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COURT FILE NUMBER	2401-01216
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ATB FINANCIAL
DEFENDANTS	APEX NUTRI-SOLUTIONS INC., 2175551 ALBERTA LTD., STEVEN HERBERT, DAVID HERBERT, MURRAY HERBERT, AND CAROLYN HERBERT
APPLICANT	BDO CANADA LIMITED, in its capacity as Interim Receiver of Apex Nutri-Solutions Inc. and Receiver and Manager of APEX NUTRI-SOLUTIONS INC. and 2175551 ALBERTA LTD.
DOCUMENT	**FIFTH REPORT OF THE RECEIVER** **BDO CANADA LIMITED** **AUGUST 17, 2026**

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RECEIVER
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FIFTH REPORT OF THE RECEIVER
BDO CANADA LIMITED
AUGUST 17, 2026

INDEX

APPENDICES

INTRODUCTION

1. On February 20, 2025, upon application by ATB Financial ("**ATB**"), BDO Canada Limited ("**BDO**") was appointed as the interim receiver (the "**Interim Receiver**") in respect of Apex Nutri-Solutions Inc. ("**Apex**") pursuant to an order (the **"IR Order**") granted by the Court of King's Bench of Alberta (the "**Court**"). On March 14, 2025, the Court granted a subsequent order (the "**IR Extension Order**") extending the Termination Date as defined in the IR Order to April 2, 2025.

2. On February 20, 2025, BDO was also appointed as receiver and manager (hereafter, in any such capacity, the "**Receiver**", or specifically in respect of 217 AB (the "**217 Receiver**"), over all of the assets, undertakings and property of 2175551 Alberta Ltd. ("**217 AB**") pursuant to an order (the "**217 AB Receivership Order**") granted by the Court.

3. On March 25, 2025, BDO, as the Interim Receiver of Apex, filed a report, dated March 24, 2025 (the "**Interim Receiver's Report**"), in advance of an application made by ATB at which the Court granted the following relief:

   (a) An order (the "**Apex Receivership Order**") appointing BDO as Receiver (the "**Apex Receiver**") over all of the assets, undertakings and property of Apex which terminated the Interim Receivership pursuant to the IR Order and the IR Extension Order;

   (b) An order (the "**Herbert Receivership Order**") appointing BDO as Receiver (the "**Herbert Receiver**") over certain property of Murray and Carolyn Herbert (hereafter, the "**Herberts**"), including three parcels of land (collectively, the "**Herbert Lands**"), plus all of the Herberts' equipment, inventory, crops, fixtures and other property produced from, found upon or used by the Debtors in connection with the Herbert Lands wherever situate, including all proceeds thereof (collectively, the "**Herbert Property**").

4. On April 14, 2025, the Receiver filed its first report (the "**Receiver's First Report**") providing the Court with, *inter alia*, details of the Receiver's application (the "**Tender Process Application**") seeking the Court's approval of the Receiver's proposed sales process in respect of certain Herbert Property. The Tender Process Application, along with a cross application filed by the Herberts, were adjourned by the Court, *sine die*.

5. On May 1, 2025, the Receiver filed its second report (the "**Receiver's Second Report**") providing the Court with, *inter alia*, details of the Receiver's application, in which it sought and received the Court's approval of an Agreement Respecting Sale between the Receiver and the Herberts dated for reference April 28, 2025, outlining the terms and conditions of the Receiver's consent to an Agriculture Purchase Contract entered into between the Herberts and the Purchasers, dated April 25, 2025, in respect of certain of the Herbert Property.

6. On August 15, 2025, the Interim Receiver and Receiver of the various entities filed its third report (the "**Receiver's Third Report**"), providing the Court with, *inter alia*, details of the Receiver's application, in which it sought and received the Court's approval of:

   (a) The activities of the Interim Receiver, the Herbert Receiver, the Apex Receiver and the 217 AB Receiver as such activities were before the Court;

   (b) The professional fees of the Interim Receiver, the Herbert Receiver, the Apex Receiver and the 217 AB Receiver, together with that of its counsel in each matter;

   (c) The Herbert SRD and the Holdback SRD (as defined therein); and

   (d) The discharge of the Herbert Receiver and termination of those proceedings to be effective upon the Receiver filing a discharge certificate with the Court.

7. On September 15, 2025, the Receiver filed its fourth report (the "**Fourth Report**") providing the Court with, *inter alia*, details of the Receiver's application, in which it sought and received the Court's approval of:

   (a) The activities of the Apex Receiver as such activities were before the Court;

   (b) A transaction (the "**2744 AB Transaction**") between the Receiver and 2744789 Alberta Ltd. to acquire the Receiver's interest in the Apex Shares and Apex Land and Equipment (both as defined below), pursuant to a Reverse Vesting Order ("**RVO**").

8. The purpose of this report (the "**Fifth Report**") is to provide the Court with:

   (a) A brief background on 217 AB and Apex;

   (b) A summary of the material activities of the 217 AB / Apex Receiver subsequent to the Fourth Report;

   (c) Information on the remaining residual assets of Apex;

   (d) An Interim Statement of Receipts and Disbursements, along with projected amounts to completion of the 217 AB and Apex Receivership (the "**Interim and Projected SRD**");

   (e) Details of the additional professional fees and disbursements incurred and forecast to be incurred to completion by the Receiver and its counsel with respect to this matter;

   (f) Details of the proposed distribution of the net proceeds;

   (g) Details of the 217 AB / Apex Receiver's request for its discharge; and

   (h) The Receiver's recommendations thereon.

9. Unless otherwise indicated, capitalized terms not defined in this Fifth Report are as defined in the Affidavit of Mr. Rehman Mulji of ATB sworn on January 5, 2025, the Interim Receiver's Report, the Receiver's First Report, the Supplement to the First Report dated April 17, 2025, the Receiver's Second Report, the Receiver's Third Report, the Receiver's Fourth Report, the 217 AB Receivership Order, the Apex Receivership Order, or the Herbert Receivership Order, as applicable. All references to currency are in Canadian dollars unless otherwise noted.

10. This Receiver's Fifth Report, together with other information and filings regarding these proceedings, will be posted on the Receiver's website at: http://www.bdo.ca/Apex.

TERMS OF REFERENCE

11. In preparing this Fifth Report, the Receiver has relied upon unaudited financial or other information provided by the stakeholders and/or its discussions with stakeholders, and information from industry experts, among other sources of information (the "**Information**").

12. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Handbook. Accordingly, the Receiver expresses no opinion or any other form of assurance in respect of the Information referred to or used in the Fifth Report.

13. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party because of the circulation, publication, reproduction or use of the Fifth Report.

BRIEF BACKGROUND

217 AB

14. 217 AB was established for the sole purpose of purchasing and holding the shares of Apex by the Herbert family. Accordingly, 217 AB's only material asset was the shares of Apex (the "**Apex Shares**"). The Apex Shares were conveyed pursuant to the 2744 AB Transaction approved by the Court.

Apex

15. Apex was incorporated in the Province of Alberta on November 20, 2003. In June of 2019, the Herbert family, through 217 AB, acquired the Apex Shares from the former owners, Calvin and Cheryl Boese.

16. Apex's business activities included crushing canola to make canola oil and meal, extruding to make a component of animal products, roasting soybean meal for animal feed, and raising broiler chickens. These operations ceased prior to the Apex Receivership Order.

17. Apex owned a 21-acre property in Edberg, Alberta, comprising a feed mill facility, poultry barn, and ancillary structures, together with various trucks, tractors, grain storage bins, and tanks used in its former operations (collectively, the "**Apex Land and Equipment**"). The Apex Land and Equipment were conveyed pursuant to the 2744 AB Transaction approved by the Court.

ACTIVITIES OF THE RECEIVER

18. Subsequent to the Fourth Report, the Receiver's activities have included, *inter alia*:

    (a) Closing the 2744 AB Transaction pursuant to the RVO, which as set out earlier conveyed the Apex Shares and the Apex Land and Equipment;

    (b) Reviewing and settling, in consultation with ATB, two (2) insurance-related litigation actions commenced by Apex prior to the receivership proceedings arising from a fire and boiler loss that impaired the Company's ability to continue operations as discussed in further detail herein;

    (c) Sending a demand letter in respect to a related party receivable due from Arable Automation Ltd. in the amount of approximately $38,905 (the "**Arable Receivable**")

    (d) Corresponding with Canada Revenue Agency ("**CRA**") in respect to outstanding income tax and goods and services tax ("**GST**") returns, facilitating a trust audit, and filing outstanding returns with CRA;

    (e) Communicating with key stakeholders, including ATB, creditors and respective counsel with respect to various stakeholder inquiries; and

    (f) Attending to various other administrative matters as it pertains to the receivership.

INSURANCE ACTIONS

19. Prior to the Interim Receivership and Receivership of Apex, and as introduced above, Apex experienced two (2) significant incidents that adversely impacted its operations and ability to continue operations. Apex submitted insurance claims to its insurance provider in respect of these incidents, for which settlements were not reached. As a result, Apex commenced legal proceedings seeking recovery of the losses incurred (collectively, the "**Actions**").

20. The Actions were unresolved or ongoing at the time of the Receiver's appointment, noting that at the time of the Apex Receiver's appointment, the Actions had been underway for approximately two to three years, with the named Defendants therein filing certain opposing materials.

21. Following the Receiver's appointment, the Receiver received settlement offers from the opposing parties named as defendants in respect of both the Actions (collectively, the "**Settlement Offers**").

22. In consultation with its legal counsel, the Apex Receiver reviewed the Settlement Offers and the merits of the same. The Receiver has limited firsthand knowledge of the underlying incidents and claims. The professional costs (in both the Receiver's fees and those of its legal counsel) were expected to be significant. It was uncertain whether or not litigating the Actions would result in a greater recovery than the Settlement Offers, or no recovery at all. Engaging in ongoing litigation could significantly delay the conclusion of the Apex Receivership. Accordingly, the Receiver, in consultation with ATB (the party which would ultimately be funding any litigation costs associated with continuing with the Actions), determined that settlement of the Actions on the terms set out in the Settlement Offers was in the best interests of the Apex Receivership estate.

23. Prior to accepting the Settlement Offers, the Receiver, through its counsel, wrote to the Herberts (via their legal counsel) to advise them of the Settlement Offers and provide them with an opportunity to purchase the Apex Receiver's interest in the Actions for the purposes of pursuing same. No interest or offer was ultimately presented to the Receiver, and no objection to the Settlement Offers was expressed.

24. Accordingly, the Apex Receiver accepted the Settlement Offers, executed mutual releases, and discontinued the Actions. Aggregate settlement proceeds totalled approximately $146,275, which is reflected in the Interim and Projected SRD.

RESIDUAL ASSETS

25. As a result of the 2744 AB Transaction and the settlement of the Actions, the remaining residual assets of Apex include the following (collectively, the "**Residual Assets**"):

    (a) The Arable Receivable;

    (b) An estimated income tax refund in the approximate amount of $50,000; and

    (c) Estimated GST refunds in the approximate amount of $32,000 (in respect of pre-receivership and post-receivership GST amounts due).

26. The Receiver has filed the required outstanding tax returns, and as a result, anticipates that the refunds noted above will be issued in due course from CRA; however, these are ultimately subject to final review and determination by CRA.

27. With respect to the Arable Receivable, the Receiver intends, in consultation with ATB, to continue to pursue collection as long as doing so appears to be in the interests of the receivership estate.

28. Pursuant to the 2744 AB Transaction, among other things, any and all receivables and tax refunds or credits attributable to any period prior to Closing, were "Excluded Assets" therein. Therefore, these are realizable by the Apex Receiver.

PROFESSIONAL FEES

29. Since the last fee approval request of and subsequent approval by the Court of same:

    (a) The Receiver has accrued additional professional fees in the amount of approximately $47,319, for the period of August 1, 2025, through to August 6, 2026, related to the 217 AB / Apex Receivership; and

    (b) The Receiver's legal counsel has accrued additional professional fees and disbursements of approximately $10,196 plus $509 in GST, for a total of approximately $10,705, for the period of December 1, 2025, through to June 30, 2026, related to the Apex Receivership.

30. Copies of the foregoing invoices rendered by the Receiver and its legal counsel, for which approval is sought, are available to the Court upon request.

31. Subject to the Court's approval of the relief being sought herein, the Receiver and its counsel are estimating further additional professional fees or a proposed holdback of proceeds to conclude the receivership administration in the aggregate total of approximately $40,000 (collectively, the "**Estimates to Complete**" or the "**Holdback**").

32. The Receiver believes that the foregoing professional fees of the Receiver and its legal counsel, inclusive of the Estimates to Complete (collectively, the "**Professional Fees**"), are fair and reasonable in the circumstances, as supported by the material activities set out earlier in this report and the additional actions required to fully conclude the 217 AB / Apex Receivership. Accordingly, the Receiver respectfully recommends that the Court approve the Professional Fees.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

33. The Receiver has prepared the Interim and Projected SRD which is attached as **Appendix "A"**. As set out therein, the Receiver is holding approximately $1,151,767 as of August 14, 2026.

34. Following the payment of the Professional Fees, and repayment of the Receiver's Borrowings, however prior to any further recovery of the Residual Assets as may be applicable, the Receiver anticipates there being $1,013,743 to distribute (the "**Distributable Proceeds**").

PROPOSED DISTRIBUTION

35. As indicated in the previous reports of the Receiver, ATB was granted various security interests over the assets of Apex and 217 AB, together with guarantees from David Herbert, Murray Herbert and Carolyn Herbert secured by certain personal property of the guarantors.

36. Following the sale of certain lands owned by Murray and Carolyn Herbert and the satisfaction of the obligations of Murray and Carolyn Herbert to ATB which had been secured by those properties, ATB advises that as of August 11, 2026, it is owed approximately $1,513,189, plus accruing interest and costs, and plus all amounts advanced to fund the Receivership and secured by the Receiver's Borrowings Charge.

37. The Receiver's legal counsel has conducted a review of ATB's security as against Apex and 217 AB and has confirmed that it is valid and enforceable, subject to customary qualifications and assumptions contained in such opinions.

38. The Receiver is not aware of any creditors with claims ranking ahead of ATB.

39. Accordingly, the Receiver is seeking the Court's approval to distribute the Distributable Proceeds to ATB on account of its secured indebtedness. Additionally, to the extent that there are any further recoveries in respect of the Residual Assets or otherwise funds that may become available attributable to the Apex Receivership estate, the Receiver seeks approval of the Court to distribute these additional proceeds received by the Receiver to ATB up to the total quantum of its secured claim.

40. As a result of the shortfall on ATB's secured indebtedness, as set out herein, there will be no distributions to any unsecured creditors.

DISCHARGE

41. Subject to additional realizations in respect to the Residual Assets and the proposed distribution to ATB, the Receiver will have substantially completed its administration of the 217 AB / Apex Receivership.

42. As a result, the Receiver is seeking the Court's approval for its discharge as Receiver of 217 AB and Apex, and termination of these proceedings upon the filing of the Receiver's Discharge Certificate.

RECOMMENDATIONS

43. The Apex Receiver respectfully recommends that this Honourable Court approve:

   (a) The activities of the 217 AB / Apex Receiver as reported herein;

   (b) The Interim and Projected SRD;

   (c) The Professional Fees;

   (d) The proposed distribution to ATB as set out herein; and

   (e) The final discharge of the Receiver and termination of the proceedings, upon the filing of a Receiver's Discharge Certificate.

All of which is respectfully submitted this 17 day of August, 2026.

BDO Canada Limited
In its capacity as Receiver of Apex Nutri-Solutions Inc.
and 2175551 Alberta Ltd.
and not in its personal or corporate capacity.

Per: Breanne Scott

Breanne Scott, CPA, CIRP, LIT
Senior Vice President

APPENDIX “A”

In the Matter of the Receivership of
Apex Nutri-Solutions Inc. and 2175551 Alberta Ltd.
Schedule of Receipts and Disbursements to August 14, 2026 and Projected to Conclusion

Receipts		
Sale of assets	$	1,200,000
Settlement proceeds re insurance claims		146,275
Receiver's borrowings		40,000
Cash proceeds		36,812
Insurance refund		14,251
Interest earned on funds in trust		14,737
		1,452,075
Disbursements		
Legal fees and disbursements		117,213
Receiver's fees		106,248
Insurance		42,616
Property tax		9,515
Utilities		8,462
Appraisal fees		8,000
GST paid on disbursements		6,512
Travel expense		1,249
Ascend/filing fees		493
		300,308
Cash in trust at August 14, 2026	**$**	**1,151,767**
Projected Disbursements		
Receiver fees:		
Accrued but unpaid		47,319
Estimate to Complete		20,000
Legal counsel fees:		
Billed but unpaid		10,705
Estimate to Complete		20,000
Repayment of Receiver's borrowings		40,000
		138,024
Estimated net funds available for distribution	**$**	**1,013,743**
Proposed Distribution		(1,013,743)
Net funds available following distribution to ATB	**$**	**-**

Notes:

1 Receiver / Legal Fees - Included in the figures above are professional fees paid (and approved by the Court) in connection with the Apex Interim Receivership, totalling $40,083 in Interim Receiver fees and $6,621 (plus GST) in legal counsel fees.

2 Residual Assets/Additional Potential Recoveries - To the extent that the Receiver realizes on the Residual Assets, these additional proceeds will be issued to ATB in due course.

3 Receiver's Borrowings - Repayment of Receiver's Borrowings excludes interest applicable pursuant to the Receiver's Certificate.