THIS IS EXHIBIT "**K**" TO THE AFFIDAVIT OF **GARY IVANY** SWORN THIS 23RD DAY OF NOVEMBER, 2018.

A Commissioner for taking affidavits

COLLATERAL ASSIGNMENT OF AGREEMENTS

THIS COLLATERAL ASSIGNMENT OF AGREEMENTS (as amended, modified, supplemented, restated or replaced from time to time, this "Assignment Agreement"), dated as of November 17, 2015, made by DME LIMITED PARTNERSHIP, a limited partnership existing under the laws of the Province of Prince Edward Island (together with any successor(s) and permitted assigns, the "Assignor"), in favour of ROYAL BANK OF CANADA, as administrative agent under the Credit Agreement (as defined below) (together with any successor(s) thereto in such capacity, the "Agent") for the Lender Parties (as defined below).

WITNESSETH:

WHEREAS pursuant to a credit agreement dated as of November 17, 2015 (together with all amendments, modifications, supplements, restatements or replacements, if any, from time to time thereafter made thereto, the "Credit Agreement"), among the Agent, the various financial institutions party thereto from time to time, as lenders (each a "Lender" and collectively the "Lenders" and together with their Affiliates, the Agent and each of their respective successors and assigns, the "Lender Parties"), and the Assignor, as borrower, the Lenders have extended Commitments to make Advances to the Assignor;

AND WHEREAS the Assignor has entered into the agreements as set out in Schedule A (together with all amendments, modifications, supplements, restatements or replacements, if any, from time to time thereafter made thereto, the "Agreements");

AND WHEREAS, as a condition precedent to the making of Advances under the Credit Agreement, the Assignor is required to execute and deliver this Assignment Agreement as continuing collateral security;

AND WHEREAS the Assignor has duly authorized the execution, delivery and performance of this Assignment Agreement;

NOW THEREFORE for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, and in order to induce the Lenders to make Advances to the Assignor pursuant to the Credit Agreement, the Assignor agrees, for the benefit of each Lender Party, as follows:

ARTICLE 1 - DEFINITIONS

1.01 <u>Certain Terms</u>. The following terms when used in this Assignment Agreement, including its preamble and recitals, shall have the following meanings (such definitions to be equally applicable to the singular and plural forms thereof):

"Agent" is defined in the preamble.

"Agreements" is defined in the recitals.

"Assignment Agreement" is defined in the preamble.

"Assignor" is defined in the preamble.

"Credit Agreement" is defined in the first recital.

"Lender Parties" is defined in the first recital, and "Lender Party" means any one of them.

"Obligations" means all of the present and future indebtedness, liabilities and obligations of the Assignor of any and every kind, nature or description whatsoever (whether direct or indirect, joint or several or joint and several, absolute or contingent, matured or unmatured, in any currency, and whether as principal debtor, guarantor, surety or otherwise, including without limitation any interest that accrues thereon after or would accrue thereon but for the commencement of any case, proceeding or other action, whether voluntary or involuntary, relating to the bankruptcy, insolvency or reorganization of the Assignor, whether or not allowed or allowable as a claim in any such case, proceeding or other action) to the Lender Parties under, in connection with, relating to or with respect to each of the Loan Documents and any and all Hedge Arrangements and Service Agreements, and any unpaid balance thereof.

- 1.02 <u>Credit Agreement Definitions</u>. Unless otherwise defined herein or the context otherwise requires, capitalized terms used in this Assignment Agreement, including its preamble and recitals, have the meanings ascribed thereto in the Credit Agreement.
- 1.03 <u>PPSA Definitions</u>. Unless otherwise defined herein or in the Credit Agreement or the context otherwise requires, terms for which meanings are provided in the *Personal Property Security Act* (Prince Edward Island) are used in this Assignment Agreement, including its preamble and recitals, with such meanings.

ARTICLE 2 - ASSIGNMENT, ETC.

- Assignment. Upon and subject to the terms, conditions and provisions herein contained, the Assignor hereby unconditionally and irrevocably grants, as a general and continuing security for the payment and performance of the Obligations, a security interest in and assigns, transfers and sets over to and in favour of the Agent for its own benefit and for the benefit of the other Lender Parties, as and by way of a fixed and specific assignment and security interest in all of its right, title, estate and interest in, to, under and in respect of:
 - (a) the Agreements, and all benefits, powers and advantages of the Assignor to be derived therefrom and all covenants, obligations and agreements of the parties thereunder and otherwise to enforce the rights of the Assignor thereunder in the name of the Assignor;
 - (b) all deeds, documents, writings, papers, books, books of account and other records relating to the Agreements;
 - (c) all revenues and other moneys now due and payable or hereafter to become due and payable to the Assignor thereunder or in connection therewith by the other parties to

the Agreements or receivable by the Assignor pursuant to or in connection with the Agreements; and

(d) the benefit of any guarantees or indemnities relating to any of the foregoing,

and in, to and under all amendments, modifications, extensions and replacements of the foregoing, to be held by the Agent for the benefit of the Lender Parties as general and continuing security for the payment and satisfaction of all Obligations of the Assignor whether for principal, interest, costs, fees, expenses or otherwise; provided, however, that if the assignment by the Assignor hereunder of the/an Agreements, (i) requires the consent of any Person which has not been obtained, (ii) requires the Agent to provide any notice or acknowledgement to the other party to the Agreements in order for such assignment to take place, or (iii) would result in a breach by the Assignor of such Agreements or termination thereof, then such Agreements will be held in trust by the Assignor for the benefit of the Lender Parties, and on the exercise by the Lender Parties of any of their rights under this Assignment Agreement, will be assigned by the Assignor as directed by the Agent.

- 2.02 <u>Performance of Obligations</u>. The Assignor covenants to observe in all material respects and where reasonable to it in its determination enforce the terms, covenants, conditions and obligations to be observed and enforced by the Assignor pursuant to the Agreements.
- 2.03 <u>Attachment.</u> The Assignor hereby acknowledges and agrees that value has been given, that the Assignor has rights in the Agreements and that the security interest granted hereby will attach when the Assignor signs and delivers this Assignment Agreement.
- No Liability. Nothing herein contained shall render any of the Lender Parties, their respective agents, directors, officers, employees or any other Persons for whom such Lender Party is at 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 thereto, of the Assignor under the Agreements. Notwithstanding the foregoing, the Assignor hereby indemnifies and agrees to save and hold harmless the Lender Parties, their respective agents, directors, officers and employees (any one, an "Indemnified Party") from and against any and all claims, demands, actions, causes of action, losses, suits, damages and costs (collectively, the "Claims") whatsoever of any Person arising directly or indirectly from or out of the Agreements, save and except for any Claims arising from the gross negligence or wilful misconduct of any Indemnified Party.
- 2.05 Notice; Registration. The Agent shall have the right to serve this Assignment Agreement or notice thereof on any party to the Agreements.
- 2.06 Performance Until Default and Attorney of the Assignor. The Assignor hereby irrevocably appoints the Agent the Assignor's attorney-in-fact and agent, with full authority in the place and stead of the Assignor and in the name of the Assignor or otherwise, from time to time in the Agent's discretion, to take any action and to execute any instrument which the Agent may reasonably deem necessary or advisable to accomplish the purposes of this Assignment Agreement, including without limitation, (i) to exercise any of the rights, powers, authority

and discretions which, under the terms of the Agreements, could be exercised by the Assignor with respect thereto, (ii) 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 the Agreements, (iii) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper, in connection with clause (ii), and (iv) to file any claims or take any action or institute any proceedings which the Agent may deem necessary or desirable for the collection of any amounts payable under the Agreements or otherwise to enforce the rights of the Assignor and the Lender Parties with respect to the Agreements, all of which is consented to by the Assignor; provided, that the power or authority granted under the power of attorney granted pursuant to this Section shall not be exercisable unless an Event of Default has occurred and is continuing. The Assignor hereby acknowledges, consents and agrees that the power of attorney granted pursuant to this Section is (until termination of the security interest granted hereunder upon the payment and satisfaction in full of all Obligations and the termination of all Commitments) irrevocable and coupled with an interest.

- 2.07 Dealing with the Agreements. Subject to the rights of the Agent herein and in any other Loan Document, except during the existence of an Event of Default, the Assignor shall be entitled to deal with the Agreements and to enforce all of the benefits, advantages and power thereunder and to collect and receive all monies payable to the Assignor under or in connection with the Agreements in the ordinary course of its business and the other parties to the Agreements shall be entitled to deal solely with the Assignor with respect to all matters relating to the Agreements, all as though this Assignment Agreement had not been made (subject to any irrevocable direction given in respect of any such monies and provided that all such monies received by the Assignor will continue to be subject to the security interest, assignment and transfer granted hereby and provided further that all money received by the Assignor pursuant to the Agreements during the existence of an Event of Default will be received as trustee for the Lender Parties and must be held separate and apart from other money of the Assignor and must be paid over to the Agent upon request) and to enforce all of the benefits, advantages and powers thereunder as though this Assignment Agreement had not been made.
- 2.08 <u>Termination, Surrender, Alteration, Etc.</u> Without the prior written consent of the Agent, the Assignor covenants and agrees that it shall not nor shall it agree at any time to (i) terminate, forfeit or cancel the Agreements, (ii) amend or modify the Agreements in any material respect that would be adverse to the Lender Parties, (iii) waive any failure of any party thereto to perform any material obligation thereunder that would be adverse to the Lender Parties, or (iv) suffer or permit anything allowing any party to terminate the Agreements.
- 2.09 <u>Assignment, Pledging, Encumbrance.</u> The Assignor covenants and agrees that it will not at any time during the term of this Assignment Agreement assign, pledge or encumber the Agreements, other than to the Agent or other than as permitted under the Credit Agreement.

ARTICLE 3 - REPRESENTATIONS AND COVENANTS

- 3.01 <u>Representations</u>. The Assignor represents and warrants to each Lender Party that:
 - (a) the Assignor has provided the Agent with true and complete copies of the Agreements;
 - (b) the Agreements are valid and subsisting agreements, in full force and effect and, as of the date hereof, unmodified and there are no defaults thereunder by the Assignor or, to the knowledge of the Assignor, any other party thereto;
 - (c) as at the date hereof, the Agreements constitute the entire agreement between the Assignor and each of the other parties thereto in respect of the matters contemplated therein; and
 - (d) it has not granted to any other person (other than to or for the benefit of the Lender Parties or as permitted under the Credit Agreement) rights in respect of the Agreements which is to the same effect as any of the rights granted herein.
- 3.02 <u>Further Assurances</u>. The Assignor hereby covenants and agrees with the Agent that 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 Agent for more effectually implementing and carrying out the true intent and meaning of this Assignment Agreement.
- 3.03 <u>Notice of Default/ Amendment.</u> The Assignor shall provide notice to the Agent of any material default under the Agreements and shall deliver copies of any amendment to the Agreements to the Agent.

ARTICLE 4 - DEFAULT

- 4.01 Rights of Agent Upon a Default. Whenever an Event of Default shall have occurred and is continuing under the Credit Agreement, without limiting the rights of the Agent under or pursuant to this Assignment Agreement, the Credit Agreement, any other Loan Document or any other security provided by the Assignor to the Agent pursuant to or in connection with the Credit Agreement or otherwise provided by Applicable Law, the Agent shall be entitled and shall have the authority by itself or through its agents (including, without limitation, any receiver or receiver and manager):
 - (a) to renew, amend or otherwise deal with (including without limitation, the authority to demand, sue for, recover, receive and give receipts for all revenue or other moneys in connection with) the Agreements on such terms as it may deem appropriate;
 - (b) to perform, at the Assignor's expense any and all obligations or covenants of the Assignor under the Agreements and to enforce performance by the other party to the Agreements of its respective obligations, covenants and agreements thereunder;

- (c) without limiting the generality of Section 4.01(a) hereof, to deal with the Agreements to the same extent as the Assignor could do;
- (d) to take possession of and collect any amounts which may become payable to the Assignor in respect of the Agreements and pay therefrom all reasonable expenses and charges, the payment of which may be necessary to preserve and protect the Agreements;
- (e) to sell, either by public or private sale, or otherwise dispose of the Agreements in such manner, upon such terms and conditions, for such consideration and at such time as the Agent may deem expedient and without notice to the Assignor except as required by Applicable Law and without any liability for any loss resulting therefrom;
- (f) to apply any monies received by it in accordance with the terms hereof against the Obligations in any manner contemplated under the Credit Agreement the whole without prejudice to the Lender Parties' claim or claims of or for any deficiency in respect thereof; and
- (g) to compound, compromise, grant extensions, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the parties to the Agreements and others, and with the Agreements and other securities as the Agent may see fit, without prejudice to the liability of the Assignor or to the Agent's rights to hold and realize upon the Agreements,

the whole without any liability or responsibility of any kind on the part of any of the Lender Parties or their respective agents.

- 4.02 <u>Exercise of Powers</u>. Where any discretionary powers hereunder are vested in the Agent, the same may be exercised by an officer or manager of the Agent or its appointed agents, as the case may be, including, without limitation, any receiver or receiver and manager.
- 4.03 <u>Dealing with Agreements.</u> The Agent shall not be obliged to exhaust its recourse against the Assignor or any other Person or Persons or against any other security the Assignor may hold in respect of the Obligations before realizing upon or otherwise dealing with the Agreements in such manner as the Agent may consider desirable at any time when this Assignment Agreement shall have become and remain enforceable.

ARTICLE 5 - GENERAL

- 5.01 No Release. This Assignment Agreement shall remain in full force and effect without regard to, and the obligations of the Assignor shall not be affected or impaired by:
 - (a) any amendment, modification, replacement of or addition or supplement to the Credit Agreement, any other Loan Document or any other security provided to any of the Lender Parties;

- (b) any exercise or non-exercise of any right, remedy, power or privilege in respect of this Assignment Agreement, the Credit Agreement, any other Loan Document or any other security provided to any of the Lender Parties;
- (c) any waiver, consent, extension, indulgence or other action, inaction or admission under or in respect of this Assignment Agreement, the Credit Agreement, any other Loan Document or any other security provided to any of the Lender Parties;
- (d) any default by the Assignor under, or any invalidity or unenforceability of, or 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 Credit Agreement, any other Loan Document or any other security provided to any of the Lender Parties;
- (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.
- 5.02 No Partnership. Nothing herein contained shall be deemed or construed by the parties hereto or by any third party as creating the relationship of partnership or of joint venture among the Assignor and the Lender Parties, it being understood and agreed that none of the provisions herein contained or any acts of any of the Lender Parties or of the Assignor shall be deemed to create any relationship between any of the Lender Parties and the Assignor other than the relationship of assignee and assignor.
- Sights and Remedies Cumulative. The rights and remedies given to the Agent hereunder shall be cumulative of and not substituted for any rights or remedies to which the Agent may be entitled under the Credit Agreement, any other Loan Document or any other security provided to the Agent pursuant to or in connection with any of the foregoing or at law and may be exercised whether or not any of the Agent has pursued or is then pursuing any other such rights and remedies. Nothing in this Assignment Agreement shall curtail or limit the remedies of the Agent as permitted either by Applicable 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 Agent under this Assignment Agreement, the Credit Agreement, any other Loan Document or any other security provided to the Agent pursuant to or in connection with any of the foregoing.
- 5.04 <u>Time of Essence</u>. Time shall be of the essence of this Assignment Agreement.
- 5.05 Waiver. No consent or waiver, express or implied, by the Agent to or of any breach or default by the Assignor in 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 the Assignor hereunder. Failure on the part of the Agent 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 Agent of its rights hereunder.

ARTICLE 6 - MISCELLANEOUS PROVISIONS

- 6.01 <u>Document</u>. This Assignment Agreement is a Loan Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof.
- Amendments, etc. No amendment to or waiver of any provision of this Assignment Agreement nor consent to any departure by the Assignor herefrom shall in any event be effective unless the same shall be in writing and signed by the Agent, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it is given.
- 6.03 Protection of Collateral. The Agent may from time to time, at its option, perform any act which the Assignor agrees hereunder to perform and which the Assignor shall fail to perform after being requested in writing so to perform (it being understood that no such request need be given after the occurrence and during the continuance of an Event of Default) and the Agent may from time to time take any other action which the Agent reasonably deems necessary for the maintenance, preservation or protection of any of the assigned rights or of its security interest therein.
- 6.04 Addresses for Notices. Any notice or communication to be given under this Assignment Agreement to the Agent or the Assignor shall be effective if given in accordance with the provisions of the Credit Agreement as to the giving of notice to each and the Agent and the Assignor may change their respective address for notices in accordance with the said provisions.
- 6.05 <u>Section Captions</u>. Section captions used in this Assignment Agreement are for convenience of reference only, and shall not affect the construction of this Assignment Agreement.
- 6.06 Severability. Wherever possible, each provision of this Assignment Agreement shall be interpreted in such manner as to be effective and valid under Applicable Law, but if any provision of this Assignment Agreement shall be prohibited by or invalid under such 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 Assignment Agreement.
- 6.07 Conflicts. In the event of any conflict or inconsistency between the provisions hereunder and the provisions of the Credit Agreement then, notwithstanding anything contained herein, the provisions contained in the Credit Agreement shall prevail and the provisions of this Assignment Agreement will be deemed to be amended to the extent necessary to eliminate such conflict or inconsistency. If any act or omission of the Assignor is expressly permitted under the Credit Agreement but is expressly prohibited hereunder, such act or omission shall be permitted. If any act or omission is expressly prohibited hereunder, but the Credit Agreement does not expressly permit such act or omission, or if any act is expressly required to be performed hereunder but the Credit Agreement does not expressly relieve the Assignor

- from such performance, such fact shall not constitute a conflict or inconsistency between the applicable provisions hereunder and the provisions of the Credit Agreement.
- 6.08 Governing Law, Entire Agreement, etc. This Assignment Agreement shall be governed by and construed in accordance with the internal laws of the Province of Prince Edward Island and the federal laws of Canada applicable therein. Subject to and without limiting in any way the provisions regarding the paramountcy of the Credit Agreement in section 6.07 above, this Assignment Agreement and the other Loan Documents constitute the entire understanding among the parties hereto with respect to the subject matter hereof and supersede any prior agreements, written or oral, with respect thereto.
- Assignment. This Assignment Agreement shall enure to the benefit of and be binding upon each of the Lender Parties and their respective successors and permitted assigns and the Assignor and its successors and assigns; provided that the Assignor shall not have the right to assign its obligations hereunder and the Lender Parties may only assign their rights, title and interest in, to and arising under this Assignment Agreement in accordance with the provisions of the Credit Agreement concerning assignments and participations.
- 6.10 Additional Continuing Security. This Assignment Agreement and the assignment granted hereby are in addition to and not in substitution for any other security now or hereafter held by the Agent and this Assignment Agreement is a continuing agreement and security that will remain in full force and effect until discharged by the Agent.
- 6.11 <u>Discharge.</u> The Assignor will not be discharged from any of the Obligations or from this Assignment Agreement except by a release or discharge signed in writing by the Agent, at the Assignor's expense, which shall be provided promptly after the Obligations are paid in full, and not to be unreasonably withheld.
- 6.12 <u>Executed Copy.</u> The Assignor acknowledges receipt of a fully executed copy of this Assignment Agreement.
- 6.13 <u>Waiver.</u> The Assignor waives all rights to receive from the Agent a copy of any financing statement, financing charge statement or verification statement filed at any time in respect of this Assignment Agreement.
- 6.14 <u>Execution</u>. This Assignment Agreement may be executed and delivered by facsimile or PDF transmission and the parties hereto may rely upon all such facsimile or PDF signatures as though such facsimile or PDF signatures were original signatures.

[Signature page follows]

IN WITNESS WHEREOF the Assignor has duly executed this Assignment Agreement on the date first written above.

> DME LIMITED PARTNERSHIP, by its general partner,
>
> DME GENERAL PARTNER INC.

Ву

SCHEDULE A

AGREEMENTS

Asset purchase agreement dated as of November 3, 2015 among the Assignor, as purchaser, and Diversified Metal Engineering Ltd., as vendor.

Non-competition, non-solicitation and confidentiality agreement dated as of the date hereof betwen the Assignor and Peter Toombs.