

COURT FILE NO.	1903-24389	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	EDMONTON	
APPLICANT	TLICHO INVESTMENT CORPORATION	
RESPONDENTS	TLICHO LANDTRAN TRANSPORT LTD., 1456998 ALBERTA LTD. AND 1456982 ALBERTA LTD.	
DOCUMENT	FIFTH REPORT OF THE MONITOR	
FILED	June 8, 2020	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Counsel to the Monitor Cassels, Brock & Blackwell LLP Suite 3810, Bankers Hall West 888 3rd Street SW Calgary, AB T2P 5C5 Telephone: 403-351-2921 Facsimile: 403-648-1151 Email: joliver@casselsbrock.com Attention: Jeffrey Oliver Monitor MNP Ltd. Suite 1500, 640 5th Avenue SW Calgary, AB T2P 3G4 Telephone: 587-702-5963 Facsimile: 403-269-8450 Email: vanessa.allen@mnp.ca Attention: Vanessa Allen	

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INTRODUCTION

1. On November 29, 2019 (the "Filing Date"), an Initial Order (the "Initial Order") was granted by the Court of Queen's Bench of Alberta (the "Court") under the *Companies' Creditors Arrangement Act, R.S.C. 1985 c. C-36, as amended* (the "CCAA") in respect of Tlicho Landtran Transport Ltd. ("Tlicho Landtran"), 1456982 Alberta Ltd. ("1456982"), 1456998 Alberta Ltd. ("1456998") and Ventures West Transport Limited Partnership ("Ventures West", collectively, the "Companies"). 1456998 is the general partner and 1456982 is the limited partner of Ventures West. MNP Ltd. ("MNP") was appointed as Monitor (the "Monitor") in the CCAA proceedings.
2. The Initial Order was granted pursuant to an application by Tlicho Investment Corporation ("TIC"). TIC is a creditor of Tlicho Landtran, 1456982 and Ventures West. TIC is also the ultimate parent company of Tlicho Landtran and is the majority shareholder of each of 1456998 and 1456982. The Initial Order provided for relief including a stay of proceedings (the "Stay") until and including December 8, 2019, which has since been extended to June 15, 2020. The Companies' most significant secured creditor, Canadian Imperial Bank of Commerce ("CIBC") is unaffected by the Stay.
3. Capitalized terms not otherwise defined herein will have the meanings given to them in the Pre-Filing Report of the Proposed Monitor dated November 27, 2019, the First Report of the Monitor dated December 4, 2019, the Second Report of the Monitor dated February 13, 2020, the Third Report of the Monitor dated February 25, 2020 (the "Third Report") and the Fourth Report of the Monitor dated May 19, 2020 (the "Fourth Report").
4. Information on the CCAA proceedings can be accessed on MNP's website at www.mnpdebt.ca/ventures (the "Monitor's Website").

COURT PROCEEDINGS

5. On May 29, 2020, this Honourable Court granted a Consent Order approving the following:
 - 5.1 Distributions to CIBC (the "CIBC Distributions") up to the amount of TIC's indebtedness on the Filing Date (the "CIBC Indebtedness") from the proceeds of the auction of the Companies' assets pursuant to an auction agreement (the "Auction Agreement") with IronPlanet Canada Ltd. ("IronPlanet") and from other receipts in the CCAA proceedings; and
 - 5.2 Approving the payment of certain claims (the "Valid Liens") made pursuant to the *Garage Keepers' Lien Act* (the "GKLA") that were determined to be valid and to rank in priority to CIBC with respect to the specific collateral against which they were registered (the "Lien Distributions").

6. This report represents the Fifth Report of the Monitor (the "Fifth Report"). The purpose of the Fifth Report is to provide this Honourable Court with information regarding TIC's application, scheduled to be heard at a hearing on June 11, 2020 (the "June 11 Hearing"), seeking the following relief:
 - 6.1 Extending the Stay up to and including September 15, 2020 (the "Extension"); and
 - 6.2 Disallowing certain lien claims made pursuant to the GKLA against the Companies' assets.
7. The relief being sought by the Companies originally included a further Order directing Diavik Diamond Mines (2012) Inc. ("Diavik") to pay approximately \$739,000 to Tlicho Landtran as partial payment for services rendered pursuant to a Supply of Freight Transportation Services Contract (the "Diavik Application"). As further described herein, the Monitor understands that the Companies and Diavik have now agreed to a settlement (defined below as the "Diavik Settlement") with respect to the total amount due from Diavik to Tlicho Landtran so the Diavik Application is being adjourned *sine die*.

NOTICE TO READER

8. In preparing this report and making comments herein, the Monitor has relied upon certain unaudited, draft or internal financial information, including the Companies' books and records, and information from other third-party sources (collectively, the "Information"). The Monitor 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 (the "Standards"). Additionally, none of the Monitor's procedures were intended to disclose defalcations or other irregularities. If the Monitor were to perform additional procedures or to undertake an audit examination of the Information in accordance with the Standards, additional matters may come to the Monitor's attention. Accordingly, the Monitor does not express an opinion, nor does it provide any other form of assurance on the financial or other information presented herein. The Monitor may refine or alter its observations as further information is obtained or brought to its attention after the date of this report.
9. The Monitor assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the use of this report. Any use, which any party makes of this report, or any reliance or decision to be made based on this report, is the sole responsibility of such party.
10. All amounts included herein are in Canadian dollars unless otherwise stated.

MONITOR'S ACTIVITIES TO DATE

- 11 The Monitor's recent activities include the following:
 - 11.1 Posting publicly available information related to these proceedings on the Monitor's website;
 - 11.2 Attending various meetings with management of the Companies ("Management") and TIC's legal counsel to discuss the restructuring efforts;
 - 11.3 Attending various meetings with the steering committee established by TIC that includes representatives of the Tlicho Government, who represents the interests of Tlicho Citizens;
 - 11.4 Reporting to and attending various meetings with CIBC and its financial advisor with respect to the CCAA proceedings;
 - 11.5 Monitoring the Companies' operations and cash flow;
 - 11.6 In conjunction with legal counsel, Cassels, Brock & Blackwell LLP ("Cassels") reviewing and assessing various claims by parties holding liens under the GKLA;
 - 11.7 Implementing and completing the sale process that was approved by the Court on December 6, 2020;
 - 11.8 Assisting the Company in negotiating and completing the sale of the Companies' assets as approved by the Court pursuant to two Orders granted on February 28, 2020 and as further set out herein;
 - 11.9 Participating in various discussions between the Companies and Diavik and reviewing material relating to the Diavik Settlement, as further outlined herein; and
 - 11.10 Responding to numerous creditor and stakeholder inquiries.

SALE OF ASSETS

- 12 On February 28, 2020, the Court granted two Orders approving the sale of the Companies assets as follows:
 - 12.1 The sale of 37 trailers (the "ARS Assets") to ARS Trucking & Welding Ltd. (the "ARS Sale"); and
 - 12.2 The sale of substantially all the Companies' remaining assets, outside of the ARS Assets (the "Auction Assets"), via auction (the "Auction") pursuant to the Auction Agreement with IronPlanet.
- 13 The ARS Sale has now been completed and generated net sale proceeds of approximately \$3.3 million (exclusive of GST);

- 14 The Auction has now been completed and generated net sale proceeds of approximately \$6.2 million (exclusive of GST). These proceeds have been remitted to Cassels with the exception of approximately \$101,900, which was still being collected at the time that the original payment was made but which the Monitor understands is in the process of being released.
- 15 Two additional pieces of equipment were intended to be included in the Auction but were erroneously omitted from the Auction. The first is a truck that was being held at a repair shop in Whitehorse, Northwest Territories (the "Whitehorse Truck"). The Whitehorse Truck, which was not originally included in the Auction Agreement, is currently in IronPlanet's possession and is anticipated to be sold in a future auction. The second is a trailer that is currently being held by Blue Diamond Enterprises Ltd. ("Blue Diamond") in Hay River, Northwest Territories (the "Hay River Trailer"). The Hay River Trailer was included in the Auction Agreement. As at the date of this report, Blue Diamond had not yet released the Hay River Trailer. Once released it will be provided to IronPlanet to be included in a future auction. The Whitehorse Truck and the Hay River Trailer will collectively be referred to as the "Remaining Assets".

LIEN CLAIMS

- 16 Attached hereto as "Schedule 1" is a summary of the claims made pursuant to the GKLA, which total approximately \$435,514 (the "Liens"), which has been updated from the summary attached as "Schedule 1" to the Fourth Report.
- 17 As set out in the Fourth Report, Cassels reviewed the Liens and determined that claims totaling \$263,744 were valid and enforceable and ranked in priority to CIBC with respect to the specific collateral against which they were registered (defined above as the "Valid Liens").
- 18 Pursuant to the Order granted on May 8, 2020, the Lien Distributions have been made except for a Valid Lien of \$3,633 held by Blue Diamond who had not yet released the Hay River Trailer.
- 19 Cassels has further determined that, the remaining lien claims filed pursuant to the GKLA are not valid based on the information provided and has notified the corresponding creditors of their findings in this regard (the "Invalid Liens"). Attached hereto as "Schedule 2" is a summary of the Invalid Liens, including the reason each lien was determined to be invalid. The Invalid Lien Claims are further summarized below:

Summary of Invalid Lien Claims

<u>Lien Holder</u>	<u>Amount</u>
Winfield Heavy Truck & Collision Repair	\$ 6,440
True North Truck & Diesel Repair Ltd.	14,842
High Level Truck & Trailer (2001) Ltd.	36,777
Tremcar West Inc.	52,707
Full Tilt Auto & Tuning Ltd.	Unspecified
New North Truck & Equipment	803
Hart Transmission Repair Ltd.	5,682
Blue Diamond Enterprises Ltd.	34,854
Truck Zone Inc.	15,099
Kal Tire	4,565
	<u>\$ 171,770</u>

- 20 Cassels is continuing to holdback sufficient funds to satisfy the Invalid Liens (the "Lien Holdback"). As set out above, as part of the June 11 Hearing, TIC is making an application to disallow the Invalid Liens against the Companies' assets. Should this application be successful, the amount of the Lien Holdback will be paid to CIBC.

SETTLEMENT WITH DIAVIK

- 21 At the June 11 Hearing, the Companies intended to seek an Order directing Diavik to pay Tlich Landtran approximately \$739,000 for services rendered pursuant to a Supply of Freight Transportation Services Contract between Diavik and Tlich Landtran.
- 22 As set out in the Affidavit of Mark Brajer sworn on June 3, 2020, Tlich Landtran is owed approximately \$856,900 from Diavik (the "Diavik Receivable"). The Monitor understands that Diavik is not disputing the amount of the Diavik Receivable but is asserting a right of set-off against a portion of the \$856,900.
- 23 The Monitor further understands that Diavik has been made aware of various claims by third party operators engaged by Tlich Landtran as subcontractors (the "Subcontractors") under the *Bills of Lading Act* related to work invoiced as part of the Diavik Receivable (the "Potential Subcontractor Claims"). Diavik has been holding back payment of the Diavik Receivable pending a determination of the amount of the Potential Subcontractor Claims.
- 24 The Companies have estimated the liability for the Potential Subcontractor Claims at approximately \$117,900, which represents gross claims of approximately \$197,200 less various set-offs for insurance and fuel. The \$739,000 for which the Companies were seeking a direction to pay represents the amount of the Diavik Receivable less the estimated amount of the Potential Subcontractor Claims.

- 25 As at the date of this report, the Monitor has been advised that Tlichon Landtran and Diavik have agreed to a settlement whereby the Companies will agree to reduce the Tlichon Landtran Receivable by \$125,000 in full satisfaction of the Potential Subcontractor Claims (the “Diavik Settlement”). The Monitor is supportive of the Diavik Settlement on the basis that it will allow for a timely and cost-effective resolution of the Diavik Receivable and provide a substantive additional recovery to CIBC.

CREDITOR CLAIMS

CIBC

- 26 As set out in the Fourth Report, CIBC has security over all present and after acquired property of TIC and each of its subsidiaries, which was determined by Cassels to be valid and enforceable and create a first priority financial charge against the Companies’ assets, subject to the Valid Liens and the usual and ordinary assumptions. At the Filing Date, the CIBC Indebtedness totaled approximately \$15.6 million.
- 27 As at the date of this report, approximately \$8.0 million had been distributed to CIBC pursuant to Orders granted on February 28, 2020 and May 29, 2020. Following the Lien Distributions and the CIBC Distributions, the Monitor’s legal counsel is continuing to hold approximately \$1.1 million in trust.
- 28 As further described in the Fourth Report, an additional distribution of \$990,000 was made to CIBC from Tlichon Logistics Inc. (“TCL”), a subsidiary of TIC, which amount would otherwise have been payable to Ventures West pursuant to a subcontract between TCL and Ventures West.
- 29 We note that the CIBC Indebtedness was incurred pursuant to a credit facility held by TIC and drawn on by the Companies. The CIBC Indebtedness was guaranteed by various subsidiaries of TIC, including the Companies. TIC has continued to make scheduled principal and interest payments on the CIBC Indebtedness during the CCAA proceedings and has made additional payments towards the CIBC Indebtedness from the sale of selected assets held by another of TIC’s subsidiaries.

CANADA REVENUE AGENCY (“CRA”)

- 30 As set out in the Third Report, the Companies were reassessed for pre-filing GST in the amount of approximately \$138,700 for Ventures West and approximately \$56,800 for Tlichon Landtran (the “Pre-Filing GST”).
- 31 Ventures West has an outstanding pre-filing notice of objection for GST that is currently being considered by CRA’s Appeals Division (the “Pre-Filing Objection”). If the Pre-Filing Objection is successful, Ventures West will be eligible to receive a GST refund of approximately \$202,000. Management originally understood that a determination of the Pre-Filing Objection would be made in March 2020. Despite their efforts, however, Management has been unable to obtain any update from CRA with respect to the Pre-Filing Objection.

- 32 Following the results of the Pre-Filing Objection, any net GST payable for Ventures West and Tlicho Landtran is anticipated to be paid from the funds held in trust by Cassels. Cassels will continue to hold in trust the amount required to satisfy the Pre-Filing GST, pending the outcome of the Pre-Filing Objection.

THE STAY

- 33 At the June 11 Hearing, TIC intends to make an application to extend the Stay from June 15 to September 15, 2020 (the "Extension"). The Monitor is supportive of the Extension as it will allow time for the Companies to complete the Diavik Settlement, auction the Remaining Assets and any other residual matters required to complete the CCAA proceedings.

- 34 Based on the Monitor's dealings with Management during the CCAA proceedings and the Monitor's review of the Companies' operations and restructuring efforts to date, the Monitor can advise that:

34.1. The Companies appear to be acting in good faith and with due diligence;

34.2. The Companies are cooperating with the Monitor for the benefit of the Companies' creditors;
and

34.3. The Monitor is of the view that the Companies' creditors will not be materially prejudiced by the Extension and notes that CIBC is unaffected by the Stay.

CASH FLOW FORECAST

35. Attached as "Schedule 3" is a signed copy of the consolidated statement of projected cash flow of the Companies (the "Forecast") for the sixteen-week period ending September 19, 2020 (the "Forecast Period"). The Companies are estimating a total net cash outflow of approximately \$213,900 over the Forecast Period and are projected to have cash on hand of \$62,400 at the end of the Forecast Period. We note that the Forecast does not include any receipts from the Diavik Settlement, which we understand will be paid to TIC's legal counsel and subsequently be made available for further distribution. A summary of the Forecast is included below:

**Tlcho Landtran Transport Limited, 1456982 Alberta Ltd.,
1456998 Alberta Ltd. and Ventures West Limited Partnership
Statement of Projected Cash Flow
For the sixteen week period ended September 19, 2020**

	Total
Receipts	
Miscellaneous receipts and refunds	\$ 299,568
Total Receipts	299,568
Disbursements	
Rent	8,833
Utilities	4,500
Restructuring costs	320,000
GST payable	165,128
Insurance	9,000
Contingency	6,000
Total Disbursements	513,460
Net Cash Flow	- 213,893
<hr style="border: 1px solid black;"/>	
Bank Balance	
Beginning cash balance	276,300
Net cash flow	- 213,893
Ending bank balance	\$ 62,408

36. The Companies are forecasting receipts of approximately \$299,600 over the Forecast Period, which consist of the following:
- 36.1. GST of approximately \$165,100 collected from the ARS Sale, which will be immediately remitted to Canada Revenue Agency;
 - 36.2. The collection of pre-filing accounts receivable and various Workers' Compensation Board refunds.
37. The Companies are forecasting disbursements of approximately \$513,500 over the Forecast Period. The most significant disbursement is restructuring costs of approximately \$320,000 for the professional fees of TIC's legal counsel, the Monitor and the Monitor's legal counsel to the conclusion of the CCAA proceedings.

38. The Monitor notes that the Forecast does not include payment of the Pre-Filing GST. As noted above, the amount required to pay the Pre-Filing GST will be held in trust by Cassels pending a determination of the Pre-Filing Objection.
39. Based on the Forecast, the Companies are anticipated to have sufficient cash to fund their operations over the Forecast Period.
40. A Management Report on Cash Flow Statement filed pursuant to Section 10(2)(b) of the CCAA in respect of the Forecast is attached hereto as "Schedule 4".

MONITOR'S REPORT ON CASH FLOW STATEMENT

41. The Monitor reports as follows with respect to the Forecast:
 - 41.1 The Forecast has been prepared by Management for the purposes described in the notes contained therein (the "Notes") using the probable and hypothetical assumptions set out in the Notes.
 - 41.2 The Monitor's review consisted of inquiries, analytical procedures and discussion related to information supplied to it by Management and selected employees of the Companies. Since hypothetical assumptions need not be supported, the Monitor's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Forecast. We have also reviewed the support provided by Management for the probable assumptions and the preparation and presentation of the Forecast.
 - 41.3 Based on our review, nothing has come to the attention of the Monitor that causes us to believe in all material respects that:
 - 41.3.1 The hypothetical assumptions are not consistent with the purpose of the Forecast;
 - 41.3.2 The probable assumptions developed by Management are not suitably supported and consistent with the plans of the Companies or do not provide a reasonable basis for the Forecast, given the hypothetical assumptions; or
 - 41.3.3 Since the Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and that the variations may be material. Accordingly, The Monitor expresses no assurance as to whether the Forecast will be achieved. The Monitor further expresses no opinion or other form of assurance with respect to the accuracy of any financial information reported with respect to the Forecast or relied upon by it in reporting on the Forecast.
 - 41.3.4 The Forecast has been prepared solely for the purposes described in the Notes and readers are cautioned that they may not be appropriate for other purposes.

VARIANCE ANALYSIS

42. Attached as "Schedule 5" is the variance analysis (the "Variance Analysis") for the fourteen-week period ended May 30, 2020 (the "Variance Period"). The Variance Analysis compares actual cash flow for the Companies over the Variance Period to the consolidated statement of projected cash flow of the Companies (the "Forecast") for the seventeen-week period ending June 20, 2020, a copy of which is attached as "Schedule 3" to the Third Report.
43. The Variance Analysis is summarized below:

**Tlichon Landtran Transport Limited, 1456982 Alberta Ltd., 1456998 Alberta Ltd.
and Ventures West Limited Partnership
Variance Analysis
for the fourteen week period ended May 30, 2020**

	Forecast Total	Actual Total	Variance (A-F) Total
Receipts			
Pre-filing accounts receivable	\$ 41,155	\$ 22,998	-\$ 18,157
Post-filing receipts	100,000	115,658	15,658
Total Receipts	141,155	138,656	- 2,499
Disbursements			
Salaries, wages and benefits	- 56,667	- 53,156	3,511
Rent	- 99,369	- 99,370	1
Utilities	- 18,000	- 17,844	156
Restructuring costs	- 490,000	- 560,302	70,302
Security	- 91,000	- 79,254	11,746
GST payable	-	-	-
Contingency	- 12,000	- 1,048	10,952
Total Disbursements	- 767,036	- 810,974	- 43,938
Net Cash Flow	-\$ 625,881	-\$ 672,318	-\$ 46,437
Bank Balance			
Beginning bank balance	948,619	948,619	-
Net cash flow	- 625,881	- 672,318	46,437
Ending bank balance	\$ 322,738	\$ 276,300	-\$ 46,437

44. The Variance Analysis indicates a negative variance of approximately \$46,400 over the Variance Period. The Variance Analysis includes minor permanent variances are a result of receipts and disbursements being lower or higher than initially forecast. It also includes the following permanent variance over \$10,000:

- 44.1 A permanent negative variance of approximately \$18,200 for pre-filing accounts receivable as a result of selected amounts being deemed uncollectible due to various set-off or deficiency claims;
- 44.2 A permanent positive variance of approximately \$16,700 as a result of post-filing receipts from the subcontract of one of the Companies' contracts to haul cement to a mining operation in the Northwest Territories being higher than initially forecast;
- 44.3 A permanent negative variance of approximately \$70,300 for restructuring costs. This resulted from the fact that the professional fees and disbursements of TIC's legal counsel were originally excluded from the Forecast based on the understanding that they were going to be paid by the Tlicho Government ("TG"). We note that TIC's legal counsel's professional fees for the period leading up to the CCAA proceedings were paid by TG with the remainder being paid by the Companies. This variance includes other permanent positive variances in professional fees due to selected invoices being lower than initially forecast;
- 44.4 A permanent positive variance of approximately \$11,700 for security due to actual expenses being lower than initially forecast; and
- 44.5 A permanent positive variance of approximately \$11,000 in contingency, which was not required during the Variance Period.

CONCLUSION

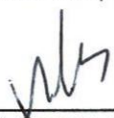
- 45. The Fifth Report has been prepared to provide the Court with information on the following relief sought by the Companies at the June 15 Hearing:
 - 45.1 Approval of the Extension; and
 - 45.2 The disallowance of the Invalid Liens.
- 46. The Monitor is supportive of the Extension for the reasons outlined herein and on the basis that it will allow time for the Companies to complete the Diavik Settlement, the sale of the Remaining Assets and address any other residual matters to complete the CCAA proceedings.

47. The Monitor is supportive of the disallowance of the Invalid Lien Claims on the basis that Cassels has determined that these claims are not valid based on the information provided and has notified the corresponding creditors of their findings in this regard.

All of which is respectfully submitted this 8th day of June 2020.

MNP Ltd., in its capacity as Monitor of Tlichon Landtran Transport Ltd, 1456998 Alberta Ltd. and 1456982 Alberta Ltd. and Ventures West Transport Limited Partnership not in its personal capacity

Per: _____


Vanessa Allen, B. Comm, CIRP, LIT
Senior Vice President

SCHEDULES

SCHEDULE 1

Tlicho Landtran Transport Limited, 1456982 Alberta Ltd., 1456998 Alberta Ltd. and Ventures West Limited Partnership
Summary of Lien Claims

Lien Holder	Description	Amount claimed		Valid	Not valid		
AdvanceTank Centres Ltd.	11 trailers (Petro B lead and rear)	\$	126,010	\$	126,010	\$	-
Blue Diamond Enterprises Ltd.	2007 Columbia Remtec Super B Tanker		38,488		3,633		34,854
Full Tilt Auto & Tuning Inc.	2 Chevrolet Silverado/ 1 GMC Sierra 1500		21,849		21,849		Unspecified
Hart Transmission Repair Ltd.	3 Peterbilt 389/ 1 Ram 5500		28,671		22,989		5,682
High Level Truck & Trailer (2001) Ltd.	2012 Volvo Tractor		36,777		-		36,777
Kal Tire	2013 Advance Trailer, 2014 Tanker Trailer, 2013 and 2014 Kenworth and 2018 International		4,565		-		4,565
New North Truck and Equipment	2014 T800 Tridrive		2,598		1,795		803
Tremcar West Inc.	8 trailers (Super B Tanker)		94,140		41,433		52,707
Truck Zone Inc.	2011 Remcar Trailer, 2008 International 9901, 2013 Cryogenic and 2011 Kenworth T800		15,099		-		15,099
True North Truck & Diesel Repair Ltd.	2006 Western Star 4900		14,842		-		14,842
Winfield Heavy Truck & Collision Repair	Kenworth T800		35,985		29,545		6,440
Micron Industries Inc.	2 LNG 65,000 Liter LNG Tanker Trailers		16,490		16,490		-
		\$	435,514	\$	263,744	\$	171,770

Notes:

1. Validity is based on the review completed by the Monitor's legal counsel, Cassels Brock & Blackwell LLP.

SCHEDULE 2

**Tlicho Landtran Transport Limited, 1456982 Alberta Ltd., 1456998 Alberta Ltd. and Ventures West Limited Partnership
Summary of Invalid Garage Keepers' Liens**

Winfield Heavy Truck & Collision Repair		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
2012 Kenworth T800	Interest and storage fees, as claimed, do not fall within the scope of Section 2(1) of the Garage Keepers' Lien Act, in particular as no corresponding written agreement existed.	\$ 6,440
True North Truck & Diesel Repair Ltd.		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
2006 Western Star 4900	(1) no longer in possession of the vehicles, (2) did not obtain a signed acknowledgement of indebtedness prior to the release of the vehicles in accordance with section 2 of the <i>Garage Keepers' Lien Act</i> .	14,842
High Level Truck & Trailer (2001) Ltd.		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
2 Columbia Super B Trailers	(1) no longer in possession of the vehicles, (2) did not obtain a signed acknowledgement of indebtedness prior to the release of the vehicles in accordance with section 2 of the <i>Garage Keepers' Lien Act</i> .	36,777
Tremcar West Inc.		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
8 trailers (Super B Tanker)	(1) no longer in possession of the vehicles, (2) did not make registrations in the personal property registry within 21 days of the vehicle being released in accordance with Section 3 of the <i>Garage Keepers' Lien Act</i> .	52,707
Full Tilt Auto & Tuning Ltd.		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
2 2012 Chevrolet Silverado , 2008 GMC Sierra 1500	Storage fees, as claimed, do not fall within the scope of Section 2(1) of the Garage Keepers' Lien Act, in particular as no corresponding written agreement existed.	Storage fees (\$75/ day)
Hart Transmission Repair Ltd.		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
3 Peterbilt 389/ 1 Ram 5500	(1) no longer in possession of the vehicles, (2) did not obtain a signed acknowledgement of indebtedness prior to the release of the vehicles in accordance with section 2 of the <i>Garage Keepers' Lien Act</i> .	5,682
Blue Diamond Enterprises Ltd.		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
2007 Columbia Remtec Super B Tanker	(1) no longer in possession of the vehicles, (2) did not obtain a signed acknowledgement of indebtedness prior to the release of the vehicles in accordance with section 2 of the <i>Garage Keepers' Lien Act</i> .	34,854
Truck Zone Inc.		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
2011 Remcar Trailer, 2008 International 9901, 2013 Cryogenic and 2011 Kenworth T800	Expired in December 2019	15,099
Kal Tire		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
2013 Advance Trailer, 2014 Tanker Trailer, 2013 and 2014 Kenworth and 2018 International	Expired in December 2019	4,565
New North Truck & Equipment		
<u>Year/Make/Model Per PPR</u>	<u>Reason</u>	<u>Disputed</u>
2014 T800 Tridrive	Storage fees, as claimed, do not fall within the scope of Section 2(1) of the Garage Keepers' Lien Act, in particular as no corresponding written agreement existed.	803
Grand Total		\$ 171,770

SCHEDULE 3

Tlcho Landtran Transport Limited, 1456982 Alberta Ltd., 1456998 Alberta Ltd. and Ventures West Limited Partnership (the "Companies")
 Statement of Projected Cash Flow (the "Cash Flow")
 For the sixteen week period ended September 19, 2020

Week ending:	06-Jun-20	13-Jun-20	20-Jun-20	27-Jun-20	04-Jul-20	11-Jul-20	18-Jul-20	25-Jul-20	01-Aug-20	08-Aug-20	15-Aug-20	22-Aug-20	29-Aug-20	05-Sep-20	12-Sep-20	19-Sep-20	Total	Notes
Receipts																		
Miscellaneous receipts and refunds	\$ 220,128	\$ 4,440	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 299,568	1
Total Receipts	220,128	4,440	75,000	-	-	-	-	-	-	-	-	-	-	-	-	-	299,568	
Disbursements																		
Rent	8,833	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,833	2
Utilities	-	4,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,500	3
Restructuring costs	-	80,000	-	-	-	-	80,000	-	-	-	80,000	-	-	-	-	80,000	320,000	4
GST payable	-	165,128	-	-	-	-	-	-	-	-	-	-	-	-	-	-	165,128	1 & 5
Insurance	9,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,000	6
Contingency	3,000	-	-	-	3,000	-	-	-	-	-	-	-	-	-	-	-	6,000	
Total Disbursements	20,833	249,628	-	-	3,000	-	80,000	-	-	-	80,000	-	-	-	-	80,000	513,460	
Net Cash Flow	199,295	245,187	75,000	-	3,000	-	80,000	-	-	-	80,000	-	-	-	-	80,000	213,893	
Bank Balance																		
Beginning cash balance	276,300	475,595	230,408	305,408	305,408	302,408	302,408	222,408	222,408	222,408	222,408	142,408	142,408	142,408	142,408	142,408	276,300	7
Net cash flow	199,295	245,187	75,000	-	3,000	-	80,000	-	-	-	80,000	-	-	-	-	80,000	213,893	
Ending bank balance	\$ 475,595	\$ 230,408	\$ 305,408	\$ 305,408	\$ 302,408	\$ 302,408	\$ 222,408	\$ 222,408	\$ 222,408	\$ 222,408	\$ 142,408	\$ 142,408	\$ 142,408	\$ 142,408	\$ 142,408	\$ 62,408	\$ 62,408	

Purpose:

The Cash Flow has been prepared by the Companies' management pursuant to Section 10(2)(a) of the *Companies' Creditors Arrangement Act* (the "CCAA"). It is being filed specifically for the purposes contemplated in that section and readers are cautioned that it may not be appropriate for other purposes. In addition, the Cash Flow has been prepared based on assumptions regarding future events, therefore actual results may vary from the estimates presented herein and these variances may be material.

Tlcho Landtran Transport Limited, 1456982
 Alberta Ltd., 1456998 Alberta Ltd. and Ventures
 West Limited Partnership


 Per: Mr. Mark Brajer, Chief Executive Officer

MNP Ltd. in its capacity as Monitor in proceedings under the CCAA for Tlcho Landtran Transport Limited, 1456982 Alberta Ltd., 1456998 Alberta Ltd. and Ventures West and not in its personal capacity

Per: Vanessa Allen, Senior Vice President, MNP Ltd.

Notes and assumptions - general

1. Unless otherwise stated, all amounts are based on historical data and management estimates.
2. All amounts are in Canadian dollars.
3. All amounts include applicable GST.
4. The sale of the Companies' transportation assets has been completed. Sale proceeds are being paid to the Monitor's legal counsel to be distributed as approved by the Court and are not reflected herein.

Notes and assumptions - specific

1. Reflects the collection of pre-filing accounts receivable and various Workers Compensation Board refunds as well as the receipt of GST of \$165,128 collected on the sale of assets to ARS Trucking & Welding Ltd., which will be immediately remitted to Canada Revenue Agency ("CRA").
2. The Companies lease 10 acres of yard located at 12504 - 33 Street NE in Edmonton, Alberta (the "Yard") through Obcorp. Holdings Inc. (the "Yard Lease"). The Yard Lease has been disclaimed effective June 7, 2020.
3. Includes utilities payable for a secondary yard located in Yellowknife, NWT on which selected of the Companies' assets are located.
4. Represents amounts payable to TIC's legal counsel, the Monitor and the Monitor's legal counsel for professional fees and disbursements during the restructuring proceedings.
5. CRA has assessed pre-filing liabilities of approximately \$138,700 for Ventures West Transport LP and for approximately \$56,000 for Tlcho Landtran Transport Ltd. A pre-filing notice of objection for Ventures West Transport LP is currently being considered by CRA and may result in a refund of \$206,500 for Ventures West. Neither the payment nor the refund are reflected herein.
6. Represents a payment to extend insurance coverage for the period from June 1 to June 14, 2020, pending the pick-up of the corresponding assets.
7. Represents cash held in the Companies' bank account.

SCHEDULE 4

COURT FILE NUMBER

COURT

JUDICIAL CENTRE

APPLICANT

RESPONDENTS

DOCUMENT

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

COURT OF QUEEN'S BENCH OF ALBERTA

EDMONTON

IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, RSC, 1985,
c C-36

TLICHO INVESTMENT CORPORATION

TLI CHO LANDTRAN TRANSPORT LTD.,
1456998 ALBERTA LTD., and 1456982 ALBERTA
LTD.

**MANAGEMENT REPORT ON CASH FLOW
STATEMENT**

McMillan LLP

Suite 1700, 421 - 7 Avenue S.W.
Calgary, AB T2P 4K9
Phone: 403-531-4700
Fax: 403-531-4720

Attention : Adam Maerov
Phone: 403-215-2752
Email: adam.maerov@mcmillan.ca

Kourtney Rylands
Phone: 403-355-3326
Email: kourtney.rylands@mcmillan.ca

File No. 261496

Form 49
Rule 13.19
Clerk's Stamp

**MANAGEMENT REPORT ON CASH FLOW STATEMENT PURSUANT TO PARAGRAPH OF
10(2)(B) OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as
amended**

1. The Management of the Respondents has developed the assumptions and prepared the attached statement of projected cash flow for each of the Respondents for the sixteen-week period (the "Forecast Period") ending September 19, 2020 (the "Forecast").
2. The Forecasts have been prepared for the purpose of determining the liquidity requirements of the Respondents during the Forecast Period.
3. The hypothetical assumptions are reasonable and consistent with the purpose of the projections described in the notes to the Forecast, and the probable assumptions are suitably supported and consistent with the plans of the Respondents and provide a reasonable basis for the Forecasts.
4. Since the Forecasts are based on assumptions regarding future events, actual results will vary from the information presented and variations may be material.
5. The Forecasts have been prepared solely for the purposes described in the notes to the Forecasts. Consequently, readers are cautioned that Forecasts may not be appropriate for other purposes.
6. The Respondents confirm that the Forecasts and the underlying assumptions are the responsibility of the Respondents, and that all material information relevant to the Forecasts and to the underlying assumptions has been made available to MNP Ltd., in its capacity as the Monitor for the Applicants.

Dated at Edmonton, Alberta this 3rd day of June 2020.

Ventures West Transport Limited Partnership, Tli Cho Landtran Transport Ltd., 1456998 Alberta Ltd., and 1456982 Alberta Ltd.

Per: _____


Mark Brajer

SCHEDULE 5

**Tlcho Landtran Transport Limited, 1456982 Alberta Ltd., 1456998 Alberta Ltd. and Ventures West Limited
Partnership
Variance Analysis
for the fourteen week period ended May 30, 2020**

	Forecast Total	Actual Total	Variance (A-F) Total	Timing (T) or Permanent (P)	Notes
Receipts					
Pre-filing accounts receivable	\$ 41,155	\$ 22,998	-\$ 18,157	P	1
Post-filing receipts	100,000	115,658	15,658	P	1
Total Receipts	141,155	138,656	- 2,499		
Disbursements					
Salaries, wages and benefits	- 56,667	- 53,156	3,511	P	1
Rent	- 99,369	- 99,370	1	P	1
Utilities	- 18,000	- 17,844	156	P	1
Restructuring costs	- 490,000	- 560,302	70,302	P	2
Security	- 91,000	- 79,254	11,746	P	1
GST payable	-	-	-		
Contingency	- 12,000	- 1,048	10,952	P	1
Total Disbursements	- 767,036	- 810,974	- 43,938		
Net Cash Flow	-\$ 625,881	-\$ 672,318	-\$ 46,437		
Bank Balance					
Beginning bank balance	948,619	948,619	-		
Net cash flow	- 625,881	- 672,318	46,437		
Ending bank balance	\$ 322,738	\$ 276,300	-\$ 46,437		

Notes:

1. Permanent variance as a result of receipts expenses being lower/ higher than initially forecast.
2. A permanent variance, largely as a result of TIC's legal counsel's professional fees being originally excluded from the forecast. This includes an invoice that was payable by TIC for \$9,454.71 that was paid in error and was subsequently reimbursed.