

COURT FILE NO. 24-2746532 Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE EDMONTON

DOCUMENT FORM 40 – REPORT OF TRUSTEE ON PROPOSAL

DATED: December 1, 2021

PREPARED BY MNP LTD.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Counsel

Lawson Lundell LLP
Barristers and Solicitors
Suite 1100, 225 – 6th Avenue SW
Calgary, AB T2P 1N2

Telephone: 403-218-7564

Facsimile: 403-269-9494

Email: ateasdale@lawsonlundell.com

Attention: Alexis Teasdale

Trustee
MNP Ltd.
Suite 1500, 640 5th Avenue SW
Calgary, AB T2P 3G4

Telephone: 403-477-9661/ 416-515-3924

Facsimile: 403-537-8437

Email: vanessa.allen@mnp.ca/ jerry.henechowicz@mnp.ca

Attention: Vanessa Allen/ Jerry Henechowicz

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SCHEDULES

Exhibit A	Amended and Restated Interim Receivership Order
Exhibit B	Proposal
Exhibit C	Notice of Proposal to Creditors and Creditor Listing
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Exhibit F	Minutes of the Meeting of Creditors to Consider the Proposal, held on November 9, 2021
Exhibit G	Articles of Incorporation
Exhibit H	Securities Register, List of Shareholders and Register of Transfers and Allotments

INTRODUCTION

1. Capitalized terms not otherwise defined herein are as defined in Article 1 of, or elsewhere in, the proposal (the "Proposal") lodged by Alaska – Alberta Railway Development Corporation ("A2A", the "Debtor" or the "Company") with the Office of the Superintendent of Bankruptcy (the "OSB") pursuant to Part III, Division I of the *Bankruptcy and Insolvency Act, RSC 1985, c.B-3* (the "BIA") on October 27, 2021.

BACKGROUND

2. MNP Ltd. ("MNP"), Trustee in the Proposal of A2A hereby reports to the Court as follows:
 - 2.1. THAT on June 18, 2021 (the "Filing Date"), A2A filed a Notice of Intention to Make a Proposal (the "NOI") pursuant to Section 50.4(1) of the BIA. MNP consented to act as Trustee under the NOI (the "Trustee").
 - 2.2. THAT the NOI proceedings were initiated following the receivership of the Company's primary secured lender, Bridging Finance Inc. ("BFI") and certain other entities and investment funds related to BFI (collectively, "Bridging") pursuant to Orders granted by the Ontario Superior Court of Justice on April 30, 2021 and May 3, 2021. PricewaterhouseCoopers Inc. ("PwC") acts as the Court-appointed Receiver of Bridging (the "Bridging Receiver"). On June 8, 2021, the Bridging Receiver demanded from A2A payment of its indebtedness to Bridging, following which A2A filed the NOI.
 - 2.3. THAT upon filing the NOI, the Debtor became subject to a 30 day stay of proceedings pursuant to Section 69(1) of the BIA (the "Initial Stay"). The Court subsequently granted three extensions of the Initial Stay with the most recent extension having been granted to November 29, 2021.
 - 2.4. THAT on June 28, 2021, a Statement of Projected Cash Flow (the "Cash Flow") was filed for A2A. Two further Statements of Projected Cash Flow were subsequently filed with the most recent Cash Flow being filed on October 7, 2021 for the period from October 2 to December 31, 2021.
 - 2.5. THAT on July 7, 2021, the Trustee issued a material adverse change report for A2A pursuant to Section 50(10) of the BIA. Subsequently, on July 12, 2021, upon the application of the Bridging Receiver, the Court of Queen's Bench of Alberta granted an Order appointing MNP Ltd. as Interim Receiver of the Debtor.
 - 2.6. THAT on October 13, 2021, the Court granted an Amended and Restated Interim Receivership Order expanding the Interim Receiver's powers to empower and authorize, but not obligate, the Interim Receiver to negotiate and file a proposal under Part III, Division

I of the BIA on behalf of A2A (the “Amended Receivership Order”). A copy of the Amended Receivership Order is attached hereto as “Exhibit A”.

- 2.7. THAT on October 27, 2021, the Proposal was lodged with the Official Receiver on behalf of the Debtor. A copy of the Proposal is attached hereto as “Exhibit B”.

MEETING OF CREDITORS TO CONSIDER THE PROPOSAL

3. THAT on October 27, 2021, the Trustee gave notice (the “Notice”) to the Debtor, to the division office and to every known creditor affected by the Proposal, whose names and addresses are attached hereto with the Notice as “Exhibit C”, of the calling of a meeting of creditors to be held on the 9th day of November 2021 to consider the Proposal.
4. THAT with the Notice was included a list of known creditors affected by the Proposal who have claims of \$250 or more and showing the estimated amounts of their claims, a statement of affairs reflecting the assets and liabilities of the debtor (the “Statement of Affairs”), a copy of the Proposal, a form of proof of claim and proxy and a voting letter. Copies of the Statement of Affairs and the Report of Trustee on Proposal are attached hereto as “Exhibit D” and “Exhibit E” respectively.
5. THAT prior to the meeting of creditors, the Trustee made a detailed and careful inquiry into the liabilities of the Debtor, the Debtor’s assets and their value and the causes of the Debtor’s insolvency.
6. THAT the meeting of creditors was held on the 9th day of November 2021 (the “Meeting”) and was presided over by Vanessa Allen from MNP, pursuant to Section 51(3) of the *Bankruptcy and Insolvency Act*.
7. THAT the Proposal was accepted by the required majority of creditors.
8. THAT a copy of the minutes of the Meeting is attached hereto as “Exhibit F”.

PROPOSAL

Treatment of Affected Creditors

9. THAT Affected Creditors will be paid as follows under the Proposal:
 - 9.1. Crown Claims and Claims by Preferred Creditors will be paid in full, subject to the levy payable to the OSB pursuant to Section 147 of the BIA (the “Levy”), as applicable; and
 - 9.2. Payment of dividends to proven Ordinary Unsecured Creditors (subject to the Levy) will be made based on the lesser of the amount of the Proven Claim of each Ordinary Unsecured Creditor and \$1,000 (the “Proposal Payments”).

Sponsorship of the Proposal

10. THAT BFI, in its capacity as agent on behalf of Bridging Income Fund LP and the related investment funds from time to time acting as lender in connection with A2A's indebtedness to BFI in such capacity, is unaffected by the Proposal and has agreed to sponsor the Proposal as follows:
 - 10.1. Pay the amount required to satisfy the Crown Claims and any Preferred Claims to the Trustee;
 - 10.2. Pay the amount required to make the Proposal Payments to the Ordinary Unsecured Creditors;
 - 10.3. Pay any amount required to satisfy any Post-Filing Claims incurred between the NOI Date and the Implementation Date; and
 - 10.4. Pay all Administrative Fees and Expenses, including the proper fees, expenses and legal fees and disbursements of the Trustee and the Interim Receiver on and incidental to the administration of the Interim Receivership and Proposal proceedings.

Share Issuance

11. THAT the Proposal provides for the effective redemption or cancellation of all Existing Shares and the issuance of the New Common Shares to Bridging. A2A's articles will be amended pursuant to the Articles of Reorganization to reflect this change to its share capital. A2A's original Articles of Incorporation, which have been amended only to reflect changes to the Company's name, are attached hereto as "Exhibit G". A2A only has 10 shares issued and outstanding at this time, namely 10 Class "A" Common Shares, which are held by McCoshen. Copies of A2A's Securities Register, List of Shareholders and Register of Transfers and Allotments are attached to this Report and collectively marked as "Exhibit H".
12. THAT, in exchange for sponsoring the Proposal, upon Court Ratification, all of the Existing Shares of A2A will be cancelled and the New Common Shares will be issued to Bridging resulting in Bridging being the Debtor's only shareholder. The Bridging Receiver will be in possession and control of the New Common Shares.
13. THAT, upon Court Ratification, Bridging will appoint at least one new director of A2A. Mr. Sean McCoshen ("McCoshen"), who was the Company's sole director, has resigned. A2A does not currently have any acting directors and there is no party with the corporate authority to act on behalf of A2A.

ASSETS AND LIABILITIES

14. THAT the Trustee is of the opinion that the assets of the Debtor are as follows:

- 14.1. The Interim Receiver is currently holding approximately \$140,900 in its trust account of which approximately \$113,000 consists of a retainer that was previously paid to A2A's former legal counsel (the "Retainer"). In further investigating the source of the Retainer, the Trustee has confirmed that it was paid by McCoshen personally. McCoshen is currently bankrupt and Farber Group acts as Trustee of his bankrupt estate. The Interim Receiver anticipates that the Retainer will be remitted to Farber for the benefit of the creditors in McCoshen's personal bankruptcy. The remaining funds in trust with the Interim Receiver are being used to support A2A's ongoing operations until Court Ratification;
- 14.2. A2A's primary assets consist of intangible and intellectual property and confidential, technical and proprietary information (collectively, the "A2A IP") related to A2A's stated purpose of building and operating a railway that would extend from Alberta to Alaska and allow for the transport of resource commodities to global markets via the ports of Southcentral Alaska (the "Railway Project"). No sale process has been undertaken for the A2A IP in either the Interim Receivership or Proposal proceedings. Although the Interim Receiver has received some preliminary expressions of interest in the A2A IP, the value of the A2A IP is highly uncertain. In addition, even in the event that a transaction was to be completed for the A2A IP, it is virtually certain that the proceeds would be insufficient to fully repay the Bridging Loan (as subsequently defined), which currently has an outstanding balance of approximately \$212.9 million. The Trustee has obtained an independent legal opinion that the security held by Bridging is valid and enforceable subject to certain standard qualifications and assumptions.
- 14.3. At the NOI Date, A2A listed a related party account receivable of approximately \$43.7 million (the "Related Party Receivable") due from 7047747 Manitoba Ltd. ("7047747"). The Trustee understands that 7047747 has no ongoing operations or assets. As such, there is no recovery anticipated for the Related Party Receivable.
- 14.4. Also at the NOI Date, A2A listed pre-paid commissions of approximately \$15.2 million, representing amounts payable to the former principals of Bridging, David and Natasha Sharpe (the "Prepaid Commissions"). These transactions may be further investigated by the Bridging Receiver; however, any recovery of the Prepaid Commissions is unlikely.
- 14.5. The Trustee has released their interest in a 2020 Ford Explorer that had been leased by A2A and is not anticipated to have any equity.

15. THAT the Trustee is of the opinion that liabilities of the Debtor are as follows:

- 15.1. A2A is indebted to Bridging under a non-revolving credit facility advanced pursuant to a loan agreement between certain Bridging entities and funds dated December 15, 2015, as amended from time to time (the “Bridging Loan”). The Receiver, on behalf of Bridging, has filed a proof of claim reflecting that \$162.9 million of Bridging’s claim against A2A is secured and \$50.0 million of their claim is unsecured.
- 15.2. In addition to Bridging and as further detailed in the Statement of Affairs, A2A listed additional creditors with claims totaling approximately \$21.1 million of which \$12.9 million is due to related parties. Canada Revenue Agency also has a claim for payroll source deductions against the Debtor that the Trustee understands will be filed in the amount of approximately \$31,500 (the deemed trust portion is approximately \$23,300). The Trustee is not aware of any Claims by Preferred Creditors against A2A. As at the date of this report, the Trustee has admitted Ordinary Unsecured Claims totaling approximately \$4.4 million in addition to the Bridging Claim.

CAUSES OF INSOLVENCY AND CONDUCT OF THE DEBTOR

16. THAT the NOI proceedings were initiated following the receivership of Bridging and the Bridging Receiver’s demand of A2A’s indebtedness under the Bridging Loan. The Bridging Receiver is continuing to investigate the source and use of funds advanced pursuant to the Bridging Loan and has noted specific concerns, including that selected advances under the Bridging Loan were paid to companies related to A2A. In addition, as previously reported, the Bridging Receiver has expressed concern regarding McCoshen’s activities in relation to the Company prior to the NOI filing. Since the NOI filing, McCoshen has been under medical care and has not been accessible to the Trustee or involved in the day-to-day operations of A2A.
17. THAT, to the Trustee’s knowledge, the following facts under Section 173(1) of the BIA (the “173 Facts”) may be engaged:
 - 17.1. As noted above, no sale process has been undertaken for the A2A IP, the value of which is highly uncertain. As such, it is unknown whether the assets of the Debtor are of a value equal to fifty cents on the dollar of the amount of the Debtor’s unsecured liabilities. It is also unclear to what extent this circumstance may have arisen from actions for which the Company, under the direction of McCoshen, may be held responsible; and
 - 17.2. A2A may have failed to account satisfactorily for any loss of assets or for any deficiency of assets to meet the Debtor’s liabilities.
18. The Trustee understands that the Bridging Receiver is completing a detailed review of A2A’s records, as part of a larger forensic investigation. As Bridging is very likely the only party with an

economic interest in the Company, the Trustee is of the view that A2A's remaining creditors will not be prejudiced by the approval of the Proposal given the 173 Facts. In particular, the Proposal provides reasonable security for the payment of dividends to Ordinary Unsecured Creditors. The Trustee also notes that, as detailed in the next section, any claims related to reviewable transactions to which A2A is a party will be assigned to Bridging upon Court Ratification. As such, they are preserved for the benefit of Bridging.

Preferences, Transfers at Undervalue etc.

19. THAT the Trustee will not be completing an independent review of A2A's records to identify reviewable transactions since any potential recoveries would be for the benefit of Bridging as the senior secured lender. Any claims that may be advanced pursuant to sections 95-101 of the BIA and any provincial statutes related to preference, fraudulent conveyance, transfer at undervalue and the like (the "Section 95 – 101 Claims") will be assigned to Bridging upon Court Ratification of the Proposal.
20. THAT the non-application of sections 95 – 101 of the BIA and any provincial statute related to preference, fraudulent conveyance, transfer at undervalue is limited in its application to the Proposal and the payments to be made thereunder, and any claims existing with respect to reviewable transactions involving A2A and the Section 95 – 101 Claims will survive.

RECOMMENDATION

21. THAT the Trustee is further of the opinion that the debtor's proposal is an advantageous one for the creditors, for the following reasons:
 - 21.1. Bridging is sponsoring the Proposal by providing sufficient funds to pay the Crown and Preferred Claims and to make the Proposal Payments to the Ordinary Unsecured Creditors. As noted above, the Interim Receiver has obtained an independent legal opinion that the Bridging Security is valid and enforceable subject to certain assumptions and qualifications. Based on the quantum of Bridging's claim, outside of the sponsorship being provided by Bridging, there is no opportunity for any distribution to A2A's Ordinary Unsecured Creditors;
 - 21.2. Should A2A be deemed to be bankrupt, key components of the A2A IP may be compromised. As such, no recovery for any of the Debtor's creditors would be anticipated in a bankruptcy. Further, in a bankruptcy, there would be no funds in A2A's estate to support any investigation or pursuit of possible Section 95-101 Claims, which, even if found to have merit, would likely only benefit Bridging given the size of the Bridging Claim.


21.3. The Proposal will allow A2A to continue as a corporate entity. Although the Company is expected to remain dormant in the short- to mid-term, the Proposal provides optionality for dealing with A2A's assets and business, including an opportunity for the Railway Project to continue, for A2A to obtain further investment in itself or the Railway Project, or for A2A to complete a transaction in relation to the A2A IP in the future; and

21.4. The Proposal provides a mechanism to appoint a new director for A2A such that the Company can be managed by an individual with the necessary corporate authority.

22. THAT I forwarded a copy of this report to the Official Receiver on this day.

Dated this 1st day of December 2021.

MNP Ltd., in its capacity as Trustee under the Proposal of Alaska
– Alberta Railway Development Corporation and not in its personal
or corporate capacity

Per: 

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

EXHIBITS

EXHIBIT A

Clerk's Stamp:



COURT FILE NUMBER

24-2746532

COURT

COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE OF

EDMONTON

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF ALASKA - ALBERTA
RAILWAY DEVELOPMENT CORPORATION

DOCUMENT

AMENDED AND RESTATED
INTERIM RECEIVERSHIP ORDER

CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT:

LAWSON LUNDELL LLP
1100, 225 – 6th Avenue SW
Brookfield Place
Calgary, AB T2P 1N2

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File No.: 158262

**DATE ON WHICH ORDER WAS
PRONOUNCED:**

October 13, 2021

**NAME OF JUDGE WHO MADE THIS
ORDER:**

Mr. Justice N. Whiting

LOCATION OF HEARING:

Edmonton

UPON the application, on July 12, 2021, of **PRICEWATERHOUSECOOPERS INC.**, in its capacity as court-appointed receiver and manager of Bridging Finance Inc., Bridging Income Fund LP, and certain related entities and investment funds (the “**Applicant**”), in respect of **ALASKA - ALBERTA RAILWAY DEVELOPMENT CORPORATION** (the “**Debtor**”); **AND UPON** having read the Application, the Affidavit of Graham Page sworn July 7, 2021, filed; **AND UPON** reading the consent of **MNP LTD.** to act as interim receiver (in such capacity, the “**Interim Receiver**”) of the Debtor, filed; **AND UPON** the subsequent application, on October 13, 2021, of the Interim Receiver; AND UPON reading the Second Report to the Court of the Interim Receiver dated October 7, 2021; **AND UPON** hearing counsel for the Applicant, counsel for the [^] Interim Receiver and any other counsel or other interested parties present; **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

APPOINTMENT

2. Pursuant to section 47.1 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the “**BIA**”), MNP Ltd. is hereby appointed Interim Receiver, without security, of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).

INTERIM RECEIVER'S POWERS

3. The Interim Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property,
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate and carry on the business of the Debtor, including the power to incur any obligations in the ordinary course of business, and, in consultation with the Applicant,

the powers to enter into any agreements, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to apply to the Court, on behalf of the Debtor, for an extension of the time period in which the Debtor may file proposal in the proposal proceeding commenced by the Debtor bearing Court No. 24-2746532, in accordance with section 50.4(9) of the BIA;
- (d.1) to negotiate and file a proposal on behalf of the Debtor in accordance with section 62 of the BIA, and take all other steps required or authorized under the BIA in connection with such proposal as the Interim Receiver deems necessary or advisable;
- (e) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) subject to prior approval of the Applicant, to settle, extend or compromise any indebtedness owing to or by the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Interim Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) subject to prior approval of the Applicant, to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Interim Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Interim Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (j) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate all matters relating to the Property and the interim receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;

- (k) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Interim Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Interim Receiver in its capacity as Interim Receiver of the Debtor and not in its personal capacity;
- (l) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Interim Receiver, in the name of the Debtor;
- (m) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (n) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (o) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Interim Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtor, and without interference from any other Person (as defined below).

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

4. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Interim Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Interim Receiver upon the Interim Receiver's request.

5. All Persons shall forthwith advise the Interim Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Interim Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Interim Receiver for the purpose of allowing the Interim Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Interim Receiver except with the written consent of the Interim Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that

nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body's investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

NO EXERCISE OF RIGHTS OF REMEDIES

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtor or the Interim Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
- (a) empower the Debtor to carry on any business that the Debtor is not lawfully entitled to carry on;
 - (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien; or
 - (d) exempt the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment.
10. Nothing in this Order shall prevent any party from taking an action against the Applicant where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Interim Receiver at the first available opportunity.

NO INTERFERENCE WITH THE INTERIM RECEIVER

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, except with the written consent of the Debtor and the Interim Receiver, or leave of this Court.

CONTINUATION OF SERVICES

12. All persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the Debtor, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtor

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtor or exercising any other remedy provided under such agreements or arrangements. The Debtor shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtor in accordance with the payment practices of the Debtor, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtor and the Interim Receiver, or as may be ordered by this Court.

INTERIM RECEIVER TO HOLD FUNDS

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Interim Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

14. Subject to employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Interim Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Interim Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Interim Receiver may

specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("WEPPA").

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. (a) Notwithstanding anything in any federal or provincial law, the Interim Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Interim Receiver's appointment; or
 - (ii) after the Interim Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Interim Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Interim Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Interim Receiver to remedy any environmental condition or environmental damage affecting the Property, the Interim Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Interim Receiver, if the order is in effect when the Interim Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Interim Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Interim Receiver, if the order is in effect when the Interim Receiver is appointed, by,

- A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Interim Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Interim Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE INTERIM RECEIVER'S LIABILITY

16. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Interim Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Interim Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

INTERIM RECEIVER'S ACCOUNTS

17. The Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges.
18. The Interim Receiver and counsel to the Interim Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Interim Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$200,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Interim Receiver and such counsel, both before and after the making of this Order in respect of these proceedings including all professional fees and disbursements incurred by the Interim Receiver in its capacity as trustee under the Notice of Intention to Make a Proposal of the Debtor (including the professional fees and disbursements of the Interim Receiver's counsel), and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person but subject to sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
19. The Interim Receiver and its legal counsel shall pass their accounts from time to time.
20. Prior to the passing of its accounts, the Interim Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the

Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE INTERIM RECEIVERSHIP

21. The Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Interim Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Interim Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
22. Neither the Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. The Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Interim Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
24. The monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Interim Receiver's Certificates.
25. The Interim Receiver shall be allowed to repay any amounts borrowed by way of Interim Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

ALLOCATION

26. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Interim Receiver's Charge and the Interim Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

27. The Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
28. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Interim Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Interim Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
29. Nothing in this Order shall prevent the Interim Receiver from acting as a receiver, a receiver and manager or a trustee in bankruptcy of the Debtor.
30. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Interim Receiver in any foreign proceeding, or to assist the Interim Receiver and its agents in carrying out the terms of this Order.
31. The Interim Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Interim Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
32. The Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Interim Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
33. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Interim Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

34. The Interim Receiver shall establish and maintain a website in respect of these proceedings at <https://mnpdebt.ca/en/corporate/corporate-engagements/alaska-alberta-railway-development-corporation> (the “**Interim Receiver’s Website**”) and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publically available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Interim Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
35. Service of this Order shall be deemed good and sufficient by:
- (a) serving the same on:
 - (i) the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order; and
 - (b) posting a copy of this Order on the Interim Receiver’s Website
- and service on any other person is hereby dispensed with.
36. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.


Justice of the Court of Queen’s Bench of Alberta

SCHEDULE "A"

INTERIM RECEIVER'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that **MNP LTD.**, the interim receiver (in such capacity, the "**Interim Receiver**") of all of the assets, undertakings and properties of **ALASKA - ALBERTA RAILWAY DEVELOPMENT CORPORATION** appointed by Order of the Court of Queen's Bench of Alberta and Court of Queen's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "**Court**") dated the **[day]** day of **[month]**, **[year]** (the "**Order**") made in action numbers **[●]**, has received as such Interim Receiver from the holder of this certificate (the "**Lender**") the principal sum of **[\$]**, being part of the total principal sum of **[\$]** that the Interim Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded **[daily]** **[monthly not in advance on the ● day of each month]** after the date hereof at a notional rate per annum equal to the rate of **[●]** per cent above the prime commercial lending rate of Bank of **[●]** from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Interim Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Interim Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at **[●]**.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Interim Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Interim Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Interim Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

MNP LTD., solely in its capacity as Interim Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____
Name: _____
Title: _____

EXHIBIT B

**IN THE MATTER OF THE PROPOSAL OF
ALASKA – ALBERTA RAILWAY DEVELOPMENT CORPORATION
OF EDMONTON, ALBERTA**

PROPOSAL

Alaska – Alberta Railway Development Corporation, a company existing under the laws of the Province of Alberta (“**A2A**” or the “**Debtor**”) hereby submits the following Proposal to all of its Creditors pursuant to Part III, Division I of the BIA.

**ARTICLE 1
DEFINITIONS**

1.1 Definitions

In this Proposal:

“**Administration Charge**” means the priority Administration Charge over the property of the Debtor in favour of the Interim Receiver and its legal counsel in the maximum amount of \$200,000 as granted by the Court pursuant to the Interim Receivership Order dated July 12, 2021;

“**Administrative Fees and Expenses**” means the proper fees, expenses and legal fees and disbursements of the Trustee and the Interim Receiver on and incidental to the administration of the Interim Receivership, the negotiation, preparation, presentation, amendments to, consideration, creditor and Court approval of and implementation of the Proposal and all proceedings and matters relating to or arising out of the Proposal or in related bankruptcy proceedings, if any;

“**Affected Claim**” means all Claims that are not Unaffected Claims;

“**Affected Creditor**” means a Creditor having an Affected Claim;

“**Approval Order**” means an Order of the Court approving the Proposal;

“**Articles of Reorganization**” means the articles of reorganization of A2A to become effective on the Implementation Date attached hereto as Schedule “A”;

“**BIA**” means the *Bankruptcy and Insolvency Act*, RSC 1985, c.B-3;

“**Bridging Loan Agreement**” means the loan agreement between the Unaffected Secured Creditor and A2A dated December 11, 2015, as amended from time to time;

“**Business Day**” means each day other than a Saturday or Sunday or a statutory or civic holiday on which banks are open for business in Calgary, Alberta, Canada;

“**Claim**” means any right of any Person against A2A whether or not asserted in connection with any indebtedness, liability or obligation of any kind whatsoever owed to a Person, including any indebtedness, liability or obligation owed to such Person as a result of any duty (including any legal, statutory, equitable

or fiduciary duty), any right of ownership of or title to, or to a trust or deemed trust against, any of the property or assets of A2A, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured, under-secured, unsecured, preferred, perfected, unperfected, present, future, direct or indirect, known or unknown, by guarantee, by surety or otherwise, at law or in equity, and whether or not such a right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts which existed prior to the NOI Date;

“Convertible Debenture” means the Convertible Debenture in the principal amount of \$30,630,000 issued on June 1, 2019 by the Unaffected Secured Creditor to A2A;

“Court” means the Court of Queen’s Bench of Alberta;

“Court Ratification” means (a) the approval of the Proposal by Order of the Court and (b) the expiry of all appeal periods in relation to such Order of the Court;

“Creditor” means any Person that has a Claim;

“Creditors’ Meeting” means any meeting of the Affected Creditors, in person or virtually, called by the Trustee for the purpose of considering and voting upon the Proposal;

“Creditors’ Meeting Date” means 10:00 a.m. Mountain Time on the date and time as may be called by the Trustee in consultation with the Official Receiver pursuant to Section 7.2 of the Proposal;

“Crown Claims” means an amount due to Her Majesty in Right of Canada or a Province and that are of a kind that could be subject to a demand under:

- a) subsection 224(1.2) of the Income Tax Act;
- b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts; or
- c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - i) has been withheld or deducted by a Person from a payment to another Person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or
 - ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in

subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection;

“**Date of Court Approval**” means the date on which the Proposal is approved by Order of the Court;

“**Date of Proposal**” means the date of the filing of the Proposal with the Official Receiver;

“**Disputed Claims**” means any Proof of Claim which has been received by the Trustee in accordance with the terms of this Proposal and the BIA but has not been accepted as proven in accordance with section 135 of the BIA or which is being disputed in whole or in part by the Trustee, or any other Person entitled to do so and has not been resolved in accordance with the BIA;

“**Dividend Fund**” means the lesser of the amount required to make the Proposal Payment to all Ordinary Unsecured Creditors with a Proven Claim plus the Levy and \$50,000, which will be held by the Trustee for the benefit of the Ordinary Unsecured Creditors. The Dividend Fund shall be created, first from A2A’s cash on hand, subject to the maintenance of applicable reserves for the completion of the Proposal as of the Implementation Date. To the extent A2A does not have sufficient cash available to it for this purpose, any shortfall between the amount of cash available from A2A and the amount required to create the Dividend Fund will be paid to the Trustee in cash by the Unaffected Secured Creditor on the Date of Court Approval;

“**Equity Claim**” means a Claim that is an “equity claim” within the meaning of section 2 of the BIA with respect to A2A;

“**Equity Interest**” means an “equity interest” within the meaning of section 2 of the BIA with respect to A2A;

“**Existing Shares**” means all issued preferred and common shares of A2A and any and all, warrants, options, instruments, rights or entitlements which have the capacity to be converted into or exchanged for, or give the right to acquire, shares of A2A in existence on the Implementation Date, but excluding the Convertible Debenture;

“**First Secured Debt**” means the indebtedness of A2A to the Unaffected Secured Creditor in connection with the Bridging Loan Agreement that is subject to a first secured charge on the property, assets and undertakings of A2A;

“**Implementation Date**” means the date upon which the conditions set forth in Section 10.4 have been satisfied;

“**Income Tax Act**” means *Income Tax Act*, RSC 1985, c. 1 (5th Supp.);

“**Inspectors**” means one or more Inspectors appointed pursuant to section 116(1) of the BIA, as provided for in the Proposal;

“**Interim Receiver**” means MNP Ltd., solely in its capacity as interim receiver of A2A pursuant to the Interim Receivership Order, and not in its personal capacity;

“Interim Receivership Order” means the Amended and Restated Interim Receivership Order granted by the Court in Court File No. 24-2746532 on October 13, 2021;

“Lessor” means the holder of a commercial real property lease that was disclaimed or resiliated pursuant to Section 65.2(1) of the BIA following the NOI Date;

“Levy” means the levy payable to the Superintendent of Bankruptcy pursuant to section 147 of the BIA;

“New Common Shares” means the shares of A2A to be issued to the Unaffected Secured Creditor on the Implementation Date;

“NOI Date” means June 18, 2021, the date on which A2A filed a Notice of Intention to Make a Proposal with the Official Receiver;

“Official Receiver” shall have the meaning ascribed thereto in the BIA;

“Order” means any award, writ, injunction, judgment, order or decree entered, issued, made or rendered by the Court;

“Ordinary Unsecured Creditors” means those Persons with Claims that are proved in respect of debts and liabilities present or future to which A2A was subject at the NOI Date or to which A2A may become subject by reason of obligations incurred before the NOI Date except for those Claims:

- a) that are by the Unaffected Secured Creditor;
- b) that are Crown Claims;
- c) that have been finally and conclusively disallowed or found by the Court not to be provable Claims;
- d) that are by Preferred Creditors; or
- e) that are for Administrative Fees and Expenses;

“Person” is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government authority or any agency, officer or instrumentality thereof or any other entity, wherever situated or domiciled, and whether or not having legal status;

“Post-Filing Claim” means any Claims arising in respect of Post-Filing Goods and Services;

“Post-Filing Goods and Services” means in respect of this Proposal, the goods supplied or services rendered to A2A on and after the NOI Date and up to and including Court Ratification;

“Preferred Claims” means any Claims by Preferred Creditors;

“Preferred Creditors” means those persons with Claims that are provable and proved under the BIA and which are required by Section 136 of the BIA to be paid in priority to the Claims of Ordinary Unsecured Creditors;

“Proof of Claim” shall mean the proof of claim required by the BIA to be mailed to each known Creditor prior to the Creditors’ Meeting;

“Proposal” means this proposal together with any amendments or additions thereto;

“Proposal Payment” means the lesser of the amount of the Proven Claim of an Ordinary Unsecured Creditor and \$1,000;

“Proven Claim” of a Creditor means the amount of the Affected Claim of such Creditor finally determined in accordance with BIA;

“Section 95-101 Claims” shall have the meaning assigned to them in section 9.1 herein.

“Secured Claim” means a Claim related to a mortgage, hypothec, charge, pledge, charge or lien on or against the property or assets of the Debtor as security for a debt due or accruing;

“Trustee” means MNP Ltd., or its duly appointed successor or successors, solely in its capacity as Trustee under the Notice of Intention to Make a Proposal of A2A and under this Proposal, and not in its personal capacity;

“Unaffected Claims” means the claim of the Unaffected Secured Creditor, Administrative Fees and Expenses, Post-Filing Claims and any Claims of the Unaffected Secured Creditor in relation to the payment of the Dividend Fund, the payment of the Crown Claims or the payment of Claims by Preferred Creditors;

“Unaffected Secured Creditor” means Bridging Finance Inc., in its capacity as agent on behalf of Bridging Income Fund LP and the related investment funds from time to time acting as lender in connection with the Bridging Loan Agreement and the First Secured Debt;

“Voting Claim” means the amount of the Proven Claim of the Affected Creditors, as determined for voting purposes in accordance with the provisions of the BIA;

“Voting Letter” shall mean the voting letter required by section 51(1) of the BIA to be mailed to each known Creditor prior to the Creditors’ Meeting; and

1.2 Articles of Reference

The terms “hereof”, “hereunder”, “herein” and similar expressions refer to the Proposal and not to any particular article, section, subsection, clause or paragraph of the Proposal and include any agreements supplemental hereto. In the Proposal, a reference to an article, section, subsection, clause or paragraph will, unless otherwise stated, refer to an article, section, subsection, clause or paragraph of the Proposal.

1.3 Interpretation Not Affected by Headings

The division of the Proposal into articles, sections, subsections, clauses or paragraphs and the insertion of a table of contents and headings are for convenience of reference only and will not affect the construction or interpretation of this Proposal.

1.4 Date for Any Action

In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day.

1.5 Time

All times expressed herein are local time in Edmonton, Alberta, Canada unless otherwise stipulated. Where the time for anything pursuant to the Proposal on a particular date is unspecified herein, the time shall be deemed to be 5:00 p.m. local time in Edmonton, Alberta, Canada.

1.6 Numbers, Gender

In the Proposal, where the context requires, a word importing the singular number will include the plural and vice versa and a word or words importing gender will include all genders.

1.7 Currency

Unless otherwise stated herein, all references to currency in the Proposal are to lawful money of Canada.

1.8 Statutory References

Except as otherwise provided herein, any reference in the Proposal to a statute includes all regulations made thereunder, all amendments to such statute or regulation(s) in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulation(s).

1.9 Successors and Assigns

The Proposal will be binding upon and will enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in the Proposal.

1.10 Including

The word "including", or any variation thereof means "including without limitation", and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

ARTICLE 2 PURPOSE OF THE PROPOSAL

2.1 Purpose of the Proposal

The purpose of the Proposal is to allow the Debtor to effect the restructuring of its indebtedness in the manner contemplated herein and as permitted by the BIA in the expectation that all Affected Creditors will derive greater benefit from the restructuring than they would otherwise receive from a bankruptcy of the Debtor and to provide for:

- a) the distributions by the Trustee to pay the Crown Claims and the Proven Claims of Preferred Creditors;
- b) the distribution by the Trustee of the Proposal Payments from the Dividend Fund to the Ordinary Unsecured Creditors on account of their Affected Claims that are Proven Claims;
- c) the effective redemption or cancellation of all Existing Shares; and
- d) the issuance of New Common Shares to the Unaffected Secured Creditor.

The Proposal provides for the foregoing consideration in exchange for the full compromise and final satisfaction of all Affected Claims. The Proposal applies to all Affected Creditors, whether or not any such Affected Creditor proves a Claim against the Debtor under this Proposal but does not apply to the Unaffected Claims.

ARTICLE 3 CLASSIFICATION OF CREDITORS

3.1 Classes of Creditors

For the purposes of voting on the Proposal, the Affected Creditors of the Debtor shall be comprised of a single class.

ARTICLE 4 TREATMENT OF CREDITORS

4.1 Administrative Fees and Expenses

On the Implementation Date, all Administrative Fees and Expenses incurred to that date which remain unpaid shall be paid by the Trustee in full from funds on hand at A2A or paid by the Unaffected Secured Creditor to the Trustee in addition to the Dividend Fund. The Administration Charge secures such Administrative Fees and Expenses, in accordance with the terms of the Interim Receivership Order.

4.2 Binding Effect and Distribution

Pursuant to section 62 of the BIA, this Proposal shall become binding on all Affected Creditors in respect the Debtor upon acceptance by the Affected Creditors pursuant to section 7.6 hereof and Court Ratification. Thereafter:

- a) The Trustee shall pay all Crown Claims pursuant to this Proposal and in accordance with section 59 of the BIA;
- b) The Trustee shall make all distributions to Preferred Creditors pursuant to this Proposal and in accordance with section 136 of the BIA; and
- c) The Trustee shall make the Proposal Payments from the Dividend Fund to Ordinary Unsecured Creditors pursuant to this Proposal.

4.3 Interest on Claims

Interest will not accrue or be paid on Affected Claims after or in respect of the period following the NOI Date and no Affected Creditor will be entitled to any interest in respect of its Claim accruing on or after or in respect of the period following the NOI Date.

4.4 Crown Claims

Unless Her Majesty in Right of Canada agrees otherwise, the Crown Claims shall be paid by the Trustee to Her Majesty in Right of Canada forthwith after having received the funds describe in 4.6(a)(i) upon Court Ratification from the Unaffected Secured Creditor, which amount shall be added to the First Secured Debt.

4.5 Claims by Lessors

Any Claim by a Lessor may be filed in an amount equal to the lesser of:

- a) The aggregate of:
 - (i) The rent provided for in the relevant lease for the first year of that lease following the date on which the disclaimer or resiliation becomes effective; and
 - (ii) Fifteen per cent of the rent for the remainder of the term of the relevant lease after that year; and
- b) Three years rent.

4.6 Obligations of the Unaffected Secured Creditor

- a) The Unaffected Secured Creditor shall, immediately upon Court Ratification:
 - (i) pay the amount required to satisfy the Crown Claims to the Trustee, provided such claims have been fully determined;
 - (ii) pay the amount required to create the Dividend Fund to the Trustee;
 - (iii) pay the amount required to satisfy any Preferred Claims to the Trustee; and
 - (iv) pay sufficient additional funds to the Trustee to enable the Trustee to pay and Post-Filing Claims incurred prior to the Implementation Date; and

- b) To the extent that A2A does not have sufficient funds to do so, the Unaffected Secured Creditor shall pay to the Trustee all Administrative Fees and Expenses up to and including the date of the Trustee's discharge in accordance with Section 8.1.

4.7 Superintendent of Bankruptcy Levy

The Office of the Superintendent of Bankruptcy shall be paid its prescribed levy as required by sections 60(4) and 147 of the BIA: (i) by the Trustee from any dividends paid to the Proven Creditors.

4.8 Treatment of Equity Claims

On the Implementation Date, all issued and outstanding Equity Interests and all Equity Claims shall be fully, finally, irrevocably and forever compromised, settled, released, discharged, extinguished, redeemed, cancelled and barred without the consent of the Creditors or any other Person holding such Equity Claims and the New Common Shares shall be issued in accordance with the terms herein.

4.9 Treatment of Unaffected Claims

Unaffected Creditors will not receive any consideration or distributions under this Proposal in respect of their Unaffected Claims and shall not be entitled to vote on this Proposal at any Creditors' Meeting in respect of their Unaffected Claims.

4.10 Disputed Claims

An Affected Creditor with a Disputed Claim shall not be entitled to receive any distribution hereunder with respect to such Disputed Claim unless and until such Claim becomes a Proven Claim. Distributions made pursuant to this Proposal shall be made in respect of any Disputed Claim that is finally determined to be a Proven Claim. The procedure for resolving any Disputed Claims will be as set forth in the BIA.

4.11 Post-Filing Claims

Post-Filing Claims will be paid in full by the Interim Receiver until Court Ratification and, following that, by the Debtor in the ordinary course of business and on regular trade terms, or as may otherwise be arranged with the holders of such Post-Filing Claims.

4.12 Timing of Payments

The Unaffected Secured Creditor will fund the Proposal by providing sufficient funds to pay the Crown Claims, the Preferred Claims, the amount required to create the Dividend Fund and any outstanding Administrative Fees and Expenses upon Court Ratification of the Proposal.

**ARTICLE 5
REORGANIZATION**

5.1 Issuance of Shares to the Unaffected Secured Creditor

Upon Court Ratification, in further consideration for its agreement to pay the Crown Claims, the Claims of Preferred Creditors, the Dividend Fund and Administrative Fees and Expenses, the Unaffected Secured Creditor shall be issued the New Common Shares, as further set out in the Articles of Reorganization.

**ARTICLE 6
PROCEDURE FOR VALIDATION OF CLAIMS**

6.1 Allowance or Disallowance of Claims by the Trustee

Upon receipt of a completed Proof of Claim, the Trustee shall examine the Proof of Claim and shall deal with each Proof of Claim in accordance with the provisions of the BIA.

**ARTICLE 7
MEETING OF CREDITORS**

7.1 Creditors' Meeting

On the Creditors' Meeting Date, the Trustee shall hold the Creditors' Meeting in order for the Affected Creditors to consider and vote upon the Proposal.

7.2 Time and Place of Meeting

The Creditors' Meeting shall be held on the Creditors' Meeting Date at a time and place to be established by the Trustee in consultation with Official Receiver, or the nominee thereof, and confirmed in its notice of meeting to be mailed by the Trustee pursuant to the BIA. All Proofs of Claim shall be delivered in accordance with the provisions of the Proposal, the BIA and any Order which may be issued by the Court in respect of the procedure governing the Creditors' Meeting, subject at all times to (i) further Order of the Court, including any Order respecting COVID-19 related creditor meeting protocols; and (ii) any COVID-19 related creditor meeting directive issued by the Official Receiver.

7.3 Conduct of Meetings

The Official Receiver, or the nominee thereof, shall preside as the chair of the Creditors' Meeting and will decide all matters relating to the conduct of the Creditors' Meeting. The only Persons entitled to attend the Creditors' Meeting are those Affected Creditors, including the holders of proxies, entitled to vote at the Creditors' Meeting and their respective legal counsel, if any, the officers, directors, auditors and legal counsel of the Debtor, one or more representatives of and legal counsel to the Unaffected Secured Creditor, together with such representatives of the Trustee and representatives of the Trustee's legal counsel as the Trustee may appoint in its discretion, and such scrutineers as may be duly appointed by the chair of such meeting. Any other Person may be admitted on invitation of the chair of the Creditors' Meeting or with the consent of the Creditors.

7.4 Adjournment of Meetings

The Creditors' Meeting may be adjourned in accordance with Section 52 of the BIA.

7.5 Voting by Affected Creditors

To the extent provided for herein, and as prescribed in the BIA, each Affected Creditor will be entitled to vote to the extent of the amount which is equal to the amount accepted by the chair of the Creditors' Meeting for voting purposes or such amount as may be agreed to by the Trustee for voting purposes at or prior to the Creditors' Meeting (dollar amounts to be voted by Affected Creditors in accordance with the foregoing are referred to as "Voting Claims").

7.6 Approval by Creditors

In order for the Proposal to be binding on the Affected Creditors in accordance with the BIA, it must first be accepted by a majority in number of the Affected Creditors with Voting Claims, who are present (in person or by proxy) at the Creditors' Meeting or have filed a Voting Letter, representing two-thirds in value of the Voting Claims of the Affected Creditors who actually have filed Claims approved by the chair for voting and are present (in person or by proxy) at the Creditors' Meeting or have filed a Voting Letter. Approval of the Proposal by the class of Affected Creditors shall bind such class with regard to all Affected Claims against the Debtor.

7.7 Appointment of Inspectors

In accordance with section 56 of the BIA, at the Creditors' Meeting, the Affected Creditors may appoint up to five (5) Inspectors who will have the powers set out in the BIA. Any decision, direction or act of the Inspectors may be referred to the Court by the Trustee, the Affected Creditors or the Inspectors and the Court may confirm, reverse or modify the decision, direction or act and make such Order as it thinks just.

The authority and term of office of the Inspectors will terminate upon the full performance of the Proposal.

7.8 Valuation of Claims

The procedure for valuing Claims of Creditors and resolving disputes with respect to such Claims will be as set forth in Article 6 and the BIA.

ARTICLE 8 COMPLETION OF THE PROPOSAL

8.1 Discharge of Trustee

Upon distribution by the Trustee to pay the Crown Claims, the Preferred Claims and to make the Proposal Payments and the Trustee having issued the certificate of full performance, this Proposal shall be fully performed. The Trustee will proceed to apply for its discharge thereafter in due course.

The Trustee is acting in its capacity as Trustee under the BIA and not in its personal capacity and no officer, director, employee or agent of the Trustee, or the Trustee, shall incur any liabilities or obligations in

connection with the Proposal, in respect of the business or obligations of the Debtor or the Unaffected Secured Creditor and will be exempt from any personal liability in fulfilling any duties or exercising any powers conferred upon it by this Proposal unless such acts have been carried out in bad faith and constitute a wilful misconduct or gross negligence.

8.2 Completion of the Proposal

The payment, compromise, extinguishment or other satisfaction of any Affected Claim under the Proposal will be binding upon each Affected Creditor, its heirs, executors, administrators, successors and assigns, for all purposes, and as and from the Implementation Date all Affected Claims against the Debtor shall be forever discharged and released, excepting only the obligations to make distributions in respect of such Affected Claims in the manner and to the extent provided for in this Proposal.

ARTICLE 9 PREFERENCES, TRANSFERS AT UNDERVALUE, ETC.

9.1 Sections 95-101 of the BIA

In conformity with Section 101.1 of the BIA, all of the rights, remedies and recourses under Sections 95-101 of the BIA and any provincial statute related to preferences, fraudulent conveyances, transfers at undervalue, or the like (the “**Section 95-101 Claims**”) shall be exclusively assigned to the Unaffected Secured Creditor upon Court Ratification of the Proposal and no other Creditor shall have any rights, remedies or recourses related to the Section 95-101 Claims.

9.2 Recourse

As a result of and in accordance with Section 9.1 hereof and all of the rights, remedies, recourses and Affected Claims described therein:

- a) all such rights, remedies and recourses related to the Section 95-101 Claims will not be available to the Affected Creditors. For greater certainty, the rights of the Unaffected Secured Creditor to pursue any Section 95-101 Claims will not be affected; and
- b) all of the Affected Creditors shall be deemed, for all purposes whatsoever, to have irrevocably and unconditionally waived and renounced any rights, remedies and recourses related to the Section 95-101 Claims upon Court Ratification of the Proposal.

ARTICLE 10 MISCELLANEOUS

10.1 Modification of Proposal

Subject to obtaining the prior written consent of the Trustee and the Unaffected Secured Creditor, the Debtor may propose one or more alterations or modifications to the Proposal prior to the conclusion of the Creditors’ Meeting called to consider the Proposal.

10.2 Appointment of New Directors

Upon Court Ratification, a new director shall be appointed for A2A by the Unaffected Secured Creditor.

10.3 Consents, Waivers and Agreements

As at 12:01 a.m. on the Implementation Date, each Affected Creditor will be deemed to have:

- a) executed and delivered to the Debtor all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the Proposal in its entirety;
- b) waived any default by the Debtor in any provision, express or implied, in any agreement or other arrangement, written or oral, existing between such Affected Creditor and the Debtor that has occurred on or prior to the Implementation Date;
- c) agreed, in the event that there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such Affected Creditor and the Debtor as at the Implementation Date (other than those entered into by the Debtor on, or with effect from, the Implementation Date) and the provisions of the Proposal, that the provisions of this Proposal shall take precedence and priority and the provisions of such agreement or other arrangement shall be amended accordingly; and
- d) released the Debtor and the Trustee and all of the Trustee's respective affiliates, employees, agents, directors, officers, shareholders, advisors, consultants and solicitors from any and all Claims and any other demands, actions, causes of action, counter-claims, suits, debts, sums of money, accounts, covenants, damages, judgements, expenses, executions, liens, set off rights and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date, relating to or arising out of or in connection with the matters herein.

10.4 Conditions to Proposal Implementation

The implementation of the Proposal by the Debtor will be conditional upon the fulfilment or satisfaction of the following conditions:

- a) approval of the Proposal by the Affected Creditors pursuant to Section 7.6;
- b) Court Ratification; and
- c) confirmation that the amount required for the Proposal Payments will not exceed the maximum amount of the Dividend Fund; and
- d) the payment by the Unaffected Secured Creditor of an amount sufficient to pay the Crown Claims, the Claims by Preferred Creditors, the Dividend Fund, any unpaid Post-Filing Claims and the Administrative Fees and Expenses.

10.5 Effect of Proposal Generally

As at 12:01 a.m. on the Implementation Date, the treatment of all Claims under the Proposal shall be final and binding the Debtor and all Affected Creditors (along with their respective heirs, executors, administrators, legal personal representatives, successors and assigns) and the Proposal shall constitute (i) a full, final and absolute settlement of all rights of the holders of the Affected Claims affected hereby; and (ii) an absolute release and discharge of all indebtedness, liabilities and obligations of the Debtor of or in respect of such Affected Claims.

10.6 Notices

Any notices or communication to be made or given hereunder shall be in writing and shall refer to this Proposal and may, subject as hereinafter provided, be made or given by personal delivery, by prepaid mail or by receipted email (except for Proofs of Claim which may only be sent by personal delivery, receipted email or registered mail) addressed to the respective parties as follows:

- a) if to a Creditor, to the address or email address for such Creditor specified in the Proof of Claim filed by Creditor or, if no Proof of Claim has been filed, to such other address or email address at which the notifying party may reasonably believe that the Creditor may be contacted; and
- b) if to the Trustee, the Interim Receiver or the Debtor:

MNP Ltd.
1500, 640 – 5 Avenue SW
Calgary, Alberta T2P 3G4

Attention: Vanessa Allen and Jacqueline Shellon
Email: vanessa.allen@mnp.ca; jacqueline.shellon@mnp.ca

With a copy to:

Lawson Lundell LLP
Suite 1100, 225 – 6th Avenue SW
Calgary, Alberta T2P 1N2

Attention: Alexis Teasdale
Email: ateasdale@lawsonlundell.com

or to such other address or email address as any party may from time to time notify the others in accordance with this section. In the event of any strike, lock-out and other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be given or made by personal delivery or by receipted email and any notice or other communication given or made by prepaid mail within the five (5) Business Day period immediately preceding the commencement of such interruption will be deemed not to have been given or made. All such notices and communications will be deemed to have been received, in the case of notice by email or by delivery prior to 5:00 p.m. (local time) on a Business Day, when received or if received after 5:00 p.m. (local time) on a Business Day or at any time on a non-Business Day, on the next following Business Day and in the case of notice mailed as

aforesaid, on the fifth (5th) Business Day following the date on which such notice or other communication is mailed. The unintentional failure to give a notice contemplated hereunder to any particular Creditor will not invalidate this Proposal or any action taken by any Person pursuant to this Proposal.

10.7 Assignment of Claims

No assignment of a Claim by an Affected Creditor is effective to give the assignee any rights in respect of the Proposal unless written notice of the assignment is given to the Debtor and the Trustee in accordance with the requirements of Section 10.6. The assignment of the Claim will not be effective for a period of five (5) Business Days from the date of effective receipt of the notice of assignment by the Debtor and by Trustee as determined in accordance with Section 10.6.

10.8 Foreign Currency Obligations

For purposes of this Proposal, Claims denominated in a currency other than Canadian funds will be converted to Canadian Dollars at the closing spot rate of exchange of the Bank of Canada on the NOI Date.

10.9 Applicable Law

The Proposal shall be construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein and shall be treated in all respects as an Alberta contract.

10.10 Non Severability

It is intended that all material provisions of this Proposal shall be fully binding on and effective between all Persons named or referred to in this Proposal and in the event that any material provision or provisions of the Proposal is or are found by the Court to be void, voidable or unenforceable for any reason whatever, then the remainder of this Proposal and all other provisions shall be void and of no force or effect.

The remainder of this page intentionally left blank.

10.11 Deeming Provisions

In the Proposal, the deeming provisions are not rebuttable and are conclusive and irrevocable.

DATED at the City of Calgary, in the Province of Alberta, this 27th day of October 2021.

**MNP LTD. in its capacity as Interim Receiver of
Alaska – Alberta Railway Development
Corporation and not in its personal or corporate
capacity**



Per: _____
Name:
Title:

SCHEDULE "A"

ARTICLES OF REORGANIZATION

See attached.

Articles of Reorganization

Alaska – Alberta Railway Development Corporation

1. to create an unlimited number of shares of a class designated as “New Common Shares”;
2. to cancel all Existing Shares;
3. to cancel all existing options, warrants, convertible instruments and any other rights or interests that are capable of being converted into Common Shares or Preferred Shares, except for the Convertible Debenture;
4. to remove the authorized but unissued Common Shares and Preferred Shares and all rights, privileges, restrictions and conditions attaching thereto;
5. to declare that the capital of the Corporation after giving effect to the foregoing shall consist of an unlimited number of New Common Shares with the following rights, privileges, restrictions and conditions:
 - (a) **Payment of Dividends:** The holders of the New Common Shares will be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board may from time to time determine. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or concurrently with the holders of the New Common Shares, the board may in its sole discretion declare dividends on the New Common Shares to the exclusion of any other class of shares of the Corporation.
 - (b) **Participation upon Liquidation, Dissolution or Winding Up:** In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the New Common Shares will be entitled to receive assets of the Corporation. Such distribution will be made in equal amounts per share on all the New Common Shares at the time outstanding without preference or distinction.
 - (c) **Voting Rights:** Subject to the provisions of the Act, the holders of the New Common Shares will be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each New Common Share held at all such meetings.
6. to establish that there shall be a minimum number of one and a maximum number of ten directors of the Corporation;
7. to replace “Schedule B” of the Debtor’s articles of incorporation to provide that the issue, transfer or ownership of shares of the Debtor is restricted and the restrictions (if any) are as follows:

The right to transfer shares of the Corporation shall be restricted in that no shares shall be transferred without either: (a) the consent of the directors of the Corporation expressed by a resolution passed by the directors or by an instrument or instruments in writing signed by a majority of the directors, which consent may be given either prior or subsequent to the time of transfer of such shares, or (b) the consent of the holders of shares of the Corporation to which are attached at least a majority of the votes attaching to all shares of the Corporation for the time being outstanding carrying a voting right either under all circumstances or under some circumstances that have occurred and are continuing, expressed by resolution passed by such shareholders or by an instrument or instruments in writing by such shareholders, which consent may be given either prior or subsequent to the time of transfer of such shares.

8. For the purposes of these Articles the following capitalized terms shall have the following respective meanings:
- (a) **“Act”** shall mean the *Business Corporations Act* (Alberta), as amended.
 - (b) **“Common Shares”** shall mean the common shares of the Corporation in existence immediately prior to the Effective Time.
 - (c) **“Effective Time”** shall mean 12:01 a.m. on the “Implementation Date” as defined in the Proposal.
 - (d) **“New Common Shares”** shall mean the new common shares of the Corporation.
 - (e) **“Preferred Shares”** shall mean the preferred shares of the Corporation in existence immediately prior to the Effective Time.
 - (f) **“Proposal”** shall mean the Proposal pursuant to Part III of the *Bankruptcy and Insolvency Act* (Canada) of the Corporation to its creditors dated October 27, 2021.

EXHIBIT C

District of: Alberta
Division No. 02 - Calgary
Court No. 24-2746532
Estate No. 24-2746532

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

In the Matter of the Proposal of
Alaska - Alberta Railway Development Corporation

Take notice that Alaska - Alberta Railway Development Corporation of the city of Edmonton in the Province of Alberta has lodged with me a proposal under the *Bankruptcy and Insolvency Act*.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed.

A general meeting of the creditors will be held on the 9th day of November 2021 at 10:00 AM at:
<https://us02web.zoom.us/j/4343814113?pwd=MzFURVFrZkhNSzN2ZmM5akdqeUUrUT09>.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim must be lodged with me prior to the commencement of the meeting.

Proxies and voting letters intended to be used at the meeting may be filed at any time up until the moment a vote is called.

Dated at the city of Calgary in the Province of Alberta, this 27th day of October 2021.

MNP Ltd. - Licensed Insolvency Trustee
Per:



Vanessa Allen - Licensed Insolvency Trustee
1500, 640 - 5 Avenue SW
Calgary AB T2P 3G4
Phone: (403) 477-9661 Fax: (403) 537-8437

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
5321328 Manitoba Inc.	2500 - 360 Main Street Winnipeg MB R3C 4H6		3,725,372.63
7198362 Manitoba Ltd.	2500 - 360 Main Street Winnipeg MB R3C 4H6		8,966,257.50
Alayna Ward-Award Communications	553 Whites Road Trenton ON K8V 5P8		5,040.00
Altek Construction Ltd.	4 - 11720 Stewart Crescent Maple Ridge BC V2X 9E7		100,815.62
Arnold & Porter	P.O. Box 759451 Baltimore MD 21275-9451 USA		928,632.54
Award Communications	553 Whites Road Trenton ON K8V 5P8		11,718.00
Axiom	11154 Bayshore Drive Anchorage AK 99515 USA		22,667.64
Bank of Montreal	P.O. Box 6044, STN Centre-Ville Montreal QC H3C 3X2	5112 4200 0022 4208	40,000.00
Barnes & Thornburg LLP	1000 N. West Street, Suite 1500 Wilmington DE 19801-1054 USA		13,013.00
Brattle	One Beacon Street, Suite 2600 Boston MA 02108 USA		333,065.62
Brian Love	22-23 Normandy Road Whitehorse YT Y1A 0L4		29,568.87
Bridging Income Fund LP	c/o PWC Suite 2600 - 18 York Street Toronto ON M5J 0B2		212,891,590.00
Britt Radius	1100, 630 - 6th Avenue SW Calgary AB T2P 0S8		692.53
Coates Holdroyd Consulting	202 - 1630 Quebec Ave. Saskatoon SK S7K 1V7		42,500.00
Communica Public Affairs Inc.	c/o Fast Trippier Law 10 Donald Street Winnipeg MB R3C 1L5		154,117.93
CRA - Service Canada	140 Promenade Du Portage Phase IV 2nd Flr. Gatineau QC K1A 0J9		45,941.08
CSC	251 Little Falls Drive Wilmington Delaware 19808-1674 USA		487.64
Dean Dokkie	7779 West Moberly Road Moberly Lake BC V0C 1X0		4,253.26

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Deborah Archibald (Archibald Robb Consulting)	Unit #1, 809 Sixth Street Canmore AB T1W 2V1		1,381.80
Don Pope - EcoStep Environmental Consulting Ltd	9126 - 80 Avenue NW Edmonton AB T6C 0T8		2,047.50
Dr. Ken Coates	1926 Pohorecky Terrace Saskatoon SK S7S 1N1		39,280.50
Environmental Dynamics Inc	2195 2nd Ave Whitehorse YT Y1A 3T8		4,778.99
Fort Nelson First Nation	RR 1 Mile 295 Alaska Hwy Fort Nelson BC V0C 1R0		23,785.13
Future 500	588 Sutter Street, #212 San Francisco CA 94102 USA		14,111.08
HDR Engineering	100 York Boulevard, Suite 300 Richmond Hill ON L4B 1J8		2,006,794.00
Hydrogeological Consultants HCL	17740 - 118 Avenue NW Edmonton AB T5S 2W3		2,385.65
Jack Ferguson and Associates	203 Maryland Avenue NE Washington DC 20002 USA		165,000.00
Jason Smith (Jacobs)	540 - 12th Avenue SW Calgary AB T2R 0H4		5,207.21
JP Gladu Expenses	Mokwateh 1 Copper Thunderbird Road SandPoint First Nation ON P0T 2B0		3,193.37
Keja Nokomis Whiteman	1500, 640 - 5th Avenue SW Calgary AB T2P 3G4		3,785.63
McKinsey	PO Box 7247-7255 Philadelphia PA 191 70-7255 USA		3,339,114.90
Navigator	121 King Street West, Suite 1810 Toronto ON M5H 3T9		236,115.38
NPA	Suite 201, 212 Main Street Whitehorse YT Y1A 2B1		39,280.00
Outcrop Communications Ltd	305 - 104 Elliott Street Whitehorse YT Y1A 0M8		4,751.35
Peter Scholz	Box 436, #400, 3rd Ave Arviat NU X0C 0E0		37,751.30
Peter Wallis Consulting	110 Sienna Ridge Landing SW Calgary AB T3H 3T1		13,178.64
Pinpoint Consulting Inc.	7632 Quail Hill Road Charlotte NC 28210 USA		15,513.75

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Prolog	PO Box 31798 Whitehorse YT Y1A 6L3		1,575.00
Qilak LNG	1029 W 3rd Avenue, Suite 500 Anchorage AK USA		18,022.59
Sean McCoshen	12905 - 127 Avenue NW Edmonton AB T5L 1H8		250,000.00
Serecon	600 - 10665 Jasper Ave. Edmonton AB T5J 3S9		23,600.23
State of Alaska - Dept of Natural Resources	550 W 7th Avenue, Suite 1430 Anchorage AK 99501 USA		24,345.91
Tetrattech Yukon	14940 - 123 Avenue Edmonton AB T5V 1B4		876.75
Thompson Hine	3900 Key Tower, 127 Public Square Cleveland OH 441 14-129 USA		34,093.78
Thurber Engineering	4127 Roper Road Edmonton AB T6B 3S5		4,876.20
Torys	4600 525 - 8th Avenue SW Calgary AB T2P 1G1		379,017.05
Uptown Property Group	Suite 330 - 555 Sixth Street New Westminster BC V3L 5H1		15,793.71
Uqaqti Consulting	P.O. Box 74194 AK 99707 USA		27,000.00
Total			234,052,391.26

EXHIBIT D

District of: Alberta
 Division No. 01 - Edmonton
 Court No. 24-2746532
 Estate No. 24-2746532

Original

Amended

- Form 78 -
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the Matter of the Proposal of
 Alaska - Alberta Railway Development Corporation

To the debtor:
 You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 18th day of June 2021. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	21,115,069.61	1. Inventory	0.00
Balance of secured claims as per list "B"	212,937,529.08	2. Trade fixtures, etc.	0.00
Total unsecured creditors	<u>234,052,598.69</u>	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	2.00	Good	0.00
3. Preferred creditors as per list "C"	0.00	Doubtful	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00	Bad	<u>58,914,500.00</u>
Total liabilities	<u>234,052,600.69</u>	Estimated to produce	0.00
Surplus	<u>NIL</u>	4. Bills of exchange, promissory note, etc., as per list "F"	0.00
		5. Deposits in financial institutions	0.00
		6. Cash	1.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRIFs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H"	1.00
		If debtor is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	2.00
		Deficiency	<u>234,052,598.69</u>

I, MNP Ltd. in its capacity as Interim Receiver of Alaska - Alberta Railway Development Corporation and not in its, of the city of Edmonton in the Province of Alberta, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 27th day of October 2021 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the city of Calgary in the Province of Alberta, on this 27th day of October 2021.

e-Signed by Hajara Thaha
 2021-10-27 19:15:06:06 GMT

Hajara Thaha, Commissioner of Oaths
 For the Province of Alberta
 Expires October 9, 2024

e-Signed by Vanessa Allen
 2021-10-27 19:15:07:07 GMT

MNP Ltd. in its capacity as Interim Receiver of
 Alaska - Alberta Railway Development
 Corporation and not in its personal capacity

District of: Alberta
 Division No. 01 - Edmonton
 Court No. 24-2746532
 Estate No. 24-2746532

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Alaska - Alberta Railway Development Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	5321328 Manitoba Inc.	2500 - 360 Main Street Winnipeg MB R3C 4H6	3,725,372.63	0.00	3,725,372.63
2	7198362 Manitoba Ltd.	2500 - 360 Main Street Winnipeg MB R3C 4H6	8,966,257.50	0.00	8,966,257.50
3	Air Alaska (Alpine)	2000 Airport Road NE Calgary AB T2E 6W5	1.00	0.00	1.00
4	Alayna Ward-Award Communications	553 Whites Road Trenton ON K8V 5P8	5,040.00	0.00	5,040.00
5	Alberta Treasury Board & Finance Attn: Hazel Trombley	9811 - 109 Street Edmonton AB T5K 2L5	1.00	0.00	1.00
6	Altek Construction Ltd.	4 - 11720 Stewart Crescent Maple Ridge BC V2X 9E7	100,815.62	0.00	100,815.62
7	Arnold & Porter	P.O. Box 759451 Baltimore MD 21275-9451 USA	928,632.54	0.00	928,632.54
8	Award Communications	553 Whites Road Trenton ON K8V 5P8	11,718.00	0.00	11,718.00
9	Axiom	11154 Bayshore Drive Anchorage AK 99515 USA	22,667.64	0.00	22,667.64
10	Bank of Montreal 5112 4200 0022 4208	P.O. Box 6044, STN Centre-Ville Montreal QC H3C 3X2	40,000.00	0.00	40,000.00
11	Barnes & Thornburg LLP	1000 N. West Street, Suite 1500 Wilmington DE 19801-1054 USA	13,013.00	0.00	13,013.00
12	Brattle	One Beacon Street, Suite 2600 Boston MA 02108 USA	333,065.62	0.00	333,065.62
13	Brian Love	22-23 Normandy Road Whitehorse YT Y1A 0L4	29,568.87	0.00	29,568.87
14	Bridging Income Fund LP	c/o PWC Suite 2600 - 18 York Street Toronto ON M5J 0B2	0.00	212,891,590.00	212,891,590.00
15	Britt Radius	1100, 630 - 6th Avenue SW Calgary AB T2P 0S8	692.53	0.00	692.53
16	Cassels Brock LLP	3810, 888 - 3rd Street SW Calgary AB T2P 5C5	1.00	0.00	1.00
17	Clear Concepts	219 Kennedy Street Winnipeg MB R3C 1S8	194.43	0.00	194.43
18	Coates Holdroyd Consulting	202 - 1630 Quebec Ave. Saskatoon SK S7K 1V7	42,500.00	0.00	42,500.00
19	Communica Public Affairs Inc.	c/o Fast Trippier Law 10 Donald Street Winnipeg MB R3C 1L5	154,117.93	0.00	154,117.93
20	CRA - Service Canada	140 Promenade Du Portage Phase IV 2nd Flr. Gatineau QC K1A 0J9	0.00	45,939.08	45,939.08
21	CRA - Tax - Prairies	Surrey National Verification and Collection Centre 9755 King George Blvd Surrey BC V3T 5E1	1.00	0.00	1.00
22	CSC	251 Little Falls Drive Wilmington Delaware 19808-1674 USA	487.64	0.00	487.64
23	Dean Dokkie	7779 West Moberly Road Moberly Lake BC V0C 1X0	4,253.26	0.00	4,253.26

27-Oct-2021

Date

e-Signed by Vanessa Allen
 2021-10-27 19:15:12 GMT

MNP Ltd. in its capacity as Interim Receiver of
 Alaska - Alberta Railway Development Corporation
 and not in its personal capacity

District of: Alberta
 Division No. 01 - Edmonton
 Court No. 24-2746532
 Estate No. 24-2746532

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Alaska - Alberta Railway Development Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
24	Deborah Archibald (Archibald Robb Consulting)	Unit #1, 809 Sixth Street Canmore AB T1W 2V1	1,381.80	0.00	1,381.80
25	Dentons Canada LLP	20th Floor, 250 Howe Street Vancouver BC V6C 3R8	1.00	0.00	1.00
26	Don Pope - EcoStep Environmental Consulting Ltd	9126 - 80 Avenue NW Edmonton AB T6C 0T8	2,047.50	0.00	2,047.50
27	Dr. Ken Coates	1926 Pohorecky Terrace Saskatoon SK S7S 1N1	39,280.50	0.00	39,280.50
28	Environmental Dynamics Inc	2195 2nd Ave Whitehorse YT Y1A 3T8	4,778.99	0.00	4,778.99
29	Fast Trippier Clunie Wittman LLP Attn: Faron J. Trippier/Irina Vakurova	10 Donal Street Winnipeg MB R3J 1L5	1.00	0.00	1.00
30	Fort Nelson First Nation	RR 1 Mile 295 Alaska Hwy Fort Nelson BC V0C 1R0	23,785.13	0.00	23,785.13
31	Future 500	588 Sutter Street, #212 San Francisco CA 94102 USA	14,111.08	0.00	14,111.08
32	G Seven Generations Ltd.	Box 2789 Revelstoke BC V0E 2S0	1.00	0.00	1.00
33	HDR Engineering	100 York Boulevard, Suite 300 Richmond Hill ON L4B 1J8	2,006,794.00	0.00	2,006,794.00
34	Hydrogeological Consultants HCL	17740 - 118 Avenue NW Edmonton AB T5S 2W3	2,385.65	0.00	2,385.65
35	Jack Ferguson and Associates	203 Maryland Avenue NE Washington DC 20002 USA	165,000.00	0.00	165,000.00
36	Jambo Software	4723 - 52 Ave NW, # 201 Edmonton AB T6B 3R6	1.00	0.00	1.00
37	Jason Smith (Jacobs)	540 - 12th Avenue SW Calgary AB T2R 0H4	5,207.21	0.00	5,207.21
38	John Vateriaus	2825 E. Cottonwood Parkway, Suite 200 Salt Lake City UT 84121 USA	1.00	0.00	1.00
39	JP Gladu Expenses	Mokwateh 1 Copper Thunderbird Road SandPoint First Nation ON P0T 2B0	3,193.37	0.00	3,193.37
40	Keja Nokomis Whiteman	1500, 640 - 5th Avenue SW Calgary AB T2P 3G4	3,785.63	0.00	3,785.63
41	McKinsey	PO Box 7247-7255 Philadelphia PA 191 70-7255 USA	3,339,114.90	0.00	3,339,114.90
42	MLT Aikins LLP Attn: Martin S. Minuk	30th Floor, 360 Main Street Winnipeg MB R3C 4G1	1.00	0.00	1.00
43	Navigator	121 King Street West, Suite 1810 Toronto ON M5H 3T9	236,115.38	0.00	236,115.38
44	NPA	Suite 201, 212 Main Street Whitehorse YT Y1A 2B1	39,280.00	0.00	39,280.00
45	Outcrop Communications Ltd	305 - 104 Elliott Street Whitehorse YT Y1A 0M8	4,751.35	0.00	4,751.35
46	Peter Scholz	Box 436, #400, 3rd Ave Arviat NU X0C 0E0	37,751.30	0.00	37,751.30
47	Peter Wallis Consulting	110 Sienna Ridge Landing SW Calgary AB T3H 3T1	13,178.64	0.00	13,178.64

27-Oct-2021

Date

e-Signed by Vanessa Allen
 2021-10-27 19:15:17 GMT

MNP Ltd. in its capacity as Interim Receiver of
 Alaska - Alberta Railway Development Corporation
 and not in its personal capacity

District of: Alberta
 Division No. 01 - Edmonton
 Court No. 24-2746532
 Estate No. 24-2746532

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Alaska - Alberta Railway Development Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
48	Pinpoint Consulting Inc.	7632 Quail Hill Road Charlotte NC 28210 USA	15,513.75	0.00	15,513.75
49	Prolog	PO Box 31798 Whitehorse YT Y1A 6L3	1,575.00	0.00	1,575.00
50	Qilak LNG	1029 W 3rd Avenue, Suite 500 Anchorage AK USA	18,022.59	0.00	18,022.59
51	Sean McCoshen	12905 - 127 Avenue NW Edmonton AB T5L 1H8	250,000.00	0.00	250,000.00
52	Serecon	600 - 10665 Jasper Ave. Edmonton AB T5J 3S9	23,600.23	0.00	23,600.23
53	State of Alaska - Dept of Natural Resources	550 W 7th Avenue, Suite 1430 Anchorage AK 99501 USA	24,345.91	0.00	24,345.91
54	Tetrattech Yukon	14940 - 123 Avenue Edmonton AB T5V 1B4	876.75	0.00	876.75
55	Thompson Hine	3900 Key Tower, 127 Public Square Cleveland OH 441 14-129 USA	34,093.78	0.00	34,093.78
56	Thurber Engineering	4127 Roper Road Edmonton AB T6B 3S5	4,876.20	0.00	4,876.20
57	Torkin Manes LLP Attn: Darryl T. Mann/Jennifer L. Siemon	151 Yonge Street, Suite 1500 Toronto ON M5C 2W7	1.00	0.00	1.00
58	Torlys	4600 525 - 8th Avenue SW Calgary AB T2P 1G1	379,017.05	0.00	379,017.05
59	UPG Property Group Inc.	900 West Hastings Street Vancouver BC V6C 1E5	1.00	0.00	1.00
60	Uptown Property Group	Suite 330 - 555 Sixth Street New Westminster BC V3L 5H1	15,793.71	0.00	15,793.71
61	Uqaqti Consulting	P.O. Box 74194 AK 99707 USA	27,000.00	0.00	27,000.00
62	US Department of the Interior (US Geological Survey)	1221 Sunrise Valley Drive Reston VA 20192 USA	1.00	0.00	1.00
63	WBM Technologies Inc.	100 - 175 Hargrave Street Calgary AB R3C 3P3	1.00	0.00	1.00
64	WCB Workers Compensation Board of Alberta Attn: Collection Department	PO Box 2415 Edmonton AB T5J 2S5	1.00	0.00	1.00
Total:			21,115,069.61	212,937,529.08	234,052,598.69

27-Oct-2021

Date

e-Signed by Vanessa Allen
 2021-10-27 19:15:19 GMT

MNP Ltd. in its capacity as Interim Receiver of
 Alaska - Alberta Railway Development Corporation
 and not in its personal capacity

District of: Alberta
 Division No. 01 - Edmonton
 Court No. 24-2746532
 Estate No. 24-2746532

FORM 78 -- Continued

List "B"
 Secured Creditors

Alaska - Alberta Railway Development Corporation

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	Bridging Income Fund LP	c/o PWC Suite 2600 - 18 York Street Toronto ON M5J 0B2	212,891,590.00	Cash on Hand - Chequing account - Cash available from receivership estate Debts Due - Business - 7047747 Manitoba Ltd Debts Due - Business - Prepaid commissions Other - Intellectual property (Value unknown)	15-Dec-2015 15-Dec-2015 15-Dec-2015 15-Dec-2015	0.00 0.00 0.00 0.00		212,891,590.00
2	CRA - Service Canada	140 Promenade Du Portage Phase IV 2nd Flr. Gatineau QC K1A 0J9	45,941.08	Cash on Hand - Chequing account - Cash available from receivership estate Other - Intellectual property (Value unknown) Debts Due - Business - 7047747 Manitoba Ltd Debts Due - Business - Prepaid commissions	01-Jan-2021 01-Jan-2021 01-Jan-2021 01-Jan-2021	1.00 1.00 0.00 0.00		45,939.08
Total:			212,937,531.08			2.00	0.00	212,937,529.08

27-Oct-2021

Date

e-Signed by Vanessa Allen
 2021-10-27 19:15:21:21 GMT

MNP Ltd. in its capacity as Interim Receiver of
 Alaska - Alberta Railway Development Corporation
 and not in its personal capacity

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2746532
Estate No. 24-2746532

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

Alaska - Alberta Railway Development Corporation

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

27-Oct-2021

Date

e-Signed by Vanessa Allen
2021-10-27 19:15:24:24 GMT

MNP Ltd. in its capacity as Interim Receiver of
Alaska - Alberta Railway Development Corporation
and not in its personal capacity

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2746532
Estate No. 24-2746532

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

Alaska - Alberta Railway Development Corporation

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

27-Oct-2021

Date

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2021-10-27 19:15:26:26 GMT

MNP Ltd. in its capacity as Interim Receiver of
Alaska - Alberta Railway Development Corporation
and not in its personal capacity

District of: Alberta
 Division No. 01 - Edmonton
 Court No. 24-2746532
 Estate No. 24-2746532

FORM 78 -- Continued

List "E"
 Debts Due to the Debtor

Alaska - Alberta Railway Development Corporation

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
1	7047747 Manitoba Ltd.	2500 - 360 Main Street Winnipeg MB R3C 4H6	Related party accounts receivable	0.00 0.00 43,736,400.00		15-Oct-2021	0.00	GSA
2	Prepaid commissions	Unknown Winnipeg MB	Commissions	0.00 0.00 15,178,100.00		15-Oct-2021	0.00	GSA
Total:				0.00 0.00 58,914,500.00			0.00	

27-Oct-2021

Date

e-Signed by Vanessa Allen
 2021-10-27 19:15:29:29 GMT

MNP Ltd. in its capacity as Interim Receiver of
 Alaska - Alberta Railway Development Corporation
 and not in its personal capacity

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2746532
Estate No. 24-2746532

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

Alaska - Alberta Railway Development Corporation

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

27-Oct-2021

Date

e-Signed by Vanessa Allen
2021-10-27 19:15:32:32 GMT

MNP Ltd. in its capacity as Interim Receiver of
Alaska - Alberta Railway Development Corporation
and not in its personal capacity

District of: Alberta
 Division No. 01 - Edmonton
 Court No. 24-2746532
 Estate No. 24-2746532

FORM 78 -- Continued

List "G"
 Real Property or Immovables Owned by Debtor

Alaska - Alberta Railway Development Corporation

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

27-Oct-2021

Date

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 2021-10-27 19:15:35:35 GMT

MNP Ltd. in its capacity as Interim Receiver of
 Alaska - Alberta Railway Development Corporation
 and not in its

District of: Alberta
 Division No. 01 - Edmonton
 Court No. 24-2746532
 Estate No. 24-2746532

FORM 78 -- Concluded

List "H"
 Property

Alaska - Alberta Railway Development Corporation
 FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand		Cash on hand	1.00	1.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Intellectual property (Value unknown)	1.00	1.00
			Total:	2.00

27-Oct-2021

Date

e-Signed by Vanessa Allen
 2021-10-27 19:15:38:38 GMT

MNP Ltd. in its capacity as Interim Receiver of
 Alaska - Alberta Railway Development Corporation
 and not in its personal capacity

EXHIBIT E

Estate No/ Court No: 24-2746532

**IN THE MATTER OF THE PROPOSAL OF
ALASKA – ALBERTA RAILWAY DEVELOPMENT CORPORATION
OF EDMONTON, ALBERTA**

REPORT OF TRUSTEE ON PROPOSAL

INTERPRETATION

1. Capitalized terms not otherwise defined herein are as defined in Article 1 of the proposal (the “Proposal”) lodged by Alaska – Alberta Railway Development Corporation (“A2A”, the “Debtor” or the “Company”) with the Office of the Superintendent of Bankruptcy (the “OSB”) pursuant to Part III, Division I of the *Bankruptcy and Insolvency Act, RSC 1985, c.B-3* (the “BIA”) on October 27, 2021.

BACKGROUND

2. A2A was originally incorporated as 1788099 Alberta Ltd. (“178”) under the *Alberta Business Corporations Act* on February 3, 2017. 178 originally changed its name to Alberta – Alaska Railway Development Corporation and then to Alaska – Alberta Railway Development Corporation.
3. The Debtor’s operations were undertaken to advance its stated purpose of building and operating a railway that would extend from Alberta to Alaska and allow for the transport of resource commodities to global markets via the ports of Southcentral Alaska (the “Railway Project”). A2A’s most notable milestones have been the granting of a Presidential Permit issued by former U.S. President, Donald J. Trump, granting permission to the Debtor to construct, connect, operate and maintain railway facilities at the international border between the United States and Canada (the “Presidential Permit”) and the execution of a master agreement with the Alaska Railroad Corporation that includes cooperation in permitting, selection of right-of-way, economic terms and authorization to operate on its track and extend several portions of its system (the “ARC Agreement”).

COURT PROCEEDINGS

4. On June 18, 2021, the Company filed a Notice of Intention to Make a Proposal (the “NOI”) pursuant to Section 50.4(1) of the BIA. MNP Ltd. consented to act as Trustee under the NOI (in such capacity, the “Trustee”).
5. The NOI proceedings were initiated following the receivership of the Debtor’s primary secured lender, Bridging Finance Inc. (“BFI”) and certain other entities and investment funds related to BFI

- (collectively, “Bridging”) pursuant to Orders granted by the Ontario Superior Court of Justice on April 30, 2021 and May 3, 2021. PricewaterhouseCoopers Inc. (“PwC”) acts as the Court-appointed Receiver of Bridging (the “Bridging Receiver”). On June 8, 2021, the Bridging Receiver issued a demand letter and a Notice of Intention to Enforce Security to A2A pursuant to Section 244 of the BIA.
6. Upon filing its NOI, the Debtor became subject to a statutory 30-day stay of proceedings pursuant to Section 69(1) of the BIA (the “Stay”). Three extensions of the Stay were granted by the Court of Queen’s Bench of Alberta (the “Court”) pursuant to which the Stay was extended to November 29, 2021.
 7. On July 7, 2021, the Trustee issued a material adverse change report for A2A pursuant to Section 50(10) of the BIA based on the following:
 - 7.1. The Bridging Receiver advised the Trustee that it would only support an extension of the initial Stay for A2A if an Interim Receiver was appointed in respect of the Debtor. Due to the size and nature of Bridging’s claim, A2A did not have the ability to make a viable proposal without the Bridging Receiver’s support.
 - 7.2. Outside of Mr. Sean McCoshen (“McCoshen”), the sole director and shareholder for A2A, there was no party with the corporate authority to act on behalf of the Company. The Trustee had been advised that McCoshen was under medical care and was not involved in the day-to-day operations of the Debtor. Further, McCoshen had not been accessible to the Trustee other than through the Company’s former legal counsel, Dickinson Wright LLP (“Dickinson”), in addition to which, the Bridging Receiver had expressed concern regarding McCoshen’s activities in relation to the Company prior to the NOI filing.
 - 7.3. The parties charged with the management of the day-to-day activities of A2A did not appear to have comprehensive information regarding the Company’s assets or the required authority to manage and direct A2A’s operations through these proceedings.
 8. On July 12, 2021, on application by the Bridging Receiver, the Court granted an Order (the “Interim Receivership Order”) appointing MNP Ltd. as Interim Receiver of A2A during the NOI proceedings (the “Interim Receiver”).
 9. The Interim Receiver consulted extensively with the Bridging Receiver on potential realization strategies for A2A’s assets, including a potential sale and investor solicitation process (“SISP”), and worked with the Debtor’s consultants to prepare the required material to support those potential realization strategies.
 10. During this time, the Bridging Receiver undertook a SISP for Bridging, Phase 1 of which was completed in mid-September 2021. The results of the initial phase of the Bridging SISP, informed

PwC in assessing a path forward for A2A. Based on subsequent discussions with PwC, the Interim Receiver was advised as follows:

- 10.1. Due to uncertainty surrounding the realizable value of the A2A's intellectual property (the "A2A IP") and after reviewing the cost to maintain the Company's operations, the associated professional fees and other considerations specific to the A2A IP including the timing of any realization process, the Bridging Receiver did not wish to fund the Interim Receiver undertaking any type of SISF for the Debtor in the short- to mid-term until such time as the realizable value of the A2A IP can be demonstrated.
- 10.2. The Bridging Receiver advised that it wished to maintain optionality and the value of A2A's assets by preserving A2A as a corporate entity through the Proposal. Based on the foregoing, the Interim Receiver, with the support and consent of the Bridging Receiver, took steps to file the Proposal on behalf of A2A.
11. On October 13, 2021, the Court granted a further Order expanding the Interim Receiver's powers to empower and authorize, but not obligate, the Interim Receiver to negotiate and file the Proposal on behalf of A2A.
12. A2A's proposal was filed with the Office of the Superintendent of Bankruptcy (the "OSB") on October 27, 2021.
13. Copies of the relevant documents relating to these proceedings are available on the Trustee's website at <https://mnpdebt.ca/en/corporate/corporate-engagements/alaska-alberta-railway-development-corporation-7198362-manitoba-ltd-and-12703131-canada-ltd>.

SUMMARY OF PROPOSAL

The Unaffected Secured Creditor

14. A2A is indebted to Bridging in the amount of approximately \$212.9 million consisting of a principal balance of approximately \$145.8 million, additional transfers of approximately \$14.2 million and interest and other fees of \$52.9 million pursuant to a non-revolving credit facility (the "Bridging Loan"). The Bridging Loan is secured by, among other things, a general security agreement over all present and after acquired property of A2A and all proceeds thereof (collectively, the "Bridging Security"). The Trustee has received an independent legal opinion that subject to the standard assumptions and qualifications, the Bridging Security is valid and enforceable pursuant to its terms.
15. Bridging is unaffected by the Proposal and has agreed to sponsor the Proposal as follows:
 - 15.1. Pay the amount required to satisfy any Crown Claims and Claims of Preferred Creditors. (The Trustee notes that it is not aware of any Preferred Claims);
 - 15.2. pay the amount required to create the Dividend Fund for the Ordinary Unsecured Creditors;

- 15.3. Pay any amount required to satisfy any Claims incurred between the NOI Date and the Implementation Date (the “Post-Filing Claims”); and
- 15.4. Pay all Administrative Fees and Expenses, including the proper fees, expenses and legal fees and disbursements of the Trustee and the Interim Receiver on and incidental to the administration of the Interim Receivership and Proposal proceedings.
16. In exchange for sponsoring the Proposal as set out above, upon Court Ratification, the Existing Shares of A2A will be cancelled and the New Common Shares will be issued to Bridging resulting in Bridging being the Debtor’s only shareholder. The Bridging Receiver will be in possession and control of the New Common Shares.

The Affected Creditors

17. The Proposal will affect and be binding on all creditors having a Crown Claim, a Claim by a Preferred Creditor or Claim by an Ordinary Unsecured Creditor (including a Claim by a Lessor). Pursuant to the Proposal, Crown Claims and Claims by Preferred Creditors will be paid in full, subject to the levy payable to the OSB pursuant to Section 147 of the BIA (the “Levy”).
18. Any Claim by a Lessor may be filed in an amount equal to the lesser of:
 - 18.1. The aggregate of:
 - 18.1.1. The rent provided for in the relevant lease for the first year of that lease following the date on which the disclaimer or resiliation becomes effective; and
 - 18.1.2. Fifteen per cent of the rent for the remainder of the term of the relevant lease after that year; and
 - 18.2. Three years rent.
19. All Affected Creditors, including any Lessor will comprise a single class of Creditors for the purpose of voting on the Proposal.
20. Payment of dividends to proven A2A Ordinary Unsecured Creditors (subject to the Levy) will be made based on the lesser of the amount of the Proven Claim of each Ordinary Unsecured Creditor and \$1,000.

FINANCIAL POSITION OF THE DEBTOR

Assets

21. As noted above, A2A does not have any active operations. A2A’s assets and liabilities at the NOI Date are summarized in “Schedule A” attached hereto. As noted therein, A2A’s assets consist of the following:
 - 21.1. The Interim Receiver is currently holding approximately \$142,300 in its trust account of which approximately \$113,000 consists of a retainer that was previously paid to Dickinson

(the “Retainer”). In further investigating the source of the Retainer, the Trustee has confirmed that it was paid by McCoshen personally. McCoshen is currently bankrupt and Farber Group acts as Trustee of his bankrupt estate. The Interim Receiver anticipates that the Retainer will be remitted to Farber for the benefit of the creditors in McCoshen’s personal bankruptcy. The remaining funds will be required to support A2A’s ongoing operations until Court Ratification;

- 21.2. As noted above, A2A’s primary asset is the A2A IP and, in particular, the Presidential Permit and the ARC Agreement. No sale process has been undertaken for the A2A IP in either the Interim Receivership or Proposal proceedings. Although the Interim Receiver has received some preliminary expressions of interest in the A2A IP, the value of the A2A IP is highly uncertain. In addition, even in the event that a transaction was to be completed for the A2A IP, it is virtually certain that the proceeds would be insufficient to fully repay the Bridging Loan.
- 21.3. At the NOI Date, A2A listed a related party account receivable of approximately \$43.7 million (the “Related Party Receivable”) due from 7047747 Manitoba Ltd. (“7047747”). The Trustee understands that 7047747 has no ongoing operations or assets. As such, there is no recovery anticipated for the Related Party Receivable.
- 21.4. Also at the NOI Date, A2A listed pre-paid commissions of approximately \$15.2 million, representing amounts payable to David and Natasha Sharpe. These transactions may be further investigated by the Bridging Receiver, however, no recovery in the Proposal is anticipated for the Prepaid Commissions.

CREDITOR CLAIMS

22. As noted above, A2A is indebted to Bridging for approximately \$212.9 million. The Trustee anticipates that Bridging will file a portion of its claim as an Ordinary Unsecured Creditor related to an estimated deficiency in its security, which has yet to be determined.
23. In addition to Bridging, A2A listed additional creditors with claims totaling approximately \$21.1 million of which \$12.9 million is due to related parties. Canada Revenue Agency also has a deemed trust claim for payroll source deductions against the Debtor in the amount of approximately \$45,900. The Trustee is not aware of any Claims by Preferred Creditors against A2A.

PREFERENCES AND TRANSFERS AT UNDERVALUE

24. Sections 95 – 101 of the BIA and any provincial statute related to preference, fraudulent conveyance, transfer at undervalue or the like do not apply to the Proposal. In the Trustee’s view, it is reasonable to include this provision because the non-application of these provisions is limited in its application to the Proposal and the payments to be made thereunder, and any claims existing

with respect to reviewable transactions involving A2A and the Section 95 – 101 Claims will survive, as explained in the following paragraph.

25. The Bridging Receiver is conducting a detailed review of A2A's records as part of a larger forensic investigation being undertaken by the Bridging Receiver. The Trustee will not be completing an independent review of A2A's records to identify reviewable transactions and the Section 95 – 101 Claims will be assigned to the Unaffected Secured Creditor upon Court Ratification of the Proposal.

ADMINISTRATIVE FEES AND EXPENSES

26. Administrative Fees and Expenses incurred by the Interim Receiver and the Trustee include the proper fees and expenses, including legal fees and disbursements, on and incidental to the administration of the Interim Receivership, the negotiation, preparation, presentation, amendments to, consideration, creditor and Court approval and implementation of the Proposal and all proceedings and matters related to or arising out of the Proposal or any related bankruptcy proceedings.
27. On the Implementation Date, all Administrative Fees and Expenses incurred to that date, which remain unpaid shall be paid to the Trustee by Bridging. The Administrative Fees and Expenses of both the Interim Receiver and the Trustee will be dependent on actual time incurred and will be reviewed by the Inspectors, if any are appointed, and subject to taxation by the Court.

CREDITORS' MEETING, PROOF OF CLAIM AND VOTING LETTER

28. A meeting of creditors to consider the Proposal will be held virtually via Zoom on November 9, 2021 at 10:00 a.m. Mountain Time at the following link:

<https://us02web.zoom.us/j/4343814113?pwd=MzFURVFrZkhNSzN2ZmM5akdqeUUrUT09>

29. The proposal will only be deemed to have been accepted by the creditors if two-thirds in value and a majority in number of Affected Creditors present at the Creditors' Meeting, personally or by proxy, have voted in favour of the Proposal. Enclosed herein are a proof of claim form and a voting letter. In order to participate in the Creditors' Meeting and share in any distribution made pursuant to the Proposal, creditors must submit the proof of claim, including the required supporting documentation at or prior to the Creditors' Meeting. **If you cannot attend the Creditors' Meeting, you may still vote using either the Proxy or the Voting Letter. Documentation can be sent by fax to 403-537-8437 or via email to jacqueline.shellon@mnp.ca. Should you have any questions regarding completion of any of the forms, please contact Jacqueline Shellon at 587-702-5959.**

OTHER PROVISIONS

30. As further set out in the Articles of Reorganization attached as "Schedule A" to the Proposal, upon Court Ratification, the Existing Shares of A2A will be cancelled and new Class A Common Shares will be issued to the Unaffected Secured Creditor. In addition, upon Court Ratification, the Sponsor will appoint at least one new director of A2A. For clarity, McCoshen, who was the Company's sole

director, has resigned. A2A does not currently have any acting directors and there is no party with the corporate authority to act on behalf of A2A.

PROPOSAL VS BANKRUPTCY COMPARISON

31. If the Proposal is not accepted at the Creditors' Meeting, there will be a deemed bankruptcy. A review by the Interim Receiver and its legal counsel of the Presidential Permit and the ARC Agreement suggests that any realization strategy for the Company will need to preserve A2A as a corporate entity. In particular, the impact of a bankruptcy on the Presidential Permit is unknown. Based on the Trustee's analysis, should A2A be deemed to be bankrupt, the A2A IP will be materially impacted such that any further realization efforts will be unlikely. As such, there will not be any recovery for any of A2A's creditors in a bankruptcy scenario. In addition, in the unlikely event that the A2A IP could be realized upon in the event of its bankruptcy, given the size of the Bridging Loan, there would not be any recovery for the Ordinary Unsecured Creditors or Claims by Preferred Creditors.
32. In a Proposal scenario, the Crown Claims and Claims by Preferred Creditors will be paid in full net of the Levy and each Ordinary Unsecured Creditors will receive a distribution in the lesser of the amount of their Proven Claim and \$1,000.
33. The distributions to the Affected Creditors under a Proposal are further summarized in "Schedule A", attached hereto.

TRUSTEE'S RECOMMENDATION

34. The Trustee is recommending the Proposal based on the following:
 - 34.1. The Unaffected Secured Creditor is sponsoring the Proposal by providing sufficient funds to pay the Crown and Preferred Claims and to make the Proposal Payments to the Ordinary Unsecured Creditors as set out in the Proposal. As noted above, the Interim Receiver has obtained an independent legal opinion that the Bridging Security is valid and enforceable. Based on the quantum of Bridging's claim, outside of this sponsorship being provided, there is no opportunity for any distribution to A2A's Ordinary Unsecured Creditors;
 - 34.2. As noted above, should A2A be deemed to be bankrupt, no recovery for any of the Debtor's creditors is anticipated;
 - 34.3. The Proposal will allow A2A to continue as a corporate entity. Although the Company is expected to remain dormant in the short- to mid-term, this provides an opportunity for the Railway Project to continue or for A2A to obtain further investment or complete a transaction in the future; and

34.4. The Proposal provides a mechanism to appoint a new director for A2A such that the Company can be managed by an individual with the necessary corporate authority.

DATED at the City of Calgary in the Province of Alberta this 27th day of October 2021.

MNP Ltd., in its capacity as Trustee under the Proposal of Alaska
– Alberta Railway Development Corporation, and not in its
personal or corporate capacity



Per: _____
Vanessa Allen, B. Comm, CIRP, LIT
Senior Vice President

**Alaska - Alberta Railway Development Corporation
Summary of Assets and Liabilities**

	Original Value	Proposal	Bankruptcy	Notes
Assets:				
Net cash available from Interim Receivership	\$ 142,299	\$ -	\$ -	1
Intellectual Property	\$ -	Unknown	-	2
Related Party Account Receivable	\$ 43,736,439	-	-	3
Prepaid Commissions	\$ 15,178,149	-	-	4
Total Assets:		Unknown	\$ -	

Estimated Claims:

Unaffected Creditor Claims:

Claim by Unaffected Secured Creditor	\$ 212,891,590	\$ 212,891,590	5
Total Unaffected Creditor Claims:	\$ 212,891,590	\$ 212,891,590	

Affected Creditor Claims:

Priority Claims

Crown Claims	\$ 45,941	\$ 45,941	6
Preferred Claims	-	-	7
Total Priority Claims	45,941	45,941	

Ordinary Unsecured Claims

Third-Party Claims	8,173,439	8,173,439	
Related-Party Claims	12,941,630	12,941,630	8
Total Ordinary Unsecured Claims	21,115,070	21,115,070	

Total Affected Creditor Claims:	\$ 21,161,011	\$ 21,161,011	
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Estimated Amount Available for Distribution to the Affected Creditors:

Description	Treatment under the Proposal
Crown Claims	Paid in full less the Levy.
Preferred Claims	Paid in full less the Levy.
Ordinary Unsecured Claims	Paid the lessor of their Proven Claim and \$1,000 less the Levy.

Notes:

1. Includes a retainer received from Dickinson Wright LLP (the "Retainer") for approximately \$113,000. It has now been determined that the Retainer was originally paid by Mr. Sean McCoshen personally. The Interim Receiver anticipates that the Retainer will be remitted to the Farber Group, who acts as the Trustee of Mr. McCoshen's bankrupt estate.
2. The intellectual property relates to A2A's stated purpose of building and operating a railway that would extend from Alberta to Alaska and allow for the transport of resource commodities to global markets via the ports of Southcentral Alaska (the "A2A IP"). The value of the A2A IP is unknown.
3. Represents an account receivable due from 7047747 Manitoba Ltd. ("7047747"), a related company. 7047747 has no ongoing operations or assets. As such, no recovery is anticipated from this account.
4. Represents prepaid commissions paid to David and Natasha Sharpe. These transactions may be further investigated by the Bridging Receiver, however, no recovery in the Proposal is estimated from these commissions.
5. Represents a secured claim in the amount of approximately \$212.9 million by Bridging Finance Inc.
6. Canada Revenue Agency ("CRA") has indicated that they will be completing a payroll audit for AARDC. This estimate is based on A2A's books and records and may vary as result of that audit.
7. Represents claims that would be required by Section 136 of the *Bankruptcy and Insolvency Act* to be paid in priority to the claims of ordinary unsecured creditors. The Trustee is not aware of any such claims.
8. Represents claims by 5321328 Manitoba Inc., 7198362 Manitoba Ltd. and Sean McCoshen.

EXHIBIT F

Estate No: 24-2746532
Court No: 24-2746532

**IN THE MATTER OF THE PROPOSAL OF
ALASKA – ALBERTA RAILWAY DEVELOPMENT CORPORATION (“A2A” or the “Debtor”)**

MINUTES OF THE MEETING OF CREDITORS TO CONSIDER THE PROPOSAL

November 9, 2021, 10:00 a.m. (mountain time)

VIA Zoom Meeting

Present: Vanessa Allen, MNP Ltd., Proposal Trustee (Chair)
Jacqueline Shellon, MNP Ltd., Proposal Trustee (Secretary)
Jerry Henechowicz, MNP Ltd., Proposal Trustee
Alexis Teasdale, Legal counsel for the Proposal Trustee
See attached Attendance List for remaining creditors and observers

The Chair circulated the Attendance List and examined any newly received proofs of claim. The Chair further noted where proxies had been granted and voting letters had been provided. Two proofs of claim for Treadwell Developments and Qilak LNG were provided by Mead Treadwell at the outset of the meeting but as they were not properly completed, they were not admitted in advance of the meeting.

The Chair reminded those in attendance that the meeting was not being recorded and was not to be recorded by anyone in attendance but that detailed minutes would be taken and made publicly available.

The Chair called the meeting of creditors to consider the proposal (the “Meeting”) to order at 10:15 a.m. and stated that she would chair the meeting in accordance with Section 51(3) of the *Bankruptcy and Insolvency Act* and would decide any questions or disputes arising at the meeting with creditors being able to appeal any decision to the Court.

Based on the proofs of claim, proxies and voting letters filed with the Trustee, the Chair noted that a quorum was present at the meeting.

Notice of the Meeting

The Trustee reported that a creditors’ package, including a Notice of Proposal to Creditors, the proposal (the “Proposal”), Trustee’s Report on Proposal, a Statement of Affairs, Proof of Claim and Proxy and a Voting Letter was sent via regular mail to creditors on October 27, 2021 and subsequently circulated via email. The Chair noted that the Trustee had received numerous e-mail communications from creditors regarding the creditors’ package, from and after October 29, 2021.

Purpose of the Meeting

The Chair explained to those present that the purpose of the meeting was as follows:

1. To permit creditors to consider the affairs and property of the Debtor;
2. To hear the report of the Trustee on the Proposal;
3. To ask questions about the Report of the Trustee on the Proposal and the affairs of the Debtor;
4. To vote on the Proposal; and
5. To appoint inspectors under the Proposal, if desired.

The Chair explained to those present that if the Proposal is refused, A2A will be deemed bankrupt, at which point the purpose of the meeting will be extended as follows:

1. To affirm the appointment of the Trustee or substitute another in place thereof;
2. To appoint inspectors of the bankrupt estate; and

3. To give such directions to the Trustee as the creditors see fit with reference to the administration of the bankrupt estate.

Documents to be Tabled

The following documents were tabled by the Chair:

1. Order dated October 13, 2021;
2. Proposal;
3. Statement of Affairs;
4. Cash flow statement, Trustee's Report on cash flow statement and report on Cash Flow Statement by the Person Making the Proposal;
5. Affidavit of Mailing;
6. Report of the Trustee on the Proposal;
7. Proofs of Claim; and
8. Voting Letters.

Trustee's Report and Discussion Period

The Chair verbally reviewed the Proposal and its purpose and summarized the Report of the Trustee on the Proposal. Additionally, the Trustee noted as follows:

1. CRA had not yet filed a proof of claim but had completed their payroll audit and advised that they expected to file a claim for \$31,454.47 of which the deemed trust portion is \$23,290.41.
2. In addition to the assets listed in the Trustee's Report on Proposal, the Trustee noted that they had released their interest in a 2020 Ford Explorer that had been leased by A2A and was not anticipated to have any equity.

Upon completing the above, the Chair opened the floor to questions. The subsequent discussion is summarized below:

1. **Dan Jukes inquired as to the likelihood that PwC would revise the unsecured portion of the secured claim of Bridging Income Fund LP ("Bridging") in the amount of \$50.0 million.** The Chair indicated that, due to the timing of the Proposal implementation, it was unlikely that PwC would amend their claim in the Proposal proceedings, and invited PwC to provide any additional comments. The Chair further indicated that PwC's claim may be determined differently in the insolvency proceedings of related entities, including the bankrupt estate of Sean McCoshen. PwC did not comment further on this.
2. **John Vaterlaus inquired as to the reason for the urgency in holding the meeting of creditors and voting on the Proposal when PwC's investigation of the source and use of funds advanced by Bridging to A2A was not yet complete.** The Chair indicated that the Notice of Intention to Make a Proposal had been filed on June 18, 2021. Under the *Bankruptcy and Insolvency Act* (the "BIA"), the Debtor had a total of six months to file a Proposal, which meant that a Proposal needed to be filed by December 18, 2021 (assuming further extension(s) of the stay were granted). The Chair further indicated that A2A did not have sufficient funds to continue to operate. Absent PwC confirming their sponsorship of the Proposal, the Trustee would not have been able to support further extending the stay of proceedings and A2A would have been deemed bankrupt. The Chair further noted that the meeting of creditors to consider the Proposal was held within 21 days of the Proposal being filed. The creditors were required to be notified of the meeting within 10 days, which had been adhered to.
3. **John Vaterlaus asked, if the Proposal was approved and the assets were preserved, what assurance was there that a new purchaser who may advance the project would provide compensation for the past work that was performed?** The Chair confirmed that the Proposal would have the effect of compromising all monetary claims of the ordinary unsecured creditors. The Proposal did not expressly address any ownership claims for the intellectual property of A2A (the "A2A IP"). These may need to be addressed in the future if A2A wishes to share the A2A IP with third parties. The Chair further noted that, if there were a successful transaction, a purchaser may want to continue to work with previous consultants to continue the project.
4. **John Vaterlaus inquired how the payout amount to the ordinary unsecured creditors, being the lesser of their claim or \$1,000 was determined, rather than pro-rata distributions being made.** The Chair indicated

that the amount had been determined in consultation with Bridging Receiver as the Proposal sponsor. The Trustee further noted that there were limited resources in the estate.

5. **John Vaterlaus referenced the legal opinion provided on the validity and enforceability of Bridging's security, and asked what assurances could be provided that the investigation was adequate, in terms of PwC's review of the source and use of funds by A2A and any potential criminal charges.** The Chair confirmed that no review of transactions that may constitute preferences or transactions at undervalue were being done by either the Interim Receiver or the Proposal Trustee but that this review was being done by the Bridging Receiver. The magnitude of the claim by Bridging is such that, even if this review resulted in any recovery for A2A's estate, it would likely be only for the benefit of Bridging. The Chair opened the floor for PwC to comment further on their forensic review. John Finnegan referred parties to the Bridging Receiver's website and the various reports of the Bridging Receiver (specifically the third and sixth reports) that detailed the Bridging Receiver's findings to date.
6. **John Vaterlaus inquired if there was a link from MNP's website to the website of the Bridging Receiver.** The chair commented that they were not linked. Meagan Binder put a link to the Bridging Receiver's website in the Zoom chat.
7. **Doug Ford inquired as to, given the unique nature of the process and potential criminal investigation, why a representative of Sean McCoshen was in attendance at the meeting.** The Chair advised that it was typical for a director to be in attendance at the meeting. Sean McCoshen was unable to attend due to medical reasons, however, his legal counsel was in attendance. There was nothing to preclude him from attending.

The Trustee paused at 10:45 a.m. to note that additional attendees had joined the meeting late. All were confirmed to be observers only. The additional attendees were Jessie Mann (Torys), Jack Fergusson (Jack Fergusson and Associates) and Bill Hjeholt (HDR Corporation and HDR Engineering).

8. **Bevan Brooksbank indicated that he wished to put forward a motion pursuant to Section 52 of the BIA to adjourn the meeting, for an unspecified period of time, to allow for additional time to evaluate and investigate the affairs of the Debtor and any related party transactions. He further indicated that HDR had not received the material within 10 days of the meeting as is required.** The Chair noted that the requirement was that the notice to creditors be sent via regular mail at least 10 days in advance of the meeting, which had been done. The Chair further noted that notice had also been sent via email and inquired as to what length of time was being requested for the adjournment.
9. **Bevan Brooksbank indicated that a specific timeframe was not being requested.** The Chair advised that the meeting would be adjourned briefly so they could consider the request. Prior to doing so, however, the Chair opened to the floor for additional questions on the Trustee's Report on Proposal.
10. **Peter Scholz indicated he has had discussions with interested parties who wished to continue the project and noted that he had not been approached to assist in facilitating a sale process for the assets. He inquired as to why a sale process had not been completed for the assets.** The Chair indicated that the value of the A2A IP was untested and highly uncertain. There was interest in A2A and A2A was continuing to hold discussions with interested parties but the various allegations surrounding A2A appeared to have had a chilling effect on interest in the project. Given the size of Bridging's secured claim, the Trustee viewed it as extremely unlikely that any transaction would result in a recovery for the ordinary unsecured creditors. Bridging has indicated that they wish to preserve optionality in order to allow for the possibility for a future transaction involving A2A. The Chair inquired as to whether PwC wished to add additional comments. Graham Page reiterated that, as Court-appointed Receiver for Bridging, their mandate was to realize on the assets for the benefit of Bridging's creditors. Given the amount owed to Bridging, any potential SISF would need to realize more than what was owed under Bridging's secured claim to benefit any of the ordinary unsecured creditors. PwC further indicated that they had canvassed the market and, were of the view that any recovery would be far below the outstanding indebtedness owed to Bridging. Given the NOI filing deadline, they felt the Proposal was the best option to preserve the assets, which is why Bridging was sponsoring the Proposal.

11. **Peter Scholz commented that a long-term payment plan for the amount due to Bridging may be something to consider.**
12. **Doug Ford inquired as, since Bridging was owed approximately \$200 million, was there an estimate of the actual amount spent on the project.** Graham Page indicated that the Bridging Receiver was continuing to investigate this. The Chair indicated that, although the Trustee had not done a detailed review, it appeared that the amount spent on the project was significantly less than the amount advanced to A2A.
13. **Jack Fergusson made a general statement as to importance of the project to Alaska and the positive economic impact it would provide for Alaska. He further made a statement that the value of the key agreements that formed the assets of A2A would likely decrease over time.** The Chair commented that the Proposal provided the ability for the project to potentially continue in the future.
14. **John Vaterlaus asked how inspectors, are appointed, who could act as an inspector and how the inspectors would be compensated.** The Chair discussed the role of the inspectors, who acted in a fiduciary capacity for the general benefit of all creditors and stated that inspectors act as creditor representatives and streamline the proceedings by limiting the required Court involvement in certain instances. The Chair further indicated that, in this case, the role of the inspectors would be limited but would likely involve consulting on various matters related to administrative amendments to the Proposal, the claims process, approving fees etc. The Chair stated that inspectors are voted in by the creditor group generally, and further indicated that the only parties who could not act as inspectors were those who were party to a contested action. The Chair also indicated that the compensation was minimal and would likely not be applicable in this case as all meetings would be held virtually.
15. **Bill Hjiholt inquired as to how Bridging determined the unsecured portion of their claim and asked for confirmation that they could decide what portion of their secured claim could be waived.** The Chair indicated that it was based on PwC's estimate as to what shortfall they may experience and was at their discretion. Meagan Binder confirmed that it was at PwC's discretion.
16. **Bill Hjiholt inquired as to whether the Interim Receiver had any obligation to investigate the flow of funds between the Debtor and related parties, specifically the companies owned by Sean McCoshen.** The Chair noted that that two related parties were listed as creditors of the Debtor. In addition, MNP is the bankruptcy Trustee of two of these related parties specifically 7198362 Manitoba Ltd. and 12703131 Canada Ltd. The Trustee has not conducted a review of transactions between A2A and any related entities but the Bridging Receiver has noted in some of their material that funds advanced by Bridging were paid through related entities to A2A.
17. **Bill Hjiholt asked for clarification regarding how funds would be recovered that were advanced to A2A and directed to related parties.** The Chair indicated that 7198362 Manitoba Ltd., 12703131 Canada Ltd. and Sean McCoshen personally were guarantors of debt to Bridging. Bridging would be entitled to various recoveries from these estates and the Trustee had released their interest in assets held by 7198362 Manitoba Ltd. to allow Bridging to realize on their security.
18. **Bill Hjiholt inquired if the Trustee would be able to claw back funds paid by A2A prior to the date of bankruptcy if the Proposal failed.** The Chair confirmed that in a bankruptcy, the Trustee would have the power to review transactions to determine if they are transfers at under value or fraudulent preferences, however, any recovery would go firstly to satisfy Bridging's secured claim. As such, there was unlikely to be any recovery for the ordinary unsecured creditors.

There being no further questions, the Chair adjourned the meeting at 11:08 a.m. to consider HDR's request to further adjourn the meeting.

Motion to Adjourn the Meeting

The meeting was reconvened at 11:20 a.m.

The Chair advised the creditors that, in order for the motion to adjourn to be successful it must be passed by an ordinary resolution, meaning a resolution carried by a majority of votes (one vote for each dollar value of every claim that is not disallowed).

Motion: To adjourn the meeting for an unspecified period of time to allow for a further review of the Bridging Receiver's reports and a further investigation into the affairs of the Debtor

Moved: John Vaterlaus, **Seconded:** Peter Scholz.

The Chair inquired as to how Bridging, being the creditor with the largest proven claim would vote on the motion to adjourn. Bridging voted against the motion.

The Chair indicated that, due to the size of Bridging's claim, the motion could not pass without their support. The Chair inquired as to whether other creditors wished to have their support for the motion noted in the meeting minutes. The following creditors indicated that they supported the motion:

1. John Vaterlaus – HDR Engineering Inc.
2. John Vaterlaus – HDR Corporation
3. Peter Scholz – Self
4. Doug Ford – Communica Public Affairs Inc.
5. Lisa Nye – Pinpoint Consulting Inc.

Meaghan Daly was not eligible to vote but also indicated that she was supportive of the motion.

The Chair confirmed that by ordinary resolution, the motion to adjourn the meeting had not passed, and the meeting would proceed.

Voting on the Proposal

The Chair informed the meeting that in order for the Proposal to be accepted, a majority in number of proven creditors (present in person, by proxy or voting letter) and two-thirds in value of the proven creditor claims would need to vote in favour of the Proposal. Should that not be achieved, the Debtor would be deemed bankrupt and a creditor meeting in connection with the bankruptcy proceeding would then immediately follow.

The Chair then called for a motion for the approval of the Proposal. The Chair canvassed those creditors who were eligible to vote and had not submitted voting letters, as follows:

- | | |
|--|---------|
| 1. Meagan Binder – Bridging Income Fund LP | For |
| 2. John Vaterlaus – HDR Engineering Inc. | Against |
| 3. John Vaterlaus – HDR Corporation | Against |
| 4. Alayna Ward – Alayna Ward/ Award Communications | For |

The Chair inquired as to whether any of the creditors present, who had previously provided a voting letter, wished to change their vote. Kalb Stevenson asked if he could hear from John Vaterlaus as to why he was voting no on behalf of HDR Engineering Inc. and HDR Corporation. John Vaterlaus indicated that he was of the view that the Proposal did not benefit the creditors, outside of Bridging and that the amount available to creditors under the Proposal was insufficient. He further indicated that the asset realization may be better accomplished through a bankruptcy.

The Chair reiterated that the Trustee was of the view that the A2A IP would be materially compromised by a bankruptcy, and further noted that, outside of the Proposal, there would be no distribution available to ordinary unsecured creditors unless the secured creditor, Bridging and any priority claimants were paid in full. As noted in the Trustee's Report, the Trustee was of the view that the Proposal would provide an improved recovery for ordinary unsecured creditors compared to in a bankruptcy scenario. In addition, should the Debtor be in a position to continue the railway project in the future, there may be the opportunity for consultants to provide additional services in the future.

The Chair asked again if any of the creditors present, who had previously provided a voting letter, wished to change their vote. No one in attendance indicated that they wished to do so.

The Chair reviewed all votes cast in person or via voting letter as set out on the attached Voting Summary.

Mead Treadwell indicated that, had he been eligible to vote at the meeting, he would have voted in favour of the Proposal on behalf of both Treadwell Development and Qilak LNG.

The Chair adjourned the meeting at 11:32 AM for a short break to calculate the votes. The Chair reconvened the meeting at 11:34 AM and reviewed the outcome of the vote as follows:

The results of the voting are as attached in the Voting Summary and summarized below:

	For	%	Against	%	Total
Number	12	75	4	25	16
\$ Value	\$ 50,584,941	93	\$ 3,735,870	7	\$ 54,320,811

Note: Following the meeting of creditors, it was determined that there would be a partial disallowance of the claim filed by Communica Public Affairs Inc. (the "Communica Claim") that had been filed in the amount of \$154,117.93. The Trustee notes that even if the Communica Claim was disallowed in full, it would not impact the outcome of the vote on the Proposal.

The Appointment of Inspectors

In accordance with section 56 of the *Bankruptcy and Insolvency Act*, the creditors may appoint up to five (5) Inspectors whose powers would include: (a) advising the Trustee concerning any dispute which may arise as to the validity of claims; and (b) advising the Trustee from time to time with respect to any other matter that the Trustee may refer to them. The Trustee indicated that the only individuals who could not act as Inspector were those who were party to a contested action against A2A.

The following individuals put their names forward to be appointed as Inspectors of estate:

1. Meagan Binder
2. Peter Scholz
3. Jack Fergusson

Motion: To appoint the individuals above as the estate Inspectors.

Moved: John Vaterlaus, **Seconded:** Doug Ford

ALL IN FAVOUR, NONE OPPOSED.

The Chair indicated that Meagan Binder had previously acted as an Inspector and inquired whether Peter Scholz and Jack Fergusson had previously acted as Inspectors. Both Peter Scholz and Jack Fergusson indicated that they had not previously acted as Inspectors. The Chair indicated that the Inspectors' Handbook issued by the Office of the Superintendent of Bankruptcy would be circulated for their reference.

Other Business

The Chair asked whether any of the creditors had additional questions or wished to provide any further direction to the Trustee. Mead Treadwell indicated that he continued to have confidence in the railway project and was appreciative of the understanding and efforts of MNP and PwC.

There being no further business, the meeting was adjourned at 11:46 a.m.

Dated at Calgary, Alberta this 15th of November 2021.



Vanessa Allen, B. Comm, CIRP, LIT
Chairman

District of Alberta
 Division No: 02 - Edmonton
 Estate No: 24-2746532
 Court No: 24-2746532

ATTENDANCE LIST FOR THE FIRST MEETING OF CREDITORS
 IN THE MATTER OF THE DIVISION I PROPOSAL OF
Alaska - Alberta Railway Development Corporation

DATE & TIME: Tuesday, November 9, 2021 at 10:00 AM

PLACE: Zoom meeting roll call

DEBTOR

NAME: Alaska - Alberta Railway Development Corporation

REPRESENTATIVE: Sean McCoshen (not in attendance)

MNP LTD., TRUSTEE & REPRESENTATIVES

Vanessa Allen, Licensed Insolvency Trustee (Chair)

Jacqueline Shellon, Manager (Secretary)

Attendee Name present via conference call	Representing	Notes	Amount of claim
Vanessa Allen	MNP Ltd.	Trustee	Not applicable
Jacqueline Shellon	MNP Ltd.	Trustee	Not applicable
Jerry Henechowicz	MNP Ltd.	Trustee	Not applicable
Alexis Teasdale, Lawson Lundell LLP	MNP Ltd.	Trustee	Not applicable
Bruce Alger, Farber Group	Trustee for the bankrupt estate of Sean McCoshen	Claim not filed/ observer	Not applicable
John Hendrix, Farber Group	Trustee for the bankrupt estate of Sean McCoshen	Claim not filed/ observer	Not applicable
Dan Jukes - Miles Davison LLP	Sean McCoshen	Claim not filed/ observer	Not applicable
Meagan Binder	PwC as Receiver of Bridging Income Fund LP ("Bridging")	Claim admitted for voting/ proxy	\$50,000,000 (unsecured)/ \$162,891,590 (secured)
Graham Page	PwC as Receiver of Bridging Income Fund LP ("Bridging")	Observer	\$50,000,000 (unsecured)/ \$162,891,590 (secured)
John Finnegan, TGF LLP	Legal counsel for PwC as Receiver of Bridging	Observer	As above
Mead Treadwell	Treadwell Development & Qilak LNG	Claim not admitted re: deficiencies	
John Vaterlaus	HDR Corporation & HDR Engineering (collectively "HDR")	Claim admitted for voting/ proxy	
Beven Brooksbank, BLG LLP	Legal counsel for HDR	Observer	As above
Bill Hjelholt	HDR (joined late)	Observer	As above
Jim McKay	HDR	Observer	As above
Peter Scholz	Personal claim	Claim admitted for voting	\$37,751.30
Colin MacDonald	Navigator	Claim admitted for voting/ proxy	
Jack Fergusson	Jack Fergusson & Associates (joined late)	Claim not filed/ observer	
Jessie Mann	Torys (joined late)	Observer	
Kalb Stevenson	Axiom	Claim admitted for voting/ proxy	
Afshan Naveed, Dentons LLP	Legal counsel for G Seven Generations Ltd.	Observer	
Lisa Nye	Pinpoint Consulting Inc.	Claim admitted for voting/ proxy	
Alayna Ward	Personal claim	Claim admitted for voting	\$16,280.00
Doug Ford	Communica Public Affairs Inc.	Claim admitted for voting/ proxy	
Meaghan Daly	Personal and Boxx Media Communications	Claim not filed/ observer	
Emily Hart	State of Alaska, Department of Natural Resources	Claim not filed/ observer	
Proxies in attendance			
Vanessa Allen	Tetra Tech Canada Inc.		\$876.75
Vanessa Allen	Archibald Robb Consulting		\$1,381.80
Kalb Stevenson	Axiom Environmental Inc.		\$23,349.12
Lisa Nye	Pinpoint Consulting		\$24,178.82
Meagan Binder	Bridging Income Fund LP (unsecured)		\$50,000,000.00
John Vaterlaus	HDR Corporation		\$2,251,697.07
John Vaterlaus	HDR Engineering Inc.		\$1,210,306.08
Doug Ford	Communica Public Affairs Inc.		\$154,117.93
Colin MacDonald	Navigator Limited		\$236,115.38

District of Alberta
 Division No. 02 - Calgary
 Court No. 24-2746532
 Estate No. 24-2746532

Voting Summary

In the Matter of the Proposal of Alaska - Alberta Railway Development Corporation

Insolvency Date: 18-Jun-2021
 Estate Number: 24-2746532

Result of Voting

Class	Total #			Dollar Value of Claims		Percentage by Votes		Percentage by Value		Result	
	Votes	Yes	No	Yes	No	Yes	No	Yes	No	By Votes	By Value
	16	12	4	50,584,941.22	3,735,869.83	75.00	25.00	93.12	6.88	App.	App.

List of creditors

Class	Creditor Name	Type	Account #	\$ Admitted for Voting	Voted By	Vote
	Alayna Ward-Award Communications	U		16,280.00	In Person	For
	Axiom	U		23,349.12	Letter	For
	Brian Love	U		29,568.87	Letter	For
	Bridging Income Fund LP	U		50,000,000.00	In Person	For
	Coates Holdroyd Consulting	U		39,833.33	Letter	For
	Communica Public Affairs Inc.	U		154,117.93	Letter	For
	Deborah Archibald (Archibald Robb Consulting)	U		1,381.80	Letter	For
	HDR Corporation	U		2,251,697.07	In Person	Against
	HDR Engineering	U		1,210,306.08	In Person	Against
	Hydrogeological Consultants HCL	U		2,385.65	Letter	For
	Navigator	U		236,115.38	Letter	Against
	Peter Scholz	U		37,751.30	Letter	Against
	Pinpoint Consulting Inc.	U		24,178.82	Letter	For
	Prolog	U		1,575.00	Letter	For
	Tetrattech Yukon	U		876.75	Letter	For
	UPG Property Group Inc.	U		291,393.95	Letter	For

EXHIBIT G

**Articles of Incorporation
For
1788099 ALBERTA LTD.**

Share Structure: THE ANNEXED SCHEDULE "A" IS INCORPORATED INTO AND FORMS PART OF THIS FORM.

Share Transfers Restrictions: THE ANNEXED SCHEDULE "B" IS INCORPORATED INTO AND FORMS PART OF THIS FORM.

Number of Directors:

Min Number of Directors: 1

Max Number of Directors: 7

Business Restricted To: NONE

Business Restricted From: NONE

Other Provisions: THE ANNEXED SCHEDULE "C" IS INCORPORATED INTO AND FORMS PART OF THIS FORM.

**Registration Authorized By: RYAN J. TILLEMAN
SOLICITOR**

SCHEDULE "A"
ARTICLES OF INCORPORATION
OF
1788099 ALBERTA LTD.

(share structure)

The Corporation is authorized to issue an unlimited number of shares designated as **Class "A" Common Shares**, an unlimited number of shares designated as **Class "B" Common Shares**, an unlimited number of shares designated as **Class "C" Common Shares** and an unlimited number of **Class "D" Preferred Shares**. The rights, privileges, conditions and restrictions attached to these shares are as follows:

1. **CLASS "A" COMMON SHARES**

A) Voting Rights

The holders of the Class "A" Common Shares shall be entitled to receive notice of, attend at and vote at any meeting of the shareholders of the Corporation on the basis of one vote for each Class "A" Common Share held at the time of any such meeting.

B) Dividend Rights

At the discretion of the Board of Directors of the Corporation but subject always to the rights of the holders of Preferred Shares and the provisions hereof, dividends may be declared and paid on the Class "A" Common Shares to the complete exclusion of the Class "B" Common Shares or the Class "C" Common Shares or in part on each class of Common Shares.

C) Return of Capital

The holders of the Class "A" Common Shares shall be entitled to share pro rata with the holders of Class "B" Common Shares and the Class "C" Common Shares, according to the number of Class "A" Common Shares held, in the remaining property of the Corporation upon liquidation, dissolution, bankruptcy, winding-up or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs subject to the prior rights, restrictions and conditions attaching to all other classes of shares of the Corporation, including the Class "D" Preferred Shares.

2. **CLASS "B" COMMON SHARES**

A) Voting Rights

The holders of the Class "B" Common Shares shall be entitled to receive notice of, attend at and vote at any meeting of the shareholders of the Corporation on the

basis of one vote for each Class "B" Common Share held at the time of any such meeting.

B) Dividend Rights

At the discretion of the Board of Directors of the Corporation but subject always to the rights of the holders of Preferred Shares and the provisions hereof, dividends may be declared and paid on the Class "B" Common Shares to the complete exclusion of the Class "A" Common Shares or the Class "C" Common Shares or in part on each class of Common Shares.

C) Return of Capital

The holders of the Class "B" Common Shares shall be entitled to share pro rata with the holders of Class "A" Common Shares and the Class "C" Common Shares, according to the number of Class "B" Common Shares held, in the remaining property of the Corporation upon liquidation, dissolution, bankruptcy, winding-up or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs subject to the prior rights, restrictions and conditions attaching to all other classes of shares of the Corporation, including the Class "D" Preferred Shares.

3. CLASS "C" COMMON SHARES

A) Voting Rights

The holders of the Class "C" Common Shares shall not be entitled to receive notice of, attend at or vote at any meeting of the shareholders of the Corporation.

B) Dividend Rights

At the discretion of the Board of Directors of the Corporation but subject always to the rights of the holders of Preferred Shares and the provisions hereof, dividends may be declared and paid on the Class "C" Common Shares to the complete exclusion of the Class "A" Common Shares and the Class "B" Common Shares or in part on each class of Common Shares.

C) Return of Capital

The holders of the Class "C" Common Shares shall be entitled to share pro rata with the holders of Class "A" Common Shares and the Class "B" Common Shares, according to the number of Class "C" Common Shares held, in the remaining property of the Corporation upon liquidation, dissolution, bankruptcy, winding-up or other distribution of the assets of the Corporation among its

shareholders for the purpose of winding-up its affairs subject to the prior rights, restrictions and conditions attaching to all other classes of shares of the Corporation, including the Class "D" Preferred Shares.

4. CLASS "D" PREFERRED SHARES

- A) The Class "D" Preferred Shares may be issued from time to time in one or more series with such rights, restrictions, privileges, conditions and designations attached thereto as shall be fixed from time to time before issuance by any resolution or resolutions providing for the issue of the shares of any series which may be passed by the board of directors of the Corporation and confirmed and declared by articles of amendment. Reference to one class or series of shares ranking on a parity with another class or series of shares shall mean ranking on a parity with respect to payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation whether voluntary or involuntary to the extent of their respective rights in that connection.
- B) The Preferred Shares of each series shall rank on a parity with the Preferred Shares of every other series, provided, however, that when in the case of any of such shares any cumulative dividends or amounts payable on a return of capital are not paid in full in accordance with their respective terms, the Preferred Shares of all series shall participate ratably in respect of such dividends (including all unpaid accumulated dividends which for such purpose shall be calculated as if the same were accruing up to the date of payment) in accordance with the sums which would be payable on said shares if all such dividends were declared and paid in full in accordance with their respective terms, and on any return of capital in accordance with the sums which would be payable on such return of capital if all sums so payable were paid in full in accordance with their respective terms, and provided further that in the event of there being insufficient assets to satisfy in full all such claims as aforesaid, the claims of the holders of the said shares with respect to return of capital shall first be paid and satisfied and any assets remaining thereafter shall be applied towards the payment and satisfaction of claims in respect of dividends as aforesaid.
- C) The Preferred Shares shall be entitled to preference over the Common Shares of the Corporation and any other shares of the Corporation ranking junior to the said Preferred Shares with respect to payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, to the extent fixed in the case of each respective series, and may also be given such other preferences over the Common Shares of the Corporation and any other shares of the Corporation ranking junior to the said Preferred Shares as may be fixed in the case of each such series.

SCHEDULE "B"
ARTICLES OF INCORPORATION
OF
1788099 ALBERTA LTD.

(restrictions on share transfers)

The right to transfer shares of the Corporation is restricted in that no shareholder shall be entitled to transfer any share or shares in the capital of the Corporation unless the transfer has been approved by the directors of the Corporation, such approval to be signified by a resolution of the Board of Directors of the Corporation.

SCHEDULE "C"
ARTICLES OF INCORPORATION
OF
1788099 ALBERTA LTD.

(other rules or provisions)

1. The number of shareholders of the Corporation, exclusive of persons who are in its employment and are shareholders of the Corporation and exclusive of persons who, having been formerly in the employment of the Corporation, were, while in that employment, shareholders of the Corporation, and have continued to be shareholders of the Corporation after termination of that employment, is limited to not more than fifty persons, two or more persons who are the joint registered owners of one or more shares being counted as one shareholder.
2. Any invitation to the public to subscribe for securities of the Corporation is prohibited.
3. The Corporation has a lien on the shares of a shareholder or his legal representative for a debt of that shareholder to the Corporation, provided that such lien shall be released in respect of shares transferred by such shareholder (or his legal representative) as permitted pursuant to the terms of these Articles or any unanimous shareholders agreement in respect of the Corporation.
4. The directors may, between annual general meetings, appoint one or more additional directors of the Corporation to serve until the next annual meeting, but the number of additional directors shall not at any time exceed one-third of the number of directors who held office at the expiration of the last annual meeting of the Corporation.

EXHIBIT H

SECURITIES REGISTER
ALASKA - ALBERTA RAILWAY DEVELOPMENT CORPORATION
(formerly 1788099 Alberta Ltd., Alberta-Alaska Railway Development Corporation)
Class "A" Common Shares

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Corporation		
							Cash or Other	Paid Per Share	
								Cash	Other Than Cash Particulars
						<i>[Cancel details]</i>			
Dec 3, 2013		Sean McCoshen 610 - 201 Portage Ave. Winnipeg, MB R3B 3K6	10	Allotment (10)		A-1	Cash		
Total issued:		10							

LIST OF SHAREHOLDERS

CLASS "A" COMMON

NAME OF CORPORATION: ALASKA - ALBERTA RAILWAY DEVELOPMENT CORPORATION

FULL NAME	RESIDENTIAL ADDRESS	DATE BECAME A SHAREHOLDER	DATE CEASED TO BE SHAREHOLDER	NUMBER OF ISSUED SHARES	SHARE CERTIFICATE NO(S)
McCoshen, Sean	610 - 201 Portage Ave. Winnipeg, MB R3B 3K6	December 3, 2013		10	A-1

