



Court File No. CV-21-00664778-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE

)

THURSDAY, THE 5<sup>TH</sup>

JUSTICE STEELE

)

DAY OF MARCH, 2026

)

B E T W E E N:

**SKYMARK FINANCE CORPORATION**

Applicant

- and -

**MAHAL VENTURE CAPITAL INC. and GOLDEN MILES FOOD  
CORPORATION**

Respondents

**ORDER**

**(Discharge, Distribution and Ancillary Matters)**

**THIS MOTION**, made by KSV Restructuring Inc. (“**KSV**”) in its capacity as the Court-appointed receiver and manager (in such capacity, the “**Receiver**”), without security, of the assets, undertakings and properties of Mahal Venture Capital Inc. (“**Mahal VC**”) and Golden Miles Food Corporation (together with Mahal VC, the “**Companies**”) owned or used in connection with the flour mill located on the property municipally known as 155 Adams Blvd., Brantford, Ontario, for an order (i) authorizing and directing the Receiver to make certain distributions from recoveries

associated with Mahal VC (together with the Real Property Proceeds, the “**Mahal VC Proceeds**”) to Vicano Construction Limited (“**Vicano**”), Skymark Finance Corporation, acting by its receiver Alvarez & Marsal Canada Inc. (“**Skymark Receiver**”) and KLN Holdings Inc. (“**KLN**”), (ii) approving the Seventh Report of the Receiver, dated February 25, 2026 (the “**Seventh Report**”) and the Receiver’s activities described therein, (iii) approving the Receiver’s statement of receipts and disbursements for the period ending February 18, 2026 (the “**R&D**”), (iv) approving the fees and disbursements of the Receiver and its counsel, Blake, Cassels & Graydon LLP (the “**Receiver’s Counsel**”), for the period of March 1, 2024 to January 31, 2026 and a fee accrual until the Receiver’s discharge, (v) discharging KSV as Receiver effective upon the filing of the Discharge Certificate (as defined below), and (vi) releasing the Receiver and the Receiver’s Counsel, was heard this day by judicial videoconference.

**ON READING** the Receiver’s Notice of Motion, the Seventh Report and the appendices thereto, and on hearing the submissions of counsel for the Receiver, and those other counsel and parties listed on the Participant Information Form, no one else appearing although properly served as evidenced by the lawyer’s certificate of service of Jake Harris, certified February 26, 2026:

#### **SERVICE**

1. **THIS COURT ORDERS** that the time for service and filing of the Receiver’s Notice of Motion and Motion Record is hereby abridged and validated, so that this motion is properly returnable today.

#### **INTERPRETATION**

2. **THIS COURT ORDERS** that capitalized terms use and not otherwise defined herein shall have the meanings ascribed to them in the Seventh Report.

## **DISTRIBUTIONS**

3. **THIS COURT ORDERS** that the Receiver is authorized to distribute \$51,000 to Vicano on account of the Vicano Disputed Amount and that, once such amount is distributed to Vicano, Vicano shall no longer have any claim against the Receiver or the Companies in respect of the Vicano Disputed Amount.

4. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to distribute, prior to the filing of a Discharge Certificate any and all remaining Mahal VC Proceeds in the possession of the Receiver to the Skymark Receiver and KLN on account of principal, interest, fees and expenses owing to the Skymark Receiver and KLN by the Companies, on the following basis:

(a) 78.14% to the Skymark Receiver; and

(b) 21.86% to KLN.

5. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these proceedings; and

(b) the bankruptcy proceedings commenced in respect of the Companies on or about November 15, 2021,

the distributions authorized by Paragraphs 3 and 4 hereof (the “**Distributions**”) shall be binding on KSV, in its capacity as licensed insolvency trustee of the Companies, and any successor licensed insolvency trustee that may be appointed in respect of the Companies, and shall not be void or voidable by creditors of the Companies, nor shall the Distributions constitute nor be deemed to be fraudulent preferences, assignments, fraudulent conveyances, transfers at

undervalue, or other reviewable transactions under the *Bankruptcy and Insolvency Act* (Canada), or any other applicable federal or provincial legislation, nor shall the Distributions constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation and shall, upon the receipt thereof by the recipients, be free of all claims, liens, security interests, charges or encumbrances.

#### **TERMINATION OF PROCEEDINGS & RELEASE OF RECEIVER'S CHARGE**

6. **THIS COURT ORDERS** that upon the filing of a certificate of the Receiver, certifying that, to the best of the knowledge and belief of the Receiver, all matters to be attended to in connection with the within proceedings (the "**Proceedings**") have been completed to the satisfaction of the Receiver (the "**Discharge Certificate**"), the Proceedings shall be terminated without any other act or formality or order of this Court (the "**Receivership Termination Time**").

7. **THIS COURT ORDERS** that the Receiver's Charge (as defined in the receivership appointment order dated October 1, 2021 (the "**Appointment Order**")) shall be and is hereby terminated, released and discharged, effective as at the Receivership Termination Time.

#### **APPROVAL OF SEVENTH REPORT AND RECEIPTS AND DISBURSEMENTS**

8. **THIS COURT ORDERS** that the Seventh Report and the activities of the Receiver described therein, shall be and are hereby approved, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize such approval in any way.

9. **THIS COURT ORDERS** that the R&D attached to the Seventh Report be and are hereby accepted and approved.

## **APPROVAL OF FEES**

10. **THIS COURT ORDERS** that the fees of the Receiver in the amount of \$60,935.75, plus HST and disbursements, for the period March 1, 2024 to January 31, 2026 (the “**Fee Approval Period**”) be and hereby are approved.

11. **THIS COURT ORDERS** that the fees of the Receiver’s counsel, Blakes, in the amount of \$199,095.00, plus HST and disbursements, for the Fee Approval Period be and hereby are approved.

12. **THIS COURT ORDERS** that the remaining fees (the “**Remaining Fees**”) of the Receiver and Blakes incurred following the Fee Approval Period until the Receivership Termination Time in connection with the completion of the Remaining Activities, such Remaining Fees not to exceed \$50,000 (plus disbursements and HST) are hereby approved, and the Receiver and Blakes shall not be required to pass their accounts in respect of the Remaining Fees and the Remaining Activities in accordance with paragraph 19 of the Appointment Order.

## **DISCHARGE OF THE RECEIVER & RELEASES**

13. **THIS COURT ORDERS** that the Receiver shall, at least seven calendar days prior to the proposed Receivership Termination Time, provide notice to the Service List in the Proceedings of the Receiver’s intention to file the Discharge Certificate and that upon the filing of the Discharge Certificate, the release and discharge of the Subsequent Released Claims (as defined below) shall be deemed effective unless any objection is received by the Receiver in accordance with paragraph 17 hereof.

14. **THIS COURT ORDERS** that effective at the Receivership Termination Time, KSV shall be and hereby is discharged as Receiver and shall have no further duties, obligations or responsibilities as Receiver in connection with the Proceedings.

15. **THIS COURT ORDERS** that effective as of the date of this Order, in addition to the protections in favour of the Receiver in any Order of this Court in these Proceedings or the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”), the Receiver, the Receiver’s Counsel, and each of their respective affiliates and officers, directors, partners, employees and agents (collectively, the “**Released Parties**”) are hereby released and discharged from any and all claims that any person may have or be entitled to assert against the Released Parties whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of this Order in any way relating to, arising out of or in respect of the Proceedings or with respect to their respective conduct in the Proceedings (collectively, the “**Present Released Claims**”), and any such Present Released Claims are hereby released, stayed, extinguished and forever barred and the Released Parties shall have no liability in respect thereof, provided that the Present Released Claims shall not include any claim or liability arising out of any gross negligence or willful misconduct on the part of the Released Parties.

16. **THIS COURT ORDERS** that effective as of the Receivership Termination Time and subject to paragraph 17 hereof, in addition to the protections in favour of the Receiver in any Order of this Court in these Proceedings or the BIA, the Released Parties are hereby released and discharged from any and all claims that any person may have or be entitled to assert against the Released Parties whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing

or other occurrence existing or taking place following the date of this Order and up to and including the Receivership Termination Time, in any way relating to, arising out of or in respect of the Proceedings or with respect to their respective conduct in the Proceedings (collectively, the “**Subsequent Released Claims**”) and any such Subsequent Released Claims are hereby released, stayed, extinguished and forever barred and the Released Parties shall have no liability in respect thereof, provided that the Subsequent Released Claims shall not include any claim or liability arising out of any gross negligence or wilful misconduct on the part of the Released Parties.

17. **THIS COURT ORDERS** that in the event that any person objects to the release and discharge of the Subsequent Released Claims pursuant to paragraph 16 hereof, that person must send a written notice of objection and the grounds therefor to the Receiver, such that the objection is received by the Receiver prior to the proposed Receivership Termination Time. If no objection is received by the Receiver prior to the proposed Receivership Termination Time, the release and discharge of the Subsequent Released Claims pursuant to paragraph 16 hereof shall be automatically deemed effective upon the Receivership Termination Time up to and including the Receivership Termination Time, without further Order of the Court.

18. **THIS COURT ORDERS** that if an objection to the release of the Subsequent Released Claims pursuant to paragraph 16 hereof is received by the Receiver in accordance with paragraph 17 hereof, the release and discharge of any Subsequent Released Claims pursuant to paragraph 16 hereof which are the subject of such objection shall only become effective if the objection is consensually resolved with the person making such objection or upon further Order of the Court. For greater certainty, no objection received in accordance with paragraph 17 hereof shall affect the release and discharge of the Present Released Claims pursuant to paragraph 15 hereof, which shall be effective as of the date of this Order.

19. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against any of the Released Parties in any way arising from or related to the Proceedings, except with prior leave of this Court on at least seven days' prior written notice to the applicable Released Party.

20. **THIS COURT ORDERS** that notwithstanding any provision of this Order and the termination of the Proceedings, nothing herein shall affect, vary, derogate from, limit or amend, and the Receiver shall continue to have the benefit of, any of the protections in favour of the Receiver at law or pursuant to the BIA or any order of this Court in the Proceedings or otherwise.

#### **MISCELLANEOUS**

21. **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 Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

**Jana**  
**Steele**

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by Jana Steele  
Date:  
2026.03.05  
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SKYMARK FINANCE CORPORATION - and - MAHAL VENTURE CAPITAL INC. and GOLDEN MILES FOOD CORPORATION  
Applicant Respondents

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
Proceeding Commenced at Toronto

**ORDER**  
**(Discharge, Distribution and Ancillary Matters)**

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Lawyers for the Receiver