

BANKRUPTCY AND INSOLVENCY ACT

Notice and Statement of Receiver (Subsection 246(1) of the Act)

In the Matter of the Receivership of 1270858 B.C. LTD.

TAKE NOTICE THAT:

1. By Court Order made November 8, 2024, McEown & Associates Ltd. (the "Receiver") was appointed receiver, without security, of all of the assets, undertakings and property of 1270858 B.C. Ltd. (the "**Company**") that is described below:

- Real Property located at #244 Island Highway, Victoria, BC.

The Real Property is a 37unit residential development that is approximately 80% complete. The realizable value of the completed development is approximately \$23 to \$24 million.

2. The primary lender, BJK Holdings Ltd. (the "**Lender**"), has security as follows:

- A Security agreement dated for reference August 3, 2023, notice of which was registered in the British Columbia Personal Property Registry under Base Registration No. 602041P (the "**Security**").
- A security interest in certain lands by way of a mortgage and assignment of rents dated July 31, 2023 (together, the "Mortgage"). The Mortgage was registered with the Victoria Land Title Office on August 3, 2023, under registration numbers CB804318 and CB804319 and was subsequently modified by instruments CB1292916 and CB1292917.

3. The undersigned took possession and control of the property described above on the 8th day of November 2024.

4. The following information relates to the Receivership:

- (a) Address of the Company: 202 – 1007 Fort Street, Victoria
- (b) Principal Line of Business: Property Development
- (c) Location(s) of Business: As above
- (d) Amount owed by the Company to the Lender who holds security on the property described above:

First Report of Receiver (Subsection 246(1))

- 2 -

BJK Holdings Ltd.

\$25,193,305.2

(e) The creditors that have placed liens the Real Property follow:

Tri-Sterling Developments Limited Partnership	Unknown
Cobrafer Construction Ltd.	Unknown
6 Mile Island Contracting Ltd.	Unknown
Factum Corp.	Unknown

(f) The Receiver has been advised that the suppliers and contractors have been paid up to date. The amount owed to other creditors is unknown.

ADMINISTRATION

The Receiver intends to complete the construction of the 37unit residential development and then list and sale the units.

The Receiver has arranged sufficient borrowings to pay the trades and suppliers working on the project and will continue to pay these creditors in the ordinary course of business.

The Receiver estimates the realization from the sale of the units will be less than the amount owed to the Lender.

The administration of the receivership is expected to be completed in the next 12 months.

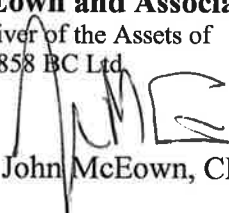
Contact Person for Receiver:

Johnny Cassidy, Estate Manager
McEown and Associates Ltd.
110 – 744 West Hastings Street
Vancouver, BC V6C 1A5
Telephone: (604) 558-8020
jc@mceownassociates.ca

Dated at Vancouver, British Columbia, this 14th of November 2024.

McEown and Associates Ltd.

Receiver of the Assets of
1270858 BC Ltd.


Per: John McEown, CPA, CA, CIRP, LIT