

IN THE SUPREME COURT OF THE NORTHWEST TERRITORIES

BETWEEN:

NORTHWEST TERRITORIES BUSINESS DEVELOPMENT AND INVESTMENT CORPORATION

Plaintiff

- and -

TAIGA SPORTS FISHING LTD. o/a BLACHFORD LAKE LODGE

Defendant

BEFORE THE HONOURABLE  
JUSTICE Justice A.M. Mahar  
IN CHAMBERS

) Dated at the City of Yellowknife, in the  
) Northwest Territories, this 24<sup>th</sup> day of  
) November, 2023.

APPROVAL AND VESTING ORDER

UPON THE APPLICATION by BDO Canada Limited, in its capacity as the Court-appointed receiver and manager (the “Receiver”) of the undertakings, property and assets of the Defendant, Taiga Sports Fishing Ltd. o/a Blachford Lake Lodge (the “Debtor”) for an order approving the sale transaction (the “Transaction”) contemplated by an offer to purchase (the “Sale Agreement”) between the Receiver and Arctic Kingdom Polar Expeditions, Inc. (the “Purchaser”) dated August 4, 2023, as amended from time to time, and appended to the Second Report of the Receiver dated November 17, 2023 (the “Second 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”);

AND UPON HAVING READ the Receivership Order dated May 12, 2023 (the “Receivership Order”), the Report and the Affidavit of Service; AND UPON HEARING the submissions of counsel for the Receiver and the Purchaser; AND UPON:

\_\_\_\_\_ no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

\_\_\_\_\_ hearing from Counsel for \_\_\_\_\_;

\_\_\_\_\_ hearing from the Respondent \_\_\_\_\_;

**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.

**DEFINED TERMS**

2. All capitalized terms not defined herein shall have the meanings ascribed to them as set out in the Sale Agreement or the Receivership Order.

**APPROVAL OF TRANSACTION**

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

**VESTING OF PROPERTY**

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 right, title and interest in and to the Purchased Assets, 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**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act*, SNWT 1994, c. 8 (NWT) or any other personal property registry system;
- (c) any liens or claims of lien under the *Land Titles Act*, RSNWT 1988, c. 8 (Supp) (NWT);
- (d) any liens or claims of lien under the *Mechanics' Lien Act*, RSNWT 1988, M-7 (Northwest Territories); and
- (e) those Claims listed in **Schedule "B"** 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 "C"** (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

5. 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 Department of Environment and Climate Change of the Government of the Northwest Territories (“**Department**”) shall and is hereby authorized, requested and directed to forthwith:
- (i) accept this Order as if it were an original and properly executed unconditional assignment of lease for the purposes of s. 14 of the *Northwest Territories Lands Regulation*, R-018-2014;
  - (ii) Approve and register the assignment of the Lease from the Debtor to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances;
  - (iii) cancel and discharge those Claims including mortgages, mechanic’s 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 Northwest Territories; and,
  - (iv) Approve and register any mortgage(s) or other security granted by the Purchaser for the Lease that are submitted to the Department simultaneously with this Order, with no intervening registrations except as permitted by the Receiver;
- (b) The Department may require that, within 2 years of the registration of the assignment of Lease, the Purchaser shall arrange for a survey (the “Survey”) to be conducted of the boundaries of the lands under the Lease (the “Lands”) in accordance with the instructions of the Surveyor General and suitable for recording in the Land Titles Office of the Northwest Territories (the “LTO”);
- (c) the Registrar of the Northwest Territories Personal Property Registry (the “**PPR Registrar**”) shall and is hereby directed to forthwith cancel and discharge any registrations at the Northwest Territories 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.

6. 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 Sale 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.
7. 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 Sale Agreement.
8. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Governmental Authorities and notwithstanding that the appeal period in respect of this Order has not elapsed. The Governmental Authorities are 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. 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 Certificate pursuant to the Receivership Order.

10. The Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
11. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor 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 Debtor, or any person claiming by, through or against the Debtor.
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 delivery thereof to the Purchaser (or its nominee).
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), the Receiver is authorized and permitted to disclose and

transfer to the Purchaser (or its nominee) all human resources, payroll and previous and prospective guest information in the Debtor's records pertaining to the Debtor's past and current employees as well as previous and prospective guests. 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 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 Debtor and shall not be void or voidable by creditors of the Debtor, 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 complementary 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:  
[www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/blachford](http://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/blachford)  
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.

D/Clerk of the Supreme Court of the  
Northwest Territories

ENTERED the 24<sup>th</sup> of November, 2023.

**P. DAVISON**

D/Clerk of the Supreme Court of the Northwest  
Territories

I hereby certify that the foregoing is a  
true copy of the original of which it  
purports to be a copy.

*P. Davison*  
CLERK OF THE SUPREME COURT



**Schedule "A"**

**Form of Receiver's Certificate**

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Plaintiff

- and -

**TAIGA SPORTS FISHING LTD. o/a BLACHFORD LAKE LODGE**

Defendant

**RECEIVER'S CERTIFICATE**

**RECITALS**

- A. Pursuant to an Order of the Honourable Justice A.M. Mahar of the Supreme Court of the Northwest Territories (the "Court") dated May 12, 2023, BDO Canada Limited was appointed as the receiver (the "Receiver") of the undertakings, property and assets of Taiga Sports Fishing Ltd. o/a Blachford Lake Lodge (the "Debtor").
- B. Pursuant to an Order of the Court dated November 24, 2023, the Court approved the agreement of purchase and sale made as of August 4, 2023 (the "Sale Agreement") and amended from time to time between the Receiver and Arctic Kingdom Polar Expeditions, Inc. (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 7 of the Sale

Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale 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 7 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

**BDO Canada Limited, in its capacity as Receiver of the undertakings, property and assets of Taiga Sports Fishing Ltd., o/a Blachford Lake Lodge and not in its personal capacity.**

Per; \_\_\_\_\_

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**Name:**

**Title:**

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Defendant

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**RECEIVER'S CERTIFICATE**

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Lindsey Miller  
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**Schedule "B"**

**Claims**

**PERSONAL PROPERTY**

- a) **Northwest Territories Personal Property Registry registrations:**
- i) **Registration 124479** claiming an interest in all present and after acquired personal property of the Debtor in favour of the Plaintiff registered on **2002-10-11** and expiring **2038-10-11**.
  - ii) **Registration 1450888** claiming an interest in all present and after acquired personal property of the Debtor in favour of the **Bank of Montreal** registered on **2018-01-26** and expiring **2028-01-26**.
  - iii) **Registration 1451253** claiming an interest in all present and after acquired personal property of the Debtor in favour of the **Bank of Montreal** registered on **2018-01-29** and expiring **2028-01-29**.
  - iv) **Registration 1652287** claiming an interest in all present and after acquired personal property of the Debtor in favour of the Plaintiff registered on **2020-04-20** and expiring **2025-04-20**.
  - v) **Registration 1657148** claiming an interest in all present and after acquired personal property of the Debtor in favour of the Plaintiff registered on **2020-05-14** and expiring **2045-05-14**.
  - vi) **Registration 1853462** claiming an interest in all present and after acquired personal property of the Debtor in favour of **Air Tindi Ltd.** registered on **2022-04-26** and expiring **2027-04-26**.

**LEASE**

- a) **Encumbrances registered against NWT Lease No.: 85 I/2-1-21 (the "Lease"):**
- i) Mortgage between the Debtor and the Plaintiff dated November 12, 1999 in the amount of \$579,000.00
  - ii) Mortgage between the Debtor and the Plaintiff dated September 30, 2002 in the amount of \$814,314.00
  - iii) Mortgage between the Debtor and the Plaintiff dated April 29, 2020 in the amount of 298,900.00

**Schedule "C"**

**Permitted Encumbrances**

- a) Those reservations specified pursuant to the terms of the Lease.

S-1-CV-2023-000-151

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**APPROVAL AND VESTING ORDER**

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