



No. S214079  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

CROWE MACKAY & COMPANY LTD., TRUSTEE IN BANKRUPTCY OF JASVINDER SINGH BASI

PETITIONER

AND:

BLUEGOLD TECHNOLOGIES LTD.

RESPONDENT

**ORDER MADE AFTER APPLICATION**

BEFORE ) THE HONOURABLE )  
) )  
) MR JUSTICE MAJAWA ) JUNE 2, 2021

ON THE APPLICATION of Crowe MacKay & Company, court-appointed Trustee of the estate of Bankrupt, Jasvinder Singh Basi ("Trustee"), coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on this day, and on hearing Emma Newbery and Jordan Schultz, counsel for the Trustee, and those other parties listed on Schedule "A" hereto;

THIS COURT ORDERS that:

**APPOINTMENT OF LIQUIDATOR**

1. Crowe MacKay & Company Ltd. located at 1177 West Hastings Street, Vancouver, BC (the "Liquidator") is hereby appointed liquidator of all the property, assets, business and undertakings of Bluegold Technologies Ltd. ("Bluegold"), without security, pursuant to the provisions of the *Business Corporations Act*, S.B.C. 2002, c. 57 (the "Act"), and subject to the supervision of this Court.

2. Without in any way limiting the effect of Part 10, Division 5 of the Act, the Liquidator is hereby empowered and authorized, but not obligated, to act at once in respect of Bluegold and the assets, undertakings and property of Bluegold, including all proceeds thereof (collectively, the “**Property**”) and, without in any way limiting the generality of the foregoing, the Liquidator is expressly empowered and authorized to do any of the following where the Liquidator considers it necessary or desirable:

- (a) to file with the Corporate Registrar a notice of appointment of liquidator in the prescribed form;
- (b) to publish such notices as are required to all creditors, including Bluegold’s shareholders, to require them to render any accounts they may have to Bluegold (“**Claims**”);
- (c) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
- (d) to engage such other 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 liquidation of the assets and property of Bluegold;
- (e) to receive and collect all monies and accounts now owed or hereafter owing to Bluegold and to exercise all remedies of Bluegold in collecting these amounts, including, without limitation, enforcement of any security held by Bluegold;
- (f) to execute, assign, issue and endorse documents of whatever nature in respect of Bluegold or any of the Property, whether in the Liquidator’s name or in the name and on behalf of Bluegold, for any purpose pursuant to this Order;
- (g) to make all reasonable efforts to ascertain the whereabouts of all creditors and, for any creditors who cannot be found, pay the amount of the known liability to that creditor to the Administrator under the *Unclaimed Property Act*, S.B.C. 1999, c. 48;
- (h) to accept, determine, settle, compromise and pay from the Property any Claims (including without limitation any taxes that may arise in connection with any sale of the property) and all costs, charges and expenses incurred in relation to the liquidation with liberty to apply to court for

further advice and directions should its determination of any Claim be contested by a creditor or shareholder of Bluegold;

- (i) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of Bluegold, the Property or the Liquidator, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (j) to market any or all of 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 Liquidator considers appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof;
- (l) 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, free and clear of any liens or encumbrances;
- (m) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (n) to exercise any shareholder, partnership, joint venture or other rights which Bluegold may have;
- (o) to recover their reasonable fees and disbursements, and of its legal counsel, in each case at their standard rates and charges, all of which shall stand as a charge (the "**Liquidator's Charge**") on Bluegold's assets and property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person, excepting the charge set out in this Order, with liberty to apply reasonable amounts from time to time, out of the monies in its hands against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court;
- (p) to pay any final distributions to the shareholders of Bluegold following receipt of a tax clearance certificate from Canada Revenue Agency or,

alternatively, an indemnity from the shareholders of Bluegold in favour of the Liquidator on such terms as are acceptable to the Liquidator,

and in each case where the Liquidator takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other persons, including Bluegold, and without interference from any other person.

3. All individuals, tenants, firms, corporations, governmental bodies or agencies, or other entities (collectively herein referred to as "**Persons**") having notice of this Order shall forthwith:

- (a) advise the Liquidator of the existence of any assets or property of Bluegold in such Person's possession or control, shall grant immediate and continued access to such assets or property to the Liquidator;
- (b) deliver to the Liquidator all Property, including books, records, documents and instruments of Bluegold, in their custody or control, including without limitation, accounting records, financial statements, income tax returns, GST returns, accounts payable lists, and bank account records since the incorporation of Bluegold;
- (c) upon request by the Liquidator, deliver to the Liquidator copies of any books, records or documents, which are relevant to or related to the Property;
- (d) provide all details and records in support of their respective financial contributions to, and claims against, Bluegold and a summary of any amounts claimed to be owing, which summary, details and records shall be provided to the other parties to this proceeding as well;
- (e) provide all details and records of Bluegold including but not limited to corporate records, books, documents, securities, contracts, orders, banking and accounting records; and
- (f) co-operate with the Liquidator including, without limitation, answer all enquires of the Liquidator, and provide all books, records or documents requested by the Liquidator, in each case that relate in any way to Bluegold or its business, assets or liabilities.

#### **SALE PROCESS IN RESPECT OF 1054227 SHARES**

4. Without limiting paragraph 2 hereof, the Liquidator is hereby authorized to sell Bluegold's interest in the shares in the capital of 1054227 B.C. Ltd. (the "**Shares**"), and

engage in the sale process substantially in the form as set out in Schedule "B" to this Order (the "**Sale Process**").

5. For the purpose of undertaking the Sale Process, the Liquidator is hereby authorized to enter into a share purchase agreement (the "**Stalking Horse Purchase Agreement**") with Gurdial Singh Badh (the "**SH Purchaser**"), substantially in the form attached as Exhibit G to the affidavit #1 of Derek Lai, April 23, 2021, including the covenant to pay the SH Purchaser a 2% break fee in the event a superior bid is approved in accordance with the Sale Process.

6. From and after the date of this Order, all communications and information requests made by Potential Bidders (as defined in the Sale Process) will be made to the Liquidator.

#### **LIMITATIONS ON LIQUIDATOR'S LIABILITY**

7. Subject to the employees' right to terminate their employment, all employees of Bluegold shall remain the employees of Bluegold until such time as the Liquidator, on Bluegold's behalf, may terminate the employment of such employees. The Liquidator shall not be liable for any employee-related liabilities of Bluegold, including any successor employer liabilities, other than amounts the Liquidator may specifically agree in writing to pay. The Liquidator shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Liquidator may hire in accordance with the terms and conditions of such employment by the Liquidator.

8. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Liquidator may 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 Liquidator, 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 Bluegold, and shall return all other personal information to the Liquidator, or ensure that all other personal information is destroyed.

9. Nothing in this Order shall require the Liquidator to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Liquidator from any duty to report or make disclosure imposed by applicable Environmental Legislation.

10. The Liquidator shall not, as a result of this Order or anything done in pursuance of the Liquidator's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Liquidator is actually in possession.

11. Notwithstanding anything in federal or provincial law, the Liquidator is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:

- (a) before the Liquidator's appointment; or,
- (b) after the Liquidator's appointment, unless it is established that the condition arose or the damage occurred as a result of the Liquidator's gross negligence or wilful misconduct.

#### **LIQUIDATOR'S ACCOUNTS**

12. The fees and disbursements of the Liquidator and the fees and disbursements charged by its legal counsel and other advisors and consultants as the Liquidator may retain from time to time be paid, on a full indemnity basis, from the property and assets of Bluegold and where unpaid shall form a charge on the property and assets of Bluegold in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person.

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

14. The Liquidator shall incur no personal liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any

gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Liquidator by any applicable legislation.

15. Three months after complying with all requirements under the Act including the preparation and filing and sending notice of the filing of its accounts in the liquidation records office, the Liquidator will be at liberty to apply for the dissolution of Bluegold by filing the prescribed form with the Registrar of Companies, and may apply for a court order for its discharge, with its accounts and those of its legal advisors being referred to a judge of the Supreme Court of British Columbia, which may be heard on a summary basis.

#### **GENERAL**

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

17. Any interested party may apply to this Court to vary or amend this Order on not less than five (5) clear business days' notice to the Liquidator 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.

18. Any party may apply to this Court for such further and other orders and directions as may be required concerning the liquidation and dissolution of Bluegold on not less than five (5) clear business days' notice to the Liquidator 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.

19. Endorsement of this Order by counsel appearing on this application, other than counsel for the Trustee, 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 Emma Newbery  
Lawyer for Crowe MacKay & Company,  
court-appointed Trustee of the estate of  
Bankrupt, Jasvinder Singh Basi

By the Court.



Registrar





**SCHEDULE A**

(List of Counsel)

<b>COUNSEL</b>	<b>NAME OF PARTY(IES) REPRESENTED</b>

**SCHEDULE B**

(Sale Process)

On June 2, 2021, the Supreme Court of British Columbia granted an order appointing Crowe MacKay & Company (the "**Liquidator**") as of Bluegold Technologies Ltd ("**Bluegold**") and approving a sale process with respect to certain assets held by Bluegold (the "**Sale Process Order**").

The Sale Process is a limited sale process to market and solicit offers for 10 common shares in the capital of 1054227 B.C. Ltd. ("**1054227**") held by Bluegold (the "**Shares**").

This Sale Process and the Sale Process Order shall exclusively govern the process for soliciting and selecting bids for the Shares.

Unless otherwise defined capitalized terms shall have the definitions given to them in the Sale Process Order.

Unless otherwise indicated, any event occurring on a day that is not a Business Day shall be deemed to occur on the next Business Day.

**DEFINED TERMS**

"**Bid Deadline**" means 5:00 p.m. (Vancouver time) on the date that is 3 weeks after the date of the Sale Process Order.

"**Business Day**" means any day other than (a) a Saturday or Sunday; or (b) a day that is a statutory holiday in Vancouver, British Columbia.

"**Court**" means the Supreme Court of British Columbia.

"**Notice Deadline**" means the date that is 1 week after the date of the Sale Process Order.

"**Potential Bidder**" means the Known Potential Bidders and any other person who contacts the Liquidator to express an interest in acquiring the Shares.

"**Purchase Agreement Deadline**" means 5:00 p.m. (Vancouver time) on the date that is 1 month after the date of the Sale Process Order.

"**Sale Process Order**" means the Order of the Court approving this Sale Process and making other orders and directions with respect thereto.

"**Sale Process**" means this Sale Process.

“**Sale Proposal**” means an offer or proposal to purchase the Shares.

“**SH Purchaser**” means Gurdial Singh Basi.

“**Shareholders Agreement**” means the Shareholders Agreement made as of November 13, 2015, among the shareholders of 1054227 and others.

“**Stalking Horse SPA**” means the Share Purchase Agreement entered into on or about the date of the Sale Process Order, among the Liquidator, as vendor, and the SH Purchaser, as purchaser, providing for the purchase and sale of the Shares for a price of \$400,000.00, subject to (among other things) this Sale Process.

## **SALE PROCESS**

1. This Sale Process describes, among other things, the Shares available for sale, the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Shares, the manner in which bidders and bids become Qualified Bidders and Qualified Bids, respectively, the receipt and negotiation of bids and investment offers received, the ultimate selection of one or more Successful Bids, and the approval thereof by the Court (collectively, the “**Sale Process**”).

2. The sale of the Shares will be on an “as is, where is” basis and without surviving representations, warranties, covenants or indemnities of any kind, nature or description by Bluegold, the Liquidator, or any of their agents, advisors, professionals or otherwise, except to the extent expressly set forth in any relevant Purchase Agreement.

3. In the event of a sale, all of the rights, titles and interests of Bluegold in and to the Shares to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, royalties and interests thereon and there against (collectively, the “**Claims and Interests**”) pursuant to approval and vesting orders made by the Court, provided that the purchaser will be required to assume the obligations and liabilities of Bluegold pursuant to the Shareholders Agreement.

## **SOLICITATION OF INTEREST**

4. As soon as reasonably practicable, the Liquidator will finalize a list of potential bidders (the “**Known Potential Bidders**”) for the purchase the Shares.

5. The Liquidator shall deliver a summary of the Shares being offered for sale to the Known Potential Bidders, along with a copy of this Sale Process and a blank confidentiality and non-disclosure agreement (the "NDA") in form and substance acceptable to the Liquidator:

- (a) to each Known Potential Bidder, on or before the Notice Deadline; and
- (b) to any other Potential Bidder, forthwith upon such party contacting the Liquidator.

6. Upon delivery of an executed NDA, each Potential Bidder shall have such access to materials and information relating to the Shares for the purpose of conducting due diligence as the Liquidator, in its reasonable business judgment, deem appropriate.

7. The Liquidator (and its officers, directors, employees, agents, counsel and professionals) are not responsible for, and will have no liability with respect to, any information obtained by any Potential Bidder in connection with the Shares. The Liquidator (and its officers, directors, employees, agents, counsel and professionals) does not make any representations or warranties whatsoever as to the information or the material provided.

8. Prior to the Bid Deadline, the Liquidator may engage in discussions with any or all of the Potential Bidders to determine and explore the level of interest of any such Potential Bidder and may request from any such Potential Bidder such further information as the Liquidator may deem appropriate.

#### **SALE BIDDING PROCESS**

9. In order to qualify as a "Qualified Bidder", a Potential Bidder must deliver a Qualified Bid to the Liquidator so as to be received by the Liquidator no later than the Bid Deadline. The SH Purchaser shall be deemed to be a Qualified Bidder.

10. A Sale Proposal will be considered a "Qualified Bid" only if the Sale Proposal complies with all of the following:

- (a) it includes a non-binding set of terms upon which the Potential Bidder would be prepared to acquire the Shares, including the proposed purchase price (which must be in excess of the purchase price contemplated by the Stalking Horse SPA), the proposed closing date, and applicable conditions (if any) to purchase;

- (b) it includes written evidence of all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction, or other evidence satisfactory to the Liquidator;
- (c) it is not conditioned on (i) the outcome of unperformed due diligence by the Potential Bidder; and/or (ii) obtaining any financing and includes an acknowledgement and representation that the Potential Bidder has had an opportunity to conduct any and all required due diligence prior to making its Sale Proposal;
- (d) it fully discloses the identity of each entity that is bidding or otherwise that will be sponsoring or participating in the Sale Proposal, including the identification of the Potential Bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
- (e) it includes an acknowledgement and representation that the Potential Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents, information and other due diligence materials; (ii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith; (iii) is a sophisticated party capable of making its own assessments in respect of making its Sale Proposal; and (iv) has had the benefit of independent legal, tax, accounting and other relevant professional advice in connection with its Sale Proposal; and
- (f) it contains any other information reasonably requested by the Liquidator.

11. Notwithstanding anything in this Sale Process, the Liquidator may waive compliance with any one or more of the Qualified Bid requirements specified above, and deem such non-compliant bids to be Qualified Bids.

#### **NO QUALIFIED BIDS**

12. The Liquidator will assess the Qualified Bids received, if any, and will determine whether it is likely that the transactions contemplated by such Qualified Bids are likely to be consummated and whether proceeding with this Sale Process is in the best interests of Bluegold and its stakeholders. Such assessments will be made as promptly as practicable but no later than five (5) Business Days after the Bid Deadline.

13. If the Liquidator determines that (a) no Qualified Bid was received, (b) at least one Qualified Bid was received but it is not likely that the transactions contemplated in any such Qualified Bids will be consummated; or (c) proceeding with this Sale Process is not in the best interests of Bluegold and its stakeholders, the Liquidator shall forthwith (i) terminate this Sale Process; (ii) notify each Potential Bidder (including any Qualified Bidder(s)) that this Sale Process has been terminated; and (iii) apply to the Court for approval of the Stalking Horse SPA.

### **SELECTION CRITERIA**

14. If the Liquidator determines that none of the criteria in Section 13 apply, it shall forthwith proceed to negotiate with all Qualified Bidders in an effort to conclude a binding share purchase agreement (a "**Superior Purchase Agreement**" and the Qualified Bidder(s) who made the Superior Bid is the "**Superior Bidder**"), provided such Superior Purchase Agreement is executed on or before the Purchase Agreement Deadline.

15. In negotiating, selecting and concluding a Superior Purchase Agreement, the Liquidator may consider such criteria as it deems appropriate, including but not limited to items such as (a) the purchase price; (b) the counterparties to the transaction; (c) the terms of the proposed Purchase Agreement and other transaction documents; (d) other factors affecting the speed, certainty and value of the transaction, including conditions required to close the transaction; and (e) the likelihood and timing of consummating the transaction.

16. If a Superior Purchase Agreement has not been executed by the Purchase Agreement Deadline, then the Stalking Horse SPA shall be deemed to be the Superior Purchase Agreement.

### **APPROVAL HEARING**

17. Within five (5) Business Days of the Purchase Agreement Deadline, the Liquidator shall seek a hearing (the "**Approval Hearing**") to approve the Superior Purchase Agreement (the "**Approval Order**"). The Approval Hearing may be adjourned or rescheduled by the Liquidator by notice to the affected parties.

### **RESERVATION OF RIGHTS**

18. The Liquidator, in its sole discretion may:

- (a) reject at any time a bid that is (i) inadequate or insufficient; (ii) not in conformity with the requirements of this Sale Process or any orders of the

Court applicable to Bluegold; and/or (iii) contrary to the interests of Bluegold, its estate or stakeholders, as determined by the Liquidator;

- (b) impose additional terms and conditions and otherwise seek to modify this Sale Process at any time in order to maximize the results obtained;
- (c) accept bids not in conformity with this Sale Process to the extent that Liquidator determines, in its reasonable business judgment, that doing so will benefit Bluegold, its estate and its stakeholders; and,
- (d) extend the deadlines contained in this Sale Process.

19. This Sale Process does not, and shall not be interpreted to, create any contractual or other legal relationship between Bluegold and the Liquidator and any other party, other than as specifically set forth in definitive agreements.

#### **FURTHER ORDERS**

20. At any time during this Sale Process, the Liquidator may apply to the Court for advice and directions with respect to the discharge of their powers and duties hereunder.