

**ALASKA – ALBERTA RAILWAY DEVELOPMENT CORPORATION
- INTERIM RECEIVERSHIP**

24-2746532

FINAL REPORT OF RECEIVER AS AT MARCH 9, 2022

Subsection 246(3) of the *Bankruptcy and Insolvency Act*

BACKGROUND

On June 18, 2021, Alaska – Alberta Railway Development Corporation (“A2A” or the “Company”) filed a Notice of Intention to Make a Proposal (the “NOI”) pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act, RSC 1985, C B-3* (the “BIA”). MNP Ltd. consented to act as Trustee under the NOI (the “Trustee”).

The NOI proceedings were initiated following the receivership of A2A’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.

On July 12, 2021, on application by PwC, the Court of Queen’s Bench of Alberta granted an Order appointing MNP Ltd. as Interim Receiver of A2A during the NOI (the “Interim Receiver”). 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 “Proposal”).

On October 27, 2021, the Proposal was lodged with the Official Receiver on behalf of A2A. It was subsequently approved by the Court pursuant to an Order (Approval of Proposal and Reorganization) granted on December 16, 2021.

The Proposal has now been fully completed and a Certificate of Full Performance was issued on January 27, 2022.

Copies of relevant documents relating to these proceedings are available on the Interim Receiver’s website at:

<https://mnpdebt.ca/en/corporate/corporate-engagements/alaska-alberta-railway-development-corporation>

STATEMENT OF RECEIPTS AND DISBURSEMENTS

The Receiver’s Final Statement of Receipts and Disbursements is attached hereto.

NEXT STEPS

On March 8, 2022, the Interim Receiver filed the Discharge Certificate in accordance with the terms of the Order (Approval of Interim Receiver's Fees and Activities and Discharge of Interim Receiver) also granted on December 16, 2021, confirming that the administration of the Receivership is complete.

Dated at Calgary, Alberta as at the 9th day of March 2022.

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



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

**Alaska - Alberta Railway Development Corporation ("A2A") - Interim Receivership
Interim Receiver' Final Statement of Receipts and Disbursements**

Receipts:		Notes
Cash held in financial institutions	\$ 447,036	1
Retainer	113,007	2
Total Receipts	560,043	
Disbursements:		
Contractor fees and expenses	190,708	3
Interim Receiver's fees and disbursements	184,414	4
Trustee's fees and disbursements	37,443	4
Interim Receiver's legal fees & disbursements	40,235	5
Operating expenses	18,911	
GST paid	14,376	
PST paid	1,021	
Trustee's legal fees and disbursements	7,762	5
Insurance	5,375	
Miscellaneous	312	
Transfer to proposal	59,488	6
Total Disbursements	560,043	
Excess of receipts over disbursements	\$ -	

Prepared as at March 8, 2022

Notes:

- 1 Represents cash held in financial institutions at the date of the Interim Receivership.
- 2 Represents a retainer that was previously paid to A2A's former legal counsel (the "Retainer"). The Trustee has confirmed that the Retainer was paid by Sean McCoshen (A2A's former director) personally. Mr. McCoshen is currently bankrupt and Farber Group acts as Trustee of his bankrupt estate (the "McCoshen Trustee"). The McCoshen Trustee released their interest in the Retainer to Bridging Income Fund LP, who subsequently directed that the Retainer be paid to fund A2A's receivership and proposal proceedings.
- 3 Includes amounts paid to contractors, mainly in the United States, who were assisting in the day to day operations of A2A. One of A2A's contractors was subletting an office located in Anchorage, Alaska, which expense was reimbursable by A2A.
- 4 Represents professional fees and disbursements payable to MNP Ltd. as Interim Receiver and as Proposal Trustee.
- 5 Represents professional fees and disbursements payable to Lawson Lundell LLP as legal counsel for the Interim Receiver and selected invoices of legal counsel for the Proposal Trustee.
- 6 Represents the net amount transferred to fund A2A's proposal.