



This is the 3rd affidavit
of Graham Thom in this case
and was made on 22/APR/2022

NO. S-222758
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF 0989705 B.C.
LTD., ALDERBRIDGE WAY GP LTD., AND ALDERBRIDGE WAY LIMITED PARTNERSHIP

PETITIONERS

AFFIDAVIT

I, GRAHAM THOM, of Vancouver, British Columbia, SWEAR (OR AFFIRM) THAT:

INTRODUCTION

1. I am a director of each of the petitioners: 0989705 B.C. Ltd. ("**098**") and Alderbridge Way GP Ltd. (the "**GP**"). The GP is the sole general partner of the petitioner Alderbridge Way Limited Partnership (the "**LP**" and together with 098 and the GP, the "**Petitioners**") and as such I have personal knowledge of the matters herein deposed to, except where such facts are stated to be based upon information and belief and where so stated I do verily believe the same to be true.
2. This affidavit is made in support of the comeback hearing to be held on or about April 25, 2022 (the "**Comeback Hearing**")
3. This affidavit should be read in conjunction with my first affidavit, sworn March 31, 2022 (the "**First Affidavit**") and my second affidavit, sworn March 30, 2022, which were made in support of a petition (the "**Petition**") by the Petitioners for an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, 1985, c. C-36, as amended (the "**CCAA**"), to facilitate restructuring the business and affairs of the Petitioners, and a stay extension hearing on April 11, 2022 (the "**Stay Extension Hearing**") which extended the stay period to April 25, 2022.

4. In preparing this affidavit, I have relied in various instances on information provided to me by the other directors and advisors of the Petitioners, and where I have relied on such information, I believe such information to be true. Based on my understanding of the matters deposed to herein and from my own review of the Petitioners' books and records, I believe the facts set out herein, as well as those set out in the Petition, are true and correct in all material respects.
5. I am authorized to make this Affidavit on behalf of the Petitioners.
6. Capitalized terms used herein, but not otherwise defined shall have the meanings ascribed to them in my First Affidavit.

STAY EXTENSION

7. In order to continue to operate the Petitioners' business and pursue the CCAA SISP, the Petitioners are seeking to extend the stay of proceedings in these CCAA proceedings to, among other things, provide time for the Petitioners and the court-appointed monitor, as applicable, with the time required to:
 - (a) implement and administer the CCAA SISP;
 - (b) facilitate on-going negotiations with key stakeholders regarding the potential sale or restructuring transaction;
 - (c) advance a 2ML Lenders' credit bid; and
 - (d) continue to advance the Petitioners' restructuring efforts.
8. In the time since the Initial Order was granted the Petitioners have been working in good faith and with due diligence to maximize value for their stakeholders and respond to their concerns.

INTERIM FINANCING

9. Under the Initial Order, the Court approved financing to be provided by Gatland Development Corporation, REV Investments Inc. and South Street (Alderbridge) Limited Partnership as interim lender to the Petitioners (collectively, in such capacity, the "**Interim Lender**").
10. The Court approved the interim financing facility (the "**Interim Financing Facility**") discussed at paragraphs 180-182 of my First Affidavit, approved a \$850,000 draw under the Interim Financing Facility, and granted a charge in favour of the Interim Lender in the amount of \$850,000 (the "**Interim Financing Charge**").

11. In consultation with the Monitor (as defined below), the Petitioners have prepared a 16-week cash flow statement for the period beginning April 16, 2022 and ending August 5, 2022 (the "**Updated Cash-Flow Statement**"). Now shown to me and attached as **Exhibit "A"** is a true copy of the Updated Cash-Flow Statement.
12. I have reviewed the Updated Cash-Flow Statement with personnel from the Monitor and believe it is accurate. As evidenced by the Updated Cash-Flow Statement, in addition to the Interim Financing Facility, the Petitioners will require additional interim financing of approximately \$1.65 million in order to meet their obligations through to the end of the Updated Cash-Flow Statement period.
13. The Petitioners now seek funding to fund the balance of these CCAA proceedings.
14. Without additional interim financing, the Petitioners will not have sufficient cash on hand to continue operating, or to implement and carry out the CCAA SISF or complete a restructuring or other transaction for the benefit of their stakeholders. Continued operations involve site de-watering and maintaining site security, preserving value in the Petitioners' primary asset, the Real Property.
15. Romspen Investment Corporation has agreed to act as interim lender to the Petitioners (in such capacity, the "**Romspen Interim Lender**") to provide additional funds, up to the maximum principal amount of \$1.65 million to the Petitioners. The Romspen Interim Lender has agreed to provide an interim financing facility (the "**Romspen Interim Financing Facility**") under a term sheet between the Petitioners and the Romspen Interim Lender, (the "**Romspen Interim Financing Credit Agreement**"), which is attached to the Monitor's Second Report in these proceedings.
16. It is a condition of the Romspen Interim Financing Facility that advances made to the Petitioners be secured by a court-ordered security interest, lien and charge (the "**Romspen Interim Financing Charge**") over all the assets and undertakings of the Petitioners, in priority to all other creditors of the Petitioners, subject only to the Administration Charge, Directors' Charge, and the Romspen Security and ranking *pari passu* with the existing Interim Financing Charge in favour of the original Interim Lender.
17. The key financial terms of the Romspen Financing Credit Agreement include:
 - (a) Romspen Interim Financing Facility will be a priority, interim revolving credit facility up to a maximum principal amount of \$1,650,000;
 - (b) interest is payable at a rate equal to 10% per annum; and
 - (c) a closing fee of \$25,000 will be payable to the Romspen Interim Lender on the date the initial advance is made under the Romspen Interim Financing Facility.

18. The Romspen Interim Financing Credit Agreement contains substantially the same key provisions as the original Interim Financing Credit Agreement, including a requirement for the Romspen Interim Financing Charge.
19. In addition, it is a condition of the Romspen Interim Financing Facility that:
 - (a) the Petitioners' monitor in these CCAA proceedings, currently Alvarez & Marsal Canada Inc. ("**A&M**", and in its capacity as current court-appointed monitor of the Petitioners, the "**Monitor**"), be substituted with The Bowra Group Inc. ("**Bowra**", and in its capacity as proposed monitor of the Petitioners in these CCAA proceedings, the "**Proposed Monitor**"); and
 - (b) the Petitioners seek the amended and restated initial order (the "**ARIO**") and the CCAA SISP approval order (the "**SISP Order**") on the terms attached to the Petitioners' Notice of Application dated April 22, 2022 (the "**Notice of Application**").
20. As at the time of the Initial Order, the Petitioners and their financial advisors have considered different financing options, and determined that it would be very difficult to obtain the requisite financing for these CCAA proceedings with another third party lender, as opposed to the Romspen Interim Lender, in the current circumstances. Any such financing would likely have to involve security subordinate to Romspen's existing security, or be extended on an unsecured basis.
21. Accordingly, the Petitioners have focused efforts on negotiating interim financing with the Romspen Interim Lender, which has resulted in the Romspen Interim Financing Credit Agreement. The Petitioners believe that such financing is necessary to fund their operations and conclude a restructuring or transaction that will benefit all stakeholders.
22. As set out in the Updated Cash-Flow Statement, the Petitioners anticipate that a further amount of approximately \$1.65 million will be required for their operations and restructuring efforts to the end of the CCAA SISP. The Petitioners believe this amount is reasonable given what is required to operate and preserve the Development in the ordinary course, and to fund the various costs of the restructuring and the CCAA SISP during that period.
23. In the circumstances, the Petitioners believe that it is fair and reasonable in the circumstances to:
 - (a) approve the Romspen Interim Financing Credit Agreement;
 - (b) authorize the Petitioners to draw \$1.65 million of the Romspen Interim Financing Facility to allow the Petitioners to continue their restructuring efforts and maintain the Development until August 3, 2022; and

- (c) grant the Romspen Interim Financing Charge in the principal amount of \$1.65 million, plus interest, costs fees and disbursements, which charge will rank *pari passu* with the Interim Financing Charge.


CCAA SISP

24. As discussed at paragraphs 165-171 of my First Affidavit the Petitioners anticipated that in tandem with their restructuring efforts a CCAA SISP would be implemented by a court-appointed monitor with enhanced powers.
25. Since the Initial Order, the Petitioners have worked with the Monitor to prepare and progress the CCAA SISP, including working with the Monitor to interview, evaluate and select Cushman & Wakefield ULC (the "**Sales Agent**") as the sales agent to assist with the CCAA SISP, reviewing the Sales Agent's proposed engagement letter (the "**Engagement Letter**"), and by providing the Monitor with the information and materials required for the CCAA SISP data room.
26. The Petitioners are of the view that it is appropriate to initiate the CCAA SISP at this time and are seeking order authorizing and directing the court-appointed monitor to administer the CCAA SISP and enter into the Engagement Letter.

CONCLUSIONS

27. The Petitioners believe that the relief sought in the Notice of Application for the Comeback Hearing is fair and reasonable in these circumstances and necessary to allow the Petitioners advance their restructuring efforts for the benefit of all stakeholders.

SWORN (OR AFFIRMED) BEFORE ME at
Vancouver, British Columbia, on April 22,
2022.


A Commissioner for taking Affidavits within
British Columbia


GRAHAM THOM

EAMONN WATSON
Barrister & Solicitor
DENTONS CANADA LLP
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

This is **Exhibit "A"** referred to in the Affidavit of
GRAHAM THOM sworn this 22 day
of April, 2022.

A handwritten signature in blue ink, consisting of a stylized 'G' followed by a horizontal line.

A Commissioner for taking Affidavits
for British Columbia

Alderbridge Way Limited Partnership, et al

Cash Flow Statement

For the period ending August 5, 2022

(C\$000s)

Week	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Total
Notes	29-Apr	6-May	13-May	20-May	27-May	3-Jun	10-Jun	17-Jun	24-Jun	1-Jul	8-Jul	15-Jul	22-Jul	29-Jul	5-Aug	
Week Ending	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Receipts																
Interim facility	225	275		225			200		300		150		275			1,650
GST and other refunds																
Total Receipts	225	275		225			200		300		150		275			1,650
Disbursements																
Site management	18		18				18				18					72
Site security	13		13				13				13					52
Equipment rental	20		15				15				15					65
Property fence	75		25				10				10					120
Fuel costs	18		18				18				18					72
Dewatering costs		50	50		50		50				50					350
Wall and Geotechnical monitoring		10	10				10				10					40
Direct contingency	5		5				5				5					20
Other site services	159	50	154		50		139		50		139		50			791
Other disbursements																
Project Management	10		10				10				10					40
Professional fees	245			210					240						260	955
Interim facility interest cost and fees		25														25
Total other disbursements	255	25	10	210			10		240		10				260	1,020
Total Disbursements	414	75	164	210	50		149		290		149		50		260	1,811
Net Cash Flow	(189)	200	(164)	15	(50)		51		10		1		225		(260)	(161)
Cash Position	209	20	220	56	71	21	21	72	72	82	82	83	83	308	308	209
Opening Cash Position	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Closing Cash Position	20	220	56	71	21	21	72	72	82	82	83	83	308	308	48	48

Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd.

Extended CCAA Cash Flow Statement

Notes and Assumptions

1. The cash flow statement (the "Cash Flow Forecast") has been prepared by management of Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd. (collectively, the "Company") to set out the liquidity requirements of the Company during the *Companies' Creditors Arrangement Act* proceedings (the "CCAA Proceedings").

The Cash Flow Forecast has been prepared by Management based on unaudited financial information, and Management's estimates of its projected receipts and disbursements. Readers are cautioned that since the estimates are based on future events and conditions that are not ascertainable, the actual results achieved will vary, even if the assumptions materialize, and such variations may be material. There are no representations, warranties or other assurances that any of the estimates, forecasts, or projections will be realized. The projections are based upon certain estimates and assumptions discussed below and may be amended from time to time during the CCAA Proceedings. Upon such amendments, Management will update its cash flow forecast accordingly as included herein.
2. The opening cash position as presented in the Cash Flow Forecast includes the Company's actual cash availability as of the first day of the Cash Flow Forecast.
3. Advances under the Interim Lending Facility being provided by Romspen Investment Corporation, to be funded after the corresponding Interim Financing Charge is approved by the Supreme Court of British Columbia.
4. The Company does not expect to collect any significant receipts, other than advances under the Interim Lending Facility, during the CCAA Proceedings.
5. Direct site costs represent costs to be incurred to maintain the property located at 5333 No. 3 Road, Richmond, BC. These costs represent payments for essential services to be performed on site, including site management, dewatering, security and other safety monitoring procedures.
6. A contingency for direct site costs has been forecast for unexpected site costs that may arise during the CCAA Proceedings.

7. Project management costs represents payments to Tatton Development Holdings Corp. for the administration of the development.
8. Restructuring professional fees have been forecast based on projected costs of professional services firms relating to the CCAA Proceedings and include the Company's legal counsel as well as the Monitor and its legal counsel, including professional fees for services rendered during the lead up to the CCAA Proceedings.
9. The Cash Flow Forecast excludes any costs related to a sales process.