

COURT FILE NUMBER 2201-13687
COURT COURT OF KING'S BENCH
OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF ROYAL BANK OF CANADA
DEFENDANTS MGT MANAGEMENT INC. and
MGT AGGREGATE PRODUCTS INC.

Clerk's Stamp:

DOCUMENT **APPLICATION (SALE APPROVAL)**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT **MLT AIKINS LLP**
2100 Livingston Place
222 - 3rd Avenue S.W.
Calgary, AB T2P 0B4

Solicitors: Jonathan J. Bouchier/Catrina J. Webster
Telephone: 403.693.4310/4347
Fax Number: 403.508.4349
File No.: 0064652.00095

Counsel for the Applicant, BDO Canada Limited

This application will be heard as shown below:

DATE: June 13, 2023
TIME: 10:00 a.m.
LOCATION: Edmonton Law Courts VIA *WEBEX* in Virtual Courtroom 86
<https://albertacourts.webex.com/meet/virtual.courtroom86>
BEFORE WHOM: The Honourable Justice J.S. Little

I. RELIEF SOUGHT

1. BDO Canada Limited (“**BDO**”), in its capacity as the court-appointed Receiver (the “**Receiver**”) of MGT Management Inc. (“**MGT Management**”) and MGT Aggregate Products Inc. (“**MGT Aggregate**”, collectively with MGT Management, the “**Debtors**”), hereby seeks from this Court the issuance of an Approval and Vesting Order, substantially in the form attached as **Schedule “A”** and an Order increasing the Receiver’s Charge, substantially in the form attached as **Schedule “B”**, and a Sealing Order, substantially in the form attached as **Schedule “C”** as follows:
 - (a) an order to abridge the time for delivery and to deem service of this Application to be good and sufficient, if necessary;
 - (b) approving and accepting the terms of the McDougall Auctioneers Ltd. (“**McDougall**”) proposal dated June 5, 2023 (the “**Sale Agreement**”) to sell the Debtors’ assets (collectively, the “**Assets**”) described in the Receiver’s First Report and the Confidential Supplement to the Receiver’s First Report each dated June 5, 2023 in accordance with section 3(k), 3(l), and 3(m) of the receivership order granted on December 2, 2022 by the Honourable Justice M.H. Hollins (the “**Receivership Order**”) in these proceedings;
 - (c) authorizing the Receiver to conclude the transactions contemplated by the Sale Agreement and to take all steps reasonably required to carry out the sale of the Debtors’ assets at auction under the Sale Agreement and execute all such documents as may reasonably be necessary to complete the transactions contemplated therein;
 - (d) declaring that, upon closing of the transactions contemplated by the Sale Agreement, all of the Debtors’ right, title and interest, in and to the Assets shall, without further instrument or transfer or assignment, best in the purchasers free and clear of and from any and all claims, security interest, assignments, actions, levies, taxes, judgments, writs of execution, trusts or deemed trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, easements, covenants, caveats, encumbrances or other rights, limitations or restrictions of any nature whatsoever including, without limitation, any rights or interest of any creditors of the Debtors;
 - (e) directing and authorizing the Receiver to discharge all registered liens and encumbrances registered against the Assets at any Personal Property Registry, or otherwise, in order to vest the Assets free and clear to the purchasers; and
 - (f) sealing the Confidential Supplement to the Receiver’s First Report dated June 5, 2023 (the “**Confidential Supplement**”) until the completion of the auction and sale

of the Assets contemplated in the Sale Agreement or such further Order of this Court.

2. On December 2, 2022, the Receivership Order was granted by the Honourable Justice M.H. Hollins appointing BDO as the Receiver of the Debtors.
3. Pursuant to the terms of the Receivership Order, a charge is granted (the “**Receiver’s Charge**”) as granted against the property of the Debtors for the Receiver and counsel to the Receiver’s reasonable fees and disbursements in an amount of \$200,000.00.
4. The Receivership Order further authorizes the Receiver to do the following:
 - (a) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
 - (b) to sell, convey or transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Honourable Court in accordance with paragraph 3(l) of the Receivership Order; and
 - (c) apply for any vesting orders necessary to convey the Property or any part or parts thereof to a purchaser free and clear of any liens and encumbrances in accordance with paragraph 3(m) of the Receivership Order.
5. Following the appointment of the Receiver pursuant to the terms of the Receivership Order, the Receiver took steps to enter to sell the Assets of the Debtors as more particularly described in the Receiver’s First Report dated June 5, 20223.
6. In the circumstances and based on the Debtors’ assets available for sale, the Sale Agreement is commercially reasonable and is in the best interest of the creditors of the Debtors.
7. Based on the background of the matter, the Receiver’s Charge ought to be increased from \$200,000.00 to \$500,000.00 to properly carry out all necessary steps in the Action.
8. The Confidential Supplement contains confidential information of a commercial nature which, if disclosed to third parties prior to the closing of the sales set out herein, could materially jeopardize the sales, or if the sales do not close, could materially jeopardize the value that the Receiver is subsequently able to obtain from the sale of the Assets, and as such, it is appropriate that the Court seal the Confidential Supplement on the Court record until the auction and sales of the Assets set out herein have closed.

Affidavit or other evidence to be used in support of this application:

9. The Receiver's First Report and the Confidential Supplement to the Receiver's Report, each dated June 5, 2023.
10. Such further information as counsel may advise and as this Honourable Court may permit.

Applicable Acts and Regulations:

11. *Alberta Rules of Court*, Alta Reg 124/2010.
12. *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3.

Any Irregularity Complained of or Objection Relied on:

13. None

How the Application is proposed to be heard or considered:

14. In person via Webex before the Honourable Justice J.S. Little

WARNING

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the Applicant and against all persons claiming under the Applicant. You will be bound by any order that the Court makes, or another order might be given or other proceedings taken which the Applicant is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the Applicant(s) a reasonable time before the application is to be heard or considered.

Schedule "A"

Proposed Form of Sale Approval Order

COURT FILE NUMBER 2201-13687

Clerk's Stamp:

COURT COURT OF KING'S BENCH
OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS MGT MANAGEMENT INC. and
MGT AGGREGATE PRODUCTS INC.

DOCUMENT **APPROVAL AND VESTING ORDER (Sale by Receiver)**

ADDRESS FOR
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Solicitors: Jonathan J. Bouchier/Catrina J. Webster
Telephone: 403.693.4310/4347
Fax Number: 403.508.4349
File No.: 0064652.00095

DATE ON WHICH ORDER WAS PRONOUNCED: JUNE 13, 2023

LOCATION OF HEARING OR TRIAL: EDMONTON, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE J.S. LITTLE

UPON THE APPLICATION of BDO Canada Limited ("**BDO**") filed June 5, 2023 (the "**Application**") in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertakings, property and assets of MGT Management Inc. and MGT Aggregate Products Inc. (collectively, the "**Debtors**"), for an Order: (i) approving the McDougall Auctioneers Ltd. proposal (the "**Auction Agreement**") between the Receiver and McDougall Auctioneers Ltd. ("**McDougall**" or the "**Auctioneer**") appended to the Confidential Supplement to the Receiver's First Report dated June 5, 2023; (ii) authorizing the Auctioneer to conduct an auction in accordance with the terms of the Auction Agreement (the "**Auction**"); and (iii) vesting in each purchaser at such Auction (each, a "**Purchaser**"), the Debtors' right, title and interest in and to the assets purchased by such Purchaser at the Auction (in each case, the "**Purchased Assets**");

AND UPON HAVING READ the Application, the Receivership Order granted by the Honourable Justice M.H. Hollins on December 2, 2022 (the "**Receivership Order**"), the First Report of the Receiver dated June 5, 2023 (the "**First Report**") and the Confidential Supplement to the First Report of the Receiver dated June 5, 2023 (the "**Confidential First Report**"), and the Affidavit of Service of Nishaljeet Khangura, sworn June 12, 2023; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

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

APPROVAL OF TRANSACTION

2. The transactions contemplated under the Auction Agreement and the execution by the Receiver of the Auction Agreement are hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Auction and conveyance of the Purchased Assets to the Purchaser(s) or nominees.

VESTING OF PROPERTY

3. Upon:
 - a. the Auctioneer completing a sale to a Purchaser at the Auction of one or more Purchased Assets;
 - b. receipt by the Auctioneer from such Purchaser of the purchase price determined at the Auction; and

- c. delivery by the Auctioneer to such Purchaser of a bill of sale or similar evidence of purchase and sale (each, a "**Purchaser's Bill of Sale**")

(each an "**Auction Transaction**" and collectively, the "**Auction Transactions**"),

all of the Debtors' right, title and interest in and to the Purchased Assets as listed in Schedule "B" hereto, as described in the Auction Agreement, shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- d. any encumbrances or charges created by the Receivership Order;
- e. any charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (Alberta) or any other personal property registry system;

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. The Auction Transactions are hereby approved and ratified and it is hereby declared that the Auction Transactions are commercially reasonable.
5. Upon the completion of all of the Auction Transactions to the satisfaction of the Receiver, the Receiver shall file a certificate substantially in the form attached hereto as Schedule "A" certifying that the Auction Transactions have closed (the "**Receiver's Closing Certificate**").

6. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser (or its nominee) clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:
 - (a) the Registrar of the Alberta Personal Property Registry (the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
7. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Auction Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
8. No authorization, approval or other action by and no notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Auction Agreement.
9. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding

Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Closing Certificate pursuant to the Receivership Order.

10. Except as expressly provided for in the Auction Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Auction Transactions, have liability of any kind whatsoever in respect of any Claims against the Debtors.
11. Upon completion of the Auction Transactions, the Debtors and all persons who claim by, through or under the Debtors in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
12. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by, through or against the Debtors.

13. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
14. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after completion of all of the Auction Transactions to the satisfaction of the Receiver.
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the Debtors' past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtors were entitled.

MISCELLANEOUS MATTERS

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

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent

preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

17. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
18. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
19. Service of this Order shall be deemed good and sufficient by:
 - a. Serving the same on:
 - i. the persons listed on the service list created in these proceedings;
 - ii. any other person served with notice of the application for this Order;
 - iii. any other parties attending or represented at the application for this Order;
 - iv. the Purchaser or the Purchaser's solicitors; and
 - b. Posting a copy of this Order on the Receiver's website at: NTD

and service on any other person is hereby dispensed with.

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

The Honourable Justice J.S. Little
Justice of the Court of King's Bench of Alberta

SCHEDULE "A"

FORM OF RECEIVER'S CERTIFICATE

COURT FILE NUMBER 2201-13687

COURT COURT OF KING'S BENCH
OF ALBERTA

JUDICIAL CENTRE CALGARY

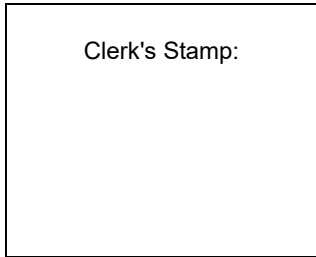
PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS MGT MANAGEMENT INC. and
MGT AGGREGATE PRODUCTS INC.

DOCUMENT **RECEIVER'S CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **MLT AIKINS LLP**
2100 Livingston Place
222 - 3rd Avenue S.W.
Calgary, AB T2P 0B4

Solicitors: Jonathan J. Bouchier/Catrina J. Webster
Telephone: 403.693.4310/4347
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File No.: 0064652.00095



RECITALS

- A. Pursuant to an Order of the Honourable Justice M.H. Hollins of the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated December 2, 2022, BDO Canada Limited was appointed as the receiver (the "**Receiver**") of the undertakings, property and assets of MGT Management Inc. and MGT Aggregate Products Inc. (collectively, the "**Debtors**").
- B. Pursuant to an Order of the Court granted by the Honourable Justice J.S. Little dated June 13, 2023, the Court approved an auction agreement (the "**Auction Agreement**") between the Receiver and McDougall Auctioneers Ltd. respecting the Debtors' assets pursuant to which one or more auction transactions may be completed (the "**Auction Transactions**").
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Auction Agreement.

THE RECEIVER CERTIFIES the following:

1. The Auction Transactions have been completed to the satisfaction of the Receiver.
2. This Certificate was delivered by the Receiver at _____ on _____, 2023.

BDO Canada Limited, in its capacity as Receiver of the undertakings, property and assets of MGT Management Inc. and MGT Aggregate Products Inc., and not in its personal capacity.

Per: _____
Name:
Title:

SCHEDULE "B"

PURCHASED ASSETS

2006 Hyundai Robex 200W-7 Wheel Excavator	N60410322
2015 Komatsu PC290LC-10 Hydraulic Excavator	KMTPC241H54A25799
1992 Mack CH613 Day Cab T/A Fuel Truck	1M2AA13Y4NW019059
Perkins 40KW Genset	
Kubota 20KW Genset	
2015 McCloskey S1903D 5X20 Portable Incline 3 Deck Screening Plant	81596
2012 Allmand Bros Artic Special 20KW S/A Light Tower	5AEA1512DH000107
2012 Komatsu PC450LC-8 Hydraulic Excavator	KMTPC192E54A10278
2006 Nissan Titan LE Ext Cab Pickup Truck	1N6AA06B36N569525
1999 GMC Sierra 1500 SLE Ext Cab Pickup Truck	1GTEK19T4XE5463674
2012 Nissan Titan SL Pickup Truck	1N6AA0EC4CN322552
Kenwood KSC-43 2-Way Radios	
Parker F12-080 Hydraulic Motor/Pump Red Pump	
1994 Dodge Ram 1500 Pickup Truck	3B7HC16XXRM547362
Qty of Shop Tools	
(2) 1500L Fuel Tanks	
Excavator Bucket	
EFI Wheel Loader Fork Attachment	
JRB Wheel Loader Bucket	J000020662-1
Paladin Wheel Loader Fork Attachment	J0000658921
SEC Wrist-O-Twist Excavator Bucket	
AMI Excavator Bucket	
2008 Terex AL4000 S/A Light Tower	4ZJSL141381001003
125KW Genset	C26-3217-608
2005 John Deere 824J Wheel Loader	
2004 CEC Roadrunner 5X12 Track Screener	6325-65

COURT FILE NUMBER [2201-13687](#)

Clerk's Stamp:

COURT COURT OF ~~QUEEN'S~~[KING'S](#) BENCH OF ALBERTA

JUDICIAL CENTRE [CALGARY](#)

PLAINTIFF

[ROYAL BANK OF CANADA](#)

~~DEFENDANT~~[DEFENDANTS](#)

[MGT MANAGEMENT INC. and](#)
[MGT AGGREGATE PRODUCTS INC.](#)

DOCUMENT

**APPROVAL AND VESTING ORDER
(Sale by Receiver)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

[MLT AIKINS LLP](#)
[2100 Livingston Place](#)
[222 - 3rd Avenue S.W.](#)
[Calgary, AB T2P 0B4](#)

Solicitors: [Jonathan J. Bouchier/Catrina J. Webster](#)
Telephone: [403.693.4310/4347](#)
Fax Number: [403.508.4349](#)
File No.: [0064652.00095](#)

DATE ON WHICH ORDER WAS PRONOUNCED: _____

[JUNE 13, 2023](#)

~~LOCATION WHERE ORDER WAS PRONOUNCED:~~ _____

LOCATION OF HEARING OR TRIAL:

= [EDMONTON, ALBERTA](#)

NAME OF JUSTICE WHO MADE THIS ORDER: _____

[JUSTICE J.S. LITTLE](#)

~~UPON THE APPLICATION by [Receiver's Name] in its capacity as the Court appointed [receiver/receiver and manager] (the "Receiver") of the undertakings, property and assets of [Debtor] (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement~~

~~of purchase and sale (the "Sale Agreement") between the Receiver and [Name of Purchaser] (the "Purchaser") dated [Date] and appended to the _____ Report of the Receiver dated [Date] (the "Report"), and vesting in the Purchaser (or its nominee)[†] the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets");~~

UPON THE APPLICATION of BDO Canada Limited ("**BDO**") filed June 5, 2023 (the "**Application**") in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertakings, property and assets of MGT Management Inc. and MGT Aggregate Products Inc. (collectively, the "**Debtors**"), for an Order: (i) approving the McDougall Auctioneers Ltd. proposal (the "**Auction Agreement**") between the Receiver and McDougall Auctioneers Ltd. ("**McDougall**" or the "**Auctioneer**") appended to the Confidential Supplement to the Receiver's First Report dated June 5, 2023; (ii) authorizing the Auctioneer to conduct an auction in accordance with the terms of the Auction Agreement (the "**Auction**"); and (iii) vesting in each purchaser at such Auction (each, a "**Purchaser**"), the Debtors' right, title and interest in and to the assets purchased by such Purchaser at the Auction (in each case, the "Purchased Assets");

AND UPON HAVING READ the Application, the Receivership Order ~~dated [Date] (the "Receivership Order")~~, the First Report of the Receiver dated June 5, 2023 (the "First Report") and the Confidential Supplement to the First Report of the Receiver dated June 5, 2023 (the "Confidential First Report"), and the Affidavit of Service of Nishaljeet Khangura, sworn June 12, 2023; AND UPON IT appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver, ~~the Purchaser [Names of other parties appearing], no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed~~ and all other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

[†] ~~Ensure that there are no legal obstacles to the vesting of assets in a nominee (for example competition and anti-trust law). Should land be transferred and vested in a nominee, the Registrar of Land Titles requires the Purchaser to complete a Certificate of Nomination (which needs to be signed under seal if the Purchaser is a corporation. If the Purchaser is an individual, the signature needs to be witnessed with an affidavit of execution completed.)~~

1. Service of notice of this ~~application~~ Application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.²

APPROVAL OF TRANSACTION

2. The ~~Transaction is hereby approved³ and execution of the Sale Agreement~~ transactions contemplated under the Auction Agreement and the execution by the Receiver ~~is~~ of the Auction Agreement are hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the ~~Transaction~~ Auction and conveyance of the Purchased Assets to the Purchaser (~~or its nominee~~) s) or nominees

VESTING OF PROPERTY

3. Upon:
 - a. the Auctioneer completing a sale to a Purchaser at the Auction of one or more Purchased Assets;
 - b. receipt by the Auctioneer from such Purchaser of the purchase price determined at the Auction; and
 - c. delivery by the Auctioneer to such Purchaser of a bill of sale or similar evidence of purchase and sale (each, a "Purchaser's Bill of Sale").

(each an "Auction Transaction" and collectively, the "Auction Transactions").

² ~~Ensure that the application and supporting materials are served on all affected parties including those whose interests will be vested off.~~

³ ~~In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding. If supported by evidence, the following sentence could be added at the beginning of paragraph 2: "The Transaction and Sale Agreement are commercially reasonable and in the best interest of the Debtor and its stakeholders."~~

~~3. [Subject only to approval by the Alberta Energy Regulator (“Energy Regulator”) of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta)]⁴ upon delivery of a Receiver’s certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule “A”** hereto (the “Receiver’s Closing Certificate”), all of the Debtor’s all of the Debtors’ right, title and interest in and to the Purchased Assets ~~as~~ listed in Schedule “B” ⁵ hereto], as described in the Auction Agreement, shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, “Claims”)⁶ including, without limiting the generality of the foregoing:~~

d. ~~(a)~~ any encumbrances or charges created by the Receivership Order;

e. ~~(b)~~ any charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (Alberta) or any other personal property registry system;

~~(c) any liens or claims of lien under the *Builders’ Lien Act* (Alberta); and~~

⁴ ~~This bracketed clause, paragraph 4(b) and the bracketed words at the end of paragraph 6 are included when the Purchased Assets include mineral interests in land.~~

⁵ ~~To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule B.~~

⁶ ~~The “Claims” being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims may, in some cases, continue as against the net proceeds from sale of the claimed assets. In other cases, the ownership claimant may object to its ownership interest being vested out of the claimed assets. For example, it not clear that vesting orders can vest out overriding royalties or restrictive covenants which are interests in land. (In *Third Eye Capital Corp. v Dianor Resources Inc.*, 2018 ONCA 253 at paragraphs 108-130 the Ont. C.A. requested further argument regarding whether an overriding royalty which is an interest in land may nevertheless be vested out.) Similarly, other claimed rights, titles or interests may potentially be vested out if the Court is advised what rights are being affected and the affected persons are served. The Committee agrees with the view of the Ontario Committee that a non-specific vesting out of “rights, titles and interests” is vague and therefore undesirable.~~

~~(d) those Claims listed in Schedule "C" hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in Schedule "D" (collectively, "Permitted Encumbrances"))~~

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. The Auction Transactions are hereby approved and ratified and it is hereby declared that the Auction Transactions are commercially reasonable.

5. Upon the completion of all of the Auction Transactions to the satisfaction of the Receiver, the Receiver shall file a certificate substantially in the form attached hereto as Schedule "A" certifying that the Auction Transactions have closed (the "Receiver's Closing Certificate").

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

~~(a)⁷ the Registrar of Land Titles ("Land Titles Registrar") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:~~

~~(i) cancel existing Certificates of Title No. * for those lands and premises municipally described as *, and legally described as:~~

~~*
(the "Lands")~~

~~⁷ Paragraph 4(a) is included when the Purchased Assets include titled lands.~~

~~(ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, *;~~

~~(iii) transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; and~~

~~(iv) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;~~

~~(b)⁸ Alberta Energy ("Energy Ministry") shall and is hereby authorized, requested and directed to forthwith:~~

~~(v) cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the Bank Act (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and~~

~~(vi) transfer all Crown leases listed in Schedule "E" to this Order standing in the name of the Debtor, to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances;~~

~~(e)~~ (a) the Registrar of the Alberta Personal Property Registry (the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.

7. ~~5.~~ In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the

~~⁸ Paragraph 4(b) is included when the Purchased Assets include mineral interests in land.~~

terms of this Order and the [Sale Auction](#) Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.

8. ~~6.~~ No authorization, approval or other action by and no notice to or filing with any ~~governmental authority~~ [Governmental Authority](#) or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the [Sale Auction](#) Agreement, ~~[other than any required approval by the Energy Regulator referenced in paragraph 3 above.]~~⁹

~~7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the Land Titles Act, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.~~

9. ~~8.~~ For the purposes of determining the nature and priority of Claims, net proceeds¹⁰ from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets

⁹ ~~The bracketed words in this paragraph are included when the Purchased Assets include mineral interests in land.~~

¹⁰ ~~The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".~~

without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Closing Certificate pursuant to the Receivership Order.

10. ~~9.~~ Except as expressly provided for in the ~~Sale~~Auction Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the ~~Transaction~~Auction Transactions, have liability of any kind whatsoever in respect of any Claims against the ~~Debtor.~~¹¹ Debtors.

11. ~~10.~~ Upon completion of the ~~Transaction~~Auction Transactions, the ~~Debtor~~Debtors and all persons who claim by, through or under the ~~Debtor~~Debtors in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).¹²

12. ~~11.~~ The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the ~~Debtor~~Debtors, or any person claiming by, through or against the ~~Debtor~~Debtors.

¹¹ ~~Successor employer liability is governed by section 5 of the *Employment Standards Code*, RSA 2000 c. E-9 as amended. Inclusion of the words "or by statute" in paragraph 9 ensures that paragraph 9 does not purport to abrogate statutory successor employee liability.~~

¹² ~~Not all sale agreements require, nor do the terms of the Debtor's possession of human resources and payroll information always permit, disclosure and transfer of such information to the Purchaser. If disclosure and transfer of such information to the Purchaser is not required or permitted, then Section 10 of this Order should be deleted.~~

13. ~~12.~~ Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.¹³
14. ~~13.~~ The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after ~~delivery thereof to the Purchaser (or its nominee)~~ completion of all of the Auction Transactions to the satisfaction of the Receiver.
15. ~~14.~~ Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the ~~Debtor's~~ Debtors' past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the ~~Debtor was~~ Debtors were entitled.

MISCELLANEOUS MATTERS

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

¹³ ~~The terms of the Permitted Encumbrance and Sale Agreement should be reviewed to determine whether an encumbrance also constitutes a charge against other assets not being sold (in addition to the Purchased Assets.) In that circumstance, absent agreement of the encumbrancer to the contrary, the Debtor may not be fully discharged so the encumbrancer does not lose its charge over the other assets it holds as security. Do not add the words "or the Debtor" to the end of paragraph 12 if an encumbrancer's claim against the Debtor should be reserved.~~

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

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

18. ~~17.~~ This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

a. ~~(a)~~ Serving the same on:

i. ~~(i)~~ the persons listed on the service list created in these proceedings;

ii. ~~(ii)~~ any other person served with notice of the application for this Order;

iii. ~~(iii)~~ any other parties attending or represented at the application for this Order;

iv. ~~(iv)~~ the Purchaser or the Purchaser's solicitors; and

b. ~~(b)~~ Posting a copy of this Order on the Receiver's website at: * NTD

and service on any other person is hereby dispensed with.

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

The Honourable Justice J.S. Little
Justice of the Court of ~~Queen's~~ King's Bench of
Alberta

Schedule

SCHEDULE "A"

Form of Receiver's Certificate

FORM OF RECEIVER'S CERTIFICATE

COURT FILE NUMBER	<u>2201-13687</u>	Clerk's Stamp:
COURT	COURT OF QUEEN'S <u>KING'S</u> BENCH OF ALBERTA	
JUDICIAL CENTRE	<u>CALGARY</u>	
PLAINTIFF	<u>ROYAL BANK OF CANADA</u>	
DEFENDANT <u>DEFENDANTS</u>	<u>MGT MANAGEMENT INC. and MGT AGGREGATE PRODUCTS INC.</u>	
DOCUMENT	RECEIVER'S CERTIFICATE	
ADDRESS SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	FOR	<u>MLT AIKINS LLP</u> <u>2100 Livingston Place</u> <u>222 - 3rd Avenue S.W.</u> <u>Calgary, AB T2P 0B4</u> <u>Solicitors: Jonathan J. Bouchier/Catrina J. Webster</u> <u>Telephone: 403.693.4310/4347</u> <u>Fax Number: 403.508.4349</u> <u>File No.: 0064652.00095</u>

RECITALS

- A. Pursuant to an Order of the Honourable Justice ~~[Name]~~M.H. Hollins of the Court of ~~Queen's~~King's Bench of Alberta, Judicial District of Calgary (the "Court") dated ~~[Date of Order]~~, ~~[Name of Receiver]~~December 2, 2022, BDO Canada Limited was appointed as the receiver (the "Receiver") of the undertakings, property and assets of ~~[Debtor]~~ (the "Debtor" MGT Management Inc. and MGT Aggregate Products Inc. (collectively, the "Debtors")).

- B. Pursuant to an Order of the Court granted by the Honourable Justice J.S. Little dated ~~[Date]~~ June 13, 2023, the Court approved ~~the~~ an auction agreement ~~of purchase and sale made as of [Date of Agreement]~~ (the "Sale (the "Auction Agreement")") between the Receiver and ~~[Name of Purchaser]~~ (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section * of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver. McDougall Auctioneers Ltd. respecting the Debtors' assets pursuant to which one or more auction transactions may be completed (the "Auction Transactions").
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the ~~Sale~~ Auction Agreement.

THE RECEIVER CERTIFIES the following:

- ~~1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;~~
- ~~2. The conditions to Closing as set out in section * of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and~~
1. ~~3.~~ The ~~Transaction has~~ Auction Transactions have been completed to the satisfaction of the Receiver.
2. ~~4.~~ This Certificate was delivered by the Receiver at ~~{Time} on {Date}~~ _____ on _____, 2023.

~~{Name of Receiver}~~ BDO Canada Limited, in its capacity as Receiver of the undertakings, property and assets of ~~{Debtor}~~ MGT Management Inc. and MGT Aggregate Products Inc., and not in its personal capacity.

Per: _____
Name:
Title:

SCHEDULE "B"

PURCHASED ASSETS

(Added graphics)	W-7 Wheel Excavator	N60410322
	2015 Komatsu PC290LC-10 Hydraulic Excavator	KMTPC241H54A25799
	1992 Mack CH613 Day Cab T/A Fuel Truck	1M2AA13Y4NW019059
	Perkins 40KW Genset	
	Kubota 20KW Genset	
	2015 McCloskey S1903D 5X20 Portable Incline 3 Deck Screening Plant	81596
	2012 Allmand Bros Artic Special 20KW S/A Light Tower	5AEA1512DH000107
	2012 Komatsu PC450LC-8 Hydraulic Excavator	KMTPC192E54A10278
	2006 Nissan Titan LE Ext Cab Pickup Truck	1N6AA06B36N569525
	1999 GMC Sierra 1500 SLE Ext Cab Pickup Truck	1GTEK19T4XE5463674
	2012 Nissan Titan SL Pickup Truck	1N6AA0EC4CN322552
	Kenwood KSC-43 2-Way Radios	
	Parker F12-080 Hydraulic Motor/Pump Red Pump	
	1994 Dodge Ram 1500 Pickup Truck	3B7HC16XXRM547362
	Qty of Shop Tools	
	(2) 1500L Fuel Tanks	
	Excavator Bucket	
	EFI Wheel Loader Fork Attachment	
	JRB Wheel Loader Bucket	J000020662-1
	Paladin Wheel Loader Fork Attachment	J0000658921
	SEC Wrist-O-Twist Excavator Bucket	
	AMI Excavator Bucket	
	2008 Terex AL4000 S/A Light Tower	4ZJSL141381001003
	125KW Genset	C26-3217-608
	2005 John Deere 824J Wheel Loader	
	2004 CEC Roadrunner 5X12 Track Screener	6325-65

Summary report:	
Litera Compare for Word 11.3.1.3 Document comparison done on 6/5/2023 1:01:16 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: revised-alberta-template-approval-and-vesting-order-and-receivers-certif.docx	
Modified filename: Order - MGT re Sale Approval Order (Schedule A).DOCX	
Changes:	
Add	155
Delete	171
Move From	5
Move To	5
Table Insert	0
Table Delete	8
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
Total Changes:	345

Schedule "B"

Proposed Form of Order to Increase Receiver's Charge

COURT FILE NUMBER 2201-13687

Clerk's Stamp:

COURT COURT OF KING'S BENCH
OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS MGT MANAGEMENT INC. and
MGT AGGREGATE PRODUCTS INC.

DOCUMENT **ORDER (INCREASE RECEIVER'S CHARGE)**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

MLT AIKINS LLP
2100 Livingston Place
222 - 3rd Avenue S.W.
Calgary, AB T2P 0B4

Solicitors: Jonathan J. Bouchier/Catrina J. Webster
Telephone: 403.693.4310/4347
Fax Number: 403.508.4349
File No.: 0064652.00095

DATE ON WHICH ORDER WAS PRONOUNCED: JUNE 13, 2023

LOCATION OF HEARING OR TRIAL: EDMONTON, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE J.S. LITTLE

UPON THE APPLICATION of BDO Canada Limited ("**BDO**") filed June 5, 2023 (the "**Application**") in its capacity as the Court-appointed receiver (the "**Receiver**") of all of the current and future assets, undertaking, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of MGT Management Inc. and MGT Aggregate Products Inc. (collectively, the "**Debtors**"), for an Order increasing the Receiver's Charge (as defined in the Receivership Order) from \$200,000.00 to \$500,000.00;

AND UPON HAVING READ the Application, the Receivership Order granted by the Honourable Justice M.H. Hollins on December 2, 2022 (the "**Receivership Order**"), the First Report of the Receiver dated June 5, 2023 (the "**First Report**"), the Confidential Supplement to the First Report of the Receiver dated June 5, 2023 (the "**Confidential First Report**"), and the

Affidavit of Service of Nishaljeet Khangura sworn June 12, 2023; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

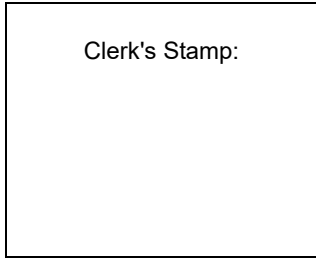
1. The Receiver's Charge (as defined in paragraph 18 of the Receivership Order) is hereby increased to a maximum aggregate amount of \$500,000.00.

The Honourable Justice J.S. Little
Justice of the Court of King's Bench of Alberta

Schedule "C"

Proposed Form of Sealing Order

COURT FILE NUMBER 2201-13687
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF ROYAL BANK OF CANADA
DEFENDANTS MGT MANAGEMENT INC. and MGT AGGREGATE PRODUCTS INC.
DOCUMENT **ORDER (SEALING ORDER)**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
MLT AIKINS LLP
2100 Livingston Place
222 - 3rd Avenue S.W.
Calgary, AB T2P 0B4
Solicitors: Jonathan J. Bouchier/Catrina J. Webster
Telephone: 403.693.4310/4347
File No.: 0064652.00095

DATE ON WHICH ORDER WAS PRONOUNCED: JUNE 13, 2023
LOCATION OF HEARING OR TRIAL: EDMONTON, ALBERTA
NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE J.S. LITTLE

UPON THE APPLICATION of BDO Canada Limited ("**BDO**") filed June 5, 2023 (the "**Application**") in its capacity as the Court-appointed receiver (the "**Receiver**") of all of the current and future assets, undertaking, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of MGT Management Inc. and MGT Aggregate Products Inc. (collectively, the "**Debtors**"), for an Order sealing the Confidential First Report (as defined below);

AND UPON HAVING READ the Application, the Receivership Order granted by the Honourable Justice M.H. Hollins on December 2, 2022 (the "**Receivership Order**"), the First Report of the Receiver dated June 5, 2023 (the "**First Report**"), the Confidential Supplement to the First Report of the Receiver dated June 5, 2023 (the "**Confidential First Report**"), and the

Affidavit of Service of Nishaljeet Khangura, sworn June 12, 2023; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The Confidential First Report is hereby directed to be sealed.
2. The Clerk of the Court is hereby directed to seal the Confidential First Report on the Court file until the earlier of:
 - a. an Order of this Honourable Court directs that the Confidential First Report be filed int his Action; or
 - b. a sale of the Debtors' assets by the Receiver has closed respecting the Confidential First Report and the Receiver files its Receiver's Certificate with the Clerk of the Court confirming a sale of the Debtors' assets has closed.
3. The Clerk of the Court is hereby directed to seal the Confidential First Report in an envelope setting out the style of cause in the within proceedings and labelled:

THIS ENVELOPE CONTAINS A CONFIDENTIAL DOCUMENT. THE CONFIDENTIAL DOCUMENT IS SEALED ON COURT FILE 2201-13687 PURSUANT TO THE ORDER ISSUED BY THE HONOURABLE JUSTICE J.S. LITTLE ON JUNE 13, 2023. THIS CONFIDENTIAL DOCUMENT IS NOT TO BE ACCESSED BY ANY PERSON UNTIL THE EARLIER OF AN ORDER OF THE COURT DIRECTING THAT THE CONFIDENTIAL DOCUMENT BE FILED AND/OR THE FILING OF A RECEIVER'S CERTIFICATE FROM GRANT THORNTON LIMITED, IN ITS CAPACITY AS RECEIVER OF THE DEBTORS, CONFIRMING THIS CONFIDENTIAL DOCUMENT MAY BE FILED.

The Honourable Justice J.S. Little
Justice of the Court of King's Bench of Alberta

MLT AIKINS

WESTERN CANADA'S LAW FIRM

June 5, 2023

VIA EMAIL

TO THE SERVICE LIST

Re: Royal Bank of Canada v. MGT Management Inc. and MGT Aggregate Products Inc.;
Court of King's Bench of Alberta Action No. 2201-13687 (the "Action")

We are counsel to BDO Canada Limited, in its capacity as Receiver and Manager of MGT Management Inc. and MGT Aggregate Products Inc. (the "**Receiver**") in the above-noted Action.

Please find enclosed, for service upon you, unfiled copies of the following materials that we intend to rely on for our Application for a Sale Approval Order, an Order increasing the Receiver's Charge and a Sealing Order (the "**Application**"), scheduled before The Honorable Justice Little on June 13, 2023 at 10:00 a.m.:

1. The Application,
2. First Report of the Receiver dated June 5, 2023; and
3. WebEx Login Information.

The Application materials have been submitted for filing. We will provide proof of filing upon receipt.

Yours truly,

MLT AIKINS LLP



Catrina J. Webster

MLT Aikins LLP
2100 - 222 3rd Avenue SW
Calgary, AB T2P 0B4
T: (403) 693-4300
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Catrina J. Webster
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Direct Line: (403) 693-4347
E-mail: cwebster@mltaikins.com

Nishaljeet Khangura
Legal Assistant

Direct Line: (403) 693-5417
E-mail: nkhangura@mltaikins.com

COURT FILE NUMBER 2201-13687

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS MGT MANAGEMENT INC. and MGT AGGREGATE PRODUCTS INC.

DOCUMENT **SERVICE LIST**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:

MLT AIKINS LLP
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Updated June 5, 2023

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Subject: WEBEX CONFIRMATION - 2201 13687 - ROYAL BANK OF CANADA v. MGT MANAGEMENT INC. - Jun 13, 2023
10:00 AM - LITTLE, J - Confirmed
Date: Friday, June 2, 2023 11:35:24 AM
Attachments: [image001.jpg](#)

[EXTERNAL MESSAGE]



Counsel: Please ensure that all relevant parties have received Webex information.

Virtual Courtroom 86 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom86>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the **Open Cisco Webex Meeting**.
4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

Please connect to the courtroom **15 minutes prior** to the start of the hearing.

Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.

If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.

Note: Recording or rebroadcasting of the video is prohibited.

Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.

For more information relating to Webex protocols and procedures, please visit:

<https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>

You can also join the meeting via the "Cisco Webex Meetings" App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

Thank you,



Corbyn Burik
Commercial Duty Coordinator

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