



Ernst & Young Inc.
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Notice of Stay of Proceedings

To the Creditors of Basin Mine Limited Partnership

On October 3, 2018 **Basin Mine Limited Partnership** filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to section 50.4 of the *Bankruptcy and Insolvency Act* (the “**BIA**”). Ernst & Young Inc. (“**EYI**”) consented to act as the Trustee in this matter.

We enclose herewith the following:

1. A copy of the NOI;
2. A list of creditors and the amounts owing per the Company’s records; and
3. Certificate of filing of the NOI.

Pursuant to Section 69 of the *Bankruptcy and Insolvency Act*, upon filing of such a Notice, no creditor shall have any remedy against the debtor or his property or shall commence or continue any action, execution or other proceedings for the recovery of a claim provable in Bankruptcy until the filing of a Proposal under Section 62(1) or the Bankruptcy of the insolvent person. The applicable portions of Section 69 are enclosed with this notice.

Should you have a claim provable in Bankruptcy against any of the companies listed above, you should not commence or continue any action, execution, or other proceedings for the recovery of such claim except by leave of the Court.

Further information with respect to this matter can be found available on Ernst & Young Inc.’s website: www.ey.com/ca/basminmine. For questions or additional information, please contact:

Mr. Riyandi Tan – Manager
riyandi.tan@ca.ey.com +604-899-3587

ERNST & YOUNG INC.

In its capacity as Trustee under a Proposal
of Basin Mine Limited Partnership and not in
its personal capacity

Per:

Mike Bell, CPA, CA, CIRP

Stay Of Proceedings – Notice Of Intention

69. (1) Stay of Proceedings – Notice of Intention - Subject to subsections (2) and (3) and sections 69.4 and 69.5, on the filing of a notice of intention under section 50.4 by an insolvent person,

(a) no creditor has any remedy against the insolvent person or the insolvent person's property, or shall commence or continue any action, execution or other proceedings, for the recovery of a claim provable in bankruptcy,

(b) no provision of a security agreement between the insolvent person and a secured creditor that provides, in substance, that on

(i) the insolvent person's insolvency,

(ii) the default by the insolvent person of an obligation under the security agreement, or

(iii) the filing by the insolvent person of a notice of intention under section 50.4,

the insolvent person ceases to have such rights to use or deal with assets secured under the agreement as he would otherwise have, has any force or effect,

(c) Her Majesty in right of Canada may not exercise Her rights under

(i) subsection 224(1.2) of the *Income Tax Act*, or

(ii) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that

(A) refers to subsection 224(1.2) of the *Income Tax Act*, and

(B) provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts,

in respect of the insolvent person where the insolvent person is a tax debtor under that subsection or provision, and

(d) Her Majesty in right of a province may not exercise her rights under any provision of provincial legislation in respect of the insolvent person where the insolvent person is a debtor under the provincial legislation and the provision has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum

(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*, or

(ii) is of the same nature as a contribution under the *Canada Pension Plan* if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a "provincial pension plan" as defined in that subsection,

until the filing of a proposal under subsection 62(1) in respect of the insolvent person or the bankruptcy of the insolvent person.

(2) **Limitations** - The stays provided by subsection (1) do not apply

(a) to prevent a secured creditor who took possession of secured assets of the insolvent person for the purpose of realization before the notice of intention under section 50.4 was filed from dealing with those assets;

(b) to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security against the insolvent person more than ten days before the notice of intention under section 50.4 was filed, from enforcing that security, unless the secured creditor consents to the stay; or

(c) to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security from enforcing the security if the insolvent person has, under subsection 244(2), consented to the enforcement action.

Stay Of Proceedings – Notice Of Intention

(3) **Limitations** - A stay provided by paragraph (1)(c) or (d) does not apply, or terminates, in respect of Her Majesty in right of Canada and every province if

(a) the insolvent person defaults on payment of any amount that becomes due to Her Majesty after the filing of the notice of intention and could be subject to a demand under

(i) subsection 224(1.2) of the *Income Tax Act*,

(ii) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts, or

(iii) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum

(A) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*, or

(B) is of the same nature as a contribution under the *Canada Pension Plan* if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a "provincial pension plan" as defined in that subsection; or

(b) any other creditor is or becomes entitled to realize a security on any property that could be claimed by Her Majesty in exercising Her rights under

(i) subsection 224(1.2) of the *Income Tax Act*,

(ii) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts, or

(iii) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum

(A) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*, or

(B) is of the same nature as a contribution under the *Canada Pension Plan* if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a "provincial pension plan" as defined in that subsection.

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

Take notice that:

1. I, Basin Mine Limited Partnership, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Ernst & Young Inc. of 700 West Georgia Street, Vancouver, BC, V7Y 1C7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Vancouver in the Province of British Columbia, this 18th day of September 2018.



Basin Mine Limited Partnership
Insolvent Person

To be completed by Official Receiver:

Filing Date

Official Receiver

District of:
Division No.
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Arthon Constructors Corp. Darren Bidulka	#9-1790 KLO Road Kelowna BC V1W 3P6		1,209,506.00
Arthon Industries Limited Darren Bidulka	#9-1790 KLO Road Kelowna BC V1W 3P6		44,407.00
Bryhton Lamb Bryhton Lamb	222 Biliter ave Princeton BC V0X 1W0		450.00
Callidus Capital Corp Bert Crossin	#4620-181 Bay Street Toronto ON M5J 2T3		63,289,858.00
Deb Bothe Deb Bothe	Box 195 Princeton BC V0X 1W0		450.00
Equitable Life	PO Box 1603 Stn One Westmount Road North WATERLOO ON N2L 4C7		1,026.00
Kyle Morosse Kyle Morosse	Box 3D, Comp 9 Tulameen BC V0X 2L0		450.00
Mark Lamb Mark Lamb	PO Box 141 Princeton BC B0X 1W0		450.00
Province of BC (Reclamation) Aaron Welch	Legal Services Branch PO Box 9289 Stn Prov Govt Victoria BC V8W 9J7		276,000.00
Province of BC (PST) Aaron Welch	Legal Services Branch PO Box 9289 Stn Prov Govt Victoria BC V8W 9J7		972,416.00
Sandhill Equipment Corp. Darren Bidulka	#9-1790 KLO Road Kelowna BC V1W 3P6		37,275.00
Worksafe BC	PO box 5350 Stn Terminal Vancouver BC V6B 5L5		622.00
Total			65,832,910.00



Basin Mine Limited Partnership
Insolvent Person



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of British Columbia
Division No. 03 - Vancouver
Court No. 11-2427899
Estate No. 11-2427899

In the Matter of the Notice of Intention to make a
proposal of:

Basin Mine Limited Partnership

Insolvent Person

ERNST & YOUNG INC.

Licensed Insolvency Trustee

Date of the Notice of Intention: October 03, 2018

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: October 03, 2018, 16:10

E-File/Dépôt Electronique

Official Receiver

300 Georgia Street W, Suite 2000, Vancouver, British Columbia, Canada, V6B6E1, (877)376-9902

Canada

Basin Mine Limited Partnership*List of Creditors*

Creditor	Street	City	Province	Postal Code	Unsecured	Secured	Preferred
Arthon Constructors Corp.	9 - 1790 KLO Road	Kelowna	BC	V1W 3P6	-	1,209,506.00	-
Arthon Industries Limited	9 - 1790 KLO Road	Kelowna	BC	V1W 3P6	-	44,407.00	-
Bryhton Lamb	222 Biliter Ave	Princeton	BC	V0X 1W0	450.00	-	-
Callidus Capital Corp.	4620 - 181 Bay Street	Toronto	ON	M5J 2T3	-	63,289,858.00	-
Deb Bothe	Box 195	Princeton	BC	V0X 1W0	450.00	-	-
Equitable Life	One Westmount Road North, PO Box 1603 Stn.	Waterloo	ON	N2J 4C7	1,026.00	-	-
Kyle Morosse	Box 3D, Comp 9	Tulameen	BC	V0X 2L0	450.00	-	-
Mark Lamb	PO Box 141	Princeton	BC	V0X 1W0	450.00	-	-
Province of BC (PST)	Ministry of Attorney General, Legal Services Branch, PO Box 9289 Stn Prov Govt	Victoria	BC	V8W 9J7	-	972,416.00	-
Province of BC (Reclamation)	Ministry of Attorney General, Legal Services Branch, PO Box 9289 Stn Prov Govt	Victoria	BC	V8W 9J7	-	276,000.00	-
Sandhill Equipment Corp.	9 - 1790 KLO Road	Kelowna	BC	V1W 3P6	-	37,275.00	-
Worksafe BC	PO Box 5350 Stn Terminal	Vancouver	BC	V6B 5L5	622.00	-	-