

TAB V

THIS IS EXHIBIT "V" TO

THE AFFIDAVIT OF GEOFF BLEICH

SWORN BEFORE ME THIS 23 DAY OF FEB, 2017



Commissioner for Taking Affidavits
(or as may be)

CAROLINE MEJIA

Searched Through: 02/10/2017
Subject: Axios Mobile Assets Inc.
Jurisdiction: Recorder of Deeds, DC
Index Searched: UCC

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
11/20/2015	2015118393	Financing Statement	EXPORT DEVELOPMENT CANADA OTTAWA, ONTARIO, CANADA
11/23/2015	2015118679	Financing Statement	EXPORT DEVELOPMENT CANADA OTTAWA, ONTARIO, CANADA

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Capitol Services, Inc. ★ PO Box 1831 ★ Austin, TX 78767 ★ (800)345-4647

9-10222326K
9-10222326K

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) Linda A. McLean (315) 565-4722
B. E-MAIL CONTACT AT FILER (optional) lmclean@hancocklaw.com
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Linda A. McLean, Paralegal HANCOCK ESTABROOK, LLP 100 Madison Street, 1500 AXA Tower I Syracuse, New York 13202

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME Axios Mobile Assets, Inc.				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 30 Topflight Drive, Unit 7		CITY Mississauga, Ontario, Canada	STATE	POSTAL CODE L5S 0A8
				COUNTRY

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME Appointment Order to Model Order				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME Export Development Canada				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS 150 Slater Street		CITY Ottawa, Ontario, Canada	STATE	POSTAL CODE K1A 1K3
				COUNTRY

4. COLLATERAL: This financing statement covers the following collateral:

All present and after-acquired personal property or proceeds thereof of the Debtor

5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative	
6a. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor is a Transmitting Utility	6b. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing
7. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailee/Bailor <input type="checkbox"/> Licensee/Licensor	
8. OPTIONAL FILER REFERENCE DATA: EDC Loan No. 880-61831	

Doc #: 2015118393
Filed & Recorded
11/20/2015 03:38 PM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS
RECORDING FEES \$25.00
SURCHARGE \$6.50
TOTAL: \$31.50

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) Linda A. McLean (315) 565-4722
B. E-MAIL CONTACT AT FILER (optional) lmclean@hancocklaw.com
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Linda A. McLean, Paralegal HANCOCK ESTABROOK, LLP 100 Madison Street, 1500 AXA Tower I Syracuse, New York 13202

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1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME Axios Mobile Assets Inc.				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 30 Topflight Drive, Unit 7		CITY Mississauga, Ontario, Cana	STATE	POSTAL CODE L5S 0A8
				COUNTRY

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME Export Development Canada				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS 150 Slater Street		CITY Ottawa, Ontario, Canada	STATE	POSTAL CODE K1A 1K3
				COUNTRY

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All present and after-acquired personal property or proceeds thereof of the Debtor

5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and Instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative	
6a. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor is a Transmitting Utility	6b. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing
7. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailee/Bailor <input type="checkbox"/> Licensee/Licenser	
8. OPTIONAL FILER REFERENCE DATA: EDC Loan No. 880-61831	

Doc #: 2015118679
Filed & Recorded
11/23/2015 12:18 PM
IDA WILLIAMS
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS
RECORDING FEES \$25.00
SURCHARGE \$6.50
TOTAL: \$31.50



Date: 02/15/2017 437
Reference: 73781/38
Copies Requested: All Copies Excluding Lapsed Filings
Page Limit: 30

Searched Through: 02/09/2017
Subject: Axios Mobile Assets Inc.
Jurisdiction: Secretary of State, DE
Index Searched: Certified UCC/Federal Lien

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
NONE OF RECORD			
SEE ATTACHED CERTIFIED OR OTHER SEARCH PERFORMED BY FILING OFFICE.			

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9-10222336L
9-10222336L

Delaware

The First State

Page 1

CERTIFICATE

**SEARCHED FEBRUARY 15, 2017 AT 11:03 A.M.
FOR DEBTOR, AXIOS MOBILE ASSETS INC.**

**THE UNDERSIGNED FILING OFFICER HEREBY CERTIFIES THAT THERE ARE NO
PRESENTLY EFFECTIVE FINANCING STATEMENTS, LAPSED FINANCING STATEMENTS,
FEDERAL TAX LIENS OR UTILITY SECURITY INSTRUMENTS FILED IN THIS OFFICE
WHICH NAME THE ABOVE DEBTOR, AXIOS MOBILE ASSETS INC. AS OF FEBRUARY
9, 2017 AT 11:59 P.M.**




Jeffrey W. Bullock, Secretary of State

20171082916-UCC11
SR# 20170915810

Authentication: 202041259
Date: 02-15-17

You may verify this certificate online at corp.delaware.gov/authver.shtml

Searched Through: 02/09/2017
Subject: Axios Mobile Assets Inc.
Jurisdiction: Secretary of State, OH
Index Searched: UCC

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
11/20/2015	OH00191001244	Financing Statement	EXPORT DEVELOPMENT CANADA OTTAWA, CD
<p>We have discovered filings indexed under the following similar name(s). In some jurisdictions it is not possible to determine the status of such filings without performing a search.</p> <p>AXIOS INVESTMENTS 1, LLC</p>			

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9-10222316J
9-10222316J

Doc ID -->

201532401954

Initial Financing Statement

File Number: OH00191001244
 Date Filed: 11/20/2015 11:49 AM
 Jon Husted
 Ohio Secretary of State

UCC FINANCING STATEMENT

NAME & PHONE OF CONTACT AT FILER UCC DIRECT SERVICES		PHONE	713-533-4661	FAX
EMAIL CONTACT AT FILER SOSACK@UCCDIRECT.COM				
SEND ACKNOWLEDGMENT TO: (Name and Address) UCCDIR SERVICES KNA: CT LIEN SOLUTIONS HOUSTON, TX 77253				

DEBTOR'S NAME

ORGANIZATION'S NAME AXIOS MOBILE ASSETS INC.
INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX		
MAILING ADDRESS 30 TOPFLIGHT DRIVE, UNIT 7	CITY MISSISSAUGA	STATE	POSTAL CODE L5S 0A8	COUNTRY CAN

SECURED PARTY'S NAME ☐ ASSIGNOR SECURED PARTY'S NAME

ORGANIZATION'S NAME EXPORT DEVELOPMENT CANADA
INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX		
MAILING ADDRESS 150 SLATER STREET	CITY OTTAWA	STATE	POSTAL CODE K1A 1K3	COUNTRY CAN

This FINANCING STATEMENT covers the following Collateral:
 All present and after-acquired personal property of the Debtor.

Check only if applicable and check only one box: Collateral is ☐ held in a Trust ☐ being administered by a Decedent's Personal Representative

Check only if applicable and check only one box:

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility ☐ Agricultural Lien ☐ Non-UCC Filing

ALTERNATIVE DESIGNATION

☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

OPTIONAL FILER REFERENCE DATA:
 50760313

Doc ID -->

201532401954

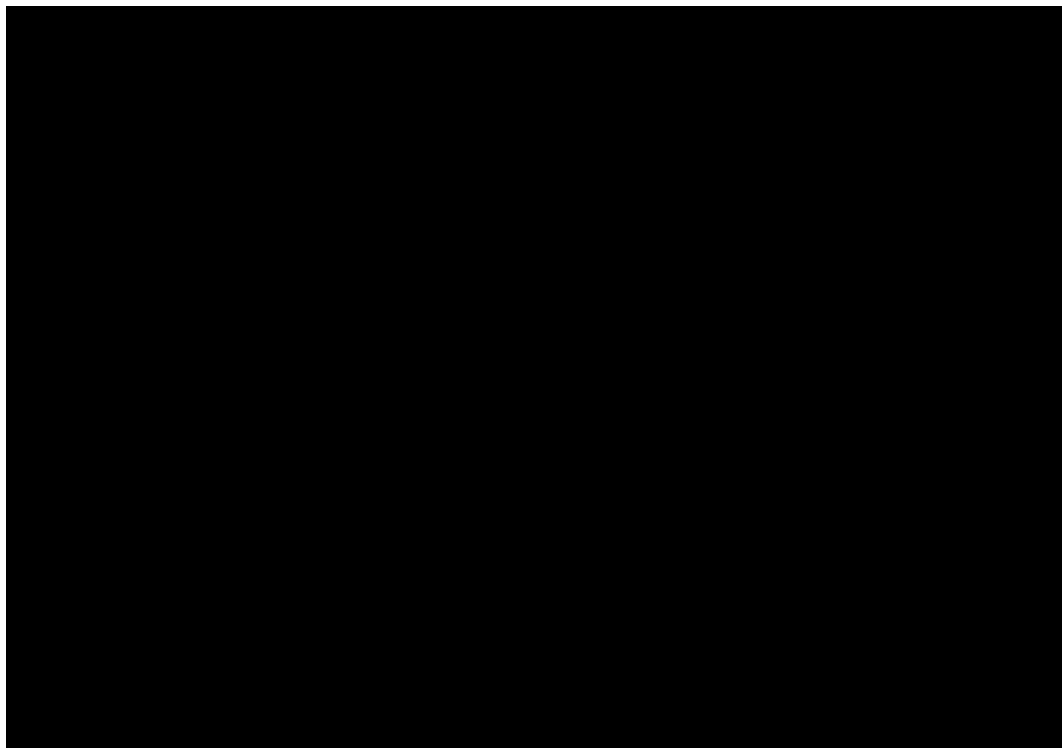
☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

This FINANCING ☐ covers timber to be cut ☐ covers as-extracted collateral ☐ is filed as a fixture filing

Name and address of a RECORD OWNER of real estate (if Debtor does not have a record interest):

Description of Real Estate

MICELLANEOUS:



Searched Through: 02/13/2017
Subject: Axios Mobile Assets Inc.
Jurisdiction: Department of State, MI
Index Searched: Certified UCC/Federal & State Liens

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
02/08/2011	2011017780-6	Financing Statement	FRANCHINO MOLD & ENG. LANSING, MI
11/09/2015	2015155185-9	Termination	
Note: In rare instances, the filing office's search engine may produce erroneous results.			
SEE ATTACHED CERTIFIED OR OTHER SEARCH PERFORMED BY FILING OFFICE.			

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9-10222331G
9-10222331G



MICHIGAN DEPARTMENT OF STATE

Uniform Commercial Code
P.O. Box 30197
Lansing, Michigan 48909-7697
www.michigan.gov/sosucc

Search Report

February 13, 2017

The Michigan Secretary of State certifies that the attached is a record, according to the search criteria specified, of all financing statements, tax liens, and amendments naming the debtor, as filed with the Uniform Commercial Code office, as of the above certification date.

Disclaimer

Information relative to security interest and statutory liens obtained from the index is for information purposes only. Such information does not relieve any person or business from liability, alter priorities of security interest or liens, or affect any other legal rights or responsibilities. The index primarily contains information relative to security interests and statutory liens which have been filed for record on or before the above certification date. There may be security interests and statutory liens filed after that date which are valid. A search request limited under Administrative Rule R 440.508(1) may not reveal all filings against the debtor searched. The searcher bears the risk of relying on the limited search.

Ruth Johnson
Secretary of State

Capitol Services, Inc.
PO Box 1831
Austin, TX 78767 USA



MICHIGAN DEPARTMENT OF STATE

Uniform Commercial Code
 P.O. Box 30197
 Lansing, Michigan 48909-7697
www.michigan.gov/sosucc

Date: February 15, 2017
Customer ID: 9519
Reference No: S-20170215000431
Debtor Name: AXIOS MOBILE ASSETS INC
Certified Through: 02/13/2017

Format: Certificate
Date Range: N/A
City Limited: N/A
Search Criteria: All (Including Lapsed)

Filing Type: UCC-1 Initial Financing Statement
Filing Date: 02/08/2011 09:17 AM

Filing Number: 2011017780-6
Lapse Date: 02/08/2016

Filing Type: UCC-3 Termination
Filing Date: 11/09/2015 10:12 AM

Filing Number: 2015155185-9

Debtors

AXIOS MOBILE ASSETS, INC.

400 GRAND RIVER AVE. STE. 200
 DETROIT, MI 48226 USA

HADLOCK PLSTICS, LLC

16192 COASTAL HIGHWAY
 LEWES, DE 19958 USA

Secured Parties

FRANCHINO MOLD & ENG.

5867 W GRAND RIVER AVE
 LANSING, MI 48906 USA

Searched Through: 02/06/2017
Subject: Axios Mobile Assets Inc.
Jurisdiction: Department of State, NY
Index Searched: UCC/Federal Lien
Federal Lien index includes Federal Tax Liens

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
11/20/2015	201511208448042	Financing Statement	EXPORT DEVELOPMENT CANADA ONTARIO, CAN
11/23/2015	201511238449684	Financing Statement	EXPORT DEVELOPMENT CANADA ONTARIO, CAN

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442034

2015 Nov 20 PM02:32

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
Linda A. McLean, Paralegal (315) 565-4722

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

HANCOCK ESTABROOK, LLP
100 Madison Street, 1500 AXA Tower 1
New York, NY 13202, USA

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME Axios Mobile Assets, Inc.				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 30 Topflight Drive, Unit 7		CITY Mississauga, Ontario	STATE	POSTAL CODE L5S 0A8 COUNTRY CAN
1d. <u>SEE INSTRUCTIONS</u>	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Corporation	1f. JURISDICTION OF ORGANIZATION Canada	1g. ORGANIZATIONAL ID #, if any NONE <input checked="" type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE COUNTRY
2d. <u>SEE INSTRUCTIONS</u>	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME Export Development Canada				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 150 Slater Street		CITY Ottawa, Ontario	STATE	POSTAL CODE K1A 1K3 COUNTRY CAN

4. This FINANCING STATEMENT covers the following collateral:

All present and after-acquired personal property or proceeds thereof of the Debtor

5. ALTERNATIVE DESIGNATION (if applicable):		<input type="checkbox"/> LESSEE/LESSOR	<input type="checkbox"/> CONSIGNEE/CONSIGNOR	<input type="checkbox"/> BAILEE/BAILOR	<input type="checkbox"/> SELLER/BUYER	<input type="checkbox"/> AG. LIEN	<input type="checkbox"/> NON-UCC FILING
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional)		<input type="checkbox"/> All Debtors		<input type="checkbox"/> Debtor 1	<input type="checkbox"/> Debtor 2	
8. OPTIONAL FILER REFERENCE DATA EDC LOAN NO. 880-61831							

442194

2015 Nov 23 AM11:43

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
Linda A. McLean, Paralegal (315) 565-4722

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100 Madison Street, 1500 AXA Tower 1
Syracuse, NY 13202, USA

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OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
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1d. <u>SEE INSTRUCTIONS</u>	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Corporation	1f. JURISDICTION OF ORGANIZATION Canada	1g. ORGANIZATIONAL ID #, if any NONE <input checked="" type="checkbox"/> NONE

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OR				
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2d. <u>SEE INSTRUCTIONS</u>	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

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OR				
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6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)		7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional)		<input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2			
8. OPTIONAL FILER REFERENCE DATA EDC LOAN NO. 880-61831							

Searched Through: 02/10/2017
Subject: Axios Logistics Solutions Inc.
Jurisdiction: Recorder of Deeds, DC
Index Searched: UCC

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
NONE OF RECORD			

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Searched Through: 02/09/2017
Subject: Axios Logistics Solutions Inc.
Jurisdiction: Secretary of State, DE
Index Searched: Certified UCC/Federal Lien

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
12/21/2016	20167943705	Financing Statement	C T CORPORATION SYSTEM, AS REPRESENTATIVE GLENDALE, CA
SEE ATTACHED CERTIFIED OR OTHER SEARCH PERFORMED BY FILING OFFICE.			

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9-102223390
9-102223390

Delaware

Page 1

The First State

CERTIFICATE

SEARCHED FEBRUARY 15, 2017 AT 11:03 A.M.
FOR DEBTOR, AXIOS LOGISTICS SOLUTIONS INC.

1 OF 1

FINANCING STATEMENT

20167943705

EXPIRATION DATE: 12/21/2021

DEBTOR: AXIOS LOGISTICS SOLUTIONS INC.

421 NORTH AURORA ST

ADDED 12-21-16

ITHICA, NY 14850

DEBTOR: SHERMAN, DEREK C

2219 GEE HILL RD

ADDED 12-21-16

DRYDEN, NY 13053

DEBTOR: WICKWIRE, DAVID JO

212 DEY STREET

ADDED 12-21-16

ITHICA, NY 14850

DEBTOR: D & T TRUCKING, INC.

16109 RTE 287

ADDED 12-21-16

TIOGA, PA 16946

DEBTOR: MOBIUS LOGISTICS, INC.

421 NORTH AURORA ST

ADDED 12-21-16



A handwritten signature in black ink, appearing to read "JBullock", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

20171082951-UCC11
SR# 20170915810

Authentication: 202041253
Date: 02-15-17

You may verify this certificate online at corp.delaware.gov/authver.shtml

Delaware

Page 2

The First State

ITHICA, NY 14850

DEBTOR: MOBIUS ASSETS, LLC

421 NORTH AURORA ST

ADDED 12-21-16

ITHICA, NY 14850

DEBTOR: MOBIUS BUSINESS SOLUTIONS, LLC

421 NORTH AURORA ST

ADDED 12-21-16

ITHICA, NY 14850

SECURED: C T CORPORATION SYSTEM, AS REPRESENTATIVE

330 N BRAND BLVD, SUITE 700; ATTN:
SPRS

ADDED 12-21-16

GLENDALE, CA 91203

F I L I N G H I S T O R Y

20167943705 FILED 12-21-16 AT 6:15 P.M. FINANCING STATEMENT

E N D O F F I L I N G H I S T O R Y

THE UNDERSIGNED FILING OFFICER HEREBY CERTIFIES THAT THE ABOVE LISTING IS A RECORD OF ALL PRESENTLY EFFECTIVE FINANCING STATEMENTS, LAPSED FINANCING STATEMENTS, FEDERAL TAX LIENS AND UTILITY SECURITY INSTRUMENTS FILED IN THIS OFFICE WHICH NAME THE ABOVE DEBTOR, AXIOS LOGISTICS SOLUTIONS INC. AS OF FEBRUARY 9, 2017 AT 11:59 P.M.



A handwritten signature in black ink, appearing to read "JBullock", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

20171082951-UCC11
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Delaware

The First State

Page 3



20171082951-UCC11
SR# 20170915810

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Jeffrey W. Bullock, Secretary of State

Authentication: 202041253
Date: 02-15-17

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) GISELLA MELENDEZ 800-331-3282
B. E-MAIL CONTACT AT FILER (optional) EFILING@WOLTERSKLUWER.COM
C. SEND ACKNOWLEDGMENT TO: (Name and Address) P.O. BOX 29071 GLENDALE, CA 91209-9071 US

Delaware Department of State
U.C.C. Filing Section
Filed: 06:15 PM 12/21/2016
U.C.C. Initial Filing No: 2016 7943705

Service Request No: 20167212637

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. **DEBTOR'S NAME:** Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME MOBIUS BUSINESS SOLUTIONS, LLC				
OR	1b. INDIVIDUAL'S SURNAME			
	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX
1c. MAILING ADDRESS 421 NORTH AURORA ST		CITY ITHICA	STATE NY	POSTAL CODE 14850
				COUNTRY US

2. **DEBTOR'S NAME:** Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME D & T TRUCKING, INC.				
OR	2b. INDIVIDUAL'S SURNAME			
	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX
2c. MAILING ADDRESS 16109 RTE 287		CITY TIOGA	STATE PA	POSTAL CODE 16946
				COUNTRY US

3. **SECURED PARTY'S NAME** (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME C T CORPORATION SYSTEM, AS REPRESENTATIVE				
OR	3b. INDIVIDUAL'S SURNAME			
	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX
3c. MAILING ADDRESS 330 N BRAND BLVD, SUITE 700; ATTN: SPRS		CITY GLENDALE	STATE CA	POSTAL CODE 91203
				COUNTRY US

4. **COLLATERAL:** This financing statement covers the following collateral:

Receivables - All assets now owned or hereafter acquired and wherever located, including but not limited to, the following subcategories of assets: a. Accounts, including but not limited to, credit card receivables; b. Chattel Paper; c. Inventory; d. Equipment; e. Instruments, including but not limited to, Promissory Notes; f. Investment Property; g. Documents; h. Deposit Accounts; i. Letter of Credit Rights; j. General Intangibles; k. Supporting Obligations; and l. Proceeds and Products of the foregoing. NOTICE PURSUANT TO AN AGREEMENT BETWEEN DEBTOR AND SECURED PARTY, DEBTOR HAS AGREED NOT TO FURTHER ENCUMBER THE COLLATERAL DESCRIBED HEREIN. THE FURTHER ENCUMBERING OF WHICH MAY CONSTITUTE THE TORTIOUS INTERFERENCE WITH THE SECURED PARTY'S RIGHT BY SUCH ENCUMBRANCES IN THE EVENT THAT ANY ENTITY IS GRANTED A SECURITY INTEREST IN DEBTOR'S ACCOUNTS, CHATTEL PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE, THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEREOF RECEIVED BY SUCH ENTITY.

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:

6b. Check only if applicable and check only one box:

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

☐ Agricultural Lien ☐ Non-UCC Filing

7. **ALTERNATIVE DESIGNATION** (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. **OPTIONAL FILER REFERENCE DATA:**

DE-0-56960324-52584171

International Association of Commercial Administrators

UCC FINANCING STATEMENT ADDITIONAL PARTY**FOLLOW INSTRUCTIONS**

18. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here ☐

18a. ORGANIZATION'S NAME MOBIUS BUSINESS SOLUTIONS, LLC	
OR	
18b. INDIVIDUAL'S SURNAME	
FIRST PERSONAL NAME	
ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

19. ADDITIONAL DEBTOR'S NAME: Provide only one Debtor name (19a or 19b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

19a. ORGANIZATION'S NAME MOBIUS ASSETS, LLC				
OR				
19b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
19c. MAILING ADDRESS 421 NORTH AURORA ST	CITY ITHICA	STATE NY	POSTAL CODE 14850	COUNTRY US

20. ADDITIONAL DEBTOR'S NAME: Provide only one Debtor name (20a or 20b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

20a. ORGANIZATION'S NAME MOBIUS LOGISTICS, INC.				
OR				
20b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
20c. MAILING ADDRESS 421 NORTH AURORA ST	CITY ITHICA	STATE NY	POSTAL CODE 14850	COUNTRY US

21. ADDITIONAL DEBTOR'S NAME: Provide only one Debtor name (21a or 21b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

21a. ORGANIZATION'S NAME AXIOS LOGISTICS SOLUTIONS INC.				
OR				
21b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
21c. MAILING ADDRESS 421 NORTH AURORA ST	CITY ITHICA	STATE NY	POSTAL CODE 14850	COUNTRY US

22. ☐ ADDITIONAL SECURED PARTY'S NAME or ☐ ASSIGNOR SECURED PARTY'S NAME: Provide only one name (22a or 22b)

22a. ORGANIZATION'S NAME				
OR				
22b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
22c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

23. ☐ ADDITIONAL SECURED PARTY'S NAME or ☐ ASSIGNOR SECURED PARTY'S NAME: Provide only one name (23a or 23b)

23a. ORGANIZATION'S NAME				
OR				
23b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
23c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

24. MISCELLANEOUS:

UCC FINANCING STATEMENT ADDITIONAL PARTY

FOLLOW INSTRUCTIONS

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THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

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19a. ORGANIZATION'S NAME				
OR				
19b. INDIVIDUAL'S SURNAME WICKWIRE	FIRST PERSONAL NAME DAVID	ADDITIONAL NAME(S)/INITIAL(S) JO	SUFFIX	
19c. MAILING ADDRESS 212 DEY STREET	CITY ITHICA	STATE NY	POSTAL CODE 14850	COUNTRY US

20. ADDITIONAL DEBTOR'S NAME: Provide only one Debtor name (20a or 20b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

20a. ORGANIZATION'S NAME				
OR				
20b. INDIVIDUAL'S SURNAME SHERMAN	FIRST PERSONAL NAME DEREK	ADDITIONAL NAME(S)/INITIAL(S) C	SUFFIX	
20c. MAILING ADDRESS 2219 GEE HILL RD	CITY DRYDEN	STATE NY	POSTAL CODE 13053	COUNTRY US

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OR				
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22c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

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OR				
23b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
23c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

24. MISCELLANEOUS:

Searched Through: 02/09/2017
Subject: Axios Logistics Solutions Inc.
Jurisdiction: Secretary of State, OH
Index Searched: UCC

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
NONE OF RECORD			
We have discovered filings indexed under the following similar name(s). In some jurisdictions it is not possible to determine the status of such filings without performing a search.			
AXIOS INVESTMENTS 1, LLC			

Capitol Services, Inc. and its affiliates make no express or implied representation or warranty regarding search reports. All liability shall be limited to the amount of the fee paid for the report.

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9-10222319M
9-10222319M



Date: 02/15/2017 457
Reference: 73781/38
Copies Requested: All Copies Excluding Lapsed Filings
Page Limit: 30

Searched Through: 02/13/2017
Subject: Axios Logistics Solutions Inc.
Jurisdiction: Department of State, MI
Index Searched: Certified UCC/Federal & State Liens

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
NONE OF RECORD			
SEE ATTACHED CERTIFIED OR OTHER SEARCH PERFORMED BY FILING OFFICE.			

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9-10222334J
9-10222334J



MICHIGAN DEPARTMENT OF STATE

Uniform Commercial Code
P.O. Box 30197
Lansing, Michigan 48909-7697
www.michigan.gov/sosucc

Search Report

February 13, 2017

The Michigan Secretary of State certifies that the attached is a record, according to the search criteria specified, of all financing statements, tax liens, and amendments naming the debtor, as filed with the Uniform Commercial Code office, as of the above certification date.

Disclaimer

Information relative to security interest and statutory liens obtained from the index is for information purposes only. Such information does not relieve any person or business from liability, alter priorities of security interest or liens, or affect any other legal rights or responsibilities. The index primarily contains information relative to security interests and statutory liens which have been filed for record on or before the above certification date. There may be security interests and statutory liens filed after that date which are valid. A search request limited under Administrative Rule R 440.508(1) may not reveal all filings against the debtor searched. The searcher bears the risk of relying on the limited search.

Ruth Johnson
Secretary of State

Capitol Services, Inc.
PO Box 1831
Austin, TX 78767 USA



MICHIGAN DEPARTMENT OF STATE

Uniform Commercial Code
P.O. Box 30197
Lansing, Michigan 48909-7697
www.michigan.gov/sosucc

Date: February 15, 2017

Customer ID: 9519

Reference No: S-20170215000430

Debtor Name: AXIOS LOGISTICS SOLUTIONS INC

Certified Through: 02/13/2017

Format: Certificate

Date Range: N/A

City Limited: N/A

Search Criteria: All (Including Lapsed)

No Records Found



Date: 02/15/2017
Reference: 73781/38
Copies Requested: All Copies Excluding Lapsed Filings
Page Limit: 30

460

Searched Through: 02/06/2017
Subject: Axios Logistics Solutions Inc.
Jurisdiction: Department of State, NY
Index Searched: UCC/Federal Lien
Federal Lien index includes Federal Tax Liens

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
12/21/2016	201612216506595	Financing Statement	C T CORPORATION SYSTEM, AS REPRESENTATIVE GLENDALE, CA

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9-10222324I
9-10222324I

Searched Through: 02/10/2017
Subject: Microlab Online Inc.
Jurisdiction: Recorder of Deeds, DC
Index Searched: UCC

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
NONE OF RECORD			

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Searched Through: 02/09/2017
Subject: Microlab Online Inc.
Jurisdiction: Secretary of State, DE
Index Searched: Certified UCC/Federal Lien

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
NONE OF RECORD			
SEE ATTACHED CERTIFIED OR OTHER SEARCH PERFORMED BY FILING OFFICE.			

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Capitol Services, Inc. ★ PO Box 1831 ★ Austin, TX 78767 ★ (800)345-4647

Delaware

Page 1

The First State

CERTIFICATE

**SEARCHED FEBRUARY 15, 2017 AT 11:03 A.M.
FOR DEBTOR, MICROLAB ONLINE INC.**

THE UNDERSIGNED FILING OFFICER HEREBY CERTIFIES THAT THERE ARE NO PRESENTLY EFFECTIVE FINANCING STATEMENTS, LAPSED FINANCING STATEMENTS, FEDERAL TAX LIENS OR UTILITY SECURITY INSTRUMENTS FILED IN THIS OFFICE WHICH NAME THE ABOVE DEBTOR, MICROLAB ONLINE INC. AS OF FEBRUARY 9, 2017 AT 11:59 P.M.




Jeffrey W. Bullock, Secretary of State

20171082969-UCC11
SR# 20170915810

Authentication: 202041257
Date: 02-15-17

You may verify this certificate online at corp.delaware.gov/authver.shtml

Searched Through: 02/09/2017
Subject: Microlab Online Inc.
Jurisdiction: Secretary of State, OH
Index Searched: UCC

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
NONE OF RECORD			
We have discovered filings indexed under the following similar name(s). In some jurisdictions it is not possible to determine the status of such filings without performing a search.			
MICRO LABORATORIES, INC.			

Capitol Services, Inc. and its affiliates make no express or implied representation or warranty regarding search reports. All liability shall be limited to the amount of the fee paid for the report.

Capitol Services, Inc. ★ PO Box 1831 ★ Austin, TX 78767 ★ (800)345-4647

9-10222320E
9-10222320E



Date: 02/15/2017
Reference: 73781/38
Copies Requested: All Copies Excluding Lapsed Filings
Page Limit: 30

465

Searched Through: 02/13/2017
Subject: Microlab Online Inc.
Jurisdiction: Department of State, MI
Index Searched: Certified UCC/Federal & State Liens

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Capitol Services, Inc. ★ PO Box 1831 ★ Austin, TX 78767 ★ (800)345-4647

9-10222335K
9-10222335K



MICHIGAN DEPARTMENT OF STATE

Uniform Commercial Code
P.O. Box 30197
Lansing, Michigan 48909-7697
www.michigan.gov/sosucc

Search Report

February 13, 2017

The Michigan Secretary of State certifies that the attached is a record, according to the search criteria specified, of all financing statements, tax liens, and amendments naming the debtor, as filed with the Uniform Commercial Code office, as of the above certification date.

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Ruth Johnson
Secretary of State

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PO Box 1831
Austin, TX 78767 USA



MICHIGAN DEPARTMENT OF STATE

Uniform Commercial Code
P.O. Box 30197
Lansing, Michigan 48909-7697
www.michigan.gov/sosucc

Date: February 15, 2017

Customer ID: 9519

Reference No: S-20170215000432

Debtor Name: MICROLAB ONLINE INC

Certified Through: 02/13/2017

Format: Certificate

Date Range: N/A

City Limited: N/A

Search Criteria: All (Including Lapsed)

No Records Found

Searched Through: 02/06/2017
Subject: Microlab Online Inc.
Jurisdiction: Department of State, NY
Index Searched: UCC/Federal Lien
Federal Lien index includes Federal Tax Liens

FILE DATE	FILE #	TYPE OF FILING	SECURED PARTY
NONE OF RECORD			

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9-10222325J
9-10222325J

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) GISELLA MELENDEZ 800-331-3282
B. E-MAIL CONTACT AT FILER (optional) EFILING@WOLTERSKLUWER.COM
C. SEND ACKNOWLEDGMENT TO: (Name and Address) P.O. BOX 29071 GLENDALE, CA 91209-9071 US

Delaware Department of State
U.C.C. Filing Section
Filed: 06:15 PM 12/21/2016
U.C.C. Initial Filing No: 2016 7943705

Service Request No: 20167212637

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				COUNTRY US

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☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

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International Association of Commercial Administrators

UCC FINANCING STATEMENT ADDITIONAL PARTY**FOLLOW INSTRUCTIONS**

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22c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	COUNTRY

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UCC FINANCING STATEMENT ADDITIONAL PARTY

FOLLOW INSTRUCTIONS

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19a. ORGANIZATION'S NAME				
OR				
19b. INDIVIDUAL'S SURNAME WICKWIRE	FIRST PERSONAL NAME DAVID	ADDITIONAL NAME(S)/INITIAL(S) JO	SUFFIX	
19c. MAILING ADDRESS 212 DEY STREET	CITY ITHICA	STATE NY	POSTAL CODE 14850	COUNTRY US

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20a. ORGANIZATION'S NAME				
OR				
20b. INDIVIDUAL'S SURNAME SHERMAN	FIRST PERSONAL NAME DEREK	ADDITIONAL NAME(S)/INITIAL(S) C	SUFFIX	
20c. MAILING ADDRESS 2219 GEE HILL RD	CITY DRYDEN	STATE NY	POSTAL CODE 13053	COUNTRY US

21. ADDITIONAL DEBTOR'S NAME: Provide only one Debtor name (21a or 21b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

21a. ORGANIZATION'S NAME				
OR				
21b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
21c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

22. ☐ ADDITIONAL SECURED PARTY'S NAME or ☐ ASSIGNOR SECURED PARTY'S NAME: Provide only one name (22a or 22b)

22a. ORGANIZATION'S NAME				
OR				
22b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
22c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

23. ☐ ADDITIONAL SECURED PARTY'S NAME or ☐ ASSIGNOR SECURED PARTY'S NAME: Provide only one name (23a or 23b)

23a. ORGANIZATION'S NAME				
OR				
23b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
23c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

24. MISCELLANEOUS:

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2016 Dec 21 PM06:15

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional) Gisella Melendez 800-331-3282	
B. SEND ACKNOWLEDGMENT TO: (Name and Address) CT Lien Solutions P.O. Box 29071 Glendale, CA 91209-9071, USA efiling@wolterskluwer.com (Fax) 818-562-4141	

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME MOBIUS BUSINESS SOLUTIONS, LLC				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 421 North Aurora St		CITY Ithaca	STATE NY	POSTAL CODE 14850
1d. SEE INSTRUCTIONS		1e. TYPE OF ORGANIZATION ORGANIZATION DEBTOR Limited Liability Company	1f. JURISDICTION OF ORGANIZATION NY	1g. ORGANIZATIONAL ID #, if any 4361778

☐ NONE**2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME** - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME D & T Trucking, Inc.				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS 16109 Rte 287		CITY Tioga	STATE PA	POSTAL CODE 16946
2d. SEE INSTRUCTIONS		2e. TYPE OF ORGANIZATION ORGANIZATION DEBTOR Corporation	2f. JURISDICTION OF ORGANIZATION PA	2g. ORGANIZATIONAL ID #, if any 3668557

☐ NONE**3. SECURED PARTY'S NAME** (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME C T CORPORATION SYSTEM, AS REPRESENTATIVE				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 330 N Brand Blvd, Suite 700; Attn: SPRS		CITY Glendale	STATE CA	POSTAL CODE 91203

COUNTRY **USA****4. This FINANCING STATEMENT covers the following collateral:**

Receivables - All assets now owned or hereafter acquired and wherever located, including but not limited to, the following subcategories of assets: a. Accounts, including but not limited to, credit card receivables; b. Chattel Paper; c. Inventory; d. Equipment; e. Instruments, including but not limited to, Promissory Notes; f. Investment Property; g. Documents; h. Deposit Accounts; i. Letter of Credit Rights; j. General Intangibles; k. Supporting Obligations; and l. Proceeds and Products of the foregoing. NOTICE PURSUANT TO AN AGREEMENT BETWEEN DEBTOR AND SECURED PARTY, DEBTOR HAS AGREED NOT TO FURTHER ENCUMBER THE COLLATERAL DESCRIBED HEREIN, THE FURTHER ENCUMBERING OF WHICH MAY CONSTITUTE THE TORTIOUS INTERFERENCE WITH THE SECURED PARTY'S RIGHT BY SUCH ENCUMBRANCES IN THE EVENT THAT ANY ENTITY IS GRANTED A SECURITY INTEREST IN DEBTOR'S ACCOUNTS, CHATTEL PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE, THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEREOF RECEIVED BY SUCH ENTITY.

5. ALTERNATIVE DESIGNATION (if applicable):		LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAILOR	SELLER/BUYER	AG. LIEN	NON-UCC FILING
6. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)		7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional)		All Debtors		Debtor 1	Debtor 2
8. OPTIONAL FILER REFERENCE DATA NY-0-56960326-52584172							

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Filing Number-201612216506595

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UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT9a. ORGANIZATION'S NAME **MOBIUS BUSINESS SOLUTIONS, LLC**

OR

9b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

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11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only org name (11a or 11b) - do not abbreviate or combine names11a. ORGANIZATION'S NAME **MOBIUS ASSETS, LLC**

OR

11b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

11c. MAILING ADDRESS **421 North Aurora St**CITY **Ithaca**

STATE

POSTAL CODE

COUNTRY

NY**14850****USA**11d. **SEE INSTRUCTIONS**ADD'L INFO RE
ORGANIZATION
DEBTOR11e. TYPE OF ORGANIZATION
**Limited Liability
Company**11f. JURISDICTION OF ORGANIZATION
DE11g. ORGANIZATIONAL ID #, if any
4489577☐ NONE**12. ☐ ADDITIONAL SECURED PARTY'S or ☐ ASSIGNOR S/P'S NAME - Insert only org name (12a or 12b)**

12a. ORGANIZATION'S NAME

OR

12b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

12c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as-extracted collateral, or is filed as a ☐ fixture filing.

14. Description of real estate:

16. Additional collateral description:

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.

☐ Debtor is a TRANSMITTING UTILITY☐ Filed in connection with a Manufactured-Home Transaction — effective 30 years☐ Filed in connection with a Public-Finance Transaction — effective 30 years

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OR

11b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

11c. MAILING ADDRESS **421 North Aurora St**CITY **Ithaca**

STATE

POSTAL CODE

COUNTRY

NY**14850****USA**11d. SEE INSTRUCTIONSADDL INFO RE
ORGANIZATION
DEBTOR11e. TYPE OF ORGANIZATION
Corporation11f. JURISDICTION OF ORGANIZATION
DE11g. ORGANIZATIONAL ID #, if any
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OR

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FIRST NAME

MIDDLE NAME

SUFFIX

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STATE

POSTAL CODE

COUNTRY

NY**14850****USA**

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ADD'L INFO RE
ORGANIZATION
DEBTOR11e. TYPE OF ORGANIZATION
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11a. ORGANIZATION'S NAME

OR

11b. INDIVIDUAL'S LAST NAME **Wickwire**FIRST NAME **David**MIDDLE NAME **Jo**

SUFFIX

11c. MAILING ADDRESS **212 Dey Street**CITY **Ithaca**

STATE

POSTAL CODE

COUNTRY

NY**14850****USA**11d. SEE INSTRUCTIONSADD'L INFO RE
ORGANIZATION
DEBTOR

11e. TYPE OF ORGANIZATION

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11a. ORGANIZATION'S NAME

OR

11b. INDIVIDUAL'S LAST NAME **Sherman**FIRST NAME **Derek**MIDDLE NAME **C**

SUFFIX

11c. MAILING ADDRESS **2219 Gee Hill Rd**CITY **Dryden**STATE **NY**POSTAL CODE **13053**COUNTRY **USA**11d. SEE INSTRUCTIONSADD'L INFO RE
ORGANIZATION
DEBTOR

11e. TYPE OF ORGANIZATION

11f. JURISDICTION OF ORGANIZATION

11g. ORGANIZATIONAL ID #, if any
None☒ NONE**12. ☐ ADDITIONAL SECURED PARTY'S or ☐ ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)**

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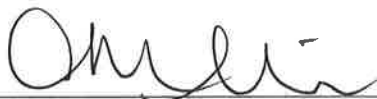
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TAB W

THIS IS EXHIBIT "W" TO

THE AFFIDAVIT OF GEOFF BLEICH

SWORN BEFORE ME THIS 23 DAY OF FEB, 2017



Commissioner for Taking Affidavits
(or as may be)

CAROLINE MAIA



Axios Mobile Assets Corp.

Consolidated Financial Statements

For the years ended December 31, 2015 and 2014

Independent Auditor's Report

Grant Thornton LLP
11th Floor
200 King Street West, Box 11
Toronto, ON
M5H 3T4
T +1 416 366 0100
F +1 416 360 4949
www.GrantThornton.ca

To the Shareholder of
Axios Mobile Assets Corp.

We have audited the accompanying consolidated financial statements of **Axios Mobile Assets Corp.**, which comprise the consolidated statements of financial position as at December 31, 2015 and 2014, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of **Axios Mobile Assets Corp.** as at December 31, 2015 and 2014, and its financial performance and its cash flows for the years ended, in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1 to the consolidated financial statement which indicates a net loss of \$9,083,000 and a deficit of \$23,401,000 at December 31, 2015. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Grant Thornton LLP

Toronto, Canada
May 4, 2016

Chartered Professional Accountants
Licensed Public Accountant

TABLE OF CONTENTS

Consolidated Statements of Financial Position	5
Consolidated Statements of Loss and Comprehensive Loss	6
Consolidated Statements of Changes in Equity	7
Consolidated Statements of Cash Flows	8
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Axios Mobile Assets Corp.

Consolidated Statements of Financial Position

(expressed in thousands of Canadian Dollars, except for per share amounts)

	December 31, 2015	December 31, 2014
ASSETS		
Current		
Cash	\$ 11,025	\$ 1,429
Amounts receivable and prepaids	684	9
Government receivables	566	71
Total current assets	12,275	1,509
Non-current		
Property and equipment [note 7]	7,416	2,147
Intangible assets [note 8]	5,862	3,508
Goodwill [note 5]	400	-
Total non-current assets	13,678	5,655
Total assets	\$ 25,953	\$ 7,164
LIABILITIES		
Current		
Shareholder loan payable [note 15]	\$ -	\$ 693
Accounts payable and accrued liabilities [note 15]	1,528	2,376
Convertible debentures [note 10]	2,860	-
Derivative liability [note 10]	71	-
Total current liabilities	4,459	3,069
Non-current		
Convertible debentures [note 10]	-	2,737
EDC loan payable [note 9]	3,000	-
Total liabilities	7,459	5,806
EQUITY		
Capital stock [note 11]	32,381	14,038
Shares to be issued	46	-
Contributed surplus	8,710	1,575
Accumulated other comprehensive income	758	63
Deficit	(23,401)	(14,318)
Total equity	18,494	1,358
Total liabilities and equity	\$ 25,953	\$ 7,164

Nature of operations and going concern [note 1]

Commitments [note 18]

*See accompanying notes to the consolidated financial statements.***Approved on behalf of the Board:**"Richard MacDonald"

Director

"Chris Salapoutis"

Director

Axios Mobile Assets Corp.

Consolidated Statements of Loss and Comprehensive Loss

(expressed in thousands of Canadian Dollars, except for per share amounts)

	Notes	For the years ended December 31,	
		2015	2014
Revenue			
Pallet rental	\$	975	\$ 73
Freight services		394	-
Total revenue		1,369	73
Operating expenses			
Salaries, wages, management fees and benefits		2,187	814
Depreciation and amortization		1,470	892
Pallet rental and freight services		2,544	509
Professional fees		987	750
Occupancy expenses		280	78
Stock based compensation		1,192	63
Other		1,034	354
Total operating expenses		9,694	3,460
Operating loss		(8,325)	(3,387)
Interest expense		(563)	(174)
Accretion expense		(379)	(97)
Gain on change in value of derivative liability		159	-
Other income	12	-	558
Net loss before taxes		(9,108)	(3,100)
Income tax recovery		25	-
Net loss		(9,083)	(3,100)
Other Comprehensive Income			
Items that will be subsequently reclassified to profit or loss			
Exchange differences on translating foreign operations		695	63
Total comprehensive loss for the year	\$	(8,388)	\$ (3,037)
Net loss per share, basic and diluted - in dollars	\$	(0.43)	\$ (0.28)
Weighted average number of shares			
outstanding - basic and diluted		21,326,365	11,196,607

See accompanying notes to the consolidated financial statements.

Axios Mobile Assets Corp.

Consolidated Statements of Changes in Equity

(expressed in thousands of Canadian Dollars, except for per share amounts)

	Share capital	Shares to be issued	Contributed surplus	Accumulated comprehensive income	Deficit	Total equity
Balance, December 31, 2013	\$ 13,556	\$ -	\$ 1,329	\$ -	\$ (11,218)	\$ 3,667
Allocation to warrants	-	-	101	-	-	101
Equity component of convertible debt issue	-	-	82	-	-	82
Stock-based compensation [note 11]	-	-	63	-	-	63
Issuance of common shares in settlement of debt [note 11.1 (a)]	100	-	-	-	-	100
Common shares issued to settle consulting fees [note 11.1 (b)]	200	-	-	-	-	200
Shares issued on conversion of debentures [note 11.1 (c)]	182	-	-	-	-	182
Net loss for the year	-	-	-	63	(3,100)	(3,037)
Balance, December 31, 2014	\$ 14,038	\$ -	\$ 1,575	\$ 63	\$ (14,318)	\$ 1,358
Shares issued for cash [note 11.1(d)]	12,932	-	5,013	-	-	17,945
Shares issued as payment for consulting services	105	-	-	-	-	105
Shares issued on conversion of debentures [note 11.1 (e)]	1,298	-	-	-	-	1,298
Shares issued to settle indebtedness [note 11(f)]	1,715	-	276	-	-	1,991
Shares issued to settle convertible debt interest	90	46	-	-	-	136
Shares issued on acquisition of Mobius [note 11(g)]	260	-	-	-	-	260
Shares issued in connection with the bridge loan [note 11(h)]	27	-	-	-	-	27
Equity component of convertible debt issuance	-	-	39	-	-	39
Share issued on acquisition of Axsense Inc. [note 11(j)]	1,916	-	615	-	-	2,531
Stock-based compensation [note 11]	-	-	1,192	-	-	1,192
Other comprehensive income	-	-	-	695	-	695
Net loss for the year	-	-	-	-	(9,083)	(9,083)
Balance, December 31, 2015	\$ 32,381	\$ 46	\$ 8,710	\$ 758	\$ (23,401)	\$ 18,494

See accompanying notes to the consolidated financial statements.

Axios Mobile Assets Corp.

Consolidated Statements of Cash Flows

(expressed in thousands of Canadian Dollars, except for per share amounts)

	For the years ended December 31,	
	2015	2014
OPERATING ACTIVITIES		
Net loss for the year	\$ (9,083)	\$ (3,100)
Adjustments for non-cash items:		
Depreciation and amortization	1,470	901
Convertible debt accretion	379	97
Stock-based compensation	1,192	63
Consulting fees settled with shares	105	-
Provision for lost and damaged pallets	377	-
Change in fair value of derivative liability	(159)	-
Other income	-	(558)
Net change in non-cash working capital		
Amounts receivable and prepaids	(864)	(4)
Inventory	-	(53)
Government receivables	(496)	57
Accounts payable and accrued liabilities	42	1,202
Cash used in operating activities	(7,037)	(1,395)
FINANCING ACTIVITIES		
Proceeds on issuance of shares	19,632	-
Share issue expenses	(1,687)	-
Proceeds of shareholder loan payable	-	693
Proceeds from issuance of convertible debenture	1,375	2,268
Convertible debenture issue expenses	(150)	-
Net proceeds from bridge loan	1,969	-
Bridge loan re-paid	(2,002)	-
Net proceeds from EDC loan	3,000	-
Cash provided by financing activities	22,137	2,961
INVESTING ACTIVITIES		
Additions to property and equipment	(6,115)	(123)
Additions to intangible assets	(23)	(78)
Acquisition of Mobius, net of cash acquired	(359)	-
Acquisition of Axsense., net of cash acquired	6	-
Cash used in investing activities	(6,491)	(201)
Net increase in cash during the year	8,609	1,365
Cash, beginning of year	1,429	105
Effect of foreign exchange on cash	987	(41)
Cash, end of year	\$ 11,025	\$ 1,429

See accompanying notes to the consolidated financial statements.

Axios Mobile Assets Corp.

Notes to the consolidated financial statements

December 31, 2015 and 2014

(expressed in thousands of Canadian Dollars, except for per share amounts)

1. Nature of operations and going concern**General information**

Axios Mobile Assets Corp. (the “Company” or “Axios”) is a logistics enabler featuring a next generation, bio-based pallet technology, which can be bundled with its proprietary cross-platform tracking and information system that helps improve the value chain in the logistics market. The Company’s bundled offering is targeted at providing lower total cost, lighter weight, sanitary pallets, and real time data. The Company is domiciled in Canada and its registered office is located at 30 Topflight Drive, Unit 7, Mississauga, Ontario, L5S 0A8.

The consolidated financial statements of the Company for the years ended December 31, 2015 and 2014 were authorized for issuance in accordance with a resolution of the board of directors on May 3, 2016.

Going concern

These consolidated financial statements have been prepared using accounting policies applicable to a going concern.

The Company incurred a net loss for the year ended December 31, 2015 of \$9,083 (2014 – \$3,100) and has an accumulated deficit of \$23,401 at December 31, 2015 (2014 – \$14,318). Though the Company has working capital of \$7,816 at December 31, 2015 (2014 – a working capital deficit of \$1,560), it expects that it will require further financing in order to execute on its operating and investing plan. While there is no assurance that additional funds can be raised, the Company believes financing will be available as required. As a result of the above, there is a material uncertainty which casts significant doubt on the Company’s ability to continue as a going concern.

The consolidated financial statements do not reflect any adjustments that would be necessary if the going concern basis was not appropriate. If the going concern basis was not appropriate for these consolidated statements, significant adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the classifications used on the consolidated statements of financial position. Such adjustments could be material.

2. Statement of compliance with IFRS

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

3. Functional and presentation currency

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the parent company. With the exception of per-share references, such as references to net loss per share and exercise price of options and warrants, all dollar amounts have been rounded to the nearest thousand unless otherwise indicated.

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4. Significant accounting policies**Basis of measurement**

The consolidated financial statements have been prepared on a historical cost basis except for derivative liabilities which are measured at fair value.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. Profit or loss and other comprehensive income of subsidiaries acquired during the year are recognized from the effective date of the acquisition. All inter-company transactions and balances are eliminated on consolidation.

The Company has the following five subsidiaries, all of which were 100% owned at December 31, 2015:

Name of Subsidiary	Country of Incorporation and Principal Place of Business	Functional Currency
Axios Mobile Assets Inc.	Canada	CAD
Axsense Inc.	Canada	CAD
Axios Mobile Assets, Inc.	USA	USD
Axios Logistics Solutions Inc.	USA	USD
Mobius Logistics, Inc.	USA	USD

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit with banks and short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition.

Revenue recognition

The Company recognizes revenue once evidence of an arrangement is available, delivery has occurred or services have been provided, fees are fixed or determinable and collectability is reasonably assured. In cases where collectability is not deemed reasonably assured, revenue is recognized upon receipt of cash, assuming all other revenue recognition criteria have been met.

Pallet rental

The Company enters into long-term rental contracts of its pallets. Revenue is earned based on the number of issuances of each pallet. Revenue is recognized as the pallet is issued or reissued into the rental pool and used by the customer.

Freight services

Revenue is earned when delivery of the customer's goods is made.

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Financial instruments*Financial assets*

Financial assets are classified as either financial assets at fair value through profit or loss (“FVTPL”), loans and receivables, held to maturity investments (“HTM”), or available-for-sale financial assets (“AFS”), as appropriate at initial recognition and, except in very limited circumstances, the classification is not changed subsequent to initial recognition. The classification is determined at initial recognition and depends on the nature and purpose of the financial asset. A financial asset is derecognized when contractual rights to the asset’s cash flows expire or if substantially all the risks and rewards of the asset are transferred.

Loans and receivables

Other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Other receivables are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortized cost, calculated using the effective interest method. This method calculates the amortized cost of a financial instrument and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the instrument’s expected life, or where appropriate, a shorter period. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the consolidated statements of loss and comprehensive loss when the receivables are derecognized or impaired, as well as through the amortization process. The Company has classified cash and cash equivalents, and accounts receivables as loans and receivables. The carrying value of accounts receivables approximates the fair value due to the relatively short period to maturity.

Impairment of financial assets

The Company assesses at the end of each reporting period whether a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the asset’s original effective rate.

The carrying amount of trade receivables is reduced through the use of an allowance account. Associated allowances are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Company. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the consolidated statements of loss and comprehensive loss.

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Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, or other financial liabilities, as appropriate upon initial recognition. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. The Company's derivative liability is recorded at fair value through profit or loss.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. Subsequent to the initial recognition, other financial liabilities are measured at amortized cost using the effective interest method. The Company's other financial liabilities include accounts payable and accrued liabilities, shareholder loan payable, convertible debt and EDC loan.

The carrying value of accounts payable and accrued liabilities approximates their fair value due to the relatively short periods to maturity. The fair value of convertible debt and EDC loan approximates fair value as it bears interest at market rates and there has been little change to interest rates and the Company's credit spread since inception of the debt and EDC loan.

Financial instruments carried at fair value

Financial instruments carried at fair value on the consolidated statements of financial position are measured using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Property and equipment

The Company records property and equipment at historical cost and annually provides for depreciation and salvage values, which are reassessed at each reporting date. Depreciation rates are calculated to write off the assets over their estimated useful lives as follows:

Asset	Depreciation Rate
Computer equipment	30%-100% declining balance
Machinery	20% declining balance
Leasehold improvements	straight-line over lease term
Pallet rental pool	straight-line over 5 years
Furniture and fixtures	straight-line over 5 years

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Property and equipment also includes a work-in-progress amount representing pallets that are being built. The Company records work-in-progress at cost. Depreciation begins once the pallets are transferred from work-in-progress to the pallet rental pool.

Intangible assets

Intangible assets, consisting of investments in a software unification platform, intellectual property and customer relationships, are recorded at cost less accumulated amortization. Amortization of intangible assets is recognized over their estimated useful lives from the date that they are available for their intended use, using the straight-line method of amortization. Amortization rates are calculated to write off the assets over their estimated useful lives as follows:

Asset	Amortization Rate
Software unification platform	straight-line over 10 years
Intellectual property	straight-line over 10 years
Customer relationships	straight-line over 5 years

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognized. Goodwill is carried at cost less accumulated impairment losses. Refer to the impairment of long lived assets accounting policy below for a description of impairment testing procedures.

Impairment of long lived assets

For impairment assessment purposes, non-financial assets are grouped at the lowest levels for which there are largely independent cash inflows, the Company has classified these groups as cash generating units ("CGUs"). The Company's CGUs are Pallet Rental, Technology and Freight Services. At the end of each reporting period, the Company reviews and evaluates its long-lived assets at the CGU level to determine whether there is any indication that these assets are impaired. If any such indication exists, the recoverable amount of the relevant CGU is estimated in order to determine the extent of impairment. The Freight Services CGU is tested for impairment at least annually as the CGU includes goodwill.

The recoverable amount of a CGU is the higher of its fair value less cost of disposal and its value-in-use. The value-in-use is estimated as the discounted future pre-tax cash flows expected to be derived from the CGU. If the recoverable amount of the CGU is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. Impairment losses are recognized as operating expenses in the period in which they are incurred. When an impairment loss reverses in a subsequent period, the carrying amount of the related asset other than goodwill is increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset previously. Reversals of impairment losses are recognized in profit or loss in the period in which the reversals occur.

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Convertible Debentures

The holder has the right to demand that the Company pay all or part of the liability associated with the Company's outstanding convertible notes in cash on the conversion date. Accordingly, the Company classifies the convertible notes as a financial liability with a conversion feature. The liability component is recognized initially at its fair value. The equity component is recognized as the difference between the face value of the convertible notes as a whole and the value of the liability component, in contributed surplus. The liability component is subsequently measured at amortized cost using the effective interest method.

Interest, gains and losses related to the liability component are recognized in profit or loss.

Translation of foreign currencies*Foreign currency transactions*

Foreign currency transactions are translated into the functional currency of the respective entity, based on the average exchange rate for the month during which the transactions occur. Foreign exchange gains or losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognized in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical costs (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when the fair value was determined.

Translation of foreign operations

In the Company's financial statements, all assets, liabilities and transactions of Company entities with a functional currency other than the Canadian dollar are translated into Canadian dollars upon consolidation. The functional currency of the entities in the Company has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into Canadian dollars at the closing rate at the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Canadian dollars at the closing rate. Income and expenses have been translated into Canadian dollars at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the other accumulated comprehensive income in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to profit or loss and are recognized as part of the gain or loss on disposal.

Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity. Calculation of current tax is based on tax rates and

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tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although IAS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Company does not recognize deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries.

Basic and diluted loss per share

Basic loss per common share is computed by dividing the loss by the weighted average number of common shares outstanding during the year. Diluted per share amounts reflect the potential dilution that could occur if the Company's convertible securities and convertible debentures were converted to common shares. Diluted loss per common share is calculated by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effect of all dilutive potential common shares. When the Company is in a net loss position, the conversion of convertible securities is considered to be anti-dilutive.

Share-based payments

Equity-settled share-based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense in the consolidated financial statements. The fair value determined at the grant date of the equity-settled share based payments is expensed over the vesting period based on the Company's estimate of shares that will eventually vest. The number of forfeitures likely to occur is estimated on the grant date and subsequently adjusted to reflect any changes in the estimate. Each tranche of an option that vests over time is considered a separate award and the fair value of each tranche is expensed over its vesting period with the corresponding credit to contributed surplus. Any consideration paid by directors, officers and employees on exercise of equity-settled share based payments is credited to capital stock. Shares are issued from treasury upon the exercise of equity-settled share based instruments.

Compensation expense on stock options granted to non-employees is measured at the date when the goods or services are received and is recorded as an expense in the same period as if the Company had paid cash for the goods or services received. Share-based payments granted to non-employees are measured at the fair value of goods or services received unless that cannot be reasonably estimated in which case the fair value of the share-based payments are used.

Equity, contributed surplus and deficit

Share capital represents the consideration received for shares that have been issued, net of related issuance costs.

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Contributed surplus includes the value of share based payments, plus the value of warrants and broker units issued in connection with private placements, and the component of convertible debt which is attributable to equity.

Deficit includes all current and prior period accumulated losses.

Significant accounting judgments and estimates

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Impairment of assets

When there are indications that an asset may be impaired, the Company is required to estimate the asset's recoverable amount. The recoverable amount is the greater of value-in-use and fair value less costs of disposal. Determining the value-in-use requires the Company to estimate expected future cash flows associated with the assets and a suitable discount rate in order to calculate present value.

Useful life of property and equipment and intangible assets

Property and equipment and intangible assets are amortized over the estimated useful life of the assets. Changes in the estimated useful lives could significantly increase or decrease the amount of amortization recorded during the period.

Share-based compensation

The Company applies the fair value method of accounting for share-based payments granted to employees and other individuals providing similar services. The fair value of the options is determined using an option pricing model that takes into account, as of the grant date, the exercise price, the expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock, forfeiture rate and the risk free interest rate over the expected life of the option. Each tranche of an option that vests over time is considered a separate award and the fair value of each tranche is expensed over its vesting period with the corresponding credit to contributed surplus.

Warrants

The Company is required to make certain estimates when determining the fair value of warrants. The Company uses the Black-Scholes pricing model to determine the fair value. The Black-Scholes option pricing model requires the input of subjective assumptions, such as stock price volatility.

Convertible debentures

The holder has the right to convert the convertible debentures into equity. Accordingly, the Company bifurcates the debentures between liabilities and equity. The liability component feature is recognized

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initially at its fair value. In determining the fair value of the liability the Company estimates the market rate of the liability with the absence of a conversion feature.

Business combinations and asset acquisitions

Management uses valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination and asset acquisitions (see Notes 5 and 6).

Provision for lost and damaged pallets

Management records a provision for lost and damaged pallets. The provision is reflected as a reduction to the pallet pool asset, offset to pallet rental and freight services expense. Management considers a number of factors, including historical rates of loss and damage, in determining the provision.

The following are the critical judgments that have been made in applying the Company's accounting policies and that have the most significant effect on the amounts in the consolidated financial statements:

Income taxes and recovery of deferred tax assets

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the consolidated financial statements.

Going concern

The assessment of the validity of the going concern assumption requires significant judgment by management relating to the Company's ability to achieve profitable operations, raise debt and/or equity financing in the future and meet its obligations as they come due.

Accounting standards issued but not yet effective

The Company has identified new and revised accounting pronouncements that have been issued but are not yet effective and determined that the following may have an impact on the Company:

In July, 2014, the IASB reissued IFRS 9 which replaced IAS 39. The replacement standard has the following significant components: establishes two primary measurement categories for financial assets – amortized cost and fair value; establishes criteria for classification of financial assets within the measurement category based on business model and cash flow characteristics; and eliminates existing held to maturity, available for sale and loans and receivable categories. This standard is effective January 1, 2018 and allows early adoption. The Company has not early adopted this standard and is currently assessing the impact that this standard will have on the consolidated financial statements.

In May 2014, the IASB issued IFRS 15 Revenue from contracts with customers, which provides a single, principles based five-step model for revenue recognition to be applied to all customer contracts, and requires enhanced disclosures. This standard is effective January 1, 2018 and allows early adoption. The Company has not early adopted this standard and is currently assessing the impact that this standard will have on the consolidated financial statements.

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In January 2016, the IASB issued IFRS 16 which replaces IAS 17 for the accounting of leases. IFRS 16 eliminates the classification as an operating lease and requires lessees to recognize a right-of-use asset and a lease liability in the statement of financial position for all lease with exemptions permitted for short-term leases and leases of low value assets. In addition, IFRS 16: changes the definition of a lease; sets requirements on how to account for the asset and liability, including complexities such as non-lease elements, variable lease payments and options periods; changes the accounting for sale and leaseback arrangements; largely retains IAS 17's approach to lessor accounting and introduces new disclosure requirements. This standard is effective January 1, 2019 and allows early adoption. The Company has not early adopted this standard and is currently assessing the impact that this standard will have on the consolidated financial statements.

5. Acquisitions**5.1 Acquisition of Mobius Logistics, Inc. ("Mobius")**

On May 1, 2015, the Company acquired 100% of the outstanding common shares of Mobius, a New York (USA) based business that provides distribution logistics services. The acquisition of Mobius was made to advance the Company's strategy of providing an end-to-end solution to its customers.

The acquisition of Mobius was settled in cash and shares amounting to \$624. The purchase agreement includes a return of the shares issued if earnings before depreciation and tax for 2016 and 2017 do not meet a target level agreed to by both parties. The fair value of the contingent consideration asset of \$nil initially recognized represents the Company's estimate of the fair value of shares to be returned.

Goodwill of \$350 is primarily related to growth expectations, expected future profitability, and the substantial skill and expertise of Mobius workforce. Goodwill has been allocated to the Freight Services CGU and is not expected to be deductible for tax purposes.

Mobius incurred a net loss of \$87 for the 8 months from May 1, 2015 to the reporting date. Revenue for the 8 months ending December 31, 2015 was \$394.

The acquisition was settled for \$300 US dollars plus 200,000 common shares of the Company. The total purchase consideration is detailed below:

	US \$	Canadian \$
Cash	300	366
Common shares (200,000)	212	258
Total purchase price	512	624

The purchase price was allocated to the underlying assets acquired and liabilities assumed based upon their estimated fair values at the date of acquisition.

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	US \$	Canadian \$
Cash	7	9
Accounts receivable	57	70
Prepays and deposits	27	33
Deferred income tax assets	70	85
Intangible asset - customer relationships	226	275
Intangible asset - goodwill	288	350
Accounts payable and accrued liabilities	(75)	(91)
Deferred tax liability	(88)	(107)
Total purchase price	512	624

5.2 Acquisition of Axsense Inc. ("Axsense")

On December 21, 2015, the Company acquired 100% of the outstanding common shares of Axsense, a company based in Toronto (Canada). The acquisition was made to enhance the technology associated with the Company's pallets. Axsense has developed a sensing device that may be used on the Company's pallets to provide a user with data about that pallet during the shipping process.

The acquisition was settled for 2,777,778 units of the Company. Each unit consisted of one common share and one warrant entitling the holder to purchase one Axios common share at an exercise price of \$1.50 Canadian dollars. The warrants expire on December 21, 2018.

Axsense consisted primarily of intellectual property and has been accounted for as a purchase of assets rather than as a business combination under IFRS 3. The value of common shares and warrants issued as purchase consideration has been determined to be \$2,531 based on the value of net assets acquired.

	\$
Cash	6
Accounts receivable	50
Computer equipment	1
Intangible asset - intellectual property	2,474
Total net assets acquired	2,531

6. Segmented information

The Company determined its reportable segments based on how its chief operating decision maker, the President and Chief Executive Officer, regularly reviews the Company's operations and performance. The Company uses operating income or loss as a key measure of profit for the purpose of assessing performance for each segment and to make decisions about the allocation of resources. The Company considers depreciation and amortization, stock based compensation, and all non-operating expenses to be

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corporate items that are not allocated to its reportable segments for the purposes of determining each segment's operating income or loss.

The Company follows the same accounting policies for its segments as those described in the notes to the consolidated financial statements. Intercompany transactions are eliminated for the purposes or evaluating segment results.

Segment results are presented below for the year ended December 31, 2015. Because the Freight Services division arose primarily from the Company's acquisition of Mobius during 2015, the Company only had a single reportable segment in 2014.

	Pallet Rental	Freight Services	Total
	\$	\$	\$
Revenue	975	1,017	1,992
Less: intersegment revenues	-	(623)	(623)
Total revenue	975	394	1,369
Operating expenses			
Pallet rental and freight services	2,700	362	3,062
Less: intersegment expenses	(623)	-	(623)
Total pallet rental and freight services	2,077	362	2,439
Salaries, wages, management fees and benefits	2,143	44	2,187
Depreciation and amortization			1,470
Pallet rental and freight services	2,077	362	2,439
Professional fees	1,082	10	1,092
Occupancy expenses	273	7	280
Stock based compensation			1,192
Other	1,016	18	1,034
Total operating expenses	6,591	441	9,694
Operating loss for the year	(5,616)	(47)	(8,325)
Interest expense			(563)
Accretion expense			(379)
Debt settlement expense			-
Gain on change in value of derivative			159
Other income			-
Income tax expense			25
Net loss for the year	(5,616)	(47)	(9,083)

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The Company has four significant customers each accounting for greater than 10% of total consolidated revenues. In the Pallet Rental segment, two customers account for 43% and 23%, respectively, of consolidated revenues. In the Freight Services segment, two customers account for 16% and 10%, respectively, of consolidated revenues.

The Company has property and equipment of \$1,179 and intangibles assets of \$5,283 in Canada. All remaining property and equipment, intangible assets, and goodwill are in the US. All of the Company's revenue from external customers is earned in the US.

7. Property and equipment

Property and equipment consists of the following:

Cost	Lease Improve. \$	Comp Equip. \$	Furn. & Equip. \$	Machinery \$	Pallet CIP \$	Pallet Pool \$	Total \$
December 31, 2013	41	42	-	3,041	38	-	3,162
Currency adjustment	-	1	-	138	-	-	139
Additions	-	39	-	48	88	-	175
Transfers	-	-	-	-	(36)	36	-
December 31, 2014	41	82	-	3,227	90	36	3,476
Currency adjustment	-	16	-	229	-	834	1,079
Additions	72	25	131	73	5,814	-	6,115
Disposals	-	(52)	-	-	-	(826)	(878)
Transfers	-	-	-	-	(5,796)	5,796	-
December 31, 2015	113	71	131	3,529	108	5,840	9,792

Accum. Depreciation

December 31, 2013	21	25	-	740	-	-	786
Currency adjustment	-	1	-	49	-	-	50
Depreciation	8	9	-	476	-	-	493
December 31, 2014	29	35	-	1,265	-	-	1,329
Currency adjustment	-	7	-	107	-	54	168
Depreciation	7	9	6	386	-	558	966
Disposals	-	(38)	-	(13)	-	(36)	(87)
December 31, 2015	36	13	6	1,745	-	576	2,376

Net Carrying Amount

December 31, 2014	12	47	-	1,962	90	36	2,147
December 31, 2015	77	58	125	1,784	108	5,264	7,416

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Machinery consists primarily of tooling and manufacturing equipment used in the construction of pallets. Pallet construction in progress (CIP) includes pallet materials and parts in the process of being manufactured and assembled. Once those stages are finished, the value of the completed pallets is transferred into the pallet pool account.

8. Intangible assets**Software unification platform**

On December 15, 2009, the Company acquired a software unification platform from ProcessLink Inc. The Company is utilizing this as the base software platform solution to perform “transactional triangulation” from any and all disparate systems information its customers use, allowing both traceability of palletized loads and reduction in systemic parasitic pallet losses.

Intellectual Property

On December 1, 2009, the Company acquired the intellectual property pertaining to a technology that enables production of a very strong, lightweight and environmentally friendly pallet. In addition to the physical characteristics of the pallet, the developer augmented the pallet with Radio Frequency Identification (“RFID”) technology further enhanced through the software unification platform, in order to develop and implement the concept of “transactional triangulation”. The developer formulated a concept where the traditional tenets of “Recycle”, “Reuse”, and “Reduce” are fulfilled and proven with all of the pallets’ attributed, but the additional tenets of “Redesign and Re-imagine” have been added. Additions during the year relate to the Company’s ongoing tooling, materials, engineering activities and other costs directly related to the development of the intellectual property.

On December 21, 2015, the Company acquired assets of the intellectual property of Axsense Inc. Axsense has developed a sensor that may be used in the Company’s pallet to transit information about the pallet during the shipping process.

Customer Relationships

Customer relationships represents the relationships acquired by the Company through its May 1, 2015, acquisition of Mobius Logistics, Inc. These customer relationships were initially recorded at their fair value based on the present value of expected cash flows.

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Activity in the Company's intangible asset accounts is detailed below:

Cost	Software Unification Platform \$	Intellectual Property \$	Customer Relationships \$	Goodwill \$	Total \$
December 31, 2013	1,254	2,957	-	-	4,211
Currency adjustment	-	51	-	-	51
Additions	78	-	-	-	78
December 31, 2014	1,332	3,008	-	-	4,340
Currency adjustment	-	66	35	50	151
Additions through acquisitions	-	-	274	350	624
Additions	-	2,497	-	-	2,497
December 31, 2015	1,332	5,571	309	400	7,612
Accum. amortization					
December 31, 2013	125	294	-	-	419
Currency adjustment	-	5	-	-	5
Additions	133	275	-	-	408
December 31, 2014	258	574	-	-	832
Currency adjustment	-	14	-	-	14
Additions	133	333	38	-	504
December 31, 2015	391	921	38	-	1,350
Carrying Amount					
December 31, 2014	1,074	2,434	-	-	3,508
December 31, 2015	941	4,650	271	400	6,262

The goodwill acquired in 2015 as part of the Mobius acquisition has been allocated to the Freight Services CGU. Goodwill was tested for impairment in 2015. The carrying value of the Freight Service CGU is \$709 and consists of goodwill of \$400 and customer relationships of \$309. The recoverable amount of the CGU was determined based on its fair value less costs of disposal. The fair value less costs of disposal of the Freight Services CGU was determined using a market approach and is classified as a Level 3 measurement in the fair value hierarchy. The significant assumption in this measurement includes a gross profit multiple in the range of 2.4 to 3.2. No impairment loss was recorded in 2015.

9. Loans

During the year the Company arranged a bridge loan and a loan with Economic Development Canada ("EDC"). The Company had \$3,000 outstanding in loans at December 31, 2015 (2014 – \$nil).

9.1 Bridge Loan

On September 11, 2015, the Company closed a 4-month short-term bridge loan in the amount of \$2,002.

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The agent received a cash commission equal to 1% of the gross proceeds or \$20, the participants received pro-rata stock bonuses of 266,871 common shares valued at \$27, and legal expenses in the amount of \$13 were incurred.

The valuation of the common shares involved determining a fair value for the bridge loan in the absence of the shares granted to the participants and then using the residual method to allocate a value to the common share component. The Company determined that an interest rate of 16.21% was fair value for the bridge loan without additional common shares attached.

The present value of the interest and principal payments of the debentures at this fair value resulted in a net allocation of \$1,975 to the bridge loan and \$27 to the equity component.

The bridge loan was recorded at its discounted value of \$1,942, net of expenses of \$59. During 2015, interest expense of \$64 and accretion expense of \$59 were incurred.

The loan was repaid on November 25, 2015.

9.2 EDC loan

On November 25, 2015, Axios entered into a \$3,000 loan with EDC. The loan bears interest at an annual rate of Royal Bank of Canada Prime, plus 8% (10.7% at December 31, 2015). Axios Mobile Assets Inc. provided a general security agreement whereby EDC was granted a first ranking priority security interest over all of Axios Mobile Assets Inc.'s present and after-acquired personal and movable property. As well, guarantees were provided by Axios, Axios Mobile Assets, Inc., and Axios Logistics Solutions Inc.

During 2015, the Company incurred expenses of \$42 related to the EDC loan, consisting of \$27 in accrued interest and a \$15 administrative fee paid on inception. At December 31, 2015, the outstanding balance of the loan was \$3,000.

The EDC loan is repayable in 18 equal monthly instalments of \$167 beginning in May 2017. Total repayments by year are presented below:

	2016 \$	2017 \$	2018 \$	Total \$
Principal repayments	-	1,333	1,667	3,000

10. Convertible debentures

Issuance Date	Original Principal \$	Dec 31 2015 Outstanding Principal \$	Balance to be Accreted December 31	
			2015 \$	2014 \$
May 2013	460	-	-	387
September 2013	475	-	-	297
June 2014	525	-	-	392
December 2014	1,925	1,850	1,711	1,661
April 2015	1,375	1,375	1,149	-
Total	4,760	3,225	2,860	2,737

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10.1 Convertible debt issuances in 2013

In May 2013, the Company completed a convertible debenture offering and received gross proceeds of \$460 and paid issuance costs of \$4. The debentures provided for 6% annual interest, payable monthly in arrears commencing one year after issuance. The debentures mature on the third anniversary of the issuance date. During 2015, the outstanding debentures as at December 31, 2014 were all converted to common shares at a rate of \$1.00 per share.

In September 2013, the Company completed a convertible debenture offering and raised gross proceeds of \$475. The debentures provided for 8% annual interest, payable monthly in arrears commencing one year after issuance. The debentures mature on the third anniversary of the issuance date. During 2015, the outstanding debentures as at December 31, 2014 were all converted to common shares at a rate of \$0.50 per share.

10.2 Convertible debt issuances in 2014

In June 2014 the Company completed a convertible debenture offering and raised gross proceeds of \$525. The debenture provided for 8% annual interest, payable monthly in arrears commencing one year after issuance. The debentures mature on the third anniversary of the issuance date. During 2015, the outstanding debentures as at December 31, 2014 were all converted to common shares at a rate of \$0.50 per share.

In December 2014 the Company completed an offering of convertible debenture units and raised gross proceeds of \$1,925. Each unit consists of one debenture with a principal amount of \$1, along with 500 warrants. The debentures provide for 12% annual interest, paid quarterly in arrears. The debenture matures on the third anniversary of the issuance date. The holder has the option to convert the debenture to common shares at \$1.00 per share at any time on or before the maturity date. Each warrant enables the holder to purchase a common share at an exercise price of \$2.00 for a period of three years from the date of issuance of the debentures.

The December 2014 convertible debentures also included the following terms:

- If at any time after March 31, 2015, the Company's volume weighted average share price is \$3.50 or more with an average daily volume of 3,000 common shares or more for 60 consecutive trading days, the Corporation may, at its option, require on notice to the holders of the debentures that the debentures be converted into common shares.
- The expiry date of the warrants may be accelerated by the Company in the event that the closing price of the outstanding common shares is greater than \$7.00 with an average daily volume of at least 3,000 common shares for a period of 60 consecutive trading days at any time after March 31, 2015. In that event, the Company may, at its option, accelerate the expiry date of the warrants by giving notice to the holders thereof that the warrants will expire at 4 p.m. (Toronto time) on the date which is the earlier of: (i) the 30th day after the date on which such notice is given by the Company in accordance with the terms of the warrants; and (ii) the actual expiry date of the warrants.
- The Company may redeem the debentures at any time subsequent to the one-year anniversary of the issuance date at a price that is 104% of the principal amount of the debenture plus accrued but unpaid interest upon the provision of 15 days' notice to the holders of the debentures.

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-
- The holders may call for the redemption of the debentures at any time subsequent to the 18-month anniversary of the issuance date at a price that is equal to the principal amount of the debenture plus accrued but unpaid interest. Therefore, the convertible debentures have been classified as current at December 31, 2015.

The broker received a cash commission of \$182 which was equal to 8% of the gross proceeds raised under the offering, as well as 148 broker units. Each broker unit is exercisable into one debenture unit at the offering price at any time up to the third anniversary of the issuance date. The fair value of the broker units was estimated at \$122.

For the December 2014 convertible debenture units, values were allocated between the debenture, the warrant and the conversion feature. The valuation approach involved determining a fair value for the debentures in the absence of a conversion feature and then using the residual method to allocate a value to the equity component. The Company determined that an interest rate of 15.75% was fair value for the debentures without the additional features attached. The present value of the interest and principal payments of the debentures at this fair value resulted in a net allocation of \$1,865 to the debenture, \$20 as to the warrants, and \$40 to the conversion feature.

During 2014, debentures of \$212 including unpaid interest were converted into 411,993 common shares. The debentures converted had a principal face value amount of \$200 plus unpaid interest in the amount of \$13. At the time of the conversion the discounted value of the debentures redeemed amounted to \$169.

The difference between the fair value and face value of the debentures is being accreted over the repayment period using the effective interest method.

10.3 Convertible debt issuances in 2015

In April 2015, the Company completed an offering of convertible debenture units and raised gross proceeds of \$1,375. Each unit consists of one debenture with a principal amount of \$1, along with 500 common share purchase warrants. The debenture provides for 12% annual interest, paid quarterly in arrears in the form of common shares of the Company. The debenture matures on the third anniversary of the issuance date. The holder has the option to convert the debenture to common shares at \$1.00 per share at any time on or before the maturity date. Each warrant enables the holder to purchase a common share at an exercise price of \$2.00 for a period of three years from the date of issuance of the debentures.

The April 2015 convertible debentures also included the following terms:

- If at any time after August 13, 2015, the Company's volume weighted average share price is \$3.50 or more with an average daily volume of 3,000 common shares or more for 60 consecutive trading days, the Corporation may, at its option, require on notice to the holders of the debentures that the debentures be converted into common shares.
- The expiry date of the warrants may be accelerated by the Company in the event that the closing price of the outstanding common shares is greater than \$7.00 with an average daily volume of at least 3,000 common shares for a period of 60 consecutive trading days at any time after August 13, 2015. In that event, the Company may, at its option, accelerate the expiry date of the warrants by giving notice to the holders thereof that the warrants will expire at 4 p.m. (Toronto time) on the date which is the earlier of: (i) the 30th day after the date on which such notice is given by the

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Company in accordance with the terms of the warrants; and (ii) the actual expiry date of the warrants.

- The Company may redeem the debentures at any time subsequent to the one-year anniversary of the issuance date at a price that is 104% of the principal amount of the debenture plus accrued but unpaid interest upon the provision of 15 days' notice to the holders of the debentures.
- The holders may call for the redemption of the debentures at any time subsequent to the 18-month anniversary of the issuance date at a price that is equal to the principal amount of the debenture plus accrued but unpaid interest. Therefore, the convertible debentures have been classified as current at December 31, 2015.

Issue expenses amounting to \$258 were incurred, which were allocated \$247 to the debenture, \$4 to the warrants, and \$7 to the conversion feature. Issue expenses included the following items:

- 93.1 broker units were issued with an estimated fair value of \$108. Each broker unit is exercisable into one debenture unit at the offering price at any time up to the third anniversary of the issuance date. The estimated fair value of the broker units was determined using the binomial model.
- Cash issue expenses in the amount of \$150 were incurred.

For the April 2015 convertible debenture units, values were allocated between the debenture, the warrant and the conversion feature. The valuation approach involved determining a fair value for the debentures in the absence of a conversion feature and then using the residual method to allocate a value to the equity component. The Company determined that an interest rate of 15.25% was fair value for the debentures without the additional features attached. The present value of the interest and principal payments of the debentures at this fair value resulted in a net allocation of \$1,072 to the debentures, \$15 to the warrants, and \$30 to the conversion feature.

During 2015, debentures of \$1,301 including unpaid interest were converted by the holders into 2,384,804 common shares. The debentures converted had a principal face value amount of \$1,337 plus unpaid interest in the amount of \$144. At the time of the conversion the discounted value of the debentures redeemed amounted to \$1,155.

The difference between the fair value and face value of the debentures is being accreted over the repayment period using the effective interest method.

10.4 Broker units (Derivative liabilities)

In connection with the December 29, 2014 convertible debenture offering, 148 broker units were issued. Each broker unit is exercisable into one debenture unit at the offering price of \$1. Each debenture unit is convertible into common shares at a per share price of \$1.00, along with 500 common share purchase warrants. Each common share purchase warrant enables the holder to purchase one common share at an exercise price of \$2.00. The debenture units and warrants both expire on December 29, 2017.

In connection with the April 13, 2015 convertible debenture offering, 93.1 broker units were issued. Each broker unit is exercisable into one debenture unit at the offering price of \$1. Each debenture unit is convertible into common shares at a per share price of \$1.00, along with 500 common share purchase warrants. Each common share purchase warrant enables the holder to purchase one common share at an exercise price of \$2.00. The debenture units and warrants both expire on April 13, 2018.

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The 241.1 broker units issued in connection with convertible debenture offerings in December 2014 and April 2015 are derivative liabilities and are therefore measured at fair value with changes in fair value recorded in profit or loss. During 2015, the Company recorded a \$159 gain on change in value of this derivative (2014 - \$nil). At December 31, 2015, the Company had a derivative liability of \$71 (2014 - \$nil) on its statement of financial position. The derivative liabilities are classified as Level 2 in the fair value hierarchy. The fair value of the broker units was estimated using the binomial model based on the following assumptions:

	April 2015	December 2014
December 31, 2015:		
Share price	\$0.85	\$0.85
Expected dividend yield	0%	0%
Expected annual volatility	122%	122%
Risk-free interest rate	0.48%	0.48%
Expected average life	2.75 years	2 years
December 31, 2014:		
Expected dividend yield		0%
Expected annual volatility		142%
Risk-free interest rate		0.61%
Expected average life		3 years

11. Capital stock**Authorized:** Unlimited number of common shares**Issued:**

	Number of Shares
Balance as at December 31, 2013	10,916,103
Shares issued in settlement of debt 11.1 (a)	125,000
Shares issued to settle administrative services 11.1 (b)	250,000
Shares issued on conversion of debentures 11.1 (c)	411,993
Balance as at December 31, 2014	11,703,096
Shares issued for cash 11.1 (d)	7,200,000
Shares issued on conversion of debentures 11.1 (e)	2,384,804
Shares returned to treasury	(10,000)
Shares issued to settle indebtedness 11.1 (f)	1,848,026
Shares issued on acquisition of Mobius Logistics Solutions, Inc. 11.1 (g)	200,000
Shares issued in connection with the bridge loan 11.1 (h)	266,871
Share adjustment	(1,000)
Shares issued to settle convertible debt interest 11.1 (i)	83,131
Shares issued on acquisition of Axsense Inc. 11.1 (j)	2,777,778
Shares issued for cash 11.1 (k)	15,813,717
Balance as at December 31, 2015	42,266,423

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In November of 2015, the Company enacted a share consolidation whereby ten pre-consolidation common shares were exchanged for one post-consolidation common share. Therefore, basic and diluted net loss per share for the year ended December 31, 2014 has been restated to reflect the effect of the share consolidation on the weighted average number of shares outstanding.

As a result of the consolidation, the warrants and stock options that were outstanding at the time were also reduced in number by a factor of ten and their associated exercise prices were adjusted by a multiple of ten. The numbers of outstanding common shares reflected in these financial statements have been retroactively adjusted to give effect to the consolidation. This adjustment affects the weighted average number of common shares and the associated loss per share calculations, among other share-related figures.

11.1 Common shares

The following notes describe the common share activity during the years ended December 31, 2015 and 2014.

- (a) On March 31, 2014 the Company reached an agreement to settle outstanding debt of \$100 owed to an outside contractor in exchange for 125,000 common shares. The shares were issued on December 31, 2014 at a price of \$0.80 per share.
- (b) On May 1, 2014 the Company agreed to issue 250,000 common shares as compensation for administrative services provided by a company controlled by an officer of the Company. The fair value of the shares granted was recorded over the 1-year period of the arrangement, with \$200 recorded in 2014 and \$125 recorded in 2015.
- (c) On December 29, 2014 convertible debentures, including unpaid interest, in the amount of \$182 were converted by the holders into 411,993 common shares.
- (d) In two transactions on March 25, 2015 and April 13, 2015 the Company closed private placements of 7,000,000 and 200,000 units, respectively, at a price of \$0.75 per unit. The transactions raised aggregate gross proceeds of \$5,400. Each unit consists of one common share and one warrant to acquire one common share at a price of \$1.50 until March 25, 2017.

The proceeds of the private placement were allocated between the common shares and the warrants based on their relative fair value. The fair value of the warrants was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions:

Share price	\$1.90
Expected dividend yield	0%
Expected annual volatility	141%
Risk-free interest rate	0.49%
Expected average life	2 years

As a result of the valuation, \$4,138 of the gross proceeds was allocated to common shares and \$1,262 was allocated to warrants.

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The agents received a cash commission of \$432 and broker options with an estimated fair value of \$689. The broker options entitle the agents to purchase 576,000 units consisting of one common share and one common share purchase warrants at \$0.75 per unit until March 25, 2017. Each underlying common share purchase warrant entitles the holder to acquire one common share at a price of \$1.50 at any time on or before March 25, 2017. Legal and other expenses were incurred in the amount of \$97. Of the \$529 total value of cash share issue expense, \$406 was allocated to the common shares and \$123 was allocated to the warrants.

The fair value of the broker option was estimated using the binomial model based on the following assumptions:

	March Placement	April Placement
Share price	\$1.90	\$1.80
Expected dividend yield	0%	0%
Expected annual volatility	141%	141%
Risk-free interest rate	0.53%	0.61%
Expected average life	2 years	2 years

- (e) During the year ended December 31, 2015 convertible debentures, including unpaid interest, in the amount of \$1,298 were converted by the holders into 2,384,804 common shares.
- (f) During the year ended December 31, 2015 outstanding indebtedness of \$1,991 was settled in exchange for 1,848,026 common shares and 1,041,794 warrants entitling the holder to purchase one additional common share at a price of \$1.50 until March 25, 2017. These transactions were with existing shareholders of the Company and therefore were recorded at carrying value.
- (g) During the year ended December 31, 2015 Mobius Logistics, Inc. was acquired. The \$260 non-cash component of the purchase price was settled through the issuance of 200,000 common shares.
- (h) On September 11, 2015 266,900 common shares were issued to individuals who subscribed for the bridge loan and were valued at \$27.
- (i) During the year ended December 31, 2015 the Company settled debenture interest in the amount of \$90 by the issuance of 83,131 common shares. The shares were valued based on the 20-day volume weighted average trading price of the shares at the interest measurement date.
- (j) On December 21, 2015 the Company acquired all of the outstanding shares of Axsense Inc. in exchange for 2,777,778 units of the Company. Each unit consisted of one common share and one warrant entitling the holder to purchase one common share at a price of \$1.50 per share until December 21, 2018.

The estimated value of the units was determined to be \$2,490, which was the value of assets acquired. That value was allocated between shares (\$1,884) and warrants (\$606) based on their relative fair value. The fair value of the warrants was estimated using the Black-Scholes valuation model under the following assumptions;

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Share price	\$0.90
Expected dividend yield	0%
Expected annual volatility	128%
Risk-free interest rate	0.52%
Expected average life	3 years

- (k) On December 21, 2015 the company raised gross proceeds of \$14,232 under a private placement of 15,813,717 units. Each unit was issued at a price of \$0.90 and consisted of one common share and one warrant entitling the holder to purchase one additional common share at a price of \$1.50 per share until December 21, 2018.

The proceeds of the private placement were allocated between the common shares and the warrants based on their relative fair value. The fair value of the warrants was estimated using the Black-Scholes option pricing model based on the following weighted average assumptions:

Share price	\$0.90
Expected dividend yield	0%
Expected annual volatility	128%
Risk-free interest rate	0.52%
Expected average life	3 years

As a result of the valuation, \$10,765 of the gross proceeds was allocated to common shares and \$3,467 was allocated to warrants.

The agents received cash commission of \$795, and legal and other expenses in connection with the private placement amounted to \$363. The \$1,158 total share issue expenses were allocated to common shares (\$875) and warrants (\$282) based on their relative fair value.

- (l) On December 31, 2015 the Company settled debenture interest in the amount of \$46 by the issuance of 54,000 common shares which have been presented as shares to be issued. The shares were valued at \$0.95 per share, which was equal to the 20-day volume weighted average trading price of the shares at the interest measurement date.

11.2 Warrants

On December 29, 2014, in connection with an offering of convertible debenture units, 962,500 warrants were granted. Each warrant entitles the holder to acquire one common share of the Company at a price of \$1.00 per common share for three years from the date of issue.

In March and April of 2015, in connection with two private placements raising a total of \$5,400, 7,200,000 warrants were granted. Each warrant entitles the holder to acquire one common share at a price of \$1.50 until March 25, 2017.

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In connection with the \$1,375 April 2015 convertible debenture issuance, 687,500 warrants were granted. Each warrant entitles the holder to acquire one common share of the Company at a price of \$2.00 per common share for three years from the date of issue.

During the year ended December 31, 2015, outstanding indebtedness of \$1,991 was settled (see Note 11.1(f)). A portion of the debt was settled with units that included 1,041,794 warrants. Each warrant entitles the holder to acquire one common share at a price of \$1.50 until March 25, 2017.

In connection with the December 21, 2015 acquisition of Axsense Inc. 2,777,778 warrants were issued (see Note 11.1(j)). Each warrant entitles the holder to purchase one common share at a price of \$1.50 per share until December 21, 2018.

In connection with the December 21, 2015 private placement, 15,813,717 warrants were issued (see Note 11.1(k)). Each warrant entitles the holder to purchase one additional common share at a price of \$1.50 per share until December 21, 2018.

During the year ended December 31, 2015 broker warrants were exercised resulting in the issuance of 10,000 warrants.

Following is a summary of warrant activity during the years ended December 31, 2015 and 2014:

	Number of Warrants	Exercise Price \$
Outstanding and exercisable, December 31, 2013	176,659	5.30
Expired	(13,250)	2.50
Expired	(75,819)	5.50
Granted	962,500	2.00
Outstanding and exercisable, December 31, 2014	1,050,090	2.30
Expired	(87,590)	5.50
Granted	8,242,794	1.50
Granted	687,500	2.00
Granted	15,813,717	1.50
Granted	2,777,778	1.50
Outstanding and exercisable, December 31, 2015	28,484,289	1.53

At December 31, 2015 the following warrants were outstanding:

Number of Warrants	Exercise Price		Expiry Date
	\$		
962,500	2.00		29-Dec-17
8,242,794	1.50		26-Mar-17
687,500	2.00		13-Apr-18
15,813,717	1.50		21-Dec-18
2,777,778	1.50		21-Dec-18
28,484,289	1.53		

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11.3 Broker Options

In connection with the \$5,400 private placements in March and April 2015 (Note 11.1(d)), 576,000 broker options were issued. Each Broker Option is exercisable into one unit at the offering price of \$0.75 at any time until March 25, 2017. Each unit includes one common share and a warrant to acquire a common share at a price of \$1.50.

11.4 Stock options

The Company has an employee stock option plan under which it is authorized to issue stock options to employees, officers, directors and other eligible participants up to 10% of the number of issued and outstanding common shares.

There was no option activity during the year ended December 31, 2014.

During the year ended December 31, 2015, the following options were granted:

Grant Date	Number of Options Granted	Exercise Price \$	Vesting Conditions
March 27, 2015	965,000	1.50	50% on grant date; 12.5% on each anniversary of grant date
April 27, 2015	25,000	2.50	50% on grant date; 12.5% on each anniversary of grant date
Sept. 14, 2015	484,972	1.50	50% on grant date; 12.5% on each anniversary of grant date
Dec. 23, 2015	1,426,500	1.00	20% on 1st anniversary; 80% over 48 months thereafter
Total	2,901,472	1.26	

The options are valued using the Black-Scholes option pricing model. The assumptions used for each grant, along with the resulting fair value, are presented below:

Grant Date	Fair Value \$	Grant Date Share Price	Dividend Yield	Annual Volatility	Risk-Free Interest Rate	Average Life
March 27, 2015	1,314	\$1.50	0%	150%	0.59%	5 years
April 27, 2015	25	\$2.00	0%	150%	0.49%	5 years
September 14, 2015	352	\$0.85	0%	150%	0.53%	5 years
December 23, 2015	1,160	\$0.90	0%	150%	0.80%	5 Years
Total	2,851					

During the year ended December 31, 2015 stock based compensation in the amount of \$1,192 (2014 – \$263) was recorded. Stock option expense to be recorded in connection with the above noted grants are as follows:

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The following table outlines option activity during the period ended December 31, 2015:

	Options	Weighted Average Exercise Price \$
Outstanding balance as at December 31, 2014 and 2013	622,469	2.30
Options expired	(459,972)	2.00
Options granted	25,000	2.50
Options granted	1,449,972	1.50
Options granted	1,426,500	1.00
Outstanding balance as at December 31, 2015	3,063,969	1.36

The following table summarizes information about options outstanding and exercisable at December 31, 2015:

Exercise Price \$	Options Outstanding at December 31, 2015	Expiry date	Options Exercisable at December 31, 2015
2.00	67,497	2016-01-01	67,497
4.00	75,000	2017-06-01	75,000
4.50	20,000	2017-07-20	20,000
1.50	965,000	2020-03-27	482,500
2.50	25,000	2020-04-27	25,000
1.50	484,972	2020-09-01	303,107
1.00	1,426,500	2020-12-23	-
1.37	3,063,969		973,104

12. Other income

No amounts were recorded as Other income in 2015 (2014 – \$558). The 2014 balance included the following:

- During 2014 the Company and a customer announced they had signed an agreement to terminate their relationship. As part of the settlement the customer gave a full release to the Company in respect of any further obligations it had with the customer. The Company had obligations of \$473 to that customer, which were written off from the balance sheet and recorded as Other Income.
- During 2014 the Company determined that it was no longer liable for an obligation of \$85. The amount was written off from the balance sheet and recorded as Other Income.

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13. Other operating expenses

Other operating expenses consists of the following:

	For the years ended December 31	
	2015	2014
	\$	\$
Travel meals and entertainment	267	87
Public company costs	87	57
Dues and subscriptions	120	30
Foreign exchange loss (gain)	341	(26)
Loss on sale of fixed assets	14	-
Other	205	206
	1,034	354

14. Income taxes

The following table reconciles the expected income tax expense/recovery at the combined Federal and Ontario statutory income tax rate 26.5% (2014 – 26.5%) to the amounts recognized in the consolidated statements of income.

	For the years ended December 31	
	2015	2014
	\$	\$
Net loss before tax	(9,108)	(3,100)
	26.5%	26.5%
Expected tax recovery	(2,414)	(822)
Non-deductible expenses:		
Stock compensation expense	355	147
Accretion expense	100	28
Other	26	26
Financing fees recognized in equity	(447)	-
Change in tax benefits not recognized	2,803	758
Adjustment for tax rate difference	(369)	(80)
Other	(79)	(57)
Tax recovery	\$ (25)	\$ -

Axios Mobile Assets Corp.

Notes to the consolidated financial statements

December 31, 2015 and 2014

(expressed in thousands of Canadian Dollars, except for per share amounts)

Deferred tax arising from temporary differences and unused tax losses are summarized as follows:

	For the years ended December 31	
	2015	2014
	\$	\$
Deferred tax assets:		
Loss carry forwards	1,439	383
Financing fees	-	67
Derivative liability	-	33
	<u>1,439</u>	<u>483</u>
Deferred tax liabilities:		
Convertible debt	(97)	(154)
Excess of carrying value over tax base of long lived assets	<u>(1,342)</u>	<u>(329)</u>
Adjustment for tax rate difference	<u>(1,439)</u>	<u>(483)</u>
Net deferred tax assets (liabilities)	<u><u>-</u></u>	<u><u>-</u></u>

The following deferred tax assets have not been recognized in the financial statements:

	For the years ended December 31	
	2015	2014
	\$	\$
Loss carry forwards	4,584	1,611
Financing fees	453	4
Derivative liability	19	-
Excess of tax base over carrying value of long lived assets	<u>422</u>	<u>262</u>
	<u>5,478</u>	<u>1,877</u>

The loss carryforwards expire between 2029 and 2035.

15. Related party transactions

During the year ended December 31, 2015, the Company had the following related party transactions:

Director's fees, professional fees and other compensation in the amount of \$1,631, which included \$968 of share-based compensation (2014 – \$533, including \$nil share-based compensation), was paid to directors and key management personnel in the form of short term salaries and benefits.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee.

Axios Mobile Assets Corp.

Notes to the consolidated financial statements

December 31, 2015 and 2014

(expressed in thousands of Canadian Dollars, except for per share amounts)

During the year ended December 31, 2015:

- The Company loaned an amount of \$50 to a company controlled by a member of the Company's key management personnel. The loan was repaid with interest in the amount of \$51.
- The Company acquired Mobius, a company controlled by a director of the Company (see Note 5).
- The Company entered into various operating leases for trucking equipment with a company controlled by a member of the Company's key management team. During 2015, the Company incurred expenses of \$459 related to these leases. As of December 31, 2015, the Company's total monthly lease payments under these arrangements total \$54. Each lease is for a term of three years.
- The Company acquired Axsense, a company owned approximately 50% by two of the Company's key management personnel (see Note 5).
- A loan from Axsense, an entity 50%-owned by two key management personnel of the Company and that was subsequently acquired by the Company, was repaid in the amount of \$100. The balance of the loan at December 31, 2015 amounted to \$nil (2014 – \$100).
- A director of the Company surrendered 10,000 common shares for \$nil proceeds. The shares had been issued inadvertently and had not been approved by the stock exchange. Therefore, they were returned to the Company.
- A shareholder loan payable in the amount of \$693 was repaid. The balance of the loan outstanding at December 31, 2015 amounted to \$nil (2014 – \$693). As part of the repayment, it was agreed the Company would acquire pallets from the shareholder group in the amount of \$320. The total value of the loan, interest, and purchase price of the pallets amounted to \$1,209. This amount was settled in exchange for 806,233 common shares of the Company.
- The Company settled \$682 of debt owed to key management personnel and directors by issuing 909,139 units. Each unit included one common share and one common share purchase warrant entitling the holder to acquire one common share at a price of \$1.50 at any time until March 26, 2017.
- The Company loaned \$26 to a member of its key management personnel. The loan is unsecured, non-interest bearing and due on demand. As at December 31, 2015, \$20 remained outstanding and is included within accounts receivable and prepaids.
- The Company earned \$138 in freight revenue from a company controlled by a member of its key management team.
- The Company incurred professional fees of \$181, equipment lease costs of \$53 and rent expense of \$69 from entities related to the Company through its key management personnel.
- The Company recorded expenses within pooling and freight services related to shares issued during 2014 for administrative services provided by a company controlled by an officer of the Company. The fair value of the shares granted was recorded over the 1-year period of the arrangement, with \$200 recorded in 2014 and \$105 recorded in 2015.

Included in accounts payable and accrued liabilities at December 31, 2015 was \$274 (2014 - \$1,148) owing to directors, officers, and companies owned by directors and officers.

Included in accounts receivable at December 31, 2015 was \$27 (2014 – \$nil) owing to directors, officers, and companies owned by directors and officers.

Axios Mobile Assets Corp.

Notes to the consolidated financial statements

December 31, 2015 and 2014

(expressed in thousands of Canadian Dollars, except for per share amounts)

Included in prepaids at December 31, 2015 was \$277 (2014 – \$nil) advanced during 2015 to Mobius Assets LLC, a company controlled by a director of the Company, in prepayment of operating lease expenses for trucking equipment.

16. Capital risk management

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of development and future growth opportunities; and
- To maximize shareholder return by enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be its equity, convertible debentures and loans which at December 31, 2015 amounted to \$24,354 (2014 - \$4,788).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures and other investing and financing activities. The forecast is updated based on activities related to its operations. Selected information is provided to the Board of Directors. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2015. The Company is not subject to any external capital requirements.

17. Financial risk management**Fair value of financial instruments**

The Company's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. The fair value of these financial instruments approximate carrying value due to their current nature.

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk and foreign exchange risk).

Risk management is carried out by the Company's management team with guidance from the Board of Directors.

a. Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and accounts receivable and other receivables.

Axios Mobile Assets Corp.

Notes to the consolidated financial statements

December 31, 2015 and 2014

(expressed in thousands of Canadian Dollars, except for per share amounts)

All of the Company's cash is held with well known and established financial institutions. As such, management considers credit risk related to these financial assets to be minimal. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable and other receivables is remote. As at December 31, 2015, the Company had accounts receivable of \$260 included within its accounts receivable and prepaids balance on the statements of financial position. The accounts receivable are not considered impaired or past due.

b. Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to capital markets is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company currently generates cash flow primarily from its financing activities. As at December 31, 2015, the Company has cash of \$11,025 (2014 – \$1,429) to settle current liabilities of \$4,459 (2014 – \$3,069).

The Company's outstanding principal owed related to convertible debentures at December 31, 2015 is \$1,850 for the December 2014 debenture offering and \$1,375 for the April 2015 debenture offering. Each debenture is due to be repaid on the third anniversary of the offering date, though the holder can demand repayment in full any time beginning 18 months after the offering date.

The EDC loan is repayable in 18 equal monthly instalments of \$167 beginning in May 2017.

Required repayments on the Company's debt are presented below. The Company does not currently hold any debt with repayments due beyond 2018.

	2016 \$	2017 \$	2018 \$	Total \$
EDC Loan	-	1,333	1,667	3,000
Convertible Debt	-	1,850	1,375	3,225
Total	-	3,183	3,042	6,225

All of the Company's financial liabilities, except convertible debentures and the EDC loan, have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

c. Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

Interest rate risk

The Company has cash balances and its current policy is to invest excess cash in guaranteed investment certificates or interest bearing accounts of major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy.

Axios Mobile Assets Corp.

Notes to the consolidated financial statements

December 31, 2015 and 2014

(expressed in thousands of Canadian Dollars, except for per share amounts)

Interest is payable on the convertible debentures; however, it is at a fixed rate and so there is no related interest rate risk.

Foreign currency risk

As of December 31, 2015, the Company funds certain operations and administrative expenses in United States on a cash call basis using US Dollar currency converted from its Canadian Dollar bank accounts held in Canada. The Company maintains US bank accounts and is subject to gains and losses from fluctuations in the Canadian Dollar and United States Dollar.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a twelve-month period:

- i. Cash is subject to fixed interest rates. Management believes interest rate risk is minimal given recent stability in interest rates.
- ii. The Company holds balances in foreign currencies, which could give rise to exposure to foreign exchange risk. Management believes a plus or minus 10% change in foreign exchange rate against the US Dollar would have a minimal effect on reported (loss) income as minimal balances are held in foreign currencies.

18. Commitments

The table and discussion below show the future minimum payments for our contractual commitments that are not recognized as liabilities as at December 31, 2015:

	Less Than 1 Year \$	1-3 Years \$	4-5 Years \$	After 5 Years \$	Total \$
Operating Leases	766	1,141	138	-	2,045

The operating leases are for office premises in Canada and the United States and trucking equipment used in the Company's Freight Services segment.

Manufacturing and services agreement

In addition to the commitments noted above, the Company entered into a manufacturing and services agreement during 2014, which Axios treated as a sale and lease-back arrangement. Under the agreement, Axios sold tooling equipment to a manufacturer for proceeds of \$250 and the manufacturer has been granted the exclusive rights to manufacture pallets for Axios. The agreement provides fixed pricing for the pallets acquired and specifies that Axios will pay an additional charge of \$1.00 per pallet on the first 250,000 units manufactured. The additional charge of \$1.00 per pallet is being treated as a lease payment.

Axios will reacquire the tooling at no additional cost once the cumulative lease charge paid by Axios amounts to \$250. At that time, the manufacturer's exclusive right to manufacture product for Axios will terminate. As at December 31, 2015, Axios had to acquire an additional 162,994 units under the agreement before the exclusive rights arrangement would terminate.

Axios Mobile Assets Corp.

Notes to the consolidated financial statements

December 31, 2015 and 2014

(expressed in thousands of Canadian Dollars, except for per share amounts)

Advisory agreement

Under the terms of a financial advisory agreement the Company has agreed to pay up to 300,000 common shares to an advisor if the advisor is successful obtaining three different securities brokers to initiate research reports on the Company. If the advisor is successful it will be paid 100,000 shares for each such securities broker that initiates a research report.

19. Comparative figures

Certain prior year amounts have been reclassified to conform with the current year presentation.

TAB X

THIS IS EXHIBIT "X" TO

THE AFFIDAVIT OF GEOFF BLEICH

SWORN BEFORE ME THIS 23 DAY OF FEB, 2017

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

Commissioner for Taking Affidavits
(or as may be)

CAROLEE MEJIA



CONTACT: Richard MacDonald, President & CEO
rmacdonald@axiosma.com
877-762-9467 x601

Peter Murray, Shareholder Contact
pmurray@axiosma.com
778-839-8382

Axios Announces Resignation of Director

Mississauga, Ontario, January 10, 2017 – Axios Mobile Assets Corp. (TSXV:AXA) (“Axios” or the “Company”) announced today that John Albright has resigned as a director of the Company in order to focus on other ventures. The resignation is effective immediately.

“On behalf of the Company, we want to thank Mr. Albright for his leadership over the past year and wish him well in the future,” said Richard MacDonald, President & CEO.

The Company will take steps to fill Mr. Albright’s board seat as soon as practicable.

About Axios Mobile Assets

Axios Mobile Assets Corp. is a supply chain logistics company that is rapidly becoming a key supplier of pooled pallets, primarily to the perishable food industry. The Company’s proprietary pallet-based tracking and information system delivers actionable data to help improve supply chain visibility and food safety. Unique attributes of the system include lower total cost, high biosecurity standards, real-time data and lighter weight. Axios is the only pallet pooler in the world with SQF certification in the Provision of Sanitation and Hygiene Services category.

Further information concerning the Company can be found at www.axiosma.com and www.sedar.com.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS NEWS RELEASE



CONTACT: Richard MacDonald, President & CEO
rmacdonald@axiosma.com
 877-762-9467 x601

Peter Murray, Shareholder Contact
pmurray@axiosma.com
 778-839-8382

Axios Mobile Assets Announces Management Changes

Mississauga, Ontario, January 30, 2017 – Axios Mobile Assets Corp. (TSXV: AXA) (“Axios” or the “Company”) today announced that Michael Cooke has resigned as the Company's Chief Financial Officer and that Marc Topacio the Company's former Chief Financial Officer has been appointed as Chief Financial Officer on an interim basis while the Company conducts a search for a replacement. The Company would like to take this opportunity to thank Mr. Cooke for his hard work and dedication to the Company and its development over the past ten months.

About Axios Mobile Assets

Axios Mobile Assets Corp. is a supply chain logistics company that is rapidly becoming a key supplier of pooled pallets, primarily to the perishable food industry. The Company's proprietary pallet-based tracking and information system delivers actionable data to help improve supply chain visibility and food safety. Unique attributes of the system include lower total cost, high biosecurity standards, real-time data and lighter weight. Axios is the only pallet pooler in the world with SQF certification in the Provision of Sanitation and Hygiene Services category.

Further information concerning the Company can be found at www.axiosma.com and www.sedar.com.

Forward-Looking Statements

Certain information set out in this news release constitutes forward-looking information. Forward looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. In particular, this news release contains forward-looking statements in respect of among other things, the Company's ability to raise additional financing and continue as a going concern. In addition, the Company has a history of net losses and negative working capital. The Company's continued viability, therefore, is dependent on its ability to drive significant improvements in operating efficiency going forward to achieve profitability, and on its ability to continue to secure new financing to fund operations until profitability is achieved. Forward-looking statements are based upon the opinions and expectations of management of the Company as at the effective date of such statements and, in certain cases, information provided or disseminated by third parties. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, and that information obtained from third party sources is reliable, they can give no assurance that those expectations will prove to have been correct. Readers are cautioned not to place undue reliance on forward-looking statements included in this document, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause actual results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, risk factors set forth in the Company's Management's Discussion and Analysis for the period ended September 30, 2016 under the heading “Risk Factors”, a copy of which is filed on SEDAR at www.SEDAR.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive. These statements are made as at the date hereof and unless otherwise required by law, the Company does not intend, or assume any obligation, to update these forward-looking statements.

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TAB Y

THIS IS EXHIBIT "Y" TO

THE AFFIDAVIT OF GEOFF BLEICH

SWORN BEFORE ME THIS 23 DAY OF FEB, 2017

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

Commissioner for Taking Affidavits
(or as may be)

CAROLINE MELIA



CONTACT: Richard MacDonald, President & CEO
rmacdonald@axiosma.com
 877-762-9467 x601

Axios Mobile Assets Ceases Logistics Operations – Reviewing Alternatives

MISSISSAUGA, ON--(Marketwired - Feb 10, 2017) - Axios Mobile Assets Corp. (TSX VENTURE: AXA) ("Axios" or the "Company") today announced that as a result of its inability to raise additional financing that it is ceasing its logistics operations effective immediately and has laid off of the majority of its employees. The Company will continue to retrieve its pallets that are in circulation but once retrieved it will cease new issuances of pallets to its customers. The Company is in default of its obligations with its secured lenders and has been advised that it will be receiving demand notices in respect of such outstanding debt.

In conjunction with the issuance of this press release, the Company has been advised by the TSX Venture Exchange that its shares will be transferred to the NEX board and its symbol, upon transfer will change to AXA.H. It is anticipated that this transfer will take place at the start of trading on February 15, 2017.

At this time no officers or directors have resigned from the Company (other than those previously disclosed). The officers and board members are reviewing alternatives available to the Company and will provide further updates as information becomes available.

About Axios Mobile Assets

Axios Mobile Assets Corp. is a supply chain logistics company that is a supplier of pooled pallets, primarily to the perishable food industry. The Company's proprietary pallet-based tracking and information system delivers actionable data to help improve supply chain visibility and food safety.

Further information concerning the Company can be found at www.axiosma.com and www.sedar.com.

Forward-Looking Statements

Certain information set out in this news release constitutes forward-looking information. Forward looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "believe" and similar expressions. In addition, the Company has a history of net losses and negative working capital. Forward-looking statements are based upon the opinions and expectations of management of the Company as at the effective date of such statements and, in certain cases, information provided or disseminated by third parties. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, and that information obtained from third party sources is reliable, they can give no assurance that those expectations will prove to have been correct. Readers are cautioned not to place undue reliance on forward-looking statements included in this document, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause actual results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, risk factors set forth in the Company's Management's Discussion and Analysis for the period ended September 30, 2016 under the heading "Risk Factors", a copy of which is filed on SEDAR at www.SEDAR.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive. These statements are made as at the date hereof and unless otherwise required by law, the Company does not intend, or assume any obligation, to update these forward-looking statements.

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TAB Z

THIS IS EXHIBIT "Z" TO

THE AFFIDAVIT OF GEOFF BLEICH

SWORN BEFORE ME THIS 23 DAY OF FEB, 2017



Commissioner for Taking Affidavits
(or as may be)

CAROLINE MOURA



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Mobile Assets Inc.
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0A8

Attention: Richard MacDonald, President & Secretary

Facsimile No.: 866-936-9540

Email: rmacdonald@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 61831)

Dear Sir / Madam:

We are counsel to Export Development Canada ("**EDC**").

We refer to the following document(s), among others:

1. Loan Agreement dated as of November 25, 2015 by and between Axios Mobile Assets Inc. (the "**Borrower**") and EDC (the "**Loan Agreement**") (EDC Loan No. 61831); and
2. General Security Agreement dated as of November 25, 2015 by the Borrower in favour of EDC (the "**Security Agreement**").

The Loan Agreement and Security Agreement, and other documents related thereto, also referred to herein as the "**Transaction Documents**". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

We understand that the Borrower has substantially ceased to carry on its business operations and is no longer able to meet its obligations generally as they become due. As a result, Events of Default have occurred pursuant to Schedule A, Sections 4(c)(vi), 4(e), and 4(j) of the Loan Agreement (the "**Events of Default**").

The Events of Default set forth above are not necessarily exhaustive of all events of default which have occurred under the Loan Agreement. The omission of any event or events of defaults shall not be deemed a waiver of same under the Loan Agreement.

Pursuant to Schedule A, Section 4, if an Event of Default has occurred and is continuing, then EDC may declare all or part of the indebtedness of the Borrower to be immediately due and payable.

12882856.1



As a result, in accordance with Schedule A, Section 4 of the Loan Agreement, EDC hereby declares all of the indebtedness of the Borrower under the Loan Agreement to be immediately due and payable without any further demand or notice of any kind. As at February 9, 2017, the amount outstanding and owing to EDC by the Borrower inclusive of accrued interest is CAD 3,026,383.57 (collectively, the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Transaction Documents, including but not limited to, any and all costs incurred by EDC in connection with the Transaction Documents and its enforcement or preservation of its rights thereunder (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated August 19, 2016 by and between the Borrower and EDC (EDC Loan No. 63671), for which a separate demand for repayment is being made by EDC as of the date hereof.

On behalf of EDC, demand is hereby made upon the Borrower for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017** or if EDC determines that its collateral is at risk, EDC will take such steps as it considers necessary or appropriate to protect its position and enforce its rights under the Transaction Documents.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

We enclose a Notice of Intention to Enforce Security provided in accordance with Section 244 of the *Bankruptcy and Insolvency Act* (Canada), together with an Acknowledgement and Consent. If you consent to EDC taking earlier enforcement, please return the Consent executed by duly authorized representatives of the Borrower.

Yours very truly,

Linc A. Rogers

12882856.1

NOTICE OF INTENTION TO ENFORCE SECURITY

(Rule 124)

(Section 244 of the Bankruptcy and Insolvency Act)

TO:

Axios Mobile Assets Inc. (the "Debtor")
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0A8

Facsimile No. (866) 936-9540

Attention: Richard MacDonald, President & Secretary

Take notice that:

1. Export Development Canada (EDC), a secured creditor, intends to enforce its security on the property of the above named Debtor, as more particularly described in Schedule A hereto;
2. The security that is to be enforced is in the form of the security granted by the Debtor in favour of EDC and as set out in Schedule A attached (the "Security");
3. The total amount of indebtedness secured by the Security, as at February 9, 2017, is CAD 3,026,383.57 plus accrued and accruing costs, disbursements, and interest accruing from the date of this notice; and
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10 day period following the sending of this notice unless the Debtor consents to an earlier enforcement.

Dated at Toronto, Ontario, this 10th day of February, 2017.**Export Development Canada**

By its lawyers,

Blake, Cassels & Graydon LLP

Per:

Name: Linc Rogers



SCHEDULE "A"
SECURITY/COLLATERAL DESCRIPTION

	Security Document	Collateral
(a)	Security Agreement between the Debtor and EDC dated as of November 25, 2015	<p>All present and after-acquired personal property to and in favour of EDC as follows:</p> <p>(a) charges, mortgages, hypothecs, pledges and assigns and grants a security interest in the following property as and by way of a fixed and specific security interest to and in favour of EDC:</p> <ul style="list-style-type: none"> (i) Accounts; (ii) Chattel Paper; (iii) Documents of Title; (iv) Equipment; (v) Instruments; (vi) Intangibles, other than Intellectual Property; (vii) Inventory; (viii) Investment Property (other than Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests); (ix) Money; (x) Records; (xi) all insurance policies in which the Grantor now or hereafter has rights; (xii) the business, undertakings and goodwill of the Grantor; (xiii) all rights of the Grantor to the property referred to in clauses (i) to (xii) inclusive above; and (xiv) all Proceeds and Replacements (other than Proceeds or Replacements comprised of Intellectual Property, Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests which shall be subject to the security interest granted under paragraph (b) below) of or to property referred to in clauses (i) to (xiii) inclusive above, including all rights thereto; <p>(b) grants a security interest in the following assets as and by way of a fixed and specific security interest in favour of EDC:</p> <ul style="list-style-type: none"> (i) Intellectual Property; (ii) Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests; (iii) all rights of the Grantor to the property referred to in clauses (i) and (ii) above; and (iv) all Proceeds and Replacements of or to property referred to in clauses (i), (ii) and (iii) above, including all rights thereto; and <p>(c) grants a security interest in the following property, and grants, assigns, conveys, mortgages and charges the following property as and by way of a floating charge to and in favour of EDC:</p> <ul style="list-style-type: none"> (i) the business, undertakings and goodwill of the Grantor and all personal property, tangible and intangible, of whatever nature and kind in which the Grantor now or hereafter has rights, its uncalled

		<p>capital (if any) and all its present and future revenues, save and except such assets as are validly and effectively subject to the fixed and specific security created by paragraphs (a) and (b) above;</p> <p>(ii) all rights of the Grantor to the property referred to in clause (i) above; and</p> <p>(iii) all Proceeds and Replacements (other than Proceeds or Replacements comprised of Intellectual Property, Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares or general partnership interests which shall be subject to the security interest only granted under this paragraph (c)) of or to property referred to in clauses (i) and (ii) above, including all rights thereto.</p>
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AXIOS MOBILE ASSETS INC. hereby:

- 1) Consents to the immediate enforcement by Export Development Canada (EDC) as a secured party of the security described in Schedule A above pursuant to s. 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "Security"), including, if applicable, the appointment of a receiver in accordance with the Security; and
- 2) Acknowledges and confirms that it has sought the advice and recommendations of its professional advisors including legal counsel to the extent it deems appropriate in connection with the execution of this consent to the immediate enforcement by EDC of its Security.

Dated this _____ day of February, 2017.

Axios Mobile Assets Inc.

Per: _____
Name:
Title:



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Mobile Assets Inc.
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0Z8

Attention: Michael Cooke

Facsimile No.: 866-936-9540

Email: mcooke@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 63671)

Dear Sir / Madam:

We are counsel to Export Development Canada ("**EDC**").

We refer to the following document(s), among others:

1. Loan Agreement dated as of August 19, 2016 by and between Axios Mobile Assets Inc. (the "**Borrower**") and EDC (the "**Loan Agreement**") (EDC Loan No. 63671); and
2. General Security Agreement dated as of August 19, 2016 by the Borrower in favour of EDC (the "**Security Agreement**").

The Loan Agreement and Security Agreement, and other documents related thereto, also referred to herein as the "**Transaction Documents**". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

We understand that the Borrower has substantially ceased to carry on its business operations and is no longer able to meet its obligations generally as they become due. As a result, Events of Default have occurred pursuant to Schedule D, Sections (b), (e), and (f) of the Loan Agreement (the "**Events of Default**").

The Events of Default set forth above are not necessarily exhaustive of all events of default which have occurred under the Loan Agreement. The omission of any event or events of defaults shall not be deemed a waiver of same under the Loan Agreement.

Pursuant to the Loan Agreement, if an Event of Default has occurred and is continuing, then EDC may declare all or part of the indebtedness of the Borrower to be immediately due and payable.

12882875.1



Page 2

As a result, in accordance with the Loan Agreement, EDC hereby declares all of the indebtedness of the Borrower under the Loan Agreement to be immediately due and payable without any further demand or notice of any kind. As at February 9, 2017, the amount outstanding and owing to EDC by the Borrower inclusive of accrued interest is CAD 2,014,071.24 (collectively, the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Transaction Documents, including but not limited to, any and all costs incurred by EDC in connection with the Transaction Documents and its enforcement or preservation of its rights thereunder (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated November 25, 2015 by and between the Borrower and EDC (EDC Loan No. 61831), for which a separate demand for repayment is being made by EDC as of the date hereof.

On behalf of EDC, demand is hereby made upon the Borrower for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017** or if EDC determines that its collateral is at risk, EDC will take such steps as it considers necessary or appropriate to protect its position and enforce its rights under the Transaction Documents.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

We enclose a Notice of Intention to Enforce Security provided in accordance with Section 244 of the *Bankruptcy and Insolvency Act* (Canada), together with an Acknowledgement and Consent. If you consent to EDC taking earlier enforcement, please return the Consent executed by duly authorized representatives of the Borrower.

Yours very truly,



Linc A. Rogers

12882875.1

NOTICE OF INTENTION TO ENFORCE SECURITY

(Rule 124)

(Section 244 of the Bankruptcy and Insolvency Act)

TO:

Axios Mobile Assets Inc. (the "Debtor")
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0A8

Facsimile No. (866) 936-9540

Attention: Michael Cooke

Take notice that:

1. Export Development Canada (EDC), a secured creditor, intends to enforce its security on the property of the above named Debtor, as more particularly described in Schedule A hereto;
2. The security that is to be enforced is in the form of the security granted by the Debtor in favour of EDC and as set out in Schedule A attached (the "Security");
3. The total amount of indebtedness secured by the Security, as at February 9, 2017, is CAD 2,014,071.24 plus accrued and accruing costs, disbursements, and interest accruing from the date of this notice; and
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10 day period following the sending of this notice unless the Debtor consents to an earlier enforcement.

Dated at Toronto, Ontario, this 10th day of February, 2017.**Export Development Canada**

By its lawyers,

Blake, Cassels & Graydon LLP

Per:



Name: Linc Rogers

SCHEDULE "A"
SECURITY/COLLATERAL DESCRIPTION

	Security Document	Collateral
(a)	Security Agreement between the Debtor and EDC dated as of August 19, 2016	<p>All present and after-acquired personal property to and in favour of EDC as follows:</p> <p>(a) charges, mortgages, hypothecs, pledges and assigns and grants a security interest in the following property as and by way of a fixed and specific security interest to and in favour of EDC:</p> <ul style="list-style-type: none"> (i) Accounts; (ii) Chattel Paper; (iii) Documents of Title; (iv) Equipment; (v) Instruments; (vi) Intangibles, other than Intellectual Property; (vii) Inventory; (viii) Investment Property (other than Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests); (ix) Money; (x) Records; (xi) all insurance policies in which the Grantor now or hereafter has rights; (xii) the business, undertakings and goodwill of the Grantor; (xiii) all rights of the Grantor to the property referred to in clauses (i) to (xii) inclusive above; and (xiv) all Proceeds and Replacements (other than Proceeds or Replacements comprised of Intellectual Property, Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests which shall be subject to the security interest granted under paragraph (b) below) of or to property referred to in clauses (i) to (xiii) inclusive above, including all rights thereto; <p>(b) grants a security interest in the following assets as and by way of a fixed and specific security interest in favour of EDC:</p> <ul style="list-style-type: none"> (i) Intellectual Property; (ii) Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests; (iii) all rights of the Grantor to the property referred to in clauses (i) and (ii) above; and (iv) all Proceeds and Replacements of or to property referred to in clauses (i), (ii) and (iii) above, including all rights thereto; and <p>(c) grants a security interest in the following property, and grants, assigns, conveys, mortgages and charges the following property as and by way of a floating charge to and in favour of EDC:</p> <ul style="list-style-type: none"> (i) the business, undertakings and goodwill of the Grantor and all personal property, tangible and intangible, of whatever nature and kind in which the Grantor now or hereafter has rights, its uncalled

		<p>capital (if any) and all its present and future revenues, save and except such assets as are validly and effectively subject to the fixed and specific security created by paragraphs (a) and (b) above;</p> <p>(ii) all rights of the Grantor to the property referred to in clause (i) above; and</p> <p>(iii) all Proceeds and Replacements (other than Proceeds or Replacements comprised of Intellectual Property, Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares or general partnership interests which shall be subject to the security interest only granted under this paragraph (c)) of or to property referred to in clauses (i) and (ii) above, including all rights thereto.</p>
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AXIOS MOBILE ASSETS INC. hereby:

- 1) Consents to the immediate enforcement by Export Development Canada (EDC) as a secured party of the security described in Schedule A above pursuant to s. 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "Security"), including, if applicable, the appointment of a receiver in accordance with the Security; and
- 2) Acknowledges and confirms that it has sought the advice and recommendations of its professional advisors including legal counsel to the extent it deems appropriate in connection with the execution of this consent to the immediate enforcement by EDC of its Security.

Dated this _____ day of February, 2017.

Axios Mobile Assets Inc.

Per: _____
Name:
Title:

TAB AA

THIS IS EXHIBIT "AA" TO

THE AFFIDAVIT OF GEOFF BLEICH

SWORN BEFORE ME THIS 23 DAY OF FEB, 2017



Commissioner for Taking Affidavits
(or as may be)

CAROL DE MELIA



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Mobile Assets Corp.

30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0A8

Attention: Richard MacDonald, President & Secretary

Facsimile No.: 866-936-9540

Email: rmacdonald@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 61831)

Dear Sir / Madam:

We are counsel to Export Development Canada ("EDC").

We refer to the following document(s), among others:

1. Loan Agreement dated as of November 25, 2015 by and between Axios Mobile Assets Inc. (the "**Borrower**") and EDC (the "**Loan Agreement**") (EDC Loan No. 61831);
2. Guarantee dated as of November 25, 2015 made by Axios Mobile Assets Corp. (the "**Guarantor**") in favour of EDC (the "**Guarantee**"); and
3. General Security Agreement dated as of November 25, 2015 by the Borrower in favour of EDC (the "**Security Agreement**").

The Loan Agreement, Guarantee and Security Agreement and other documents related thereto also referred to herein as the "**Transaction Documents**". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

Pursuant to the Loan Agreement, EDC provided certain loans to the Borrower. Events of Default have occurred under the Loan Agreement and such Events of Default are continuing and remain uncured.

Pursuant to the Guarantee, the Guarantor unconditionally and irrevocably guaranteed to EDC the prompt and full payment and performance of all indebtedness, liabilities and obligations of the Borrower to EDC under and in respect of the Loan Agreement and other Transaction Documents.

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Page 2

As a result of the Events of Default under the Loan Agreement, as at February 9, 2017, the amount now immediately due and owing to EDC by the Borrower inclusive of accrued interest is CAD 3,026,383.57 (the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Loan Agreement, to the date of payment (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated August 19, 2016 by and between the Borrower and EDC (EDC Loan No. 63671) and guaranteed by the Guarantor, for which a separate demand for repayment is being made by EDC as of the date hereof.

Pursuant to the Guarantee, on behalf of EDC, demand is hereby made upon the Guarantor for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017**, EDC will take such steps as it considers necessary or appropriate to recover the Outstanding Indebtedness, protect its position and enforce its rights under the Transaction Documents, including but not limited to commencing legal proceedings against you.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

Yours very truly,



Linc A. Rogers

12882860.1



Blake, Cassels & Graydon LLP
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199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
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Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Mobile Assets Corp.
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0Z8

Attention: Michael Cooke

Facsimile No.: 866-936-9540

Email: mcooke@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 63671)

Dear Sir / Madam:

We are counsel to Export Development Canada ("**EDC**").

We refer to the following document(s), among others:

1. Loan Agreement dated as of August 19, 2016 by and between Axios Mobile Assets Inc. (the "**Borrower**") and EDC (the "**Loan Agreement**") (EDC Loan No. 63671);
2. Guarantee dated as of August 19, 2016 made by Axios Mobile Assets Corp. (the "**Guarantor**") in favour of EDC (the "**Guarantee**"); and
3. General Security Agreement dated as of August 19, 2016 by the Borrower in favour of EDC (the "**Security Agreement**").

The Loan Agreement, Guarantee and Security Agreement and other documents related thereto also referred to herein as the "**Transaction Documents**". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

Pursuant to the Loan Agreement, EDC provided certain loans to the Borrower. Events of Default have occurred under the Loan Agreement and such Events of Default are continuing and remain uncured.

Pursuant to the Guarantee, the Guarantor unconditionally and irrevocably guaranteed to EDC the prompt and full payment and performance of all indebtedness, liabilities and obligations of the Borrower to EDC under and in respect of the Loan Agreement and other Transaction Documents.

12882873.1



Page 2

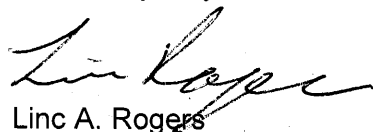
As a result of the Events of Default under the Loan Agreement, as at February 9, 2017, the amount now immediately due and owing to EDC by the Borrower inclusive of accrued interest is CAD 2,014,071.24 (the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Loan Agreement, to the date of payment (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated November 25, 2015 by and between the Borrower and EDC (EDC Loan No. 61831) and guaranteed by the Guarantor, for which a separate demand for repayment is being made by EDC as of the date hereof.

Pursuant to the Guarantee, on behalf of EDC, demand is hereby made upon the Guarantor for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017**, EDC will take such steps as it considers necessary or appropriate to recover the Outstanding Indebtedness, protect its position and enforce its rights under the Transaction Documents, including but not limited to commencing legal proceedings against you.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

Yours very truly,


Linc A. Rogers

12882873.1



Blake, Cassels & Graydon LLP
Barristers & Solicitors
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199 Bay Street
Suite 4000, Commerce Court West
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Tel: 416-863-2400 Fax: 416-863-2653

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Mobile Assets, Inc.
400 Grand River Avenue, Suite 200
Detroit, Michigan, USA, 48226

Attention: Marc Topacio

Facsimile No.: 866-936-9540

Email: mtopacio@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 61831)

Dear Sir / Madam:

We are counsel to Export Development Canada ("EDC").

We refer to the following document(s), among others:

1. Loan Agreement dated as of November 25, 2015 by and between Axios Mobile Assets Inc. (the "**Borrower**") and EDC (the "**Loan Agreement**") (EDC Loan No. 61831);
2. Guarantee dated as of November 25, 2015 made by Axios Mobile Assets, Inc. (the "**Guarantor**") in favour of EDC (the "**Guarantee**"); and
3. General Security Agreement dated as of November 25, 2015 by the Borrower in favour of EDC (the "**Security Agreement**").

The Loan Agreement, Guarantee and Security Agreement and other documents related thereto also referred to herein as the "**Transaction Documents**". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

Pursuant to the Loan Agreement, EDC provided certain loans to the Borrower. Events of Default have occurred under the Loan Agreement and such Events of Default are continuing and remain uncured.

Pursuant to the Guarantee, the Guarantor unconditionally and irrevocably guaranteed to EDC the prompt and full payment and performance of all indebtedness, liabilities and obligations of the Borrower to EDC under and in respect of the Loan Agreement and other Transaction Documents.

12882859.1



As a result of the Events of Default under the Loan Agreement, as at February 9, 2017, the amount now immediately due and owing to EDC by the Borrower inclusive of accrued interest is CAD 3,026,383.57 (the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Loan Agreement, to the date of payment (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated August 19, 2016 by and between the Borrower and EDC (EDC Loan No. 63671) and guaranteed by the Guarantor, for which a separate demand for repayment is being made by EDC as of the date hereof.

Pursuant to the Guarantee, on behalf of EDC, demand is hereby made upon the Guarantor for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017**, EDC will take such steps as it considers necessary or appropriate to recover the Outstanding Indebtedness, protect its position and enforce its rights under the Transaction Documents, including but not limited to commencing legal proceedings against you.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

Yours very truly,

Linc A. Rogers



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

Reference: 00073781/000038

Axios Mobile Assets, Inc.
400 Grand River Avenue, Suite 200
Detroit, Michigan, USA, 48226

Attention: Marc Topacio

Facsimile No.: 866-936-9540
Email: mtopacio@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 63671)

Dear Sir / Madam:

We are counsel to Export Development Canada ("**EDC**").

We refer to the following document(s), among others:

1. Loan Agreement dated as of August 19, 2016 by and between Axios Mobile Assets Inc. (the "**Borrower**") and EDC (the "**Loan Agreement**") (EDC Loan No. 63671);
2. Guarantee dated as of August 19, 2016 made by Axios Mobile Assets, Inc. (the "**Guarantor**") in favour of EDC (the "**Guarantee**"); and
3. General Security Agreement dated as of August 19, 2016 by the Borrower in favour of EDC (the "**Security Agreement**").

The Loan Agreement, Guarantee and Security Agreement and other documents related thereto also referred to herein as the "**Transaction Documents**". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

Pursuant to the Loan Agreement, EDC provided certain loans to the Borrower. Events of Default have occurred under the Loan Agreement and such Events of Default are continuing and remain uncured.

Pursuant to the Guarantee, the Guarantor unconditionally and irrevocably guaranteed to EDC the prompt and full payment and performance of all indebtedness, liabilities and obligations of the Borrower to EDC under and in respect of the Loan Agreement and other Transaction Documents.

12882871.1



As a result of the Events of Default under the Loan Agreement, as at February 9, 2017, the amount outstanding and owing to EDC by the Borrower inclusive of accrued interest is CAD 2,014,071.24 (the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Loan Agreement, to the date of payment (collectively, the "**Total Indebtedness**"), is now immediately due and owing. Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated November 25, 2015 by and between the Borrower and EDC (EDC Loan No. 61831) and guaranteed by the Guarantor, for which a separate demand for repayment is being made by EDC as of the date hereof.

Pursuant to the Guarantee, on behalf of EDC, demand is hereby made upon the Guarantor for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017**, EDC will take such steps as it considers necessary or appropriate to recover the Outstanding Indebtedness, protect its position and enforce its rights under the Transaction Documents, including but not limited to commencing legal proceedings against you.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

Yours very truly,

Linc A. Rogers



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Logistics Solutions Inc.

421 North Aurora Street
Ithaca, New York, USA, 14850

Attention: David Wickwire

Facsimile No.: 866-936-9540

Email: [dwickwire@axiosma](mailto:dwickwire@axiosma.com)

RE: DEMAND FOR PAYMENT (EDC Loan No. 61831)

Dear Sir / Madam:

We are counsel to Export Development Canada ("EDC").

We refer to the following document(s), among others:

1. Loan Agreement dated as of November 25, 2015 by and between Axios Mobile Assets Inc. (the "**Borrower**") and EDC (the "**Loan Agreement**") (EDC Loan No. 61831);
2. Guarantee dated as of November 25, 2015 made by Axios Logistics Solutions Inc. (the "**Guarantor**") in favour of EDC (the "**Guarantee**"); and
3. General Security Agreement dated as of November 25, 2015 by the Borrower in favour of EDC (the "**Security Agreement**").

The Loan Agreement, Guarantee and Security Agreement and other documents related thereto also referred to herein as the "**Transaction Documents**". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

Pursuant to the Loan Agreement, EDC provided certain loans to the Borrower. Events of Default have occurred under the Loan Agreement and such Events of Default are continuing and remain uncured.

Pursuant to the Guarantee, the Guarantor unconditionally and irrevocably guaranteed to EDC the prompt and full payment and performance of all indebtedness, liabilities and obligations of the Borrower to EDC under and in respect of the Loan Agreement and other Transaction Documents.

12882867.1



As a result of the Events of Default under the Loan Agreement, as at February 9, 2017, the amount now immediately due and owing to EDC by the Borrower inclusive of accrued interest is CAD 3,026,383.57 (the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Loan Agreement, to the date of payment (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated August 19, 2016 by and between the Borrower and EDC (EDC Loan No. 63671) and guaranteed by the Guarantor, for which a separate demand for repayment is being made by EDC as of the date hereof.

Pursuant to the Guarantee, on behalf of EDC, demand is hereby made upon the Guarantor for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017**, EDC will take such steps as it considers necessary or appropriate to recover the Outstanding Indebtedness, protect its position and enforce its rights under the Transaction Documents, including but not limited to commencing legal proceedings against you.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

Yours very truly,

Linc A. Rogers

12882867.1



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Logistics Solutions Inc.

421 North Aurora Street
Ithaca, New York, USA, 14850

Attention: David Wickwire

Facsimile No.: 866-936-9540

Email: dwickwire@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 63671)

Dear Sir / Madam:

We are counsel to Export Development Canada ("**EDC**").

We refer to the following document(s), among others:

1. Loan Agreement dated as of August 19, 2016 by and between Axios Mobile Assets Inc. (the "**Borrower**") and EDC (the "**Loan Agreement**") (EDC Loan No. 63671);
2. Guarantee dated as of August 19, 2016 made by Axios Logistics Solutions Inc. (the "**Guarantor**") in favour of EDC (the "**Guarantee**"); and
3. General Security Agreement dated as of August 19, 2016 by the Borrower in favour of EDC (the "**Security Agreement**").

The Loan Agreement, Guarantee and Security Agreement and other documents related thereto also referred to herein as the "**Transaction Documents**". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

Pursuant to the Loan Agreement, EDC provided certain loans to the Borrower. Events of Default have occurred under the Loan Agreement and such Events of Default are continuing and remain uncured.

Pursuant to the Guarantee, the Guarantor unconditionally and irrevocably guaranteed to EDC the prompt and full payment and performance of all indebtedness, liabilities and obligations of the Borrower to EDC under and in respect of the Loan Agreement and other Transaction Documents.

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As a result of the Events of Default under the Loan Agreement, as at February 9, 2017, the amount now immediately due and owing to EDC by the Borrower inclusive of accrued interest is CAD 2,014,071.24 (the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Loan Agreement, to the date of payment (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated November 25, 2016 by and between the Borrower and EDC (EDC Loan No. 61831) and guaranteed by the Guarantor, for which a separate demand for repayment is being made by EDC as of the date hereof.

Pursuant to the Guarantee, on behalf of EDC, demand is hereby made upon the Guarantor for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017**, EDC will take such steps as it considers necessary or appropriate to recover the Outstanding Indebtedness, protect its position and enforce its rights under the Transaction Documents, including but not limited to commencing legal proceedings against you.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

Yours very truly,

Linc A. Rogers

TAB BB

THIS IS EXHIBIT "BB" TO

THE AFFIDAVIT OF GEOFF BLEICH

SWORN BEFORE ME THIS 23 DAY OF FEB, 2017



Commissioner for Taking Affidavits
(or as may be)

CAROLINE MARIA



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Mobile Assets Inc.
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0A8

Attention: Richard MacDonald, President & Secretary

Facsimile No.: 866-936-9540
Email: rmacdonald@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 61831)

Dear Sir / Madam:

We are counsel to Export Development Canada ("EDC").

We refer to the following document(s), among others:

1. Loan Agreement dated as of November 25, 2015 by and between Axios Mobile Assets Inc. (the "Borrower") and EDC (the "Loan Agreement") (EDC Loan No. 61831); and
2. General Security Agreement dated as of November 25, 2015 by the Borrower in favour of EDC (the "Security Agreement").

The Loan Agreement and Security Agreement, and other documents related thereto, also referred to herein as the "Transaction Documents". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

We understand that the Borrower has substantially ceased to carry on its business operations and is no longer able to meet its obligations generally as they become due. As a result, Events of Default have occurred pursuant to Schedule A, Sections 4(c)(vi), 4(e), and 4(j) of the Loan Agreement (the "Events of Default").

The Events of Default set forth above are not necessarily exhaustive of all events of default which have occurred under the Loan Agreement. The omission of any event or events of defaults shall not be deemed a waiver of same under the Loan Agreement.

Pursuant to Schedule A, Section 4, if an Event of Default has occurred and is continuing, then EDC may declare all or part of the indebtedness of the Borrower to be immediately due and payable.

12882856.1



Page 2

As a result, in accordance with Schedule A, Section 4 of the Loan Agreement, EDC hereby declares all of the indebtedness of the Borrower under the Loan Agreement to be immediately due and payable without any further demand or notice of any kind. As at February 9, 2017, the amount outstanding and owing to EDC by the Borrower inclusive of accrued interest is CAD 3,026,383.57 (collectively, the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Transaction Documents, including but not limited to, any and all costs incurred by EDC in connection with the Transaction Documents and its enforcement or preservation of its rights thereunder (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated August 19, 2016 by and between the Borrower and EDC (EDC Loan No. 63671), for which a separate demand for repayment is being made by EDC as of the date hereof.


On behalf of EDC, demand is hereby made upon the Borrower for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number: 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017** or if EDC determines that its collateral is at risk, EDC will take such steps as it considers necessary or appropriate to protect its position and enforce its rights under the Transaction Documents.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

We enclose a Notice of Intention to Enforce Security provided in accordance with Section 244 of the *Bankruptcy and Insolvency Act* (Canada), together with an Acknowledgement and Consent. If you consent to EDC taking earlier enforcement, please return the Consent executed by duly authorized representatives of the Borrower.

Yours very truly,



Linc A. Rogers

12882856.1

NOTICE OF INTENTION TO ENFORCE SECURITY

(Rule 124)

(Section 244 of the Bankruptcy and Insolvency Act)

TO:

Axios Mobile Assets Inc. (the "Debtor")
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0A8

Facsimile No. (866) 936-9540

Attention: Richard MacDonald, President & Secretary

Take notice that:

1. Export Development Canada (EDC), a secured creditor, intends to enforce its security on the property of the above named Debtor, as more particularly described in Schedule A hereto;
2. The security that is to be enforced is in the form of the security granted by the Debtor in favour of EDC and as set out in Schedule A attached (the "Security");
3. The total amount of indebtedness secured by the Security, as at February 9, 2017, is CAD 3,026,383.57 plus accrued and accruing costs, disbursements, and interest accruing from the date of this notice; and
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10 day period following the sending of this notice unless the Debtor consents to an earlier enforcement.

Dated at Toronto, Ontario, this 10th day of February, 2017.**Export Development Canada**

By its lawyers,

Blake, Cassels & Graydon LLP

Per:

Name: Linc Rogers



SCHEDULE "A"
SECURITY/COLLATERAL DESCRIPTION

	Security Document	Collateral
(a)	Security Agreement between the Debtor and EDC dated as of November 25, 2015	<p>All present and after-acquired personal property to and in favour of EDC as follows:</p> <p>(a) charges, mortgages, hypothecs, pledges and assigns and grants a security interest in the following property as and by way of a fixed and specific security interest to and in favour of EDC:</p> <ul style="list-style-type: none"> (i) Accounts; (ii) Chattel Paper; (iii) Documents of Title; (iv) Equipment; (v) Instruments; (vi) Intangibles, other than Intellectual Property; (vii) Inventory; (viii) Investment Property (other than Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests); (ix) Money; (x) Records; (xi) all insurance policies in which the Grantor now or hereafter has rights; (xii) the business, undertakings and goodwill of the Grantor; (xiii) all rights of the Grantor to the property referred to in clauses (i) to (xii) inclusive above; and (xiv) all Proceeds and Replacements (other than Proceeds or Replacements comprised of Intellectual Property, Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests which shall be subject to the security interest granted under paragraph (b) below) of or to property referred to in clauses (i) to (xiii) inclusive above, including all rights thereto; <p>(b) grants a security interest in the following assets as and by way of a fixed and specific security interest in favour of EDC:</p> <ul style="list-style-type: none"> (i) Intellectual Property; (ii) Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests; (iii) all rights of the Grantor to the property referred to in clauses (i) and (ii) above; and (iv) all Proceeds and Replacements of or to property referred to in clauses (i), (ii) and (iii) above, including all rights thereto; and <p>(c) grants a security interest in the following property, and grants, assigns, conveys, mortgages and charges the following property as and by way of a floating charge to and in favour of EDC:</p> <ul style="list-style-type: none"> (i) the business, undertakings and goodwill of the Grantor and all personal property, tangible and intangible, of whatever nature and kind in which the Grantor now or hereafter has rights, its uncalled

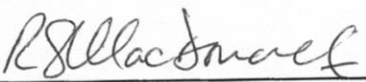
		<p>capital (if any) and all its present and future revenues, save and except such assets as are validly and effectively subject to the fixed and specific security created by paragraphs (a) and (b) above;</p> <p>(ii) all rights of the Grantor to the property referred to in clause (i) above; and</p> <p>(iii) all Proceeds and Replacements (other than Proceeds or Replacements comprised of Intellectual Property, Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares or general partnership interests which shall be subject to the security interest only granted under this paragraph (c)) of or to property referred to in clauses (i) and (ii) above, including all rights thereto.</p>
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AXIOS MOBILE ASSETS INC. hereby:

- 1) Consents to the immediate enforcement by Export Development Canada (EDC) as a secured party of the security described in Schedule A above pursuant to s. 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "Security"), including, if applicable, the appointment of a receiver in accordance with the Security; and
- 2) Acknowledges and confirms that it has sought the advice and recommendations of its professional advisors including legal counsel to the extent it deems appropriate in connection with the execution of this consent to the immediate enforcement by EDC of its Security.

Dated this 13th day of February, 2017.

Axios Mobile Assets Inc.

Per: 
Name: R. MacDonald
Title: CEO



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Mobile Assets Corp.
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0Z8

Attention: Michael Cooke

Facsimile No.: 866-936-9540

Email: mcooke@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 63671)

Dear Sir / Madam:

We are counsel to Export Development Canada ("EDC").

We refer to the following document(s), among others:

1. Loan Agreement dated as of August 19, 2016 by and between Axios Mobile Assets Inc. (the "Borrower") and EDC (the "Loan Agreement") (EDC Loan No. 63671);
2. Guarantee dated as of August 19, 2016 made by Axios Mobile Assets Corp. (the "Guarantor") in favour of EDC (the "Guarantee"); and
3. General Security Agreement dated as of August 19, 2016 by the Borrower in favour of EDC (the "Security Agreement").

The Loan Agreement, Guarantee and Security Agreement and other documents related thereto also referred to herein as the "Transaction Documents". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

Pursuant to the Loan Agreement, EDC provided certain loans to the Borrower. Events of Default have occurred under the Loan Agreement and such Events of Default are continuing and remain uncured.

Pursuant to the Guarantee, the Guarantor unconditionally and irrevocably guaranteed to EDC the prompt and full payment and performance of all indebtedness, liabilities and obligations of the Borrower to EDC under and in respect of the Loan Agreement and other Transaction Documents.

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Page 2

As a result of the Events of Default under the Loan Agreement, as at February 9, 2017, the amount now immediately due and owing to EDC by the Borrower inclusive of accrued interest is CAD 2,014,071.24 (the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Loan Agreement, to the date of payment (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated November 25, 2015 by and between the Borrower and EDC (EDC Loan No. 61831) and guaranteed by the Guarantor, for which a separate demand for repayment is being made by EDC as of the date hereof.

Pursuant to the Guarantee, on behalf of EDC, demand is hereby made upon the Guarantor for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017**, EDC will take such steps as it considers necessary or appropriate to recover the Outstanding Indebtedness, protect its position and enforce its rights under the Transaction Documents, including but not limited to commencing legal proceedings against you.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

Yours very truly,



Linc A. Rogers

12882873.1



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Linc A. Rogers

Dir: 416-863-4168

linc.rogers@blakes.com

February 10, 2017

VIA REGISTERED MAIL, FACSIMILE AND E-MAIL

Reference: 00073781/000038

Axios Mobile Assets Inc.
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0Z8

Attention: Michael Cooke

Facsimile No.: 866-936-9540

Email: mcooke@axiosma

RE: DEMAND FOR PAYMENT (EDC Loan No. 63671)

Dear Sir / Madam:

We are counsel to Export Development Canada ("EDC").

We refer to the following document(s), among others:

1. Loan Agreement dated as of August 19, 2016 by and between Axios Mobile Assets Inc. (the "**Borrower**") and EDC (the "**Loan Agreement**") (EDC Loan No. 63671); and
2. General Security Agreement dated as of August 19, 2016 by the Borrower in favour of EDC (the "**Security Agreement**").

The Loan Agreement and Security Agreement, and other documents related thereto, also referred to herein as the "**Transaction Documents**". Capitalized terms not defined herein shall have the meaning assigned to them in the Loan Agreement.

We understand that the Borrower has substantially ceased to carry on its business operations and is no longer able to meet its obligations generally as they become due. As a result, Events of Default have occurred pursuant to Schedule D, Sections (b), (e), and (f) of the Loan Agreement (the "**Events of Default**").

The Events of Default set forth above are not necessarily exhaustive of all events of default which have occurred under the Loan Agreement. The omission of any event or events of defaults shall not be deemed a waiver of same under the Loan Agreement.

Pursuant to the Loan Agreement, if an Event of Default has occurred and is continuing, then EDC may declare all or part of the indebtedness of the Borrower to be immediately due and payable.

12882875.1



Page 2

As a result, in accordance with the Loan Agreement, EDC hereby declares all of the indebtedness of the Borrower under the Loan Agreement to be immediately due and payable without any further demand or notice of any kind. As at February 9, 2017, the amount outstanding and owing to EDC by the Borrower inclusive of accrued interest is CAD 2,014,071.24 (collectively, the "**Outstanding Indebtedness**"), plus interest that shall continue to accrue thereon, together with all applicable costs and expenses recoverable by EDC under the Transaction Documents, including but not limited to, any and all costs incurred by EDC in connection with the Transaction Documents and its enforcement or preservation of its rights thereunder (collectively, the "**Total Indebtedness**"). Such Total Indebtedness is in addition to the indebtedness of the Borrower under the loan agreement dated November 25, 2015 by and between the Borrower and EDC (EDC Loan No. 61831), for which a separate demand for repayment is being made by EDC as of the date hereof.

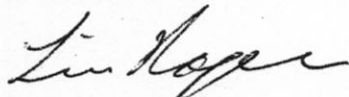
On behalf of EDC, demand is hereby made upon the Borrower for the immediate payment of the Outstanding Indebtedness, together with any additional amount of Total Indebtedness that has accrued at the time of payment at Royal Bank of Canada, 90 Sparks Street, Ottawa, ON, K1P 5T6, Canada for the credit of Export Development Canada, Transit 00006, Institution 003 SWIFT Code ROYCCAT2, account number 1070481.

If payment of the Total Indebtedness is not made in full by **5:00 p.m. EDT on February 20, 2017** or if EDC determines that its collateral is at risk, EDC will take such steps as it considers necessary or appropriate to protect its position and enforce its rights under the Transaction Documents.

We advise you that no failure on the part of EDC to exercise and no delay in exercising and no course of dealing with respect to any right, power or privilege under any Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. EDC hereby expressly reserves its right to take any action to which it may be entitled under any Transaction Document in respect of existing or other future Events of Default under the Loan Agreement.

We enclose a Notice of Intention to Enforce Security provided in accordance with Section 244 of the *Bankruptcy and Insolvency Act* (Canada), together with an Acknowledgement and Consent. If you consent to EDC taking earlier enforcement, please return the Consent executed by duly authorized representatives of the Borrower.

Yours very truly,



Linc A. Rogers

12882875.1

NOTICE OF INTENTION TO ENFORCE SECURITY

(Rule 124)

(Section 244 of the Bankruptcy and Insolvency Act)

TO:

Axios Mobile Assets Inc. (the "Debtor")
30 Topflight Drive, Unit 7
Mississauga, Ontario, Canada L5S 0A8

Facsimile No. (866) 936-9540

Attention: Michael Cooke

Take notice that:

1. Export Development Canada (EDC), a secured creditor, intends to enforce its security on the property of the above named Debtor, as more particularly described in Schedule A hereto;
2. The security that is to be enforced is in the form of the security granted by the Debtor in favour of EDC and as set out in Schedule A attached (the "Security");
3. The total amount of indebtedness secured by the Security, as at February 9, 2017, is CAD 2,014,071.24 plus accrued and accruing costs, disbursements, and interest accruing from the date of this notice; and
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10 day period following the sending of this notice unless the Debtor consents to an earlier enforcement.

Dated at Toronto, Ontario, this 10th day of February, 2017.**Export Development Canada**By its lawyers,
Blake, Cassels & Graydon LLP

Per:

Name: Linc Rogers



SCHEDULE "A"
SECURITY/COLLATERAL DESCRIPTION

	Security Document	Collateral
(a)	Security Agreement between the Debtor and EDC dated as of August 19, 2016	<p>All present and after-acquired personal property to and in favour of EDC as follows:</p> <p>(a) charges, mortgages, hypothecs, pledges and assigns and grants a security interest in the following property as and by way of a fixed and specific security interest to and in favour of EDC:</p> <ul style="list-style-type: none"> (i) Accounts; (ii) Chattel Paper; (iii) Documents of Title; (iv) Equipment; (v) Instruments; (vi) Intangibles, other than Intellectual Property; (vii) Inventory; (viii) Investment Property (other than Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests); (ix) Money; (x) Records; (xi) all insurance policies in which the Grantor now or hereafter has rights; (xii) the business, undertakings and goodwill of the Grantor; (xiii) all rights of the Grantor to the property referred to in clauses (i) to (xii) inclusive above; and (xiv) all Proceeds and Replacements (other than Proceeds or Replacements comprised of Intellectual Property, Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests which shall be subject to the security interest granted under paragraph (b) below) of or to property referred to in clauses (i) to (xiii) inclusive above, including all rights thereto; <p>(b) grants a security interest in the following assets as and by way of a fixed and specific security interest in favour of EDC:</p> <ul style="list-style-type: none"> (i) Intellectual Property; (ii) Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares and general partnership interests; (iii) all rights of the Grantor to the property referred to in clauses (i) and (ii) above; and (iv) all Proceeds and Replacements of or to property referred to in clauses (i), (ii) and (iii) above, including all rights thereto; and <p>(c) grants a security interest in the following property, and grants, assigns, conveys, mortgages and charges the following property as and by way of a floating charge to and in favour of EDC:</p> <ul style="list-style-type: none"> (i) the business, undertakings and goodwill of the Grantor and all personal property, tangible and intangible, of whatever nature and kind in which the Grantor now or hereafter has rights, its uncalled

		<p>capital (if any) and all its present and future revenues, save and except such assets as are validly and effectively subject to the fixed and specific security created by paragraphs (a) and (b) above;</p> <p>(ii) all rights of the Grantor to the property referred to in clause (i) above; and</p> <p>(iii) all Proceeds and Replacements (other than Proceeds or Replacements comprised of Intellectual Property, Unlimited Liability Shares, Security Entitlements to Unlimited Liability Shares or general partnership interests which shall be subject to the security interest only granted under this paragraph (c)) of or to property referred to in clauses (i) and (ii) above, including all rights thereto.</p>
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AXIOS MOBILE ASSETS INC. hereby:

- 1) Consents to the immediate enforcement by Export Development Canada (EDC) as a secured party of the security described in Schedule A above pursuant to s. 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "Security"), including, if applicable, the appointment of a receiver in accordance with the Security; and
- 2) Acknowledges and confirms that it has sought the advice and recommendations of its professional advisors including legal counsel to the extent it deems appropriate in connection with the execution of this consent to the immediate enforcement by EDC of its Security.

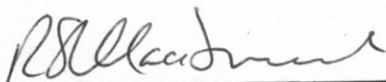
Dated this 13th day of February, 2017.

Axios Mobile Assets Inc.

Per:

Name:

Title:


R. Anderson
CEO

TAB 3

Court File No. CV-17-11710-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	FRIDAY, THE 24TH
)	
JUSTICE WILTON-SIEGEL)	DAY OF FEBRUARY, 2017

EXPORT DEVELOPMENT CANADA

Applicant

- and -

**AXIOS MOBILE ASSETS CORP., AXIOS MOBILE ASSETS INC., AXIOS MOBILE
ASSETS, INC., AND AXIOS LOGISTICS SOLUTIONS INC.**

Respondents

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

ORDER
(appointing Receiver)

THIS APPLICATION made by Export Development Canada (“**EDC**” or the “**Applicant**”) for an Order appointing A. Farber & Partners Inc. (“**Farber**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of (i) all of the assets, undertakings and properties of Axios Mobile Assets Inc. (the “**Borrower**”) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”), and (ii) all of the assets, undertakings and properties of Axios Mobile Assets Corp., Axios Mobile Assets, Inc., and Axios Logistics Solutions Inc. (collectively, the “**Guarantors**”) pursuant to section 101 of the CJA, in each case, acquired for, or used in relation to a business carried on by

the Borrower and the Guarantors (collectively, the “**Debtors**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Geoff Bleich sworn February [23], 2017 and the Exhibits thereto and on hearing the submissions of counsel for EDC, and those counsel and parties listed on the Counsel Slip, no one else on the Service List appearing although duly served as appears from the affidavit of service of Juliene Cawthorne-Hwang sworn February [23], 2017 and on reading the consent of Farber to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that (i) pursuant to section 243(1) of the BIA and section 101 of the CJA, Farber is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Borrower, and (ii) pursuant to section 101 of the CJA, Farber is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Guarantors, in each case, acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the “**Property**”).

RECEIVER’S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order, and in this regard the Receiver is specifically authorized to retain counsel for the Applicant to advise and represent it save and except on matters upon which the Receiver in its judgment determines it requires independent advice, in which case the Receiver shall consult its independent counsel;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or such other equivalent statute in other jurisdictions as may be applicable, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this

paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in

respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the

collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of

this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise (each, an "**Encumbrance**"), in favour of any Person, except for any Encumbrance in favour of a Person who was not given notice of this application, and subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$300,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to (i) any Encumbrance in favour of a Person who was not given notice of this application, (ii) the Receiver's Charge, and (iii) the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<www.farberfinancial.com/insolvency-engagements/axios-mobile-assets-inc>'.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business

day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

29. 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 Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including without limitation, Chapter 15 of the U.S. Bankruptcy Code.

31. THIS COURT ORDERS that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party

likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that A. Farber & Partners Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties Axios Mobile Assets Corp., Axios Mobile Assets Inc., Axios Mobile Assets, Inc., and Axios Logistics Solutions Inc. acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ____ day of _____, 2017 (the "**Order**") made in an action having Court file number ____-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2017.

A. FARBER & PARTNERS INC., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, AS AMENDED, AND SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3 AS AMENDED Court File No: CV-17-11710-00CL

Export Development Canada and Axios Mobile Assets Corp. et al.
 Applicant Respondents

**ONTARIO
 SUPERIOR COURT OF JUSTICE
 (COMMERCIAL LIST)**

Proceeding commenced at Toronto

**ORDER
 (Appointment of Receiver)**

BLAKE, CASSELS & GRAYDON LLP
 Box 40, Commerce Court West
 Toronto, Ontario M5L 1A9

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 Tel: 416-863-4168
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Lawyers for Export Development Canada

TAB 4

Revised: January 21, 2014
~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) WEEKDAY, THE #
)
 JUSTICE) DAY OF ~~MONTH~~FEBRUARY, ~~20YR~~2017

EXPORT DEVELOPMENT CANADA

~~**PLAINTIFF**~~¹

~~Plaintiff~~

Applicant

- and -

~~**DEFENDANT**~~

~~Defendant~~

**AXIOS MOBILE ASSETS CORP., AXIOS MOBILE ASSETS INC., AXIOS MOBILE
 ASSETS, INC., AND AXIOS LOGISTICS SOLUTIONS INC.**

Respondents

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
 INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

ORDER
(appointing Receiver)

¹ The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.

THIS ~~MOTION made by the Plaintiff² for an Order~~ APPLICATION made by Export Development Canada ("EDC" or the "Applicant") for an Order appointing A. Farber & Partners Inc. ("Farber") as receiver and manager (in such capacities, the "Receiver") without security, of (i) all of the assets, undertakings and properties of Axios Mobile Assets Inc. (the "Borrower") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing [RECEIVER'S NAME] as receiver [and manager] (in such capacities, the "Receiver") without security, of, and (ii) all of the assets, undertakings and properties of [DEBTOR'S NAME] (the "Debtor") Axios Mobile Assets Corp., Axios Mobile Assets, Inc., and Axios Logistics Solutions Inc. (collectively, the "Guarantors") pursuant to section 101 of the CJA, in each case, acquired for, or used in relation to a business carried on by the ~~Debtor~~ Borrower and the Guarantors (collectively, the "Debtors"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of ~~[NAME]~~ Geoff Bleich sworn ~~[DATE]~~ February [23], 2017 and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES], no one appearing for [NAME] EDC, and those counsel and parties listed on the Counsel Slip, no one else on the Service List appearing~~ although duly served as appears from the affidavit of service of ~~[NAME]~~ Juliene Cawthorne-Hwang sworn ~~[DATE]~~ February [23], 2017 and on reading the consent of ~~[RECEIVER'S NAME]~~ Farber to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of ~~Motion~~ Application and the ~~Motion~~ Application Record is hereby abridged and validated³ so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

² Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".

³ If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.

2. THIS COURT ORDERS that (i) pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~Farber is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the ~~Debtor~~Borrower, and (ii) pursuant to section 101 of the CJA, Farber is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Guarantors, in each case, acquired for, or used in relation to a business carried on by the ~~Debtor~~Debtors, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the ~~Debtor~~Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the ~~Debtor~~Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those

conferred by this Order, and in this regard the Receiver is specifically authorized to retain counsel for the Applicant to advise and represent it save and except on matters upon which the Receiver in its judgment determines it requires independent advice, in which case the Receiver shall consult its independent counsel;

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Debtors and to exercise all remedies of the ~~Debtor~~Debtors in collecting such monies, including, without limitation, to enforce any security held by the ~~Debtor~~Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the ~~Debtor~~Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the ~~Debtor~~Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor~~Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

~~⁴ This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$~~_____~~50,000, provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~250,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, ~~[or section 31 of the Ontario *Mortgages Act*, as the case or such other equivalent statute in other jurisdictions as may be applicable.]~~⁵ shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

⁵ ~~If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the ~~Debtor~~Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the ~~Debtor~~Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the ~~Debtor~~Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the ~~Debtor~~Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the ~~Debtor~~Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the ~~Debtor~~Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the

landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE ~~Debtor~~DEBTORS OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the ~~Debtor~~DEBTORS or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the ~~Debtor~~DEBTORS or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the ~~Debtor~~DEBTORS, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the ~~Debtor~~DEBTORS to carry on any business which the ~~Debtor~~DEBTORS is not lawfully entitled to carry on, (ii) exempt the Receiver or the ~~Debtor~~DEBTORS from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the ~~Debtor~~Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the ~~Debtor~~Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the ~~Debtor~~Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the ~~Debtor~~Debtorss's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the ~~Debtor~~Debtorss or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the ~~Debtor~~Debtors shall remain the employees of the ~~Debtor~~Debtors until such time as the Receiver, on the ~~Debtor's~~Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the ~~Debtor~~Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the

disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise (each, an "Encumbrance"), in favour of any Person, but except for any Encumbrance in favour of a Person who was not given notice of this application, and subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

⁶ ~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP


21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$ 300,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to (i) any Encumbrance in favour of a Person who was not given notice of this application, (ii) the Receiver's Charge, and (iii) the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<www.farberfinancial.com/insolvency-engagements/axios-mobile-assets-inc>'.


26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Debtor~~[Debtors](#)'s creditors or other interested parties at their respective addresses as last shown on the records of the ~~Debtor~~[Debtors](#) and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the ~~Debtor~~Debtors.

29. 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 Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including without limitation, Chapter 15 of the U.S. Bankruptcy Code.

31. THIS COURT ORDERS that the ~~Plaintiff~~Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff~~Applicant's security or, if not so provided by the ~~Plaintiff~~Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the ~~Debtor's~~Debtors' estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ A. Farber & Partners Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ Axios Mobile Assets Corp., Axios Mobile Assets Inc., Axios Mobile Assets, Inc., and Axios Logistics Solutions Inc. acquired for, or used in relation to a business carried on by the ~~Debtor~~ Debtorss, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ____ day of _____, ~~20__~~ 2017 (the "**Order**") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, ~~20__~~2017

~~[RECEIVER'S NAME]~~A. FARBER &
PARTNERS INC., solely in its capacity as
Receiver of the Property, and not in its personal
capacity

Per: _____

Name: _____

Title: _____

TAB 5

Court File No. CV-17-11710-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

EXPORT DEVELOPMENT CANADA

Applicant

and

**AXIOS MOBILE ASSETS CORP., AXIOS MOBILE ASSETS INC., AXIOS
MOBILE ASSETS, INC., AXIOS LOGISTICS SOLUTIONS INC.**

Respondents

**APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED AND SECTION 101 OF
THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED**

CONSENT

The undersigned, A. Farber & Partners Inc., hereby consents to act as receiver and manager (the “**Receiver**”), without security, of (i) all of the assets, undertakings and properties of Axios Mobile Assets Inc. pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”), and (ii) all of the assets, undertaking and properties of Axios Mobile Assets Corp., Axios Mobile Assets, Inc., and Axios Logistics Solutions Inc. pursuant to section 101 of the CJA, pursuant to the terms of the proposed Appointment Order substantially in the form filed in the above proceeding.

DATED at Toronto, this 23rd day of February, 2017

A. FARBER & PARTNERS INC.,
solely in its capacity as proposed
Receiver, and not in its personal
capacity



Name: Peter Crawley, Vice President

EXPORT DEVELOPMENT CANADA
Applicant

V. AXIOS MOBILE ASSETS CORP. ET AL
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

CONSENT

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Lawyers for Export Development Canada

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, AS AMENDED, AND SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3 AS AMENDED

Export Development Canada and Axios Mobile Assets Inc. et al.

Applicant Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF APPLICATION
(Returnable on date to be fixed)

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