

COURT FILE NUMBER Q.B. 399 of 2020

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

APPLICANT CANADIAN MORTGAGE SERVICING CORPORATION

RESPONDENTS 101118672 SASKATCHEWAN LTD (Formerly Korf Properties Ltd.).

IN THE MATTER OF THE RECEIVERSHIP OF
101118672 SASKATCHEWAN LTD (Formerly Korf Properties Ltd.)

SECOND REPORT OF THE RECEIVER, MNP LTD.

Appointment

1. MNP Ltd. was appointed as Receiver of **101118672 SASKATCHEWAN LTD (Formerly Korf Properties Ltd.)** (the "**Debtor**") pursuant to an order of Justice B.J. Scherman of the Court of Queen's Bench for Saskatchewan in Bankruptcy and Insolvency, issued on March 17, 2020 (the "**Receivership Order**").
2. The assets of the Debtor were 12 parcels of real property as further described below, although three of these properties have now sold (as detailed below).

Limitation

3. The information provided in this report is believed to be correct but 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 or other standards established by the Chartered Professional Accountants of Canada.

Activities of the Receiver since the First Report

4. Since the First Report of the Receiver dated December 7, 2020, the Receiver has:
 - a. Attended the court hearing in the application for the sale of the Large Estevan Apartments;
 - b. Conducted further negotiations with the purchaser of the Large Estevan Apartments;

- c. Overseen the closing of the transaction and distribution of the sale proceeds from the sale of the Large Estevan Apartments;
- d. Conducted significant negotiations with the proposed purchaser of the Industrial Drive Property;
- e. Liaised with the property managers for the remaining properties of the Debtor;
- f. Consulted with stakeholders including the secured creditor; and
- g. Been engaged with Grasswood Auctions as they moved to list the remaining properties of the Debtor.

Statement of Income and Expenses

5. Attached as Appendix 1 is a Statement of Receipts and Disbursements for funds that have flowed through the Receiver's account to February 26, 2021. The property managers maintain their own accounts.

Real Property

6. The Debtor owned twelve parcels of Real Property as follows:
 - a. A larger Industrial Property, with a tenant, located just outside Regina ("**Industrial Drive**");
 - b. An Industrial Property, with a tenant, located in Vermillion Alberta ("**Vermillion**");
 - c. Five Industrial Properties located in Estevan Saskatchewan, all vacant, one of which is undeveloped ("**Estevan Industrial**");
 - d. Three larger apartment buildings in Estevan, ranging between 17 and 24 units in size ("**Large Estevan Apartments**");
 - e. Two small apartment buildings in Estevan, one with six and one with eight units ("**Small Estevan Apartments**").

Sale of Large Estevan Apartments

7. We are pleased to report to the Court that the sales approved pursuant to the three (3) Sale Approval and Vesting Orders of the Honourable Mr. Justice R.W. Elson issued December 30, 2020 have closed.
8. Following issuance of the above Sale Approval and Vesting Orders, the purchaser of the Large Estevan Apartments, 6313248 Manitoba Ltd., requested additional time to close the

transactions than was originally provided for in the Asset Purchase Agreements dated effective as of September 15, 2020, as amended effective November 12, 2020. The reason for this additional time was so that the purchaser could arrange for financing and avoid closing during the holiday season.

9. The Receiver accepted this request but asked that the purchaser enter into Amended and Restated Asset Purchase Agreements in respect of the Large Estevan Apartments. Signing new agreements was the “cleaner” approach from a documentation perspective and allowed the obligations of the parties to be very clear instead of being read through a patchwork of various agreements. The major terms such as the price remained the same. No party was prejudiced through this revised arrangement.
10. The Receiver and 6313248 Manitoba Ltd. entered into these Amended and Restated Asset Purchase Agreements effective as of December 22, 2020 with a targeted closing date of January 29, 2021.
11. The Receiver is also pleased to report to the Court that the sales of the Large Estevan Apartments closed on January 29, 2021, with funds being distributed thereafter to the secured creditor and MNP Ltd. in accordance with the Marketing Process, Distribution and Approval Order of Honourable Mr. Justice R.W. Elson issued December 30, 2020.
12. Out of the total net proceeds of this sale of \$2,312,635.09:
 - a. The sum of \$100,000.00 was retained by the Receiver, MNP Ltd., for the ongoing costs of the receivership; and
 - b. The sum of \$2,212,635.09 was paid to Canadian Mortgage Servicing Corporation as the secured creditor of the Debtor in accordance with the said Marketing Process, Distribution and Approval Order.

Efforts To Sell the Properties

13. As stated in the First Report of the Receiver December 7, 2020, the Receiver listed the above Properties with Colliers International on June 18, 2020. Colliers has placed signage on the Properties, listed the Properties on its’ website (and they are listed on the Receiver’s website as well), listed the properties on SpaceList, emailed every commercial real estate agent in the province and also emailed a list of 97 previous buyers who have bought commercial property in Saskatchewan. Listing was done on an Invitation for Offers basis, accordingly no listing prices were set for the various properties.

Sale of Industrial Drive Property

14. Following the sales efforts by Colliers, three (3) parties expressed interest in the Industrial Drive Property (near Regina, SK) and made offers. Two other parties were interested but did not make offers.
15. The highest offer was made by the tenant in the property, HI-TEC Profiles Limited Partnership, by its General Partner, HI-TEC Profiles Inc. (“**HI-TEC**”) who has a right of first refusal over the subject property in any event.
16. The Asset Purchase Agreement in respect of the Industrial Drive Property is set out in Appendix 1 hereto and the purchase price for the property is for \$3.45 million.
17. This agreement was reached after significant negotiations between the Receiver and HI-TEC during January and February, 2021. The Receiver had originally hoped to have the Asset Purchase Agreement finalized and approved on February 17, 2021, however HI-TEC came back with some concerns relating to the condition of the property.
18. Following more negotiations, the Asset Purchase Agreement attached hereto was finalized by HI-TEC and the Receiver.
19. The Receiver recommends that the Court approve the sale for the Industrial Drive Property to HI-TEC for the price of \$3.45 million for the following reasons:
 - a. The price is the highest offer received and is commercially reasonable;
 - b. While the price is lower than the appraised value of \$4.5 million, the Receiver is of the view that commercial real estate prices in the area have generally dropped since the appraisal¹ was done;
 - c. The Receiver has made a sufficient effort in listing the property to get the best price and has not acted improvidently;
 - d. Canadian Mortgage Securities Corporation, who were identified in the previous report as the only party with a financial interest in the various properties, is satisfied that the offer is reasonable; and

¹ The appraisals were filed as Appendix II to the First Report of the Receiver dated December 7, 2020.

- e. the sales process was marked by both efficacy and integrity and there has been no unfairness in the working out of the process.

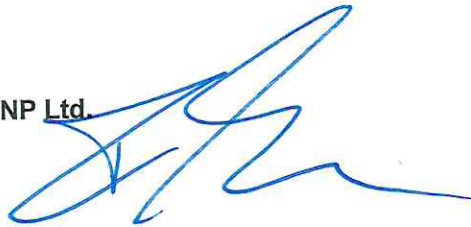
Proposed Sale by "Auction"

20. The sale of the Small Estevan Apartments and the Estevan Industrial Properties is scheduled by Grasswood Auctions for March 23, 24 and 25, 2021.
21. The properties have been listed by Grasswood Auctions on their website at <https://www.grasswoodauctions.com/> as well as marketed in the manner described in the First Report of the Receiver dated December 7, 2020.
22. Grasswood Auctions has to date received between 70 and 90 enquires in respect to these properties by either phone or email to date. This is without doing mass emails or advertising other than that noted above.
23. The Receiver will be seeking Court approval for any agreed upon sales after that date, hopefully in the week of April 12, 2021.

Observations and Recommendations

24. The Receiver seeks the approval of the court in respect to the following:
- a. To complete a sale of the Industrial Drive property substantially in accordance with the agreement in Appendix I; and
 - b. Approval of the Receiver's actions to date and it's fees and disbursements and that of its legal counsel

MNP Ltd.



Per: Ian Schofield

February 26, 2021

This **Second Report of The Receiver** was delivered by:

KANUKA THURINGER LLP

Lawyer in Charge of File: Alexander K.V. Shalashniy
1400 - 2500 Victoria Avenue, Regina, Saskatchewan S4P 3X2

Telephone: 306.525.7200

Fax: 306.359.0590

Email: ashalashniy@kanuka.ca

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Appendix I

Statement of Receipts and Disbursements

101118672 Saskatchewan Ltd. in Receivership
Statement of Receipts and Disbursements
March 17, 2020 to February 26, 2021

Receipts	
Advance from Secured Creditor	\$94,938
Proceeds from Sale of Large Estevan Apartments	\$100,000
Received from Property Managers	65,000
Miscellaneous Receipts	288
	<u>260,225</u>
Disbursements	
Appraisal Fees	26,000
Receiver Fees	106,398
Imperial Properties (Repairs and Maintenance)	49,753
Miscellaneous Expenses	345
GST Paid on Disbursements	6,634
	<u>189,130</u>
	<u>\$71,096</u>
Excess of Receipts over Disbursements	<u>\$71,096</u>

Note: This Statement includes only funds that have flowed through the Receiver's Trust Account. It does not include amounts that have flowed through the Property Managers' accounts.

Appendix II

**Asset Purchase Agreement for
Industrial Drive Property**

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is executed and effective as of February 26, 2021

BETWEEN:

HI-TEC PROFILES LIMITED PARTNERSHIP, BY ITS
GENERAL PARTNER, HI-TEC PROFILES INC.
(the "Purchaser")

OF THE FIRST PART

- and -

MNP LTD.
In its capacity as court-appointed receiver of
101118672 Saskatchewan Ltd.
(Formerly "Korf Properties Ltd.")
(the "Receiver")

OF THE SECOND PART

WHEREAS:

- A. An Order of the Saskatchewan Court of Queen's Bench granted March 17, 2020 (the "Order"), pursuant to s. 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, appointed the Receiver as receiver of 101118672 Saskatchewan Ltd. (formerly known as "Korf Properties Ltd.") (the "Company"), with respect to all of the Company's current buildings and lands located at 2350 Industrial Drive in the R.M. of Sherwood No. 159, Saskatchewan including proceeds thereof.
- B. Pursuant to the terms and conditions as set out in the Letter of Intent dated December 18, 2020, the Receiver wishes to sell to the Purchaser and the Purchaser desires to purchase from the Receiver the Purchased Assets (as defined herein).

NOW THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1 INTERPRETATION AND DEFINITIONS

1.1 Definitions

As used in this Agreement, the following terms shall have the following meanings and grammatical variations of such terms shall have corresponding meanings:

- (a) "**Affiliate**" shall have the meaning ascribed thereto in *The Business Corporations Act* (Saskatchewan).

- (b) **“Agreement”** means this asset purchase agreement including all exhibits and schedules and all amendments or restatements, as permitted.
- (c) **“Business Day”** means any day other than a Saturday, Sunday or statutory holiday in Regina, Saskatchewan on which Canadian chartered banks are open for commercial banking business during normal banking hours.
- (d) **“Buildings”** means all buildings and improvements, which are fixtures situated on the Lands.
- (e) **“Closing”** means the closing of the transaction contemplated by this Agreement.
- (f) **“Closing Date”** has the meaning specified in Section 2.9.
- (g) **“Closing Documents”** means the documents referred to in Sections 9.2 and 9.3 hereof.
- (h) **“Conditions Precedent”** means the conditions precedent specified in Section 2.2.
- (i) **“Court”** means the Court of Queen’s Bench of Saskatchewan.
- (j) **“Deposit”** means the deposit paid pursuant to Section 2.4 (a).
- (k) **“Environmental Legislation”** means any federal, provincial or other jurisdictional legislation and regulations as enacted and amended from time to time, statute, or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, *The Environmental Management and Protection Act, 2010* (Saskatchewan), the *Canadian Environmental Protection Act, The Management and Reduction of Greenhouse Gases Act* (Saskatchewan) and *The Dangerous Goods Transportation Act* (Saskatchewan), or any regulations under such legislation.
- (l) **“Governmental Authority”** means any Canadian federal, provincial, municipal or local or governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body or any other public agency.
- (m) **“Lands”** means the real property located at 2350 Industrial Drive, in the R.M. of Sherwood, Saskatchewan and legally described as Surface Parcel No. 110859789, Reference land description; Lot 1 Blk S Plan 79R05960 Extension 0.
- (n) **“Law”** means any Canadian federal, provincial, municipal or local, act, statute, ordinance, regulation, rule, code, order, decree, judgment, policy, other requirement or rule of law, including the common law and its principles.
- (o) **“Non-Disclosure Agreement”** means the existing Non-Disclosure Agreement between the Purchaser and the Receiver dated August 11, 2020.

- (p) **“Permitted Encumbrances”** means each of:
- (i) the registered Encumbrances listed in Schedule B;
 - (ii) any subsisting reservations or exceptions, including royalties, contained in the original grant of the Lands from the Crown;
 - (iii) all unpaid taxes;
 - (iv) any encumbrances based on the interest of the Purchaser;
 - (v) any public highway or right-of-way or other public easement, house, however created, on, over or in respect of the Lands;
 - (vi) any right of expropriation that may by statute be vested in any person or corporation or Her Majesty; and
 - (vii) any right-of-way or other easement granted or acquired under any act or law in force in Saskatchewan.
- (q) **“Person”** means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity.
- (r) **“Purchased Assets”** means collectively the Lands and Buildings.
- (s) **“Purchase Price”** has the meaning specified in Section 2.4.
- (t) **“Purchaser’s Solicitors”** means the firm MLT Aikins LLP 1500-1874 Scarth Street, Regina, Saskatchewan S4P 4E9, Attention: Ahmed Malik.
- (u) **“Receiver’s Solicitors”** means the firm Kanuka Thuringer LLP, Barristers and Solicitors, 1400-2500 Victoria Avenue, Regina, Saskatchewan, S4P 3X2, Attention: Warren Sproule Q.C.
- (v) **“Substantial Damage”** means any damage that occurs to the Purchased Assets prior to the Closing Date which exceeds **Three Hundred and Fifty Thousand (\$350,000.00) Dollars** in insured value.
- (w) **“Tax”** means any and all transfer taxes, goods and services taxes, value added taxes or license, registration and documentation fees and similar charges, but does not include:
- (i) income or disposition tax levied on the Receiver or the Company arising by reason of the sale of the Purchased Assets; or
 - (ii) Municipal real property taxes;
- (x) **“Vesting Order”** means an order approving the sale of the Lands and Buildings to the Purchaser to be granted by the Court and vesting in the name of the Purchaser, upon payment of the Purchase Price registered title to the Lands and Buildings, free and clear of all encumbrances, liens and charges,

other than the Permitted Encumbrances, and otherwise in a form reasonably acceptable to the Receiver.

1.2 Interpretation

In this Agreement:

- (a) Consent - Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.
- (b) Currency – Unless otherwise specified all references to money amounts are to lawful currency of Canada.
- (c) Number and Gender – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (d) Statutory References – A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.
- (e) Time - Time is of the essence in the performance of the parties' respective obligations.
- (f) Time Periods - Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

1.3 List of Schedules

The following Schedules are incorporated in and form an integral part of this Agreement:

Schedule A	-	Purchased Assets
Schedule B	-	Permitted Encumbrances

(Collectively the "**Schedules**")

ARTICLE 2 PURCHASE AND SALE OF ASSETS

2.1 The Purchased Assets

Subject to the terms and conditions of this Agreement, on the Closing Date the Receiver hereby agrees to sell, assign and transfer to the Purchaser all of the rights, title and interest of the Company, in and to the Purchased Assets, which includes registered title under *The*

Land Titles Act, 2000 (Saskatchewan) to the Lands and Buildings, with such title to vest free and clear of all encumbrances, other than the Permitted Encumbrances, and the Purchaser hereby agrees to purchase such Purchased Assets from the Receiver on the Closing Date, for the Purchase Price .

The Purchaser agrees to accept such title to the Purchased Assets, subject to the Permitted Encumbrances including without limitation, building and zoning by-laws, minor easements for hydro, telephone and like services and to restrictions and covenants that run with the Lands, and the Purchaser shall assume responsibility from and after the Closing Date for compliance therewith.

The parties hereto acknowledge and agree that the Receiver shall deliver the Purchased Assets to the Purchaser effective on the Closing Date by delivering possession of any and all Lands forming part of the Purchased Assets and by permitting the Purchaser to take possession of the remainder of the Purchased Assets. The Receiver shall not be required to consolidate such assets in any one location.

2.2 Conditions Precedent

The Receiver and Purchaser agree and acknowledge that this Agreement is subject to:

- (a) the Court granting a Vesting Order on or before April 15, 2021 ; and
- (b) the Vesting Order not having been stayed, reversed, or dismissed on or prior to the time of closing on the Closing Date. For greater certainty, expiration of the appeal period for the Vesting Order shall not be a pre-condition of the Purchaser's or Receiver's obligation to complete the within transaction.

(hereafter collectively referred to as the "**Conditions Precedent**")

2.3 Effect of Failure of Conditions Precedent

The parties acknowledge and agree that the Conditions Precedent set out in Sections 2.2(a) and 2.2(b) are for the benefit of both the Purchaser and the Receiver and may only be satisfied or waived by both the Purchaser and the Receiver.

In the event any of the Conditions Precedent are not satisfied or waived within the applicable times, by the applicable party, the parties hereto shall have no further obligations to each other pursuant to this Agreement. If the parties do not agree to a revised agreement of sale, any amounts deposited by the Purchaser pursuant to Section 2.4 below, shall be returned to the Purchaser pursuant to Section 2.5.

2.4 Purchase Price

The aggregate purchase price payable by the Purchaser to the Receiver in consideration of the sale of the Purchased Assets, which includes the Deposit, shall be **Three Million Four Hundred Fifty Thousand (\$3,450,000.00) Dollars** (the "**Purchase Price**") exclusive of Taxes, subject only to the closing adjustments contemplated hereunder. The Purchase Price will be satisfied by the Purchaser as follows:

- (a) the amount of **One Hundred and Fifty Thousand (\$150,000.00) Dollars**, as a deposit (the “**Deposit**”) and held in trust by Colliers International (Regina) (“**Colliers**”) and provided within two (2) business days of the delivery of this executed Agreement in and which shall be dealt with in accordance with Section 2.5 of this Agreement;
- (b) as to the balance of the Purchase Price, subject to adjustments as herein provided, by payment on or before the Closing Date by wire transfer, money order, certified cheque, bank draft or solicitor’s trust cheque to the Receiver’s solicitor under trust conditions as described herein;

The Purchase Price does not include Taxes. All Taxes payable in connection with the purchase and sale of the Purchased Assets shall be the responsibility of the Purchaser and shall be paid as and when required by Law in order to permit the consummation of the purchase and sale of the Purchased Assets as contemplated herein. The Purchaser shall remain liable for all Taxes which liability and obligation will survive any formal closing and transfer of title to the Purchaser.

2.5 Deposit

The Deposit provided by the Purchaser to Colliers, and held in trust, shall be dealt with as follows:

- (a) in the event the Closing occurs on or before the Closing Date, applied without interest toward the Purchase Price;
- (b) forfeited in its entirety to the Receiver as liquidated damages in the event that after the Conditions Precedent have been satisfied, the Closing does not occur on or before the Closing Date by reason of the Purchaser’s breach of its obligations hereunder, without prejudice to the Receiver’s rights and recourses against the Purchaser to seek additional damages or other remedies; or
- (c) in the event that any of the Conditions Precedent have not been satisfied or waived by the dates specified, the Deposit shall be returned, without interest, to the Purchaser.

2.6 Allocation of Purchase Price

The Purchase Price allocation shall be as follows:

Lands:	\$ 600,300.00
Buildings:	\$2,849,700.00
Total:	\$3,450,000.00

2.7 Adjustment to the Purchase Price

The Purchaser and Receiver agree to each prepare and file on a timely basis all applicable tax forms consistent with the above-noted allocation.

Customary adjustments to the Purchase Price shall be made as of the Closing Date such as property taxes, utilities, rents payable (and deposits as and where applicable), and adjustments for prepaid revenues and expenses.

2.8 No Employees

The Receiver employed no employees to work in the Company's business in relation to the Lands.

2.9 Closing

Upon the terms and subject to the conditions of this Agreement, the sale, transfer, conveyance and assignment of the Purchased Assets as contemplated by this Agreement shall take place on the 5th Business Day after the issuance of the Vesting Order (the "**Closing Date**"), and shall be completed under solicitor's trust conditions, consistent with Article 9, to be agreed to between the Receiver's Solicitors and the Purchaser's Solicitors both acting reasonably.

2.10 GST

Where the Purchaser is a GST registrant and shall self-assess GST with respect to the purchase and sale of the Purchased Assets and remit such amount to Canada Revenue Agency within thirty (30) days of the Closing Date, and thereafter provide confirmation of such payment to the Receiver. The Purchaser's GST number is _____ . Upon Closing, the Purchaser agrees to provide to the Receiver an executed GST Declaration and Indemnity.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE RECEIVER

The Receiver hereby represents to the Purchaser as follows:

3.1 Appointment as Receiver

As of the date of executing this Agreement, the Receiver is the Court appointed Receiver for the Company under and pursuant to the Order, which Order is in full force and effect.

3.2 Resident of Canada

At the Closing Date, the Receiver is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada).

3.3 No Other Agreement to Sell Purchased Assets

Except for, and as of the date of, this Agreement the Receiver has not entered into any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase from the Receiver of any of the Purchased Assets and the Receiver is not aware of any claims against the Company in respect of the Purchased Assets that would not be expunged by the Vesting Order.

3.4 Execution and Delivery

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Receiver on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Receiver, subject to any direction of the Court.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF PURCHASER

The Purchaser represents and warrants to the Receiver as follows:

4.1 Organization

The Purchaser is and will be as of the Closing Date duly incorporated or registered, validly subsisting and in good standing under the laws of its jurisdiction of registration, and is, and will be on or before the Closing Date, duly qualified to do business in the province of Saskatchewan.

4.2 Authorization

The Purchaser has the corporate power and authority to execute and enter into this Agreement and the other documents and instruments contemplated herein or therein to which it is or will be a party and to perform its obligations hereunder and thereunder. The execution, delivery and performance of this Agreement and the documents contemplated hereby and the consummation of the transaction contemplated hereby have been duly authorized and approved by the Purchaser. No approval or consent of any regulatory authority is required for the Purchaser to enter into this Agreement or to complete the purchase and sale contemplated herein.

4.3 Execution and Delivery

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Purchaser on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Purchaser.

4.4 Validity, Etc.

Neither the execution and delivery of this Agreement by the Purchaser and the other documents and instruments contemplated hereby, the consummation of the transaction contemplated hereby or thereby, nor the performance of this Agreement and such other agreements in compliance with the terms and conditions hereof and thereof will:

- (a) conflict with or result in any breach of the articles or by-laws of the Purchaser, its general partner or limited partners or of any partnership agreement or resolution of shareholders or directors or any Law applicable to the Purchaser or its general partner;
- (b) require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority;

- (c) result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under any Law, governmental permit, license or order or any of the terms, conditions or provisions of any mortgage, indenture, note, license, agreement or other instrument to which the Purchaser is a party; or
- (d) violate any order, writ, injunction, decree, statute, rule or regulation applicable to the Purchaser or its partners.

4.5 Caveats by the Purchaser

The Purchaser warrants that it will not, under any circumstances whatsoever, register a caveat, encumbrance, charge or otherwise, pursuant to this Agreement or any other interest or agreement, to any of the Purchased Assets prior to the Closing Date, except for the notice of its existing lease of the Lands previously registered on title.

4.6 Resident

As at the Closing Date, the Purchaser is not a non-Canadian for purposes of the *Investment Canada Act*.

ARTICLE 5 ACKNOWLEDGEMENTS BY PURCHASER

5.1 “As Is, Where Is”

The Purchaser acknowledges that the Purchased Assets are purchased on an “as is, where is” basis and without any representation or warranty of any kind except as expressly provided herein, and that the Receiver has not, and is not required to inspect the Purchased Assets. The Purchaser further acknowledges that it has had an opportunity to conduct and has or will complete its due diligence regarding the Purchased Assets, and will be satisfied as to their quality and condition and will accept the same on the Closing Date in their state, condition, and location existing as of the date of this Agreement, reasonable wear and tear excepted. The Purchaser further acknowledges it is in possession of the Lands under an existing lease. For greater certainty the Purchaser acknowledges that the Receiver, the Receiver’s Solicitor, the Company, and any of their directors, officers, employees, professional consultants, agents, or advisors make, or has made, no representation, promise, condition, warranty, or guaranty, whether statutory (including under *The Sale of Goods Act* (Saskatchewan) or similar legislation in other jurisdictions applicable hereto and all of the same are hereby waived by the Purchaser), express or implied, oral or written, legal, equitable, conventional, collateral or otherwise in this Agreement or in any instrument furnished in connection with this Agreement as to title, outstanding liens, description, fitness for purpose, merchantability, acreage or workable acreage, condition, quality, value, suitability, durability, compliance or non-compliance with environmental rules, regulations or legislative provisions, zoning, or site plan requirements or marketability thereof or in respect of any other matter or thing whatsoever including, without limitation, the rights, title, and interests of the Company, if any, therein and wherever all or part of the Purchased Assets are situated. The Purchaser shall be deemed to have relied entirely on its own independent review, inspection, and investigation in proceeding with the transaction contemplated hereunder, and acknowledges that the Receiver has made no representations as to the accuracy and completeness of the Schedules, and as such the Purchaser shall have no recourse as against the Receiver, the

Company, and any of their directors, officers, employees, professional consultants, agents, advisors, or the Receiver's Solicitor, in Law or equity for any deficiency, perceived or otherwise, with respect to the Purchased Assets pursuant to this Agreement.

5.2 Environmental Condition

Without limiting the generality of Section 5.1, the Purchaser:

- (a) acknowledges that the Receiver makes no representations or warranties, whatsoever, as to the existence or non-existence of urea formaldehyde insulation, asbestos, PCBs, radium, radon or radon progeny, or any other substances, liquids or materials, whether hazardous or toxic or not, which are or which may constitute on their own or together in combination with any other substance, contaminants or pollutants of any environment, including the natural environment;
- (b) acknowledges that it has inspected the Purchased Assets for the presence of any contaminants, hazardous substances or materials, toxins, pollutants or other environmental issues which may affect in any way the Purchased Assets;
- (c) acknowledges that the Receiver makes no representation regarding the compliance of the Purchased Assets with any Environmental Legislation, whether federal, provincial or municipal or with respect to any rule, regulation, covenant or agreement whether statutory or non-statutory;
- (d) agrees to indemnify the Receiver and hold the Receiver harmless from and against all losses, costs, damages, expenses and costs (including legal fees calculated as between a solicitor and his own client with a right to full indemnity) which the Receiver may sustain, incur be or become liable for by reason of or arising from anything done by the Purchaser in relation to the Purchased Assets in contravention of Environmental Legislation or other Law including, without limitation, any clean-up, de-commissioning, restoration, treatment, or remediation of the Purchased Assets;
- (e) hereby remises, releases and forever discharges the Receiver and each of its respective Affiliates, directors, officers, agents, employees and shareholders (in this Section collectively called the "**Releasees**") of and from any and all liability, claim, demand, obligation, cause of action, remediation, cost recovery action, investigation, proceeding, order, violation, damage, loss, cost, expense, judgment, penalty, or fine asserted by any party (including, without limitation, any private party or Governmental Authority) arising out of or relating to Environmental Legislation or environmental liabilities, including without limitation, any cost of managing, removing, remediating or disposing of any contaminants, as well as any liability, cost or expense whatsoever relating to any enforcement actions, orders, cost recovery actions or remedial actions related to any environmental liabilities or contaminants, except to the extent arising out of intentional misconduct of any of the Releasees and in such case only with respect to the Releasee in question, and the Purchaser hereby waives any and all such rights that the Purchaser now has or will have as against the Releasees or any of them, except to the extent arising out of

intentional misconduct of any of the Releasees and in such case only with respect to the Releasee in question; and

- (f) agrees with the Receiver that the Purchaser accepts responsibility respecting liability for any contamination and required remediation of any of Lands included in the Purchased Assets.

Without limitation to any other provision of this Agreement, the provision of this Section 5.2 shall not merge on, but shall survive, the Closing.

ARTICLE 6 COVENANTS OR APPROVALS

6.1 Consents

Notwithstanding any other provision of this Agreement, subject to and except for the Vesting Order, the Purchaser acknowledges and agrees that, to the extent that any of the Purchased Assets may be subject to terms of any lease, license or consent of any third party, the Receiver shall have no obligation to obtain any consent or approval or make any arrangement or payment which may be required for the assignment of any contract, lease or other agreement respecting any of the Purchased Assets including, without restriction, the obtaining of any authorization, approval or consent of any Governmental Authority and that it shall be the sole responsibility of the Purchaser, at the Purchaser's sole expense, to obtain any necessary consents or approvals and to make any necessary arrangement or payments in relation thereto. The obtaining of such consents or approvals shall not, in any manner, be a pre-condition to the completion of or effect or limit the Purchaser's obligations to complete the within transaction provided that the Receiver shall, where necessary and provided the Receiver shall not have any obligation to provide any payment or other consideration to any party in this regard, cooperate with the Purchaser in a commercially reasonable manner to assist the Purchaser in obtaining any such consents or approvals. The Purchaser agrees to assume the obligations under and hold the Receiver harmless in respect of any lease, license or other agreement in respect of the Purchased Assets to the complete exoneration and satisfaction of the Receiver.

6.2 Existing lease

The Purchaser acknowledges that the existing lease between itself and the Company for the Lands dated April 23, 2018 will be terminated without further obligation of either party upon Closing except for any outstanding rent or other monetary payments to be made under said lease which remain unpaid as of the Closing Date. For further certainty the Purchaser waives, relinquishes and releases any and all rights it may have under any right of first refusal that is contained in the said lease.

ARTICLE 7 COVENANTS

7.1 Vesting Order

The Receiver shall, as soon as commercially reasonable, apply for a Vesting Order and the parties hereto agree that they will work together, and execute any and all documents

necessary to apply for and obtain the Vesting Order from the Court with respect to this Agreement.

7.2 Limited Obligations of the Receiver

The Purchaser acknowledges and agrees that the Receiver's obligations in connection with this Agreement, until it is approved by the Court, are limited to seeking the Vesting Order. Thereafter, the Receiver is subject to the jurisdiction and discretion of the Court respecting any order or orders the Court may make regarding the Purchased Assets.

7.3 Limited Liability

If the Court does not approve this Agreement or vacates, sets aside or varies any order approving this Agreement for any reason whatsoever (except any willful misconduct of the Receiver), then the Receiver will not be liable to the Purchaser or any other person in any way whatsoever, in connection therewith, and the parties shall proceed in accordance with the terms as articulated in Section 2.3 of this Agreement.

ARTICLE 8 CONDITIONS TO THE RECEIVER'S CLOSING OBLIGATIONS

The obligation of the Receiver to perform its obligations under this Agreement and to consummate the transaction contemplated hereby is subject to the satisfaction, on or before the Closing Date, of the following conditions, each of which may be waived by the Receiver in its sole discretion:

8.1 Representations and Warranties

The representations and warranties of the Purchaser contained in Article 4 shall be true, correct and complete in all material respects at the time of the Closing with the same force and effect as if such representations and warranties were made at and as of such time.

8.2 Performance

The Purchaser shall have performed its obligations under this Agreement in all material respects.

ARTICLE 9 CLOSING MATTERS

9.1 Closing Procedure

The parties agree to close the transactions contemplated hereunder, under reasonable solicitor's trust conditions to be negotiated and agreed to consistent with the type of transaction.

9.2 The Purchaser's Closing Documents

Concurrently with delivery of the Purchase Price payable on the Closing Date, and in accordance with trust conditions to be agreed to, the Purchaser's Solicitors shall deliver the

following to the Receiver's Solicitors subject to the undertakings to be given by the Receiver's Solicitors:

- (a) An executed GST declaration and indemnity or GST as applicable;
- (b) a certified copy of resolutions of the general partner of the Purchaser and of the Purchaser under its Limited Partnership Agreement authorizing the purchase of the Purchased Assets as contemplated by this Agreement and the execution and delivery of this Agreement and all other documents required to be executed by the Purchaser pursuant hereto; and
- (c) such other documents as may be requested by the Receiver or Receiver' Solicitor, acting reasonably to give effect to the transactions contemplated hereunder.

9.3 Receiver's Closing Documents

Upon receipt of the balance of the Purchase Price, any applicable interest and the Purchaser's Closing Documents the Receiver's Solicitor will deliver to the Purchaser's Solicitor, and in accordance with its undertakings:

- (a) such documents, passwords, necessary or desirable in the Receiver's opinion, acting reasonably, provided that the Purchaser shall remain liable under this Agreement, notwithstanding any assignments made by the Purchaser of the Purchased Assets to any third parties, to affect the assignment, transfer and sale of the Purchased Assets to the Purchaser, to the extent not effected by the Vesting Order, in form and substance satisfactory to the Purchaser, acting reasonably.

ARTICLE 10 ADDITIONAL AGREEMENTS

10.1 Non-Disclosure - Purchaser

If the Closing fails to occur for whatever reason, thereafter, the Purchaser agrees, pursuant to the terms of this section and the Non-Disclosure Agreement, not to divulge, communicate or disclose, except as may be required by Law or for the performance of this Agreement, or use to the detriment of the Receiver or for the benefit of any other Person or Persons, or misuse in any way, any confidential information of the Receiver or the Company related to the Purchased Assets. In the event that the Purchaser is required to divulge, communicate or disclose any such confidential information pursuant to any Law, the Purchaser shall promptly provide written notice to the Receiver of such requirement so that the Receiver may seek a protective order or other appropriate remedy (in which case the Purchaser will cooperate fully). If no such protective order or other remedy is obtained, the Purchaser will disclose only that portion of such confidential information which it is advised by counsel it is legally required to disclose.

10.2 Disclosure of Information

Without limiting the generality of Section 10.1, the Purchaser acknowledges and agrees that in the course of the Purchaser's due diligence in respect of the Purchased Assets, the

Purchaser may request and the Receiver may disclose certain personnel records and other information related to the Purchased Assets or the Company that may include “personal information” (the “**Personal Information**”) as defined in and subject to the *Personal Information Protection and Electronic Documents Act* (“**PIPEDA**”). For the purposes of Sections 7-7.4 of PIPEDA:

- (a) the Purchaser hereby confirms to the Receiver that the Personal Information that the Purchaser may hereafter request in the course of its due diligence is necessary in order for the Purchaser to determine whether to proceed with the proposed purchase of the Purchased Assets; and
- (b) the Purchaser hereby covenants and agrees that:
 - (i) prior to Closing, any Personal Information that the Receiver discloses to the Purchaser shall be used by the Purchaser solely for purposes related to its due diligence and its proposed purchase of the Purchased Assets, and the Purchaser shall not disclose or otherwise make available any of the Personal Information to any Person except employees, directors, officers and professional advisors of the Purchaser with a need to know for the purposes of such due diligence and proposed purchase;
 - (ii) if the proposed purchase of the Purchased Assets does not proceed or is not completed, the Purchaser will destroy or return to the Receiver all of the Personal Information disclosed to the Purchaser by the Receiver in accordance with the Receiver's instructions and/or pursuant to the Non-Disclosure Agreement; and
 - (iii) if the proposed purchase of the Purchased Assets is completed:
 - A. the Purchaser shall only use or disclose the Personal Information for the same purposes for which it was collected, used or disclosed by the Receiver, or as otherwise permitted by and in accordance with PIPEDA; and
 - B. the Purchaser shall notify the individuals who are the subject of the Personal Information that the purchase of the Purchased Assets has taken place and that their Personal Information was disclosed to the Receiver.

ARTICLE 11 DEFAULT OF THE PURCHASER

11.1 Failure to Fulfil Obligations

The Purchaser shall indemnify the Receiver, in its capacity as receiver for the Company for any damage incurred by the Receiver now or in the future as a result of any such default by the Purchaser or failure to comply with or fulfil any one of its obligations herein, without prejudice to any other right or recourse of the Receiver.

11.2 Failure to Deliver Payment on Closing Date

If the balance of the Purchase Price is not paid on or before Closing Date, and the Receiver agrees to accept late payment, the Purchaser agrees to pay to the Receiver interest at the rate of four percent (4%) per annum, on any portion of the Purchase Price not received by the Receiver or the Receiver's Solicitor as at the Closing Date, the interest to be calculated from the Closing Date, until the entire Purchase Price is received by the Receiver or the Receiver's Solicitor, for free release, up to a maximum of thirty (30) days from the Closing Date and, thereafter, at the sole discretion of the Receiver this Agreement may become null and void and all amounts paid and delivered to the Receiver, the Receiver's Solicitor or Colliers are forfeited to the Receiver.

ARTICLE 12 INDEMNIFICATION

12.1 Survival of Representations and Warranties

All representations and warranties in Article 3 and Article 4, as given at the date hereof and restated at the Closing as provided for in Section 8.1, or in any instrument or document furnished in connection with this Agreement or the transaction contemplated hereby, shall survive the closing of the transaction contemplated herein and, notwithstanding any investigation at any time made by or on behalf of any party, continue in full force and effect for a period of twenty-four (24) months from the Closing, provided that a claim for any breach of the representations and warranties contained in this Agreement, or in any instrument or document furnished in connection with this Agreement or the transaction contemplated hereby, that involves fraud or fraudulent misrepresentation may be made at any time following the Closing, subject only to applicable limitation periods imposed by Law and in respect of any claims against the Receiver, subject to leave of the Court. All covenants and agreements contained herein shall survive until fully performed in accordance with their terms.

12.2 Purchaser's Indemnification of the Receiver

In addition to the indemnity contained in Section 5.2(d), the Purchaser shall indemnify, defend and hold harmless the Receiver and its officers, directors, employees, agents and shareholders, and their respective successors and assigns from and against all Taxes payable in connection with the purchase and sale of the Purchased Assets.

ARTICLE 13 TERMINATION

13.1 Termination

This Agreement may be terminated and the transaction contemplated hereby may be abandoned at any time prior to the Closing Date, as the case may be:

- (a) by mutual written consent of the Purchaser and the Receiver;
- (b) by the Purchaser or the Receiver if any court of competent jurisdiction or other Governmental Authority shall have issued an order, decree or ruling, or taken

any other action specifically restraining, enjoining or otherwise prohibiting the transaction contemplated hereby, which order, decree, ruling or other action is not stayed or dismissed prior to the Closing Date, in which case, Section 2.5 shall apply;

- (c) by the Purchaser or the Receiver if, on or before the Closing Date, a material part of the Purchased Assets has been removed from the control of the Receiver by any means or process, or the Purchased Assets, or any part thereof, are redeemed; and
- (d) by the Purchaser or the Receiver if the conditions contained in Article 8 and Article 9, respectively, are not satisfied or waived prior to the applicable date for satisfaction of such conditions.

13.2 Effect of Termination

Notwithstanding the termination and abandonment of this Agreement pursuant to Section 13.1, the provisions of Article 10 and Article 11 of this Agreement shall survive, and the provisions of Section 2.5 shall apply with respect to the Deposit. Nothing in this Article 13 shall relieve any party to this Agreement of liability for breach of this Agreement.

ARTICLE 14 MISCELLANEOUS

14.1 No Personal Liability of the Receiver

With respect to this Agreement and all matters pertaining to hereto, the Purchaser acknowledges that the Receiver is acting solely in its capacity as court appointed receiver and manager of the Company and as such, its liability as a consequence of this Agreement or anything done by it pursuant hereto shall be in its capacity as receiver only, and it shall have no personal liability or corporate liability of any kind, whether in contract or in tort or otherwise.

14.2 Risk of Loss

Up to the time of the Closing, the Purchased Assets shall be and remain at the risk of the Receiver. If, prior to the time of the Closing, all or any material part of the Purchased Assets are Substantially Damaged by fire or any other casualty, the Purchaser shall have the first option to elect to accept from the Receiver, the insurance proceeds as paid out under the Receiver's insurance policy and complete the transaction as otherwise contemplated by this Agreement, without any reduction of the Purchase Price or terminate this Agreement exercisable within 20 Business Days from the date of such Substantial Damage, casualty or expropriation by providing written notice (the "**Destruction Notice**") thereof to the Receiver and, upon such notice being given, this Agreement shall terminate and be of no further force or effect and the Receiver shall return the Deposit to the Purchaser. Where any damage is not substantial, the Purchaser shall be obligated to complete the purchase and shall be entitled to the proceeds of insurance referable to such damage, but not to any other costs or compensation whatsoever.

14.3 Notices

All notices, requests, consents and other communications hereunder shall be in writing, shall be addressed to the receiving party's address set forth below or to such other address as such party may designate by notice hereunder, and shall be either (i) delivered by hand, (ii) made by facsimile transmission, (iii) by email, or (iv) sent by recognized overnight courier.

If to the Purchaser:

Hi-Tec Profiles Limited Partnership by its General Partner Hi-Tec Profiles Inc.
c/o MLT Aikins LLP
1500-1874 Scarth Street
Regina, Saskatchewan
S4P 4E9

Attention: Ahmed Malik
Facsimile No.:
Email:

With a copy to:

MLT Aikins LLP
1500-1874 Scarth Street
Regina, Saskatchewan
S4P 4E9

Attention: Ahmed Malik
Facsimile No.:
Email:

If to the Receiver:

MNP Ltd.
2010 11th Ave Suite
900, Regina, SK
S4P 0J3

Attention: Ian Schofield
Facsimile No.:
Email: ian.schofield@mnp.ca

- with copy to -

Kanuka Thuringer LLP
1400 – 2500
Victoria Avenue
Regina, SK
S4P 3X2

Attention: Warren Sproule
Email: wsproule@kanuka.ca

All notices, requests, consents and other communications hereunder shall be deemed to have been given (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party in accordance with this Section 14.3, (ii) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, (iii) if by email, at the time that the email is sent to the receiving party, or (iv) if sent by overnight courier with guaranteed next day delivery, on the next Business Day following the day such notice is delivered to the courier service.

14.4 Entire Agreement

This Agreement together with any Exhibits and Schedules hereto embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements, contemporaneous agreements, negotiations, discussions and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

14.5 Modifications and Amendments

The terms and provisions of this Agreement may be modified or amended only by written agreement executed by all parties hereto and, where same may be required, by order of the Court.

No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the parties, provided that the time provided for doing any matter or thing contemplated herein may be abridged or extended by written agreement, in letter form or otherwise, executed by the duly authorized solicitors for the parties.

14.6 Waivers and Consents

No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

14.7 Assignment

Subject to this Section, no party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other party.

14.8 Parties in Interest

This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.

14.9 Governing Law

This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the Laws of Saskatchewan and the federal laws of Canada applicable therein.

14.10 Waiver of Certain Acts

The parties agree:

- (a) That *The Land Contracts (Actions) Act*, 2018 of the Province of Saskatchewan shall have no application to any action as defined in *The Land Contracts (Actions) Act* aforesaid, with respect to this Agreement; and
- (b) That *The Limitation of Civil Rights Act* of the Province of Saskatchewan shall have no application to this Agreement.

14.11 Interpretation

The parties hereto acknowledge and agree that: (i) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (ii) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto and not in favour of or against any party, regardless of which party was generally responsible for the preparation of this Agreement.

14.12 Headings and Captions

The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify, or affect, or be considered in construing or interpreting the meaning or construction of any of the terms or provisions hereof.

14.13 Preamble

The Preamble forms part of this Agreement.

14.14 Enforcement

Each of the parties hereto acknowledges and agrees that the rights acquired by each party hereunder are unique and that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by the other party were not performed in accordance with their specific terms or were otherwise breached. Accordingly, in addition to any other remedy to which the parties hereto are entitled at Law or in equity, each party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other party and to enforce specifically the terms and provisions hereof in the Court.

14.15 Expenses

Each of the parties hereto shall pay its own fees and expenses (including the fees of any lawyers, financial advisors, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transaction contemplated hereby whether or not the transaction contemplated hereby are consummated.

14.16 Publicity

The Purchaser shall not, at any time, issue any press release or otherwise make any public statement with respect to the execution of, or the transaction contemplated by, this Agreement without the prior written consent of the Receiver, such consent not to be unreasonably withheld.

14.17 Counterparts

This Agreement may be executed in counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement may be made and evidenced by facsimile or other electronic means of transmission.

[Remainder of page left intentionally blank]

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

MNP LTD.

In its capacity as court-appointed receiver of
101118672 Saskatchewan Ltd.
(Formerly "Korf Properties Ltd.")

Per: 
Name: Ian Schofield
Title: Senior Vice President

**HI-TEC PROFILES LIMITED PARTNERSHIP BY
ITS GENERAL PARTNER HI-TEC PROFILES
INC.**

Per: _____
Name:
Title:

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

MNP LTD.


In its capacity as court-appointed receiver of
101118672 Saskatchewan Ltd.
(Formerly "Korf Properties Ltd.")

Per: _____

Name: Ian Schofield
Title: Senior Vice President

**HI-TEC PROFILES LIMITED PARTNERSHIP BY
ITS GENERAL PARTNER HI-TEC PROFILES
INC.**

Per: _____



Name: Trent Meyer
Title: President

SCHEDULE A

Purchased Assets

Lands

Surface Parcel No. 110859789

Reference land description; Lot 1 Blk S Plan 79R05960 Extension 0
as described on Certificate of Title 79R05960

SCHEDULE B

REGISTERED PERMITTED ENCUMBRANCES

SURFACE PARCEL NUMBER	REFERENCE LAND DESCRIPTION	HOLDER	TYPE	INTEREST #	INTEREST REGISTER NUMBER
110859789	Lot 1 Blk S Plan 79R05960 Extension 0 as described on Certificate of Title 79R05960	Saskatchewan Power Corporation Saskatchewan Telecommunic ations	Joint Use Utility Easement	156513416	112728854