

May 4, 2020

To the Creditors of Canadian Humalite International Inc.

**IMPORTANT NOTICE - PLEASE REVIEW THIS LETTER BEFORE PROCEEDING
TO REVIEW THE INFORMATION ATTACHED IN THIS INFORMATION
PACKAGE**

RE: Canadian Humalite International Inc. ("the Company" or "CHI") both in bankruptcy and pending Division 1 Proposal

To Whom it May Concern,

As you should already be aware, effective March 3, 2020 CHI filed an assignment into bankruptcy, and Ernst & Young Inc. ("EY" or the "Trustee") was appointed as trustee of the estate.

On May 1, 2020, please be advised that the Company filed a proposal to settle its debts and annul the bankruptcy (subject to Court approval and certain other conditions set out in the pending proposal), and as such, CHI will be looking to the creditors to consider the proposal. If approved by both the creditors and the Court, and subject to certain other conditions within the proposal, the proposal will have the effect of annulling the bankruptcy and enabling CHI to emerge from the bankruptcy.

We have included the proposal documents for your review and consideration. You will have already received Proof of Claim forms in the bankruptcy package sent to all known creditors in March 2020; however, we have included them again here in the event that you have not yet submitted your claim to us. If you have already submitted your claim to us, there is no need to re-file a claim, but we encourage you to consider the voting materials contained herein (discussed next).

As noted above, this proposal package also includes a voting letter to enable creditors to register their vote for or against the proposal. Votes will be counted and finalized at the First Meeting of Creditors scheduled for **May 15, 2020 at 10:00am**. In order for your vote to be counted, the trustee must receive your Proof of Claim prior to the start of the meeting. Dial-in details for the meeting are as follows:

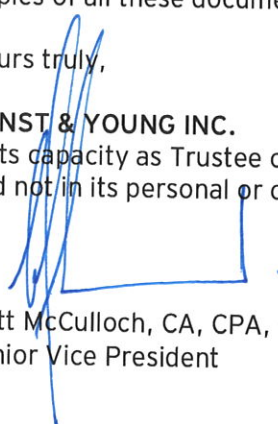
- Dial-In Phone Number: 1.647.749.1785
- Access Code: 625476314#

If you have any questions about this letter or its contents, please contact Trina Sorbara at (780) 412-2393. Copies of all these documents can also be located at <http://documentcentre.eycan.com>.

Yours truly,

ERNST & YOUNG INC.

in its capacity as Trustee of Canadian Humalite International Inc.
and not in its personal or corporate capacity


Matt McCulloch, CA, CPA, CIRP, LIT
Senior Vice President

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2625289
Estate No. 24-2625289

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

In the matter of the proposal of
Canadian Humalite International Inc.
of the city of Edmonton, in the Province of Alberta

Take notice that Canadian Humalite International Inc. of the city of Edmonton in the Province of Alberta has lodged with me a proposal under the *Bankruptcy and Insolvency Act*.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed.

A general meeting of the creditors will be held on the 15th day of May 2020 at 10:00 AM at 1400 EPCOR Tower, 10423 - 101 Street, Edmonton, AB or Dial In Information to be Provided.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim must be lodged with me prior to the commencement of the meeting.

Proxies and voting letters intended to be used at the meeting may be filed at any time up until the moment a vote is called.

Dated at the city of Edmonton in the Province of Alberta, this 1st day of May 2020.

Ernst & Young Inc. - Licensed Insolvency Trustee
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton, AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1975424 Alberta Ltd o/a Humic Haulers	127 Eagle Dr Yellowknife NT X1A 0G8		173,024.84
A&L Canada Laboratories	2136 Jetstream Road London ON N5V 3P5		1,422.23
Acer Images Solutions	9653 - 62 Ave NW Edmonton AB T6E 0E1		1,589.70
Action Express & Hot Shot	PO Box 32038, Meadowbrook RPO Edmonton AB T6T 1N1		27,300.00
Alberta Pallet Co	PO Box 10159 Airdrie AB T4A 0H5		11,300.31
ALS Canada Ltd	2103 Dollarton Hwy North Vancouver BC V7H 0A7		668.85
Anwar Abdushakur	#210, 10234 - 167 Street NW Edmonton AB T5P 4H4		4,234.43
Baltimore Ironworks (2016) Ltd	Box 558 Erskine AB T0C 1G0		7,276.50
BANK OF MONTREAL MASTERCARD	PO BOX 300, STATION M Toronto ON M6S 4X2	5583 4600 0456 8226	507.52
BANK OF MONTREAL MASTERCARD	PO BOX 300, STATION M Toronto ON M6S 4X2	5583 4600 0521 9589	4,294.00
BANK OF MONTREAL MASTERCARD	PO BOX 300, STATION M Toronto ON M6S 4X2	5583 4600 0541 2606	1,272.51
BANK OF MONTREAL MASTERCARD	PO BOX 300, STATION M Toronto ON M6S 4X2	5583 4600 0510 0755	580.97
Bison Transportation Inc	1001 Sherwin Road Winnipeg MB R3H 0T8		3,800.00
Black Earth Products Inc.	c/o Blake Cassels & GeYSON LLP, 595 Burrard Street, Suite 2600 Vancouver BC V7X 1L3	ATB Debt	11,406,930.74
Bounty Onsite Inc	Box 964, 4201 - 49 Ave Stettler AB T0C 2L0		559.94
Bradley Fawkes	6107 - 50A Avenue Stettler AB T0C 2L2		1,446.72
Bulldog Bag Ltd	13631 Vulcan Way Richmond BC V6V 1K4		1,060.22
Burmac Mechanical 2000	6118 - 50th Ave Stettler AB T0C 2L2		371.65

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Canfleet Logistics Ltd	1166 Alberni Street, Suite 801 Vancouver BC V6E 3Z3		41,706.55
CH Robinson (Canada) Ltd. - CAD	PO Box 57729, Postal Station A Toronto ON M5W 5M5		2,200.00
CH Robinson (Canada) Ltd. - USD	PO Box 57729, Postal Station A Toronto ON M5W 5M5		21,681.64
ClearTech	1500 Quebec Avenue Saskatoon SK S7K 1V7		42,588.00
Clifford Nielsen	PO Box 253, 36304 Rg Rd 142 Castor AB T0C 0X0		2,850.34
County of Paintearth No 18	#1 Crowfoot Drive, Crowfoot Crossing, Box 509 Castor AB T0C 0X0		161,561.58
Darrell Rairdan	Box 944 Stettler AB T0C 2L0		13,585.74
Darrell Rairdan	Box 944 Stettler AB T0C 2L0		118,435.55
De Lage Landen Financial Services Canada Inc.	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	640385	20,759.35
De Lage Landen Financial Services Canada Inc.	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	648639	22,627.32
De Lage Landen Financial Services Canada Inc.	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	684250	33,724.19
Dean's Machine Inc.	4804 - 45 Avenue Close, Box 668 Stettler AB T0C 2L0		2,691.63
DHL Express (Canada) Ltd.	c/o T10332C, PO Box 4488 STN A Toronto ON M5W 4H1		301.61
Doug Baltimore	Box 1383 Stettler AB T0C 2L0		1,489.60
Edwin Liem	434 Ormsby Road W Edmonton AB T5T 5S5		20,141.05
Elm Prairie Properties Inc.	434 Ormsby Road West Edmonton AB T5T 5S5		265,000.00
Epcor	PO Box 500 Edmonton AB T5J 3Y3		9,828.22
FL Carriers Ltd	#350, 10403 - 172 Street Edmonton AB T5S 1K9		12,129.60

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Flying E Rancho Ltd	Box 340 Stavelly AB T0L 1Z0		2,992.50
GFL Environmental Solid Waste Inc	PO Box 150 Concord ON L4K 1B2		301.85
Grey Owl Investments Ltd.	32 Riverside Crescent Edmonton AB T5N 3M5		165,000.00
Grey Owl Investments Ltd.	32 Riverside Crescent Edmonton AB T5N 3M5		117,592.54
GT Hydraulic & Bearing Inc	Box 1434, 3806 - 46 Ave Stettler AB T0C 2L0		1,426.40
ICS Great Western LP	7905 - 46 Street SE Calgary AB T2C 2Y6		30,492.42
InterBulk Canada	4851 Singer Court Regina SK S4X 4T5		7,761.97
International Trade Solutions (US)	Box 12607 Grand Forks ND 58208-2607 U.S.A		270.46
Intersac (US)	19400 Ave Cruickshank Baie-d'Urfe QC H9X 3P1		46,945.70
ITS Canada Inc	1617 Colonization Road W Fort Frances ON P9A 2T9		2,469.86
J D Factors	315 Matheson Blvd E Mississauga ON L4Z 1X8		35,800.00
Jag Printing Ltd	9723 - 60 Ave NW Edmonton AB T6E 0C4		1,983.38
John Parr	5708 - 65 Street Beaumont AB T4X 2A4		12,159.06
Jonathon Johnson	48 Huntington Hill NW Edmonton AB T6H 5S6		1,243.79
Joseph Dennie	10236 - 50 Street Edmonton AB T6A 2B9		2,089.62
Justin Andre	1140 - 74 Street SW Edmonton AB T6X 0N7		2,310.38
Kyle Smith	#12 Alberta Ave, PO Box 303 Erksine AB T0G 1G0		5,130.58
Liftboss	7912 Yellowhead Trail Edmonton AB T5B 1G3		1,297.30

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
LignoTech USA Inc. (USD)	100 Grand Avenue Rothschild WI 54474 U.S.A		45,259.83
LM Waste Removal Ltd	Box 118 Botha AB T0C 0N0		1,979.50
Lonestar Lumber	12815 168 ST Edmonton AB T5V 1P4		4,672.50
Mariana Cano	10236 - 50 Street Edmonton AB T6A 2B9		7,399.04
Marla Netter	18111 - 105A Street Edmonton AB T5X 6J2		12,874.27
Mattsan Consulting	86 Marlboro Drive Spruce Grove AB T7X 2N8		947,252.72
Meridian OneCap Credit Corp.	40 Sheppard Avenue West, Suite 800 Toronto ON M2N 6K9	441272	10,110.05
Mervyn Fischer	#33, 7 Cranford Way Sherwood Park AB T8H 5W5		25,748.53
Monarch Transport (1975) Ltd	9011 - 50th Street Edmonton AB T6B 2Y2		28,950.00
National Freight Services Inc	Suite A, 34 Sioux Road Sherwood Park AB T8A 4X1		14,223.00
Orion Building Maintenance Ltd.	81 Jefferson Road Edmonton AB T6L 6R1		593.25
Paulo Verdi	10236 - 50 Street Edmonton AB T6A 2B9		7,512.86
R.E.M. Transport Ltd	PO Box 481 St. Stephen NB E3L 3A1		6,900.00
Rachel Hamilton	247 Huntington Hill NW Edmonton AB T6H 5Y6		2,583.57
Renown Industries Limited	5608 - 94A Street Edmonton AB T6E 3E4		690.38
Riteway Packaging Supplies & Services	3814 - 51 Ave Edmonton AB T6B 3T5		5,373.90
Robert Konynenberg	#205E, 13128 - 126 Street Edmonton AB T5L 0Y7		2,528.32
Rolies Vac Systems	Box 665 Stettler AB T0C 2L0		483.00

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Solid Technology Solutions Inc	9470 - 51 Ave NW, Suite 201 Edmonton AB T6E 5A6		2,014.53
Stephen Hollett	#58, 5001 - 62 Street Beaumont AB T4X 0C7		329.99
Super Poly Ltd	9311 - 28th Ave Edmonton AB T6N 1N1		2,325.89
Superior Propane	PO Box 4568, STN A Toronto ON M5W 0J5		461.55
Tannis Serben	12011 - 91 Street Edmonton AB T5B 4B9		3,649.04
Telus Mobility	PO Box 8950, Station Terminal Vancouver BC V6B 3C3		1,124.56
Terralink Horticulture Inc.	464 Riverside Road South Abbotsford BC V2S 7M1		9,217.57
Trent Cadrain	10320 - 168 Avenue NW Edmonton AB T5X 2Z8		320.51
Uline	PO Box 3500, RPO Streetsville Mississauga ON L5M 0S8		655.20
Univar Canada Ltd	PO Box 2536 Station M Calgary AB T2P 0V9		10,105.26
Vantage Accounting	Scott Brown Suite 112, 9246 - 51 Ave NW Edmonton AB T6E 5A6		1,013.25
W2 Construction Ltd.	36 Meadowbrook Bay Brooks AB T1R 1N7		22,911.05
WiBand Communication Corp	#10, 1146 Waverley Street Winnipeg MB R3T 0P4		1,268.40
William Murry	Box 253 Castor AB T5H 0E7		1,276.80
Xpedite Leasing Inc.	215, 625 Parsons Road NW Edmonton AB T6X 0N9	301635	197,342.05
Total			14,257,361.28



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 01 - Edmonton
Court No. 24-2625289
Estate No. 24-2625289

In the Matter of the Proposal of:
Canadian Humalite International Inc.
Debtor
ERNST & YOUNG INC.
Licensed Insolvency Trustee

Date of Proposal:	May 01, 2020		
Date of Bankruptcy:	March 03, 2020, 15:01	Security:	\$
Meeting of Creditors:	May 15, 2020, 10:00 Ernst & Young Inc., 1400 EPCOR Tower, 10423 101 Street, Edmonton, Alberta Canada,		
Chair:	Trustee		

CERTIFICATE OF FILING OF A PROPOSAL BY A BANKRUPT

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that:

- the aforementioned debtor was declared bankrupt and is presently undischarged;
- a proposal in respect of the debtor was subsequently filed under the provisions of the *Bankruptcy and Insolvency Act*.

The aforementioned trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, at least ten days prior to the meeting, a notice of a meeting of creditors, to be held at the aforementioned time and place.

Date: May 04, 2020, 13:37

E-File/Dépôt Electronique

Official Receiver

Canada

Canada Place Building, 9700 Jasper Avenue NW, Suite
725, Edmonton, Alberta, Canada, T5J4C3, (877)376-9902

Estate No: 24-2625289
Court No:

PRELIMINARY REPORT OF TRUSTEE
IN THE MATTER OF THE PROPOSAL OF
CANADIAN HUMALITE INTERNATIONAL INC.
(referred to as "CHI" or the "Debtor")

TRUSTEE: Ernst & Young Inc.

A. BACKGROUND

On March 3, 2020, CHI filed an assignment into bankruptcy.

CHI's primary line of business was the manufacture and sale of specialty humics. With funding and support from the secured creditor, the Trustee has continued the operations of CHI for the duration of the bankruptcy administration.

B. SUMMARY OF PROPOSAL

■ Payments to Unsecured Creditors as follows:

i.) Preferred Creditors:

- All Preferred Claims, other than any Preferred Claim that is an Unaffected Claim, if any, will be paid in full.
- To the extent any Employee has received a payment with respect to a portion or all of his or her Employee Claim from the WEPP, the WEPP shall be subrogated to that portion of the Employee's Preferred Claim under this Proposal that is equal to the amount paid to such Employee by the WEPP up to a maximum amount of \$2,000 and the Trustee shall pay such amount directly to Service Canada in accordance with the WEPPA and not to the Employee. For greater certainty, the total amount that shall be paid under this Proposal to an Employee and/or to Service Canada on account of any Employee's Employee Claims shall not in the aggregate exceed the lesser of either (a) such Employee's Preferred Claim or (b) \$2,000.

ii.) Ordinary Unsecured Creditors:

- The Convenience Class portion of the Ordinary Creditors' Proven Claim (ie. the first \$700.00 of any Ordinary Creditor's Proven Claim) will be paid in full, without interest; and
- An additional 20% of the value of each Ordinary Creditors' Proven Claim, calculated after deducting from the total of such Ordinary Creditors' Proven Claim the payment to be made to such Ordinary Creditor through the

Convenience Class, will be paid to each Ordinary Creditor, without interest, provided that the total amount of payments made to each Ordinary Creditor pursuant to this Proposal on account of the Convenience Class portion of the Ordinary Creditors' Proven Claim and the balance of such Ordinary Creditors' Proven Claim shall not exceed \$1,500 in the aggregate.

- Arrangements with Secured Creditor
 - No payment shall be paid from the Proposal Lump Sum to the Proposal Sponsor in consideration of the Proposal Sponsor's Secured Claims. The Proposal contemplates a reorganization which stipulates that a condition of the reorganization is the settlement of the Proposal Sponsor's Secured Claims in full for no additional consideration payable to the Proposal Sponsor.
- Claims bar provision respecting all Creditors' claims
 - In accordance with section 149 of the BIA, the Trustee will, after the meeting of the Creditors, send a notice, in the prescribed manner, to every Person with a Claim of which the Trustee has notice or knowledge but whose Claim has not been proven in accordance with the Proposal and the BIA, and any Person who does not prove their Claim within a period of thirty (30) days after the sending of the notice by the Trustee (the "Claims Bar Date") shall forever be barred from making a Claim in the BIA Proceedings or from receiving any payment under this Proposal in connection with any such Claim.

C. FINANCIAL POSITION AND CAUSES OF DIFFICULTIES

The cause of CHI's financial difficulties was simply business failure.

D. INTERIM RECEIVER

None appointed.

E. IDENTIFICATION AND EVALUATION OF ASSETS

As noted on the Statement of Affairs filed in connection with these Proposal proceedings. The Trustee is comfortable based on information provided and discussed to date that although some difference in value may exist, the total aggregate value of the Debtor's assets will not exceed the value of secured claims. Given this situation, the Trustee has not commissioned a formal appraisal of the Debtor's assets.

F. CONDUCT OF DEBTOR

The Trustee's preliminary review has not shown any preferential payments, settlements, or reviewable transactions.

G. CREDITORS' CLAIMS

No significant changes from the Statement of Affairs are anticipated.

H. PREVIOUS BUSINESS DEALINGS WITH DEBTOR

Ernst & Young LLP ("EY LLP") has been in discussions with the Proposal Sponsor in relation to tax matters and concerns that may pertain to the Debtor in these circumstances. This being the case, EY LLP has not been the auditor or accountant of the Debtor at any time prior to these proceedings.

I. INFORMAL MEETINGS WITH MAJOR CREDITORS

The Trustee has had numerous discussions with the Proposal Sponsor, the Inspectors of the bankrupt estate of CHI, and the Director of CHI in relation to these proceedings.

J. REMUNERATION OF TRUSTEE

The Trustee's services will be based on the time spent by the Trustee and the various members of its staff at their respective regular billing rates plus any direct out-of-pocket expenses incurred. The Trustee's fees and disbursements will be taxed by the Court.

K. OTHER

None

L. STATEMENT OF ESTIMATED REALIZATION

As noted above, the Proposal contemplates paying preferred creditors 100% of their proven claims, and Ordinary Creditor up to \$1,500.00 (in aggregate) for proven admitted claims. The Superintendent's levy payable of 5% on such claims will be paid and deducted from any payments contemplated in the proposal.

M. RECOMMENDATIONS

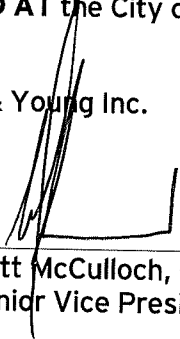
It is the Trustee's opinion that the Proposal is fair and reasonable to the Debtor and the creditors and that the Debtor will be able to perform it.

In the Proposal, the unsecured creditors will receive a recovery (as outlined above) whereas if the bankruptcy continues or a receiver is appointed, there will be no recovery of any amount to unsecured creditors of the Debtor the secured lender will suffer a significant shortfall on its claims.

DATED AT the City of Edmonton, in the Province of Alberta this 1st day of May 2020.

Ernst & Young Inc.

Per:



Matt McCulloch, CA, CPA, CIRP, LIT
Senior Vice President

District of: Alberta
Division No. 01-Edmonton
Court No.: 24-2625289
Estate No.: 24-2625289

**ALBERTA
COURT OF QUEEN'S BENCH
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE PROPOSAL OF
CANADIAN HUMALITE INTERNATIONAL INC.**

PROPOSAL

**ARTICLE 1
BACKGROUND**

1. Canadian Humalite International Inc. ("**CHI**") is a manufacturer and global supplier of specialty humics with a head office in Edmonton, Alberta and a production centre in Halkirk, Alberta.
2. CHI is insolvent in that it is unable to meet its liabilities generally as they become due and its assets are significantly less than the amount of its liabilities.
3. On March 3, 2020, CHI made a voluntary assignment of its property to a trustee in bankruptcy pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "**BIA**") for the benefit of its creditors generally (the "**BIA Proceedings**").
4. The Trustee hereby submits this proposal (the "**Proposal**") under Part III, Division I of the BIA, including a reorganization of its share capital under section 192 of the *Business Corporations Act*, RSA, c. B-9 (the "**ABCA**").

**ARTICLE 2
INTERPRETATION**

Defined Terms

5. In this Proposal, capitalized terms have the meanings given to them in Schedule "A" to this Proposal.

Headings

6. The division of this Proposal into parts, paragraphs, and subparagraphs, and the insertion of headings, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

Numbers

7. In this Proposal, where the context requires, a word importing the singular number will include the plural and vice versa and a word or words importing gender will include all genders.

Date for Action

8. In the event that any date on which any action is required to be taken under this Proposal is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

Time

9. All times expressed in this Proposal are in local time in Edmonton, Alberta, Canada unless otherwise stipulated. Where the time for anything pursuant to this Proposal on a particular date is unspecified, the time shall be deemed to be 5:00 p.m. local time in Edmonton, Alberta, Canada.

Successors and Assigns

10. This Proposal will be binding upon and will enure to the benefit of all Persons named or referred to in this Proposal including, without limitation, all Creditors and Existing Shareholders and their respective heirs, estate administrators, personal representatives, successors and assigns as the case may be.

ARTICLE 3 PURPOSE AND EFFECT OF THIS PROPOSAL

Purpose of the Proposal

11. The purpose of this Proposal is to effect a proposal concerning the obligations of CHI and the reorganization of its capital structure in order to enable the business of CHI to continue, in the expectation that all stakeholders of CHI, including its Creditors, will derive a greater benefit from its continued operations than would result from the forced liquidation of its Property.

Effect of the Proposal

12. On and after the Implementation Date, this Proposal will become effective and, subject to the fulfilment by CHI and the Proposal Sponsor of their respective obligations under this Proposal, shall be binding on CHI, the Creditors, and the Existing Shareholders.
13. Effective on the Implementation Date, the Ordinary Claims, the Employee Claims, the Preferred Claims, and the Proposal Sponsor Secured Claims shall be discharged and CHI shall thereupon be released from the Ordinary Claims, the Employee Claims, the Preferred Claims, and the Proposal Sponsor Secured Claims, other than the obligation to make payment in the manner and to the extent described in this Proposal.

14. The Proposal Sponsor will become the sole shareholder of CHI as of the Implementation Date.
15. CHI's BIA Proceedings shall be annulled as of the Annulment Date.

Unaffected Claims

16. Unaffected Claims are not affected by this Proposal.

Repudiation of Contracts

17. CHI may repudiate or give notice of repudiation of any contract, arrangement, agreement, lease, or indenture to which it is a party, provided such notice of repudiation is given at least ten (10) Business Days prior to any Creditors' meeting to vote on this Proposal, and the Claim of each Person resulting or arising from the repudiation of such contracts, arrangements, agreements, leases and indentures shall be an Ordinary Claim for the purpose of this Proposal.

The Levy

18. The levy payable to the Superintendent in the BIA Proceedings under the BIA shall be deducted and paid from all amounts payable under this Proposal other than any payments made on account of Unaffected Claims.

ARTICLE 4 PROPOSAL SPONSOR'S INVESTMENT

19. Upon the filing of the application for the issuance of the Approval Order, the Proposal Sponsor will confirm in writing to the Trustee and CHI that it is holding funds sufficient to pay the following amounts (the "**Investment Amount**"):
 - (a) First, to pay the Professional Fees, which are funded in the ordinary course of business, and are currently estimated to be \$50,000 as at the Implementation Date, in such actual amount as may be incurred by the Trustee as at the Implementation Date.
 - (b) Second, to pay the Priority Claims and Preferred Claims; and
 - (c) Third, to fund the Proposal Lump Sum to be paid by the Trustee in accordance with this Proposal.

ARTICLE 5 PAYMENT OF PRIORITY AND PREFERRED CLAIMS

Priority Claims

20. Priority Claims, if any, and to the extent not already paid by CHI in the ordinary course of its business, will be paid by the Proposal Sponsor in full within six (6) months after the granting of the Approval Order.

Preferred Claims

21. Within two (2) Business Days after the Implementation Date, all Preferred Claims, other than any Preferred Claim that is an Unaffected Claim, if any, will be paid in full.
22. To the extent any Employee has received a payment with respect to a portion or all of his or her Employee Claim from the WEPP, the WEPP shall be subrogated to that portion of the Employee's Preferred Claim under this Proposal that is equal to the amount paid to such Employee by the WEPP up to a maximum amount of \$2,000 and the Trustee shall pay such amount directly to Service Canada in accordance with the WEPPA and not to the Employee. For greater certainty, the total amount that shall be paid under this Proposal to an Employee and/or to Service Canada on account of any Employee's Employee Claims shall not in the aggregate exceed the lesser of either (a) such Employee's Preferred Claim or (b) \$2,000.

ARTICLE 6 COMPRMISE OF ORDINARY CLAIMS AND SECURED CLAIMS

23. On the later of (a) three (3) Business Days after the Implementation Date and (b) three (3) Business Days after the Claims Bar Date (the "**Distribution Date**"), the Proposal Lump Sum shall be distributed by the Trustee as follows:
 - (a) The Convenience Class portion of the Ordinary Creditors' Proven Claims will be paid in full, without interest; and
 - (b) An additional 20% of the value of each Ordinary Creditors' Proven Claim, calculated after deducting from the total of such Ordinary Creditors' Proven Claim the payment to be made to such Ordinary Creditor through the Convenience Class, will be paid to each Ordinary Creditor, without interest, provided that the total amount of payments made to each Ordinary Creditor pursuant to this Proposal on account of the Convenience Class portion of the Ordinary Creditors' Proven Claim and the balance of such Ordinary Creditors' Proven Claim shall not exceed \$1,500 in the aggregate.
24. No payment shall be paid from the Proposal Lump Sum to the Proposal Sponsor in consideration of the Proposal Sponsor's Secured Claims.

ARTICLE 7 VOTING ON THE PROPOSAL

25. For the purpose of voting on this Proposal, there shall be two classes of Creditors to which this Proposal is made, being:
 - (a) a Secured Creditor Class; and
 - (b) an Unsecured Creditor Class.
26. The Proposal Sponsor shall be entitled to vote that portion of the Proposal Sponsor's Secured Claims that is equal to the value of the Proposal Sponsor's security, as assessed by the Trustee in accordance with the BIA, in the Secured Creditor Class, and the value

of the balance of the Proposal Sponsor's Secured Claims, as assessed by the Trustee in accordance with the BIA, as Ordinary Claims in the Unsecured Creditor Class.

27. In order to be eligible to vote at the meeting of Creditors, each Creditor shall file a proof of claim with the Trustee in accordance with the applicable provisions of the BIA and thereafter the Trustee shall administer the Claims in accordance with the provisions of section 135 of the BIA.
28. For the purpose of this Article 7, the Real Property Lessor may file a proof of claim with respect to the Real Property Lessor Claim in an amount equal to the lesser of (i) the aggregate of (A) the rent provided for in the lease for the first year of the lease following the date on which the disclaimer of such lease in these BIA Proceedings became effective, and (B) fifteen (15) per cent of the rent for the remainder of the term of the lease after that year, and (ii) three years' rent.
29. Creditors holding Ordinary Claims and/or Preferred Claims whose Proven Claims are paid in full through the payments provided for by Articles 5 and 6 of this Proposal shall not be required to vote on the Proposal and, unless and until such Creditors vote against the Proposal in accordance with this Proposal and the BIA, shall be deemed to vote in favour of the Proposal.
30. In accordance with section 149 of the BIA, the Trustee will, after the meeting of the Creditors, send a notice, in the prescribed manner, to every Person with a Claim of which the Trustee has notice or knowledge but whose Claim has not been proven in accordance with this Proposal and the BIA, and any Person who does not prove their Claim within a period of thirty (30) days after the sending of the notice by the Trustee (the "**Claims Bar Date**") shall forever be barred from making a Claim in the BIA Proceedings or from receiving any payment under this Proposal in connection with any such Claim.

ARTICLE 8 REORGANIZATION

31. CHI's liabilities significantly exceed the value of its assets and as a consequence there is no value available to Existing Shareholders as CHI's assets effectively exist, at the present time, for the benefit of its Creditors and not for the benefit of the Existing Shareholders.
32. The only manner by which CHI can survive financially, restructure, and bring value to its Creditors is for CHI to implement the Reorganization and by having the Proposal Sponsor fund the Investment Amount, thereby allowing CHI to fund payments to Creditors under this Proposal. It is a condition precedent of the Proposal Sponsor funding such Investment Amount that the Reorganization be implemented in order for the Proposal Sponsor to be the sole shareholder of CHI as at the Implementation Date and pursuant to which, among other things, all Existing Shares will be:
 - (a) changed into shares redeemable for cancellation by CHI for the aggregate price (for all the Existing Shares in their totality) of \$1.00; and
 - (b) immediately thereafter, be redeemed for cancellation by CHI and cancelled for the aggregate price (for all the Existing Shares in their totality) of \$1.00 payable to the Existing Shareholders.

33. Once this Proposal is accepted by all Creditors entitled to vote thereon in accordance with this Proposal and the relevant provisions of the BIA, the Trustee will present the Approval Application to the Court seeking the Approval Order, which Approval Order shall include the ordering, *inter alia*, that the following shall occur as at the Implementation Date (collectively, the “**Reorganization**”), namely:

- (a) With respect to all Existing Shares:
 - (i) changing of all Existing Shares into non-voting shares redeemable for cancellation by CHI for the aggregate price (for all Existing Shares in their totality) of \$1.00; and
 - (ii) thereafter, the redemption for cancellation of all Existing Shares by CHI for the aggregate redemption price (for all Existing Shares in their totality) of \$1.00 and the cancellation of all Existing Shares;
- (b) the creation of the New Shares as described in and having the rights, privileges and restrictions set forth in the Articles of Reorganization;
- (c) the issuance of 100 New Shares to the Proposal Sponsor for a subscription price of \$100.00 payable in cash;
- (d) with respect to the current Directors of CHI, the Directors shall be deemed to have resigned and Rick Kuzyk shall be appointed as the sole director of CHI;
- (e) the settlement of the Proposal Sponsor’s Secured Claims in full for no additional consideration payable to the Proposal Sponsor; and
- (f) such other amendments and/or restating of the Articles as set forth in the Articles of Reorganization,

CHI retaining the right, at any time prior to Approval, to make such further deletions, additions or modifications, as CHI may deem appropriate, with the consent of the Proposal Sponsor, to the Reorganization such that the term “Reorganization” shall include such deletions, additions or further modifications so made by CHI, with the consent of the Proposal Sponsor.

34. Immediately following Approval, CHI will send the Articles of Reorganization to the Director (as envisaged by section 192(4) of the ABCA) in order to obtain from such Director the Certificate.
35. Subject to Approval and the issuance by the Registrar (as defined in and appointed under the ABCA) of the Certificate, the Proposal Sponsor will, immediately following the Approval Order and in accordance with Article 4 hereof, confirm in writing to the Trustee and CHI that it is holding the Investment Amount in trust, which is to be released from trust on the Implementation Date and to be used as envisaged by this Proposal.
36. The implementation of the Reorganization is and shall remain a condition precedent to the performance of this Proposal. As a consequence, any acceptance by the Creditors of this Proposal shall include approval of the Reorganization. In the event that the Approval Order does not approve the Reorganization, then no Approval shall be deemed to have occurred

and this Proposal shall be deemed, for all purposes, to have not been accepted or approved as required pursuant to the relevant provisions of the BIA.

ARTICLE 9 CLAIMS AGAINST DIRECTORS

37. In accordance with section 50(13) of the BIA, effective on the Implementation Date the Proposal shall be deemed for all purposes whatsoever, to constitute the complete compromise, release and discharge of all Claims, of any nature or source whatsoever, of all Creditors and any other Persons against the Directors, which arose before the Filing Date and which relate to obligations of CHI where such Directors are by law liable in their capacity as directors for payment of such obligations, provided however that nothing herein shall release or discharge or be deemed to have released or discharged any Claims against Directors that cannot be released or discharged pursuant to section 50(14) of the BIA.

ARTICLE 10 PREFERENCES, TRANSFERS AT UNDER VALUE, ETC.

38. In conformity with section 101.1 of the BIA, sections 95-101 of the BIA and any provincial statute related to preference, settlement, fraudulent conveyance or the like shall not apply to this Proposal. As a result:
- (a) all such rights, remedies and recourses and any Claims based thereon shall be completely unavailable to the Trustee or any Creditors against the Company, any of the Property, any other Creditor or any other Person whatsoever; and
 - (b) the Trustee and all the Creditors shall be deemed, for all purposes whatsoever, to have irrevocably and unconditionally waived and renounced such rights, remedies and recourses and any Claims based thereon against the Company, the Property any other Creditor or any other Person.

ARTICLE 11 EVENT OF DEFAULT

39. The non-payment of any of CHI's obligations pursuant to this Proposal hereunder within ten (10) Business Days of the date on which such payment is due will constitute an event of default for the purposes of section 62.1 of the BIA and otherwise under this Proposals (collectively an **"Event of Default"**).

ARTICLE 12 TRUSTEE

40. Ernst & Young Inc. is the Trustee under this Proposal. The Trustee is acting in its capacity as Trustee under this Proposal, and not in its personal capacity, and shall not incur any liabilities or obligations in connection with this Proposal or in respect of the business,

liabilities, obligations of CHI, whether existing as at the Filing Date or incurred subsequent thereto.

41. The Trustee will continue to monitor CHI's cash receipts and disbursements and perform all other obligations until this Proposal is either accepted by the Creditors and implemented or rejected by the Creditors.
42. All notices sent by the Trustee or to be sent to the Trustee pursuant to the BIA may be sent by ordinary mail.

ARTICLE 13 CONDITIONS PRECEDENT

43. As provided for in the BIA, the arrangements set out in this Proposal will not take effect unless the conditions set forth below are substantially satisfied, as follows:
 - (a) requisite majorities of each class of Creditors have approved the Proposal;
 - (b) the Approval Order has been obtained;
 - (c) no order or decree restraining or enjoining the consummation of the transactions contemplated by this Proposal has been issued; and
 - (d) the Certificate has been issued with respect to the Reorganization.

ARTICLE 14 MISCELLANEOUS

44. On the Implementation Date, all Creditors will be deemed to have consented and agreed to all the provisions of this Proposal in its entirety, including, without limitation, the terms of the Approval Order. For greater certainty, each such Creditor will be deemed to have waived any default by CHI in any provision, express or implied, in any agreement existing between the Creditors and CHI that has occurred on or prior to the Filing Date, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of this Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.
45. The payment, compromise or other satisfaction of any Claim under this Proposal will be binding on the Creditors and their respective heirs, executors, administrators, successors and assigns for all purposes.
46. For greater clarity, and notwithstanding any provision of this Proposal, the guarantees of Andrew G. Clark and A.G. Partner Holdings Ltd., and certain others whose obligations were thereafter assumed by A.G. Partner Holdings Ltd. (together, the "**Guarantors**"), all as described in the two Acknowledgment and Confirmation Agreements executed by each of CHI, Andrew G. Clark, and A.G. Partner Holdings Inc. on February 20, 2020 and delivered to the Proposal Sponsor (together, the "**Guarantor Agreements**"), shall continue to apply in respect of the Obligations (in each case as defined in the Guarantor

Agreements) following the Approval until the Obligations have been repaid in full by the Guarantors to the Proposal Sponsor.

47. This Proposal shall be governed by and construed in accordance with the laws of Alberta and the federal laws of Canada applicable therein. Any disputes as to the interpretation or application of the Proposal and all proceedings taken in connection with this Proposal shall be subject to the exclusive jurisdiction of the Court.

Dated at Edmonton this 1st day of May, 2020

**Ernst & Young Inc. – Licensed Insolvency
Trustee**

Per:

Matt McCulloch – Licensed
Insolvency Trustee
1400 EPCOR Tower, 10423 – 101
Street, Edmonton, AB T5H 0E7
Phone: (780) 412-2393
Fax: (780) 428-8977

Schedule "A"

Defined Terms

- (a) **"ABCA"** means the *Business Corporations Act*, RSA c. B-9, as it may be amended from time to time;
- (b) **"Annulment Date"** means one (1) Business Day after the Distribution Date;
- (c) **"Approval"** means (i) acceptance of this Proposal by the statutory majority of Creditors in the Secured Creditor Class and the Unsecured Creditor Class entitled to vote thereon in accordance with the relevant provisions of the BIA; and (ii) the approval of this Proposal by the Court by the granting of the Approval Order;
- (d) **"Approval Order"** means an order of the Court approving the Proposal and approving the Reorganization;
- (e) **"Articles"** means the articles of incorporation of CHI dated June 9, 2006, all articles of amendment thereto, and all certificates issued in respect thereof in accordance with the relevant provisions of the ABCA;
- (f) **"Articles of Reorganization"** means the Articles of Reorganization in respect of CHI in accordance with section 192(4) of the ABCA (as well as sections 59(4) and 66(1.4) of the BIA, to the extent applicable) giving effect to the proposed reorganization of CHI, together with such deletions, additions or modifications as CHI and the Proposal Sponsor may make thereto and therefrom at any time prior to the Approval. The Articles of Reorganization shall form part of the Reorganization;
- (g) **"BIA"** means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as it may be amended from time to time;
- (h) **"BIA Proceedings"** means the proceedings pursuant to the BIA commenced by CHI through its voluntary assignment into bankruptcy under the BIA on March 3, 2020;
- (i) **"Business Day"** means a day, other than Saturday or Sunday or a day observed as a holiday pursuant to the laws of the Province of Alberta or the federal laws of Canada, on which banks are generally open for business;
- (j) **"Certificate"** means the certificate confirming the Reorganization issued by the Registrar (as defined and appointed under the ABCA) pursuant to section 192(5) of the ABCA;
- (k) **"CHI"** means Canadian Humalite International Inc.;
- (l) **"Claim"** means any indebtedness, liability, action, cause of action, suit, debt, due, account, bond, covenant, contract, counterclaim, demand, claim, right and obligation of any nature whatsoever of CHI to any Person whether liquidated, unliquidated, fixed, contingent, matured, legal, equitable, secured, unsecured, present, future, known or unknown, and whether by guarantee, surety or otherwise, incurred or arising or relating to the period prior to the Filing Date, or based in whole or in part on facts, contracts or arrangements which occurred or existed prior to the Filing Date, together with any other claims provable

in bankruptcy on the Filing Date, including without limitation, claims arising from the repudiation, disclaimer or termination of any lease, license, contract, arrangement or contract of employment, providing that all such claims shall be allowed without allowance for interest after the Filing Date and without allowance for penalties and net of any normal discounts. All Claims must be converted to Canadian Dollars at the Bank of Canada Daily foreign exchange rate at the Filing Date;

- (m) **"Claims Bar Date"** has the meaning given to it in paragraph 30 of this Proposal;
- (n) **"Convenience Class"** means the first \$700.00 of any Ordinary Creditors' Proven Claim;
- (o) **"County"** means the County of Paintearth No. 18;
- (p) **"Court"** means the Alberta Court of Queen's Bench, In Bankruptcy and Insolvency;
- (q) **"Creditor"** means any Person who holds one or more Claims;
- (r) **"Crown"** means Her Majesty in Right of Canada or of any Province of Canada or their agents;
- (s) **"Crown Claims"** means solely all Claims of the Crown as set out in section 60(1.1) of the BIA outstanding as at the Filing Date, if any, by CHI and specifically excludes any other Claims of the Crown;
- (t) **"Directors"** means all former and current directors and officers of CHI as at the Filing Date;
- (u) **"Distribution Date"** has the meaning assigned to it in Article 6 of this Proposal;
- (v) **"Employee"** means an employee or former employee of CHI effective as of the Filing Date;
- (w) **"Employee Claims"** means any Claim of an Employee or former Employee of CHI on account of wages, salaries, commissions, or compensation owing as at the Filing Date or as a result of these BIA Proceedings including the portion of each Employee's Claim being a Preferred Claim pursuant to section 136(1)(d) of the BIA;
- (x) **"Event of Default"** has the meaning given to it in Article 11 of this Proposal;
- (y) **"Existing Shares"** means, collectively, any and all issued and outstanding shares or other securities of CHI's capital stock as of the Filing Date;
- (z) **"Existing Shareholders"** means, collectively, the holders of Existing Shares as of the Implementation Date;
- (aa) **"Filing Date"** means the date on which CHI voluntarily commenced these BIA Proceedings, namely March 3, 2020;
- (bb) **"Guarantors"** has the meaning set out in Article 14 of this Proposal;
- (cc) **"Guarantor Agreements"** has the meaning set out in Article 14 of this Proposal;

- (dd) **"Implementation Date"** means such date, after Approval, appearing on the Certificate issued by the Registrar (as defined in and appointed under the ABCA) giving effect to the Articles of Reorganization in accordance with the ABCA, which Certificate shall be filed within three (3) Business Days following the Approval (or on such other date as may be agreed upon in writing by CHI and the Proposal Sponsor with the consent of the Trustee);
- (ee) **"Investment Amount"** has the meaning given to it in Article 4 of this Proposal;
- (ff) **"Municipal Taxes"** means municipal taxes assessed or levied against CHI, within the two years immediately preceding the Filing Date, that do not constitute a Secured Claim against the real property or immovables of CHI, but not exceeding the value of the interest in respect of which the taxes were imposed as declared by the Trustee;
- (gg) **"New Shares"** means the voting new common shares of CHI created by the Articles of Reorganization upon the issuance of the Certificate, having the rights, privileges, and restrictions as set forth in the Articles of Reorganization;
- (hh) **"Ordinary Claims"** means all Claims held by a Creditor other than Priority Claims, Preferred Claims, Employee Claims, and Unaffected Claims;
- (ii) **"Ordinary Creditors"** means Creditors who hold Ordinary Claims;
- (jj) **"Person"** means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or any other entity however designated or constituted;
- (kk) **"Preferred Claims"** means those Proven Claims set out in section 136 of the BIA, the payment of which will be made in priority pursuant to the BIA over the Ordinary Claims and Employee Claims;
- (ll) **"Priority Claims"** means Crown Claims and any other Proven Claims that have priority to the Secured Claims, Preferred Claims, and Ordinary Claims pursuant to the BIA and/or applicable federal or provincial legislation;
- (mm) **"Professional Fees"** means the amounts of professional fees and disbursements owing to the Trustee and to counsel to the Trustee incurred in connection with this Proposal as at the Implementation Date;
- (nn) **"Property"** means all of the assets, undertakings and property of CHI wherever situate;
- (oo) **"Proposal"** means this Proposal made pursuant to the BIA and the ABCA, as further amended or supplemented from time to time by CHI with the consent of the Proposal Sponsor;
- (pp) **"Proposal Sponsor"** means Black Earth Products Inc.;
- (qq) **"Proposal Sponsor Secured Claims"** means the aggregate amount of \$11,849,229.70, in respect of which the Proposal Sponsor has security valued by the Proposal Sponsor at \$4,950,141.86, representing the aggregate amount of the Proposal Sponsor Secured Claims against CHI as set out in the two separate proofs of claim submitted by the Proposal Sponsor in these BIA Proceedings on March 17, 2020;

- (rr) **"Proposal Lump Sum"** means the sum required to fund the distributions in respect of Ordinary Claims as provided for by this Proposal;
- (ss) **"Proven Claim"** means a provable Claim pursuant to the BIA against CHI as of the date of the commencement of the BIA Proceedings of a Creditor which has been proven in accordance with the provisions of the BIA;
- (tt) **"Real Property Lessor"** means Camrock Capital (40) Limited Partnership, by its General Partner, Camrock Capital Partners G.P. (40) Inc.;
- (uu) **"Real Property Lessor Claim"** means the Claim of the Real Property Lessor, as landlord under a lease of real property among the Real Property Lessor, as lessor, and CHI, as lessee, dated November 19, 2017, as amended by a lease amendment agreement dated February 15, 2018, arising from the disclaimer of such lease in these BIA Proceedings;
- (vv) **"Reorganization"** has the meaning set out in paragraph 33 of this Proposal;
- (ww) **"Secured Claims"** means the Claims of Secured Creditors as of the Implementation Date;
- (xx) **"Secured Creditor"** has the meaning ascribed to in section 2 of the BIA;
- (yy) **"Secured Creditor Class"** means, for the purpose of voting on the Proposal, the class comprised of the Proposal Sponsor Secured Claims;
- (zz) **"Trustee"** means Ernst & Young Inc. or its duly appointed successor or successors;
- (aaa) **"Unaffected Claims"** means the Professional Fees and the County's Claim for Municipal Taxes;
- (bbb) **"Unsecured Creditor Class"** means, for the purpose of voting on the Proposal, the class of all Creditors holding Ordinary Claims, Employee Claims, and/or Preferred Claims, but only to the extent that they hold such claims;
- (ccc) **"WEPP"** means the Wage Earner Protection Program administered under the WEPPA; and
- (ddd) **"WEPPA"** means collectively the *Wage Earner Protection Program Act*, SC 2005, c 47, s 1 and the *Wage Earner Protection Program Regulations*, SOR/2008-222.

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2625289
Estate No. 24-2625289

☐ Original ☒ Amended

Form 78

Statement of Affairs (Business Proposal) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the proposal of
Canadian Humalite International Inc.
of the city of Edmonton, in the Province of Alberta

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 1st day of May 2020. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	2,547,017.34	1. Inventory	1,856,475.25
Balance of secured claims as per list "B"	6,730,022.33	2. Trade fixtures, etc.	0.00
Total unsecured creditors	9,277,039.67	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	4,981,546.86	Good	595,323.15
3. Preferred creditors as per list "C"	0.00	Doubtful	0.00
4. Contingent, trust claims or other liabilities as per list "D"		Bad	0.00
estimated to be reclaimable for	0.00	Estimated to produce	595,323.15
Total liabilities	14,258,586.53	4. Bills of exchange, promissory note, etc., as per list "F" ..	0.00
Surplus	NIL	5. Deposits in financial institutions	34,961.62
		6. Cash	0.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	709,398.76
		9. Real property or immovable as per list "G"	1,684,000.00
		10. Furniture	28,884.75
		11. RRSPs, RRI's, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	58,000.00
		15. Other property, as per list "H"	14,503.33
		If debtor is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	4,981,546.86
		Deficiency	9,277,039.67

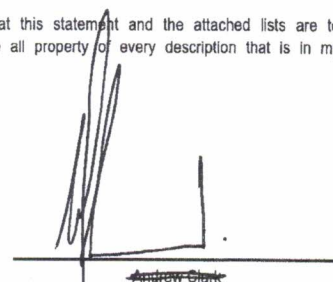
I, Andrew Clark, of the municipality of Sherwood Park in the Province of Alberta, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 1st day of May 2020 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Edmonton in the Province of Alberta, on this 1st day of May 2020.



DANIEL A. McCULLOCH
Commissioner for Oaths
Province of Alberta
Expiry Date: February 27, 2022


MATT McCULLOCH
on behalf of Ernst & Young Inc.
Trustee of Canadian Humalite
International Inc.

District of: Alberta
 Division No. 01 - Edmonton
 Court No. 24-2625289
 Estate No. 24-2625289

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Canadian Humalite International Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	1975424 Alberta Ltd o/a Humic Haulers	127 Eagle Dr Yellowknife NT X1A 0G8	173,024.84	0.00	173,024.84
2	A&L Canada Laboratories	2136 Jetstream Road London ON N5V 3P5	1,422.23	0.00	1,422.23
3	Acer Images Solutions	9653 - 62 Ave NW Edmonton AB T6E 0E1	1,589.70	0.00	1,589.70
4	ACS Express Inc	4474 - 97 Street Edmonton AB T6E 5R9	29.82	0.00	29.82
5	Action Express & Hot Shot	PO Box 32038, Meadowbrook RPO Edmonton AB T6T 1N1	27,300.00	0.00	27,300.00
6	Alberta Pallet Co	PO Box 10159 Airdrie AB T4A 0H5	11,300.31	0.00	11,300.31
7	ALS Canada Ltd	2103 Dollarton Hwy North Vancouver BC V7H 0A7	668.85	0.00	668.85
8	Anwar Abdushakur	#210, 10234 - 167 Street NW Edmonton AB T5P 4H4	3,827.20	407.23	4,234.43
9	Baltimore Ironworks (2016) Ltd	Box 558 Edmonton AB T0C 1G0	7,276.50	0.00	7,276.50
10	BANK OF MONTREAL MASTERCARD 5583 4600 0448 4739	PO BOX 300, STATION M Toronto ON M6S 4X2	1.00	0.00	1.00
11	BANK OF MONTREAL MASTERCARD 5583 4600 0456 8226	PO BOX 300, STATION M Toronto ON M6S 4X2	507.52	0.00	507.52
12	BANK OF MONTREAL MASTERCARD 5583 4600 0510 0755	PO BOX 300, STATION M Toronto ON M6S 4X2	580.97	0.00	580.97
13	BANK OF MONTREAL MASTERCARD 5583 4600 0521 9589	PO BOX 300, STATION M Toronto ON M6S 4X2	4,294.00	0.00	4,294.00
14	BANK OF MONTREAL MASTERCARD 5583 4600 0541 2606	PO BOX 300, STATION M Toronto ON M6S 4X2	1,272.51	0.00	1,272.51
15	Bert's Tire Service	5755 - 161 Ave NW Edmonton AB T5Y 2S9	142.80	0.00	142.80
16	Bison Transportation Inc	1001 Sherwin Road Winnipeg MB R3H 0T8	3,800.00	0.00	3,800.00
17	Black Earth Products Inc. AFSC Debt	c/o Blake Cassels & GeYSON LLP, 595 Burrard Street, Suite 2600 Vancouver BC V7X 1L3	0.00	0.00	0.00
18	Black Earth Products Inc. ATB Debt	c/o Blake Cassels & GeYSON LLP, 595 Burrard Street, Suite 2600 Vancouver BC V7X 1L3	0.00	6,456,788.88	6,456,788.88
19	Bounty Onsite Inc	Box 964, 4201 - 49 Ave Stettler AB T0C 2L0	559.94	0.00	559.94
20	Bradley Fawkes	6107 - 50A Avenue Stettler AB T0C 2L2	960.00	486.72	1,446.72
21	Bulldog Bag Ltd	13631 Vulcan Way Richmond BC V6V 1K4	1,060.22	0.00	1,060.22
22	Burmac Mechanical 2000	6118 - 50th Ave Stettler AB T0C 2L2	371.65	0.00	371.65
23	Canada Revenue Agency 815714514	9755 King George Boulevard Surrey BC V3T 5E1	1.00	0.00	1.00

01-May-2020

Date

Andrew Clerk

Math McCulloch

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2625289
Estate No. 24-2625289

FORM 78 -- Continued

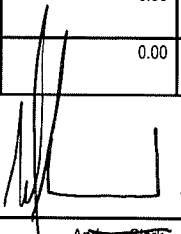
List "A"
Unsecured Creditors

Canadian Humalite International Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
24	Canadian Linen & Uniform	Box 51045, RPO Tyndall Winnipeg MB R2X 3C6	147.00	0.00	147.00
25	Canfleet Logistics Ltd	1166 Alberni Street, Suite 801 Vancouver BC V6E 3Z3	41,706.55	0.00	41,706.55
26	Central Alberta Coop Ltd.	6201 - 46 Avenue Red Deer AB T4N 6Z1	0.00	0.00	0.00
27	CH Robinson (Canada) Ltd. - CAD	PO Box 57729, Postal Station A Toronto ON M5W 5M5	2,200.00	0.00	2,200.00
28	CH Robinson (Canada) Ltd. - USD	PO Box 57729, Postal Station A Toronto ON M5W 5M5	21,681.64	0.00	21,681.64
29	ClearTech	1500 Quebec Avenue Saskatoon SK S7K 1V7	42,588.00	0.00	42,588.00
30	Clifford Nielsen	PO Box 253, 36304 Rg Rd 142 Castor AB T0C 0X0	2,120.00	730.34	2,850.34
31	County of Paintearth No 18	#1 Crowfoot Drive, Crowfoot Crossing, Box 509 Castor AB T0C 0X0	161,561.58	0.00	161,561.58
32	Darrell Rairdan	Box 944 Stettler AB T0C 2L0	11,585.74	2,000.00	13,585.74
33	Darrell Rairdan	Box 944 Stettler AB T0C 2L0	118,435.55	0.00	118,435.55
34	De Lage Landen Financial Services Canada Inc. 640385	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	0.00	4,759.35	4,759.35
35	De Lage Landen Financial Services Canada Inc. 648639	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	0.00	7,627.32	7,627.32
36	De Lage Landen Financial Services Canada Inc. 684250	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	0.00	33,723.19	33,723.19
37	Dean's Machine Inc.	4804 - 45 Avenue Close, Box 668 Stettler AB T0C 2L0	2,691.63	0.00	2,691.63
38	DHL Express (Canada) Ltd.	c/o T10332C, PO Box 4488 STN A Toronto ON M5W 4H1	301.61	0.00	301.61
39	Direct Energy Regulated Services	PO Box 1520 STN M Calgary AB T2P 5R6	0.00	0.00	0.00
40	Doug Baltimore	Box 1383 Stettler AB T0C 2L0	980.00	509.60	1,489.60
41	Edwin Liem	434 Ormsby Road W Edmonton AB T5T 5S5	18,141.05	2,000.00	20,141.05
42	Elm Prairie Properties Inc.	434 Ormsby Road West Edmonton AB T5T 5S5	265,000.00	0.00	265,000.00
43	Epcor	PO Box 500 Edmonton AB T5J 3Y3	9,828.22	0.00	9,828.22
44	FL Carriers Ltd	#350, 10403 - 172 Street Edmonton AB T5S 1K9	12,129.60	0.00	12,129.60
45	Flying E Rancho Ltd	Box 340 Stavely AB T0L 1Z0	2,992.50	0.00	2,992.50
46	GFL Environmental Solid Waste Inc	PO Box 150 Concord ON L4K 1B2	301.85	0.00	301.85
47	Grey Owl Investments Ltd.	32 Riverside Crescent Edmonton AB T5N 3M5	165,000.00	0.00	165,000.00

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Date


Matt McAlloch

District of: Alberta
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FORM 78 -- Continued

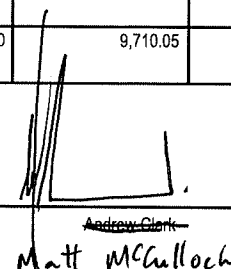
List "A"
Unsecured Creditors

Canadian Humalite International Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
48	Grey Owl Investments Ltd.	32 Riverside Crescent Edmonton AB T5N 3M5	117,592.54	0.00	117,592.54
49	GT Hydraulic & Bearing Inc	Box 1434, 3806 - 46 Ave Stettler AB T0C 2L0	1,426.40	0.00	1,426.40
50	Heartland Auto Supply	4808 - 51 Street Stettler AB T0C 2L0	21.85	0.00	21.85
51	ICS Great Western LP	7905 - 46 Street SE Calgary AB T2C 2Y6	30,492.42	0.00	30,492.42
52	InterBulk Canada	4851 Singer Court Regina SK S4X 4T5	7,761.97	0.00	7,761.97
53	International Trade Solutions (US)	Box 12607 Grand Forks ND 58208-2607 U.S.A	270.46	0.00	270.46
54	Intersac (US)	19400 Ave Cruickshank Baie-d'Urfe QC H9X 3P1	46,945.70	0.00	46,945.70
55	ITS Canada Inc	1617 Colonization Road W Fort Frances ON P9A 2T9	2,469.86	0.00	2,469.86
56	J D Factors	315 Matheson Blvd E Mississauga ON L4Z 1X8	35,800.00	0.00	35,800.00
57	Jag Printing Ltd	9723 - 60 Ave NW Edmonton AB T6E 0C4	1,983.38	0.00	1,983.38
58	John Parr	5708 - 65 Street Beaumont AB T4X 2A4	10,159.06	2,000.00	12,159.06
59	Jonathon Johnson	48 Huntington Hill NW Edmonton AB T6H 5S6	880.00	363.79	1,243.79
60	Joseph Dennie	10236 - 50 Street Edmonton AB T6A 2B9	1,720.00	369.62	2,089.62
61	Justin Andre	1140 - 74 Street SW Edmonton AB T6X 0N7	1,913.60	396.78	2,310.38
62	Kyle Smith	#12 Alberta Ave, PO Box 303 Erksine AB T0G 1G0	4,560.00	570.58	5,130.58
63	LBEL Inc.	5035 South Service Road Burlington ON L7R 3Y8	120.75	0.00	120.75
64	Liftboss	7912 Yellowhead Trail Edmonton AB T5B 1G3	1,297.30	0.00	1,297.30
65	LignoTech USA Inc. (USD)	100 Grand Avenue Rothschild WI 54474 U.S.A	45,259.83	0.00	45,259.83
66	LM Waste Removal Ltd	Box 118 Botha AB T0C 0N0	1,979.50	0.00	1,979.50
67	Lonestar Lumber	12815 168 ST Edmonton AB T5V 1P4	4,672.50	0.00	4,672.50
68	Mariana Cano	10236 - 50 Street Edmonton AB T6A 2B9	6,250.00	1,149.04	7,399.04
69	Maria Netter	18111 - 105A Street Edmonton AB T5X 6J2	10,874.27	2,000.00	12,874.27
70	Mattsan Consulting	86 Marlboro Drive Spruce Grove AB T7X 2N8	947,252.72	0.00	947,252.72
71	Meridian OneCap Credit Corp. 441272	40 Sheppard Avenue West, Suite 800 Toronto ON M2N 6K9	0.00	9,710.05	9,710.05

01-May-2020

Date


~~Andrew Clark~~
Matt McCulloch

District of: Alberta
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FORM 78 -- Continued

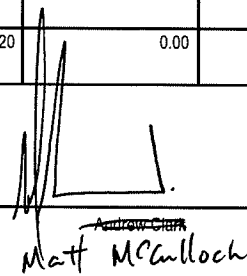
List "A"
 Unsecured Creditors

Canadian Humalite International Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
72	Mervyn Fischer	#33, 7 Cranford Way Sherwood Park AB T8H 5W5	23,748.53	2,000.00	25,748.53
73	Monarch Transport (1975) Ltd	9011 - 50th Street Edmonton AB T6B 2Y2	28,950.00	0.00	28,950.00
74	National Freight Services Inc	Suite A, 34 Sioux Road Sherwood Park AB T8A 4X1	14,223.00	0.00	14,223.00
75	Orion Building Maintenance Ltd.	81 Jefferson Road Edmonton AB T6L 6R1	593.25	0.00	593.25
76	Paulo Verdi	10236 - 50 Street Edmonton AB T6A 2B9	6,346.15	1,166.71	7,512.86
77	Purolator Inc.	PO Box 1100, Etobicoke Post Stn A Etobicoke ON M9C 5K2	143.78	0.00	143.78
78	R.E.M. Transport Ltd	PO Box 481 St. Stephen NB E3L 3A1	6,900.00	0.00	6,900.00
79	Rachel Hamilton	247 Huntington Hill NW Edmonton AB T6H 5Y6	1,346.15	1,237.42	2,583.57
80	Renown Industries Limited	5608 - 94A Street Edmonton AB T6E 3E4	690.38	0.00	690.38
81	Riteway Packaging Supplies & Services	3814 - 51 Ave Edmonton AB T6B 3T5	5,373.90	0.00	5,373.90
82	Robert Konynenberg	#205E, 13128 - 126 Street Edmonton AB T5L 0Y7	2,080.00	448.32	2,528.32
83	Rolies Vac Systems	Box 665 Stettler AB T0C 2L0	483.00	0.00	483.00
84	Solid Technology Solutions Inc	9470 - 51 Ave NW, Suite 201 Edmonton AB T6E 5A6	2,014.53	0.00	2,014.53
85	Source Atlantic Limited	5431 - 99th St NW Edmonton AB T6E 3N8	239.83	0.00	239.83
86	Stephen Hollett	#58, 5001 - 62 Street Beaumont AB T4X 0C7	0.00	329.99	329.99
87	Super Poly Ltd	9311 - 28th Ave Edmonton AB T6N 1N1	2,325.89	0.00	2,325.89
88	Superior Propane	PO Box 4568, STN A Toronto ON M5W 0J5	461.55	0.00	461.55
89	Tannis Serben	12011 - 91 Street Edmonton AB T5B 4B9	2,500.00	1,149.04	3,649.04
90	Telus Mobility	PO Box 8950, Station Terminal Vancouver BC V6B 3C3	1,124.56	0.00	1,124.56
91	TempHeat	320 Monument Place SE Calgary AB T2A 1X3	220.50	0.00	220.50
92	Terralink Horticulture Inc.	464 Riverside Road South Abbotsford BC V2S 7M1	9,217.57	0.00	9,217.57
93	Toshiba Business Solutions	75 Tiverton Court Markham ON L3R 4M8	153.92	0.00	153.92
94	Trent Cadrain	10320 - 168 Avenue NW Edmonton AB T5X 2Z8	0.00	320.51	320.51
95	Uline	PO Box 3500, RPO Streetsville Mississauga ON L5M 0S8	655.20	0.00	655.20

01-May-2020

Date


 Andrew Chen
 Matt McCulloch

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FORM 78 -- Continued

List "A"
Unsecured Creditors

Canadian Humalite International Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
96	Univar Canada Ltd	PO Box 2536 Station M Calgary AB T2P 0V9	10,105.26	0.00	10,105.26
97	Vantage Accounting	Scott Brown Suite 112, 9246 - 51 Ave NW Edmonton AB T6E 5A6	1,013.25	0.00	1,013.25
98	W2 Construction Ltd.	36 Meadowbrook Bay Brooks AB T1R 1N7	22,911.05	0.00	22,911.05
99	WiBand Communication Corp	#10, 1146 Waverley Street Winnipeg MB R3T 0P4	1,268.40	0.00	1,268.40
100	William Murry	Box 253 Castor AB T5H 0E7	840.00	436.80	1,276.80
101	Woodys Automotive Ltd.	4902 43 Ave Stettler AB T0C 2L0	0.00	0.00	0.00
102	Xpedite Leasing Inc. 301635	215, 625 Parsons Road NW Edmonton AB T6X 0N9	0.00	197,341.05	197,341.05
Total:			2,547,017.34	6,730,022.33	9,277,039.67

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Date


Andrew Clark
Matt Mculloch

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List "B"
Secured Creditors

Canadian Humalite International Inc.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
2	Black Earth Products Inc. ATB Debt	c/o Blake Cassels & GeYSON LLP, 595 Burrard Street, Suite 2600 Vancouver BC V7X 1L3		Business Assets - Machinery - 2016 BRANDT 1547LP Grain Belt Conveyor (S/N 11807616) Business Assets - Machinery - 2016 BRANDT 1547LP Grain Belt Conveyor (S/N 11808316) Business Assets - Machinery - 2016 BRANDT 1547LP Grain Belt Conveyor (S/N 11807516) Business Assets - Machinery - 2015 Tailift FD25P Forklift (S/N TA12748) Business Assets - Machinery - Sharples PM 35000 Decanter Centrifuge Business Assets - Machinery - 2014 Tailift LBT 832 Forklift (S/N TA11769) Business Assets - Machinery - 2012 Genie Z45/25J Aerial Work Platform (S/N Z452511A42017) Business Assets - Machinery - 2015 Tailift FD25P Forklift (S/N TA12941) Business Assets - Machinery - 2017 TEU FG30T Forklift (S/N N33H00076) Business Assets - Machinery - 2019 JCB 510-55 Telescopic Handler (S/N JCB5C97GCK2787917) Business Assets - Machinery - Tennant 3640 Walk Behind Sweeper	20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020 20-Feb-2020	11,000.00 11,000.00 10,999.00 1.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00		
3	Bradley Fawkes	6107 - 50A Avenue Stettler AB T0C 2L2	486.72	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		486.72
4	Clifford Nielsen	PO Box 253, 36304 Rg Rd 142 Castor AB T0C 0X0	730.34	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		730.34
5	Darrell Rairdan	Box 944 Stettler AB T0C 2L0	2,000.00	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		2,000.00

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Date


~~Andrew Clark~~
Matt McCulloch

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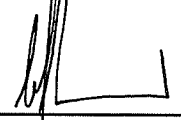
List "B"
Secured Creditors

Canadian Humalite International Inc.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
6	De Lage Landen Financial Services Canada Inc.	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	1.00	Business Assets - Machinery - 2014 Tailift LBT 832 Forklift (S/N TA11769) Business Assets - Machinery - 2015 Tailift FD25P Forklift (S/N TA12748)	11-Jun-2015 29-Jun-2016	1.00 0.00		
7	De Lage Landen Financial Services Canada Inc. 640385	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	20,759.35	Business Assets - Machinery - 2017 TEU FG30T Forklift (S/N N33H00076)	22-Nov-2017	16,000.00		4,759.35
8	De Lage Landen Financial Services Canada Inc. 648639	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	22,627.32	Business Assets - Machinery - 2015 Tailift FD25P Forklift (S/N TA12941)	29-Jun-2016	15,000.00		7,627.32
9	De Lage Landen Financial Services Canada Inc. 684250	3450 Superior Court, Unit 1 Oakville ON L6L 0C4	33,724.19	Business Assets - Machinery - 2012 Genie Z45/25J Aerial Work Platform (S/N Z452511A42017)	24-Sep-2019	1.00		33,723.19
10	Doug Baltimore	Box 1383 Stettler AB T0C 2L0	509.60	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		509.60
11	Edwin Liem	434 Ormsby Road W Edmonton AB T5T 5S5	2,000.00	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		2,000.00
12	John Deere Financial Inc.	3430 Superior Court Oakville ON L6L 0C4	1.00	Business Assets - Machinery - 2016 BRANDT 1547LP Grain Belt Conveyor (S/N 11807516) Business Assets - Machinery - 2016 BRANDT 1547LP Grain Belt Conveyor (S/N 11808316) Business Assets - Machinery - 2016 BRANDT 1547LP Grain Belt Conveyor (S/N 11807616)	29-Dec-2015 29-Dec-2015 29-Dec-2015	1.00 0.00 0.00		
13	John Parr	5708 - 65 Street Beaumont AB T4X 2A4	2,000.00	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		2,000.00
14	Jonathon Johnson	48 Huntington Hill NW Edmonton AB T6H 5S6	363.79	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		363.79
15	Joseph Dennie	10236 - 50 Street Edmonton AB T6A 2B9	369.62	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		369.62
16	Justin Andre	1140 - 74 Street SW Edmonton AB T6X 0N7	396.78	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		396.78
17	Kyle Smith	#12 Alberta Ave, PO Box 303 Erksine AB T0G 1G0	570.58	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		570.58

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Date


Andrew Clark
Matt McCulloch

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List "B"
Secured Creditors

Canadian Humalite International Inc.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
18	Mariana Cano	10236 - 50 Street Edmonton AB T6A 2B9	1,149.04	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		1,149.04
19	Maria Netter	18111 - 105A Street Edmonton AB T5X 6J2	2,000.00	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		2,000.00
20	Meridian OneCap Credit Corp. 441272	40 Sheppard Avenue West, Suite 800 Toronto ON M2N 6K9	10,110.05	Business Assets - Machinery - Tennant 3640 Walk Behind Sweeper	01-Feb-2018	400.00		9,710.05
21	Mervyn Fischer	#33, 7 Cranford Way Sherwood Park AB T8H 5W5	2,000.00	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		2,000.00
22	Paulo Verdi	10236 - 50 Street Edmonton AB T6A 2B9	1,166.71	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		1,166.71
23	Rachel Hamilton	247 Huntington Hill NW Edmonton AB T6H 5Y6	1,237.42	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		1,237.42
24	Robert Korynenberg	#205E, 13128 - 126 Street Edmonton AB T5L 0Y7	448.32	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		448.32
25	Sentrimax Centrifuges Inc.	9440 - 60 Avenue Edmonton AB T6E 1C0	1.00	Business Assets - Machinery - Sharples PM 35000 Decanter Centrifuge	05-Jun-2017	1.00		
26	Stephen Hollett	#58, 5001 - 62 Street Beaumont AB T4X 0C7	329.99	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		329.99
27	Tannis Serben	12011 - 91 Street Edmonton AB T5B 4B9	1,149.04	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		1,149.04
28	Trent Cadrain	10320 - 168 Avenue NW Edmonton AB T5X 2Z8	320.51	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		320.51
29	William Murry	Box 253 Castor AB T5H 0E7	436.80	Debts Due - Business - Accounts Receivable	29-Apr-2020	0.00		436.80
30	Xpedite Leasing Inc. 301635	215, 625 Parsons Road NW Edmonton AB T6X 0N9	197,342.05	Business Assets - Machinery - 2019 JCB 510-55 Telescopic Handler (S/N JCB5C97GCK2787917)	23-Aug-2019	1.00		197,341.05
Total:			11,711,569.19			4,981,546.86	0.00	6,730,022.33

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Date


Andrew Clark
Matt McMillan

District of: Alberta
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FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

Canadian Humalite International Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

01-May-2020
Date


~~Andrew Clerk~~
Matt McCulloch

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FORM 78 -- Continued

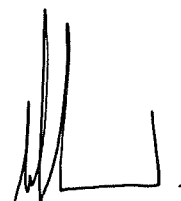
List "D"
Contingent or Other Liabilities

Canadian Humalite International Inc.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

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Date



~~Andrew Clark~~
Matt McCulloch

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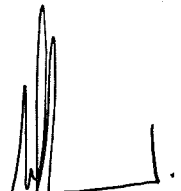
List "E"
Debts Due to the Debtor

Canadian Humalite International Inc.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
1	Accounts Receivable	c/o Ernst & Young Inc., 10423 - 101 Street, Suite 1400 Edmonton AB T5H 0E7	Accounts Receivable	595,323.15 0.00 0.00		28-Feb-2020	595,323.15	
Total:				595,323.15 0.00 0.00			595,323.15	

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Date


~~Andrew Clark~~
Matt McCulloch

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List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

Canadian Humalite International Inc.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

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Date



Matt ~~Andrew Clark~~ McCulloch

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List "G"
 Real Property or Immovables Owned by Debtor

Canadian Humalite International Inc.

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Building - Paintearth County - 38501 Range Road 164	100 %	Canadian Humalite International Inc.	1,352,000.00	Black Earth Products Inc. c/o Blake Cassels & GeYSON LLP, 595 Burrard Street, Suite 2600 Vancouver BC V7X 1L3 11,406,930.74	0.00
Land - Paintearth County - 38501 Range Road 164	100 %	Canadian Humalite International Inc.	332,000.00	Black Earth Products Inc. c/o Blake Cassels & GeYSON LLP, 595 Burrard Street, Suite 2600 Vancouver BC V7X 1L3 11,406,930.74	0.00
Total:			1,684,000.00		0.00

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Date



~~Andrew Clark~~

Matt McCulloch

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List "H"
Property

Canadian Humalite International Inc.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade	Possession of bankrupt	Prepays (book value)	0.00	18,941.16
	Possession of bankrupt	Inventory (book value)	0.00	1,837,534.09
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions	Bank of Montreal 12240 - 137 Avenue NW Edmonton AB T4L 4Y4	1998 786	139.96	139.96
	Bank of Montreal 12240 - 137 Avenue NW Edmonton AB T4L 4Y4	4798 893	19,712.92	19,712.92
	ATB 105 - 10025 Jasper Avenue NW Edmonton AB T5J 2B8	00318027100	14,061.94	14,061.94
	ATB 105 - 10025 Jasper Avenue NW Edmonton AB T5J 2B8	00427102500	1,046.80	1,046.80
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant	Possession of bankrupt	Computers (book value)	0.00	15,168.76
	Possession of bankrupt	Equipment (FLV per Mirterra appraisal)	0.00	629,825.00
	Possession of bankrupt	2017 TEU FG30T Forklift (S/N N33H00076)	0.00	16,000.00
	Possession of bankrupt	2015 Tailift FD25P Forklift (S/N TA12941)	0.00	15,000.00
	Possession of bankrupt	2012 Genie Z45/25J Aerial Work Platform (S/N Z452511A42017)	0.00	1.00
	Possession of bankrupt	Tennant 3640 Walk Behind Sweeper	0.00	400.00
	Possession of bankrupt	2019 JCB 510-55 Telescopic Handler (S/N JCB5C97GCK2787917)	0.00	1.00
	Possession of bankrupt	2016 BRANDT 1547LP Grain Belt Conveyor (S/N 11807516)	0.00	11,000.00
	Possession of bankrupt	2016 BRANDT 1547LP Grain Belt Conveyor (S/N 11807616)	0.00	11,000.00
	Possession of bankrupt	2016 BRANDT 1547LP Grain Belt Conveyor (S/N 11808316)	0.00	11,000.00
	Possession of bankrupt	2014 Tailift LBT 832 Forklift (S/N TA11769)	0.00	1.00
	Possession of bankrupt	2015 Tailift FD25P Forklift (S/N TA12748)	0.00	1.00
	Possession of bankrupt	Sharples PM 35000 Decanter Centrifuge	0.00	1.00
(g) Furniture		Office Furniture & Fixtures (Book Value)	0.00	28,884.75
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00

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Date

Andrew Clark

Matt McMillan

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List "H"
Property

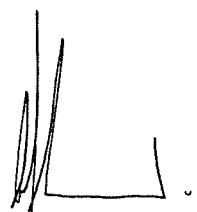
Canadian Humalite International Inc.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(k) Vehicles		Automobile - 2014 - Ford - F150 - 1FTFW1ET9EFC77624	0.00	22,000.00
		Automobile - 2014 - Ford - F150 - 1FTFW1EF0EKG15154	0.00	16,000.00
		Automobile - 2013 - Dodge - Ram 3500 - 3C7WRTCT9DG547232	0.00	20,000.00
(l) Taxes	GST/HST - 2020		14,503.33	14,503.33
Total:				2,702,223.71

01-May-2020

Date



Andrew Clark
Matt McElloch

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2625289
Estate No. 24-2625289

FORM 31
Proof of Claim
(Sections 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1),
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

In the matter of the proposal of
Canadian Humalite International Inc.
of the city of Edmonton, in the Province of Alberta

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the proposal of Canadian Humalite International Inc. of the city of Edmonton in the Province of Alberta and the claim of
_____, creditor.

I, _____ (name of creditor or representative of the creditor), of the city of _____ in the
province of _____, do hereby certify:

1. That I am a creditor of the above named debtor (or I am _____ (position/title) of _____,
creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of proposal, namely the 1st day of May 2020, and still is, indebted to the creditor in the sum of
\$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any
counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in
support of the claim.)

4. (Check and complete appropriate category.)

☐ A. UNSECURED CLAIM OF \$ _____

(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description.)

☐ Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

☐ Regarding the amount of \$ _____, I do not claim a right to a priority.

(Set out on an attached sheet details to support priority claim.)

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security,
and attach a copy of the security documents.)

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____

(Attach a copy of sales agreement and delivery receipts.)

- ☐ E. CLAIM BY WAGE EARNER OF \$ _____
- ☐ That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____,
- ☐ That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____,
- ☐ F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
- ☐ That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____,
- ☐ That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____,
- ☐ G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

- ☐ H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I _____ (am/am not) (or the above-named creditor _____ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and _____ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. (Applicable only in the case of the bankruptcy of an individual.)

- ☐ Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.
- ☐ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____, _____.

Witness

Creditor

Phone Number: _____
Fax Number : _____
E-mail Address : _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2625289
Estate No. 24-2625289

Proxy / Voting letter

In the matter of the proposal of
Canadian Humalite International Inc.
of the city of Edmonton, in the Province of Alberta

I, _____, of _____, a creditor in the above matter, hereby appoint
_____, of _____, to be my proxyholder in
the above matter, except as to the receipt of dividends, _____ (with or without) power to appoint another
proxyholder in his or her place.

I, _____, creditor (or I, _____, representative of
_____, creditor), of _____, a creditor in the above matter for the sum of \$
_____, hereby request the trustee acting with respect to the proposal of Canadian Humalite International Inc.,
to record my vote _____ (for or against) the acceptance of the proposal as made on the 1st day of May 2020.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

Ernst & Young Inc. - Licensed Insolvency Trustee
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977
E-mail: trina.sorbara@ca.ey.com