

IN THE SUPREME COURT OF THE NORTHWEST TERRITORIES

BETWEEN:

**NORTHWEST TERRITORIES BUSINESS DEVELOPMENT AND
INVESTMENT CORPORATION**

Plaintiff

- and -

TAIGA SPORTS FISHING LTD. o/a BLACHFORD LAKE LODGE

Defendant

AFFIDAVIT OF KEVIN MEYLER

I, Kevin Meyler, of the City of Calgary, in the Province of Alberta, Senior Vice President, CPA, CIRP and LIT with BDO Canada Limited, in its capacity as receiver and manager of Taiga Sports Fishing Ltd. o/a Blachford Lake Lodge (“**Taiga**”), MAKE OATH AND SAY:

Background

1. Taiga is a corporation incorporated in accordance with the laws of the Northwest Territories and is the owner and operator of a sports fishing lodge located on Blatchford Lake, NWT (the “**Lodge**”).
2. On May 12, 2023, upon the application of Taiga’s primary secured creditor, Northwest Territories Business Development and Investment Corporation (“**BDIC**”) applied for and was granted a Receivership Order, appointing BDO Canada Limited as receiver and manager over all of the assets, undertakings and property of Taiga.
3. BDIC is Taiga’s most significant secured creditor, and as of April 12, 2023, Taiga was indebted to BDIC in the amount of \$1,568,055.25.
4. Taiga’s main assets are the Lodge and those assets relating to the operation and maintenance of the Lodge.
5. The Receivership Order authorizes the Receiver to, among other things:

- (a) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (b) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - i. without the approval of this Court in respect of any transaction not exceeding \$150,000.00, provided that the aggregate consideration for all such transactions does not exceed \$500,000.00; and
 - ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsections 59(6) and (10) of the *Personal Property Security Act*, SNWT 1994, c 8, or any other similar legislation in any other province or territory shall not be required.

- (c) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property.

The Sales Process

- 6. On June 9, 2023, the Receiver applied for and was granted a Sale Solicitation Process Order, which both approved the Sales Process recommended by the Receiver and authorized the Receiver to perform its obligations under the Sales Process.
- 7. Immediately following the granting of the Sale Solicitation Process Order, the Receiver conducted the Sales Process. After listing the Lodge and related assets, conducting a fulsome marketing process for the Lodge, and consideration of all eligible bids (all in compliance with the Sales Process), the Receiver has entered into an Offer to Purchase with one of the prospective purchasers of the Lodge, Arctic Kingdom Polar Expeditions, Inc. (“**Arctic Kingdom**”).

8. On November 10, 2023, the Receiver will be bringing a court application for an Approval and Vesting Order that will approve the Offer to Purchase and vest clear title to the Lodge in Arctic Kingdom once:
 - (a) all conditions of the Offer to Purchase have been satisfied or waived;
 - (b) the sale transaction has closed; and
 - (c) the Receiver has filed a Receiver's Certificate in respect of the transaction with the Court.
9. In support of its application, the Receiver will file the Second Report of the Receiver (the "**Second Report**") that will contain comprehensive details regarding its activities during the Sales Process.
10. Additionally, concurrently with filing the Second Report, the Receiver intends to file a Confidential Supplement to the Second Report (the "**Confidential Supplement**"). The Confidential Supplement will contain confidential and commercially sensitive information as it pertains to the Receiver's expectations of value, the number of parties who expressed interest in acquiring the Lodge through the marketing process, the number and details of the bids for the Lodge, along with an unredacted version of the Offer to Purchase that discloses the purchase price to be paid for the Lodge and related assets should the Court approve the proposed sale.

The Sealing Order

11. At the November 10, 2023 application, the Receiver will be seeking a Sealing Order sealing the Confidential Supplement until the proposed sale closes or until further Order of the Court.
12. The Receiver is of the view that, if the requested Sealing Order is not granted, the disclosure of information in the Confidential Supplement may be detrimental to Taiga's estate as creditor recoveries may be reduced in the event that the proposed sale does not close and additional marketing of the Lodge is required. There are no reasonable alternative measures to sealing this information for the limited purpose and duration proposed by the Receiver.

S-1-CV-2023-000-151

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