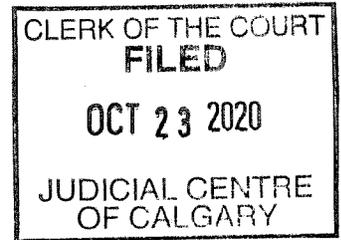


COURT FILE NUMBER 1901-11574
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF PANTERRA MORTGAGE & FINANCIAL CORPORATION LTD.
DEFENDANTS 1075397 ALBERTA LTD., RIGSAT COMMUNICATIONS INC., PETROCRAFT PRODUCTS LTD., TERENCE PHILLIPS, and LISA PHILLIPS
DOCUMENT **AFFIDAVIT**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT G. Brian Davison, Q.C.
DLA PIPER (CANADA) LLP
1000, 250- 2nd Street SW
Calgary, Alberta T2P 0C1
Phone: 403.294.3590
Fax: 403.296.4474
File No. 104076-00001

AFFIDAVIT NO. 5 OF TERENCE PHILLIPS

Sworn on October 23, 2020

I, Terence Phillips, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I am the sole director and voting shareholder of the Applicant, 1075397 Alberta Ltd. ("**107 Ltd.**"). As such, I have personal knowledge of the matters herein deposed to except where stated to be based upon information and belief, in which case I verily believe the same to be true.
2. Since the matter was last before Madame Justice Horner, 107 Ltd. has been diligently pursuing both the sale of 2320 - 2nd Avenue SE and/or obtaining refinancing to payout the Panterra mortgage.

2320 - 2nd Avenue SE

3. Panterra has a mortgage on 2320 - 2nd Avenue SE Calgary (the "**Building**"). COCOCO Chocolatiers Inc. ("**COCOCO**") is the tenant in the Building and occupies it entirely. CBRE has been retained by 107 Ltd. to sell the building.

4. Attached hereto and marked Exhibit "A" to this my affidavit is a copy of the title to the Building ("Title") as of October 22, 2020.

Writs

5. Previous searches of the Building showed COCOCO had filed a Writ in support of a Consent Judgment granted by 107 Ltd. That writ has now been discharged.
6. COCOCO also filed the consent judgment. COCOCO admitted the judgment had been satisfied but did not file same expeditiously. I am advised by my counsel G. Brian Davison, and do verily believe it to be true that the timeline is as follows:
 - a. July 20, 2020: Counsel to Panterra advised COCOCO would file a Satisfaction Piece and remove it's writ;
 - b. September 9, 2020 and September 28, 2020: my counsel wrote to counsel to Panterra requesting a filed copy of the Satisfaction Piece;
 - c. September 29, 2020: COCOCO's Satisfaction Piece dated September 24, 2020 is finally filed;
 - d. October 25, 2020: counsel to Panterra provided a filed copy to my counsel.
7. I have no way of knowing whether COCOCO's delay in filing this document affected a potential buyers interest in acquiring the Building, but COCOCO certainly did not act in a timely manner.
8. 107 Ltd. has been diligently negotiating a resolution of the writs filed by the Quinney's for many months. Settlement agreements were concluded and once trust conditions were satisfied, documents (Satisfaction Pieces and discharges of the writs against the Building) were submitted for registration as follows:
 - a. Sue Quinney: Satisfaction Piece submitted to the Court of Queen's Bench for registration October 14, 2020. The discharge of writ was submitted to Land Titles October 9, 2020;
 - b. Art Quinney: Attached hereto and marked as Exhibit "B" is a copy of the filed Satisfaction Piece. The discharge of writ was also submitted to Land Titles for registration October 9, 2020.
9. According to my counsel's court runner KVP Registration Services, by email dated October 14, 2020, a copy of which is attached hereto and marked as Exhibit "C", it is taking up to 2 weeks to register documents at the Court of Queen's Bench. As of making this affidavit, I have not received confirmation Sue Quinney's Satisfaction Piece has been registered.
10. The discharge of writs on the Building was sent to Land Titles for registration October 9, 2020. I am advised by my counsel G. Brian Davison, and do verily believe it to be true

that as of October 22, 2020, Land Titles is registering documents received October 8, 2020. It would appear that the writs may be discharged by October 27, 2020.

11. Some delays in concluding settlement with the Quinneys were experienced as a result of:
 - a. Matrimonial issues between Sue Quinney and Art Quinney;
 - b. Corporate issues resulting from litigation over the entitlement to money owing to either Art Quinney or one of his companies.
12. 107 Ltd. reached a settlement with Barclay Street Real Estate Ltd (“**Barclay Street**”) pursuant to which it was agreed 107 Ltd. would pay a certain amount in full satisfaction of its writ, in the event 107 Ltd. was able to refinance and payout the Panterra Mortgage.

Refinancing

13. 107 Ltd. has retained the services of Daniel Hofer to source funding to payout the Panterra mortgage and provide the new financier with a first charge on the Building. Mr. Hofer has been trying to refinance the Building for many months. The main stumbling block to a successful refinancing has been the writs that have been filed by the Quinney’s and COCOCO against the Building and other property of 107 Ltd.
14. Panterra has provided its payout statement and the amount of additional costs it claims are owing. More information is needed from Panterra to understand how the balance owing on its mortgage at October 19, 2020 is \$3,669,230.24 (before expenses and legal fees) when the balance owing, according to the mortgage statement provided by Panterra, a copy of which is attached hereto as Exhibit “D” shows the balance declining monthly and a total owing of \$3,571,792.15 at June 9, 2020. This is an increase of approximately \$100,000 before considering how much the mortgage would decrease with the monthly payments for the months of July to October 2020. As well Panterra claims additional costs, including legal fees of \$106,184.43, but I need to see these details.

Listing Building for Sale

15. Attached hereto and marked Exhibit “E” is an email October 20, 2020 from Iain Ferguson of CBRE with respect to the marketing efforts and interest in the building since September 9, 2020.

Receiver’s Costs

16. Attached hereto and marked Exhibit “F” is a copy of an email exchange between my counsel and counsel for Panterra and Victor Kroeger of MNP Ltd. MNP Ltd. is the Receiver proposed by Panterra to take over and market the Building. Mr. Kroeger estimates the cost to act as Receiver for the first 2 months to be between \$25,000.00 and \$35,000.00 plus operating costs.

General

17. In the event 107 Ltd. is able to arrange refinancing, it is likely that it will take time to complete and register the documentation to allow the funds to be drawn down and paid to Panterra. As a result, 107 Ltd. requests the court consider further adjourning Panterra's application to appoint a Receiver.

Relief

18. I make this affidavit in support of an application to either adjourn Panterra's receivership application or alternatively dismissing it entirely.

SWORN BEFORE ME at Calgary, Alberta,
this 23rd day of October, 2020.

A Commissioner for Oaths in and for the
Province of Alberta

G. BRIAN DAVISON Q.C.
BARRISTER & SOLICITOR

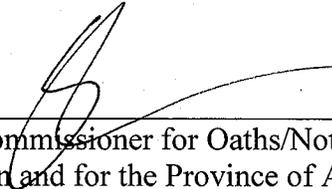
)
)
)
)
)
)

Terence Phillips

THIS IS EXHIBIT "A"
referred to in the Affidavit of

Terence Phillips

sworn before me this 27 day of
October, A.D. 2020.



A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

G. BRIAN DAVISON Q.C.
BARRISTER & SOLICITOR



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0016 666 357 7810519;5;2 151 008 894

LEGAL DESCRIPTION
PLAN 7810519
BLOCK 5
LOT 2
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE
ATS REFERENCE: 5;1;24;13;NE

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 981 322 464

REGISTRATION	DATE (DMY)	REGISTERED OWNER(S) DOCUMENT TYPE	VALUE	CONSIDERATION
151 008 894	13/01/2015	TRANSFER OF LAND	\$3,700,000	\$3,700,000

OWNERS

1075397 ALBERTA LTD.
OF 220-19 STREET SE
CALGARY
ALBERTA T2E 6P5

(DATA UPDATED BY: CHANGE OF ADDRESS 151188505)

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
771 147 064	20/10/1977	ZONING REGULATIONS SUBJECT TO CALGARY INTERNATIONAL AIRPORT ZONING REGULATIONS
151 008 895	13/01/2015	MORTGAGE MORTGAGEE - PANTERRA MORTGAGE & FINANCIAL CORPORATION LTD. 5505 6 STREET SE CALGARY

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

151 008 894

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

ALBERTA T2H1L6
 ORIGINAL PRINCIPAL AMOUNT: \$3,200,000
 (DATA UPDATED BY: TRANSFER OF MORTGAGE
 181178493)

151 008 896 13/01/2015 CAVEAT
 RE : ASSIGNMENT OF RENTS AND LEASES
 CAVEATOR - PANTERRA MORTGAGE & FINANCIAL
 CORPORATION LTD.
 5505 6 STREET SE
 CALGARY
 ALBERTA T2H1L6
 (DATA UPDATED BY: TRANSFER OF CAVEAT
 181178494)

151 157 226 24/06/2015 CAVEAT
 RE : LEASE INTEREST
 CAVEATOR - COCOCO CHOCOLATIERS INC.
 ATTN: PRESIDENT
 1313-1 ST SE
 CALGARY
 ALBERTA T2G5L1
 AGENT - CLARK KASSIAN

151 277 736 27/10/2015 WRIT
 CREDITOR - D ARTHUR QUINNEY
 C/O KIRWIN LLP
 SUITE 100, 12420 104 AVENUE NW
 EDMONTON
 ALBERTA T5N3Z9
 DEBTOR - 1075397 ALBERTA LTD.
 220-19 STREET SE
 CALGARY
 ALBERTA T2E6P5
 AMOUNT: \$527,861 AND COSTS IF ANY
 ACTION NUMBER: 1403 00272

151 277 737 27/10/2015 WRIT
 CREDITOR - SUZANNE QUINNEY
 C/O KIRWIN LLP
 SUITE 100, 12420 104 AVENUE NW
 EDMONTON
 ALBERTA T5N3Z9
 DEBTOR - 1075397 ALBERTA LTD.
 220-19 STREET SE
 CALGARY
 ALBERTA T2E6P5
 AMOUNT: \$207,442 AND COSTS IF ANY
 ACTION NUMBER: 1403 00272

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 3
151 008 894

REGISTRATION
NUMBER DATE (D/M/Y) PARTICULARS

(DATA UPDATED BY: 201161692)

161 292 238 07/12/2016 WRIT
CREDITOR - BARCLAY STREET REAL ESTATE LTD.
200, 407 - 8TH AVENUE SW
CALGARY
ALBERTA T2P1E5
DEBTOR - 1075397 ALBERTA LTD.
2320 - 2ND AVENUE SE
CALGARY
ALBERTA T2E6J9
AMOUNT: \$38,631 AND COSTS IF ANY
ACTION NUMBER: 1601-15434

181 199 726 18/09/2018 POSTPONEMENT
OF MORT 151008895 CAVE 151008896
TO CAVE 151157226

191 180 282 04/09/2019 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 151008895

TOTAL INSTRUMENTS: 009

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 22 DAY OF
OCTOBER, 2020 AT 09:43 A.M.

ORDER NUMBER: 40364663

CUSTOMER FILE NUMBER: 104076-00001



END OF CERTIFICATE

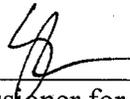
THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

THIS IS EXHIBIT "B"
referred to in the Affidavit of

Terence Phillips

sworn before me this 23 day of
October, A.D. 2020.

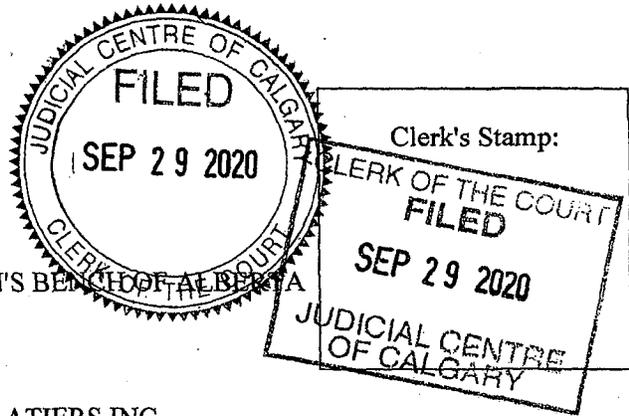


A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

G. BRIAN DAVISON Q.C.
BARRISTER & SOLICITOR

COURT FILE NUMBER 1601-12986
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF COCOCO CHOCOLATIERS INC.
DEFENDANTS 1075397 ALBERTA LTD.
DOCUMENT SATISFACTION OF JUDGMENT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Burnet, Duckworth & Palmer LLP
2400, 525 – 8 Avenue SW
Calgary, Alberta T2P 1G1
Lawyer: David LeGeyt
Phone Number: (403) 260-0210
Fax Number: (403) 260-0332
Email Address: dlegeyt@bdplaw.com
File No. 49075-61

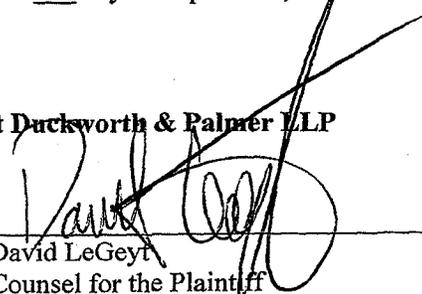


I hereby certify this to be a true copy of the original Satisfaction dated this 29 day of Sept 2020 for Clerk of the Court

TAKE NOTICE that the Plaintiff hereby acknowledges that the Consent Judgement dated October 28, 2016, against the Defendant in this action has been satisfied in full.

DATED at the City of Calgary, in the Province of Alberta, this 29 day of September, 2020.

Burnet Duckworth & Palmer LLP

Per: 

David LeGeyt
Counsel for the Plaintiff

THIS IS EXHIBIT "C"
referred to in the Affidavit of

Terence Phillips

sworn before me this 23 day of
October, A.D. 2020.



A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

G. BRIAN DAVISON Q.C.
BARRISTER & SOLICITOR

Nutt, Kim

From: Litigation.ab <litigation.ab@dyedurham.com>
Sent: Wednesday, October 14, 2020 12:38 PM
To: Nutt, Kim
Subject: [EXTERNAL] RE: 104076-00002

Hi Kim,

I believe it varies by the documents. The court house has been taking up to two weeks, to file certain documents.

Thank you,



www.dyedurham.com

Kasey Sutherland
Customer Service Representative

Dye & Durham Corporation, powering:

KVP Registration Services

P: 1-780-408-3715

F: (780) 408 3718

E: litigation.ab@dyedurham.com

From: Nutt, Kim <kim.nutt@dlapiper.com>
Sent: October 14, 2020 11:53 AM
To: Litigation.ab <litigation.ab@dyedurham.com>
Subject: RE: 104076-00002

Yes please submit. I discussed this with Erin at DLA Edmonton yesterday. She told me that you would have to drop it off and wait. She estimate it would be 3 or 4 days. Is that correct?

Kim Nutt

Legal Administrative Assistant

T +1 403.294.3591

F +1 403.296.4474

E kim.nutt@dlapiper.com



DLA Piper (Canada) LLP
Suite 1000, Livingston Place West
250 2nd St SW
Calgary AB T2P 0C1
Canada
www.dlapiper.com

From: Litigation.ab <litigation.ab@dyedurham.com>
Sent: Wednesday, October 14, 2020 11:43 AM
To: Nutt, Kim <kim.nutt@ca.dlapiper.com>
Subject: [EXTERNAL] 104076-00002

Hi Kim,

We are unable to file documents asap here in Edmonton. They would have to be submitted, and we would need to wait for the court house to provide the filed copy back.

The only thing we can do is include an urgent letter, and place the documents in an envelope, and from there submit. And this would still be at the clerk's discretion

Please advised if we should proceed with submitting?

Thank you,



www.dyedurham.com

Kasey Sutherland
Customer Service Representative

Dye & Durham Corporation, powering:

KVP Registration Services

P: 1-780-408-3715

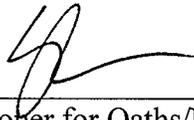
F: (780) 408 3718

E: litigation.ab@dyedurham.com

THIS IS EXHIBIT "D"
referred to in the Affidavit of

Terence Phillips

sworn before me this 23 day of
October, A.D. 2020.



A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

G. BRIAN DAVISON Q.C.
BARRISTER & SOLICITOR

STATEMENT OF ACCOUNT



Account No:	1268
Statement Date:	2020-06-09
Statement Summary	
Statement Period	All Dates
Account Balance	\$ 3,571,792.15
Reserve Balance	\$ 5,810.86
Interest Paid in 2019	\$ -
Maximum Loan Amount	\$ 3,200,000.00
Current Principal Balance	\$ 3,200,000.00
Interest Rate	9%
Property: 2320 Second Avenue SE Calgary AB	

Borrower
Phillips, Terry (1075397 Alberta Ltd.) c/o Rigsat Communications Inc. 220- 19th Street S.E Calgary AB T2E 6P5

Please advise us immediately of any discrepancies in the transactions or investment activity on your statement of account or if you contemplate changing your address. When making inquiries by telephone or in writing please give your account number. We urge you to keep this statement with your investment records.

Date	Reference	Description	Reserve	Charges	Credits	Balance
		Balance Forward				
2014-12-22	Full Adv.	Funds Advanced		\$ 3,200,000.00		\$ 3,200,000.00
2014-12-22	Commitment	12 month commitment fee to January 1, 2016		\$ 64,000.00		\$ 3,264,000.00
2014-12-24	Commitment	Payment- other	\$ 64,000.00		\$ 64,000.00	\$ 3,200,000.00
2015-12-31		Finance Charge		\$ 7,890.41		\$ 3,207,890.41
2015-01-06	Interest	Payment Received- Thank You			\$ 7,890.41	\$ 3,200,000.00
2015-01-31		Finance Charge		\$ 24,470.00		\$ 3,224,470.00
2015-02-01	Commitment	Payment- other	-\$ 64,000.00			\$ 3,224,470.00
2015-02-02	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,200,470.00
2015-02-28		Finance Charge		\$ 22,102.31		\$ 3,222,572.31
2015-03-02	Interest	Payment Received- Thank You	\$ 1,427.69		\$ 24,000.00	\$ 3,198,572.31
2015-03-31		Finance Charge		\$ 24,455.28		\$ 3,223,027.59
2015-04-01	Interest	Payment Received- Thank You	-\$ 1,427.69		\$ 24,000.00	\$ 3,199,027.59
2015-04-30		Finance Charge		\$ 23,664.04		\$ 3,222,691.63
2015-05-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,198,691.63
2015-05-31		Finance Charge		\$ 24,450.27		\$ 3,223,141.90
2015-06-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,199,141.90
2015-06-30		Finance Charge		\$ 23,664.89		\$ 3,222,806.79
2015-07-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,198,806.79
2015-07-31		Finance Charge		\$ 24,457.07		\$ 3,223,263.86
2015-08-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,199,263.86
2015-08-31		Finance Charge		\$ 24,472.40		\$ 3,223,736.26
2015-09-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,199,736.26
2015-09-30		Finance Charge		\$ 23,669.28		\$ 3,223,405.54
2015-10-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,199,405.54
2015-10-31		Finance Charge		\$ 24,455.73		\$ 3,223,861.27
2015-11-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,199,861.27
2015-11-30		Finance Charge		\$ 23,676.12		\$ 3,223,537.39
2015-12-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,199,537.39
2015-12-31		Finance Charge		\$ 24,456.74		\$ 3,223,994.13
2016-01-01	Renewal	6 month renewal fee to July 1, 2016		\$ 32,000.00		\$ 3,255,994.13
2016-01-04	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,231,994.13
2016-01-31		Finance Charge		\$ 24,722.58		\$ 3,256,716.71
2016-02-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,232,716.71
2016-02-01	Interest	Payment Reversed- NSF		\$ 24,000.00		\$ 3,256,716.71
2016-02-02	NSF Fee	Funds frozen administration fee paid		\$ 200.00		\$ 3,256,916.71
2016-02-05	Interest	Payment Received- Thank You			\$ 24,200.00	\$ 3,232,716.71
2016-02-29		Finance Charge		\$ 23,139.81		\$ 3,255,856.52
2016-03-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,231,856.52
2016-03-31		Finance Charge		\$ 24,703.78		\$ 3,256,560.30
2016-04-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,232,560.30
2016-04-30		Finance Charge		\$ 23,912.09		\$ 3,256,472.39
2016-05-02	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,232,472.39
2016-05-02	Interest	Payment Reversed- NSF		\$ 24,000.00		\$ 3,256,472.39
2016-05-04	NSF Fee	NSF administration fee paid		\$ 200.00		\$ 3,256,672.39
2016-05-06	Interest	Payment Received- Thank You			\$ 24,200.00	\$ 3,232,472.39
2016-05-31		Finance Charge		\$ 24,738.08		\$ 3,257,210.47
2016-06-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,233,210.47
2016-06-30		Finance Charge		\$ 23,916.90		\$ 3,257,127.37
2016-07-01	Renewal	6 month renewal fee to January 1, 2017		\$ 32,000.00		\$ 3,289,127.37
2016-07-04	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,265,127.37
2016-07-31		Finance Charge		\$ 24,975.85		\$ 3,290,103.22
2016-08-04	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,266,103.22
2016-08-31		Finance Charge		\$ 24,983.30		\$ 3,291,086.52
2016-09-01	Interest	Payment Received- Thank You			\$ 24,000.00	\$ 3,267,086.52
2016-09-01	Interest	Payment Reversed- NSF		\$ 24,000.00		\$ 3,291,086.52
2016-09-06	Rents	Payment Received- Thank You	\$ 5,459.44		\$ 29,459.44	\$ 3,261,627.08
2016-09-22	Legal Fees	Carscollen LLP legal fees for rent attornment paid.		\$ 1,266.51		\$ 3,262,893.59
2016-09-30		Finance Charge		\$ 24,163.42		\$ 3,287,057.01

2016-09-30	GST	GST collected on Sept. rents from Cococo Chocolatiers	\$	1,402.83		\$	3,288,459.84	
2016-10-01	LTO Search	Alberta Land Titles searches paid by Paragon	\$	110.00		\$	3,288,569.84	
2016-10-01	Prop. Tax	City of Calgary property tax payment for August NSF paid	\$	3,552.00		\$	3,292,121.84	
2016-10-03	Rents	Payment Received- Thank You	-\$	871.90	\$	29,459.44	\$	3,262,662.40
2016-10-31		Finance Charge	\$	24,950.66		\$	3,287,613.06	
2016-11-01	Rents	Payment Received- Thank You	\$	5,459.44	\$	29,459.44	\$	3,258,153.62
2016-11-01	Legal Fees	Carscallen LLP legal fees for pending application paid	\$	801.06		\$	3,258,954.68	
2016-11-29	Expenses	Payment- other	-\$	801.06		\$	3,258,954.68	
2016-11-30		Finance Charge	\$	24,101.81		\$	3,283,056.49	
2016-12-01	Rents	Payment Received- Thank You	-\$	8,706.22	\$	29,459.44	\$	3,253,597.05
2016-12-01	GST	GST collected on Oct. rents from Cococo Chocolatiers	\$	1,402.83		\$	3,254,999.88	
2016-12-01	GST	GST collected on Nov. rents from Cococo Chocolatiers	\$	1,402.83		\$	3,256,402.71	
2016-12-01	Insurance	Royal Sun Alliance Insurance annual premium paid	\$	11,360.00		\$	3,267,762.71	
2016-12-31		Finance Charge	\$	24,978.24		\$	3,292,740.95	
2017-01-01	Renewal	6 month renewal fee to July 1, 2017	\$	32,000.00		\$	3,324,740.95	
2017-01-03	Rents	Payment Received- Thank You	\$	2,653.78	\$	29,459.44	\$	3,295,281.51
2017-01-03	GST	GST collected on Dec. rents from Cococo Chocolatiers	\$	1,402.83		\$	3,296,684.34	
2017-01-03	GST	GST collected on Jan. rents from Cococo Chocolatiers	\$	1,402.83		\$	3,298,087.17	
2018-01-31		Finance Charge	\$	25,223.18		\$	3,323,310.35	
2017-02-01	Rents	Payment Received- Thank You	\$	5,459.44	\$	29,459.44	\$	3,293,850.91
2017-02-28		Finance Charge	\$	22,741.11		\$	3,316,592.02	
2017-03-01	Rents	Payment Received- Thank You	\$	2,249.52	\$	29,459.44	\$	3,287,132.58
2017-03-01	GST	GST collected on Feb. rents from Cococo Chocolatiers	\$	1,402.83		\$	3,288,535.41	
2017-03-01	Legal Fees	DBH legal fees pertaining to PPR renewals paid	\$	404.26		\$	3,288,939.67	
2017-03-01	GST	GST collected on Mar. rents from Cococo Chocolatiers	\$	1,402.83		\$	3,290,342.50	
2017-03-31		Finance Charge	\$	25,150.84		\$	3,315,493.34	
2017-04-03	Rents	Payment Received- Thank You	\$	5,459.44	\$	29,459.44	\$	3,286,033.90
2017-04-30		Finance Charge	\$	24,322.18		\$	3,310,356.08	
2017-05-01	Rents	Payment Received- Thank You	\$	2,653.78	\$	29,459.44	\$	3,280,896.64
2017-05-01	GST	GST collected on Apr. rents from Cococo Chocolatiers	\$	1,402.83		\$	3,282,299.47	
2017-05-01	GST	GST collected on May. rents from Cococo Chocolatiers	\$	1,402.83		\$	3,283,702.30	
2017-05-31		Finance Charge	\$	25,121.53		\$	3,308,823.83	
2017-06-01	Rents	Payment Received- Thank You	\$	5,459.44	\$	29,459.44	\$	3,279,364.39
2017-06-01	Renewal	Payment Received- Thank You	-\$	19,900.00		\$	3,279,364.39	
2017-06-30		Finance Charge	\$	24,279.07		\$	3,303,643.46	
2017-07-01	Renewal	6 month renewal fee to January 1, 2018	\$	32,000.00		\$	3,335,643.46	
2017-07-01	GST	GST collected on Jun. rents from Cococo Chocolatiers	\$	1,416.33		\$	3,337,059.79	
2017-07-04	Rents	Payment Received- Thank You	\$	3,139.20	\$	29,969.11	\$	3,307,090.68
2017-07-04	GST	GST collected on Jul. rents from Cococo Chocolatiers	\$	1,413.58		\$	3,308,504.26	
2017-07-31		Finance Charge	\$	25,309.74		\$	3,333,814.00	
2017-08-01	Rents	Payment Received- Thank You	\$	5,685.25	\$	29,685.25	\$	3,304,128.75
2017-08-01	GST	GST collected on Aug. rents from Cococo Chocolatiers	\$	1,413.58		\$	3,305,542.33	
2017-08-31		Finance Charge	\$	25,256.22		\$	3,330,798.55	
2017-09-01	Rents	Payment Received- Thank You	\$	2,858.09	\$	29,685.25	\$	3,301,113.30
2017-09-01	GST	GST collected on Sept. rents from Cococo Chocolatiers	\$	1,413.58		\$	3,302,526.88	
2017-09-30		Finance Charge	\$	24,429.65		\$	3,326,956.53	
2017-10-02	Rents	Payment Received- Thank You	\$	5,685.25	\$	29,685.25	\$	3,297,271.28
2017-10-02	Renewal	Payment Received- Thank You	-\$	19,900.00		\$	3,297,271.28	
2017-10-02	GST	GST collected on Oct. rents from Cococo Chocolatiers	\$	1,413.58		\$	3,298,684.86	
2017-10-31		Finance Charge	\$	25,211.12		\$	3,323,895.98	
2017-11-01	Rents	Payment Received- Thank You	\$	5,685.25	\$	29,685.25	\$	3,294,210.73
2017-11-01	GST	GST collected on Nov. rents from Cococo Chocolatiers	\$	1,413.58		\$	3,295,624.31	
2017-11-30		Finance Charge	\$	24,357.68		\$	3,319,981.99	
2017-12-01	Rents	Payment Received- Thank You	\$	1,444.51	\$	29,685.25	\$	3,290,296.74
2017-12-01	GST	GST collected on Dec. rents from Cococo Chocolatiers	\$	1,413.58		\$	3,291,710.32	
2017-12-31		Finance Charge	\$	25,161.29		\$	3,316,871.61	
2018-01-01	Renewal	6 month renewal fee to July 1, 2018	\$	32,000.00		\$	3,348,871.61	
2018-01-01	GST	GST collected on Jan. rents from Cococo Chocolatiers	\$	1,413.58		\$	3,350,285.19	
2018-01-02	Rents	Payment Received- Thank You	\$	5,685.25	\$	29,685.25	\$	3,320,599.94
2018-01-31		Finance Charge	\$	25,378.64		\$	3,345,978.58	
2018-02-01	Rents	Payment Received- Thank You	\$	2,858.09	\$	29,685.25	\$	3,316,293.33
2018-02-01	GST	GST collected on Feb. rents from Cococo Chocolatiers	\$	1,413.58		\$	3,317,706.91	
2018-02-28		Finance Charge	\$	22,905.81		\$	3,340,612.72	
2018-03-01	Rents	Payment Received- Thank You	\$	5,685.25	\$	29,685.25	\$	3,310,927.47
2018-03-01	Renewal	Payment Received- Thank You	-\$	19,900.00		\$	3,310,927.47	
2018-03-01	GST	GST collected on Mar. rents from Cococo Chocolatiers	\$	1,413.58		\$	3,312,341.05	
2018-03-31		Finance Charge	\$	25,308.19		\$	3,337,649.24	
2018-04-02	Rents	Payment Received- Thank You	\$	3,311.06	\$	30,160.87	\$	3,307,488.37
2018-04-02	GST	GST collected on Apr. rents from Cococo Chocolatiers	\$	1,436.23		\$	3,308,924.60	
2018-04-30		Finance Charge	\$	24,483.71		\$	3,333,408.31	
2018-05-01	Rents	Payment Received- Thank You	\$	6,160.87	\$	30,160.87	\$	3,303,247.44
2018-05-01	GST	GST collected on May. rents from Cococo Chocolatiers	\$	1,436.23		\$	3,304,683.67	
2018-05-31		Finance Charge	\$	25,249.48		\$	3,329,933.15	
2018-06-01	Rents	Payment Received- Thank You	\$	3,288.41	\$	30,160.87	\$	3,299,772.28
2018-06-01	GST	GST collected on Jun. rents from Cococo Chocolatiers	\$	1,436.23		\$	3,301,208.51	
2018-06-30		Finance Charge	\$	24,419.90		\$	3,325,628.41	
2018-07-03	Rents	Payment Received- Thank You	\$	6,160.87	\$	30,160.87	\$	3,295,467.54
2018-07-03	Renewal	Payment Received- Thank You	-\$	19,900.00		\$	3,295,467.54	
2018-07-03	GST	GST collected on Jul. rents from Cococo Chocolatiers	\$	1,436.23		\$	3,296,903.77	

2018-07-31	Finance Charge		\$ 25,204.89		\$ 3,322,108.66
2018-08-01	Rents	Payment Received- Thank You	\$ 3,288.41	\$ 30,160.87	\$ 3,291,947.79
2018-08-01	GST	GST collected on Aug. rents from Cococo Chocolatiers	\$ 1,436.23		\$ 3,293,384.02
2018-08-08		Finance Charge	\$ 6,496.54		\$ 3,299,880.56
2018-08-08		Balance assumed by PMFC Ltd.		\$ 3,299,880.56	\$ -
2018-08-09		Balance charged to 1075397 Alberta Ltd	\$ 3,299,880.56		\$ 3,299,880.56
2018-08-31		Finance Charge	\$ 18,714.39		\$ 3,318,594.95
2018-09-01	Renewal	6 month renewal fee to March 1, 2019	\$ 32,000.00		\$ 3,350,594.95
2018-09-30		Finance Charge	\$ 24,785.22		\$ 3,375,380.17
2018-10-31		Finance Charge	\$ 25,800.85		\$ 3,401,181.03
2018-11-30		Finance Charge	\$ 25,159.42		\$ 3,426,340.45
2018-12-31		Finance Charge	\$ 26,190.38		\$ 3,452,530.83
2019-01-31		Finance Charge	\$ 26,390.58		\$ 3,478,921.41
2019-02-28		Finance Charge	\$ 24,018.85		\$ 3,502,940.26
2019-03-31		Finance Charge	\$ 26,775.90		\$ 3,529,716.16
2019-04-30		Finance Charge	\$ 26,110.23		\$ 3,555,826.39
2019-05-31		Finance Charge	\$ 27,180.15		\$ 3,583,006.54
2019-06-30		Finance Charge	\$ 26,504.43		\$ 3,609,510.98
2019-07-31		Finance Charge	\$ 27,590.51		\$ 3,637,101.48
2019-08-03	Rents	Payment Received net GST - Thank You		\$ 25,971.91	\$ 3,611,129.58
2019-08-31		Finance Charge	\$ 24,931.63		\$ 3,636,061.21
2019-09-02		Payment Received net GST - Thank You		\$ 28,724.64	\$ 3,607,336.57
2019-09-30		Finance Charge	\$ 24,905.45		\$ 3,632,242.02
2019-10-01		Payment Received net GST - Thank You		\$ 28,724.64	\$ 3,603,517.38
2019-10-31		Finance Charge	\$ 26,656.16		\$ 3,630,173.53
2019-11-01		Payment Received net GST - Thank You		\$ 28,724.64	\$ 3,601,448.89
2019-11-30		Finance Charge	\$ 25,752.83		\$ 3,627,201.72
2019-12-02		Payment Received net GST - Thank You		\$ 28,724.64	\$ 3,598,477.08
2019-12-31		Finance Charge	\$ 25,731.58		\$ 3,624,208.66
2020-01-01		Payment Received net GST - Thank You		\$ 28,724.64	\$ 3,595,484.02
2020-01-31		Finance Charge	\$ 26,596.73		\$ 3,622,080.75
2020-02-03		Payment Received net GST - Thank You		\$ 28,724.64	\$ 3,593,356.11
2020-02-29		Finance Charge	\$ 23,036.86		\$ 3,616,392.96
2020-03-02		Payment Received net GST - Thank You		\$ 28,724.64	\$ 3,587,668.32
2020-03-31		Finance Charge	\$ 25,654.29		\$ 3,613,322.61
2020-04-01		Payment Received net GST - Thank You		\$ 28,724.64	\$ 3,584,597.97
2020-04-30		Finance Charge	\$ 25,632.33		\$ 3,610,230.30
2020-05-01		Payment Received net GST - Thank You		\$ 28,724.64	\$ 3,581,505.66
2020-05-10		Finance Charge	\$ 7,948.00		\$ 3,589,453.66
2020-05-11		Insurance and Property Tax Adjustment- Net GST		\$ 12,961.28	\$ 3,576,492.38
2020-05-31		Finance Charge	\$ 17,637.50		\$ 3,594,129.88
2020-06-01		Payment Received net GST - Thank You		\$ 29,369.58	\$ 3,564,760.30
2020-06-09		Finance Charge	\$ 7,031.86		\$ 3,571,792.15

Notes:

- (1) The Mortgage registered in the Alberta Land Titles Office on January 13, 2015 as instrument number 151 008 895 had a maturity date (as amended) of March 1, 2019 and is accordingly in default.
- (2) The Loan Agreement and the Loan Documents (as defined by the Loan and Security Amendment executed September 1, 2018 among Panterra Mortgage & Financial Corporation Ltd., as Lender, 1075397 Alberta Ltd., as Borrower, Rigsat Communications Inc., as Guarantor, and Petrocraft Products Ltd., as Guarantor) is and are in default (there have been "Events of Default") by reason of non-payment of interest for the months September 2018 through April 2019 inclusive.

THIS IS EXHIBIT "E"
referred to in the Affidavit of

Terence Phillips

sworn before me this 23 day of
October, A.D. 2020.



A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

G. BRIAN DAVISON Q.C.
BARRISTER & SOLICITOR

Nutt, Kim

From: Ferguson, Iain @ Calgary <Iain.Ferguson@cbre.com>
Sent: Tuesday, October 20, 2020 9:46 PM
To: Davison, Brian; Terry D Phillips
Cc: Nutt, Kim
Subject: [EXTERNAL] RE: 2320 2 Ave SE

Brian/ Terry,

We have hit a bit of a stall on the above referenced property as a Marketable and Saleable asset. The challenges to date can be broken into 3 categories:

- 1) Macro- market conditions and liquidity in the capital markets.
- 2) Questions over ability of the Tenant as a going concern.
- 3) Questions on the convoluted relationship between the Tenant and related parties to the Lender.

Macro Market Conditions and Liquidity in the capital markets

Significant challenges exist in the Calgary commercial real estate in the market which have been further exacerbated by COVID and the oil and gas crisis. The investment side of the market we are marketing into is only seemingly open for business when it comes to the absolute best in class assets with rent rolls unexposed to myriad industries which have faced the brunt of the shutdowns of the quarantine period. Anything outside this category has seen a significant drop in value as buyers will only buy them with exceptionally rates of return or cap rates. CBRE has tracked very few actual sales in a comparable category for these reasons.

Questions over ability of the Tenant as a going concern

Despite Cococo's strong backing by the Panterra group, it is a poorly kept secret that they are having significant business struggles. A piece of investment property is only as good as the creditworthiness of the tenant and their ability to meet their commitments. We lose many prospective buyers at the juncture where we disclose who the occupant is and what they are paying in rent. While buyers are intrigued by the strong balance sheet of Cococo's parent company, without guarantees from Panterra this is no more than an anecdote. On the subject of rental rate the feeling is that the contracted rental rate is high of market and building needs be valued at a low \$8.00 rate as that is the market rate it would need to be re-leased at. It is worthwhile to mention that while there is some good infrastructure in the building, much of it is in poor repair and the get adequate value of these items on a re-lease scenario, significant capital would need to be invested.

Questions on the convoluted relationship between the Tenant and related parties to the Lender

There is significant history here not worth repeating in this note. I would say that the dynamic on this item is the real impediment to the marketability of this project. Much confusion results from this relationship and clouds a path forward.

In the interest of time I am sending this note and will send a further correspondence in the AM on interested parties.

Iain G Ferguson | Executive Vice President
CBRE Limited | Advisory & Transaction Services
500, 530 - 8th Avenue SW | Calgary, Alberta T2P 3S8
T 403 750 0803 | F 403 269 4202 | C 403 554 0803

lain.ferguson@cbre.com | www.cbre.com

From: Davison, Brian <brian.davison@dlapiper.com>
Sent: Tuesday, October 20, 2020 5:32 PM
To: Ferguson, Iain @ Calgary <Iain.Ferguson@cbre.com>; Terry D Phillips <tphillips@rigsat.com>
Cc: Nutt, Kim <kim.nutt@dlapiper.com>
Subject: RE: 2320 2 Ave SE

External

Iain, how is your report coming?

G. Brian Davison *
Partner

T +1 403.294.3590
F +1 403.776.8864
E brian.davison@dlapiper.com

From: Ferguson, Iain @ Calgary <Iain.Ferguson@cbre.com>
Sent: Tuesday, October 20, 2020 8:18 AM
To: Terry D Phillips <tphillips@rigsat.com>
Cc: Davison, Brian <brian.davison@ca.dlapiper.com>; Nutt, Kim <kim.nutt@ca.dlapiper.com>
Subject: [EXTERNAL] Re: 2320 2 Ave SE

We are assembling this today. Had not read correctly with the Monday date.

Iain Ferguson
Executive Vice President
CBRE
lain.ferguson@cbre.com
403 554 0803
403 750 0803

On Oct 20, 2020, at 7:26 AM, Terry D Phillips <tphillips@rigsat.com> wrote:

External

Hi Brain

Did we receive the information we need?

Thanks

Terry D Phillips
tphillips@rigsat.com
Tel: (403)250-5417
Fax:(403)250-5452
Cell:(403)880-1441
<image002.jpg>

From: Davison, Brian [<mailto:brian.davison@dlapiper.com>]
Sent: October-15-20 1:55 PM
To: Ferguson, Iain @ Calgary
Cc: Terry D Phillips; 'kim.nutt@dlapiper.com'
Subject: 2320 2 Ave SE

Hi Iain,

Attached are documents confirming the COCOCO judgment has been satisfied and the writ and CLP has been removed from the property. As well, last week we reached settlements with Sue and Art Quinney. They have signed and submitted Satisfaction Pieces for filing at with the Court of Queen's Bench. Discharges of their Writs have also been submitted for registration. Both the Courthouse and Land Titles are taking anywhere from 1 -2 weeks to register documents. Finally, we have also reached a settlement with Barclay Street on an amount. So all the writs are taken care of or will be discharged. That leaves the Panterra mortgage to deal with.

We have to file our further material by next Thursday and have it delivered to the Judge by noon Friday Oct 23. Any material not filed by then, will not be reviewed by the court. The next application is October 27 at 2:30

What I need Iain is a listing of all the people who have inquired about the property, or viewed the property and people that you and your team have contacted about the property as well as any other marketing suggestions, like reducing the price. I suspect, the COCOCO lease and financial position is a big stumbling block. If I'm right please let me know. It would be best to have this information by Monday October 19 to give me time to review in, and consider changes in my approach

G. Brian Davison *
Partner

T +1 403.294.3590
F +1 403.776.8864
E brian.davison@dlapiper.com

<image003.gif>

DLA Piper (Canada) LLP
Suite 1000, Livingston Place West
250 2nd St SW
Calgary, AB T2P 0C1
www.dlapiper.com
* Professional Corporation

THIS IS EXHIBIT "F"
referred to in the Affidavit of

Terence Phillips

sworn before me this 23 day of
October, A.D. 2020.



A Commissioner for Oaths/Notary Public
in and for the Province of Alberta

G. BRIAN DAVISON Q.C.
BARRISTER & SOLICITOR

Nutt, Kim

From: Victor Kroeger <Victor.Kroeger@mnp.ca>
Sent: Wednesday, October 21, 2020 2:01 PM
To: Davison, Brian
Cc: Nutt, Kim; David LeGeyt (dlegeyt@bdplaw.com); Ryan Zahara (rzahara@maitkins.com)
Subject: [EXTERNAL] RE: Panterra v 1075397 Alberta - 2320 2nd Ave SE

Brian. As you know estimating costs of a receivership is always difficult and always wrong as no one knows exactly what issues will arise once the receivership occurs. Based on what little we know about the file and costs already incurred from Court attendances, we would estimate that receiver's and receiver's legal counsel fees for the first 2 months of the receivership could range between \$25,000 and \$35,000. This range is for illustrative purposes only and we are not providing this as a 'set in stone' fee quote. Any funds required for operations would be in excess of this range.

Vic

Victor P. Kroeger CIRP, LIT, CPA, CA, CFE
DIRECTOR OF CORPORATE RECOVERY WESTERN CANADA

DIRECT 403.298.8479
CELL 403.870.1827
TOLL FREE 1.877.500.0792
1500, 640 - 5th Avenue SW
Calgary, AB
T2P 3G4
vic.kroeger@mnp.ca
mnpdebt.ca



MNP PROUDLY CELEBRATES THE CANADIAN ENTREPRENEURIAL DRIVE

MNP

Member of Praxity, AISBL
Global Alliance of Independent Firms

KINCENTRIC
Best Employer

CANADA 2019

Please note that our Calgary office is now open to the public with COVID-19 restrictions in place. We continue to take proper social-distancing measures to ensure the health and safety of our team members and clients. For more information on our reopening strategy, please contact your advisor.

*For relevant and up-to-date information, visit our **COVID-19 Business Advice Centre** on our website. You will find timely updates on Government regulations, tax information, advice for employers and our continued response to this evolving circumstance.*

From: Davison, Brian <brian.davison@dlapiper.com>
Sent: October 21, 2020 8:42 AM
To: David LeGeyt (dlegeyt@bdplaw.com) <dlegeyt@bdplaw.com>; Victor Kroeger <Victor.Kroeger@mnp.ca>
Cc: Nutt, Kim <kim.nutt@dlapiper.com>
Subject: Re: Panterra v 1075397 Alberta - 2320 2nd Ave SE

CAUTION: This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.
MISE EN GARDE: Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

David and Vic,

David, would you please provide me details (items and amounts) of non legal expenses included in the \$99,621.53 claimed by Panterra.

David and Vic, please provide me with the detailed expenditures contemplated in the draft receivership order (para 20) giving the Receiver power to borrow up to \$500,000 in the receivership. 107 needs to understand why such a large amount is being requested

Vic, please provide me with an estimate of fees and the fees of your legal counsel on a monthly basis for the first and second month if MNP is appointed Receiver of the above property.

I think it important for the court to know about these matters at the next application

G. Brian Davison *

Partner

T +1 403.294.3590

F +1 403.776.8864

E brian.davison@dlapiper.com



DLA Piper (Canada) LLP
Suite 1000, Livingston Place West
250 2nd St SW
Calgary, AB T2P 0C1
www.dlapiper.com
* Professional Corporation

This email and any accompanying attachments contain confidential information intended only for the individual or entity named above. Any dissemination or action taken in reliance on this email or attachments by anyone other than the intended recipient is strictly prohibited. If you believe you have received this message in error, please delete it and contact the sender by return email. In compliance with Canada's Anti-spam legislation (CASL), if you do not wish to receive further electronic communications from MNP, please reply to this email with "REMOVE ME" in the subject line.