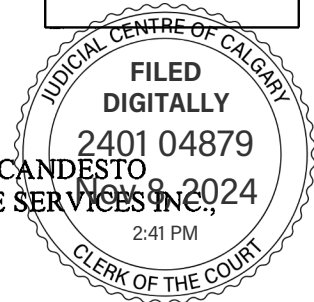


COURT FILE NUMBER 2401-04879
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's Stamp:

IN THE MATTER OF THE RECEIVERSHIP OF CANDESTO
ENTERPRISES CORP., D-3 INFRASTRUCTURE SERVICES INC.,
AND SAFE ROADS ALBERTA LTD.



APPLICANT DURISOL LTD.
RESPONDENT CANDESTO ENTERPRISES CORP.,
D-3 INFRASTRUCTURE SERVICES INC.,
AND SAFE ROADS ALBERTA LTD.

DOCUMENT AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS DOCUMENT
Gowing WLG (Canada) LLP
1600, 421 – 7th Avenue SW
Calgary, AB T2P 4K9
Attention: Sam Gabor
Telephone: (403) 298-1946
File No. A172830

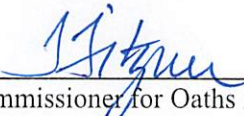
AFFIDAVIT OF SHERRY LANGLEY
SWORN ON November 7, 2024

I, **Sherry Langley** of Okotoks, Alberta, **MAKE OATH AND SWEAR THAT:**


1. I am a legal assistant employed by Gowing WLG (Canada) LLP ("**Gowling**"), counsel for Alvarez & Marsal Canada Inc., in its capacity as Court-appointed receiver of Candesto Enterprises Corp., D3 Infrastructure Services Inc. and Safe Roads Alberta Ltd. (the "**Receiver**") in the above action and, as such, have personal knowledge of the matters hereinafter deposed to, except where stated to be based on information and belief, in which case I believe the same to be true.
2. I am 18 years of age or older.
3. Attached hereto and marked as **Exhibit "A"** is a fully executed copy of the Assignment of Receivables Agreement effective November 4, 2024 as appended to the Second Report of the Receiver dated November 4, 2024.

4. I make this affidavit *bona fide* and for no improper purpose.

SWORN BEFORE ME on November 7, 2024 at
the City of Calgary, in the Province of Alberta



A Commissioner for Oaths in and for the
Province of Alberta

} 

Sherry Langley

INGRID FITZNER
A Commissioner for Oaths in and for
the Province of Alberta
My Commission Expires January 28, 20 25

This is **Exhibit "A"** referred to in the Affidavit of
Sherry Langley sworn before me this 7th day of November, 2024



A Commissioner for Oaths in and for the Province of Alberta

INGRID FITZNER
A Commissioner for Oaths in and for
the Province of Alberta
My Commission Expires January 28, 2025

ASSIGNMENT OF RECEIVABLES AGREEMENT

THIS ASSIGNMENT effective as of November 4, 2024 made by Alvarez & Marsal Canada Inc. (the "**Receiver**") as receiver of Candesto Enterprises Corp., D3 Infrastructure Services Inc., and Safe Roads Alberta Ltd. (collectively the "**Companies**") under Court of King's Bench of Alberta ("**Court**") File No. 2401-04879 (the "**Receivership Proceeding**") and not in its personal or corporate capacity in favour of Durisol Ltd. (the "**Interim Lender**").

WHEREAS the Receiver was appointed as receiver without security of all of the assets, undertaking and property of the Companies within the Receivership Proceeding.

AND WHEREAS the Interim Lender previously granted the Companies, interim financing (the "**Interim Financing**") up \$1,400,000 pursuant to a commitment letter between the Companies and the Interim Lender dated as of December 19, 2023 (the "**Commitment Letter**") within insolvency proceedings pursuant to the *Companies Creditors Arrangement Act* proceeding under Court of King's Bench of Alberta File No. 2301-16982 (the "**CCAA Proceeding**") and was granted an interim financing charge in the amount of \$1,400,000 within the CCAA Proceeding (the "**Interim Lender's Charge**") securing all amounts provided by the Interim Lender pursuant to the Commitment Letter.

AND WHEREAS the Interim Lender's Charge continued on within the Receivership Proceeding, and the Interim Lender is the fulcrum creditor of the Companies and is owed \$1,400,000, plus ongoing interest, fees and other costs, pursuant to the Commitment Letter.

AND WHEREAS the Receiver has agreed, *inter alia*, to assign to the Interim Lender, the Receivables (as defined below) in accordance with the provisions of this Agreement.

NOW THEREFORE, in consideration of \$1.00 and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Receiver, the Receiver covenants and agrees with the Interim Lender as follows:

1. **Assignment.** Subject to approval by the Court, the Receiver hereby assigns, conveys and transfers to the Interim Lender all right, title and interest of the Companies in and to all book debts and all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to the Companies or the Receiver (collectively, the "**Receivables**"), including but not limited to the Receivables set out in **Schedule "A"** of this Agreement. The Receiver and the Interim Lender intend that: (a) such assignment constitutes a true and absolute sale and conveyance of the Receivables that conveys all ownership rights in such Receivables to the Interim Lender; (b) the Receiver shall have no right of redemption or right to purchase back any of the Receivables; and (c) the Interim Lender shall have no recourse to the Receiver in respect of the risk of non-payment of the Receivables.
2. **Separate Assignments.** Each of the rights, privileges, benefits, contracts, permits, policies or other documents or interests comprised in the Receivables shall be deemed to be the subject of a separate and individual assignment by the provisions hereof. The Interim Lender may exercise all rights hereunder in respect of each Receivable separately and whether or not the Interim Lender in its discretion exercises its rights in respect of all or any of the other Receivables.

3. **Collections.** The Interim Lender shall apply all amounts recovered on account of the Receivables to repay all amounts outstanding under the Interim Financing and the Commitment Letter, including but not limited to all principal, all accrued and unpaid interest at the rates set out in the Commitment Letter, and all costs, charges, and expenses (including, without limitation, lawyers' fees as between solicitor and his own client, on a full indemnity basis, as well as accounting, appraisal, environmental and consulting fees) incurred by the Interim Lender in connection with the restructuring proceedings, the Interim Financing, the DIP Loan Documentation, the DIP Lender Security, the DIP Order, the DIP Charge (each as defined in the Commitment Letter) the enforcement of any rights and remedies regarding the Interim Financing, the collection and recovery of the Receivables and the restructuring of the Companies (collectively, the "**DIP Indebtedness**"), provided that if there are any proceeds of the Receivables remaining after the indefeasible repayment of the DIP Indebtedness in full (the "**Surplus**"), the Interim Lender is authorized and directed to pay such Surplus into Court to the credit of the Receivership Proceeding on notice to the Service List maintained in such Receivership Proceeding.
4. **Account Debtors.** All persons being a debtor on an intangible or chattel paper, an obligor on an instrument or any other person being obligated to pay any account receivable or other debt due, owing or accruing due to the Companies (each an "**Account Debtor**" and collectively, "**Account Debtors**"), are entitled at all times to treat and regard the Interim Lender as the assignee and transferee from the Receiver, entitled in the place and stead of the Receiver and the Companies to receive such accounts and other debts. The Interim Lender may give notice to all or any of such Account Debtors to remit all such accounts and other debts directly to the Interim Lender whether or not the Receiver was making collections on the Receivables prior to notification by the Interim Lender.
5. **Books and Records.** Prior to its final discharge as Receiver of the Companies, the Receiver will provide to the Interim Lender copies of all books and records related to the Receivables listed in Schedule "A" of this Agreement in the Receiver's possession including but not limited to: (a) all communications between the Receiver and each of the Account Debtors; and (b) any communications between the Receiver and any third party in relation to the Receivables. Any professional fees incurred by the Receiver to provide the books and records related to the Receivables shall be paid for by the estates of the Companies secured by the Receivership Charge in the Receivership Proceeding. Following its discharge as receiver, the Receiver shall have no further obligations to provide any other information, books or records to Durisol relating to the Receivables.
6. **Successors and Assigns.** This Agreement will enure to the benefit of, and be binding on, the Receiver, and will enure to the benefit of, and be binding on, the Interim Lender and its respective successors and assigns.
7. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties relating to the subject matter hereof and supersedes all prior written and verbal discussions or communications between the parties and their agents and may not be amended or modified except by written consent executed by all parties.
8. **Recourse.** Any claim that the Interim Lender may have against the Receiver arising from this Agreement shall be against the Receiver solely in its capacity as receiver within the Receivership Proceeding and not in its personal or corporate capacity.

9. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, and will be treated, in all respects, as an Alberta contract.

IN WITNESS WHEREOF the Receiver has caused this Assignment to be executed as of the day first written above.

Alvarez & Marsal as Receiver of Candesto Enterprises Corp., D3 Infrastructure Services Inc., and Safe Roads Alberta Ltd. and not in its personal or corporate capacity



Per:

Name: Orest Konowalchuk, CPA-CA, CIRP, LIT
Title: Senior Vice-President

Durisol Ltd.

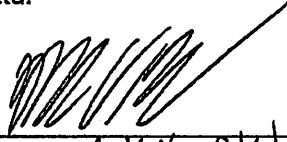
Per:

Name:
Title:

Alvarez & Marsal as Receiver of Candesto Enterprises Corp., D3 Infrastructure Services Inc., and Safe Roads Alberta Ltd. and not in its personal or corporate capacity

Per: _____
Name:
Title:

Durisol Ltd.

Per:  _____
Name: Mark Van Babel
Title: CEO

SCHEDULE "A"

RECEIVABLES

1 Candesto Enterprises Corporation A/R Listing Detail							
Company	Customer	Project No.	Invoice No.	Invoice Total	A/R Outstanding	Current Holdback Outstanding	A/R and Current Holdback Outstanding
CEC	Ledcor Highways Ltd.	468N	PS-INV100569	121,334.40	121,334.40	26,258.80	147,593.20
			Sub-Total	121,334.40	121,334.40	26,258.80	147,593.20
CEC	E-Construction	444N	N/A	-	-	44,927.51	44,927.51
			Sub-Total	-	-	44,927.51	44,927.51
CEC	Volker Stevin Contracting	434S	PS-INV100373	13,614.79	13,614.79	-	13,614.79
CEC	Volker Stevin Contracting	434S	PS-INV100375	12,026.53	12,026.53	-	12,026.53
CEC	Volker Stevin Contracting	439S	PS-INV100534	20,648.70	20,648.70	-	20,648.70
CEC	Volker Stevin Contracting	434S	PS-INV100537	23,156.06	23,156.06	-	23,156.06
CEC	Volker Stevin Contracting	439S	PS-INV100538	27,289.03	27,289.03	-	27,289.03
			Sub-Total	96,735.11	96,735.11	-	96,735.11
CEC	Aecon Transportation West	423S	N/A	-	-	45,766.00	45,766.00
CEC	Aecon Transportation West	497S	PS-INV100462	978.08	978.08	-	978.08
CEC	Aecon Transportation West	497S	PS-INV100519	9,349.83	9,349.83	7,609.00	16,958.83
CEC	Aecon Transportation West	465S	PS-INV100536	7,531.32	7,531.32	-	7,531.32
CEC	Aecon Transportation West	481S	PS-INV100546	42,847.30	42,847.30	-	42,847.30
CEC	Aecon Transportation West	481S	PS-INV100561	5,021.22	5,021.22	-	5,021.22
			Sub-Total	65,727.75	65,727.75	53,375.00	119,102.75
CEC	PCL Constructors	452S	PS-INV100455	98,824.83	33,724.98	28,235.49	61,960.47
			Sub-Total	98,824.83	33,724.98	28,235.49	61,960.47
CEC	Carmacks Enterprises Ltd	424N	PS-INV100535	14,316.75	14,316.75	273,379.60	287,696.35
			Sub-Total	14,316.75	14,316.75	273,379.60	287,696.35
CEC	Border Paving Ltd.	493S	N/A	-	-	15,204.57	15,204.57
			Sub-Total	-	-	15,204.57	15,204.57
CEC	Central City Asphalt Ltd.	479S	N/A	-	-	10,415.57	10,415.57
			Sub-Total	-	-	10,415.57	10,415.57
			Grand Total	396,938.84	331,838.99	451,796.52	783,635.51