

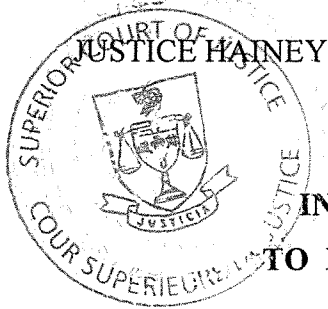
ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.

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MONDAY, THE 16TH

DAY OF MARCH, 2020



IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF AIR GEORGIAN LIMITED,
A CORPORATION INCORPORATED UNDER
THE LAWS OF ONTARIO

ORDER
(Ancillary Relief)

THIS MOTION, made by Air Georgian Limited (the “**Debtor**”) (a) for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Debtor and 2746904 Ontario Inc. (the “**Purchaser**”) dated March 9, 2020, and vesting in the Purchaser the Debtor’s right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”); (b) extending the time for filing a proposal (c) increasing the maximum borrowing available in Post-Filing Advances (as defined the Order of this Court dated February 26, 2020, the “**February 26 Order**”); (d) sealing certain confidential appendices to the Second Report (defined below); and (e) approving the first report of the Proposal Trustee (defined below) dated February 23, 2020 (the “**First Report**”) and the Second Report and the activities of the Proposal Trustee described therein, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Eric Edmondson sworn March 9, 2020 (the “**Affidavit**”) and the second report of KPMG Inc. in its capacity as proposal trustee (in such capacity, the “**Proposal Trustee**”) dated March 12, 2020 (the “**Second Report**”), and on hearing the

submissions of counsel for the Debtor, the Proposal Trustee, 2229275 Alberta Ltd. (“222”) and those other parties present, as indicated on the counsel slip, no other parties present, although properly served as appears from the affidavits of service of Jennifer Stam sworn March 10, 2020 and Katie Parent sworn March 10, 2020, filed:

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the Motion Record in respect of this motion and the Second Report is hereby abridged and validated so that the motion is properly returnable today, and that further service thereof is hereby dispensed with.

EXTENSION OF TIME TO FILE A PROPOSAL

2. **THIS COURT ORDERS** that pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (“BIA”), the time for the Debtor to file a proposal with the Official Receiver be and is hereby extended to April 17, 2020.

AMENDMENTS TO DIP FINANCING

3. **THIS COURT ORDERS** that the Debtor shall be authorized and empowered to obtain additional Post-Filing Advances on the same terms as authorized by the February 26 Order, with the exception that Post-Filing Advances from and after the date of this Order, shall be made substantially in accordance with the cash flow budget attached as Appendix “E” to the Second Report (the “Revised Cash Flow”).

4. **THIS COURT ORDERS** that for greater certainty, the DIP Lender’s Charge (as defined in the February 26 Order) and the priority afforded thereto shall apply to any Post-Filing Advances made in connection with the Revised Cash Flow.

SEALING

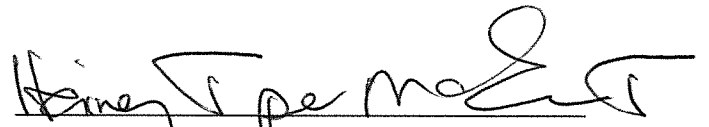
5. **THIS COURT ORDERS** that Confidential Appendices “1” and “2” to the Second Report be and are hereby sealed pending further Order of the Court.

ACTIVITIES OF THE PROPOSAL TRUSTEE

6. **THIS COURT ORDERS** that the First Report and the Second Report and the activities of the Proposal Trustee as set out therein be and are hereby approved.

MISCELLANEOUS

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Debtor and the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Debtor and the Proposal Trustee, as may be necessary or desirable to give effect to this Order or to assist the Debtor and Proposal Trustee and their respective agents in carrying out the terms of this Order.


due to COVID-19 CHSB

IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF AIR GEORGIAN LIMITED,
A CORPORATION INCORPORATED UNDER
THE LAWS OF ONTARIO

Estate No.: No. 32-2613323

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced TORONTO

ORDER
(Ancillary Relief)

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