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This is the 1st affidavit of Terry Holt
in this case and was made on December 11, 2018

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

NISGA'A NATION

PETITIONER

AND:

**NISGA'A PACIFIC VENTURES LIMITED PARTNERSHIP
and NISGA'A PACIFIC VENTURES LTD.**

RESPONDENTS

AFFIDAVIT

I, **TERRY HOLT**, Executive, of 2000 Lisims Drive, New Aiyansh, British Columbia, **SWEAR THAT:**

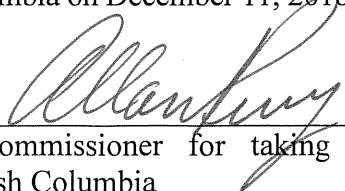
1. I am the Chief Financial Officer of the Petitioner and as such I have personal knowledge of the facts and matters deposed to in this affidavit, except where stated to be made on information and belief, in which case I verily believe those facts and matters to be true.
2. I have read Affidavit #1 of Collier Azak sworn December 11, 2018, to be filed herein and adopt in this Affidavit the definitions contained in that Affidavit.
3. The Petitioner is an unsecured creditor of the Respondents, in the approximate aggregate amount of \$4,892,200 in respect of loans and advances made to or at the direction of the Respondents, which includes loans and advances up until July 27, 2018. Attached as exhibit "A" to this Affidavit is a summary spreadsheet setting out the dates of loans and advances by the Petitioner to the Respondents.
4. Of this aggregate amount, approximately \$3,457,200 was loaned and advanced under a written promissory note dated April 5, 2017, given by the Respondents to the Petitioner.
5. The Petitioner is also a secured creditor of the Respondents in respect of loans and advances under security granted to the Petitioner. Attached to this Affidavit as exhibits are copies of the following documents:
 - a. Exhibit "B" – Loan Agreement between the Petitioner and various parties including the Respondents dated September 19, 2018 (the "Loan Agreement");


- b. Exhibit "C" – Guarantee granted by the Respondents to the Petitioner dated September 19, 2018 (the "Guarantee");
 - c. Exhibit "D" – General Security Agreement granted by NPVLP to the Petitioner dated October 5, 2018;
 - d. Exhibit "E" – General Security Agreement granted by the Company to the Petitioner dated October 5, 2018.
6. The Petitioner has made loans and advances pursuant to the above Loan Agreement and security to the Respondents, or to the other parties to the Loan Agreement for whom the Respondents are guarantors, totaling approximately \$564,000, of which \$435,000 has been repaid leaving an outstanding balance of approximately \$129,000 remaining owing by the Respondents. Attached as exhibit "F" to this Affidavit is a summary spreadsheet setting out the dates of the loans and advances by the Petitioner to the Respondents and others pursuant to the Loan Agreement.
 7. Finally, the Petitioner is a secured creditor of NPVLP in respect of debts and security previously held by Royal Bank of Canada ("RBC") which have recently been assigned to the Petitioner pursuant to an assignment agreement dated as of October 31, 2018. The assigned RBC debt totals approximately \$91,300.
 8. Collectively attached to this Affidavit as exhibit "G" are recent searches in the British Columbia Personal Property Security Registry for filings against each of the Respondents, including the filing by the Petitioner and the change of secured party from RBC to the Petitioner in respect of the RBC security assigned to the Petitioner.

Respondents' Financial Position

9. In the Bowra Reports and in their ongoing role, the Bowra Group identified significant shortcomings in the financial and accounting records and systems of the NPV Group, and as a result there is uncertainty about the current financial situation for the NPV Group, including the Respondents. These uncertainties include whether all potential creditors are known and the amount of their claims.
10. Based on my review of the Bowra Reports and the September 30, 2018 financial statements for NPVLP, the Respondents are effectively insolvent and are only able to operate with ongoing cash advances by the Petitioner.

SWORN BEFORE ME at Vancouver, British Columbia on December 11, 2018.)
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A commissioner for taking affidavits for)
British Columbia)

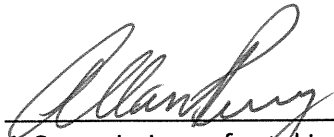


TERRY HOLT

ALLAN J. PERRY
Barrister & Solicitor
1201 - 1030 West Georgia Street
Vancouver BC V6E 2Y3
604.642.6422

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This is Exhibit "A" referred to in the Affidavit of Terry Holt sworn before me at Vancouver, British Columbia, this 11th day of December, 2018.



A Commissioner for taking Affidavits
for British Columbia

Nisga'a Lisims Government
Schedule of Advances
as at November 30, 2018
(Unaudited - Prepared by Management)

Date	Description	Amount
April 7, 2017	Advance	\$ 10,207.25
April 7, 2017	Advance	23,816.01
April 7, 2017	Advance	128.70
April 7, 2017	Advance	3,777.03
April 7, 2017	Advance	1,931.08
April 7, 2017	Advance	227.31
April 7, 2017	Advance	459.20
April 7, 2017	Advance	1,624.00
April 7, 2017	Advance	1,935.48
April 7, 2017	Advance	2,762.91
April 7, 2017	Advance	626.76
April 7, 2017	Advance	16.35
April 7, 2017	Advance	43,862.58
April 17, 2017	Advance	175,927.50
April 17, 2017	Advance	34,023.92
April 17, 2017	Advance	16,941.94
April 17, 2017	Advance	1,366.31
April 17, 2017	Advance	19,257.65
April 17, 2017	Advance	27,836.97
April 17, 2017	Advance	3,515.74
April 17, 2017	Advance	19,540.50
April 17, 2017	Advance	19,931.26
April 17, 2017	Advance	22,915.69
April 17, 2017	Advance	3,319.77
April 17, 2017	Advance	13,135.23
April 17, 2017	Advance	8,919.32
April 18, 2017	Advance	11,781.15
April 18, 2017	Advance	8,280.38
April 18, 2017	Advance	42,568.70
May 8, 2017	Advance	5,866.68
May 8, 2017	Advance	18,900.00
May 24, 2017	Advance	5,664.75
May 24, 2017	Advance	6,189.75
May 25, 2017	Advance	128,900.00
May 30, 2017	Advance	3,865.91
May 30, 2017	Advance	2,954.27
June 5, 2017	Advance	8,446.01
June 16, 2017	Advance	52,500.00
June 19, 2017	Advance	7,300.01
June 19, 2017	Advance	7,300.01
June 19, 2017	Advance	5,680.00
June 19, 2017	Advance	6,600.00
June 19, 2017	Advance	5,600.00
June 19, 2017	Advance	29,058.75
June 21, 2017	Advance	32,680.02
June 21, 2017	Advance	23,264.33
June 22, 2017	Adjustment	(32,480.02)
July 6, 2017	Advance	97,802.69

July 6, 2017 Advance	7,064.47
July 6, 2017 Advance	98,121.06
July 6, 2017 Advance	7.50
July 17, 2017 Advance	33,026.06
July 17, 2017 Advance	7.50
July 17, 2017 Advance	82,791.02
July 17, 2017 Advance	7.50
July 17, 2017 Advance	21,000.00
July 17, 2017 Advance	7.50
August 24, 2017 Advance	22,538.02
August 25, 2017 Advance	350,000.00
August 24, 2017 Advance	100,000.00
August 29, 2017 Advance	32,894.69
September 30, 2017 Settle advances due from NFLP	3,993.36
September 30, 2017 Property taxes - 2016	337,663.35
September 30, 2017 Property taxes - 2016	925.71
September 30, 2017 Settle accounts receivable due from LFRLP	412,397.95
September 30, 2017 Settle accounts receivable due from LCCLP	1,500.00
September 30, 2017 Settle accounts receivable due from NPVLP	1,253.01
September 30, 2017 Adjustment	253.82
September 30, 2017 Payment applied from silviculture liability	(70,262.18)
October 4, 2017 Advance	13,453.13
October 4, 2017 Advance	53,671.52
October 4, 2017 Advance	36,733.94
October 4, 2017 Advance	100,000.00
October 30, 2017 Advance	24,839.06
October 30, 2017 Advance	61,450.94
November 25, 2017 Invictus	6,618.94
November 27, 2017 Property taxes - 2017	326,158.02
November 27, 2017 Property taxes - 2017	6,885.46
December 7, 2017 CML	10,500.00
December 7, 2017 CML	10,907.66
December 7, 2017 CML	10,867.50
December 7, 2017 CML	5,729.06
December 11, 2017 Invoice - royalty	1,479.18
December 11, 2017 Invoice - silviculture levi	2,808.57
December 19, 2017 CML	6,260.62
January 18, 2018 Advance	300,000.00
March 22, 2018 Advance	53,000.00
March 31, 2018 Settle accounts receivable due from NPVLP	30,000.00
March 31, 2018 Settle accounts receivable due from LFRLP	19,313.89
March 31, 2018 Settle accounts receivable due from NPVLP	5,676.79
March 31, 2018 Reverse Duplicate Charge NPVLP 2017 Prop Tax Penalty	(2,571.34)
March 31, 2018 Adjust \$30,000 Invoice to NPVLP - March 31, 2018	1,500.00
	<u>3,457,203.13</u>
April 9, 2018 Advance	34,000.00
April 9, 2018 Advance	80,000.00
April 9, 2018 Advance	6,000.00
April 26, 2018 Advance	730,000.00
May 31, 2018 Advance	220,000.00
July 4, 2018 Advance	220,000.00
July 27, 2018 Advance	145,000.00
	<u>1,435,000.00</u>
	<u>\$ 4,892,203.13</u>

This is Exhibit "B" referred to in the Affidavit of Terry Holt sworn before me at Vancouver, British Columbia, this 11th day of December, 2018.



A Commissioner for taking Affidavits
for British Columbia

Loan Agreement

This Agreement, dated September 19, 2018, is between the Nisga'a Nation, as represented by Nisga'a Lisims Government Executive (the "Nisga'a Nation") and Nisga'a Pacific Ventures Limited Partnership, Nisga'a Pacific Ventures Ltd., Lisims Forest Resources Limited Partnership, 1014075 B.C. Ltd., Nisga'a Fisheries Limited Partnership, 1014068 B.C. Ltd., Nisga'a Tourism Limited Partnership, 1014071 B.C. Ltd., K'alii Aks Construction Limited Partnership, K'alii Aks Construction Limited, Nass Area Properties Limited Partnership, Nass Area Properties Ltd., Lisims Communications Limited Partnership, Lisims Communications Inc., Nisga'a Guide Outfitting Limited Partnership, Nisga'a Guide Outfitting Limited, and Lisims Backcountry Adventures Inc. (collectively, the "NCG Entities").

Whereas the Nisga'a Nation proposes to lend an aggregate principal amount of up to \$1.6 million to one or more of the NCG Entities (the "Loan") on the terms and conditions in this Agreement.

Defined terms

1. "Advance" means a specific amount loaned to a NCG Entity by the Nisga'a Nation pursuant to this Agreement.
2. "Maturity Date" means the first anniversary of the date on which an Advance is made.
3. "Maximum Aggregate Loan Amount" means \$1.6 million.
4. "Permitted Use" means payment of amounts owing to a third party by a NCG Entity in connection with its daily business operations, and includes amounts owing by a NCG Entity in connection with its daily business operations as of the date of this Agreement.
5. "Security" means any security, including without limitation, any mortgage or general security agreement, given at any time by a NCG Entity to the Nisga'a Nation or to a third party.

Loan

6. From time to time, one or more of the NCG Entities may make a written request that the Nisga'a Nation loan it a specified amount for a specified purpose. The request must include:
 - (a) the name of the NCG Entity that wishes to borrow the funds;
 - (b) the amount that the NCG Entity wishes to borrow (the "Requested Funds");
 - (c) a description of the Permitted Use that the NCG Entity proposes to make of the Requested Funds;
 - (d) a copy of an invoice or similar statement, satisfactory to the Nisga'a Nation, in its sole discretion, equal to the Requested Funds; and
 - (e) the date on which the NCG Entity wishes to borrow the Requested Funds.

- 6
7. If the Nisga'a Nation is satisfied that a NCG Entity has made a request that meets the requirements of this Agreement, then the Nisga'a Nation may, in its sole discretion, lend some or all of the Requested Funds to that NCG Entity. For greater certainty:
 - (a) the Nisga'a Nation may refuse to lend some or all of any Requested Funds at any time for any reason, as determined by the Nisga'a Nation in its sole discretion, and the Nisga'a Nation will have no obligation to explain to the NCG Entity why it has declined to lend some or all of the Requested Funds; and
 - (b) the Nisga'a Nation will not be under any obligation to lend any funds to any specific NCG Entity, and the fact that the Nisga'a Nation has previously loaned funds to a NCG Entity, whether pursuant to this Agreement or otherwise, or that the total of all Advances to date is less than the Maximum Aggregate Loan Amount, will not obligate the Nisga'a Nation to lend any further funds to that, or any other, NCG Entity.
 8. The aggregate principal amount loaned by the Nisga'a Nation to all of the NCG Entities pursuant to this Agreement will not exceed the Maximum Aggregate Loan Amount. The Loan is not a revolving loan and amounts repaid may not be re-borrowed.
 9. Absent manifest error, the records maintained by the Nisga'a Nation will be conclusive proof of the borrowers, dates and amounts of all Advances and of all repayments made pursuant to this Agreement.
 10. An Advance will not bear interest.
 11. Each Advance will be due and repayable in full on the earlier of demand and the Maturity Date.
 12. A NCG Entity may repay some or all of an Advance at any time.

Events of Default and Demand

13. It is an Event of Default under this Agreement if:
 - (a) a NCG Entity uses any funds loaned to it by the Nisga'a Nation for any purpose other than the Permitted Use;
 - (b) a NCG Entity does not repay an Advance in full on the Maturity Date;
 - (c) a NCG Entity does not repay an Advance in full on demand; and
 - (d) a NCG Entity is in default under any Security.
14. The Nisga'a Nation may, upon the occurrence of an Event of Default, in addition to exercising any other remedies available to it at law or in equity, demand repayment in full of some or all Advances made pursuant to this Agreement, regardless of which NCG Entity is in default of its obligations hereunder.
15. Notwithstanding that the Maturity Date for a specific Advance has not occurred or that an Event of Default has not occurred, the Nisga'a Nation may, at any time and from time to time, demand

that a specific Advance or Advances are immediately due and repayable in full and, upon the Nisga'a Nation making any such demand, such Advance or Advances as are specified in the demand (which, for greater certainty, may include all Advances made to the date of demand) will immediately become due and repayable in full.

16. For greater certainty, the Nisga'a Nation will not have any obligation to give any notice to any person that it is considering making demand or any notice of demand to a NCG Entity before demanding repayment in full of all amounts loaned to that NCG Entity. The Nisga'a Nation may, in its sole discretion, demand repayment in full from some or all of the NCG Entities to which it has made Advances.

Guarantee and security

17. Before the Nisga'a Nation makes any Advances pursuant to this Agreement:
- (a) each NCG Entity will execute and deliver to the Nisga'a Nation a joint and several guarantee of the repayment by all other NCG Entities of all Advances made to those NCG Entities;
 - (b) Nass Area Properties Ltd. will execute and deliver to the Nisga'a Nation a mortgage over the lands it owns in the BC Land Title System; and
 - (c) unless the Nisga'a Nation determines otherwise, a general security agreement from each NCG Entity.
18. All security will be in a form satisfactory to the Nisga'a Nation.

General


19. Time is of the essence in this Agreement.
20. No NCG Entity may assign its interest in this Agreement without the prior written consent of the Nisga'a Nation.
21. This Agreement is binding upon, and will enure to the benefit of, the parties and their respective successors and permitted assigns.
22. Any notice, including demand of repayment, may be made by personal delivery or by e-mail to a director or officer of a NCG Entity (or, where the NCG Entity is a limited partnership, a director or officer of the general partner of the limited partnership) at the last e-mail address that the Nisga'a Nation has on record for that director or officer.
23. This Agreement may be executed in counterparts and a counterpart may be delivered by e-mail. All such counterparts will together constitute the same instrument.

Signature page follows.

Signature page to Loan Agreement.

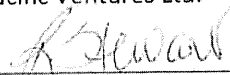
In witness whereof this Agreement has been executed as of the date at the top of the first page.

Nisga'a Nation,
as represented by the Nisga'a Lisims
Government Executive



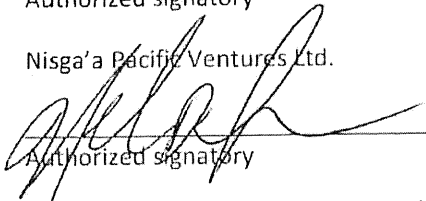
Authorized signatory

Nisga'a Pacific Ventures Limited Partnership,
by its general partner
Nisga'a Pacific Ventures Ltd.



Authorized signatory

Nisga'a Pacific Ventures Ltd.



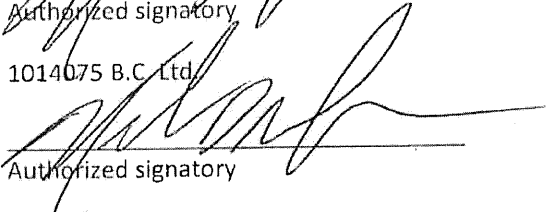
Authorized signatory

Lisims Forest Resources Limited Partnership,
by its general partner
1014075 B.C. Ltd.

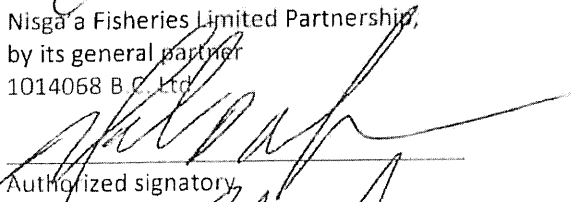
Authorized signatory

1014075 B.C. Ltd.



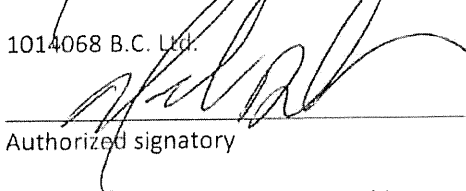

Authorized signatory

Nisga'a Fisheries Limited Partnership,
by its general partner
1014068 B.C. Ltd.



Authorized signatory

1014068 B.C. Ltd.

Authorized signatory

Nisga'a Tourism Limited Partnership,
by its general partner

1014071 B.C. Ltd.

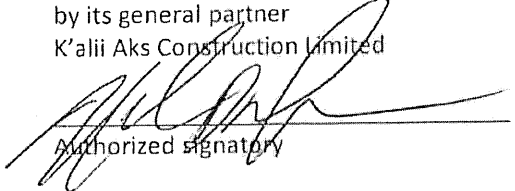
Authorized signatory

1014071 B.C. Ltd.

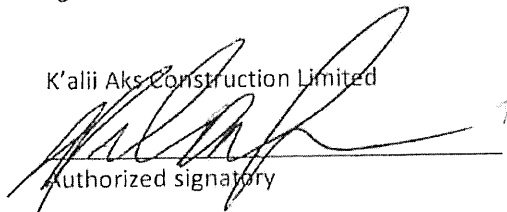
Authorized signatory

R. Howard

K'alii Aks Construction Limited Partnership,
by its general partner
K'alii Aks Construction Limited


Authorized signatory

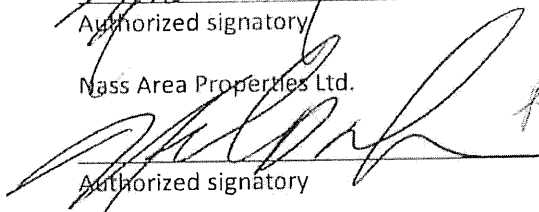
K'alii Aks Construction Limited

 R. Stewart
Authorized signatory

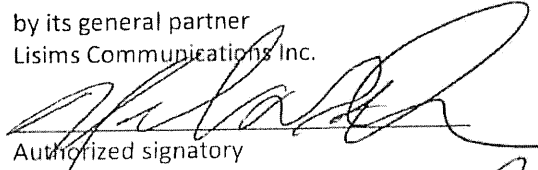
Nass Area Properties Limited Partnership,
by its general partner
Nass Area Properties Ltd.


Authorized signatory

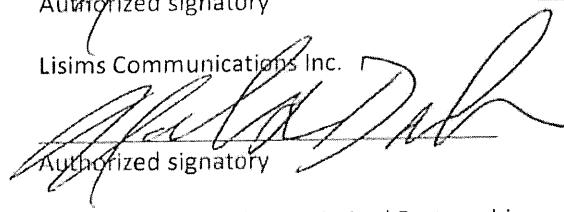
Nass Area Properties Ltd.

 R. Stewart
Authorized signatory

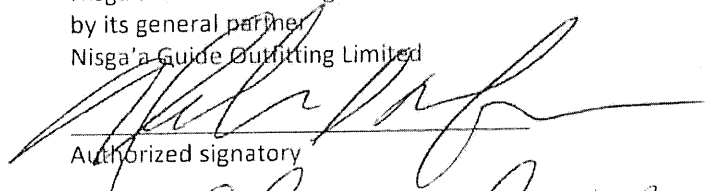
Lisims Communications Limited Partnership,
by its general partner
Lisims Communications Inc.


Authorized signatory

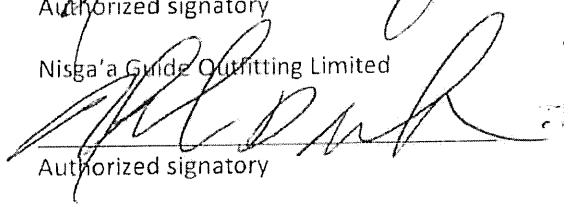
Lisims Communications Inc.

 R. Stewart
Authorized signatory

Nisga'a Guide Outfitting Limited Partnership,
by its general partner
Nisga'a Guide Outfitting Limited

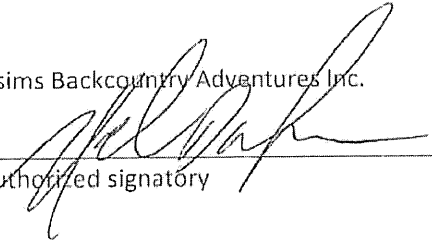

Authorized signatory

Nisga'a Guide Outfitting Limited

 R. Stewart
Authorized signatory

Lisims Backcountry Adventures Inc.

Authorized signatory

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is cursive and appears to be the name of the authorized signatory.A smaller, handwritten signature in black ink, located below the first signature. It is also cursive and appears to be a second signature or a correction.

This is Exhibit "C" referred to in the Affidavit of Terry Holt sworn before me at Vancouver, British Columbia, this 11th day of December, 2018.



A Commissioner for taking Affidavits
for British Columbia

Guarantee

This Guarantee, dated as of September 19, 2018, is jointly and severally granted in favour of the Nisga'a Nation, as represented by Nisga'a Lisims Government Executive (the "Nisga'a Nation"), by each of Nisga'a Pacific Ventures Limited Partnership, Nisga'a Pacific Ventures Ltd., Lisims Forest Resources Limited Partnership, 1014075 B.C. Ltd., Nisga'a Fisheries Limited Partnership, 1014068 B.C. Ltd., Nisga'a Tourism Limited Partnership, 1014071 B.C. Ltd., K'alii Aks Construction Limited Partnership, K'alii Aks Construction Limited, Nass Area Properties Limited Partnership, Nass Area Properties Ltd., Lisims Communications Limited Partnership, Lisims Communications Inc., Nisga'a Guide Outfitting Limited Partnership, Nisga'a Guide Outfitting Limited, and Lisims Backcountry Adventures Inc. (collectively, the "NCG Entities").

Whereas:

A. The Nisga'a Nation has agreed to loan an aggregate principal amount of up to \$1.6 million to one or more of the NCG Entities pursuant to a loan agreement dated as of September 19, 2018 (the "Loan Agreement").

B. It is a condition of the Loan Agreement that each NCG Entity provide this guarantee of the repayment by all other NCG Entities of all Advances (as that term is defined in the Loan Agreement) made to those NCG Entities pursuant to the Loan Agreement (the "Obligations").

Now therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree that:

1. Guarantee

1.1 Each NCG Entity hereby jointly and severally unconditionally guarantees and promises to pay, or to cause to be paid, the Obligations to the Nisga'a Nation.

2. Representations and Warranties

2.1 Each NCG Entity represents and warrants to the Nisga'a Nation that:

- (a) The execution and delivery of this Guarantee is not, and the performance of this Guarantee will not be, in contravention of, or in conflict with, any agreement, indenture or undertaking to which that NCG Entity is a party or by which it or any of its property is or may be bound or affected and do not, and will not, cause any security interest, lien or other encumbrances to be created or imposed upon any such property, other than as herein contemplated; and
- (b) This Guarantee is a legal, valid and binding obligation enforceable against that NCG Entity in accordance with its terms except as enforcement hereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights or by general equity principles.

3. Guarantee Independent

3.1 The liability of each NCG Entity hereunder is independent of the obligations of any other NCG Entity and a separate action or separate actions may be brought and prosecuted against each NCG Entity whether such action is brought or prosecuted against any other NCG Entity or whether any other NCG Entity is joined in any such action or actions. The liability of each NCG Entity hereunder is independent of, and not in consideration of, or contingent upon, the liability of any other person under any similar instrument and the release of, or cancellation by any grantor of any similar instrument will not act to release or otherwise affect the liability of each NCG Entity hereunder.

4. Authorization

4.1 Each NCG Entity authorizes the Nisga'a Nation, without notice or demand and without affecting its liability hereunder, from time to time to:

- (a) Renew, compromise, extend, accelerate or otherwise change the time for payment of, or otherwise change the terms of the indebtedness hereby guaranteed, or any part thereof, including increasing or decreasing the rate of interest thereon;
- (b) Take and hold security for the payment of the indebtedness hereby guaranteed, or any part thereof, and exchange, enforce, waive or release any such security and apply any such security and direct the order or manner of sale thereof as the Nisga'a Nation, in its discretion, may determine;
- (c) Release or substitute any one or more endorsers, guarantors and/or other obligors of this Guarantee or the indebtedness hereby guaranteed, or any part thereof; and/or
- (d) Grant any other indulgence to any other NCG Entity or any other person in respect of the indebtedness hereby guaranteed.

5. Waivers

5.1 Each NCG Entity waives the right to require the Nisga'a Nation to proceed against any other NCG Entity, to proceed under or exhaust any security held from any other NCG Entity or any other party or to pursue any other remedy in the power of the Nisga'a Nation whatsoever and each NCG Entity waives the right to have the property of any other NCG Entity first applied to discharge the indebtedness hereby guaranteed. The Nisga'a Nation may, at its election, exercise any right or remedy against any other NCG Entity or any security held by the Nisga'a Nation from any other NCG Entity or any other party, including, without limitation, the right to foreclose upon any such security or to exercise any power of sale without affecting or impairing in any way the liability of each NCG Entity hereunder, and each NCG Entity waives any defense arising out of the absence, impairment or loss of any right of reimbursement, contribution or subrogation or any other right or remedy of each NCG Entity against any other NCG Entity, or any such security, whether resulting from such election by the Nisga'a Nation or otherwise. Each NCG Entity waives any defense arising by reason of any other NCG Entity ceasing to be liable, either in whole or in part, to the Nisga'a Nation for the indebtedness hereby guaranteed by way of bankruptcy, insolvency or other proceedings whereby liability otherwise existing is extinguished by operation of law.

5.2 Until all of the indebtedness hereby guaranteed has been satisfied in full, each NCG Entity will have no right of subrogation to and waives any right to enforce, any remedy which the Nisga'a Nation now has or may hereafter have against any other NCG Entity in respect of the indebtedness hereby guaranteed and each NCG Entity waives any benefit of, and any right to participate in, any security, whether on real or personal property or otherwise, now or hereafter held by the Nisga'a Nation until the indebtedness hereby guaranteed has been satisfied in full. Each NCG Entity waives presentment, notice of non-performance, protest, notice of protest, notice of dishonour and notice of acceptance of this Guarantee and of the creation or incurring of new or additional indebtedness of any other NCG Entity to the Nisga'a Nation. Each NCG Entity assumes the responsibility for being and keeping itself informed of the financial condition of the other NCG Entities and of all other circumstances bearing upon the risk of non-payment of the indebtedness which diligent inquiry would reveal and agrees that the Nisga'a Nation will have no duty to advise any NCG Entity of information known to it regarding such condition or any such circumstance.

6. Security

6.1 This Guarantee and the agreements of each NCG Entity herein contained will take effect and will be and are hereby declared to be binding upon each NCG Entity notwithstanding any defect in or omission from any instrument under which the Nisga'a Nation has taken any security for the indebtedness hereby guaranteed, or any part thereof, or any non-registration or non-filing or defective registration or filing thereof. Each NCG Entity hereby further agrees that any loss of any security received by the Nisga'a Nation from any other NCG Entity or any other person, whether occasioned through the fault of the Nisga'a Nation or otherwise, will not discharge or limit or lessen the liability of each NCG Entity under this Guarantee.

7. Evidence of Indebtedness

7.1 A statement in writing of the Nisga'a Nation certifying the indebtedness of a NCG Entity to the Nisga'a Nation remaining unpaid at any time will be prima facie evidence of the said indebtedness and all right to question in any way the Nisga'a Nation's current or future method of dealing with any other NCG Entity or any person or persons now or hereafter liable to the Nisga'a Nation for the indebtedness hereby guaranteed, or any part thereof, or with any security now or hereafter held by the Nisga'a Nation or with any property covered by such security is hereby waived.

8. Principal Debtor

8.1 For greater certainty, it is hereby declared to be the intention of the parties that this Guarantee will be construed so as to impose the like obligation upon each NCG Entity as if that NCG Entity had covenanted as principal with respect to the indebtedness hereby guaranteed.

9. Bankruptcy

9.1 Upon the bankruptcy of any other NCG Entity or of any surety or guarantor of any of the indebtedness hereby guaranteed, the rights of the Nisga'a Nation will not be affected or impaired by any omission by the Nisga'a Nation to prove its claim or to prove its full claim and the Nisga'a Nation may prove such claim as it sees fit and may refrain from proving any claim and in the discretion of the Nisga'a Nation may value as it sees fit or refrain from valuing any security held by the Nisga'a Nation

without in any way releasing, reducing or otherwise affecting the liability of each NCG Entity to the Nisga'a Nation.

10. Choice of Law

10.1 This Guarantee and the rights and obligations of the parties hereto will be governed and construed according to the laws of the British Columbia.

11. General

11.1 All agreements, representations and warranties made herein will survive the execution and delivery of this Guarantee.

11.2 No failure or delay on the part of the Nisga'a Nation in the exercise of any power, right or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise of any such power, right or privilege preclude any other or further exercise of any such power, right or privilege. All powers, rights and privileges hereunder are in addition to, and not in substitution for, any powers, rights or privileges otherwise available.

11.3 No alteration, modification or waiver of this Guarantee or any of its terms, provisions or conditions will be binding on the Nisga'a Nation unless made in writing.

11.4 Upon the execution and delivery by each NCG Entity to the Nisga'a Nation of this Guarantee, this Guarantee will be deemed to be finally executed and delivered by each NCG Entity and will not be subject to or affected by any promise or condition affecting or limiting the liability of each NCG Entity, except as set forth herein, and no statement, representation, agreement or promise on the part of the Nisga'a Nation, unless contained herein, forms any part of this Guarantee or has induced the making hereof or will be deemed to affect the liability of each NCG Entity hereunder.

11.5 Except as otherwise provided herein, any notice herein required or permitted to be given will be in writing and may be sent by prepaid registered post, properly addressed, and if so sent will be deemed to have been received 3 days after the mailing thereof, or may be delivered personally, and if so delivered will be deemed to have been received at the time of delivery if a business day and if not a business day on the next succeeding business day.

11.6 In case any provision of this Guarantee will be invalid, illegal or unenforceable, such provision will be severable from the rest of this Guarantee and the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

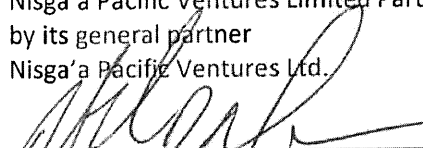
11.7 This Guarantee will be binding upon each NCG Entity and its successors and assigns and will enure to the benefit of the Nisga'a Nation and its successors and assigns. the Nisga'a Nation may assign this Guarantee or any of its rights and powers hereunder without notice, together with all or any of the indebtedness hereby guaranteed, and in such event the assignee will have the same rights and remedies as if originally named herein in place of the Nisga'a Nation.

11.8 Each NCG Entity hereby agrees to be responsible for and to pay all costs and expenses, including, without limitation, solicitors' fees and accountants' fees, incurred by the Nisga'a Nation in connection with the collection from that NCG Entity of the indebtedness hereby guaranteed.

11.9 This Guarantee may be delivered by e-mail.

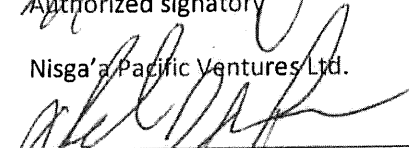
In witness whereof this Guarantee has been executed as of the date at the top of the first page.

Nisga'a Pacific Ventures Limited Partnership,
by its general partner
Nisga'a Pacific Ventures Ltd.



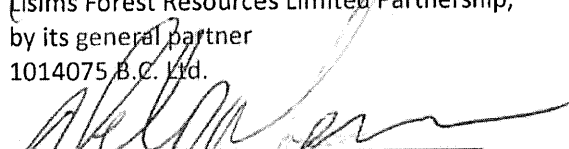
Authorized signatory

Nisga'a Pacific Ventures Ltd.



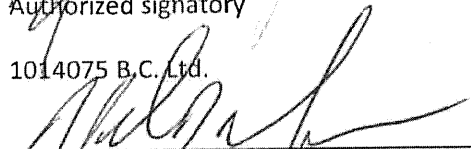
Authorized signatory

Lisims Forest Resources Limited Partnership,
by its general partner
1014075 B.C. Ltd.




Authorized signatory

1014075 B.C. Ltd.



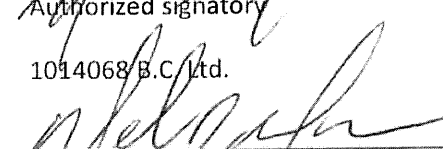
Authorized signatory

Nisga'a Fisheries Limited Partnership,
by its general partner
1014068 B.C. Ltd.



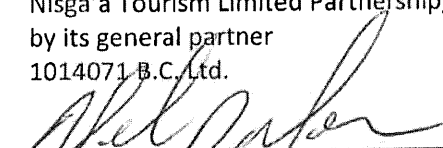
Authorized signatory

1014068 B.C. Ltd.



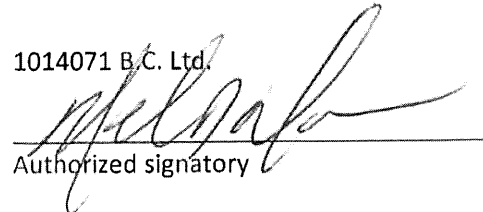
Authorized signatory

Nisga'a Tourism Limited Partnership,
by its general partner
1014071 B.C. Ltd.

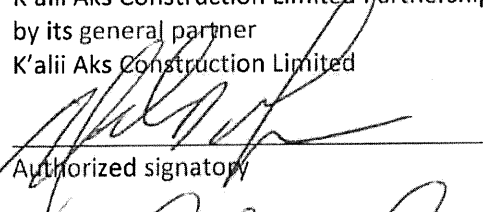


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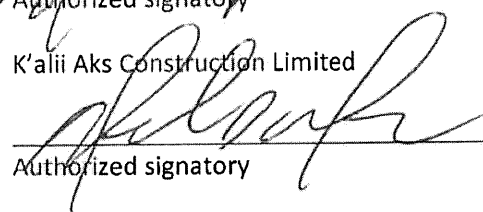
1014071 B.C. Ltd.


Authorized signatory


K'alii Aks Construction Limited Partnership,
by its general partner
K'alii Aks Construction Limited


Authorized signatory


K'alii Aks Construction Limited


Authorized signatory


Nass Area Properties Limited Partnership,
by its general partner
Nass Area Properties Ltd.


Authorized signatory

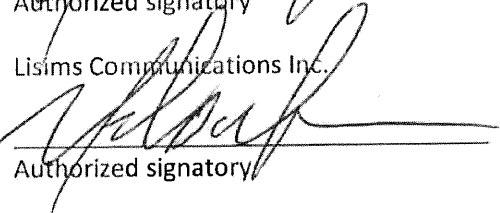
Nass Area Properties Ltd.


Authorized signatory

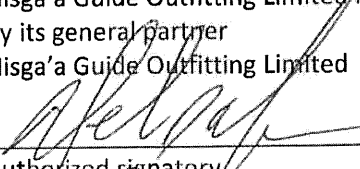
Lisims Communications Limited Partnership,
by its general partner
Lisims Communications Inc.


Authorized signatory

Lisims Communications Inc.

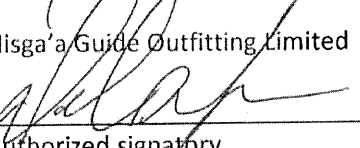

Authorized signatory

Nisga'a Guide Outfitting Limited Partnership,
by its general partner
Nisga'a Guide Outfitting Limited



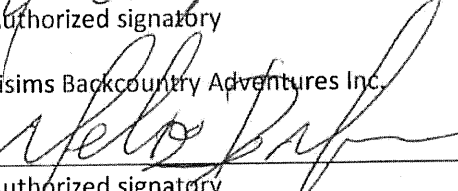
Authorized signatory

Nisga'a Guide Outfitting Limited



Authorized signatory

Lisims Backcountry Adventures Inc.



Authorized signatory

This is Exhibit "D" referred to in the Affidavit of Terry Holt sworn before me at Vancouver, British Columbia, this 11th day of December, 2018.

A handwritten signature in cursive script, appearing to read "Allan Perry".

A Commissioner for taking Affidavits
for British Columbia

General Security Agreement

THIS SECURITY AGREEMENT, dated as of October 5, 2018, is made

BY:

Nisga'a Pacific Ventures Limited Partnership (the "Debtor")

IN FAVOUR OF:

Nisga'a Nation (the "Secured Party")

FOR VALUE RECEIVED, the Debtor covenants, agrees, warrants, represents, acknowledges, and confirms to and with the Secured Party and creates and grants the mortgages, charges, transfers, assignments, and security interests as follows:

1. Security Interest

As security for the payment and performance of the Obligations (as defined in paragraph 3), the Debtor, subject to the exceptions set out in paragraph 2, does:

1.1 Grant to the Secured Party a security interest in, and mortgages, charges, transfers and assigns absolutely, all of the Debtor's present and after acquired personal property, and all personal property in which the Debtor has rights, of whatever nature or kind and wherever situate, including, without limitation, all of the following now owned or in future owned or acquired by or on behalf of the Debtor:

- (a) all goods, including:
 - (i) all inventory of whatever kind and wherever situate, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in progress, finished goods, returned goods, repossessed goods, and all packaging materials, supplies, and containers relating to or used or consumed in connection with any of the foregoing (collectively the "Inventory");
 - (ii) all equipment of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, fixtures, furniture, furnishings, chattels, motor vehicles, vessels, and other tangible personal property of whatever nature or kind (collectively the "Equipment");
- (b) all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action, and demands of every nature and kind however arising or secured including letters of credit and advices of credit, which are now due, owing, or accruing, or growing due to, or owned by, or which may in future

become due, owing, or accruing, or growing due to, or owned by the Debtor (the "Accounts");

- (c) all contractual rights, insurance claims, licences, goodwill, patents, trademarks, trade names, copyrights, and other industrial or intellectual property of the Debtor or in which the Debtor has an interest, all other choses in action of the Debtor of every kind which now are, or which may in future be, due or owing to or owned by the Debtor, and all other intangible property of the Debtor which is not Accounts, Chattel Paper, Instruments, Documents of Title, Investment Property, or Money;
- (d) all Money;
- (e) all property described in any schedule at any time in future annexed to this Agreement or agreed to form part of this Agreement;
- (f) the undertaking of the Debtor;
- (g) all Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, and Investment Property now owned or in future owned or acquired by or on behalf of the Debtor (including those returned to or repossessed by the Debtor) and all other goods of the Debtor that are not Equipment, Inventory, or Accounts;
- (h) all Proceeds, renewals, and accretions, and substitutions of any of the foregoing; and
- (i) all deeds, documents, writings, papers, books of account, and other books and electronically recorded data relating to any of the foregoing or by which any of the foregoing is or may in future be secured, evidenced, acknowledged, or made payable.

1.2 Charge as and by way of a floating charge to and in favour of the Secured Party, and grant to the Secured Party a security interest, mortgage, and charge in and to all property, assets, and undertakings of the Debtor, both present and future, of whatever nature or kind and wherever situate, and all Proceeds thereof and therefrom, other than any of its property, assets, and undertakings otherwise validly and effectively subject to the charges and security interests in favour of the Secured Party created under paragraph 1.1 of this Agreement. This charge attaches immediately upon the Debtor acquiring any rights in any of that property.

1.3 Mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party, and assign and transfer to the Secured Party and grant to the Secured Party, by way of mortgage, charge, assignment, and transfer, a security interest in all of the Debtor's right, title, and interest, both present and future, in and to all of its presently owned or held and after acquired or held property which:

- (a) is or in future becomes a fixture, or
- (b) constitutes a licence, quota, permit or other similar right or benefit, or crops.

1.4 The mortgages, charges, assignments, transfers, and security interests created or granted under paragraphs 1.1, 1.2, and 1.3 of this Agreement are collectively called the "Security Interest", and all property, assets, interests, and undertakings (including Proceeds) subject to the Security Interest or otherwise charged or secured by this Agreement or expressed to be charged, assigned or transferred, or secured by any instruments supplemental to this Agreement or in implementation of this Agreement are collectively called the "Collateral".

2. Exceptions and Definitions

The Security Interest granted by this Agreement shall not extend or apply to and the Collateral shall not extend to the last day of the term of any lease or agreement to lease real property, but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign and dispose thereof as the Secured Party shall direct.

The terms "Chattel Paper", "Document of Title", "Equipment", "Consumer Goods", "Instrument", "Intangible", "Investment Property", "Proceeds", "Inventory", "Accessions", "Money", "financing statement", "financing change statement", "verification statement", and "control" shall, unless otherwise defined in this Agreement or otherwise required by the context, be interpreted according to their respective meanings as set out in the British Columbia *Personal Property Security Act*, as amended.

Any reference in this Agreement to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". The Collateral shall not include consumer goods of the Debtor.

The term "Proceeds", whenever used and interpreted as above, shall by way of example include trade-ins, equipment, cash, bank accounts, notes, chattel paper, goods, contract rights, accounts, and any other personal property or obligation received when such collateral or proceeds are sold, exchanged, collected, or otherwise disposed of. The term "licence" means any licence or similar right at any time owned or held by the Debtor including without limitation a "licence" as defined in the Act, and the meaning of the term "crops" whenever used in this Agreement includes but is not limited to "crops" as defined in the Act.

3. Obligations Secured

This Agreement and the Security Interest are in addition to and not in substitution for any other security interest now or in future held by the Secured Party from the Debtor or from any other person and shall be general and continuing security for the payment of all indebtedness and liability of the Debtor to the Secured Party (including interest thereon) pursuant to a loan agreement (the "Loan Agreement"), dated September 19, 2018 among the Secured Party and the Debtor, among others, and a guarantee (the "Guarantee"), dated September 19, 2018, given to the Secured Party by the Debtor, among others, present or future, absolute or

contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, and any ultimate balance thereof, including all advances on current or running account and all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether the Debtor be bound alone or with another or others, and whether as principal or surety, and for the performance and satisfaction of all obligations of the Debtor to the Secured Party pursuant to this Agreement, the Loan Agreement, and the Guarantee, and whether the Debtor be bound alone or with another or others (all of which indebtedness, liability, and obligations are collectively called the "Obligations").

4. Prohibitions

Without the prior written consent of the Secured Party, the Debtor shall not and shall not have power to:

- (a) grant, create, or permit to be created any security interest in, charge, encumbrance, or lien over, or claim against any of its property, assets, or undertakings that rank or could rank in priority to or pari passu with the Security Interest;
- (b) grant, sell, or otherwise assign its Chattel Paper; or
- (c) issue or have outstanding at any time any secured or unsecured bonds, debentures, debenture stock, or other evidences of indebtedness of the Debtor or of any predecessor in title of the Debtor issued under a trust deed or other instrument running in favour of a trustee.

5. Attachment

The Debtor acknowledges and confirms that:

- (a) there is no intention to delay the time of attachment of the Security Interest created by this Agreement, and the Security Interest shall attach at the earliest time permissible under the laws governing this Agreement;
- (b) that value has been given; and
- (c) that the Debtor has (or in the case of any after acquired property, will have at the time of acquisition) rights in the Collateral.

6. Representations and Warranties

6.1 The Debtor represents and warrants to the Secured Party that:

- (a) the Debtor is duly qualified to conduct its business in each jurisdiction where it does so and all required matters and things have been done and performed so

as to authorize and make the execution and delivery of this Agreement, and the performance of the Debtor's obligations hereunder, legal, valid, and binding;

- (b) the Debtor lawfully owns and possesses all presently held Collateral and has good title thereto, free from all security interests, charges, encumbrances, liens, and claims, save only the charges or security interests, if any, consented to by the Secured Party, and the Debtor has good right and lawful authority to grant a security interest in the Collateral as provided by this Agreement;
- (c) where the Collateral includes Accounts, Chattel Paper, or Instruments, each is enforceable in accordance with its terms against the party obligated thereunder, and that the Debtor has fully and accurately disclosed to the Secured Party the amount owing thereunder and any other relevant information concerning liability for payment thereunder;
- (d) where the Collateral includes Investment Property, the Debtor has not given control of the Investment Property to any person; and
- (e) for goods constituting Collateral, the Debtor has in this Agreement or elsewhere fully and accurately disclosed to the Secured Party the locations thereof and of the business operations and records of the Debtor.

7. Covenants of the Debtor

7.1 The Debtor covenants with the Secured Party that at all times while this Agreement remains in effect the Debtor shall:

- (a) defend the title to the Collateral for the benefit of the Secured Party against the claims and demands of all persons;
- (b) fully and effectually maintain and keep maintained the validity and effectiveness of the Security Interest;
- (c) maintain the Collateral in good order and repair;
- (d) forthwith pay:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims, dues and other charges of every nature that may be lawfully levied, assessed, or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish such security as the Secured Party may require; and
 - (ii) all security interests, charges, encumbrances, liens and claims that rank or could in any event rank in priority to the Security Interest, other than the charges or security interests, if any, shown in any schedule to this Agreement and those consented to in writing by the Secured Party;

- (e) forthwith reimburse and indemnify the Secured Party for all costs, charges, expenses, and legal fees and disbursements that may be incurred by the Secured Party in:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, and registering this Agreement or notice of it and other documents, whether or not relating to this Agreement;
 - (iii) investigating title to the Collateral;
 - (iv) taking, recovering, keeping possession of, and insuring the Collateral; and
 - (v) all other actions and proceedings taken in connection with the preservation of the Collateral and the enforcement of this Agreement and of any other Security Interest held by the Secured Party as security for the Obligations;
- (f) at the Secured Party's request at any time and from time to time, execute and deliver such further and other documents and instruments and do all acts and things as the Secured Party in its absolute discretion requires in order to confirm and perfect, and maintain perfection of, the Security Interest in favour of the Secured Party upon any of the Collateral;
- (g) notify the Secured Party promptly of
 - (i) any change in the information contained in this Agreement relating to the Debtor, its address, its business, or the Collateral, including without limitation any change of name or address of the Debtor and any change in location of any Collateral;
 - (ii) the details of any material acquisition of Collateral;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in payment or other performance of his or her obligations to the Debtor with respect to any Accounts;
 - (v) the return to or repossession by the Debtor of the Collateral where such return or repossession of the Collateral is material in relation to the business of the Debtor; and
 - (vi) the details of any claims or litigation affecting the Debtor or the Collateral;

- (h) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted by this Agreement, from being or becoming an accession to other property not covered by this Agreement;
- (i) permit the Secured Party and its representatives, at all reasonable times, with access to all its property, assets, and undertakings and to all its books of account and records for the purpose of inspection, and render all assistance necessary for such inspection; and
- (j) deliver to the Secured Party from time to time promptly upon request:
 - (i) any Documents of Title, Instruments, certificated Securities, and Chattel Paper constituting, representing, or relating to Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists, and other writings relating to the Collateral for the purpose of inspecting, auditing, or copying;
 - (iii) account control agreements in respect of Investment Property, in form and substance satisfactory to the Secured Party;
 - (iv) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (v) all policies and certificates of insurance relating to the Collateral; and
 - (vi) any information concerning the Collateral, the Debtor, and the Debtor's business and affairs as the Secured Party may reasonably require;
- (k) carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral;
- (l) where the Collateral is Investment Property, shall prevent any party other than the Secured Party from having control;
- (m) duly observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (n) give immediate notice to the Secured Party in the event of a change of the name, corporate name or trade name of the Debtor;
- (o) duly pay all wages, claims for wages, and other similar liabilities which could create a lien or other charge on the Collateral ranking in priority to or pari passu

with the charges created by this Agreement except where the validity of any such claim or liabilities is being contested by the Debtor in good faith and the Debtor has satisfied the Secured Party that the contestation will not involve forfeiture of all or any part of the Collateral and, should the Debtor refuse or omit to pay any such claims or liabilities, the Secured Party may pay them or any of them, and any amount or amounts so paid together with interest thereon shall be repaid by the Debtor to the Secured Party on demand and until so repaid shall be one of the Obligations secured by this Agreement;

- (p) prevent the Collateral (other than Inventory, if any, sold, leased or otherwise disposed of as permitted hereby) from being or becoming an accession to other property not covered by this Agreement; and
- (q) except as contemplated by the agreement of the parties, prevent the Collateral which is personal property (other than Inventory, if any, sold, leased or otherwise disposed of as permitted hereby) from becoming affixed to land.

7.2 Except as provided in this Agreement, without the prior written consent of the Secured Party, the Debtor shall not:

- (a) sell, lease, or otherwise dispose of the Collateral;
- (b) release, surrender, or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdiction or jurisdictions in which the Security Interest has been perfected.

7.3 Provided that the Debtor is not in default under this Agreement, at any time without the consent of the Secured Party the Debtor may lease, sell, license, consign, or otherwise deal with items of Inventory in the ordinary course of its business and for the purposes of carrying on its business.

7.4 The Debtor covenants that to the extent that any monies, credit, or other consideration provided by the Secured Party has enabled the Debtor to purchase or acquire rights in any personal property or assets, the Security Interest is and shall remain a purchase money security interest.

8. Insurance

8.1 The Debtor covenants that at all times while this Agreement is in effect the Debtor shall:

- (a) maintain or cause to be maintained insurance on the Collateral with an insurer, of kinds, for amounts and payable to such person or persons, all as the Secured Party may require, and in particular but without limitation maintain insurance on the Collateral to its full insurable value against loss or damage by fire

including extended coverage endorsement, and in the case of motor vehicles and other mobile Collateral, maintain insurance against theft;

- (b) cause the insurance policy or policies required under this Agreement to be assigned to the Secured Party and have as part thereof a standard mortgage clause or a mortgage endorsement, as appropriate; and
- (c) pay all premiums in connection with such insurance, and deliver all such policies to the Secured Party, if it so requires.

8.2 If proceeds of any insurance required under this Agreement become payable, the Secured Party may, in its absolute discretion, apply those proceeds to such part or parts of the Obligations as the Secured Party may see fit, or the Secured Party may release any such insurance proceeds to the Debtor for the purpose of repairing, replacing, or rebuilding, but any release of insurance proceeds to the Debtor shall not operate as a payment on account of the Obligations or in any way affect this Agreement.

8.3 The Debtor shall forthwith, on the happening of loss or damage to the Collateral, notify the Secured Party thereof and furnish to the Secured Party at the Debtor's expense any necessary proof and do any necessary act to enable the Secured Party to obtain payment of the insurance proceeds, but nothing contained in this Agreement shall limit the Secured Party's right to submit to the insurer a proof of loss on its own behalf.

8.4 The Debtor irrevocably authorizes and directs the insurer under any policy of insurance required under this Agreement to include the name of the Secured Party as a loss payee on any cheque or draft that may be issued with respect to a claim under and by virtue of such insurance, and the production by the Secured Party to any insurer of a certified copy of this Agreement shall be its full and complete authority for so doing.

8.5 If the Debtor fails to maintain insurance as required by this Agreement, the Secured Party may, but shall not be obliged to, maintain or effect such insurance coverage, or so much thereof as the Secured Party considers necessary for its protection.

9. Use and Verification of Collateral

Subject to compliance with the Debtor's covenants contained in this Agreement and compliance with paragraph 11 of this Agreement, the Debtor may, until default, possess, operate, collect, use and enjoy, and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate. The Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith, and for such purpose to grant to the Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.

10. Investment Property

If Collateral at any time includes Investment Property, the Debtor authorizes the Secured Party to transfer the same or any part of it into its own name or that of its nominee(s) so that the Secured Party or its nominee(s) may appear on record as the sole owner of it, or has sole rights to it, as applicable; provided that, until default, the Secured Party shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After default, the Debtor waives all rights to receive any notices or communications received by the Secured Party or its nominee(s) as such registered owner and agrees that no proxy issued by the Secured Party to the Debtor or its order as aforesaid shall thereafter be effective.

11. Collection of Debts

Before or after default under this Agreement, without notice to the Debtor, the Secured Party may notify all or any account debtors of the Debtor of the Security Interest and may also direct such account debtors to make all payments on Collateral to the Secured Party. The Debtor acknowledges that any payments on or other Proceeds of Collateral received by the Debtor from account debtors, whether before or after notification of this Security Interest to account debtors, and whether before or after default under this Agreement, shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request. This includes interest on deferred payment contracts, and the payments themselves, and lease payments, if any.

12. Income from and Interest on Collateral

12.1 Until default, the Debtor reserves the right to receive any money constituting income from or interest on Collateral and if the Secured Party receives any such money before default, the Secured Party shall either credit that money against the Obligations or pay it promptly to the Debtor.

12.2 After default, the Debtor shall not request or receive any money constituting income from or interest on Collateral and if the Debtor receives any such money in any event, the Debtor shall hold that money in trust for the Secured Party and shall pay it promptly to the Secured Party.

13. Increases, Profits, Payments, or Distributions

13.1 Whether or not default has occurred, the Debtor authorizes the Secured Party

- (a) to receive any increase in or profits on the Collateral (other than money) and to hold the same as part of the Collateral. Money so received shall be treated as income for the purposes of paragraph 12 of this Agreement and dealt with accordingly, and

- (b) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of Collateral.

13.2 If the Debtor receives any such increase or profits (other than money) or payments or distributions, the Debtor shall deliver the same promptly to the Secured Party to be held by the Secured Party as provided in this Agreement.

14. Disposition of Monies

Subject to any requirements of applicable law, all monies collected or received by the Secured Party under or in exercise of any right it possesses with respect to Collateral shall be applied on account of the Obligations in such manner as the Secured Party deems best or, at the option of the Secured Party, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Secured Party under this Agreement, and any surplus shall be accounted for as required by law.

15. Performance of Obligations

If the Debtor fails to perform any of its obligations under this Agreement, the Secured Party may, but shall not be obliged to, perform any or all of those obligations without prejudice to any other rights and remedies of the Secured Party under this Agreement, and any payments made and any costs, charges, expenses, and legal fees and disbursements (on a solicitor and own client basis) incurred in connection therewith shall be payable by the Debtor to the Secured Party forthwith with interest until paid at the highest rate borne by any of the Obligations and such amounts shall be secured by this Agreement and rank prior to all claims subsequent to this Agreement.

16. Default

16.1 Unless waived by the Secured Party, it shall be an event of default (a "default") under this Agreement and the security constituted by this Agreement shall immediately become enforceable if:

- (a) any term, covenant, or representation of this Agreement is breached or if default occurs under any other agreement between the Secured Party and the Debtor; or
- (b) any amount owed to the Secured Party is not paid when due; or
- (c) the Debtor defaults or threatens to default in payment when due or performance of any of the Obligations; or
- (d) the Debtor or any guarantor of the Debtor declares itself to be insolvent, makes an assignment for the benefit of its creditors, is declared bankrupt, declares bankruptcy, makes a proposal, or otherwise takes advantage of provisions

under the *Bankruptcy and Insolvency Act*, the *Companies Creditors' Arrangement Act*, or similar legislation in any jurisdiction, or fails to pay its debts generally as they become due; or

- (e) a receiver or receiver-manager is appointed; or
- (f) the Debtor ceases to carry on all or a substantial part of its business; or
- (g) distress, execution, or seizure of any of the Collateral occurs; or
- (h) there is a change of voting control of the Debtor without the Secured Party's consent; or
- (i) the Debtor changes its name or amalgamates or merges without the Secured Party's consent; or
- (j) the Debtor allows any hazardous materials to be brought upon any lands or premises occupied by the Debtor; or
- (k) the Secured Party in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy.

16.2 In accordance with the British Columbia *Property Law Act*, the doctrine of consolidation applies to this Agreement.

16.3 It shall be an event of default under this Agreement and the security constituted by this Agreement shall immediately become enforceable if any term, covenant, or representation in any other agreement, contract, or other commitment of the Debtor to the Secured Party is breached or if default should occur under the same.

17. Acceleration

The Secured Party, in its sole discretion, may declare all or any part of the Obligations that are not by their terms payable on demand to be immediately due and payable in the event of any default, or, in the absence of default, if the Secured Party considers or deems itself insecure or that the Collateral is in jeopardy. The provisions of this paragraph do not and are not intended to affect in any way any rights of the Secured Party with respect to any Obligations that may now or in future be payable on demand.

18. Enforcement

18.1 Upon any default under this Agreement, the security constituted by this Agreement shall immediately become enforceable, and any floating charge will immediately attach to the Collateral. To enforce and realize on the security constituted by this Agreement, the Secured Party may take any action permitted by law or in equity, as it may deem

expedient, and in particular, but without limiting the generality of the foregoing, the Secured Party may do any of the following:

- (a) appoint by instrument a receiver, receiver and manager, or receiver-manager (the person so appointed is called the "Receiver") of the Collateral, with or without bond as the Secured Party may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any premises of the Debtor and take possession of the Collateral with power to exclude the Debtor, its agents, and its servants from those premises, without becoming liable as a mortgagee in possession;
- (c) preserve, protect, and maintain the Collateral and make such replacements and repairs and additions as the Secured Party may deem advisable;
- (d) sell, lease, or otherwise dispose of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained, and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease, or other disposition is on credit, the Debtor shall not be entitled to be credited with the proceeds of any such sale, lease, or other disposition until the monies therefor are actually received; and
- (e) exercise all of the rights and remedies of a secured party under applicable law.

18.2 A Receiver appointed under this Agreement shall be the agent of the Debtor and not of the Secured Party, and the Secured Party shall not be in any way responsible for any misconduct, negligence or nonfeasance on the part of any Receiver, its officers, servants, agents, or employees. A Receiver shall, to the extent permitted by law or to such lesser extent permitted by its appointment, have all the powers of the Secured Party under this Agreement, and in addition shall have power to carry on the business of the Debtor and for such purpose to enter upon, use, and occupy all premises owned or occupied by the Debtor in which Collateral may be situate, maintain Collateral upon such premises, use, Collateral directly or indirectly in carrying on the Debtor's business, and from time to time borrow money either unsecured or secured by a security interest in any of the Collateral. Any reference to the Secured Party in this Agreement includes, where the context permits, any Receiver appointed and the officers, employees, servants and agents of any such Receiver.

18.3 Subject to the claims, if any, of the creditors of the Debtor ranking in priority to this Agreement, all amounts realized from the disposition of Collateral under this Agreement shall be applied as the Secured Party, in its absolute discretion, may direct or as follows:

- (a) in payment of all costs, charges, and expenses (including legal fees and disbursements on a solicitor and own client basis) incurred by the Secured Party in connection with or incidental to
 - (i) the exercise by the Secured Party of all or any of the powers granted to it under this Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it under this Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver excluding the Receiver's borrowings;
- (b) in payment of any sum or sums borrowed by the Receiver from the Secured Party and interest thereon if such sum or sums are secured by the Collateral;
- (c) in or toward payment to the Secured Party of all principal and other monies (except interest) due in respect of the Obligations;
- (d) in or toward payment to the Secured Party of all interest remaining unpaid in respect of the Obligations; and
- (e) in or toward payment of any sum or sums borrowed by the Receiver from any financial institution, corporation, or person other than the Secured Party, and interest thereon if such sum or sums are secured by the Collateral.

Subject to applicable law and the claims, if any, of other creditors of the Debtor, any surplus shall be paid to the Debtor.

- 18.4 The Debtor agrees that the Secured Party may exercise its rights and remedies under this Agreement immediately upon default, except as may be otherwise provided by applicable law, and the Debtor expressly confirms that, except as may be otherwise provided in this Agreement or by applicable law, the Secured Party has not given any covenant, express or implied, and is under no obligation to allow the Debtor any period of time to remedy any default before the Secured Party exercises its rights and remedies under this Agreement.
- 18.5 The Secured Party shall not be liable or accountable for any delay or failure to exercise its remedies, take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Collateral. The Secured Party shall not be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Secured Party, the Debtor or any other person in respect of the Collateral or against any Debtor.
- 18.6 As soon as the Secured Party takes possession of any Collateral or appoints a Receiver, all powers, functions, rights and privileges of the directors and officers of the Debtor with respect to that Collateral shall cease, unless specifically continued by the written consent of the Secured Party or the Receiver.

- 18.7 The Debtor hereby releases and discharges the Secured Party and any Receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Debtor or any person claiming through or under the Debtor by reason of, or as a result of, any act or omission of the Secured Party or any successor or assign claiming through or under the Secured Party or the Receiver under the provisions of this Security Agreement unless such claim is the result of dishonesty or gross negligence.
- 18.8 Nothing herein shall obligate the Secured Party to assume or perform any obligation of the Debtor to any third party in respect of, or arising out of, the Collateral. The Debtor agrees to indemnify and save harmless the Secured Party from any and all claims of such third parties. The Secured Party may, at its option, assume or perform any such obligations which the Secured Party considers necessary or desirable to obtain the benefit of the Collateral, or any part thereof, free of any set off, deduction or abatement and any money so expended by the Secured Party shall form part of the Obligations and shall bear interest at the highest rate per annum from time to time charged by the Secured Party on any of the other Obligations.

19. Deficiency

If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full, the Debtor shall pay to the Secured Party the amount of such deficiency immediately upon demand for the same.

20. Rights Cumulative

All rights and remedies of the Secured Party set out in this Agreement are cumulative, and no right or remedy contained in this Agreement is intended to be exclusive but each shall be in addition to every other right or remedy contained in this Agreement or in any existing or future security agreement or now or in future existing at law, in equity or by statute, or under any other agreement between the Debtor and the Secured Party that may be in effect from time to time.

21. Liability of Secured Party

The Secured Party shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when the Secured Party shall manage the Collateral upon entry, as provided in this Agreement, nor shall the Secured Party be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Secured Party shall not be bound to do, observe, or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor, nor shall the Secured Party, in the case of Investment Property, Instruments, or Chattel Paper, be obliged to preserve rights against other persons, nor shall the Secured Party be obliged to keep any of the Collateral identifiable. The Debtor waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Secured Party than as contained in this paragraph.

22. Appointment of Attorney and Deed

- 22.1 The Debtor irrevocably appoints the Secured Party or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Debtor for and in the name of the Debtor to sign, endorse, or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances, or consents that the Debtor is obliged to sign, endorse, or execute, and generally to use the name of the Debtor and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Secured Party or the Receiver, as the case may be, under this Agreement.
- 22.2 Whether or not the Debtor attaches its corporate seal, if a corporation, this Agreement is intended to be and is deemed to be a deed given under seal.

23. Accounts

Subject to Part 5 of the Act, upon default, the Secured Party may collect, realize, sell, or otherwise deal with the Accounts or any part of them in such manner, upon such terms and conditions, and at such time or times, as may seem to it advisable, and without notice to the Debtor. Upon default, all monies or other forms of payment received by the Debtor in payment of any Account shall be received and held by the Debtor in trust for the Secured Party.

24. Appropriation of Payments

Any and all payments made in respect of the Obligations from time to time and monies realized from any security interests held therefor (including monies collected in accordance with or realized on any enforcement of this Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party may at all times and from time to time change any appropriation as the Secured Party may see fit.

25. Liability to Advance

None of the preparation, execution, perfection, and registration of this Agreement or notice of this Agreement or the advance of any monies shall bind the Secured Party to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Debtor to the Secured Party.

26. Secured Party's Knowledge

The representations, warranties, covenants and obligations of the Debtor in or under this Agreement shall apply regardless of any independent investigations that the Secured Party may make or cause to be made, or knowledge the Secured Party may have, prior to or following the execution of this Agreement.

27. Waiver

The Secured Party may from time to time and at any time waive in whole or in part any right, benefit, or default under any paragraph of this Agreement but any such waiver of any right, benefit, or default on any occasion shall be deemed not to be a waiver of any such right, benefit, or default thereafter, or of any other right, benefit or default, as the case may be, and no delay or omission by the Secured Party in exercising any right or remedy under this Agreement or with respect to any default shall operate as a waiver thereof or of any other right or remedy.

28. Notice

Any notice, demand, or other communication required or permitted to be given under this Agreement shall be effectually made or given if delivered by personal delivery to the address set out below or by e-mail to any director or officer of the Debtor or to the CEO of the Secured Party at the most recent e-mail address used by that person to communicate with the other party:

To the Debtor: 7414 Tait Avenue, New Aiyansh, B.C. V0J 1A0

To the Secured Party: 2000 Lisims Drive, New Aiyansh, B.C. V0J 1A0

or to such other address as either party may designate in the manner set out above. Any notice, demand, or other communication shall be deemed to have been given and received on the day of personal delivery or of e-mailing.

29. Extensions

The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of the Security Interest, and otherwise deal with the Debtor, account debtors of the Debtor, sureties, and others and with the Collateral, the Security Interest, and other security interests as the Secured Party sees fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize on the security constituted by this Agreement.

30. No Merger

This Agreement shall not operate to create any merger or discharge of any of the Obligations, or of any assignment, transfer, guarantee, lien, mortgage, contract, promissory note, bill of exchange, or security interest of any form held or which may in future be held by the Secured Party from the Debtor or from any other person. The taking of a judgment with respect to any of the Obligations shall not operate as a merger of any of the covenants contained in this Agreement.

31. Assignment

The Secured Party may, without further notice to the Debtor, at any time assign, transfer, or grant a security interest in this Agreement and the Security Interest. The Debtor expressly agrees that the assignee, transferee, or secured party, as the case may be, shall have all of the Secured Party's rights and remedies under this Agreement, and the Debtor shall not assert any defence, counterclaim, right of setoff, or otherwise with respect to any claim that the Debtor now has or in future acquires against the Secured Party in any action commenced by such assignee, transferee, or secured party, as the case may be, and shall pay the Obligations to the assignee, transferee, or secured party, as the case may be, as the Obligations become due.

32. Satisfaction and Discharge

Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to the Secured Party, shall be deemed not to be a redemption or discharge of this Agreement. The Debtor shall be entitled to a release and discharge of this Agreement upon full payment and satisfaction of all Obligations and upon written request by the Debtor and payment to the Secured Party of all costs, charges, expenses, and legal fees and disbursements (on a solicitor and own client basis) incurred by the Secured Party in connection with the Obligations and such release and discharge.

33. Enurement

This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors, and permitted assigns.

34. Interpretation

34.1 In this Agreement:

- (a) "Debtor" and the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used, depending upon whether the Debtor is one or more individuals, corporations, or partnerships and, if more than one, shall apply to and be binding upon each of them jointly and severally; and
- (b) "Act" means the British Columbia *Personal Property Security Act* and all regulations thereunder as amended.

34.2 Words and expressions used in this Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act, whether expressed in this Agreement with or without initial capital letters and whether in the singular or the plural, unless otherwise defined in this Agreement or unless the context otherwise requires, and, wherever the context so requires, in this Agreement the singular shall be read as if the plural were expressed, and vice-versa, and the provisions

of this Agreement shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm, or corporation.

- 34.3 Should any provision of this Agreement be declared or held invalid or unenforceable in whole or in part or against or with respect to the Debtor by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of any or all of the remaining provisions of this Agreement, which shall continue in full force and effect and be construed as if this Agreement had been executed without the invalid or unenforceable provision.
- 34.4 The headings of the paragraphs of this Agreement have been inserted for reference only and do not define, limit, alter, or enlarge the meaning of any provision of this Agreement.
- 34.5 This Agreement shall be governed by the laws of British Columbia.

35. Miscellaneous

- 35.1 The Debtor authorizes the Secured Party to file such financing statements, financing change statements, and other documents, and do such acts, matters, and things as the Secured Party may deem appropriate, to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral, and to realize upon the Security Interest.
- 35.2 The Debtor waives protest of any Instrument constituting Collateral at any time held by the Secured Party on which the Debtor is any way liable and, subject to the provisions of applicable law, notice of any other action taken by the Secured Party.
- 35.3 The Debtor covenants that it shall not amalgamate with any other company or entity without first obtaining the written consent of the Secured Party. The Debtor acknowledges and agrees that if it amalgamates with any other company or companies, then it is the intention of the parties that the term "Debtor" when used in this Agreement shall apply to each of the amalgamating companies and to the amalgamated company, so that the Security Interest granted by this Agreement:
- (a) shall extend to "Collateral" (as that term is defined in this Agreement) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" owned or acquired by the amalgamated company thereafter, and
 - (b) shall secure the "Obligations" (as that term is defined in this Agreement) of each of the amalgamating companies and the amalgamated company to the Secured Party at the time of amalgamation and any "Obligations" of the amalgamated company to the Secured Party arising thereafter. The Security Interest shall attach to "Collateral" owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of amalgamation,

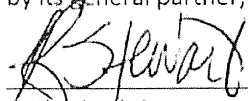
35.4 The Debtor authorizes the Secured Party to provide a copy of this Agreement and such other information and documents specified under the Act to any person entitled under the Act to demand and receive them.

36. Copy of Agreement and Financing Statement

The Debtor acknowledges receiving a copy of this Agreement, and waives all rights to receive from the Secured Party a copy of any financing statement, financing change statement, or verification statement filed, issued, or obtained at any time in respect of this Agreement.

IN WITNESS WHEREOF the Debtor has executed this Agreement as of the date at the top of the first page.

Nisga'a Pacific Ventures Limited Partnership,
by its general partner, Nisga'a Pacific Ventures Ltd.



Authorized signatory

This is Exhibit "E" referred to in the Affidavit of Terry Holt sworn before me at Vancouver, British Columbia, this 11th day of December, 2018.



A Commissioner for taking Affidavits
for British Columbia

General Security Agreement

THIS SECURITY AGREEMENT, dated as of October 5, 2018, is made

BY:

Nisga'a Pacific Ventures Ltd.(the "Debtor")

IN FAVOUR OF:

Nisga'a Nation (the "Secured Party")

FOR VALUE RECEIVED, the Debtor covenants, agrees, warrants, represents, acknowledges, and confirms to and with the Secured Party and creates and grants the mortgages, charges, transfers, assignments, and security interests as follows:

1. Security Interest

As security for the payment and performance of the Obligations (as defined in paragraph 3), the Debtor, subject to the exceptions set out in paragraph 2, does:

1.1 Grant to the Secured Party a security interest in, and mortgages, charges, transfers and assigns absolutely, all of the Debtor's present and after acquired personal property, and all personal property in which the Debtor has rights, of whatever nature or kind and wherever situate, including, without limitation, all of the following now owned or in future owned or acquired by or on behalf of the Debtor:

- (a) all goods, including:
 - (i) all inventory of whatever kind and wherever situate, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in progress, finished goods, returned goods, repossessed goods, and all packaging materials, supplies, and containers relating to or used or consumed in connection with any of the foregoing (collectively the "Inventory");
 - (ii) all equipment of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, fixtures, furniture, furnishings, chattels, motor vehicles, vessels, and other tangible personal property of whatever nature or kind (collectively the "Equipment");
- (b) all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action, and demands of every nature and kind however arising or secured including letters of credit and advices of credit, which are now due, owing, or accruing, or growing due to, or owned by, or which may in future

become due, owing, or accruing, or growing due to, or owned by the Debtor (the "Accounts");

- (c) all contractual rights, insurance claims, licences, goodwill, patents, trademarks, trade names, copyrights, and other industrial or intellectual property of the Debtor or in which the Debtor has an interest, all other choses in action of the Debtor of every kind which now are, or which may in future be, due or owing to or owned by the Debtor, and all other intangible property of the Debtor which is not Accounts, Chattel Paper, Instruments, Documents of Title, Investment Property, or Money;
- (d) all Money;
- (e) all property described in any schedule at any time in future annexed to this Agreement or agreed to form part of this Agreement;
- (f) the undertaking of the Debtor;
- (g) all Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, and Investment Property now owned or in future owned or acquired by or on behalf of the Debtor (including those returned to or repossessed by the Debtor) and all other goods of the Debtor that are not Equipment, Inventory, or Accounts;
- (h) all Proceeds, renewals, and accretions, and substitutions of any of the foregoing; and
- (i) all deeds, documents, writings, papers, books of account, and other books and electronically recorded data relating to any of the foregoing or by which any of the foregoing is or may in future be secured, evidenced, acknowledged, or made payable.

1.2 Charge as and by way of a floating charge to and in favour of the Secured Party, and grant to the Secured Party a security interest, mortgage, and charge in and to all property, assets, and undertakings of the Debtor, both present and future, of whatever nature or kind and wherever situate, and all Proceeds thereof and therefrom, other than any of its property, assets, and undertakings otherwise validly and effectively subject to the charges and security interests in favour of the Secured Party created under paragraph 1.1 of this Agreement. This charge attaches immediately upon the Debtor acquiring any rights in any of that property.

1.3 Mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party, and assign and transfer to the Secured Party and grant to the Secured Party, by way of mortgage, charge, assignment, and transfer, a security interest in all of the Debtor's right, title, and interest, both present and future, in and to all of its presently owned or held and after acquired or held property which:

- (a) is or in future becomes a fixture, or
- (b) constitutes a licence, quota, permit or other similar right or benefit, or crops.

1.4 The mortgages, charges, assignments, transfers, and security interests created or granted under paragraphs 1.1, 1.2, and 1.3 of this Agreement are collectively called the "Security Interest", and all property, assets, interests, and undertakings (including Proceeds) subject to the Security Interest or otherwise charged or secured by this Agreement or expressed to be charged, assigned or transferred, or secured by any instruments supplemental to this Agreement or in implementation of this Agreement are collectively called the "Collateral".

2. Exceptions and Definitions

The Security Interest granted by this Agreement shall not extend or apply to and the Collateral shall not extend to the last day of the term of any lease or agreement to lease real property, but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign and dispose thereof as the Secured Party shall direct.

The terms "Chattel Paper", "Document of Title", "Equipment", "Consumer Goods", "Instrument", "Intangible", "Investment Property", "Proceeds", "Inventory", "Accessions", "Money", "financing statement", "financing change statement", "verification statement", and "control" shall, unless otherwise defined in this Agreement or otherwise required by the context, be interpreted according to their respective meanings as set out in the British Columbia *Personal Property Security Act*, as amended.

Any reference in this Agreement to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". The Collateral shall not include consumer goods of the Debtor.

The term "Proceeds", whenever used and interpreted as above, shall by way of example include trade-ins, equipment, cash, bank accounts, notes, chattel paper, goods, contract rights, accounts, and any other personal property or obligation received when such collateral or proceeds are sold, exchanged, collected, or otherwise disposed of. The term "licence" means any licence or similar right at any time owned or held by the Debtor including without limitation a "licence" as defined in the Act, and the meaning of the term "crops" whenever used in this Agreement includes but is not limited to "crops" as defined in the Act.

3. Obligations Secured

This Agreement and the Security Interest are in addition to and not in substitution for any other security interest now or in future held by the Secured Party from the Debtor or from any other person and shall be general and continuing security for the payment of all indebtedness and liability of the Debtor to the Secured Party (including interest thereon) pursuant to a loan agreement (the "Loan Agreement"), dated September 19, 2018 among the Secured Party and the Debtor, among others, and a guarantee (the "Guarantee"), dated September 19, 2018, given to the Secured Party by the Debtor, among others, present or future, absolute or

contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, and any ultimate balance thereof, including all advances on current or running account and all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether the Debtor be bound alone or with another or others, and whether as principal or surety, and for the performance and satisfaction of all obligations of the Debtor to the Secured Party pursuant to this Agreement, the Loan Agreement, and the Guarantee, and whether the Debtor be bound alone or with another or others (all of which indebtedness, liability, and obligations are collectively called the "Obligations").

4. Prohibitions

Without the prior written consent of the Secured Party, the Debtor shall not and shall not have power to:

- (a) grant, create, or permit to be created any security interest in, charge, encumbrance, or lien over, or claim against any of its property, assets, or undertakings that rank or could rank in priority to or pari passu with the Security Interest;
- (b) grant, sell, or otherwise assign its Chattel Paper; or
- (c) issue or have outstanding at any time any secured or unsecured bonds, debentures, debenture stock, or other evidences of indebtedness of the Debtor or of any predecessor in title of the Debtor issued under a trust deed or other instrument running in favour of a trustee.

5. Attachment

The Debtor acknowledges and confirms that:

- (a) there is no intention to delay the time of attachment of the Security Interest created by this Agreement, and the Security Interest shall attach at the earliest time permissible under the laws governing this Agreement;
- (b) that value has been given; and
- (c) that the Debtor has (or in the case of any after acquired property, will have at the time of acquisition) rights in the Collateral.

6. Representations and Warranties

6.1 The Debtor represents and warrants to the Secured Party that:

- (a) the Debtor is duly qualified to conduct its business in each jurisdiction where it does so and all required matters and things have been done and performed so

as to authorize and make the execution and delivery of this Agreement, and the performance of the Debtor's obligations hereunder, legal, valid, and binding;

- (b) the Debtor lawfully owns and possesses all presently held Collateral and has good title thereto, free from all security interests, charges, encumbrances, liens, and claims, save only the charges or security interests, if any, consented to by the Secured Party, and the Debtor has good right and lawful authority to grant a security interest in the Collateral as provided by this Agreement;
- (c) where the Collateral includes Accounts, Chattel Paper, or Instruments, each is enforceable in accordance with its terms against the party obligated thereunder, and that the Debtor has fully and accurately disclosed to the Secured Party the amount owing thereunder and any other relevant information concerning liability for payment thereunder;
- (d) where the Collateral includes Investment Property, the Debtor has not given control of the Investment Property to any person; and
- (e) for goods constituting Collateral, the Debtor has in this Agreement or elsewhere fully and accurately disclosed to the Secured Party the locations thereof and of the business operations and records of the Debtor.

7. Covenants of the Debtor

7.1 The Debtor covenants with the Secured Party that at all times while this Agreement remains in effect the Debtor shall:

- (a) defend the title to the Collateral for the benefit of the Secured Party against the claims and demands of all persons;
- (b) fully and effectually maintain and keep maintained the validity and effectiveness of the Security Interest;
- (c) maintain the Collateral in good order and repair;
- (d) forthwith pay:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims, dues and other charges of every nature that may be lawfully levied, assessed, or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish such security as the Secured Party may require; and
 - (ii) all security interests, charges, encumbrances, liens and claims that rank or could in any event rank in priority to the Security Interest, other than the charges or security interests, if any, shown in any schedule to this Agreement and those consented to in writing by the Secured Party;

- (e) forthwith reimburse and indemnify the Secured Party for all costs, charges, expenses, and legal fees and disbursements that may be incurred by the Secured Party in:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, and registering this Agreement or notice of it and other documents, whether or not relating to this Agreement;
 - (iii) investigating title to the Collateral;
 - (iv) taking, recovering, keeping possession of, and insuring the Collateral; and
 - (v) all other actions and proceedings taken in connection with the preservation of the Collateral and the enforcement of this Agreement and of any other Security Interest held by the Secured Party as security for the Obligations;
- (f) at the Secured Party's request at any time and from time to time, execute and deliver such further and other documents and instruments and do all acts and things as the Secured Party in its absolute discretion requires in order to confirm and perfect, and maintain perfection of, the Security Interest in favour of the Secured Party upon any of the Collateral;
- (g) notify the Secured Party promptly of
 - (i) any change in the information contained in this Agreement relating to the Debtor, its address, its business, or the Collateral, including without limitation any change of name or address of the Debtor and any change in location of any Collateral;
 - (ii) the details of any material acquisition of Collateral;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in payment or other performance of his or her obligations to the Debtor with respect to any Accounts;
 - (v) the return to or repossession by the Debtor of the Collateral where such return or repossession of the Collateral is material in relation to the business of the Debtor; and
 - (vi) the details of any claims or litigation affecting the Debtor or the Collateral;

- (h) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted by this Agreement, from being or becoming an accession to other property not covered by this Agreement;
- (i) permit the Secured Party and its representatives, at all reasonable times, with access to all its property, assets, and undertakings and to all its books of account and records for the purpose of inspection, and render all assistance necessary for such inspection; and
- (j) deliver to the Secured Party from time to time promptly upon request:
 - (i) any Documents of Title, Instruments, certificated Securities, and Chattel Paper constituting, representing, or relating to Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists, and other writings relating to the Collateral for the purpose of inspecting, auditing, or copying;
 - (iii) account control agreements in respect of Investment Property, in form and substance satisfactory to the Secured Party;
 - (iv) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (v) all policies and certificates of insurance relating to the Collateral; and
 - (vi) any information concerning the Collateral, the Debtor, and the Debtor's business and affairs as the Secured Party may reasonably require;
- (k) carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral;
- (l) where the Collateral is Investment Property, shall prevent any party other than the Secured Party from having control;
- (m) duly observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (n) give immediate notice to the Secured Party in the event of a change of the name, corporate name or trade name of the Debtor;
- (o) duly pay all wages, claims for wages, and other similar liabilities which could create a lien or other charge on the Collateral ranking in priority to or pari passu

with the charges created by this Agreement except where the validity of any such claim or liabilities is being contested by the Debtor in good faith and the Debtor has satisfied the Secured Party that the contestation will not involve forfeiture of all or any part of the Collateral and, should the Debtor refuse or omit to pay any such claims or liabilities, the Secured Party may pay them or any of them, and any amount or amounts so paid together with interest thereon shall be repaid by the Debtor to the Secured Party on demand and until so repaid shall be one of the Obligations secured by this Agreement;

- (p) prevent the Collateral (other than Inventory, if any, sold, leased or otherwise disposed of as permitted hereby) from being or becoming an accession to other property not covered by this Agreement; and
- (q) except as contemplated by the agreement of the parties, prevent the Collateral which is personal property (other than Inventory, if any, sold, leased or otherwise disposed of as permitted hereby) from becoming affixed to land.

7.2 Except as provided in this Agreement, without the prior written consent of the Secured Party, the Debtor shall not:

- (a) sell, lease, or otherwise dispose of the Collateral;
- (b) release, surrender, or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdiction or jurisdictions in which the Security Interest has been perfected.

7.3 Provided that the Debtor is not in default under this Agreement, at any time without the consent of the Secured Party the Debtor may lease, sell, license, consign, or otherwise deal with items of Inventory in the ordinary course of its business and for the purposes of carrying on its business.

7.4 The Debtor covenants that to the extent that any monies, credit, or other consideration provided by the Secured Party has enabled the Debtor to purchase or acquire rights in any personal property or assets, the Security Interest is and shall remain a purchase money security interest.

8. Insurance

8.1 The Debtor covenants that at all times while this Agreement is in effect the Debtor shall:

- (a) maintain or cause to be maintained insurance on the Collateral with an insurer, of kinds, for amounts and payable to such person or persons, all as the Secured Party may require, and in particular but without limitation maintain insurance on the Collateral to its full insurable value against loss or damage by fire

including extended coverage endorsement, and in the case of motor vehicles and other mobile Collateral, maintain insurance against theft;

- (b) cause the insurance policy or policies required under this Agreement to be assigned to the Secured Party and have as part thereof a standard mortgage clause or a mortgage endorsement, as appropriate; and
- (c) pay all premiums in connection with such insurance, and deliver all such policies to the Secured Party, if it so requires.

8.2 If proceeds of any insurance required under this Agreement become payable, the Secured Party may, in its absolute discretion, apply those proceeds to such part or parts of the Obligations as the Secured Party may see fit, or the Secured Party may release any such insurance proceeds to the Debtor for the purpose of repairing, replacing, or rebuilding, but any release of insurance proceeds to the Debtor shall not operate as a payment on account of the Obligations or in any way affect this Agreement.

8.3 The Debtor shall forthwith, on the happening of loss or damage to the Collateral, notify the Secured Party thereof and furnish to the Secured Party at the Debtor's expense any necessary proof and do any necessary act to enable the Secured Party to obtain payment of the insurance proceeds, but nothing contained in this Agreement shall limit the Secured Party's right to submit to the insurer a proof of loss on its own behalf.

8.4 The Debtor irrevocably authorizes and directs the insurer under any policy of insurance required under this Agreement to include the name of the Secured Party as a loss payee on any cheque or draft that may be issued with respect to a claim under and by virtue of such insurance, and the production by the Secured Party to any insurer of a certified copy of this Agreement shall be its full and complete authority for so doing.

8.5 If the Debtor fails to maintain insurance as required by this Agreement, the Secured Party may, but shall not be obliged to, maintain or effect such insurance coverage, or so much thereof as the Secured Party considers necessary for its protection.

9. Use and Verification of Collateral

Subject to compliance with the Debtor's covenants contained in this Agreement and compliance with paragraph 11 of this Agreement, the Debtor may, until default, possess, operate, collect, use and enjoy, and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate. The Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith, and for such purpose to grant to the Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.

10. Investment Property

If Collateral at any time includes Investment Property, the Debtor authorizes the Secured Party to transfer the same or any part of it into its own name or that of its nominee(s) so that the Secured Party or its nominee(s) may appear on record as the sole owner of it, or has sole rights to it, as applicable; provided that, until default, the Secured Party shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After default, the Debtor waives all rights to receive any notices or communications received by the Secured Party or its nominee(s) as such registered owner and agrees that no proxy issued by the Secured Party to the Debtor or its order as aforesaid shall thereafter be effective.

11. Collection of Debts

Before or after default under this Agreement, without notice to the Debtor, the Secured Party may notify all or any account debtors of the Debtor of the Security Interest and may also direct such account debtors to make all payments on Collateral to the Secured Party. The Debtor acknowledges that any payments on or other Proceeds of Collateral received by the Debtor from account debtors, whether before or after notification of this Security Interest to account debtors, and whether before or after default under this Agreement, shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request. This includes interest on deferred payment contracts, and the payments themselves, and lease payments, if any.

12. Income from and Interest on Collateral

12.1 Until default, the Debtor reserves the right to receive any money constituting income from or interest on Collateral and if the Secured Party receives any such money before default, the Secured Party shall either credit that money against the Obligations or pay it promptly to the Debtor.

12.2 After default, the Debtor shall not request or receive any money constituting income from or interest on Collateral and if the Debtor receives any such money in any event, the Debtor shall hold that money in trust for the Secured Party and shall pay it promptly to the Secured Party.

13. Increases, Profits, Payments, or Distributions

13.1 Whether or not default has occurred, the Debtor authorizes the Secured Party

- (a) to receive any increase in or profits on the Collateral (other than money) and to hold the same as part of the Collateral. Money so received shall be treated as income for the purposes of paragraph 12 of this Agreement and dealt with accordingly, and

- (b) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of Collateral.

13.2 If the Debtor receives any such increase or profits (other than money) or payments or distributions, the Debtor shall deliver the same promptly to the Secured Party to be held by the Secured Party as provided in this Agreement.

14. Disposition of Monies

Subject to any requirements of applicable law, all monies collected or received by the Secured Party under or in exercise of any right it possesses with respect to Collateral shall be applied on account of the Obligations in such manner as the Secured Party deems best or, at the option of the Secured Party, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Secured Party under this Agreement, and any surplus shall be accounted for as required by law.

15. Performance of Obligations

If the Debtor fails to perform any of its obligations under this Agreement, the Secured Party may, but shall not be obliged to, perform any or all of those obligations without prejudice to any other rights and remedies of the Secured Party under this Agreement, and any payments made and any costs, charges, expenses, and legal fees and disbursements (on a solicitor and own client basis) incurred in connection therewith shall be payable by the Debtor to the Secured Party forthwith with interest until paid at the highest rate borne by any of the Obligations and such amounts shall be secured by this Agreement and rank prior to all claims subsequent to this Agreement.

16. Default

16.1 Unless waived by the Secured Party, it shall be an event of default (a "default") under this Agreement and the security constituted by this Agreement shall immediately become enforceable if:

- (a) any term, covenant, or representation of this Agreement is breached or if default occurs under any other agreement between the Secured Party and the Debtor; or
- (b) any amount owed to the Secured Party is not paid when due; or
- (c) the Debtor defaults or threatens to default in payment when due or performance of any of the Obligations; or
- (d) the Debtor or any guarantor of the Debtor declares itself to be insolvent, makes an assignment for the benefit of its creditors, is declared bankrupt, declares bankruptcy, makes a proposal, or otherwise takes advantage of provisions

under the *Bankruptcy and Insolvency Act*, the *Companies Creditors' Arrangement Act*, or similar legislation in any jurisdiction, or fails to pay its debts generally as they become due; or

- (e) a receiver or receiver-manager is appointed; or
- (f) the Debtor ceases to carry on all or a substantial part of its business; or
- (g) distress, execution, or seizure of any of the Collateral occurs; or
- (h) there is a change of voting control of the Debtor without the Secured Party's consent; or
- (i) the Debtor changes its name or amalgamates or merges without the Secured Party's consent; or
- (j) the Debtor allows any hazardous materials to be brought upon any lands or premises occupied by the Debtor; or
- (k) the Secured Party in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy.

16.2 In accordance with the British Columbia *Property Law Act*, the doctrine of consolidation applies to this Agreement.

16.3 It shall be an event of default under this Agreement and the security constituted by this Agreement shall immediately become enforceable if any term, covenant, or representation in any other agreement, contract, or other commitment of the Debtor to the Secured Party is breached or if default should occur under the same.

17. Acceleration

The Secured Party, in its sole discretion, may declare all or any part of the Obligations that are not by their terms payable on demand to be immediately due and payable in the event of any default, or, in the absence of default, if the Secured Party considers or deems itself insecure or that the Collateral is in jeopardy. The provisions of this paragraph do not and are not intended to affect in any way any rights of the Secured Party with respect to any Obligations that may now or in future be payable on demand.

18. Enforcement

18.1 Upon any default under this Agreement, the security constituted by this Agreement shall immediately become enforceable, and any floating charge will immediately attach to the Collateral. To enforce and realize on the security constituted by this Agreement, the Secured Party may take any action permitted by law or in equity, as it may deem

expedient, and in particular, but without limiting the generality of the foregoing, the Secured Party may do any of the following:

- (a) appoint by instrument a receiver, receiver and manager, or receiver-manager (the person so appointed is called the "Receiver") of the Collateral, with or without bond as the Secured Party may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any premises of the Debtor and take possession of the Collateral with power to exclude the Debtor, its agents, and its servants from those premises, without becoming liable as a mortgagee in possession;
- (c) preserve, protect, and maintain the Collateral and make such replacements and repairs and additions as the Secured Party may deem advisable;
- (d) sell, lease, or otherwise dispose of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained, and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease, or other disposition is on credit, the Debtor shall not be entitled to be credited with the proceeds of any such sale, lease, or other disposition until the monies therefor are actually received; and
- (e) exercise all of the rights and remedies of a secured party under applicable law.

18.2 A Receiver appointed under this Agreement shall be the agent of the Debtor and not of the Secured Party, and the Secured Party shall not be in any way responsible for any misconduct, negligence or nonfeasance on the part of any Receiver, its officers, servants, agents, or employees. A Receiver shall, to the extent permitted by law or to such lesser extent permitted by its appointment, have all the powers of the Secured Party under this Agreement, and in addition shall have power to carry on the business of the Debtor and for such purpose to enter upon, use, and occupy all premises owned or occupied by the Debtor in which Collateral may be situate, maintain Collateral upon such premises, use, Collateral directly or indirectly in carrying on the Debtor's business, and from time to time borrow money either unsecured or secured by a security interest in any of the Collateral. Any reference to the Secured Party in this Agreement includes, where the context permits, any Receiver appointed and the officers, employees, servants and agents of any such Receiver.

18.3 Subject to the claims, if any, of the creditors of the Debtor ranking in priority to this Agreement, all amounts realized from the disposition of Collateral under this Agreement shall be applied as the Secured Party, in its absolute discretion, may direct or as follows:

- (a) in payment of all costs, charges, and expenses (including legal fees and disbursements on a solicitor and own client basis) incurred by the Secured Party in connection with or incidental to
 - (i) the exercise by the Secured Party of all or any of the powers granted to it under this Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it under this Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver excluding the Receiver's borrowings;
- (b) in payment of any sum or sums borrowed by the Receiver from the Secured Party and interest thereon if such sum or sums are secured by the Collateral;
- (c) in or toward payment to the Secured Party of all principal and other monies (except interest) due in respect of the Obligations;
- (d) in or toward payment to the Secured Party of all interest remaining unpaid in respect of the Obligations; and
- (e) in or toward payment of any sum or sums borrowed by the Receiver from any financial institution, corporation, or person other than the Secured Party, and interest thereon if such sum or sums are secured by the Collateral.

Subject to applicable law and the claims, if any, of other creditors of the Debtor, any surplus shall be paid to the Debtor.

- 18.4 The Debtor agrees that the Secured Party may exercise its rights and remedies under this Agreement immediately upon default, except as may be otherwise provided by applicable law, and the Debtor expressly confirms that, except as may be otherwise provided in this Agreement or by applicable law, the Secured Party has not given any covenant, express or implied, and is under no obligation to allow the Debtor any period of time to remedy any default before the Secured Party exercises its rights and remedies under this Agreement.
- 18.5 The Secured Party shall not be liable or accountable for any delay or failure to exercise its remedies, take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Collateral. The Secured Party shall not be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Secured Party, the Debtor or any other person in respect of the Collateral or against any Debtor.
- 18.6 As soon as the Secured Party takes possession of any Collateral or appoints a Receiver, all powers, functions, rights and privileges of the directors and officers of the Debtor with respect to that Collateral shall cease, unless specifically continued by the written consent of the Secured Party or the Receiver.

- 18.7 The Debtor hereby releases and discharges the Secured Party and any Receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Debtor or any person claiming through or under the Debtor by reason of, or as a result of, any act or omission of the Secured Party or any successor or assign claiming through or under the Secured Party or the Receiver under the provisions of this Security Agreement unless such claim is the result of dishonesty or gross negligence.
- 18.8 Nothing herein shall obligate the Secured Party to assume or perform any obligation of the Debtor to any third party in respect of, or arising out of, the Collateral. The Debtor agrees to indemnify and save harmless the Secured Party from any and all claims of such third parties. The Secured Party may, at its option, assume or perform any such obligations which the Secured Party considers necessary or desirable to obtain the benefit of the Collateral, or any part thereof, free of any set off, deduction or abatement and any money so expended by the Secured Party shall form part of the Obligations and shall bear interest at the highest rate per annum from time to time charged by the Secured Party on any of the other Obligations.

19. Deficiency

If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full, the Debtor shall pay to the Secured Party the amount of such deficiency immediately upon demand for the same.

20. Rights Cumulative

All rights and remedies of the Secured Party set out in this Agreement are cumulative, and no right or remedy contained in this Agreement is intended to be exclusive but each shall be in addition to every other right or remedy contained in this Agreement or in any existing or future security agreement or now or in future existing at law, in equity or by statute, or under any other agreement between the Debtor and the Secured Party that may be in effect from time to time.

21. Liability of Secured Party

The Secured Party shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when the Secured Party shall manage the Collateral upon entry, as provided in this Agreement, nor shall the Secured Party be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Secured Party shall not be bound to do, observe, or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor, nor shall the Secured Party, in the case of Investment Property, Instruments, or Chattel Paper, be obliged to preserve rights against other persons, nor shall the Secured Party be obliged to keep any of the Collateral identifiable. The Debtor waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Secured Party than as contained in this paragraph.

22. Appointment of Attorney and Deed

22.1 The Debtor irrevocably appoints the Secured Party or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Debtor for and in the name of the Debtor to sign, endorse, or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances, or consents that the Debtor is obliged to sign, endorse, or execute, and generally to use the name of the Debtor and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Secured Party or the Receiver, as the case may be, under this Agreement.

22.2 Whether or not the Debtor attaches its corporate seal, if a corporation, this Agreement is intended to be and is deemed to be a deed given under seal.

23. Accounts

Subject to Part 5 of the Act, upon default, the Secured Party may collect, realize, sell, or otherwise deal with the Accounts or any part of them in such manner, upon such terms and conditions, and at such time or times, as may seem to it advisable, and without notice to the Debtor. Upon default, all monies or other forms of payment received by the Debtor in payment of any Account shall be received and held by the Debtor in trust for the Secured Party.

24. Appropriation of Payments

Any and all payments made in respect of the Obligations from time to time and monies realized from any security interests held therefor (including monies collected in accordance with or realized on any enforcement of this Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party may at all times and from time to time change any appropriation as the Secured Party may see fit.

25. Liability to Advance

None of the preparation, execution, perfection, and registration of this Agreement or notice of this Agreement or the advance of any monies shall bind the Secured Party to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Debtor to the Secured Party.

26. Secured Party's Knowledge

The representations, warranties, covenants and obligations of the Debtor in or under this Agreement shall apply regardless of any independent investigations that the Secured Party may make or cause to be made, or knowledge the Secured Party may have, prior to or following the execution of this Agreement.

27. Waiver

The Secured Party may from time to time and at any time waive in whole or in part any right, benefit, or default under any paragraph of this Agreement but any such waiver of any right, benefit, or default on any occasion shall be deemed not to be a waiver of any such right, benefit, or default thereafter, or of any other right, benefit or default, as the case may be, and no delay or omission by the Secured Party in exercising any right or remedy under this Agreement or with respect to any default shall operate as a waiver thereof or of any other right or remedy.

28. Notice

Any notice, demand, or other communication required or permitted to be given under this Agreement shall be effectually made or given if delivered by personal delivery to the address set out below or by e-mail to any director or officer of the Debtor or to the CEO of the Secured Party at the most recent e-mail address used by that person to communicate with the other party:

To the Debtor: 7414 Tait Avenue, New Aiyansh, B.C. V0J 1A0

To the Secured Party: 2000 Lisims Drive, New Aiyansh, B.C. V0J 1A0

or to such other address as either party may designate in the manner set out above. Any notice, demand, or other communication shall be deemed to have been given and received on the day of personal delivery or of e-mailing.

29. Extensions

The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of the Security Interest, and otherwise deal with the Debtor, account debtors of the Debtor, sureties, and others and with the Collateral, the Security Interest, and other security interests as the Secured Party sees fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize on the security constituted by this Agreement.

30. No Merger

This Agreement shall not operate to create any merger or discharge of any of the Obligations, or of any assignment, transfer, guarantee, lien, mortgage, contract, promissory note, bill of exchange, or security interest of any form held or which may in future be held by the Secured Party from the Debtor or from any other person. The taking of a judgment with respect to any of the Obligations shall not operate as a merger of any of the covenants contained in this Agreement.

31. Assignment

The Secured Party may, without further notice to the Debtor, at any time assign, transfer, or grant a security interest in this Agreement and the Security Interest. The Debtor expressly agrees that the assignee, transferee, or secured party, as the case may be, shall have all of the Secured Party's rights and remedies under this Agreement, and the Debtor shall not assert any defence, counterclaim, right of setoff, or otherwise with respect to any claim that the Debtor now has or in future acquires against the Secured Party in any action commenced by such assignee, transferee, or secured party, as the case may be, and shall pay the Obligations to the assignee, transferee, or secured party, as the case may be, as the Obligations become due.

32. Satisfaction and Discharge

Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to the Secured Party, shall be deemed not to be a redemption or discharge of this Agreement. The Debtor shall be entitled to a release and discharge of this Agreement upon full payment and satisfaction of all Obligations and upon written request by the Debtor and payment to the Secured Party of all costs, charges, expenses, and legal fees and disbursements (on a solicitor and own client basis) incurred by the Secured Party in connection with the Obligations and such release and discharge.

33. Enurement

This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors, and permitted assigns.

34. Interpretation

34.1 In this Agreement:

- (a) "Debtor" and the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used, depending upon whether the Debtor is one or more individuals, corporations, or partnerships and, if more than one, shall apply to and be binding upon each of them jointly and severally; and
- (b) "Act" means the British Columbia *Personal Property Security Act* and all regulations thereunder as amended.

34.2 Words and expressions used in this Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act, whether expressed in this Agreement with or without initial capital letters and whether in the singular or the plural, unless otherwise defined in this Agreement or unless the context otherwise requires, and, wherever the context so requires, in this Agreement the singular shall be read as if the plural were expressed, and vice-versa, and the provisions

of this Agreement shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm, or corporation.

- 34.3 Should any provision of this Agreement be declared or held invalid or unenforceable in whole or in part or against or with respect to the Debtor by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of any or all of the remaining provisions of this Agreement, which shall continue in full force and effect and be construed as if this Agreement had been executed without the invalid or unenforceable provision.
- 34.4 The headings of the paragraphs of this Agreement have been inserted for reference only and do not define, limit, alter, or enlarge the meaning of any provision of this Agreement.
- 34.5 This Agreement shall be governed by the laws of British Columbia.

35. Miscellaneous

- 35.1 The Debtor authorizes the Secured Party to file such financing statements, financing change statements, and other documents, and do such acts, matters, and things as the Secured Party may deem appropriate, to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral, and to realize upon the Security Interest.
- 35.2 The Debtor waives protest of any Instrument constituting Collateral at any time held by the Secured Party on which the Debtor is any way liable and, subject to the provisions of applicable law, notice of any other action taken by the Secured Party.
- 35.3 The Debtor covenants that it shall not amalgamate with any other company or entity without first obtaining the written consent of the Secured Party. The Debtor acknowledges and agrees that if it amalgamates with any other company or companies, then it is the intention of the parties that the term "Debtor" when used in this Agreement shall apply to each of the amalgamating companies and to the amalgamated company, so that the Security Interest granted by this Agreement:
 - (a) shall extend to "Collateral" (as that term is defined in this Agreement) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" owned or acquired by the amalgamated company thereafter, and
 - (b) shall secure the "Obligations" (as that term is defined in this Agreement) of each of the amalgamating companies and the amalgamated company to the Secured Party at the time of amalgamation and any "Obligations" of the amalgamated company to the Secured Party arising thereafter. The Security Interest shall attach to "Collateral" owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of amalgamation,

... shall apply to any collateral (regardless of whether owned or acquired by the unaffiliated company) when that collateral becomes a part of the secured

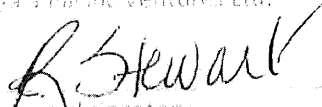
5.4 The Debtor authorizes the secured Party to provide a copy of this Agreement and such other information and documents specified under the Act to any person entitled under the Act to demand and receive them.

6. Copy of Agreement and Financing Statement

The Debtor acknowledges receiving a copy of this Agreement and waives all rights to receive from the secured Party a copy of any financing statement, financing change statement, or verification statement filed, issued, or obtained at any time in respect of this Agreement.

IN WITNESS WHEREOF the Debtor has executed this Agreement as of the date at the top of the first page.

Carpa Pacific Ventures Ltd.


Authorized signatory

This is Exhibit "F" referred to in the Affidavit of Terry Holt sworn before me at Vancouver, British Columbia, this 11th day of December, 2018.

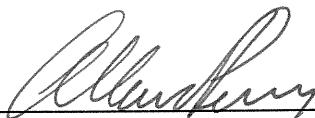


A Commissioner for taking Affidavits
for British Columbia

Nisga'a Lisims Government
Schedule of Advances under Loan Agreement dated September 19, 2018
as at November 30, 2018
(Unaudited - Prepared by Management)

Date	Description	NPVLP	NAPLP	LFRLP	LCLP	KCLP	NFLP	NGOLP	Total
October 24, 2018	Loan advance	\$ 154,043.00	\$ 328.00	\$ 81,366.00	\$ 145,857.83	\$ -	\$ 22,726.00	\$ 31,111.00	\$ 435,431.83
November 8, 2018	Loan advance	25,819.00	57.00	9,898.00	60,786.00	1,133.00	19,609.00	11,269.00	128,571.00
		\$ 179,862.00	\$ 385.00	\$ 91,264.00	\$ 206,643.83	\$ 1,133.00	\$ 42,335.00	\$ 42,380.00	\$ 564,002.83
November 27, 2018	Loan repayment								<u>(435,000.00)</u>
									<u>\$ 129,002.83</u>

This is Exhibit "G" referred to in the Affidavit of Terry Holt sworn before me at Vancouver, British Columbia, this 11th day of December, 2018.



A Commissioner for taking Affidavits
for British Columbia

BC OnLine: PPRS SEARCH RESULT 2018/12/11
Lterm: XPSP0054 For: PD42151 GEHLEN DABBS BARRISTERS & SOLICIT 08:35:30

Index: BUSINESS DEBTOR
Search Criteria: NISGA'S PACIFIC VENTURES LIMITED PARTNERSHIP

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: MAY 06, 2015 Reg. Length: 5 YEARS
Reg. Time: 10:06:44 Expiry Date: MAY 06, 2020
Base Reg. #: 586241I Control #: D3064569

This registration was selected and included for your protection because of close proximity to your search criteria.

Block#

+++ Secured Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

=D0001 Base Debtor: NISGA'A PACIFIC VENTURES LIMITED
(Business) PARTNERSHIP
2000 LISIMS DRIVE
NEW AIYANSH BC V0J 1A0

D0002 Bus. Debtor: NISGA'A PACIFIC VENTURES LTD.
2000 LISIMS DRIVE
NEW AIYANSH BC V0J 1A0

General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHEREVER SITUATE INCLUDING BUT NOT LIMITED TO GOODS (INCLUDING INVENTORY, EQUIPMENT (EQUIPMENT INCLUDES, WITHOUT LIMITATION, MACHINERY, TOOLS, APPARATUS, PLANTS, FURNITURE, FIXTURES, AIRCRAFT AND VEHICLES OF WHATSOEVER NATURE AND KIND), BUT EXCLUDING CONSUMER GOODS) CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, INTANGIBLES, MONEY, LICENCES, CROPS, SECURITIES AND OTHER INVESTMENT PROPERTY.

Registering

Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

----- S E C U R E D P A R T Y T R A N S F E R -----

Reg. #: 188073L Reg. Date: DEC 03, 2018
Reg. Time: 11:07:28
Control #: D5715882

Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 586241I Base Reg. Date: MAY 06, 2015

Block#

** DELETED **

+++ Secured Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

66

*** ADDED ***

S0002 Secured Party: NISGA'A NATION
PO BOX 231 2000 LISIMS DRIVE
NEW AIYANSH BC V0J 1A0

Registering

Party: EDWARDS KENNY & BRAY LLP
1900 1040 WEST GEORGIA STREET
VANCOUVER BC V6E 4H3

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: MAR 11, 2016 Reg. Length: 5 YEARS
Reg. Time: 11:10:02 Expiry Date: MAR 11, 2021
Base Reg. #: 162215J Control #: D3653397

This registration was selected and included for your protection because of close proximity to your search criteria.

Block#

+++ Secured Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

=D0001 Base Debtor: NISGA'A PACIFIC VENTURES LIMITED
(Business) PARTNERSHIP
4714 TAIT AVE
NEW AIYANSH BC V0J 1A0

General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY WHEREVER SITUATE INCLUDING BUT NOT LIMITED TO GOODS (INCLUDING INVENTORY, EQUIPMENT (EQUIPMENT INCLUDES, WITHOUT LIMITATION, MACHINERY, TOOLS, APPARATUS, PLANTS, FURNITURE, FIXTURES, AIRCRAFT AND VEHICLES OF WHATSOEVER NATURE AND KIND), BUT EXCLUDING CONSUMER GOODS) CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, INTANGIBLES, MONEY, LICENCES, CROPS, SECURITIES AND OTHER INVESTMENT PROPERTY.

Registering

Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

----- S E C U R E D P A R T Y T R A N S F E R -----

Reg. #: 188084L Reg. Date: DEC 03, 2018
Reg. Time: 11:10:04
Control #: D5715887

Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 162215J Base Reg. Date: MAR 11, 2016

Block#

** DELETED **

+++ Secured Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

*** ADDED ***

S0002 Secured Party: NISGA'A NATION
PO BOX 231 2000 LISIMS DRIVE
NEW AIYANSH BC V0J 1A0

Registering

Party: EDWARDS KENNY & BRAY LLP
1900 1040 WEST GEORGIA STREET
VANCOUVER BC V6E 4H3

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: JUN 06, 2016 Reg. Length: 5 YEARS
Reg. Time: 10:20:37 Expiry Date: JUN 06, 2021
Base Reg. #: 332542J Control #: D3827538

This registration was selected and included for your protection because of close proximity to your search criteria.

Block#

+++ Secured Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

=D0001 Base Debtor: NISGA'A PACIFIC VENTURES LIMITED
(Business) PARTNERSHIP
4714 TAIT AVE
NEW AIYANSH BC V0J 1A0

General Collateral:

MONEYS OR AMOUNTS THAT MAY FROM TIME TO TIME BE ON DEPOSIT IN THE NAME OF DEBTOR WITH OR OWED TO DEBTOR BY SECURED PARTY, ROYAL BANK MORTGAGE CORPORATION, THE ROYAL TRUST COMPANY OR ROYAL TRUST CORPORATION OF CANADA OR ANY TWO OR MORE OF THEM, AND IN THE DEBTOR'S RIGHTS IN THOSE MONEYS OR THOSE AMOUNTS.

PROCEEDS: ALL PROCEEDS INCLUDING, WITHOUT LIMITATION, GOODS (INCLUDING INVENTORY AND EQUIPMENT (EQUIPMENT INCLUDES, WITHOUT LIMITATION, MACHINERY, TOOLS, APPARATUS, PLANT, FURNITURE, FIXTURES, AIRCRAFT AND VEHICLES OF WHATSOEVER NATURE AND KIND) BUT EXCLUDING CONSUMER GOODS), MONEY, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS AND SECURITIES.

Registering

Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

----- S E C U R E D P A R T Y T R A N S F E R -----

Reg. #: 188286L Reg. Date: DEC 03, 2018
Reg. Time: 11:30:44
Control #: D5720318
Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 332542J Base Reg. Date: JUN 06, 2016

Block#

Continued on Page 4

BC OnLine: PPRS SEARCH RESULT 2018/12/11
Lterm: XPSP0054 For: PD42151 GEHLEN DABBS BARRISTERS & SOLICIT 08:33:59
Index: BUSINESS DEBTOR

Search Criteria: NISGA'A PACIFIC VENTURES LTD.

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: MAY 06, 2015 Reg. Length: 5 YEARS
Reg. Time: 10:06:44 Expiry Date: MAY 06, 2020
Base Reg. #: 586241I Control #: D3064569

Block#

+++ Secured Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

D0001 Base Debtor: NISGA'A PACIFIC VENTURES LIMITED
(Business) PARTNERSHIP
2000 LISIMS DRIVE
NEW AIYANSH BC V0J 1A0

=D0002 Bus. Debtor: NISGA'A PACIFIC VENTURES LTD.
2000 LISIMS DRIVE
NEW AIYANSH BC V0J 1A0

General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL
PROPERTY WHEREVER SITUATE INCLUDING BUT NOT LIMITED TO
GOODS (INCLUDING INVENTORY, EQUIPMENT (EQUIPMENT INCLUDES,
WITHOUT LIMITATION, MACHINERY, TOOLS, APPARATUS, PLANTS,
FURNITURE, FIXTURES, AIRCRAFT AND VEHICLES OF WHATSOEVER
NATURE AND KIND), BUT EXCLUDING CONSUMER GOODS) CHATTEL
PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, INTANGIBLES, MONEY,
LICENCES, CROPS, SECURITIES AND OTHER INVESTMENT PROPERTY.

Registering

Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

----- S E C U R E D P A R T Y T R A N S F E R -----

Reg. #: 188073L Reg. Date: DEC 03, 2018
Reg. Time: 11:07:28
Control #: D5715882

Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 586241I Base Reg. Date: MAY 06, 2015

Block#

** DELETED **

+++ Secured Party: ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON M2P 0A4

*** ADDED ***

S0002 Secured Party: NISGA'A NATION
PO BOX 231 2000 LISIMS DRIVE
NEW AIYANSH BC V0J 1A0

Search Criteria: NISGA'A PACIFIC VENTURES LTD.

Registering

Party: EDWARDS KENNY & BRAY LLP
1900 1040 WEST GEORGIA STREET
VANCOUVER BC V6E 4H3

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: MAY 16, 2018 Reg. Length: 1 YEAR
Reg. Time: 06:38:52 Expiry Date: MAY 16, 2019
Base Reg. #: 761993K Control #: D5285976

This registration was selected and included for your protection because of close proximity to your search criteria.

Block#

S0001 Secured Party: WESTERN FINANCIAL GROUP
1010 - 24 STREET SE
HIGH RIVER AB T1V2A7

=D0001 Base Debtor: NISGA A PACIFIC VENTURES LTD.
(Business) P O BOX 236
NEW AIYANSH BC V0J1A0

General Collateral:

A SPECIFIC INTEREST IN THE UNEARNED PREMIUM OF INSURANCE POLICIES.

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: OCT 05, 2018 Reg. Length: 2 YEARS
Reg. Time: 12:48:42 Expiry Date: OCT 05, 2020
Base Reg. #: 073385L Control #: D5603151

Block#

S0001 Secured Party: NISGA'A NATION
PO BOX 231 2000 LISIMS DRIVE
NEW AIYANSH BC V0J 1A0

D0001 Base Debtor: NISGA'A PACIFIC VENTURES LIMITED
(Business) PARTNERSHIP
4714 TAIT AVENUE
NEW AIYANSH BC V0J 1A0

=D0002 Bus. Debtor: NISGA'A PACIFIC VENTURES LTD
4714 TAIT AVENUE
NEW AIYANSH BC V0J 1A0

General Collateral:

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.

Registering

Party: EDWARDS KENNY & BRAY LLP
1900 1040 WEST GEORGIA STREET
VANCOUVER BC V6E 4H3

