

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL DISTRICT OF FREDERICTON

IN THE MATTER OF THE RECEIVERSHIP OF:

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

-and-

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

BETWEEN:

CALLIDUS CAPITAL CORPORATION

APPLICANT

-and-

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

RESPONDENTS

DISTRIBUTION AND DISCHARGE ORDER

BEFORE THE HONOURABLE

IN CHAMBERS:

UPON MOTION made by Ernst & Young Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the assets, property and undertaking of Gray's Aqua Management Ltd., Gray Aqua

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Farms Ltd., Gray Aqua Group Ltd., Butter Cove Aqua Farms Ltd., Goblin Bay Aqua Farms Ltd., Jervis Island Aqua Farms Ltd., Pass-My-Can Aqua Farms Ltd., Gray Aqua Processing Ltd., M. Gray Holdings Ltd., 608672 N.B. Ltd., 608690 N.B. Ltd., 608691 N.B. Ltd., 608715 NB Limited and 608716 NB Limited (collectively, the “**Companies**”), for an Order:

1. validating service of this Notice of Motion and the supporting Affidavit;
2. approving the conduct and activities of the Receiver to date, as set out within the Receiver’s Fourth Report dated June 26, 2023 (the “**Fourth Report**”);
3. approving the fees and disbursements of the Receiver and its counsel as set out in the Receiver’s Fourth Report (the “**Administrative Fees and Disbursements**”) and authorizing payment of same;
4. authorizing the final distribution of the remaining realized funds held by the Receiver to Callidus Capital Corporation (“**Callidus**”) in accordance with the distribution recommendation contained within the Fourth Report;
5. discharging Ernst & Young Inc. as Receiver of the Companies; and
6. providing such further and other relief as this Honourable Court deems just and equitable.

UPON READING the Receiver’s Fourth Report and the other materials on file herein;

AND UPON HEARING counsel for the Receiver in support of the Motion;

NOW UPON MOTION:

IT IS HEREBY ORDERED THAT:

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1. The time for service of the Receiver's Notice of Motion is hereby abridged and validated so that this Motion is properly returnable today and further service thereof is hereby dispensed with.
2. The conduct and activities of the Receiver, as set out in the Fourth Report, are hereby approved.
3. The Administrative Fees and Disbursements, as set out in the Fourth Report, are hereby approved and the Receiver be and is hereby authorized to pay the Administrative Fees and Disbursements in order to finalize the administration of this receivership.
4. After payment of the aforementioned Administrative Fees and Disbursements, together with any further fees and disbursements incidental to the making of this Motion, the Receiver be and is hereby authorized to pay any residual monies realized in this administration to Callidus, in accordance with the Receiver's Fourth Report.
5. Upon payment of the amounts set out in paragraphs 3 and 4 hereof, Ernst & Young Inc. shall be discharged as Receiver of the Companies, provided however that notwithstanding its discharge herein: (a) the Receiver shall remain receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, together with all approvals, protections and stays of proceedings in favour of Ernst & Young Inc. in its capacity as Receiver, including protections as set forth within s. 14.06 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3.

DATED at Fredericton, New Brunswick this 21st day of August, 2023.



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