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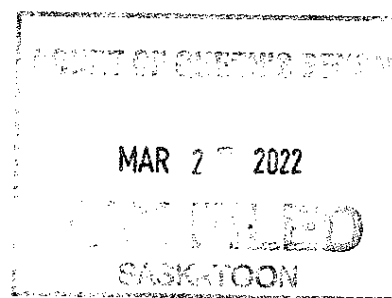
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COURT FILE NUMBER Q.B.G. 572 of 2021

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF AFFINITY CREDIT UNION 2013

DEFENDANT RITCHIE INDUSTRIES INC. and DUCK MOUNTAIN  
ENVIRONMENTAL LTD.

**IN THE MATTER OF THE RECEIVERSHIP OF RITCHIE INDUSTRIES INC. and DUCK  
MOUNTAIN ENVIRONMENTAL LTD.**

**AND IN THE MATTER OF THE BANKRUPTCY OF RITCHIE INDUSTRIES INC. and  
DUCK MOUNTAIN ENVIRONMENTAL LTD.**

**APPROVAL AND DISTRIBUTION ORDER**

Before the Honourable Madam Justice A.R. Rothery in chambers the 28<sup>th</sup> day of February,  
2022.

On the application of Diana Lee, Q.C., counsel on behalf of MNP Ltd. in its capacity as the Court-appointed receiver and manager (the "Receiver") pursuant to the Receivership Order of this Court made June 29, 2021 (the "Receivership Order"), and Trustee in Bankruptcy of the assets, undertakings and properties Ritchie Industries Inc. and Duck Mountain Environmental Ltd. (the "Debtor"); and upon hearing from counsel for the Receiver and upon reading the Notice of Application dated February 22, 2022 (the "Notice of Application"), and the proposed Draft Order, all filed and the pleadings and proceedings having taken herein:

The Court Orders:

**SERVICE**

1. Service of the Notice of Application on behalf of the Receiver and the materials filed in support thereof (collectively, the "Application Materials") shall be and is hereby deemed to be good and valid and, further, shall be and is hereby abridged, such that service of such Application Materials is deemed to be timely and sufficient.

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**APPROVAL OF DISTRIBUTIONS**

2. The Receiver is authorized and directed to distribute the net sale proceeds in respect of the sale transaction of the PetroCan personal property ("**PetroCan Asset Sale**") and PetroCan real property ("**PetroCan Real Property Sale**") as set out in the Second Report of the Receiver in Relation to Ritchie Industries Inc. dated February 22, 2022 ("**Ritchie Second Report**") as follows:

- (a) First, to pay the amount of \$174,176.54 to Affinity Credit Union 2013 plus accrued interest as repayment of the Receiver's borrowings as outlined in the Ritchie Second Report from the proceeds of the PetroCan Asset Sale and the PetroCan Real Property Sale;
- (b) Second, to pay the amount of \$83,010.28 to Canada Revenue Agency for balances owing under a deemed trust priority interest for payroll source deductions from the proceeds of the PetroCan Asset Sale;
- (c) Third, to pay the amount of \$2,991,000 plus interest accrued to the date of the distribution in relation to the debt secured by the mortgage security to the primary secured lender, Affinity Credit Union 2013, within a reasonable time and at the discretion of the Receiver from the proceeds of the PetroCan Real Property Sale;
- (d) Fourth, to pay the amount of \$764,000 plus interest accrued to the date of the distribution towards the debts secured by the first position General Security Agreement to Affinity Credit Union 2013, within a reasonable time and at the discretion of the Receiver from the proceeds of the PetroCan Asset Sale; and
- (e) Fifth, to hold the balance of any remaining proceeds under the PetroCan Asset Sale and PetroCan Real Property Sale in reserve until further order of the Court.

**APPROVAL OF THE REPORT AND ACTIVITIES OF THE RECEIVER**

3. The Ritchie Second Report, and the Receiver's activities, actions, conduct, fees, disbursements, and proposed courses of action, including the legal fees of the Receiver's legal counsel, as outlined therein, shall be and are hereby approved.

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4. The Receiver's Interim Statement of Receipts and Disbursements for the period ending February 14, 2022, as set out in the Ritchie Second Report, shall be and is hereby approved.

#### MISCELLANEOUS MATTERS

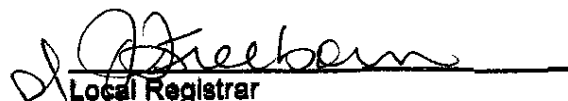
5. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction, including, without limitation, an application to the court to deal with interests which are registered against title to the Real Property after the time of the granting of this Order.

6. This court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the 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 as to provide such assistance to the Receiver, as an officer of this court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

7. Service of this Order on any party not attending this application is hereby dispensed with. Parties attending this application shall be served in accordance with the Electronic Case Information and Service Protocol adopted in the Receivership Order.

ISSUED at Saskatoon, Saskatchewan, this 7<sup>th</sup> day of March, 2022.



  
Local Registrar

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**CONTACT INFORMATION AND ADDRESS FOR SERVICE**

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