Clerk's Stamp

COURT FILE NUMBER	2303-06543
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
APPLICANTS	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF J.W. CARR HOLDINGS LTD., SPRUCE GROVE INDUSTRIAL PARK INC., 272649 ALBERTA LTD., 279896 ALBERTA LTD., GRANDE PRAIRIE PLACE ENTERPRISES (1996) INC., 1170292 ALBERTA LTD. AND 627612 ALBERTA LTD.
DOCUMENT	**ELEVENTH REPORT OF ERNST & YOUNG INC. IN ITS CAPACITY AS MONITOR OF THE APPLICANTS** **November 17, 2023**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**MONITOR** ERNST & YOUNG INC. EPCOR Tower 10423 – 101 Street, Suite 1400 Edmonton, Alberta T5H 0E7 Attention: Matt McCulloch / Peter Chisholm Telephone: 780.638.6642 / 403.206.5061 Fax: 780.428.8977 Email: matt.mcculloch@parthenon.ey.com peter.chisholm@partnenon.ey.com **MONITOR'S COUNSEL** McCarthy Tétrault LLP Suite 4000, 421 7th Ave SW Calgary, Alberta, T2P 4K9 Attn: Sean Collins Telephone: 403.260.3531 Email: scollins@mccarthy.ca

TABLE OF CONTENTS

INTRODUCTION AND PURPOSE OF THE REPORT

1. On April 19, 2023, J.W. Carr Holdings Ltd. ("**JW Carr**") and certain of its subsidiaries and affiliates; namely, Spruce Grove Industrial Park Inc. ("**SGIP**"), 272649 Alberta Ltd. ("**272**"), 279896 Alberta Ltd. ("**279**"), Grande Prairie Place Enterprises (1996) Inc. ("**GPPE**"), 1170292 Alberta Ltd. ("**117**") and 627612 Alberta Ltd. ("**627**"), (collectively, the "**Subsidiaries**" and together with JW Carr, the "**JW Group**", the "**Companies**" or the "**Applicants**") were granted protection and permission to commence proceedings pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, C-36 (the "**CCAA**") pursuant to an Order of this Honourable Court (the "**Initial Order**"). The Initial Order was confirmed by an Amended and Restated Initial Order granted on April 26, 2023 (the "**ARIO**").

2. The Initial Order appointed Ernst & Young Inc. as Monitor ("**EY**" or the "**Monitor**") in the CCAA proceedings and established a stay period ("**Stay**") in favour of the Applicants up to and including April 29, 2023. The Stay has been extended from time to time, most recently by an Order of the Court granted on October 24, 2023, wherein the Stay is presently set to expire on January 31, 2024.

3. On June 29, 2023, this Honourable Court approved the Approval and Vesting Order (the "**SPA SAVO**"), in relation to the sale of certain shares owned by JW Carr in R'Ohan Well Services Ltd. as contemplated by a share purchase agreement dated June 16, 2023.

4. On July 4, 2023, this Honourable Court approved the Approval and Vesting Order (the "**8222 Fort Sask SAVO**"), in relation to the sale of the 272 property legally described as: PLAN 7520666; BLOCK 45; LOT 6; EXCEPTING THEREOUT ALL MINES AND MINERALS (the "**8222 Fort Sask Duplex**").

5. On August 22, 2023, this Honourable Court approved the Order (Sale Approval and Vesting Order) (the "**Tundra SAVO**"), in relation to the sale of the 272 property known as the Tundra Building.

6. On September 14, 2023, this Honourable Court approved the Order (Sale Approval and Vesting Order), in relation to the sale of the 272 property known as the Iron Nation Building (the "**Iron Nation SAVO**").

7. The purpose of this eleventh report of the Monitor (the "**Monitor's 11th Report**") is to provide this Honourable Court and the Applicants' stakeholders with information and the Monitor's comments with respect to the following:

   (a) Michael G. Broadfoot's Application (the "**Broadfoot Application**") for a Distribution Order (the "**Broadfoot Distribution Order**"), to be heard by this Honourable Court on November 20, 2023; and

   (b) Canadian Western Bank's Application (the "**CWB Application**") for an Interim Distribution (the

"**CWB Distribution Order**"), to be heard by this Honourable Court on November 20, 2023.

TERMS OF REFERENCE AND DISCLAIMER

8. In preparing the Monitor's 11th Report, the Monitor has been provided with, and has relied upon certain information, including unaudited financial information of the Companies, books and records, and discussions with the Applicants' Management and counsel to Broadfoot.

9. Except as described in this report, the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Canadian auditing standards pursuant to the Chartered Processional Accountants of Canada Handbook.

10. Future oriented information referred to in the Monitor's 11th Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable; the actual results may vary from the projections and the variances may be material.

11. All references to dollars are in Canadian dollars.

12. Capitalized terms not defined herein are as defined in previous reports of the Monitor, the Affidavit of Michael Broadfoot affirmed on November 14, 2023 (the "**Broadfoot Affidavit**"), and other materials filed in connection with these CCAA proceedings to date.

13. Additional background information on the Applicants and these CCAA proceedings is available on the Monitor's website, located at: www.ey.com/ca/jwcarr (the **"Monitor's Website**").

CWB DISTRIBUTION ORDER

14. The Monitor has reviewed the CWB Application, in relation to the application returnable on November 20, 2023, seeking the CWB Distribution Order. The Monitor's review of the CWB Distribution Order is based upon the facts set out in the CWB Application.

15. The Monitor has obtained an independent review (the "CWB Security Opinion") from its legal counsel indicating that, subject to the customary assumptions and qualifications, the security granted by JW Carr to Canadian Western Bank constitutes valid and enforceable security over JW Carr's present and after acquired personal property and any proceeds.

INFORMATION RELATIVE TO THE BROADFOOT APPLICATION

16. The Broadfoot Application engages a consideration as to whether the collateralization of the obligations under the $4.5 million 2017 Carr Note (the "**2017 $4.5 Million Loan**"), the October 12,

2022 $500,000 Loan (the "**2022 Bridge Financing**" and, together with the 2017 $4.5 Million Loan, the "**Broadfoot Debt**") under and pursuant to the December 2022 Agreements and the Broadfoot Security, constitutes a transaction or transactions that are reviewable under any law of general application to reviewable transactions including the *Fraudulent Preferences Act*, RSA 2000, c. F-24, sections 95 or 96 of the *Bankruptcy and Insolvency Act*, and the *Fraudulent Conveyances Act 1571* (13 Eliz 1. c. 5).

17. The Monitor has not expressed a view, position or opinion relative to the matters raised in immediately preceding paragraph. Rather, the Monitor takes the position that the burden rests with Broadfoot to prove that the securities held by him are valid and enforceable. Creditors and interested stakeholders should consider the Broadfoot Application carefully.

18. That which follows in the Monitor's 11th Report contains the Monitor's Report on the:

    (a) Broadfoot Debt;

    (b) Broadfoot Security (as defined and described below);

    (c) Proceeds received from the collateral subject to the Broadfoot Security;

    (d) Monitor's comment on certain aspects of Mr. Broadfoot's evidence.

2017 $4.5 MILLION LOAN

19. With respect to the 2017 $4.5 Million Loan, the Monitor has reviewed the Broadfoot Affidavit and notes the following evidence tendered by Mr. Broadfoot:

    (a) In October 2017 Mr. Broadfoot loaned $4.5 million to Mrs. Carr. Mrs. Carr granted Broadfoot a demand promissory note dated October 20, 2017; a copy of such promissory note is attached as Exhibit "A" to the Broadfoot Affidavit;

    (b) Mrs. Carr loaned the $4.5 million to JW Carr. JW Carr granted Mrs .Carr a $4.5 million demand promissory note dated October 20, 2017; a copy of such promissory note is attached as Exhibit "C" to the Broadfoot Affidavit and the same is secured by an assignment of a JW Carr insurance policy with London Life, bears interest at 4% per annum, and is payable upon demand or if JW Carr commits an insolvency default;

    (c) Mrs. Carr assigned the Carr Note to Mr. Broadfoot pursuant to a Loan Assignment Agreement; a copy of which is attached as Exhibit "H" to the Broadfoot Affidavit;

20. The Monitor requested Mr. Broadfoot to provide evidence of the $4.5 million advance to Ms. Carr. In

this regard the Monitor has reviewed (i) Exhibit "D" of the Broadfoot Affidavit consisting of an email exchange dated October 24, 2017 between Mrs. Carr's then counsel, Witten LLP, and Mr. Broadfoot in which Mr. Broadfoot confirmed that Witten LLP was "free to deliver the $4.5 million advance to [Mrs. Carr"]; (ii) Exhibit "E" of the Broadfoot Affidavit being a signed Direction to Pay from Mrs. Carr to Witten LLP dated October 26, 2017 directing Witten LLP to remit the $4.5 million to Carr & Long; (iii) Exhibit "F" of the Broadfoot Affidavit being an extract from the JW Carr general ledger evidencing the credit of the $4.5 million shareholder's loan from Mrs. Carr to JW Carr and the subsequent disbursement of the funds; and (iv) Exhibit "G" of the Broadfoot Affidavit being electronic mail exchange between counsel to JW Carr and counsel to Powerplayss Investment Ltd. and Mitchell Kratzenberg arranging for payment by JW Carr to Powerplayss in the amount of $3.5 million and Mitchell Kratzenberg in the amount of $100,000.

21. Based on the totality of the evidence of Mr. Broadfoot, the Monitor is satisfied that in connection with the 2017 Transaction:

(a) Mr. Broadfoot advanced $4.5 million to Mrs. Carr which Mrs. Carr subsequently advanced to JW Carr and that such debt has accrued interest at the rate of 4% per annum from the date of advance;

(b) Mr. Broadfoot is the assignee of the Carr Note; and

(c) Mr. Broadfoot agreed with JW Carr that he would not demand repayment of the amounts outstanding under the Carr Note.

THE 2022 BRIDGE FINANCING

22. With respect to the 2022 Bridge Financing, the Monitor has reviewed the $500,000 demand Promissory Note bearing interest at the rate of 4% per annum dated October 12, 2022 granted by 272649 Alberta Ltd., J.W. Carr Holdings Ltd. and Marjorie A. Carr in favour of Michael Broadfoot (the "**Additional Note**").

23. The Additional Note contains the following provision:

> "**BORROWER AND LENDER** shall diligently complete an exchange of all the indebtedness between Borrower and Lender for class "A" preferred shares in JW Carr, as a standalone class of shares, ahead in preference to all other classes of shares in JW Carr, and subordinate only to bank debt and specific secured lenders, including any future replacement lenders to the existing secured lenders."

24. The Monitor enquired of Mr. Broadfoot as-to whether there has been an exchange of indebtedness between Mr. Broadfoot and JW Carr. Mr. Broadfoot advises that he and JW Carr have not exchanged any of the indebtedness owing to Mr. Broadfoot by JW Carr. In addition to receiving Mr. Broadfoot's

advice on this point, the Monitor has reviewed paragraph 19 of the Broadfoot Affidavit wherein Mr. Broadfoot deposes that the exchange of the Broadfoot Debt was not consistent with his understanding of his ability to hold security from JW Carr. The Monitor notes that Mr. Broadfoot is not a signatory to the Additional Note.

DECEMBER 2022 AGREEMENTS / 2023 AMENDMENTS

25. The Monitor has reviewed the December 2022 Agreements and the 2023 Amendments including by reviewing the evidence surrounding such agreements in the Broadfoot Affidavit. The following section contains the Monitor's review of the December 2022 Agreements and the 2023 Amendments. Additional capitalized terms in this section that are not otherwise defined have the same meaning as in the Loan Agreement.

26. JW Carr and Mr. Broadfoot entered into a Loan Agreement, dated December 12, 2022, with an effective date of October 15, 2022 (the "**Loan Agreement**"). Pursuant to the recitals of the Loan Agreement, the stated intention of the parties is that the Loan Agreement replaces and supersedes the Initial Note, the Holdings Note and the Second Note. The Loan Agreement is attached as Exhibit "N" to the Broadfoot Affidavit.

27. The Loan Agreement formalizes prior agreements. Specifically, article 2.1 of the Loan Agreement provides:

> This Agreement evidences and documents the loan in the aggregate principal amount of Cdn. $5,972,783 (the "Loan") owing to the Lender by the Borrower, which is comprised of (i) the principal amount of loans initially provided under (A) the Holdings Note (as assigned to the Lender) and (B) the Second Note and (ii) all accrued and unpaid interest on the Holdings Note as of the Effective Date, which the Borrower and the Lender agree shall be capitalized and form part of the principal amount of the Loan.

28. Pursuant to Article 7 of the Loan Agreement, additional security was provided and various new guarantors were added to guarantee the Secured Obligations. Specifically, the following additional security was required and granted under the 2022 Loan Agreement:

(a) Guarantees from each Guarantor[1] and each Personal Guarantor;[2]

(b) A debenture, executed and delivered to the Lender by each Loan Party, [3] constituting a first ranking security interest in all property of such Loan Party, together with a debenture pledge agreement.

[1] "Guarantor" is defined to include: KCM Construction (2022) Ltd., Spruce Grove Industrial Park Inc., 272649 Alberta Ltd., 1303813 Alberta Ltd., 1496206 Alberta Ltd., Grande Prairie Place Enterprises (1996) Inc., 1170292 Alberta Ltd.
[2] "Personal Guarantor" is defined as Marjorie Ann Carr.
[3] "Loan Parties" under the 2022 Loan Agreement are defined as the Borrower and the Guarantors.

29. The security granted by the Loan Parties in connection with the 2022 Loan Agreement is over all present and future property of the Loan Parties.

30. Pursuant to Article 4.3 of the 2022 Loan Agreement, JW Carr agreed that, subject to the terms of any Permitted Debt,[4] all amounts received by any Loan Party from any of the Specified Real Property (defined in the 2022 Loan Agreement as the real property listed in Schedule "B" to the 2022 Loan Agreement), shall be paid to the Lender, including any proceeds from a sale of the Specified Real Property.

31. As required pursuant to Article 7 of the 2022 Loan Agreement, JW Carr executed the following documents:

(a) A Fixed and Floating Charge Demand Debenture in the principal sum of $20,000,000, dated December 12, 2022 with an effective date of October 15, 2022, granted by JW Carr to and in favour of M. Broadfoot (the "**2022 Debenture**"), a copy of which is attached as Exhibit "O" to the Broadfoot Affidavit; and,

(b) A Debenture Pledge Agreement, dated December 12, 2022 with an effective date of October 15, 2022, among JW Carr and M. Broadfoot (the "**Debenture Pledge Agreement")**, a copy of which is attached as Exhibit "P" to the Broadfoot Affidavit**.**

32. In 2023, JW Carr, among others, and Mr. Broadfoot entered into the following agreements (collectively, the "**2023 Transaction**"):

(a) Supplemental Debenture granted by JW Carr to and in favour of Mr. Broadfoot, dated March 3, 2023 (the "**Supplemental Debenture**"), a copy of which is attached as Exhibit T to the Broadfoot Affidavit.

(b) the 2022 Loan Agreement was amended pursuant to the First Amending Agreement dated April 3, 2023, among JW Carr, as borrower and Mr. Broadfoot as lender (the "**First Amending Agreement**") Amended Loan Agreement"). The recitals to the First Amending Agreement, state that that Mr. Broadfoot advanced an additional $250,000 to JW Carr on March 15, 2023,[5] and agreed to waive its rights to receive the proceeds following the sale of certain Specified Real Property.[6]

33. In exchange for the $250,000 outlined in paragraph 32, the $500,000 outlined in paragraph 22,

[4] "Permitted Debt" means, in respect of any Loan Party: (a) Debt in existence on the date of this Agreement which has been disclosed to the Lender in writing prior to the date of this Agreement; and (b) any other Debt to which the Lender has consented in writing.

[5] See First Amending Agreement, s. 2.2.

[6] Defined in the 2022 Loan Agreement as the real property listed in Schedule "B" to the 2022 Loan Agreement

Broadfoot's conditional commitment to provide additional funding (ultimately in the form of the Interim Lending facility) of approximately $2,500,000, as contemplated under the First Amending Agreement, among other agreements, and his ongoing forbearance on the initial advance, Carr granted the following security to Mr. Broadfoot:

(a) The 2022 Debenture and the Debenture Pledge Agreement as described in paragraph 31 hereof;

(b) The Supplemental Debenture, as described in paragraph 32 hereof; and

(c) JW Carr granted Mr. Broadfoot a securities pledge agreement dated as of April 3, 2023 (the "**Securities Pledge Agreement**"), in which JW Carr agreed to pledge 3466 Class A common shares of R'ohan Well Services Ltd. to Mr. Broadfoot.

34. The Monitor has obtained an independent review (the "**Broadfoot Security Opinion**") from its legal counsel indicating that, subject to the customary assumptions and qualifications (which notably includes a qualification that the enforceability of the security may be limited by the effect of bankruptcy, insolvency, liquidation, reorganization, arrangement, preference, moratorium, and other similar laws affecting the rights and remedies of creditors generally), that the Broadfoot Security is valid and enforceable in accordance with its respective terms.

MONITOR COMMENTS ON BROADFOOT EVIDENCE RELATED TO CIRCUMSTANCES SURROUNDING THE DECEMBER 2022 AGREEMENTS / 2023 AMENDMENTS

35. The Monitor was engaged by JW Carr in November, 2022 and is familiar with the exigent circumstances described by Mr. Broadfoot that led to JW Carr requesting, and Mr. Broadfoot agreeing to, the $500,000 advance made on October 12, 2022 under the Additional Note.

36. In particular, the Monitor understands that the $500,000 was required as part of a forbearance agreement between JW Carr and Romspen Investment Corporation ("Romspen"). The Monitor is of the view that the factual assertion, without the $500,000 bridge loan, and corresponding payment to Romspen, that JW Carr would likely have been placed into receivership, is reasonable for reasons including that Romspen had demanded repayment of its secured credit facilities and issued a corresponding Notice of Intention to Enforce Security and had filed a Statement of Claim on February 2, 2022 commencing an action against JW Carr in which Romspen sought an order appointing a receiver of JW Carr. JW Carr was not otherwise able to meet the Romspen demand and the payment made to Romspen, in return for Romspen agreeing to forbear from enforcing its security, including by way of appointment of a receiver and manager.

37. Mr. Broadfoot further deposes in paragraph 26 of the Broadfoot Affidavit, that without new funding

JW Carr would be forced into receivership and foreclosure proceedings would follow in respect of many real property assets held by either JW Carr or the CCAA Entities. At paragraph 27 of the Broadfoot Affidavit, Mr. Broadfoot deposes that he reviewed an analysis which indicated there was a potential benefit of $35 million to $45 million to JW Carr that could be generated by a sales process conducted under the rubric of the CCAA as opposed to forced sale proceedings. It is the Monitor's view that the assertion made Mr. Broadfoot is reasonable.

38. Mr. Broadfoot's agreement to fund an additional $250,000 on account of professional fees to prepare for the initiation of the within CCAA proceedings, together with his agreement to provide the interim financing, in the Monitor's view, was a significant factor in enabling JW Carr and the related CCAA Entities to successfully negotiate with its various secured lenders agreements and forbearances by such secured lenders to forbear and not proceed to enforce the securities they held in preference to permitting JW Carr to liquidate its assets under the rubric of the within CCAA proceedings.

NET SALE PROCEEDS

39. Below is a table setting out the sale proceeds, any deductions, and the net sale proceeds with regard to each of the transactions set out in the Broadfoot Distribution Order.

SPA Share Sale	
Sale Proceeds Received to Date (net of any remaining holdbacks)	$3,167,803.00
Less deductions as per SPA SAVO:	
Payment of reasonable professional fees and disbursements of legal counsel for JW Carr for its work relating to the negotiation and finalization of the SPA and closing of the transaction	($16,472.38)
Payment of the Camilla Fees (as defined in the SPA SAVO)	($136,500.00)
Net Share Sale Proceeds (as defined in the SPA SAVO) paid to the Monitor, to be held in trust until further Order of the Court	$3,014,830.62
Sale of the 8222 Fort Sask Duplex	
Sale Proceeds	$235,870.48
Less deductions:	
Payment of any amounts owing to the municipality in which the 8222 Fort Sask Duplex is located with respect to municipal property taxes, assessments, penalties, and interest and any other overdue charges owing	($8,278.21)
Payment to the real estate commission and the GST thereon to the Selling Agent appointed pursuant to the 8222 Fort Sask SAVO	($5,185.00)
Payment to conveyancer re statement of account	($2,726.85)

Holdback for RPR and Compliance	($10,000.00)
Net Sale Proceeds to be paid to the Monitor, to be held in trust until further Order of the Court	$209,680.42
Sale of the Tundra Building	
Sale Proceeds	$2,884,160.60
Less deductions:	
Paymen to NAI Commercial Real Estate Inc.	($72,843.75)
Payment to conveyancer re statement of account	($8,847.79)
Payment of the amount owing, if any, to the City of Grande Prairie, Alberta, on account of municipal property taxes, assessments, penalties and interest and any other charges owing to the City of Grande Prairie, Alberta with respect to the Tundra Building which rank in priority to the Mortgage held by Canadian Western Bank	($105,694.78)
Payment to Henry Mah in trust for Garnum Realty, Sept. rent less additional interest owing $27,840,75 – 1,436.10	($26,404.65)
Payment of holdback for landlord's work	($55,000.00)
Payment to Canadian Western Bank of amounts owing under and pursuant to the Mortgage held by Canadian Western Bank	($1,496,367.38)
Net Sale Proceeds paid to the Monitor, to be held in trust until further Order of the Court, on behalf of 272	$1,119,002.25
Sale of the Iron Nation Building	
Sale Proceeds	$2,439,977.86
Less deductions:	
Paymen to NAI Commercial Real Estate Inc.	($66,937.50)
Payment to conveyancer re statement of account	($5,505.73)
Payment of the amount owing, if any, to the City of Grande Prairie, Alberta, on account of municipal property taxes, assessments, penalties and interest and any other charges owing to the City of Grande Prairie, Alberta with respect to the Iron Nation Building which rank in priority to the Mortgage held by Canadian Western Bank	($97,397.50
Payment to Canadian Western Bank of amounts owing under and pursuant to the Mortgage held by Canadian Western Bank	($1,862,509.58)
Net Sale Proceeds paid to the Monitor, to be held in trust until further Order of the Court, on behalf of 272	$407,627.55

PERSONAL PROPERTY REGISTRY REGISTRATIONS WITH REGARD TO THE TRANSACTIONS

40. The following table sets out the secured creditors that have registered financing statements against

all of JW Carr's present and after-acquired personal property, as of September 21, 2023:

Registration Date	Secured Party	Collateral
February 1, 2007	Canadian Western Bank	ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY AND THE PROCEEDS THEREFROM
February 2, 2011	Romspen Investment Corporation	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY PROCEEDS: ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED GOOD, MOTOR VEHICLES, ACCOUNTS, MONEY, CHATTEL PAPER, DOCUMENTS OF TITLE, SECURITIES, INSTRUMENTS, AND INTANGIBLES, AND ALL OTHER PROCEEDS OF EVERY DESCRIPTION AND OF ANY KIND WHATSOEVER DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE GENERAL COLLATERAL OR SERIAL NUMBER COLLATERAL (IF ANY) DESCRIBED ABOVE, OR PROCEEDS IF ANY SUCH PROCEEDS.
May 10, 2018	Servus Credit Union Ltd.	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY
August 25, 2020	Servus Credit Union Ltd.	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR AND PROCEEDS THEREOF
December 15, 2022	Michael G. Broadfoot	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR

LAND TITLE REGISTRATIONS WITH REGARD TO THE TRANSACTIONS

41. The following table sets out the list of encumbrances registered against the 8222 Fort Sask Duplex, as of September 21, 2023:

Registration Date	Registered By	Encumbrance
November 26, 2022	Miklosko Family Trust	WRIT CREDITOR - MIKLOSKO FAMILY TRUST. C/O 600, 12220 STONY PLAIN ROAD NW EDMONTON ALBERTA T5N3Y4 DEBTOR - 272649 ALBERTA LTD. 2400, 10303 JASPER AVE EDMONTON ALBERTA T5J3N6 AMOUNT: $2,464,479 AND COSTS IF ANY ACTION NUMBER: 2203 02632
April 4, 2023	Mara Developments Ltd.	WRIT CREDITOR - MARA DEVELOPMENTS LTD. 200, 9906-102 ST

Registration Date	Registered By	Encumbrance
		FORT SASKATCHEWAN ALBERTA T8L2C3 DEBTOR - J. W. CARR HOLDINGS LTD. 2400, 10303 JASPER AVE NW EDMONTON ALBERTA T5J3N6 AMOUNT: $5,150,000 AND COSTS IF ANY ACTION NUMBER: 2203 08263
June 6, 2023	Michael G. Broadfoot	MORTGAGE MORTGAGEE - MICHAEL G BROADFOOT 163 WILDWOOD DR SW CALGARY ALBERTA T3C3C8 ORIGINAL PRINCIPAL AMOUNT: $20,000,000

42. The following table sets out the list of encumbrances registered against the Tundra Building, as of September 21, 2023:

Registration Date	Registered By	Encumbrance
December 18, 2017	Canadian Western Bank	MORTGAGE MORTGAGEE - CANADIAN WESTERN BANK. 100, 12230 JASPER AVE EDMONTON ALBERTA T5N3K3 ORIGINAL PRINCIPAL AMOUNT: $1,750,000
December 18, 2017	Canadian Western Bank	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - CANADIAN WESTERN BANK. 2500, 10303 JASPER AVE EDMONTON ALBERTA T5J3N6 AGENT - JONATHAN C CALVERT
November 26, 2022	Miklosko Family Trust	WRIT CREDITOR - MIKLOSKO FAMILY TRUST. C/O 600, 12220 STONY PLAIN ROAD NW EDMONTON ALBERTA T5N3Y4 DEBTOR - 272649 ALBERTA LTD. 2400, 10303 JASPER AVE EDMONTON ALBERTA T5J3N6 AMOUNT: $2,464,479 AND COSTS IF ANY ACTION NUMBER: 2203 02632
March 27, 2023	Lehigh Hanson Materials Limited	CONSTRUCTION LIEN LIENOR - LEHIGH HANSON MATERIALS LIMITED. C/O INLAND CONCRETE 12640 INLAND WAY NW EDMONTON ALBERTA T5V1K2

Registration Date	Registered By	Encumbrance
		AGENT - PRIORITY CREDIT MANAGEMENT CORP. AMOUNT: $26,138 DATE RECEIVED DECEMBER 20, 2022 SEE INSTRUMENT FOR INTEREST
March 28, 2023	LSM Lee's Sheet Metal (2007) Ltd.	BUILDER'S LIEN LIENOR - LSM LEE'S SHEET METAL (2007) LTD. C/O KMSC LAW LLP 401 10514 67 AVENUE GRANDE PRAIRIE ALBERTA T8W0K8 AGENT - KRISTIAN TOIVONEN AMOUNT: $128,362 DATE RECEIVED:DECEMBER 21, 2022
April 5, 2023	ATB Drywall Grande Prairie Ltd.	BUILDER'S LIEN LIENOR - ATB DRYWALL GRANDE PRAIRIE LTD. 52, 714010 RANGE ROAD 73 COUNTY OF GRANDE PRAIRIE NO.1 ALBERTA T8W5J7 AGENT - MICHAEL WHATON AMOUNT: $52,539 DATE RECEIVED: JANUARY 11, 2023
May 17, 2023	Michael G. Broadfoot	MORTGAGE MORTGAGEE - MICHAEL G BROADFOOT 163 WILDWOOD DRIVE SW CALGARY ALBERTA T3C3C8 ORIGINAL PRINCIPAL AMOUNT: $20,000,000

43. The following table sets out the list of encumbrances registered against the Iron Nation Building, as of September 21, 2023:

Registration Date	Registered By	Encumbrance
April 22, 2016	Canadian Western Bank	MORTGAGE MORTGAGEE - CANADIAN WESTERN BANK. SUITE 100 12230 JASPER AVE EDMONTON ALBERTA T5N3K3 ORIGINAL PRINCIPAL AMOUNT: $2,200,000
April 22, 2016	Canadian Western Bank	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - CANADIAN WESTERN BANK. 1400, 10303 JASPER AVE EDMONTON ALBERTA T5J3N6

Registration Date	Registered By	Encumbrance
		AGENT - DANA C TREASURE
November 26, 2022	Miklosko Family Trust	WRIT CREDITOR - MIKLOSKO FAMILY TRUST. C/O 600, 12220 STONY PLAIN ROAD NW EDMONTON ALBERTA T5N3Y4 DEBTOR - 272649 ALBERTA LTD. 2400, 10303 JASPER AVE EDMONTON ALBERTA T5J3N6 AMOUNT: $2,464,479 AND COSTS IF ANY ACTION NUMBER: 2203 02632
May 17, 2023	Michael G. Broadfoot	MORTGAGE MORTGAGEE - MICHAEL G BROADFOOT 163 WILDWOOD DRIVE SW CALGARY ALBERTA T3C3C8 ORIGINAL PRINCIPAL AMOUNT: $20,000,000

SEALING ORDER

44. Broadfoot is seeking an Order sealing the Confidential Broadfoot Affidavit. The Monitor has reviewed the Confidential Broadfoot Affidavit and is of the view that the information contained therein is commercially sensitive in nature and should not be made public at this time. The Monitor concurs and adopts with the submissions made by Broadfoot in his bench brief in respect of the sealing order.

CONCLUSIONS / RECOMMENDATIONS

45. Based upon the CWB Security Opinion and the CWB Affidavit:

(a) CWB has the first registered charge at the Alberta Personal Property with respect to 749 Class "A" voting shares of R'ohan Well Services; and

(b) As at October 30, 2023, JW Carr is indebted to CWB in the aggregate principal amount of $2,451,849.20.

46. The Monitor recommends that this Honourable Court grant an order authorizing the Monitor to distribute to CWB, from the Net Share Sale Proceeds, the amount of $542,669.51, being 18% of the Net Share Sale Proceeds.

47. Based upon the Broadfoot Security Opinion and the Broadfoot Affidavit:

(a) Broadfoot, by virtue of the Securities Pledge Agreement, has perfected its interest in the Securities Pledge Agreement over 3,466 Class A voting shares of R'Ohan Well Services;

(b) Broadfoot, by virtue of the Supplemental Debenture, has the first registered secured charge over the 8222 Fort Sask Duplex (for clarity, the secured charge in favour of Broadfoot is subject to the Writs registered in favour of Miklosko Family Trust and Mara Developments);

(c) Broadfoot, by virtue of the Supplemental Debenture, has the fourth registered secured charge over the Tundra Building , subject to construction / builder's liens registered by Lehigh Hanson Materials Limited, LSM Lee's Sheet Metal (2007) Ltd., and ATB Drywall Grande Prairie Ltd. (for clarity, the secured charge in favour of Broadfoot is subject to the Writ registered in favour of Miklosko Family Trust);

(d) Broadfoot, by virtue of the Supplemental Debenture, has the first registered secured charge over the Iron Nation Building (for clarity, the secured charge in favour of Broadfoot is subject to the Writ registered in favour of Miklosko Family Trust); and

(e) As at March 31, 2023 JW Carr and the CCAA Entities are indebted to Broadfoot in the amount of $6,331,361 plus accrued interest, related fees and enforcement costs.

48. The Broadfoot Security is subordinate to Administration Charge and the Interim Lender's Charge, respectively. The beneficiaries of the Administration Charge and the beneficiary of the Interim Lender's Charge have consented to the distributions that may be ordered by the Court in connection with the Broadfoot Application on the express *provisos* that: (a) such consent will not constitute an agreement by the beneficiaries of the Administration Charge or the Interim Lender's Charge to subordinate their respective security; and (b) in the case of the Interim Lender, that the Broadfoot Application be granted.

49. If this Honourable Court grants an order declaring that the Broadfoot Security is valid (and in the case of the sale proceeds from the real property dispositions that the Broadfoot Security ranks in priority to the writs registered by the Miskosko Family Trust and Mara Developments Ltd., as asserted by Broadfoot in his bench brief provided in support of the Broadfoot Application), then the Monitor recommends that this Honourable Court grant an order authorizing the Monitor to distribute to Mr. Broadfoot:

(a) From the Net Share Sale Proceeds, $2,172,161.11, being 82% of the Net Share Sale Proceeds less a $300,000 holdback to be held by the Monitor;

(b) From the Net Sale Proceeds of the 8222 Fort Sask Duplex, $209,680.42;

(c) From the Net Sale Proceeds of the Tundra Building, $1,119,002.25 less an amount, to be advised by the Monitor, sufficient to stand as security for the Builders' Lien Claims;

(d) From the Net Sale Proceeds of the Iron Nation Building, $407,627.55

50. The Monitor joins Broadfoot in the application for a Sealing Order and respectfully requests this Honourable Court grant the same.

Dated at Edmonton, this 17 day of November, 2023.

ERNST & YOUNG INC.
Licensed Insolvency Trustee
acting solely in its capacity as the Proposed Monitor of the JW Group
and not in its personal or corporate capacity
per:

Matt McCulloch, CPA, CA, CIRP, LIT
Senior Vice President, Ernst & Young Inc.