

**SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF an application by Canadian Imperial Bank of Commerce for an order appointing BDO Canada Limited as Court-Appointed Receiver of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc.

AND IN THE MATTER OF the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended

Estate No.

Court No.

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE

APPLICANT

AND:

PTL HOLDINGS LIMITED

FIRST RESPONDENT

AND:

PTL SERVICES (EQUIPMENT) LIMITED

SECOND RESPONDENT

AND:

CSL SERVICES (INDUSTRIAL) LIMITED

THIRD RESPONDENT

AND:

9263357 CANADA INC.

FOURTH RESPONDENT

AFFIDAVIT OF PHIL CLARKE


I, Phil Clarke, CPA, CA, CIRP, LIT, of Halifax, Nova Scotia, make oath and say as follows:

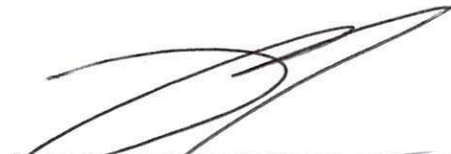
1. I am a Senior Vice President of BDO Canada Limited ("BDO"), 255 Lacewood Drive, Suite 201, Halifax, Nova Scotia, B3M 4G2.
2. I have personal knowledge of the evidence sworn to in this affidavit except where otherwise stated to be based on information and belief.
3. I state in this affidavit the source of any information that is not based on my own personal

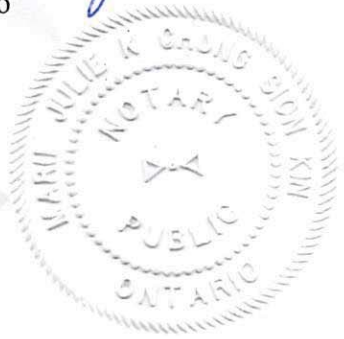
knowledge and I state my belief of the source.

4. The purpose of this affidavit is to provide comment, on behalf of BDO in its capacity as financial advisor to Canadian Imperial Bank of Commerce ("CIBC"), on the cash flow projections of PTL Holdings Limited, PTL Services (Equipment) Limited, CSL Services (Industrial) Limited and 9263357 Canada Inc. (the "Companies") as set out in the Companies' cash flow projections from April 21, 2018 to June 30, 2018, a copy of which is attached as Exhibit "W" to the affidavit of Supriya Sarin sworn on May 4, 2018 and attached to this affidavit as Exhibit "A".
5. The cash flow projections were provided to CIBC and BDO, by the Companies, on April 27, 2018
6. CIBC lending agreement set a maximum balance on the operating line of credit of \$2,000,000.
7. The cash flow forecast shows the Companies' cash position being extremely limited through to June 9, 2018, yet significantly improving from June 9 to June 30, 2018, with a forecasted credit balance on the operating line of credit of \$1,001,113 on June 30, 2018.
8. This improvement is primarily based on forecasted cash receipts from a significant contract(s) with North Atlantic Refining Limited ("NARL") and assumes receipt of a corporate tax refund.
9. This forecast does not incorporate certain required payments and includes an overly optimistic estimate of an income tax refund.
10. When adjusted for these items, and removing certain payments on arrears, as set out in Exhibit "B", it forecasts that operations do not improve the cash position of the Companies and that they will run out of cash on or before July 3, 2018 with an estimated line of credit position of \$2,169,785 on June 30, 2018 against a maximum operating line of credit of \$2,000,000.

SWORN TO at Ottawa, Province of Ontario,)
 this 9th day of May, 2018 before me)


 _____)
 A Notary Public In and For the Province of)
 Ontario)

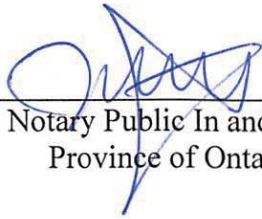

 _____)
PHIL CLARKE, CPA, CA, CIRP, LIT



Index to Exhibits

Document	Exhibit	Page
Companies' cash flow forecast	A	1
BDO adjustments to cash flow forecast	B	13

This is Exhibit "A" to the affidavit of
Phil Clarke, sworn before me
this 10th day of May, 2018

A handwritten signature in blue ink, appearing to be "O. Clarke", is written over a horizontal line.

A Notary Public In and For the
Province of Ontario

PTL Group
Corporate Cash Flow Projections
For Fiscal 2018

Forecast											
Week ending	21/Apr/18	28/Apr/18	5/May/18	12/May/18	19/May/18	26/May/18	2/June/18	9/June/18	16/June/18	23/June/18	30/June/18
Opening balance	(1,872,517)	(1,771,681)	(1,952,620)	(1,763,318)	(1,963,393)	(1,892,893)	(1,916,407)	(1,957,625)	(1,935,890)	(1,879,960)	(1,370,694)
Cash in											
Garage Terminal Proceeds	6,878										
NARL Shutdown			840,621	25,675	153,059	85,476	355,366	355,366	355,366	1,038,849	0
AR General	310,472	198,454					316,275	53,951	60,400	9,840	390,720
Total Cash	(1,555,167)	(1,573,227)	(1,111,999)	(1,737,642)	(1,583,975)	(1,452,051)	(1,244,766)	(1,548,308)	(1,520,124)	(831,271)	(979,974)
Cash out											
AP	7,317	6,250	290,597	25,242	63,319	66,548	88,030	109,105	96,354	102,189	105,438
AP Narl Shutdown			0	0	0	0	0	0	0	124,430	0
CC Pymts	5,184	0	0	10,000	0	0	0	0	10,000	0	0
Leases	0	0	898	9,634	0	0	898	9,634	0	0	0
Bank Charges	100	10,000	650	75	100	0	10,000	650	75	100	10,000
Fixed Payroll	16,000	16,000	21,800	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Semi Fixed Payroll	74,875	84,761	55,000	21,500	21,500	21,500	21,500	21,500	21,500	55,000	55,000
NARL Shutdown Payroll			0	64,405	100,329	100,329	100,329	100,329	8,641	0	0
Remittance	72,701	59,765	66,717	53,760	26,250	26,250	26,250	26,250	26,250	26,250	49,700
NARL Remittance			0	0	45,084	70,230	70,230	70,230	70,230	6,048	0
WHSCC	0	0	8,500	0	0	0	0	8,500	0	0	0
HAPSE	36,086	20,000	0	0	36,086	12,285	0	0	36,086	11,844	0
Group Insurance	0	0	4,000	0	0	0	0	4,500	0	0	0
RRSP - Investors	0	0	5,000	0	0	0	5,000	0	0	0	5,000
Utilities	4,251	250	250	4,200	250	250	250	250	4,200	250	250
Insurance	0	0	25,751	0	0	0	25,751	0	0	0	25,751
Union Dues	0	54,932	83,731	0	0	130,000	0	0	70,500	0	0
NARL Shutdown Union Dues			0	0	0	0	0	0	0	197,312	0
HST	0	0	0	0	0	0	88,620	0	0	0	120,000
HST Legacy	0	0	0	0	0	0	150,000	0	0	0	150,000
PTL Holdings Loan Payment	0	110,000	0	0	0	0	110,000	0	0	0	110,000
Corporate Tax	0	0	83,000	0	0	0	0	0	0	0	(625,000)
Professional Fees	0	17,435	5,424	20,934	0	20,964	0	20,634	0	0	0
OTHER	0	0	0	0	0	0	0	0	0	0	0
Total Cash Out	216,514	379,393	651,318	225,750	308,918	464,357	712,859	387,583	359,836	539,423	22,139
Total Cash	(1,771,681)	(1,952,620)	(1,763,318)	(1,963,393)	(1,892,893)	(1,916,407)	(1,957,625)	(1,935,890)	(1,879,960)	(1,370,694)	(1,002,113)
Line of Credit (max)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Cash Available	228,319	47,380	236,682	36,607	107,107	83,593	42,375	64,110	120,040	629,306	997,887

PTL Group
 Cash Flow Projections- NARL SHUTDOWN
 For Fiscal 2018

TO UPDATE CORPORATE CASHFLOW: ENSURE YOU USE PASTE SPECIAL- VALUES AND SOURCE FORMATTING TO PASTE THIS SHEET

	5/	12/	19/	26/	2/	9/	16/	23/	30/	7/	14/	21/	28/
Week ending	May/18	May/18	May/18	May/18	Jun/18	Jun/18	Jun/18	Jun/18	Jun/18	Jul/18	Jul/18	Jul/18	Jul/18
Opening Value	0	0	64,405	16,540	201,347	386,154	570,961	847,456	1,558,514	1,558,514	625,174	625,174	566,331
Cash in	0	0	226,359	355,366	355,366	355,366	355,366	1,038,849	0	0	0	0	0
NARL Shutdown	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash	0	0	161,953	371,907	556,713	741,520	926,327	1,886,305	1,558,514	1,558,514	625,174	625,174	566,331
Cash out	0	0	0	0	0	0	0	124,430	0	933,340	0	0	0
AP- NARL Shutdown	0	64,405	100,329	100,329	100,329	100,329	8,641	0	0	0	0	0	0
NARL Shutdown Payroll	0	0	45,084	70,230	70,230	70,230	70,230	6,048	0	0	0	0	0
NARL Remittance	0	0	0	0	0	0	0	197,312	0	0	0	0	0
Union Dues- NARL Shutdown	0	0	0	0	0	0	0	0	0	0	0	58,844	0
Total Cash Out	0	64,405	145,413	170,560	170,560	170,560	78,871	327,791	0	933,340	0	58,844	0
Closing Value	0	64,405	16,540	201,347	386,154	570,961	847,456	1,558,514	1,558,514	625,174	625,174	566,331	566,331

NARL SHUTDOWN - DAILY CASH NET POSITION

1	2	3	4	5	6	7	8	9	10	11	12	13
2-May-18	3-May-18	4-May-18	5-May-18	6-May-18	7-May-18	8-May-18	9-May-18	10-May-18 Payday	11-May-18	12-May-18	13-May-18	14-May-18

DAILY SUMMARY

	1	2	3	4	5	6	7	8	9	10	11	12	13
Revenue													
Billing to NARL- Shutdown													
	\$ 2,686,673												
Subtotal	\$ 2,686,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost													
Equipment Fuel Costs Shutdown	\$ 124,430												
Subs Cost Shutdown	\$ 933,340												
Net Labour Shutdown	\$ 474,363							\$ 64,405					
Remittance Shutdown	\$ 332,054												
Union Dues Shutdown	\$ 256,156												
Subtotal	\$ 2,120,342	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,405	\$ -	\$ -	\$ -	\$ -
Net Daily Position													
Subtotal	\$ 566,331	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
									\$ 64,405	\$ -	\$ -	\$ -	\$ -

NARL SHUTDOWN - DAILY CASH NET POSITION

[4]

	14	15	16	17	18	19	20	21	22	23	24	25
	15-May-18 Remittance	16-May-18	17-May-18 Payday	18-May-18	19-May-18	20-May-18	21-May-18	22-May-18 Remittance	23-May-18	24-May-18 Payday	25-May-18	26-May-18

DAILY SUMMARY

	14	15	16	17	18	19	20	21	22	23	24	25
Revenue												
Billing to NARL- Shutdown					\$ 226,359							
	\$ 2,686,673				\$ 226,359							
Subtotal	\$ 2,686,673	\$ -	\$ -	\$ -	\$ 226,359	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 355,366
Cost												
Equipment Fuel Costs Shutdown	\$ 124,430											
Subs Cost Shutdown	\$ 933,340											
Net Labour Shutdown	\$ 474,363							\$ 100,329				
Remittance Shutdown	\$ 332,054							\$ 70,230				
Union Dues Shutdown	\$ 256,156											
Subtotal	\$ 2,120,342	\$ 45,084	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,230	\$ -	\$ 100,329	\$ -	\$ -

Net Daily Position	\$ 566,331	-\$ 45,084	\$ -	\$ -	\$ -	\$ -	\$ -	-\$ 70,230	\$ -	-\$ 100,329	\$ 355,366	\$ -
Subtotal	\$ 566,331	-\$ 45,084	\$ -	\$ -	\$ -	\$ -	\$ -	-\$ 70,230	\$ -	-\$ 100,329	\$ 355,366	\$ -

NARL SHUTDOWN - DAILY CASH NET POSITION

26	27	28	29	30	31	32	33	34	35	36	37	38
27-May-18	28-May-18	29-May-18 Remittance	30-May-18	31-May-18 Payday	1-Jun-18	2-Jun-18	3-Jun-18	4-Jun-18	5-Jun-18 Remittance	6-Jun-18	7-Jun-18 Payday	8-Jun-18

DAILY SUMMARY

Revenue												
Billing to NARL- Shutdown	\$ 2,686,673				\$ 355,366							\$ 355,366
Subtotal	\$ 2,686,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 355,366

Cost												
Equipment Fuel Costs Shutdown	\$ 124,430											
Subs Cost Shutdown	\$ 933,340											
Net Labour Shutdown	\$ 474,363				\$ 100,329				\$ 100,329			
Remittance Shutdown	\$ 332,054								\$ 70,230			
Union Dues Shutdown	\$ 256,156											
Subtotal	\$ 2,120,342	\$ -	\$ -	\$ -	\$ 100,329	\$ -	\$ -	\$ -	\$ 70,230	\$ -	\$ 100,329	\$ -

Net Daily Position	\$ 566,331	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-\$ 70,230	\$ -	-\$ 100,329	\$ 355,366
Subtotal	\$ 566,331	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-\$ 70,230	\$ -	-\$ 100,329	\$ 355,366

NARL SHUTDOWN - DAILY CASH NET POSITION

[6]

	39	40	41	42	43	44	45	46	47	48	49	50	51
	9-Jun-18	10-Jun-18	11-Jun-18	12-Jun-18	13-Jun-18	14-Jun-18	15-Jun-18	16-Jun-18	17-Jun-18	18-Jun-18	19-Jun-18	20-Jun-18	21-Jun-18
				Remittance		Payday	Union Dues				Remittance		Payday

DAILY SUMMARY

Revenue							\$ 2,686,673						
							\$ 2,686,673	\$ 355,366					
Subtotal							\$ 2,686,673	\$ 355,366					
Cost													
							\$ 124,430			\$ 124,430			
							\$ 933,340						
							\$ 474,363	\$ 8,641					
							\$ 332,054				\$ 6,048		
							\$ 256,156			\$ 197,312			
Subtotal							\$ 2,120,342	\$ 8,641		\$ 321,742	\$ 6,048		
Net Daily Position							\$ 566,331	\$ 8,641		-\$ 321,742	-\$ 6,048		
							\$ 566,331	\$ 8,641		-\$ 321,742	-\$ 6,048		
Subtotal							\$ 566,331	\$ 8,641		-\$ 321,742	-\$ 6,048		

NARL SHUTDOWN - DAILY CASH NET POSITION

	52	53	54	55	56	57	58	59	60	61	62	63	64
	22-Jun-18	23-Jun-18	24-Jun-18	25-Jun-18	26-Jun-18	27-Jun-18	28-Jun-18	29-Jun-18	30-Jun-18	1-Jul-18	2-Jul-18	3-Jul-18	4-Jul-18

DAILY SUMMARY

	52	53	54	55	56	57	58	59	60	61	62	63	64
Revenue													
Billing to NARL- Shutdown	\$ 2,686,673	\$ 1,038,849											
Subtotal	\$ 2,686,673	\$ 1,038,849	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost													
Equipment Fuel Costs Shutdown	\$ 124,430												
Subs Cost Shutdown	\$ 933,340											\$ 933,340	
Net Labour Shutdown	\$ 474,363												
Remittance Shutdown	\$ 332,054												
Union Dues Shutdown	\$ 256,156												
Subtotal	\$ 2,120,342	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 933,340	\$ -
Net Daily Position	\$ 566,331	\$ 1,038,849	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 566,331	\$ 1,038,849	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NARL SHUTDOWN - DAILY CASH NET POSITION

65	66	67	68	69	70	71	72	73	74	75	76	77	78	79
5-Jul-18	6-Jul-18	7-Jul-18	8-Jul-18	9-Jul-18	10-Jul-18	11-Jul-18	12-Jul-18	13-Jul-18	14-Jul-18	15-Jul-18	16-Jul-18	17-Jul-18	18-Jul-18	19-Jul-18
5-Jul-18			8-Jul-18			15-Jul-18			16-Jul-18			19-Jul-18		
						Union Dues								

DAILY SUMMARY

Revenue	Billing to NARL- Shutdown	\$ 2,686,673													
	Subtotal	\$ 2,686,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost	Equipment Fuel Costs Shutdown	\$ 124,430													
	Subs Cost Shutdown	\$ 933,340													
	Net Labour Shutdown	\$ 474,363													
	Remittance Shutdown	\$ 332,054													
	Union Dues Shutdown	\$ 256,156	\$ 58,844												
Subtotal	\$ 2,120,342	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Daily Position	Subtotal	\$ 566,331	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NARL SHUTDOWN - DAILY CASH NET POSITION

80	81
20-Jul-18	21-Jul-18

DAILY SUMMARY

Revenue	Billing to NARL- Shutdown	\$ 2,686,673		
	Subtotal	\$ 2,686,673	\$ -	\$ -

Cost	Equipment Fuel Costs Shutdown	\$ 124,430		
	Subs Cost Shutdown	\$ 933,340		
	Net Labour Shutdown	\$ 474,363		
	Remittance Shutdown	\$ 332,054		
	Union Dues Shutdown	\$ 256,156		
	Subtotal	\$ 2,120,342	\$ -	\$ -

Net Daily Position	Subtotal	\$ 566,331	\$ -	\$ -
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NARL SHUTDOWN - DAILY CASH GROSS POSITION

[10]

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15

2-May-18	3-May-18	4-May-18	5-May-18	6-May-18	7-May-18	8-May-18	9-May-18	10-May-18	11-May-18	12-May-18	13-May-18	14-May-18	15-May-18	16-May-18
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DAILY SUMMARY

	2-May-18	3-May-18	4-May-18	5-May-18	6-May-18	7-May-18	8-May-18	9-May-18	10-May-18	11-May-18	12-May-18	13-May-18	14-May-18	15-May-18	16-May-18
Revenue															
PMT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ 456,480	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060
Subs	\$ 876,528	\$ 38,556	\$ 27,756	\$ 35,532	\$ 35,532	\$ 27,756	\$ 27,756	\$ 27,756	\$ 27,756	\$ 35,532	\$ 35,532	\$ -	\$ 27,756	\$ 27,756	\$ 27,756
Material	\$ -	\$ 27,621	\$ 27,621	\$ 45,350	\$ 45,350	\$ 27,621	\$ 27,621	\$ 27,621	\$ 27,621	\$ 36,002	\$ 45,350	\$ 19,859	\$ 27,621	\$ 27,621	\$ 27,621
Labour	\$ 1,003,230	\$ 27,621	\$ 27,621	\$ 36,002	\$ 36,002	\$ 27,621	\$ 27,621	\$ 27,621	\$ 27,621	\$ 36,002	\$ 45,350	\$ 19,859	\$ 27,621	\$ 27,621	\$ 27,621
Subtotal	\$ 2,336,238	\$ 81,237	\$ 70,437	\$ 86,594	\$ 95,942	\$ 70,437	\$ 70,437	\$ 70,437	\$ 70,437	\$ 86,594	\$ 95,942	\$ 26,819	\$ 70,437	\$ 70,437	\$ 70,437
Cost															
PMT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ 108,200	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 1,200	\$ 3,600	\$ 3,600	\$ 3,600
Subs	\$ 811,600	\$ 35,700	\$ 25,700	\$ 32,900	\$ 32,900	\$ 25,700	\$ 25,700	\$ 25,700	\$ 25,700	\$ 32,900	\$ 32,900	\$ -	\$ 25,700	\$ 25,700	\$ 25,700
Material	\$ -	\$ 24,172	\$ 24,172	\$ 45,026	\$ 45,026	\$ 24,172	\$ 24,172	\$ 24,172	\$ 24,172	\$ 33,957	\$ 45,026	\$ 18,384	\$ 24,172	\$ 24,172	\$ 24,172
Labour	\$ 921,933	\$ 24,172	\$ 24,172	\$ 33,957	\$ 33,957	\$ 24,172	\$ 24,172	\$ 24,172	\$ 24,172	\$ 33,957	\$ 45,026	\$ 18,384	\$ 24,172	\$ 24,172	\$ 24,172
Subtotal	\$ 1,841,733	\$ 63,472	\$ 53,472	\$ 70,457	\$ 81,526	\$ 53,472	\$ 53,472	\$ 53,472	\$ 53,472	\$ 70,457	\$ 81,526	\$ 19,584	\$ 53,472	\$ 53,472	\$ 53,472
Profit															
PMT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ 348,280	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 5,760	\$ 11,460	\$ 11,460	\$ 11,460
Subs	\$ 64,928	\$ 2,856	\$ 2,056	\$ 2,632	\$ 2,632	\$ 2,056	\$ 2,056	\$ 2,056	\$ 2,632	\$ 2,632	\$ 2,632	\$ -	\$ 2,056	\$ 2,056	\$ 2,056
Material	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labour	\$ 81,296	\$ 3,449	\$ 3,449	\$ 2,045	\$ 2,045	\$ 3,449	\$ 3,449	\$ 3,449	\$ 3,449	\$ 2,045	\$ 324	\$ 1,475	\$ 324	\$ 3,449	\$ 3,449
Subtotal	\$ 494,504	\$ 17,765	\$ 16,965	\$ 16,137	\$ 14,416	\$ 16,965	\$ 16,965	\$ 16,965	\$ 16,137	\$ 14,416	\$ 7,235	\$ 7,235	\$ 16,965	\$ 16,965	\$ 16,965

2.1%

Weeks	Item	Total per item	INVOICE TOTAL	HOLDBACK	INVOICE AMOUNT	INVOICE TOTAL	INVOICE SUBMITTAL DATE	NARL PAY DATE
2-May-18	Labour	\$ 136,593	\$ 136,593	\$ -	\$ 136,593	\$ 136,593	9-May-18	18-May-18
2-May-18	Equipment	\$ 60,240	\$ 60,240	\$ -	\$ 60,240	\$ 226,359	9-May-18	18-May-18
6-May-18	Labour	\$ 211,694	\$ 211,694	\$ -	\$ 211,694	\$ 355,366	16-May-18	25-May-18
6-May-18	Equipment	\$ 97,320	\$ 97,320	\$ -	\$ 97,320	\$ 355,366	16-May-18	25-May-18
13-May-18	Labour	\$ 211,694	\$ 211,694	\$ -	\$ 211,694	\$ 355,366	23-May-18	1-Jun-18
13-May-18	Equipment	\$ 97,320	\$ 97,320	\$ -	\$ 97,320	\$ 355,366	23-May-18	1-Jun-18
20-May-18	Labour	\$ 211,694	\$ 211,694	\$ -	\$ 211,694	\$ 355,366	30-May-18	8-Jun-18
20-May-18	Equipment	\$ 97,320	\$ 97,320	\$ -	\$ 97,320	\$ 355,366	30-May-18	8-Jun-18
27-May-18	Labour	\$ 211,694	\$ 211,694	\$ -	\$ 211,694	\$ 355,366	6-Jun-18	15-Jun-18
27-May-18	Equipment	\$ 97,320	\$ 97,320	\$ -	\$ 97,320	\$ 355,366	6-Jun-18	15-Jun-18
3-Jun-18	Labour	\$ 19,859	\$ 19,859	\$ -	\$ 19,859	\$ 1,038,849	13-Jun-18	22-Jun-18
3-Jun-18	Equipment	\$ 6,960	\$ 6,960	\$ -	\$ 6,960	\$ 1,038,849	13-Jun-18	22-Jun-18
2-May-18	Subs	\$ 876,528	\$ 876,528	\$ -	\$ 876,528	\$ 2,336,238	13-Jun-18	22-Jun-18
			\$ 2,336,238	\$ -	\$ 2,336,238	\$ 2,686,673		

Probably longer

NARL SHUTDOWN - DAILY CASH GROSS POSITION

16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

17-May-18 18-May-18 19-May-18 20-May-18 21-May-18 22-May-18 23-May-18 24-May-18 25-May-18 26-May-18 27-May-18 28-May-18 29-May-18 30-May-18 31-May-18

DAILY SUMMARY

	17-May-18	18-May-18	19-May-18	20-May-18	21-May-18	22-May-18	23-May-18	24-May-18	25-May-18	26-May-18	27-May-18	28-May-18	29-May-18	30-May-18	31-May-18
PMT															
Equipment	\$ 456,480	\$ 15,060	\$ 15,060	\$ 6,960	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060	\$ 15,060
Subs	\$ 876,528	\$ 35,532	\$ 35,532	\$ -	\$ 27,756	\$ 27,756	\$ 27,756	\$ 35,532	\$ 35,532	\$ -	\$ 27,756	\$ 27,756	\$ 27,756	\$ 27,756	\$ 27,756
Material	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labour	\$ 1,003,230	\$ 27,621	\$ 45,350	\$ 19,859	\$ 27,621	\$ 27,621	\$ 27,621	\$ 36,002	\$ 45,350	\$ 19,859	\$ 27,621	\$ 27,621	\$ 27,621	\$ 27,621	\$ 27,621
Subtotal	\$ 2,336,238	\$ 70,437	\$ 95,942	\$ 26,819	\$ 70,437	\$ 70,437	\$ 70,437	\$ 86,594	\$ 95,942	\$ 26,819	\$ 70,437	\$ 70,437	\$ 70,437	\$ 70,437	\$ 70,437

	17-May-18	18-May-18	19-May-18	20-May-18	21-May-18	22-May-18	23-May-18	24-May-18	25-May-18	26-May-18	27-May-18	28-May-18	29-May-18	30-May-18	31-May-18
PMT															
Equipment	\$ 108,200	\$ 3,600	\$ 3,600	\$ 1,200	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 1,200	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600
Subs	\$ 811,600	\$ 25,700	\$ 32,900	\$ -	\$ 25,700	\$ 25,700	\$ 25,700	\$ 32,900	\$ 32,900	\$ -	\$ 25,700	\$ 25,700	\$ 25,700	\$ 25,700	\$ 25,700
Material	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labour	\$ 921,933	\$ 24,172	\$ 45,026	\$ 18,384	\$ 24,172	\$ 24,172	\$ 24,172	\$ 33,957	\$ 45,026	\$ 18,384	\$ 24,172	\$ 24,172	\$ 24,172	\$ 24,172	\$ 24,172
Subtotal	\$ 1,841,733	\$ 53,472	\$ 81,526	\$ 19,584	\$ 53,472	\$ 53,472	\$ 53,472	\$ 70,457	\$ 81,526	\$ 19,584	\$ 53,472	\$ 53,472	\$ 53,472	\$ 53,472	\$ 53,472

	17-May-18	18-May-18	19-May-18	20-May-18	21-May-18	22-May-18	23-May-18	24-May-18	25-May-18	26-May-18	27-May-18	28-May-18	29-May-18	30-May-18	31-May-18
PMT															
Equipment	\$ 348,280	\$ 11,460	\$ 11,460	\$ 5,760	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 5,760	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460	\$ 11,460
Subs	\$ 64,928	\$ 2,056	\$ 2,632	\$ -	\$ 2,056	\$ 2,056	\$ 2,056	\$ 2,632	\$ 2,632	\$ -	\$ 2,056	\$ 2,056	\$ 2,056	\$ 2,056	\$ 2,056
Material	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labour	\$ 81,296	\$ 3,449	\$ 324	\$ 1,475	\$ 3,449	\$ 3,449	\$ 3,449	\$ 2,045	\$ 324	\$ 1,475	\$ 3,449	\$ 3,449	\$ 3,449	\$ 3,449	\$ 3,449
Subtotal	\$ 494,504	\$ 16,965	\$ 14,416	\$ 7,235	\$ 16,965	\$ 16,965	\$ 16,965	\$ 16,137	\$ 14,416	\$ 7,235	\$ 16,965	\$ 16,965	\$ 16,965	\$ 16,965	\$ 16,965

2.1%

NARL SHUTDOWN - DAILY CASH GROSS POSITION

31 32 33

1-Jun-18	2-Jun-18	3-Jun-18
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DAILY SUMMARY

Revenue	PMT	\$ -	\$ 15,060	\$ 15,060	\$ 6,960
	Equipment	\$ 456,480	\$ 35,532	\$ 46,332	\$ -
	Subs	\$ 876,528	\$ 36,002	\$ 45,350	\$ 19,859
	Material	\$ -	\$ 86,594	\$ 106,742	\$ 26,819
	Labour	\$ 1,003,230	\$ -	\$ -	\$ -
	Subtotal	\$ 2,336,238	\$ 86,594	\$ 106,742	\$ 26,819

Cost	PMT	\$ -	\$ 3,600	\$ 5,000	\$ 1,200
	Equipment	\$ 108,200	\$ 32,900	\$ 42,900	\$ -
	Subs	\$ 811,600	\$ 33,957	\$ 45,026	\$ 18,384
	Material	\$ -	\$ 70,457	\$ 92,926	\$ 19,584
	Labour	\$ 921,933	\$ -	\$ -	\$ -
	Subtotal	\$ 1,841,733	\$ 70,457	\$ 92,926	\$ 19,584

Profit	PMT	\$ -	\$ -	\$ -	\$ -
	Equipment	\$ 348,280	\$ 11,460	\$ 10,060	\$ 5,760
	Subs	\$ 64,928	\$ 2,632	\$ 3,432	\$ -
	Material	\$ -	\$ -	\$ -	\$ -
	Labour	\$ 81,296	\$ 2,045	\$ 324	\$ 1,475
	Subtotal	\$ 494,504	\$ 16,137	\$ 13,816	\$ 7,235

2.1%

This is Exhibit "B" to the affidavit of
Phil Clarke, sworn before me
this 10th day of May, 2018



A Notary Public In and For the
Province of Ontario

PTL Cash flow Forecast Reconciliation						
	Operating Line of Credit					
	June 30	(1,002,113)				
		(625,000)	Corporate Tax Refund			a.
		300,000	HST arrears payments			b.
		83,000	Corporate Tax Installment			c.
		72,172	HAPSET arrears payments			d.
		(939,000)	NARL Subcontractor payment - July 3			e.
		(58,844)	NARL Union Dues payment - July 15			f.
	Adjusted June 30	(2,169,785)				
		(2,000,000)	Maximum Operating Line of Credit			

Notes:

- a. Corporate tax refund of \$625,000 is forecasted to be received on June 30, 2018. The refund is primarily in PTL Services (Equipment) Limited. The Companies have advised that the tax return was filed near the end of April 2018. It is unlikely that Canada Revenue Agency ("CRA") will issue a full refund in the timeframe forecasted, and when PTL Services (Equipment) Limited the same company, has approximately \$207,707 in HST arrears. This assumption is optimistic.
- b. The Companies have advised that they have a verbal agreement with CRA to pay the outstanding HST arrears over six (6) months and intend to use the net PTL Services (Equipment) Limited corporate tax refund, once received, to pay the HST arrears liability of all Companies. The cash flow forecast has been adjusted to remove the arrears payments given that the Companies have, since January 2018, not been able to keep current on HST payments as shown by the increasing HST liability. In addition, once you factor in the inclusion of certain operating costs the Companies' forecast does not have sufficient cash flow to make these arrears payments.
- c. The Companies forecast the payment of a corporate tax installment of \$83,000 the week of May 5, 2018. Given the significant cash constraints once you factor in the inclusion of certain operating costs the Companies' forecast does not have sufficient cash flow to make these arrears payments.
- d. The Companies have advised that a recent Health and Post Secondary Education Tax ("HAPSET") audit has identified additional amounts payable from previous periods. The total amount payable has not been reported but requires payments of \$36,086 per month. Given the significant cash constraints once you factor in the inclusion of certain operating costs the Companies' forecast does not have sufficient cash flow to make these arrears payments.

- e. The Companies have a contract(s) with a significant customer, NARL, which are ongoing the month of May 2018 and June 2018. The Companies' cash flow forecast to June 30, 2018 includes all cash receipts for these contract(s) but excludes a significant sub-contractor payment of \$939,000 which is forecasted to be made on July 3, 2018. This contract should be included in this forecast to match the cash costs against the cash receipts and show a significant and material cash requirement that occurs the first working day after the Canada Day weekend.

- f. The NARL contract(s) will be using local unionized labour, the costs of which are included in the Companies' cash flow forecast to June 30, 2018. The Companies' cash flow forecast to June 30, 2018 includes all the cash receipts for these contract(s) but excludes a significant union dues payment related to this contract(s) of \$58,844 which is forecasted to be made on July 15, 2018. This contract should be included in this forecast to match the cash costs against the cash receipts.