



COURT FILE NUMBER 1601-11809

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

DOCUMENT **SECOND REPORT OF DELOITTE RESTRUCTURING INC. AS THE COURT-APPOINTED RECEIVER AND MANAGER OF REPERIO RESOURCES CORP. AND HEARTLAND AGGREGATES CORP.**

DATED NOVEMBER 26, 2021

PREPARED BY DELOITTE RESTRUCTURING INC.

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Introduction and background

1. On September 23, 2016, (the "**Date of Receivership**") Reperio Resources Corp. ("**Reperio**") and Heartland Aggregates Corp. ("**Heartland**") (collectively, referred to as the "**Companies**") were placed into receivership pursuant to an order (the "**Receivership Order**") issued by the Court of Queen's Bench of Alberta (the "**Court**"). Deloitte Restructuring Inc. ("**Deloitte**") was appointed as receiver and manager of the Companies (the "**Receiver**"). A copy of the Receivership Order is attached as **Appendix "A"**.
2. The Companies leased an administrative office at 101, 11324 182 Street, Edmonton, Alberta (the "**Head Office**") and the primary business was owning and operating a gravel mine (the "**Gravel Pit**") located in Lac St. Anne County which is approximately two kilometres south of the Town of Onoway, Alberta.
3. Reperio owns 100% of the common shares of Heartland. Based on the Receiver's activities to date and on discussions with Reperio's former management, all assets and operations appeared to have been owned and operated by Reperio.
4. The Companies' primary secured lender is The Toronto-Dominion Bank ("**TD Bank**") that was owed approximately \$11.5 million as at the Date of Receivership plus accruing interest and costs.
5. On December 22, 2016, the Receiver filed its first report with the Court (the "**First Report**") which described, amongst other things, the Companies' primary assets and liabilities, the Receiver's activities to date, the proposed sales process and the Receiver's interim statement of receipts and disbursements.
6. On January 9, 2017, the Court issued an order (the "**SISP Order**") approving the Receiver's proposed sales information package and sales process (the "**SISP**") as described in the First Report. A copy of the SISP Order is attached as **Appendix "B"**.
7. Since January 2017 the Receiver has been pursuing a sale of Reperio's Gravel Pit.
8. The Receivership Order, the First Report and the SISP Order, together with related Court documents and the statutory notices sent to the creditors of the Companies, and this second report (the "**Second Report**") have been posted on Deloitte's website: <https://www.insolvencies.deloitte.ca/en-ca/Pages/Reperio-Resources-Corp.aspx?searchpage=Search-Insolvencies.aspx>.

Purpose

9. The purpose of this Second Report is to:
 - a) Provide an update on the Receiver's activities since the First Report;
 - b) Respectfully recommend that this Honourable Court make orders:
 - i. Approving the activities, fees and disbursements of the Receiver as described in this Second Report, without limitation, the steps taken by the Receiver pursuant to the Receivership Order, and the fees of the Receiver's legal counsel;
 - ii. Approving and directing the Receiver to carry out the terms of the asset purchase agreement with Lehigh Hanson Materials Limited ("**Lehigh**") dated October 4, 2021 (the "**Lehigh APA**"), together with any amendments thereto, completing the sale of the purchased assets as described in the Lehigh APA (the "**Reperio Lands**") and vesting all of Reperio's right title and interest in and to the Reperio Lands free and clear of all liens, charges, security interests and other encumbrances other than permitted encumbrances in and to Lehigh. An unredacted copy of the Lehigh APA is attached to the confidential supplement to this Second Report (the "**Confidential Supplement**") as **Appendix "A"**.
 - iii. Approving the sealing of the Confidential Supplement until the earlier of: (i) the closing of the sale of the Reperio Lands; (ii) the discharge of the Receiver; or (iii) further order of this Honourable Court;

- iv. Authorizing and directing the Receiver to terminate the Agreement dated August 3, 2007 (the "**Klause Land ROFR**") and the Lease and Materials Removal Agreement dated September 4, 2008 (the "**Klause Land Lease**") relating to the Klause Land as defined later in this Second Report;
- v. Approving, from the net sales proceeds received from the Reperio Lands, the repayment of the Receiver's Borrowings and also a partial payment of amounts owed to TD Bank pursuant to its secured loans, subject to certain withholdings as discussed later in this Second Report;
- vi. Approving the Receiver's interim Statement of Receipts and Disbursements ("**Interim SRD**") for the period September 23, 2016 to November 15, 2021;
- vii. Providing such further and other relief that the Court considers just and warranted in the circumstances.

Terms of Reference

10. In preparing this Second Report, the Receiver has relied upon unaudited financial information prepared by the Companies' management ("**Management**"), the Companies' books and records, and discussions with Management. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the information. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this Second Report.
11. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of this Second Report. Any use, which any party makes of this Second Report, or any reliance or decision to be made based on this Second Report, is the sole responsibility of such party.
12. All dollar amounts in this Second Report are in Canadian dollars unless otherwise indicated.
13. Unless otherwise provided, all other capitalized terms used in this Second Report are as defined in the Receivership Order, the First Report, the SISP Order and the Confidential Supplement.

Activities of the Receiver

14. Since the First Report, the Receiver has undertaken and performed the following activities:
 - a) Leased the undeveloped portion of the Reperio Lands to certain farmers to defray the holding costs associated with such Reperio Lands;
 - b) Coordinated with Canada Revenue Agency ("**CRA**") to conduct a trust audit of the Companies' books and records;
 - c) Completed the sale of a trailer and a sea-can to Ms. Kathleen Majeau on May 7, 2021 (such sale was agreed by Lehigh);
 - d) Continued to insure the Reperio Lands;
 - e) Updated the Receiver's website from time to time with relevant documents relating to the receivership proceedings;
 - f) Administered the receivership estate banking and related transactions and reconciliations;
 - g) Met with the owners of the lands leased by Reperio (the "**Leaseholders**") to determine if they would participate in a sale of, or lease of, their lands along with a sale of the Reperio Lands in order to maximize recoveries for all stakeholders including the Leaseholders;
 - h) Continued to market the Reperio Lands for sale, met with interested parties on several occasions to attempt to consummate a transaction and worked with Lehigh to arrive at the Lehigh APA;

- i) Liaised from time to time with representatives of the County of Lac St. Anne ("**CLC**") and Alberta Environment and Parks ("**AEP**")
- j) Negotiated with one of the Leaseholders ("**Klause**") in respect of the leased land (the "**Klause Land**") and with Lehigh's involvement to address certain matters related to land apportionment and reclamation and remediation in respect of Reperio's letter of credit in the amount of approximately \$1.2 million, the beneficiary being the Province of Alberta;
- k) Reviewed receipts and disbursements of the receivership estate and arranged for payment of various invoices;
- l) Corresponded with legal counsel on various legal matters relating to the receivership;
- m) Corresponded with creditors, former key employees and other stakeholders on an as needed basis;
- n) Drafted, reviewed and finalized this Second Report; and
- o) Addressed additional matters as they arose from time to time not referred to above.

Property

Trucks

15. Reperio leased three vehicles from two financing/leasing companies (the "**Trucks**"). The Receiver investigated whether there was any equity value in each of the Trucks and concluded that there was none. Accordingly, the Receiver released the Trucks to the financing/leasing companies and the Trucks were excluded from the sales process.

Accounts receivable

16. As described in the First Report, Reperio's books and records reflected an outstanding accounts receivable balance of approximately \$2.6 million.
17. The Receiver noted that the largest outstanding account receivable of \$1.8 million was from a customer who filed for protection under the *Companies' Creditors Arrangement Act* ("**CCAA**"). Reperio's claim was an unsecured claim and there were no recoveries for unsecured creditors from the CCAA process.
18. The Receiver made attempts to collect certain of the other outstanding accounts receivable; however, those attempts were not successful as in a majority of occasions, those parties claimed a set off for amounts owed to them by Reperio to which the Receiver agreed.

Non-Pit Land

19. Subsequent to the receivership, the Receiver became aware that Reperio was the registered owner of an additional quarter section of land (Parcel 4 - NW-14-54-02-W5M), which was not previously disclosed by Management to TD Bank or the Receiver (the "**Non-Pit Land**"), by way of the receipt of a utility bill through the Receiver's mail redirection. It appears that the Non-Pit Land was acquired by Reperio with the view to eventually mine it for gravel. There was no development permit nor was it licenced for gravel extraction. The Non-Pit Land remains undisturbed.
20. A review of the land title revealed that the Non-Pit Land has a writ and a builders lien (both totalling approximately \$2,800,000) registered on title (the "**Potential Liens**"). To date the Receiver has not requested its legal counsel review the validity of the writ or liens as until very recently, the Receiver was unsure whether there would be a sale of the Reperio Lands.

Gravel Pit

21. The approved Gravel Pit is situated upon five quarters of land, three of which are owned by Reperio and two of which are owned by the Leaseholders and were leased to Reperio. A description of the Reperio Lands is attached as **Appendix "C"**.
22. As described in the First Report, the Receiver was advised by individuals previously involved with Reperio that there were potential environmental issues in respect of the management of surface water runoff and groundwater pooling in certain areas in the Gravel Pit. Accordingly, the Receiver retained Aspen Land Group Inc. ("**Aspen**") to determine the extent of any environmental issues.
23. Aspen performed the following activities:
 - a) Prepared a five-year report (the "**Five Year Report**") pursuant to the Alberta Code of Practice for Pits;
 - b) Established a wetland monitoring program pursuant to Reperio's Water Act approval; and
 - c) Provided a Phase I Environmental Site Assessment to prepare for a contemplated sale of the Gravel Pit.
24. As at the Date of Receivership, AEP held a Letter of Credit ("**LC**") in the amount of approximately \$1.2 million for the purpose of addressing reclamation and remediation costs on the Reperio Lands and the Klause Land. The LC remains in place.

Farming Leases

25. Subsequent to the Date of Receivership, the Receiver became aware that certain of the undeveloped Reperio Lands were being leased to farmers to grow seasonal crops. Management did not advise the Receiver of this arrangement and apparently such arrangements were verbal and not in writing. The Receiver contacted a realtor in the Onoway area to, amongst other things, provide an assessment on the lease rates that the Receiver should be charging to the respective farmers.
26. As the farmers had been using the lands for quite some time before it came to the attention of the Receiver, the Receiver made arrangements with the farmers to recover unpaid rent and also entered into written lease agreements at going market rates with the farmers for future use of the lands. The Receiver recovered \$32,975 in rental arrears for the period 2016 to 2021.
27. Prior to entering into the written lease agreements with the farmers, the Receiver consulted with Lehigh on acceptable lease terms and rates such that those leases can be assigned to Lehigh in connection with the Lehigh APA.

Sales process

28. Subsequent to the issuance of the SISP Order on January 9, 2017, the Receiver commenced the sales process.
29. The Receiver performed the following during the sales process:
 - a) Contacted more than 400 prospective parties via mail, email and telephone;
 - b) Fourteen interested parties executed confidentiality agreements ("**CA**");
 - c) Developed an electronic data room and provided access to parties who executed a CA;
 - d) Provided interested parties an opportunity to view the Gravel Pit by appointment on January 31, 2017, February 1, 7, and 8, 2017, or as may be arranged should the prospective purchasers be unable to attend the site visit on the proposed days; and
 - e) Established February 28, 2017 as the deadline for the submission of written offers (the "**Submission Deadline**").

30. It should be noted that during the initial SISP, the Receiver was not aware that Reperio owned the Non-Pit Lands such that that piece of property was not included in the initial SISP.
31. On the Submission Deadline, the Receiver received three offers.
32. The Receiver reviewed the three offers and determined they were not acceptable as they all contained conditions that the Receiver was unable to meet. As such, the Receiver extended the sales process to March 25, 2017 in order to meet with the two parties exhibiting the greatest level of interest in purchasing the lands.
33. The Receiver was advised in those meetings that without the Leaseholders' lands being available to either purchase or rent by a prospective purchaser and included with the Reperio Lands, the Reperio Lands were uneconomic for development as a gravel pit. The March 25, 2017 deadline passed with no further offers.
34. On April 4, 2017 and April 5, 2017, the Receiver met with the potential purchasers, the Leaseholders, and representatives of CLA to gain additional insight into key points around which a sale/lease of the leased lands and a sale of the Reperio Lands as a package could occur. The following general points were discussed:
 - a) Royalty rates associated with the leased lands;
 - b) Whether the Leaseholders would be willing to negotiate new lease terms or were interested in selling their land;
 - c) Whether the mining permits were transferrable to a new purchaser; and
 - d) The unpaid levies on gravel extraction and road use owed by Reperio to CLA.
35. The interested parties advised the Receiver that they would be interested in proceeding with a purchase of the Reperio Lands only if CLA would provide written confirmation that they would transfer permits to the successful purchaser.
36. CLA advised the Receiver that, provided it recovered amounts owed to it by Reperio, it would agree to transfer the permits to a potential purchaser. However, subsequent to CLA agreeing to transfer the permits, the SISP faltered as both potential purchasers were not willing to proceed unless they were able to negotiate royalties or land purchases directly with the Leaseholders as any purchase price would be contingent on reaching royalty/purchase agreements with the Leaseholders.
37. Accordingly, the Receiver determined that the SISP should be amended to allow the two interested parties to negotiate directly with Leaseholders. Although the SISP was approved by the Court, it was the Receiver's view that amending the SISP was an extension of the sales process and that no further Court application was required. Moreover, TD Bank, by far the largest stakeholder, agreed with amending the SISP.
38. The Receiver met with the Leaseholders to advise them of a process to include them in the SISP and that a process had been developed by the Receiver and agreed to by TD Bank that would allow the Leaseholders to recover unpaid Reperio rent based on a formula tied to a future obtained sale price even though amounts owed to the Leaseholders were unsecured and ranked subordinate to TD Bank.
39. It wasn't until January of 2018 that the Receiver obtained the support of the Leaseholders to participate in the SISP.
40. The Receiver recommenced the SISP in January 2018. Also now included in the SISP was the Non-Pit Lands such that there were now four (4) owed properties being marketed for sale. Prospective purchasers were provided with 60 days to negotiate agreements with the Leaseholders and submit bids to the Receiver.

41. Results of the recommenced SISP are as follows:
 - a) Seven (7) parties expressed interest including two of the original potential purchasers from the initial SISP; and
 - b) Three (3) parties submitted offers for the property.
42. Details of those three (3) offers and the Receiver's response and actions in respect of those offers are described in detail in the Confidential Supplement.
43. After various discussions and negotiations, the Receiver determined Lehigh's offer provided the maximum realization for the receivership estate given the circumstances and as such the Receiver accepted Lehigh's offer in April 2018 with the concurrence of TD Bank and subject to the Receiver obtaining Court approval.
44. As the offer contained numerous due diligence conditions and lengthy time frames, the Receiver commenced working with Lehigh to address those due diligence conditions; however, the Receiver was advised by Lehigh on February 15, 2019 that due to an analysis of land reclamation costs associated with one of the leased quarter sections and ongoing negative Alberta economic conditions, Lehigh would be submitting a revised offer (the "**Revised Lehigh Offer**") to the Receiver. Key terms of the Revised Lehigh Offer are described in the Confidential Supplement.
45. The Revised Lehigh Offer was for the Reperio Lands only and contained an exclusion condition (the "**Exclusion Condition**") where the Klause Land was specifically excluded. The reason for the Exclusion Condition was that there were reclamation and remediation costs associated with the Klause Land as that land was the land on which Reperio was mining gravel thereby impacting the value of the Klause Lands. Lehigh and Klause were unable to come to an agreement on a mutually acceptable price for the Klause Land.
46. The Exclusion Condition contained in the Revised Lehigh Offer implied that the Receiver would:
 - i. Need to apply to the AEP and CLA to apportion the Gravel Pit registration; and
 - ii. Reclaim and remediate the Klause Land.
47. The Receiver contacted AEP and CLA to inquire into the apportionment and delineation procedures associated with the Klause Land from the rest of the Reperio Lands. Both AEP and CLA advised that the Receiver would need to submit an application accompanied by an action plan. An application fee would be charged by AEP and CLA for any submissions. Moreover, the Receiver would have to engage a consultant to prepare any submissions and it appeared to the Receiver that such applications would likely take an inordinate amount of time.
48. The Receiver also investigated the potential costs of reclaiming and remediating the disturbed Klause Land by obtaining two independent estimates for those costs. The details of those cost estimates are discussed in the Confidential Supplement.
49. Based on the perceived difficulties with the Receiver making an application to apportion and delineate the Klause Land and the costs and risks associated with reclaiming and remediating the Klause Land, the Receiver approached both Lehigh and Klause to determine if a sale of the Klause Land to Lehigh with the Receiver's participation could be negotiated.
50. After extensive negotiations, in February 2020, the Receiver reached an agreement with both Lehigh and Klause, wherein Klause agreed to a specific sale price of the Klause Land, Lehigh agreed to contribute a certain amount towards the Klause Land sale price, the Receiver would contribute the difference between those two amounts such that the Receiver would not have to address any apportionment, delineation and reclamation and remediation of the Klause Land. The Receiver would also obtain the release of the approximately \$1.2 million letter of credit provided by Reperio in favour of AEP.

51. Reperio entered into the Klaus Land ROFR and the Klaus Land Lease in respect of the Klaus Land on August 3, 2007 and September 4, 2008 respectively. Both agreements are registered against the Klaus Land. As noted previously in this Second Report, the Klaus Land was approved for gravel extraction by both the AEP and CLA.
52. Klaus and Lehigh have entered into a purchase and sale agreement (the "**Klaus/Lehigh Transaction**") such that Lehigh will acquire the Klaus Land. So that the Klaus/Lehigh Transaction can close, Lehigh has requested that the Receiver terminate the Klaus Land ROFR and the Klaus Land Lease such that the Klaus Land is acquired by Lehigh free from those two encumbrances registered on title.
53. It is the Receiver's view that the termination of both the Klaus Land ROFR and the Klaus Land Lease will maximize the recoveries to the Reperio receivership estate and is in the best interests of the stakeholders. Accordingly, the Receiver requests that this Honourable Court issue an order that authorizes and directs the Receiver to terminate the Klaus Land ROFR and the Klaus Land Lease and discharge those encumbrances registered on title to the Klaus Land and any subsequent encumbrances pertaining to Reperio's interest therein. Copies of the Klaus Land ROFR and Klaus Land Lease are attached as **Appendix "D"** and **Appendix "E"** respectively.
54. The Receiver provided Lehigh with a draft purchase and sale agreement in April 2020. In June 2020 Lehigh advised that its capital spending for 2020 had been reduced (due to the economic impact of COVID-19) such that closing the transaction prior to March 31, 2021 would not be possible. Lehigh advised the Receiver that it was confident it would be able to obtain capital approval for the transaction in 2021.
55. As the Receiver had thoroughly explored the market for the Reperio Lands over the past several years, the Receiver remained of the view that the Lehigh transaction remained the best and most optimal offer for the Reperio Lands. There appeared to be no other interested parties.
56. The Receiver and Lehigh entered into the October 4, 2021 Lehigh APA. A redacted copy of the Lehigh APA is attached as **Appendix "F"**. An unredacted copy of the Lehigh APA is attached to the Confidential Supplement as **Appendix "A"** of the Confidential Supplement.
57. On November 2, 2021, the Receiver and Lehigh entered into a Waiver of Conditions and Agreement Amending Asset Purchase Agreement (the "**Waiver and Amending Agreement**") setting out the AEP registration transfer process prior to the AEP process condition date as set out in Section 6.1 (a) of the Lehigh APA. The Waiver and Amending Agreement provided for the deletion and replacement of Section 5.3 (a) and (b) of the Lehigh APA to clarify the requirements and dates associated with the AEP registration transfer process. A copy of the Waiver and Amending Agreement is attached as **Appendix "G"**.
58. The Receiver is of the view that the sale of the Reperio Lands to Lehigh pursuant to the Lehigh APA as further detailed in the Confidential Supplement, is appropriate in the circumstances and should be approved by this Honourable Court for the following reasons:
 - i. The Receiver undertook a strategic and broad canvassing of the market to obtain the highest sale price for the Reperio Lands;
 - ii. The sale price, in the Receiver's view, is consistent with current market conditions in the Onoway, Alberta region for assets of this nature;
 - iii. The Lehigh APA provides for the greatest recoveries for the receivership estate;
 - iv. The Reperio Lands have been available to the market since January 2017 and Lehigh is the only purchaser that has remained interested in the Reperio Lands;
 - v. The Receiver's borrowings to maintain the Reperio Lands and address certain expenses to the date of this Second Report will be satisfied from the sales proceeds and to satisfy known priority claims (unpaid property taxes and amounts owed to CLA);
 - vi. The Receiver will not have to undertake a reclamation and remediation program on the Klaus Land which has inherent risks associated therewith;
 - vii. There are no other parties prepared to offer a higher amount than the Lehigh APA; and

- viii. The TD Bank supports the sale of the Reperio Lands to Lehigh.
59. There remain certain material conditions precedent in the Lehigh APA for the exclusive benefit of Lehigh which may impact the timing of the closing of the sale to Lehigh which are as follows:
- i. Lehigh must receive an Order of the Lieutenant Governor in Council excluding the transaction from the operation of the Foreign Ownership of Land Regulations (Alberta) as Lehigh is a foreign owned entity. Lehigh applied for such exclusion in September; however, the timing of the receipt of the exclusion is not known; and
 - ii. Lehigh will have completed its negotiations with Klause in respect of the Klause Land and the Purchase and sale agreement between Klause and Lehigh (the "**Klause APA**") is executed. The Receiver understands that as at the date of this report the Klause APA is very close to being executed.
60. Notwithstanding the aforementioned conditions precedent, based on the SISP undertaken by the Receiver, the length of time it has taken to enter into the Lehigh APA and the negotiations engaged in by the Receiver in respect of the Klause Land, the Receiver is of the view that the Lehigh APA is commercially reasonable in the circumstances and will maximize the available recovery for the receivership estate. Additional reasons and support for approval of the Lehigh APA are included in the Confidential Supplement. Accordingly, the Receiver requests that this Honourable Court approve the Lehigh APA for the reasons outlined herein and in the Confidential Supplement and vest title to the Reperio Lands in and to Lehigh.

Other Assets

61. The Companies owned an office trailer and sea-can which were located on the Reperio Lands. Those assets had been vandalized and were assessed at minimal value. Those assets were included in the SISP.
62. In late April 2021, Ms. Kathleen Majeau approached the Receiver to purchase the office trailer and the sea-can for \$4,000 plus GST (the "**Majeau Offer**").
63. The Receiver reviewed the Majeau Offer and determined that the offer was reasonable given the status of the trailer and sea-can. The Receiver consulted with Lehigh and Lehigh agreed that the trailer and sea-can would be excluded from the Lehigh APA.
64. Pursuant to paragraph 3(I)(i) of the Receivership Order, the Receiver has the ability to sell the Companies' property or part thereof out of the ordinary course of business without the approval of the Court in respect of any transaction not exceeding \$10,000. As the quantum of the Majeau Offer was below the \$10,000 threshold, the Receiver accepted the Majeau Offer. The Majeau Offer was closed on May 7, 2021.

Priority claims

65. In the First Report, the Receiver noted that the TD Bank is owed approximately \$11.5 million plus accruing interest and costs. The Receiver's legal counsel, BLG, opined on the TD Bank's security indicating, that subject to customary and specific assumptions and qualifications that TD Bank's security:
- i. Constitutes legal, valid and binding obligations on Reperio;
 - ii. Has been duly registered, filed and recorded in Alberta;
 - iii. Creates in favour of TD a first registered security interest against all present and after acquired property of Reperio; and
 - iv. Creates a valid first and second mortgage and charge on each of the Reperio mortgaged lands.
66. At the time the BLG legal opinion was issued, the Receiver did not know that Reperio owned the Non-Pit Land and as such, BLG's legal opinion does not include that property. TD Bank has registered a general security interest on the Non-Pit Land; however, that registration was registered post-receivership.
67. There are additional Reperio creditors whose claims may rank in priority to TD Bank.

68. CLA charges both a road use and a levy for gravel extraction at a rate of \$0.25/tonne. CLA advises that in order to facilitate a permit transfer to Lehigh they will require payment of approximately \$152,000.
69. The property tax on the Reperio Lands totalling approximately \$68,700 represents the balance owing for the years 2017 to 2021.
70. As described in the First Report, CRA has conducted a trust audit of Reperio's payroll deductions and GST. CRA has assessed approximately \$50,000 owed for source deductions and \$50,000 owed for GST for a total of approximately \$100,000 (together, "**CRA Claim**"). As TD holds mortgage security on the Reperio Lands other than the Non-Pit Land, and that security was registered prior to Reperio incurring any debt to CRA, CRA's priority claim is limited to the Non-Pit Land and will likely rank subordinate to TD on the other Reperio Lands.
71. The Potential Liens totalling approximately \$2.8 million are registered on the Reperio Lands. It is the Receiver's view that the TD Bank's security ranks in priority to the Potential Liens due to the security being mortgage security and such security was registered prior to the Potential Liens being registered. In respect of the Non-Pit Land, the Potential Liens were registered prior to the TD Bank security; however, the Non-Pit Land is undisturbed land and there have been no improvements on the land. Consequently, the priority of the registrations on the Non-Pit Land will need to be determined. The Receiver and its legal counsel will review the validity and enforceability of the Potential Liens to determine the priority of those claims and whether those claims rank in priority to or subordinate to the TD Bank once the Lehigh APA has closed.
72. The amount the Receiver is to be paid for the Reperio Lands (which includes the Non-Pit Land) is set out in the Lehigh APA attached as Appendix "**A**" to the Confidential Supplement. The Reperio Lands comprise approximately four (4) quarter sections and in the Receiver's view, each quarter section has approximately the same value. The amount the Receiver proposes to hold back (the "**Holdback**") from any distribution to TD Bank to address the claim priority matter noted above and in the following paragraph is set out in the Confidential Supplement. The proposed distribution to TD Bank is discussed in the Confidential Supplement.
73. Included in the Holdback, in addition to the holdback in respect of the Non-Pit Lands, the Receiver also proposes to holdback additional funds to address other potential priority claims and funds to address unpaid and future potential professional fees and costs to complete the administration of the receivership estate. The total quantum of the Holdback proposed by the Receiver is set out in the Confidential Supplement.

Interim statement of receipts and disbursements

74. The Interim SRD reflecting the administration of the receivership for the period September 23, 2016 to November 15, 2021 is summarized below. The detailed Interim SRD is attached as **Appendix "H"**.

In the Matter of the Receivership of Reperio Resources Corp. & Heartland Aggregates (together, "Reperio") Interim Statement of Receipts and Disbursements As at Nov 22, 2021		
CAD\$ (Unaudited)	As of Nov 22, 2021 Actual	Notes
Receipts		
Receiver's borrowings for professional fees	152,369	
Deposit for sale of land from Lehigh	150,000	
Receiver's Certificate	100,000	
Rental Income - Farm leases and oil and gas leases	50,850	
Interest	4,588	
Sale of Assets - trailer and sea-can	4,000	
GST collected	1,935	
Recovery of funds paid to court	1,093	
Refund - Utilities	288	
Estimated realizations before priority claims and costs	465,123	
Disbursements		
Receiver's fees and costs	(114,569)	
Legal fees	(42,060)	
Property taxes	(31,793)	
Outside Consulting	(27,543)	
Utilities	(9,097)	
GST on Receiver's fees and costs	(5,728)	
Insurance	(6,030)	
GST on legal fees	(2,099)	
Computer Services	(2,000)	
GST paid - operations	(1,814)	
Other	(285)	1
Total disbursements	(243,018)	
Net receipts over disbursements	222,106	
Notes		
[1] - Includes filing fees paid to the Official Receiver, GST on administrative disbursement and bank charges.		

75. Pursuant to the Receivership Order, the Receiver may borrow up to \$100,000 in aggregate without further Court approval. As at the date of this Second Report, the Receiver's borrowings total approximately \$100,000 to fund the receivership proceedings.

76. The Lehigh APA is expected to generate sufficient receivership estate funds to satisfy the repayment of the Receiver's borrowings, pay the Receiver's professional fees and those of its legal counsel, to pay unpaid property taxes, fund the Holdback and to make a partial repayment against the TD Bank's loans. Accordingly, the Receiver proposes that this Honourable Court approve a partial distribution to the TD Bank after payment of professional fees and property taxes and reserving the Holdback which is discussed further in the Confidential Supplement.

Fees and disbursements of the Receiver

77. The Receiver's professional fees are calculated based on hours spent at rates established by each professional based on their qualifications and experience.

78. The Receiver's professional fees and disbursements in relation to the administration of the receivership up to and including May 18, 2021 total approximately \$257,500 (excluding GST). The Receiver has work-in-progress totalling \$49,600 (excluding GST) for the period May 19, 2021 to November 15, 2021. A summary of the invoices issued by the Receiver is set out in **Appendix "I"** to this Second Report.

79. In the Receiver's opinion, the services rendered in respect of these fees and disbursements have been duly rendered in response to required and necessary duties of the Receiver pursuant to the Receivership Order, are reasonable in the circumstances and are consistent with other professional firms rates charged for similar mandates.

Legal Fees and disbursements

80. BLG, the Receiver's legal counsel, has billed and been paid approximately \$46,800 (excluding GST) to June 30, 2021. BLG has billed approximately \$1,700 (excluding GST) that has yet to be paid for the period July 2017 to November 30, 2021. BLG has unbilled work-in-progress totalling \$2,600 for the period December 2019 to November 15, 2021.

81. The accounts of BLG are calculated based on hours spent at rates established by each professional based on their qualifications and experience. A summary of the legal fees incurred to November 15, 2021 is set out in **Appendix "J"** to this Second Report.

Conclusions and Recommendations

82. The Receiver commenced marketing the Reperio Lands for sale in January 2017. There were complications encountered by the Receiver in arriving at a sale due to the relatively small footprint of the property owned by Reperio, the expiry of the leases on the leased lands impacting the overall economics of the gravel pit making the Reperio Lands less attractive, the ongoing malaise of the Alberta economy, very few interested parties, issues with potential reclamation and remediation costs, and subsequently the onset of COVID-19.

83. The Receiver has worked with Lehigh and Klause over the past several years to arrive at a transaction that is reasonable in the circumstances and maximizes recovery for the stakeholders. It is the Receiver's view that the Lehigh APA represents the most reasonable transaction in the circumstances.

84. Based on the foregoing, the Receiver respectfully requests that this Honourable Court grant the relief detailed in paragraph nine (9) of this Second Report and such further and other relief as this Honourable Court deems appropriate in the circumstances.

* * *

All of which is respectfully submitted at Calgary, Alberta this 26th day of November 2021.

DELOITTE RESTRUCTURING INC.,

In its capacity as court-appointed receiver and manager
of Reperio Resources Corp. and Heartland Aggregates Corp.
and not in its personal or corporate capacity

Per:



Ryan Adlington, CPA, CA, CIRP, LIT
Senior Vice-President

Per:



Robert J. Taylor, FCPA, FCA, CIRP, LIT

APPENDIX "A"

I hereby certify this to be a true copy of
the original order

Dated this 23 day of Sept. 2016


for Clerk of the Court



COURT FILE NUMBER 1601-11809
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE

CALGARY
IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY OF REPERIO RESOURCES
CORP.

PLAINTIFF **THE TORONTO-DOMINION BANK**
DEFENDANT **REPERIO RESOURCES CORP. P-
Hegabrand Aggregates Corp.**
DOCUMENT **CONSENT RECEIVERSHIP ORDER**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT
Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David Mann / John Regush
Ph. (403) 268-7097 / 7086 Fx. (403) 268-3100
File No.: 127469-1362

DATE ON WHICH ORDER WAS PRONOUNCED: September 23, 2016

LOCATION AT WHICH ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice Eidsvik

UPON THE APPLICATION of The Toronto-Dominion Bank ("TD"), in respect of Reperio Resources Corp. (the "**Debtor**") for an order appointing Deloitte Restructuring Inc. as receiver and manager over the assets, undertakings and properties of the Debtor; **AND UPON** noting the consent of the Debtor to this Consent Receivership Order; **AND UPON** reading the consent of Deloitte Restructuring Inc. to act as receiver and manager of the Debtor; **AND UPON** hearing from counsel for TD and such other counsel or parties that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order is hereby abridged and service thereof is deemed good and sufficient.

APPOINTMENT

2. Pursuant to section 13(2) of the *Judicature Act*, R.S.A. 2000, c. J-2, section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. C-36 (the "BIA"), section 99(a) of the *Business Corporations Act*, R.S.A. 2000, c. B-9, and section 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7, as amended, Deloitte Restructuring Inc. is hereby appointed receiver and manager (the "Receiver"), without security, of all of the Debtor's current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively referred to as the "Property").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part other business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of any transaction not exceeding \$10,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 shall not be required;

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. (i) The Debtor; (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant

immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.

5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement, if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a Regulatory Body's investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

NO EXERCISE OF RIGHTS OF REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall: (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on; (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and this Court directs that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the

date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation, the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the **Post Receivership Accounts**) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("**WEPPA**").

14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* S.C. 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a **Sale**). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
 - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in subparagraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to subparagraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order:
- (i) if, within such time as is specified in the order, within ten days after the order is made if no time is so specified, within ten days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within ten days after the order is made or within ten days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

Nothing in this Order shall derogate from the protection afforded to the Receiver by section 14.06 of the BIA or any other applicable legislation.

LIMITATION ON THE RECEIVER'S LIABILITY

16. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

17. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge, shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.

18. The Receiver and its legal counsel shall pass their accounts from time to time.

19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. The Receiver is at liberty and is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period

or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **Receiver's Borrowings Charge**) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

24. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

25. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

26. Notwithstanding Rule 6.11 of the Alberta *Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.

27. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. 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 Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory

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

29. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. The Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

31. Any interested party may apply to this Court to vary or amend this Order on not less than seven days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

32. This Order is issued and shall be filed in Court of Queen's Bench Action No. _____ and Court of Queen's Bench in Bankruptcy Action No. _____, which actions are not consolidated. All further proceedings shall be taken in both actions unless otherwise ordered.

"KE"

"KE"

"K. E. Idsvik"

Justice of Court of Queen's Bench of Alberta

CONSENTED TO THIS 2 DAY OF May, 2016

Per: _____
Solicitor for the Defendant, Reperio Resources Corp.

SCHEDULE "A"
RECEIVER'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that _____, the receiver and manager (the **Receiver**) of all of the assets, undertakings and properties of Reperio Resources Corp. (the **Debtor**), appointed by Order of the Court of Queen's Bench of Alberta (the **Court**) dated the ____ day of _____, _____ (the **Order**) made in action _____, has received as such Receiver from the holder of this certificate (the **Lender**) the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded _____ not in advance on the _____ day of each _____ after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

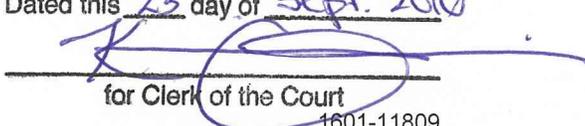
DATED the ____ day of _____

_____, solely in its capacity
as Receiver of the Property (as defined in the
Order), and not in its personal capacity

Per: _____
Name:

I hereby certify this to be a true copy of
the original order

Dated this 23 day of Sept. 2016


for Clerk of the Court

1601-11809



COURT FILE NUMBER
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE

CALGARY
IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY OF HEARTLAND AGGREGATES
CORP.

PLAINTIFF

THE TORONTO-DOMINION BANK

DEFENDANT

HEARTLAND AGGREGATES CORP. *R-*
Repanio Resources Corp.
CONSENT RECEIVERSHIP ORDER

DOCUMENT

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David Mann / John Regush
Ph. (403) 268-7097 / 7086 Fx. (403) 268-3100
File No.: 127469-1362

DATE ON WHICH ORDER WAS PRONOUNCED: September 23, 2016

LOCATION AT WHICH ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice Eidsvik

UPON THE APPLICATION of The Toronto-Dominion Bank ("TD"), in respect of Heartland Aggregates Corp. (the "**Debtor**") for an order appointing Deloitte Restructuring Inc. as receiver and manager over the assets, undertakings and properties of the Debtor; **AND UPON** noting the consent of the Debtor to this Consent Receivership Order; **AND UPON** reading the consent of Deloitte Restructuring Inc. to act as receiver and manager of the Debtor; **AND UPON** hearing from counsel for TD and such other counsel or parties that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order is hereby abridged and service thereof is deemed good and sufficient.

APPOINTMENT

2. Pursuant to section 13(2) of the *Judicature Act*, R.S.A. 2000, c. J-2, section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. C-36 (the "BIA"), section 99(a) of the *Business Corporations Act*, R.S.A. 2000, c. B-9, and section 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7, as amended, Deloitte Restructuring Inc. is hereby appointed receiver and manager (the "Receiver"), without security, of all of the Debtor's current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively referred to as the "Property").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part other business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of any transaction not exceeding \$10,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 shall not be required;

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. (i) The Debtor; (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant

immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.

5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement, if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a Regulatory Body's investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

NO EXERCISE OF RIGHTS OF REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall: (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on; (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and this Court directs that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the

date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation, the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the **Post Receivership Accounts**) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("**WEPPA**").

14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* S.C. 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a **Sale**). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
 - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in subparagraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to subparagraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order:
- (i) if, within such time as is specified in the order, within ten days after the order is made if no time is so specified, within ten days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within ten days after the order is made or within ten days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

Nothing in this Order shall derogate from the protection afforded to the Receiver by section 14.06 of the BIA or any other applicable legislation.

LIMITATION ON THE RECEIVER'S LIABILITY

16. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

17. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge, shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.

18. The Receiver and its legal counsel shall pass their accounts from time to time.

19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. The Receiver is at liberty and is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period

or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **Receiver's Borrowings Charge**) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the **Receiver's Certificates**) for any amount borrowed by it pursuant to this Order.

23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

24. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

25. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

26. Notwithstanding Rule 6.11 of the Alberta *Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.

27. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. 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 Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory

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

29. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. The Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

31. Any interested party may apply to this Court to vary or amend this Order on not less than seven days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

32. This Order is issued and shall be filed in Court of Queen's Bench Action No. _____ and Court of Queen's Bench in Bankruptcy Action No. _____, which actions are not consolidated. All further proceedings shall be taken in both actions unless otherwise ordered.

KE

KE

K. Eidsvik
Justice of Court of Queen's Bench of Alberta

CONSENTED TO THIS 2 DAY OF May 2016

Per: _____
Solicitor for the Defendant, Heartland Aggregates Corp.

SCHEDULE "A"
RECEIVER'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that _____, the receiver and manager (the "Receiver") of all of the assets, undertakings and properties of Heartland Aggregates Corp. (the "Debtor"), appointed by Order of the Court of Queen's Bench of Alberta (the "Court") dated the ____ day of _____, _____ (the "Order") made in action _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded _____ not in advance on the _____ day of each _____ after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

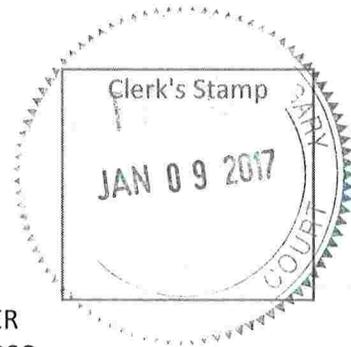
DATED the ____ day of _____

_____, solely in its capacity
as Receiver of the Property (as defined in the
Order), and not in its personal capacity

Per: _____
Name:

APPENDIX "B"

COURT FILE NUMBER **1501-13786**
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY



IN THE MATTER OF AN APPLICATION UNDER
THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC
1985, C B-3, AS AMENDED

PLAINTIFF THE TORONTO-DOMINION BANK
DEFENDANT REPERIO RESOURCES CORP. AND HEARTLAND
AGGREGATES CORP.
DOCUMENT **ORDER – APPROVAL OF SALES INFORMATION
PACKAGE AND SALES PROCESS**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

BORDEN LADNER GERVAIS LLP
Barristers and Solicitors
Centennial Place, East Tower
1900, 520 – 3rd Ave SW
Calgary, Alberta T2P 0R3

Attention: Kevin E. Barr

Tel: (403) 232-9786
Fax: (403) 266-1395

File No. 560836-000002

I hereby certify this to be a true copy of
the original order
Dated this 9 day of Jan 2017

for Clerk of the Court

DATE OF WHICH ORDER WAS PRONOUNCED: **FRIDAY, JANUARY 6, 2016**
LOCATION WHERE ORDER WAS PRONOUNCED: **CALGARY, ALBERTA**
NAME OF JUSTICE WHO MADE THIS ORDER: **THE HONOURABLE MADAM JUSTICE
K.M. EIDSVIK**

UPON the application of Deloitte Restructuring Inc. ("**Deloitte**"), in its capacity as Court-appointed Receiver and Manager of Reperio Resources Corp. and Heartland Aggregates Corp.; **AND UPON** reading the first report of Deloitte (the "**First Report**"); **AND UPON** reading the Affidavit of Service of Rhonda

Lastockin, filed; **AND UPON** hearing from counsel for Deloitte; **AND UPON** hearing counsel for The Toronto-Dominion Bank; **AND UPON** hearing from counsel for any and all other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of the Notice of Application and First Report is deemed good and sufficient and this application is properly returnable today.
2. Capitalized terms not defined herein shall have the same meaning as those terms expressly defined in the First Report.

PROCESS FOR SALE

3. The SIP described in paragraph 17.2 and attached as Appendix "C" to the First Report of Deloitte is approved.
4. Deloitte is hereby authorized and directed to implement the SIP and to do all things as are reasonably necessary to conduct and give full effect to the SIP and carry out its obligations thereunder, including seeking approval of this Court as soon as reasonably practicable following the selection of a winning bidder under the SIP.
5. The APA described in paragraph 17.3 and attached as Appendix "D" to the First Report of Deloitte is hereby approved.

SERVICE

6. Deloitte shall serve by courier, fax transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this Application and on all parties who received notice of this Application or who are presently on the service list established in these proceedings, and such service shall be deemed good and sufficient for all purposes.

"K. M. ΣΙΔΩΝΙΚ"
J.C.C.Q.B.A.

APPENDIX "C"

Owned Lands

Parcel 1:

Meridian 5 Range 2 Township 54
Section 15
Quarter North East
Excepting thereout all mines and minerals
Area: 64.7 hectares (160 acres) more or less

Parcel 2:

The North West Quarter of Section twenty two (22)
Township fifty four (54)
Range two (2)
West of the fifth meridian
Containing 64.7 hectares (160 acres) more or less
Excepting thereout:
4.451 hectares (11 acres) more or less for road as shown on road plan 8221032
Excepting thereout all mines and minerals

Parcel 3:

Legal subdivisions three (3), four (4), five (5), and the north half and the south
West quarter of legal subdivision six (6)
All of section twenty two (22)
Township fifty four (54)
Range two (2)
West of the fifth meridian
Containing 60.4 hectares (149.30 acres) more or less.
Excepting thereout:
(A) the portion required for road purposes as shown on plan 4704PX containing
0.829 hectares (2.05 acres) more or less.
(B) 1.68 hectares (4.15 acres) more or less, as shown on road plan 8020036.
Excepting thereout all mines and minerals

APPENDIX "D"

CANADA)
PROVINCE OF ALBERTA)
TO WIT:)

CAVEAT

Pursuant to the *Land Titles Act*



TAKE NOTICE that **Reperio Resources Corp.**, in the City of Edmonton, in the Province of Alberta, claims an interest, pursuant to an Agreement dated the 3rd day of August, 2007 as executed between Donald Brian Klause and David Klause, collectively referred to as the "Owners" and Reperio Resources Corp. which includes a right of first refusal in the event the Owners receive a bona fide Offer to Purchase over the lands as owned by the Owners and legally described as:

MERIDIAN 5 RANGE 2 TOWNSHIP 54
SECTION 22
QUARTER NORTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS

being lands standing in the register in the name of **Donald Brian Klause and David Norman Klause** and forbid the registration of any person as transferee or owner of or of any instrument affecting the said estate interest, unless the instrument or Certificate of Title, as the case may be, is expressed to be subject to a claim.

I appoint Reperio Resources Corp., 1990, 10020 - 101A Avenue, at Edmonton, in the Province of Alberta, T5J 3G2, as the place at which notice of proceedings relating hereto may be served.

DATED this 6 day of FEB., 2008.

Darrell Wilson
Agent for REPERIO RESOURCES CORP.

{Edmonton Client Files\24835\3\E0540553.DOC }

NOTICE
OF REGISTRATION OF

CAVEAT

NO. 082065304

PARTIAL COPY ONLY

APPENDIX "E"

DK. DK.

THIS AGREEMENT made the ~~21st~~^{4th} day of ~~August~~^{September}, 2008.

BETWEEN:

DONALD B. KLAUSE and **DAVID N. KLAUSE**
both individuals resident in the Province of Alberta

(collectively, the “**Owners**”)

- and -

REPERIO RESOURCES CORP., a corporation
incorporated under the laws of the Province of Alberta or its Nominee

(the “**Tenant**”)

LEASE AND MATERIALS REMOVAL AGREEMENT

WHEREAS the Owners are the registered and beneficial owners of lands and premises legally described as the NE1/4-22-54-2-W.5th (the “**Lands**”) and is the sole occupant of the Lands;

AND WHEREAS the Tenant wishes to lease the Lands and remove therefrom gravel, sand, marl, clay, base and precious metals, diamonds and other minerals and products on, in or under the Lands;

NOW THEREFORE in consideration of the payment of the premises, covenants and agreements contained herein, the parties agree as follows:

Grant of Lease and Rights

1. Subject to completion or waiver of the Condition Precedent set out in section 2 herein, the Owners hereby jointly lease to the Tenant, its successors and assigns, for a period of twenty five (25) years, commencing from the Initial Payment Date (as defined below) (the “**Term**”) and pursuant to the provisions herein set forth, all of their right, title and interest in and to the Lands, including without limitation, the surface and subsurface rights thereof and specifically, all present and future right, title, estate and interest of the Owners in and to all gravel, rock, stone, unconsolidated gravel, pit run gravel, consolidated rock, sand, clay, marl and similar materials, together with base metals, precious metals, diamonds and other minerals and products which are recovered by the Tenant as a by-product or incidental to the mining of aggregate, clay and marl (collectively, the “**Materials**”) on, in and under the Lands.
2. Notwithstanding anything else contained herein, this Agreement is subject to the verification and confirmation, in the Tenant’s sole and unfettered discretion, of the Tenant obtaining financing (the “**Condition Precedent**”) on or before the day (the “**Condition Date**”) which is thirty (30) days following the date of this Agreement set forth above or such later date as may be agreed to between the Tenant and the Owners. In order for the Condition Precedent

to be considered completed or waived, the Tenant must deliver a written notice (the “**Condition Precedent Notice**”) to the Owners on or before 4:00 p.m. Mountain Standard Time on the Condition Date, which such notice shall state unequivocally that the Condition Precedent has been completed to the satisfaction of the Tenant or is being waived. If the Condition Precedent Notice is not delivered before the Condition Date, or if Tenant provides notice that the Condition Precedent will not be completed or satisfied before the Condition Date, this Agreement and any testing agreement entered into between the parties prior to the date hereof shall immediately be considered terminated and of no further force and effect, and the parties shall thereafter have no further obligations or liabilities to each other.

3. The Tenant, its employees, servants, agents, consultants, contractors, subcontractors, workmen and invitees, shall throughout the Term have the sole and exclusive right and privilege to explore for, test, develop, dig, drill, sample, quarry, mine, extract, excavate, win, take, treat, refine and improve, wash, crush and process, produce, stockpile and store, remove, transport and sell, for the Tenant’s own account, any and all Materials situated on, in and under the Lands and to use the Lands consistent with the foregoing purposes including without limiting the generality of the foregoing, the right to strip and destroy the surface of the Lands, to stockpile Materials, earth, rocks, overburden and waste on the Lands or elsewhere, to place and operate buildings, tools, machinery and equipment thereon, to erect, construct and maintain roads, buildings, structures, gates and fences and temporarily remove fences for egress and ingress and to enter upon and/or use the Lands to carry on Commercial Activity including from or on adjacent or neighbouring property (all such activities collectively referred to as the “**Commercial Activity**”).
4. The Owners covenant and agree that the Tenant shall have, during the Term, quiet enjoyment and exclusive possession and occupation of the Lands, without interruption or disturbance from either the Owners or any other persons claiming by, through or under the Owners. PROVIDED HOWEVER, with the prior written consent of the Tenant, the Owners shall have the right to use the Lands for the purpose of livestock grazing and farming if such use by the Owners do not, in the sole and absolute opinion of the Tenant, interfere with the grant and use of the Lands by the Tenant and the operation of the Commercial Activity. The Owners undertake such use and activity totally at their own risk, and hereby releases and indemnifies the Tenant from and against any and all liability for any loss, death, injury, claims, damages, costs or expenses suffered or incurred by the Owners or by any other party, arising from, caused by or as a result of, directly or indirectly, any such activity or other activities (including without limitation, the removal of timber) by the Owners.
5. The Tenant shall apply for the required permits and licences to conduct the Commercial Activity on the Property within nine (9) months from the date of delivery of the Condition Precedent Notice and shall provide the Owners with not less than thirty (30) days’ written notice of the commencement of commercial mining on the Lands. The Tenant shall have complete and absolute discretion, control and authority to determine the method and timing of its operations and Commercial Activity on the Lands, including when to commence, recommence, continue or terminate its operations or any stage thereof, on the Lands.
6. All Materials removed from the Lands and any amounts arising from the sale or disposal thereof, shall be the sole, absolute and exclusive property of the Tenant. The Owners shall

retain all rights to the timber on the Lands, PROVIDED HOWEVER, that any activities relating to the removal and transport of timber from the Lands shall not interfere with the Commercial Activity and the costs and expenses relating to the removal and transport of timber or anything in connection therewith, shall be borne solely by the Owners. The Owners shall obtain the prior approval of the Tenant as to the timing, duration and method of timber removal and transport.

Payment to Owners

7. No later than fifteen (15) days following delivery by the Tenant of the Conditions Precedent Notice to the Owners (the “**Initial Payment Date**”), as consideration for the grant of the lease, the sale of the Owners’ right, interest and title in and to the Materials during the Term, and the covenants and agreements contained herein to be performed by the Owners, the Tenant shall pay to the Owners the sum of two hundred fifty thousand (\$250,000) dollars together with a royalty (the “**Royalty**”) equal to:
- (a) \$0.50 on the first 500,000 tonnes of aggregate removed from the Lands;
 - (b) thereafter, \$1.00 per tonne of aggregate and \$1.00 per cubic metre of clay or marl removed from the Lands until the fifth anniversary of the Initial Payment Date;
 - (c) \$1.25 per tonne of aggregate and \$1.25 per cubic metre of clay or marl removed from the Lands commencing from the day following the fifth anniversary of the Initial Payment Date to the tenth anniversary of the Initial Payment Date;
 - (d) \$1.50 per tonne of aggregate and \$1.50 per cubic metre of clay or marl removed from the Lands commencing from the day following the tenth anniversary of the Initial Payment Date to the fifteenth anniversary of the Initial Payment Date;
 - (e) \$1.75 per tonne of aggregate and \$1.75 per cubic metre of clay or marl removed from the Lands commencing from the day following the fifteenth anniversary of the Initial Payment Date to the twentieth anniversary of the Initial Payment Date; and
 - (f) \$2.00 per tonne of aggregate and \$2.00 per cubic metre of clay or marl removed from the Lands commencing from the day following the twentieth anniversary of the Initial Payment Date to the twenty fifth anniversary of the Initial Payment Date.

Provided however, that commencing on the second anniversary date of the Initial Payment Date, the amount due to the Owners in respect of Royalty payments will not be less than (the “**Minimum Annual Payment**”):

\$80,000 per annum in the first ten (10) years;

\$100,000 per annum in years eleven (11) to twenty (20); and

\$120,000 per annum in years twenty-one (21) to the end of the Term;

The Minimum Annual Payment shall be paid in arrears, commencing on the third anniversary of the Initial Payment Date.

If this Agreement is terminated prior to the expiry of the Term, the Minimum Annual Payment in such year shall be pro-rated. If the Minimum Annual Payment exceeds the amount of Royalty paid or payable in a year, the excess amount shall be applied against Royalty payments in the next following year and so on until the earlier of termination of this Agreement or the end of the Term, provided that the Owners will not receive less than the Minimum Annual Payment in any full year during the currency of this Agreement.

8. The Tenant shall provide the Owners with statement each month, setting forth the amount of aggregate, clay and marl removed from the Lands together with a calculation of the Royalty payable to the Owners, and shall pay the Royalty within thirty (30) days from the date of each such statement (the "**Due Date**"). For greater certainty, any excess Minimum Annual Payment is a pre-payment against future Royalties and will be applied against the payment of Royalties at the first available opportunity.
9. The Tenant further covenants and agrees to pay simple interest at the rate of 12% per annum, calculated daily, on any Royalty that has not been paid from the Due Date to the date of payment. If any payment required to be made hereunder is delinquent for a period exceeding sixty (60) days the Tenant shall cease all Commercial Activity and if such payment is not made within one hundred and eighty (180) days of when it was due, and the obligation to pay or amount of such payment is not in dispute, the Owners may terminate this Agreement upon thirty (30) days written notice to the Tenant.
10. The Tenant shall ensure that its scale is calibrated annually by the inspector appointed by the applicable governmental authority ("**Inspector**") and the Owners shall, upon one (1) business day's prior notice to the Tenant, be given access to inspect the Tenant's scale. The Owners may no less frequently than once in any consecutive six (6) month period, at its sole cost, arrange for an Inspector to calibrate the Tenant's scale. If a recalibration at the request of the Owners discloses a calibration error of greater than five (5%) percent, the Royalty shall be recalculated from the date that is the later of: (a) the date of the last calibration; and (b) that date which is six (6) months prior to the date of the recalibration. Any difference shall be paid, as applicable, to the Owners with the next Royalty payment or to the Tenant as a set-off against future Royalty payments.

Covenants of the Tenant

11. The Tenant covenants and agrees that it will:
 - (a) carry out its operations on the Lands in a proper and workmanlike manner, with all due considerations for safety;
 - (b) comply with all laws, regulations, bylaws, policies and guidelines of governmental and regulatory bodies relating to the Tenant's operations on the Lands, including in respect of the decommissioning, rehabilitation, remediation and reclamation of the Lands after Materials have been extracted;

- (c) pay all taxes, rates, duties, levies and assessments whatsoever charged by any competent assessing or taxing authority, which may become due as a result of the Commercial Activity on the Lands; and
- (d) take out and keep in full force and effect at all times while conducting Commercial Activity on the Lands, comprehensive general liability insurance with respect to the Lands in an amount of not less than \$2,000,000 per occurrence in respect of the Tenant's use and occupation of the Lands, such amount to be increased to \$5,000,000 per occurrence commencing in the eleventh year of the Term.

Representations, Warranties and Covenants of the Owners

12. The Owners represent and warrant to the Tenant that:

- (a) they are the sole owners of the Lands and the Materials;
- (b) they have the right to lease the Lands to the Tenant and to grant and demise the Materials to the Tenant as contemplated herein;
- (c) the Lands are not a "Homestead", as defined in the *Dower Act* (Alberta); and
- (d) the Owners have the legal capacity to enter into this Agreement; and

the entering into of this Agreement and the transactions contemplated hereby will not result in a violation of any of the terms and provisions of any law applicable to the Owners or of any agreement to which any of the Owners are a party or by which they are bound.

13. The Owners jointly covenant and agree that:

- (a) if permitted by the Tenant, they will use the Lands only for livestock grazing or farming and for no other purpose, and that such use shall not interfere with the use of the Lands by the Tenant or the Commercial Activity;
- (b) the Tenant shall have unrestricted access together with all necessary rights of way or easements over any adjacent properties owned by the Owners as may be required by the Tenant to freely access the Lands;
- (c) they will co-operate and do all things necessary to assist the Tenant to obtain all licenses and permits and enter into all agreements with governmental and regulatory authorities or other third parties as the Tenant may direct, including without limitation, licenses, environmental permits and pit development agreements, in order to allow the Tenant to carry out the operations and Commercial Activity contemplated by this Agreement; and
- (d) they will abide by all the conditions which may be imposed by any municipal authority or any other applicable authority in connection with the Tenant's application for any license or zoning change application necessary to permit the Tenant to extract, store and transport Materials from the Lands and the Owners

consent to the Tenant effecting such changes or improvements to the Lands, all at the expense of the Tenant, as may be required by such authority.

14. The Owners further jointly covenant and agree that in respect of all information or data provided or obtained by the Owners relating to Materials on, in or under the Lands, the operations of the Tenant on the Lands, and the execution and terms of this Agreement (collectively, the “**Information**”), they will: (a) treat the Information as strictly confidential, (b) exercise the utmost of care against disclosure, (c) protect and safeguard the confidentiality of the Information, (d) not make any unauthorized use thereof, and (e) not release, disclose or provide any Information to a third party without the prior written consent of the Tenant.

Encumbrances

15. The Owners shall be responsible for, and shall promptly pay when due, all property and other taxes, assessments, dues, levies, charges, liens and mortgage payments in respect of the Lands. If the Lands are subject to mortgages, encumbrances, liens or other financial charges, the Owners agree to make all payments as are due thereunder and abide by all conditions therein. In the event the Owners fail to do so the Tenant may, at its option, correct any deficiency and any expenses or costs incurred thereby will be forthwith reimbursed by the Owners to the Tenant. The Owners will make it a requirement of any mortgage, charge or encumbrance in respect of the Lands that the mortgagee or encumbrancer forthwith notify the Tenant of any event of default under the mortgage, encumbrance or charge (as applicable). The Owners will use their reasonable commercial efforts to obtain a good and valid non-disturbance agreement in respect of this Agreement, in a form acceptable to the Tenant's solicitors, from any mortgagee or encumbrancer holding a mortgage or charge on or against the Lands that is registered prior to this Agreement. Provided however, that the Tenant shall be responsible for any levies, taxes, liens or encumbrances arising solely as a result of the Tenant carrying on the Commercial Activity.
16. The Owners jointly covenant and agree that they will forthwith upon receipt, provide the Tenant with a copy of any notice of foreclosure or sale proceedings, or any other document or documents relating to or affecting any grant, conveyance or disposition of the Lands or any part thereof.
17. The Tenant will be entitled to register a caveat in respect of this Agreement at any time.
18. The Tenant will pay and satisfy all claims for wages of its employees and contractors, and all other claims, which might constitute a lien upon the Lands or the Materials. If a lien is filed or threatened to be filed against the Lands or the Materials, the Tenant will take such steps and make such payments as are necessary to remove such lien or prevent such filing.

Right of First Refusal

19. If at any time during the Term, the Owners receive a *bona fide* offer to purchase all or any part of the Lands (the “**Offered Lands**”) which they intend to accept, they shall first offer to sell the Offered Lands to the Tenant by providing the Tenant with written notice (the “**Sale Notice**”) specifying the terms and conditions of the offer. The Tenant shall be entitled for a

period of thirty (30) days following receipt of the Sale Notice to purchase the Offered Lands at the price and on the terms specified. If the Tenant does not exercise such right to purchase within such thirty (30) day period, the Owners shall be entitled, for a period of sixty (60) days to sell the Offered Lands to the person making the offer, but only on the identical terms and conditions contained in the Sale Notice. If the sale is not concluded within such sixty (60) days, the Owners shall not be entitled to sell the Offered Lands and the provisions of this section 19 shall reapply.

20. Any sale of all or any part of the Lands to a person other than the Tenant shall be expressly made subject to this Agreement and as a condition to the sale, the purchaser shall provide the Tenant with a written undertaking whereby the purchaser agrees to perform all of the obligations of the Owners under this Agreement and to be bound by the terms and conditions of this Agreement as if an original party hereto.

Indemnification

21. In addition to, and without in any way limiting, any rights and remedies available at law or equity in respect of a breach of any representation, warranty, covenant, agreement or condition contained in this Agreement, each of the parties (an “**Indemnitor**”) covenants and agrees that it will indemnify and save the other party, its successors and assigns (the “**Indemnitees**”) harmless from and against any loss, liability, claim, demand, damage, costs or expense (including legal fees on a solicitor and his own client basis) resulting or arising from:
 - (a) any breach of any representation, warranty, covenant, agreement or condition contained, made or given by the Indemnitor in this Agreement; and
 - (b) any act or omission of the Indemnitor, its employees, contractors, subcontractors and agents in connection with the operations carried on by the Indemnitor on the Lands;other than as a result of the wilful conduct or gross negligence of the Indemnitees.

Termination

22. This Agreement may be terminated by the Tenant for any reason whatsoever upon sixty (60) days written notice by the Tenant to the Owners.
23. If this Agreement is terminated by the Tenant:
 - (a) the Tenant will immediately cease work under this Agreement and all roads constructed by the Tenant will be and remain the property of the Owners, provided that the Tenant shall have a reasonable period of time to remove other fixtures installed or constructed by the Tenant;
 - (b) the Tenant will reclaim and leave the Lands in a state that is in accordance with applicable laws and regulations governing land surface use and reclamation applicable to the operations carried out by the Tenant on the Lands;

- (c) the Tenant will be entitled, for a period of one (1) year following termination, to remove all Materials stockpiled on the Lands;
- (d) the Tenant will remove all of its equipment, machinery, supplies or other property from the Lands (including any fixtures), making good any damage caused by such removal;
- (e) if the Owners wish any or all of the roads constructed by the Tenant to be removed following termination or expiry of this Agreement, they must provide written notice specifying the roads to be removed to the Tenant within ninety (90) days (i) following receipt of the Tenant's notice of termination pursuant to section 22 of this Agreement, or (ii) prior to the expiry of the Term. The Tenant shall not be required to remove such roads until such time as all stockpiled materials, equipment, machinery, supplies and property of the Tenant are removed from the Lands and the roads are not required by the Tenant in order to comply with any of the Tenant's obligations in respect of the Lands; and
- (f) the provisions of this section 23, section 14 (confidentiality) and section 21 (indemnity) shall survive the termination of this Agreement.

General

- 24. In the event of a dispute relating to matter arising from this Agreement (including the interpretation and construction of this Agreement) the Owners and Tenant will negotiate in good faith in an effort to resolve such dispute. If the dispute is not resolved following good faith negotiations, the dispute shall be submitted to, and be determined conclusively by, a single arbitrator pursuant to the *Arbitration Act* (Alberta). The decision of the arbitrator shall be final and binding on the parties and the cost of the arbitration shall be determined by the arbitrator. Any dispute shall not constitute a breach of or default under this Agreement, nor except as set forth herein, shall there be any interruption in the performance of this Agreement, the operations and activities of the Tenant pending the outcome of an arbitration.
- 25. Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and must be given by personal delivery, by registered mail or by electronic means of communication addressed to the recipient as follows:

To the Owners:

Donald B. Klause
13 Dennison Drive
St. Albert, Alberta T8N 6G6
Facsimile: (780) _____

David N. Klause
Box 592
Onoway, Alberta T0E 1V0

Facsimile: (780) _____

To the Tenant:

1990, 10020 – 101A Avenue
Edmonton, Alberta T5J 3G2
Facsimile: (780) 420-1023
Attention: Darrell Wilson, Director

or to such other address, individual or electronic communication number as may be designated by notice given by either party to the other. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the third business day following mailing and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the business day during which such normal business hours next occur if not given during such hours on any day. If the party giving any demand, notice or other communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such demand, notice or other communication must not be mailed but must be given by personal delivery or by electronic communication.

26. Each of the parties shall from time to time execute and deliver all such further documents and instruments and do all acts and things as the other party may require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.
27. Time shall be of the essence of this Agreement.
28. This Agreement and the rights and lease granted hereunder may be transferred and assigned by the Tenant without the consent of the Owners, provided that the transferee or assignee agrees to be bound by the terms hereby. Any such transfer and assignment shall operate to fully release the Tenant of its obligations and liabilities hereunder from the effective date of the transfer and assignment and the transferee or assignee shall be deemed to have assumed all of the obligations and liabilities of the Tenant from the effective date of such transfer or assignment.
29. This Agreement shall enure to the benefit of and be binding upon the parties and their respective, heirs, executors, administrators, successors and assigns.
30. Words importing the singular shall include the plural and vice versa, words importing the neuter gender shall include the masculine and feminine genders and words importing persons shall include firms, entities and corporations.
31. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties with respect thereto, including without limitation any verbal arrangements in respect of the Lands between the parties. There are no representations,

warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement.

- 32. No modification of or amendment to this Agreement is valid or binding unless set forth in writing and fully executed by both of the parties and no waiver of any breach of any term or provision of this Agreement is effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, is limited to the specific breach waived.
- 33. In the event that any condition, covenant or other provision of this Agreement is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other condition, covenant or other provision of this Agreement. If such condition, covenant or other provision shall be deemed invalid due to its scope or breadth, such condition, covenant or other provision shall be deemed valid to the extent of the scope or breadth permitted by law.
- 34. This Agreement shall be construed and governed in accordance with the laws of the Province of Alberta.
- 35. This Agreement may be executed in counterpart and all such counterparts, taken together, shall be deemed to constitute one and the same document. This Agreement may be executed by the parties and transmitted by facsimile or electronic communication and if so executed and transmitted, this Agreement will be for all purposes as effective as if the parties had delivered an executed original Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

REPERIO RESOURCES CORP.

per: 

Darrell Wilson, Director

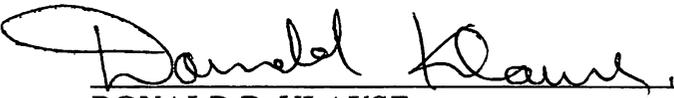
SIGNED, SEALED AND DELIVERED
in the presence of:



Witness



Witness



DONALD B. KLAUSE



DAVID N. KLAUSE

AFFIDAVIT OF EXECUTION

CANADA) I, HERVE H. DUROCHER
)
PROVINCE OF ALBERTA) of the City of Edmonton
)
TO WIT:) in the Province of Alberta

MAKE OATH AND SAY:

1. I WAS PERSONALLY present and did see DONALD KLAUSE and DAVID KLAUSE named in the within (or annexed) Instrument, who are personally known to me to be the person named therein, duly sign and execute the same for the purposes named therein.
2. THAT THE SAME was executed at Edmonton, in the Province of Alberta, and that I am the subscribing witness thereto.
3. THAT I KNOW the said DONALD KLAUSE and DAVID KLAUSE, and they are, in my belief, of the full age of eighteen years.

SWORN before me at Edmonton
in the Province of Alberta, this
4th day of September, 2008.



A Commissioner for Oaths
in and for the Province of Alberta.

Maureen Pratoornporn
Commission Expires
December 15, 2010



HERVE H. DUROCHER

ADDENDUM TO
LEASE AGREEMENT DATED
SEPTEMBER 4th, 2008

BETWEEN:

DONALD B. KLAUSE and DAVID N. KLAUSE
both individual resident in the Province of Alberta

(collectively, the "Owners")

-and-

REPERIO RESOURCES CORP., a corporation incorporated under the
laws of the Province of Alberta or its Nominee

(the "Tenant")

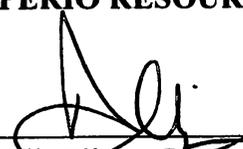
ADDENDUM

1. The parties agree that the date for payment of the sum \$250,000.00 to the owners shall be extended to January 5th, 2009, provided that the initial payment date, for all other purposes of the lease agreement shall have the same meaning as described in the lease agreement.

In witness whereof the parties have executed this Agreement as of the day and year first above written.

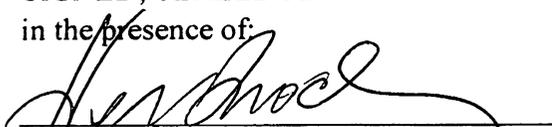
REPERIO RESOURCES CORP.

Per:



Darrell Wilson, Director

SIGNED, SEALED AND DELIVERED
in the presence of:



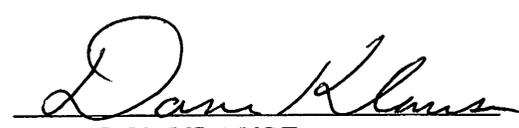
Witness: Herve H. Durocher



Witness: Herve H. Durocher



DONALD B. KLAUSE



DAVID N. KLAUSE

APPENDIX "F"

ASSET PURCHASE AGREEMENT

October 4, 2021

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ASSET PURCHASE AGREEMENT dated October 4, 2021 (the "**Execution Date**")

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as the receiver and manager of all of the current and future assets, undertakings and properties of Reperio Resources Corp. and not in its personal or corporate capacity ("**Deloitte**")

- and -

LEHIGH HANSON MATERIALS LIMITED a corporation subsisting under the laws of Canada (the "**Purchaser**")

WHEREAS:

- A. Pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), the Alberta Court of Queen's Bench (the "**Court**") granted a receivership order appointing Deloitte Restructuring Inc. as receiver and manager over all of the undertakings, property, and assets of Reperio Resources Corp. (the "**Debtor**") on September 23, 2016 (the "**Receivership Order**");
- B. The Debtor is the registered owner of the Reperio Lands;
- C. In connection with the Receivership Proceedings (as defined herein), Deloitte, subject to approval by the Court, has agreed to sell, transfer and assign to the Purchaser, all of the right, title and interest of the Debtor and Deloitte in the Reperio Lands and the Purchaser has agreed to purchase the Reperio Lands from Deloitte on the terms and conditions set forth herein;
- D. Concurrently with, and as a condition to, the purchase of the Reperio Lands pursuant to this Agreement, the Purchaser is also purchasing the Klausé Lands (as defined herein) pursuant to the Klausé Transaction (as defined herein);
- E. The Purchaser has agreed to purchase, and Deloitte has agreed to sell, the Reperio Lands, and the Parties are desirous of entering into this Agreement to provide for such purchase and sale of the Reperio Lands, all on the terms and conditions set out herein;

NOW THEREFORE this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each Party to the other, the Parties agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Agreement:

- (a) "**Acceptance Date**" means the date all Parties execute and deliver this Agreement;
- (b) "**AEP L/C**" means the letter of credit placed by Reperio Resources Ltd. and currently held by Alberta Environment and Parks, as security for the performance of its

obligations arising pursuant to the AEP Registration associated with certain remediation activities conducted upon the Reperio Lands;

- (c) "**AEP Process Condition Date**" has the meaning ascribed to that term in Section 5.3;
- (d) "**AEP Registration**" means Code of Practice for Pits for Registration No. 265497-00-00, for the reclamation of the Reperio Lands issued by the Director to the Debtor authorizing the Debtor to undertake the construction, operation and reclamation of a pit located on the N 22-054-02-W5M, SE 22-054-02-W5M, and N 15-054-02-W5M as described in the Activities Plan submitted with the registration application;
- (e) "**Affiliate**" means, with respect to any person, any other person or group of persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such person. The term "control" as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person whether through ownership of more than 50% of the voting securities of such person, through being the general partner or trustee of the other person, or through contract or otherwise;
- (f) "**Agreement**" means this asset purchase agreement and any Schedule attached hereto;
- (g) "**Applicable Law**" means, in respect of any person, assets, transaction, event or circumstance:
 - (i) statutes (including regulations enacted thereunder);
 - (ii) judgments, decrees and orders of courts of competent jurisdiction;
 - (iii) regulations, orders, ordinances and directives issued by Government Authorities; and
 - (iv) the terms and conditions of all permits, licences, approvals and authorizations;which are applicable to such person, asset, transaction, event or circumstance;
- (h) "**BIA**" has the meaning ascribed to that term in the recitals;
- (i) "**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Calgary, Alberta are not open for the transaction of domestic business during normal banking hours;
- (j) "**Claim**" means any right or claim of any person that may be asserted or made in whole or in part against the Debtor or any of its Affiliates and their respective directors, officers, employees, agents or advisors, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or

fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, together with any other rights or claims of any kind that, if unsecured, would be a debt provable in bankruptcy within the meaning of the BIA had the Debtor become bankrupt;

- (k) **“Closing”** means the completion of the purchase by the Purchaser and sale by Deloitte of the Reperio Lands, and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such sales, including the completion by the Purchaser and sale by Donald Brian Klause and David Norman Klause of the Klause Lands pursuant to the Klause Transaction, all subject to and in accordance with the terms and conditions of this Agreement;
- (l) **“Closing Date”** means the 15th Business Day following the date on which all of the following have occurred: (i) the Purchaser's Conditions specified in Sections 6.2(a) and (b), have been satisfied or waived as evidenced by notice in writing issued by the Purchaser to Deloitte; and (ii) the Mutual Conditions set out in Sections 6.1(a) and (b) have been satisfied, as evidenced by notice in writing by each of the Purchaser to Deloitte and Deloitte to the Purchaser, or such other date as may be agreed to in writing by the Parties;
- (m) **“Court”** has the meaning ascribed to that term in the recitals;
- (n) **“Court Approval”** means the approval of the Deloitte Transaction by the Court; pursuant to the terms of an approval and vesting order that is satisfactory, in both form and substance, to the Purchaser and Deloitte;
- (o) **“Data Room Information”** means all information made available (by the Receiver or otherwise) for the Purchaser's review in relation to the Debtor, its Affiliates or the Reperio Lands;
- (p) **“Debtor”** has the meaning ascribed to that term in the recitals;
- (q) **“Deloitte's Interest”** means, when used in relation to any asset, undertaking or property, all the right, title and interest, if any, of each of the Debtor and Deloitte in such asset, undertaking or property;
- (r) **“Deloitte's Solicitor”** means Dentons Canada LLP, attention: David Mann;
- (s) **“Deloitte Transaction”** means the transaction for the purchase and sale of the Reperio Lands and all of the auxiliary or related transactions in respect of such purchase and sale contemplated in this Agreement;

- (t) **“Deposit”** has the meaning ascribed to that term in Section 3.2(a);
- (u) **“Director”** has the meaning given to it in the EPEA;
- (v) **“Effective Time”** means 12:01 a.m. (Calgary time) on the Closing Date;
- (w) **“Encumbrances”** means any pledges, liens, security interests, encumbrances, claims, charges, options, interests, leases or licenses;
- (x) **“Environment”** means the components of the earth and includes ambient air, land, surface and subsurface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning;
- (y) **“Environmental Liabilities”** means all past, present and future liabilities, obligations and expenses in respect of the Environment which relate to the Purchased Assets (or lands pooled or unitized with lands which may form part of the Purchased Assets), or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:
 - (i) transportation, storage, use or disposal of toxic or hazardous substances;
 - (ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or
 - (iii) pollution or contamination of or damage to the Environment;including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the Environment;
- (z) **“EPEA”** means the Environmental Protection and Enhancement Act (Alberta);
- (aa) **“GAAP”** means accounting principles generally accepted in Canada including those recommended or approved by the Canadian Institute of Chartered Professional Accountants at the relevant time including to the extent applicable, international financial reporting standards;
- (bb) **“Governmental Authority”** means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Purchased Assets or the Deloitte Transaction or Klause Transaction;
- (cc) **“Governmental Order”** means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority;

- (dd) “**GST**” means taxes, interest, penalties and fines imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and “**GST Legislation**” means such act and regulations collectively;
- (ee) “**Income Tax Act**” means, collectively, the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supplement), the *Income Tax Application Rules*, R.S.C. 1985, c.2 (5th Supplement) and the *Income Tax Regulations*, in each case as amended to the date hereof;
- (ff) “**Interim Statement of Adjustments**” has the meaning ascribed to that term in Section 3.5(b);
- (gg) “**Klause Lands**” means the following real property (including all buildings, fixtures and improvements located thereon, if any):
- Meridian 5 Range 2 Township 54
Section 22
Quarter North East
Excepting thereout all mines and minerals
Area: 64.7 hectares (160 acres) more or less
- (hh) “**Klause PSA**” means the Offer to Purchase and Agreement of Purchase and Sale between Donald Brian Klause and David Norman Klause (as vendors) and Lehigh Hansen Materials Limited (as purchaser) regarding the purchase and sale of the Klause Lands;
- (ii) “**Klause Transaction**” means the transaction for the purchase and sale of the Klause Lands and all of the auxiliary or related transactions in respect of such purchase and sale contemplated in the Klause PSA;
- (jj) “**Legal Proceeding**” means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;
- (kk) “**Losses**” means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);
- (ll) “**Mutual Conditions**” means the conditions in Section 6.1 hereof;
- (mm) “**New AEP Bond**” has the meaning ascribed to it in Section 5.3;
- (nn) “**Notice Period**” has the meaning ascribed to that term in Section 8.2(b);

- (oo) **"Parties"** means, collectively, the Purchaser and Deloitte, and **"Party"** means any one of them;
- (pp) **"Permits"** means all applicable permits, licenses, approvals, including, but not limited to, a municipal development permit, an Alberta code of practice registration, roadside development permit and a road haul agreement with the County;
- (qq) **"Permitted Encumbrances"** means those Encumbrances set out in Schedule "A" attached hereto that are permitted by the Receivership Order to remain on title(s) as of Closing in respect of the Purchased Assets;
- (rr) **"person"** means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (ss) **"Prime Rate"** means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary, Alberta of The Toronto-Dominion Bank as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such bank, from time to time, as its prime rate, provided that whenever such bank announces a change in such reference rate then the "Prime Rate" for the purposes of this Agreement shall correspondingly change effective on the date the change in such reference rate is effective;
- (tt) **"Execution Date"** has the meaning ascribed to that term on the face page of this Agreement.
- (uu) **"Purchase Price"** has the meaning ascribed to that term in Section 3.1;
- (vv) **"Purchased Assets"** means collectively the Reperio Lands, but specifically excluding the AEP L/C;
- (ww) **"Purchaser's Conditions"** means the conditions set forth in Section 6.2;
- (xx) **"Purchaser's Condition Date"** means the first Business Day following the 60th day following the Execution Date, unless otherwise extended in accordance with Section 6.3 herein;
- (yy) **"Purchaser's Solicitor"** means Bennett Jones LLP, attention: Mark Kortbeek;
- (zz) **"Receiver"** means Deloitte Restructuring Inc. in its capacity as the receiver and manager of all of the current and future assets, undertakings and properties of Reperio Resources Corp., including the Reperio Lands and not in its personal or corporate capacity;
- (aaa) **"Receivership Proceedings"** means Alberta Court of Queen's Bench Action No. 1601-11809;
- (bbb) **"Receivership Order"** has the meaning ascribed to that term in the recitals;

(ccc) **“Reperio Lands”** means the following real property (including all buildings, fixtures and improvements located thereon, if any):

Parcel 1:

Meridian 5 Range 2 Township 54
Section 15
Quarter North East
Excepting thereout all mines and minerals
Area: 64.7 hectares (160 acres) more or less

Parcel 2:

The North West Quarter of Section twenty two (22)
Township fifty four (54)
Range two (2)
West of the fifth meridian
Containing 64.7 hectares (160 acres) more or less
Excepting thereout:
4.451 hectares (11 acres) more or less for road as shown on road plan 8221032
Excepting thereout all mines and minerals

Parcel 3:

Legal subdivisions three (3), four (4), five (5), and the north half and the south
West quarter of legal subdivision six (6)
All of section twenty two (22)
Township fifty four (54)
Range two (2)
West of the fifth meridian
Containing 60.4 hectares (149.30 acres) more or less.
Excepting thereout:
(A) Plan 2021978 – Road 3.706 hectares (9.16 acres) more or less.
Excepting thereout all mines and minerals

Parcel 4

The northwest quarter of section fourteen (14)
Township fifty four (54)
Range two (2)
West of the fifth meridian
Containing 64.7 hectares (160 acres), more or less.
Excepting thereout:
0.809 hectares (2 acres), more or less, as shown on
Road plan 7030AG
Excepting thereout all mines and minerals

(ddd) **“Representative”** means, in respect of a person, each director, officer, employee, agent, legal counsel, accountant, professional advisor and other representative of

such person and its Affiliates, and with respect to Deloitte, includes the Receiver and their respective Affiliates, directors, officers, employees, agents, legal counsel, accountants, professional advisors and other representatives;

- (eee) **"Tax Legislation"** means, collectively, the Income Tax Act and all Canadian federal, provincial, state, territorial, county, municipal and local, foreign, or other statutes, ordinances or regulations imposing a Tax, including all treaties, conventions, rules, regulations, orders, and decrees of any jurisdiction;
- (fff) **"Tax" or "Taxes"** means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any applicable Tax Legislation, including, Canadian federal, provincial, state, territorial, county, municipal and local, foreign or other income, capital, capital gains, goods and services, sales, use, consumption, excise, value added (including GST and Harmonized Sales Tax), business, real property, personal property, transfer, franchise, withholding, payroll, or employer health taxes, customs, import, anti-dumping or countervailing duties, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, levy, assessment, tariff, impost, imposition, toll and duty, whether computed on a separate, combined, unitary, or consolidated basis or any other manner, including any interest, penalties and fines associated therewith;
- (ggg) **"Third Party"** means any person who is not a Party, Affiliate or Representative;
- (hhh) **"Third Party Claim"** means any Claim by a Third Party asserted against Deloitte for which the Purchaser has indemnified such Party or is otherwise responsible for pursuant to this Agreement;
- (iii) **"Time of Closing"** means 1:00 pm (Calgary, Alberta time) on the Closing Date or such other date and time as the Parties may agree in writing that the Closing shall take place; and
- (jjj) **"Transactions"** means collectively the Deloitte Transaction and Klausen Transaction.

1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

- (a) All references to monetary amounts, unless indicated to the contrary, are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (c) The word "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".
- (d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.

- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified.
- (g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict.
- (h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict.
- (i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.

1.3 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Purchased Assets shall be construed as having been contingent upon Closing having occurred.

ARTICLE 2 PURCHASE AND SALE OF PURCHASED ASSETS

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, Deloitte hereby agree to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from Deloitte all of Deloitte's Interest in the Purchased Assets free and clear of all Encumbrances other than Permitted Encumbrances.

2.2 Transfer of Purchased Assets

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk and beneficial ownership of the Purchased Assets shall transfer from Deloitte to the Purchaser on the Closing Date.

2.3 Assumption of Environmental Liabilities

In determining the Purchase Price, the Parties have taken into account Purchaser's assumption of responsibility for the payment of all costs for existing or future Environmental Liabilities associated with the Purchased Assets, as set forth in his Agreement, and the absolute release of the Debtor and Deloitte of all and any responsibility or liability therefor.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price in respect of Deloitte Transaction

The purchase price to be paid by the Purchaser to Deloitte for the Reperio Lands shall be [REDACTED] (the "**Purchase Price**") as adjusted pursuant to Section 3.5.

3.2 Deposit for Deloitte Transaction

- (a) Deloitte acknowledges receipt of a deposit of [REDACTED] (the "**Deposit**") from the Purchaser.
- (b) The Deposit will be held in trust by the Receiver in an interest-bearing trust account for and on behalf of Deloitte, and shall be releasable in accordance with the terms of this Agreement. If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit and interest earned thereon shall be credited against the Purchase Price, in partial satisfaction of the Purchaser's obligation to pay the Purchase Price at Closing.
- (c) If Closing does not occur for any reason (other than in the case of the Purchaser terminating the Agreement because: (i) the Mutual Conditions were not fulfilled or performed; (ii) the Purchaser's Conditions are not satisfied or waived by the Purchaser; or (iii) a failure of Deloitte to close the Deloitte Transaction), Deloitte shall be entitled to retain the Deposit, the full amount of the Deposit shall be forfeited to Deloitte, and in any such case this Agreement shall thereupon terminate and each Party shall be released from all obligations and liabilities under or in connection with this Agreement. If Closing does not occur because the Purchaser has terminated this Agreement (or this Agreement is terminated) because (i) the Mutual Conditions were not fulfilled or performed; (ii) the Purchaser's Conditions were not satisfied or waived by the Purchaser; or (iii) Deloitte fails to close the Deloitte Transaction, the Deposit together with interest thereon shall be refunded to the Purchaser. The Purchaser and Deloitte agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing Deloitte's Losses as a result of Closing not occurring and agree that Deloitte shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of Deloitte's damages. The provisions of this Section 3.2 shall survive any termination of the Agreement.

3.3 Payment of the Purchase Price

The Purchaser shall pay to Deloitte at Closing, by certified cheque, bank draft or electronic wire transfer, the adjusted Purchase Price as set forth in the Interim Statement of Adjustments applicable to the Deloitte Transaction (including applicable GST), less the Deposit and interest earned thereon.

3.4 Allocation of the Purchase Price

The Purchase Price shall be allocated among the Purchased Assets as mutually agreed by the Parties on the Closing Date.

3.5 Adjustments

- (a) All adjustments relating to the Purchased Assets, both incoming and outgoing, including property taxes, other Taxes, local improvement charges, utilities, costs and revenues incurred, accruing, payable, paid, received or receivable in respect of the Purchased Assets, including rentals, maintenance, development, capital and operating costs, advances, and payments with respect to Permitted Encumbrances and all other matters customarily the subject of adjustment on the sale of assets similar to the Purchased Assets shall, subject to the provisions of this Agreement, be apportioned on an accrual basis between Deloitte as vendor, and the Purchaser as of the Effective Time, on and subject to the following:
- (i) except as otherwise provided in this Section 3.5, costs and revenues shall accrue in accordance with GAAP;
 - (ii) all such costs and revenues accruing up to the Effective Time shall be for Deloitte's account, as applicable, and all costs and revenues accruing after the Effective Time shall be for the Purchaser's account;
 - (iii) all costs and revenues of whatever nature pertaining to work performed or goods or services provided with respect to the Purchased Assets prior to the Effective Time shall be borne by and for the account of Deloitte, as applicable, notwithstanding that such costs may be payable in whole or in part after the Effective Time and all costs and revenues of whatever nature pertaining to work performed or goods or services provided with respect to the Purchased Assets after the Effective Time shall be borne by and for the account of the Purchaser;
 - (iv) all rentals, property taxes and other periodic payments (other than income taxes) shall be allocated between Deloitte, as vendors, on the basis of the amounts accruing to Deloitte for its ownership of the Reperio Lands, and the Purchaser on a per diem basis as of the Effective Time with all rentals, property taxes and other periodic payments accrued to the Effective Time for the account of Deloitte and all rentals, property taxes and other periodic payments accrued after the Effective Time for the Purchaser's account;
 - (v) there shall not be any adjustment on account of income taxes; and
 - (vi) the Purchaser shall be solely responsible for all costs in preparing and registering and/or distributing any specific conveyances required in connection with the Deloitte Transaction.
- (b) Deloitte shall carry out an interim accounting and adjustment and prepare and deliver to the Purchaser concurrent with the delivery of the Closing Documents and in any case at least ten (10) Business Days prior to the Closing Date a statement setting forth such Party's good faith estimate of all adjustments to be made pursuant to this Section 3.7 (each, an "**Interim Statement of Adjustments**").
- (c) If any adjustments are required, Deloitte shall carry out a final accounting and adjustment and each prepare and deliver to the Purchaser a statement setting forth all adjustments to be made pursuant to this Section 3.7 no later than 30 days following the Closing Date.

- (d) All adjustments shall be settled by the prompt payment by any Party obliged to make payment pursuant to this Agreement. Interest at the Prime Rate plus 2% per annum shall be paid on any adjustment which remains unpaid by one Party to another Party thirty (30) days after receipt of the notice that adjustment is to be paid from such 30th day to the date of payment.

3.6 **GST**

- (a) The Purchase Price contemplated under this Agreement does not include GST. The Purchaser shall be liable for and pay to Deloitte as vendor, the GST payable in connection with the purchase and sale of the Purchased Assets contemplated in this Agreement. If the Purchaser is a GST registrant under the GST Legislation, GST shall not be paid provided that the Purchaser provides Deloitte with its GST number, indemnifies each of Deloitte with respect to GST, and files a return as required by the GST Legislation. The Purchaser hereby indemnifies and saves harmless Deloitte from any GST, and related penalty, interest and other amounts which may be payable by or assessed against Deloitte under the GST Legislation as a result of or in connection with the Deloitte Transaction or Deloitte's failure to collect and remit the GST applicable on the sales of the Purchased Assets to the Purchaser.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 **Purchaser's Representations and Warranties**

The Purchaser hereby represents and warrants to and in favour of Deloitte that:

- (a) the Purchaser is a corporation duly incorporated and validly subsisting under the laws of the Canada and the jurisdiction of its incorporation and has the requisite power and authority to enter into this Agreement and to complete the Deloitte Transaction;
- (b) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement;
- (c) provided that the Court Approval is obtained, execution, delivery and performance of this Agreement by the Purchaser does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of the Deloitte Transaction, and except for the transfer to the Purchaser of the AEP Registration and the receipt of an Order of the Lieutenant Governor in Council excluding the transaction herein described from the operation of the Foreign Ownership of Land Regulations (Alberta) both of which is to occur in the manner specified in this Agreement;
- (d) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be

limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

- (e) the Purchaser is in compliance with all international trade laws and regulations including: (i) export and re-export controls specified in the U.S. Export Administration Regulations, International Traffic in Arms Regulations (ITAR), and the Bureau of the Census Foreign Trade Statistics Regulations (FTSR), or the Canadian Export and Import Permits Act; (ii) prohibitions on transactions with or transfers to the governments of, parties located in or operated from, or nationals of countries subject to U.S. and Canadian economic sanctions, and (iii) prohibitions on transactions with or transfers to entities or individuals identified on the U.S. government's List of Specially Designated Nationals and Blocked Persons (Treasury Department), Denied Persons List and Entity List (Commerce Department), and the Canadian government's lists of Designated Persons under the *United Nations Act*, *Criminal Code*, *Special Economic Measures Act* and *Freezing Assets of Corrupt Foreign Officials Act*. The Purchaser is not owned or controlled, directly or indirectly, by a prohibited person or entity or by an entity owned or controlled by a prohibited person or entity (or agent acting on such person or entity's behalf) as defined by the foregoing lists;
- (f) there is no requirement for the Purchaser to make any filing with, give any notice to, or obtain any authorization of, any Governmental Authority pursuant to the *Competition Act* (Canada), as a result of, in connection with, or as a condition to the lawful completion of the Deloitte Transaction; and
- (g) the Purchaser is not a non-Canadian person within the meaning of the *Investment Canada Act* nor a non-resident for the purposes of the *Income Tax Act*.

4.2 No Representations and Warranties by Deloitte

- (a) Neither Deloitte nor any of their Representatives make any representation or warranty, and in particular, and without limiting the generality of the foregoing, Deloitte disclaims and neither Deloitte nor any of its Representatives shall be liable for any representation or warranty which may have been made or alleged to be made in any instrument or document related hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by Deloitte or any of their Representatives in connection with the Purchased Assets or in relation to the Deloitte Transaction. For greater certainty, Deloitte nor any of its Representatives make any condition, representation or warranty, express or implied, with respect to:
 - (i) the Data Room Information or any other data or information supplied by Deloitte or any of its Representatives in connection with the Purchased Assets, including by way of management presentations or otherwise;
 - (ii) the value of any of the Purchased Assets or the future cash flow therefrom; or
 - (iii) the quality, condition, description, fitness for purpose, suitability, serviceability or merchantability of the Purchased Assets.

- (iv) any defects, errors or omissions on or in the Purchased Assets, or any other conditions (whether patent, latent or otherwise), including, without limitation, soil quality, environmental contamination (including Environmental Liabilities) and geological stability, affecting the Purchased Assets.
- (b) The descriptions of the Purchased Assets are for purposes of identification only and no condition, warranty, or representation has been or will be given by either Deloitte concerning the accuracy, completeness or any other matter concerning those descriptions.
- (c) The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Purchased Assets and it has not relied on advice from Deloitte or any of its Representatives with respect thereto, including with respect to the matters specifically enumerated in Sections 4.2(a) and 4.2(b) in the immediately preceding paragraphs in connection with the purchase of the Purchased Assets pursuant hereto. The Purchaser further acknowledges and agrees that it is acquiring the Purchased Assets on an "as is, where is" basis. The Purchaser acknowledges and agrees that it is familiar with the condition of the Purchased Assets, and that the Purchaser is not relying upon any representation or warranty of Deloitte as to the condition of the Purchased Assets.
- (d) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against Deloitte and its Representatives in respect of the Purchased Assets or the Deloitte Transaction or any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

ARTICLE 5 COVENANTS

5.1 Leases, Licences and Third Party Consents

- (a) Subject to Sections 5.2, 5.3, 6.1, and 6.2, both before and after Closing, the Purchaser shall use all commercially reasonable efforts to obtain any and all approvals, licences and Permits required under Applicable Law required for the Purchaser to own and operate the Purchased Assets and any and all material consents of Third Parties required to permit the Deloitte Transaction to be completed or that may be required for the Purchaser to own and operate the Purchased Assets. The Purchaser acknowledges that Deloitte has no obligation to transfer any leases, Permits (except as otherwise specifically provided herein), or other permits or licences to the Purchaser. Without limiting the generality of the foregoing, it is the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to:
 - (i) to obtain and pay the cost of any consents, permits, licences assignments, registration fees, attorney and agent fees, filing fees, issue fees or other authorizations and assignments necessary or desirable for the transfer of such

right, title and interest, to the Purchaser or for the operation or use of the Purchased Assets;

- (ii) to obtain all Third Party consents that are required to complete the Deloitte Transaction and own and operate the Purchased Assets; and
- (iii) provide any and all financial assurances that may be required by Governmental Authorities or any Third Parties to permit the transfer to the Purchaser of any of the Purchased Assets. It is expressly acknowledged by the Purchaser that it shall provide to AEP the New AEP Bond to permit the release of the AEP L/C as more specifically specified in Section 5.3.

To the extent Deloitte is able to transfer any Permits and licences to the Purchaser, it will use reasonable commercial efforts to transfer such Permits and licences to the Purchaser, provided that the Purchaser pays all costs associated with such transfer.

5.2 Court Approval

Deloitte shall prepare all materials, and shall promptly apply to the Court for, and use its commercially reasonable efforts to obtain, the Court Approval as soon as reasonably practicable following the Execution Date. The Purchaser, at its own expense, shall promptly provide to Deloitte all such information and assistance within the Purchaser's power and control (but without the need to retain any third parties) as Deloitte may reasonably request to obtain the Court Approval, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for the Court Approval may be adjourned or rescheduled by Deloitte or its Representatives upon notice to the Purchaser.

5.3 AEP Registration

With respect to the AEP Registration, the Parties agree as follows:

- (a) within 5 Business Days following the Execution Date, the Purchaser agrees to execute and deliver (at its expense) to Deloitte the Consent to Transfer Registration 265497-00-00 (the "AEP Transfer") in the form attached as Schedule B, in duplicate;
- (b) forthwith following Deloitte's receipt of such AEP Transfer, and in any case within 5 Business Days of such receipt, Deloitte will execute the AEP Registration Transfer and return same to the Purchaser and the Purchaser agrees to retain such fully executed copy of the AEP Transfer (the "Executed AEP Transfer") until the Parties have reached an agreement regarding the process for completing the registration of the Executed AEP Transfer with AEP (the "AEP Registration Transfer Process"), which process shall include the execution and approval of the registration of the Executed AEP Transfer by AEP, along with confirmation from AEP that the Purchaser is the holder of the AEP Registration; and delivery by Lehigh to AEP of a bond in the amount of \$1,390,675.62 (the "New AEP Bond") in the form required by AEP, as required to effect such transfer of the AEP Registration to the Purchaser and to permit the release of the AEP L/C by AEP, which the Parties agree will be returned by AEP to the issuing bank forthwith following the Director's approval and execution of the Executed AEP Transfer, and all of which is to occur concurrent with the Closing (or

as close to such time as the Parties may agree, each acting in its discretion). If the Parties agree on the AEP Registration Process then the Purchaser will deal with such Executed AEP Transfer in accordance with such agreed on AEP Registration Process. If the Parties have been unable to reach any agreement on the AEP Registration Process by the 20th Business Day following the Execution Date (the "AEP Process Condition Date"), or if this Agreement is otherwise terminated, then the Purchaser shall destroy such Executed AEP Transfer and provide Deloitte with written notice that it has done so. This Section shall survive any termination of this Agreement indefinitely.

5.4 Environmental Matters

The Purchaser acknowledges that, insofar as the Environmental condition of the Purchased Assets is concerned, the Purchaser is acquiring the Purchased Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition of the Purchased Assets, including the past and present use of the Purchased Assets, that Deloitte has provided the Purchaser with a reasonable opportunity to inspect the Purchased Assets at the sole cost, risk and expense of the Purchaser (insofar as Deloitte could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of Deloitte as to the Environmental condition of the Purchased Assets, or as to any Environmental Liabilities. Provided that Closing has occurred, the Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which Deloitte and its Representatives may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless Deloitte and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by any of them or which any of them may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities both to Third Parties and as between Deloitte and the Purchaser (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date), and hereby releases Deloitte from any Claims the Purchaser may have against them with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date) in respect of the Purchased Assets. The Purchaser further acknowledges and agrees that it shall not be entitled to any rights or remedies as against Deloitte or its Representatives, or their respective successors and assigns under the common law or statute pertaining to any Environmental Liabilities, including the right to name any or all of Deloitte or its Representatives, and their respective successors and assigns as a 'third party' to any action commenced by any Person against the Purchaser. The Purchaser's assumption of liability and the indemnity obligation set forth in this Section 5.4 shall survive the Closing Date indefinitely.

ARTICLE 6 CONDITIONS

6.1 Mutual Conditions

The respective obligations of the Parties to complete the Deloitte Transaction is subject to the following conditions (the "Mutual Conditions") being fulfilled or performed as at or prior to the dates stated below:

- (a) on or before the AEP Process Condition Date the Parties shall have reached an agreement regarding the AEP Registration Transfer Process;
- (b) Court Approval has been granted on or before December 8, 2021 in a form satisfactory to the Purchaser and Deloitte, acting reasonably;
- (c) at the Time of Closing:
 - (i) such Court Approval referenced in Section 6.1(b) remains in full force and effect and is not the subject of any outstanding appeal or motion to vary, set aside, or similar relief;
 - (ii) the AEP Registration Transfer Process including receipt of written confirmation from AEP that the AEP Registration has been transferred to the Purchaser, has been completed;
 - (iii) the Klause Transaction for the purchase by the Purchaser of the Klause Lands shall have closed or closes concurrently with the Closing of the Deloitte Transaction contemplated herein including the purchase of the Reperio Lands by the Purchaser hereunder, all in a manner satisfactory to each of the Purchaser and Deloitte;
 - (iv) no injunction or other order has been issued to enjoin, restrict or prohibit the Transactions; and
 - (v) the Closing is not otherwise prohibited by Applicable Law; and
- (d) the Closing shall have occurred on or before December 31, 2021.

The Mutual Conditions are for the mutual benefit of all Parties and may be asserted by any Party regardless of the circumstances and may be waived only with the Agreement of all Parties. If any of the said conditions have not been complied with or waived in writing by both Parties at or before the dates specified above in this Section 6.1, as applicable, then either Party may terminate this Agreement by written notice to the other Party, provided that if the Mutual Condition set out in Subsection 6.1(d) has not been satisfied or waived by December 31, 2021 for any reason whatsoever then this Agreement will automatically terminate without the need for any further notice. If Closing occurs, each of the Purchaser and the Vendor shall be deemed to have waived all conditions contained in this Section 6.1.

6.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the Transactions is subject to the following conditions having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion as at or prior to the dates stated below:

- (a) on or before the AEP Process Condition Date, Deloitte shall have delivered the Executed AEP Transfer to the Purchaser in accordance with Section 5.3(b);
- (b) on or before the Purchaser's Condition Date:

- (i) the Purchaser shall have received an Order of the Lieutenant Governor in Council excluding the transaction herein described from the operation of the Foreign Ownership of Land Regulations (Alberta); and
- (ii) the Purchaser shall have completed negotiations regarding the Klause PSA and obtained a copy of the Klause PSA duly executed by the Donald Brian Klause and David Norman Klause (as vendors) and Lehigh Hansen Materials Limited (as purchaser); and
- (c) on or before the Time of Closing Deloitte has complied with and performed, in all material respects, all of their covenants and obligations contained in this Agreement to be undertaken, met or satisfied at or prior to the Time of Closing.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the AEP Process Condition Date, the Purchaser's Condition Date or Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to Deloitte. If Closing occurs, the Purchaser shall be deemed to have waived all conditions contained in this Section 6.2.

6.3 Extension

The Purchaser may, in its sole discretion, extend the Purchaser's Condition Date one (1) time, for an additional period of 30 days by written notice to Deloitte. In the event of such extension, all related timelines will be extended by the same period of time, provided that for clarity neither of the AEP Process Condition Date or the date specified in Section 6.1(d) shall change as a result of any such extension.

6.4 Conditions for the Benefit of Deloitte

The obligation of Deloitte to complete the Deloitte Transaction is subject to the following conditions being fulfilled or performed as at or prior to the Time of Closing:

- (a) all representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects as at the Time of Closing with the same force and effect as if made at and as of such time and the Purchaser shall have delivered to Deloitte a certificate to that effect;
- (b) the Purchaser has complied with and performed in all material respects all of its covenants and obligations contained in this Agreement to be undertaken, met or satisfied at or prior to the Time of Closing; and
- (c) no Party comprising Deloitte has lost its ability to convey the Purchased Assets or any of them due to an order of the Court or otherwise pursuant to the Receivership Proceedings, provided such order or other action pursuant to the Receivership Proceedings is not at the voluntary initiative of Deloitte.

The foregoing conditions are for the exclusive benefit of Deloitte, and may be waived by them in their sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which they may have. If any of the said conditions have not been complied with or waived by Deloitte at or before the Time of Closing, either Party may terminate this Agreement by written notice to the Purchaser.

6.5 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 6.1, 6.2 and 6.4. In addition, each of the Parties agrees not take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transactions or, in the case of the Purchaser, that would render, or may reasonably be expected to render, any representation or warranty made by the Purchaser in this Agreement untrue in any material respect.

ARTICLE 7 CLOSING

7.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transactions shall close concurrently, and be completed on the Closing Date. The completion of the Transactions shall take place at the Time of Closing at the offices of Deloitte's Solicitor, or at such other time or such other location as the Parties may agree in writing.

7.2 Deliveries on Closing by Deloitte

Deloitte shall, or shall cause Deloitte's Solicitors to, deliver to the Purchaser's Solicitor at least ten (10) Business Days prior to the Closing Date the following documents (the "**Closing Documents**") fully executed by Deloitte and where applicable, such other parties as may be specified (other than the Purchaser), in each case, on such reasonable trust conditions and undertakings that are consistent with the provisions of this Agreement and as would customarily be imposed in a similar receivership transaction in the City of Calgary, Alberta, subject to Sections 7.3, 7.4 and 7.5, and provided that such trust conditions and undertakings shall contemplate that the Closing will occur using title insurance as specified in Section 7.4 and Deloitte shall, and shall cause Deloitte's Solicitors to undertake to, correct any defect in the Court Approval that may be identified by the applicable Land Titles Office to the extent within the control of Deloitte or Deloitte's Solicitors, at Deloitte's sole cost and expense, so as to permit the registration of the Court Approval as herein contemplated:

- (a) a Court certified copy of the Court Approval in a form registerable at the Land Titles Office (the "**Certified Approval**");
- (b) an assignment of the Permits, to the extent not yet provided;
- (c) Interim Statement of Adjustments for the Deloitte Transaction prepared by Deloitte (which for clarity, shall be delivered prior to Closing as specified in Section 3.5(b));
- (d) all keys, codes, combinations and other access devices to the Purchased Assets in Deloitte's possession and control; and
- (e) such other documents as are required by this Agreement.

7.3 Deliveries on Closing by the Purchaser

Subject to Section 7.2, the Purchaser shall deliver to Deloitte's Solicitor by the Time of Closing on the Closing Date the following funds and instruments and documents (the "**Purchaser's Deliveries**"), fully executed by the Purchaser, where applicable, or such other Parties as may be specified:

- (a) the balance of the Purchase Price as adjusted pursuant to Section 3.5 (the "**Closing Payment**", and together with the Deposit, the "**Closing Funds**") payable in cash by wire transfer to Deloitte in accordance with Section 3.1 and Section 3.2;
- (b) a certificate of the Purchaser certifying that the representations and warranties of the Purchaser contained in Section **Error! Reference source not found.1** are true and accurate as of the Closing Date in all material respects;
- (c) a GST undertaking and indemnity; and
- (d) such other documents as are required by this Agreement.

7.4 **Title Insurance**

Subject to Section 7.1, and subject to the conditions set forth in this Agreement, the Purchaser shall obtain title insurance coverage with a reputable title insurance provider in order to allow for the unconditional release of the Purchase Price on the Closing Date notwithstanding that the Certified Approval may not be registered against title to the Reperio Lands as at such date. Deloitte shall use commercially reasonable efforts to assist the Purchaser in obtaining such title insurance coverage. The cost of obtaining any title insurance in connection with the purchase of the Purchased Assets shall be for the sole cost of the Purchaser. The Purchaser shall diligently proceed to complete registration of the Certified Approval at the applicable Land Titles Office following the Closing Date and shall provide evidence of such registration forthwith following its receipt of confirmation of same.

7.5 **Risk and Insurance**

The risk of loss of the Reperio Lands shall remain with Deloitte until Closing. Any property, liability and other insurance maintained by Deloitte shall not be transferred as of the Time of Closing, but shall remain the responsibility of Deloitte until the Time of Closing. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Purchased Assets in respect of the period from and after the Time of Closing.

ARTICLE 8 INDEMNITY

8.1 **Indemnification Given by Purchaser**

If Closing occurs, the Purchaser shall:

- (a) be liable to Deloitte for; and
- (b) as a separate covenant, indemnify Deloitte and its Representatives from and against,

all Losses suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time and which relate to the Purchased Assets, including all Losses attributable to the ownership, operation, use, construction or maintenance of the Purchased Assets arising or accruing on or

after the Effective Time and in respect of the indemnities specified in Section 5.4. The Purchaser's indemnity obligation set forth in this Section 8.1 shall survive the Closing Date indefinitely.

8.2 Third Party Claims

- (a) If Deloitte receives notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement shall give the Purchaser reasonably prompt notice thereof, but in any event no later than 14 days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Loss that has been or may be sustained by Deloitte and a reference to the provisions of this Agreement upon which such claim is based.
- (b) The Purchaser may participate in the defence of any Third Party Claim by giving notice to that effect to the Party that delivered such notice not later than 14 days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to such Party, in writing, liability to such Party under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify such Party pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided such Party with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser participates in the defence of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. The Party delivering such notice shall cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.
- (c) If Deloitte has not received notice within the Notice Period that the Purchaser has elected to participate in the defence of such Third Party Claim, or if the Purchaser has given such notice but thereafter fails or is unable to participate in the defence of such Third Party Claim actively and diligently, Deloitte may, at their option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Loss suffered or incurred by such Party with respect to such Third Party Claim.

8.3 Failure to Give Timely Notice

A failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

8.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

ARTICLE 9 TERMINATION

9.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing by either of the Parties if the conditions for the benefit of any such Party, or both, pursuant to the provisions of Article 6 are not satisfied or waived by or on the date specified for satisfaction or waiver.

9.2 Effect of Termination

Notwithstanding any termination of this Agreement by either Party as permitted under Section 9.1, the provisions of Sections 10.1, 10.3, 10.4, 10.10 and 10.13 shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.3.

ARTICLE 10 MISCELLANEOUS

10.1 Public Announcements

If a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the disclosing Party shall provide the other Party with an advance copy of any such press release or public disclosure with sufficient time to enable the other Party to review such press release or other public disclosure and provide any comments. The disclosing Party shall not issue such press release or other public disclosure without the prior written consent of the other Party, such consent not to be unreasonably withheld. Nothing in the provision shall apply to Deloitte's efforts to seek and obtain Court Approval.

10.2 Obligations to Survive

The obligations, covenants, representations and warranties (if any) of the Parties set out in this Agreement shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties thereafter.

10.3 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). Each Party irrevocably submits to the exclusive jurisdiction of the Court with respect to any matter arising hereunder or relating hereto.

10.4 Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for

greater certainty, any loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction.

10.5 Further Assurances

Each of the Parties from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

10.6 No Assignment by Purchaser

The Purchaser shall not, without Deloitte's prior written consent, assign any right or interest in this Agreement, which consent may not be unreasonably withheld.

10.7 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

10.8 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

10.9 Time of the Essence

Time is of the essence in this Agreement.

10.10 Costs and Expenses

Each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Deloitte Transaction. No Party shall be responsible for the costs and expenses of the other Party.

10.11 Notices

Any notice, demand or other communication required or permitted to be given to any Party shall be given in writing and addressed as follows:

- (a) in the case of Deloitte or the Receiver:

Deloitte Restructuring Inc.
2000 Manulife Place, 10180 — 101 Street NW
Edmonton, AB T5J 4E4
Attention: Bob Taylor
Fax: 780-421-3782
Email: bobtaylor@deloitte.ca

And with a copy to Deloitte's Solicitor (for the purposes of this transaction):

Dentons Canada LLP
15 Floor Bankers Court
850 – 2nd Street SW
Calgary, AB, Canada T2P 0R8
Attention: David Mann
Fax: 403-268-7097
Email: david.mann@dentons.com

(b) In the case of the Purchaser:

Lehigh Hanson Materials Limited
Suite 100, 15015 — 123 Avenue
Edmonton, AB T5V 1J7
Attention: Dale Soetaert
Fax: (780) 423-6360
Email: Dale.Soetaert@lehighhanson.com

And with a copy to:

Lehigh Hanson Materials Limited
#222, 885 — 42 Avenue SE
Calgary, AB T2G 1Y8
Attention: Bruce M. Luck
Fax: (403) 255-3520
Email: bruce.luck@lehighhanson.com

And with a further copy to the Purchaser's Solicitor:

Bennett Jones LLP
3200 TELUS House, South Tower
10020 — 100th Street
Edmonton, AB T5J ON3
Attention: Mark P. Kortbeek
Fax: (780) 421-7951
Email: kortbeekm@bennettjones.com

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by facsimile or other electronic communication with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

10.12 **Enurement**

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

10.13 **Third Party Beneficiaries**

Each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person other than the Parties and their successors and permitted assigns, and no person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

10.14 **Severability**

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

10.15 **Entire Agreement**

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement.

10.16 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

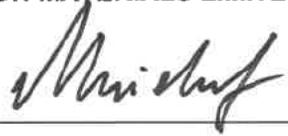
DELOITTE RESTRUCTURING INC., in its capacity as the Court-appointed receiver and manager of all of the undertakings, property, and assets of Reperio Resources Corp. and not in its personal or corporate capacity

Per: _____

Name:

Title:

LEHIGH HANSON MATERIALS LIMITED

Per: _____ 

Name: Joerg Nixdorf

Title: President, Canada Region

SCHEDULE "A"

PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in s. 6(1)(a), (c), (e) and (f) of the Land Titles Act (Alberta) as amended, replaced or restated from time to time;
2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;
3. All rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority;
4. Applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing agreements, cost sharing reciprocal agreements and building and zoning restrictions and other similar agreements;
5. Subject to Section 6.1, any Encumbrances permitted by the Court Order; and
6. The following specific instruments registered against the title(s) to the following properties:

REPERIO LANDS

<u>Instrument Number</u>	<u>Particulars</u>
<u>Parcel 1</u>	
802 110 509	Utility Right of Way (Ste Anne Natural Gas Co-op Limited)
852 278 013	Caveat re Right of Way Agreement (TAQA North Ltd.)
872 279 880	Caveat re Right of Way Agreement (Pine Cliff Energy Ltd.)
892 336 213	Utility Right of Way (Alberta Government Telephones)
<u>Parcel 2</u>	
1360SN	Caveat re Easement (Keyera Energy Ltd.)
6162US	Utility Right of Way (Ste Anne Natural Gas Co-op Limited)
812 286 714	Caveat (Her Majesty the Queen in Right of Alberta)
112 314 451	Utility Right of Way (Central Alberta Rural Electrification Association Limited)
132 200 465	Restrictive Covenant
<u>Parcel 3</u>	
772 014 913	Utility Right of Way (Ste Anne Natural Gas Co-op Limited)
792 234 942	Utility Right of Way (Fortis Alberta Inc.)

812 286 715	Caveat (Her Majesty the Queen in Right of Alberta)
112 334 590	Caveat re Purchasers Interest (Her Majesty the Queen in Right of Alberta)
<u>Parcel 4</u>	
206NE	Caveat (Keyera Energy Ltd.)
7316SE	Caveat (Keyera Energy Ltd.)
852 122 901	Caveat (Keyera Energy Ltd.)

SCHEDULE "B"

AEP Registration Transfer Form

See attached



CONSENT TO TRANSFER REGISTRATION 265497-00-00

ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

WHEREAS the Director has issued Registration Number 265497-00-00 (the "Registration") to Reperio Resources Corp. to undertake the activity described in the Registration.

AND WHEREAS Reperio Resources Corp., pursuant to section 75 of the *Environmental Protection and Enhancement Act* of Alberta, has requested the Director to consent to the transfer of the Registration to Lehigh Hanson Materials Limited.

AND WHEREAS the Director is in receipt of security from Lehigh Hanson Materials Limited.

NOW THEREFORE pursuant to section 11 of the *Approvals Procedure Regulation*, I, the Designated Director under the Act, consent to the transfer of the Registration from Reperio Resources Corp. to Lehigh Hanson Materials Limited.

IN CONSIDERATION of the Designated Director consenting to the transfer of the Registration from Reperio Resources Corp. to Lehigh Hanson Materials Limited, Lehigh Hanson Materials Limited covenants and agrees with the Designated Director to comply with and to be bound by all the terms of the Registration under the *Code of Practice for Pits* as if the Registration had been issued by the Director to Lehigh Hanson Materials Limited.

Deloitte Restructuring Inc., in its capacity
As the Court-appointed receiver and manager
of all of the undertakings, property, and assets
of Reperio Resources Corp., and not in its personal
or corporate capacity

Print Name

Witness (if not under corporate seal)

Print Name

Lehigh Hanson Materials Limited

Print Name

Witness (if not under corporate seal)

Print Name

Designated Director under the Act

Date

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Classification: Protected A

APPENDIX "G"

**WAIVER OF CONDITIONS AND AGREEMENT AMENDING
ASSET PURCHASE AGREEMENT
("Waiver and Amending Agreement")**

DATED this 2nd day of November, 2021.

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as the receiver and manager of all of the current and future assets, undertakings and properties of Reperio Resources Corp. and not in its personal or corporate capacity ("**Deloitte**")

- and -

LEHIGH HANSON MATERIALS LIMITED (the "**Purchaser**")

WHEREAS:

- A. Deloitte and Purchaser entered into an Asset Purchase Agreement dated October 4, 2021 (the "**Agreement**") whereby the Deloitte has agreed to sell and the Purchaser agreed to purchase the Reperio Lands, on the terms and conditions set out therein;
- B. Pursuant to Section 6.1(a) of the Agreement it is a mutual condition precedent that the Parties agree to the AEP Registration Transfer Process prior to the AEP Process Condition Date;
- C. The Parties wish to set out the AEP Registration Transfer Process in this Agreement below and waive the mutual condition precedent set out in Section 6.1(a);
- D. the Parties have agreed to amend the Agreement as set out herein;

NOW THEREFORE in consideration of the mutual covenants and agreements set forth in this Waiver and Amending Agreement and the sum of \$10 paid by each of Deloitte and the Purchaser to the other and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree to amend the Agreement as follows:

- 1. Capitalized terms contained herein shall have the meanings ascribed to them in the Agreement unless such terms are otherwise defined herein.
- 2. Section 5.3(a) and (b) are hereby deleted and replaced with the following:

"(a) prior to the December 7, 2021 the Purchaser agrees to execute and deliver (at its expense) to Deloitte originally executed copies of the Consent to Transfer Registration 265497-00-00 (the "AEP Transfer") in the form attached as Schedule B, in duplicate;

(b) forthwith following Deloitte's receipt of such AEP Transfer Deloitte will execute the AEP Registration Transfer (the "**Executed AEP Transfer**"). Deloitte will return two originally executed copies of same to the Purchaser concurrently with and at the time that the Closing Documents are to be delivered hereunder and:

- (i) subject to Sections 6.1 and 6.2, the Purchaser shall, forthwith following receipt of the Executed AEP Transfer and the Closing Documents from Deloitte and the Closing

Documents (as defined in the Klausen PSA) from the Vendor (as defined in the Klausen PSA), deliver the Executed AEP Transfer and the bond in the amount of \$1,390,675.62 (the "**New AEP Bond**") in the form required by AEP, to AEP requesting AEP's approval to the AEP Transfer (which approval shall be evidenced upon the Purchaser's receipt of the Executed AEP Transfer executed by AEP, without any conditions (other than procedural type requirements that AEP may require to effect the AEP Transfer (which requirements shall not, for clarity, include any requirements that change the financial commitments or covenants of either the Purchaser or Vendor)), as required to effect such transfer of the AEP Registration to the Purchaser and to permit the release of the AEP L/C by AEP, which the Parties agree will be returned by AEP to the issuing bank forthwith following the Director's approval and execution of the Executed AEP Transfer (the date on which the foregoing receipt by the Purchaser of the Executed AEP Transfer executed by AEP and confirmation of the release of the AEP L/C being referred to as the "**AEP Transfer Completion Date**"); and

(ii) subject to Section 5.3(b)(i), including the Purchaser delivering the Executed AEP Transfer and the New AEP Bond to AEP as contemplated in Section 5.3(b)(i) above, and to Sections 6.1 and 6.2, the Closing shall occur on the earlier of the following dates (the "**Modified Closing Date**"):

(A) subject to the Purchaser receiving agreement of the Vendor (as defined in the Klausen PSA) to a Closing prior to the Closing Date (as defined in the Klausen PSA), the first Business Day following the AEP Transfer Completion Date; or

(B) the Closing Date;

(iii) if the Purchaser has not received the Executed AEP Transfer executed by AEP and confirmation of the release of the AEP L/C by AEP by the Closing Date, the Closing shall proceed and each of the Parties agrees to take commercially reasonable steps to complete the AEP Transfer and to permit the release of the AEP L/C as soon as practicable following the Modified Closing Date;

(iv) if this Agreement terminates for any reason prior to the Closing then the Purchaser shall destroy the Executed AEP Transfer and provide Deloitte with written notice that it has done so, or to the extent that the Purchaser has already delivered same to AEP:

(A) request AEP to return the Executed AEP Transfer and New AEP Bond, and the Purchaser shall, following receipt of the Executed AEP Transfer from AEP, destroy the Executed AEP Transfer and provide Deloitte with written notice that it has done so, and cancel the AEP Bond; or

(B) if, prior to doing the foregoing, AEP has executed the Executed AEP Transfer, then notwithstanding anything to the contrary in this Agreement, the Parties agree to, forthwith following any such termination of this Agreement, effect the transfer of the AEP Registration back from the Purchaser to the Debtor (including by Deloitte preparing, executing and providing (at its expense) to the Purchaser for its execution and delivery back to Deloitte of a Consent to Transfer Registration 265497-00-00 substantially in the same form as the AEP Registration Transfer (in duplicate) but effecting the transfer from the Purchaser to the Debtor, and take reasonable commercial efforts to effect the release of the New AEP Bond back to the Purchaser (including by delivering a further letter of credit (the "**Deloitte L/C**")

arranged by Deloitte, in its capacity as receiver of the Debtor, in the same amount as the AEP L/C), and the Parties will cooperate to effect the release of any balance of the New AEP Bond over and above the amount of the AEP L/C continued to be held by AEP following the completion of the foregoing, and in any event within 30 Business Days following the termination date of this Agreement;

(v) except as specified otherwise in this Subsection, each Party shall be responsible for its own costs in meeting its obligations specified in this Subsection.

(c) This Section shall survive any termination of this Agreement indefinitely."

3. In the event that all Mutual Conditions and Purchaser's Conditions are waived or satisfied, then all references to "**Closing Date**" in the Agreement other than any such references in Section 5.3(b) are hereby deleted and replaced with "**Modified Closing Date**".
4. Subject to the Parties execution and delivery of this Waiver and Amending Agreement:
 - (a) the Parties acknowledge and agree that the Mutual Condition set out in Section 6.1(a) of the Agreement is hereby fulfilled; and
 - (b) the Purchaser hereby serves notice that the conditions set out in Section 6.2(a) and 6.2(b)(ii) of the Agreement are hereby waived or fulfilled and this Waiver and Amending Agreement is hereby deemed to be the Condition Notice to be delivered by the Purchaser advising that the conditions noted above have been satisfied.
5. Except as amended herein all of the terms of the Agreement as amended shall remain in full force and effect and unamended.
6. This Waiver and Amending Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart
7. This Agreement shall enure to the benefit of and be binding upon the Vendor, the Purchaser, and their successors and permitted assigns.
8. Time shall remain of the essence.

[Signature Page to Follow.]

IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

DELOITTE RESTRUCTURING INC., in its capacity as the Court-appointed receiver and manager of all of the undertakings, property, and assets of Reperio Resources Corp. and not in its personal or corporate capacity

Per: 

Name: Ryan Adlington

Title: Senior Vice-president

LEHIGH HANSON MATERIALS LIMITED

Per: _____

Name: _____

Title: _____

APPENDIX "H"

Estate No. 24-115841
24-115842

**In the Matter of the Receivership of Reperio Resources Corp. & Heartland Aggregates
(together, "Reperio")
Interim Statement of Receipts and Disbursements
As at Nov 22, 2021**

CAD\$ (Unaudited)	As of Nov 22, 2021 Actual	Notes
Receipts		
Receiver's borrowings for professional fees	152,369	
Deposit for sale of land from Lehigh	150,000	
Receiver's Certificate	100,000	
Rental Income - Farm leases and oil and gas leases	50,850	1, 2
Interest	4,588	
Sale of Assets - trailer and sea-can	4,000	
GST collected	1,935	
Recovery of funds paid to court	1,093	
Refund - Utilities	288	
Estimated realizations before priority claims and costs	465,123	
Disbursements		
Receiver's fees and costs	(114,569)	3
Legal fees	(42,060)	3
Property taxes	(31,793)	
Outside Consulting	(27,543)	
Utilities	(9,097)	
GST on Receiver's fees and costs	(5,728)	
Insurance	(6,030)	
GST on legal fees	(2,099)	
Computer Services	(2,000)	
GST paid - operations	(1,814)	
Filing Fees paid to Official Receiver	(140)	
GST on administrative disbursement	(100)	
Bank Charges	(45)	
Total disbursements	(243,018)	
Net receipts over disbursements	222,106	

"Reperio")

Notes to the Estimated Statement of Realization

As at November 22, 2021

(CAD\$ - Unaudited)

1 Farm leases

Farm lease amounts represents the back rent that the Receiver was able to recover from farmers who had agreements with Reperio and continued to farm post-receivership without the Receiver's knowledge. The Receiver has recovered approximately \$33,000.

2 Oil and gas leases

The pit is in the vicinity of an oil well and also has a pipeline running through the property. Approximately \$17,875 represents annual payments received.

3 Professional fees

The Receiver has billed \$150,169 (of which \$114,600 has been paid). The Receiver's legal counsel BLG has billed approximately \$43,800 and been paid \$42,060.

APPENDIX "I"

Summary of Deloitte Restructuring LLP invoices - in CAD

Invoice #	Start	Ending	Fees	Disbursements	Subtotal	Sales tax	Total
Deloitte							
4233418	Sep 08 2016	Nov 22 2016	50,127.50	634.07	50,761.57	2,538.08	53,299.65
4556850	Nov 23 2016	Nov 14 2017	87,609.50	3,476.42	91,085.92	4,554.30	95,640.22
8000450086	Nov 13 2017	Feb 20 2019	56,425.00	78.42	56,503.42	2,825.17	59,328.59
8000763624	Feb 27 2019	Aug 13 2019	15,937.50	166.40	16,103.90	805.20	16,909.10
8000942171	Aug 14 2019	Dec 15 2019	7,378.70	-	7,378.70	368.94	7,747.64
8001876559	Dec 12 2019	May 18 2021	35,645.00	-	35,645.00	1,782.25	37,427.25
DRAFT	May 19 2021	Nov 15 2021	49,593.50	-	49,593.50	1,095.08	50,688.58
Total Deloitte			302,716.70	4,355.31	307,072.01	13,969.02	321,041.03

APPENDIX "J"

Summary of Borden Ladner Gervais LLP - in CAD

										Subtotal	
Invoice #	Start	Ending	Fees	Other Charges	Disb.	Subtotal	Sales tax	Subtotal before discount	Discount	Total	
BLG											
697404168	Oct 04 2016	Nov 30 2016	8,449.00	25.00	852.35	9,326.35	466.32	9,792.67	-	9,792.67	
697418093	Nov 29 2016	Dec 31 2016	33,722.50	362.35	253.14	34,337.99	1,714.91	36,052.90	(5,000.00)	31,052.90	
697431125	Jan 04 2017	Jan 31 2017	2,023.00	15.40	279.50	2,317.90	113.40	2,431.30	-	2,431.30	
697408257	Feb 23 2017	Jun 30 2017	833.00	-	7.00	840.00	42.00	882.00	-	882.00	
697540933	Jul 04 2017	Dec 31 2017	476.00	-	-	476.00	23.80	499.80	-	499.80	
69770253	Jan 8 2018	Nov 30 2019	1,210.00	-	-	1,210.00	60.50	1,270.50	-	1,270.50	
Subtotal			46,713.50	402.75	1,391.99	48,508.24	-	2,420.93	50,929.17	(5,000.00)	45,929.17
	Work in progress	Dec 01 2019	Nov 15 2021	2,622.00	-	-	2,622.00	131.10	2,753.10	-	2,753.10
Subtotal			2,622.00	-	-	2,622.00	-	131.10	-	2,753.10	2,753.10
Total BLG			49,335.50	402.75	1,391.99	51,130.24	2,552.03	53,682.27	(5,000.00)	48,682.27	