

March 16, 2019

Tel: 416-607-0781  
Fax: 416-601-6690  
www.deloitte.ca

**To: Interested parties in the assets, undertaking and properties of Distinct Infrastructure Group Inc. ("DIG") and its subsidiaries iVac Services Inc., Distinct Infrastructure Group West Inc., iVac Services Inc., DistinctTech Inc., Crown Utilities Ltd. ("Crown") and (Collectively the "DIG Group")**

**RE: Update on the Receiver's informal process to obtain expressions of interest for DIG, Crown and/or the DIG Group**

By order of the Superior Court of Justice (Commercial List) of Ontario (the "**Court**") dated March 11, 2019 (the "**Appointment Order**"), Deloitte Restructuring Inc. ("**Deloitte**") was appointed as Receiver (the "**Receiver**") of all of the assets, undertaking and properties of DIG acquired for, or used in relation to a business carried on by DIG. The Appointment Order is available on the Receiver's website at [www.insolvencies.deloitte.ca/en-ca/dig](http://www.insolvencies.deloitte.ca/en-ca/dig).

Pursuant to the Appointment Order, the Receiver contacted several parties to advise them of the DIG Group receivership and seek their interest in the assets, undertaking and properties of the DIG Group. Given the liquidity crisis facing the DIG Group, the Receiver's process was not a formal sale or investment solicitation process and contemplated a very rapid timeline (i.e. less than 10 days) for interested parties to assess the DIG Group opportunity and submit a letter of intent for a transaction for the DIG Group assets in the possession of the Receiver.

The Receiver is providing this update to advise that:

- a) The Receiver has executed an asset purchase agreement with the former owner of the Crown Utilities business for the sale of the Crown assets on a going concern. This transaction will see the business carried on in the ordinary course on an urgent basis and is subject only to approval by the Court. The Receiver is no longer updating its electronic data room with information in respect of Crown; and
- b) The remaining DIG Group assets, undertaking and properties that are not subject to lease or owned by third parties remain available for sale. As you are likely aware, the Ontario business of the Distinct Infrastructure Group ceased operations as of the date of the Receivership and the two major customers are no longer placing orders in the ordinary course. The Receiver plans to contact parties for auction proposals in due course.

Please direct any questions about this update and/or the DIG Group to the undersigned.

Sincerely,

**Deloitte Restructuring Inc.**  
Court-Appointed Receiver of  
Distinct Infrastructure Group  
And its subsidiaries set out in Appendix "A"  
and not in its personal capacity

Per:



Jorden Sleeth, CPA, CA, CIRP, LIT  
Senior Vice President

**Appendix “A”**  
**List of subsidiaries of Distinct Infrastructure Group**

Distinct Infrastructure Group West Inc.  
Distincttech Inc.  
iVac Services Inc.  
iVac Services West Inc.  
Crown Utilities Ltd.