



No. S-230764
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ROYAL BANK OF CANADA

PLAINTIFF

AND:

CANWEST AEROSPACE INC.
CAN WEST GLOBAL AIRPARTS INC.
THOMAS GEORGE JACKSON

DEFENDANTS

ORDER MADE AFTER APPLICATION
(APPROVAL AND REVERSE VESTING ORDER)

BEFORE THE HONOURABLE)
JUSTICE GOMERY) April 10, 2024

ON THE APPLICATION of Deloitte Restructuring Inc., in its capacity as Receiver and Receiver and Manager (in such capacity, the “**Receiver**”) of Canwest Aerospace Inc. and Can West Global Airparts Inc. (together, the “**Company**”), coming on for hearing at Vancouver, British Columbia on April 2, 2024; **AND ON HEARING** Lisa Hiebert, counsel for the Receiver, and those other counsel listed on **Schedule “A”** hereto; **AND UPON READING** the material filed including, among other things, the Receiver’s First Report, dated November 10, 2023 (the “**First Report**”) and the Receiver’s Second Report dated March 19, 2024 (the “**Second Report**” and together with the First Report, the “**Reports**”); **AND PURSUANT TO** the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended (the “**BIA**”), the *British Columbia Supreme Court Civil Rules* and the inherent jurisdiction of this Honourable Court; **AND UPON** judgment reserved to with reasons released on April 10, 2024;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE

1. The time for service of the Notice of Application and supporting materials for this Order is hereby abridged such that the Notice of Application is properly returnable April 2, 2024, and service thereof upon any interested party other than those listed on the Service List is hereby dispensed with.

DEFINITIONS

2. Unless otherwise indicated or defined herein, capitalized terms used in this Order shall have the meanings given to them in the Subscription Agreement dated March 8, 2024 between the Receiver and 0854271 B.C. Ltd. and 2155531 Ontario Inc. (together, the “**Purchaser**”) attached as **Schedule “B”** (as may be amended, supplemented or otherwise modified from time to time in accordance with the terms of that agreement and this Order, the “**Agreement**”).

APPROVAL AND VESTING

3. The Agreement and the transactions contemplated therein (collectively, the “**Transactions**”) are hereby approved, and the Agreement is hereby declared to be commercially reasonable. The Receiver is hereby authorized and directed to perform its obligations under the Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions, including cancellation of the Existing Shares and the issuance of the Subscribed Shares to the Purchaser, including any additional documents contemplated by the Agreement or required to implement the Transactions.

4. This Order shall constitute the only authorization required by the Receiver to proceed with the Transactions including, without limitation, no director, shareholder or other approval shall be required and no authorization, approval or other action or filing is required for the due execution, delivery and performance by the Receiver and the Purchaser of the Agreement and the completion of the Transactions.

5. The following shall occur and shall be deemed to have occurred at the Effective Time (as defined below), all in accordance with the Closing Sequence set out in the Agreement and the steps contemplated thereunder:

- (a) the Purchaser shall pay to the Receiver the balance of the Transaction Price, being US\$620,000, to be held in escrow on behalf of the Company, and to be dealt with in accordance with this Closing Sequence;
- (b) 1206546 B.C. Ltd. (“**Residual Co.**”) shall be added as a Defendant in these Receivership Proceedings and all references in any Order of this Court in respect of these receivership proceedings to (i) the “Company” shall refer to and include Residual Co., *mutatis mutandis*, and (ii) “Property” shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Residual Co., as applicable, including the Excluded Assets (the “**Residual Co. Property**”), and, for greater certainty, each of the charges granted by the Receivership Order made in these proceedings on August 29, 2023 and charges granted by the orders made in Action No. S-231354 shall constitute charges on the Residual Co. Property;
- (c) the Company shall transfer to and Residual Co. shall assume the Excluded Assets, the Excluded Contracts, and the Excluded Liabilities, and all Claims and Encumbrances, other than the Permitted Encumbrances (as defined in the Agreement and as also listed on Schedule “C” hereto), shall be discharged from and against the Company, all in accordance with this Order;
- (d) all of the Company’s right title and interest in and to the Excluded Liabilities, all Claims and Encumbrances, but specifically excluding the Assumed Liabilities and Permitted Encumbrances, shall be channeled to, assumed by and vest absolutely and exclusively in Residual Co., such that: (i) such Excluded Liabilities, Claims, and Encumbrances shall continue to attach to the Excluded Assets, the Excluded Contracts, and all other property and assets of the Residual Co., with the same nature and priority as they had immediately prior to the Effective Time; (ii) such Excluded Liabilities, Excluded Contracts, Claims, and Encumbrances shall be transferred to and assumed by Residual Co. in consideration for the Transaction Price, such that the Excluded Liabilities, Excluded Contracts, and all Claims and Encumbrances (other than the Assumed Liabilities and Permitted Encumbrances)

shall become obligations of Residual Co. which shall be deemed to have been party to the Contracts giving rise thereto and which shall stand in place and stead of the Company in respect of all such Liability or obligations, all of which shall no longer be a Liability or obligation of the Company, and the Company shall be and is hereby forever released and discharged from such Excluded Liabilities, Excluded Contracts, Claims and Encumbrances (other than the Assumed Liabilities and Permitted Encumbrances);

- (e) all Equity Interests, including all Existing Shares, shall be redeemed or terminated at the nominal price of \$0.00001 per common share, and all redeemed Existing Shares together with any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital or Equity Interests of the Company shall be deemed terminated and cancelled in accordance with this Order;
- (f) the Retained Assets will be retained by the Company free and clear of all Encumbrances and Claims, save and except Permitted Encumbrances and Assumed Liabilities;
- (g) the Company shall have paid, assumed or otherwise satisfied the Assumed Liabilities, in accordance with the terms of the Agreement;
- (h) the Company shall issue the Subscribed Shares and the Purchaser shall subscribe for and purchase the Subscribed Shares. All of the right, title and interest in and to the Subscribed Shares issued by the Company to the Purchaser shall vest absolutely in the Purchaser and will be retained by the Company, in each case free and clear of and from any and all Claims and Encumbrances (which term shall include the Permitted Encumbrances) and, for greater certainty, all of the Encumbrances affecting or relating to the Subscribed Shares and the Retained Assets are hereby expunged and discharged as against the Subscribed Shares and Retained Assets;

- (i) the Purchaser Release shall be released from escrow and shall become effective;
- (j) notwithstanding any other provision in this paragraph, the funds paid by the Purchaser pursuant to the Agreement, in the amount of the Transaction Price, shall vest in Residual Co., and all existing Claims and Encumbrances save and except Permitted Encumbrances and Assumed Liabilities shall attach to the Transaction Price in accordance with paragraph 7 hereof;
- (k) the Company will pay the Cure Costs in the fashion contemplated by paragraph 15 hereof;
- (l) the Company shall cease to be parties to the Receivership Proceedings and the Company will be deemed to be released from the purview of the Receivership Order and all other Orders of this Court granted in these Receivership Proceedings, save and except for this Order the provisions of which (as they relate to the Company) shall continue to apply in all respects; and
- (m) the Receiver shall deliver to the Purchaser an executed copy of the Receiver's certificate, substantially in the form attached as **Schedule "D"** hereto (the "**Receiver's Certificate**") confirming the Transactions contemplated in the Agreement have closed (the time and date of such delivery being the "**Effective Time**").

6. The Receiver shall issue and file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof in connection with the Transactions.

7. For the purposes of determining the nature and priority of Claims, from and after the delivery of the Receiver's Certificate, all Claims and Encumbrances shall attach to the Excluded Assets and the Excluded Contracts, including for greater certainty the Transaction Price, with the same priority as they had with respect to the Retained Assets immediately prior to the sale, as if the Excluded Assets, the Excluded Contracts and the Excluded Liabilities had not been transferred to Residual Co., as applicable, and remained liabilities of the Company immediately prior to the foregoing transfer.

8. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), the Receiver is authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Company's records pertaining to past and current employees of the Company. The Purchaser shall maintain and cause the Company, after Closing, to maintain and protect the privacy of such information in accordance with applicable law 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 by the Company prior to Closing.

9. At the Effective Time and without limiting the provisions of paragraph 5 hereof, the Company and the Purchaser shall both be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, the Company, including, without limiting the generality of the foregoing, all taxes that could be assessed against the Company or the Purchaser (including its affiliates and any predecessor corporations) pursuant to section 160 of the *Income Tax Act* (Canada), or any provincial equivalent, in connection with the Company, provided, as it relates to the Company, such release shall not apply to (i) Taxes arising from the Transactions, or (ii) Taxes in respect of the business and operations conducted by the Company after the Effective Time.

10. Except to the extent expressly contemplated by the Agreement, or otherwise agreed by the Purchaser, all Retained Contracts to which the Company is a party upon delivery of the Receiver's Certificate will be and remain in full force and effect upon and following delivery of the Receiver's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such arrangement shall make or pursue any demand, claim, action or suit or exercise any right or remedy under any Contracts (excluding the Excluded Contracts) relating to:

- (a) the Company having sought or obtained relief under the *BIA* or the *Companies Creditors' Arrangement Act* (Canada);
- (b) the commencement of the Receivership Proceedings; or

(c) the insolvency of the Company,

and all such counterparties and persons shall be forever barred and estopped from taking such action.

11. The designation of any Claim as an Assumed Liability is without prejudice to the Company's right to dispute the existence, validity or quantum of any such Assumed Liability, and nothing in this Order or the Agreement shall affect or waive the Company's rights and defences, both legal and equitable, with respect to any Assumed Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recouplements against such Assumed Liability.

12. From and after the Effective Time:

- (a) the nature of the Assumed Liabilities retained by the Company, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to Residual Co.;
- (c) any Person that prior to the Effective Time had a valid right or claim against the Company under or in respect of any Excluded Contract or Excluded Liability (each an "**Excluded Liability Claim**") shall no longer have such right or claim against the Company but will have an equivalent Excluded Liability Claim against Residual Co., in respect of the Excluded Contract and Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against Residual Co.; and
- (d) the Excluded Liability Claim of any Person against Residual Co. following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Company prior to the Effective Time.

13. Notwithstanding:

- (a) these proceedings
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *BIA* in respect of the Company, and any bankruptcy order issued pursuant to any such applications; and
- (c) the Agreement, and the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets, Excluded Contracts and Excluded Liabilities in and to Residual Co., as applicable, and the issuance of the Subscribed Shares to the Purchaser),

any payments by the Purchaser authorized herein or pursuant to the Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company, and shall not be void or voidable by creditors of the Company, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *BIA* or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

RELEASES

14. Effective upon the delivery of the Receiver's Certificate: (i) the present and former directors, officers, employees, legal counsel and advisors of the Company; and (ii) the Purchaser, its directors, officers, employees, legal counsel and advisors (the Persons listed in (i) and (ii) being collectively, the "**Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future claims whatsoever that Deloitte Restructuring Inc. or Royal Bank of Canada have (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part and in connection with the Transactions, in respect of the

Company or these Receivership Proceedings (collectively, the “**Released Claims**”), which Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, and are not vested nor transferred to Residual Co. or to any other entity and are extinguished, provided that nothing in this paragraph shall waive, discharge, release, cancel or bar any claim for gross negligence, fraud or willful misconduct or any claim that is not permitted to be released pursuant to section 50(14) of the *BIA*.

CURE COSTS

15. All Cure Costs payable in accordance with the Agreement shall be paid by or on behalf of the Company to the relevant counterparty to a Retained Contract on or before Closing or such later date as may be agreed to by the Company and the relevant counterparty to a Retained Contract.

RESIDUAL CO

16. At the Effective Time, Residual Co. shall be added as a Defendant in these proceedings in place of the Company and the style of cause of these proceedings shall be changed by deleting the Company as Defendants and adding Residual Co. as a Defendant.

17. The administration of Residual Co. shall remain subject to the Court’s oversight and these proceedings.

18. The Receiver is authorized to assign or file voluntary assignments into bankruptcy in respect of Residual Co. and, in that regard, sign such documents in the name of Residual Co. and to take all such steps as are necessary to make the assignments into bankruptcy. For greater certainty, no resolutions or other authorizations from directors, officers or shareholders of Residual Co. will be required to commence the bankruptcy proceedings. The Receiver shall be entitled, but not obligated, to act as trustee of Residual Co. in such bankruptcy.

19. In addition, and without limiting the rights and protections afforded to the Receiver pursuant to the Receivership Order and the BIA, which continue to apply, the Receiver and its employees and representatives shall not incur any liability as a result of acting in accordance with this Order or administering Residual Co., save and except for any gross negligence or willful misconduct on the part of such parties.

20. No action lies against the Receiver, by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court following a motion brought on not less than fifteen (15) days' notice to the Receiver and its legal counsel. Any persons related to the Receiver or belonging to the same group as the Receiver shall benefit from the protection arising under this paragraph.

GENERAL

21. Following the Effective Time, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances (each as described herein) as against the Subscribed Shares and the Retained Assets.

22. This Order shall have full force and effect in all provinces and territories in Canada.

23. The Company and the Receiver shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Company and the Receiver as may be deemed necessary or appropriate for that purpose.

24. This Court shall retain exclusive jurisdiction to, among other things, interpret, implement and enforce the terms and provisions of this Order, the Agreement and all amendments thereto, in connection with any dispute involving the Company or Residual Co., and to adjudicate, if necessary, any disputes concerning the Company or Residual Co. related in any way to the Transactions.

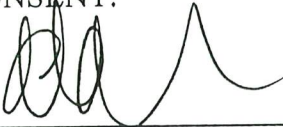
25. This Order and all of its provisions are effective as of 12:01 a.m. Prevailing Pacific Time on the date hereof, provided that the transaction steps set out in paragraph 5 hereof shall be deemed to have occurred sequentially, one after the other, in the order set out in paragraph 5 hereof.

26. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Company, the Receiver, and their respective agents in carrying

out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Company the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Company, the Receiver, and their respective agents in carrying out the terms of this Order.

27. Endorsement of this Order by counsel appearing on this application, other than counsel for the Receiver is hereby dispensed with.

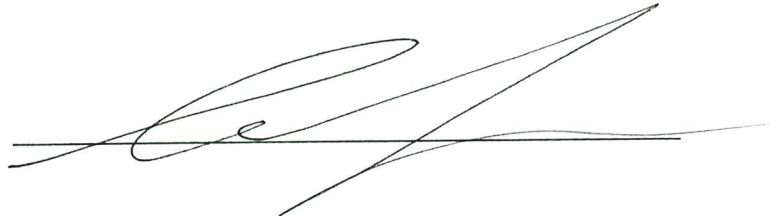
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Lisa Hiebert
Lawyer for the Receiver



BY THE COURT



SCHEDULE "A"

Appearance List

Counsel Name	Party Represented
Jordan Schultz	Royal Bank of Canada
Martin Sennott Lauren Morris	0854271 B.C. Ltd. and 2155531 Ontario Inc., the proposed purchaser
Jessica Ko Rochelle Leung	Department of Justice Canada

SCHEDULE "B"

Purchase Agreement

SUBSCRIPTION AGREEMENT

Between

DELOITTE RESTRUCTURING INC., in its capacity as the receiver and manager of
CANWEST AEROSPACE INC. and CAN WEST GLOBAL AIRPARTS INC., and not in its
personal capacity

-and-

0854271 B.C. Ltd. and 2155531 Ontario Inc., doing business as Avion Zone

March 8, 2024

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THIS SUBSCRIPTION AGREEMENT is made as of March 8, 2024,

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as the receiver and manager of CANWEST AEROSPACE INC. ("CAI") and CAN WEST GLOBAL AIRPARTS INC. ("CWGAI" and together with CAI, the "**Company**"), and not in its personal capacity (the "**Receiver**")

- and -

0854271 B.C. Ltd., a corporation incorporated pursuant to the laws of British Columbia

- and -

2155531 Ontario Inc., a corporation incorporated pursuant to the laws of Ontario and doing business as Avion Zone

(together with 0854271 B.C. Ltd., the "**Purchasers**")

RECITALS:

- A. On March 8, 2023, on the application of the Company, the Supreme Court of British Columbia ("**Court**") granted the Company, amongst other things, creditor protection and a stay of proceedings pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c.C-36 (the "**CCAA Proceedings**").
- B. On August 29, 2023, the Court granted an order appointing the Receiver over the Company's assets, undertakings and property.
- C. On February 13, 2024, counsel for 0854271 B.C. Ltd. provided the Receiver with an offer for purchase of the Company as a going concern on behalf of the Purchasers for a purchase price of \$670,000.00.
- D. Following completion of the Transactions contemplated by this Subscription Agreement, the Subscribed Shares (as defined below) shall represent all of the existing equity of Company.
- E. The Company wishes to issue to the Purchasers, and the Purchasers have agreed to subscribe for and purchase from Company, the Subscribed Shares, upon the terms and conditions set forth herein.
- F. The Transactions contemplated by this Subscription Agreement are subject to the approval of the Court and will be consummated only pursuant to and in accordance with the approval of the Court pursuant to the Approval Order.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties (as defined below) agree as follows:

ARTICLE 1
DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

Whenever used in this Subscription Agreement the following words and terms shall have the meanings set out below:

“Action” means any claim, action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity and by or before a Governmental Authority;

“AECA” means the *Arms Export Control Act* (United States);

“Affiliate” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to "control" another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term "controlled" shall have a similar meaning;

“Agreement Date” means the date of this Subscription Agreement as set forth on the first page of this Subscription Agreement;

“Approval Order” means an order issued by the Court substantially in the form attached hereto as **Schedule A**;

“Assumed Liabilities” means (a) Liabilities specifically and expressly designated by the Purchasers as Assumed Liabilities in Schedule G; (b) Cure Costs; and, (c) Liabilities under any Retained Contracts, Permits and Licenses or Permitted Encumbrances (in each case, to the extent forming part of the Retained Assets);

“BIA” means the *Bankruptcy and Insolvency Act* (Canada), as amended from time to time;

“Books and Records” means all books and records of Company and its subsidiaries, including minute books, annual returns filed with corporate registry, books of account, ledgers, general, financial and accounting records, Tax Returns and other records in the possession and control of Company or its subsidiaries as of the Agreement Date;

“Business” means the business carried on by Company;

“Business Day” means any day, other than a Saturday or Sunday or any day on which banks are generally not open for business in the City of Vancouver, British Columbia;

“Chief Executive Officer” means Thomas Jackson, the Chief Executive Officer of the Company and individual with primary responsibility for direction of the Company prior to the appointment of the Receiver on August 29, 2023;

“Claims” means any and all security interests (whether contractual, statutory, or otherwise), hypothecs, pledges, mortgages, liens, trusts or deemed trusts (whether contractual, statutory or otherwise), reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, indemnities, liabilities, debts, or other claims or obligations, of any nature or kind whatsoever, 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;

“Closing” means the completion of the Transactions pursuant to this Subscription Agreement;

“Closing Date” means the date on which the Closing occurs, which date shall be no later than four (4) Business Days from the date on which all conditions set out in Article 6 (other than those conditions that by their nature can only be satisfied on the Closing Date) have been satisfied or waived or such other date as may be agreed to in writing by the Parties. For greater clarity, the Closing Date shall be no later than four (4) Business Days after the Approval Order is granted;

“Closing Sequence” has the meaning set out in Section 5.2;

“Closing Time” means the time on the Closing Date at which Closing occurs, as evidenced by the Receiver's Certificate;

“CCL” means the Commerce Control List (United States)

“Company” has the meaning set out in preamble to this Subscription Agreement;

“Conditions Certificates” has the meaning set out in Section 7.4.

“Contracts” means all contracts, agreements, deeds, licenses, leases, obligations, commitments, promises, undertakings, engagements, understandings or arrangements to which Company is a party to or by which Company is bound by, including, without limitation, or those under which Company has, or will have at Closing, any right, obligation, or Liability or contingent right, obligation, or Liability (in each case, whether written or oral, express or implied) or under which any Claims or Encumbrances against Company arise, including those which in anyway relate to the Business;

“CGR” means the *Controlled Goods Regulations* (Canada);

“Court” has the meaning set out in the recitals;

“Cure Costs” means any monetary defaults in relation to the Retained Contracts as at the date of Closing, other than those arising by reason only of Company’s insolvency, the CCAA Proceedings, the appointment of the Receiver or Company’s failure to perform a non-monetary obligation;

“Deposit” has the meaning set out in 2.1;

“Discharged” means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, including all proceeds thereof, the full, final, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof;

“DPA” means the *Defence Production Act* (Canada);

“EAR” means the *Export Administration Regulations* (United States);

“Encumbrances” means all security interests (whether contractual, statutory, or otherwise), hypothecs, pledges, mortgages, liens, trusts or deemed trusts (whether contractual, statutory or otherwise), 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;

“Encumbrances to Be Discharged” means all Encumbrances on the Retained Assets, including without limitation the Encumbrances listed in Schedule E, and excluding only the Permitted Encumbrances;

“Equity Interest” includes (i) any shares, interests, participations or other equivalents (however designated) of capital stock or share capital or related rights or interests; (ii) any phantom stock, phantom stock rights, stock appreciation rights or stock-based performance securities ; (iii) any warrants, options, convertible, exchangeable or exercisable securities, subscriptions, rights (including any pre-emptive or similar rights), calls; (iv) any other rights or interests to purchase or acquire any of the foregoing; and (v) any interest that constitutes an “equity interest” as such term is defined in the BIA;

“Excluded Assets” means those assets listed in Schedule B;

“Excluded Contracts” means all Contracts that are not Retained Contracts, including those Contracts listed in Schedule C;

“Excluded Liabilities” means all debts, obligations, Liabilities, Encumbrances (other than Permitted Encumbrances), indebtedness, Contracts, leases, agreements, undertakings, Claims, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise) of or against Company or relating to any Retained Assets,

Excluded Assets, or Excluded Contracts, as at the Closing Time, other than Assumed Liabilities, including, inter alia, (i) the non-exhaustive list of those certain Liabilities set forth in Schedule D, (ii) any and all Liability relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions and to which Company may be bound as at the Closing Time, (iii) all Liabilities relating to or under the Excluded Contracts and Excluded Assets, (iv) all Liabilities to or in respect of Company's Affiliates;

“Existing Shares” means all issued and outstanding shares of Company prior to Closing;

“Governmental Authority” means any government, regulatory authority, governmental department, agency, agent, commission, bureau, official, minister, Crown corporation, court, body, board, tribunal or dispute settlement panel or other law or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled to or purporting to exercise, any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

“ITAR” means the *International Traffic in Arms Regulations* (United States);

“Laws” means, with respect to any Person, property, transaction, event or other matter; all laws, statutes, by-laws, rules, regulations, treaties, Orders, ordinances or judgments, guidelines, directives or other requirements having the force of law, whether federal, provincial, state or municipal, relating or applicable to that Person, property, transaction, event or other matter, including without limitation, the Regulations and laws or requirements of stock exchanges and any consent decree or administrative order;

“Liability” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person;

“Notice” has the meaning set out in Section 9.3;

“Orders” means orders, injunctions, judgments, administrative complaints, decrees, rulings, awards, assessments, directions, instructions, penalties or sanctions issued, filed or imposed by any Governmental Authority or arbitrator and includes any orders granted in the CCAA Proceedings or the receivership proceedings;

“Outside Date” means April 30, 2024 or such other date as the Parties agree in writing;

“Parties” means, collectively, Company and the Purchasers, and “Party” means any one of them;

“Permits and Licenses” means the permits, licenses, authorizations, approvals or other evidence of authority Related to the Business or issued to, granted to, conferred upon, or otherwise created for, Company;

“Permitted Encumbrances” means the Encumbrances related to the Retained Assets listed in Schedule H, an amended list of which may be agreed to by the Purchasers, Company and the Receiver prior to the granting of the Approval Order;

“Person” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, corporation, Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

“Purchasers Release” has the meaning set out in Section 5.3;

“Receiver” has the meaning set out in the recitals;

“Receiver’s Certificate” means the certificate, substantially in the form attached as Schedule "A" to the Approval Order, to be delivered by the Receiver in accordance with Section 7.4, and thereafter filed by the Receiver with the Court;

“Regulated Property” means any and all assets or records, in each case whether tangible or intangible, including but not limited to aircraft parts, data, technical drawings, technical manuals, wiring boards and intellectual property, which are owned or possessed by the Companies and which are subject to restrictions on export, sale, transfer or retransfer under the Regulations;

“Regulations” means ITAR, AECA, EAR, CCL, USML, DPA or CGR, or any similar legislation or regulations applicable to the Company or any property, assets or information in its possession or control;

“Residual Co.” means 1206546 B.C. Ltd., a corporation incorporated pursuant to the laws of British Columbia and designated by the Purchasers for the purpose of this transaction;

“Purchase and Sale Transactions” means the transactions contemplated by this Subscription Agreement which provide for, among other things, (a) the issuance by Company of the Subscribed Shares to the Purchasers in consideration for the Transaction Price, (b) the assignment by Company to Residual Co. of the Excluded Assets, Excluded Contracts, and the Excluded Liabilities, each on and subject to the terms set forth herein, and (c) the transfer of the Transaction Price to Residual Co., in full payment and satisfaction of the Excluded Liabilities, Excluded Assets and Excluded Contracts.

“Purchasers” has the meaning set out in preamble to this Subscription Agreement;

“Related to the Business” means primarily (i) used in; (ii) arising from; or (iii) otherwise Related to the Business or any part thereof;

“Released Parties” has the meaning set out in Section 5.3(d);

“Representative” when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

“Retained Assets” has the meaning set out in Section 3.2;

“Retained Contracts” means those Contracts listed in Schedule F;

“Subscribed Shares” means a number of Class A Shares and Class C Shares in the capital of CAI and a number of A Voting Common shares and B Nonvoting Common shares in the capital of CWGAI, to be advised by the Purchasers, which will be issued on Closing and which will represent 100% of the Equity Interest in Company;

“Subscription Agreement” means this Subscription Agreement, including all schedules, and all amendments or restatements, as permitted pursuant to the terms hereof, and references to “Article” or “Section” mean the specified Article or Section of this Subscription Agreement;

“Transaction Price” means the amount of \$670,000.00;

“Tax Act” means the *Income Tax Act* (Canada);

“Tax Liabilities” means the Liabilities arising from or related to the Transaction Taxes;

“Tax Returns” means all returns, reports, declarations, designations, forms, elections, notices, filings, information returns, and statements in respect of Taxes that are filed or required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form;

“Taxes” or “Tax” means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, mining taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, governmental pension plan premiums and contributions, social security premiums, workers’ compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any liability for the payment of any amounts of the type described in this paragraph as a result any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person;

“Transaction Taxes” means all documentary, stamp, transfer, sales and transfer taxes, registration charges and transfer fees, including HST, use, value added, and excise taxes and all filing and recording fees (and any penalties and interest associated with such taxes and fees) or any other Tax consequences arising from, or relating to, or in respect of the consummation of the Transactions;

“Transactions” means all of the transactions contemplated by this Subscription Agreement, including the Purchase and Sale Transactions; and

“USML” means the United States Munitions List (United States).

1.2 Certain Rules of Interpretation

In this Subscription Agreement:

- (a) Currency - Unless otherwise specified, all references to monetary amounts are to lawful currency of the United States of America..
- (b) Headings - Headings of Articles and Sections are inserted for convenience of reference only and do not affect the construction or interpretation of this Subscription Agreement.
- (c) Including - Where the word "including" or "includes" is used in this Subscription Agreement, it means "including (or includes) without limitation".
- (d) No Strict Construction - The language used in this Subscription Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.
- (e) Number and Gender - Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (f) Statutory reference - A reference to a statute includes all regulations and rules made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.
- (g) Time - Time is of the essence in the performance of the Parties' respective obligations.
- (h) Time Periods - Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

1.3 Entire Agreement

This Subscription Agreement and the agreements and other documents required to be delivered pursuant to this Subscription Agreement constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Subscription Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise with respect to the subject matter of this Subscription Agreement.

1.4 Schedules

The schedules to this Subscription Agreement, listed below, are an integral part of this Subscription Agreement:

Schedule	Description
Schedule A	Approval Order
Schedule B	Excluded Assets
Schedule C	Excluded Contracts
Schedule D	Excluded Liabilities
Schedule E	Encumbrances to be Discharged
Schedule F	Retained Contracts
Schedule G	Assumed Liabilities
Schedule H	Permitted Encumbrances
Schedule I	Release of Thomas George Jackson

ARTICLE 2 TRANSACTION PRICE FOR SUBSCRIBED SHARES AND ASSUMPTION OF LIABILITIES

2.1 Deposit

The Parties acknowledge that the Purchaser shall pay a deposit of \$50,000 (the “**Deposit**”) within 1 Business Day of executing this Subscription Agreement.

The Deposit shall be held by the Receiver in a non-interest bearing account until one of the following events occurs:

- (a) if Closing does not occur due to a failure to fulfill the condition set out Section 6.3(b) (the requirement to obtain the Approval Order), the Deposit shall be returned to the Purchaser for the account of the Purchaser absolutely; and

- (b) if Closing does not occur for any reason, other than failure to fulfill the condition set out in Section 6.3(b), the Deposit shall be paid to the Receiver.

The Parties agree that the amount of the Deposit represents their genuine estimate of all damages that will be suffered by the Company and the Receiver as a result of Closing not occurring and in the event this Subscription Agreement is terminated for any reason other than failure to meet the condition set out in Section 6.3(b), the Receiver shall retain the Deposit pursuant to this section and the Deposit shall constitute liquidated damages.

2.2 Transaction Price

The Transaction Price shall be paid by wire transfer or solicitor's trust cheque to the Receiver's legal counsel.

ARTICLE 3 TRANSFER OF EXCLUDED ASSETS AND EXCLUDED LIABILITIES

3.1 Transfer of Excluded Liabilities to Residual Co.

On the Closing Date, in accordance with the Closing Sequence and pursuant to the Approval Order, the Excluded Liabilities shall be transferred to and assumed by Residual Co. All of the Excluded Liabilities shall be discharged from the Company as of the Closing, pursuant to the Approval Order.

3.2 Transfer of Excluded Assets and Excluded Contracts to Residual Co.

On the Closing Date, Company shall retain, free and clear of any and all Encumbrances, Claims, and Liabilities, other than Permitted Encumbrances, all of the assets owned by each of them on the date of this Subscription Agreement and any assets acquired by each of them up to and including Closing, including the Retained Contracts, Permits and Licenses and Books and Records (the "**Retained Assets**"). For greater certainty, the Retained Assets shall not include the Excluded Assets or the Excluded Contracts, which the Company shall transfer to Residual Co., in accordance with the Closing Sequence, on the Closing Date and same shall be vested in Residual Co. pursuant to the Approval Order. For greater certainty, the Company (and not Residual Co.) shall be solely liable for all Tax Liabilities and Transaction Taxes, if any, arising in connection with or as a result of the transfer of the Excluded Assets and Excluded Contracts to Residual Co.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Company

The Receiver represents and warrants as of the Agreement Date the following to the Purchasers and acknowledges that the Purchasers are relying upon the representations and warranties in connection with the Transactions:

- (a) subject to the granting and terms of the Approval Order, this Subscription Agreement is a legal, valid and binding obligation of Company, enforceable against it in accordance with its terms; and
- (b) Company is not a non-resident of Canada within the meaning of the Tax Act.

4.2 Representations and Warranties of the Purchasers

The Purchasers represent and warrant as of the Agreement Date the following to Company and acknowledge that Company is relying upon the representations and warranties in connection with the Transactions:

- (a) the Purchasers are corporations incorporated and existing under the Laws of their jurisdiction of incorporation and they have the corporate power to enter into and perform its obligations under this Subscription Agreement;
- (b) the execution and delivery of and performance by the Purchasers of this Subscription Agreement have been authorized by all necessary corporate action on the part of the Purchasers;
- (c) the execution and delivery of and performance by the Purchasers of this Subscription Agreement:
 - (i) does not constitute or result in a violation or breach of, or conflict with, any of the terms or provisions of its constating documents or bylaws; and
 - (ii) does not result in the violation of any Laws;
- (d) no filing with, notice to or authorization of, any Governmental Authority is required on the part of the Purchasers as a condition to the lawful completion of the Transactions;
- (e) this Subscription Agreement has been duly executed and delivered by the Purchasers and constitutes a legal, valid and binding agreement of the Purchasers, enforceable against it in accordance with its terms, subject only to any limitation under Laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar Laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies including specific performance and injunction;
- (f) the Purchasers will deal with, handle, move and transfer any Regulated Property in accordance with the Regulations, including, but not limited to, that to the extent that the Company is in possession of Regulated Property, the Purchasers have such permissions, authorizations and approvals, or capacity to obtain permission, authorization and approval, to ensure compliance with the Regulations;

- (g) the Purchasers acknowledge that they have been encouraged to and should obtain independent legal, tax and investment advice with respect to their subscription for the Subscribed Shares, including, but not limited to, the Regulated Property and applicable resale and transfer restrictions, and accordingly, have been independently advised, or have waived such independent advice, as to the meanings of all terms contained herein relevant to the Purchasers for purposes of giving representations, warranties and covenants under this Subscription Agreement;
- (h) the Purchasers are informed and sophisticated buyers, they have engaged expert advisors and are experienced in the evaluation and purchase of property and assets and assumption of liabilities such as the Subscribed Shares as contemplated hereunder, and have undertaken such investigations and have been provided with and have evaluated such documents and information as they have deemed necessary to enable them to make an informed and intelligent decision with respect to the execution, delivery and performance of this Subscription Agreement;
- (i) the Purchasers acknowledge that investment in the Subscribed Shares involves risk, and represents that they are able, without materially impairing its financial condition, to hold the Subscribed Shares for an indefinite period of time and to suffer a complete loss of its investment;
- (j) the Purchasers understand that the Subscribed Shares are being issued to them under an exemption from the prospectus requirements applicable under Canadian securities Laws and that there are restrictions imposed on the Purchasers and the Subscribed Shares which limit the Purchasers' ability to resell the Subscribed Shares in Canada. The Purchasers further acknowledge that if an exemption from resale restrictions is available, it may be conditioned on various requirements including the time and manner of sale, the holding period for the Subscribed Shares, and on requirements relating to Company which are outside of the Purchasers' control, and which Company is under no obligation and may not be able to satisfy;
- (k) it is an "accredited investor", as such term is defined in National Instrument 45-106 - Prospectus Exemptions; and
- (l) the Purchasers understand that the investment in, or holding, acquisition or disposition of, the Subscribed Shares may have material tax consequences under Laws, and that it is the sole responsibility of the Purchasers to determine and assess such tax consequences as may apply to their particular circumstances.

4.3 As is, where is

Notwithstanding any other provision of this Subscription Agreement, the Purchasers acknowledge, agree and confirm that:

- (a) except for the representations and warranties of Company set forth in Section 4.1, they are entering into this Subscription Agreement and acquiring its Subscribed Shares on an “as is, where is” basis as they exist as of the Closing Time;
- (b) they have conducted to their satisfaction and have relied on such independent searches, investigations, reviews and inspections of Company and the Subscribed Shares as they deemed appropriate, and based thereon, have determined to proceed with the Transactions;
- (c) except as expressly stated in Section 4.1, none of Company or the Receiver is making, and the Purchasers are not relying on, any written or oral representations, warranties, statements, information, promises or guarantees, express or implied, statutory or otherwise, concerning the Transactions, Company, the Business, the Subscribed Shares, including the right, title or interest of Company in and to any assets relating to the Business, and any and all conditions, warranties or representations expressed or implied pursuant to any Laws in any jurisdiction, which the Purchasers confirm do not apply to this Subscription Agreement, are hereby waived in their entirety by the Purchasers;
- (d) none of Company or the Receiver has made any representation or warranty as to any regulatory approvals, permits, licences, consents, registrations, filings or authorizations that may be needed to complete the Transactions or to obtain the benefit of the Subscribed Shares or any portion thereof, and the Purchasers are relying entirely on their own investigation, due diligence and inquiries in connection with such matters;
- (e) the obligations of the Purchasers under this Subscription Agreement are not conditional upon any additional due diligence;
- (f) except for the representations and warranties of Company set forth in Section 4.1, any information regarding or describing the Subscribed Shares, or in any other agreement or instrument contemplated hereby, is for identification purposes only, is not relied upon by the Purchasers, and no representation, warranty or condition, express or implied, has or will be given by Company or the Receiver concerning the completeness or accuracy of such information or descriptions;
- (g) except as otherwise expressly provided in this Subscription Agreement, and except for fraud on the part of Company, the Purchasers hereby unconditionally and irrevocably waive any and all actual or potential rights or claims the Purchasers might have against Company or the Receiver pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than those representations and warranties of Company expressly set forth in Section 4.1. Except as set out above in this Subsection (g), such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, completeness of warranties, implied warranties, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects,

whether or not discoverable or latent, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights; and the provisions of Section 4.3 shall survive and not merge on Closing.

ARTICLE 5 CLOSING

5.1 Closing

The Closing shall take place virtually by exchange of documents in PDF format on the Closing Date, in accordance with the Closing Sequence, and shall be subject to such escrow document release arrangements as the Parties may agree.

5.2 Closing Sequence

On the Closing Date, Closing shall take place in the following sequence (the "**Closing Sequence**"):

- (a) First, the Purchasers shall pay: (i) the Transaction Price (less the Deposit) to be held in escrow on behalf of the Company, to be dealt with in accordance with this Closing Sequence;
- (b) Second, Company shall transfer to and cause Residual Co. to assume the Excluded Assets, the Excluded Contracts, and the Excluded Liabilities, and all Claims and Encumbrances, other than the Permitted Encumbrances shall be discharged from and against Company, all in accordance with the Approval Order;
- (c) Third, notwithstanding any other provision in this paragraph, the Transaction Price shall vest in Residual Co., and all existing Claims and Encumbrances save and except Permitted Encumbrances and Assumed Liabilities shall attach to the Transaction Price in accordance with the Approval Order;
- (d) Fourth, all of Company's right title and interest in and to the Excluded Liabilities, all Claims and Encumbrances, but specifically excluding the Assumed Liabilities and Permitted Encumbrances, shall be channeled to, assumed by and vest absolutely and exclusively in Residual Co. and: (i) such Excluded Liabilities, Claims, and Encumbrances shall continue to attach to the Excluded Assets, the Excluded Contracts, and all other property and assets of Residual Co., with the same nature and priority as they had immediately prior to the Effective Time; (ii) such Excluded Liabilities, Excluded Contracts, Claims, and Encumbrances shall be transferred to and assumed by Residual Co. in consideration for the Transaction Price (as and in the manner contemplated by this Section 5.2), such that the Excluded Liabilities, Excluded Contracts, and all Claims and Encumbrances (other than the Assumed Liabilities and Permitted Encumbrances) shall become obligations of Residual Co. which shall be deemed to have been party to the Contracts giving rise thereto and which shall stand in place and stead of Company in respect of all such Liability or obligation, all of which shall no

longer be a Liability or obligation of Company, and Company shall be and is hereby forever released and discharged from such Excluded Liabilities, Excluded Contracts, Claims and Encumbrances (other than the Assumed Liabilities and Permitted Encumbrances);

- (e) Fifth, all Equity Interests, including all Existing Shares, shall be redeemed or terminated at the nominal price of CA\$0.00001 per common share, and all redeemed Existing Shares together with any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital or Equity Interests of Company shall be deemed terminated and cancelled in accordance with and pursuant to the Approval Order;
- (f) Sixth, the Retained Assets will be retained by Company free and clear of all Encumbrances and Claims, save and except Permitted Encumbrances and Assumed Liabilities;
- (g) Seventh, Company shall issue the Subscribed Shares and the Purchasers shall subscribe for and purchase the Subscribed Shares free and clear of all Encumbrances and Claims, save and except the Permitted Encumbrances. 0854271 B.C. Ltd. shall subscribe for and purchase 60% of the Subscribed Shares, and 2155531 Ontario Inc. shall subscribe for and purchase 40% of the Subscribed Shares;
- (h) Eighth, all of the right, title and interest in and to the Subscribed Shares issued by Company to the Purchasers shall vest absolutely in the Purchasers free and clear of all Encumbrances and Claims, save and except the Permitted Encumbrances;
- (i) Ninth, the Purchasers Release shall be released from escrow and shall become effective;
- (j) Tenth, Company shall cease to be a party to the receivership proceedings and the Company be deemed to be released from the purview of the Receivership Order and all other Orders of this Court granted these receivership proceedings, save and except for the Approval Order the provisions of which (as they relate to Company) shall continue to apply in all respects; and
- (k) Eleventh, the receivership proceedings shall have no further force or effect, and will be terminated upon the issuance and filing of the Receiver's Certificate.

The Purchasers, with the prior consent of Company and the Receiver, acting reasonably, may amend the Closing Sequence provided that such amendments to the Closing Sequence do not materially alter or impact the Transactions or the consideration which Company or its stakeholders will benefit from, as part of the Transactions.

5.3 The Purchasers' Closing Deliveries

At or before the Closing (as applicable), the Purchasers shall deliver or cause to be delivered to Company (or to the Receiver, if so indicated below), the following:

- (a) a certificate dated as of the Closing Date and executed by executive officers of the Purchasers confirming and certifying that each the conditions in Sections 6.1(a) and 6.1(b) have been satisfied;
- (b) a certificate of status, compliance, good standing or like certificate with respect to the Purchasers issued by an appropriate Governmental Authority;
- (c) the Transaction Price in accordance with Section 5.2;
- (d) an irrevocable release (the "**Purchasers Release**") by the Purchasers in favour of (i) Company's current and former directors, officers, employees, agents, representatives, and all of their respective advisors, including financial advisors and legal counsel and (ii) the Receiver and its current and former Affiliates, directors, officers and employees and all of their respective advisors, legal counsel and agents (such persons in (i) and (ii) above being collectively referred to herein as the "**Released Parties**") from any and all rights, actions, causes of action, suits, demands, debts, covenants, or claims of any nature whatsoever, whether contractual, extra-contractual, in law or in equity or otherwise, past, present or future, direct or indirect, whether known or unknown (collectively, the "**Purchasers Released Claims**") against any of the Released Parties, including in their capacity as equity holders of Company, as applicable; save and except for any and all Purchasers Released Claims arising out of or in connection with any gross negligence, fraud or willful misconduct, on the part of the Released Parties; and,
- (e) such other agreements, documents and instruments as may be reasonably required by Company to complete the Transactions provided for in this Subscription Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

5.4 Company's Closing Deliveries

At or before the Closing (as applicable), Company shall deliver or cause to be delivered to the Purchasers, the following:

- (a) a copy of the Approval Order;
- (b) share certificates representing the Subscribed Shares; and
- (c) a mutual release in the form attached as Schedule I executed by Royal Bank of Canada, to be delivered to the Purchasers' lawyer on his, her or their undertaking (i) not to release or otherwise make use of the same until the Purchasers' lawyer has received an executed copy of the mutual release from Thomas George

Jackson; (ii) forthwith upon receipt of the fully executed mutual release, to provide the same to Royal Bank of Canada; and (iii) to return the executed release to counsel for Royal Bank of Canada if the fully executed mutual release is not delivered within 14 days of the Closing Time. For greater clarity, the signature of Thomas George Jackson shall not be required to fulfill this deliverable.

ARTICLE 6 CONDITIONS PRECEDENT

6.1 Conditions for the Benefit of Company

The obligation of Company to complete the Transactions is subject to fulfilment of each of the following conditions on the date stated for fulfilment thereof, and if not so stated on or before the Closing Time, each of which is acknowledged to be for the exclusive benefit of Company and may be waived by Company in whole or in part:

- (a) Representations and Warranties. The representations, warranties and agreements of the Purchasers in Section 4.2 and 4.3 shall be true and accurate in all material respects as at the Closing Time with the same force and effect as if made at and as of such time, and the Purchasers shall have executed and delivered a certificate to that effect;
- (b) Fulfilment of Purchasers' Covenants. All of the terms, covenants and conditions of this Subscription Agreement to be complied with or performed by the Purchasers at or before the Closing Time shall have been complied with or performed in all material respects and the Purchasers shall not be in material breach of any agreement or covenant on its part contained in this Subscription Agreement; and
- (c) Delivery. The Purchasers shall have paid, in aggregate, the Transaction Price and delivered the documents and other items referred to in 5.3.

6.2 Conditions for the Benefit of the Purchasers

The obligation of the Purchasers to complete the Transaction is subject to fulfilment of each of the following conditions on or before the Closing Time, each of which is included for the exclusive benefit of the Purchasers and may be waived by the Purchasers in whole or in part:

- (a) Fulfilment of Company's Covenants. All of the terms, covenants and conditions of this Subscription Agreement to be complied with or performed, by Company at or before the Closing Time shall have been complied with or performed in all material respects and Company shall not be in material breach of any agreement or covenant on its part contained in this Subscription Agreement;
- (b) Delivery. The Receiver or the Company shall have executed and delivered or caused to have been executed and delivered to the Purchasers at the Closing the documents and other items referred to in Section 5.4.

6.3 Mutual Conditions for the Benefit of Company and the Purchasers

The obligation of each of Company and the Purchasers to complete the Transactions is subject to the fulfillment of each of the following conditions or before the Closing Time, each of which is included for the benefit of Company and the Purchasers and may be waived in whole or in part upon the mutual agreement of the Parties:

- (a) No Violation of Orders or Law. Prior to Closing, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has: (i) the effect of making any of the Transactions illegal, or (ii) the effect of otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Subscription Agreement; and
- (b) Approval Order. The Approval Order, in form and substance satisfactory to each of the Parties acting reasonably, has been issued.

6.4 Non-Satisfaction of Conditions

If any condition set out in Section 6.1, 6.2, or 6.3 is not satisfied or performed prior to the Outside Date, the Party for whose benefit the condition is inserted may:

- (a) in writing, waive compliance with the condition in whole or in part in its sole discretion by notice to the other Party and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or
- (b) elect to terminate this Subscription Agreement, in which case neither of the Parties shall be under any further obligation to the other to complete the Transactions, except that if this Subscription Agreement is terminated by a Party because of a breach of this Subscription Agreement by the other Party or because a condition for the benefit of the terminating Party has not been satisfied because the other Party has failed to perform any of its obligations or covenants under this Subscription Agreement, the terminating Party's right to pursue all legal remedies will survive such termination unimpaired.

ARTICLE 7 COVENANTS OF THE PARTIES

7.1 Pre-Closing Covenants of the Purchasers

The Purchasers covenant to Company that, during the period from the Agreement Date through and including the Closing Date or the earlier termination of this Subscription Agreement:

- (a) The Purchasers will take, or cause to be taken, all commercially reasonable actions and to do, or cause to be done, all things necessary or proper, consistent with Laws, to consummate and make effective as soon as possible the Transactions, provided that the foregoing shall not be construed as a requirement

that the Purchasers waive any Closing condition set out in Sections 6.2 or 6.3 hereof.

- (b) The Purchasers will take such actions as may be reasonably requested by Company to assist Company in obtaining the Court's entry of the Approval Order and any other Order reasonably necessary to consummate the Transactions.
- (c) The Purchasers shall: (i) take, or cause to be taken, all appropriate action, and do, or cause to be done, all things necessary, proper or advisable under any Laws or otherwise to consummate and make effective the Transactions; (ii) obtain any consents, approvals or orders required to be obtained or made in connection with the authorization, execution and delivery of this Subscription Agreement and the consummation of the Transactions; and (iii) make all filings and give any notice, and thereafter make any other submissions either required or reasonably deemed appropriate by each of the Parties, with respect to this Subscription Agreement and the Transactions required under any Laws.

7.2 Pre-Closing Covenants of the Company

- (a) The Company will take, or cause to be taken, all commercially reasonable actions and to do, or cause to be done, all things necessary or proper, consistent with Laws, to consummate and make effective as soon as possible the Transactions, provided that the foregoing shall not be construed as a requirement that the Company waive any Closing condition set out in Section 6.1 or 6.3.
- (b) The Company will use commercially reasonable efforts to maintain its inventory and assets and will not dispose of any inventory or assets outside of the ordinary course of business.
- (c) The Company will use commercially reasonable efforts, in consultation with the Chief Executive Officer, the Purchaser, to ensure that all current existing licenses and permits as are required to continue the business of the Company are maintained and preserved. The Purchaser acknowledges and agrees that such efforts will be limited by the applicable regulations and availability of financing.

7.3 Mutual Covenants

- (a) The Parties shall use reasonable efforts to cooperate and consult with each other in connection with the making of any such filings and notices, including providing copies of all such documents to the non-filing Party and its advisors within a reasonable period of time prior to filing or the giving of notice. Each Party shall pay for its own filing fees and other charges arising out of the actions taken under this Section 7.3.
- (b) The Parties shall cause their respective Affiliates to, promptly provide all information, documents and data to Governmental Authorities as may be requested, required or ordered pursuant to statutory or non-statutory requests for

information, supplemental information requests and any court orders in connection with the approvals and consents outlined in this Section 7.2.

7.4 Receiver's Certificate

When the conditions to Closing set out in 6.1 6.2 and 6.3 have been satisfied or waived by Company or the Purchasers, as applicable, Company, the Purchasers or their respective counsel will each deliver to the Receiver confirmation in writing that such conditions of Closing, as applicable, have been satisfied or waived and that the Parties are prepared for the Closing Sequence to commence (the "**Conditions Certificates**"). Upon receipt of the Conditions Certificates and the receipt of the entire Transaction Price, the Receiver shall: (i) issue forthwith its Receiver's Certificate concurrently to Company, and the Purchasers, at which time the Closing Sequence will be deemed to commence and be completed in the order set out in the Closing Sequence, and Closing will be deemed to have occurred; and (ii) file as soon as practicable a copy of the Receiver's Certificate with the Court (and shall provide a true copy of such filed certificate to the Company and the Purchasers). In the case of (i) and (ii) above, the Receiver will be relying exclusively on the Conditions Certificates without any obligation whatsoever to verify or inquire into the satisfaction or waiver of the applicable conditions, and the Receiver will have no liability to Company or the Purchasers as a result of filing the Receiver's Certificate.

ARTICLE 8 TERMINATION

8.1 Grounds for Termination

- (a) This Subscription Agreement is irrevocable until the occurrence of any event contemplated under Section 8.1(b) below.
- (b) This Subscription Agreement may be terminated on or prior to the Closing Date:
 - (i) by the mutual agreement of Company and the Purchasers;
 - (ii) by the Purchasers or Company upon notice to the other Party if the Court declines at any time to grant the Approval Order, provided that the reason for the Approval Order not being approved by the Court is not due to any act, omission, or breach of this Subscription Agreement by the Party proposing to terminate this Subscription Agreement;
 - (iii) by the Purchasers or Company at any time following the Outside Date, if Closing has not occurred on or prior to 11:59 p.m. (Vancouver time) on the Outside Date, provided that the reason for the Closing not having occurred is not due to any act or omission, or breach of this Subscription Agreement, by the Party proposing to terminate this Subscription Agreement;
 - (iv) by Company, if there has been a material violation or breach by the Purchasers of any agreement, covenant, representation or warranty of the

Purchasers in this Subscription Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Section 6.2, as applicable, by the Outside Date and such violation or breach has not been waived by Company or cured by the Purchasers within five (5) Business Days of Company providing notice to the Purchasers of such breach, unless Company is itself in material breach of its own obligations under this Subscription Agreement at such time; or

- (v) by the Purchasers, if there has been a material violation or breach by Company of any agreement, covenant, representation or warranty of Company in this Subscription Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Section 6.1, as applicable, by the Outside Date and such violation or breach has not been waived by the Purchasers or cured by Company within five (5) Business Days of the Purchasers providing notice to Company of such breach, unless the Purchasers are themselves in material breach of their own obligations under this Subscription Agreement at such time.
- (c) Prior to Company agreeing or electing to any termination pursuant to Section 8.1, Company shall first obtain the prior written consent of the Receiver.

8.2 Effect of Termination.

If this Subscription Agreement is terminated pursuant to Section 8.1, all further obligations of the Parties under this Subscription Agreement will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Sections 2.1 (Deposit), 9.1 (Receiver's Capacity), 9.2 (Expenses), 9.3 (Indemnity), 9.4 (Notices) 9.6 (Successors and Assigns), 9.7 (Assignment), 9.8 (Amendment), 9.9 (Waiver), 9.10 (Survival), 9.12 (Severability), 9.13 (Specific Performance), 9.14 (Governing Law), which shall survive such termination.

ARTICLE 9 GENERAL

9.1 Receiver's Capacity

The Purchasers acknowledge and agrees that the Receiver will have no liability whatsoever in connection with this Subscription Agreement or the Transactions, whether in its capacity as Receiver, in administering Residual Co., in its personal capacity or otherwise, and that the representations, covenants, obligations and agreements of Company pursuant to this Subscription Agreement and any related or ancillary document shall be those of Company exclusively and shall not constitute, or be deemed to constitute, representations, covenants, obligations or agreements of the Receiver.

9.2 Expenses

Each of the Parties shall pay their respective legal, accounting, and other professional advisory fees, costs and expenses incurred by them in connection with this Subscription Agreement and the Transactions, including in connection with the review, negotiation, preparation, execution

and performance of this Subscription Agreement, except as otherwise contemplated in this Subscription Agreement.

9.3 Indemnity

Subject to the other terms and conditions of this Subscription Agreement, the Purchaser shall indemnify and defend the Receiver and its representatives (collectively, the “**Indemnified Parties**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for any and all losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including legal fees, disbursements and charges on a substantial indemnity/solicitor-client basis and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, “**Losses**”) incurred or sustained by, or imposed upon, the Indemnified Parties based upon, arising out of, with respect to, or by reason of:

- (a) any inaccuracy or breach of any of the representations of the Purchaser contained in this Subscription Agreement or in any certificate or instrument delivered by or on behalf of the Purchaser under this Subscription Agreement;
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Purchaser under this Subscription Agreement; or
- (c) any non-compliance with any Laws for the Parties entering into this Subscription Agreement or the completion of the transactions contemplated by this Subscription Agreement.

9.4 Notices

Any notice, direction, approval, consent or other communication given regarding the matters contemplated by this Subscription Agreement (each a “Notice”) shall be in writing and shall be sufficiently given if delivered by courier service, personal delivery or electronic mail:

- (a) in the case of a Notice to Company, to:

c/o Deloitte Restructuring Inc.
Level 19 – 410 West Georgia Street
Vancouver, BC V6B 0S7

Attention: Jeff Keeble and Paul Chambers
Email: jkeeble@deloitte.ca / pachambers@deloitte.ca

with a copy to:

Fasken Martineau DuMoulin LLP
Suite 2900, 550 Burrard Street
Vancouver, BC V6C 0A3

Attention: Lisa Hiebert
E-mail: lhiebert@fasken.com

(b) in the case of a Notice to the Purchasers, to:

2155531 Ontario Inc. (doing business as Avion Zone)
73 Kaitting Trail,
Oakville, Ontario, L6M 0T6

Attention: Irshad Haroon
E-mail: irshad@avionzone.com

and to:

0854271 B.C. Ltd.
28629 58 Ave,
Abbotsford, BC, V4X 2E8

Attention: Tara Lundy
E-mail: taral@canwestaerospace.com

with a copy to:

Boughton Law Corporation
700 - 595 Burrard Street
Vancouver, BC V7X 1S8

Attention: Martin C. Sennott
E-mail: msennott@boughtonlaw.com

(c) in the case of a Notice to the Receiver, to:

Deloitte Restructuring Inc.
Level 19 – 410 West Georgia Street
Vancouver, BC V6B 0S7

Attention: Jeff Keeble and Paul Chambers
Email: jkeeble@deloitte.ca / pachambers@deloitte.ca

with a copy to:

Fasken Martineau DuMoulin LLP
Suite 2900, 550 Burrard Street
Vancouver, BC V6C 0A3

Attention: Lisa Hiebert
E-mail: lhiebert@fasken.com

Any Notice delivered or transmitted to a party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the Notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the Notice shall be deemed to have been given and received on the next Business Day: Any party may, from time to time, change its address by giving Notice to the other parties in accordance with the provisions of this Section 9.3.

9.5 Time of Essence

Time shall be of the essence of this Subscription Agreement in all respects.

9.6 Successors and Assigns

This Subscription Agreement shall become effective only when executed by each of the Parties and shall thereafter be binding on and enure to the benefit of the Parties and their respective successors and permitted assigns.

9.7 Assignment

Neither this Subscription Agreement nor any of the rights or obligations under this Subscription Agreement may be assigned or transferred, in whole or in part, by any Party without the prior written consent of the other Party.

9.8 Amendment

This Subscription Agreement may only be amended, supplemented or otherwise modified by written agreement by the Parties.

9.9 Waiver

No waiver of any of the provision of this Subscription Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Subscription Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

9.10 Survival

Other than those representations, warranties, covenants or other agreements which by their terms contemplate performance after Closing or unless otherwise expressly provided in this Subscription Agreement (including Section 4.3), the representations, warranties, covenants and other agreements contained in this Subscription Agreement shall not survive Closing.

9.11 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the Transactions, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Subscription Agreement and carry out its provisions, whether before or after the Closing provided that the costs and expenses of any actions taken after Closing at the request of a Party shall be the responsibility of the requesting Party.

9.12 Severability

If any covenant or other provision of this Subscription Agreement is invalid, illegal or incapable of being enforced by reason of any rule of Law or public policy, then such covenant or other provision will be severed from and will not affect any other provision of this Subscription Agreement and this Subscription Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained in this Subscription Agreement. All other covenants and provisions of this Subscription Agreement will, nevertheless, remain in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision unless so expressed herein.

9.13 Specific Performance

The Purchasers acknowledge and agrees that Company and its estate would be damaged irreparably in the event the Purchasers do not perform their obligations under this Subscription Agreement in accordance with its specific terms or otherwise breach this Subscription Agreement, so that, in addition to any other remedy that Company may have under law or equity, Company shall be entitled, without the requirement of posting a bond or other security, to injunctive relief to prevent any breaches of the provisions of this Subscription Agreement and to enforce specifically this Subscription Agreement and the terms and provisions hereof.

9.14 Governing Law and Jurisdiction

This Subscription Agreement, the rights and obligations of the Parties hereunder, and any claim based upon or arising out of this Subscription Agreement or the Transactions shall be governed by and interpreted and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Court in any action, application, reference or other proceeding arising out of or relating to this Subscription Agreement or the Transactions and consents to all claims in respect of any such action, application, reference or other proceeding being heard and determined in the Court.

9.15 Execution and Delivery

This Subscription Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by email or other electronic means is as effective as a manually executed counterpart of this Subscription Agreement.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS OF WHICH the Parties have executed this Subscription Agreement as of the date first written above.

**DELOITTE RESTRUCTURING INC.,
in its capacity as receiver and manager
of CANWEST AEROSPACE INC. and
CAN WEST GLOBAL AIRPARTS
INC., and not in its personal capacity**

Per: Paul Chambers

Paul Chambers, Senior Vice President

0854271 B.C. Ltd.

Per: _____

2155531 ONTARIO INC.


Per: _____

IN WITNESS OF WHICH the Parties have executed this Subscription Agreement as of the date first written above.


**DELOITTE RESTRUCTURING INC.,
in its capacity as receiver and manager
of CANWEST AEROSPACE INC. and
CAN WEST GLOBAL AIRPARTS
INC., and not in its personal capacity**

Per: _____

0854271 B.C. Ltd.

Per:  _____
TARA LUNDY

Avion Zone

Per:  _____
Irshad Haroon

Schedule A Approval Order

See attached

Schedule B Excluded Assets

The Excluded Assets are:

- Cash balances in the Company's bank accounts as of the Closing Date, except for US\$8,204.09 relating to INV No. S53189370 in CAI's TD Canada Trust Account No. 7200424

Schedule C Excluded Contracts

NIL

Schedule D Excluded Liabilities

All

Schedule E Encumbrances to be Discharged

All financial charges and encumbrances in respect of the Company including:

- the Charges granted pursuant to orders made in the CCAA Proceedings, including the Administration Charge;

- the Charges granted in the Receivership Proceedings, including the Receiver's Charge and the Receiver's Borrowings Charge;

- the following Personal Property Registry Charges against CAI:

- 840673D registered August 7, 2007;
- 103019K registered June 27, 2017;
- 115715K registered July 4, 2017;
- 115717K registered July 4, 2017;
- 224500N registered September 7, 2021;
- 338493N registered October 29, 2021;
- 338526N registered October 29, 2021;
- 937179N registered August 23, 2022;

- the following Personal Property Registry Charges against CWGAI:

- 877984K registered July 6, 2018; and
- 294764L registered January 31, 2019.

Schedule F Retained Contracts

All, including the following:

1. Canwest Aerospace Inc. – P.O. P12077
2. Air Ambulance Technology – Quote No. 5729a
3. Air Ambulance Technology – Quote No. 5729c
4. Air Ambulance Technology – Quote No. 5728-1a
5. Air Ambulance Technology – Quote No. 5728a
6. Government of the People's Republic of Bangladesh – Contract Number - 278.230.20
7. The Company's lease for the premises located at 28629 58th Avenue, Abbotsford, BC V4X 2E8
8. The Company's lease for the premises located at 4345 King Street, Delta, BC, V4K 0A5

Schedule G Assumed Liabilities

All obligations incurred prior to August 29, 2023 in respect of:

- The Company's employees and independent contractors that are employed as of the date of the Approval Order;

All obligations and liabilities incurred in respect of:

- The Company's lease for the premises located at 28629 58th Avenue, Abbotsford, BC V4X 2E8
- The Company's lease for the premises located at 4345 King Street, Delta, BC, V4K 0A5

Schedule H Permitted Encumbrances

NIL

Schedule I – Release in favour of Thomas George Jackson

MUTUAL RELEASE

IN CONSIDERATION of the payment of CA\$10.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged by all signatories hereto, Royal Bank of Canada (“RBC”) and Thomas George Jackson (each referred to herein as a “Party”, and collectively referred to as the “Parties”), HEREBY FULLY RELEASE, REMISE AND FOREVER DISCHARGE EACH OTHER and each of their respective officers, directors, employees, agents, subsidiaries, affiliates, parents, heirs, executors, successors and assigns, without qualification or limitation, from and against any and all claims, actions, causes of action, demands for monies, losses, damages, indemnity or injuries howsoever arising, whether in contract, in tort or in equity, or arising as a result of a fiduciary duty, or by virtue of any statute, or upon or by reason of any damage, loss or injury that that Party ever had, now has, or can, shall or may hereafter have against the other Party for any reason, arising from or relating to Action No. S-230764 in the Supreme Court of British Columbia, Vancouver Registry.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, the Parties hereto declare that the intent of this Mutual Release is to conclude all issues arising from the matters set forth above and to release the Parties from any claims whatsoever and howsoever arising from the matters set forth above.

AND EACH PARTY HEREBY CONFIRMS that he, she, or it has full authority and capacity to release his, her, or its respective rights and interests as against the other Party and has authorized and instructed his, her or its solicitors to settle the matters set forth above.

AND FOR THE SAID CONSIDERATION the Parties hereby irrevocably represent and warrant that they have not assigned to any person, firm, or corporation any of the actions, causes of action, claims, debts, suits or demands of any nature or kind which they have released by this Mutual Release.

AND FOR THE SAID CONSIDERATION it is agreed and understood that Thomas George Jackson (the “Debtor”) shall not make or continue with any claim or take any proceedings against any other person or corporation who might claim, in any manner or forum, contribution or indemnity in common law or in equity, or under the provisions of any statute or regulation, from or against RBC in connection with the matters outlined above.

IT IS AGREED AND UNDERSTOOD that if the Debtor should commence or continue with such an action, or take such proceeding, and RBC is added to such action or proceeding in any manner whatsoever, including attending examinations of any sort whatsoever, the Debtor will immediately discontinue the proceeding or action and the Debtor will be liable to RBC for the actual legal costs and disbursements incurred in any such proceeding. This Mutual Release shall operate conclusively as an estoppel in the event of any claim, action, complaint or proceeding which might be brought or continued in the future by the Debtor with respect to the matters covered by this Mutual Release. This Mutual Release may be pleaded in the event any such

claim, action, complaint or proceeding is brought or continued as a complete defence and reply, and may be relied upon by RBC in any proceeding to dismiss the claim, action, complaint or proceeding on a summary basis and no objection will be raised by the Debtor in any subsequent action.

AND IT IS HEREBY DECLARED that the terms of this Mutual Release are fully understood, that the consideration stated herein is the sole consideration for this Mutual Release and that the said consideration is accepted voluntarily for the purpose of making full and final compromise in settlement of all claims and proceedings advanced between, or against the Parties, now or hereafter brought, for damages, loss or injury in respect of the matters set forth above.

AND IT IS FURTHER UNDERSTOOD AND AGREED that the fact and terms of this Mutual Release will be held in confidence by the Debtor and will receive no publication either oral or in writing, directly or indirectly, by them, unless deemed essential on auditors' or accountants' written advice for financial statement or income tax purposes, or for the purpose of any judicial proceeding, in which event the fact that the Mutual Release is made without any admission of liability will receive the same publication contemporaneously. The Debtor will not publish, post or disseminate any disparaging or critical statements, whether orally or in writing, about the matters released herein.

AND IT IS FURTHER UNDERSTOOD AND AGREED that this Mutual Release shall be governed by the laws of the Province of British Columbia and that any dispute arising from this Mutual Release will be adjudicated by the Supreme Court of British Columbia, and the Parties hereby attorn to the exclusive jurisdiction of this Court for this purpose.

AND IT IS FURTHER UNDERSTOOD AND AGREED that this Mutual Release may be executed by facsimile or electronic transmission and in counterparts, each of which shall be deemed to be an original, and that such separate counterparts shall constitute together one and the same instrument, notwithstanding their date of actual execution.

AND IT IS FURTHER UNDERSTOOD AND AGREED that this Mutual Release shall be of no force and effect unless signed by all Parties.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF the parties hereto have set their respective hands and seals as witnessed:

DATED in _____ this _____ day of _____, 2024:

ROYAL BANK OF CANADA

By: Mark Kemp-Gee, Senior Manager
I have authority to bind the corporation.

DATED in _____ this _____ day of _____, 2024:

Witness Signature)
)
)
)
)
)

Name)
)
)
)
)

Address)
)
)
)

Occupation)

THOMAS GEORGE JACKSON

Signature page to Mutual Release

SCHEDULE "C"

Permitted Encumbrances

None

SCHEDULE “D”

Form of Receiver’s Certificate

No.: S-230764
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ROYAL BANK OF CANADA

PLAINTIFF

AND:

CANWEST AEROSPACE INC.
CAN WEST GLOBAL AIRPARTS INC.
THOMAS GEORGE JACKSON

DEFENDANTS

RECEIVER’S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Supreme Court of British Columbia (the “**Court**”) dated August 29, 2023, Deloitte Restructuring Inc. was appointed Receiver and Receiver and Manager (in such capacity, the “**Receiver**”) of Canwest Aerospace Inc. and Can West Global Airparts Inc. (collectively, the “**Company**”), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 as amended (the “**BIA**”) and the *Law and Equity Act*, R.S.B.C. 1996, c 253.
- B. Pursuant to the Approval and Reverse Vesting Order granted by the Honourable Justice Gomery on April 10, 2024 (the “**Approval and Reverse Vesting Order**”), the Court approved the transactions contemplated by the Subscription Agreement between the Receiver and 0854271 B.C. Ltd. and 2155531 Ontario Inc. (the “**Purchaser**”) dated March 8, 2024, which provided for, among other things: (i) the vesting out of the Company’s Excluded Assets, Excluded Contracts and Excluded Liabilities (ii) the discharge of Encumbrances against the Company and the Retained Assets, except only the Permitted

Encumbrances; (iii) certain ancillary relief, with the steps set out in paragraph 5 of the Approval and Reverse Vesting Order to become effective upon the Receiver filing a certificate confirming that the Purchaser has paid the Transaction Price and all conditions to Closing set out in the Agreement have been satisfied or waived by the Receiver and the Purchaser.

- C. Unless otherwise indicated therein, capitalized terms used and not otherwise defined in this Receiver's Certificate have the meanings set out in the Approval and Reverse Vesting Order.

THE RECEIVER CERTIFIES that:

1. The Purchaser has paid the Transaction Price (as defined in the Agreement) in accordance with the Agreement;
2. The conditions to Closing as set out in the Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The transactions contemplated in the Agreement have closed.

This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**Deloitte Restructuring Inc. in its capacity as
Receiver and Receiver and Manager of
Canwest Aerospace Inc. and Can West
Global Airparts Inc., and not in its personal
capacity**

Per: _____
Name:
Title:

17
1906

1906

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

550 Burrard Street, Suite 2900
Vancouver, British Columbia V6C 0A3
Canada

T +1 604 631 3131
+1 866 635 3131
F +1 604 631 3232
fasken.com

April 11, 2024
File No.: 242587.00106/23675

Lisa Hiebert
Direct Line / Fax +1 604 631 4977
lhiebert@fasken.com

By Dye & Durham

The Vancouver Law Courts
800 Smithe Street
Vancouver, BC V6Z 2E1

RUSH

Dear Sirs/Mesdames:

Re: *Royal Bank of Canada v. Canwest Aerospace Inc. et al*
SCBC Action No. S-230764, Vancouver Registry

We are counsel for Deloitte Restructuring Inc., in its capacity as Receiver and Receiver Manager (in such capacity, the “**Receiver**”) of Canwest Aerospace Inc. and Can West Global Airparts Inc. (together, the “**Company**”). On April 2, 2024, the Receiver and others appeared on an application seeking approval of a transaction. On April 10, 2024, we received reasons for judgment approving the transaction.

We write to kindly request that the enclosed Approval and Reverse Vesting Order of Justice Gomery made April 10, 2024 (the “**Order**”), be entered on an expedited basis.

We make this request because the Order approves a subscription agreement and transaction. Under the terms of the agreement, the transaction is to close within 4 business days of the approval order being made and no later than April 30, 2024. Accordingly, the Receiver requests expedited entry of the Order to facilitate closing.

We appreciate your assistance in this matter.

Yours truly,

FASKEN MARTINEAU DuMOULIN LLP



Lisa Hiebert

LH/ak
Enclosure

original

RUSH