



This is the 3rd Affidavit
of Min Gyoung Kang in this case
and was made on June 27, 2025

No. S-254287
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, c C-36, as amended**

and

**IN THE MATTER OF OAK AND FORT CORP., 1282339 B.C. LTD.,
OAK AND FORT US GROUP, INC., OAK AND FORT ENTERPRISE (U.S.), INC.,
NYM MERGER HOLDINGS LLC and OAK AND FORT CALIFORNIA, LLC**

PETITIONERS

AFFIDAVIT

I, **MIN GYOUNG KANG**, of Vancouver, British Columbia, businessperson, AFFIRM AND SAY THAT:

1. I am a director and Chief Executive Officer and the founder of the Petitioners (also referred to herein as the "**O&F Group**"), and as such I have personal knowledge of the facts deposed to in this affidavit except where stated to be on information and belief, in which case I verily believe the information and the resulting statements to be true. In preparing this Affidavit, I have also consulted with the other members of the Petitioners' senior management and the Petitioners' Chief Restructuring Officer ("**CRO**"), as detailed below.
2. I am authorized to swear this Affidavit on behalf of the Petitioners.
3. On June 6, 2025, I affirmed my Affidavit No. 1 (the "**First Kang Affidavit**") in these proceedings (the "**CCAA Proceedings**") in support of the Petitioners' application for an initial order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**").

4. On June 12, 2025, I affirmed my Affidavit No. 2 (the “**Second Kang Affidavit**”) in the *CCAA* Proceedings in support of the Petitioners’ application for an amended and restated order (the “**ARIO**”) pursuant to the *CCAA*.
5. Unless otherwise defined herein, all capitalized terms have the meanings ascribed thereto in the First Kang Affidavit, the Second Kang Affidavit or the ARIO, as applicable.
6. I affirm this Affidavit in support of the Petitioners’ application for a second amended and restated initial order (“**SARIO**”) pursuant to the *CCAA*, providing for the following incremental relief:
 - (a) extending the Stay Period until and including October 3, 2025;
 - (b) authorizing O&F to obtain interim financing to be provided by Klaus Lam, Bo Ra Kim, Min-Seon Scott Park, Bear and Otter Holdings Ltd., and myself (collectively, the “**Interim Lender**”) in an amount not to exceed CAD \$2.5 million pursuant to the terms and conditions set forth in the Interim Financing Term Sheet (hereinafter defined); and
 - (c) creating an interim lender’s charge in favour of the Interim Lender to secure the obligations owing by O&F in respect of the interim financing (the “**Interim Lender’s Charge**”).

I. UPDATES AND ACTIONS TAKEN SINCE THE APPLICATION FOR THE ARIO

A. Overview

7. Since the ARIO was granted, the O&F Group, with the assistance of its legal counsel, the Monitor, and the CRO, has worked to advance its restructuring including by, among other things:
 - (a) advising and engaging with vendors, suppliers, and other creditors regarding the *CCAA* Proceedings, the O&F Group’s business during these proceedings, and various other matters;

- (b) diligently monitoring forecasted and actual sales and collections and forecasted and actual operating expenses and payments in order to manage cash flow and conserve capital;
 - (c) obtaining further provisional relief from the U.S. Bankruptcy Court in the Chapter 15 Proceedings;
 - (d) considering and assessing the various alternative interim financing options available to the Petitioners;
 - (e) negotiating and entering into the Interim Financing Term Sheet for the provision of interim financing, subject to the Court's approval;
 - (f) negotiating and entering into post-filing supply agreements with certain critical suppliers;
 - (g) vacating and surrendering possession of the retail premises located at Westfield San Francisco Centre (the "**Shopping Centre**") as a result of the landlord's breach of its obligations to, among other things, operate and maintain the Shopping Centre at a level comparable to other shopping malls;
 - (h) assessing the O&F Group's operations at each physical retail location with a view to determining which leases may need to be renegotiated or disclaimed; and
 - (i) continuing to operate and manage the business and operations of the O&F Group in the ordinary course.
8. The particulars of certain key activities and actions taken by the O&F Group following the Court's issuance of the ARIO are set forth below.

B. Chapter 15 Proceedings

9. As described in the Second Kang Affidavit, two hearings were scheduled in the Chapter 15 Proceedings, being:

- (a) a preliminary injunction hearing, originally scheduled to be heard on June 23, 2025 at 2:00 p.m. Eastern time, to determine whether to extend the stay of proceedings granted pursuant to the U.S. Provisional Order; and
 - (b) a hearing for the recognition of the *CCAA* Proceedings by the U.S. Bankruptcy Court, scheduled to be heard on July 8, 2025 at 2:00 p.m. Eastern time.
- 10. On June 20, 2025, the preliminary injunction hearing in the Chapter 15 Proceedings was cancelled on the basis that no party had filed opposition to the relief sought by the applicable deadline.
- 11. On June 23, 2025, the U.S. Bankruptcy Court issued an Order Granting Provisional Relief in the Chapter 15 Proceedings (the “**Provisional Relief Order**”), which continued and extended the provisional relief initially granted by the said Court on June 9, 2025. Attached hereto and marked as **Exhibit “A”** is a true copy of the Provisional Relief Order.
- 12. The recognition hearing, which has been set for July 8, 2025, is expected to proceed as scheduled.

C. Interim Financing

- 13. As set out in the prior cash flow forecast prepared by O&F, a copy of which is attached as Appendix A to the First Report of the Monitor dated June 13, 2025, the O&F Group requires additional funding as of the week commencing July 6, 2025 in order to continue operations. O&F has entered into the Interim Financing Term Sheet with the Interim Lender for the provision of further funding to be advanced immediately upon this Court’s approval of the same, as further detailed below.
- 14. O&F, in consultation with the Monitor and the CRO, has prepared a cash flow forecast for the period commencing on July 7, 2025 and ending on October 5, 2025, a copy of which is to be attached to the Second Report of the Monitor. The cash flow forecast assumes this Court’s approval of the Interim Financing Term Sheet and the Interim Lender’s Charge as proposed. If the interim financing sought by the Petitioners is approved by the Court, the O&F Group expects to be able to fund its operations at least until October 3, 2025.

15. The O&F Group's principal use of cash during the course of these proceedings will consist of:
 - (a) general ongoing costs of operating the business (including, among other things, employee compensation, supplier payments, lease payments, utilities, and general administration expenses and other ordinary course of business obligations); and
 - (b) the costs of continuing the *CCAA* Proceedings (including, among other things, the payment of professional advisors).
16. As set out in the Second Kang Affidavit, O&F has been in discussions with third parties regarding potential DIP financing. The O&F Group has since finalized interim financing arrangements with a group of individual private lenders, including myself. These arrangements are set out in a DIP financing term sheet (the "**Interim Financing Term Sheet**"), attached hereto and marked as **Exhibit "B"**, pursuant to which the lender group has agreed to advance interim financing up to the aggregate maximum facility amount of CAD \$2.5 million over the course of the *CCAA* Proceedings (the "**Interim Financing**"), subject to Court approval.
17. The Interim Financing is subject to the following key terms:
 - (a) the Interim Lender, as lender, will provide to O&F, as borrower, a debtor-in-possession, non-revolving credit facility in the aggregate maximum principal amount of CAD \$2.5 million;
 - (b) the remaining Petitioners will each be guarantors pursuant to certain unlimited guarantees;
 - (c) the Interim Financing will be made in multiple draws, with an initial advance of CAD \$1.8 million (the "**Initial Advance**") and subsequent advances being provided to O&F on an as needed basis, subject to the Monitor's approval;
 - (d) amounts outstanding under the facility will bear interest at the rate of 15% *per annum*, calculated monthly and payable in cash at maturity;

- (e) there is no prepayment penalty;
- (f) fees earned and payable in respect of the Interim Financing are as follows:
 - (i) a non-refundable commitment fee in the amount of CAD \$50,000, representing 2% of the Initial Advance, which will be earned and payable as of July 4, 2025;
 - (ii) an exit fee in the amount of the lesser of (A) CAD \$50,000 or (B) 2% of the outstanding loan amount, payable upon the repayment or the maturity of the loan;
- (g) the indebtedness owing to the Interim Lender shall be due and payable on the earliest of the following:
 - (i) 6 months from the date of the Initial Advance (or such later date as may be agreed to by the parties);
 - (ii) the date on which a restructuring transaction which has been approved by the Court is implemented;
 - (iii) the closing of a sale or similar transaction for all or substantially all of the Petitioners' property pursuant to a Court-approved sales process;
 - (iv) the occurrence of an event of default which has not been waived by the Interim Lender, and in respect of which the Interim Lender has elected to accelerate the obligations owing in respect of the Interim Financing;
 - (v) the lifting of the stay of proceedings in these *CCAA* Proceedings without the Interim Lender's consent; or
 - (vi) the termination of these *CCAA* Proceedings; and
- (h) the only material condition to the Interim Financing is the Court's approval of the Interim Financing Term Sheet and the Interim Lender's Charge as contemplated in the form of SARIO sought by the Petitioners.

18. Based on my discussions with the other interim lenders, and my knowledge of the financing arrangements, I understand the Initial Advance can be made immediately upon this Court's approval of the SARIO sought by the Petitioners.
19. As noted above, I am personally advancing funds to O&F as a member of the lender group. The other private, individual lenders who comprise the lender group are my personal contacts, and, based on my experience in negotiating financing arrangements for O&F, have agreed to provide financing on terms more favourable than would otherwise be available from institutional or other private lenders. In this regard, while I (in my capacity as interim lender) will be a beneficiary of the Interim Lender's Charge to the extent of my proportionate share of the advances made, I consider the terms set out in the Interim Financing Term Sheet to represent the best option available to the O&F Group, taking into account its financial position and circumstances. I believe that the funding made available by the Interim Lender pursuant to the Interim Financing is in the best interests of the O&F Group's stakeholders including because it will ensure the O&F Group can operate while it pursues a restructuring for the benefit of its stakeholders.
20. There is no suggestion from the Interim Lender, or from any of the other potential lenders with whom Senior Management had been in discussion, that they would be willing to advance funds to O&F without a charge over the Petitioners' property which ranks in priority to the claims of secured creditors. The cash collateral held by RBC represents a narrow exception.
21. Senior Management has consulted with the Monitor and the CRO during the course of finalizing the terms of the Interim Financing. I understand the Monitor and the CRO are supportive of the Interim Financing and the Interim Lender's Charge sought by the Petitioners.

II. PROPOSED SARIO TERMS

A. Extension of the Stay Period

22. The circumstances that compelled to Petitioners to seek protection under the *CCAA* and their liquidity crisis have not changed since the Court granted the ARIO approximately 2

weeks ago, and are unlikely to change significantly without sufficient time for the business to implement appropriate right-sizing strategies. The O&F Group continues to experience cash flow constraints which necessitate funding by the Interim Lender so that it can carry on business as a going concern. The extension of the Stay Period is critical to maintaining the status quo while senior management continues to consider and implement appropriate strategies that will realign the business to meet existing market conditions.

23. The proposed SARIO provides for the extension of the Stay Period up to and including October 3, 2025 during which time the O&F Group expects to continue to identify and effect cost-cutting measures and, in consultation with the Monitor and the CRO, prepare and implement a restructuring strategy that will allow the business to emerge from these proceedings successfully. This strategy may involve, among other things, an operational restructuring including by way of reducing Oak + Fort's physical retail presence.

B. Interim Financing and Interim Lender's Charge

24. For the reasons set out in paragraphs 18 to 21 above, the O&F Group considers the proposed Interim Financing and the Interim Lender's Charge to be vital to its restructuring efforts, and seeks the Court's approval of the same.

III. CONCLUSION

25. The O&F Group continues to require the protection of the *CCAA* beyond the current Stay Period, which is set to expire after July 4, 2025, in order to stabilize and restructure its business. I believe the continuation of the *CCAA* Proceedings and the relief sought in the SARIO are necessary to protect and preserve enterprise value for the benefit of the Petitioners and all stakeholders.

AFFIRMED BEFORE ME at Vancouver,
British Columbia, on June 27, 2025



A Commissioner for taking Affidavits for
British Columbia



MIN YOUNG KANG

Fasken Martineau DuMoulin LLP

2900 - 550 Burrard Street

Vancouver, BC V6C 0A3

329904.00020/3146215063

604 631 3131

Antonia Raprell, Articled Student

This is Exhibit " A " referred to in the af-
fidavit of Min Gyoung Kang
sworn before me at Vancouver
this 27 day of June 2025



A Commissioner for taking Affidavits
for British Columbia

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

OAK AND FORT CORP., *et al.*,¹

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 25-11282 (MG)

(Jointly Administered)

**ORDER GRANTING PROVISIONAL RELIEF PURSUANT
TO SECTION 1519 OF THE BANKRUPTCY CODE**

Upon the motion for certain provisional and injunctive relief (the “Motion”)² filed by KSV Restructuring, Inc. as the foreign representative (the “Foreign Representative”) of the above-captioned debtors (collectively, the “Debtors”) seeking entry of an order granting provisional relief pursuant to sections 105(a), 362, 365(e), 1517, 1519, 1521, and 1522 of the Bankruptcy Code to protect the Debtors and their property within the territorial jurisdiction of the United States pending recognition of the Debtors’ proceedings currently pending in Canada pursuant to the CCAA (the “Canadian Proceedings”); and upon this Court’s review and consideration of the Motion, the Verified Petition, and the Kang Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and 11 U.S.C. §§ 109 and 1501, and the *Amended Standing Order of Reference to Bankruptcy Judges of the District Court for the Southern District of New York*, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to

¹ The Debtors in these chapter 15 cases, along with the last four digits of each Debtor’s U.S. Federal Employer Identification Number (“FEIN”) or Canada Revenue Agency Business Number (“BN”), are: Oak and Fort Corp. (BN 0003); 1282339 B.C. Ltd. (BN 0001); Oak and Fort US Group, Inc. (FEIN 1236); Oak and Fort Enterprise (U.S.), Inc. (FEIN 0468), NYM Merger Holdings LLC (FEIN 6949), and Oak and Fort California, LLC (FEIN 6937). The Debtors’ headquarters are located at 100-7 East 6th Ave, Vancouver, British Columbia, Canada.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

28 U.S.C. § 157(b)(2)(P); and venue being proper before this Court pursuant to 28 U.S.C. § 1410(1) and (3); and appropriate, sufficient and timely notice of the Motion and the hearing thereon having been given; and upon the record established at such hearing, it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors; and it appearing that the relief requested in the Motion is necessary and beneficial to the Debtors; and no objections or other responses having been filed that have not been overruled, withdrawn or otherwise resolved; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:

A. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such.

B. The Foreign Representative has demonstrated a substantial likelihood of success on the merits that (a) the Canadian Proceedings are "foreign main proceedings" as that term is defined in section 1502(4) of the Bankruptcy Code or, alternatively, with respect to certain Debtors, the Canadian Proceedings are "foreign nonmain proceedings" as defined in section 1502(5) of the Bankruptcy Code, (b) the Foreign Representative is a "foreign representative" as that term is defined in section 101(24) of the Bankruptcy Code, (c) all statutory elements for recognition of the Canadian Proceedings are satisfied in accordance with section 1517 of the Bankruptcy Code, and (d) application of section 365(e) of the Bankruptcy Code on an interim basis to prevent contract counterparties from terminating their prepetition contracts with the Debtors is entirely consistent with the injunctive relief afforded by the automatic stay under section 362 of the Bankruptcy Code.

C. The Foreign Representative has demonstrated that commencement or continuation of any action or proceeding in the United States against the Debtors should be enjoined pursuant to sections 105(a), 1519, 1521 and 1522 of the Bankruptcy Code, which protections, in each case, shall be coextensive with the provisions of section 362 of the Bankruptcy Code, to permit the expeditious and economical administration of the Canadian Proceedings, and such relief will either (a) not cause an undue hardship to other parties in interest or (b) any hardship to parties is outweighed by the benefits of the relief requested.

D. The Foreign Representative has demonstrated that without the protection of sections 362 and 365(e) of the Bankruptcy Code, there is a material risk that the Debtors' creditors or other parties-in-interest in the United States may attempt to exercise certain remedies, including terminating contracts, with respect to the Debtors that will severely impair the Debtors' restructuring efforts and result in irreparable damage to the Debtors' business and the value of Debtors' assets, and substantial harm to Debtors' creditors and other parties-in-interest.

E. Such acts could (a) interfere with the jurisdictional mandate of this Court under chapter 15 of the Bankruptcy Code, (b) interfere with and cause harm to the Debtors' efforts to administer the Canadian Proceedings, (c) interfere with the Debtors' operations, and (d) undermine the Debtors' efforts to achieve an equitable result for the benefit of all of the Debtors' creditors. Accordingly, there is a material risk that the Debtors may suffer immediate and irreparable injury, and it is therefore necessary that the Court enter this Order.

F. The Foreign Representative has further demonstrated that recognition of the Initial CCAA Order, on a provisional basis, is warranted based on the record before this Court, including the Initial CCAA Order and the findings of the Canadian Court.

G. The Foreign Representative has demonstrated that no injury will result to any party that is greater than the harm to Debtors' business, assets, and property in the absence of the relief requested in the Motion.

H. The Debtors' creditors will not suffer any significant harm by the provisional relief requested herein, as the relief will ensure the value of the Debtors' assets are preserved, protected and maximized for the benefit of all creditors.

I. The Foreign Representative has demonstrated that, in the interest of comity, the purpose of chapter 15 is carried out by granting recognition and giving effect to the Initial CCAA Order.

J. The interest of the public will be served by this Court's entry of this Order.

K. The Foreign Representative and the Debtors are entitled to the full protections and rights available pursuant to section 1519(a)(1)-(3) of the Bankruptcy Code.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. The relief set forth and provided in this Order shall be effective as of the date of this Order and continue through and including a ruling by the Court on the petition for recognition of the Canadian Proceedings as "foreign main" or "foreign nonmain" proceedings as defined in section 1502(4) of the Bankruptcy Code and the Foreign Representative as a "foreign representative" as defined in section 101(24) of the Bankruptcy Code (unless otherwise extended pursuant to section 1519(b) of the Bankruptcy Code).

3. The Initial CCAA Order is hereby given full force and effect on a provisional basis.

4. While this Order is in effect, the Foreign Representative and Debtors are entitled to the full protections and rights pursuant to section 1519(a)(1), which protections shall be

coextensive with the provisions of section 362 of the Bankruptcy Code, and this Order shall operate as a stay of any execution against Debtors' assets within the territorial jurisdiction of the United States.

5. While this Order is in effect, pursuant to sections 1519(a)(3) and 1521(a)(7) of the Bankruptcy Code, sections 362 and 365(e) of the Bankruptcy Code are hereby made applicable in these chapter 15 cases to the Debtors and their property within the territorial jurisdiction of the United States.

6. Notwithstanding anything to the contrary contained herein, this Order shall not be construed as (a) enjoining the police or regulatory act of a governmental unit, including a criminal action or proceeding, to the extent not stayed pursuant to section 362 of the Bankruptcy Code, or (b) staying the exercise of any rights that section 362(o) of the Bankruptcy Code does not allow to be stayed.

7. The Foreign Representative, the Debtors, and their respective agents are authorized to serve or provide any notices required under the Bankruptcy Rules or local rules of this Court.

8. Notwithstanding any provision in the Bankruptcy Rules to the contrary, including, but not limited to, Bankruptcy Rules 7062 and 1018, (i) this Order shall be effective immediately and enforceable upon its entry; (ii) the Foreign Representative and the Debtors are not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order; and (iii) the Foreign Representative and the Debtors are authorized and empowered, and may in their discretion and without further delay, take any action and perform any act necessary to implement and effectuate the terms of this Order.

9. To the extent applicable, the security provisions of Rule 65(c) of the Federal Rules of Civil Procedure, made applicable pursuant to Bankruptcy Rule 7065, are hereby waived.

10. This Court shall retain exclusive jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

IT IS SO ORDERED.

Dated: June 23, 2025
New York, New York

/s/Martin Glenn
MARTIN GLENN
Chief United States Bankruptcy Judge

This is Exhibit " **B** " referred to in the af-
fidavit of **Min Gyoung Kang**
sworn before me at **Vancouver**
this **27** day of **June** 20**25**



A Commissioner for taking Affidavits
for British Columbia

**DEBTOR IN POSSESSION FINANCING TERM SHEET DATED
AS OF JUNE 25, 2025
(the “DIP Term Sheet”)**

OAK AND FORT CORP.

100 – 7 East 6th Avenue,
Vancouver, BC V5T 1J3

Attention: Min Kang

RE: Debtor in Possession Financing to Oak and Fort Corp.

- A. On June 2, 2025 and June 3, 2025, as applicable, each of the Loan Parties filed a Notice of Intention to Make a Proposal pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**NOI Proceedings**”);
- B. On June 6, 2025, the Loan Parties obtained an order (the “**Initial Order**”) from the Supreme Court of British Columbia (the “**Court**”) converting the NOI Proceedings to proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”, and such proceedings, the “**CCAA Proceedings**”);
- C. On June 7, 2025, the Loan Parties filed chapter 15 petitions in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”) seeking recognition of the CCAA Proceedings in the United States, and, on June 9, 2025, obtained provisional relief recognizing and enforcing the Initial Order and providing for a stay of proceedings in the United States;
- D. The Loan Parties have requested that the DIP Lender (as defined below) provide financing to the Loan Parties in the context of the CCAA Proceedings in accordance with the terms and conditions set out herein; and
- E. The DIP Lender has agreed to advance a debtor-in-possession loan to the Borrower in the maximum aggregate principal amount of CAD\$2,500,000 to allow the Borrower to pursue and implement a Restructuring Transaction subject to and in accordance with the terms and conditions of this DIP Term Sheet.

- 1. **BORROWER:** Oak and Fort Corp. (the “**Borrower**”)
- 2. **GUARANTORS:** Oak and Fort US Group, Inc., 1282339 B.C. Ltd. (dba Modu Atelier),
Oak and Fort Enterprise (US) Inc., NYM Merger Holdings LLC, and
Oak and Fort California LLC

(collectively, the “**Guarantors**”)
- 3. **LOAN PARTIES:** The Borrower and the Guarantors

(collectively, the “**Loan Parties**”, and “**Loan Party**” means each of them)
- 4. **DIP LENDER:** Klaus Lam (CAD\$1,000,000)

-2-

Bo Ra Kim and Min-Seon Scott Park (CAD\$300,000)

Bear and Otter Holdings Ltd. (CAD\$500,000)

Min Kang (CAD\$700,000)

and a group of additional private lenders that are in the process of being identified.

(collectively, the “**DIP Lender**”)

5. **MONITOR:** KSV Restructuring Inc. (the “**Monitor**”)
6. **LOAN AMOUNT:** Up to a maximum aggregate principal amount of CAD\$2,500,000 (the “**Loan Amount**”).
7. **CURRENCY:** Unless otherwise expressly stated, all monetary amounts set forth herein refer to Canadian Dollars.
8. **BANKING DAY:** “**Banking Day**” means any day, other than Saturday and Sunday, on which banks generally are open for business in Vancouver, British Columbia.
9. **DIP FACILITY:** A debtor-in-possession super-priority non-revolving multiple draw credit facility (the “**DIP Facility**”).

The DIP Facility shall be used for short-term liquidity and other general corporate purposes, including working capital requirements and restructuring fees and expenses, all in accordance with the Cash Flow Projection (as defined herein) while the Borrower pursues a plan of compromise or arrangement within the CCAA Proceedings (as defined herein) (collectively, a “**Restructuring Transaction**”).

The amount and purpose of the DIP Facility may be amended by agreement of the Borrower and the DIP Lender subject to the consent of the Monitor and the approval of the Court. The Borrower may not use the proceeds of the DIP Facility to pay any pre-filing obligations of the Borrower, except with the consent of the DIP Lender and the Monitor and in accordance with the Cash Flow Projection and any applicable orders of the Court .
10. **CASH FLOW PROJECTION:** Attached hereto as Schedule “A” is a detailed cash flow projection (the “**Cash Flow Projection**”), which the DIP Lender acknowledges and agrees has been reviewed and approved by the DIP Lender and is in form and substance satisfactory to the DIP Lender. Every second Friday commencing on the second Friday after the initial disbursement of funds, the Borrower, with the assistance of the Monitor, shall provide the DIP Lender with (a) an updated cash flow projection (the “**Updated Cash Flow**”) substantially in the form of the Cash Flow Projection and (b) a variance report showing on a line-by-line basis (i) the cumulative

actual receipts and disbursements and (ii) the cumulative variances from the amounts in the Cash Flow Projection for the period from the start of the Cash Flow Projection to the prior Friday and noting therein all variances on a line-by-line basis from the amounts in the Cash Flow Projection, with summary explanations for any material variances.

If within three (3) Banking Days of receipt of an Updated Cash Flow, the DIP Lender provides to the Borrower a written notice (an “**Updated Cash Flow Acceptance Notice**”) confirming that the Updated Cash Flow has been accepted as satisfactory to the DIP Lender then the Cash Flow Projection shall be substituted by the Updated Cash Flow and the Updated Cash Flow shall thereafter be deemed to be the effective Cash Flow Projection for the purposes hereof. If the DIP Lender does not deliver an Updated Cash Flow Acceptance Notice within three (3) Banking Days of receipt of an Updated Cash Flow then the existing Cash Flow Projection shall remain in effect unless and until the Borrower has delivered a revised Updated Cash Flow in respect of which the DIP Lender shall have delivered an Updated Cash Flow Acceptance Notice

11. ADVANCES:

Subject to the satisfaction of the Conditions Precedent (as defined herein) set out in Section 19 of this DIP Term Sheet, and the Borrower being in compliance with the provisions of this DIP Term Sheet, the DIP Lender shall make the DIP Facility available to the Borrower by advances as follows, subject to the terms hereof:

- (a) an amount of up to CAD\$1,800,000 shall be advanced by the DIP Lender to the Borrower as needed and as approved by the Monitor (the “**Initial Advance**”); and
- (b) after the Initial Advance, the balance of the DIP Facility shall be advanced by the DIP Lender to the Borrower as needed and as approved by the Monitor (each, a “**Subsequent Advance**” and collectively, the “**Subsequent Advances**”, and together with the Initial Advance, the “**Advances**”, and each an “**Advance**”).

Each Advance shall be requested by the Borrower in writing (each, an “**Advance Request**”). Any Advance made pursuant to the terms of this DIP Term Sheet shall be funded by the DIP Lender within three (3) Banking Days following the receipt by the DIP Lender of an Advance Request which complies with the terms hereof.

Nothing in this DIP Term Sheet creates a legally binding obligation on the DIP Lender to advance any amount under the DIP Facility at any time unless the Borrower has complied with the provisions of this DIP Term Sheet as of such time.

Any Advance made hereunder shall be funded by wire transfer into an account designated by the Borrower or such other means as the DIP Lender and Borrower may agree upon in writing from time to time.

12. INTEREST:

Amounts outstanding hereunder, including amounts due on account of principal, overdue interest, fees and expenses, shall bear interest at the rate of 15.00% *per annum* from the date on which such amount is advanced or becomes owing (as applicable) (the “**Interest**”).

Interest shall be computed on the basis of a year of 365 days and shall accrue and be calculated monthly and payable in cash on the Maturity Date (as defined herein).

For the purposes of the *Interest Act* (Canada) and disclosure thereunder, whenever any interest or fee to be paid under this Agreement is to be calculated on the basis of a period that is less than a calendar year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period that is less than a calendar year.

13. RECOVERABLE EXPENSES:

The Borrower shall be responsible for and pay all reasonable costs and expenses incurred by the DIP Lender (including all invoiced fees, expenses and disbursements of its legal counsel) (a) in connection with the DIP Facility, including the preparation of this DIP Term Sheet, the administration of the DIP Facility, the enforcement of any of its rights and remedies available hereunder; and (b) otherwise in connection with the CCAA Proceedings (collectively, “**Recoverable Expenses**”).

14. COMMITMENT AND EXIT FEES:

The Borrower shall pay a commitment fee in the amount of the lesser of CAD\$50,000 or 2.0% of the Loan Amount (the “**Commitment Fee**”) from the Initial Advance. The Commitment Fee will be non-refundable and will be fully earned and payable as of July 4, 2025 (the “**Court Approval Date**”).

In addition, the Borrower shall pay an exit fee in the amount of the lesser of CAD\$50,000 or 2.0% of the Loan Amount (the “**Exit Fee**”) upon the earlier of the Repayment Date and the Maturity Date.

15. PAYMENT OF COMMITMENT FEE AND RECOVERABLE EXPENSES:

The Recoverable Expenses outstanding as of the Court Approval Date, together with the Commitment Fee, shall be immediately and permanently deducted by the DIP Lender from the available Loan Amount and paid from the proceeds thereof. All other Recoverable Expenses shall be paid by the Borrower within five (5) Banking Days of receipt of a summary or redacted invoice therefor.

16. SECURITY:

All debts, liabilities and obligations of the Borrower to the DIP Lender under or in connection with the DIP Facility, this DIP Term Sheet, and any other documents executed in connection therewith, including the obligation hereunder to pay all principal and interest and the Recoverable Expenses and the Commitment Fee (collectively, the “**DIP Obligations**”) shall be secured by, *inter alia*:

- (a) a Court-ordered super-priority charge (the "**DIP Charge**"), in a principal amount of CAD\$2,500,000 plus interest and fees, granted in favour of the DIP Lender;
 - (b) general security agreements over all present and after- acquired assets, property and undertakings of the Loan Parties, including all real and personal property (whether tangible or intangible) and all proceeds therefrom (collectively, the "**Property**") to the extent required by the DIP Lender;
 - (c) unlimited guarantees from the Guarantors;
 - (d) all supporting authorizations, certificates and acknowledgements as DIP Lender and its counsel may reasonably require; and
 - (e) such further security from Loan Parties and other documentation that the DIP Lender and its counsel may reasonably require,
- (collectively, the "**Security**").

The DIP Charge shall be a super-priority charge which shall rank ahead of all existing liens, claims, trusts and charges, but shall be subject to and shall rank behind an administration charge (the "**Administration Charge**") in the maximum amount of CAD\$500,000 to secure payment of the fees, expenses and disbursements of: (i) the Borrower's counsel; (ii) the Monitor and its legal counsel and (iii) the Loan Parties' Chief Restructuring Officer, Reflect Advisors, LLC.

The DIP Charge shall be recognized in the US prior to the second Advance.

17. MATURITY DATE:

The DIP Facility shall terminate and all DIP Obligations owing to the DIP Lender shall be due and payable on the earliest of the following:

- (a) six (6) months from the date of the Initial Advance (or such later date as the DIP Lender in its sole discretion may agree to in writing with the Borrower);
- (b) the date on which a Restructuring Transaction, which has been approved by an order of the Court, is implemented;
- (c) the closing of a sale or similar transaction for all or substantially all of the Property pursuant to a sales process, which has been approved by an order of the Court;

- (d) the date on which an Event of Default which has not been waived by the DIP Lender has occurred and in respect of which the DIP Lender has elected, in its sole discretion, to accelerate the DIP Obligations; and
- (e) the date on which (i) the stay of proceedings under the CCAA Proceedings is lifted without the consent of the DIP Lender, or (ii) the date on which the CCAA Proceedings are terminated.

(such earliest date, the “**Maturity Date**”).

The Maturity Date may be extended from time to time at the request of the Borrower and with the prior written consent of the DIP Lender for such period and on such terms and conditions as the Borrower and the DIP Lender may agree and, in the case of any material amendments to the terms hereof, to which the Monitor may consent or the Court may approve.

The DIP Lender’s commitment to make Advances under the DIP Facility shall expire on the Maturity Date.

18. REPAYMENT:

All unpaid DIP Obligations shall become immediately due and payable on the Maturity Date. The DIP Facility may be pre-paid at any time, without penalty, provided that all accrued and unpaid Interest, Recoverable Expenses and the Commitment Fee and the Exit Fee owing pursuant to the terms hereof have been indefeasibly repaid in full in cash. If the Borrower chooses to pre-pay any amount owing under the DIP Facility, any such payment shall be applied: (a) first, to all accrued and unpaid Interest; (b) second, to the Commitment Fee and the Exit Fee and all Recoverable Expenses; and (c) third, to any principal amount outstanding under the DIP Facility.

19. CONDITIONS PRECEDENT:

The obligation of the DIP Lender to make each Advance hereunder will not become effective unless each of the following conditions precedent listed below is satisfied (collectively, the “**Conditions Precedent**”):

- (a) the Borrower shall have executed and delivered this DIP Term Sheet to the DIP Lender in accordance with the terms hereof;
- (b) no later than 5:00 p.m. (Vancouver time) on July 4, 2025, the Court shall have granted, in the CCAA Proceedings, an order substantially in the form of the draft order attached hereto as Schedule “B” and otherwise in form and substance satisfactory to the DIP Lender, approving this DIP Term Sheet and establishing the DIP Charge, provided that order is not stayed or subject to an application for a stay nor a pending appeal or leave to appeal;

- (c) the DIP Lender shall, acting reasonably, be satisfied that the Borrower has complied with and is continuing to comply, in all material respects, with all applicable laws, regulations and policies in relation to its business other than as may be permitted by an order of the Court in the CCAA Proceedings, provided that the issuance of any such order does not result in the occurrence of an Event of Default;
- (d) each DIP Lender shall have entered into a participation agreement with respect to their proportionate interest in the DIP Facility;
- (e) no Event of Default has occurred or will occur as a result of the Advance;
- (f) the Borrower shall have conducted all activities at all times in accordance with the Cash Flow Projection in force at such time; and
- (g) the DIP Lender shall have received an Advance Request from the Borrower, which may come from counsel to the Borrower, which is in accordance with the terms of this DIP Term Sheet and the Cash Flow Projection in force at such time.

**20. REPRESENTATIONS
AND WARRANTIES:**

The Borrower represents and warrants to the DIP Lender, upon which the DIP Lender relies in entering into this DIP Term Sheet, that:

- (a) the transactions contemplated by this DIP Term Sheet:
 - i) are, subject to obtaining Court approval, within the powers of the Borrower;
 - ii) have been duly authorized by all necessary corporate approvals of the Borrower;
 - iii) have been duly executed and delivered by or on behalf of the Borrower;
 - iv) constitute legal, valid and binding obligations of the Borrower; and
 - v) do not require the consent or approval of, registration or filing with, or any other action by, any governmental authority, other than filings which may be made to register or otherwise record the DIP Charge or any security granted to the DIP Lender;
- (b) the Borrower is a corporation existing under the laws of Alberta;

- (c) save to the extent disclosed by the Borrower to the DIP Lender or reflected in the Cash Flow Projection, the Borrower has paid, where due, its tax and other obligations, including in respect of payroll, employee source deductions, and sales tax, and is not in arrears in respect of these obligations;
- (d) the Borrower maintains, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar business and operating in the same or similar locations as the Borrower; and
- (e) all factual information provided by or on behalf of the Borrower to the DIP Lender for the purposes of or in connection with this DIP Term Sheet or any transaction contemplated herein is true and accurate in all material respects on the date as of which such information is dated or certified and such information is not materially misleading.

21. COVENANTS:

So long as any part of the DIP Obligations remains outstanding, the Borrower covenants and agrees with the DIP Lender to:

- (a) use reasonable efforts to keep the DIP Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower;
- (b) promptly, upon receipt by the Borrower of same, give the DIP Lender a copy of any application to the Court for an order granting new or additional security that will or may have priority over or rank *pari passu* with the DIP Charge or otherwise for the variation of the priority of the DIP Charge;
- (c) not to apply for or support any application to the Court for an order granting a charge or additional security that will or may have priority or rank *pari passu* with the DIP Charge;
- (d) prior to service, provide the DIP Lender with all materials the Borrower intends to file in the CCAA Proceedings and provide the DIP Lender and its counsel a reasonable opportunity to review same given the applicable deadlines and related circumstances;
- (e) provide the DIP Lender with any additional financial information reasonably requested by the DIP Lender;
- (f) use the Advances under the DIP Facility for the purposes for which they are being provided, as set out in Section 9 of this DIP Term Sheet, or such other purposes that may be agreed upon by the DIP Lender and the Borrower with the consent of the Monitor and approval of the Court;

- (g) comply with the provisions of any order made by the Court in the CCAA Proceedings; provided that if any Court Order in the CCAA Proceedings contravenes this DIP Term Sheet or any document executed in connection therewith so as to adversely affect the rights or interests of the DIP Lender in a material manner, the same shall automatically constitute an Event of Default;
- (h) provide the DIP Lender with prompt written notice of any event that constitutes, or would, with notice, lapse of time, or both, constitute an Event of Default, a breach of any covenant, or other term or condition of this DIP Term Sheet, or of any document executed in connection with this DIP Term Sheet;
- (i) at any time, conduct all activities and expenditures in a manner consistent with the Cash Flow Projection in effect at such time;
- (j) keep and maintain books of account and other accounting records in accordance with generally accepted accounting principles;
- (k) not declare any dividend, or make any other distributions with respect to any shares of the Borrower without the prior written consent of the DIP Lender and the consent of the Monitor and approval of the Court;
- (l) not make any payment to any director, officer, investor or related party (except salary and wages paid in the ordinary course and consistent with past practices) without the prior written consent of the DIP Lender and the consent of the Monitor and approval of the Court;
- (m) keep the Borrower's assets fully insured against such perils and in such manner as would be customarily insured by companies owning similar assets in Canada;
- (n) not, without the prior written consent of the DIP Lender and the consent of the Monitor and approval of the Court, incur any borrowings or other secured indebtedness, obligations or liabilities, other than the DIP Obligations, or create or grant any security, other than the DIP Charge and the charges authorized in this agreement, over any of its Property, whether ranking in priority to or subordinate to the DIP Charge;
- (o) not sell, transfer, assign, convey or lease any Property, other than in the ordinary course of operations unless consented to by the DIP Lender and the Monitor and approved by the Court; and

- (p) not enter into a Restructuring Transaction, unless it provides for the indefeasible repayment in full in cash of all outstanding DIP Obligations upon the closing of such Restructuring Transaction, unless the terms of the Restructuring Transaction have otherwise been approved by the DIP Lender in writing.

22. INDEMNITY:

The Borrower agrees to indemnify and hold harmless the DIP Lender and its affiliates and officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the “**Indemnified Persons**”) from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever that may be incurred by or asserted against or involve any of the Indemnified Persons as a result of, in connection with or in any way related to the DIP Facility, the proposed or actual use of proceeds of the DIP Facility, this DIP Term Sheet, the CCAA Proceedings, or any agreements entered into between the DIP Lender and the Borrower in connection with the foregoing. Notwithstanding the foregoing, the Borrower does not have any obligation to indemnify any Indemnified Person against any loss, liability, cost or expense (a) that is found by a final judgment of a court of competent jurisdiction to have arisen from (i) gross negligence, bad faith or wilful misconduct on the part of such Indemnified Person or (ii) a breach of this DIP Term Sheet or any document executed in connection herewith by such Indemnified Person, or (b) that has arisen from any dispute solely among Indemnified Persons and not arising directly out of any act or omission on the part of the Borrower. The DIP Lender shall not be responsible or liable to the Borrower or any other person for consequential or punitive damages.

23. EVENTS OF DEFAULT:

The occurrence of any one or more of the following events shall constitute an event of default under this DIP Term Sheet (each an “**Event of Default**”):

- (a) failure of the Borrower to pay any amount due hereunder when due and payable;
- (b) failure of the Borrower to comply with any covenant, Condition Precedent, payment obligation, or other term or condition of this DIP Term Sheet;
- (c) at any time, failure of the Borrower to conduct its activities and expenditures in accordance with the Cash Flow Projection in force at such time;
- (d) any representation or warranty made by the Borrower is incorrect or misleading in any material respect when made;
- (e) an event occurs that will, in the opinion of the DIP Lender, acting reasonably, materially impair the Borrower’s financial

condition, operations or ability to perform its obligations under this DIP Term Sheet or any order of the Court made in the CCAA Proceedings;

- (f) any material adverse change in: (i) the business, operations, or financial condition of the Borrower; (ii) the Property of the Borrower or the realizable value thereof; (iii) the DIP Charge, including its priority; (iv) the ability of the Borrower to perform its obligations under this DIP Term Sheet or any document executed in connection herewith; or (v) the DIP Lender's ability to enforce any of its rights or remedies against the Property;
- (g) the Borrower becomes bankrupt, or a receiver, interim receiver, receiver and manager, or trustee in bankruptcy is appointed in respect of the Borrower, or substantially all of its Property;
- (h) the acceptance of any Restructuring Transaction, or the filing of a motion seeking the Court's approval of any Restructuring Transaction, that does not provide for the indefeasible repayment in full in cash of the DIP Obligations upon the closing of such Restructuring Transaction unless the terms of the Restructuring Transaction have otherwise been approved by the DIP Lender in writing; and
- (i) the commencement of any claim, action, proceeding, application, motion, defense or other contested matter against the Borrower (collectively, a "Claim") that is not being diligently contested by the Borrower, the purpose or result of which would be to obtain any order, judgment, determination, declaration or similar relief: (i) invalidating setting aside, or subordinating the DIP Obligations, (ii) for monetary, injunctive or other relief against the DIP Lender or the Property, or (iii) preventing, hindering or otherwise delaying the exercise by the DIP Lender of any of its rights and remedies hereunder or under applicable law, or the enforcement or realization by the DIP Lender against any of the Property; provided that, if the Borrower is unsuccessful in contesting any such Claim, that shall automatically constitute an Event of Default.

24. REMEDIES AND ENFORCEMENT:

Upon the occurrence of an Event of Default, the DIP Lender may, in its sole discretion, by way of written notice to the Borrower, elect to terminate this DIP Term Sheet and accelerate all unpaid DIP Obligations. In addition, upon the occurrence of an Event of Default, the DIP Lender may, upon providing four (4) Banking Days' written notice to the Borrower and the Monitor:

- (a) apply to the Court for the appointment of a receiver, an interim receiver or a receiver and manager over the Property, or for the appointment of a trustee in bankruptcy of the Borrower;

-12-

- (b) apply to the Court to be allowed to exercise the rights and powers of a secured lender pursuant to the Personal Property Security Act (British Columbia), or any legislation of similar effect; and
- (c) exercise all such other rights and remedies available to the DIP Lender under this DIP Term Sheet or any documents executed in connection herewith or any other order of the Court made in the CCAA Proceedings or applicable law.

25. NOTICES:

Any notice, request, consent, approval, instruction or other expression or communication required hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the persons set forth below:

In the case of the DIP Lender:

Klaus Lam
9551 Bakerview Drive
Richmond, BC
V7A 2A2

Bo Ra Kim and Min-Seon Scott Park
2995 Woodbine Drive
North Vancouver, BC
V7R 2R9

Bear and Otter Holdings Ltd.
c/o McCarthy Tétrault LLP
Suite 2400, 745 Thurlow Street
Vancouver, BC V6E 0C5

Min Gyoung Kang
3095 St Annes Drive
North Vancouver, BC
V7R 1E7

With a copy to:

McCarthy Tétrault LLP
Attention: Lance Williams
Email: lwilliams@mccarthy.ca

In the case of the Borrower:

OAK AND FORT CORP.
100 – 7 East 6th Avenue
Vancouver, BC V5T 1J3

With a copy to:

-13-

Fasken Martineau DuMoulin LLP
 Attention: Brent C. Clark
 Email: bcclark@fasken.com

In either case, with a copy to the Monitor:

KSV Restructuring Inc.
 Attention: Noah Goldstein
 Email: ngoldstein@ksvadvisory.com

With a copy to:

Bennett Jones LLP
 Attention: Sean Zweig
 E-mail: ZweigS@bennettjones.com

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 p.m. (Vancouver time) or on a day other than a Banking Day, in which case the notice shall be deemed to be received the next Banking Day.

- 26. FURTHER ASSURANCES:** The Borrower will, at its own expense and promptly on demand by the DIP Lender at any time, do such acts and things and execute and deliver such documents as the DIP Lender may reasonably request to give effect to the provisions of this DIP Term Sheet
- 27. ENTIRE AGREEMENT; CONFLICT:** This DIP Term Sheet constitutes the entire agreement between the parties relating to the subject matter hereof. To the extent that there is any inconsistency between this DIP Term Sheet and any of the other documentation that the DIP Lender requires the Borrower to execute, this DIP Term Sheet shall govern.
- 28. WAIVERS:** No waiver or delay on the part of the DIP Lender in exercising any right, remedy or privilege hereunder will operate as a waiver hereof or thereof unless such waiver is made expressly in writing by the DIP Lender and delivered in accordance with the terms of this DIP Term Sheet, and then such waiver shall be effective only in the specific instance and for the specific purpose given.
- 29. SEVERABILITY:** Any provision in this DIP Term Sheet which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
- 30. ASSIGNMENT:** The Borrower shall not assign this DIP Term Sheet or any of the provisions hereof without the prior written consent of the DIP Lender.
- The DIP Lender may assign or sell its rights or obligations with respect to this DIP Term Sheet to any person without the prior written consent of the Borrower.
- 31. TIME OF ESSENCE:** Time is of the essence in all respects of this DIP Term Sheet.

32. INTERPRETATION

In this DIP Term Sheet, words signifying the singular include the plural and vice versa, and words signifying gender include all genders. Every use of the word “including” in this DIP Term Sheet is to be construed as meaning “including, without limitation”. The division of this DIP Term Sheet into sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this DIP Term Sheet. References in this DIP Term Sheet to a Section or Schedule of or to this DIP Term Sheet unless the context requires otherwise. Subject to any limitations set forth herein, references to contracts, agreements or instruments are deemed to include all amendments, supplements, restatements or replacements to or of such contracts, agreements or instruments. References to a person includes that person’s successors and permitted assigns.

33. RULE OF CONSTRUCTION:

This DIP Term Sheet has been negotiated by each party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this DIP Term Sheet.

34. COUNTERPARTS:

This DIP Term Sheet may be executed in any number of counterparts and by facsimile or other electronic transmission, each of which when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.


35. GOVERNING LAW; JURISDICTION:

This DIP Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The parties hereby attest and submit to the non-exclusive jurisdiction of the Court.

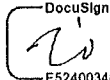
*[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK;
SIGNATURE PAGES FOLLOW]*

IN WITNESS WHEREOF, the parties have executed this DIP Term Sheet as of the date first written above.

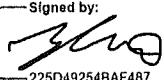
Klaus Lam, as DIP Lender

Signed by:

KLAUS LAM
 Per: 6012CC72075A4B7...
 Name: Klaus Lam
 Title: Businessman


Bo Ra Kim, as DIP Lender

DocuSigned by:

 Per: E524003482AB4AF...
 Name: Bo Ra Kim
 Title: Businesswoman

Min-Seon Scott Park, as DIP Lender

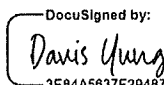
Signed by:

 Per: 225D49254BAF487...
 Name: Min-Seon Scott Park
 Title: Businessman

Min Gyoung Kang, as DIP Lender

DocuSigned by:

 Per: 95BD82244C74461...
 Name: Min Gyoung Kang
 Title: Businesswoman

-16-

Bear and Otter Holdings Ltd., as DIP Lender

Per: 
Name: Davis Yung
Title: Director

We have authority to bind the DIP Lender.

OAK AND FORT CORP., as Borrower

By: 

Name: Min Gyoung Kang

Title: Director

OAK AND FORT US GROUP INC., as Guarantor

By: 

Name: Min Gyoung Kang

Title: Director

1282339 B.C. LTD. as Guarantor

By: 

Name: Min Gyoung Kang

Title: Director

OAK AND FORT ENTERPRISE (US) INC., as Guarantor

By: 

Name: Min Gyoung Kang

Title: Director

NYM MERCER HOLDINGS LLC, as Guarantor

By: 

Name: Min Gyoung Kang

Title: Director

OAK AND FORT ENTERPRISE CALIFORNIA LLC, as Guarantor

By: 

Name: Min Gyoung Kang

Title: Director

Schedule "A"
Cash Flow Forecast

(attached)

Schedule "B"
Court Order

(attached)

No. S-254287
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, RSC 1985, C C-36, AS AMENDED

AND

IN THE MATTER OF OAK AND FORT CORP. AND
1282339 BC LTD.

PETITIONERS

AFFIDAVIT

FASKEN MARTINEAU DuMOULIN LLP
Barristers and Solicitors
2900 – 550 Burrard Street
Vancouver BC V6C 0A3
604-631-4786

Attention: Kibben Jackson / Lisa Hiebert / Tiffany Bennett
Matter No: 329904.00020