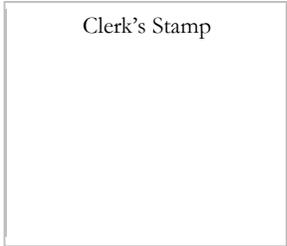


COURT FILE NO. 1801-04745
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF HILLSBORO VENTURES INC.
DEFENDANT CEANA DEVELOPMENT SUNRIDGE INC.



IN THE MATTER OF THE RECEIVERSHIP OF
CEANA DEVELOPMENT SUNRIDGE INC.

APPLICANT ALVAREZ & MARSAL CANADA INC. in its
capacity as Court-appointed Receiver and Manager
of the assets, undertakings, and properties of
CEANA DEVELOPMENT SUNRIDGE INC.

DOCUMENT **ORDER FOR FINAL DISTRIBUTION,
APPROVAL OF RECEIVER'S FEES AND
DISBURSEMENTS, and APPROVAL OF
RECEIVER'S ACTIVITIES AND
DISCHARGE OF RECEIVER**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT
Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 39108-2003

DATE UPON WHICH ORDER WAS PRONOUNCED: July 7, 2021
NAME OF JUSTICE WHO MADE THIS ORDER: Honourable Justice B.E.C. Romaine
LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION by Alvarez & Marsal Canada Inc., in its capacity as Court-appointed receiver and manager (the “**Receiver**”) of the undertaking, property and assets of Ceana Development Sunridge Inc. (the “**Debtor**”) for an Order for the final distribution of proceeds, approval of the Receiver’s fees and disbursements, approval of the Receiver’s activities and discharge of the Receiver; **AND UPON** having read

the Receiver's Eighth Report dated June 28, 2021 (the "**Eighth Report**"); **AND UPON** hearing counsel for the Receiver, counsel for the Debtor, counsel for Hillsboro Ventures Inc. ("**Hillsboro**"), counsel for Connect First Credit Union Ltd. ("**Connect First**"), and counsel for various stakeholders, creditors, and from any other interested parties who may be present; **AND UPON** being satisfied that it is appropriate to do so;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

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

ACTIVITIES, FEES AND DISBURSEMENTS OF THE RECEIVER

2. The Receiver's accounts for fees and disbursements, as set out in the Eighth Report, including the estimated Forecast Receipts and Disbursements (as defined in the Eighth Report), are hereby approved without the necessity of a formal passing of its accounts.
3. The accounts of the Receiver's legal counsel, Torys LLP, for its fees and disbursements, as set out in the Eighth Report, including the estimated Forecast Receipts and Disbursements are hereby approved without the necessity of a formal assessment of its accounts.
4. The Receiver's activities as set out in the Eighth Report and in all of its other reports filed herein, and the Statement of Receipts and Disbursements as attached to the Eighth Report, are hereby ratified and approved.
5. Should the GST Credits (particulars of which are set forth in the Eighth Report, and for certainty, which have been estimated to be approximately \$238,000) not be collected by the Receiver by August 31, 2021, Hillsboro is hereby directed, in accordance with the January 14, 2021 Hillsboro Order – Sale to Plaintiff and Vesting granted by Justice Madam Justice K. Eidsvik (specifically, paragraph 10(a) of the noted Order, which provides that the cash in the amount of \$3,000,000 (Closing Cash) was to be tendered by Hillsboro into escrow, for the purposes of assurance of payment of, *inter alia*, the Receiver's final fees, costs and those of its legal counsel) to pay \$25,000 to the Receiver as partial payment for the Receiver's fees and disbursements. To the extent a GST Credit is received after August 31, 2021, after payment of any of the outstanding fees and disbursements of the Receiver, in priority, Hillsboro will be reimbursed all or a portion of the \$25,000, as applicable, and any remaining funds will be distributed to Connect First. For certainty, should the GST Credit not be received for any reason, this Order does not in any way limit Hillsboro's obligations pursuant to paragraph 10(a) of the January 14, 2021 Hillsboro Order – Sale to Plaintiff and Vesting.

DISBTRIBUTION OF FUNDS

6. Subject to paragraph 5 above and confirmation of the actual costs, fees, expenses and disbursements incurred, the Receiver is authorized and directed to make the following distributions:

- (a) actual professional fees and costs totalling approximately \$53,000, for the Receiver and its legal counsel, in the approximate amounts of \$21,000, and \$32,000, respectively, for the period from June 1, 2021 to June 27, 2021;
 - (b) forecast professional fees and disbursements of the Receiver and its counsel of approximately \$30,000 to complete the administration of the Receivership Proceedings (which includes the estimated Forecast Receipts and Disbursements from June 28, 2021 and onwards);
 - (c) payment to the Receiver's tax consultant of \$10,000 in order to file the outstanding 2018, 2019 and 2020 tax returns;
 - (d) filing and administration costs of \$5,000;
 - (e) contingency for any unknown and unanticipated costs of \$10,000; and
 - (f) should there be any available funds after the above noted distributions, all remaining funds will be distributed to Connect First.
7. For certainty, should the "actual" costs, fees, expenses and disbursements noted above in paragraph 6 differ from those noted, then the distribution of such amounts are hereby approved and ratified.

LIABILITY & RELEASE

8. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any fraud, gross negligence or wilful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
9. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver, and upon such terms as this Court may direct.
10. The Receiver is hereby fully and irrevocably forever released and discharged from any and all liability that the Receiver now has or may hereafter have, by reason of, or in any way arising out of, the acts or omissions of the Receiver while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the part of the Receiver.

DISCHARGE OF THE RECEIVER

11. Upon the Receiver filing with the Clerk of the Court a sworn Affidavit of a licensed Trustee, substantially in the form attached hereto as Schedule "A", employed by the Receiver confirming that:
 - a. all matters set out in paragraph 6 of this Order have been completed; and
 - b. all matters set out in Eighth Report have been completed,

then the Receiver shall be discharged as Receiver of the Debtor, provided however, that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of

such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.

MISCELLANEOUS

12. This Order must be served only upon those interested parties attending or represented at the within Application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
13. Prior to the Receiver's destruction of any of the Debtor's remaining books and records (the "**Records**") due to the Receiver not specifically requiring same for its purposes, the Receiver shall give 30 days notice to the Debtor's former directors and officers of its intention to destroy the Records. The Debtor's former directors and officers shall then have 30 days to make appropriate arrangements with the Receiver to physically take possession of the Records, at their sole cost and expense. In the event that the Debtor's former directors and officers do not exercise their option to obtain the Records, the Receiver is hereby authorized to have all of the Records destroyed 60 days after giving notice as set out and described above.
14. This Order shall have full force and effect in all Provinces and Territories in Canada, outside Canada and against all Persons against whom it may be enforceable.
15. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
16. Notwithstanding the discharge of the Receiver, the Receiver is hereby granted leave to apply to this Court for such further advice, direction or assistance as may be necessary to give effect to the terms of this Order.
17. Service of this Order on any party not attending this Application is hereby dispensed with.

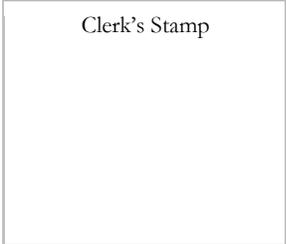
Justice of the Court of Queen's Bench of Alberta

Schedule "A"

AFFIDAVIT

(Confirming Discharge of Receiver)

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COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF HILLSBORO VENTURES INC.
DEFENDANT CEANA DEVELOPMENT SUNRIDGE INC.



IN THE MATTER OF THE RECEIVERSHIP
OF CEANA DEVELOPMENT SUNRIDGE
INC.

APPLICANT ALVAREZ & MARSAL CANADA INC. in its
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(Confirming Discharge of Receiver)

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Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 39108-2003

AFFIDAVIT OF OREST KONOWALCHUK
Sworn on ■, 2021

I, Orest Konowalchuk, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am a Licenced Insolvency Trustee, and a Senior Vice President with Alvarez & Marsal Canada Inc., which is the Court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of Ceana Development Sunridge Inc. (the “**Debtor**”).
2. Pursuant to the Order granted by the Honourable Madam Justice B.E.C. Romaine of the Court of Queen’s Bench of Alberta (the “**Court**”) dated June 17, 2020, Alvarez & Marsal Canada Inc. was appointed as the Receiver over the assets, undertakings and properties of the Debtor.
3. Pursuant to an Order (Final Distribution, the Approval of the Receiver’s Activities, Fees and Disbursements, and the Receiver’s Discharge) granted by Madam Justice B.E.C. Romaine dated July 7, 2021 (the “**Discharge Order**”), the Court approved the discharge of the Receiver, subject to the filing an Affidavit in the within form confirming that the Receiver had completed certain other administrative activities required to complete its administration of the Debtors’ receivership proceedings.
4. This will confirm that the Receiver has completed all other activities required to complete its administration of the Debtors’ receivership proceedings, including, without limitation, all matters set out in paragraph 6 of the Discharge Order and the Eighth Report.
5. I make this Affidavit further to the requirements of the Discharge Order, and understand that upon the filing of this Affidavit, Alvarez & Marsal Canada Inc. will be fully and finally discharged from its capacity as the Receiver of the Debtor.
6. Due to the circumstances of the COVID-19 pandemic, I am unable to be physically present to swear in this affidavit. I, however, was linked by way of video technology to the Commissioner for Oaths (“**Commissioner**”) notarizing this document. The following steps have been or will be taken by the Commissioner or me:

