

HORIZEN DEVELOPMENTS GP CORP.

FIRST REPORT OF THE COURT APPOINTED RECEIVER

December 2, 2025

Court File No. CV-25-00002469-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

**FIRST REPORT OF BDO CANADA LIMITED
IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF
HORIZEN DEVELOPMENTS GP CORP.**

DECEMBER 2, 2025

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I. INTRODUCTION

1. Pursuant to an order (the "**Receivership Order**") of the Honourable Mr. Justice Moore of the Ontario Superior Court of Justice, Commercial List (the "**Court**") granted on September 19, 2025 (the "**Date of Appointment**"), BDO Canada Limited ("**BDO**") was appointed as receiver (the "**Receiver**") of all of the assets, undertaking and properties of Horizen Developments GP Corp. ("**Horizen**" or the "**Company**") pursuant to section 243 (1) of the *Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended* (the "**BIA**") and section 101 of the *Courts of Justice Act R.S.O 1990, c. C.43 as amended* (the "**CJA**"). A copy of the Receivership Order is attached hereto as **Appendix "A"**.

II. PURPOSE OF REPORT

2. The purpose of this first report of the Receiver (the "**First Report**") is to:
 - (a) provide the Court with certain information pertaining to the receivership proceedings, including:
 - (i) Horizen's background, operations, and certain facts leading up to the appointment of the Receiver;
 - (ii) the Receiver's management of Horizen's property known municipally as 520 Sarnia Road, London, Ontario and legally described as PIN 08056-1935 (LT), Block 1, Plan 33M-273, save and except Parts 1-5, Plan 33R-21373, City of London, County of Middlesex (the "**Property**"); and
 - (iii) other activities of the Receiver since the Date of Appointment;
 - (b) provide this Court with information on the proposed transaction (the "**Proposed Transaction**") for the sale of Property and the steps taken to get to the Proposed Transaction, including:
 - (i) the marketing and sales process undertaken by the Receiver to effect a sale of the Property;
 - (ii) the asset purchase and sale agreement entered into between the Receiver, as vendor, and the prospective purchaser (the "**Purchase Agreement**"), subject to Court approval; and
 - (iii) the Receiver's recommendations with respect to the Proposed Transaction.
 - (c) provide this Court with information on the proposed distribution from the proceeds of the Proposed Transaction;
 - (d) provide this Court with information on the proposed Claims Process to be conducted by the Receiver; and
 - (e) recommend that this Court make the following orders:
 - (i) an approval and vesting order that, among other things:

- A. approving the Purchase Agreement and the Proposed Transaction, and authorizing and directing the Receiver to complete the Proposed Transaction and execute such documents and take such additional steps as are necessary to do so; and
 - B. upon completion of the Proposed Transaction (as evidenced by the Receiver filing with a Court certificate certifying the same), vesting the Property free and clear of all liens, charges, security interests and other encumbrances (other than such permitted encumbrances as may be described in the order) in the Purchaser;
- (ii) an ancillary order that, among other things:
- A. approving this First Report, including the actions and activities of the Receiver set out herein;
 - B. approving the fees and disbursements of the Receiver and its counsel incurred in relation to these proceedings up to approximately November 26, 2025; and
 - C. approving a distribution of proceeds to be held by the Receiver upon closing of the Proposed Transaction to fully settle the secured mortgage claim ADJ Holdings Inc. (“**ADJ**” or the “**Lender**”); and
- (iii) a claims procedure order (the “**Claims Procedure Order**”) that, among other things, approves a claim process (“**Claims Process**”) to be conducted by the Receiver.

III. QUALIFICATIONS

3. In preparing this First Report, the Receiver has relied upon unaudited financial information, Horizen’s books and records, and other financial information provided to it by Horizen’s lender(s) (collectively, the “**Information**”). The Receiver has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided, and in consideration of the nature of the evidence provided to this Court, in relation to the relief sought therein. The Receiver has not, however, audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Auditing Standards (“**GAAS**”) pursuant to the Canadian Institute of Chartered Accountants Handbook and, as such, the Receiver expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information. An examination of the Company’s financial forecasts in accordance with the Chartered Professional Accountants of Canada Handbook has not been performed. Future-oriented financial information reported on or relied upon in this First Report is based on management’s assumptions regarding future events; actual results achieved may vary from forecast and such variations may be material.

4. Unless otherwise noted, all monetary amounts contained in this First Report are expressed in Canadian dollars (“CAD”).

IV. BACKGROUND AND EVENTS LEADING TO APPOINTMENT OF THE RECEIVER

5. While this First Report summarizes certain of the information set out in the application record filed with the Court on September 5, 2025 (the “**Application Record**”) and the affidavit of Andrew Charabin (the “**Charabin Affidavit**”) filed in support of the Application Record, for a more detailed explanation of the Company’s background and events leading to the appointment of the Receiver, readers are directed to the Charabin Affidavit. A copy of the Charabin Affidavit is posted on the Receiver’s website at:

www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/horizen (the “**Receiver’s Website**”).

6. This First Report and all other court materials and orders issued and filed in these receivership proceedings are available on the Receiver’s Website and will remain available for a period of six (6) months following the Receiver’s discharge.

Company Overview & Corporate Structure

7. Horizen, incorporated under the *Business Corporations Act* of Ontario on October 3, 2019, is a commercial and residential real estate investment and development firm that is privately held and operated as the sole general partner of Horizen Developments LP. Horizen holds title to the Property for and on behalf of Horizen Developments LP.
8. Limited partnership units of Horizen Developments LP are held as follows:
 - (a) RHH Rental Properties Ltd. (“**RHP**”) holds 45% of units outstanding;
 - (b) Futurelands Ltd. holds 45% of units outstanding; and
 - (c) AJDL Investments Inc. holds 10% of units outstanding.
9. The Company’s directors are Ben Cameron and Scott Reid, and the Receiver understands each were involved in day-to-day operations and related management (collectively, “**Management**”).
10. RHP is privately held company that operated as the real estate developer from leased premises at 1515 Gordon Street in Guelph, Ontario. RHP is the ultimate parent company or significant unit holder of several development subsidiaries and GP/LP investment structures for real estate development in Ontario, including Horizen, The Receiver understands that RHP was the initial vehicle upon which funds were raised by investors for the

development and construction of the Property. Investors would lend money to RHP by way of promissory note and the promissory note was guaranteed and secured by Horizen Developments LP.

11. The Receiver understands Futurelands Ltd is 100% owned by Mr. Ben Cameron.
12. The Receiver understands AJDL Investments Inc. is 100% held by Mr. Andrew Long.
13. Horizen was an investment vehicle for a planned 1.677 acres redevelopment site on which there were plans to erect an eight (8) story building with 129 residential units, amounting to 106,361 square feet of gross building area. Other than demolition, site preparation and planning, no construction ever took place regarding this development.

Events Leading to Appointment of the Court-Appointed Receiver and Causes of Insolvency

14. Pursuant to discussions with Management, the Receiver understands that the Company's financial concerns were attributed to, among other things:
 - (a) RHP filing a voluntary assignment in bankruptcy on June 18, 2025. As the primary vehicle for sourcing investor funds, primarily through promissory notes, for its subsidiaries and GP/LP investment structures including Horizen, there were no funds available to develop the Property; and
 - (b) the Lender demanded payment of its loans on June 18, 2025 in the amount of \$3.0 million and gave notice under s. 244 of the BIA of its intention to enforce its security to the Company and its directors. ADJ informed the Company it demanded payment due to defaults under the terms of the Mortgage (as defined below) including:
 - (i) the failure of the Company to make payment since June 16, 2025;
 - (ii) the registration of a construction lien claim and a certificate of action against the Property, representing a default under the terms of the Mortgage; and
 - (iii) the accumulation of property tax arrears against the Property, also a default under the terms of the Mortgage.

V. ACTIVITIES OF THE RECEIVER

Receiver's Activities since the Date of Appointment

15. Since the Date of Appointment, the Receiver has performed the following activities:
 - (a) took control of the Company's available books and records;
 - (b) contacted Canada Revenue Agency ("CRA") to set up a new excise tax accounts in the name of the Receiver;

- (c) undertook a thorough review of the Company's books and records, confirmed the Company did not have any employees and therefore administration of a claims process pursuant to the *Wage Earner Protection Program Act* was not required;
- (d) reviewed the Company's books and records in attempt to identify potential priority claims, including deemed trust claims of CRA and property tax claims of the Corporation of the City of London, Ontario (the "**Municipality**");
- (e) notified the Canadian Imperial Bank of Commerce ("**CIBC**"), where the Company maintained a bank account, of the Receiver's appointment and requested that the Company's bank accounts be switched to deposit only and for a draft clearing out the account if funds were to become available;
- (f) on September 26, 2025, mailed a copy of the notice and statement pursuant to sections 245(1) and 246(1) of the BIA to the Office of the Superintendent of Bankruptcy (the "**OSB**") and the Company's known creditors;
- (g) reviewed the Company's books and records, and took copies of the Company's electronic files and its accounting system;
- (h) opened a trust account to manage the finances of the receivership;
- (i) arranged for insurance coverage for the Property;
- (j) arranged to maintain fencing to safeguard the Property;
- (k) arranged for opinions of value of the Property from two (2) well know commercial real estate brokerages with extensive experience in Southwestern Ontario;
- (l) engaged with the Lender and its counsel to develop a sale strategy for the Property, ultimately engaging CBRE Limited Brokerage, a commercial realtor based in London, Ontario (the "**Realtor**"), to list and market the Property for sale;
- (m) contacted Canada Revenue Agency ("**CRA**") to set up a new excise tax accounts in the name of the Receiver,;
- (n) responded to calls and enquiries from the Company's creditors, including subcontractors and other stakeholders;
- (o) calls with the Receiver's counsel, Reconstruct LLP ("**Reconstruct**") regarding various estate matters;
- (p) provided regular updates with respect to its realization strategy and the status of the real estate listing with ADJ, the appointing secured creditor; and
- (q) prepared this First Report.

VI. SALE PROCESS

16. Prior to the receivership proceeding, in 2024, the Property was listed for sale by a realtor. Although some parties expressed interest, no formal offer was made.
17. The Receiver, through engagement with the Lender, developed a sales strategy, ultimately engaging the Realtor to list and market the Property for a period of at least four (4) weeks.
18. The sales strategy has the following perceived advantages:
 - (a) the sales method is commonly used for selling commercial real estate for development;
 - (b) timeliness to market;
 - (c) flexibility on the length of exposure in the market, which can be limited in a tender sales process, for example: market exposure through the Realtor.ca website, the Realtor's broker website and other marketing efforts of the Realtor including social media content and physical signage; and
 - (d) local sales focus with the Realtor based in London, Ontario and the target buyer being local residential and commercial real estate developers.
19. On September 23, 2025, the Receiver entered into a listing agreement with the Realtor to list the Property. The Property was promoted as follows:
 - (a) on October 1, 2025, the Property was uploaded to the Realtor.ca website;
 - (b) on October 6, 2025, the Property was uploaded to the Realtor's website. Plus, further postings and promotions were published on CBRE's representatives LinkedIn pages with over 26,500 contacts;
 - (c) on October 8, 2025, a first half-page, full-colour advertisement appeared on the Novae Res Urbis (NRU) Publishing Inc. website, a planning and development journal heavily subscribed to within the Greater Toronto Area (GTA) and the Greater Golden Horseshoe (GGH) area. A second advertisement was published on October 22, 2025; and
 - (d) the Realtor initiated a Property specific email campaign that was sent to approximately 2,000 property planning and development contacts and approximately 1,900 real estate broker contacts.
20. On October 7, 2025, the Realtor, with the assistance of the Receiver, opened a data room with information available with respect to the acquisition opportunity, including a draft asset purchase and sale agreement. Qualified purchasers that submit a confidentiality agreement were to be provided access to the data room.
21. On or around October 15, 2025, the Property listings on the Realtor.ca website, the Realtor's website, the Realtor's data room and all subsequent advertising was updated to inform prospective purchasers that the Receiver would be receiving offers received starting on November 4, 2025.

22. Since commencement of the sale process, nine (9) prospective purchasers executed confidentiality agreements and were granted access to the data room. By November 4, 2025, four (4) prospective purchasers submitted an offer to purchase the Property, along with a marked-up asset purchase and sale agreement for the Receiver's review and consideration. A summary of the offers submitted to the Realtor is attached hereto as **Confidential Appendix "A"**.
23. The Receiver, in consultation with the Lender, decided to move forward with the Proposed Transaction because it, among other things, offered the highest consideration, did not contain any diligence conditions, and aligned with the Receiver's preferred closing timeline.

VII. PROPOSED TRANSACTION

24. On November 12, 2025, the Receiver entered into the Purchase Agreement to sell the Property to 1423917 Ontario Inc. (the "**Purchaser**"). A copy of the Purchase Agreement, with commercially sensitive information redacted, is attached hereto as **Appendix "B"**. A copy of the Purchase Agreement without redactions is attached hereto as **Confidential Appendix "B"**. The Purchase Agreement contemplates a negotiated cash purchase price, including applicable taxes, a 10% deposit which has since been received and held in trust by the Receiver, and is scheduled to close within three (3) weeks of obtaining an approval and vesting order.
25. The Purchase Agreement is firm, meaning it does not contemplate a due diligence period, and does not include any conditions to closing related to obtaining financing or inspection of the Property.
26. Prior to the Date of Appointment, BDO assisted the Lender in obtaining opinions of value from two (2) reputable real estate firms, including the Realtor. The opinions of value contained valuations consistent with the negotiated purchase price in the Purchase Agreement. The realtor's value opinions are attached hereto as **Confidential Appendix "C"** and **Confidential Appendix "D"**, respectively.

Sale Approval

27. The Receiver is of the view that the Proposed Transaction should be approved by the Court due to the following:
- (a) the Property was exposed to the market for a period of five (5) weeks, with the Property being listed by the Realtor on October 1, 2025, and with four (4) offers being received by November 4, 2025. The sale process for the Property was fair and transparent, with sufficient effort made to obtain the best price for the Property;
 - (b) the Receiver is of the opinion that further marketing of the Property is not likely to result in higher net proceeds of sale after considering the costs to continue these receivership proceedings;

- (c) two (2) opinions of value were obtained from experienced commercial real estate agents with extensive experience in the London, Ontario market. Both opinions of value demonstrate that the purchase price contemplated in the Proposed Transaction is fair and reasonable;
- (d) the Proposed Transaction is in the best interests of the Company and its respective stakeholders. In particular:
 - (i) the senior secured creditor, ADJ, is supportive of the Proposed Transaction; and
 - (ii) in the Receiver's view, no creditors are materially prejudiced by the Proposed Transaction; and
- (e) there has been no unfairness in the working out of the process. The Proposed Transaction was negotiated in good faith with an arm's length party.

VIII. CREDITORS

Secured Claims

28. As of the Date of Appointment, the Receiver understands that ADJ, the Company's senior secured creditor, was owed approximately \$3.0 million pursuant to a commitment letter dated May 8, 2024 (the "**Commitment Letter**").
29. ADJ holds security pursuant to the Commitment Letter in the form of, *inter alia*:
- (a) a collateral mortgage in the principal amount of \$6.0 million registered against title to the Property as Instrument ER1576529 on May 14, 2024 (the "**Mortgage**");
 - (b) a notice of assignment of rents - general registered against title to the Property as Instrument ER1576530 on May 14, 2024;
 - (c) a general security agreement from Horizen and Horizen Developments LP dated May 14, 2024, which was registered under the *Personal Property Security Act* (Ontario) on May 14, 2024);
 - (d) assignment of insurance dated May 14, 2024;
 - (e) assignment of construction contracts, plants and permits dated May 14, 2024;
 - (f) a guarantee from SF Square LP, SF Square GP Corp. in both its capacity as General Partner for SF Square LP and in its own capacity, RHH Rental Properties Ltd., Futurelands Ltd., 34 Holdings Inc., Scott Reid and James Cameron dated May 14, 2024; and
 - (g) a promissory note from Horizen in the principal amount of \$2.8 million dated May 14, 2024.
30. The Receiver has undertaken an independent security review (the "**Security Review**") regarding the security held by ADJ as conducted by its legal counsel, Reconstruct LLP. The Security Review, subject to standard assumptions and qualifications, provides that the security held ADJ is valid and enforceable against the Property.

31. The Security Review does not opine on priority as between ADJ and other creditors. However, the Receiver is not aware of any other secured claims. The Receiver is aware of a construction lien registered against the Property in favour of Sierra General Contracting Inc. (“**Sierra**”) in the amount of \$190,392.46 pursuant to the *Construction Act*, R.S.O. 1990, c. C. 30, as amended (the “**Construction Act**”). The Receiver is in the process of reviewing the validity and enforceability of the construction lien, including the priority of the construction lien *vis a vis* the security of ADJ.

Priority Claims

Receiver’s Charge

32. Paragraph 18 of the Receivership Order provides for a first priority charge on the Property for the Receiver’s fees and costs and those of the Receiver’s counsel in priority to all other security interest, trusts, liens, charges and encumbrances.

Receiver’s Borrowing Charge

33. Pursuant to paragraph 21 of the Receivership Order, the Receiver is authorized to borrow up to \$450,000, as considered necessary or desirable. The Receiver believes that this amount is reasonable to fund these proceedings. As of the date of this First Report, the Receiver has issued one (1) borrowing certificate dated September 30, 2025, in the amount of \$10,000 to fund expenses to safeguard the Property including insurance and fencing.

Property Tax Claims

34. Amounts owing to the City of London, Ontario for property taxes, if any, have yet to be confirmed. The Company’s books and records included a nominal balance owing to the Municipality of London. The Receiver anticipates any balance owing will be settled upon closing of the Proposed Transaction.

Deemed Trust Claims

35. Amounts owing to CRA for source deductions and excise taxes, if any, have yet to be confirmed. Through review of the Company’s books and records, the Receiver understands the Company did not have any employees and therefore does not have any source deduction remittances outstanding. Further, the Company’s excise tax account was in a refund position in the amount of approximately \$19,000. However, these balances may change once CRA performs a trust examination to confirm the outstanding amounts.

36. The Receiver has requested that CRA perform a trust examination to confirm the outstanding source deductions and excise taxes.

Other Claims

37. On June 23, 2025, a claim was filed with the Ontario Superior Court of Justice (Small Claims Court) against RHP, the Company, and Horizen Developments LP in the amount of \$20,961.12, inclusive of applicable taxes, in accordance with the *Courts of Justice Act*. The claim is related to unpaid invoices in the amount of \$15,820.00 and \$5,141.12 in contractual interest related to the delivery of energy modelling services rendered.
38. On July 8, 2025, Sierra registered a lien against the Property pursuant to the Construction Act in the amount of \$190,392.46. The lien claim states Sierra provided preconstruction services, prepared development drawings, supplied site fencing, repaired the Property's infrastructure and other services up to June 3, 2025. The Receiver and its counsel continue to investigate the validity of Sierra's construction lien claim.
39. On August 28, 2025, Sierra filed a statement of claim with the Ontario Superior Court of Justice against the Company, Horizen Developments LP and ADJ Holdings Inc. in the amount of \$1,441,725.46, inclusive of applicable taxes (the "**Statement of Claim**"). The Statement of Claim includes the lien claim for \$190,392.46 and a claim for \$1,251,333.00 with respect to a breach of contract and related suffered losses in the nature of lost profits on work remaining on a contract entered into with the Company for the supply of services including demolition of the former building and the construction of the planned eight (8) story building on the Property.
40. As noted above, the Receiver and its counsel are reviewing the construction lien registered on the Property by Sierra. The Receiver intends to hold back a portion of the purchase price contemplated in the Purchase Agreement, in the amount of 190,392.46. If Sierra's construction lien is found to be valid and/or in priority to the mortgage of ADJ, the Receiver intends to return to Court to seek approval of a distribution to Sierra on account of its construction lien claim.

Unsecured Claims

41. Through review of the books and records, the Receiver understands that the Company and Horizen Developments LP have the following unsecured claims as at the Date of Appointment:
- (a) trade accounts payable of approximately \$252,000;
 - (b) related party payables as follows:
 - (i) to RHP in the approximate amount of \$6.9 million;
 - (ii) to Sherwood Forest Square Ltd. in the approximate amount of \$392,000; and
 - (iii) to SF Square LP in the approximate amount to \$217,000.

IX. DISTRIBUTION

42. Should this Court approve the Purchase Agreement and the Proposed Transaction, and the sale of the Property closes, the Receiver proposes to make a distribution to ADJ on account of its secured mortgage claim..
43. On November 18, 2025, ADJ representatives provided the Receiver with a payout statement (the “**Payout Statement**”) stating the balance owing was approximately \$3.1 million, including the principal loan balance of \$2.8 million plus interest at a rate of 12% per annum and charges incurred since July 13, 2025. The Payout Statement includes a per diem interest charge of \$1,018.34. The Receiver and its counsel reviewed the Payout Statement and confirmed the interest and other charges are valid claims under ADJ’s security .
44. As mentioned above, pending review of Sierra’s construction lien claim, the Receiver proposes to hold back the amount of 190,392.46 from the purchase price contemplated in the Purchase Agreement to repay Sierra at the time of final distribution.
45. The Receiver intends to hold the remaining proceeds of sale in trust while it conducts the proposed Claims Process outlined below.

X. CLAIMS PROCESS

46. The Receiver is seeking approval of the Claims Procedure Order substantially in the form of the draft appended to the Receiver’s motion record at tab 5. Capitalized terms not defined in this section have the meaning ascribed to them in the Claims Procedure Order.
47. The key steps of the Claims Procedure Order are summarized below:
- (a) Notice to Claimants, Proof of Claim, Notice of Revision or Disallowance and Dispute Notice (collectively, the “**Claims Package**”) will be posted on the Receiver’s Website within five (5) Business Days following the issuance of the Claims Procedure Order;
 - (b) The Receiver will send the Claims Package to each of the Known Claimants no later than five (5) Business Days following the granting of the Claims Procedure Order;
 - (c) Claimants wishing to assert a Claim must file a Proof of Claim twenty (20) Business Days following the date on which the Receiver sends the Claims Package to the Claimant;
 - (d) Claimants who were not delivered a Claims Package, but are wishing to file a Proof of Claim may obtain a copy of the relevant forms from the Receiver’s Website or by contacting the Receiver and requesting that copies of the relevant forms be provided;
 - (e) Any Person not receiving a Claims Package and wishing to assert a Claim must file a Proof of Claim by the Claims Bar Date, failing which such Claim shall be extinguished;

- (f) Each Proof of Claim shall be reviewed by the Receiver and the Receiver shall either accept the claim, or revise or disallow the claim in whole or in part by issuing a Notice of Revision or Disallowance if it disagrees with the Claim set out in the Proof of Claim;
- (g) If a Claimant disagrees with the assessment of the Claim as set out in the Notice of Revision or Disallowance, it must deliver a Dispute Notice within 14 calendar days of the Notice of Revision or Disallowance, or such later date as the Court may order, failing which the Claimant shall be deemed to accept the amount of the Claim as set out in the Notice of Revision or Disallowance;
- (h) Upon the receipt of a Dispute Notice, the Receiver may:
 - (i) Attempt to consensually resolve the classification and the amount of the Claim with the Claimant; or
 - (ii) Refer the Disputed Claims to a Claims Officer;
- (i) Any decision by a Claims Officer may be appealed to the Court.

48. The Receiver is of the view that the Claims Procedure is appropriate, fair and reasonable in the circumstances, and respectfully request for its approval to be granted by this Court.

XI. APPROVAL OF THE RECEIVER'S FEES AND DISBURSEMENTS

49. Pursuant to the Receivership Order, the Receiver has provided services in the amount of \$46,381.00 (excluding HST), in the period September 5, 2025 to November 26, 2025. A copy of the affidavit of Neil Jones, sworn December 2, 2025, which includes a copy of the Receiver's time dockets pertaining to its activities under these Receivership proceedings for the period September 5, 2025 to November 26, 2025, in the amount of \$46,381.00 (excluding HST) is attached hereto as **Appendix "C"**. This represents a total of 79.25 hours at an average hourly rate of \$585.25.

50. Further, the Receiver's counsel, Reconstruct, has provided services in the amount of \$14,219.05 (excluding HST and disbursements) in the period September 30 to November 20, 2025. A copy of the affidavit of Caitlin Fell, sworn December 2, 2025, which includes a copy of Reconstruct's time dockets pertaining to its activities under these Receivership proceedings for the period September 30 to November 20, 2025, in the amount of \$14,219.05 (excluding HST and disbursements) is attached hereto as **Appendix "D"**. This represents a total of 24.5 hours at an average hourly rate of \$669 (exclusive of HST).

51. The Receiver has reviewed the accounts of its counsel and is of the view that all the work set out in these accounts was carried out and was necessary, that the hourly rates of the lawyers who worked on this matter were reasonable in light of the services required and that the services were carried out by lawyers with the appropriate level of expertise.

XII. RECOMMENDATIONS

52. Based on the foregoing, the Receiver respectfully recommends that the Court issue orders:

- (a) approving this First Report, including the actions and activities of the Receiver set out herein;
- (b) approving the fees and disbursements of the Receiver and its counsel incurred in relation to these proceedings up to November 26, 2025 and November 20, 2025, respectively;
- (c) approving the Purchase Agreement, and authorizing to complete the Proposed Transaction and directing the Receiver to execute such documents and take such additional steps as are necessary to do so;
- (d) vesting in the Purchaser, as at closing, the Property free and clear of all liens, charges, security interests and other encumbrances (other than such permitted encumbrances as may be described in the order);
- (e) approving an distribution of proceeds to be held by the Receiver upon closing of the Proposed Transaction to fully settle the secured claim ADJ; and
- (f) approving a Claims Process to be conducted by the Receiver.

All of which is respectfully submitted on the 2nd day of December, 2025.

BDO Canada Limited
in its capacity as Court Appointed Receiver of
Horizen Developments GP Corp.
and not in its personal or corporate capacity



Neil Jones, CPA, CA, CIRP, LIT
Senior Vice-President

Court File No. CV-25-00002469-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE
JUSTICE Moore
2025

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FRIDAY, THE 19th)
DAY OF SEPTEMBER,

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing BDO Canada Limited as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertaking and properties of Horizen Developments GP Corp. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including the real property owned by the Debtor and described in Schedule "A" hereto (the "Real Property") was heard this day at 80 Dundas Street, London, Ontario.

ON READING the affidavit of Andrew Charabin sworn September 4, 2025, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one appearing for the Respondent, although duly served as appears from the affidavit of service of Kelsey

Evanitski sworn September 8, 2025, and on reading the consent of BDO Canada Limited to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, BDO Canada Limited is hereby appointed Receiver, without security, of the Real Property and of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that 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 and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (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) to manage, operate, and carry on the business of the Debtor, 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 Debtor;
- (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 such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (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 Debtor, for any purpose pursuant to this Order;
- (i) 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 Debtor, 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;

- (j) to market any or all of the Property, 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;
 - (k) 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 \$200,000; 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 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.
- (l) to apply for any vesting order or other 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;
 - (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on 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;
 - (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
 - (o) 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 Debtor;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) 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 (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its 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 to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that 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 Debtor, 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 5 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 due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that 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.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that 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 DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor 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 Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall 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 Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, 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 Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that 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

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, 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*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Southwest Region of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that 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 legal fees and disbursements, incurred at the standard 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

21. THIS COURT ORDERS that 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 \$450,000 (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, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that 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.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that 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.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that 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.

31. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (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.

Brandi Digitally signed by
Brandi O'Dwyer **O'Dwyer**

Date: 2025.09.19

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Registrar B. O'Dwyer As Per Justice Moore

SCHEDULE "A"**REAL PROPERTY**

PIN 08056-1935 (LT)

Block 1, Plan 33M-273, save and except Parts 1-5, Plan 33R-21373
City of London, County of Middlesex

and known municipally as 520 Sarnia Road, London, Ontario.

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that BDO Canada Limited, the receiver (the "Receiver") of the assets, undertakings and properties of Horizen Developments GP Corp. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ____ day of _____, 2025 (the "Order") made in an action having Court file number CV-25- 00002469-0000, 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 \$ _____ which 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 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 Bank 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, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in 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 Toronto, Ontario.
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 _____, 20__.

BDO CANADA LIMITED, solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____
Name:
Title:

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ASSET PURCHASE AND SALE AGREEMENT

BETWEEN

BDO CANADA LIMITED., solely in its capacity as Court-appointed receiver and manager over the properties, assets and undertakings of Horizen Developments GP Corp.

AS THE VENDOR

-AND-

1423197 ONTARIO INC.

AS THE PURCHASER

THIS ASSET PURCHASE AND SALE AGREEMENT is made as of the 12th day of November, 2025.

AMONG:

BDO CANADA LIMITED., solely in its capacity as Court- appointed receiver and manager over the properties, assets and undertakings of Horizen Developments GP Corp. and not in its personal or corporate capacity (the “**Receiver**”)

- and -

1423197 ONTARIO INC., a corporation existing under the laws of the Province of Ontario (“**Purchaser**”)

RECITALS

- A. On September 19, 2025, the Ontario Superior Court of Justice (the “**Court**”) granted an application for an order appointing the Receiver, without security, over all of the assets, properties, and undertakings of Horizen Developments GP Corp. (the “**Debtor**”) acquired for or used in relation to a business carried on by the Debtor, including the Real Property (as defined below).
- B. The Receiver wishes to sell, and the Purchaser wishes to purchase the Debtor's right, title and interest in and to the Purchased Assets, subject to and in accordance with the terms and conditions contained herein.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confirmed, the Parties agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

- (a) “**Affiliate**” means any Person that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with another Person. The term “control” means possessing the power to direct or cause the direction of the management and policies of a Person, whether through ownership, by contract, or otherwise.
- (b) “**Agreement**” means this agreement of purchase and sale, including all schedules and all amendments or restatements, as permitted, and references to “Article”, “Section” or “Schedule” mean the specified article, section of, or schedule to this Agreement and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and not to any particular section or other portion of this Agreement.
- (c) “**Applicable Law**” means with respect to any Person, transaction, event, or circumstance, all applicable provisions of laws, statutes, rules, regulations, official directives, published guidelines, standards, codes of practice and orders of, and the terms of all judgments, orders, awards and decrees issued by any Governmental Authorities by which such Person is bound or having application to the transaction, event or circumstance in question.
- (d) “**Approval and Vesting Order**” means the approval and vesting order issued by the Court approving this Agreement and the Transaction contemplated by this Agreement and

conveying to the Purchaser the Purchased Assets free and clear of all Encumbrances other than the Permitted Encumbrances, and which order shall be in a form substantively similar to the draft order attached hereto as **Schedule "F"**.

- (e) **"Assumed Contracts"** has the meaning given to such term in Section 2.4.
- (f) **"Assumed Liabilities"** has the meaning given to such term in Section 2.3.
- (g) **"Assumed Permits"** means all the authorizations, registrations, permits, licences, certificates of approval, approvals, consents, commitments, rights or privileges issued, granted or required, if any, by any Governmental Authority in respect of the Purchased Assets to the extent they are assignable or transferable.
- (h) **"Books and Records"** means all information in any form relating to the Purchased Assets that is in Receiver's possession, including books of account, financial, operations, sales books, marketing, personnel and research information and records, technical information, drill logs, equipment logs, technical reports, operating guides and manuals, Plans and all other documents, files, correspondence and other information, including all data, information and databases stored on computer-related or other electronic media, but excluding the minute books and corporate records of the Debtor.
- (i) **"Business"** means the business of the Debtor.
- (j) **"Business Day"** means a day on which banks are open business in the City of Toronto but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario.
- (k) **"Claims"** means any and all caveats, security interests, liens, trusts or deemed trusts, claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, mortgages, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, secured or unsecured, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, related to the Purchased Assets or the Debtor, and **"Claim"** means any one of them.
- (l) **"Closing"** means the completion of the Transaction pursuant to the terms and conditions of this Agreement.
- (m) **"Closing Date"** means the date that is the later of: (i) the first Business Day following the date that is three (3) weeks following the date on which the Approval and Vesting Order is issued by the Court; (ii) the first Business Day following the date on which any appeals or motions to set aside or vary the Approval and Vesting Order have been finally determined; or, (iii) if the Parties agree, such other date as agreed to in writing by the Parties.
- (n) **"Closing Time"** means 4:00 p.m. (Toronto time) on the Closing Date or such other time as agreed in writing by the Parties.
- (o) **"Contracts"** means all of the contracts, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements and engagements to which the Debtor is a party.
- (p) **"Cure Costs"** means, in respect of any Assumed Contract, all amounts, required to be paid to remedy all of Debtor's monetary defaults under such Assumed Contract in order to

secure a counterparty's or any other necessary Person's consent to the assignment of such Assumed Contract pursuant to its terms (including any deposits or other forms of security required to be paid by Purchaser to any Governmental Authority) or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any other Person in connection with the assignment of an Assumed Contract pursuant to its terms or Applicable Laws.

- (q) **"Debtor"** has the meaning given to such term in the recitals.
- (r) **"Deposit"** has the meaning given to such term in Section 3.2.
- (s) **"DRA"** has the meaning given to such term in Section 5.51(a)(ii).
- (t) **"Due Diligence Information"** means all information made available (by the Receiver or otherwise) for Purchaser's review in paper or electronic form in relation to the Purchased Assets.
- (u) **"Effective Date"** means the date of this Agreement.
- (v) **"Encumbrances"** means all liens, charges, security interests, pledges, leases, offers to lease, title retention agreements, mortgages, restrictions on use, development or similar agreements, easements, rights-of-way, title defects, options or adverse claims or encumbrances of any kind or character whatsoever.
- (w) **"Environmental Law"** means any and all applicable international, federal, provincial, municipal or local laws, by-laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, health protection or any Hazardous Materials.
- (x) **"ETA"** means the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended.
- (y) **"Excluded Assets"** means all assets, undertakings and properties other than the Purchased Assets, which Excluded Assets includes the following:
 - (i) all cash, bank balances, money in possession of banks and other depositories, term or time deposits and similar cash or cash equivalents of, owned or held by or for the account of the Business and/or the Debtor;
 - (ii) original tax records and Books and Records pertaining thereto, minute books, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Purchased Assets;
 - (iii) the benefit of any prepaid expenses or deposits with any Person (including, without limitation, the benefit of any prepaid rent), public utility or Governmental Authority in connection with the Purchased Assets;
 - (iv) the benefit of any refundable Taxes payable or paid by the Debtor or paid by the Receiver in respect of the Purchased Assets and applicable to the period prior to the Closing Date net of any amounts withheld by any taxing authority, and any claim or right of the Debtor or the Receiver to any refund, rebate, or credit of Taxes for the period prior to the Closing Date; and
 - (v) such Purchased Assets as the Purchaser may indicate by notice in writing to the Receiver prior to the filing of the motion materials for the Approval and Vesting Order that the Purchaser does not wish to acquire or be included as part of the Purchased

Assets, which specified Purchased Assets shall thereafter be deemed Excluded Assets, without any adjustment to the Purchase Price.

- (z) **“Excluded Liabilities”** has the meaning given to such term in Section 2.6.
- (aa) **“Governmental Authorities”** means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, republic, territory, state or other geographic or political subdivision thereof, including, without limitation, any municipality in which the Real Property is located; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and **“Governmental Authority”** means any one of them.
- (bb) **“Hazardous Materials”** means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Governmental Authority and any **“Contaminants”**, **“Dangerous Substances”**, **“Hazardous Materials”**, **“Hazardous Substances”**, **“Hazardous Wastes”**, **“Industrial Wastes”**, **“Liquid Wastes”**, **“Pollutants”** and **“Toxic Substances”**, all as defined in, referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health and/or safety matters and, not to limit the generality of the foregoing, includes asbestos, urea formaldehyde foam insulation and mono or poly-chlorinated biphenyl wastes.
- (cc) **“HST”** means harmonized sales tax imposed under Part IX of the ETA.
- (dd) **“HST Indemnity”** has the meaning given to such term in Section 3.6.
- (ee) **“Interim Period”** means the period between the date of this Agreement to the Closing Date.
- (ff) **“ITA”** means the *Income Tax Act*, R.S.C. 1985, c.1, as amended.
- (gg) **“Liabilities”** means any and all claims, actions, causes of action, suits, proceedings, applications, complaints, costs, expenses, charges, debts, liabilities, losses, damages, orders, judgments, demands, fines, penalties and obligations or any nature or kind whatsoever, whether primary or secondary, direct or indirect, fixed, contingent, absolute or otherwise.
- (hh) **“Outside Date”** means the date that is the first Business Day following the date that is thirty (30) days following the date on which the Approval and Vesting Order is issued by the Court.
- (ii) **“Parties”** means the Receiver and the Purchaser, and **“Party”** means any one of them.
- (jj) **“Plans”** means all plans, surveys, floor plans, blueprints, specifications and engineering drawings related to any development efforts in respect of the Real Property.
- (kk) **“Permitted Encumbrances”** means all those Encumbrances listed in **Schedule “B”** hereto.

- (ll) **“Person”** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted.
- (mm) **“Prepaid Expenses and Deposits”** means all prepayments, prepaid charges, Deposits, security deposits, sums and fees in any way related to the Purchased Assets.
- (nn) **“Purchase Price”** has the meaning given to such term in Section 3.1.
- (oo) **“Purchased Assets”** means all of the Debtor's right, title and interest in the following assets:
- (i) the Real Property;
 - (ii) the Plans;
 - (iii) the Assumed Contracts;
 - (iv) the Assumed Liabilities;
 - (v) the Assumed Permits; and
 - (vi) the Due Diligence Information.
- (pp) **“Purchaser”** has the meaning given to such term in the recitals.
- (qq) **“Real Property”** means the lands and premises legally described in **Schedule “A”** attached hereto, including any structures and fixtures forming a part thereof and any personal property affixed thereto and/or used in the maintenance and operation thereof.
- (rr) **“Receiver's Certificate”** has the meaning given to such term in Section 5.4.
- (ss) **“Receiver”** has the meaning given to such term in the recitals.
- (tt) **“Statement of Adjustments”** has the meaning given to such term in Section 3.4.
- (uu) **“Taxes”** means all taxes, HST, land transfer taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, non-resident, foreign investor, capital, capital gains, alternative, net worth, transfer, profits, withholding, excise, real property and personal property taxes, and any related interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not.
- (vv) **“TERS”** has the meaning given to such term in Section 5.5(a)(i).
- (ww) **“Transaction”** means the transaction of purchase and sale and any other associated transactions contemplated by this Agreement.

1.2 Interpretation

The following rules of construction apply to this Agreement unless otherwise noted:

- (a) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (b) The word "include" and "including" and derivatives thereof shall be read as if followed by the phrase "without limitation".
- (c) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.
- (d) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (e) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified.
- (f) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict.
- (g) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict.
- (h) This Agreement has been negotiated by each Party with the benefit of independent legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.
- (i) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.
- (j) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder.

1.3 Currency

Except as otherwise provided in this Agreement, all dollar amounts referred to in this Agreement are stated in Canadian Dollars and any payment contemplated by this Agreement shall be made by certified cheque, bank draft or wire transfer.

1.4 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule "A" - Real Property

Schedule "B" - Permitted Encumbrances

Schedule "C" - Assumed Contracts

Schedule "D" - Assumed Permits

Schedule "E" - Form of Approval and Vesting Order

1.5 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that Purchaser has acquired the Purchased Assets shall be construed as having been contingent upon Closing having occurred.

**ARTICLE 2
PURCHASE AND SALE****2.1 Agreement of Purchase and Sale**

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price, Receiver hereby agrees to sell, assign and transfer to Purchaser, and Purchaser agrees to purchase, accept and receive from the Receiver, Debtor's right, title and interest in and to the Purchased Assets and assume the Assumed Contracts and the Assumed Liabilities. Purchaser acknowledges that it is purchasing the Purchased Assets and assume the Assumed Contracts and the Assumed Liabilities on an "as is, where is" basis as further set out in Section 9.1.

2.2 Transfer of Purchased Assets and Assumption of Liabilities

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Purchased Assets shall transfer from Debtor to the Purchaser on the Closing Date, and Purchaser agrees to assume, discharge, perform and fulfil all covenants and obligations under the Assumed Permits, the Assumed Contracts and the Assumed Liabilities. Without limiting the provisions of this Agreement relating to the Transaction (and such agreement itself), or any other provisions of this Agreement relating to sale, transfer, assignment, conveyance or delivery, the Purchased Assets, shall be sold, assigned, transferred, conveyed, and delivered by the Receiver to Purchaser by way of the appropriate instruments of transfer, bills of sale, endorsements, assignments, and deeds, in recordable form, or by way of an Order of the Court, as appropriate, and free and clear of any and all Claims other than Permitted Encumbrances, as applicable.

2.3 Assumed Liabilities

On Closing, the Purchaser shall assume and be liable for the following Liabilities from and after Closing (collectively, the "**Assumed Liabilities**"):

- (a) Permitted Encumbrances;
- (b) covenants and obligations under the Assumed Contracts; and
- (c) covenants and obligations under the Assumed Permits.

Following Closing, the Purchaser shall assume, perform, discharge and pay when due all of the Assumed Liabilities. The Purchaser acknowledges and agrees that, except as expressly set forth herein, the Purchased Assets are purchased and the Assumed Liabilities are assumed by Purchaser "as is, where is" as they shall exist at the Closing Date with all faults and without any representations or warranties, express or implied, in fact or by law with respect to the Purchased Assets and the Assumed Liabilities, and without any recourse to the Receiver, its Affiliates, or their directors, officers, representatives or advisors, including its solicitors. The Purchaser agrees to accept the Purchased Assets and the Assumed Liabilities in the condition, state and location as they are in on the Closing Date based on Purchaser's own inspection, examination and determination with respect to all matters and without reliance upon any express or implied representations or warranties of any nature made by or on behalf of or imputed to the Receiver, except as expressly set forth in this Agreement.

2.4 Assumed Contracts and Assumed Permits

The Purchaser shall assume on Closing any Contracts listed on Schedule "C" attached hereto (the "**Assumed Contracts**") and the Assumed Permits. The Purchaser acknowledges that the Receiver and the Debtor will have no responsibility whatsoever for curing any defaults, paying any arrears, or performing any obligations under or with respect to any of the Assumed Contracts or any of the Assumed Permits and the Purchaser shall be responsible for Cure Costs required to be made to the counterparties to the Assumed Contracts and/or Assumed Permits, which payments shall not reduce and/or abate the Purchase Price. The Purchaser acknowledges that the Receiver and the Debtor has made no representation, warranty nor guarantee as to the assignability of any Assumed Contract or any Assumed Permit or whether or not the counterparties of the Assumed Contracts or the applicable Governmental Authority will provide the consent and approval sought by the Purchaser.

2.5 Excluded Assets

Notwithstanding anything in this Agreement, the Purchased Assets shall not include the Excluded Assets and the Purchaser is not purchasing any of the Excluded Assets.

2.6 Excluded Liabilities

With the sole exception of the Assumed Liabilities, the Purchaser is not assuming, and shall not be deemed to have assumed, any liabilities, obligations or commitments of the Debtor, the Receiver or any other Person, whether known or unknown, fixed or contingent or otherwise, including any debts, obligations, sureties, positive or negative covenants or other liabilities directly or indirectly arising out of or resulting from the conduct or operation of the Business or the Purchased Assets or the Debtor's ownership or interest therein, whether pursuant to this Agreement or as a result of the Transaction (collectively, the "**Excluded Liabilities**"). For greater certainty, the Excluded Liabilities shall include, but not be limited to, the following:

- (a) all liabilities relating to the Excluded Assets;
- (b) all liabilities relating to Contracts which are not Assumed Contracts; and
- (c) all liabilities relating to permits and licences which are not Assumed Permits.

ARTICLE 3 PURCHASE PRICE AND SATISFACTION OF THE PURCHASE PRICE

3.1 Purchase Price

The aggregate purchase price for the Purchased Assets excluding all applicable Taxes shall be [REDACTED] (the "**Purchase Price**").

3.2 Deposit

The Parties agree that the Purchaser will pay the Receiver a deposit of 10% of the Purchase Price (the "**Deposit**"). The Deposit shall be held by the Receiver in a non-interest bearing account pending completion of this Agreement and shall be applied towards the Purchase Price due on completion of the Transaction on the Closing Date or in accordance with Section 10.2 or Section 10.3.

3.3 Satisfaction of the Purchase Price

The Purchaser shall infeasibly pay and satisfy the Purchase Price as follows:

- (a) payment of the Deposit in readily available Canadian funds upon execution of this Agreement; and

- (b) payment of the remainder of the Purchase Price in readily available Canadian funds, net of the Deposit, to the Receiver on Closing; and
- (c) by the assumption of the Assumed Liabilities on Closing; and
- (d) the Cure Costs.

3.4 Statement of Adjustments and Allocation of Purchase Price

- (a) A statement of adjustments (the "Statement of Adjustments") shall be prepared by the Receiver for Closing setting out all realty taxes, local improvement rates, municipal/provincial levies and charges, water, hydro and assessment rates and any other items which are usually adjusted in purchase transactions involving assets similar to the Real Property in the context of a receivership sale. The day of Closing shall be for the account of the Purchaser. Other than as provided for in this Section 3.4(a), there shall be no adjustments to the Purchase Price.
- (b) The Parties, acting reasonably and in good faith, covenant to use best efforts to agree to allocate the Purchase Price amongst the Purchased Assets in a mutually agreeable manner on or prior to the Closing Time, provided that failure of the Parties to agree upon an allocation shall not result in the termination of this Agreement but rather shall result in the nullity of the application of this section of the Agreement such that each Party shall be free to make its own reasonable allocation.

3.5 Land Transfer Taxes

The Purchaser shall pay all land transfer taxes as required pursuant to the *Land Transfer Tax Act* (Ontario) in connection with the transfer of the Real Property together with all registration fees payable in respect of registration by it of any documents on Closing (other than discharges of encumbrances which are required to be made by the Receiver pursuant to this Agreement), and all other Taxes and fees payable by a purchaser upon or in connection with the conveyance or transfer of the Real Property.

3.6 Harmonized Sale Tax

- (a) After Closing, the Purchaser shall be responsible for all federal and provincial sales taxes, good and services, HST and other similar taxes and duties and all registration fees payable upon or in connection with the conveyance or transfer of the Purchased Assets to the Purchaser.
- (b) At the Closing, if the Purchaser is a registrant, the Receiver and the Purchaser shall execute jointly an election under Section 167 of the ETA to have the sale of the Purchased Assets take place on a HST-free basis under Part IX of the ETA and the Purchaser shall file such election with its HST return for the reporting period in which the sale of the Purchased Assets takes place. No goods and services tax and HST shall be collected by the Receiver if the Purchaser satisfies the Receiver, acting reasonably, that the Receiver is not required to collect HST pursuant to the provisions of the ETA and the Purchaser shall further provide the Receiver with an undertaking to self assess, remit, file and pay HST and an indemnity (the "**HST Indemnity**"), which shall include, the following:
 - (i) the Purchaser shall indemnify and save harmless the Receiver and its shareholders, directors, officers, employees, advisors and agents from all Liabilities and other expenses incurred, suffered or sustained, directly or indirectly, as a result of a failure by the Purchaser:

- (A) to pay HST in connection with the conveyance or transfer of the Purchased Assets whether arising from a reassessment or otherwise, including provincial retail sales tax, if applicable, and HST; and/or
- (B) to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial or other taxing authorities in connection with the conveyance or transfer of the Purchased Assets,
 - (ii) if Purchaser is able to self-assess for any HST payable pursuant to the provisions of the ETA, and the Purchaser has undertaken to do so, that the Purchaser is a “prescribed recipient” under the ETA and is registered under the ETA (together with its registration number);
 - (iii) the Purchaser shall confirm that the Purchaser is not purchasing any interest in the Purchased Assets for another Person; and
 - (iv) the Purchaser’s covenant and indemnity shall survive the Closing of the purchase and sale of the Purchased Assets and shall continue in full force and effect for the benefit of the Receiver indefinitely after the Closing Date.
- (c) If the Purchaser fails to satisfy the Receiver that the Transaction is HST exempt or provide its HST registration number to the Receiver, then the Purchaser shall tender to the Receiver, at Closing, in addition to the balance otherwise due at Closing, an amount equal to the HST that the Receiver shall be obligated to collect and remit in connection with the Transaction.
- (d) The Purchaser acknowledges and agrees that the Receiver has not and shall not supply any warranty, statutory declaration or certificate with respect to the Real Property’s status as a used residential property (if applicable) or as to whether this Transaction is an exempt supply in accordance with the provisions of the ETA.

ARTICLE 4 CONDITIONS TO CLOSING

4.1 Mutual Conditions

The Parties' respective obligations to complete the purchase and sale of the Purchased Assets are subject to the following conditions being fulfilled, performed or waived as at or prior to the Closing Date:

- (a) the Court shall have granted the Approval and Vesting Order;
- (b) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law subsequent to the date hereof which has the effect of:
 - (i) making any of the Transaction contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Receiver from the sale of the Purchased Assets; and
- (c) the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Receiver and Purchaser and may be asserted by the Receiver or the Purchaser regardless of the circumstances and may be waived only with the agreement of the Receiver and the Purchaser.

4.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the purchase of the Purchased Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Receiver contained in Section 6.1 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;
- (b) the Receiver shall have complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement; and
- (c) the Receiver shall have executed and delivered or caused to have been executed and delivered to Purchaser at or before the Closing all the documents contemplated in Section 5.2.

The foregoing conditions are for the exclusive benefit of Purchaser and may be waived, in writing, by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Purchaser may have.

4.3 Conditions for the Benefit of the Receiver

The obligation of the Receiver to complete the sale of the Purchased Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of Purchaser contained in Section 0 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;
- (b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement; and
- (c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to Receiver at or before the Closing all the documents contemplated in Section 5.3.

The foregoing conditions are for the exclusive benefit of the Receiver and may be waived, in writing, by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Receiver may have.

4.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 4.1, 4.2 and 4.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

ARTICLE 5 CLOSING

5.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Closing shall take place at the Closing Time or at such other time on the Closing Date or such other place as may be agreed orally or in writing by the Receiver and the Purchaser.

5.2 Deliveries on Closing by the Receiver

The Receiver covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date as expressly provided herein:

- (a) a copy of the issued Approval and Vesting Order;
- (b) a Statement of Adjustments prepared in accordance with Section 3.4(a) hereof;
- (c) a certificate from the Receiver, dated as of the Closing Date, certifying that all representations and warranties of the Receiver contained in this Agreement are true as of the Closing Time, with the same effect as though made on and as of the Closing Time;
- (d) an undertaking by the Receiver to readjust any adjustments hereof within ninety (90) days after Closing, or such longer period as the Receiver and the Purchaser shall mutually agree in writing. After the expiry of such date, all adjustments shall be final and binding;
- (e) an HST election form pursuant to s.167(1) of the ETA;
- (f) a direction of funds;
- (g) an assignment and assumption agreement for all Assumed Liabilities, Assumed Contracts and/or the Assumed Permits comprising the Purchased Assets (to the extent assignable) relating to the period from and after the Closing Date, and to the extent not assignable, an agreement by the Receiver to hold same in trust for the Purchaser until the Receiver is fully discharged as as Court-appointed receiver and manager of the Debtor;
- (h) if requested, a general conveyance and assumption of liabilities with respect to Purchased Assets and the Assumed Liabilities;
- (i) an application to register issued Approval and Vesting Order on title of the Real Property, prepared by the Receiver's solicitors, in accordance with the Purchaser's direction of title (provided that same is received no less than ten (10) Business Days prior to the hearing date for the motion to obtain the Approval and Vesting Order);
- (j) the Receiver's Certificate; and
- (k) an acknowledgement, dated as of the Closing Date, that each of the conditions in Section 4.2 hereof has been fulfilled, performed or waived as of the Closing Time.

5.3 Deliveries on Closing by the Purchaser

The Purchaser covenants to execute, where applicable, and deliver the following to the Receiver at Closing or on such other date as expressly provided herein:

- (a) the indefeasible payment and satisfaction in full of the Purchase Price according to Section 3.3 hereof;
- (b) certificate of status of the Purchaser;

- (c) a resolution of the Purchaser's board of directors authorizing the execution and delivery of this Agreement;
- (d) an undertaking by the Purchaser to readjust the adjustments within ninety (90) days after Closing or such longer period as the Receiver and the Purchaser shall mutually agree in writing. After the expiry of such date, all adjustments shall be final and binding;
- (e) an acknowledgement, dated as of the Closing Date, that each of the conditions in Section 4.3 hereof has been fulfilled, performed or waived as of the Closing Time;
- (f) an assignment and assumption agreement for all Assumed Liabilities, Assumed Contracts and/or the Assumed Permits comprising the Purchased Assets (to the extent assignable) relating to the period from and after the Closing Date, and to the extent not assignable, an agreement by the Receiver to hold same in trust for the Purchaser until the Receiver is fully discharged as as Court-appointed receiver and manager of the Debtor;
- (g) an HST election form pursuant to s.167(1) of the ETA along with the HST Indemnity or payment or evidence of payment of HST applicable to the Purchased Assets;
- (h) a land transfer tax affidavit along with payment or evidence of payment of land transfer tax for the Real Property;
- (i) a direction of title to confirm the name in which title to the Real Property will be taken, provided that such direction must be provided to the Receiver no less than ten (10) Business Days prior to the hearing date for the motion to obtain the Approval and Vesting Order;
- (j) a certificate from the Purchaser, dated as of the Closing Date, certifying that all representations and warranties of the Purchaser contained in this Agreement are true as of the Closing Time, with the same effect as though made on and as of the Closing Time; and
- (k) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Receiver, acting reasonably, Applicable Law or any Governmental Authority.

5.4 Receiver's Certificate

Upon receipt of written confirmation from the Purchaser that all of the conditions contained in Sections 4.1 and 4.2 have been satisfied or waived by the Purchaser, and upon satisfaction or waiver by the Receiver of all of the conditions contained in Sections 4.1 and 4.3, the Receiver shall forthwith deliver to the Purchaser the Receiver's Certificate comprising Schedule "A" of the Approval and Vesting Order (the "**Receiver's Certificate**"), and shall file same with the Court.

5.5 Electronic Registration

The Parties hereby acknowledge and agree that:

- (a) the Purchaser shall:
 - (i) be obliged to retain a solicitor who is both an authorized user of the electronic registration system ("**TERS**") and is in good standing with the Law Society of Ontario to represent the Purchaser in connection with the completion of the Transaction; and

- (ii) authorize such solicitor to enter into a document registration agreement with the Receiver's solicitors in the form as agreed by the Purchaser's solicitors and the Receiver's solicitors (the "DRA"), establishing the procedures and timing for completing the Transaction;
- (b) the delivery and exchange of the Closing documents:
 - (i) shall not occur contemporaneously with the registration of the Approval and Vesting Order and other registerable documentation; and
 - (ii) shall be governed by the DRA, pursuant to which the Receiver's solicitors and Purchaser's solicitors shall hold all Closing documents in escrow, and will not be entitled to release them except in strict accordance with the provisions of the DRA;
- (c) the Receiver will not release the Receiver's Certificate confirming the effectiveness of the Approval and Vesting Order until the balance of the Purchase Price due on Closing, in accordance with the Statement of Adjustments, are remitted by wire transfer to the Receiver's solicitors (or in such other manner as the Receiver or Receiver's solicitors may in writing direct);
- (d) notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the Parties that an effective tender shall be deemed to have been made by the Receiver upon the Purchaser when the Receiver's solicitors have:
 - (i) delivered all documents required to be delivered by the Receiver to the Purchaser pursuant to Section 5.2 hereof; and
 - (ii) advised the Purchaser's solicitors in writing that the Receiver is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement;

without the necessity of personally attending upon the Purchaser or the Purchaser's solicitors with the Closing documents, and without any requirement to have an independent witness evidencing the foregoing;

- (e) notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the Parties that an effective tender shall be deemed to have been made by the Purchaser upon the Receiver, when the Purchaser's solicitors have:
 - (i) delivered the balance due at Closing and all the documents required to be delivered by the Purchaser to the Receiver pursuant to Section 5.3 hereof;
 - (ii) advised the Receiver's solicitors in writing that the Purchaser is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) completed all steps required by TERS to complete the Transaction that can be performed or undertaken by the Purchaser's solicitors without the cooperation or participation of the Receiver's solicitors, and specifically when the "completeness signatory" for the Approval and Vesting Order has been electronically "signed" by the Purchaser's solicitors,

without the necessity of personally attending upon the Receiver or the Receiver's solicitors with the Closing documents, and without any requirement to have an independent witness

evidencing the foregoing; and

- (f) if through no fault of the Purchaser's solicitors or the Receiver's solicitors TERS is unavailable on the Closing Date, such that the Purchaser's solicitors are unable to register the Approval and Vesting Order, then the Transaction shall be completed in escrow in accordance with the terms of the DRA which shall apply until such time as TERS becomes available. Upon TERS becoming available, the Receiver's solicitors shall advise the Purchaser's solicitors forthwith and the Parties shall arrange to complete the registration of the Approval and Vesting Order as expeditiously as possible, whereupon the escrow shall be released.

In the event of any conflict or inconsistency between the terms of this Section 5.5 and the terms of the DRA, the terms of this Section 5.5 shall prevail.

5.6 Document Registration and Preparation

The Receiver and Purchaser shall prepare or cause to be prepared all documentation described in Sections 5.2 and 5.3 hereof and shall deliver draft documentation to the respective Party not less than two (2) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and substance satisfactory to the Parties, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the Transaction. Except as otherwise expressly provided in this Agreement, each of the Parties shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES

6.1 Receiver's Representation and Warranties

The Purchaser acknowledges that it is purchasing the Purchased Assets on an "as is, where is" basis, without representation and warranty and without reliance on any information provided to or on behalf of Purchaser by Receiver, the Debtor or any third party, except that the Receiver makes the following representations and warranties to Purchaser as of the date hereof and as of Closing:

- (a) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the Transaction contemplated herein, the Receiver has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder and the execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action on the part of the Receiver. This Agreement is a valid and binding obligation of the Receiver enforceable in accordance with its terms;
- (b) the Receiver has been duly appointed by the Court, with the full right, power and authority to enter into this Agreement, perform its obligations hereunder and convey the Purchased Assets; and
- (c) the Receiver is not a non-resident of Canada for the purposes of the ITA.

6.2 Purchaser's Representation and Warranties

The Purchaser represents and warrants to the Receiver as follows, with the knowledge and expectation that the Receiver is placing complete reliance thereon and, but for such representations and warranties, the Receiver would not have entered into this Agreement:

- (a) the Purchaser is a corporation duly formed and validly subsisting under the laws of the Province of Ontario;
- (b) the Purchaser has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. Neither the execution of this Agreement nor the performance by the Purchaser of the Transaction will violate the Purchaser's constituting documents, any agreement to which the Purchaser is bound, any judgment or order of a court of competent jurisdiction or any Governmental Authority, or any Applicable Law. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement is a valid and binding obligation of the Purchaser enforceable in accordance with its terms;
- (c) the Purchaser is or will be a registrant under Part IX of the ETA on the Closing Date;
- (d) the Purchaser has available, or at the Closing Time will have, sufficient funding to enable the Purchaser to consummate the purchase of the Purchased Assets on the terms set forth herein and otherwise to perform all of the Purchaser's obligations under this Agreement;
- (e) the Purchaser is not a non resident of Canada for the purposes of the ITA; and
- (f) the Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets, has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property.

ARTICLE 7 COVENANTS

7.1 Mutual Covenants

Each of the Receiver and the Purchaser hereby covenants and agrees that, from the Effective Date until the Closing Time, each shall take all such actions as are necessary to have the Transaction approved in the Approval and Vesting Order on substantially the same terms and conditions as are contained in this Agreement, and to take all commercially reasonable actions as are within its power to control, and to use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with each of the conditions set forth in ARTICLE 4 herein.

7.2 Receiver's Covenants

The Receiver hereby covenants and agrees that, from the Effective Date until Closing, it shall take all such reasonable actions as are necessary to provide to the Purchaser all necessary information in respect of the Purchased Assets reasonably required to complete, if necessary, the applicable tax elections in accordance with Section 3.6 hereof and to execute all necessary forms related thereto.

7.3 Purchaser's Covenants

The Purchaser hereby covenants and agrees that, from the Effective Date until the Closing Date, it shall take all such actions as are necessary to provide to the Receiver all necessary information in respect of the

Purchaser reasonably required to complete, if necessary, the applicable tax elections in accordance with Section 3.6 hereof and to execute all necessary forms related thereto.

ARTICLE 8 POSSESSION AND ACCESS PRIOR TO CLOSING

8.1 Possession of the Purchased Assets

On the Closing Date, the Purchaser shall take possession of the Purchased Assets “as is” and “where is” situated. In no event shall the Purchased Assets be sold, assigned, conveyed or transferred to the Purchaser until all the conditions set out in the Approval and Vesting Order have been satisfied or waived.

8.2 Examination of Title and Access to the Purchased Assets

- (a) The Purchaser acknowledges and agrees that it shall, at its own cost and expense (regardless of results), examine title to the Purchased Assets, and satisfy itself as to the state thereof, satisfy itself as to outstanding work orders affecting the Purchased Assets, satisfy itself as to the use(s) of the Real Property is in compliance with applicable zoning requirements and satisfy itself that any and all buildings and structures on the Real Property, if any, may be insured to the satisfaction of the Purchaser. The Purchaser further acknowledges that, notwithstanding any statutory provisions to the contrary, the Purchaser has no right to submit requisitions in regard to any outstanding permits or work orders, deficiency notices or orders to comply issued by any Governmental Authorities. The Purchaser further acknowledges and agrees that it shall not call upon the Receiver to produce any title deed, abstract of title, survey or other evidence of title to the Real Property that is not within the Receiver’s possession or control.
- (b) The Purchaser and its agents and representatives may have reasonable access to the Real Property during normal business hours in the Interim Period for the purpose of enabling the Purchaser, at its sole cost and expense (regardless of results), to conduct such non-destructive, non-invasive inspections of the Real Property as it deems appropriate. The Purchaser agrees that such tests and inspections shall not include any tests or inspections by any Governmental Authority and specifically acknowledges and agrees that it shall not request or, through its actions, prompt or cause any tests or inspections to be made by any Governmental Authority. Such inspection may, if the Receiver so desires, be conducted in the presence of a representative of the Receiver.
- (c) The Purchaser covenants and agrees to repair or pay the costs to repair any damage occasioned during or resulting from the inspection of the Real Property conducted by the Purchaser or its authorized representatives, as outlined above, and to return the Real Property to substantially the condition same was in prior to such inspections. The Purchaser covenants and agrees to indemnify and save the Receiver harmless from and against all losses, costs, claims, third party claims, damages, expenses (including actual legal costs) which the Receiver may suffer as a result of the inspection of the Real Property conducted by the Purchaser or its authorized representatives, as outlined above.

8.3 Due Diligence Acknowledgement

The Purchaser acknowledges and agrees that:

- (a) it was solely responsible for performing any inspections it deemed pertinent to the purchase of the Purchased Assets and to be satisfied as to the condition of the Purchased Assets prior to entering into this Agreement with the Receiver;

- (b) by entering into this Agreement with the Receiver, the Purchaser shall be deemed to represent, warrant and agree with respect to the Purchased Assets that:
- (i) the Purchaser has inspected the Purchased Assets and is familiar and satisfied with the physical condition thereof and has conducted such investigation of the Purchased Assets as Purchaser has determined appropriate;
 - (ii) neither the Receiver nor its Affiliates or their respective representatives have made any oral or written representation, warranty, promise or guarantee whatsoever to Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, revenue, expenses or any other matter or thing affecting or related to any of the Purchased Assets and/or the offering or sale of the Purchased Assets;
 - (iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Purchased Assets, including the Due Diligence Information made available to Purchaser by the Receiver, its respective Affiliates or their respective representatives;
 - (iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Purchased Assets and the facts and circumstances related thereto;
 - (v) any information provided or to be provided by or on behalf of the Receiver with respect to the Purchased Assets, including all Due Diligence Information, was obtained from information provided to the Receiver and the Receiver has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information;
 - (vi) without limiting the generality of the foregoing, the Receiver is not under any obligation to disclose to Purchaser, and shall have no liability for its failure to disclose to Purchaser, any information known to it relating to the Purchased Assets except as may be required by any Applicable Law; and
 - (vii) except for the representations and warranties provided by the Receiver under this Agreement, neither the Receiver, its Affiliates or their respective representatives are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Purchased Assets, or the operation thereof, made or furnished by any real estate broker, agent, employee, or other Person.

8.4 Risk

Except as otherwise provided for in this Agreement, the Purchased Assets shall be at the sole risk and responsibility of the Receiver until the Closing Date, and thereafter at the sole risk and responsibility of the Purchaser.

8.5 Insurance

Any property, liability and other insurance maintained by the Receiver in relation to the Purchased Assets, to the extent applicable, shall not be transferred at Closing, but shall remain the responsibility of the Receiver until the Closing Date. The Purchaser shall be responsible for placing its own property, liability

and other insurance coverage with respect to the Purchased Assets in respect of the period from and after 12:01 a.m. on the Closing Date.

ARTICLE 9 “AS IS, WHERE IS”

9.1 “As is, Where Is” Acknowledgement

The Purchaser acknowledges that the Receiver is selling the Purchased Assets on an “as is, where is” and “without recourse” basis. Other than as specifically indicated herein, neither the Receiver nor its Affiliates nor any of their respective directors, officers, employees, professional consultants or advisors, agents or representatives make or grant any representations, warranties, terms, conditions, understandings or collateral agreements, express or implied, statutory or otherwise, including, without limitation, under the *Sale of Goods Act* (Ontario) and/or all Applicable Law, all of which are expressly waived by the Purchaser, with respect to title, Encumbrances, outstanding liens, assignability, merchantability, condition, description, present or future uses, fitness for purpose or use, quality, quantity, marketability, zoning, the existence of any work orders or open permits, location and/or size, cost, ability to develop the Real Property or as to any other matter whatsoever regarding the Purchased Assets and/or the Debtor, either stated or implied. Without limiting the generality of the foregoing, the Purchaser acknowledges having conducted its own due diligence and investigations in respect of the Purchased Assets, including without limitation the environmental state thereof, the existence, nature, kind, state or identity of any Hazardous Materials on, under, or about the Purchased Assets, the existence, state, nature, kind, identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under any Environmental Law, and the existence, nature, kind, state or identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Materials whether on, under or about any of the Real Property or elsewhere. The Purchaser has relied entirely on its own judgment, inspection and investigation of the Real Property, and further acknowledges that, at its own expense, it has inspected the Purchased Assets and in entering into this Agreement and proceeding with and completing its purchase of the Purchased Assets pursuant hereto, it is satisfied with and has relied entirely on its own inspection, investigations and judgment. Notwithstanding anything contained herein to the contrary, the Purchaser further hereby covenants and agrees to release the Receiver of and from all Claims and Liabilities which the Purchaser may have against the Receiver, its Affiliates or any of their respective directors, officers, employees, professional consultants or advisors, agents or representatives in regard any matter relating to the Purchased Assets. The provisions of this Section 9.1 shall not merge on Closing but shall remain in effect and survive thereafter without limitation.

9.2 Encroachments

The Purchaser acknowledges agrees that the Receiver shall not be responsible for any matters relating to encroachments, right of way on or to the Real Property and/or the adjoining lands, or to remove same or for any matters relating to any Applicable Law in existence now or in the future affecting any of the Real Property.

9.3 Indemnification and Release by the Purchaser

The Purchaser hereby acknowledges and agrees that:

- (a) it shall fully indemnify and save harmless the Receiver and its directors, officers, employees, shareholders, agents and representatives and their respective heirs, successors and assigns (collectively, the “**Indemnitees**”) from and against any and all Liabilities incurred by or asserted against any of them arising out of or in connection with any of the Purchased Assets or the completion of the Transaction from and after the Closing Date;

- (b) it shall fully release and discharge the Indemnitees from any Liabilities that the Purchaser may have, suffer, sustain or incur in regard to any Hazardous Materials that may be present at, in, on or under the Real Property or breaches of any Environmental Law relating to the Real Property. The Purchaser further agrees that the Purchaser will not, directly or indirectly, attempt to compel the Receiver to clean up or remove or pay for the cleanup or removal of any Hazardous Materials, remediate any condition or matter at, in, on, under or in the vicinity of the Real Property, or seek an abatement in the Purchase Price or damages in connection with any Hazardous Materials or remedy any breaches of any Environmental Law relating to the Real Property; and
- (c) the foregoing provisions shall not merge on Closing and shall remain in effect and survive thereafter without limitation.

9.4 Non-Registration

The Purchaser hereby covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document, instrument or court order or judgement providing evidence of this Agreement on title of Real Property. Should the Purchaser be in default of its obligations under this Section 9.4, the Receiver may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement on title of the Real Property. The Purchaser irrevocably nominates, constitutes and appoints the Receiver as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title of the Real Property. The Purchaser acknowledges and agrees that the Receiver may rely on the terms of this Section 9.4 as a full estoppel to any proceeding, suit, claim, motion or other action brought by the Purchaser in order to obtain and attempt to register against the title of the Real Property any of the items set out in this Section 9.4.

ARTICLE 10 TERMINATION

10.1 Termination of this Agreement

This Agreement may be validly terminated:

- (a) by the mutual written agreement of the Receiver and Purchaser;
- (b) by the Purchaser, upon written notice to the Receiver, if there has been a material breach by the Receiver of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 4.2 impossible by the Outside Date; or (ii) if such breach is curable, Purchaser has provided prior written notice of such breach to the Receiver, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which Receiver received such notice;
- (c) by the Purchaser, upon written notice to the Receiver, any time after the Outside Date, if (A) the Court approval has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of Purchaser's breach of this Agreement;

- (d) by the Receiver, upon written notice to the Purchaser, if there has been a material breach by Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Receiver, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 4.3 impossible by the Outside Date; or (ii) if such breach is curable, the Receiver has provided prior written notice of such breach to Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which Purchaser received such notice; or
- (e) by the Receiver, upon written notice to Purchaser, any time after the Outside Date, if (A) the Court approval has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the breach of this Agreement by the Receiver.

10.2 Remedies for Breach of this Agreement

If this Agreement is terminated as a result of any breach of a representation, warranty, covenant or obligation of the Receiver under this Agreement, then the Deposit, without deduction, shall be returned to the Purchaser forthwith (and, for greater certainty, and notwithstanding any other provision in this Agreement, this shall be the Purchaser's sole right and remedy as a result of the Receiver's breach). If this Agreement is terminated as a result of any breach of a representation, warranty, covenant or obligation of the Purchaser under this Agreement, then the Deposit shall be forfeited to the Receiver as liquidated damages and not as a penalty, which Deposit the Parties agree is a genuine estimate of the liquidated damages that the Receiver would suffer in such circumstances (and, for greater certainty, and notwithstanding any other provision in this Agreement, this shall be the Receiver's sole right and remedy as a result of the Purchaser's breach).

10.3 Termination if No Breach of this Agreement

If this Agreement is terminated other than as a result of a breach of representation, warranty, covenant or obligation of a Party, then:

- (a) all obligations of each of the Receiver and the Purchaser hereunder shall end completely, except those that survive the termination of this Agreement;
- (b) the Deposit, without deduction, shall be returned to the Purchaser forthwith; and
- (c) neither Party shall have any right to specific performance, to recover damages or expenses or to any other remedy (legal or equitable) or relief against the other Party.

ARTICLE 11 GENERAL

11.1 Time of the Essence

Time shall in all respects be of the essence hereof provided that the time for the doing or completing of any matter referred to herein may be extended or abridged by an agreement, in writing, executed by the Parties or their respective solicitors who are hereby expressly appointed for that purpose.

11.2 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement and any other agreement, document or instrument executed or delivered in connection with the Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

11.3 Cost and Expenses

Except as otherwise set out in this Agreement, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the Transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

11.4 Notices

Any notice, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally (ii) sent by prepaid courier service or (iii) sent by electronic transmission, in each case to the applicable address set out below:

- (a) in the case of the Purchaser at:

509 Commissioners Rd W #425
London, ON N6K 1J5
Attn: 1423197 Ontario Inc.
Email: rph@royalpremierhomes.ca

with a copy to the Purchaser's solicitors:

[200-252 Pall Mall Street](#)
[London, ON, N6A 5P6](#)

Attn: Jeffery Bell
Email: jbell@scottpetrie.com

- (b) in the case of the Receiver at:

BDO Canada Limited
222 Bay St. Suite 2200
Toronto, Ontario M5K 1H6

Attention: Clark Lonergan
Email: clonergan@bdo.ca

with a copy to the Receiver's solicitors:

Reconstruct LLP
80 Richmond Street West
Suite 1700
Toronto, Ontario M5H 2A4

Attention: Caitlin Fell; Simran Joshi
Emails: cfell@reconllp.com; sjoshi@reconllp.com

Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing or sending by other means of recorded electronic transmission, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 4:30 P.M. (Eastern Daylight Time) on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt. Either Party may from time to time change its address under this Section 11.4 by notice to the other Party given in the manner provided by this Section.

11.5 Governing Law

This Agreement has been executed in the Province of Ontario and, for all purposes, shall be construed in accordance with and governed by the laws in effect within the Province of Ontario and the federal laws of Canada, as applicable. The Parties consent to the jurisdiction and venue of the Court for the resolution of any disputes under this Agreement.

11.6 Assignment

No Party may assign (or have adopted) its rights or obligations under this Agreement without the prior written consent of the other Party (which shall be arbitrarily withheld), provided that any request by the Purchaser to assign (or have adopted) this Transaction must be made upon written notice to the Receiver's solicitors delivered not less than five (5) Business Days prior to the motion to be heard in respect of the Approval and Vesting Order, to assign (or adopt, as the case may be), in whole or part, its rights to acquire the Purchased Assets hereunder to any company or companies affiliated (as that term is defined in the *Business Corporations Act* (Ontario) with the Purchaser. Provided that notwithstanding the foregoing, in no event shall any assignment (or adoption) relieve the Purchaser of any of its obligations under this Agreement to and including Closing and the Purchaser shall remain jointly and severally liable with any such assignee for the performance of all of the terms and conditions on the part of the Purchaser to be performed pursuant to the terms and conditions of this Agreement including the execution of all Closing documents up to and including the Closing Date.

11.7 Enurement

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

11.8 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

11.9 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise unless by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

11.10 Entire Agreement

This Agreement, together with the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and sets out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the Parties relating to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement. This Agreement is intended to create binding obligations on the part of the Receiver as set forth herein and on acceptance by the Purchaser, is intended to create binding obligations on the part of the Purchaser, as set out herein.

11.11 Counterparts and Electronic Transmission

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed either in original or electronic form and the Parties adopt any signatures received by electronic transmission as original signatures of the Parties.

11.12 Tender

Any tender of documents or monies under this Agreement may be made upon the Parties or their respective lawyers, and money shall be tendered by wire transfer of immediately available funds to the account specified by the receiving Party.

11.13 Receiver's Capacity

It is acknowledged by the Purchaser that the Receiver is entering into this Agreement solely in its capacity as Court-Appointed Receiver of the Real Property and that the Receiver shall have no personal or corporate liability under or as a result of this Agreement. Any Liabilities against the Receiver shall be limited to and only enforceable against the property and assets then held by or available to it in its capacity as Receiver of the Debtor and shall not apply to its personal property and other assets held by it in any other capacity. The term "Receiver" as used in this Agreement shall have no inference or reference to the present registered owner of the Real Property.

11.14 Confidentiality

The Purchaser agrees that all information and documents supplied by the Receiver or anyone on its behalf to the Purchaser or anyone on the Purchaser's behalf (including but not limited to information in the Schedules hereto) shall, unless and until Closing occurs, be received and kept by the Purchaser and anyone acting on the Purchaser's behalf on a confidential basis and, without the Receiver's prior written consent shall not be disclosed to any third-party. If for any reason Closing does not occur, all such documents shall forthwith be returned intact to the Receiver and no copies (physical or digital) and/or details thereof shall be retained by the Purchaser or anyone acting on its behalf. The Purchaser and Receiver further agree that unless and until the terms of this Agreement become public knowledge in connection with an application to the Court, the Purchaser shall keep such terms confidential and shall not disclose them to anyone except the Purchaser's solicitors, agents or lenders acting in connection herewith and then only on the basis that such Persons also keep such terms confidential as aforesaid.

11.15 Severability

If any provision contained in this Agreement or the application thereof to any Person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such provision to Persons or circumstances other than those to whom/which it is held invalid or unenforceable, shall not

be affected thereby and each provision contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

11.16 Further Assurances

Except as otherwise expressed herein to the contrary, each Party shall, without receiving additional consideration therefor, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Agreement.

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The logo consists of the letters 'DS' in a small font above the letters 'EN' in a larger font, both enclosed within a thin blue square border.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

BDO CANADA LIMITED., solely in its capacity as Court-appointed receiver and manager over all of the assets, properties, and undertakings of Horizen Developments GP Corp., and not in its personal or corporate capacity

DocuSigned by:

By: Neil Jones

Name: Neil Jones EF9177D67528449...

Title: Senior Vice-President

I have authority to bind the Receiver.

1423197 ONTARIO INC.

DocuSigned by:

By: Farhad Noory

Name: Farhad Noory 42...

Title:

11/14/2025

I have authority to bind the Purchaser.

Schedule A

Real Property



PIN-08056-1935 (LT)

BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10235 AS IN LT303181; SUBJECT TO AN EASEMENT IN GROSS AS IN ER1522915; SUBJECT TO AN EASEMENT AS IN ER1556067; CITY OF LONDON

Municipally known as 520 Sarnia Road, London, Ontario.



Schedule B
Permitted Encumbrances

1. easements or right of way in favour of any public utility, municipality, government or statutory or public authority registered on title of the Real Property;
2. registered notices made by any public utility, municipality, government, or statutory or public authority with respect to any Assumed Permits or Assumed Contracts on title of the Real Property;
3. zoning and building by-laws affecting the Real Property; and
4. the following specifically permitted encumbrances:
 - (a) 
 - (b) 

 DS
FN

Schedule C

Assumed Contracts

1. Development agreement dated [REDACTED], 2022 between the Debtor and The Corporation of the City of London.
2. Agreement dated [REDACTED], 2022 between the Debtor and The Corporation of the City of London pursuant to which the municipality increased the height and density limits of the development at the Real Property.
3. [REDACTED]

^{DS}
FN

Schedule D
Assumed Permits

1) 

 ^{DS}
FN

Schedule E

Form of Approval and Vesting Order

Court File No. CV-25-00002469-0000

ONTARIO

SUPERIOR COURT OF JUSTICE

THE HONOURABLE)	●, THE ●
)	
JUSTICE ●)	DAY OF ●, 2025

B E T W E E N:

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, RSO 1990, c C. 43, AS AMENDED

APPROVAL AND VESTING ORDER

THIS MOTION, made by BDO Canada Limited in its capacity as the Court-appointed receiver (the "**Receiver**") without security, over the assets, properties, and undertakings of Horizen Developments GP Corp. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including the real property legally described in Schedule "A" of the Appointment Order in the within proceedings dated as of September 19, 2025 (the "**Real Property**"), for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and [NAME OF PURCHASER] (the "Purchaser") dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES

OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver 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 the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice J. Dietrich dated February 27, 2025; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver][Land Titles Division of {LOCATION}] of an Approval and Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*], the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B

hereto (the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the 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.

5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "●" to the Sale Agreement. The Purchaser 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 by the Debtor.

7. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)* in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

9. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.



Schedule A – Form of Receiver’s Certificate

Court File No. CV-25-00002469-0000

ONTARIO

SUPERIOR COURT OF JUSTICE

B E T W E E N:

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, RSO 1990, c C. 43, AS AMENDED

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Moore of the Ontario Superior Court of Justice (the "Court") dated September 19, 2025, BDO Canada Limited was appointed as the receiver and manager (the "Receiver"), without security, over all of the assets, undertakings, and properties of Horizen Developments GP Corp. (the "**Debtor**").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER] (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor’s 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 of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section • of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser 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 section • of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

BDO CANADA LIMITED., solely in its capacity as Court-appointed receiver and manager over all of the assets, properties, and undertakings of Horizen Developments GP Corp., and not in its personal or corporate capacity

Per: _____
Name:
Title:



Court File No. CV-25-00002469-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ADJ HOLDINGS INC.

Applicant

-and-

HORIZEN DEVELOPMENTS GP CORP.

Respondent

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS
AMENDED; AND SECTION 101 OF THE COURTS OF JUSTICE ACT,
R.S.O. 1990, c. C.43, AS AMENDED**

FEE AFFIDAVIT OF NEIL JONES
(sworn December 2, 2025)

I, NEIL JONES, of the City of Halifax, in the Province of Nova Scotia, **MAKE OATH
AND SAY:**

1. I am a Senior Vice President with BDO Canada Limited and therefore have knowledge of the matters set out in this affidavit. Where this affidavit is based on information and belief, I have stated the source of my information and believe it to be true.
2. BDO Canada Limited is the court-appointed Receiver (in such capacity, the “**Receiver**”) without security, over all of the assets, undertakings and properties of Horizen Developments GP Corp.
3. BDO has prepared statements of account (the “**Accounts**”) in connection with its mandate, detailing its fees and disbursements incurred for the period from September 5, 2025

to November 26, 2025 (the "Billing Period"). Attached as Exhibit "A" are copies of the Accounts.

4. The Accounts are a fair and accurate description of the services provided, the disbursements incurred, and the amounts charged by BDO, and are based on its standard rate and charges.

5. As detailed in the Accounts, the total amount being claimed for the work performed by BDO during the Billing Period is \$52,410.53 (fees and disbursements of \$46,381.00; and HST of \$6,029.53).

6. Attached as Exhibit "B" is a summary of the timekeepers whose services are reflected in the Accounts, including their title, hourly rate, and their fees and hours billed. BDO incurred a total of 79.25 hours, at an average hourly rate of \$585.25 (exclusive of HST).

7. This affidavit is sworn in support of the Receiver's motion for, *inter alia*, approval of the fees of Receiver and for no other improper purpose.

SWORN BEFORE ME at the City of)
Halifax in the Province of Nova Scotia,)
on the 2nd day of December, 2025.)

)
)
)
)
)

Commissioner of Affidavits)

)
)
)
)
)

NEIL JONES

Kieran Grant
A Commissioner of the Supreme
Court of Nova Scotia

EXHIBIT "A"

THIS IS **EXHIBIT "A"** REFERRED TO IN THE AFFIDAVIT OF **NEIL JONES**
SWORN BEFORE ME AT THE CITY OF HALIFAX, IN THE PROVINCE OF NOVA SCOTIA
THIS 2ND DAY OF DECEMBER, 2025.



A COMMISSIONER FOR TAKING AFFIDAVITS

Kieran Grant
A Commissioner of the Supreme
Court of Nova Scotia



Tel: 416 865 0210
 Fax: 416 865 0904
 www.bdo.ca

BDO Canada Limited
 20 Wellington Street E., Suite 500
 Toronto ON M5E 1C5 Canada

INVOICE

Strictly Private & Confidential

Horizen Developments GP Corp
 c/o BDO Canada Limited
 20-500 Wellington Street
 Toronto, ON M5E 1C5

Date
 November 28, 2025

Invoice No.
 CINV3692538

Re Horizen Developments GP Corp - Court Appointed Receiver

FOR PROFESSIONAL SERVICES RENDERED in connection with our Engagement for the period September 5, 2025 to November 26, 2025 as per the details below:

For Professional Services	\$ 46,381.00
HST - 13.0% (#R101518124)	6,029.53
Total Due	\$ 52,410.53

<i>Summary of Time Charges:</i>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
C. Lonergan, Partner	13.00	735.00	9,555.00
M. Basso, Partner	10.60	735.00	7,791.00
N. Jones, Sr. Manager	49.75	550.00	27,362.50
P. Kouadio, Manager	2.00	450.00	900.00
T. Montesano, Administrator	1.60	225.00	360.00
J. Hue, Administrator	0.20	225.00	45.00
C. Casco, Admin	1.20	175.00	210.00
G. Arenas, Admin	0.90	175.00	157.50
TOTAL	<u>79.25</u>		<u>\$ 46,381.00</u>



Staff	Date	Comments	Hours
M. Basso	5-Sep-25	Meeting with C. Lonergan re: engagement background. Review correspondence re: real-estate opinion of value and draft materials.	1.50
M. Basso	8-Sep-25	Correspondence with C. Lonergan and J. House re: fencing issue. Correspondence with J. House re: environmental report and review of same. Correspondence with J. House re: funding etc. Review draft order and calculations form C. Lonergan. Review and execute consent to act. Correspondence with appointing creditor's legal counsel re: draft order and consent.	1.90
M. Basso	11-Sep-25	Correspondence with C. Lonergan re: background and planning. Correspondence with C. Lonergan re: commericla realtors. Meeting with J. House re: funding background and workplan. Correspondence with CBRE re: revised listing agreement.	1.10
M. Basso	12-Sep-25	Correspondence with Cushman Wakefield re: listing proposal. Correspondence from K. Evanitski re: factum and other materials. Meeting with J. House re: realtor selection.	0.70
M. Basso	16-Sep-25	Correspondence with CBRE re: listing terms.	0.20
M. Basso	17-Sep-25	Correspondence with M. Cassone re: hearing.	0.20
M. Basso	19-Sep-25	Correspondence with C. Lonergan re: appointment order. Correspondence with J. House re: funding etc. Correspondence with Sierra General Contracting re site fencing.	0.50
N. Jones	22-Sep-25	Discussion with Sierra and counsel re lien claim and site fencing; Review of information provided by Debtor and Lender.	1.25
M. Basso	22-Sep-25	Correspondence with CBRE re: listing agreement. Correspondence with fencing company re: document request etc. Meeting with Sierra re construction lien, fencing and sales process. Meeting with N. Jones re: next steps.	1.50
N. Jones	23-Sep-25	Request for insurance quote for general liability coverage	0.75
M. Basso	23-Sep-25	Correspondence with N. Jones re: insurance. Meeting with J. House re: status update. Correspondence with CBRE re: listing agreement and execute same.	1.00
N. Jones	24-Sep-25	Review of information provided by Debtor and Lender; Drafting of s.245/s.246 Notice and Statement and related Creditor Listing; Discussion with ADJ re same; Mailing list.	2.75
T. Montesano	24-Sep-25	Prepare mailing of Receivers Notice to creditors.	0.80
M. Basso	24-Sep-25	Meeting with N. Jones re: draft Receiver's notice. Review legal information re: LP and GP structure. Meeting and correspondence with J. House and N. Jones re: mortgage and	1.50



Staff	Date	Comments	Hours
		ownership structure. Correspondence with N. Jones re: receivers notice etc.	
T. Montesano	25-Sep-25	Perform corporation search and send to N. Jones	0.10
T. Montesano	26-Sep-25	E-mail copy of Receivers notice to creditors.	0.30
M. Basso	26-Sep-25	Meeting with Sales Agent re: marketing plan. Correspondence to M. Cassone re: order. Correspondence with N. Jones re: insurance.	0.50
N. Jones	29-Sep-25	Organizing mailing and drafting of website; Drafting Receiver's Certificate.	1.00
T. Montesano	29-Sep-25	Fax and e-mail Receivers Notice and Receivership Order to OSB	0.40
N. Jones	1-Oct-25	Discussion with M. Basso team re next steps.	0.50
N. Jones	7-Oct-25	Follow-up with website creation; Call with J. House.	0.25
P. Kouadio	7-Oct-25	Coordinate website creation with team.	0.20
C. Lonergan	7-Oct-25	Review of APA and other application documents, correspondence with BDO team and Counsel re: the same, etc.	1.20
P. Kouadio	8-Oct-25	Follow up with team re: website; Various correspondence with M. Basso thereto; Review court order, application record and notice and statement of the Receiver; Upload documents to website; Call with IT thereto; Emails with team thereto.	1.80
N. Jones	8-Oct-25	Discussion with J. House re Receiver borrowing request and Receivership Order; Correspondence re fencing and realtor signage; Correspondence with Lender re Receiver's Certificate; Email correspondence with counsel and CBRE; Managing set up of Receiver's website and trust account.	1.50
G. Arenas	8-Oct-25	Set up and activated new bank account.	0.50
J. Hue	8-Oct-25	Create receivership file in Ascend and email G. Arenas.	0.20
N. Jones	14-Oct-25	Review of LOI; Discussions internally, with Lender and CBRE re sales process and strategy; and provide directions to CBRE re same.	1.50
C. Lonergan	14-Oct-25	Receivership real estate charge documentation and Docusign execution with Counsel, etc.	0.40
N. Jones	16-Oct-25	Review of template APS; Discussions with Lender and internally re sale process; Email correspondence with Lender and counsel re same; Correspondence with potential purchaser.	1.75
C. Lonergan	16-Oct-25	APS revisions and coordination with Counsel and BDO team, etc.	0.50
N. Jones	17-Oct-25	Internal call re Sales Process.	0.50
N. Jones	20-Oct-25	Call with Receiver's counsel; Draft email to Lender.	0.50



Staff	Date	Comments	Hours
N. Jones	22-Oct-25	Review of claim and related information provided by S+A Footprint and correspondence to counsel.	0.50
G. Arenas	23-Oct-25	Confirmed receipt of funds from ADJ Holdings; Recorded funds in Ascend and created deposit form.	0.20
N. Jones	23-Oct-25	Managing estate payables; Correspondence with Sierra Construction Group re fencing and FCA re insurance coverage.	0.75
C. Casco	23-Oct-25	Prepared cheque requisition and set up payable and other tasks.	0.30
C. Lonergan	23-Oct-25	Invoice and payment coordination with vendor, discussion with BDO team re: the same, etc.	0.40
N. Jones	24-Oct-25	Correspondence re insurance policy confirmation.	0.25
C. Lonergan	24-Oct-25	Trust claim review and Construction Act analysis with Counsel and BDO team, etc.	0.30
N. Jones	27-Oct-25	Review of email correspondence re S+A Footprint claim.	0.50
C. Lonergan	29-Oct-25	Correspondence with CBRE on property valuation and meeting scheduling; etc.	0.40
N. Jones	30-Oct-25	Email correspondence with CBRE re potential purchaser information request; Review of data room and geotechnical reports; etc.	1.25
C. Casco	5-Nov-25	Prepared cheque requisitions, set up payables, print cheques and mail out.	0.60
N. Jones	5-Nov-25	Managing estate payables; Review of bids and related draft APA redlines; Call with CBRE to review bids; Correspondence re same to legal counsel.	1.75
N. Jones	6-Nov-25	Email correspondence with counsel and CBRE re offers and draft APS.	1.00
N. Jones	10-Nov-25	Email correspondence with CBRE and Receiver's counsel re APS review.	0.50
C. Lonergan	10-Nov-25	APS revisions and bid review for Royal Premier Homes; Request for marked-up APS and coordination with CBRE re: the same; Discussions with BDO and Counsel re: the same, etc.	0.80
C. Lonergan	11-Nov-25	Review of revised APS and schedules with Counsel; Data room access and site plan confirmation; Coordination with CBRE team on bid updates; etc.	1.00
N. Jones	12-Nov-25	Correspondence with CBRE and Receiver's counsel re review of APS; Review and comment on suggested changes in APS by Receiver's counsel; Correspondence re third-party deposits.	2.50
N. Jones	13-Nov-25	Email correspondence re APS comments by Prospective Purchaser.	0.50



Staff	Date	Comments	Hours
N. Jones	14-Nov-25	Call and email correspondence with CBRE re APS execution; Call with Lender; Review and execute APS and related correspondence.	1.75
C. Lonergan	14-Nov-25	Review of APS and treasury functions re: the same; Follow up with BDO team and Counsel re: next steps, etc.	0.60
C. Lonergan	15-Nov-25	APS review, use of proceeds distribution analysis, update correspondence with BDO team and Counsel re: the same, review of PPSA and PIN searches, etc.	1.20
N. Jones	17-Nov-25	Review of financials and potential claims, and internal call re same; Review of file for security review and priority claims; Provide loan documents to counsel; Discussions internally re call to CRA; Review of listing agreement and call with CBRE re same; Drafting Court Report.	4.75
N. Jones	18-Nov-25	Call with legal counsel re Distribution Motion and next steps; Email correspondence related to ADJ payout statement, Sierra lien claim, tracking deposit collection; Call with CBRE; Drafting Court Report.	2.25
C. Casco	18-Nov-25	Prepared cheque requisition, set up payable and other banking task.	0.30
C. Lonergan	18-Nov-25	Reviewed title search reports, PPSA filings, and security documents; Participated in meeting with Counsel and BDO team; Debrief with BDO team re: same, etc.	1.50
N. Jones	19-Nov-25	Drafting Court Report; Email correspondence re security review.	2.25
C. Lonergan	19-Nov-25	Reviewed security package and deposit correspondence; Update discussion with BDO team re: same, etc.	0.50
G. Arenas	20-Nov-25	Confirmed receipt of funds. Recorded transaction in Ascend, and updated records accordingly.	0.20
N. Jones	20-Nov-25	Drafting First Report; Email correspondence re lien claims.	5.75
C. Lonergan	20-Nov-25	Reviewed lien claim support and cheque requisition for Sierra fencing; etc.	0.50
N. Jones	21-Nov-25	Email correspondence with legal counsel and Debtor.	1.00
C. Lonergan	21-Nov-25	Coordinated minute book retrieval with Counsel and BDO team; etc.	0.30
N. Jones	24-Nov-25	Correspondence with Realtor and Lender; Drafting First Report.	3.25
N. Jones	25-Nov-25	Drafting First Report.	3.75
C. Lonergan	25-Nov-25	Review and drafting of the First Report, discussion with BDO team re: the same, update calls with Counsel re: next steps, etc.	1.80
C. Lonergan	26-Nov-25	Review and drafting of the First Court Report, fee affidavit, correspondence with Counsel re: same	1.60



Staff	Date	Comments	Hours
N. Jones	26-Nov-25	Drafting First Report; Draft and send correspondence to CIBC; Call re QAR.	3.25

EXHIBIT "B"

THIS IS **EXHIBIT "B"** REFERRED TO IN THE AFFIDAVIT OF **NEIL JONES**
SWORN BEFORE ME AT THE CITY OF HALIFAX, IN THE PROVINCE OF NOVA SCOTIA
THIS 2ND DAY OF DECEMBER, 2025.



A COMMISSIONER FOR TAKING AFFIDAVITS

Kieran Grant
A Commissioner of the Supreme
Court of Nova Scotia

Summary of Accounts of BDO Canada Limited
(From September 5, 2025 to November 26, 2025)

SUMMARY OF TIMEKEEPERS		
Professional	Hours	Hourly Rate
Clark Lonergan, Senior Vice-President	13.00	\$735.00
Michael Basso, Senior Vice-President	10.60	\$735.00
Neil Jones, Senior Vice-President	49.75	\$550.00
Paul Kouadio, Manager	2.00	\$450.00
Tony Montesano, Administrator	1.60	\$225.00
Jessie Hue, Administrator	0.20	\$225.00
Carla Casco, Banking Admin	1.20	\$175.00
Gabriella Arenas, Banking Admin	0.90	\$175.00

Billing Summary	
Total Hours:	79.25
Average Hourly Rate:	\$585.25
Disbursements	\$0.00
Professional fees:	\$46,381.00
HST	\$6,029.53
TOTAL PROFESSIONAL FEES:	\$52,410.53

ADJ HOLDINGS INC.

Applicant

and

HORIZEN DEVELOPMENTS GP CORP.

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceedings commenced at LONDON

FEE AFFIDAVIT OF NEIL JONES
(sworn December 2, 2025)

BDO Canada Limited
222 Bay St., Suite 2200
Toronto, ON M5K 1H6

Neil Jones
Senior Vice President
Tel: 902-425-3408
Email: nejones@bdo.ca

Court File No. CV-25-00002469-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ADJ HOLDINGS INC.

Applicant

-and-

HORIZEN DEVELOPMENTS GP CORP.

Respondent

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS
AMENDED; AND SECTION 101 OF THE COURTS OF JUSTICE ACT,
R.S.O. 1990, c. C.43, AS AMENDED**

FEE AFFIDAVIT OF CAITLIN FELL
(sworn December 2, 2025)

I, **CAITLIN FELL**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Partner with the law firm Reconstruct LLP ("**RECON**") and therefore have knowledge of the matters set out in this affidavit. Where this affidavit is based on information and belief, I have stated the source of my information and believe it to be true.
2. **RECON** are lawyers of record for BDO Canada Limited, in its capacity as court-appointed Receiver (in such capacity, the "**Receiver**") without security, over all of the assets, undertakings and properties of Horizen Developments GP Corp.
3. **RECON** has prepared statements of account (the "**Accounts**") in connection with its mandate, detailing its fees and disbursements incurred for the period from September 30,

2025 to November 20, 2025 (the “**Billing Period**”). Attached as **Exhibit “A”** are copies of the Accounts.

4. The Accounts are a fair and accurate description of the services provided, the disbursements incurred, and the amounts charged by RECON, and are based on its standard rate and charges.

5. As detailed in the Accounts, the total amount being claimed for the work performed by RECON during the Billing Period is \$16,067.53 (fees of \$13,584 disbursements of \$635.05; and HST of \$1,848.48).

6. Attached as **Exhibit “B”** is a summary of the timekeepers whose services are reflected in the Accounts, including their title, hourly rate, and their fees and hours billed. RECON incurred a total of 24.5 hours, at an average hourly rate of \$669 (exclusive of HST).

7. This affidavit is sworn in support of the Applicants’ motion for, *inter alia*, approval of the fees of Receiver and for no other improper purpose.

SWORN BEFORE ME at the City of)
 Toronto, in the Province of Ontario, on)
 the 2nd day of December, 2025.)

 Levi Rivers, a Commissioner, etc.,
 Province of Ontario for Reconstruct
 LLP, Barristers and Solicitors
 Expires: Aug 22, 2028.

CAITLIN FELL

EXHIBIT "A"

THIS IS **EXHIBIT "A"** REFERRED TO IN THE AFFIDAVIT OF **CAITLIN FELL**
SWORN BEFORE ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO
THIS 2ND DAY OF DECEMBER, 2025.



A COMMISSIONER FOR TAKING AFFIDAVITS
LEVI RIVERS

**INVOICE**

Invoice # 499334
Date: 10/03/2025
Due Upon Receipt

80 Richmond Street W., Suite 1700
Toronto, ON
M5H 2A4
Canada
T: 416.613.8280
F: 416.613.8290

BDO Canada Limited
20 Wellington Street East
Toronto, ON M5E 1C5

00567-BDO Canada Limited**Receiver to Horizen Developments LP**

Date	Description	Hours	Rate	Total	LP
09/30/2025	Emails re: sale process and timing.	0.30	\$885.00	\$265.50	CF
Quantity Subtotal					0.3

Time Keeper	Hours	Rate	Total
Caitlin Fell	0.3	\$885.00	\$265.50
Subtotal			\$265.50

Interest

Type	Date	Description	Total
Interest	11/03/2025	Interest on overdue invoice #499334	\$2.55

Interest Subtotal **\$2.55**

Quantity Total **0.3**

Subtotal **\$265.50**

Tax (13.0%) **\$34.52**

Interest **\$2.55**

Total \$302.57

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
499600	11/03/2025	\$4,720.80	\$0.00	\$4,720.80

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
499334	10/03/2025	\$302.57	\$0.00	\$302.57

Outstanding Balance \$5,023.37

Total Amount Outstanding \$5,023.37

Please make all amounts payable to: Reconstruct LLP

Payment is due upon receipt. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information

Bank Name/Address: Royal Bank of Canada
Main Branch - Toronto
Royal Bank Plaza
200 Bay Street
Toronto, ON M5J 2J5

Account Number: 1570423
Transit Number: 00002
Bank Number: 003

Name/Account #: Reconstruct LLP

SWIFT: ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 499334 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

**INVOICE**

Invoice # 499600
Date: 11/03/2025
Due Upon Receipt

80 Richmond Street W., Suite 1700
Toronto, ON
M5H 2A4
Canada
T: 416.613.8280
F: 416.613.8290

BDO Canada Limited
20 Wellington Street East
Toronto, ON M5E 1C5

00567-BDO Canada Limited**Receiver to Horizen Developments LP****Services**

Date	Description	Hours	Rate	Total	LP
10/01/2025	Drafting purchase and sale agreement template.	1.10	\$450.00	\$495.00	SJ
10/07/2025	Drafting purchase and sale agreement template; internal correspondence re service list; correspondence with client re court materials for application to appoint receiver.	2.10	\$450.00	\$945.00	SJ
10/08/2025	Correspondence with client re service list; correspondence with L. Nguyen re registering court order.	0.20	\$450.00	\$90.00	SJ
10/10/2025	Updating purchase and sale agreement template; correspondence with client about same.	2.20	\$450.00	\$990.00	SJ
10/16/2025	Correspondence with L. Nguyen re registering court order; updating purchase and sale agreement template; correspondence with client about same.	0.60	\$450.00	\$270.00	SJ
10/20/2025	Attending meeting with client to discuss sale process and operational logistics.	0.40	\$450.00	\$180.00	SJ
10/23/2025	[REDACTED]	1.00	\$450.00	\$450.00	SJ
10/24/2025	[REDACTED]	1.00	\$450.00	\$450.00	SJ

Quantity Subtotal **8.6**
Services Subtotal **\$3,870.00**

Expenses

Date	Type	Description	Quantity	Rate	Total	Total
10/31/2025	Expense	LLF Lawyers - Invoice 13904 - Professional Services Rendered	1.00	\$307.70	\$307.70	\$347.70
					Expenses Subtotal	\$307.70

Time Keeper	Hours	Rate	Total
Simran Joshi	8.6	\$450.00	\$3,870.00
			Quantity Total 8.6
			Subtotal \$4,177.70
			Tax (13.0%) \$543.10
			Total \$4,720.80

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
499334	10/03/2025	\$300.02	\$0.00	\$300.02

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
499334	12/03/2025	\$2.55	\$0.00	\$2.55

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
499600	11/03/2025	\$4,720.80	\$0.00	\$4,720.80
				Outstanding Balance \$5,023.37

Total Amount Outstanding \$5,023.37

Please make all amounts payable to: Reconstruct LLP

Payment is due upon receipt. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information

Bank Name/Address: Royal Bank of Canada
Main Branch - Toronto
Royal Bank Plaza
200 Bay Street
Toronto, ON M5J 2J5

Account Number: 1570423
Transit Number: 00002
Bank Number: 003

Name/Account #: Reconstruct LLP

SWIFT: ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 499600 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

**INVOICE**

Invoice # 499754
Date: 12/02/2025
Due Upon Receipt

80 Richmond Street W., Suite 1700
Toronto, ON
M5H 2A4
Canada
T: 416.613.8280
F: 416.613.8290

BDO Canada Limited
20 Wellington Street East
Toronto, ON M5E 1C5

00567-BDO Canada Limited**Receiver to Horizen Developments LP****Services**

Date	Description	Hours	Rate	Total	LP
11/10/2025	Review Purchase and Sale Agreement template for transaction terms and conditions involving 1423197 Ontario Inc. Correspondence with N. Jones, S. Joshi, and C. Lonergan re addressing changes to correct error references and complete the purchase price in the Horizen bids document.	1.30	\$885.00	\$1,150.50	CF
11/11/2025	Review emails from C. Fell; review material in data room; review draft APA, amend same and circulate to Receiver.	3.30	\$795.00	\$2,623.50	LN
11/11/2025	Draft Purchase and Sale Agreement for 1423197 Ontario Inc addressing hazardous materials and tax indemnity provisions; correspondence with N. Jones, C. Lonergan and L. Nguyen	0.60	\$885.00	\$531.00	CF
11/12/2025	Review emails and correspond with Neal. Amend APA and circulate revised versions to N. Jones.	1.00	\$795.00	\$795.00	LN
11/17/2025	Reviewing ADJ loan and security documents; drafting security opinion for ADJ.	1.50	\$450.00	\$675.00	SJ
11/18/2025	Reviewing claims procedure orders; reviewing loan and security documents; correspondence with S. Currie re title search reports and PPSA report; drafting security opinion; attending meeting with client to discuss next steps for court approval of transaction.	2.40	\$450.00	\$1,080.00	SJ

11/18/2025	Email to court re booking motion.	0.10	\$330.00	\$33.00	AS
11/19/2025	Drafting claims procedure order; correspondence with C. Fell re security opinion.	2.50	\$450.00	\$1,125.00	SJ
11/20/2025	Reviewing company's loan and security documents; drafting security opinion; correspondence with C. Fell re unsecured vs secured amount.	2.60	\$450.00	\$1,170.00	SJ
11/20/2025	Conference with S. Joshi re: issues in connection with possible validity and priority of a lien claim by Sierra.	0.30	\$885.00	\$265.50	BB
				Quantity Subtotal	15.6
				Services Subtotal	\$9,448.50

Expenses

Date	Type	Description	Quantity	Rate	Total	Total
11/18/2025	Expense	Teranet Inc.: Teranet Inc. - PIN searches - PIN#08181-0152 + PIN#08243-0098	1.00	\$71.60	\$71.60	\$80.91
11/18/2025	Expense	Central Legal Works: Centro Legal Search - Corp Pro re Horizen Developments GP Corp - Invoice-34813 - 18-NOV-25	1.00	\$45.00	\$45.00	\$50.85
11/18/2025	Expense	Central Legal Works: Centro Legal Search - ON PPSA- Invoice No. 34808	1.00	\$37.95	\$37.95	\$42.88
11/18/2025	Expense	Teranet Inc.: Teranet Inc. - PIN Search - PIN#08056-1935 Trans No. 6944685	1.00	\$35.80	\$35.80	\$40.45
11/18/2025	Expense	Teranet Inc.: Teranet Inc. - PIN Search - PIN#08056-1934 + PIN#08056-1935 Trans No. 6944706	1.00	\$69.20	\$69.20	\$78.20
11/21/2025	Expense	eCore - Corporate Profile Report - Horizen Developments LP	1.00	\$67.80	\$67.80	\$76.61
					Expenses Subtotal	\$327.35

Time Keeper	Hours	Rate	Total
Brendan Bissell	0.3	\$885.00	\$265.50
Caitlin Fell	1.9	\$885.00	\$1,681.50
Le Nguyen	4.3	\$795.00	\$3,418.50
Alina Stoica	0.1	\$330.00	\$33.00
Simran Joshi	9.0	\$450.00	\$4,050.00

Quantity Total	15.6
Subtotal	\$9,775.85
Tax (13.0%)	\$1,270.86
Total	\$11,046.71

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
499334	10/03/2025	\$300.02	\$2.55	\$297.47
499600	11/03/2025	\$4,720.80	\$0.00	\$4,720.80

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
499334	12/03/2025	\$2.55	\$0.00	\$2.55

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
499754	12/02/2025	\$11,046.71	\$0.00	\$11,046.71
Outstanding Balance				\$16,067.53
Total Amount Outstanding				\$16,067.53

Please make all amounts payable to: Reconstruct LLP

Payment is due upon receipt. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information

Bank Name/Address: Royal Bank of Canada
Main Branch - Toronto
Royal Bank Plaza
200 Bay Street
Toronto, ON M5J 2J5

Account Number: 1570423
Transit Number: 00002
Bank Number: 003

Name/Account #: Reconstruct LLP

SWIFT: ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 499754 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

EXHIBIT "B"

THIS IS **EXHIBIT "B"** REFERRED TO IN THE AFFIDAVIT OF **CAITLIN FELL**
SWORN BEFORE ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO
THIS 2ND DAY OF DECEMBER, 2025.



A COMMISSIONER FOR TAKING AFFIDAVITS
LEVI RIVERS

Summary of Accounts of Reconstruct LLP
(From September 30, 2025 to November 20, 2025)

SUMMARY OF TIMEKEEPERS		
Legal Professional	Year of Call	Hourly Rate
Caitlin Fell, Partner, Partner	2010	\$885
Brendan Bissell, Partner	1998	\$885
Le Nguyen, Counsel	2003	\$795
Simran Joshi, Associate	2024	\$450
Alina Stoica, Law Clerk	n/a	\$330

Billing Summary	
Total Hours for C. Fell:	2.2
Total Professional Fees for C. Fell:	\$1,947
Total Hours for S. Joshi:	17.6
Total Professional Fees for S. Joshi:	\$7,920
Total Hours for Brendan Bissell:	0.3
Total Professional Fees for Brendan Bissell:	\$265.5
Total Hours for Le Nguyen:	4.3
Total Professional Fees for Le Nguyen:	\$3,418.5
Total Hours for Alina Stoica:	0.1
Total Professional Fees for Alina Stoica:	\$33
Total Hours:	24.5
Average Hourly Rate:	\$669
Disbursements	\$ 635.05
Professional fees:	\$ 13,584

	HST	\$ 1,848.48
TOTAL PROFESSIONAL FEES:		\$ 16,067.53

ADJ HOLDINGS INC.

and

HORIZEN DEVELOPMENTS GP CORP.

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceedings commenced at LONDON

FEE AFFIDAVIT OF CAITLIN FELL

RECONSTRUCT LLP

80 Richmond Street West, Suite 1700
Toronto, ON M5H 2A4

Caitlin Fell LSO No. 60091H

cfell@reconllp.com
Tel: 416.613.8282

Simran Joshi LSO No. 89775A

sjoshi@reconllp.com
Tel: 416.728.3603

Lawyers for BDO Canada Limited, all of the
assets, undertakings and properties of Horizen
Developments GP Corp.