

AKE COURT FILE
NUMBER

2401 11824

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF/
APPLICANT

CANADIAN IMPERIAL BANK OF
COMMERCE

DEFENDANTS/
RESPONDENTS

KORITE INTERNATIONAL LIMITED
PARTNERSHIP AND KORITE
INTERNATIONAL GP INC.

DOCUMENT

**APPLICATION FOR RECEIVER,
APPROVAL AND VESTING
ORDER, RESTRICTED COURT
ACCESS ORDER AND
DISCHARGE OF RECEIVER AND
RELATED RELIEF**

(COMMERCIAL LIST)

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY FILING
THIS DOCUMENT

Ryan Laity/Jennifer Pepper
Borden Ladner Gervais LLP
1900, 520 – 3rd Avenue SW
Calgary, AB T2P 0R3
Telephone: (604) 632-3544/ (604) 640-4106
Email: rlaity@blg.com/ jpepper@blg.com
File No. 500007/005947



C81525

NOTICE TO: THE SERVICE LIST ATTACHED AS SCHEDULE "A"

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date	September 5, 2024
Time	2:00 p.m.
Where	Calgary Courts Centre (via WebEx Video Conference) https://albertacourts.webex.com/meet/virtual.courtroom60
Before Whom	The Honourable Justice K.M. Horner

Go to the end of this document to see what else you can do and when you must do it.

REMEDY CLAIMED OR SOUGHT:

1. The Plaintiff/Applicant, Canadian Imperial Bank of Commerce (“**CIBC**”), seeks:
 - (a) a Receivership Order (the “**Receivership Order**”) substantially in the form attached hereto as **Schedule “B”** for, *inter alia*, the following relief:
 - (i) a declaration of service of this Application (and all supporting materials) to be good and sufficient, and abridging the time for notice of this Application to the time actually given, if necessary;
 - (ii) the appointment of KSV Restructuring Inc. (“**KSV**”) as the receiver, without security (the “**Receiver**”) of the Defendants, Korite International Limited Partnership (“**Korite LP**”) and its general partner, Korite International GP Inc. (the “**General Partner**” and, together with Korite LP, the “**Debtors**”);
 - (iii) an authorization for KSV, as Receiver, to bankrupt the Debtors, at its discretion; and
 - (iv) costs of this Application on a solicitor-and-own-client, full indemnity basis;
 - (b) an Approval and Vesting Order (the “**Approval and Vesting Order**”) substantially in the form attached hereto as **Schedule “C”** for, *inter alia*, the following relief:
 - (i) an approval of the proposed sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement, between Korite LP and Buffalo Rock Mining Co. Ltd. (the “**Purchaser**”) dated August 23, 2024 (the “**Asset Purchase Agreement**”);
 - (ii) the vesting of all the Debtors’ rights, title and interest in and to the purchased assets under the Asset Purchase Agreement, in the name of the Purchaser, free and clear of all claims, subject only to permitted encumbrances; and
 - (iii) an authorization and direction for Korite LP, or the proposed Receiver on behalf of Korite LP, to take such further steps, as necessary, to complete the Transaction;

- (c) a Restricted Court Access Order (the “**Restricted Court Access Order**”) substantially in the form attached hereto as **Schedule “D”**, *inter alia*, sealing three confidential exhibits (the “**Confidential Exhibits**”) attached to the proposed Receiver’s report, filed on or about August 26, 2024 (the “**Proposed Receiver’s Report**”);
- (d) an Order Discharging the Receiver and Related Relief (the “**Discharge Order**”) substantially in the form attached hereto as **Schedule “E”** for, *inter alia*, the following relief:
 - (i) an approval and ratification of the proposed Receiver’s activities and the authorization and direction of the proposed Receiver to complete the Concluding Activities (as defined and described below);
 - (ii) the conditional discharge of KSV as Receiver of the Debtors, effective upon the Receiver filing a certificate confirming that the proposed Receiver has satisfied all of its obligations under and pursuant to the terms of the Orders granted in the within proceedings;
 - (iii) the releasing and holding of the proposed Receiver harmless from any and all actions or claims in any way connected with the performance of its duties and activities in the within proceedings, except those occurring as a result of fraud, gross negligence or wilful misconduct; and
 - (iv) permitting the Receiver to distribute the net proceeds of sale from the Transaction to CIBC (as senior secured creditor of the Debtors), subject to any holdbacks necessary to administer the receivership estate; and
- (e) such further and other relief as counsel may advise and this Honourable Court may deem just and appropriate.

GROUNDINGS FOR MAKING THIS APPLICATION:

I. Background

The Loan and the Security

2. Korite LP operates an independent production and distribution company focused on the mining and refining of ammolite gemstones and ammonite fossils, the finishing of ammolite gemstones into

jewelry and ammonite fossils into finished specimens, and the sale of these products to both wholesale distributors and end users.

3. CIBC provided credit facilities (collectively, the “**Loans**”) to Korite LP pursuant to a credit agreement dated as of December 18, 2020, as amended by the first amending agreement dated as of January 28, 2021, the second amending agreement dated as of July 10, 2023, and the third amending agreement dated as of December 18, 2023 (collectively, the “**Credit Agreement**”).
4. The Loans made available to Korite LP included (i) a senior secured revolving credit facility (including a letter of credit sub facility), (ii) a senior secured term loan facility, and (iii) a secured demand term loan facility.
5. Korite LP has failed to repay the Loans on or before March 31, 2024 (the “**Maturity Date**”), being the maturity date, as amended, under the Credit Agreement.
6. Pursuant to the terms and conditions of the Credit Agreement, the General Partner granted an unlimited guarantee whereby the General Partner guaranteed all of the debts owed by Korite LP to CIBC (the “**Guarantee**”).
7. Among other things, the Loan and the Guarantee are secured by:
 - (a) a debenture in the principal secured amount of \$8,750,000 (the “**Debenture**”), granted by Korite LP encumbering certain mineral agreements and mineral rights in connection with the Lands (as defined in **Schedule “F”** hereto); and
 - (b) general security agreements (together, the “**Security Agreements**”), granted by each of the Debtors, pursuant to which the Debtors each granted CIBC a security interest in all of their present and after-acquired personal property,

(collectively, the “**Security**”).
8. CIBC duly registered its security interests in the Security in the Alberta Personal Property Registry and the Alberta Land Title Office, as applicable.

Defaults and Demands

9. Korite LP failed to repay the Loans in full on the Maturity Date. As a result of Korite LP’s payment defaults, CIBC and the Debtors entered into a Forbearance Agreement dated as of April 1, 2024 (the “**Forbearance Agreement**”), whereby CIBC agreed to forbear from enforcing on the Security

until June 30, 2024 (the “**Termination Date**”), on the basis that the Debtors strictly comply with the terms of the Forbearance Agreement.

10. Contrary to the Forbearance Agreement, the Debtors have failed to make payment of the debt owed, liabilities and obligations outstanding under the Credit Agreement, including interest and costs, on or before the Termination Date.
11. Consequently, on July 24, 2024, CIBC issued (through its legal counsel, Borden Ladner Gervais LLP) letters to the Debtors demanding the immediate repayment of all of the debts, liabilities and obligations outstanding pursuant to the Credit Agreement, together with interest, fees and other chargeable costs continuing to accrue (collectively, the “**Demand Letters**”). Enclosed in the Demand Letters was a “Notice of Intention to Enforce Security” pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.
12. Notwithstanding the Demand Letters, the Debtors have failed to pay the amounts owing.
13. As of August 1, 2024, the Debtors are indebted to CIBC in the total amount of approximately CAD\$4,752,951.00 and US\$3,824,501.59 pursuant to the Credit Agreement, together with interest, fees and other chargeable costs continuing to accrue thereon.

The Sales Process

14. On February 25, 2024, CIBC engaged KSV as a financial consultant to assist CIBC and Korite LP conclude a strategic sale of Korite LP’s business.
15. The Debtors have been unable to satisfy their obligations to CIBC pursuant to the Credit Agreement in some manner since 2023, which has resulted in CIBC being required to provide the Debtors certain relief in the form of payment deferrals and other financial concessions on an *ad hoc* basis. Despite efforts by CIBC to work with the Debtors to improve Korite LP’s financial condition, including agreeing to forbear enforcement for a period of over three months, Korite LP has made little progress in curing its defaults or otherwise remedying its financial distress. As a result, CIBC has lost confidence in the Debtors’ ability to carry on a profitable business and their general ability to remedy Korite LP’s financial distress.
16. Since June 2023, the principals of Korite LP (with the assistance from a sale broker, Tailwind Ventures (“**Tailwind**”) and the oversight from KSV since February 2024) have undertaken a process to market for sale Korite LP’s business (the “**Sales Process**”).

17. As is more fully set out in the Proposed Receiver's Report, Tailwind undertook a number of steps to facilitate and carry out the Sales Process, including by:
 - (a) assembling a list of 71 prospective purchasers located in Canada and abroad, including strategic parties, financial targets and art collectors;
 - (b) launching the Sales Process in September 2023 by sending a "teaser" to the 71 parties it identified, which provided prospective purchasers with a description of Debtors' business and the potential benefits resulting from a sale transaction; and
 - (c) providing a detailed confidential information memorandum concerning the Debtors to nine interested parties, who were, prior to receipt of the memorandum, required to sign a non-disclosure agreement.
18. The Sales Process resulted in multiple prior attempts to conclude a transaction. On April 2, 2024, Tailwind delivered a letter to prospective purchasers requesting binding offers by June 14, 2024 (the "**Bid Deadline**"). Korite LP did receive an acceptable offer by the Bid Deadline that it was actively pursuing, but was unable to advance the bid to closing.
19. After the Bid Deadline, Tailwind followed up again with the potential purchasers and ultimately Korite LP entered into the Asset Purchase Agreement to acquire substantially all of the assets of the Debtors. The terms and conditions of the Asset Purchase Agreement require, among other things, that the sale be approved by the Court of King's Bench of Alberta by way of approval and vesting order granted in the course of these receivership proceedings.
20. The Transaction is projected to result in a significant net loss to CIBC under its Security. Despite this anticipated outcome, CIBC is nonetheless supportive of concluding the Transaction because, among other things, it results in the best recovery for CIBC.

II. Overview of the Orders Sought

The Appointment of a Receiver

21. In light of the foregoing, and as is more fully detailed in the supporting Affidavit of Kadira Carter sworn on August 26, 2024, CIBC seeks the appointment of the proposed Receiver in respect of the Debtors, and the proposed Receiver is just and convenient because, among other things:
 - (a) CIBC is a first-ranking secured creditor of the Debtors;

- (b) the Debtors are insolvent by failing to repay the Loans when due, owing and outstanding including repayment of the indebtedness owed under the Credit Agreement by the Maturity Date and/or the Termination Date;
- (c) CIBC has satisfied the notice requirement under Section 244 of the *BIA* by, *inter alia*, having delivered the Demand Letters containing the Section 244 Notices to the Debtors on or about July 24, 2024;
- (d) CIBC has tried to work with the Debtors to rehabilitate the corporate relationship, including entering into the Forbearance Agreement, which term has since ended without receiving payment of the amounts owed by the Debtors;
- (e) the Security Agreements, the Debenture and the Forbearance Agreement, provided by the Debtors, include the contractual right to appoint or seek the appointment of the proposed Receiver in respect of the Debtors. This contractual entitlement is a significant factor supporting the appointment of the proposed Receiver in the present case;
- (f) if the proposed Receiver is not appointed over the Debtors, there is a real risk of substantial loss and prejudice to CIBC, as the Transaction will not be able to conclude. As outlined above, the Transaction provides CIBC with the best chance of recovery on its Security and is practically and commercially preferable to the piecemeal realization process of a liquidation;
- (g) in any event, CIBC has lost confidence in the Debtors ability to carry on a profitable business and their ability to remedy Korite LP's financial distress;
- (h) the balance of convenience favours the appointment of the proposed Receiver; and
- (i) KSV is a licensed insolvency trustee with considerable experience in such matters and has consented to act as Receiver.

The Approval of the Transaction

22. As is more fully set out in the Proposed Receiver's Report, following significant negotiations, Korite LP and the Purchaser have entered into the Asset Purchase Agreement. The key terms of the Asset Purchase Agreement include that:
- (a) the Purchased Assets include substantially all of the Debtors' rights, title and interest in its property and assets including the Assumed Contracts and the Assumed Liabilities, and excludes the Excluded Assets and Excluded Liabilities (each term as defined in the Asset Purchase Agreement);
 - (b) the Purchased Assets will be sold on an "as is, where is" basis with limited representations and warranties;
 - (c) the closing date is one day after Court approval, with an outside date of September 20, 2024; and
 - (d) the only material conditions precedent are that the Court shall have issued the Receivership Order and the Approval and Vesting Order, which will vest free and clear all the Debtors' interest in the Purchased Assets in the name of the Purchaser, except for certain permitted encumbrances.
23. In all of the circumstances, Korite LP considers that the Asset Purchase Agreement, and the Transaction contemplated therein, is commercially reasonable and fair, and should be approved by this Honourable Court since, among other things:
- (a) Korite LP's business and assets were sufficiently marketed by Tailwind through the Sales Process, as described above. Further, although the Sales Process was not a sales process that was pre-approved by this Court, it was a robust and formalized process, tailored to the assets in question and the nature of these proceedings, was commercially reasonable, including the timelines, breadth of marketing process and information made available to interested parties;
 - (b) the evidence presented to the proposed Receiver suggests the Sales Process was fair;
 - (c) Tailwind is of the view that the Transaction maximizes recoveries and is the best available transaction in the circumstances. Based on the process conducted, the proposed Receiver

does not believe a superior transaction is likely to be completed if the Sales Process is continued, and in any event, the Debtors are without liquidity to continue the Sales Process;

- (d) the Transaction will see the business of Korite LP continue which will provide Korite LP's customers with a continuing vendor and its suppliers with a continuing customer;
- (e) the purchase price under the Transaction exceeds the liquidation value of the Debtors' business and assets; and
- (f) the proposed transaction is supported by CIBC, regardless of the resulting shortfall. Absent the Transaction, CIBC has advised the proposed Receiver and the Debtors that it is not prepared to continue to fund the Debtors' business and operations.

24. Accordingly, CIBC respectfully seeks this Court's approval of the Asset Purchase Agreement and the Transaction, together with the associated vesting order to convey the assets to the Purchaser.

The Restricted Court Access Order

25. The Confidential Exhibits contain commercially sensitive information relating to the Debtors' business, the Sales Process and the Asset Purchase Agreement. The dissemination of this information could adversely affect the Debtors' sale efforts and result in prejudice to the stakeholders' ability to recover value therefrom, which is an important public interest. As such, Korite LP respectfully seeks this Court's approval of the Restricted Court Access Order to temporarily seal the Confidential Exhibits.
26. There are no reasonable alternatives to the Restricted Court Access Order.
27. A notice to the media will be issued as soon as practicable.

Approval of the Receiver's Activities

28. The proposed Receiver's activities, as detailed in the Proposed Receiver's Report, have been carried out fairly, efficiently and in a commercially reasonable manner, and should be approved.

Discharge of Receiver

29. To facilitate an efficient and cost-effective Receivership, CIBC seeks the Court's approval of the Discharge Order for the Receiver, upon completion of the Concluding Activities (as defined below) in this matter. Once the Transaction is complete, the proposed Receiver will have substantially

concluded its administration of the within proceedings and it is appropriate for the proposed Receiver to finally be discharged. In particular, as detailed below, the only remaining material activities of the proposed Receiver will be completing the Transaction and distributing the sale proceeds in connection therewith, as well as any other final duties or ancillary matters relating to the estate of the Debtors as may be necessary or prudent, including the administration of the Wage Earner Protection Program (collectively, the “**Concluding Activities**”).

30. It is just and appropriate for this Honourable Court to grant the final discharge of the proposed Receiver, upon the proposed Receiver completing the Concluding Activities and filing a receiver’s certificate confirming same.

Bankruptcy of the Debtors

31. Upon the completion of the Concluding Activities, the Debtors shall cease to continue their operations. As such, and in connection with the Orders sought today, CIBC also seeks authorization from the Court permitting (but not requiring) the Receiver to bankrupt the Debtors in order to facilitate an efficient winding-up of the Debtors’ operations and administration of the claims against the companies, including, but not limited to, addressing any potential claims of Canada Revenue Agency with respect to GST.
32. The Applicant shall rely on such further or other grounds as counsel may advise and this Honourable Court may permit.

MATERIAL OR EVIDENCE TO BE RELIED ON:

33. The Proposed Receiver’s Report dated on or about August 26, 2024 and the Confidential Exhibits.
34. The Affidavit of Kadira Carter, sworn on August 26, 2024.
35. The Consent to Act as Receiver executed by KSV.
36. The pleadings and other materials filed in the within proceedings.
37. Such further and other material or evidence as counsel may advise and this Honourable Court may permit.

APPLICABLE RULES:

38. *Alberta Rules of Court*, AR 124/2010.

39. *Bankruptcy and Insolvency General Rules*, CRC, c 1978, c 368.
40. Such further and other rules as counsel may advise and this Honourable Court may permit.

APPLICABLE ACTS AND REGULATIONS:

41. *Bankruptcy and Insolvency Act*, RSC 195, c B-3.
42. *Business Corporations Act*, RSA 2000, c B-9.
43. *Judicature Act*, RSA 2000, c J-2.
44. Such further and other Acts and/or Regulations as counsel may advise and this Honourable Court may permit.

ANY IRREGULARITY COMPLAINED OF OR OBJECTION RELIED ON:

45. None.

HOW THE APPLICATION IS PROPOSED TO BE HEARD OR CONSIDERED:

46. Before the Honourable Justice K.M. Horner, via WebEx video conference, with some or all of the parties present.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the Applicant(s) a reasonable time before the application is to be heard or considered.

SCHEDULE "A"

Service List

(See attached)

COURT FILE NUMBER

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF CANADIAN IMPERIAL BANK OF COMMERCE

DEFENDANTS **KORITE INTERNATIONAL LIMITED
PARTNERSHIP
KORITE INTERNATIONAL GP INC.**DOCUMENT **SERVICE LIST**

PARTY NAME	COUNSEL (if applicable)	SENT BY
<p>Canadian Imperial Bank of Commerce 30th Floor, 81 Bay Street Toronto, ON, M5J 0E7</p> <p>Attention: Kadira Carter Email: kadira.carter@cibc.com</p> <p>Attention: Matthew O'Connell matthew.oconnell@cibc.com</p>	<p>Borden Ladner Gervais LLP Suite 1900, 520 – 3 Avenue SW Calgary, AB, T2P 0R3</p> <p>Attention: Ryan Laity Email: RLaity@blg.com</p> <p>Attention: Jennifer Pepper Email: JPepper@blg.com</p> <p><i>Counsel for the Plaintiff, Canadian Imperial Bank of Commerce</i></p>	<p><i>Email</i></p>
<p>sKorite International Limited Partnership & Korite International GP Inc. Suite 1900, 350 – 7th Avenue SW Calgary, AB, T2P 3N9</p> <p>Attention: Cody Church Email: cchurch@clearnorthcapital.com</p>	<p>Stikeman Elliott LLP 4200 Bankers Hall West 888 - 3rd Street SW Calgary AB, T2P 5C5</p> <p>Attention: Karen Fellowes Email: KFellowes@stikeman.com</p> <p>Attention: Kayla Zachariassen Email: KZachariassen@stikeman.com</p> <p><i>Counsel for the Defendants, Korite International Limited Partnership and Korite International GP Inc.</i></p>	<p><i>Email</i></p>

PARTY NAME	COUNSEL (if applicable)	SENT BY
<p>KSV Restructuring Inc. 1165, 324 – 8th Avenue SW Calgary, AB, T2P 2Z2</p> <p>Attention: Andrew Basi Email: abasi@ksvadvisory.com</p> <p>Attention: Jason Knight Email: jknight@ksvadvisory.com</p> <p><i>Proposed Court-appointed Receiver</i></p>	<p>Fasken Martineau DuMoulin LLP Suite 3400, 350 – 7th Avenue SW Calgary, AB, T2P 3N9</p> <p>Attention: Robyn Gurofsky Email: rgurofsky@fasken.com</p> <p><i>Counsel to the Proposed Receiver, KSV Restructuring Inc.</i></p>	<p><i>Email</i></p>
<p>TDF Group Inc. 17631 103 Ave. Edmonton, AB, T5S 1N8</p> <p>Attention: N/A Email: gtayag@drivingforcegroup.com</p> <p><i>Creditor of Korite International Limited Partnership</i></p>		<p><i>Registered Mail & Email</i></p>
<p>Department of Justice Canada Prairie Regional Office – Edmonton 10423 - 101 Street 3rd Floor, Epcor Tower Edmonton, AB, T5H 0E7</p> <p>Email: AGC_PGC_ALBERTA@JUSTICE.GC.CA</p>		<p><i>Registered Mail & Email</i></p>
<p>Canada Revenue Agency – Insolvency Intake Surrey National Verification and Collections Centre 9755 King George Boulevard Surrey, B.C., V3T 5E1</p>		<p><i>Registered Mail</i></p>
<p>Canada Revenue Agency 220 4 Ave SE Calgary, AB, T2G 0L1</p>		<p><i>Registered Mail</i></p>

PARTY NAME	COUNSEL (if applicable)	SENT BY
<p>Government of Alberta Tax and Revenue Administration (TRA), a division of the Department of Treasury Board and Finance Legal Services Division 2nd Floor, Peace Hills Trust 10011 – 109 Street Edmonton, AB, T5J 3S8</p> <p>Email: TBF.Insolencies@gov.ab.ca</p>		<p><i>Registered Mail and Email</i></p>
<p>Alberta Energy Regulator Suite 1000, 250 – 5 Street SW Calgary, AB, T2P 0R4</p> <p>Email: insolvency@aer.ca</p>		<p><i>Registered Mail and Email</i></p>
<p>PrairieSky Royalty Ltd. 1700, 350 – 7 Avenue SW Calgary, AB, T2P 3N9</p> <p>Attention: Jennifer Martin - Manager Land Compliance</p> <p>Email: jennifer.martin@prairiesky.com</p>		<p><i>Registered Mail and Email</i></p>
<p>Deerfield Hutterian Brethren P.O. Box 67 / 34-6-22 West of 4 Magrath, AB, T0K 1J0</p> <p>Attention: Edward Wurtz - Preacher and Head of the Deerfield Hutterite Colony</p> <p>Email: manager@dffarming.ca</p>		<p><i>Registered Mail and Email</i></p>
<p>Van Der Valk Farms Ltd. P.O. Box 1299 Fort Macleod, AB, T0L 0Z0</p> <p>Email : yvalk@telus.net</p>		<p><i>Registered Mail and Email</i></p>
<p>Aaron Nauta Ltd. P.O. Box 155 Granum, AB, T0L 1A0</p> <p>Email: aaronnautald@gmail.com</p>		<p><i>Registered Mail and Email</i></p>

PARTY NAME	COUNSEL (if applicable)	SENT BY
1362179 Alberta Ltd. P.O. Box 476 Granum, AB, T0L 1A0 Email: troy.bischler@me.com		<i>Registered Mail and Email</i>
Monarch Jewels 38 Front St. Ketchikan, AK, 99901 Attention: Vinay Khemani Email: monarchjewelsak@gmail.com		<i>Registered Mail and Email</i>
HG Group Media Corp 390 Madison Ave, Floor 22 New York, NY, 10017 Attention: Brett Grady, Senior Director (International Sales) Email: brett@hfgmedia.com		<i>Registered Mail and Email</i>
The Ignition Brandery, Inc. 4340 NE 15th Ave. Oakland Park, FL, 33334 Attention: Andrew Jones Email: andrew@ignitionbrandery.com		<i>Registered Mail and Email</i>
Onboard Media 8400 NW 36 Street, Suite 600 Doral, FL, 33166 Attention: Will Oldham, Director of Cruise Revenue Email: Will.Oldham@onboardmedia.com		<i>Registered Mail and Email</i>

EMAIL DISTRIBUTION LIST

kadira.carter@cibc.com; matthew.oconnell@cibc.com; RLaity@blg.com; JPepper@blg.com;
 cchurch@clearnorthcapital.com; KFellowes@stikeman.com; KZachariassen@stikeman.com;
 abasi@ksvadvisory.com; jknight@ksvadvisory.com ; cchurch@clearnorthcapital.com;
 davidlui422@gmail.com; john.issa@korite.com; james.chong@korite.com;
 Yvonne.Williamson@beaumontchurch.com; rgurofsky@fasken.com; gtayag@drivingforcegroup.com;
 AGC_PGC_ALBERTA@JUSTICE.GC.CA; TBF.Insolvencies@gov.ab.ca; insolvency@aer.ca;
 jennifer.martin@prairiesky.com; manager@dffarming.ca; vvalk@telus.net; aaronnautald@gmail.com;

troy.bischler@me.com; monarchjewelsak@gmail.com; brett@hfgmedia.com;
andrew@ignitionbrandery.com; Will.Oldham@onboardmedia.com;

SCHEDULE "B"

Form of Receivership Order

(See attached)

COURT FILE NUMBER

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

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**CANADIAN IMPERIAL BANK OF
COMMERCE**

DEFENDANTS/
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**KORITE INTERNATIONAL LIMITED
PARTNERSHIP AND KORITE
INTERNATIONAL GP INC.**

Clerk's Stamp

DOCUMENT

RECEIVERSHIP ORDER

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Ryan Laity/Jennifer Pepper
Borden Ladner Gervais LLP
1900, 520 – 3rd Avenue SW
Calgary, AB T2P 0R3
Telephone: (604) 632-3544/ (604) 640-4106
Email: rlaity@blg.com/ jpepper@blg.com
File No. 500007/005947

DATE ON WHICH ORDER WAS PRONOUNCED: **September 5, 2024**

NAME OF JUSTICE WHO GRANTED THIS ORDER: **Honourable Justice K.M. Horner**

LOCATION OF HEARING: **Calgary, Alberta**

UPON the Application of Canadian Imperial Bank of Commerce (“**CIBC**”) in respect of Korite International Limited Partnership (“**Korite**”) and its general partner, Korite International GP Inc. (together, the “**Debtors**”); **AND UPON** having read the Application, the Affidavit of Kadira Carter, sworn on August 26, 2024, and the Affidavit of Service; **AND UPON** reading the consent of KSV Restructuring Inc. (“**KSV**”) to act as receiver (the “**Receiver**”) of the Debtors; **AND UPON** noting the consent endorsed hereon of the Debtors; **AND UPON** hearing counsel for CIBC, counsel of the proposed Receiver, and any other counsel or other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

APPOINTMENT

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the “**BIA**”), and sections 13(2) of the *Judicature Act*, RSA 2000, c. J-2, 99(a) of the *Business Corporations Act*, RSA 2000, c. B-9, and 65(7) of the *Personal Property Security Act*, RSA 2000, c. P-7, KSV is hereby appointed Receiver, without security, of all of the Debtors’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).

RECEIVER’S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property with the exception of taking possession of or exercising physical control over any ammonite fossil extraction operations, assets or sites of the Debtors (collectively, “**Extraction Sites**”), and any and all proceeds, receipts and disbursements arising out of or from the Property, and for greater clarity, while the Receiver shall have limited powers with respect to the Property as it relates to the Extraction Sites as more particularly set out herein, the Receiver shall not have the power to take possession of or exercise physical control over the Extraction Sites;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) with the exception of the Extraction Sites, to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors, including from any Extraction Sites, and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, inclusive of the Extraction Sites, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:

- i. without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
- ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required;

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;
- (s) assign the Debtors into bankruptcy pursuant to the BIA, to become the trustee in bankruptcy of the Debtors and to take all steps reasonably required to carry out its role as trustee in bankruptcy of the Debtors should the Receiver deem it appropriate in the circumstances to do so, and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person (as defined below).

4. Notwithstanding any other provision of this Order, nothing herein shall require the Receiver: (i) to take possession of or exercise physical control over the Extraction Sites; or (ii) to manage or operate the Extraction Sites, and the Receiver shall not be deemed to have taken any of the actions or steps referred to in this paragraph 4 solely as a consequences of having taken some of the steps authorized pursuant to paragraph 3.

DUTY TO PROVIDE ACCESS AND CO-OPERATIONS TO THE RECEIVER

5. (i) The Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
6. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information

of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

7. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

8. No proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might

otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

NO EXERCISE OF RIGHTS OF REMEDIES

10. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
- (a) empower the Debtors to carry on any business that the Debtors are not lawfully entitled to carry on;
 - (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien; or
 - (d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.
11. Nothing in this Order shall prevent any party from taking an action against the Debtors where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

NO INTERFERENCE WITH THE RECEIVER

12. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, except with the written consent of the Debtors and the Receiver, or leave of this Court.

CONTINUATION OF SERVICES

13. All persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the Debtors, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtors,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Debtors shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtors in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtors and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

15. Subject to employees’ rights to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c.47 (“**WEPPA**”).

16. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATIONS ON ENVIRONMENTAL LIABILITIES

17. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- i. before the Receiver's appointment; or
 - ii. after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,

- i. if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
- ii. during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- iii. if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

18. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

19. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$100,000 as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and

the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.

20. The Receiver and its legal counsel shall pass their accounts from time to time.
21. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed **\$100,000** (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
23. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
24. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
25. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

26. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

28. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
29. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
30. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
31. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction 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, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
32. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

33. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
34. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

35. The Receiver shall establish and maintain a website in respect of these proceedings at <https://www.ksvadvisory.com/experience/case/korite> (the "**Receiver's Website**") and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
36. Service of this Order shall be deemed good and sufficient by:
- (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
 - ii. any other person served with notice of the application for this Order;
 - iii. any other parties attending or represented at the application for this Order; and
 - (b) posting a copy of this Order on the Receiver's Website,
- and service on any other person is hereby dispensed with.

37. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that **KSV Restructuring Inc.**, the receiver (the "**Receiver**") of all of the assets, undertakings and properties of **Korite International Limited Partnership, and its general partner, Korite International GP Inc.** appointed by Order of the Court of King's Bench of Alberta in Bankruptcy and Insolvency (the "**Court**") dated the 5th day of September, 2024 (the "**Order**") made in action number [●], has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$[●], being part of the total principal sum of \$[●] that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [**daily**] [**monthly not in advance on the [●] day of each month**] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of [●] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [●].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the [●] day of [●], 2024.

KSV RESTRUCTURING INC. solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "C"

Form of Approval and Vesting Order

(See attached)

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

**CANADIAN IMPERIAL BANK OF
COMMERCE**

DEFENDANTS

**KORITE INTERNATIONAL LIMITED
PARTNERSHIP AND KORITE
INTERNATIONAL GP INC.**

DOCUMENT

APPROVAL AND VESTING ORDER

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY FILING
THIS DOCUMENT

Ryan Laity/Jennifer Pepper
Borden Ladner Gervais LLP
1900, 520 – 3rd Avenue SW
Calgary, AB T2P 0R3
Telephone: (604) 632-3544/ (604) 640-4106
Email: rlaity@blg.com/ jpepper@blg.com
File No. 500007/005947

DATE ON WHICH ORDER WAS PRONOUNCED: September 5, 2024

NAME OF JUSTICE WHO MADE THIS ORDER: Honourable Justice K.M. Horner

LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION of Canadian Imperial Bank of Commerce (“**CIBC**”) in its capacity as secured creditor of Korite International Limited Partnership (“**Korite LP**”) and Korite International GP Inc. (together, the “**Debtors**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement dated August 23, 2024 (the “**Sale Agreement**”) between Korite LP and Buffalo Rock Mining Co. Ltd. (the “**Purchaser**”), and appended to the Proposed Receiver’s Report (as defined below), and vesting in the Purchaser (or its nominee) the Debtors’ right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”);

AND UPON HAVING READ the Receivership Order dated September 5, 2024 (the “**Receivership Order**”), the Proposed Receiver’s Report dated August 26, 2024 (the “**Proposed Receiver’s Report**”), filed by KSV Restructuring Inc. (“**KSV**”), in its capacity as the proposed court-appointed receiver of the Debtors (in such capacity, the “**Proposed Receiver**” and once appointed, the “**Receiver**”), the Affidavit of Kadira Carter, sworn on August 26, 2024 and the Affidavit of Service;

AND UPON HAVING HEARD the submissions of counsel for CIBC, counsel for the Proposed Receiver, counsel for the Purchaser, and any other counsel or interested parties present;

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, 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.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale Agreement by Korite LP is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee), including but not limited to concluding the Transaction on behalf of Korite LP (in its capacity as Receiver), subject to the terms and conditions of the Sale Agreement. The Receiver shall not be liable for any action taken by the Debtors or their representatives in connection with the Sale Agreement that is specifically contemplated in the Sale Agreement as taken by the Debtors or any one of them, and not taken by the Receiver.

VESTING OF PROPERTY

3. Upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtors' right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by the Receivership Order;

- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
- (d) those Claims listed in **Schedule "C"** hereto,

all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**"), and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities, in the province of Alberta or any other province (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Title for the Lands (as defined in **Schedule "E"** hereto) shall and is hereby authorized, requested and directed to:
 - (i) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the Certificate of Title to the Lands; and
 - (ii) effect a transfer of the caveat registered against the Lands in respect of a lease interest under Registration Number 131 020 767 (the "**Operations Lease**") in the name of the Purchaser, as successor by way of assignment to the underlying leasehold interest in the Lands (notwithstanding that the Operations Lease may be inadvertently registered in the name of "**Korite Minerals Limited**", a predecessor-in-interest of Korite LP); and

- (b) the Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtors in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtors and not in its personal capacity.
8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court,

provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtors.
10. Upon completion of the Transaction, the Debtors and all persons who claim by, through or under the Debtors in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
11. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by, through or against the Debtors.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).
14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the Alberta *Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which

is in all material respects identical to the prior use (of such information) to which the Debtors were entitled.

MISCELLANEOUS MATTERS

15. Notwithstanding:

- (a) the pendency of these proceedings and any declaration of insolvency made herein;
- (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the “*BIA*”), in respect of the Debtors, and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Debtors; and
- (d) the provisions of any federal or provincial statute,

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the *BIA* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

16. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

17. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.

18. Service of this Order shall be deemed good and sufficient by:

(a) Serving the same on:

- (i) the persons listed on the service list created in these proceedings;
- (ii) any other person served with notice of the application for this Order;
- (iii) any other parties attending or represented at the application for this Order; and
- (iv) the Purchaser or the Purchaser's solicitors; and

(b) Posting a copy of this Order on the Receiver's website at:
<https://www.ksvadvisory.com/experience/case/korite>,

and service on any other person is hereby dispensed with.

19. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

SCHEDULE “A”

FORM OF RECEIVER’S CERTIFICATE

COURT FILE NUMBER

COURT

COURT OF KING’S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

**CANADIAN IMPERIAL BANK OF
COMMERCE**

DEFENDANTS

**KORITE INTERNATIONAL LIMITED
PARTNERSHIP AND KORITE
INTERNATIONAL GP INC.**

DOCUMENT

RECEIVER’S CERTIFICATE

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY FILING
THIS DOCUMENT

Ryan Laity/Jennifer Pepper
Borden Ladner Gervais LLP
1900, 520 – 3rd Avenue SW
Calgary, AB T2P 0R3
Telephone: (604)632-3544/(604)640-4106
Email: rlaity@blg.com/ jpepper@blg.com
File No. 500007/005947

Clerk’s Stamp

RECITALS

- A. Pursuant to an Order of the Honourable Justice K.M. Horner of the Court of King’s Bench of Alberta, Judicial District of Calgary (the “**Court**”) dated September 5, 2024, KSV Restructuring Inc. was appointed as the receiver (the “**Receiver**”) of all the assets, undertaking and property of Korite International Limited Partnership (“**Korite LP**”) and its general partner, Korite International GP Inc. (together, the “**Debtors**”).
- B. Pursuant to an Order of the Court dated September 5, 2024, the Court approved the asset purchase agreement dated August 23, 2024 (the “**Sale Agreement**”) between Korite LP and Buffalo Rock Mining Co. Ltd. (the “**Purchaser**”) and provided for the vesting in the Purchaser (or its nominee) of the Debtors’ right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser (or its nominee) of a certificate confirming (i) the payment by the Purchaser (or its nominee) of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale

Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and (iii) the Sale Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Sale Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

KSV RESTRUCTURING INC., solely in its capacity as Receiver of the Debtors and not in its personal capacity:

Per: _____

Name:

Title:

SCHEDULE "B"

PURCHASED ASSETS

The Purchased Assets means those "Purchased Assets" as defined in the Sale Agreement, which for reference purposes includes the following (all capitalized terms are as defined in the Sale Agreement):

- (a) all Accounts Receivables (along with any claims in respect thereof);
- (b) all Prepaid Expenses;
- (c) all Assumed Contracts (including, without limitation, all right, title and interest of any Debtor pursuant to: (i) the sales/consignment agreement between Korite LP and Monarch Jewels; (ii) the shopping promotion agreement between Korite LP and HG Group Media Corp.; (iii) the sales representative agreement between Korite LP and The Ignition Brandery, Inc.; and (iv) the onboard media advertising contract between Korite LP and Onboard Media;
- (d) the Mining Property;
- (e) the Leased Real Property (including, without limitation, the Operations Lease);
- (f) all Equipment;
- (g) all Inventory;
- (h) all Intellectual Property;
- (i) all Books and Records;
- (j) all rights under non-disclosure and confidentiality, non-compete, or non-solicitation agreements with employees and agents of the Debtors or with Third Parties to the extent related to the Purchased Assets;
- (k) any claims, refunds, causes of action, rights of recovery, rights of set-off, subrogation and rights of recoupment of the Debtors related to any of the Purchased Assets;
- (l) all rights of the Debtors under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors to the extent relating to products sold, or

services provided, to the Debtors or to the extent affecting any Purchased Assets other than any warranties, representations and guarantees pertaining to any Excluded Assets;

- (m) the Historical Resources Act Exemptions, to the extent transferrable to the Purchaser; and
- (n) all goodwill and other intangible assets associated with the Business and the Purchased Assets, including customer and supplier lists;

in each case, for greater certainty, excluding the Excluded Assets.

SCHEDULE "C"

CLAIMS

The Claims to be deleted and expunged from the Lands in connection with the Purchased Assets are as follows:

1. Caveat Re: Agreement Charging Land dated May 22, 2021, registered in favour of CIBC under Registration No. 211 101 566.

SCHEDULE “D”

PERMITTED ENCUMBRANCES

The Permitted Encumbrances means those “Permitted Encumbrances” as defined in Asset Purchase Agreement.

SCHEDULE "E"

LANDS

Title No. 731 062 804

FIRST

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

THOSE PORTIONS OF THE NORTH WEST QUARTER
WHICH LIE TO THE EAST OF THE ST. MARY'S RIVER
AS SHOWN ON THE TOWNSHIP PLAN DATED ON THE 27TH DAY OF JUNE 1893
CONTAINING 8.50 HECTARES (21 ACRES) MORE OR LESS
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

SECOND

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

ALL THAT PORTION OF THE NORTH EAST QUARTER
WHICH LIES TO THE EAST OF THE ST. MARY'S RIVER
AS SHOWN ON THE TOWNSHIP PLAN DATED 27 JUNE 1893.
CONTAINING 57.9 HECTARES (143 ACRES) MORE OR LESS. EXCEPTING THEREOUT THE
POTHOLE RIVER AS SHOWN ON
SAID TOWNSHIP PLAN.
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

THIRD

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

ALL THAT PORTION OF THE SOUTH WEST QUARTER
WHICH LIES TO THE EAST OF THE ST. MARY'S RIVER
AS SHOWN ON THE TOWNSHIP PLAN DATED 27 JUNE 1893.
CONTAINING 7.892 HECTARES (19.50 ACRES) MORE OR LESS.
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

FOURTH

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

ALL THAT PORTION OF THE SOUTH EAST QUARTER
WHICH LIES TO THE EAST OF THE ST. MARY'S RIVER
AS SHOWN ON THE TOWNSHIP PLAN DATED 27 JUNE 1893.
CONTAINING 52.802 HECTARES (130.50 ACRES) MORE OR LESS.
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

Title No. 159D182

FIRST

ALL MINES AND MINERALS WITHIN, UPON OR UNDER:

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

THAT PORTION OF THE NORTH EAST QUARTER
BOUNDED ON THE WEST BY THE RIGHT BANK OF ST. MARY'S RIVER AND BY THE EAST
BOUNDARY OF THE WEST HALF OF SAID SECTION,
AND ON THE NORTH BY THE LEFT BANK OF THE POT HOLE RIVER,
AS SHOWN ON THE TOWNSHIP PLAN APPROVED 27 JUNE 1893
CONTAINING 52.44 HECTARES (129.60 ACRES) MORE OR LESS
AND THE RIGHT TO WORK THE SAME

SECOND

ALL MINES AND MINERALS WITHIN, UPON OR UNDER:

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

THAT PORTION OF THE SOUTH EAST QUARTER DESCRIBED AS FOLLOWS:
COMMENCING AT THE NORTH EAST CORNER OF SAID QUARTER SECTION,
THENCE SOUTH ALONG THE EAST BOUNDARY THEREOF TO A POINT THEREON
990 FEET NORTH FROM THE SOUTH EAST CORNER THEREOF,
THENCE WEST PARALLEL WITH THE SOUTH BOUNDARY THEREOF TO IS
INTERSECTION WITH THE RIGHT BANK OF SAID ST. MARY'S RIVER,
THENCE NORTHERLY AND WESTERLY FOLLOWING THE SINUOSITIES OF THE
RIGHT BANK OF SAID RIVER TO ITS INTERSECTION WITH THE WEST BOUNDARY OF SAID
QUARTER SECTION,
THENCE NORTH ALONG SAID WEST BOUNDARY TO ITS INTERSECTION WITH THE NORTH
BOUNDARY THEREOF,
THENCE EAST ALONG SAID NORTH BOUNDARY TO THE PLACE OF COMMENCEMENT, AS
SHOWN ON THE TOWNSHIP PLAN APPROVED 27 JUNE 1893
CONTAINING 36.55 HECTARES (90.38 ACRES) MORE OR LESS
AND THE RIGHT TO WORK THE SAME

THIRD

ALL MINES AND MINERALS WITHIN, UPON OR UNDER:

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

THAT PORTION OF THE WEST HALF
WHICH IS BOUNDED ON THE NORTH WEST, WEST, AND SOUTH WEST BY THE RIGHT BANK
OF ST. MARY'S RIVER,
AS SHOWN ON THE TOWNSHIP PLAN APPROVED 27 JUNE 1893
CONTAINING 16.40 HECTARES (40.50 ACRES) MORE OR LESS
AND THE RIGHT TO WORK THE SAME

(collectively, the "**Lands**").

SCHEDULE "E"

Form of Order for Restrictive Court Access Order

(See attached)

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

**CANADIAN IMPERIAL BANK OF
COMMERCE**

DEFENDANT

**KORITE INTERNATIONAL LIMITED
PARTNERSHIP AND KORITE
INTERNATIONAL GP INC**

DOCUMENT

**RESTRICTIVE COURT ACCESS
ORDER**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION
OF PARTY FILING
THIS DOCUMENT

Ryan Laity/Jennifer Pepper
Borden Ladner Gervais LLP
1900, 520 – 3rd Avenue SW
Calgary, AB T2P 0R3
Telephone: (604) 632-3544/ (604) 640-4106
Email: rlaity@blg.com/ jpepper@blg.com
File No. 500007/005947

DATE ON WHICH ORDER WAS PRONOUNCED:

September 5, 2024

NAME OF JUSTICE WHO MADE THIS ORDER:

Honourable Justice K.M. Horner

LOCATION OF HEARING:

Calgary, Alberta

UPON THE APPLICATION of Canadian Imperial Bank of Commerce (“**CIBC**”) in its capacity as secured creditor of Korite International Limited Partnership (“**Korite LP**”) and Korite International GP Inc. (together, the “**Debtors**”) for, *inter alia*, a temporary sealing order in respect of the confidential exhibits (the “**Confidential Exhibits**”) to the pre-filing report of KSV Restructuring Inc. dated August 26, 2024 (the “**Proposed Receiver’s Report**”) prepared in its capacity as the proposed court-appointed receiver of the assets, property and undertaking of the Debtors (in such capacity, the “**Receiver**”); **AND UPON HAVING READ** the Application, the Proposed Receiver’s Report, the Confidential Exhibits, and such other materials and evidence filed in the within proceedings; **AND UPON HAVING HEARD** the submissions of counsel for CIBC, counsel for the proposed Receiver, and any other interested parties present,

IT IS HEREBY ORDERED AND DECLARED THAT:

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;
2. The Confidential Exhibits shall be sealed on the Court file, kept confidential, and shall not be available for public inspection until the earlier of (i) the filing of a Receiver's certificate confirming the conclusion of the sale transaction described in the Asset Purchase Agreement dated 23, 2024, between Korite LP and Buffalo Rock Mining Co. Ltd., (ii) the discharge of the Receiver, or (iii) further Order of this Court.
3. The Clerk of the Court shall file the Confidential Exhibits in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS, BEING THE CONFIDENTIAL EXHIBITS TO THE PROPOSED RECEIVER'S REPORT DATED AUGUST 26, 2024. PURSUANT TO THE RESTRICTIVE COURT ACCESS ORDER ISSUED BY THE HONOURABLE JUSTICE K.M. HORNER ON SEPTEMBER 5, 2024, THE CLERK OF THE COURT SHALL NOT RELEASE THE SAID CONFIDENTIAL MATERIALS TO THE PUBLIC UNTIL THE EARLIER OF (I) THE FILING OF A RECEIVER'S CERTIFICATE CONFIRMING THE CONCLUSION OF THE SALE TRANSACTION DESCRIBED IN THE ASSET PURCHASE AGREEMENT DATED AUGUST 23, 2024, BETWEEN KORITE INTERNATIONAL LIMITED PARTNERSHIP AND BUFFALO ROCK MINING CO. LTD., (II) THE DISCHARGE OF KSV RESTRUCTURING INC. AS RECEIVER, OR (III) FURTHER ORDER OF THIS COURT.

4. The Receiver is empowered and authorized, but not required, to provide the Confidential Exhibits (or any portion thereof or information contained therein) to any interested party, entity or person that the Receiver considers reasonable in the circumstances, subject to confidentiality arrangements satisfactory to the Receiver.
5. Leave is hereby granted to any person affected by this Order to apply to this Honourable Court for a further order modifying or varying the terms of this Order, with such application to be brought on no less than 5 days' notice in accordance with the *Alberta Rules of Court*.

6. Service of this Order shall be deemed good and sufficient by serving same on the Service List maintained for this Action. No other persons are entitled to be served with a copy of this Order.

Justice of the Court of King's Bench of Alberta

SCHEDULE "E"

Form of Order for Discharge of Receiver and Related Relief

(See attached)

FOUR FILE NUMBER

COURT

COURT OF KING'S BENCH OF ALBERTA

Clerk's Stamp

JUDICIAL CENTRE

CALGARY

PLAINTIFF

**CANADIAN IMPERIAL BANK OF
COMMERCE**

DEFENDANT

**KORITE INTERNATIONAL LIMITED
PARTNERSHIP AND KORITE
INTERNATIONAL GP INC.**

DOCUMENT

**ORDER FOR DISCHARGE
AND RELATED RELIEF**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Ryan Laity/Jennifer Pepper
Borden Ladner Gervais LLP
1900, 520 – 3rd Avenue SW
Calgary, AB T2P 0R3
Telephone: (604) 632-3544/ (604) 640-4106
Email: rlaity@blg.com/ jpepper@blg.com
File No. 500007/005947

DATE ON WHICH ORDER WAS PRONOUNCED:

September 5, 2024

NAME OF JUSTICE WHO MADE THE ORDER:

Honourable Justice K.M. Horner

LOCATION OF HEARING:

Calgary, Alberta

UPON THE APPLICATION of Canadian Imperial Bank of Commerce (“**CIBC**”) in its capacity as secured creditor of Korite International Limited Partnership (“**Korite LP**”) and Korite International GP Inc. (together, the “**Debtors**”) for an Order for, *inter alia*, (i) the distribution of net sale proceeds from the Sale Transaction (as defined in paragraph 3 below), (ii) approval of the activities of KSV Restructuring Inc. in its capacity as the Court-Appointed receiver of the assets, property and undertaking of the Debtors (in such capacity, the “**Receiver**”); and (iii) discharge of the Receiver; **AND UPON** having read the report of the Receiver dated August 26, 2024 (the “**Receiver’s Report**”); **AND UPON** hearing counsel for CIBC, counsel for the Receiver, and counsel for the Debtors; **AND UPON** being satisfied that it is appropriate to do so,

IT IS ORDERED THAT:

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;
2. The Receiver's activities as set out in the Receiver's Report are hereby ratified and approved.
3. The Receiver is authorized and directed to make distribution or distributions to CIBC from the net proceeds of the sale transaction contemplated in the Asset Purchase Agreement dated as of August 23, 2024 between the Receiver (in its capacity as receiver of the Debtors), as vendor, and Buffalo Rock Mining Co. Ltd., as purchaser (the "**Sale Transaction**"), up to the amount of the secured indebtedness owed by Korite LP to CIBC, after satisfying all costs and expenses incurred during and in relation to the within proceedings, including the fees and costs of the Sale Advisor and the Receiver.
4. 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 in fraud, gross negligence or willful 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.
5. 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.
6. Upon the Receiver filing with the Clerk of the Court a certificate, substantially in the form attached hereto as **Schedule "A"**, confirming that:
 - (a) the Sale Transaction has concluded;
 - (b) all matters set out in paragraph 3 of this Order are complete; and

(c) any other final duties or ancillary matters relating to the estate of the Debtors as may be necessary or prudent have been carried out,

(collectively the “**Concluding Activities**”), then the Receiver shall be discharged as Receiver of the Debtors, 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.

7. After completion the Concluding Activities, the Receiver is authorized to assign the Debtors into bankruptcy pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, at its discretion.
8. 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.
9. Service of this Order on any party not attending this application is hereby dispensed with.

Justice of the Court of King’s Bench of Alberta

SCHEDULE "A"

Form of Receiver's Certificate

[Please see attached]

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

**CANADIAN IMPERIAL BANK OF
COMMERCE**

RESPONDENT

**KORITE INTERNATIONAL LIMITED
PARTNERSHIP AND KORITE
INTERNATIONAL GP INC.**

DOCUMENT

RECEIVER'S CERTIFICATE

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY FILING
THIS DOCUMENT

Ryan Laity/Jennifer Pepper
Borden Ladner Gervais LLP
1900, 520 – 3rd Avenue SW
Calgary, AB T2P 0R3
Telephone: (604) 632-3544/ (604) 640-4106
Email: rlaity@blg.com/ jpepper@blg.com
File No. 500007/005947

RECITALS

- A. Pursuant to an Order of the Honourable Justice K.M. Horner of the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated September 5, 2024, KSV Restructuring Inc. was appointed as the receiver (the "**Receiver**") of all assets, undertaking and property of Korite International Limited Partnership and its general partner, Korite International GP Inc. (together, the "**Debtors**").
- B. Pursuant to an Order of the Honourable Justice K.M. Horner of the Court dated September 5, 2024 (the "**Discharge Order**"), upon the Receiver filing with the Clerk of the Court a certificate confirming the completion of the Concluding Activities, the Receiver would be confirmed discharged in its capacity as Receiver in the within proceedings.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Discharge Order.

THE RECEIVER CERTIFIES the following:

1. The Receiver confirms that it has completed all Concluding Activities, and the administration of the within receivership, together with all other matters pertaining to its obligations as Receiver of the Debtors, is concluded.

This Certificate was delivered by the Receiver at [Time] on [Date].

KSV RESTRUCTURING INC., solely in its capacity as Receiver of the Debtors and not in its personal or corporate capacity

Per: _____

Name:

Title:

SCHEDULE "F"

Lands

Title No. 731 062 804

FIRST

MERIDIAN 4 RANGE 21 TOWNSHIP 7

SECTION 18

THOSE PORTIONS OF THE NORTH WEST QUARTER
WHICH LIE TO THE EAST OF THE ST. MARY'S RIVER
AS SHOWN ON THE TOWNSHIP PLAN DATED ON THE 27TH DAY OF JUNE 1893
CONTAINING 8.50 HECTARES (21 ACRES) MORE OR LESS
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

SECOND

MERIDIAN 4 RANGE 21 TOWNSHIP 7

SECTION 18

ALL THAT PORTION OF THE NORTH EAST QUARTER
WHICH LIES TO THE EAST OF THE ST. MARY'S RIVER
AS SHOWN ON THE TOWNSHIP PLAN DATED 27 JUNE 1893.
CONTAINING 57.9 HECTARES (143 ACRES) MORE OR LESS. EXCEPTING THEREOUT THE
POTHOLE RIVER AS SHOWN ON
SAID TOWNSHIP PLAN.
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

THIRD

MERIDIAN 4 RANGE 21 TOWNSHIP 7

SECTION 18

ALL THAT PORTION OF THE SOUTH WEST QUARTER
WHICH LIES TO THE EAST OF THE ST. MARY'S RIVER
AS SHOWN ON THE TOWNSHIP PLAN DATED 27 JUNE 1893.
CONTAINING 7.892 HECTARES (19.50 ACRES) MORE OR LESS.
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

FOURTH

MERIDIAN 4 RANGE 21 TOWNSHIP 7

SECTION 18

ALL THAT PORTION OF THE SOUTH EAST QUARTER
WHICH LIES TO THE EAST OF THE ST. MARY'S RIVER
AS SHOWN ON THE TOWNSHIP PLAN DATED 27 JUNE 1893.
CONTAINING 52.802 HECTARES (130.50 ACRES) MORE OR LESS.
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

Title No. 159D182

FIRST

ALL MINES AND MINERALS WITHIN, UPON OR UNDER:

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

THAT PORTION OF THE NORTH EAST QUARTER
BOUNDED ON THE WEST BY THE RIGHT BANK OF ST. MARY'S RIVER AND BY THE EAST
BOUNDARY OF THE WEST HALF OF SAID SECTION,
AND ON THE NORTH BY THE LEFT BANK OF THE POT HOLE RIVER,
AS SHOWN ON THE TOWNSHIP PLAN APPROVED 27 JUNE 1893
CONTAINING 52.44 HECTARES (129.60 ACRES) MORE OR LESS
AND THE RIGHT TO WORK THE SAME

SECOND

ALL MINES AND MINERALS WITHIN, UPON OR UNDER:

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

THAT PORTION OF THE SOUTH EAST QUARTER DESCRIBED AS FOLLOWS:
COMMENCING AT THE NORTH EAST CORNER OF SAID QUARTER SECTION,
THENCE SOUTH ALONG THE EAST BOUNDARY THEREOF TO A POINT THEREON
990 FEET NORTH FROM THE SOUTH EAST CORNER THEREOF,
THENCE WEST PARALLEL WITH THE SOUTH BOUNDARY THEREOF TO IS
INTERSECTION WITH THE RIGHT BANK OF SAID ST. MARY'S RIVER,
THENCE NORTHERLY AND WESTERLY FOLLOWING THE SINUOSITIES OF THE
RIGHT BANK OF SAID RIVER TO ITS INTERSECTION WITH THE WEST BOUNDARY OF SAID
QUARTER SECTION,
THENCE NORTH ALONG SAID WEST BOUNDARY TO ITS INTERSECTION WITH THE NORTH
BOUNDARY THEREOF,
THENCE EAST ALONG SAID NORTH BOUNDARY TO THE PLACE OF COMMENCEMENT, AS
SHOWN ON THE TOWNSHIP PLAN APPROVED 27 JUNE 1893
CONTAINING 36.55 HECTARES (90.38 ACRES) MORE OR LESS
AND THE RIGHT TO WORK THE SAME

THIRD

ALL MINES AND MINERALS WITHIN, UPON OR UNDER:

MERIDIAN 4 RANGE 21 TOWNSHIP 7
SECTION 18

THAT PORTION OF THE WEST HALF
WHICH IS BOUNDED ON THE NORTH WEST, WEST, AND SOUTH WEST BY THE RIGHT BANK
OF ST. MARY'S RIVER,
AS SHOWN ON THE TOWNSHIP PLAN APPROVED 27 JUNE 1893
CONTAINING 16.40 HECTARES (40.50 ACRES) MORE OR LESS
AND THE RIGHT TO WORK THE SAME

(collectively, the “**Lands**”).