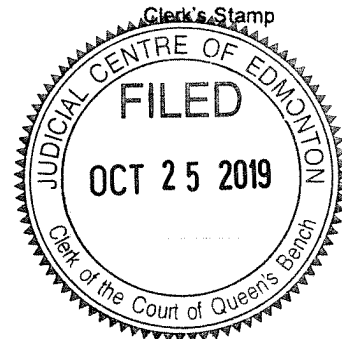


"Gill J." +
J.C.Q.B.A.

Form 49
[Rule 13.19]

COURT FILE NUMBER 1803 09581
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFF BANK OF MONTREAL
DEFENDANTS LADACOR AMS LTD., NOMADS PIPELINE CONSULTING LTD., 2367147 ONTARIO INC., and DONALD KLISOWSKY
DOCUMENT AFFIDAVIT OF JACK STEENHOF



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Shaun D. Wetmore
McCuaig Desrochers LLP
2401 TD Tower
10088 - 102 Avenue
Edmonton AB T5J 2Z1
Phone: 780-426-4660
File No: 38986-1 SDW

AFFIDAVIT OF JACK STEENHOF

Sworn on October 25, 2019

I, JACK STEENHOF, of Orillia, Ontario, SWEAR AND SAY THAT:

1. I am a shareholder and director of 1459428 Ontario Inc. ("145") operating under the trade name "Steenhof Building Services Group" ("SBSG") and as such I have personal knowledge of the matters hereinafter deposed to save where stated to be based upon information and belief, and where so stated I verily believe the same to be true.
2. 145 operating as SBSG was a subcontractor to Nomads Pipeline Consulting Ltd. ("Nomads") and Ladacor AMS Ltd. at the time the Receivership order was granted. 145 also provided money to the defendant 2367147 Ontario Inc. ("236"), as a loan to 236.
3. I am also a shareholder and director of J. Steenhof & Associates Ltd., which is the minority shareholder of 236 identified in the Receiver's reports. At the time of the Receivership Order, the majority shareholder in 236 was Nomads, which was controlled by Donald Klisowsky ("Don"). Don and I were the Directors of 236.
4. 145 is an Ontario corporation, duly incorporated and carrying on business providing professional engineering services, with an emphasis on pre-fabricated and modular construction. 145 and holds a permit to practice and to provide engineering services in Alberta.

Hythe Residence Project

5. On or about February 24, 2016, SBSG provided a written proposal to Ladacor to provide certain engineering and architectural design services for Nomad's Hythe Residence Project (the "**Hythe Project**"). On or about May 2, 2016, Ladacor accepted the SBSG proposal. Attached as **Exhibit "A"** is a copy of the accepted proposal of SBSG by Nomads (the "**Agreement**").
6. 145 operating as SBSG has outstanding invoices to Nomads for services rendered for the Hythe Project in the total amount of \$171,406.17.
7. On May 25, 2018, 145 registered a lien for these outstanding amounts against the owner for which work was completed, Hythe and District Pioneer Homes (Advisory Committee) ("**Hythe**"), of the lands legally described as:

PLAN 2670TR

LOT D

CONTAINING 1.04 HECTARES (2.57 ACRES) MORE OR LESS

EXCEPTING THEREOUT:

HECTARES (ACRES) MORE OR LESS

A) PLAN 7921761 SUBDIVISION 0.571 1.41

EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "**Hythe Lands**").

Attached as **Exhibit "B"** is a copy of title of the Hythe Lands. On November 16, 2018 SBSG commenced an action in the Court of Queen's Bench action no. 1804 00718 ("**SBSG Hythe Action**"). Because of the Receivership Order, the SBSG Hythe Action has been stayed as against Nomads.

8. The SBSG Hythe Action is still ongoing and no settlement of the outstanding amount has been made. I believe that 145 continues to be a proper creditor of Nomads with respect to its work on the Hythe Lands in the amount of \$171,406.17.
9. I have had the opportunity to review the affidavit sworn by Don on September 7, 2019 and I note that at para. 26 he states that the total proper claims of Nomads are no more than \$130,573. However, I do not believe that this amount includes the outstanding amounts owing to 145 operating as SBSG in the amount of \$171,406.17.

Loan to 236 by SBSG

10. I have had the opportunity to review the second supplemental affidavit sworn by Don on October 15, 2019 and filed that same day. I note that at paras. 7 and 8 of his second supplemental affidavit he states that the claim of SBSG is not proper and that SBSG has no claim against 236.
11. I disagree with Don's statement above. I believe that 236 is indebted to 145 in the amount of \$603,583.22 and that the claim is proper and valid claim.
12. In 2014, 145 paid not less than \$150,000 towards the purchase price of two parcels of land in Sioux Lookout for the construction of the hotel, which was placed in the name of 236 (the "**Hotel Lands**"). The purchase price provided by 145 was agreed to be a loan to 236.
13. Attached as **Exhibit "C"** is a copy of the 236 Financial Statements for the year ending November 30, 2016, prepared by Prospera Chartered Accountants on July 27, 2017. The

statements contain information on 236, but I believe that they also contain errors or incorrect entries and they do not accurately reflect the true financial circumstances of 236.

14. On reviewing Exhibit "C", I note that 145's initial loan to 236 related to the Hotel Lands and does not appear in these statements.
15. Between 2014 to 2015, 145 completed the engineering services for the construction of the Days Inn Sioux Lookout Hotel. After completing that work, there was an outstanding balance owed to 145 by 236 of \$501,740.12.
16. On reviewing Exhibit "C", I note that Note 6 of the financial statements confirms that there were related party transactions with 145 of \$479,794 and they also note that \$501,740 was the total due and owing to 145.
17. In or around July 2016, after discussing the outstanding debt for engineering services with Don, it was agreed that the invoices of 145 would be paid and that 145 would loan back \$444,097.80 to 236.
18. On July 29, 2016, Nomads paid to 145 the amount of \$501,740.12 and 145 was able to record the invoices as paid. Immediately, following receipt of these funds, 145 wired the amount of \$444,097.80 back as a loan to 236. Attached as **Exhibit "D"** is a copy of 145 operating as SBSG bank statements evidencing these two transactions.
19. I am not aware of how these transactions were recorded in the 236 accounting records at the time, but I believe that a valid claim of 145 exists and that this claim will be properly dealt with as part of bankruptcy proceedings of 236.

236's Indemnity to Liberty Mutual

20. Upon receiving a copy of the Fourth Report of the Receiver filed in this action, I was advised by my solicitors that the preliminary creditor listing of 236 now included Liberty Mutual in the amount outstanding of \$1,119,866.31 (the "**Liberty Claim**").
21. I have had the opportunity to review the supplemental affidavit sworn by Don on September 11, 2019. I note that Exhibit "B" of his supplemental affidavit attaches a copy of a letter dated June 21, 2018 from Liberty Mutual and enclosures.
22. I note that the enclosures in the June 21, 2018 Liberty Mutual letter is a document titled "Resolution and Certification" with respect to 236. At the bottom of this document it states that the above resolution "is a true and accurate copy of a resolution unanimously adopted by the Board of Directors of the Corporation at a meeting duly called and held on the 29 day of December 2017 in the office of the said Corporation, at which quorum of the Board of Directors were present."
23. The document appears to be signed by Don on January 2, 2018.
24. As stated above, I was unaware that 236 had agreed to any Indemnity and Security Agreement with Liberty Mutual.
25. I was not given any notice as a Director of 236 of a meeting on December 29, 2017 or otherwise. I did not attend any meeting of 236 in person or by telephone where 236 discussed or resolved to enter into an Indemnity and Security Agreement with Liberty Mutual to guarantee Ladacor AMS Ltd.

- a. in response to the application of the Receiver who is seeking a discharge and recommending that all three corporate defendants be placed into bankruptcy, and
- b. in opposition to the application of Don to exclude Nomads from being placed into bankruptcy.

SWORN BEFORE ME at
ORILLIA, Ontario, this 25 day
of October, 2019.


A Commissioner for Oaths in and for Ontario

JACK STEENHOF

PRINT NAME AND EXPIRY/LAWYER
/STUDENT-AT-LAW

Robert M. Haidle
Barrister, Solicitor & Notary
P.O. Box 2689, 13 Mississauga St. W.
Orillia, Ontario L3V 6V7
Tel (705) 325-9524 Fax (705) 325-7079

This is Exhibit "A"
referred to in the affidavit of Jack Steenhof
sworn before me on October ~~28~~²⁵ 2019. *gy*


A Commissioner of Oaths for Ontario

PRINT NAME AND EXPIRY/LAWYER
/STUDENT-AT-LAW

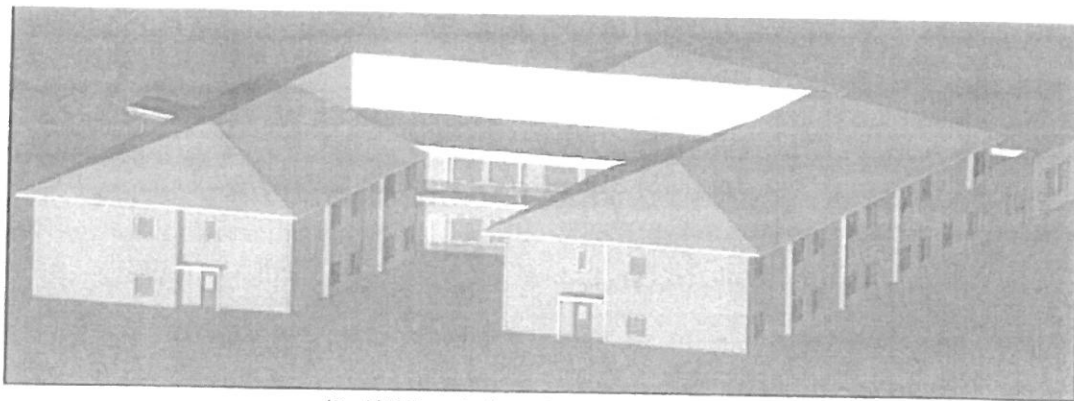
Robert M. Haidle
Barrister, Solicitor & Notary
P.O. Box 2000, 13 Mississauga St. W.
Orillia, Ontario L9V 6V7
Tel (705) 325-9524 Fax (705) 325-7079

PROJECT No: 160047
Seniors Residence Hythe, AB
2 Storey Facility

Proposal to Provide Engineering Services to



(A division of Nomad Pipelines Consulting Ltd)



(Rockliff Pierzchajlo Architects & Planners Ltd.)

PREPARED BY:



STEENHOF BUILDING SERVICES GROUP
126 MISSISSAGA STREET EAST, ORILLIA, ON, L3V 1V7
PH. 705-325-5400 FX. 705-325-8400 WWW.STEENHOFBUILDING.COM

Date: February 24, 2016

File: 160047

Ladacor Advanced Modular Systems
c/o Nomad Pipelines Consulting Ltd
803 24th Avenue South East,
Calgary, AB
jkiss@ladacor.com

Attention: Mr. Joe Kiss, President

Re: Proposal for Engineering Services for the Westgate Apartments in Edmonton AB

Steenhof Building Services Group (SBSG) is pleased to provide the following proposal to provide engineering and architectural design services to take our conceptual design to full working drawings. Outlined below is our understanding of the project.

All members of our project team have considerable professional experience with projects of this nature, and will form a dedicated team of professionals throughout the course of the project. SBSG has significant resources available to expedite this project to the fullest extent possible and have a proven track record for advancing projects to meet client and regulatory schedules.

We appreciate the opportunity to be of service to Ladacor Inc. and would welcome a favorable acceptance of our proposal. Please do not hesitate to contact me directly should you have any questions resulting from your review of our proposal.

Sincerely,



Jack Steenhof, M.A.Sc., P.Eng.
President, Sr. Structural Engineer
Steenhof Building Services Group

1.0 BACKGROUND / UNDERSTANDING OF PROJECT

Steenhof Building Services Group (SBSG) was invited to participate in the Design and build process for the Hythe Senior's Residential development project in Hythe, AB. We are pleased to present the following proposal to complete the full design and construction drawing package for the project.

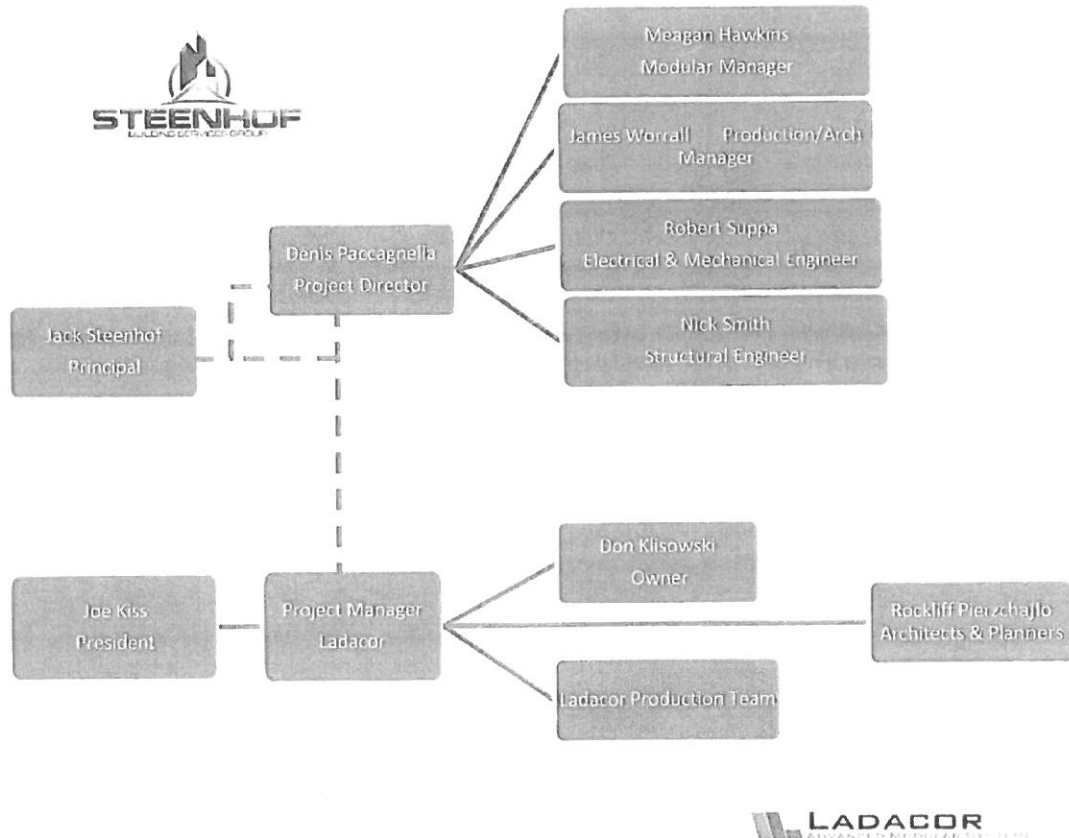
SBSG understands that this development is a 2 storey, 48 room senior's residence. SBSG has worked closely with Ladacor thus far to attain a clear project scope. Final building amenities are to be confirmed with Ladacor and will be included in design scope.

The building has a total of approx. 44,000 square foot over 2 storeys.

Rockliff Peirzchajlo Architects & Planners are recognized to be lead consultants and Architect of record for this project.

2.0 PROJECT TEAM:

Establishing an expert project team is the first step of our Project Management objectives. At SBSG, we adamantly pursue a continuity of client contact, and wherever possible, SBSG attempts to appoint a single Project Manager at the outset of the project who remains the chief administrative contact for our clients to the close of construction.



3.0 PROJECT SCOPE OF WORK:

The following is a brief description of the items to be completed throughout the design process.

3.1 General

- SBSG will be responsible for all design (architectural), structural, mechanical and electrical engineering services for the project. We will attend (by conference calls or media) regular design coordination meetings as required to complete the project. We have assumed approximately 40 weekly/biweekly design meetings may be required throughout the course of the project.

3.2 Planning/Site Civil

- SBSG will assist in providing scope of work for geotechnical and other civil services as requested.
- SBSG will assist in coordinating with Utilities for transformer relocations, parking lot upgrades etc.
- Consultant fees are not included in engineering fee. (ie. Geo technical, land surveyor, Civil design, deep services)
- SBSG understands that Rockliff will provide civil engineering services and provide information relevant to the project for completion of design (deep services as example).

3.3 Design Schematic

- SBSG will prepare schematic designs for client approval. All designs are to be in conformance with Ladacor's requirements as requested/instructed through consultation and pre design meetings.
- SBSG will complete preliminary design plans in sufficient detail to allow the project cost consultant to verify a rough budget and allow other disciplines to commence their preliminary designs.
- Building layout, site plan layout, and elevations, if requested, will be prepared for approval by client.
- Confirm spatial separation with existing adjacent buildings, if necessary

3.4 Permit Construction Drawings

- Once development permit and client approvals are received, SBSG will detail building permit drawings for submitting application and provide assistance, as required.
- Review options with all disciplines and the Owner to provide recommendation on the most economical solution for construction to meet the project budget and design intent.

3.4.1 Design (Architectural)

- Complete detailed working drawing package for review by the Professional Architect's & Engineers seal as required, containing sufficient information to apply for building permit. This will include the following drawings:
 - Architectural Site Plan(supplied) , Ground Floor Plan, Second Floor Plans, Building Elevations, Wall and Building Sections, Roof plans, Schedules, Details & Specifications
- Finalize architectural drawings to be issued for construction (IFC) (overall design)

3.4.2 Structural Design:

- Complete engineering calculations and design in sufficient detail to allow the project cost consultant to verify the project budget
- Complete detailed permit drawing package under Professional Engineer's seal containing sufficient information to apply for building permit. This will include the following drawings:
 - Foundation (pile) Plan, Ground Floor, Second Floor, Staircase & Roof Framing Plans & Details
 - Sections, Details & Specifications
- Finalize structural drawings to be issued for construction (IFC)

3.4.3 Mechanical Design:

- Heat Loss and Ventilation Calculations for Building Permit.
- HVAC and Duct Distribution Design and layouts as required for all suites and common space.
- Plumbing system sizing and layout for all washrooms, laundry, service and common areas.
- Natural gas piping and venting as required.
- Energy Modelling report to be completed as per National Energy Code 2011.

3.4.4 Electrical Design:

- Electrical load calculations. Distribution, Lighting and Power Layouts
- Assist in communication and correspondence with local utility (AHJ).
- Mechanical Equipment Feeder Design, Fire Alarm, Intercom & Security Layouts
- Telephone & Cable/Data Layouts

3.5 Production of shop drawings, meeting attendance and design alternative reviews

- SBSG will complete general shop drawing for the modules for review by Architect.
- SBSG will review shop drawings for modules components (Mech and Electrical) as required.
- Attendance at regular site meetings by a representative(s) from SBSG will be provided as requested by the Owner/Contractor at our standard Site Review rate.
- Review of construction process items and contractor shop drawings as required.
- Review any contractor Requests for Information (RFI) and issue any necessary Job Site Instructions (JSI's).
- Review and participation in discussions regarding design alternatives and methodology.

3.6 Site and Plant Inspection/ Services

SBSG to perform site and plant inspections as outlined below. Fees for visit are included but travel and expenses are to be charged as experienced.

3.6.2 Site and Plant Inspections

- SBSG will perform site visits to satisfy AHJ requirements, estimated to be a minimum of 4 visits, as required.
- SBSG will perform plant visits to satisfy AHJ requirements, estimated to be a minimum of 4 visits, as required.
- Plant and site visits will be coordinated with other meetings or opportunities to reduce travel and accommodation costs
- Reports from site and plant visits will be issued to Ladacor for submission to AHJ, for building and development permit requirements.

4.0 PROJECT FEES:

SBSG would propose to complete this assignment within the following fixed fee schedule:

	Description	Fees
3.2	Pre contract assistance, meetings, conf calls to assist in securing contract. Work related to existing buildings, tie ins, coordination of services outside of building works.	Actual costs Time & Disbursements at our standard rates listed below.
3.3	Schematic Design	Fixed Fee \$316,000.00 + HST
3.4.1	Architectural Design	
3.4.2	Structural Design	
3.4.3	Mechanical Design	
3.4.4	Electrical Design	
3.6.1	Production drawings for modules	Included
3.6.2	Site and Plant reviews and reports	Actual costs Travel & Disbursements at our standard rates listed below.

2015 SBSG STANDARD BILLABLE RATES

Principal	\$240/hr
Architect	\$160/hr
Sr. Engineer	\$150/hr
Intermediate Engineer	\$125/hr
Quantity Surveyor	\$150/hr
Project Manager	\$125/hr
Senior Designer	\$105/hr
Intermediate Designer	\$90/hr
Junior Designer	\$75/hr

An Administration & Liability Fee at 1.5% will be applied to all invoices.

Any disbursement costs, including travel, mileage and other incidentals will be billed at cost + 10%.

Billing & disbursements will be invoiced in monthly intervals or as agreed to in a payment schedule.

No allowance has been made for survey nor geotechnical investigation.

Applicable taxes (HST) are extra.

ASSUMPTIONS:

The following list summarizes the assumptions made in the preparation of this fee proposal:

- SBSG has based our fee structure on the information as discussed with Nomad Pipelines Consulting. Should the scope of the project be increased, SBSG reserves the right to provide a revised fee proposal for additional services.
- Specialist Consultants (Geotechnical, Vibration, etc.) to be paid directly by the Owner.
- Independent Inspection and Testing costs are not included (concrete testing, welding review, etc.) are not included and will be paid directly by the Owner or from an established testing allowance.
- Site Plan Drawings (Site Grading, Servicing, Landscaping, etc.) are to be completed by others or SBSG coordinated with consultants.
- Site Plan Application, Building Permit fees are not included.

DISBURSEMENTS:

Any disbursement costs, unless specifically stated, have not been included in the above noted fees and will be billed at cost plus 10%. Travel costs/mileage will be invoiced at \$0.55 per kilometer.

Plotting is charged on a sheet basis:

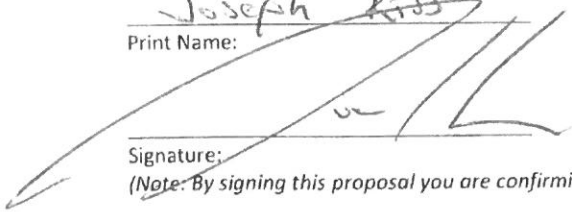
11" x 17" - \$2.00/sheet

18" x 24" - \$4.25/sheet

24" x 36" - \$5.00/sheet

OFFER ACCEPTANCE:

Upon acceptance of the above fee proposal, please sign and return a copy to Steenhof Building Services Group along with the full retainer amount if indicated above.

Joseph Kiss
Print Name:

Signature:
(Note: By signing this proposal you are confirming that you have signing authority for the client/corporation)

May 2/2016
Date:

We look forward to working with you on this project and request that you contact our office with any questions you may have. We appreciate the opportunity given to our firm to submit this proposal.

Respectfully,


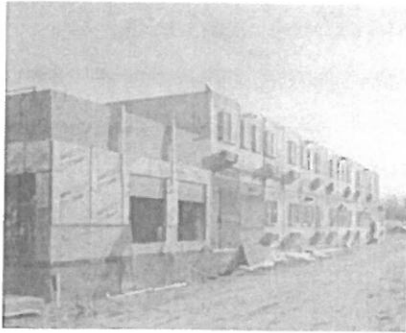



Jack Steenhof

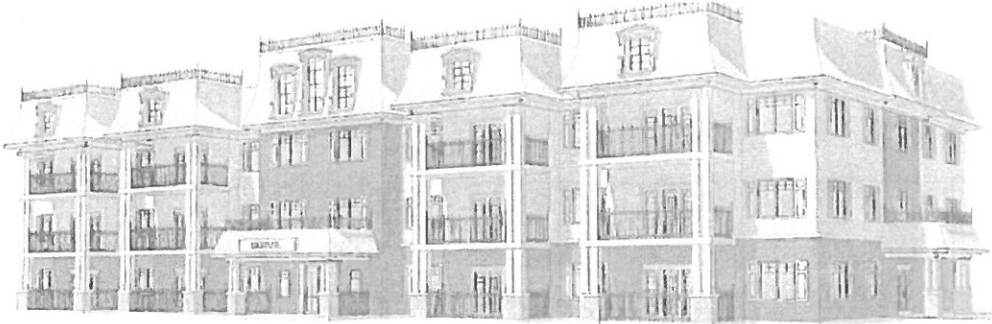
Jack Steenhof, P.Eng. Ma.Sc.
Steenhof Building Services

Denis Paccagnella

Denis Paccagnella
Steenhof Building Services

5.0 PROJECT SAMPLES:


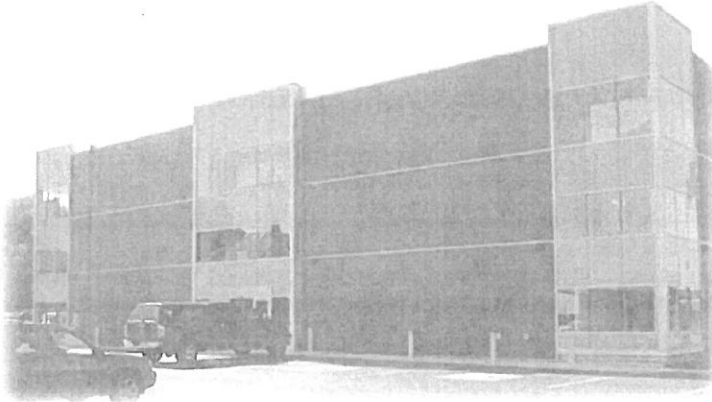
HOSPITALITY – DAYS INN – SIOUX LOOKOUT		
		
		
	PROJECT NAME: Days Inn	
	LOCATION: Sioux Lookout, ON	
	SERVICES PROVIDED: Architectural, Structural, Mechanical, and Electrical Engineering.	
	PROJECT DESCRIPTION: First hotel constructed in North America with ISO containers. The structural was constructed in an Intertek certified facility. SBSG was a large player in the organization and design of modular line and structural system.	

SENIORS RESIDENTIAL CONDOMINIUMS		
	PROJECT NAME:	Mariposa Homes Renaissance Condo's - Senior Facility
	LOCATION:	3210 Bass Lake Sideroad, Orillia, ON
	SERVICES PROVIDED:	Structural Engineering and Design
	PROJECT DESCRIPTION:	<p>This project has been divided into two (2) separate phases. Phase 1 is a twenty-four (24) unit three (3) storey seniors residential condominium building, with an underground parking garage. The gross floor area for this phase is in the order of 32,700 sq. ft.</p> <p>Phase 2 of the design and construction consists of a thirty-six (36) unit three (3) storey senior condominium building with an underground parking garage. The gross floor area for this phase is in the order of 48,230 sq. ft.</p> <p>SBSG will be completing architectural, structural, mechanical and electrical engineering services for both phases.</p>




RETIREMENT COMMUNITY

PROJECT NAME:	Retirement Community
LOCATION:	20 Simcoe St, Orillia ON
SERVICES PROVIDED:	Structural Engineering and Design
PROJECT DESCRIPTION:	<p>This Independent Living Seniors Facility was designed and constructed in two (2) separate phases. Phase 1 included a 3 ½ storey building with thirty-two (32) residential units. The gross floor area of the facility is approximately 24,205 sq. ft. For this phase, SBSG completed the concrete foundation and footing design, Structural review of light-gauge steel wall, floor and roof framing, and site reviews throughout construction. Phase 1 was completed in 2006.</p> <p>Phase 2 included a 3 Storey thirty-one (31) Unit Assisted Living Seniors Building. The gross floor area of this building was in the order of 21,220 sq. ft. For this phase, SBSG completed structural reviews of existing building and design of light-gauge steel roof trusses for solarium/dining room extension.</p> <p>SBSG provided additional engineering services in 2011 for a proposed 3rd floor "skywalk" bridge addition connecting Phase 1 to Phase 2.</p>

ORCHARD POINT CONDOMINIUMS		
	PROJECT NAME:	Orchard Point Condominiums
	PROJECT OWNER:	Mutual Development
	LOCATION:	Orillia, ON
	SERVICES PROVIDED:	Structural Engineering
COMMON ROOF – 3 STOREY COMMERCIAL		
	PROJECT NAME:	Common Roof – 3-Storey Commercial Building
	PROJECT OWNER:	Newpath Foundation
	LOCATION:	Orillia, ON
	SERVICES PROVIDED:	Structural Engineering, Electrical Engineering, Architectural Design, Interior Design, Project Management and Contract Administration

This is Exhibit "B"
referred to in the affidavit of Jack Steenhof
sworn before me on October 25th, 2019.


A Commissioner of Oaths for Ontario

PRINT NAME AND EXPIRY/LAWYER
/STUDENT-AT-LAW

Robert M. Haidle
Barrister, Solicitor & Notary
P.O. Box 2389, 13 Mississauga St. W.
Ontario L3V 6V7
Tel. (905) 325-9524 Fax (705) 325-7079



CERTIFIED COPY OF
Certificate of Title

S

LINC
0036 435 460

SHORT LEGAL
2670TR;;D

TITLE NUMBER: 142 411 935
AMENDMENT-LEGAL DESCRIPTION
DATE: 04/12/2014

AT THE TIME OF THIS CERTIFICATION

HYTHE & DISTRICT PIONEER HOMES (ADVISORY COMMITTEE).
OF P.O. BOX 388, HYTHE
ALBERTA T0H 2C0

IS THE OWNER OF AN ESTATE IN FEE SIMPLE
OF AND IN

PLAN 2670TR

LOT D

CONTAINING 1.04 HECTARES (2.57 ACRES) MORE OR LESS

EXCEPTING THEREOUT:

	HECTARES	(ACRES)	MORE OR LESS
A) PLAN 7921761 SUBDIVISION	0.571	1.41	

EXCEPTING THEREOUT ALL MINES AND MINERALS

SUBJECT TO THE ENCUMBRANCES, LIENS AND INTERESTS NOTIFIED BY MEMORANDUM UNDER-
WRITTEN OR ENDORSED HEREON, OR WHICH MAY HEREAFTER BE MADE IN THE REGISTER.

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION

NUMBER	DATE (D/M/Y)	PARTICULARS
162 259 842	19/09/2016	MORTGAGE MORTGAGEE - ALBERTA TREASURY BRANCHES. 21ST FLOOR, 10020-100 ST EDMONTON ALBERTA T5J0N3 ORIGINAL PRINCIPAL AMOUNT: \$7,150,000
162 259 843	19/09/2016	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - ALBERTA TREASURY BRANCHES. 21ST FLOOR, 10020-100 ST EDMONTON ALBERTA T5J0N3 AGENT - JEFFREY F M DONALD
172 040 906	07/02/2017	CAVEAT RE : UTILITY RIGHT OF WAY CAVEATOR - ATCO ELECTRIC LTD. ATTENTION: LAND & PROPERTIES, 10035-105 STREET EDMONTON ALBERTA T5J2V6 AGENT - WANDA LANDSHOFF
182 119 085	25/05/2018	BUILDER'S LIEN LIENOR - 1459428 ONTARIO INC. C/O MCCUAIG DESROCHERS LLP

(CONTINUED)

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Certificate of Title

PAGE 2

SHORT LEGAL 2670TR;;D
NAME HYTHE & DISTRICT PIONEER HOMES (ADVISORY COMMITTEE)
NUMBER 142 411 935

REGISTRATION		ENCUMBRANCES, LIENS & INTERESTS
NUMBER	DATE (D/M/Y)	PARTICULARS
		2401 TD TOWER 10088-102 AVE EDMONTON ALBERTA T5J2Z1 AGENT - PIERRE C DESROCHERS AMOUNT: \$171,406 (DATA UPDATED BY: 182119111)
182 121 399	28/05/2018	BUILDER'S LIEN LIENOR - DOCKTOR FREIGHT SOLUTIONS CORP. ROBB & EVENSON PROFESSIONAL CORP 506, 933 17TH AVE SW CALGARY ALBERTA T2T5R6 AGENT - CALVIN C ROBB AMOUNT: \$71,096
182 121 645	29/05/2018	BUILDER'S LIEN LIENOR - PACIFIC WEST SYSTEMS SUPPLY LTD. C/O MCLENNAN ROSS LLP ATTENTION: JAMIE P. FLANAGAN 1000, 350-7TH AVENUE SW CALGAY ALBERTA T2P3N9 AGENT - JAMIE P FLANAGAN AMOUNT: \$22,170
182 132 245	07/06/2018	BUILDER'S LIEN LIENOR - RENTCO EQUIPMENT LTD. C/O KMSC LAW LLP 401 10514 67 AVENUE GRANDE PRAIRIE ALBERTA T8W0K8 AGENT - ROBERT PEARCE AMOUNT: \$145,864
182 138 400	13/06/2018	BUILDER'S LIEN LIENOR - D. RAY CONSTRUCTION LTD. BOX 25 BEAVERLODGE ALBERTA T0H0C0 AGENT - DUSTIN MCNEIL AMOUNT: \$25,132
182 148 666	21/06/2018	BUILDER'S LIEN LIENOR - RGO FLOORING LTD. C/O WALSH LLP ATTN: MARTINE H PETTEM STE 2800, 801-6 AVE SW CALGARY ALBERTA T2P4A3 AGENT - MARTINE H PETTEM AMOUNT: \$152,460
182 208 584	24/08/2018	BUILDER'S LIEN LIENOR - NOMADS PIPELINE CONSULTING LTD. ATTN: RYAN ZAHARA/TOM WAGNER C/O BLAKE CASSELS & GRAYDON LLP 3500, 855-2 ST SW CALGARY

(CONTINUED)

CERTIFIED COPY OF
Certificate of Title

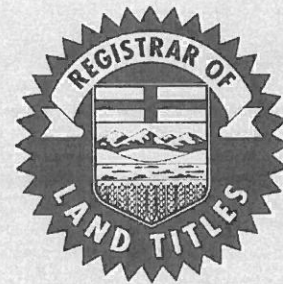
PAGE 3

SHORT LEGAL 2670TR;;D
NAME HYTHE & DISTRICT PIONEER HOMES (ADVISORY COMMITTEE)
NUMBER 142 411 935

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
		ALBERTA AMOUNT: \$2,826,580
182 259 596	17/10/2018	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 182132245
182 279 363	06/11/2018	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 182121645
182 288 450	16/11/2018	CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 182119085

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE
REPRESENTED HEREIN THIS 16 DAY OF NOVEMBER ,2018



SUPPLEMENTARY INFORMATION

MUNICIPALITY: VILLAGE OF HYTHE
REFERENCE NUMBER:
062 108 134
ATS REFERENCE:
6;11;73;13;NE
TOTAL INSTRUMENTS: 013

This is Exhibit "C"
referred to in the affidavit of Jack Steenhof
sworn before me on October 25, 2019.


A Commissioner of Oaths for Ontario

PRINT NAME AND EXPIRY/LAWYER
/STUDENT-AT-LAW

Robert M. Haidle
Barrister, Solicitor & Notary
P.O. Box 6600, 13 Mississauga St. W.
Orillia, Ontario L3V 6V7
Tel (705) 325-9524 Fax (705) 325-7079

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Financial Statements
Year Ended November 30, 2016
(Unaudited)



REVIEW ENGAGEMENT REPORT

To the Shareholders of 2367147 Ontario Inc. (Operating as Days Inn Sioux Lookout)

We have reviewed the balance sheet of 2367147 Ontario Inc., (Operating as Days Inn Sioux Lookout), as at November 30, 2016 and the statements of loss, deficit and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for private enterprises.

Calgary, Alberta
July 27, 2017

HARRY TAYLOR C.A. PROFESSIONAL CORPORATION
O/A PROSPERA CHARTERED ACCOUNTANTS

#404 Willow Park Centre
10325 Bonaventure Drive S.E.
Calgary, Alberta T2J 7E4
Telephone: (403) 252-5858 Fax: (403) 259-8416 www.partnersinprosperity.ca

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Balance Sheet
November 30, 2016
(Unaudited)

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 42,630	\$ 135,329
Accounts receivable	127,416	22,266
Goods and services tax recoverable	-	155,447
Prepaid expenses	37,333	35,803
Due from shareholders (Note 7)	-	359,190
	<u>207,379</u>	<u>708,035</u>
PROPERTY AND EQUIPMENT (Note 4)	8,089,376	3,853,015
INTANGIBLE ASSETS (Note 5)	<u>24,800</u>	<u>27,900</u>
	<u>\$ 8,321,555</u>	<u>\$ 4,588,950</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 95,061	\$ 82,112
Goods and services tax payable	18,588	-
Due to related parties (Note 6)	-	501,740
Due to shareholders (Note 7)	4,383,259	5,944
	<u>4,496,908</u>	<u>589,796</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	4,380,000	4,380,000
Deficit	<u>(555,353)</u>	<u>(380,846)</u>
	<u>3,824,647</u>	<u>3,999,154</u>
	<u>\$ 8,321,555</u>	<u>\$ 4,588,950</u>
COMMITMENTS (Note 12)		
LEASE COMMITMENTS (Note 13)		

ON BEHALF OF THE BOARD

Director

Director

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Statement of Loss
For the Year Ended November 30, 2016
(Unaudited)

	2016	2015
REVENUE		
Room Revenue	\$ 953,822	\$ 612,275
Meeting Room Rental	41,824	21,192
F & B Revenue	43,705	19,768
Vending Revenue	7,003	4,082
Miscellaneous Income	4,398	1,798
	<u>1,050,752</u>	<u>659,115</u>
COST OF SALES	<u>183,958</u>	<u>103,372</u>
GROSS PROFIT	<u>866,794</u>	<u>555,743</u>
EXPENSES		
Accounting fees	12,000	-
Advertising and promotion	4,580	7,092
Amortization	272,673	195,544
Amortization of intangible assets	3,100	3,100
Credit card charges	14,368	10,139
Foreign exchange loss (gain)	3,169	3,577
Insurance	32,323	10,110
Interest and bank charges	1,684	1,691
Management fees	56,000	45,000
Memberships	1,345	1,788
Office and miscellaneous	1,745	1,317
Professional fees	-	2,810
Property taxes	112,372	115,755
Rent	-	435
Repairs and maintenance	43,692	29,018
Royalties	37,609	22,654
Salaries and wages	324,398	298,764
Supplies	4,778	6,756
Telephone	12,632	14,392
Training	7,357	5,134
Travel	7,773	2,256
Uniforms	169	2,896
Utilities	89,435	89,043
	<u>1,043,202</u>	<u>869,271</u>
LOSS FROM OPERATIONS	<u>(176,408)</u>	<u>(313,528)</u>
OTHER INCOME	<u>1,901</u>	<u>-</u>
NET LOSS	<u>\$ (174,507)</u>	<u>\$ (313,528)</u>

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Statement of Deficit
Year Ended November 30, 2016
(Unaudited)

	2016	2015
DEFICIT - BEGINNING OF YEAR	\$ (380,846)	\$ (67,318)
NET LOSS FOR THE YEAR	<u>(174,507)</u>	<u>(313,528)</u>
DEFICIT - END OF YEAR	<u>\$ (555,353)</u>	<u>\$ (380,846)</u>

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Statement of Cash Flows
Year Ended November 30, 2016
(Unaudited)

	2016	2015
OPERATING ACTIVITIES		
Cash receipts from customers	\$ 945,802	\$ 636,849
Cash paid to suppliers and employees	(938,285)	(1,397,685)
Interest received	1,901	-
Interest and bank charges paid	(1,684)	(1,687)
Goods and services tax	174,035	(31,888)
Cash flow from (used by) operating activities	181,569	(794,411)
INVESTING ACTIVITIES		
Purchase of property and equipment	(4,509,033)	(231,131)
Payment of franchise fee	-	(31,000)
Cash flow used by investing activities	(4,509,033)	(262,131)
FINANCING ACTIVITIES		
Advances from (to) related parties	(501,740)	21,946
Advances from (to) shareholders	4,736,505	(3,479,998)
Common Shares issuance	-	4,379,998
Cash flow from financing activities	4,234,765	921,946
DECREASE IN CASH FLOW	(92,699)	(134,596)
Cash - beginning of year	135,329	269,925
CASH - END OF YEAR	\$ 42,630	\$ 135,329

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Notes to Financial Statements
Year Ended November 30, 2016
(Unaudited)

1. DESCRIPTION OF BUSINESS

2367147 Ontario Inc. (the "company") is incorporated under the Business Corporations Act of Ontario. The company's principal business activity is operating a hotel as a Days Inn franchise.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for private enterprises (ASPE) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Future income taxes

Income taxes are reported using the future income taxes method, as follows: current income tax expense is the estimated income taxes payable for the current year after any refunds or the use of losses incurred in previous years, and future income taxes reflect:

- . the temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the amounts used for tax purposes;
- the benefit of unutilized tax losses that will more likely than not be realized and carried forward to future years to reduce income taxes.

Future income taxes are estimated using the rates enacted by tax law and those substantively enacted for the years in which future income taxes assets are likely to be realized, or future income tax liabilities settled. The effect of a change in tax rates on future income tax assets and liabilities is included in earnings in the period when the change is substantively enacted.

Intangible assets

Franchise fees are being amortized on a straight-line basis over ten years.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(continues)

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Notes to Financial Statements
Year Ended November 30, 2016
(Unaudited)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property and equipment

Property and equipment are stated at cost or deemed cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

Land improvements	8%	declining balance method
Buildings	4%	declining balance method
Computer equipment	55%	declining balance method
Furniture and fixtures	20%	declining balance method
Signage	20%	declining balance method

One-half of the above rates are recorded in the period of acquisition.

Revenue recognition

The company recognizes revenues from room sales and other guest services when rooms are occupied and when the services are rendered.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Land	\$ 142,910	\$ -	\$ 142,910	\$ 142,910
Land improvements	515,900	79,242	436,658	474,628
Buildings	7,801,105	345,115	7,455,990	3,182,487
Computer equipment	32,704	26,081	6,623	14,717
Furniture and fixtures	28,706	4,722	23,984	9,259
Signage	36,268	13,057	23,211	29,014
	\$ 8,557,593	\$ 468,217	\$ 8,089,376	\$ 3,853,015

The property is used as a collateral for a corporate guarantee issued by the company in connection with a bank loan obtained by Ladacor AMS Ltd., a company under common control.

5. INTANGIBLE ASSETS

	2016	2015
Franchise - cost	\$ 31,000	\$ 31,000
Accumulated amortization	(6,200)	(3,100)
	\$ 24,800	\$ 27,900

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Notes to Financial Statements
Year Ended November 30, 2016
(Unaudited)

6. RELATED PARTIES

The following is a summary of the company's related party transactions:

	<u>2016</u>	<u>2015</u>
<u>Related party transactions</u>		
1459428 Ontario Inc. (a company under common control) Engineering services	\$ -	\$ 479,794
Nomads Pipeline Consulting Inc. (a parent company) Purchase of the building	\$ 4,393,706	\$ -
	<u>\$ 4,393,706</u>	<u>\$ 479,794</u>

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

<u>Due to related parties</u>	
1459428 Ontario Inc.	<u>\$ - \$ 501,740</u>

Advances from a related company are non-interest bearing and have no set repayment terms. The company is related by common shareholders.

7. DUE TO (FROM) SHAREHOLDERS

	<u>2016</u>	<u>2015</u>
Nomads Pipeline Inc.	\$ 4,298,431	\$ 5,944
Jack Steenhoff & Associates Inc.	<u>84,828</u>	<u>(359,190)</u>
	<u>\$ 4,383,259</u>	<u>\$ (353,246)</u>

The amounts due to shareholders are non-interest bearing, have no set repayment terms.

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Notes to Financial Statements
Year Ended November 30, 2016
(Unaudited)

8. SHARE CAPITAL

Authorized:
 Unlimited Non-voting preference shares
 Unlimited Common voting shares without par value

	<u>2016</u>	<u>2015</u>
Issued:		
4,380,000 common shares	<u>\$ 4,380,000</u>	<u>\$ 4,380,000</u>

	<u>2016</u>		<u>2015</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Class A				
Shares outstanding at the beginning of the year	4,380,000	\$ 4,380,000	2	\$ 2
Issued	-	-	4,379,998	4,379,998
Shares outstanding at the end of the year	<u>4,380,000</u>	<u>\$ 4,380,000</u>	<u>4,380,000</u>	<u>\$ 4,380,000</u>

9. FINANCIAL INSTRUMENTS

The company is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the company's risk exposure and concentration as of November 30, 2016.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is exposed to credit risk from customers. In order to reduce its credit risk, the company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The company has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company is exposed to this risk mainly in respect of its corporate guarantee for a bank loan obtained by a related party and accounts payable.

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Notes to Financial Statements
Year Ended November 30, 2016
(Unaudited)

10. NON-CAPITAL TAX LOSSES CARRIED FORWARD

The company has incurred non-capital losses of \$552,165 for tax purposes which are available to reduce future taxable income. Such benefits will be recorded as an adjustment to the tax provision in the year realized. The losses will expire as follows:

2033	\$ 4,675
2034	62,735
2035	311,931
2036	<u>172,824</u>
	<u>\$ 552,165</u>

11. GOVERNMENT REMITTANCES PAYABLE OTHER THAN INCOME TAX

Government remittances (other than income taxes) include, for example, federal and provincial sales taxes, payroll taxes, and workers' safety insurance premiums. The following government remittances were payable at year end:

	<u>2016</u>
Employee deduction payable	<u>4,471</u>
GST taxes payable	<u>18,588</u>
	<u>\$ 23,059</u>

12. COMMITMENTS

The company has commitments for the following contracts:

1. Days Inn; for fees related to franchise agreement such as reservation system fees, loyalty program fees, customer care fees and other fees. The duration of the contract is 10 years with a renewal option.
 2. Liberty Hospitality Management; for hotel operation management services. The duration of the contract is 5 years with an option to renew. The fee for the services is \$45,000 per year, payable in equal monthly installments plus 1% of the equity in the company per annum which is earned upon the satisfactory performance of the management services for each year.
-

2367147 ONTARIO INC.
(Operating as Days Inn Sioux Lookout)
Notes to Financial Statements
Year Ended November 30, 2016
(Unaudited)

13. LEASE COMMITMENTS

The company entered into a lease agreement with Nomads Pipeline Consulting Ltd.d (a shareholder) with respect to its building. The lease term is from December 9, 2014 to December 31, 2016. The annual rent for the term of the lease is \$96,000, plus applicable tax. The lease contains renewal options and provides for payment of utilities, property taxes, and maintenance costs to be paid by the company. Nomads provided a lease holiday from the start of the lease to December 31, 2015, with a possibility to be extended on a month-to-month basis to a maximum lease holiday period to December 31, 2016. On April 30, 2016 this lease was terminated and the building was acquired by the company for approximately \$4.4 million.

14. SUBSEQUENT EVENTS

In connection with a \$5,050,000 bank credit facilities obtained in July 2017, by Ladacor AMS Ltd., a company under common control, the company issued a corporate guarantee supported by first position of all present and after acquired personal property General Security Agreement and collateral mortgage in the amount of \$5,000,000 registered over the property of the company.

The company is in a negotiation stage to terminate the contract with Liberty Hospitality Management, in part due to poor performance. Liberty Hospitality Management is currently seeking compensation for work done in lieu of shares as stipulated in the contract.

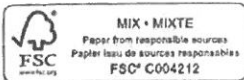
This is Exhibit "D"
referred to in the affidavit of Jack Steenhof
sworn before me on October 25, 2019.



A Commissioner of Oaths for Ontario

PRINT NAME AND EXPIRY/LAWYER
/STUDENT-AT-LAW

Robert M. Haidle
Barrister, Solicitor & Notary
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Tel: 1-866-222-3456
TTY: 1-800-361-1180

1459428 ONTARIO INC
O/A STEENHOF BUILDING SERVICES GROUP
126 MISSISSAGA ST E
ORILLIA ON L3V 1V7

Statement of Account		Account Type	Statement From - To	
Branch No.	Account No.	BUSINESS CHEQUING ACCOUNT - CAD EVERY DAY B	JUN 30/16 - JUL 29/16	
0596			Page 2 of 4	
DESCRIPTION	CHEQUE/DEBIT	DEPOSIT/CREDIT	DATE	BALANCE
NOMADS PIPELINE AP WIRE TO CUSTOMER	444,097.80	501,740.12	JUL 29 JUL 29 JUL 29	
5 CHQS ENCLOSED NEXT STATEMENT DATE IS AUG 31/16			No.	Amount
MONTHLY AVER. CR. BAL.			Credits	10
MONTHLY MIN. BAL.			Debits	13
DEP CONTENT- CASH 0 ITEMS 0 UNC BATCH 0				

Please ensure that you report in writing any errors or irregularities found within this statement within 30 days of the statement date. If you do not, the statement of account shall be conclusively deemed correct except for any amount credited to the account in error.

Accounts issued by: THE CANADA TRUST COMPANY

JTA0564561-0019756-06845