

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) FRIDAY, THE 17TH
JUSTICE HAINEY) DAY OF APRIL, 2020



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

ORDER
(Extension of Time to File a Proposal and DIP Increase)

THIS MOTION, made by Air Georgian Limited (the “**Debtor**”) for an order (a) extending the time for filing a proposal; (b) further increasing the maximum borrowing available in Post-Filing Advances (as defined the Order of this Court dated February 26, 2020, the “**February 26 Order**”); and (c) approving the Third Report of the Proposal Trustee (as both terms are defined below) and the activities of the Proposal Trustee described therein, was heard via teleconference in Toronto, Ontario.

ON READING the affidavit of Eric Edmondson sworn April 14, 2020 (the “**Affidavit**”) and the third report of KPMG Inc. in its capacity as proposal trustee (in such capacity, the “**Proposal Trustee**”) dated April 14, 2020 (the “**Third Report**”), and on hearing the submissions of counsel for the Debtor, the Proposal Trustee, 2229275 Alberta Ltd. (“**222**”) and those other parties present, as indicated on the counsel slip, no other parties present, although properly served as appears from the affidavit of service of Katie Parent sworn April 14, 2020, filed:

NOTICE AND SERVICE

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

EXTENSION OF TIME TO FILE A PROPOSAL

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

AMENDMENTS TO DIP FINANCING

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

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

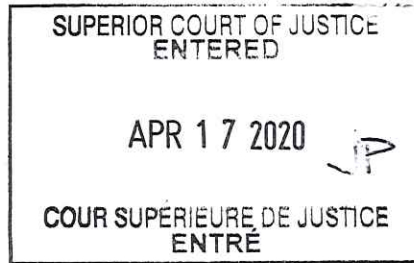
ACTIVITIES OF THE PROPOSAL TRUSTEE

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

MISCELLANEOUS

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

the Debtor and the Proposal Trustee, as may be necessary or desirable to give effect to this Order or to assist the Debtor and Proposal Trustee and their respective agents in carrying out the terms of this Order.

A handwritten signature in cursive script, appearing to read "Hailey J.", written over a horizontal line.

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Estate No.: No. 32-2613323

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Proceeding commenced TORONTO

ORDER
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