

Clerk's Stamp:

COURT FILE NUMBER 2603 09408

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

PLAINTIFF **SERVUS CREDIT UNION LTD.**

DEFENDANTS **NORTHERN WELD ARC LTD., NORMAC MACHINE & SUPPLY LTD. AND GAYLE VIVIAN HOLTZ**

DOCUMENT **AFFIDAVIT IN SUPPORT OF APPLICATION FOR APPOINTMENT OF A RECEIVER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Dentons Canada LLP  
2500 Stantec Tower  
10220 – 103 Avenue  
Edmonton, Alberta T5J 0K4  
Ph. (780) 423-7219 Fx. (780) 423-7276  
File No.: 405692-708  
Lawyer: Tom Gusa



Sworn ~~(or affirmed)~~ on April 29, 2026

I, Chris Millar, of the Town of Beaumont, in the Province of Alberta, MAKE OATH AND SAY THAT:

1. I am a Senior Commercial Special Loans Manager in Special Loans for Servus Credit Union Ltd. ("**Servus**"), the Plaintiff in these proceedings, and as such have knowledge of the facts and matters hereinafter deposed to by me, except where stated to be based upon information and belief and where so stated I do verily believe the same to be true.
2. The Defendants, Northern Weld Arc Ltd. (the "**Borrower**"), Normac Machine & Supply Ltd ("**NMS**") and Gayle Vivian Holtz ("**Holtz**"), are customers and/or debtors of Servus. I am currently the person at Servus directly responsible for the administration of the accounts of the Defendants insofar as the matters raised in the Statement of Claim in these proceedings.
3. I am authorized to make this Affidavit on behalf of Servus.
4. I make this Affidavit in support of an application for the appointment of BDO Canada Limited ("**BDO**") as Receiver of the undertakings, property (real and personal) and assets of the Borrower.
5. The Borrower is a company incorporated pursuant to the laws of Alberta, with its registered office located in Edmonton, Alberta. Attached hereto and marked as **Exhibit "A"** is a true copy of Alberta Corporate Registry search results for the Borrower.
6. To the best of my information, Holtz is the sole director the Borrower and NMS.

## OPERATIONS AND STATE OF AFFAIRS

7. The Borrower operates as an industrial structural steel fabricator in Sherwood Park, Alberta. The Borrower provides a variety of services involving steel fabrication for commercial construction projects throughout Alberta.
8. On April 27, 2026, the Borrower filed a Notice of Intention to Make a Proposal pursuant to the *Bankruptcy and Insolvency Act* (the "**NOI**"). Attached hereto and marked as **Exhibit "B"** is a true copy of the NOI.
9. I am advised by David Lewis of BDO, and do verily believe, that BDO has been retained by the Borrower for the purposes of providing general operational and financial advice, and to facilitate the NOI.
10. I am advised by David Lewis, and do verily believe, that the Borrower currently is suffering from extreme liquidity issues, and has numerous ongoing construction projects (the "**Ongoing Projects**") and is unable to fund their completion.
11. Servus is not prepared to fund the completion of the Ongoing Projects, and is not supportive of the NOI proceedings generally, and alternatively seeks the appointment of BDO as the Receiver of the Borrower.
12. I am advised by David Lewis, and do verily believe, that the Borrower intends to consent to the appointment of BDO as Receiver.
13. I am advised by David Lewis that the Borrower is currently assessing which, if any, of the Ongoing Projects it can fund the completion of directly with the expectation of making a profit, failing which the Borrower intends to immediately cease all operations and to terminate its workforce.
14. As at the date of swearing this affidavit, Servus and the Borrower have agreed to seek an Order by consent to lift the stay of proceedings that results from the filing of the NOI (the "**Stay of Proceedings**"). The parties intend to appear before a Registrar in Bankruptcy on an immediate basis to obtain an Order to lift the Stay of Proceedings (the "**Consent Order**"), such that Servus may commence formal enforcement proceedings against the Borrower, which will include among other steps, serving upon the Borrower a demand for payment in relation to the Indebtedness (as defined below) and a Notice of Intention to Enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "**Demand and 244 Notice**").
15. A further affidavit will be sworn in this Action containing a copy of the Consent Order and the Demand and 244 Notice.
16. Servus is not presently seeking the appointment of a Receiver as it relates to the Defendant, NMS, which is a guarantor of the Indebtedness as set out below.

## THE LOANS

17. Pursuant to:
  - (a) a Credit Facility Letter dated October 24, 2023;

- (b) an Amending Facility Letter dated December 31, 2024; and
  - (c) an Amending Facility Letter dated December 4, 2025,
- (collectively, the "**Loan Agreement**")

the Borrower borrowed money from Servus which it agreed to repay to Servus with interest. Attached hereto and marked as **Exhibit "C"** is a true copy of the Loan Agreement.

18. As a result of such borrowing, the Borrower is indebted to Servus as follows (without limitation) as of April 28, 2026:
- (i) Authorized Overdraft - \$2,217,004.00;
  - (ii) Mortgage Term Loan- \$625,113.17;
  - (iii) Business Mastercard - \$51,894.00;
  - (iv) interest accruing on the above noted facilities after April 28, 2026 as applicable;
  - (v) any additional credit extended or advanced by the Plaintiff to the Borrower under the Loan Agreement in the absolute discretion of the Plaintiff from and after April 28, 2026, plus interest thereon; and
  - (vi) costs on a solicitor and own client full indemnity basis.
- (collectively, the "**Indebtedness**").

19. Attached to my Affidavit and marked as **Exhibit "D"** is a true copy of entries made in the usual and ordinary course of business of Servus in books or records which were at the time of the making of the entries one of the ordinary books or records of Servus. The books or records are in the custody and control of Servus. Exhibit "C" evidences the Indebtedness.

### THE SECURITY

20. As security for the payment and performance of all debts, liabilities, and obligations of the Borrower to Servus, howsoever arising (present and future, absolute and contingent, direct and indirect), including the Indebtedness, by a General Security Agreement dated October 28, 2019 (the "**GSA**"), the Borrower granted to Servus a security interest in all of its present and after-acquired real and personal property, and all proceeds thereof. The GSA secures all of the Indebtedness. Attached hereto and marked as **Exhibit "E"** is a true copy of the GSA.
21. Attached to my Affidavit and marked as **Exhibit "F"** is a copy of an Alberta Personal Property Registry search result with respect to the Borrower
22. To further secure the due payment and discharge of the Indebtedness, Holtz executed the following guarantee in favour of the Plaintiff guaranteeing the repayment of the Indebtedness to the Plaintiff, interest thereon and all costs, charges and expenses, including legal fees and disbursements on a solicitor and its own client, full indemnity basis:

- (a) Guarantee and Postponement dated October 28, 2019 in the amount of \$1,000,000.00 (the "**Holtz Guarantee**").

Attached hereto as **Exhibit "G"** is a true copy of the Holtz Guarantee.

23. To further secure the due payment and discharge of the Indebtedness, NMS executed the following guarantee in favour of the Plaintiff guaranteeing the repayment of the Indebtedness to the Plaintiff, interest thereon and all costs, charges and expenses, including legal fees and disbursements on a solicitor and its own client, full indemnity basis:

- (a) Unlimited Guarantee and Postponement dated October 28, 2019 (the "**NMS Guarantee**").

Attached hereto as **Exhibit "H"** is a true copy of the NMS Guarantee.

24. By a Mortgage made under the *Land Titles Act*, RSA 2000, c L-4 dated October 28, 2023 and registered in the Land Titles Office for the Alberta Land Registration District as 192 271 754, NMS mortgaged to the Plaintiff the lands legally described as:

DESCRIPTIVE PLAN 0227868  
BLOCK 1  
LOT 5A  
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "**Lands**")

as security for the payment by NMS in relation to the NMS Guarantee to the maximum principal amount of \$2,500,000.00, plus interest and costs on a solicitor and his own client basis (the "**Original Mortgage**"). Attached hereto and marked as **Exhibit "I"** is a true copy of the Original Mortgage.

25. By a Mortgage Amending Agreement made under the *Land Titles Act*, RSA 2000, c L-4 dated November 10, 2023 and registered in the Land Titles Office for the Alberta Land Registration District as 232 380 020, NMS further mortgaged to the Plaintiff the Lands as security for payment by NMS of the NMS Guaranteed Indebtedness to the maximum principal amount of \$3,000,000.00, plus interest and costs on a solicitor and his own client basis (the "**Mortgage Amendment**"). Attached hereto and marked as **Exhibit "J"** is a true copy of the Mortgage Amendment.

26. Attached hereto and marked as **Exhibit "K"** is a true copy of a land title certificate in relation to the Lands.

### **CREDIT FACILITY CONCERNS**

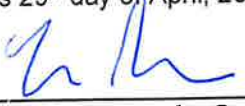
27. As evidenced by the listing of current aged accounts receivable and accounts payable of the Borrower attached in the documents set out in **Exhibit "L"** hereto, the Borrower is experiencing liquidity issues which cause material concern for Servus.
28. The Borrower currently has accounts payable of nearly \$2.4 Million, of which over half are over 90 days old, but the Borrower currently has only approximately \$500,000 of accounts receivable.

29. I am advised by David Lewis, and do verily believe, that certain unpaid trade creditors of the Borrower are beginning to put pressure on the Borrower for payment, and one of the goals in filing the NOI was to prevent those unpaid trade creditors from commencing legal proceedings, via the Stay of Proceedings.
30. Further, as a result of the liquidity issues, on April 21, 2026, Servus provided additional funding to the Borrower in the amount of \$75,000, beyond the margining limit provided for in the Loan Agreement, for the purpose of the Borrower meeting its payroll obligations for the month of April, which it could not fund directly.
31. Certain and other events of default exist pursuant to the terms of the Loan Agreement, which include but are not limited to:
  - (a) the filing of the NOI itself; and
  - (b) given the recent information received from BDO, there has been a material adverse change in the business operations and financial condition of the Borrower.

#### APPOINTMENT OF RECEIVER

32. The GSA allows and provides for the appointment of a Receiver or a Receiver and Manager of the undertakings, property (real and personal) and assets of the Borrower (the "**Receiver**"), in the event of default with respect to their obligations owed in favour of Servus.
33. The Borrower is in default of its obligations to Servus.
34. Servus is not supportive of the NOI proceedings, and it is not prepared to further delay enforcement under the GSA.
35. Servus has no confidence that the Borrower will be able to complete the Ongoing Projects, obtain refinancing to repay the Indebtedness, and also in management's ability to continue to operate for the purposes of liquidation and otherwise.
36. Servus has lost confidence in the ability of management of the Borrower to conduct operations in a fashion that will not jeopardize Servus' security position.
37. Servus has material concerns regarding the preservation of the Borrower's assets which make up Servus' collateral, which is primarily made up of tools and equipment and the Borrower's accounts receivable.
38. I am of the view that the Borrower is not capable of continuing with its operations, obtaining refinancing whatsoever, without jeopardizing Servus' security position as it relates to the Borrower.
39. As a result of all of the facts herein deposed to, I (and Servus through extension) have lost confidence in management to address this matter, and I am very concerned about the erosion of Servus' security and the preservation of the collateral subject to Servus' security interests.
40. The value of Servus' collateral may be compromised if not preserved by an independent third party such as a Receiver.

- 41. I am of the view that, given the nature of Servus' collateral, it would be impractical to easily and economically realize upon Servus' collateral without the use of an independent third party such as a Receiver.
- 42. I am also respectfully of the view that it is just and convenient to appoint a Receiver in these circumstances, and that such an appointment is necessary for the protection of the estate of the Borrower and Servus' interests.
- 43. I have spoken to David Lewis of BDO regarding that firm acting as a Receiver of the undertaking, property (real and personal) and assets of the Borrower. BDO has advised that it is prepared to consent to act as Receiver in this matter. Servus supports the appointment of BDO as the Receiver of the undertakings and property of the Borrower.
- 44. I make this Affidavit *bona fide* in support of an application for the appointment of a receiver in these proceedings.

SWORN before me at the Town of  
 Beaumont, in the Province of Alberta  
 this 29<sup>th</sup> day of April, 2026  
  
 \_\_\_\_\_  
 A Commissioner for Oaths in and for  
 the Province of Alberta

  
 \_\_\_\_\_  
 CHRIS MILLAR

**Tre L. Ross**  
**Student-at-Law**

This is **Exhibit "A"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



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A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
Student-at-Law

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2026/04/24  
 Time of Search: 12:33 PM  
 Search provided by: DENTONS CANADA LLP  
 Service Request Number: 47046912  
 Customer Reference Number: 405692-708 TLG/sg

**Corporate Access Number:** 200596740

**Business Number:**

**Legal Entity Name:** NORTHERN WELD ARC LTD.

**Legal Entity Status:** Active

**Alberta Corporation Type:** Named Alberta Corporation

**Registration Date:** 1971/10/28 YYYY/MM/DD

**Registered Office:**

**Street:** 1800-10220 103 AVENUE NW  
**City:** EDMONTON  
**Province:** ALBERTA  
**Postal Code:** T5J0K4

**Email Address:** CORP@RMRF.COM

**Primary Agent for Service:**

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
FARMER	R.	ALLAN	REYNOLDS MIRTH RICHARDS & FARMER LLP	1800- 10220 103 AVENUE NW	EDMONTON	ALBERTA	T5J0K4	CORP@RMRF.COM

**Directors:**

**Last Name:** HOLTZ  
**First Name:** GAYLE  
**Street/Box Number:** 141 STRATHMOORE WAY  
**City:** SHERWOOD PARK  
**Province:** ALBERTA  
**Postal Code:** T8H1Z7

**Voting Shareholders:**

**Legal Entity Name:** NORMAC MACHINE & SUPPLY LTD.  
**Corporate Access Number:** 200755965  
**Street:** 1800, 10220 103 AVE NW  
**City:** EDMONTON  
**Province:** ALBERTA  
**Postal Code:** T5J0K4  
**Percent Of Voting Shares:** 100

**Other Information:**

**Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2025	2025/10/21

**Continued Under the Business Corporations Act on:** 1983/01/17 YYYY/MM/DD

**Filing History:**

List Date (YYYY/MM/DD)	Type of Filing
2024/03/26	Change Agent for Service
2024/03/27	Change Address
2025/03/28	Change Director / Shareholder
2025/10/21	Enter Annual Returns for Alberta and Extra-Provincial Corp.

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Letter - For Legal Name Change	10000707113646183	2016/04/01

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit "B"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



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A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
**Student-at-Law**



Industry Canada

Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant  
des faillites Canada

District of: Alberta  
Division No.: 01 - Edmonton  
Court No.: 24-3365608  
Estate No.: 24-3365608

In the Matter of the Notice of Intention to make a proposal of:

**Northern Weld Arc Ltd.**

Insolvent Person

**BDO CANADA LIMITED / BDO CANADA LIMITÉE**

Licensed Insolvency Trustee

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Date of the Notice of Intention:

April 27, 2026

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 28, 2026, 15:35

E-File/Dépôt Electronique

Official Receiver

Canada Place Building, 9700 Jasper Avenue NW, Suite 725, Edmonton, Alberta, Canada, T5J4C3, (877)376-9902

**Canada**

This is **Exhibit "C"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



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A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
Student-at-Law

October 24, 2023

Private & Confidential

**Credit Facility Letter to:**  
Northern Weld Arc Ltd.  
Attention: Gayle Holtz  
141 Strathmoor Way  
Sherwood Park, AB T8H 1Z7

**Provided by:**  
Servus Credit Union Ltd.  
C/O: Andre Chan  
11311 Kingsway Ave  
Edmonton, Alberta T5G 0X3  
T: 587.596.1274  
E: andre.chan@servus.ca  
W: Servus.ca

Dear Gayle:

We are pleased to confirm that Servus Credit Union Ltd. has authorized the following credit facilities in the name of Northern Weld Arc Ltd. subject to the following terms and conditions as well as those Standard Credit Terms and Conditions in Schedule "A" attached to and forming part of this Credit Facility Letter.

**New Credit Facilities:**

1. \$750,000 Term Loan Facility #01

Purpose: To Provide a cash injection for working capital and overall reduction of the current authorized overdraft.

Interest Rate:

Term	Bond Rate (October 23, 2023)	Spread	Indicative Rate	Indicative Monthly Payment	Initial
1 Year	5.22%	3.50%	8.72%	\$9,387.41	gjh
2 Year	4.77%	3.50%	8.27%	\$9,206.92	
3 Year	4.53%	3.50%	8.03%	\$9,111.46	
4 Year	4.37%	3.50%	7.87%	\$9,048.13	
5 Year	4.25%	3.50%	7.75%	\$9,000.80	

The rates above are for reference purposes only based on current market information. Exact rates will be confirmed within 30 days of the advance.

Interest rate to would be calculated as the Bank of Canada Benchmark Bond Rate plus a basis point spread corresponding to the desired Term of the loan as indicated above, with a floor rate no lower than the selected Term and the prevailing Bank of Canada Benchmark Bond Rate at that time plus the corresponding basis point spread.

Repayment Terms Repayable with monthly blended payments commencing one month after the Interest Adjustment Date (IAD) based on a rate of interest that has yet to be determined. Then to be amortized with blended payments over a 10 year period with term to be determined. An interest adjustment on the principal amount advanced will be calculated from the date of the initial advance and will be due and payable on the 1st day of the month immediately following the initial advance (IAD).

Prepayment Privileges: See Schedule "A" – Standard Terms and Conditions, Prepayment Privileges, Fixed Interest Rate

Availability: If funds are not made available within 30 days of the date of this Credit Facility Letter or as otherwise agreed to by the Borrower and Servus Credit Union Ltd. in writing, the availability of such credit facilities from Servus Credit Union Ltd. shall, at Servus Credit Union Ltd.'s sole discretion, expire and be cancelled.



### **Revised Credit Facilities:**

1. \$2,250,000 Authorized Overdraft Facility #00 (\$500,000 to be margined)

Interest Rate: An annual rate of interest equal to the Credit Union's Prime Lending Rate plus 1.50%, floating, calculated daily and payable monthly in arrears.

Repayment Terms: Revolving; interest payable monthly.

Prepayment Privileges: See Schedule "A" – Standard Terms and Conditions, Prepayment Privileges, Floating Interest Rate

### **INTEREST RATES:**

Amounts advanced by Servus Credit Union Ltd. to the Borrower will bear interest while outstanding, before and after maturity, default and judgment at the rates stated above.

The "Prime Lending Rate" referred to above shall mean the floating annual rate of interest established and recorded as such from time to time by Servus Credit Union Ltd. as its reference rate for determining rates of interest it will charge for loans denominated in Canadian Dollars and commonly called Servus Credit Union Ltd.'s Prime Lending Rate, adjusted automatically upon any change by Servus Credit Union Ltd. Servus Credit Union Ltd.'s Prime Lending Rate is 7.20% per annum as at the date of this Credit Facility Letter.

### **REPAYMENT TERMS:**

The Borrower shall repay all loans on demand. Prior to demand by Servus Credit Union Ltd., loans shall be repayable as stated above.

PLEASE NOTE: Servus Credit Union Ltd. advises that with respect to any loans for which a term repayment schedule is provided that upon maturity all such loans will bear interest from the maturity date forward until paid at Servus Credit Union Ltd.'s prime lending rate from time to time plus 5.00% per annum unless otherwise agreed to between the Borrower and Servus Credit Union Ltd.

### **GENERAL FEES:**

At the time of this Credit Facility Letter, Servus Credit Union Ltd.'s fees are as stated throughout this Credit Facility Letter (subject to Schedule "A", Acceptance, Advances, Payments, Expenses, Fees and Consents, (5) Change in Fees).

1. An Account Review Fee of \$2,000 will be due and payable annually by the Borrower after completion of our Account Review.
2. An appropriate fee as determined by Servus Credit Union Ltd. will for any modifications of the credit application as initiated by the borrower which require a formal Amendment for Authorized Loans to be prepared.

### **FEES RELATED TO SPECIFIC CREDIT FACILITIES:**

The facility reference number below refers to the sub number of the credit facility.

#### **Authorized Overdraft Facility #00:**

1. A monthly margining fee of \$25 is due and payable by the Borrower at month end.
2. A monthly standby and utilization fee of \$125 is due and payable by the Borrower at month end.

### **MARGINING CONDITIONS: (Margined Amount to be \$500,000)**

1. Advances under the Authorized Overdraft Facility are subject to the lesser of the amount of the facility or the margin calculated on a forward basis as follows:
  - a. 75% of net eligible accounts receivable.

Net eligible accounts receivable are defined as: Accounts receivable excluding those that are aged more

than 90 days(i)(ii), foreign dollar accounts which are not Export Development Canada (EDC) insured, progress billings, inter-company and affiliated accounts, contra accounts and holdbacks, less statutory payables, lienable payables from sub-contractors and the full balance of any disputed accounts. If any portion of the accounts receivable is over 90 days(i)(ii) then the whole account is to be excluded for margining purposes.

- i. If less than 10% (maximum \$5,000) of an individual receivable is over 90 days then only that portion must be excluded.
- ii. 120 days is allowed for the following companies or government bodies:
  - Companies that publicly trade on the *TSX/NYSE* and have a minimum market capitalization of one Billion dollars.
  - Government of Canada
  - Provincial Governments
  - Municipal Governments

For the above permitted companies and governments, deduct only that portion of the receivable greater than 120 days unless it is determined the account is in dispute, wherein the entire balance is then to be deducted.

#### REPORTING REQUIREMENTS:

1. Monthly, within 30 days of each calendar month end:
  - a. Signed or electronically submitted aged list of accounts receivable detailing amounts currently due up to 30 days, 31 to 60 days, 61 to 90 days, over 90 days, and total amount due.
  - b. Signed or electronically submitted aged list of accounts payable including Statutory payables.
  - c. Signed or electronically submitted in-house year-to-date Financial Statement including Balance Sheet and Profit and Loss Statement.
  - d. Compliance Certificate must be completed, signed, and submitted by the borrower.
2. Annually, within 90 days of the Borrower's fiscal year end:
  - a. Minimum Review Engagement financial statements, prepared by a qualified external accountant satisfactory to Servus Credit Union Ltd. and signed by a company director of the borrower, are to be provided
  - b. Minimum Compilation Engagement financial statements, prepared by a qualified external accountant satisfactory to Servus Credit Union Ltd. and signed by a company director of the following related/guarantor companies, are to be provided
    - Normac Machine & Supply Ltd.
  - c. Evidence that the property taxes are paid in full and / or confirmation that the borrower is set up on a monthly electronic payment schedule.
3. Biennially or sooner
  - a. Signed and dated personal net worth statements on approved Servus Credit Union Ltd. form, to be supplied by all personal guarantors.
4. Periodically, as requested:
  - a. Such information as the Credit Union may request from time to time.

## FINANCIAL COVENANTS:

Unless otherwise called for and agreed to by Servus Credit Union Ltd., all financial covenants will be measured based on the Borrower's most recent external accountant prepared, year-end financial statements.

1. Debt Service Coverage Ratio (DSCR) is to be maintained at a minimum of 1.25:1 and is calculated as Cash Flow divided by Debt Service Requirements as defined below:
  - i. Cash Flow = Net after tax income + depreciation / amortization / Capital Cost Allowance (CCA) + interest expensed + deferred/future taxes – dividends declared – reductions in shareholder's loans/due to related party – increases to due from shareholder/related party – gains on capital assets + loss on capital assets.
  - ii. Debt Service Requirements = Interest and principal paid on all debt in the fiscal year under review.
2. Debt to Equity Ratio (D/E) is not to exceed a ratio of 2.00:1 and is calculated by dividing the sum of all debt by the aggregate of all equity as defined below:
  - i. Debt = All current and long term liabilities as per year end financial statements including related party loans that are not formally postponed to Servus Credit Union Ltd. but excluding shareholder's loans.
  - ii. Equity = Common share capital, retained earnings, shareholder's loans, formally assigned preferred shares and formally assigned related party debt, and off balance sheet equity in capital assets which has been independently confirmed and approved By Servus Credit Union Ltd. Excluded are amounts owing by shareholders and advances to and investments in related companies if the entities do not have the ability to repay these funds on short notice (as evidenced by recent financial statements) less intangibles such as (but not limited to) goodwill, research and development (R&D) and franchise fees.
3. Current Ratio (C/R) is to be maintained at a minimum of 1.50:1 and is calculated by dividing current assets by current liabilities as defined below:
  - i. Current Assets = All current assets as per current financial statement – advances to related parties (if, at the sole discretion of Servus Credit Union Ltd., verifiable proof of immediate repayment is not available).
  - ii. Current Liabilities as per current financial statements.

## INSURANCE REQUIREMENTS:

1. Evidence of property insurance is as follows:

Insure and keep fully insured all property and assets against the following perils:

- a. With respect to all buildings and other improvements now or hereafter situated on the subject property and all insurable property included within the buildings, coverage against loss or damage by fire and other insurable hazards defined in an "All Risks" insurance policy for the full replacement cost.
- b. Public liability insurance to an amount not less than \$5,000,000 on a per occurrence basis.

The policies of insurance to be maintained shall not contain any co insurance clauses less than 90% and shall be in form and with insurers satisfactory to Servus Credit Union Ltd. and shall include the agreement of the insurer that the policy will not be cancelled or permitted to expire on expiry date without at least thirty (30) days prior written notice of intended cancellation or non-renewal to Servus Credit Union Ltd.

Servus Credit Union Ltd. shall be named in all policies of insurance (other than public liability insurance) as the **first loss payee** and as first mortgagee upon the terms of the standard Insurance Bureau of Canada Mortgage Endorsement Clause.

The Borrower will furnish Servus Credit Union Ltd. or its solicitors, at least ten (10) days prior to the advance of any funds, a binder policy, with certified copies of the policies being provided within 45 days thereafter, providing the above coverage.

**SECURITY:**

The types of security, supporting resolutions and agreements to be provided by the Borrower will be in a form and content determined by the Credit Union and/or its solicitors and registered in the appropriate government or other registry as required or desirable, and includes the following:

**Security Presently Held - All Credit Facilities:**

1. Corporation General Banking Resolution
2. General Security Agreement providing a first charge and security interest in and to all the Borrower's present and after-acquired personal property with specific security interest in serial numbered goods as required by Servus Credit Union Ltd
3. Personal Guarantee and Postponement of Gayle Vivian Holtz for \$1,000,000.00 and Guarantees Acknowledgement Act Certificate executed by each individual guarantor.
4. Corporate Guarantee and Postponement of Normac Machine & Supply Ltd. for an unlimited amount supported by:
  - a. Continuous Demand Mortgage for \$2,500,000.00 representing a first fixed charge over buildings, land and improvements at 141 Strathmoor Way Sherwood Park, AB legally described as Plan 0227868 Block 1 Lot 5A.
  - b. Guarantee Certificate.
  - c. Resolution of Directors to Grant Unlimited Guarantee.
  - d. Certificate of Non-Restriction
  - e. Solicitor's Opinion Letter regarding the ability of the Corporation to issue a Corporate Guarantee. Noting that a solicitor's letter of opinion is not required when utilizing First Canadian Title to complete the transaction.
  - f. Certificate of Authorized Signing Authorities.
5. Solicitor's letter of opinion regarding capacity, due authorization and legal effectiveness of security.
6. Credit Facility Letter signed by the borrower and guarantor.

**Security Presently Held - Specific Credit Facilities:**

Authorized Overdraft Facility #00:

1. Authorized Overdraft Agreement for \$2,500,000.00.

Servus MasterCard Facility:

2. MasterCard Agreement signed by the Borrower.

**Security To Be Obtained - All Credit Facilities** (if appropriate, all security documents to be registered in the appropriate government or other registry as required or desirable):

1. Mortgage Amending Agreement for an additional \$500,000 for the property located at 141 Strathmoor Way, Sherwood Park, AB legally described as Plan 0227868 Block 1 Lot 5A.
2. Credit Facility Letter to be signed by the borrower and guarantor.



**Security To Be Obtained - Specific Credit Facilities** (if appropriate, all security documents to be registered in the appropriate government or other registry as required or desirable):

Authorized Overdraft Facility #00:

1. Authorized Overdraft Agreement for \$2,250,000.

**Security To Be Deleted:**

1. Borrowing Resolution
2. Certificate of Non-Restriction
3. Authorized Overdraft Agreement in the amount of \$2,500,000
4. Credit Facility Letter signed by the borrower and guarantor.

**ACCEPTANCE:**

1. To become effective this Credit Facility Letter must be accepted in writing by the Borrower and Guarantors.
2. This Credit Facility Letter may be signed by Servus Credit Union Ltd. and the Borrower and Guarantors in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document.

At the sole discretion of Servus Credit Union Ltd., this Credit Facility Letter may also be transmitted by facsimile or by other electronic means and if so signed and transmitted, this Agreement shall be for all purposes as if Servus Credit Union Ltd. and the Borrower and Guarantors had delivered an executed original Credit Facility Letter.

3. Your acceptance of this Credit Facility Letter will constitute authority for Servus Credit Union Ltd. to, where applicable, instruct its solicitors or First Canadian Title to prepare the necessary documentation.
4. Your acceptance of this Credit Facility Letter will constitute authority for Servus Credit Union Ltd. First Canadian Title to prepare the necessary documentation.
5. Servus Credit Union Ltd. reserves the right to discuss the terms and conditions of the borrower's financing and/or financial statements directly with the borrower's accountant, if required.

Please note that this Credit Facility Letter restates and modifies and takes precedence over any prior Commitment Letters or Credit Facility Letters issued to you; however, it is not a novation. All existing security and guarantees held by Servus Credit Union Ltd. continue in full force and effect and are security for the loans and credit facilities described in this Credit Facility Letter and in the previous Credit Facility/Commitment Letters save and except as they have been restated and modified by this Credit Facility Letter.


Nothing herein shall be construed to impair any security, lien, or charge held by Servus Credit Union Ltd. to secure the loans and Credit Facilities and nothing herein shall affect or impair any powers which Servus Credit Union Ltd. may have against the Borrower, any Guarantors or any other person for recover of the loans and Credit Facilities.

If you are in agreement with the above terms and conditions, as well as the Standard Credit Terms and Conditions as detailed in the attached Schedule "A", Standard Credit Terms and Conditions which form part of this Credit Facility Letter, please sign this letter and return this letter with the attached Schedule "A", Standard Credit Terms and Conditions to Servus Credit Union Ltd. together with the applicable fee.

This Credit Facility Letter will expire if not accepted or extended in writing by **November 8, 2023**. The foregoing is offered in good faith and is to be held in strict confidence.

Sincerely,

Servus Credit Union Ltd.

Per:   
\_\_\_\_\_  
Andre Chan  
Senior Relationship Manager

Per:   
\_\_\_\_\_  
Murali Bala  
Regional Manager Commercial Services

Accepted this 30 day of OCTOBER, 2023.

**BORROWER(S):**

Northern Weld Arc Ltd.

Per: Gayle Holtz

Per: \_\_\_\_\_

**PERSONAL GUARANTOR(S):**

Per: Gayle Holtz  
Gayla Vivian Holtz

Per: \_\_\_\_\_

**CORPORATE GUARANTOR(S):**

Normac Machine & Supply Ltd.

Per: Gayle Holtz

Per: \_\_\_\_\_

## SCHEDULE "A"

### STANDARD CREDIT TERMS AND CONDITIONS

All references herein to "the Credit Facility Letter" shall mean the Credit Facility Letter to which this Schedule "A" is attached and in the event of a conflict between the terms of the Credit Facility Letter and this Schedule "A", the terms of the Credit Facility Letter shall prevail but for clarity the mention of a provision in the Credit Facility Letter and not in Schedule "A" or vice versa shall not constitute a conflict but shall be deemed to be supplemental and in addition to any of the terms and conditions under either of the Credit Facility Letter or Schedule "A" as the case may be.

#### ACCEPTANCE, ADVANCES, PAYMENTS, EXPENSES, FEES AND CONSENTS:

1. **Acceptance:** The Borrower and all Guarantors must accept in writing the terms and conditions of the Credit Facility Letter prior to any advances being made.
2. **Evidence of Advances:** The Borrower and all of the Guarantors agree that Servus Credit Union Ltd.'s records evidencing an advance shall be complete and final proof, absent manifest error, that funds have been advanced under any one or more of the loans set forth in the Credit Facility Letter and may, from time to time dependent upon the type of loan facility made available, be evidenced by other documentation such as, for example and without limitation, promissory notes, direct deposits, drafts or cheques made payable to other parties including solicitors and agents and any other means by which Servus Credit Union Ltd. provides value to the Borrower under any one or more of the loan facilities.
3. **Debit from Borrower Account:** Unless otherwise stated in writing, payments for all loans and credits will be automatically transferred or debited from the Borrower's operating account with Servus Credit Union Ltd.
4. **Payment of Costs:** The Borrower agrees to pay all expenses, fees and charges incurred by Servus Credit Union Ltd. in relation to all loans and credits, the preparation and registration of all security, enforcement or preservation of any or all of Servus Credit Union Ltd.'s rights and remedies including those incurred during an annual or any other periodic review of the Borrower's relationship with Servus Credit Union Ltd., whether or not any such documentation is completed or any funds are advanced, including but not limited to legal expenses (on a solicitor-and-his-own-client full indemnity basis), costs of accountants, engineers, architects, consultants, appraisers and the costs of any and all searches and registrations Servus Credit Union Ltd. or its solicitor deems either necessary or desirable.
5. **Change in Fees:** The Borrower and all Guarantors acknowledge that Servus Credit Union Ltd. may change the fees payable pursuant to the Credit Facility Letter from time to time upon notice to the Borrower in person, by telephone, by letter that is sent either by mail or facsimile transmission or by electronic mail (e-mail) to the address, telephone number and/or electronic mail (e-mail) address on file at Servus Credit Union Ltd.
6. **Not Assumable:** All loans and credits are not assumable without Servus Credit Union Ltd.'s prior, written consent and if the Borrower does attempt to have some other entity assume any loan or security, any and all loans and credits shall, in Servus Credit Union Ltd.'s discretion, become immediately due and payable and Servus Credit Union Ltd. may commence enforcement.
7. **General Fees:**
  - a. All expenses, fees and charges due and payable, as outlined in this Credit Facility Letter, if not paid forthwith by the Borrower may be charged to the Borrower's account(s) or may be added to the Borrower's loans, at the sole discretion of Servus Credit Union Ltd., and shall be secured by all of the security taken in support of all loans by the Credit Union to the Borrower.

- b. The Borrower agrees to forthwith pay to Servus Credit Union Ltd. a charge for each cheque presented for deposit which is dishonoured or, in Servus Credit Union Ltd.'s absolute discretion, a late payment fee whenever a payment is not remitted on its due date at Servus Credit Union Ltd.'s normal charges in effect from time to time respecting dishonoured cheques and/or late payment fees.
- c. Mortgages registered outside of Alberta:
  - i. A Concentra Financial Services Association Application Fee of \$1,000 will be due and payable at the time the mortgage is registered.
  - ii. A Processing/Administration Fee will be due and payable at the time the mortgage is released. The amount of the fee will be determined by Concentra Financial Services Association at the time of the release.

8. Availability:

- a. All loans available by way of direct Canadian Dollar advances.

**CONDITIONS PRECEDENT TO DRAWDOWN:**

- Security Completion:
  - a. Prior to funding any loans or credits or making any further advances, all security as contemplated by the Credit Facility Letter must be completed and registered wherever required or desirable by and in form and content acceptable to Servus Credit Union Ltd. and its solicitors, and all certificates, searches, solicitor's opinions and other documents as required by Servus Credit Union Ltd. shall be delivered to Servus Credit Union Ltd. in form and content acceptable to Servus Credit Union Ltd.
  - b. All security documentation to be completed and registered with a solicitor's letter of opinion confirming that Servus Credit Union Ltd.'s security is a valid and enforceable first charge and that any prior encumbrances will not affect that first registered position.
  - c. Servus Credit Union Ltd.'s solicitor is to confirm all proper signing operating account documents and enabling resolutions have been or will be executed.
- Title Insurance: With respect to real estate transactions including, without limitation, mortgages, Servus Credit Union Ltd. may fund upon receipt of an acceptable title insurance policy issued by any major title insurer including at this time Stewart Title Insurance, Chicago Title Insurance and First Canadian Title.

**REPRESENTATIONS AND WARRANTIES:**

The Borrower, all Corporate Guarantors and any other Guarantors represent and warrant to Servus Credit Union Ltd. that:

1. Corporate Status: If a corporation, it is duly incorporated, validly existing and duly registered and qualified to carry on business in the Province of Alberta and in all other jurisdictions where it carries on business and shall maintain such corporate existence and registration at all times during which any money may be owing to Servus Credit Union Ltd. or it shall be liable to Servus Credit Union Ltd.;
2. Authorizations: The execution, delivery and performance by it of this Credit Facility Letter and any and all terms and conditions thereunder including provision of security have been duly authorized by all necessary actions and do not violate its constating documents or any applicable Laws or agreements to which it is subject or by which it is bound;

3. **Environmental Claims:** There are no claims, actions, prosecutions or other proceedings of any kind pending or threatened against it or any of its assets or properties before any court or administrative tribunal or agency which relate to any noncompliance with any environmental law or any release from its lands of a contaminant into the natural environment or which, if adversely determined, might have a material adverse effect upon its financial condition or operations or its ability to perform its obligations under the Credit Facility Letter or under any of Servus Credit Union Ltd.'s security and that there are no circumstances of which they are aware which might give rise to any such proceeding which has not already been fully disclosed to Servus Credit Union Ltd.;
4. **Claims:** There are no claims, actions, prosecutions or other proceedings of any kind pending or threatened against it or against any of their assets or properties before any court or other administrative agency which relate to any noncompliance with any other applicable law or which, if adversely determined, might have a material adverse effect upon their financial condition or operation or their ability to perform their obligations under the Credit Facility Letter or in any of Servus Credit Union Ltd.'s security, and that there are no circumstances of which they are aware that might give rise to any such proceeding that have not already been fully disclosed to Servus Credit Union Ltd.;
5. **Crime Proceeds and Terrorism:** That they are not in violation of any applicable law relating to terrorism or money laundering, including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).
6. **Accuracy of Information and Accounting:** That all information provided to Servus Credit Union Ltd. is complete and accurate and does not omit any material fact and all financial statements delivered by it to Servus Credit Union Ltd. fairly represent its financial condition as of the date of such financial statement all in accordance with Accounting Standards for Private Enterprises (ASPE) or International Financial Reporting Standards (IFRS), as the case may be;
7. **Good Title/Interest:** In respect of all property and assets subject to Servus Credit Union Ltd.'s security, it has good and marketable title or a valid interest in such property and assets free and clear of all claims and encumbrances except those claims and encumbrances to which Servus Credit Union Ltd. has provided its prior consent in writing;
8. **No Default:** There is no default or event or default that has occurred or is occurring as of acceptance of the Credit Facility Letter;
9. **Material Adverse Change:** To the best of their knowledge no event or circumstance has occurred or is continuing which has or would reasonably be expected to have a material adverse impact on the operations or financial condition of the Borrower or any Guarantor;
10. **Government Remittances:** That all material remittances required to be made to government authorities have been made, are currently up to date and that there are no outstanding arrears, other than those that are being validly contested and that have been disclosed to Servus Credit Union Ltd.;
11. **Tax Payments:** That the Borrower and all Guarantors have duly filed on a timely basis all tax returns or other information required to be filed and have paid all material taxes which are due and payable including all assessments and reassessments other than those that are being validly contested and that have been disclosed to Servus Credit Union Ltd. and that they have made adequate provision for, and all required instalment payments have been made in respect of taxes payable for the current period for which returns have not as yet been required to be filed and that there are no agreements, waivers of other arrangements providing for any extension of time with respect to the filing of any tax returns or the payment of any taxes and that no actions or proceedings are being taken or threatened by any taxation authority in any jurisdiction where a Borrower or Guarantor carries on business other than those that are being validly contested and that have been disclosed in writing to Servus Credit Union Ltd.; and,

12. Intellectual Property: That they have the legal right to use all intellectual property necessary for the operation and conduct of their businesses, affairs, operations and processes and that they will continue to maintain such legal right so long as any monies are owing to Servus Credit Union Ltd.

All representations and warranties set out herein shall survive the acceptance of the Credit Facility Letter and shall be deemed to be repeated at the time of each advance hereunder and Servus Credit Union Ltd. may rely upon them upon each advance pursuant to the Credit Facility Letter except for those representations and warranties that Servus Credit Union Ltd. has been notified of in writing that can no longer be repeated for any such advance. Failure to provide such notification shall, in Servus Credit Union Ltd.'s discretion, be considered an event of default and all credits may become immediately due and payable and Servus Credit Union Ltd. may proceed to enforce the same in its discretion.

All other representations, warranties, certifications and statements of the Borrower or any Guarantor contained in any other document delivered pursuant to the Credit Facility Letter or thereafter to Servus Credit Union Ltd. shall be deemed to constitute additional representations and warranties made by the Borrower or any Guarantor to Servus Credit Union Ltd.

#### **GENERAL COVENANTS:**

Each of the Borrower and each Guarantor covenants and agrees with Servus Credit Union Ltd., that for so long as any monies are due and payable to Servus Credit Union Ltd. as follows:

1. **Timely Payment:** To pay all sums of money when due to Servus Credit Union Ltd..
2. **Performance of Obligations:** To perform all of the obligations and covenants under the Credit Facility Letter or under any security document.
3. **Maintenance of Security:** To maintain in full force and effect any security contemplated by the Credit Facility Letter and any security that may be granted thereafter.
4. **Notice of Default:** To provide Servus Credit Union Ltd. with prompt written notice of any event that constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default under the Credit Facility Letter or any security.
5. **Change of Ownership:** To give Servus Credit Union Ltd. at least 30 days' prior written notice of any intended change in the ownership of its shares and not to consent to or facilitate a change in the ownership of its shares without prior written consent of Servus Credit Union Ltd.
6. **Insurance:** The Borrower, and the Guarantors shall insure and keep fully insured all property and assets in accordance with insurance requirement in the Credit Facility Letter so long as any monies are owing to Servus Credit Union Ltd.
7. **Guarantees:** Not, without the prior written consent of Servus Credit Union Ltd., guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other entity, except as may be provided for in the Credit Facility Letter.
8. **Sale of Property:** Not, without the prior written consent of Servus Credit Union Ltd., to sell, transfer, convey, lease or otherwise dispose of any of its property or assets subject to security under the Credit Facility Letter except where such is done in the ordinary course of the Borrower's business operations.
9. **Merger:** Not, without the prior written consent of Servus Credit Union Ltd., to merge, amalgamate, or otherwise enter into any other form of business combination with any other entity.

10. **Environmental Non-Compliance:** To provide Servus Credit Union Ltd. with prompt written notice of any non-compliance by the Borrower with any environmental laws or any release from the land of the Borrower by the Borrower of a contaminant into the natural environment and to indemnify and save harmless Servus Credit Union Ltd. from all liability of loss as a result of such environmental activity or any non-compliance with any environmental law.
11. **Illegal Activity:** To not engage or allow any person in any of its business premises to engage in any activity that is contrary to any applicable laws and in particular any laws prohibiting criminal or illegal activities.
12. **Personal Information:** The Borrower and each Guarantor acknowledge that Servus Credit Union Ltd. is required to verify and record information regarding the Borrower and each Guarantor, their directors, authorized signing officers, shareholders and any persons in control of the Borrower and each Guarantor and that they shall each promptly provide all such information including such other supporting documentation and other evidence as may be required by Servus Credit Union Ltd. or any assignee or other entity participating in any credits with Servus Credit Union Ltd. in order to comply with not only Servus Credit Union Ltd.'s internal identification policies but all applicable laws regarding anti-money laundering and "anti-terrorist financing".
13. **Inspection:** To permit Servus Credit Union Ltd. or its representatives, from time to time, to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information and to discuss or otherwise communicate about the Borrower's affairs with the auditors, accountants, counsel and other professional advisers of the Borrower from time to time as Servus Credit Union Ltd. may deem necessary.
14. **Monthly Books and Records:** That it shall keep proper books of record and account in which complete and correct entries will be made of all of its business transactions in accordance with ASPE or IFRS.
15. **Prudent Operation:** That it will keep all of its properties, assets and operations maintained and operated in accordance with diligent and prudent industry practice and in accordance with the law in compliance with any applicable insurance policy or policies covering such assets or activities.
16. **Use of Loan Proceeds:** That it shall use the proceeds of all loans and credits being made available to it pursuant to the Credit Facility Letter or otherwise solely for the purposes set forth thereunder and for no other purpose whatsoever without the prior, written consent of Servus Credit Union Ltd.
17. **Related Party Dealings:** The Borrower shall not, without the prior written consent of Servus Credit Union Ltd., enter into any contract, agreement or transaction whatsoever including for the sale, purchase, lease or other dealing in any property or provision of any service with any non-arms' length entity or any related party as defined in the Business Corporations Act of Alberta except upon fair and reasonable terms, which terms are not less favourable than it would obtain on a arms' length transaction and for a consideration which equals the fair market value of such property or other than a fair market rental as regards lease property.
18. **Other Encumbrances:** Not, without the prior written consent of Servus Credit Union Ltd., grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or any other rights.
19. **Exclusive Account Operation:** That for so long as there are any monies due and owing or any Credit Facility outstanding with Servus Credit Union Ltd., maintain all of its operating accounts with Servus Credit Union Ltd.
20. **Payment of Management or Shareholder Fees:** The Borrower will not pay or agree to pay any management or shareholder fees or executive management compensation except as agreed and approved by Servus Credit Union Ltd.

## 21. Interest Rates:

- a. Interest shall be payable without demand and, unless otherwise specified herein, shall be calculated daily and payable monthly in arrears on the date specified by Servus Credit Union Ltd. and will accrue daily. Subject to subsection 21(c) of these General Covenants, overdue interest shall bear interest at the same rate as that used in calculating the interest overdue, while the same remains unpaid.
- b. Notwithstanding anything to the contrary contained herein, Servus Credit Union Ltd. may, at its sole discretion, make an advance under an Authorized Overdraft, or make a reduction from the advance otherwise requested under the loans, to pay any interest that has become due and payable.
- c. Notwithstanding anything to the contrary contained in the Credit Facility Letter, if the Borrower (i) fails to comply with the Financial Covenants set forth in the Credit Facility Letter, or (ii) commits the Event of Default set forth in section (1) under the heading Events of Default contained herein, then the outstanding principal amount of any loan or credit facility made available to the Borrower hereunder, and to the fullest extent permitted by applicable law, including specifically the *Interest Act* (Canada), any accrued but unpaid interest payments thereon and any accrued but unpaid fees and other amounts payable by the Borrower in connection with the loans and credit facilities set forth in the Credit Facility Letter, shall thereafter bear interest from the date of the occurrence of items (i) and/or (ii) above until the same is cured or waived, after as well as before judgment, payable upon demand at a rate that is 5.0% per annum in excess of the interest rate then otherwise payable with respect to the borrowings. Payment or acceptance of the increased interest rate provided for in this section is not a permitted alternative to timely payment and shall not constitute a waiver of any default or otherwise prejudice or limit any rights or remedies of Servus Credit Union Ltd.

Nothing contained in the foregoing Covenants shall limit any right of Servus Credit Union Ltd. under the Credit Facility Letter or any other agreement with the Borrower to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary loan or credit facility made available by Servus Credit Union Ltd. to the Borrower.

## MISCELLANEOUS:

1. **Cumulative Powers of Servus Credit Union Ltd.:** The rights and powers of Servus Credit Union Ltd. pursuant to the Credit Facility Letter and the securities taken pursuant hereto are cumulative and not alternative, and not in substitution for any rights, remedies, or powers of Servus Credit Union Ltd.
2. **Failure:** Any failure or delay by Servus Credit Union Ltd. to exercise fully its rights and remedies pursuant to this Credit Facility Letter and the securities taken to pursuant hereto shall not be construed as a waiver of such rights and remedies.
3. **Time:** Time is of the essence.
4. **Non-Assignability:** This Credit Facility Letter is not assignable by the Borrower in any manner.
5. **Laws of Alberta:** This Credit Facility Letter and the security documentation to be provided by the Borrower pursuant hereto shall be construed in accordance with and governed by the laws of the Province of Alberta.
6. **Cross-Default:** Any default hereunder or under any security document or other agreement between the Borrower and Servus Credit Union Ltd. shall be a default under each and every other obligation of the Borrower to Servus Credit Union Ltd., whether or not collateral or supplemental hereto.
7. **Conflict:** The terms and conditions of this Credit Facility Letter shall not be merged by and shall survive the execution, delivery and registration of any and all security documents. In the event of a conflict between the terms

of this Credit Facility Letter and the terms of any security document, the terms of this Credit Facility Letter shall prevail. For clarity, the mention of a provision in either the Credit Facility Letter and not in the security or vice versa shall not constitute a conflict but shall be deemed to be supplemental and in addition to any of the terms and conditions available under either the Credit Facility or the security as the case may be.

8. **Periodic Review of Accounts:** Servus Credit Union Ltd. may conduct periodic reviews of the affairs of the Borrower, as and when determined by Servus Credit Union Ltd., for the purpose of evaluating the financial condition of the Borrower. The Borrower shall make available to Servus Credit Union Ltd. such financial statements and other information and documentation as Servus Credit Union Ltd. may reasonably require and shall do all things reasonably necessary to facilitate such review by Servus Credit Union Ltd.
9. **Limitation Period:** The Borrower and all Guarantors by their signature and acceptance of the Credit Facility Letter hereby expressly provide that any and all limitation periods or action on any and all loans and credit facilities made available from time to time pursuant to the Credit Facility Letter or otherwise by Servus Credit Union Ltd. shall be extended for a period of six years from the date of any event of default on a non-demand loan and for a period of six years on any demand loan from the time at which a demand for payment is made.
10. **Application of Account Balances:** Servus Credit Union Ltd. is authorized, but not obligated, at any time, to apply any credit balance, whether or not then due, to which the Borrower is entitled and any account in any currency at any branch or office of Servus Credit Union Ltd. in or towards satisfaction of the loans and obligations of the Borrower to Servus Credit Union Ltd. at any time. Servus Credit Union Ltd. is authorized to use any such credit balance to convert such credit balance to any currency required as may be necessary to effect such application.
11. **Notification Credit Facility Letter:** Servus Credit Union Ltd. may, from time to time, unilaterally amend the provisions of this agreement where (i) such change is for the advantage of the Borrower as determined by Servus Credit Union Ltd., or made at the Borrower's request, including without limitation, decreases to fees or interest payable hereunder or (ii) where such an amendment makes compliance with this agreement less burdensome to the Borrower, including without limitation, release of security. These changes can be made by Servus Credit Union Ltd. by providing written notice to the Borrower of such amendments.
12. **Non-Waiver:** Other than items contemplated in #11 above, no amendment or waiver of any provision of this agreement or any agreement amending, supplemental or relating hereto, will be effective unless it is in writing signed by the Borrower and Servus Credit Union Ltd. No failure or delay, on the part of Servus Credit Union Ltd. in exercising any right or power hereunder or under any security document taken pursuant to the Credit Facility Letter or otherwise shall operate as a waiver thereof. The Guarantors agree that the amendment or waiver of any provision of this agreement (other than agreements, covenants or representations expressly made by the Guarantors herein, if any) may be made without and does not require the consent or agreement of, or notice to, the Guarantors.
13. **Enforceability:** If any provision of the Credit Facility Letter or any other agreement is or becomes prohibited or unenforceable in any jurisdiction, such prohibition or unenforceability shall not invalidate or render unenforceable the provision concerned in any other jurisdiction nor invalidate, affect or impair any of the remaining provisions of the Credit Facility Letter or any other agreement and such remaining provisions or parts thereof that are not invalid, illegal or unenforceable or severable from such provision.
14. **Joint and Several Liability:** Where more than one person is liable as a Borrower or Guarantor for any loan or credit facility or obligation under the Credit Facility Letter or otherwise then the liability of each such person is joint and several with each other such person.
15. **Mandatory Membership:** Membership with Servus Credit Union Ltd. requires that every Borrower invest a minimum of \$1.00 in Common Shares of Servus Credit Union Ltd. and such ownership and membership must be maintained so long as there are any monies and obligations outstanding by the Borrower to Servus Credit Union

Ltd.

16. **Accuracy of Information:** The Borrower and Guarantor represent and warrant to Servus Credit Union Ltd. that all information set out and certified in any electronic transfer and on any accompanying report is true and complete in all respects and acknowledges that Servus Credit Union Ltd. is relying upon all such representations and warranties from time to time.
17. **Entire Agreement:** This Credit Facility Letter, the security and any other written agreement delivered pursuant to or referred to in the Credit Facility Letter constitute the whole and entire agreement between Servus Credit Union Ltd. and the Borrower and Guarantors in respect of the credit facilities hereunder. There are no verbal agreements, undertakings or representations by Servus Credit Union Ltd. in connection with any loans or other credit made available to the Borrower at any time.
18. **Non-Merger:** All remedies provided herein shall be deemed to be in addition to and not restrictive of any other remedies of Servus Credit Union Ltd. at law or in equity, may be enforced in priority to, or concurrently with, or subsequent to any other remedy or remedies, Servus Credit Union Ltd. may rely upon the various securities and parts thereof in such order as it may deem fit without prejudice to any other realization and the powers of sale contained therein. The security provided for in this Credit Facility Letter is in addition to and not in substitution for any other security now or hereafter held by Servus Credit Union Ltd.
19. **Waiver Under PPSA:** The Borrower expressly waives the right to receive any copies of any Financing Statements or Financing Change Statements (or any other jurisdiction equivalent) that might be registered by Servus Credit Union Ltd. in connection with any security or any Verification Statement issued with respect thereto including all amendments, extensions or renewals of such registration and in any jurisdiction where not otherwise prohibited by law.
20. **Accounting Standards:** In the event that the Borrower or any Guarantor as a result of the changes to Canadian Accounting Standards on January 1, 2011 to the International Financial Reporting Standards ("IFRS"), Accounting Standards for Private Enterprises and/or Accounting Standards for Not-for-Profit Organizations and such adoption has an effect on any provision of the Credit Facility Letter relying on financial statement calculations or other financial reporting requirements, Servus Credit Union Ltd. may amend such provision to reflect the original intent of such provision at any time.
21. **General Conditions of Credit:**
  - a. The borrower's accountant may receive, directly from Servus Credit Union Ltd., a copy of the Credit Facility Letter and revised versions / amendments as they may be executed.
  - b. Servus Credit Union Ltd. reserves the right to erect signage, or other notices, on the sites of the projects involving new construction or expansion of an existing enterprise.
  - c. Goods and Services Tax (GST) is the responsibility of the borrower.

22. **Prepayment Privileges:**

**Definitions:**

"Interest Differential" is the amount by which interest at the rate applicable to the fixed term chosen by the Borrower exceeds interest at Servus Credit Union Ltd.'s reinvestment interest rate for the term remaining at the time of prepayment as determined by Servus Credit Union Ltd. In the case of CMHC Insured Multi-Family Mortgage, the reinvestment interest rate will be equal to the yield on the Government of Canada Bond with a maturity as close as possible to the remaining term to maturity of the loan at time of payout.

"Year" means a one-year period commencing on the interest adjustment date or an anniversary thereof and ending on the day prior to the next anniversary of the interest adjustment date.

a. Floating Interest Rate:

On any business day of any month, the Borrower will be entitled to prepay, without notice or penalty, to a maximum of Twenty percent (20%) per year of the original Principal Amount (but not less than One Hundred (\$100) Dollars and not the full outstanding Principal Balance), without charge (the "20% Allowance"). This privilege is non-cumulative from year to year and if not used in one year, cannot be carried forward for use in a later year. Proceeds from the sale or re-finance of the Property cannot be used towards the 20% Allowance. In addition, once per year, the Borrower will be entitled to increase the Principal and Interest Payment Amount, so long as the total of all such increases over the Term is not greater than 20% of the Principal and Interest Payment Amount specified in the most recent Mortgage, Lending or Renewal Agreement. If the Principal and Interest Payment Amount is increased, the Borrower may decrease it at a later date to an amount not less than the Principal and Interest Payment Amount set out in the most recent Mortgage, Lending or Renewal Agreement.

The Borrower may, if not in default, prepay the balance owing on payment of three months' interest calculated on the document interest rate (the annual rate of interest, calculated daily) on the amount prepaid. If the Borrower has exercised a partial prepayment right pursuant to paragraph 1 within the five (5) business days prior to full payment, the Borrower must pay an added prepayment charge of three months' interest calculated on the document interest rate (the annual rate of interest, calculated daily) on the amount of the partial prepayment.

b. Fixed Interest Rate (If Standard Prepayment under CMHC):

On any business day of any month, the Borrower will be entitled to prepay, without notice or penalty, to a maximum of Twenty percent (20%) per year of the original Principal Amount (but not less than One Hundred (\$100) Dollars and not the full outstanding Principal Balance), without charge (the "20% Allowance"). This privilege is non-cumulative from year to year and if not used in one year, cannot be carried forward for use in a later year. Proceeds from the sale or re-finance of the Property cannot be used towards the 20% Allowance. In addition, once per year, the Borrower will be entitled to increase the Principal and Interest Payment Amount, so long as the total of all such increases over the Term is not greater than 20% of the Principal and Interest Payment Amount specified in the most recent Mortgage, Lending or Renewal Agreement. If the Principal and Interest Payment Amount is increased, the Borrower may decrease it at a later date to an amount not less than the Principal and Interest Payment Amount set out in the most recent Mortgage, Lending or Renewal Agreement.

The Borrower may, if not in default, prepay the balance owing on payment of the greater of three months' interest calculated on the document interest rate (the annual rate of interest, calculated daily) or the Interest Differential on the amount prepaid. If the Borrower has exercised a partial prepayment right pursuant to paragraph 1 within the five (5) business days prior to full payment, the Borrower must pay an added prepayment charge of the greater of three months' interest calculated on the document interest rate (the annual rate of interest, calculated daily) or the Interest Differential on the amount of the partial prepayment.

c. Fixed Interest Rate (If No Prepayment under CMHC):

No ability for pre-payment. Except for a liquidation event (a bonafide sale), where full repayment occurs prior to the end of the term, the Borrower may prepay the balance owing on payment of the greater of three months' interest calculated on the document interest rate (the annual rate of interest, calculated daily) or the Interest Differential on the amount prepaid.

d. Open Prepayment:

The Borrower, at any time and from time to time, when not in default, shall have the privilege of paying the whole amount or any part thereof without notice or bonus.

## **SALE OR ASSIGNMENT OF CREDIT FACILITIES:**

1. **Assignability:** Servus Credit Union Ltd. shall have the unrestricted right to sell or assign the Credit Facilities or any loan thereunder, and/or the security documents (including this Credit Facility Letter), in whole or in part, in connection with any syndication, securitization or otherwise, to any other party or parties (each a "Holder"), and the Holder(s) shall thereafter have all the rights herein of Servus Credit Union Ltd., including the right to so sell or assign in turn.
2. **Syndication:**
  - a. Servus Credit Union Ltd. may from time to time, in connection with any syndication or securitization of the Credit Facilities or loans thereunder or otherwise, appoint or designate a custodian or agent for the same, which custodian or agent may be the registered security document holder. The Borrower and each Guarantor, if any, acknowledges that such custodian or agent will have no liability whatsoever to the Borrower or Guarantor, if any, in connection with the Credit Facility or loans thereunder, being merely custodian or agent for Servus Credit Union Ltd. and/or Holders.
  - b. Servus Credit Union Ltd. reserves the right to syndicate a portion or all of the loan(s) and may share the borrower's and guarantors' information on a confidential basis with the syndication partners. Servus Credit Union Ltd. will maintain full management of the loan(s) and the borrower will only have dealings with Servus Credit Union Ltd. with respect to the loan(s).
3. **Loan Administration:** Servus Credit Union Ltd. shall have the unrestricted right from time to time to appoint a third party to service or administer the Credit Facilities or loans, and to deal with the Borrower and Guarantor, if any, in place of Servus Credit Union Ltd., provided that until Servus Credit Union Ltd. gives notice of such appointment to the Borrower, the Borrower and Guarantor, if any, shall continue to deal with Servus Credit Union Ltd. in matters pertaining to the servicing or administration of the Credit Facilities and loans.

## **COLLECTION, USE, DISCLOSURE AND RELEASE OF FINANCIAL AND OTHER INFORMATION AND MATERIALS:**

For the purposes of making, administering, reporting, selling or assigning in whole or in part, in connection with securitization or otherwise, and collecting the Credit Facilities and loans, the following parties (collectively, the "Authorized Parties") will be reviewing and examining financial and other information and materials provided to or obtained by Servus Credit Union Ltd. concerning the Credit Facilities and loans, the Borrower and the Guarantor, if any:

1. Servus Credit Union Ltd. and/or any Holder or servicer of the Credit Facilities and loans or of an interest therein from time to time and/or their respective affiliates and/or agents;
2. Rating agencies, purchasers or investors and prospective purchasers or investors;
3. Respective third party advisors of the parties listed in 1) and 2) above, such as lawyers, accountants, real estate brokers, investment dealers and underwriters, consultants, and appraisers; and,
4. Credit verification sources.

The Borrower and each Guarantor, if any, acknowledges and irrevocably consents to the foregoing and irrevocably agrees that, in such manner as the Authorized Parties may determine to be necessary or desirable for these purposes, the Authorized Parties may disclose, release, exchange and share such information and materials:

1. To and with any individual(s), corporation(s) or other entities designated from time to time to hold title to the Credit Facilities or loans and/or security documents as custodian(s) or agent(s);
2. To and with each other;

3. The Borrower and each Guarantor, if any, hereby consents to the Authorized Parties conducting such credit inquiries, as they may from time to time consider advisable for these purposes; and,
4. The provisions of this paragraph shall apply until all loans have been fully and completely repaid and the security documents have been discharged.

**EVENTS OF DEFAULT:**

Without restricting or limiting in any manner whatsoever the right of Servus Credit Union Ltd. to demand payment at any time, even if there is no Event of Default, the occurrence of any one or more of the following shall constitute an Event of Default, the happening of which shall entitle Servus Credit Union Ltd., in its sole discretion, to demand immediate payment of all loans and credits in full, together with outstanding accrued interest and all costs outstanding, including those set out in paragraph 4 hereof, and to realize and enforce on any and all of the security granted in its favour under the Credit Facility Letter or otherwise:

1. **Payment:** Failure of the Borrower to pay any principal, interest or other amount due and owing at any time.
2. **Breach of Term:** Failure or refusal of the Borrower to observe or perform any term, covenant, condition or provision contained in this Credit Facility Letter or any documentation or security relating thereto.
3. **Cross-Default:** If the Borrower is in default under any other agreement with Servus Credit Union Ltd. or any third party for the granting of the loan or other financial assistance and such default remains unremedied after any cure period provided in any other such agreement.
4. **Breach of Representation or Warranty:** If any representation or warranty made by the Borrower or any Guarantor in any document (including the Credit Facility Letter) is breached, false or misleading in any material respect or becomes at any time false or misleading in any material respect.
5. **Accuracy of Documentation:** If any schedule, certificate, financial statement report or other writing furnished by the Borrower or any Guarantor to Servus Credit Union Ltd. in connection with the Credit Facility Letter or any other agreement is false or misleading in any material respect on the date on which it is certified or stated.
6. **Insolvency:** The Borrower or any Guarantor becomes insolvent or generally fails to pay its just debts as they become due or they apply for, consent to or acquiesce in the appointment of a trustee, receiver or other custodian for the Borrower or any Guarantor or any property thereof or makes a general assignment for the benefit of creditors, or for a trustee, receiver or other custodian is appointed for the Borrower or Guarantor or for a substantial part of the property of such Borrower or Guarantor, or any bankruptcy, reorganization, debt arrangement or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding, as commenced in respect of the Borrower or Corporate Guarantor or if they take any action to authorize or further any of the foregoing.
7. **Cessation of Business:** The Borrower or Guarantors ceases or threatens to cease to carry on all or substantially all of their business.
8. **Margin Report Delivery:** If margining reports are not received within 10 days of a reporting deadline as set forth in the Credit Facility Letter and Servus Credit Union Ltd. determines it would issue a Notice of Default with respect to such reporting.
9. **Margin Report Demand:** If such margining reports have still not been received within 10 days from the issuance of a Notice of Default, Servus Credit Union Ltd. has the right to reduce all lines of credit and outstanding authorizations to zero.

10. Material Adverse Change: There occurs, in the sole opinion of Servus Credit Union Ltd., acting reasonably:

- a. A material adverse change in the financial or environmental condition of the Borrower or any Guarantor,
- b. An unacceptable, or unapproved change in ownership or control of the Borrower or any Guarantors takes place, or
- c. Without authorization, the Borrower disposes of all or substantially all of its key business assets or substantially all of its assets.

**OTHER SECURITY:**

In addition to the security referred to herein, the Borrower hereby pledges all deposits and paid up shares which it now or may have in Servus Credit Union Ltd., the proceeds of which may, upon default, be applied by Servus Credit Union Ltd. to amounts then due and owing under any loan.

December 31, 2024

**Private & Confidential**

**Amending Credit Facility Letter to:**  
Northern Weld Arc Ltd.  
141 Strathmoor Way  
Sherwood Park, AB T8H 1z7  
T: 780-467-1784

**Provided by:**  
Connect First and Servus Credit Union Ltd  
C/O: Richard Kim, Senior Relationship Manager  
151 Karl Clark Road  
Edmonton, Alberta T6N 1H5

Dear / Madam(s):

**RE: Amending Credit Facility Letter to Credit Facility Letter dated October 24, 2023.**

Connect First and Servus Credit Union Ltd. (the "Credit Union") advises that the following amendment(s) to your credit facilities has/have been approved on the terms and conditions below. **All other terms and conditions of the Credit Facility Letter stated above including all security and guarantees provided therein remain unchanged except as amended by this Amending Credit Facility Letter.**

In consideration of the Credit Union providing or continuing to provide credit facilities and if you agree with these terms please sign this letter in the space provided below under the heading "Acceptance" and return it to the Credit Union, Attention: Richard Kim, Senior Relationship Manager.

**REVISED CREDIT FACILITIES**

\$696,803.76 Mortgage Facility #15798168 - 1

Purpose: To facilitate loan renewal - Plan 0227868 Block 1 Lot 5A.

Interest Rate: An annual rate of interest of 7.45%, fixed, calculated daily and payable monthly in arrears.

Loan Renewal Fee: \$250.00

Repayment Terms:

Repayable with monthly blended instalments of \$8,940.00 commencing February 1, 2025 based on a fixed rate of interest of 7.45% per annum, applied firstly to interest and secondly to principal; remaining amortization of a 107 month period with the term expiring December 1, 2025.

**PLEASE NOTE:** The Credit Union advises that with respect to any loans for which a term repayment schedule is provided that upon maturity all such loans will bear interest from the maturity date forward until paid at the Credit Union's prime lending rate from time to time plus 5% per annum unless otherwise agreed to between the Borrower and the Credit Union.

Prepayment Privileges:

Definitions:

"Interest Differential" is the amount by which interest at the rate applicable to the fixed term chosen by the Borrower exceeds interest at the Credit Union's reinvestment interest rate for the term remaining at the time of prepayment as determined by the Credit Union.

"Year" means a one-year period commencing on the interest adjustment date or an anniversary thereof and ending on the day prior to the next anniversary of the interest adjustment date.

Fixed Interest Rate::

On any business day of any month, the Borrower will be entitled to prepay, without notice or penalty, to a maximum of Twenty percent (20%) per year of the original Principal Amount (but not less than One Hundred (\$100) Dollars and not the full outstanding Principal Balance), without charge (the "20% Allowance"). This privilege is non-cumulative from year to year and if not used in one year, cannot be carried forward for use in a later year. Proceeds from the sale or re-finance of the Property cannot be used towards the 20% Allowance. In

addition, once per year, the Borrower will be entitled to increase the Principal and Interest Payment Amount, so long as the total of all such increases over the Term is not greater than 20% of the Principal and Interest Payment Amount specified in the most recent Mortgage, Lending or Renewal Agreement. If the Principal and Interest Payment Amount is increased, the Borrower may decrease it at a later date to an amount not less than the Principal and Interest Payment Amount set out in the most recent Mortgage, Lending or Renewal Agreement.

The Borrower may, if not in default, prepay the balance owing on payment of the greater of three months' interest calculated on the document interest rate (the annual rate of interest, calculated daily) or the Interest Differential on the amount prepaid. If the Borrower has exercised a partial prepayment right pursuant to paragraph 1 within the five (5) business days prior to full payment, the Borrower must pay an added prepayment charge of the greater of three months' interest calculated on the document interest rate (the annual rate of interest, calculated daily) or the Interest Differential on the amount of the partial prepayment.

**ACCEPTANCE:**

Acceptance of this Amending Credit Facility Letter provides full and sufficient acknowledgement that the Credit Union has no obligation to advance any funds under this agreement and if, in the opinion of the Credit Union, any material adverse change in risk occurs, the approved credit facility may be withdrawn or cancelled at the sole discretion of the Credit Union.

This Amending Credit Facility Letter may be signed by the Credit Union and the Borrower and Guarantors in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document.

In the discretion of the Credit Union, this Amending Credit Facility Letter may also be transmitted by facsimile or by other electronic means and if so signed and transmitted, this Agreement shall be for all purposes as if the Credit Union and the Borrower and Guarantors had delivered an executed original Amending Credit Facility Letter.

Your acceptance of this letter will constitute authority for the Credit Union to prepare any necessary security or other documentation required. This amendment commitment is not assignable without the prior written consent of the Credit Union.

We hereby acknowledge and accept the credit facilities based on the terms and conditions outlined in the Credit Facility Letter stated above and this Amending Credit Facility letter.

This Amending Credit Facility Letter shall expire if not accepted by **January 31, 2025**.

Yours truly,

Connect First and Servus Credit Union Ltd.

Per:   
CB480F3C2C7F421...  
Richard Kim  
Senior Relationship Manager



14-Jan-2025 | 08:03:41 MST

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**BORROWER(S):**

Northern Weld Arc Ltd.

DocuSigned by:  
Per: Gayle Holtz  
63A33805F1114D8

Per: \_\_\_\_\_



December 4, 2025

**Private & Confidential**

**Amending Credit Facility Letter to:**  
Northern Weld Arc Ltd.  
141 Strathmoor Way  
Sherwood Park, AB. T8H 1Z7  
T: 780-467-1784

**Provided by:**  
Servus Credit Union Ltd  
C/O: Richard Kim - Senior Relationship Manager  
151 Karl Clark Road  
Edmonton, Alberta T6N 1H5

Dear Sir(s) / Madam(s):

**RE: Amending Credit Facility Letter to Credit Facility Letter Amendment dated December 31, 2024**

Servus Credit Union Ltd. (the "Credit Union") advises that the following amendment(s) to your credit facilities has/have been approved on the terms and conditions below. **All other terms and conditions of the Credit Facility Letter stated above including all security and guarantees provided therein remain unchanged except as amended by this Amending Credit Facility Letter.**

In consideration of the Credit Union providing or continuing to provide credit facilities and if you agree with these terms please sign this letter in the space provided below under the heading "Acceptance" and return it to the Credit Union, Attention: Richard Kim - Senior Relationship Manager.

**REVISED CREDIT FACILITIES**

\$644,685.48 Mortgage Facility #15798168-1

Purpose: To facilitate loan renewal - Plan 0227868 Block 1 Lot 5A.

Interest Rate: An annual rate of interest of 5.90%, fixed, calculated daily and payable monthly in arrears.

Loan Renewal Fee: \$250.00

Repayment Terms:

Repayable with monthly blended instalments of \$8,705.00 commencing January 1, 2026 based on a fixed rate of interest of 5.90% per annum, applied firstly to interest and secondly to principal; remaining amortization of a 96 month period with the term expiring December 1, 2026.

**PLEASE NOTE:** The Credit Union advises that with respect to any loans for which a term repayment schedule is provided that upon maturity all such loans will bear interest from the maturity date forward until paid at the Credit Union's prime lending rate from time to time plus 5% per annum unless otherwise agreed to between the Borrower and the Credit Union.

Prepayment Privileges:

Definitions:

"Interest Differential" is the amount by which interest at the rate applicable to the fixed term chosen by the Borrower exceeds interest at the Credit Union's reinvestment interest rate for the term remaining at the time of prepayment as determined by the Credit Union.

"Year" means a one-year period commencing on the interest adjustment date or an anniversary thereof and ending on the day prior to the next anniversary of the interest adjustment date.

Fixed Interest Rate::

On any business day of any month, the Borrower will be entitled to prepay, without notice or penalty, to a maximum of Twenty percent (20%) per year of the original Principal Amount (but not less than One Hundred (\$100) Dollars and not the full outstanding Principal Balance), without charge (the "20% Allowance"). This privilege is non-cumulative from year to year and if not used in one year, cannot be carried forward for use in a later year. Proceeds from the sale or re-finance of the Property cannot be used towards the 20% Allowance. In addition, once per year, the Borrower will be entitled to increase the Principal and Interest Payment Amount, so



long as the total of all such Increases over the Term is not greater than 20% of the Principal and Interest Payment Amount specified in the most recent Mortgage, Lending or Renewal Agreement. If the Principal and Interest Payment Amount is increased, the Borrower may decrease it at a later date to an amount not less than the Principal and Interest Payment Amount set out in the most recent Mortgage, Lending or Renewal Agreement.

The Borrower may, if not in default, prepay the balance owing on payment of the greater of three months' interest calculated on the document interest rate (the annual rate of interest, calculated daily) or the Interest Differential on the amount prepaid. If the Borrower has exercised a partial prepayment right pursuant to paragraph 1 within the five (5) business days prior to full payment, the Borrower must pay an added prepayment charge of the greater of three months' interest calculated on the document interest rate (the annual rate of interest, calculated daily) or the Interest Differential on the amount of the partial prepayment.

**ACCEPTANCE:**

Acceptance of this Amending Credit Facility Letter provides full and sufficient acknowledgement that the Credit Union has no obligation to advance any funds under this agreement and if, in the opinion of the Credit Union, any material adverse change in risk occurs, the approved credit facility may be withdrawn or cancelled at the sole discretion of the Credit Union.

This Amending Credit Facility Letter may be signed by the Credit Union and the Borrower and Guarantors in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document.

In the discretion of the Credit Union, this Amending Credit Facility Letter may also be transmitted by facsimile or by other electronic means and if so signed and transmitted, this Agreement shall be for all purposes as if the Credit Union and the Borrower and Guarantors had delivered an executed original Amending Credit Facility Letter.

Your acceptance of this letter will constitute authority for the Credit Union to prepare any necessary security or other documentation required. This amendment commitment is not assignable without the prior written consent of the Credit Union.

We hereby acknowledge and accept the credit facilities based on the terms and conditions outlined in the Credit Facility Letter stated above and this Amending Credit Facility letter.

This Amending Credit Facility Letter shall expire if not accepted by **December 31, 2025**.

Yours truly,

Servus Credit Union Ltd.

Per: Richard Kim  
Richard Kim  
Senior Relationship Manager



Accepted this 4 day of December 2025

**BORROWER(S):**

Northern Weld Arc Ltd.

Per: *Janet Holtz*

Per: \_\_\_\_\_



This is **Exhibit "D"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



---

A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
Student-at-Law



Commercial Special Loans  
151 Karl Clark Road  
Edmonton, AB T6N 1H5  
T: 780-638-8137  
chris.millar@servus.ca

**STATEMENT OF INDEBTEDNESS**  
**FOR**  
**NORTHERN WELD ARC LTD**

As of April 28, 2026:

<b>Loan #</b>	<b>Per Diem</b>	<b>Accrued Interest</b>	<b>Balance</b>	<b>Payout Amount</b>	<b>Facility Type</b>
Cheq-0	\$361.40	\$0.00	\$2,217,004.00	\$2,217,004.00	AOD
1	\$100.61	\$2,716.38	\$622,396.79	\$625,113.17	Mortgage
Mastercard	\$24.16	\$0.00	\$51,894.00	\$51,894.00	Mastercard
2	\$0.00	\$0.00	\$0.00	\$0.00	Cost Account
<b>TOTAL</b>	<b>\$486.16</b>	<b>\$2,716.38</b>	<b>\$2,891,294.79</b>	<b>\$2,894,011.17</b>	

\* There may be additional costs and legal fees not captured in the figures above.

\*\* All transaction accounts (chequing / savings etc) will be closed on the date that all Credit Union indebtedness is repaid in full

Regards,

Chris Millar  
Senior Commercial Special Loans Manager

This is **Exhibit "E"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026

A handwritten signature in blue ink, appearing to read 'Tre L. Ross', written over a horizontal line.

A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
Student-at-Law

## GENERAL SECURITY AGREEMENT (AB)

Borrower(s):  
**NORTHERN WELD ARC LTD.**  
**141 Strathmoor Way**  
**Sherwood Park, AB T8H 1Z7**

Servus Credit Union Ltd. (the "Credit Union")  
151 Karl Clark Road NW  
Edmonton AB T6N 1H5  
Member Number: **15798168**  
Loan Number: **ALL**

### 1. DEFINITIONS

- (a) All capitalized terms used in this agreement ("Agreement") including any schedules ("Schedules") annexed hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the Personal Property Security Act of Alberta in force at the date of this Agreement ("PPSA") or the Security Transfer Act ("STA") of Alberta in force at the date of this Agreement.
- (b) In this Agreement:
  - (i) "Account Debtor" means a debtor of the Debtor on an Intangible, Chattel Paper or Account, or any obligor of the Debtor on an instrument;
  - (ii) "Agreed Rate" means the rate of interest payable under the document(s) evidencing the Indebtedness and in the event that such document(s) bear different rates of interest the "Agreed Rate" shall mean the highest of such interest rates;
  - (iii) "Consumer Goods" means those goods that are used or acquired by the Debtor for use primarily for his personal, family or household purposes;
  - (iv) "Debtor" means the "Borrower(s)";
  - (v) "Encumbrances" means any Security Interests, mortgages, liens, claims, charges and other encumbrances affecting the Collateral including Permitted Encumbrances but excluding the Security Interest created hereby;
  - (vi) "Permitted Encumbrances" means any Encumbrances which are described in Schedule "B" and any others approved in writing by the Credit Union prior to their creation or assumption; and
  - (vii) "Receiver" includes a Receiver-Manager.

### 2. SECURITY INTEREST

- (a) For value received, the Debtor hereby grants to the Credit Union, by way of a mortgage, charge and assignment a security interest in and to all of the following property as hereinafter described and all Proceeds of such property (herein collectively called the "Collateral"):

All of the property, real and personal, of whatsoever nature and kind and wheresoever situated, now or hereafter owned or acquired by or on behalf of the Debtor or in which the Debtor now has or hereafter acquires any right, title or interest, both present and future, including, without limiting the generality of the foregoing, the following:

- (i) the property described in Schedule "A";
- (ii) all parts, accessories, attachments, accessions, additions or increases to the property;
- (iii) all substitutions for or replacements of the property;
- (iv) all Proceeds of the property; and

- (v) all deeds, documents, writings, papers and books relating to or being records of the property.
- (b) Any reference to "Collateral" shall, unless its context otherwise requires, be deemed a reference to "Collateral or any part thereof".
- (c) The Security Interest granted hereby shall not extend or apply to and the Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

### **3. INDEBTEDNESS SECURED**

The Security Interest granted hereby secures payment of any and all obligations, indebtedness and liabilities of the Debtor to the Credit Union whether present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Debtor is bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness").

### **4. DEBTOR'S REPRESENTATIONS AND WARRANTIES**

The Debtor represents and warrants and so long as this Agreement remains in effect continuously represents and warrants that:

- (a) the Collateral is genuine and owned by the Debtor free of all Encumbrances except Permitted Encumbrances;
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same and the amount represented by the Debtor to the Credit Union from time to time as owing by each Account Debtor is the correct amount actually and unconditionally owing by such Account Debtor;
- (c) there is no litigation, proceeding or dispute pending or to the knowledge of the Debtor threatened against or affecting the Debtor or the Collateral, the adverse determination of which might materially and adversely affect the Debtor's financial condition or impair the Debtor's ability to perform its obligations hereunder;
- (d) the name(s) of the Debtor is(are) accurately and fully set out above, and the Debtor is not known by any other name(s); and
- (e) there is no provision in any agreement to which the Debtor is a party, nor to the knowledge of the Debtor is there any statute, rule or regulation, or any judgment, decree or order of any court binding on the Debtor, which would be contravened by the execution and delivery of this Agreement.

### **5. DEBTOR'S COVENANTS**

The Debtor covenants and agrees:

- (a) to defend the Collateral (except Collateral dealt with as permitted by clause 7 hereof) against the claims and demands of all other parties claiming the same or an interest therein;
- (b) to keep the Collateral free from all Encumbrances except Permitted Encumbrances;
- (c) subject to clause 7 hereof, not to sell, exchange, transfer, assign, lease or otherwise dispose of Collateral or any interest therein without the prior written consent of the Credit Union;
- (d) to notify the Credit Union promptly of:
  - (i) any change in the information contained herein or in the Schedules relating to the Debtor, the Debtor's name, the Debtor's business or Collateral;
  - (ii) the details of any significant acquisition of Collateral or any right, title or interest in Collateral;

- (iii) the details of any claims or litigation affecting the Debtor or Collateral;
  - (iv) any loss or damage to Collateral;
  - (v) any default by any Account Debtor in payment or other performance of his obligations with respect to Collateral; and
  - (vi) the return to or repossession by the Debtor of Collateral;
- (e) to keep the Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
  - (f) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or Collateral as and when the same become due and payable;
  - (g) to punctually make all payments and perform all obligations in any lease by the Debtor and under any agreement charging property of the Debtor;
  - (h) to prevent Collateral from being or becoming a Fixture or an Accession to other property that is not Collateral;
  - (i) to carry on and conduct the business of the Debtor in a proper and efficient manner so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral;
  - (j) to deliver to the Credit Union from time to time promptly upon request:
    - (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to the Collateral;
    - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
    - (iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;
    - (iv) all policies and certificates of insurance relating to the Collateral; and
    - (v) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Credit Union may reasonably request;
  - (k) not to remove any of the Collateral from the Provinces of Alberta/Saskatchewan without the prior written consent of the Credit Union;
  - (l) in the event the value of the Collateral shall be materially reduced, to immediately reduce the amount of the Indebtedness by an amount determined by the Credit Union;
  - (m) if the Collateral includes crops and livestock, in addition to the Debtor's other obligations regarding Collateral:
    - (i) to do all acts which may be necessary to attend to, care for, raise and fatten the livestock and to grow, cultivate, spray, irrigate, cut, harvest, pick, clean, preserve and protect the crops, all according to the most approved methods of farming husbandry and to keep the farm(s) on which the Collateral is located free of noxious weeds and grasses, and maintain the present buildings and improvements on the said farm(s) in good condition and repair;
    - (ii) to provide suitable range, pasture and feed for all livestock and care for and protect them from disease, damage, injury, death, destruction by weather, wild animals, theft or other cause;

- (iii) to pay, when due, all obligations incurred for labour or material or otherwise in the care or feeding or shearing of such livestock; and
- (iv) at the request of the Credit Union, to deliver to the Credit Union the Debtor's Canadian Wheat Board producer's permit book or similar documentation and to assign to the Credit Union all of the Debtor's rights thereunder, and
- (n) to permit the Credit Union, by its officers or authorized agents, at any time, and from time to time, as often as the Credit Union in its sole discretion may determine, to enter the premises owned or occupied by the Debtor for the purpose of inspecting the Collateral and the operation of the Debtor's business.

## **6. INSURANCE**

The Debtor shall insure and keep insured against loss or damage by fire or other insurable hazards the Collateral to the extent of its full insurable value, and shall maintain such other insurance as the Credit Union may reasonably require. The loss under the policies of insurance shall be made payable to the Credit Union as its interest may appear and the insurance shall be written by an insurance company approved by the Credit Union in terms satisfactory to the Credit Union and the Debtor shall provide the Credit Union with copies of the same. The Debtor shall pay all premiums and other sums of money necessary for such insurance as they become due and deliver to the Credit Union proof of said payment, and shall not allow anything to be done by which the policies may become vitiated. Upon the happening of any loss or damage the Debtor shall furnish at its expense all necessary proofs and shall do all necessary acts to enable the Credit Union to obtain payment of the insurance monies.

## **7. DEALING WITH COLLATERAL**

The Debtor shall not sell, exchange, transfer, assign, lease or otherwise dispose of that Collateral described in Schedule "A" except with the prior written consent of the Credit Union which consent may be arbitrarily withheld. Until but not after Default the Debtor may deal with Collateral, other than that Collateral described in Schedule "A", in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor may only sell, exchange, transfer, assign, lease or otherwise dispose of such Collateral for fair value on commercially reasonable terms and provided that all cash Proceeds therefrom are immediately deposited with the Credit Union.

## **8. COLLATERAL IN POSSESSION OF CREDIT UNION, RECEIVER OR CIVIL ENFORCEMENT AGENT**

If Collateral is at any time in the possession of the Credit Union, a Receiver or Civil Enforcement Agent, the Credit Union, Receiver or Civil Enforcement Agent in possession, as the case may be:

- (a) shall not be required to take any steps to preserve any rights against other parties to any Chattel Paper, Security, or Instrument constituting Collateral;
- (b) shall not be required to keep the Collateral identifiable; and
- (c) may use the Collateral in any manner and to any extent the Credit Union in its sole discretion, deems advisable.

## **9. SECURITIES**

If the Collateral at any time includes Securities, the Debtor authorizes the Credit Union to transfer the same or any part thereof into its own name or that of its nominee(s) so that the Credit Union or its nominee(s) may appear of record as the sole owner thereof; provided that, until Default, the Credit Union shall promptly deliver to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Securities. After Default, the Debtor waives all rights to receive any notices or communications received by the Credit Union or its nominee(s) as such registered owner and agrees that no proxy issued by the Credit Union to the Debtor or its order as aforesaid shall thereafter be effective. The Debtor also will take whatever steps as the Credit Union may require to enable the Credit Union to obtain and maintain control of any Investment Property, including but not limited to arranging for any issuer of uncertified securities, securities intermediary

or futures intermediary to enter into an agreement satisfactory to the Credit Union or any agent appointed by the Credit Union to enable the Credit Union or such agent to obtain and maintain control including, without limitation, Credential Securities Inc.

#### **10. COLLECTION FROM ACCOUNT DEBTORS**

Before or after Default, the Credit Union may notify any Account Debtor of this Security Interest and may direct such Account Debtor to make all payments to the Credit Union. The Debtor acknowledges that any payments on or other Proceeds of the Collateral received by the Debtor from any Account Debtor, whether before or after notice of this Security Interest is given to such Account Debtor and whether before or after Default, shall be received and held by the Debtor in trust for the Credit Union and shall be turned over to the Credit Union upon request. The Debtor agrees that it will not commingle any Proceeds of or payments on the Collateral with any of the Debtor's funds or property, but will hold them separate and apart.

#### **11. OTHER TERMS**

This Agreement includes the terms, if any, which are contained in Schedule "C".

#### **12. APPLICATION OF MONIES**

All Monies collected or received by the Credit Union pursuant to or in exercise of any right it possesses with respect to the Collateral shall be applied on account of the Indebtedness in such manner as the Credit Union may in its sole discretion determine or, at the option of the Credit Union, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Credit Union hereunder, and any surplus shall be accounted for as required by law.

#### **13. DEFAULT**

The happening of any of the following events shall constitute default ("Default") hereunder:

- (a) nonpayment when due, whether by acceleration, demand or otherwise, of any amount forming part of the indebtedness;
- (b) failure of the Debtor to observe or perform any term contained in this Agreement or in any other agreement between the Debtor and the Credit Union;
- (c) declaration of incompetency by a court of competent jurisdiction or death of an individual Debtor or an individual partner of a partnership Debtor;
- (d) bankruptcy or insolvency of the Debtor; filing against the Debtor of a petition in bankruptcy; making of an assignment for the benefit of creditors by the Debtor; appointment of a Receiver or trustee for the Debtor or for any property of the Debtor or institution by or against the Debtor of any proposal, plan of arrangement or other type of insolvency proceeding under the Bankruptcy Act or otherwise;
- (e) institution by or against the Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against, or winding up of the affairs of the Debtor;
- (f) any of the Encumbrances becomes enforceable;
- (g) the Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets or commits or threatens to commit an act of bankruptcy;
- (h) any execution, sequestration, extent or other process of any court becomes enforceable against the Debtor or if a distress or analogous process is levied upon the property of the Debtor or any part thereof;
- (i) any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of the Debtor pursuant to or in connection with this Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to the Credit Union to extend any credit to or to enter into this or any other agreement with the Debtor, is false in any material respect at the time as of which the facts therein

set forth were stated or certified, or omits any substantial contingent or unliquidated liability or claim against the Debtor; or if upon the date of execution of this Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to the Credit Union at or prior to the time of such execution;

- (j) any of the licenses, permits, quota or approvals granted by any government or any governmental authority and essential to the business of the Debtor is withdrawn, cancelled or significantly altered;
- (k) at any time, there is a material adverse change in the financial condition of the Debtor; or
- (l) the Credit Union considers that it is insecure, or that the prospect of payment or performance by the Debtor of the Indebtedness is or is about to be impaired, or that the Collateral is or is about to be placed in jeopardy.

#### **14. ACCELERATION**

In the event of Default, the Credit Union, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. This clause does not apply to or affect any of the Indebtedness payable on demand.

#### **15. REMEDIES**

On Default:

- (a) the Credit Union may enforce this Agreement by any method provided for in this Agreement, in the PPSA, the STA or as otherwise permitted by law or in equity, and, without limitation, may dispose of Collateral by lease or deferred payment;
- (b) the Credit Union may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as the Credit Union in its sole discretion may determine and the proceeds of such sale less all costs, charges and expenses of the Credit Union (including costs as between a solicitor and his own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (c) the Credit Union may take proceedings in any court of competent jurisdiction for the appointment of a Receiver;
- (d) the Credit Union may appoint by instrument any person or persons to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead;
- (e) unless otherwise restricted by his appointment, any Receiver shall have the power:
  - (i) to take possession of any Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
  - (ii) to carry on or concur in carrying on the business of the Debtor;
  - (iii) to sell or lease any Collateral;
  - (iv) to make any arrangement or compromise which he may think expedient in the interest of the Credit Union;
  - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other costs, charges or expenses incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
  - (vi) to hold as additional security any increase or profits resulting from the Collateral;
  - (vii) to exercise all rights and remedies that the Credit Union may have under this Agreement, the PPSA, the STA or otherwise at law or in equity;

- (viii) with the written consent of the Credit Union, to borrow money for the purpose of carrying on the business of the Debtor or for maintenance of the Collateral or any part thereof or for other purposes approved by the Credit Union, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement; and
- (ix) to do any other act or thing as may be considered to be incidental or conducive to any of the matters and powers aforesaid;
- (f) the Debtor hereby appoints each Receiver appointed by the Credit Union to be its attorney to effect a sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver pursuant to this power of attorney shall have the same effect as if it had been executed by the Debtor;
- (g) a Receiver appointed by the Credit Union shall be deemed to be the agent of the Debtor, and the Debtor shall be solely responsible for his acts or defaults and for his remuneration and expenses, and the Credit Union shall not be in any way responsible for any misconduct or negligence on the part of any Receiver;
- (h) all monies received by the Receiver after providing for payment of all costs, charges and expenses of or incidental to the exercise of any of the powers of the Receiver shall be paid to the Credit Union and applied on account of the Indebtedness;
- (i) the Credit Union may enter upon, use and occupy all premises owned or occupied by the Debtor wherein the Collateral may be situate;
- (j) before, during or after realizing on the Collateral, the Credit Union may recover and enforce judgment against the Debtor for the Indebtedness and all costs, charges and expenses reasonably incurred by the Credit Union (including, without limitation, costs as between a solicitor and his own client on a full indemnity basis) in recovering or enforcing judgment against the Debtor; and
- (k) the Credit Union may, but shall not be bound to, realize on the Collateral.

#### **16. DEFICIENCY**

If the Credit Union realizes on the Collateral and the realization is not sufficient to satisfy all the Indebtedness, the Debtor acknowledges and agrees that the Debtor shall continue to be liable for any Indebtedness remaining outstanding and the Credit Union shall be entitled to pursue full payment thereof.

#### **17. COSTS AND EXPENSES**

- (a) Upon the Debtor's failure to perform any of its obligations under this Agreement then the Credit Union may, but shall not be obligated to perform the same and in the event of performance thereof by the Credit Union the Debtor shall pay to the Credit Union forthwith upon written demand therefor an amount equal to all costs, charges and expenses incurred by the Credit Union in performing the Debtor's obligations plus interest thereon at the Agreed Rate from the date such costs, charges and expenses are incurred by the Credit Union until paid by the Debtor.
- (b) The Debtor shall pay all costs, charges and expenses reasonably incurred by the Credit Union or any Receiver appointed by it (including, but without restricting the generality of the foregoing, costs as between a solicitor and his own client on a full indemnity basis), in preparing, registering financing statements regarding or enforcing this Agreement, inspecting, taking custody of, preserving, repairing, maintaining, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting the Indebtedness and all such costs, charges and expenses together with any monies owing as a result of any borrowing by any Receiver appointed by the Credit Union shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby. Such costs, charges and expenses shall bear interest at the Agreed Rate from the date the same were incurred to the date of payment by the Debtor.

- (c) the Credit Union may pay or satisfy any Encumbrances or pay any sum necessary to clear title to any Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at the Agreed Rate.
- (d) All amounts paid by the Credit Union pursuant to this clause together with interest thereon at the Agreed Rate shall form part of the Indebtedness and be secured hereby.

#### **18. SET OFF**

Without limiting any other right the Credit Union may have, the Credit Union may, in its sole discretion at any time and without notice, set off any and all amounts owed to the Debtor by the Credit Union in any capacity and, whether or not due, against any and all Indebtedness including any contingent or non-matured Indebtedness and Indebtedness as principal or guarantor.

#### **19. FURTHER ASSURANCES**

The Debtor agrees to execute and deliver to the Credit Union such further assurances, conveyances and supplemental deeds as may be necessary to properly carry out the intention of this Agreement, as determined by the Credit Union, or as may be required by the Credit Union from time to time.

#### **20. NOTICE**

Any notice or demand required or permitted to be made or given by the Credit Union to the Debtor may be validly served by leaving the same with, or by mailing the same by prepaid registered mail to, the Debtor at his address as set out herein (or at such other address as the Debtor may in writing notify the Credit Union of as the Debtor's address for service under this Agreement) or by leaving such notice with any officer or director of the Debtor as shown on the records of the Credit Union, and in the case of mailing such notice or demand shall be deemed to have been received on the third business day following the date of mailing.

#### **21. GENERAL**

- (a) The Credit Union may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, Account Debtors, sureties and others and with Collateral and other security as the Credit Union may see fit without prejudice to the liability of the Debtor or the Credit Union's right to hold and realize upon the Security Interest. The Credit Union may demand, collect and sue on Collateral in either the Debtor's or the Credit Union's name and may endorse the Debtor's name on any and all cheques, commercial paper, and any other instruments pertaining to or constituting Collateral. The Credit Union shall not be liable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of Collateral or to initiate any proceedings for such purposes.
- (b) No delay or omission by the Credit Union in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. The Credit Union may remedy any Default by the Debtor hereunder in any manner without waiving the Default remedied and without waiving any other prior or subsequent Default by the Debtor. All rights and remedies of the Credit Union granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- (c) The Debtor waives protest of any Instrument constituting Collateral at any time held by the Credit Union in which the Debtor is in any way liable and notice of any other action taken by the Credit Union.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against the Credit Union.

- (e) If more than one Debtor executes this Agreement the obligations of such Debtors hereunder shall be joint and several.
- (f) No modification, variation or amendment of any term of this Agreement shall be binding or effective unless made by written agreement, executed by the Debtor and the Credit Union and no waiver of any term hereof shall be binding or effective unless in writing.
- (g) This Agreement is in addition to and not in substitution for any other agreements, securities or Security Interests now or hereafter held by the Credit Union and all such other agreements, securities and Security Interests shall remain in full force and effect.
- (h) The headings used in this Agreement are for convenience only and are not to be considered part of this Agreement and do not in any way limit, explain or amplify the terms of this Agreement.
- (i) When the context so requires, the singular shall be read as if the plural were expressed and vice versa and the terms hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, partnership or corporation or entity.
- (j) In the event any terms of this Agreement, as amended from time to time, shall be deemed invalid, void or unenforceable, in whole or in part, by any court of competent jurisdiction, the remaining terms of this Agreement shall remain in full force and effect.
- (k) Nothing herein contained shall in any way obligate the Credit Union to grant, continue, renew or extend time for payment of the Indebtedness.

## **22. ATTACHMENT**

- (a) Subject to subclause (b), the Security Interest created hereby is intended to attach to the Collateral when this Agreement is executed by the Debtor and delivered to the Credit Union.
- (b) With respect to that Collateral acquired by the Debtor after the date this Agreement is executed and delivered to the Credit Union, the Security Interest created hereby in such Collateral is intended to attach at the same time as the Debtor acquires rights in such Collateral.

## **23. DISCLOSING INFORMATION**

This Agreement and any information pertaining thereto or to the Indebtedness may be disclosed by the Credit Union as required by the PPSA.

## **24. GOVERNING LAW AND JURISDICTION**

This Agreement shall be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of the Province of Alberta or in any court of competent jurisdiction, as the Credit Union may elect, and the Debtor agrees to attorn to the same.

If the Debtor is a corporation, *The Limitation of Civil Rights Act* of the Province of Saskatchewan shall have no application to this Agreement or to any agreement or instrument renewing or extending or collateral to this Agreement or to the rights, powers or remedies of the Credit Union under this Agreement.

**25. COPY OF AGREEMENT**

Debtor acknowledges receipt of a copy of this Agreement and waives any right it may have to receive a Financing Statement or Financing Change Statement relating to it or any verification statement issued with respect thereto where such waiver is not otherwise prohibited by law.

IN WITNESS WHEREOF the Debtor has hereunto executed this Agreement this 28<sup>th</sup> day of October, 2019, at Edmonton, Alberta.

NORTHERN WELD ARC LTD.

per: \_\_\_\_\_

*Gavin Holtz*

C/S

per: \_\_\_\_\_

Full address of Debtor:

141 Strathmoor Way  
Sherwood Park, AB T8H 1Z7



**SCHEDULE "A"**  
**(DESCRIBED PROPERTY)**

**Note : All motor vehicles, trailers, mobile homes, designated manufactured homes, boats, tractors and combines must be described by year, make, model and manufacturer serial number (aircraft registered in Canada must be described by their Canadian call numbers designated by Transport Canada)**

<b>Year</b>	<b>Make</b>	<b>Model</b>	<b>Serial Number</b>
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This is **Exhibit "F"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



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A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
**Student-at-Law**

Search ID #: Z19986311

Transmitting Party

DENTONS CANADA LLP

2500, 10220 103 AVE NW  
EDMONTON, AB T5J 0K4

Party Code: 50000165

Phone #: 780 423 7367

Reference #: 405692-708 TLG/sg

Search ID #: Z19986311

Date of Search: 2026-Apr-24

Time of Search: 12:35:12

Business Debtor Search For:

NORTHERN WELD ARC LTD.

Both Exact and Inexact Result(s) Found

**NOTE:**

A complete Search may result in a Report of Exact and Inexact Matches.  
Be sure to read the reports carefully.



Search ID #: Z19986311

**Business Debtor Search For:**

NORTHERN WELD ARC LTD.

Search ID #: Z19986311

Date of Search: 2026-Apr-24

Time of Search: 12:35:12

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Registration Number: 19102808605

Registration Date: 2019-Oct-28

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2030-Oct-28 23:59:59

---

Exact Match on: Debtor No: 1

---

**Debtor(s)**

**Block**

**Status**

1 NORTHERN WELD ARC LTD.  
141 STRATHMOOR WAY  
SHERWOOD PARK, AB T8H 1Z7

Current

**Secured Party / Parties**

**Block**

**Status**

1 SERVUS CREDIT UNION LTD.  
151 KARL CLARK ROAD  
EDMONTON, AB T6N 1H5

Current

**Collateral: General**

**Block**

**Description**

**Status**

1 ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.

Current

Search ID #: Z19986311

**Business Debtor Search For:**

NORTHERN WELD ARC LTD.

Search ID #: Z19986311

Date of Search: 2026-Apr-24

Time of Search: 12:35:12

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Registration Number: 22092004414

Registration Date: 2022-Sep-20

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2032-Sep-20 23:59:59

---

Exact Match on: Debtor No: 1

---

**Debtor(s)**

**Block**

**Status**

Current

1 NORTHERN WELDARC LTD.  
141 STRATHMOOR WAY  
SHERWOOD PARK, AB T8H1Z7

---

**Secured Party / Parties**

**Block**

**Status**

Current

1 TRISURA GUARANTEE INSURANCE COMPANY  
333 BAY STREET SUITE 1610, BOX 22  
TORONTO, ON M5H2R2  
Email: surety@trisura.com

Search ID #: Z19986311

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	<p>INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED ALL OF THE RIGHT, TITLE AND THE DEBTORS INTEREST IN AND TO: 1. CONTRACTS AND SUBCONTRACTS ENTERED INTO BY NORTHERN WELDARC LTD. AND EACH OF THEM, INCLUDING, WITHOUT LIMITATION, THOSE IN CONNECTION WITH WHICH THE SECURED PARTY HAS ISSUED A CONTRACT OF SURETYSHIP, GUARANTEE OR INDEMNITY (THE CONTRACTS); 2. GOODS, MACHINERY, EQUIPMENT, PLANT, TOOLS, SUPPLIES, INVENTORY AND MATERIALS OF EVERY NATURE AND DESCRIPTION; AND 3. GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY AND INTANGIBLES IN SO FAR AS THEY ARE DUE UNDER, MAY BE DUE UNDER, MAY BECOME DUE UNDER, ARE AWARDED OR ALLOWED IN CONNECTION WITH, RELATE TO, ARE USED FOR, OR ARE USEFUL (OR MAY BECOME USEFUL) FOR THE PERFORMANCE OR COMPLETION OF, THE CONTRACTS AND WORK DONE THEREUNDER, OR WHICH ARE LOCATED IN, ABOUT, OR ON THE SITE OF WORK CONTEMPLATED BY THE CONTRACTS, OR WHICH HAVE BEEN PURCHASED FOR OR ARE CHARGEABLE IN CONNECTION WITH THE CONTRACTS</p>	Current

Search ID #: Z19986311

**Business Debtor Search For:**

NORTHERN WELD ARC LTD.

Search ID #: Z19986311

Date of Search: 2026-Apr-24

Time of Search: 12:35:12

---

Registration Number: 23021315056

Registration Date: 2023-Feb-13

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Feb-13 23:59:59

---

Exact Match on: Debtor No: 1

---

**Debtor(s)**

**Block**

**Status**

1 NORTHERN WELD ARC LTD.  
141 STRATHMORE WAY  
SHERWOOD PARK, AB T8H 2A5

Current

**Secured Party / Parties**

**Block**

**Status**

1 MERIDIAN ONECAP CREDIT CORP.  
204 - 3185 WILLINGDON GREEN  
BURNABY, BC V5G 4P3  
Email: absecparties@avssystems.ca

Current

**Collateral: General**

**Block**

**Description**

**Status**

1 COPIER(S), PHOTOCOPIER(S), MULTIFUNCTIONAL PRINTER(S), PRINTER(S)  
TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS  
REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO  
AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM  
ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN  
INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR  
COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF  
THE COLLATERAL

Current

Search ID #: Z19986311

**Business Debtor Search For:**

NORTHERN WELD ARC LTD.

Search ID #: Z19986311

Date of Search: 2026-Apr-24

Time of Search: 12:35:12

---

Registration Number: 23050114726

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-May-01

Registration Status: Current

Expiry Date: 2029-May-01 23:59:59

---

Exact Match on: Debtor No: 1

---

**Debtor(s)**

**Block**

**Status**  
Current

1 NORTHERN WELD ARC LTD.  
141 STRATHMORE WAY  
SHERWOOD PARK, AB T8H 2A5

**Secured Party / Parties**

**Block**

**Status**  
Current

1 MERIDIAN ONECAP CREDIT CORP.  
204 - 3185 WILLINGDON GREEN  
BURNABY, BC V5G 4P3  
Email: absecparties@avssystems.ca

**Collateral: General**

**Block**

**Description**

**Status**  
Current

1 COPIER(S), PHOTOCOPIER(S), MULTIFUNCTIONAL PRINTER(S), PRINTER(S)  
TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS  
REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO  
AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM  
ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN  
INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR  
COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF  
THE COLLATERAL

Search ID #: Z19986311

**Note:**

The following is a list of matches closely approximating your Search Criteria,  
which is included for your convenience and protection.

<b>Debtor Name / Address</b>	<b>Reg.#</b>
NORTHERN WELDING SUPPLIES LTD. 11312 156 ST NW, EDMONTON, AB T5M 4C6	22111606915

**SECURITY AGREEMENT**

<b>Debtor Name / Address</b>	<b>Reg.#</b>
NORTHERN WELDING SUPPLIES LTD. 11312 156ST EDMONTON, AB T5M4C6	24051624029

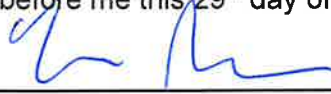
**SECURITY AGREEMENT**

<b>Debtor Name / Address</b>	<b>Reg.#</b>
NORTHERN WELDING SUPPLIES LTD. 11312 156 STREET NORTH WEST EDMONTON, AB T5M 4C6	24051731179

**SECURITY AGREEMENT**

Result Complete

This is **Exhibit "G"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



---

A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
**Student-at-Law**

**GUARANTEE AND POSTPONEMENT (LIMITED)**Servus Credit Union Ltd.  
151 Karl Clark Road NW  
Edmonton AB T6N 1H5**TO: SERVUS CREDIT UNION LTD. (the "Credit Union")**

- 9A. *AK*
1. In consideration of the Credit Union dealing with **NORTHERN WELD ARC LTD.** (hereinafter referred to as the "Borrower"), the undersigned and each of them, if more than one, hereby jointly and severally guarantee payment to the Credit Union of all present and future debts and liabilities (direct or indirect, absolute or contingent, matured or otherwise), now or at any time and from time to time hereafter due or owing to the Credit Union by the Borrower, whether incurred by the Borrower alone or jointly with any corporation, person or persons, or otherwise howsoever, including all costs (and in respect of legal costs on a solicitor and his own client indemnity basis) and disbursements incurred by the Credit Union in recovering or attempting to recover the said debts and liabilities from the Borrower including the enforcement of any security held by the Credit Union therefor. Provided, however, that the liability of the undersigned, and of each of the undersigned herein, is limited to **ONE MILLION dollars (\$1,000,000.00)** plus (i) interest thereon (such interest to be calculated daily and compounded monthly), or on so much thereof as may be outstanding from time to time, from the date of demand of payment until paid, at the rate(s) agreed upon, between the Credit Union and the Borrower, and (ii) legal costs incurred by the Credit Union in enforcing and obtaining payment under this guarantee including the enforcement of any security held by the Credit Union therefore on a solicitor and his own client indemnity basis (the "Legal Costs").
  2. In this guarantee, the word "Guarantor" shall mean the undersigned and if there is more than one, it shall mean each of them.
  3. This guarantee shall not be affected by the death or loss or diminution of capacity of the Borrower or of the Guarantor or by any change in the name of the Borrower or in the membership of the firm of the Borrower through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the business of the Borrower by a corporation, firm or person, or by any change whatsoever in the objects, capital structure or constitution of the Borrower, or by the Borrower or the business of the Borrower being amalgamated with a firm or corporation but shall, notwithstanding the happening of any such event, continue to exist and apply to the full extent as if such event has not happened. The Guarantor agrees to monitor changes in the financial position of the Borrower and hereby releases the Credit Union from any liability resulting therefrom.
  4. All monies, advances, renewals and credits borrowed or obtained by the Borrower from the Credit Union shall be deemed to form a part of the debts and liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Borrower or of the directors, partners or agents thereof, or that the Borrower may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining or such monies, advances, renewals or credits, whether known to the Credit Union or not; or whether known to the Guarantor or not; and any sum which may not be recoverable from the Guarantor on the basis of a guarantee shall be recoverable from the Guarantor as sole and principal debtor in respect thereof and shall be paid to the Credit Union on demand with interest and Legal Costs on a solicitor and client indemnity basis as herein provided.
  5. This guarantee shall continue and be enforceable notwithstanding any amalgamation of the Credit Union with any other Credit Union(s), financial institutions(s) or other corporation(s), and any further amalgamation, in which event this guarantee shall also extend to all debts and liabilities then or thereafter owed by the Borrower to the amalgamated entity. Furthermore, all security, real or personal, moveable or immovable, which has been or will be given by the Guarantor of the said debts and liabilities shall be valid in the hands of the Credit Union, as well as its successors and assigns.
  6. It is further agreed that this shall be a continuing guarantee, and shall cover and secure any ultimate balance owing to the Credit Union.
  7. This guarantee shall bind the Guarantor and the Guarantor's heirs, executors, administrators, legal representatives, successors, and assigns until termination thereof by notice in writing to the manager of the branch of the Credit Union at which the account of the Borrower is kept, but such termination by any of the Guarantors or their respective heirs, executors, administrators, legal representatives, successors or assigns shall not prevent the continuance of the liability hereunder of any other Guarantor. Such termination shall apply only to those debts or liabilities of the Borrower incurred or arising after ninety days after receipt of the notice by the Credit Union, but not in respect of any prior debts or liabilities, matured or not. The notice of termination shall have no effect on those debts or liabilities incurred more than ninety days after receipt of said notice which result or will result from express or implied commitments made prior to the ninetieth day after receipt of the notice.

8. This guarantee will not be diminished or modified on account of any act on the part of the Credit Union which would prevent subrogation from operating in favor of the Guarantor. It is further agreed that the Credit Union, without exonerating in whole or in part the Guarantor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take security from, and give up or release any or part of the security held, may abstain from taking, perfecting, registering or renewing security or from realizing on security, may accept compositions and otherwise deal with the Borrower and with any other person or persons, including any of the Guarantors, and dispose of any security held by the Credit Union as it may see fit, and that all dividends and monies received by the Credit Union from the Borrower or from any other person, capable of being applied by the Credit Union in reduction of the debts and liabilities hereby guaranteed, shall be considered for all purposes as payment in gross which the Credit Union shall have the right to apply as it may see fit, not being bound by the law of imputation, and the Credit Union shall be entitled to prove against the estate of the Borrower upon any insolvency or winding up, in respect of the whole said debts and liabilities. The Guarantor shall have no right to be subrogated to the Credit Union until the Credit Union shall have received payment in full of its claims against the Borrower with interest and legal costs on a solicitor and client indemnity basis.
9. If any circumstances arise necessitating the Credit Union to file its claim against the estate of the Borrower and to value its security, it will be entitled to place such valuation as the Credit Union may in its discretion see fit, and the filing of such claim and the valuation of its security shall in no way prejudice or restrict its rights against the Guarantor.
10. The Credit Union shall not be obligated to exhaust its recourse against the Borrower or other persons or security it may hold before being entitled to payment from the Guarantor of each and every of the debts and liabilities hereby guaranteed and it shall not be obliged to offer or deliver its security before its whole claim has been paid. The Guarantor waives all benefits of discussion and division.
11. All indebtedness and liability, present and future, of the Borrower to the Guarantor are hereby assigned to the Credit Union and postponed to the present and future debts and liabilities of the Borrower to the Credit Union. All monies received from the Borrower or on the Borrower's behalf by the Guarantor shall be held as agent, mandatary and trustee for the Credit Union and shall be paid over to the Credit Union forthwith. This provision will remain in full force and effect, notwithstanding the termination of this guarantee pursuant to the provisions of paragraph 7 in which event it will terminate when the debts and liabilities of the Borrower to the Credit Union covered by this guarantee pursuant to paragraph 7 hereof have been paid in full.
12. This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Credit Union, and without prejudice to any other security by whomsoever given held at any time by the Credit Union and the Credit Union shall be under no obligation to marshal in favour of the Guarantor any such security or any of the funds or assets the Credit Union may be entitled to receive or have a claim upon.
13. The Guarantor shall be bound by any account settled between the Credit Union and the Borrower and, if no such account has been so settled, any account stated by the Credit Union shall be accepted by the Guarantor as conclusive evidence of the amount which at the date of the account so stated is due by the Borrower to the Credit Union.
14. The Guarantor shall make payment to the Credit Union of the Guarantor's liability hereunder forthwith after demand therefor is made in writing. Such demand shall be deemed to have been effectually made when an envelope containing it addressed to the Guarantor's last address known to the Credit Union is deposited postage prepaid in the Post Office. The liability of the Guarantor shall bear interest from the date of such demand at the rate or rates then applicable to the debts and liabilities of the Borrower to the Credit Union.
15. For better certainty, and in addition to any limitations of the liability of the Guarantor hereunder, the Guarantor upon the demand of the Credit Union shall pay to the Credit Union all Legal Costs.
16. This guarantee and agreement shall be operative and binding upon every signatory hereto and notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Credit Union shall be conclusive evidence against the Guarantor that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition has been complied with. None of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein. The liability of the Guarantor hereunder begins on the date of the Guarantor's signature on this guarantee.
17. This guarantee shall be binding upon the undersigned and each of them, and if more than one, then jointly and severally between them and also upon the heirs, executors, administrators, successors, and assigns of the Guarantor and will extend to and enure to the benefit of the successors and assigns of the Credit Union. Each and every provision hereof is severable and should any provision hereof be illegal or not enforceable for any reason whatsoever, such illegality or invalidity shall not affect the other provisions hereof which shall remain in force and be binding on the Guarantor.

18. The Guarantor acknowledges having read and taken cognizance of this guarantee before signing it and declares that the Guarantor understands perfectly the terms, conditions and undertakings contained herein.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and the Guarantor agrees that any legal suit, action or proceeding arising out of or relating to this guarantee may be instituted in the courts of such province, and the Guarantor hereby accepts and irrevocably submits to the jurisdiction of the said courts, and acknowledges their competence and agrees to be bound by any judgement thereof, provided that nothing herein shall limit the Credit Union's right to bring proceedings against the Guarantor elsewhere.
20. The Guarantor acknowledges and agrees that this guarantee is in addition to and not in substitution for any other guarantee(s) that any of the undersigned (alone or jointly with any other person) may have granted to the Credit Union in respect of the Borrower's obligations and liability of the Borrower to the Credit Union or to the Credit Union and any other person(s). This guarantee shall remain in full force and effect until all debts and obligations hereby secured have been irrevocably and indefeasibly paid and released.

AS WITNESS the hands and seals of the Guarantor(s), at Edmonton,  
Alberta this 29 day of October, 2019.

SIGNED, SEALED AND DELIVERED


  
GAYLE VIVIAN HOLTZ 

**Guarantees Acknowledgment Act  
(Section 3)  
CERTIFICATE**

I HEREBY CERTIFY THAT:

1. GAYLE VIVIAN HOLTZ, the Guarantor (or one of the Guarantors) in the guarantee dated the 28 day of October, 2019 made between GAYLE VIVIAN HOLTZ and the Credit Union, which this certificate is attached to or noted on, appeared in person before me and acknowledged that she had executed the guarantee.
2. I satisfied myself by examination of the guarantor that she is aware of the contents of the guarantee and understands it.

CERTIFIED by Robert A. Farmer, Lawyer at the  
City of Edmonton, in Province, Alberta, this 28  
day of October, 2019.

  
\_\_\_\_\_  
Signature

**ROBERT A. FARMER**  
BARRISTER & SOLICITOR

**STATEMENT OF GUARANTOR**

I am the person named in this certificate.

  
\_\_\_\_\_  
GAYLE VIVIAN HOLTZ

NOTE: A separate Certificate must be completed for each Individual Guarantor.

This is **Exhibit "H"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



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A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
Student-at-Law

## GUARANTEE AND POSTPONEMENT (UNLIMITED)

Servus Credit Union Ltd.  
151 Karl Clark Road NW  
Edmonton AB T6N 1H5

**TO: SERVUS CREDIT UNION LTD. (the "Credit Union")**

1. In consideration of the Credit Union dealing with **NORTHERN WELD ARC LTD.** (hereinafter referred to as the "Borrower"), the undersigned and each of them, if more than one, hereby jointly and severally guarantee payment to the Credit Union of all present and future debts and liabilities (direct or indirect, absolute or contingent, matured or otherwise), now or at any time and from time to time hereafter due or owing to the Credit Union by the Borrower, whether incurred by the Borrower alone or jointly with any corporation, person or persons, or otherwise howsoever, including all costs (and in respect of legal costs on a solicitor and his own client indemnity basis) and disbursements incurred by the Credit Union in recovering or attempting to recover the said debts and liabilities from the Borrower including the enforcement of any security held by the Credit Union therefor plus (i) interest thereon (such interest to be calculated daily and compounded monthly), or on so much thereof as may be outstanding from time to time, from the date of demand of payment until paid, at the rate(s) agreed upon, between the Credit Union and the Borrower, and (ii) legal costs incurred by the Credit Union in enforcing and obtaining payment under this guarantee including the enforcement of any security held by the Credit Union therefore on a solicitor and his own client indemnity basis (the "Legal Costs").
2. In this guarantee, the word "Guarantor" shall mean the undersigned and if there is more than one, it shall mean each of them.
3. This guarantee shall not be affected by the death or loss or diminution of capacity of the Borrower or of the Guarantor or by any change in the name of the Borrower or in the membership of the firm of the Borrower through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the business of the Borrower by a corporation, firm or person, or by any change whatsoever in the objects, capital structure or constitution of the Borrower, or by the Borrower or the business of the Borrower being amalgamated with a firm or corporation but shall, notwithstanding the happening of any such event, continue to exist and apply to the full extent as if such event has not happened. The Guarantor agrees to monitor changes in the financial position of the Borrower and hereby releases the Credit Union from any liability resulting therefrom.
4. All monies, advances, renewals and credits borrowed or obtained by the Borrower from the Credit Union shall be deemed to form a part of the debts and liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Borrower or of the directors, partners or agents thereof, or that the Borrower may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining or such monies, advances, renewals or credits, whether known to the Credit Union or not; or whether known to the Guarantor or not; and any sum which may not be recoverable from the Guarantor on the basis of a guarantee shall be recoverable from the Guarantor as sole and principal debtor in respect thereof and shall be paid to the Credit Union on demand with interest and legal costs on a solicitor and client indemnity basis as herein provided.
5. This guarantee shall continue and be enforceable notwithstanding any amalgamation of the Credit Union with any other Credit Union(s), financial institutions(s) or other corporation(s), and any further amalgamation, in which event this guarantee shall also extend to all debts and liabilities then or thereafter owed by the Borrower to the amalgamated entity. Furthermore, all security, real or personal, moveable or immovable, which has been or will be given by the Guarantor of the said debts and liabilities shall be valid in the hands of the Credit Union, as well as its successors and assigns.
6. It is further agreed that this shall be a continuing guarantee, and shall cover and secure any ultimate balance owing to the Credit Union.
7. This guarantee shall bind the Guarantor and the Guarantor's heirs, executors, administrators, legal representatives, successors, and assigns until termination thereof by notice in writing to the manager of the branch of the Credit Union at which the account of the Borrower is kept, but such termination by any of the Guarantors or their respective heirs, executors, administrators, legal representatives, successors or assigns shall not prevent the continuance of the liability hereunder of any other Guarantor. Such termination shall apply only to those debts or liabilities of the Borrower incurred or arising after ninety days after receipt of the notice by the Credit Union, but not in respect of any prior debts or liabilities, matured or not. The notice of termination shall have no effect on those debts or liabilities incurred more than ninety days after receipt of said notice which result or will result from express or implied commitments made prior to the ninetieth day after receipt of the notice.
8. This guarantee will not be diminished or modified on account of any act on the part of the Credit Union which would prevent subrogation from operating in favor of the Guarantor. It is further agreed

that the Credit Union, without exonerating in whole or in part the Guarantor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take security from, and give up or release any or part of the security held, may abstain from taking, perfecting, registering or renewing security or from realizing on security, may accept compositions and otherwise deal with the Borrower and with any other person or persons, including any of the Guarantors, and dispose of any security held by the Credit Union as it may see fit, and that all dividends and monies received by the Credit Union from the Borrower or from any other person, capable of being applied by the Credit Union in reduction of the debts and liabilities hereby guaranteed, shall be considered for all purposes as payment in gross which the Credit Union shall have the right to apply as it may see fit, not being bound by the law of imputation, and the Credit Union shall be entitled to prove against the estate of the Borrower upon any insolvency or winding up, in respect of the whole said debts and liabilities. The Guarantor shall have no right to be subrogated to the Credit Union until the Credit Union shall have received payment in full of its claims against the Borrower with interest and legal costs on a solicitor and client indemnity basis.

9. If any circumstances arise necessitating the Credit Union to file its claim against the estate of the Borrower and to value its security, it will be entitled to place such valuation as the Credit Union may in its discretion see fit, and the filing of such claim and the valuation of its security shall in no way prejudice or restrict its rights against the Guarantor.
10. The Credit Union shall not be obligated to exhaust its recourse against the Borrower or other persons or security it may hold before being entitled to payment from the Guarantor of each and every of the debts and liabilities hereby guaranteed and it shall not be obliged to offer or deliver its security before its whole claim has been paid. The Guarantor waives all benefits of discussion and division.
11. All indebtedness and liability, present and future, of the Borrower to the Guarantor are hereby assigned to the Credit Union and postponed to the present and future debts and liabilities of the Borrower to the Credit Union. All monies received from the Borrower or on the Borrower's behalf by the Guarantor shall be held as agent, mandatary and trustee for the Credit Union and shall be paid over to the Credit Union forthwith. This provision will remain in full force and effect, notwithstanding the termination of this guarantee pursuant to the provisions of paragraph 7 in which event it will terminate when the debts and liabilities of the Borrower to the Credit Union covered by this guarantee pursuant to paragraph 7 hereof have been paid in full.
12. This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Credit Union, and without prejudice to any other security by whomsoever given held at any time by the Credit Union and the Credit Union shall be under no obligation to marshal in favour of the Guarantor any such security or any of the funds or assets the Credit Union may be entitled to receive or have a claim upon.
13. The Guarantor shall be bound by any account settled between the Credit Union and the Borrower and, if no such account has been so settled, any account stated by the Credit Union shall be accepted by the Guarantor as conclusive evidence of the amount which at the date of the account so stated is due by the Borrower to the Credit Union.
14. The Guarantor shall make payment to the Credit Union of the Guarantor's liability hereunder forthwith after demand therefor is made in writing. Such demand shall be deemed to have been effectually made when an envelope containing it addressed to the Guarantor's last address known to the Credit Union is deposited postage prepaid in the Post Office. The liability of the Guarantor shall bear interest from the date of such demand at the rate or rates then applicable to the debts and liabilities of the Borrower to the Credit Union.
15. For better certainty, and in addition to any limitations of the liability of the Guarantor hereunder, the Guarantor upon the demand of the Credit Union shall pay to the Credit Union all Legal Costs.
16. This guarantee and agreement shall be operative and binding upon every signatory hereto and notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Credit Union shall be conclusive evidence against the Guarantor that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition has been complied with. None of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein. The liability of the Guarantor hereunder begins on the date of the Guarantor's signature on this guarantee.
17. This guarantee shall be binding upon the undersigned and each of them, and if more than one, then jointly and severally between them and also upon the heirs, executors, administrators, successors, and assigns of the Guarantor and will extend to and enure to the benefit of the successors and assigns of the Credit Union. Each and every provision hereof is severable and should any provision hereof be illegal or not enforceable for any reason whatsoever, such illegality or invalidity shall not affect the other provisions hereof which shall remain in force and be binding on the Guarantor.
18. The Guarantor acknowledges having read and taken cognizance of this guarantee before signing it and declares that the Guarantor understands perfectly the terms, conditions and undertakings contained herein.

19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and the Guarantor agrees that any legal suit, action or proceeding arising out of or relating to this guarantee may be instituted in the courts of such province, and the Guarantor hereby accepts and irrevocably submits to the jurisdiction of the said courts, and acknowledges their competence and agrees to be bound by any judgement thereof, provided that nothing herein shall limit the Credit Union's right to bring proceedings against the Guarantor elsewhere.

20. The Guarantor acknowledges and agrees that this guarantee is in addition to and not in substitution for any other guarantee(s) that any of the undersigned (alone or jointly with any other person) may have granted to the Credit Union in respect of the Borrower's obligations and liability of the Borrower to the Credit Union or to the Credit Union and any other person(s). This guarantee shall remain in full force and effect until all debts and obligations hereby secured have been irrevocably and indefeasibly paid and released.

AS WITNESS the hands and seals of the Guarantor(s), at Edmonton, Alberta this 28<sup>th</sup> day of October, 2019.

SIGNED, SEALED AND DELIVERED

**NORMAC MACHINE & SUPPLY LTD.**

per: *Gordon Holtz* C/S

per: \_\_\_\_\_



**GUARANTEE CERTIFICATE**

TO: Servus Credit Union Ltd.  
151 Karl Clark Road NW  
Edmonton AB T6N 1H5

I, GAYLE VIVIAN HOLTZ, being the President & Secretary of **NORMAC MACHINE & SUPPLY LTD.** (the "Corporation") refer to the guarantee (the "Guarantee") dated the 28 day of October, 2019 given by the Corporation to the Credit Union for the debts and liabilities of **NORTHERN WELD ARC LTD.** and hereby certify that:

- a) the Corporation is aware of S.45 of the Business Corporation Act (Alberta) (the "Act"); and
- b) to the extent required by S.45(3) of the Act the Corporation either has given, or will within the time period required by S.45(3) of the Act be giving, the notice(s) required by S.45(3) of the Act.

Dated this: 28<sup>th</sup> day of October, 2019.

Gayle Holtz

**RESOLUTION OF THE DIRECTORS TO GRANT UNLIMITED GUARANTEE**

(With or Without Security)

Name of Corporation: **NORMAC MACHINE & SUPPLY LTD.** (the "Guarantor")

WHEREAS It is deemed expedient and in the best interest of the the Guarantor that it lend assistance to **NORTHERN WELD ARC LTD.** (the "Borrower") In connection with Its borrowing, both present and future, from Servus Credit Union Ltd. (the "Credit Union");

AND WHEREAS the Guarantor has complied In all respects with all requirements, legislative or otherwise, with respect to the provision of financial assistance by the Guarantor;

NOW THEREFORE BE IT RESOLVED:

1. THAT the Guarantor does guarantee payment to the Credit Union of all present and future debts and liabilities, including interest at any time owing by the Borrower to the Credit Union, and, that the liability of the Guarantor shall be unlimited together with interest from the date of demand for payment as provided for In the Guarantee and Postponement of Claim.
2. THAT the Guarantor do further secure the Credit Union by postponing all debts, claims and liabilities both present and future, of the Guarantor against the Borrower to the debts, claims and liabilities of the Borrower to the Credit Union.
3. THAT the Guarantor shall secure Its obligations under the Guarantee and Postponement of Claim by granting to and In favour of the Credit Union the following security that shall be deemed to form part of the Guarantee and Postponement of Claim: any such security as the Credit Union may require from time to time.
4. THAT the Guarantor approves the Guarantee and Postponement of Claim In the format presented by the Credit Union a copy of which has been reviewed and approved by the directors of the Guarantor and the same is hereby approved as containing the correct statement of terms and conditions upon which the said guarantee and postponement are to be made. The Guarantee and Postponement of Claim may be executed by any officer of the Guarantor under seal or otherwise and their execution shall be conclusive evidence of such approval.

CERTIFIED to be a true copy of a resolution duly passed by the directors of the Guarantor, which resolution is as of the date hereof In full force and effect.

Dated this 28<sup>th</sup> day of October, 2019.

  
Secretary

C/S

**CERTIFICATE OF NON-RESTRICTION**

Member Number: **15798168 AOD - 0**

TO: Servus Credit Union Ltd. (herein called the "Credit Union")

I, the undersigned, Authorized Signing Officer of **NORMAC MACHINE & SUPPLY LTD.** hereby certify that there are no provision in the articles or by-laws of the Corporation or in any unanimous shareholder agreement relating to the Corporation which restrict, limit or regulate in any way:

- (i) the powers of the directors of the Corporation to borrow moneys upon the credit of the Corporation and to issue, reissue, sell or pledge debt obligations of the Corporation, and to give a guarantee on behalf of the Corporation to secure performance of an obligation of any person, and to mortgage, hypothecate, pledge or otherwise create a security interest in all or any of the property of the Corporation, present and future as security for all or any moneys borrowed by the Corporation from the Credit Union or any other liability of the Corporation to the said Credit Union, or
- (ii) the power, capacity or authority of the directors of the Corporation to delegate to a director, a committee of directors, or an officer, the exercise from time to time of any of the said powers for, and in the name of the Corporation.

This certificate shall remain in force and be binding upon the Corporation as regards the Credit Union until a certificate repealing or replacing this certificate shall have been received by the said Credit Union.

SIGNED at Edmonton, Alberta this 28<sup>th</sup> day of October, 2019.

  
Authorized Signing Officer

Servus Credit Union Ltd.  
151 Karl Clark Road NW  
Edmonton AB T6N 1H5

October 26, 2019

Reynolds Mirth Richards & Farmer LLP  
3200 Manulife Place  
10180 - 101 Street  
Edmonton, AB T5J 3W8

**Attention: R. ALLAN FARMER, Q.C.**

**RE: Ability of Corporation to Issue a Corporate Guarantee**

Please provide our office with confirmation that **NORMAC MACHINE & SUPPLY LTD.** is at this time able to issue to Servus Credit Union Ltd. an unlimited Corporate Guarantee and Postponement.

By acknowledging this letter you are confirming you have reviewed the Articles/Minute Book of the Corporation to ensure there are no restrictions in the Corporation's bylaws restricting the granting of a guarantee. In addition, all necessary steps have been taken by the officers/directors of the Corporation to enable the granting of the guarantee, that the guarantee has been properly executed, and that the Corporation is in good standing at Corporate Registry.

If there is any reason why the above noted Corporation may not issue a Corporate Guarantee and Postponement, please contact the undersigned.

Thank you for your attention in this matter.

Yours truly,

Servus Credit Union Ltd.

Per: \_\_\_\_\_

**NORMAC MACHINE & SUPPLY LTD.** can at this time issue an unlimited Corporate Guarantee and Postponement to Servus Credit Union Ltd.

  
\_\_\_\_\_  
**R. ALLAN FARMER, Q.C.**  
Barrister & Solicitor

**CERTIFICATE OF AUTHORIZED SIGNING AUTHORITIES OF  
NORMAC MACHINE & SUPPLY LTD.**

I, the undersigned secretary of **NORMAC MACHINE & SUPPLY LTD.** (the "Corporation"), hereby certify that as of the date hereof:

a) The directors of the Corporation are:

Gayle Holtz

b) The officers of the Corporation are:

Name  
Shirley E. Holtz  
GaykHoltz

Title  
Chairman  
President, Secretary and Treasurer

Certified to be correct this 28<sup>th</sup> day of October, 2019.

  
Secretary

This is **Exhibit "I"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



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A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
Student-at-Law

## MORTGAGE TERMS – COMMERCIAL & AGRICULTURAL (AB)

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1. MORTGAGOR(S) (as described on title):

NORMAC MACHINE & SUPPLY LTD.  
141 Strathmoor Way  
Sherwood Park, AB T8H 1Z7

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2. LAND(S) (legal description as described on title):

DESCRIPTIVE PLAN 0227868  
BLOCK 1  
LOT 5A  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
AREA: 1.82 HECTARES (4.5 ACRES) MORE OR LESS

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3. MORTGAGEE (including address):

Servus Credit Union Ltd.  
151 Karl Clark Road NW  
Edmonton AB T6N 1H5

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4. THE FOLLOWING FORM PART OF THIS MORTGAGE:

(a) Those Standard Form Mortgage Terms filed at the Land Titles Office (Alberta) as registration number 142064607 (the "Standard Terms").

~~(b) Those terms contained in Schedule(s) \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ attached hereto.~~

~~(c) Those deletions from or amendments or additions to the Standard Terms as may be set out in Schedule \_\_\_\_\_ hereto, if any.~~

Unless otherwise specified, "Mortgage" means and includes the terms, provisions, covenants, conditions and other provisions of these Mortgage Terms, the Standard Terms and any Schedules attached hereto as referred to in Clause 4 of these Mortgage Terms.

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5. PAYMENT TERMS: Payable in full on demand.

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6. MAXIMUM PRINCIPAL SECURED: **\$2,500,000.00.**

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7. INTEREST RATE: Interest on the outstanding principal sum is payable at the variable prime lending rate of the Credit Union for Canadian dollar loans announced from time to time, plus 10% per year, calculated on a daily basis and payable monthly, following demand, default and/or judgment with interest calculated and payable on overdue interest.

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8. MORTGAGOR'S COVENANTS:

(a) I (We) am (are) the registered owner(s) of the Land(s) being mortgaged by this Mortgage.

- (b) I (We) promise and covenant to pay the Maximum Principal Secured, interest and other charges and money secured by the Mortgage and to be bound by all the terms of this Mortgage and the Lending Agreement as herein defined.
- (c) I (We) hereby mortgage and charge all my (our) estate, interest and title in the Land(s) in accordance with the terms of this Mortgage for the purposes of securing all my (our) obligations herein including the payment of the Maximum Principal Secured, interest and all other amounts secured by the Mortgage.
- (d) I (We) understand and acknowledge that this Mortgage consists of these Mortgage Terms, the Standard Terms as well as any Schedule(s) annexed hereto.
- (e) I (We) hereby acknowledge receipt of a copy of this Mortgage including any Schedule(s) annexed hereto as well as the Standard Terms.
- (f) I (We) acknowledge and agree that in the event these Mortgage Terms have been executed by more than one Mortgagor then the obligations and liability under this Mortgage are the joint and several liability and obligations of each Mortgagor.

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Executed this 28<sup>th</sup> day of October, 2019 by the Mortgagor(s) at Edmonton, Alberta.

NORMAC MACHINE & SUPPLY LTD.

per: Gaye Noltz

per: \_\_\_\_\_

Joel

This is **Exhibit "J"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



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A Commissioner for Oaths in and for Alberta

Tre L. Ross  
Student-at-Law

**MORTGAGE AMENDING AGREEMENT**

THIS AGREEMENT made this 10 day of NOVEMBER, 2023.

BETWEEN:

✓  
NORMAC MACHINE & SUPPLY LTD.  
(hereinafter together called the "Mortgagor")

OF THE FIRST PART

- and -

✓  
SERVUS CREDIT UNION LTD.  
(hereinafter called the "Mortgagee")

OF THE SECOND PART

WHEREAS by Mortgage in writing registered in the Alberta Land Titles Office on November 7, 2019 as Instrument Number 192 271 754 (the "Mortgage"), the Mortgagor did mortgage to the Mortgagee the lands hereinafter described as:

✓  
DESCRIPTIVE PLAN 0227868  
BLOCK 1  
LOT 5A  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
AREA: 1.82 HECTARES (4.5 ACRES) MORE OR LESS  
(hereinafter referred to as the "Mortgaged Lands")

as more particularly set out in the Mortgage, to secure payment of the indebtedness (as defined in the Mortgage) owing from time to time from the Mortgagor to the Mortgagee up to the sum of TWO MILLION FIVE HUNDRED THOUSAND AND 00/100 (\$2,500,000.00) DOLLARS (the "Principal Amount") together with certain other liabilities and obligations and interest thereon as set out in the said Mortgage;

AND WHEREAS the parties have agreed to amend the Mortgage to increase the maximum principal amount secured thereby to THREE MILLION (\$3,000,000.00) DOLLARS; ✓

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the premises, the mutual covenants herein contained, and such advances as may be made by the Mortgagee under and pursuant to the Mortgage, as amended hereby, the parties mutually covenant and agree as follows:

1. That the Mortgage is amended by deleting the words "MAXIMUM PRINCIPAL SECURED: \$2,500,000.00" in paragraph 6 on page 1 of the Mortgage and inserting in its place:

"MAXIMUM PRINCIPAL SECURED: \$3,000,000.00."

- 2. That this agreement is intended to be and shall operate as and shall constitute a Mortgage Amending Agreement and not a novation of the Mortgage or any new mortgage.
- 3. That without limiting the generality of the preceding clause, nothing in this agreement or in any prior amendment of the Mortgage shall be or constitute or operate as a release or waiver of any personal covenants contained in the Mortgage, or a release or discharge of any surety of or for the Mortgage.
- 4. That in all other respects the Mortgage shall remain the same and the parties hereto shall be bound by the terms of the Mortgage as amended by this agreement.
- 5. That this agreement shall enure to and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their hands and seals the day and year first above written.

NORMAC MACHINE & SUPPLY LTD.

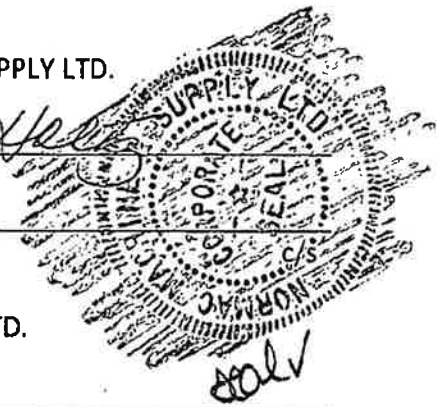
Per: \_\_\_\_\_

Per: \_\_\_\_\_

SERVUS CREDIT UNION LTD.

Per: \_\_\_\_\_

Per: \_\_\_\_\_



c/s

2. That this agreement is intended to be and shall operate as and shall constitute a Mortgage Amending Agreement and not a novation of the Mortgage or any new mortgage.
3. That without limiting the generality of the preceding clause, nothing in this agreement or in any prior amendment of the Mortgage shall be or constitute or operate as a release or waiver of any personal covenants contained in the Mortgage, or a release or discharge of any surety of or for the Mortgage.
4. That in all other respects the Mortgage shall remain the same and the parties hereto shall be bound by the terms of the Mortgage as amended by this agreement.
5. That this agreement shall enure to and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their hands and seals the day and year first above written.

NORMAC MACHINE & SUPPLY LTD.

Per: \_\_\_\_\_

Per: \_\_\_\_\_

c/s

SERVUS CREDIT UNION LTD.

Per: *[Signature]*

Per: *[Signature]*



*[Handwritten mark]*  
*[Handwritten mark]*

This is **Exhibit "K"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



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A Commissioner for Oaths in and for Alberta

**Tre L. Ross**  
Student-at-Law



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 ENCUMBRANCES, LIENS & INTERESTS

PAGE 2  
 # 022 490 937

REGISTRATION  
 NUMBER            DATE (D/M/Y)            PARTICULARS

-----

GRANTEE - STRATHCONA COUNTY.  
 PART AS DESCRIBED

192 271 754    07/11/2019 MORTGAGE  
 MORTGAGEE - SERVUS CREDIT UNION LTD.  
 151 KARL CLARK ROAD NW  
 EDMONTON  
 ALBERTA T6N1H5  
 ORIGINAL PRINCIPAL AMOUNT: \$2,500,000

232 380 020    12/12/2023 AMENDING AGREEMENT  
 AMOUNT: \$3,000,000  
 AFFECTS INSTRUMENT:    192271754

252 093 170    07/04/2025 MORTGAGE  
 MORTGAGEE - ROAD KILL INVESTMENTS INC.  
 336,9768-170 STREET NW  
 EDMONTON  
 ALBERTA T5T5L4  
 ORIGINAL PRINCIPAL AMOUNT: \$1,500,000

TOTAL INSTRUMENTS: 005

-----  
 PENDING REGISTRATION QUEUE

DRR NUMBER	RECEIVED DATE (D/M/Y)	SUBMITTER	LAND ID
H004ENW	22/04/2026	PARLEE MCLAWS LLP 7804238513 CUSTOMER FILE NUMBER: 82275.1/BPM	
001		MORTGAGE AMOUNT: \$500,000	0227868;1;5A

TOTAL PENDING REGISTRATIONS: 001

DISCLAIMER: THE DOCUMENT INFORMATION REFLECTED IN THE PENDING  
 REGISTRATION QUEUE HAS NOT BEEN VERIFIED BY LAND TITLES AND MAY BE  
 SUBJECT TO CHANGE UPON REVIEW AND REGISTRATION.

( CONTINUED )

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN  
ACCURATE REPRODUCTION OF THE CERTIFICATE OF  
TITLE REPRESENTED HEREIN THIS 24 DAY OF APRIL,  
2026 AT 12:30 P.M.

ORDER NUMBER: 56955902

CUSTOMER FILE NUMBER: 405692-708



\*END OF CERTIFICATE\*

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THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED  
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,  
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM  
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,  
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS  
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING  
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

This is **Exhibit "L"** referred to in the  
Affidavit of Chris Millar  
Sworn before me this 29<sup>th</sup> day of April, 2026



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A Commissioner for Oaths in and for Alberta

Tre L. Ross  
Student-at-Law

**NORTHERN WELDARC LTD**

**Customer Aged Summary As at 03/31/2026**

Name	Total	Current	31 to 60	61 to 90	91+
Clark Builders	31,448.96	21,998.96	9,450.00	0.00	0.00
Equinox Engineering Canada Ltd agent for CPC (SUR)	272,950.02	272,950.02	0.00	0.00	0.00
Equinox Engineering on behalf of/as agent	29,466.04	29,466.04	0.00	0.00	0.00
General Mechanical & Civil Contractors Ltd	215,355.00	215,355.00	0.00	0.00	0.00
<b>Total outstanding:</b>	<b>549,220.02</b>	<b>539,770.02</b>	<b>9,450.00</b>	<b>0.00</b>	<b>0.00</b>

**Generated On: 04/01/2026**

Credit	0
Ineligible	0
Contra	0

**NORTHERN WELDARC LTD**

**Vendor Aged Summary As at 03/31/2026**

Name	Total	Current	31 to 60	61 to 90	91+
AB&S Steel	11,143.86	0.00	0.00	0.00	11,143.86
Acera Insurance	10,049.76	0.00	0.00	0.00	10,049.76
Action Express & Hot Shot	53.97	53.97	0.00	0.00	0.00
Akhurst Machinery Ltd.	417.38	0.00	417.38	0.00	0.00
Amnor Ltd.	88,296.42	0.00	1,879.50	1,050.64	85,366.28
Avail Personnel And Project Management Ltd.	6,100.50	1,743.00	0.00	0.00	4,357.50
Bishop & McKenzie	9,055.09	0.00	0.00	6,564.49	2,490.60
Boon-Tech Industries Ltd	18,522.00	0.00	0.00	0.00	18,522.00
Borden Metal Products (Canada) Ltd	78,427.55	0.00	78,427.55	0.00	0.00
Canadian Galvanizing	3,287.59	0.00	3,287.59	0.00	0.00
Capital City Cranes Ltd.	4,233.60	0.00	0.00	0.00	4,233.60
Carry Steel	24,404.97	16,478.85	0.00	0.00	7,926.12
Cintas Canada Ltd	496.91	496.91	0.00	0.00	0.00
Clearwave Broadband Networkkds	409.78	409.78	0.00	0.00	0.00
Crane Ex Services Inc	5,999.83	0.00	0.00	0.00	5,999.83
Culligan of Canada	130.41	82.21	48.20	0.00	0.00
CWB Group - Industry Services	3,306.45	3,306.45	0.00	0.00	0.00
Direct Energy	58,807.22	15,558.96	21,607.63	21,640.63	0.00
Dominion Lending Centres Mortgage Mentors	33,250.00	0.00	0.00	0.00	33,250.00
Edmonton Nut & Bolt	5,771.47	2,634.72	2,070.51	1,066.24	0.00
Electrotech Services Inc.	3,216.99	0.00	1,261.27	1,955.72	0.00
Fleetwood Air Equipment	8,743.61	0.00	0.00	6,541.50	2,202.11
Frank's Group	202,521.94	0.00	0.00	0.00	202,521.94
Gregg Distributors LP	1,423.99	1,423.99	0.00	0.00	0.00
InSync Supply Ltd	4,416.79	0.00	763.26	459.27	3,194.26
Iresco Management Ltd.	10,185.00	0.00	0.00	0.00	10,185.00
JLG Industries Inc.	462,823.38	196,015.72	119,381.27	104,778.24	42,648.15
Lincoln Electric Company of Cda LP.	727.94	0.00	0.00	0.00	727.94
Linde Canada Inc.	44,354.24	2,035.47	10,511.23	10,631.47	21,176.07
Lloyd Sadd Bonding	2,000.00	0.00	0.00	0.00	2,000.00
Loadstar Dispatchers (1963) Ltd.	33,497.65	1,716.75	761.25	6,436.51	24,583.14
Mammoet Canada Western Ltd.	21,315.00	0.00	7,455.00	0.00	13,860.00
McElhanney Ltd.	29,298.95	6,092.63	0.00	0.00	23,206.32
Mel Martin's Transfer Ltd.	721.92	0.00	0.00	0.00	721.92
Messer Canada Inc, 15687	2,811.91	354.90	1,436.93	0.00	1,020.08
Midwest Fabricators Ltd.	11,277.00	7,449.75	0.00	3,827.25	0.00
M-Tec Drafting Services	17,834.25	0.00	525.00	1,344.00	15,965.25
Mya Warawa	1,000.00	1,000.00	0.00	0.00	0.00
NexGen Transportation	9,660.00	4,830.00	4,830.00	0.00	0.00
Next Gen Automation	1,576.40	147.88	819.06	203.52	405.94

Nortech Advanced NDT LTD.	41,181.36	3,218.39	8,139.07	3,814.94	26,008.96
Norwesco Industries (1983) Ltd.	2,078.45	0.00	0.00	0.00	2,078.45
Overhead Door Company of Edmonton	2,243.33	0.00	0.00	2,243.33	0.00
Pacific Coast Steel Detailing Ltd.	15,135.75	15,135.75	0.00	0.00	0.00
Pacifica Steel Limited Partnership	136,596.58	0.00	0.00	0.00	136,596.58
Pennock Acheson Nielson Devaney	46,250.00	33,075.00	0.00	0.00	13,175.00
Pipe and Piling Supplies (Western)	41,530.27	0.00	0.00	41,530.27	0.00
Precision Fabrication (2020) Inc.	526.88	0.00	526.88	0.00	0.00
Precisioneering DKG Corp	3,131.10	0.00	0.00	0.00	3,131.10
Price Steel Ltd.	196,542.29	0.00	8,607.48	0.00	187,934.81
RBC Life Insurance Company	8,307.50	8,307.50	0.00	0.00	0.00
Record Xpress, a division of Storage Vault Canada	825.67	95.99	95.99	0.00	633.69
Regent Supply	450.74	297.01	0.00	153.73	0.00
Reliable Tube Edmonton Ltd.	8,434.84	0.00	8,434.84	0.00	0.00
Reynolds,Mirth,Richards & Farmer	65,763.67	3,619.82	3,136.67	1,066.80	57,940.38
RingCentral Inc.	1,475.78	737.89	737.89	0.00	0.00
RJB Lumber Sales Inc.	2,215.29	0.00	0.00	0.00	2,215.29
Russell Metals Inc.	319,875.48	27,754.09	91,041.47	76,825.69	124,254.23
Sahara Sandblasting and Painting Ltd.	84,407.90	12,378.08	0.00	29,624.80	42,405.02
Sentag Modular Manufacturing Inc.	6,762.00	966.00	1,932.00	966.00	2,898.00
Servus Master Card	25,571.09	18,033.33	4,234.42	3,303.34	0.00
Shop Data Systems, Inc	6,350.40	0.00	0.00	6,350.40	0.00
Sirkit Ltd	16,613.05	6,939.40	5,133.45	4,540.20	0.00
Steadfast Engineering Ltd	1,942.50	0.00	0.00	0.00	1,942.50
Steel Smith Supply Ltd.	1,239.00	1,239.00	0.00	0.00	0.00
StruM.I.S LLC	11,561.25	0.00	11,561.25	0.00	0.00
Struzon Technologies	5,325.00	0.00	4,305.00	0.00	1,020.00
Switch	848.54	0.00	0.00	0.00	848.54
Thomas Gerling	15,000.00	0.00	0.00	0.00	15,000.00
UPS Canada	6.00	0.00	0.00	0.00	6.00
Varsteel Ltd. c/o Dominion Pipe & Piling	28,826.53	0.00	28,826.53	0.00	0.00
Vigor Mechanical Ltd.	8,761.20	0.00	0.00	0.00	8,761.20
Vulcraft Canada INC (West)	90,000.00	0.00	0.00	0.00	90,000.00
Waste Connections of Canada Inc.	925.18	462.59	462.59	0.00	0.00
Xplornet Enterprise Solutions	408.04	(15.11)	423.15	0.00	0.00

<b>Total outstanding:</b>	<b>2,428,684.38</b>	<b>394,076.67</b>	<b>433,081.31</b>	<b>336,918.98</b>	<b>1,264,607.42</b>
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Generated On: 04/06/2026