

D. MANNING & ASSOCIATES INC.
Licensed Insolvency Trustee

Suite 520 – 625 Howe Street
Vancouver, B.C. V6C 2T6
Tel. (604) 683-8030, Fax (604) 683-8327
www.manning-trustee.com

**RECEIVERSHIP OF 1103 GILSTON ROAD HOLDINGS INC.
SECOND ADDENDUM TO RECEIVER MANAGER'S
THIRD REPORT TO COURT - JUNE 12, 2022**

Subsequent to the issuance and filing of the Receiver Manager's Third Report to Court dated June 10, 2022 the Receiver's counsel was contacted on June 12, 2022 by Mr. Jeremy West, counsel for Li Mei Zhou. Ms. Zhou had made the original Offer (the "**Zhou Offer**") that was recommended in the Receiver's Second Report to Court, in the amount of \$6,330,000 plus GST, and had made a revised Offer (the "**Revised Zhou Offer**") on June 9, 2022, in the amount of \$6,600,800 plus GST.

Mr. West forwarded a further revised Offer from Ms. Li Mei Zhou (the "**Second Revised Zhou Offer**") in the amount of \$7,101,000 plus GST. This amount is far higher than either of the 1364286 B.C. Ltd. Offer (\$6,702,000 plus GST) and the Runguo Chai Offer (\$6,770,000 plus GST). All terms of the Second Revised Zhou Offer remain the same as her previous Offers, including the completion date of 12 days following Court approval (June 29, 2022 assuming Court approval on June 13, 2022) and the contract becoming null and void if Court approval is not obtained on or before June 15, 2022. The deposit of \$316,500 has been paid to Century 21 In Town Realty, in trust.

The Second Revised Zhou Offer is not strictly compliant with the Competitive Bid Process, having been received two days after the deadline for the original Offeror to make a Revised Offer. Nonetheless, the Receiver considers it to be in the best interests of the stakeholders to obtain Court approval of the highest and best Offer for the Property, in order to maximize realization.

Accordingly, the Receiver recommends Court approval of the Second Revised Zhou Offer in the amount of \$7,101,000 plus GST.

Should you have any questions, please contact the writer at (604) 683-8030.

Yours very truly,

D. MANNING & ASSOCIATES INC.
LICENSED INSOLVENCY TRUSTEE
COURT-APPOINTED RECEIVER MANAGER OF THE ASSETS, UNDERTAKINGS AND
PROPERTY OF 1103 GILSTON ROAD HOLDINGS INC.
(not in its personal capacity)


Per: Alex E.H. Ng, LIT, CIRP, President