **Error! Reference source not found.**

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" means this interim facility loan agreement, as amended, supplemented, modified or restated from time to time.

"Applicable Law" means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Authority having the force of law.

"Applicable Law" means, at any time, any domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, rule, regulation, restriction or by-law, any judgment, order, writ, injunction, decision, ruling, decree or award issued or made by any Governmental Authority, any regulatory policy, practice, guideline or directive of any Governmental Authority, or any other Authorization, in each case binding on or affecting the Person referred to in the context in which the term is used or binding on or affecting the property of that Person.

"Authorization" means any authorization, order, permit, approval, grant, licence, qualification, consent, exemption, waiver, right, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decree, by-law, rule or regulation of any Governmental Authority having jurisdiction over any Person, including any permit, license, authorization, approval, waiver, consent surface material lease, development agreement or similar document issued by an Environmental Authority.

"BIA" is defined in Context paragraph A.

"BIA Charges" means the Administration Charge, the Interim Charge and the Directors' Charge.

"Borrower" is defined in Context paragraph A.

"Business Day" means any day other than a Saturday, Sunday or any other day in which banks in Toronto, Ontario are not open for business.

“**Cash Flow Projections**” is defined in Section 2.5(a).

“**Court**” means the Court of King’s Bench of Alberta or any appeal court therefrom.

“**Director**” means a director of the Borrower at any time in the period following the Filing Date.

“**Directors’ Charge**” means a charge and security interest created by the Court pursuant to section 64.1 of the BIA in favour of Directors and officers of the Borrower to indemnify such Directors and officers against obligations and liabilities that they may incur as a director or officer after the Filing Date, other than for obligations or liabilities incurred by a Director or officer as a result of the Director’s or officer’s gross negligence or wilful misconduct, which obligations and liabilities secured against shall not exceed the aggregate maximum amount of \$150,000.

“**Encumbrance**” means any lien, Security Interest, trust (including any deemed, statutory or constructive trust), encumbrance and statutory preference of every kind and nature whatsoever, including any construction trust pursuant to the *Builders’ Lien Act* (Alberta) as amended or otherwise.

“**Emergency Expense**” means any critical expenditure necessary for the preservation and orderly liquidation of business and property of the Borrower where the failure to pay immediately may materially and adversely affect the Borrower, its property, its stakeholders or the ability of the Borrower to satisfy its Environmental Obligations.

“**Environmental Activity**” means any past, present or future activity, event or circumstance in respect of any Hazardous Materials, including their storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or their Release, escape, leaching, dispersal or migration into or movement through the Natural Environment.

“**Environmental Authorities**” means Governmental Authorities responsible for the enforcement of or regulatory activities under Environmental Laws.

“**Environmental Laws**” means, at any time, all Applicable Laws relating to Hazardous Materials, Environmental Activity and to the protection and regulation of the Natural Environment, or to human health and safety as it relates to Environmental Activity or the Natural Environment.

“**Environmental Liabilities**” means all claims, suits, actions, debts, damages, costs, losses, liabilities, penalties, obligations, judgments, charges and expenses of any kind suffered by or against any Person or its business or Property, including or as a result of any order, investigation or action by any Governmental Authority, arising from or with respect to any one or more of the following:

- (a) the Release, threat of Release or presence of any Hazardous Materials, affecting any Property, whether or not originating or emanating from a Person’s Property or any contiguous Real Property or immovable Property, including any loss of value of any Property as a result of that Release, threat of Release or presence of any Hazardous Materials;
- (b) the Release of any Hazardous Materials owned by, or under the charge, management or Control of, that Person, or any predecessor or assignor of that Person;
- (c) liability incurred under any Environmental Laws for any costs incurred by any Governmental Authority or any other Person, or for damages from injury to, destruction

of, or loss of natural resources in relation to, a Person's Property or related Property, including the reasonable costs of assessing that injury, destruction or loss; and

- (d) liability for personal injury or Property damage arising in connection with breach of any Environmental Laws, including by reason of any civil law offences or quasi-criminal offences or under any statutory or common law tort or similar theory, including damages assessed for the maintenance of a public or private nuisance or for the carrying on of a dangerous activity at, near, or with respect to a Person's Property or elsewhere.

"Environmental Obligations" means the Environmental Liabilities in connection with its Property that the Borrower is required to perform or rectify under and pursuant to Environmental Laws and actions or Authorizations taken or issued by Environmental Authorities in connection therewith, including under environmental protection orders, surface material leases, royalty agreements, activities plans, plans in response to environmental protection orders and similar documents.

"Equity Interest" means with respect to any Person, any share, interest, unit, trust unit, partnership, membership or other interest, participation or other equivalent rights in the Person's equity or capital, however designated, whether voting or non-voting, whether now outstanding or issued after the date hereof, together with any warrant, option or other right to acquire any such equity interest of such Person and such security convertible into or exchangeable for any such equity interest of such Person.

"Event of Default" is defined in Section 7.1.

"Filing Date" is defined in Context paragraph A.

"Governmental Authority" means any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.

"Hazardous Materials" means any substance that when Released into the Natural Environment creates a material risk of causing material harm or degradation, immediately or at some future time, to the Natural Environment, or any ascertainable risk to human health or safety, including any pollutant, contaminant, waste, hazardous waste, dangerous goods (as defined by applicable Environmental Laws), asbestos and polychlorinated biphenyls.

"Indebtedness" means, with respect to a Person, the following: (a) all obligations of such Person that would be considered to be indebtedness for borrowed money (including by way of overdraft and drafts or orders accepted representing extensions of credit) that are evidenced by bonds, debentures, notes or any other agreement or instrument; (b) reimbursement obligations under bankers' acceptances and contingent obligations of such Person in respect of any letter of credit, letter of guarantee or similar instrument; (c) any Equity Interest of that Person, which Equity Interest, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof; (d) all obligations of such Person for the deferred purchase price of assets or services which constitute indebtedness; (e) all capital lease obligations of such Person, obligations under synthetic leases, obligations under sale and leaseback

transactions (unless the lease component of the sale and leaseback transaction is an operating lease) and indebtedness under arrangements relating to purchase money liens and other obligations in respect of the deferred purchase price of property and services; and (f) the amount of the contingent obligations of such Person under any guarantee (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business), indemnity or other financial assistance or other agreement assuring payment or performance of any obligation in any manner of any part or all of an obligation of another Person of the type included in subsections (a) through (e) above.

“**Interim Charge**” is defined in Section 3.1(a).

“**Interim Facility**” is defined in Section 2.1(a).

“**Interim Financing Order**” means an Order of the Court substantially in the form of the Interim Financing Order attached as **Schedule “C”**, with such changes as are acceptable to the Lender, which shall, *inter alia*: (a) approve the Interim Facility and this Agreement; (b) create the Interim Charge in a principal amount equal to the Maximum Availability; (c) declare that the Interim Charge ranks first in priority to any and all Encumbrances affecting the Property, and subject only to the Administration Charge; (d) treat the Lender as an unaffected creditor in respect of the Obligations in any proposal filed by the Borrower under the BIA; (e) create the Administration Charge; and (f) create the Directors’ Charge; and provide such other relief as agreed to by the Lender.

“**Lender**” is defined in Context paragraph B.

“**Loan Documents**” is defined in Section 3.2.

“**Material Adverse Effect**” means any such matter, event or circumstance that, individually, or in the aggregate could be expected to have a material adverse effect on: (a) the business, assets, properties, liabilities (actual or contingent), operations or condition (financial or otherwise) of the Borrower; (b) the validity or enforceability of this Agreement or any other Loan Document; (c) the validity or priority of the Interim Charge; (d) the rights or remedies of the Lender under this Agreement or any other Loan Document; or (e) the ability of any Borrower to perform any of its material payment obligations under this Agreement or any other Loan Document.

“**Material Contract**” means any contract, licence or agreement: (i) to which the Borrower is a party or is bound; (ii) which is material to, or necessary in, the operation of the business of the Borrower; and (iii) which the Borrower cannot promptly replace by an alternative and comparable contract with comparable commercial terms.

“**Maximum Availability**” is defined in Section 2.1(a).

“**Natural Environment**” means the air, land, subsoil and water (including surface water and ground water), or any combination or part of them.

“**Notice**” means all notices, requests, consents, claims, demands, waivers and other communications hereunder.

“**Obligations**” means, at any time, all of the indebtedness, liabilities and obligations, absolute or contingent, direct or indirect, matured or not matured, liquidated or unliquidated, of the Borrower to the Lender arising under the Interim Facility or created by reason of or relating to this Agreement or any other Loan Document and all expenses and charges, whether for legal expenses or otherwise, incurred by the

Lender in collecting or enforcing any of the Obligations or in realizing on or protecting or preserving Interim Charge.

“**Operating Accounts**” means the bank accounts of the Borrower approved by the Lender and designated by the Borrower and the Lenders in writing to receive Advances and from which to make payments in accordance with the Cash Flow Projections, and “**Operating Account**” means any one of them.

“**Order**” means any Order of the Court in the Proposal Proceedings.

“**Participant**” is defined in Section 9.2.

“**Person**” means an individual, partnership, corporation, business trust, limited liability company, trust, unincorporated association, joint venture, estate, Governmental Authority or other entity of whatever nature.

“**PPSA**” means the *Personal Property Security Act* (Alberta), as amended, or similar legislation in any jurisdiction.

“**Property**” means all of the present and after-acquired undertaking, property and assets of the Borrower, whether real or personal or tangible or intangible, including any interest in real property pursuant to any royalty agreement or surface material lease, and all proceeds thereof.

“**Proposal Proceedings**” is defined in Context paragraph A.

“**Release**” includes deposit, leak, emit, add, spray, inject, inoculate, abandon, spill, seep, pour, empty, throw, dump, place and exhaust, and when used as a noun has a corresponding meaning.

“**Requested Advance Date**” is defined in Section **Error! Reference source not found.**

“**Security Interest**” means any charge, mortgage, hypothec, pledge or security interest created by an agreement between two or more Persons.

“**Signing Date**” means the time and date on which this Agreement is fully executed and delivered by the Lender and Borrower.

“**Taxes**” means any taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country.

“**Termination Date**” means the date the Interim Facility terminates in accordance with Section 2.2.

“**Trustee**” is defined in Context paragraph A.

“**Variance Report**” is defined in Section 6.3(a).

“**Withholding Taxes**” means any Taxes that are required by the Applicable Law to be withheld.

SCHEDULE "B"
Cash Flow Projections

See attached

SCHEDULE "C"
Form of Interim Financing Order

See attached