



No. S1910538  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH  
COLUMBIA

PETITIONER

AND

QUINSAM COAL CORPORATION, BARCLAYS CANADA LEASING  
CORPORATION, BARCLAYS BANK OF CANADA, ENCECO, INC. and GORD  
KNIGHT VENTURES LTD.

RESPONDENTS

**APPLICATION RESPONSE**

**Application response of:** the Petitioner, Her Majesty the Queen in Right of the Province of British Columbia (the "Province")

THIS IS A RESPONSE TO the notice of application of the Bowra Group Inc., in its capacity as court-appointed Receiver and Manager of Quinsam Coal Corporation (the "Receiver") filed 12/DEC/2019.

**Part 1: ORDERS CONSENTED TO**

The application respondent consents to the granting of the orders set out in the following paragraphs of Part 1 of the notice of application on the following terms: ALL.

**Part 2: ORDERS OPPOSED**

The application respondent opposes the granting of the orders set out in paragraphs NONE of Part 1 of the notice of application.

**Part 3: ORDERS ON WHICH NO POSITION IS TAKEN**

The application respondent takes no position on the granting of the orders set out in paragraphs NONE of Part 1 of the notice of application.

**Part 4: FACTUAL BASIS**

1. Under terms 4(k), (l), and (m) of the Receivership Order (as defined in the notice of application herein), the Receiver may sell the property of Quinsam Coal Corporation with the authorization and approval of the Province.

2. The Province consents to the terms of the proposed sales process as set out in the draft order at Schedule "A" and the sale procedure set out in Schedule "B" to the Receiver's notice of application.

**Part 5: LEGAL BASIS**

1. *Law and Equity Act* R.S.B.C.1996 c. 253;
2. *Bankruptcy and Insolvency Act* R.S.C. 1985 c. B-3;
3. Such further and other authorities as the Court may permit and the Province may advise.

**Part 6: MATERIAL TO BE RELIED ON**

1. Affidavit #1 of Gordon Brown, made on December 12, 2019;
2. Such further and other materials as the Court may permit and the Province may advise.

The application respondent estimates that the application will take 45 minutes.

[X] The application respondent has filed in this proceeding a document that contains the application respondent's address for service.

Date: December 16, 2019



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Signature of lawyer for petitioner  
Aaron Welch

This **APPLICATION RESPONSE** is prepared by Aaron Welch, Barrister & Solicitor, of the Ministry of Attorney General, whose place of business and address for service is P.O. Box 9289, Stn Prov Govt, 400 - 1675 Douglas Street, Victoria, British Columbia, V8W 9J7; Telephone: (236) 478-2419; Facsimile: (250) 387-0700.