

COURT FILE NUMBER BK01-095558  
BK01-095559

Clerk's Stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY*  
*ACT*, R.S.C. 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION  
TO MAKE A PROPOSAL OF ATTABOTICS INC. AND  
ATTABOTICS (US), CORP.

APPLICANTS ATTABOTICS INC. and ATTABOTICS (US), CORP.

DOCUMENT **ORDER**

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Matter: 1269907

**DATE ON WHICH ORDER WAS PRONOUNCED:** July 4, 2025

**LOCATION WHERE ORDER WAS PRONOUNCED:** Edmonton, Alberta

**JUSTICE WHO MADE THIS ORDER:** The Honourable Justice J.J. Gill

**UPON THE APPLICATION** of ATTAbotics Inc. (“**ATTAbotics**”) and ATTAbotics (US), Corp. (“**ATTAbotics US**” and together with ATTAbotics, the “**Applicants**”); **AND UPON** reviewing the Affidavit of Edna Conway, sworn July 3, 2025 (the “**Conway Affidavit**”); **AND UPON** reviewing the First Report of Richter Inc. in its capacity as proposal trustee of the Applicants (in such capacity, the “**Proposal Trustee**”); **AND UPON** noting that each of the Applicants filed a Notice of Intention to Make a Proposal under subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the “**BIA**”) on July 2, 2025 (the “**Filing Date**”); **AND UPON** hearing submissions by counsel for the Applicants, counsel for the Proposal Trustee and any other counsel or other interested parties present; **IT IS HEREBY ORDERED THAT:**

## **SERVICE**

1. The time for service of the application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today, and no person other than those persons served is entitled to service of the application.

## **PROCEDURAL CONSOLIDATION**

2. The bankruptcy estates of the Applicants (each individually an “**Estate**”) shall, subject to further order of the Court, be procedurally consolidated into one estate (the “**Consolidated Estate**”) and shall continue under Estate No. 25-095559 (with the proceeding in respect thereof being the “**Consolidated Proposal Proceeding**”).
3. Without limiting the generality of the foregoing, the Proposal Trustee is hereby authorized and directed to administer the Consolidated Estates on a consolidated basis for all purposes in carrying out its administrative duties and other responsibilities as proposal trustee under the BIA as if the Consolidated Estate were a single estate and the Consolidated Proposal Proceeding were a single proceeding under the BIA, including without limitation:
  - a. the Proposal Trustee is authorized to issue consolidated reports in respect of the Applicants; and
  - b. the Proposal Trustee is authorized to deal with all filings and notices relating to the proposal proceedings of the Applicants, each as required under the BIA, on a consolidated basis.
4. Any pleadings or other documents served or filed in the Consolidated Proposal Proceeding by any party shall be deemed to have been served or filed in each of the proceedings comprising the Consolidated Proposal Proceeding.
5. A copy of this Order shall be filed by the Applicants in the Court file for each of the Estates but any subsequent document required to be filed will only be required to be filed in the Consolidated Estate (Estate No. 25-095559).
6. The procedural consolidation of the Estates pursuant to this Order shall not:

- a. affect the legal status or corporate structure of the Applicants; or
  - b. cause any Applicant to be liable for any claim for which it is otherwise not liable or cause any Applicant to have an interest in an asset to which it otherwise would not have.
7. The Estates are not substantively consolidated, and nothing in this Order shall be construed to that effect.
8. The Proposal Trustee may apply to this Court for advice and directions with respect to the implementation of this Order or with respect to any other matter relating to the procedural consolidation of the Consolidated Estate.

#### **ADMINISTRATION CHARGE**

9. Legal counsel for the Applicants, the Proposal Trustee and legal counsel for the Proposal Trustee, as security for their respective professional fees and disbursements incurred in preparing for and during these Consolidated Proposal Proceedings, and both before and after the granting of this Order, shall be entitled to the benefit of, and are hereby granted, a security and charge (the “**Administration Charge**”) on all of the Applicants’ present and after-acquired assets, property and undertakings (the “**Property**”), which charge shall not exceed \$300,000.

#### **D&O INDEMNIFICATION AND CHARGE**

10. The Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers after the Filing Date, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director or officer’s gross negligence or willful misconduct.
11. Each of the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the “**D&O Charge**”) on all of the Property, which shall not exceed an aggregate amount of \$200,000, as security for the indemnity provided in this Order.

## INTERIM FINANCING APPROVAL AND CHARGE

12. The Applicants are hereby authorized and empowered to obtain and borrow or guarantee, as applicable, pursuant to a credit facility (the “**Interim Facility**”) from Export Development Canada (the “**Interim Lender**”) in order to finance the Applicants’ working capital requirements and other general corporate purposes, all in accordance with the Cash Flow Projections (as defined in the term sheet between the Applicants and the Interim Lender dated as of June 30, 2025 and attached as Exhibit J to the Conway Affidavit (as may be amended or amended and restated from time to time, the “**Interim Financing Term Sheet**”)) and Definitive Documents (as defined below), provided that borrowings under the Interim Facility shall not exceed \$1.5 million unless permitted by further order of this Court, and execution of the Interim Financing Term Sheet is hereby approved and ratified and no other shareholder, unitholder, member, partner, director or other similar approval shall be required in connection therewith or in performing its obligations thereunder.
13. The Interim Facility shall be on the terms and subject to the conditions set forth in the Interim Financing Term Sheet.
14. The Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, and security documents, guarantees and other definitive documents (collectively with the Interim Financing Term Sheet and the Cash Flow Projections, the “**Definitive Documents**”), as are contemplated by the Interim Financing Term Sheet or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities, and obligations to the Interim Lender under and pursuant to the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.
15. The Interim Lender shall be entitled to the benefits of and is hereby granted a charge (the “**Interim Lender’s Charge**”) on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order. The Interim Lender’s Charge shall not secure any obligation existing before the date of this Order.

16. Notwithstanding any other provision of this Order:

- a. the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
- b. upon the occurrence of an event of default under any of the Definitive Documents or the Interim Lender's Charge, the Interim Lender may (i) immediately cease making advances or providing credit to the Applicants, (ii) shall be permitted to set off and/or consolidate any amounts owing by the Interim Lender to the Applicants against the obligations of the Applicants to the Interim Lender under the Definitive Documents or the Interim Lender's Charge, (iii) may make demand, accelerate payment and give other notices with respect to the obligations of the Applicants under the Definitive Documents or the Interim Lender's Charge, or (iv) apply to the Court on five (5) days' written notice to the Applicants and the Proposal Trustee to seek the Court's authorization to exercise any and all of its other rights and remedies under or pursuant to the Definitive Documents or the Interim Lender's Charge including, without limitation, for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and
- c. the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and managed of the Applicants or the Property.

17. The Interim Lender shall be treated as unaffected in any proposal filed by the Applicants under the BIA or any plan of arrangement or compromise filed by the Applicants under the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36, with respect to any advances under the Definitive Documents.

#### **KEY EMPLOYEE RETENTION PLAN**

18. The Key Employee Retention Plan (the "**KERP**"), as described in the Conway Affidavit, is hereby approved and the Applicants are authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

19. The key employees referred to in the KERP (the “**Key Employees**”) shall be entitled to the benefit of and are hereby granted a charge on the Property (the “**KERP Charge**”), which charge shall not exceed the aggregate amount of \$90,000, to secure any payments to the Key Employees under the KERP.

## **PRIORITY OF CHARGES**

20. The filing, registration or perfection of the Administration Charge, the D&O Charge, the Interim Lender’s Charge and the KERP Charge (collectively, the “**Charges**”) shall not be required, and the Charges shall be enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
21. The Charges shall constitute a security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges, encumbrances and claims of secured creditors, statutory or otherwise in favour of any person (collectively, the “**Encumbrances**”) provided, however, that none of the Charges shall rank in priority to the Equipment Security in respect of the Equipment Collateral (as those terms are defined in the Intercreditor Agreement between Export Development Canada, Business Development Bank of Canada (“**BDC**”), and the Applicants, dated as of February 1, 2024) until the earlier of:
- a. BDC advising the Applicants and Proposal Trustee in writing that it does not intend to oppose the Charges ranking in priority to the Equipment Security;
  - b. a further Order of this Court granting the Charges priority over the Equipment Security; or
  - c. July 9, 2025 at 12:00 p.m. MDT;

at which time the Charges shall rank in priority to the Equipment Security in respect of the Equipment Collateral without further action by the Applicants or Order of this Court and the Equipment Collateral shall be deemed to form part of the Property secured by such Charges in the priority otherwise granted herein.

22. The Applicants shall schedule one hour on the Commercial List on July 9, 2025 for the tentative hearing of any dispute which BDC may wish to advance relating to the priming of the Equipment Security by the Charges.
23. The ranking as between the Charges shall be as follows:
- a. first, the Administration Charge;
  - b. second, the D&O Charge;
  - c. third, the Interim Lender's Charge; and
  - d. fourth, the KERP Charge.
24. Except as otherwise provided herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over the Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants obtain the prior written consent of the beneficiaries of the Charges (the "**Chargees**") or further order of this Court.
25. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees thereunder shall not otherwise be limited or impaired in any way by:
- a. the pendency of these proceedings and the declarations of insolvency made in this Order;
  - b. any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications;
  - c. the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
  - d. the provisions of any federal or provincial statutes; or
  - e. any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement

(collectively, an “**Agreement**”) that binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- i. neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which they, or any one of them, is a party;
- ii. none of the Chargees shall have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- iii. the payments made by the Applicants pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

## **FOREIGN PROCEEDINGS**

26. ATTAbotics is hereby authorized and empowered, but not required, to act as foreign representative (in such capacity, the “Foreign Representative”) in respect of the within proceedings for purposes of having these proceedings recognized and approved in a jurisdiction outside Canada.
27. The Foreign Representative is hereby authorized to apply for foreign recognition and approval of these proceedings, as necessary, in any jurisdiction outside of Canada, including in the United States pursuant to chapter 15 of title 11 of the United States Bankruptcy Code.
28. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body or agency having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies and agencies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Proposal Trustee, as an officer



of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to ATTAbotics, in any foreign proceeding, or to assist the Applicants and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

### MISCELLANEOUS

29. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

A handwritten signature in black ink, reading "John Gill". The signature is written in a cursive, flowing style with a large initial 'J' and 'G'.

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Justice of the Court of King's Bench of Alberta