

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) MONDAY, THE 30TH
JUSTICE CAVANAGH) DAY OF AUGUST, 2021

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

-and-

YMJ PETROLEUM INC.

Respondent

APPLICATION UNDER Subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and Rule 14.05(3)(g) and (h) of the *Rules of Civil Procedure*

DISCHARGE ORDER

THIS MOTION, made by BDO CANADA LIMITED in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of YMJ PETROLEUM INC. (the "Debtor"), for an order:

1. approving the activities of the Receiver as set out in the report of the Receiver dated August 13, 2021 (the "Report") and the supplement to the report dated August 13, 2021 (the "Confidential Supplement");
2. sealing the Confidential Supplement and the unredacted copy of the motion record until the completion of the sale of the Debtor's property or further Court Order;
3. approving the fees and disbursements of the Receiver and its counsel, and the payment of same;
4. approving the distribution of the remaining proceeds available in the estate of the Debtor, as recommended by the Receiver in the Report;
5. discharging BDO Canada Limited as Receiver of the undertaking, property and assets of the Debtor; and
6. releasing BDO Canada Limited from any and all liability, as set out in paragraph 5 of this Order,

was heard this day by video conference.

ON READING the Report, the Confidential Supplement, the affidavits of the Receiver and its counsel as to fees (the "Fee Affidavits"), and on hearing the submissions of counsel for the Receiver, Royal Bank of Canada, and 2292696 Ontario Inc., no one else appearing although served as evidenced by the Affidavit of Colleen Balint sworn August 20, 2021, filed;

1. THIS COURT ORDERS that the activities of the Receiver, as set out in the Report and the Confidential Supplement, are hereby approved.
2. THIS COURT ORDERS that the Confidential Supplement and the unredacted copy of the motion record are hereby sealed, and shall not form part of the public court file, until the Receiver has filed the Receiver's Certificate (as defined in the Approval and Vesting Order signed on this date) with this Court, or further Order of this Court.
3. THIS COURT ORDERS that the fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, are hereby approved.

4. THIS COURT ORDERS that, after payment of the fees and disbursements herein approved, the Receiver shall pay an interim distribution to Royal Bank of Canada in an amount to be determined by the Receiver and not to exceed the balance owing to Royal Bank of Canada, including all interest and costs, subject to retaining a holdback of at least \$350,000.00 for ongoing costs and potential claims from the Receiver General relating to Canada Revenue Agency's ("CRA") deemed trust source deduction claim (the "CRA Priority Claim"). Once the CRA Priority Claim (if any) has been finalized and paid and the administration of the estate completed, the Receiver shall pay the monies remaining in its hands to Royal Bank of Canada.

5. THIS COURT ORDERS that upon payment of the amounts set out in paragraph 4 hereof and upon the Receiver filing a certificate substantially in the form attached as Appendix "L" to the Report certifying that it has completed the other activities described in the Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of BDO Canada Limited in its capacity as Receiver.

6. THIS COURT ORDERS AND DECLARES that upon the discharge of the Receiver, BDO Canada Limited is hereby released and discharged from any and all liability that BDO Canada Limited now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of BDO Canada Limited while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, BDO Canada Limited is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

ROYAL BANK OF CANADA
Applicant

-and- YMJ Petroleum Inc.
Respondent

Court File No. CV-20-00647600-00CL

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PROCEEDING COMMENCED AT
TORONTO

DISCHARGE ORDER

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appointed Receiver of YMJ Petroleum Inc.*