Court File No. CV-25-00742524-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

1001116006 ONTARIO INC.

Applicant

- and –

2568551 ONTARIO INC., carrying on business as CALIBREX DEVELOPMENT GROUP INC., 2847990 ONTARIO INC., 2847991 ONTARIO INC., 2847992 ONTARIO INC., 2847993 ONTARIO INC., 2847994 ONTARIO INC., 2741854 ONTARIO LIMITED, 2678514 ONTARIO INC., 2678517 ONTARIO INC., CHARLES HUNTER MILBORNE and ANDRZEJ ROMAN KEPINSKI

Respondents

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3. AS AMENDED AND UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, RSO 1990, cC43, AS AMENDED

RECEIVER'S FIRST REPORT TO THE COURT

SEPTEMBER 11, 2025

Doane Grant Thornton

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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INTRODUCTION

1. On July 31, 2025, pursuant to an application by 1001116006 Ontario Inc. (the "**1001 Ontario**"), the Honourable Justice Kimmel of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") issued an order appointing Grant Thornton Limited as receiver (the "**Receiver**") (the "**Receivership Order**"), without security over (a) the real property described in appendices 1 and 2 of the Receivership Order, and all proceeds thereof (the "**Real Property**"), owned by the corporate respondents (collectively, the "**Debtors**") and (b) the personal property of 2741854 Ontario Limited, 2678514 Ontario Inc., and 2678517 Ontario Inc.(the "**Milborne Debtors**"), (the "**Personal Property**"). A copy of the Receivership Order is attached hereto as **Appendix "A"**.

2. The Debtors are real estate holding companies that own the Real Property which is situated in the City of Niagara Falls, Ontario. The Real Property includes multiple vacant lots, several stand alone commercial buildings, and a non-operational motel. The Real Property, with the exception of just one parcel, consists of either vacant land or vacant buildings. The one tenanted commercial property is located at 4551 Zimmerman Ave, Niagara Falls, ON ("**4551 Zimmerman**") has one tenant.

3. Further background information pertaining to the Debtors, including the circumstances leading to the appointment of the Receiver, is contained in the affidavit of Daniel McNalley, who is a representative of the 1001 Ontario, sworn on May 29, 2025, which was prepared and sworn in support of 1001 Ontario's application for the appointment of the Receiver.

4. On August 1, 2025, the Receiver's representative attended at the Real Property and took possession of all vacant commercial buildings and the motel. The Receiver's representative noted several safely and protective measures that were needed and took such steps to preserve and protect the Real Property. These protective measures included boarding up ground floor windows and doors of the vacant structures.

5. Generally, the Receiver will be focused on maintaining the Real Property, commencing a sale process for each of the properties comprising of the Real Property, and seeking approval of a distribution to the creditors of the Debtors based on legal priorities and valid and enforceable security.

PURPOSE OF THIS FIRST REPORT

6. The purpose of this first report of the Receiver (the "**First Report**") is to inform the Court of the Receiver's activities since the date of the Receivership Order and to obtain the issuance of an order:

   a) authorizing the Receiver to execute a listing agreement with Cushman and approving the proposed Sale Process (each as defined below) for the Real Property;

   b) sealing Confidential Appendix 1 until the closing of the sale transactions associated with the Real Property, or until further order of the Court; and

   c) approving this First Report and the activities of the Receiver as set out herein.

TERMS OF REFERENCE

7. In preparing this First Report, the Receiver has relied upon unaudited, draft and/or other information provided by the principals of the Debtors, their legal counsel, contractors, stakeholders and other third-party source (the "**Information**"). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such Information in a manner that would comply with Generally Accepted Assurance Standards.

8. The First Report has been prepared for the use of this Court to provide general information and an update relating to this receivership proceeding (the "**Receivership Proceeding**") for the purpose of assisting the Court in making a determination as to whether to approve the relief sought. This First Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.

9. Capitalized terms not defined in this First Report are as defined in the Receivership Order. All references to dollars are in Canadian currency unless otherwise noted.

10. Copies of materials filed in these Receivership Proceeding are available on the Receiver's Case Website at https://www.doanegrantthornton.ca/Calibrex.

SALE PROCESS

11. Pursuant to the Receivership Order, the Receiver is authorized, among other things, to commence a process to market and sell the Real Property and to apply for any vesting order necessary to convey the Real Property to a purchaser(s), free and clear of any liens or encumbrances affecting the Real Property.

12. The Receiver solicited proposals from four recognized listing agents to market and sell the Real Property, each of which has significant experience selling real estate assets in the Niagara Falls area, including real estate development. The Receiver requested that each party include in its proposal information regarding its experience, a marketing plan, an estimate of value, where available, of the Real Property assets, and the proposed compensation.

13. The Receiver held phone calls with, and made property tours available for, each of the listing agents and provided each party with access to the available books and records in its possession (including but not limited to floor plans, property tax information, photos, the relevant lease, and maps) and related to the Real Property.

14. Attached hereto as Confidential Appendix 1 is a summary of the material terms of the listing proposals which were submitted to the Receiver.

15. The following listing agents were contacted by the Receiver to request listing proposals for the Real Property:

    a) Cushman & Wakefield ("**Cushman**");

    b) CBRE Group ("**CBRE**");

    c) Colliers International ("**Colliers**"), and

    d) Avison and Young ("**AY**")

16. AY subsequently declined to participate in the process. In addition, CBRE did not provide a complete listing proposal and instead sent a letter to the Receiver proposing further studies, an abbreviated sale process, and a compensation structure that was not comparable to the other listing proposals received. As a result, the Receiver obtained a total of two complete listing proposals, being ones from Cushman and Colliers.

17. While each of Cushman and Colliers appears to be qualified to market and sell the Real Property, it is the Receiver's view that Cushman provided the superior proposal for the following reasons:

    a) Cushman was the only listing agent to have attended the at the Real Property sites and provided a detailed breakdown of estimated values. Cushman also considered the nature and condition of certain of the Real Property assets;

    b) Cushman will utilize local expertise in pursuing interested parties to assist with marketing and selling the Real Property; and

    c) the proposed compensation is reasonable compared to the other listing proposal received and, in particular, provides for a materially reduced commission rate for any portion of the Real Property that is ultimately sold by credit bid.

18. A summary of the listing proposals and estimated values provided by Cushman and Colliers is contained in Confidential Appendix 1.

19. The Receiver seeks an order authorizing the Receiver to enter into a listing agreement with Cushman based on the terms contained in the Cushman listing proposal, and to list the Real Property for sale without delay.

20. With the assistance of Cushman, the Receiver prepared the sale process outlined below for the Real Property (the "Sale Process"). The Receiver requests the Court to approve the following Sale Process.

21. The proposed Sale Process has been prepared to allow for significant exposure to the market in order to generate the highest possible price for the property. Key terms of the proposed sale process include the following:

    a) the Real Property will be marketed for sale on an "as is, where is" basis;

    b) the Receiver shall be under no obligation to accept the highest or best offer and the acceptance of any offer shall be entirely in the discretion of the Receiver;

    c) the Receiver may, in its discretion, extend the deadline for offers if it considers it to be appropriate or necessary in the circumstances;

    d) cash offers must be accompanied with a deposit equal to at least 10% of the offer price;

e) the Receiver will prepare a form of an agreement of purchase and sale (the "**APS**") to be used by all prospective bidders. All bidders will be required to submit their offers in the form of the APS and will be required to provide a blackline to the APS; and

f) the final APS will be subject to Court approval.

22. The recommended timelines for the Sale Process are set out below.

Weeks 1 to 3: Pre-Marketing:

23. The Receiver and Cushman will prepare marketing and due diligence materials which will include a marketing flyer, a confidentiality agreement ("**CA**"), a confidential information memorandum, a template APS, and an online data room containing due diligence information.

Week 4 to 8: Marketing & Due Diligence:

24. Marketing materials will be distributed to prospective purchasers, locally, nationally and globally. Such potential purchasers will be identified through the resources of the Broker and the Receiver.

25. An advertisement in a national newspaper will be placed to provide additional exposure to the Real Property and the Sale Process.

26. Parties that execute a CA will be provided with access to the data room and the confidential information memorandum.

27. The Receiver and Cushman will facilitate prospective purchaser due diligence.

28. The Receiver and Cushman will facilitate tours of the Real Property.

Weeks 21 to 23: Review of Offers & Buyer Selection

29. Prospective purchasers will be required to submit their APS after 120 days of exposure to the market, subject to the discretion of the Receiver to set an earlier date for submission of all APS if, in consultation with Cushman, the Receiver determines that the Real Property has already been sufficiently exposed to the market.

30. The Receiver will establish a bid deadline and communicate such deadline to potential purchasers.

31. Cushman will summarize the offers submitted by the bid deadline for the Receiver's review.

32. The Receiver may ask some or all of the prospective purchasers to re-submit offers for subsequent rounds of offers.

33. The Receiver will identify the best offer(s) and negotiate with those offeror(s) to select the successful bidder, finalize and execute an APS subject to Court approval.

34. The Receiver's analysis of APS will involve consideration of how to maximize recoveries and dispose of the widest scope of Real Property, including by determining whether the Real Property should be sold en bloc, individually, or through a combination of individual and grouped parcel sales.

Weeks 24-27: Court approval

35. The Receiver will prepare and serve motion materials for approval of the APS(s).

36. Overall, the Receiver is of the view that the proposed Sale Process will provide for sufficient exposure to the market and general public, utilizing local experience and national listing agent (Cushman) and therefore respectfully requests the Court approve the Sale Process.

Protections relating to a Possible Credit Bid

37. The Receiver understands that 1001 Ontario, which is the mortgagee of the Real Property and a party that has funded the receivership to date by advancing funds in exchange for Receiver's Certificates, may be interested in submitting a credit bid for some or all of the Real Property (a "Credit Bid"). The Credit Bid could involve the bidding of the mortgage debt over the Real Property and/or the value of Receiver's Certificates held by 1001 Ontario. In such case, the Receiver wishes to ensure that the integrity of the Sale Process is maintained and that 1001 Ontario does not obtain any unfair advantage.

38. Accordingly, the Receiver proposes that the following additional provisions be implemented in the Sale Process concerning a potential Credit Bid:

a) if it wishes to be able to submit a Credit Bid, 1001 Ontario shall give notice in writing to the Receiver of such intention by no later than October 1, 2025 (a "Credit Bid Notice");

b) the delivery of a Credit Bid Notice does not obligate 1001 Ontario to submit a Credit Bid;

c) if 1001 Ontario delivers a Credit Bid Notice,

   i. it shall not receive copies of bids provided by other bidders,

   ii. the Receiver will select the successful bids independently of 1001 Ontario, and

   iii. the Credit Bid (if 1001 Ontario delivers one) shall include at least sufficient cash consideration to satisfy any priority payment or obligation required to be paid that ranks ahead of the mortgage security held by 1001 Ontario provided, however, that indebtedness evidenced by Receiver's Certificates issued to 1001 Ontario shall be permitted to form part of the non-cash consideration included in the Credit Bid.

Other Comments about the Sale Process

39. The parcels that constitute the Real Property are located in the same general area of Niagara Falls, near the VIA Rail Station and the Niagara River. However, the various parcels that constitute the Real Property are not all contiguous.

40. Attached as Appendix B is an aerial photograph showing the Real Property along with the last four digits of the Parcel Identification Number. These parcels have been colour-coded to show which parcels are the:

a) "Calibrex Real Property Parcels", which are the parcels owned by 2847990 Ontario Inc., 2847991 Ontario Inc., 2847992 Ontario Inc., 2847993 Ontario Inc., and 2847994 Ontario Inc.; and

b) "Milborne Real Property Parcels", which are the parcels owned by 2678514 Ontario Inc., 2678517 Ontario Inc., and 2741854 Ontario Limited.

41. Given the geographical separation of some of the parcels, it is possible that multiple transactions may be put before the court for approval, rather than a single en bloc transaction.

REVIEW OF THE SECURITY OF 1001 ONTARIO

42. Given the potential that 1001 Ontario may make a Credit Bid, the Receiver arranged for a review of 1001 Ontario's security by independent counsel, Miller Thomson LLP. Pursuant to an opinion dated September 10, 2025, and subject to the usual qualifications and assumptions contained in opinions, counsel has confirmed the validity of the validity and enforceability of:

    a) the mortgages registered against the Real Property, and

    b) the security interest granted by the Milborne Debtors in the Personal Property.

43. The security review noted the existence of a construction lien filed in the amount of $52,206 filed by V. Gibbons Contracting Ltd. against Parcel Identification Number 64328-0186, which is the property known municipally as 4610 Erie Avenue, Niagara Falls, which is owned by 2678514 Ontario Inc. The existence of this lien was previously drawn to the attention of the court at the time of the hearing of the receivership application on July 31, 2025. This lien claimant (which is represented by counsel) is on the service list in these proceedings. The Receiver will address this construction lien later in these proceedings, likely in the context of a motion for sale approval and a vesting order.

SEALING ORDER

44. Confidential Appendix 1 contains estimated valuations of the Real Property provided by Cushman and Colliers. This is commercially and competitive sensitive information and values that, if disclosed, could materially negatively impact the marketing of the Real Property and the ability of the Receiver to maximize value of the Real Property. The Receiver respectfully requests that this Court seal Confidential Appendix 1 until the closing of a sale transaction, or until further order of the Court.

RECEIVER'S ACTIVITIES

45. Since its appointment, the Receiver's activities have included, among other things:

a) Corresponding with the principals of the Debtors, and their counsel, to request certain books and records of the Debtors and in relation to the Real Property;

b) Corresponding with the Canada Revenue Agency to request recent notices of assessment, tax account balances, and changes of address;

c) attending at all Real Property sites subject to the Receivership Order to take possession and control of such assets;

d) providing instructions to counsel to arrange for customary independent security opinions in relation to the validity and enforceability of the security held by 1001 Ontario;

e) preparing and sending the Notice and Statement of the Receiver in accordance with sections 245(1) and 246(1) of the Bankruptcy and Insolvency Act to the Debtors, the Office of the Superintendent of Bankruptcy and all known creditors of the Debtors;

f) corresponding with the tenant at 4551 Zimmerman in respect of these Receivership Proceedings, lease terms, the payment of rent, and property related matters;

g) arranging for utility companies to set up new accounts in the name of the Receiver for 4551 Zimmerman;

h) responding to calls and inquiries from creditors, stakeholders and other parties interested in the Receivership Proceeding, including the representatives of the municipality to source Real Property information, the representatives of the University of Niagara Falls and local law enforcement agencies;

i) registering the Receivership Order on tile of the Real Property;

j) completing initial protective measures of the vacant commercial building and the motel;

k) obtaining insurance coverage for the Real Property;

l) completing initial maintenance activities in relation to vacant lots;

m) coordinating the receipt and analysis of listing proposals for the Real Property;

n) administering the Case Website in accordance with the E-Service Protocol; and

o) preparing this First Report and to update the Court with respect to the Receivership Proceedings.

RECOMMENDATION

46. Based on the foregoing the Receiver respectfully requests that this Honourable Court grant the relief sought, as detailed in paragraph 6 of this First Report.

All of which is respectfully submitted,

GRANT THORNTON LIMITED
In its capacity as Court appointed Receiver of the Debtors,
and not in its personal or corporate capacity
Per:

Daniel Wootton, CIRP, LIT
Senior Vice President

APPENDIX “A”

Court File No. CV-25-00742524-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 31ST
	)	
JUSTICE J. KIMMEL	)	DAY OF JULY, 2025

B E T W E E N:

1001116006 ONTARIO INC.

Applicant

and

2568551 ONTARIO INC., carrying on business as CALIBREX DEVELOPMENT GROUP INC., 2847990 ONTARIO INC., 2847991 ONTARIO INC., 2847992 ONTARIO INC., 2847993 ONTARIO INC., 2847994 ONTARIO INC., 2741854 ONTARIO LIMITED, 2678514 ONTARIO INC., 2678517 ONTARIO INC., CHARLES HUNTER MILBORNE and ANDRZEJ ROMAN KEPINSKI

Respondents

IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 190, c. C.43, as amended

ORDER
(appointing Receiver)

THIS MOTION, made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Grant Thornton Limited ("**Grant Thornton**") as receiver (in such capacities, the "**Receiver**") without security over (a) the real property described in Schedules "A" and "B" hereto, and all proceeds thereof (the "**Real Property**"), owned by the Respondents (collectively, the "**Debtors**"); and (b) all of the assets, undertakings and properties of 2741854 Ontario Limited, 2678514 Ontario Inc., and 2678517 Ontario Inc. (collectively, the "**Milborne Debtors**"), acquired for, or used in relation to business carried on by the Milborne Debtors, including all proceeds thereof (the "**Personal Property**", and together with the Real Property, the "**Property**"), was heard this day, by Zoom videoconference.

ON READING the affidavit of Daniel McNalley affirmed May 29, 2025 and the exhibits thereto and on hearing the submissions of counsel for the Applicant and for the Construction Lien Claimant, V. Gibbons Contracting Ltd., no one else appearing although duly served as appears from the affidavit of Dayna Christy sworn July 31, 2025, and on reading the consent of Grant Thornton to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Grant Thornton is hereby appointed Receiver, without security, of all the "**Property**".

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality

of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business in connection with the Property, cease to carry on all or any part of the business, reject or cease to perform any contracts of the Debtors, or in respect of the Property;

(d) to engage consultants, appraisers, agents, real estate brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors, or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;

(g) to settle, extend or compromise any indebtedness owing to the Debtors;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

    (i) without the approval of this Court in respect of any transaction not exceeding $100,000, provided that the aggregate consideration for all such transactions does not exceed $250,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;

(q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and

(r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel, equity holders, including, without limitation, investors and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records, information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in

that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software, and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, in connection with the Property, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any

source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part in connection with or relating to the Property, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of such Debtor until such time as the Receiver, on the behalf of the Debtors, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such

information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. THIS COURT ORDERS that the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

19. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $750,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest, fees and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "C" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

23. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

24. THIS COURT ORDERS that the The Guide Concerning Commercial List E-Service (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 13 of the Protocol, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide.

25. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier,

personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

26. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

27. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

28. 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 and 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.

29. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. THIS COURT ORDERS that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estates with such priority and at such time as this Court may determine.

31. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

32. THIS COURT ORDERS that this Order is effective from today's date and it is not required to be entered.

Jessica Kimmel
Digitally signed by Jessica Kimmel
Date: 2025.07.31 16:03:33 -04'00'

Date of issuance

(Signature of judge, officer or registrar)

SCHEDULE "A"

DESCRIPTION OF THE CALIBREX REAL PROPERTY

1. **Municipal address**: 4249/4267 River Road, Niagara Falls

   PIN: 64269-0361 (LT) in LRO #59

   Legal description: PT LT 6 PL 996 NIAGARA FALLS; PT LT 7 PL 996 NIAGARA FALLS AS IN RO160914; DESCRIPTION MAY NOT BE ACCEPTABLE IN FUTURE AS RO160914; CITY OF NIAGARA FALLS

   Registered Owner: 2847990 Ontario Inc.;

2. **Municipal address**: 4249/4267 River Road, Niagara Falls

   PIN: 64269-0533 (LT) in LRO #59

   Legal description: PT LT 6 PL 996 NIAGARA FALLS; PT LT 7 PL 996 NIAGARA FALLS; PT LT 8 PL 996 NIAGARA FALLS; PT LT 9 PL 996 NIAGARA FALLS AS IN BB30516 & RO479407; DESCRIPTION MAY NOT BE ACCEPTABLE IN FUTURE AS IN BB30516 & RO479407; PT LT 8 PL 996 NIAGARA FALLS AS IN RO599693; CITY OF NIAGARA FALLS

   Registered Owner: 2847990 Ontario Inc.;

3. **Municipal address**: 4299 Queen Street, Niagara Falls

   PIN: 64328-0151 (LT) in LRO #59

   Legal description: PT LT 1 BLK K PL 999-1000 TOWN OF NIAGARA FALLS AS IN RO639964, DESCRIPTION MAY NOT BE ACCEPTABLE IN FUTURE AS IN RO639964; CITY OF NIAGARA FALLS

   Registered Owner: 2847991 Ontario Inc.;

4. **Municipal address**: 4122 Bridge Street, Niagara Falls

   PIN: 64445-0015 (LT) in LRO #59

   Legal description: PT LT 198 PL 1002 AS IN BB45983; CITY OF NIAGARA FALLS

   Registered Owner: 2847992 Ontario Inc.;

5. **Municipal address**: 4100 Bridge Street, Niagara Falls

PIN: 64445-0018 (LT) in LRO #59

Legal description: PT LT 197 PL 1002 TOWN OF NIAGARA FALLS AS IN RO445645; NIAGARA FALLS

Registered Owner: 2847992 Ontario Inc.;

6. **Municipal address**: 4551 Zimmerman Avenue, Niagara Falls

   PIN: 64328-0176 (LT) in LRO #59

   Legal description: LOTS 8,9,10 AND PART LOT 3, BLOCK H PLAN 999-1000, PART 1 PLAN 59R13041; CITY OF NIAGARA FALLS

   Registered Owner: 2847993 Ontario Inc.; and

7. **Municipal address**: 4544 and 4552 Zimmerman Avenue, Niagara Falls

   PIN: 64445-0214 (LT) in LRO #59

   Legal description: LT 10 & PT LTS 11, 2 & 3 BLK A PL 999-1000 TOWN OF NIAGARA FALLS AS IN RO505587 & RO679768, EXCEPT PT 1, 59R12254; NIAGARA FALLS

   Registered Owner: 2847994 Ontario Inc.

SCHEDULE "B"

DESCRIPTION OF THE MILBORNE REAL PROPERTY

1. **Municipal address**: 4578 Erie Avenue, Niagara Falls

   PIN: 64328-0182 (LT) in LRO #59

   Legal description: PT LT 1 BLK H PL 999-1000 TOWN OF NIAGARA FALLS PT 1, 59R664; T/W RO731845; NIAGARA FALLS

   Registered Owner: 2678514 Ontario Inc.;

2. **Municipal address**: 4610 Erie Avenue, Niagara Falls

   PIN: 64328-0186 (LT) in LRO #59

   Legal description: PT LT 3 BLK G PL 999-1000 TOWN OF NIAGARA FALLS; PT LT 4 PLK G PL 999-1000 TOWN OF NIAGARA FALLS AS IN BB83174; S/T BB83174; NIAGARA FALLS

   Registered Owner: 2678514 Ontario Inc.;

3. **Municipal address**: 4254 Park Street, Niagara Falls

   PIN: 64328-0190 (LT) in LRO #59

   Legal description: PT LT 4 BLK G PL 999-1000 TOWN OF NIAGARA FALLS AS IN RO128561; T/W RO128561 (SECONDLY); NIAGARA FALLS

   Registered Owner: 2678514 Ontario Inc.;

4. **Municipal address**: 4638 Erie Avenue, Niagara Falls

   PIN: 64328-0191 (LT) in LRO #59

   Legal description: LT 1 BLK G PL 999-1000 TOWN OF NIAGARA FALLS; LT 2 BLK G PL 999-1000 TOWN OF NIAGARA FALLS S/T RO128561 (FOURTHLY) T/W RO128561; S/T RO128561 (THIRDLY); NIAGARA FALLS

   Registered Owner: 2678514 Ontario Inc.;

5. **Municipal address**: 4638 Erie Avenue, Niagara Falls

   PIN: 64328-0193 (LT) in LRO #59

Legal description: LT 12 BLK G PL 999-1000 TOWN OF NIAGARA FALLS S/T NF49293; NIAGARA FALLS

Registered Owner: 2678514 Ontario Inc.;

6. **Municipal address**: 4584 Erie Avenue, Niagara Falls

   PIN: 64328-0183 (LT) in LRO #59

   Legal description: PT LT 1 BLK H PL 999-1000 TOWN OF NIAGARA FALLS AS IN RO456900; S/T & T/W RO456900; NIAGARA FALLS

   Registered Owner: 2678517 Ontario Inc.; and

7. **Municipal address**: 4624 Erie Avenue, Niagara Falls

   PIN: 64328-0257 (LT) in LRO #59

   Legal description: PT LTS 3 & 4 BLK G 999-1000 AS IN RO773843; NIAGARA FALLS

   Registered Owner: 2678517 Ontario Inc.

8. **Municipal address**: 4618 Erie Avenue, Niagara Falls

   PIN: 64328-0188 (LT) in LRO #59

   Legal description: PT LT 3 BLK G PL 999-1000 TOWN OF NIAGARA FALLS AS IN RO210030; NIAGARA FALLS

   Registered Owner: 2741854 Ontario Limited

SCHEDULE "C"

RECEIVER CERTIFICATE

CERTIFICATE NO. ______________

AMOUNT $_____________________

1. THIS IS TO CERTIFY that Grant Thornton, the receiver (the "Receiver"), without security, of (a) the real property described in Schedules "A" and "B" hereto, and all proceeds thereof (the "**Real Property**"), owned by the Respondents (collectively, the "**Debtors**"); and (b) all of the assets, undertakings and properties of 2741854 Ontario Limited, 2678514 Ontario Inc., and 2678517 Ontario Inc. (collectively, the "**Milborne Debtors**"), acquired for, or used in relation to business carried on by the Milborne Debtors, including all proceeds thereof (the "**Personal Property**", and together with the Real Property, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of ______, 2025 (the "Order") made in an application having Court file number CV-25_______-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $___________, being part of the total principal sum of $___________ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _______ day of each month] after the date hereof at a notional rate per annum equal to the rate of ______ per cent above the prime commercial lending rate of Bank of _________ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of ______________, 2025.

Grant Thornton Limited, solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: ___________________________________

Name:

Title:

1001116006 ONTARIO INC. Applicant	-and-	2568551 ONTARIO INC., carrying on business as CALIBREX DEVELOPMENT GROUP INC. et al. Respondents

Court File No. CV-25-00742524-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER

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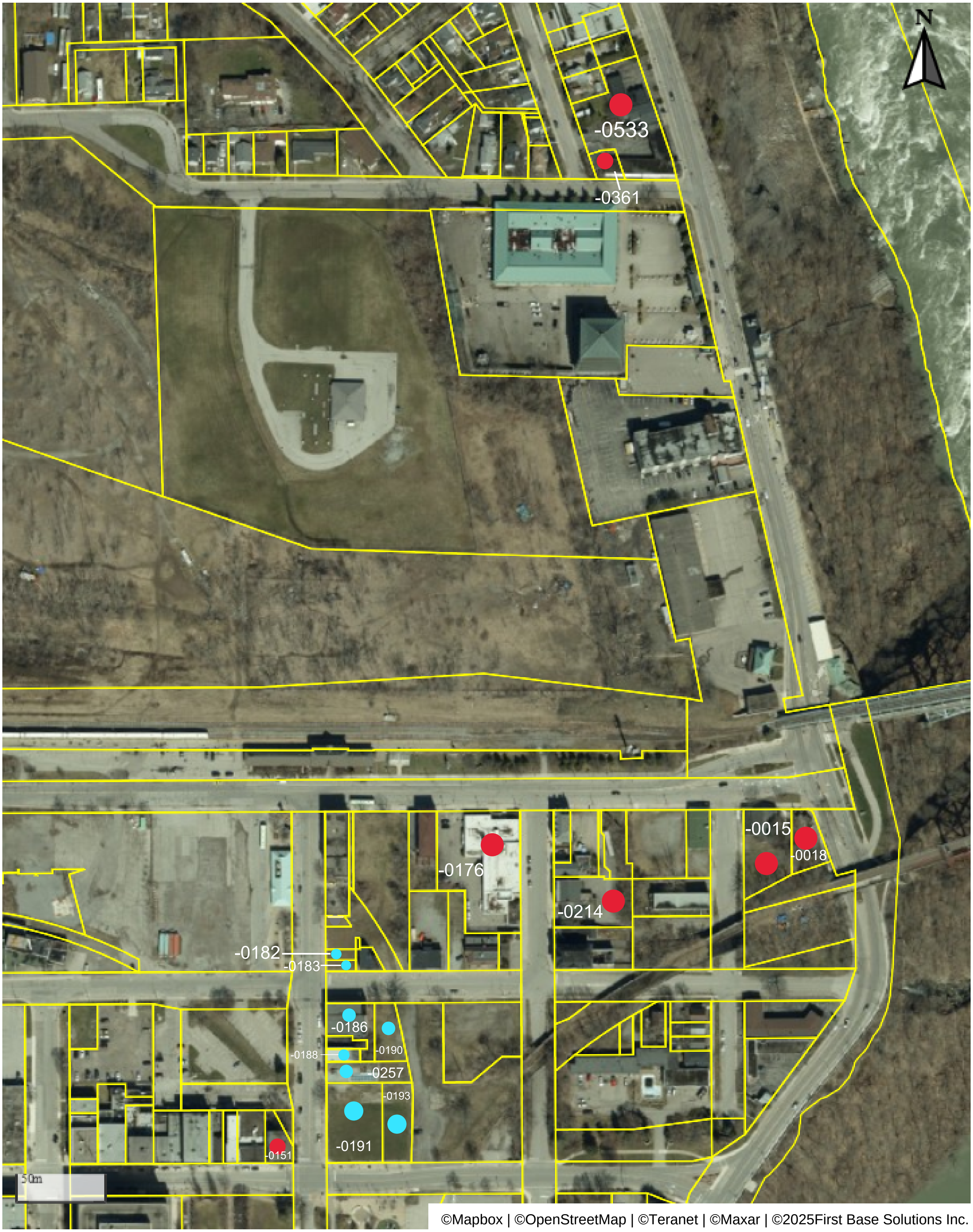
Lawyers for the applicant

APPENDIX "B"



Calibrex Real Property Parcels

Milborne Real Property Parcels

VuMAP

CONFIDENTIAL APPENDIX 1

(to be filed separately)