

No. B-210198
Estate No. 11-2716201
Province of British Columbia
Bankruptcy Division
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE PROPOSAL OF
BEAR CREEK CONTRACTING LTD.

ORDER MADE AFTER APPLICATION
(APPROVAL & VESTING ORDER)

BEFORE)
) THE HONOURABLE)
) MADAM JUSTICE FORTH *FRANCIS*) JULY 26, 2021
))
))

ON THE APPLICATION OF Bear Creek Contracting Ltd. (the “**Applicant**”), coming on for hearing by telephone at Vancouver, British Columbia on this day, and on hearing Glen Nesbitt, counsel for the Applicant, and those counsel listed in Schedule “A” attached hereto, and with no one appearing for Gitga’at Matrix Workforce Services Ltd. and Kon Kast Products (2005) Ltd., although duly served; AND UPON READING the material filed, including the Proposal Trustee’s Report on the Proposal dated June 24, 2021, and the Third Report of the Proposal Trustee dated July 13, 2021 (the “**Third Report**”);

THIS COURT ORDERS AND DECLARES that:

1. The sale transaction (the “**Transaction**”) contemplated by the Contract of Purchase and Sale dated May 10, 2021 (the “**Sale Agreement**”) between the Applicant, as vendor, and 1303526 B.C. Ltd. (the “**Purchaser**”), as purchaser, a copy of which is attached as Appendix “B” to the Third Report, is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Applicant is hereby authorized and approved, and the Applicant is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser

of the lands described in the Sale Agreement and identified in Schedule “B” hereto (the “**Lands**”).

2. Upon payment of the purchase price under the Sale Agreement, which is to be allocated to the parcels comprising the Lands in accordance with the calculations set forth in Schedule “C” hereto, all of the Applicant’s right, title and interest in and to the Lands shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated March 15, 2021; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; and (iii) those Claims listed on Schedule “D” hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule “E” hereto, all of which are collectively referred to as the “**Permitted Encumbrances**”), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Lands are hereby expunged and discharged as against the Lands.

3. Upon presentation for registration in the Land Title Office for the Land Title District of Prince Rupert of a certified copy of this Order, together with a letter from Fasken Martineau DuMoulin LLP, solicitors for the Applicant, authorizing registration of this Order, the British Columbia Registrar of Land Titles is hereby directed to:
 - (a) enter the Purchaser as the owner of the Lands, together with all buildings and other structures, facilities and improvements located thereon and fixtures, systems, interests, licenses, rights, covenants, restrictive covenants, commons, ways, profits, privileges, rights, easements and appurtenances to the said hereditaments belonging, or with the same or any part thereof, held or enjoyed or appurtenant thereto, in fee simple in respect of the Lands, and this Court declares

that it has been proved to the satisfaction of the Court on investigation that the title of the Purchaser in and to the Lands is a good, safe holding and marketable title and directs the BC Registrar to register indefeasible title in favour of the Purchaser as aforesaid; and

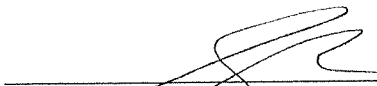
- (b) having considered the interest of third parties, to discharge, release, delete and expunge from title to the Lands all of the registered Encumbrances except for those listed in Schedule "E" (i.e. the Permitted Encumbrances).
4. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Lands shall stand in the place and stead of the Lands, and from and after the delivery of the Proposal Trustee's Certificate all Claims shall attach to the net proceeds from the sale of the Lands with the same priority as they had with respect to the Lands immediately prior to the sale, as if the Lands had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
 5. The Applicant is hereby authorized and directed to pay the net proceeds from the sale of the Lands to Accord Small Business Finance Corp.
 6. Subject to the terms of the Sale Agreement, vacant possession of the Lands shall be delivered by the Applicant to the Purchaser at 12:00 noon on July 28, 2021, or such earlier date as the Applicant and the Purchaser may agree (the "**Closing Date**"), subject to the Permitted Encumbrances.
 7. The Applicant and the Purchaser are at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
 8. Notwithstanding:
 - (a) these proceedings;
 - (b) any application for a bankruptcy order in respect of the Applicant now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made by or in respect of the Applicant,

the vesting of the Lands in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

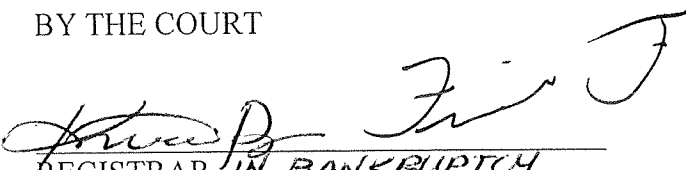
9. The Applicant, the Proposal Trustee or any other party affected by this Order have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
10. Endorsement of this order by counsel appearing, other than counsel for the Applicant, 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 the Applicant

BY THE COURT



REGISTRAR IN BANKRUPTCY

CHECKED


SCHEDULE "A"

List of Counsel Appearing

Name of Party	Counsel Name
Crowe MacKay & Company Ltd., in its capacity as Proposal Trustee	Forrest Finn
Blue Max Drilling Ltd.	Douglas Conolly

SCHEDULE "B"

Lands

PID: 011-597-496

Lot 1, District Lot 373, Range 5, Coast District, Plan 4414 Except Plans 6426 and 5259

PID: 011-069-821

Lot 16, Block 5, District Lot 373, Range 5, Coast District, Plan 3218

PID: 014-296-055

Lot 1, District Lots 372 and 373, Range 5, Coast District, Plan 12376

PID: 011-268-298

Lot 7, Block 2, District Lot 372, Range 5, Coast District Plan 3218 Except Plan 5250

SCHEDULE "C"

Purchase Price Allocation

PID	2021 BC Assessment Value	Calculation	Allocated Purchase Price
011-597-496	\$966,000.00	$\$3,800,000 \times (\$966,000/\$2,483,600)$	\$1,478,015.78
011-069-821	\$180,700.00	$\$3,800,000 \times (\$180,700/\$2,483,600)$	\$276,477.69
014-296-055	\$1,237,000.00	$\$3,800,000 \times (\$1,237,000/\$2,483,600)$	\$1,892,655.82
011-268-298	\$99,900.00	$\$3,800,000 \times (\$99,900/\$2,483,600)$	\$152,850.70
Total:	\$2,483,600.00		\$3,800,000.00

SCHEDULE "D"

Encumbrances

Nature: MORTGAGE
Registration Number: BB680925
Registration Date and Time: 2008-06-26 10:54
Registered Owner: ROYAL BANK OF CANADA
Remarks: INTER ALIA, MODIFIED BY CA8147732, EXTENDED BY CA814733

Nature: MORTGAGE
Registration Number: CA8147733
Registration Date and Time: 2020-04-20 15:59
Registered Owner: ROYAL BANK OF CANADA
Transfer Number: CA8147733 TRANSFERRED TO LB569822
Registered Owner: ACCORD SMALL BUSINESS FINANCE CORP. INCORPORATION NO. BC0924892
Transfer Number: LB569822
Remarks: EXTENSION OF BB680925, MODIFIED BY CA8147732

Nature: MODIFICATION
Registration Number: CA8147732
Registration Date and Time: 2020-04-20 15:59
Remarks: INTER ALIA, MODIFICATION OF BB680925

Nature: MORTGAGE
Registration Number: CA8150488
Registration Date and Time: 2020-04-22 11:15
Registered Owner: ACCORD SMALL BUSINESS FINANCE CORP. INCORPORATION NO. BC0924892, ACCORD SMALL BUSINESS LEASING CORP. INCORPORATION NO. BC0852495
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS
Registration Number: CA8150489
Registration Date and Time: 2020-04-22 11:15
Registered Owner: ACCORD SMALL BUSINESS FINANCE CORP. INCORPORATION NO. BC0924892, ACCORD SMALL BUSINESS LEASING CORP. INCORPORATION NO. BC0852495
Remarks: INTER ALIA

Nature: MORTGAGE
Registration Number: CA8150490
Registration Date and Time: 2020-04-22 11:15
Registered Owner: ACCORD SMALL BUSINESS FINANCE CORP. INCORPORATION NO. BC0924892, ACCORD SMALL BUSINESS LEASING CORP. INCORPORATION NO. BC0852495

Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS

Registration Number: CA8150491

Registration Date and Time: 2020-04-22 11:15

Registered Owner: ACCORD SMALL BUSINESS FINANCE CORP. INCORPORATION NO. BC0924892, ACCORD SMALL BUSINESS LEASING CORP. INCORPORATION NO. BC0852495

Remarks: INTER ALIA

Nature: JUDGMENT

Registration Number: CA8489587

Registration Date and Time: 2020-10-13 11:41

Registered Owner: GITGA'AT MATRIX WORKFORCE SERVICES LTD. INCORPORATION NO. BC1231925

Remarks: INTER ALIA

Nature: JUDGMENT

Registration Number: CA8655290

Registration Date and Time: 2020-12-17 11:15

Registered Owner: KON KAST PRODUCTS (2005) LTD.

Remarks: INTER ALIA

SCHEDULE "E"

Permitted Encumbrances

1. The reservations, limitations, provisos and conditions expressed in the original grant thereof from the Crown of any of the Lands and the statutory exceptions to title currently applicable to the Lands;
2. A claim of right, title or jurisdiction which may be made or established by any indigenous peoples by virtue of their status as indigenous peoples to or over any Lands;
3. The encumbrances listed below with respect to the Lands:
 - (a) Undersurface and Other Exc & Res, No. TC11870; and
 - (b) Statutory Right of Way, No. CA2996850.

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**ORDER MADE AFTER APPLICATION
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Matter No: 322707.00001