

No. S-248267
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44,
THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF SAN INDUSTRIES LTD.,
AND THOSE PARTIES LISTED ON SCHEDULE "A"

PETITIONERS

ORDER MADE AFTER APPLICATION

BEFORE) THE HONOURABLE)
) JUSTICE STEPHENS) February 21, 2025
))

ON THE APPLICATION OF Royal Bank of Canada ("**RBC**", or, the "**Bank**"), coming on for hearing at Vancouver, British Columbia, on this day, AND ON HEARING Glen Nesbitt, counsel for the Bank, and those other persons listed on Schedule "B" hereto; AND UPON READING the materials filed, including the Affidavit #1 of a Special Loans Director of the Bank made February 3, 2025, the Fourth Report of the Monitor dated February 3, 2025, and the Fifth Report of the Monitor dated February 18, 2025;

THIS COURT ORDERS that:

1. The Bank's application brought under the Notice of Application filed February 3, 2025, in these proceedings is adjourned and reset for hearing on March 14, 2025 (the "**Hearing Date**"), at 10:00 .m., for 1 day before Justice Stephens, on the following terms and conditions:

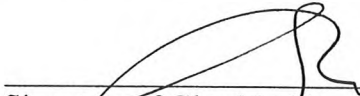
(a) from February 4, 2025, to the Hearing Date, the Kingsley Group shall:

- (i) deposit any funds obtained from any source in the ordinary course of business to the Kingsley Group's accounts held with RBC;
 - (ii) operate only in the ordinary course of business, and not dispose of any of its assets outside of the ordinary course of business; and
 - (iii) permit Deloitte Restructuring Inc., the court-appointed monitor of the Petitioners (in such capacity, the "**Monitor**"), to have access to the Kingsley Group's physical assets and property in order to take an inventory of the same; and
 - (b) from the date of this Order to the Hearing Date, the Kingsley Group, and its employees, consultants, agents, representatives, and advisors shall: (i) cooperate fully with the Monitor and any requests for information that it may make pursuant to this Order; and (ii) provide such assistance as the Monitor may reasonably request from time to time to enable the Monitor to take an inventory of the Kingsley Group's physical assets and property.
2. The Kingsley Group, and any other party to these proceedings, shall have liberty to apply to this Court for directions with respect to the terms of this Order on 48 hours' notice to the Kingsley Group and those parties listed on the Service List maintained by the Monitor in these proceedings.

[this space intentionally left blank]

3. Endorsement of this Order by counsel appearing, other than counsel for the Bank, is hereby dispensed with.

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



Signature of Glen Nesbitt
Lawyer for Royal Bank of Canada

BY THE COURT



REGISTRAR



SCHEDULE "A"

Petitioners

Acorn Forest Products Ltd.
Axon Lumber Ltd.
Coulson Manufacturing 2017 Ltd.
San Cedar Direct Sales Ltd.
San Forest Products Ltd.
San Holdings Inc.
Super-Cut Lumber Industries Ltd.
1224676 B.C. Ltd.
1260729 B.C. Ltd.
Mountainside Logging Ltd.
1170518 B.C. Ltd.
1175465 B.C. Ltd.
San Farming Ltd.
San Forest Specialty Ltd.
San Terminals Inc.

SCHEDULE "B"

Appearance List

Counsel/ Representative	Party
David Gruber	Petitioners
Sukhjit Singh Sanghera/ Paul Deol	Kingsley Group
Caleb Groot	United Steelworkers Local 2009 and USW Local 1-1937
Peter Rubin , <i>Enclia Foh (AF)</i>	Deloitte Restructuring Inc., the court-appointed Monitor
Heather McMahon	Trustees of the IWA – Forest Industry Pension Plan and Trustees of the IWA – Forest Industry LTD Plan

No. S-248267
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44,
THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF SAN INDUSTRIES LTD.,
AND THOSE PARTIES LISTED ON SCHEDULE "A"

PETITIONERS

ORDER MADE AFTER APPLICATION

FASKEN MARTINEAU DUMOULIN LLP
550 Burrard Street, Suite 2900
Vancouver, BC, V6C 0A3
+1 604 631 3131
Counsel: Glen Nesbitt
E-mail: gnesbitt@fasken.com
Matter No: 304755.00013