

COURT FILE NUMBER 130306092
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON

Clerk's Stamp

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANT DOWLAND CONTRACTING LTD.,
DOWLAND INDUSTRIAL WORKS LTD.,
DOWLAND CONSTRUCTION, INC., AND
6070 N.W.T. LIMITED

DOCUMENT **FIFTH REPORT OF ALVAREZ & MARSAL CANADA
INC., IN ITS CAPACITY AS COURT APPOINTED
RECEIVER OVER THE PROPERTY**

March 10, 2014

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

RECEIVER

ALVAREZ & MARSAL CANADA INC.
Bow Valley Square I
Suite 570, 202 – 6th Avenue SW
Calgary, Alberta T2P 2R9
Tim Reid/Orest Konowalchuk
Telephone: (403) 538-4756 / (403) 538-4736
Email: treid@alvarezandmarsal.com
okonowalchuk@alvarezandmarsal.com

COUNSEL

MILLER THOMSON LLP
Rick Reeson
2700 Commerce Place
10155 – 102 Street
Edmonton, Alberta T5J 4G8
Phone: (780) 429-9719
Fax: (780) 424-5866
Email: rreeson@millერთhompson.com
File# : 182818.1

TABLE OF CONTENTS OF THE FIFTH REPORT OF THE RECEIVER

1.0	INTRODUCTION AND PURPOSE OF REPORT	- 1 -
2.0	SETTLEMENT WITH THE DIOCESE.....	- 2 -
3.0	CORPORATE NAME CHANGE.....	- 4 -
4.0	RECEIVER'S RECOMMENDATION.....	- 5 -

APPENDICES

Appendix A – Copy of Amended Promissory Note dated April 15, 2013

Appendix B – Copy of Title to Lands (St. Jude's Cathedral, Iqaluit, Nunavut)

Appendix C – Letter dated February 14, 2014 from the Diocese of the Arctic, with related Email

Appendix D – Certificate of Change of Name - Dowland Industrial Works Ltd. dated October 7, 2013

1.0 INTRODUCTION AND PURPOSE OF REPORT

- 1.1 Effective May 21, 2013, pursuant to the order of the Honourable Justice J.D. Rooke (the “Receivership Order”), Alvarez & Marsal Canada Inc. was appointed Receiver and Manager (the “Receiver” or “A&M”) without security of all the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof of Dowland Contracting Ltd. (“DCL”), 0849809 B.C. Ltd. (formerly, Dowland Industrial Works Ltd.) (“084”) and 6070 N.W.T. Limited (collectively, the “Dowland Group” or the “Company”) pursuant to section 13(2) of the *Judicature Act*, R.S.A. 2002, c. J-2 and section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 in the within action (the “Receivership Proceeding”).
- 1.2 On October 4, 2013, this Honourable Court granted a Sale Approval and Vesting Order approving the marketing and sale activities of the Receiver and the sale of select parcels of personal property of 084 to Canonbie Contracting Limited (“Canonbie”) including among other things, all the right, title and interest in the name “Dowland Industrial Works Ltd.”
- 1.3 Effective February 28, 2014, the Receiver agreed to accept, subject to this Honourable Court’s approval, an offer of settlement dated February 14, 2014 (the “Settlement”) from the Diocese of the Arctic - Anglican Church of Canada (the “Diocese”) which, among other things, provides for a full and final settlement of certain outstanding indebtedness of the Diocese to DCL in consideration of a payment by the Diocese of \$2.65 million to the Receiver.
- 1.4 The Receiver’s legal counsel will be filing a notice of application dated March 10, 2014 (the “Notice of Application”) to be heard March 18, 2014 seeking:
- a) an order approving the Settlement; and
 - b) an order amending the style of cause in the Receivership Proceeding by deleting “Dowland Industrial Works Ltd.” and substituting therefore “0849809 B.C. Ltd.”.
- 1.5 The Receivership Order, with the Notice of Application and select motion material and other documents filed in the Receivership Proceedings, are posted on the Receiver’s website at www.amcanadadocs.com/dowland.

- 1.6 This is the Receiver's fifth report (the "Fifth Report") and it has been prepared as a special purpose report to advise this Honourable Court about the Receiver's activities and recommendation with respect to the order sought in respect of the Settlement and the change of style of cause in these Receivership Proceedings.
- 1.7 Capitalized words or terms not defined or otherwise ascribed meaning in this report are defined or ascribed a meaning in the Receiver's earlier reports to this Honourable Court and in the Receivership Order.
- 1.8 All references to dollars are in Canadian currency unless otherwise noted.

2.0 SETTLEMENT WITH THE DIOCESE

St. Jude's Cathedral Project – Iqaluit, Nunavut

- 2.1 The Diocese commenced the reconstruction of the St. Jude's Cathedral (the "Cathedral") in Iqaluit, Nunavut in or around 2008. Construction of the Cathedral was undertaken in four phases the fourth of which, involved DCL.
- 2.2 DCL and the Diocese entered into a Stipulated Price Contract (CCDC-2008) (the "Contract") dated June 3, 2011 relating to the fourth phase of construction of the Cathedral. The price stipulated in the Contract was approximately \$3.9 million and security for payment under the Contract was provided in the form of a promissory note which initially indicated NCC Dowland Construction Ltd. ("NCC Dowland") as the creditor. However, the original promissory note was executed for acceptance by DCL and not NCC Dowland. The original promissory note provided for full payment under the Contract by no later than May 31, 2012.
- 2.3 RBC entered into a forbearance agreement with DCL and other entities in or around April 15, 2013 which, among other things, acknowledged that NCC Dowland was improperly designated as the creditor under the promissory note and an Amended Promissory Note dated April 15, 2013 (the "Promissory Note"), with DCL as designated creditor, was executed by DCL and the Diocese. A copy of the Promissory Note is attached as Appendix "A" hereto.
- 2.4 RBC took an assignment of the Promissory Note with effect from April 15, 2015 and subsequently took possession of the Promissory Note. The Promissory Note carries an interest rate of 12% per annum accruing on the unpaid balances owed to DCL and provides that the obligation under the Promissory Note is *"... secured against all exigible assets within the jurisdiction insofar as may be required to satisfy the obligation as set out herein . . ."*.

- 2.5 As a result of non-payment, DCL filed a Claim of Lien in the amount of \$3,726,000 plus contractual interest (12%) under the *Mechanics Lien Act* which was registered in the Land Title Office for the Nunavut Registration District against the St. Jude's Cathedral on July 16, 2012. Attached as Appendix "B" is a copy of the Title to the Lands issued by the Land Title office of Nunavut.
- 2.6 On June 7, 2013 the Receiver caused to be registered against the Diocese at the Nunavut Personal Property Registry a security interest in all of the present and after-acquired personal property, in accordance with the Promissory Note.
- 2.7 As at February 28, 2014, there was approximately \$3.1 million due to DCL pursuant to the terms of the Contract and the Promissory Note. The amount outstanding to DCL is comprised of approximately \$2.1 million of principal and \$950,000 of accrued interest.

Receiver's Realization Efforts

- 2.8 On July 15, 2013, the Receiver dispatched invoices to the Diocese for accrued interest owed to DCL for the months of April through June 2013 and also requested an opportunity to meet with key representatives of the Diocese to discuss payment of the balance due to DCL.
- 2.9 On or around September 2013, the Receiver (and its legal counsel) and representatives of the Diocese commenced without prejudice discussions regarding a possible settlement of the amounts due by the Diocese under the Contract and pursuant to the terms of the Promissory Note. As part of those discussions, the Diocese provided the Receiver with select confidential financial information and documentation regarding its current financial affairs and its capacity to fund the repayment of the amount due to DCL and/or finance on-going interest accruing under the Promissory Note. Alternative forms of settlement involving payment over time and lump sum settlement amounts were discussed between the parties.
- 2.10 Given that the Promissory Note had been assigned to RBC, the Receiver consulted with representatives of RBC to, among other things, seek their input and agreement with the terms of the Settlement which remains subject to the approval of this Honourable Court.

Terms of Settlement with the Diocese

- 2.11 Select terms of the Settlement include a payment of \$2.65 million to the Receiver in consideration of the return of the Promissory Note to the Diocese, a discharge of any encumbrances registered on behalf of DCL against all properties of the Diocese and confirmation, by way of release, that that DCL and RBC have no further claims against the Diocese. The Receiver has also sought a

release on behalf of itself, DCL and RBC from any and all claims that the Diocese may have arising from this particular matter. In addition, the Settlement is subject court approval and to the Diocese securing financing within 90 days of the date of court approval.

- 2.12 Attached as Appendix “C” is a letter dated February 14, 2014 from the Diocese to the Receiver, together with a string of e-mail correspondence from the Receiver’s legal counsel to legal counsel for the Diocese, which set out the terms and conditions of the Settlement.

2.13 **Receiver’s Considerations of the Offer of Settlement**

- 2.14 The Receiver’s agreement to the Settlement and in particular, its agreement to a compromise a material portion of the obligation owing to DCL (approximately \$450,000) was based on a number of factors and considerations, including:

- a) the powers afforded the Receiver under the Receivership Order including those under paragraph 3 which state:

“ The Receiver is hereby empowered and authorized, . . . (g) to settle, extend or compromise any indebtedness owing to or by the Debtor;”;

- b) the potential time delay and the professional fees associated with any protracted enforcement of the Promissory Note and the uncertainty of the ultimate amount of realizations from related properties of the Diocese located in the Arctic that may be subject to security provided for under the Promissory Note;
- c) the Diocese’s ability to fund or finance the full amount owing under the Promissory Note and the relatively high rate of interest accruing under the Promissory Note;
- d) the potential impact and disruption of the Receiver initiating enforcement proceedings on certain community and charitable services (such as meal/food kitchens and other such activities) conducted from the St. Jude’s Cathedral in Iqaluit; and
- e) the economic interests of DCL’s primary secured creditors including RBC, who are the Assignee of the Promissory Note.

3.0 **CORPORATE NAME CHANGE**

- 3.1 As noted in paragraph 1.2 above, the Receiver and Canonbie completed a transaction effective October 4, 2013 which provided for among other things, the transfer of all rights to and title in the name “Dowland Industrial Works Ltd.”

- 3.2 It was a condition of assigning the corporate name to Canonbie that the name “Dowland Industrial Works Ltd.” be changed to a numbered corporation and the Receiver undertook to change the corporate name of Dowland Industrial Works Ltd. (a British Columbia incorporated corporation). A Notice of Change of Name was issued on October 7, 2013 by the B.C. Registrar of Companies which changed the corporate name of Dowland Industrial Works Ltd. to 0849809 B.C. Ltd.

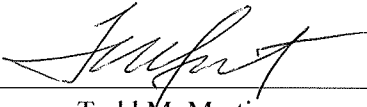
3.3 A copy of the Notice of Change of Name is attached hereto as Appendix "D".

4.0 **RECEIVER'S RECOMMENDATION**

4.1 The Receiver respectfully recommends that this Honourable Court grant the order approving the Settlement and amending the Style of Clause in the Receivership Proceeding.

All of which is respectfully submitted to this Honourable Court this 10th day of March, 2014.

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as Receiver of Dowland Contracting Ltd.,
0849809 B.C. Ltd. and 6070 N.W.T. Limited**



Per: Todd M. Martin
Senior Vice President

Schedule "C"

Amended PROMISSORY NOTE

As of June 3rd, 2011 and regarding the Stipulated Price Contract also dated June 3rd, 2011, as between the parties for the construction of St. Jude's Cathedral in Iqaluit, NU (the "Stipulated Price Contract").

AS BETWEEN:

Debtor Information:	
Name: Diocese of the Arctic	Date: June 3 rd , 2011
Street Address: P.O. Box 190, 4910-51 st Street	Postal Code: X1A 2N2
City: Yellowknife	Area code/Telephone number: (867) 873-5949
Province/Territory: NT	Fax: (867) 873-5916

-and-

Creditor Information:	
Name: <u>Dowland Contracting Ltd.</u>	Area code/Telephone number: <u>(780) 487-7655</u>
Street Address: <u>7028 56th Ave</u>	Fax: <u>(888) 382-4005</u>
City: <u>Edmonton</u>	
Province/Territory: <u>AB</u>	Postal Code: <u>T6B 1E4</u>

WHEREAS the Debtor has contracted to the Creditor for the construction of St. Jude's Cathedral in Iqaluit, NU, and desires to secure payments on the project by way of a promissory note such that on default of payment security may be called for by the Creditor on demand; and,

WHEREAS the stipulated price for the contract related to the construction of St. Jude's Cathedral is secured by the promissory note the details of which are as follows:

Debt Information:	
Stipulated Price: \$3,942,205.45 plus the costs of changes to the contract made via approved change order and any applicable interest.	Payment Periods: Payment will be made on Progress Claims provided in relation to the Stipulated Price Contract and are to be paid according to the terms set out therein.
Interest Rates: as defined by the Stipulated Price Contract	Payment Schedule: as defined by the Stipulated Price Contract.

NOW WHEREFORE the Parties agree as follows:

1. **Promise to Pay.** For value received, the Debtor promises to pay the Creditor \$3,942,205.45 on or before May 31st, 2012, or on the early completion of the work as described in the Stipulated Price Contract if work is completed prior to May 31st, 2012, plus any costs and taxes associated with changes as approved by Change Order and any applicable Interest.

2. **Installments.** The Debtor will make payments towards the satisfaction of this promissory note by way of making payments on the progress claims provided by the Creditor as described in detail in the Stipulated Price Contract.

3. **Application of Payments.** Payments will be applied first to interest and then to principal.

4. **Prepayment.** The Debtor may prepay all or any part of the principal without penalty.

5. **Debt Acceleration.** There will be no acceleration of the debt for non-payment until following the completion of the related project at which time any remaining balance of this promissory note is payable on demand and the Creditor may declare that the entire balance of unpaid principal is due immediately, together with the applicable interest.

7. **Security** The Debtor agrees that until the principal and interest owed under this promissory note are paid in full, this note is secured against any and all exigible assets within the jurisdiction insofar as may be required to satisfy the obligation as set out herein. If the Debtor defaults on making a scheduled payment under the terms of the Stipulated Price Contract for the construction of St. Jude's Cathedral in Iqaluit, NU, by more than 30 days they must enter into a formal security interest agreement with the Creditor and make available sufficient exigible assets within the jurisdiction to satisfy the outstanding amount and the remaining value of the Contract Price on demand.

8. **Collection Costs.** If the Creditor prevails in a lawsuit to collect on this note, the Debtor will pay the Creditor costs and lawyer's fees in an amount the court finds to be reasonable.

The undersigned and all other parties to this note, whether as endorsers, guarantors or sureties, agree to remain fully bound until this note shall be fully paid and waive demand, presentment and protest and all notices hereto and further agree to remain bound notwithstanding any extension, modification, waiver, or other indulgence or discharge or release of any obligor hereunder or exchange, substitution, or release of any collateral granted as security for this note. No modification or indulgence by any holder hereof shall be binding unless in writing; and any indulgence on any one occasion shall not be an indulgence for any other or future occasion. Any modification or change in terms, hereunder granted by any holder hereof, shall be valid and binding upon each of the undersigned, notwithstanding the acknowledgement of any of the undersigned, and each of the undersigned does hereby irrevocably grant to each of the others a power of attorney to enter into any such modification on their behalf. The rights of any holder hereof shall be cumulative and not necessarily successive. This note shall take effect as a sealed instrument and shall be construed, governed and enforced in accordance with the laws of the Northwest Territories.

ACCEPTANCE:

IN WITNESS WHEREOF the parties have executed this Promissory Note the date first written above.

For: Diocese of the Arctic

Debtor: David L. Parnis Date: April 24th 2013
Title:

Witnessed: Debra Giese Date: 24/04/13

For: Dowland Contracting Ltd.

Creditor: [Signature] Date: April 22, 2013
Title: President & CEO

Witnessed: [Signature] Date: April 22, 2013

- public easements,
- certain leases or agreements to lease for a term not exceeding three years,
- decrees, orders or writs filed and in force,
- rights of expropriation

- certains baux ou conventions de bail pour une période maximale de trois ans;
- tous décrets, ordonnances ou brevets déposés et maintenus en vigueur
- tous droits d'expropriation,

CERTIFICATE No. — CERTIFICAT N°

5372

Land Titles Act

Certificate of Title (General)

NUNAVUT
REGISTRATION DISTRICT

ᓄᓇᓴᓴ
Nunavut

Loi sur les titres de biens-fonds

Certificat de titre (Général)

CIRCONSCRIPTION D'ENREGISTREMENT
DU NUNAVUT

This is to Certify that

Les présentes attestent que

BISHOP OF THE ARCTIC, a corporation sole, incorporated under the Laws of Canada, having a registered office in Toronto in the Province of Ontario

**DUPLICATE
CERTIFICATE
OF TITLE
NOT ISSUED**

is (are) now the owner of an estate in fee simple of and in

est (sont) actuellement le(s) propriétaire(s) d'un domaine en fief simple sur le(s) bien(s)-fonds suivant(s)

LOT THIRTY-ONE REMAINDER (31)
LOT THIRTY-FOUR (34)
LOT THIRTY-FIVE (35)
PLAN 674
IQALUIT

subject to the provisions of the Land Titles Act, the encumbrances and interests notified by memorandum underwritten or endorsed on this certificate.

sous réserve de la Loi sur les titres de biens-fonds, et des charges et intérêts signifiés par le mémoire souscrit ou endossé au présent certificat

Signed and sealed

ENCUMBRANCES, LIENS AND INTERESTS – CHARGES, PRIVILÈGES ET INTÉRÊTS

#	NATURE GENRE	REGISTRATION ENREGISTREMENT		PARTICULARS PRÉCISIONS	Signature	DISCHARGES & WITHDRAWALS MAINLEVÉES & RETRAITS REGISTRATION ENREGISTREMENT		
		No. - N°	Date YYYY-MM-DD			No. - N°	Date YYYY-MM-DD	Signature
1	MTGE	108,445	1998-12-16	To CANADIAN IMPERIAL BANK OF COMMERCE in the amount of \$500,000.00	K.R.	126,620	2010-01-22	K.H.
2	MTGE	123,033	2008-02-19	To CANADIAN IMPERIAL BANK OF COMMERCE in the amount of \$500,000.00 (only against Lots 34 & 35)	K.H.			
3	CL	130,642	2012-07-16	by DOWLAND CONTRACTING LTD. in the amount of \$3,726,000.37 plus interest against Lot 31 Remainder, Plan 674, Iqaluit.	J.M.			

The Diocese of The Arctic

ANGLICAN CHURCH OF CANADA



February 14, 2014

WITHOUT PREJUDICE

Mr. Todd M. Martin, Managing Director
Alvarez & Marsal Canada ULC
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Re: Indebtedness of the Diocese of the Arctic to Dowland Contracting Ltd. (In Receivership)

Dear Mr. Martin,

The Diocese of the Arctic (the Diocese) offers to settle its indebtedness with Dowland Contracting Ltd. (In Receivership), and the Royal Bank of Canada, for an all-inclusive sum of TWO MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS.

The terms of this payment would be:

1. Subject to court approval. If there is no court approval, and if the Receiver does not waive the requirement for court approval, then this offer would be null and void;
2. Funds would be provided not more than 90 days following acceptance of this offer and either court approval of waiver of court approval by the Receiver;
3. Dowland would discharge all current encumbrances which are registered on behalf of Dowland against all property of the Diocese;
4. Dowland or the Royal Bank of Canada would return to the Diocese the Promissory Note signed by the Diocese;
5. Dowland and the Royal Bank of Canada would confirm, by way of the Release, that they have no further claims against the Diocese.
6. The Diocese, its agents and representatives, and anyone providing the financing to the diocese with respect to this transaction, undertake to keep the terms and conditions of this offer confidential and not reveal them to anyone other than their respective advisers without the approval of the Receiver and the Royal Bank of Canada until the transaction have been completed..

We await your confirmation and acceptance of this offer.

Rt. Rev. David W. Parsons
Bishop of The Arctic



To: Glenn Tait <gtait@mross.com>,
Cc: tmartin@alvarezandmarsal.com,
Bcc:
Subject: RE: Diocese of the Arctic
From: Rick Reeson/mtca - Friday 02/28/2014 03:18 PM

Thanks Glenn, we will now proceed with the Court Application.

Rick T.G. Reeson, Q.C.

Miller Thomson LLP
2700 Commerce Place
10155 - 102 Street
Edmonton, AB T5J 4G8
Direct Line: 780.429.9719
Fax: 780.424.5866
Email: rreeson@millerthomson.com
www.millerthomson.com



Glenn Tait

Rick, to confirm, our offer of February 14 is ame...

02/28/2014 03:16:07 PM

From: Glenn Tait <gtait@mross.com>
To: Rick Reeson <rreeson@millerthomson.com>
Date: 02/28/2014 03:16 PM
Subject: RE: Diocese of the Arctic

Rick, to confirm, our offer of February 14 is amended to provide in paragraph 5 that there will be an exchange of mutual releases between the Diocese of the Arctic and Dowland, Dowland Receiver and the Royal Bank on the other.

I trust that this is satisfactory.

From: Rick Reeson [mailto:rreeson@millerthomson.com]
Sent: Thursday, February 27, 2014 3:05 PM
To: Glenn Tait
Subject: RE: Diocese of the Arctic

I am hoping no more than 2 weeks. I have to set it down on our Commercial List, and give adequate notice(at least 5 days) to the Service List. As soon as you confirm the deal, the Receiver will start work on his Report in support of the application.

Rick T.G. Reeson, Q.C.

Miller Thomson LLP
2700 Commerce Place
10155 - 102 Street
Edmonton, AB T5J 4G8
Direct Line: 780.429.9719
Fax: 780.424.5866
Email: rreeson@millerthomson.com
www.millerthomson.com



From: Glenn Tait <gtait@mross.com>
To: Rick Reeson <rreeson@millerthomson.com>
Date: 02/27/2014 03:00 PM
Subject: RE: Diocese of the Arctic

Thanks Rick, I will confirm.

Because I will be asked, how long do you think it will take to obtain court approval?

From: Rick Reeson [<mailto:rreeson@millerthomson.com>]
Sent: Thursday, February 27, 2014 2:59 PM
To: Glenn Tait
Cc: tmartin@alvarezandmarsal.com
Subject: Re: Diocese of the Arctic

Glenn, I confirm that the Offer of your client is acceptable to the Receiver, subject to an additional term and condition, that your client also execute a release of any claims it may have against Dowland, the Receiver and RBC. Upon receiving written confirmation of this, we will proceed with a Court Application seeking Court approval to the deal. Please call me if you have any concerns.

Rick T.G. Reeson, Q.C.

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Fax: 780.424.5866
Email: rreeson@millerthomson.com
www.millerthomson.com



From: Glenn Tait <gtait@mross.com>
To: <rreeson@millerthomson.com>
Date: 02/27/2014 11:49 AM
Subject: Diocese of the Arctic

Rick, any news from the receiver?

I am back in the office for a couple of days, and then on the road again, but always accessible by e-mail.

Thanks

NOTE: Effective Feb 21, 2014 the Yellowknife Office of McLennan Ross has moved. Please refer to the changes below. All phone numbers remain the same.



Glenn D. Tait | Legal Counsel | direct 867.766.7676 | toll free 1.888.836.6684 | fax 867.766.7678
McLennan Ross LLP | www.mross.com | www.oilsandslaw.com | [Biography](#)
301 Nunasi Building, 5109 - 48 Street, Yellowknife, NT X1A 1N5

Yellowknife - Edmonton - Calgary

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CANADA

PROVINCE OF BRITISH COLUMBIA

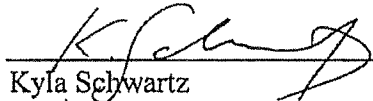
TO WIT:

) IN THE MATTER OF 0849809 B.C. LTD.
)
)
)
)

I, Kyla Schwartz, a Notary Public in and for the Province of British Columbia, in the City of Vancouver, in the Province of British Columbia, CERTIFY AND ATTEST that the attached documents are true and complete copies of the following documents of 0849809 B.C. Ltd.:

1. Certificate of Change of Name;
2. Notice of Articles; and
3. Notice of Alteration.

IN TESTIMONY WHEREOF, I have subscribed my name and affixed my notarial seal of office at Vancouver, in the Province of British Columbia, the 9th day of October, 2013.


Kyla Schwartz
A Notary Public in and for the Province of British Columbia

FILED - DÉPÔT	
No.:	610089
Date:	Oct 15, 2013
	<i>K. Schwartz</i>
DEPUTY REGISTRAR OF CORPORATIONS REGISTRAIRE ADJOINT DES SOCIÉTÉS	

KYLA F. SCHWARTZ
Barrister & Solicitor
1800 - 925 WEST GEORGIA ST.
VANCOUVER, B.C. V6C 3L2
(604) 685-3456



Number: BC0849809

CERTIFICATE OF CHANGE OF NAME

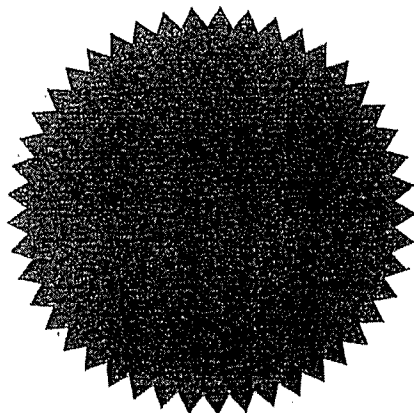
BUSINESS CORPORATIONS ACT

I Hereby Certify that DOWLAND INDUSTRIAL WORKS LTD. changed its name to 0849809 B.C. LTD. on October 7, 2013 at 03:51 PM Pacific Time.

*Issued under my hand at Victoria, British Columbia
On October 7, 2013*



CAROL PREST
Registrar of Companies
Province of British Columbia
Canada





BC Registry
Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
250 356-8626

CERTIFIED COPY
Of a Document filed with the Province of
British Columbia Registrar of Companies

Notice of Articles

BUSINESS CORPORATIONS ACT

CAROL PREST

This Notice of Articles was issued by the Registrar on: October 7, 2013 03:51 PM Pacific Time

Incorporation Number: BC0849809

Recognition Date and Time: Incorporated on April 16, 2009 08:36 AM Pacific Time

NOTICE OF ARTICLES

Name of Company:

0849809 B.C. LTD.

REGISTERED OFFICE INFORMATION

Mailing Address:

1600 - 925 WEST GEORGIA STREET
VANCOUVER BC V6C 3L2
CANADA

Delivery Address:

1600 - 925 WEST GEORGIA STREET
VANCOUVER BC V6C 3L2
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

1600 - 925 WEST GEORGIA STREET
VANCOUVER BC V6C 3L2
CANADA

Delivery Address:

1600 - 925 WEST GEORGIA STREET
VANCOUVER BC V6C 3L2
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

McGuinness, Patrick

Mailing Address:

7028 - 56TH AVE
EDMONTON AB T6B 1E4
CANADA

Delivery Address:

7028 - 56TH AVE
EDMONTON AB T6B 1E4
CANADA

AUTHORIZED SHARE STRUCTURE

1. No Maximum

CLASS A COMMON Shares

Without Par Value

Without Special Rights or
Restrictions attached



BC Registry
Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
250 356-8626

Notice of Alteration

FORM 11
BUSINESS CORPORATIONS ACT
Section 257

Filed Date and Time: October 7, 2013 03:51 PM Pacific Time

Alteration Date and Time: Notice of Articles Altered on October 7, 2013 03:51 PM Pacific Time

NOTICE OF ALTERATION

Incorporation Number:

3C0849809

Name of Company:

DOWLAND INDUSTRIAL WORKS LTD.

Name Reservation Number:

N/A

Name Reserved:

The company is to change its name to a name created by adding "B.C. LTD" after the incorporation number.

ALTERATION EFFECTIVE DATE:

The alteration is to take effect at the time that this application is filed with the Registrar.

CHANGE OF NAME OF COMPANY

From:

DOWLAND INDUSTRIAL WORKS LTD.

To:

0849809 B.C. LTD.



Ministry of Finance
Corporate and Personal
Property Registries
www.fin.gov.bc.ca/registries

NOTICE OF ALTERATION

FORM 11 - BC COMPANY

Section 257 (4) Business Corporations Act

Téléphone: 250 356 --8628

DO NOT MAIL THIS FORM to the Corporate and Personal Property Registries unless you are instructed to do so by registry staff. The Regulation under the Business Corporations Act requires this form to be filed on the Internet at www.corporateonline.gov.bc.ca

Freedom of Information and Protection of Privacy Act (FIPPA)
The personal information requested on this form is made available to the public under the authority of the Business Corporations Act. Questions about how the FIPPA applies to this personal information can be directed to the Administrative Assistant of the Corporate and Personal Property Registries at 250 356-1198, PO Box 9431, Stn Prov Govt, Victoria BC V8W 9V3.

A. INCORPORATION NUMBER OF COMPANY

BC0849809

B. NAME OF COMPANY

DOWLAND INDUSTRIAL WORKS LTD.

C. ALTERATIONS TO THE NOTICE OF ARTICLES

Please indicate what information on the Notice of Articles is to be altered or added

- | | |
|--|--|
| <input checked="" type="checkbox"/> Company name | <input type="checkbox"/> Date of a Resolution or Court Order
(applies to special rights or restrictions only) |
| <input type="checkbox"/> A translation of company name | |
| <input type="checkbox"/> Pre-existing Company Provisions | <input type="checkbox"/> Authorized Share Structure |

D. ALTERATION EFFECTIVE DATE - Choose one of the following:

- ☒ The alteration is to take effect at the time that this notice is filed with the registrar.
- ☐ The alteration is to take effect at 12:01 a.m. Pacific Time on _____ being a date that is not more than ten days after the date of the filing of this notice.
- ☐ The alteration is to take effect at _____ a.m. or _____ p.m. Pacific Time on _____ being a date and time that is not more than ten days after the date of the filing of this notice.

E. CHANGE OF COMPANY NAME

The company is to change its name from Dowland Industrial Works Ltd.
to (choose one of the following):

- ☐ _____ This name
has been reserved for the company under name reservation number _____ or
- ☒ a name created by adding "B.C. Ltd." after the incorporation number of the company.

F. TRANSLATION OF COMPANY NAME

Set out every new translation of the company name, or set out any change or deletion of an existing translation of the company name to be used outside of Canada.

Additions: Set out every new translation of the company name that the company intends to use outside of Canada.

Changes: Change the following translation(s) of the company name:

PREVIOUS TRANSLATION OF THE COMPANY NAME

NEW TRANSLATION OF THE COMPANY NAME

Deletions: Remove the following translation(s) of the company name:

G. PRE-EXISTING COMPANY PROVISIONS (refer to Part 17 and Table 3 of the Regulation under the *Business Corporations Act*)

Complete this item only if the company has resolved that none of the Pre-existing Company Provisions are to apply to this company.

☐ The company has resolved that the Pre-existing Company Provisions are no longer to apply to this company.

H. AUTHORIZED SHARE STRUCTURE

Set out the date of each resolution or court order altering special rights or restrictions attached to a class or series of shares.

YYYY / MM / DD

2013/09/30

Set out the new authorized share structure.

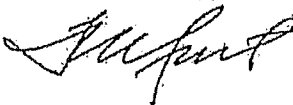
Identifying name of class or series of shares	Maximum number of shares of this class or series of shares that the company is authorized to issue, or indicate there is no maximum number	Kind of shares of this class or series of shares		Are there special rights or restrictions attached to the shares of this class or series of shares?
	MAXIMUM NUMBER OF SHARES AUTHORIZED OR NO MAXIMUM NUMBER	PAR VALUE OR WITHOUT PAR VALUE	TYPE OF CURRENCY	YES/NO

I. CERTIFIED CORRECT – I have read this form and found it to be correct.

NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE COMPANY

TOOD M. MARTIN, SENIOR
VICE PRESIDENT, ALVAREZ
Y MARSAL CANADA INC.

SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE COMPANY

X 

DATE SIGNED

YYYY/MM/DD

2013/09/30