

BANKRUPTCY AND INSOLVENCY ACT

Form 87

Notice and Statement of the Receiver (Subsections 245(1) and 246(1) of the Act)

IN THE MATTER OF THE RECEIVERSHIP OF Q'MAX SOLUTIONS INC.

The Receiver gives notice and declares that:

1. On the 28th day of May, 2020, the undersigned, KPMG Inc., became the receiver and manager (the “**Receiver**”) in respect of the property of Q’Max Solutions Inc. (the “**Company**”) (the “**Property**”).

The Property of the Company can be summarized as follows¹:

Assets	Estimated Amount (USD \$)
Accounts receivable	460,000
Intercompany receivables	214,489,950
Prepaid expenses	2,636,137
Property, plant and equipment	457,896
Investment in subsidiaries	49,526,613
Intangible assets	1,768,771
Tax withholdings	1,981,606
Total	271,320,973

2. The undersigned became the Receiver in respect of the assets, undertakings and properties described above by virtue of being appointed by the Court of Queen’s Bench of Alberta in File No. 2001-06722, Calgary Judicial Centre, on May 28, 2020. A copy of the appointing order can be found on the receiver’s website at: <https://www.kpmg.com/ca/qmax>.
3. The undersigned took possession or control of the property described above on the 29th day of May, 2020.
4. The following information relates to the Receivership:
 - (a) Address of insolvent persons: 407 2 Street SW #1700
Calgary, AB T2P 2Y3
 - (b) Principal line of business: Full-service drilling fluids and solids control
 - (c) Location of business: 407 2 Street SW #1700
Calgary, AB T2P 2Y3

¹ The above summary of estimated assets has been prepared based the books and records of the Company and may not accurately reflect the net realizable value of the Company’s assets.

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- (d) Estimated amount owed by the Company to each creditor who holds security on the property described above²:

Secured Creditor	Estimated amount (USD \$)
HSBC, as Agent	151,034,072
Dell financial Services Canada Ltd.	Unknown
ARI Financial Services Inc.	Unknown
<u>Great West Truck Lease and Rentals Ltd.</u>	<u>Unknown</u>
Total	151,034,072

- (a) The list of other creditors of the insolvent persons and the amount owed to each creditor (to the extent that it is known) and the total amount due by the insolvent persons is attached to this notice as **Appendix “A”**.
- (b) The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is to preserve the property and eventually realize on that property, subject to various considerations.
- (c) Contact Person for Receiver:

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KPMG Inc.
Suite 3100, 205-5th Avenue SW
Calgary, AB, T2P 4B9
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Telephone: (403) 691-8092
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Dated at Calgary, Alberta, this 5th day of June, 2020.

KPMG Inc., in its capacity as receiver and manager of
Q’Max Solutions Inc.
and not in its personal or corporate capacity



Per: Neil Honess
Senior Vice President

² Amount owing is based on records provided by HSBC as at May 28, 2020 and the Alberta Personal Property Registry.

APPENDIX "A"

LIST OF UNSECURED CREDITORS

UNSECURED CREDITORS	AMOUNT CAD \$ (UNAUDITED)
BAKER BOTTS	562
BOYAR MILLER	107,218
CANADA REVENUE AGENCY	UNKNOWN
CSI INTERNATIONAL	105
FOLEY GARDERE	14,313
KPMG	5,618
MCCARTHY TETRUALT	4,726
MOODY'S	323,625
NIELSEN IP LAW	12,687
PAUL WEISS	6,206
PINHEIRONETO ADVOGADOS	65,896
PWC	66,360
SAM'S PASSPORT	19,175
SOFTCHOICE	13,565
TOTAL UNSECURED CREDITORS	\$640,056