

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL DISTRICT OF FREDERICTON

IN THE MATTER OF THE RECEIVERSHIP OF:

Gray's Aqua Management Ltd., Gray Aqua Farms Ltd., Gray Aqua Group Ltd., Butter Cove Aqua Farms Ltd., Goblin Bay Aqua Farms Ltd., Jervis Island Aqua Farms Ltd., Pass-My-Can Aqua Farms Ltd., Gray Aqua Processing Ltd., M. Gray Holdings Ltd., 608672 N.B. Ltd., 608690 N.B. Ltd., 608691 N.B. Ltd., 608715 NB Limited and 608716 NB Limited

-and-

PURSUANT TO Section 33 of the *Judicature Act*, R.S.N.B. 1973, Ch. J-2, Rule 41 Rules of Court, New Brunswick and Section 243 of the *Bankruptcy and Insolvency Act* R.S.C. 1985 c. B-3

BETWEEN:

CALLIDUS CAPITAL CORPORATION

APPLICANT

-and-

GRAY'S AQUA MANAGEMENT LTD., GRAY AQUA FARMS LTD., GRAY AQUA GROUP LTD., BUTTER COVE AQUA FARMS LTD., GOBLIN BAY AQUA FARMS LTD., JERVIS ISLAND AQUA FARMS LTD., PASS-MY-CAN AQUA FARMS LTD., GRAY AQUA PROCESSING LTD., M. GRAY HOLDINGS LTD., 608672 N.B. LTD., 608690 N.B. LTD., 608691 N.B. LTD., 608715 NB LIMITED and 608716 NB LIMITED

RESPONDENTS

DISTRIBUTION ORDER

BEFORE THE HONOURABLE JUSTICE

IN CHAMBERS:

UPON MOTION made by Ernst & Young Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of all of the assets, property and undertaking of Gray's Aqua Management Ltd., Gray Aqua Farms Ltd., Gray Aqua Group Ltd., Butter Cove Aqua Farms Ltd., Goblin Bay Aqua Farms Ltd., Jervis Island Aqua Farms Ltd., Pass-My-Can Aqua Farms Ltd., Gray Aqua Processing Ltd., M. Gray Holdings Ltd., 608672 N.B. Ltd., 608690 N.B. Ltd., 608691 N.B. Ltd., 608715 NB Limited and 608716 NB Limited for an Order:

- 1) approving the Third Report of the Receiver dated June 2, 2017 (the "**Receiver's Third Report**") and the conduct and actions of the Receiver as described therein; and
- 2) approving the distribution of \$14,434,785.73 by the Receiver to those creditors and in the respective amounts listed in the Receiver's Third Report;

UPON READING the Receiver's Third Report, the Affidavit of Ben Durnford sworn June 1, 2017, and other materials on file herein;

AND UPON HEARING the submissions of John Stringer, Q.C., counsel for the Receiver, and such other counsel who appeared:

NOW UPON MOTION:

IT IS HEREBY ORDERED THAT:

Service

1. The timing and method of service of the Notice of Motion, the supporting Affidavit, and the Receiver's Third Report is hereby validated, such that this Motion is properly returnable today and hereby dispenses with further service hereof;

Activities Approval

2. The Receiver's Third Report and the conduct and actions of the Receiver, as described in the Receiver's Third Report, be and are hereby approved; and

Distribution

3. The Receiver be and is hereby authorized and directed to distribute the sum of \$14,434,785.73 out of funds held by the Receiver to the secured creditors and in the amounts listed in the Receiver's Third Report.

DATED at Fredericton, New Brunswick this ____ day of June, 2017.

Judge of the Court of Queen's Bench of
New Brunswick