

Form 6-5
(Subrule 6-5(1))

COURT FILE NUMBER KBG-SA-01084-2025

COURT OF KING'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE SASKATOON

APPLICANT **BUFFALO RIVER DEVELOPMENT LP, by its
general partner BUFFALO RIVER
ENTERPRISES CORP.**

RESPONDENTS **THREEOSIX INDUSTRIAL SERVICES INC.,
102056994 SASKATCHEWAN LTD.,
THREEOSIX MINING SERVICES INC., AND
BL CONSTRUCTION SERVICES LTD.**

**IN THE MATTER OF THE RECEIVERSHIP OF
THREEOSIX INDUSTRIAL SERVICES INC., 102056994 SASKATCHEWAN LTD.,
THREEOSIX MINING SERVICES INC., AND BL CONSTRUCTION SERVICES LTD.**

NOTICE OF APPLICATION
(Sale Approval, Vesting and Other Relief)

NOTICE TO MEMBERS OF THE SERVICE LIST

This Application is made against you. You are a Respondent. You have the right to state your side of this matter before the Court.

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

Where: **Court of King's Bench
520 Spadina Crescent
Saskatoon, SK S7K 3G7**

Date: **Monday, December 15, 2025**

Time: **9:00 a.m. (Saskatchewan Time)**

(Read the Notice at the end of this document to see what else you can do and when you must do it.)

Remedy claimed or sought:

1. The applicant, BDO Canada Limited (the “**Receiver**”), in its capacity as Court-appointed receiver of all the assets, undertakings and property of the Respondents, ThreeOSix Industrial Services Inc. (“**Threeosix**”), 102056994 Saskatchewan Ltd. (“**994 Sask Ltd.**”), ThreeOSix Mining Services Inc. (“**Mining Services**”), and BL Construction Services Ltd. (“**Construction Services**”, together with Threeosix, 994 Sask Ltd., and Mining Services, the “**Debtors**”), seeks four (4) orders in this application.

2. The first order sought is a Sale Approval and Vesting Order in respect of the Alamos Mine Site Equipment (as that term is defined in the First Report of the Receiver dated December 9, 2025 (the “**First Report**”)) (the “**Alamos SAVO**”):

- (a) deeming service of the Receiver’s notice of application and supporting materials (collectively, the “**Application Materials**”) to be good, timely, and sufficient;
- (b) approving the sale transaction (the “**Alamos Equipment Transaction**”) contemplated in the First Report of the Receiver between the Receiver, as vendor, and McDougall Auctioneers Ltd. (the “**Alamos Equipment Purchaser**”), as purchaser, for the sale of the Debtors’ right, title, and interest in and to the assets as described in the First Report (the “**Alamos Equipment**”);
- (c) declaring the Alamos Equipment Transaction to be commercially reasonable and in the best interest of the Debtors and its creditors and other stakeholders;
- (d) authorizing and directing the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Alamos Equipment Transaction or for the conveyance of the Alamos Equipment to the Alamos Equipment Purchaser, subject to such amendments as the Receiver and the Alamos Equipment Purchaser may agree upon;
- (e) declaring that:
 - (i) upon delivery of the Receiver’s Certificate (as defined in the Alamos Equipment SAVO) all of the Debtors’ right, title, and interest in and to the Alamos Equipment shall, save and except for the Permitted Encumbrances (as defined in the Alamos Equipment SAVO), vest absolutely in the name of the Alamos Equipment Purchaser free and clear of and from any and all security interests, liens, judgments, enforcement charges, levies, charges, or other financial or monetary claims, and all rights of others;
 - (ii) the Net Sale Proceeds (as described in the Alamos Equipment SAVO) shall stand in place and stead of the Alamos Equipment; and,

- (iii) from and after delivery of the Receiver's Certificate to the Alamos Equipment Purchaser all Encumbrances (as defined in the Alamos Equipment SAVO) and all rights of others shall attach to the Net Sale Proceeds with the same priority as they had with respect to the Alamos Equipment immediately prior to the sale;
 - (f) granting such further and other relief as counsel may request and this Honourable Court may allow.
- 3. The second order sought is a Sale Approval and Vesting Order in respect of the Rocanville Mine Site Equipment (as that term is defined in the First Report) (the "**Mining Equipment SAVO**"):
 - (a) deeming service of the Application Materials to be good, timely, and sufficient;
 - (b) approving the sale transaction (the "**Mining Equipment Transaction**") contemplated by the asset purchase agreement dated December 7, 2025 (the "**Mining Equipment APA**") between the Receiver, as vendor, and Impact Mining & Consulting Inc. (the "**Mining Equipment Purchaser**"), as purchaser, a copy of which is appended as **Appendix B** to the First Confidential Supplement (as defined below) of the Receiver, for the sale of the Debtors' right, title, and interest in and to the assets as described in the Mining Equipment APA (the "**Mining Equipment**");
 - (c) declaring the Mining Equipment Transaction to be commercially reasonable and in the best interest of the Debtors and its creditors and other stakeholders;
 - (d) authorizing and directing the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Mining Equipment Transaction or for the conveyance of the Mining Equipment to the Mining Equipment Purchaser, subject to such amendments as the Receiver and the Mining Equipment Purchaser may agree upon;
 - (e) declaring that:
 - (i) upon delivery of the Receiver's Certificate (as defined in the Mining Equipment SAVO) all of the Debtors' right, title, and interest in and to the Mining Equipment shall, save and except for the Permitted Encumbrances (as defined in the Mining Equipment SAVO), vest absolutely in the name of the Mining Equipment Purchaser free and clear of and from any and all security interests, liens, judgments, enforcement charges, levies, charges, or other financial or monetary claims, and all rights of others;

- (ii) the Net Sale Proceeds (as described in the Mining Equipment SAVO) shall stand in place and stead of the Mining Equipment; and,
 - (iii) from and after delivery of the Receiver's Certificate to the Mining Equipment Purchaser, all Encumbrances (as defined in the Mining Equipment SAVO) and all rights of others shall attach to the Net Sale Proceeds with the same priority as they had with respect to the Mining Equipment immediately prior to the sale;
- (f) granting such further and other relief as counsel may request and this Honourable Court may allow.

4. The third order sought is a Sale Approval and Vesting Order in respect of the Premises Equipment (as that term is defined in the First Report) (the "**Premises Equipment SAVO**", and together with the Alamos Equipment SAVO and the Mining Equipment SAVO, the "**SAVOs**");

- (a) deeming service of the Application Materials to be good, timely, and sufficient;
- (b) approving the auction proposal (the "**Premises Equipment Transaction**") contemplated by the auction proposal between the Receiver, as vendor, and McDougall Auctioneers Ltd. (the "**Premises Equipment Auction Proposal**"), as auctioneer (the "**Premises Equipment Auctioneer**"), a copy of which is appended as **Appendix D** to the First Confidential Supplement (as defined below) of the Receiver, for the sale of the Debtors' right, title, and interest in and to the assets as described in the Premises Equipment Auction Proposal (the "**Premises Equipment**" and together with the Alamos Equipment and the Mining Equipment, the "**Equipment**");
- (c) declaring the Premises Equipment Transaction to be commercially reasonable and in the best interest of the Debtors and its creditors and other stakeholders;
- (e) authorizing and directing the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Premises Equipment Transaction or for the conveyance of the Premises Equipment to the Premises Equipment Auctioneer, subject to such amendments as the Receiver and the Premises Equipment Auctioneer may agree upon;
- (f) declaring that:
 - (i) upon delivery of the Receiver's Certificate (as defined in the Premises Equipment SAVO) all of the Debtors' right, title, and interest in and to the Premises Equipment shall, save and except for the Permitted Encumbrances (as defined in the Premises Equipment SAVO), vest absolutely in the name of the Premises Equipment Auctioneer free and clear of and from any and all security interests,

liens, judgments, enforcement charges, levies, charges, or other financial or monetary claims, and all rights of others;

(ii) the Net Sale Proceeds (as described in the Premises Equipment SAVO) shall stand in place and stead of the Premises Equipment; and

(iii) from and after delivery of the Receiver's Certificate to the Premises Equipment Auctioneer, all Encumbrances (as defined in the Premises Equipment SAVO) and all rights of others shall attach to the Net Sale Proceeds with the same priority as they had with respect to the Premises Equipment immediately prior to the sale;

(f) granting such further and other relief as counsel may request and this Honourable Court may allow.

5. The fourth order sought is an Order (Sealing and Other Relief) (the "**Sealing Order**");

(a) sealing the Confidential Supplemental to the First Report of the Receiver dated December 9, 2025 (the "**First Confidential Supplement**") until filing of the Receiver's Certificates indicating the Sale Transactions have closed or further order of the Court;

(b) approving the First Report, and the actions and activities of the Receiver described therein, including the Receiver's interim statement of receipts and disbursements;

(c) approving the fees and disbursements of the Receiver and its legal counsel as set out in the First Report without the necessity of a formal passing of its accounts;

(d) granting such further and other relief as counsel may request and this Honourable Court may allow.

Grounds for making this application:

A. The SAVOs

6. Paragraph 3(k) of the Receivership Order dated September 11, 2025 (the "**Receivership Order**") empowers and authorizes the Receiver to "*market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.*"

7. Once appointed, the Receiver exercised its powers and has undertaken the following three (3) sale processes (the “**Sale Processes**”) for sale of the equipment owned by the Debtors, namely:

- (a) the Alamos Mine Site Equipment sale process;
- (b) the Mining Equipment sale process; and,
- (c) the Premises Equipment sale process.

The Sale Processes have been taken in consultation with Buffalo River Enterprises Corp. (“**BREC**”) and Royal Bank of Canada (“**RBC**”) who have approved the Sales Processes subject to obtaining court approval.

8. The Receiver is of the view that the sale transactions are fair and reasonable in the circumstances and is recommending the Alamos Equipment Transaction, the Mining Equipment Transaction, and the Premises Equipment Transaction (collectively, the “**Sale Transactions**”) premised on the following:

- (a) each of the Sale Transactions represents the superior offer submitted during the respective Sale Processes;
- (b) the Sale Transactions are expected to provide equivalent and/or superior net realizations for the equipment to what would be expected in a bankruptcy scenario, based on the Receiver’s past experience with similar equipment;
- (c) the Sale Transactions limit the ongoing costs of holding, monitoring, and demobilizing the Equipment;
- (d) RBC and BREC are the primary secured creditors with approximately \$3.1 million and \$11.6 million of debt owing, respectively, as at the Date of Receivership. Although BREC (and possibly RBC) will incur a significant loss on the Sale Transactions, the Sale Transactions will maximize recoveries in the circumstances;
- (e) the Sale Transactions provide certainty of outcome in an uncertain market;
- (f) the Sale Processes were conducted in a fair and transparent manner, and with integrity; and,
- (g) the Receiver discussed and shared all the offers received during the Sale Processes with RBC and BREC, and both parties are supportive of the Sale

Transactions.

B. The Sealing Order

(i) Sealing

9. The sealing of the First Confidential Supplement is being sought so as to avoid prejudicing future efforts to sell the Equipment if, for example, the Court does not approve the Sale Transactions or the Sale Transactions do not close after approval is granted.

10. The case law recognizes that the integrity of these commercial interests are important public interests that are worthy of protection. The sealing order being sought is necessary to avoid the risks to these interests described in the preceding paragraph. Unredacted versions of the documents are attached to the First Confidential Supplement. There are no reasonable alternative measures by which the Receiver can introduce this information into evidence while also maintaining the confidentiality of the commercially sensitive information. Accordingly, as a matter of proportionality, the benefits of the sealing order outweigh its negative effects.

(ii) Approval of the First Report and Actions

11. The Receiver's activities are detailed in the First Report and include:

- (a) attended onsite at the four (4) locations to take possession and control of the Property, and arranged for the locks to be changed at the Saskatoon Premises and Edmonton Premises;
- (b) arranged for ongoing periodic attendance at the Saskatoon Premises and mobile security patrols at the Edmonton Premises;
- (c) arranged with certain former employees to assist the Receiver on an as needed basis;
- (d) corresponded with various insurers to have the Receiver added as a named insured in respect of the Property, and to ensure ongoing property and general liability coverage was in place where coverage was allegedly cancelled;
- (e) arranged for the redirection of mail;
- (f) completed statutory reporting and notice requirements under the *Bankruptcy and Insolvency Act* (the “**BIA**”);

- (g) administered the statutory filings under the *Wage Earner Protection Program Act* for former employees;
- (h) corresponded with various third-parties who asserted an interest in certain property and released the Receiver's interest therein as appropriate;
- (i) compiled customer account details with the assistance of Management, and provided collection notices to all of the Debtors' customers with outstanding accounts;
- (j) corresponded with various customer account holders and involved the Receiver's legal counsel as necessary;
- (k) corresponded with the Receiver's legal counsel and various legal counsel(s) representing plaintiffs and/or defendants in the extant litigation matters involving the Debtors;
- (l) facilitated the Sale Processes for the Alamos Mine Site Equipment, the Rocanville Mine Site Equipment, and the Premises Equipment; and,
- (m) prepared, reviewed, and finalized the First Report and the First Confidential Supplement.

12. On the evidence before the Court, the Receiver has carried out its mandate honestly, in good faith, and in compliance with the Receivership Order and the duties imposed upon the Receiver by section 247 of the BIA, *The King's Bench Act*, SS 2023, c 28 (the "**KB Act**"), and the common law.

Material or evidence to be relied on:

13. In making this application, the Receiver relies on:
- (a) all pleadings, proceedings and materials filed in the within action;
 - (b) the Receivership Order and the materials filed in support thereof;
 - (c) the First Report of the Receiver and the First Confidential Supplement filed in the within proceeding;
 - (d) proposed forms of the SAVOs and Sealing Order;
 - (e) the Receiver's brief of law, to be served and filed in accordance with Rule 6-15(b) of *The King's Bench Rules*;
 - (f) Affidavit of Service;

- (g) proof of compliance with General Application Practice Directive #3; and,
- (h) such further and other materials as this Honourable Court may allow.

Applicable Rules:

- 14. The Receiver relies on Rules 6-9, 13-7, and 3-84(2) in making this application.

Applicable Acts and Regulations:

- 15. *The KB Act*, section 3-4;
- 16. *The Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, section 243(1)(c) and 247;
- 17. *The Personal Property Security Act, 1993*, SS 1993, c P-6.2 section 63; and
- 18. Such further acts and regulations as counsel for the Receiver may advise and this Honourable Court may permit.

DATED at Saskatoon, Saskatchewan, this 9th day of December, 2025.

McKERCHER LLP

Per: _____


**Solicitors for the Applicant,
BDO Canada Limited**

NOTICE

If you do not come to Court either in person or by your lawyer, the Court may give the applicants what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an Affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

CONTACT INFORMATION AND ADDRESS FOR SERVICE:

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