

Clerk's stamp



COURT FILE NUMBER 1001-07852
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND THE JUDICATURE ACT, R.S.A. 2000, c. J-2, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MEDICAN HOLDINGS LTD., MEDICAN DEVELOPMENTS INC., R7 INVESTMENTS LTD., MEDICAN CONSTRUCTION LTD., MEDICAN CONCRETE INC., 1090772 ALBERTA LTD., 1144233 ALBERTA LTD., 1344241 ALBERTA LTD., 9150-3755 QUEBEC INC., AXCESS (GRANDE PRAIRIE) DEVELOPMENTS LTD., AXCESS (SYLVAN LAKE) DEVELOPMENTS LTD., CANVAS (CALGARY) DEVELOPMENTS LTD., ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD., HOMES BY KINGSLAND LTD., LAKE COUNTRY (SITARA) DEVELOPMENTS LTD., MEDICAN (EDMONTON TERWILLEGAR) DEVELOPMENTS LTD., MEDICAN (GRANDE PRAIRIE) HOLDINGS LTD., MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD., MEDICAN (LETHBRIDGE - FAIRMONT PARK) DEVELOPMENTS LTD., MEDICAN (RED DEER - MICHENER HILL) DEVELOPMENTS LTD., MEDICAN (SYLVAN LAKE) DEVELOPMENTS LTD., MEDICAN (WESTBANK) DEVELOPMENT LTD., MEDICAN (WESTBANK) LAND LTD., MEDICAN CONCRETE FORMING LTD., MEDICAN DEVELOPMENTS (MEDICINE HAT SOUTHWEST) INC., MEDICAN ENTERPRISES INC. / LES ENTREPRISES MEDICAN INC., MEDICAN EQUIPMENT LTD., MEDICAN FRAMING LTD., MEDICAN GENERAL CONTRACTORS LTD., MEDICAN GENERAL CONTRACTORS 2010 LTD., RIVERSTONE (MEDICINE HAT) DEVELOPMENTS LTD., SANDERSON OF FISH CREEK (CALGARY) DEVELOPMENTS LTD., SIERRAS OF EAUX CLAIRES (EDMONTON) DEVELOPMENTS LTD., SONATA RIDGE (KELOWNA) DEVELOPMENTS LTD., SYLVAN LAKE MARINA DEVELOPMENTS LTD., THE ESTATES OF VALLEYDALE DEVELOPMENTS LTD., THE LEGEND (WINNIPEG) DEVELOPMENTS LTD., and WATERCREST (SYLVAN LAKE) DEVELOPMENTS LTD. (THE PETITIONERS)

I hereby certify this to be a true copy of the original Order

Dated this 30 day of May, 2012

[Signature]
for Clerk of the Court

DOCUMENT

ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

FRASER MILNER CASGRAIN LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David W. Mann / Derek M. Pontin
Ph. (403) 268-7097/6301 Fx. (403) 268-3100
File No.: 526686-1

DATE ON WHICH ORDER WAS PRONOUNCED: May 30, 2012

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary

NAME OF JUDGE WHO MADE THIS ORDER: Justice *K.D. Yamauchi*

ORDER

UPON the application of the Petitioners in these proceedings (collectively, the "**Medican Group**"); **AND UPON** having read the Application by the Petitioners, dated May 25, 2012, the Affidavit of Tyrone Schneider, dated May 28, 2012 (the "**Schneider Affidavit**"), the Affidavit of Ronica Cameron, dated May 29, 2012 (the "**Service Affidavit**"), the Eighteenth Report of Ernst & Young Inc., the Court appointed monitor (the "**Monitor**"), dated May 28, 2012, all filed, and such other material in the pleadings and proceedings as are deemed necessary; **AND UPON** hearing counsel for the Medican Group, the Monitor, and other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of notice of this application is abridged to the time actually given and service of the Application and supporting material as described in the Service Affidavit is good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
2. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Order granted by Madam Justice K.M. Horner in this Action, dated May 26, 2010 (the "**Initial Order**").

Extension of Stay

3. The stay of proceedings currently in place in these CCAA Proceedings (the "**Stay**") in respect of Medican (Westbank) Development Ltd. and Medican (Westbank) Land Ltd. (collectively, the "**Kaleido Companies**") and Sanderson of Fish Creek (Calgary) Developments Ltd. ("**Sanderson**") is hereby confirmed and extended up to and including July 27, 2012.
4. The Stay is hereby lifted for the limited purposes of:
 - (a) MCAP Financial Corporation ("**MCAP**") commencing and carrying out bankruptcy proceedings in respect of the Kaleido Companies or either of them; and
 - (b) without limitation to subparagraph (a), and for greater certainty, MCAP applying to The Supreme Court of British Columbia for an Order to grant to The Bowra Group Inc., the receiver and manager appointed in Supreme Court of British Columbia Action No. H111515, Vancouver Registry (the "**Receiver**") the authority to execute, deliver and file in all applicable offices, on behalf of the Kaleido Companies or either of them, an assignment of all of the property of the Kaleido Companies or either of them to a bankruptcy trustee (including for greater certainty The Bowra Group Inc. if so ordered by The Supreme Court of British Columbia) pursuant to the terms of the *Bankruptcy and Insolvency Act*, and upon The Supreme Court of British Columbia granting an Order on substantially such terms, the Stay shall automatically be lifted to the limited extent necessary to allow the Receiver to carry out such steps and effect the bankruptcy of the Kaleido Companies or either of them.
5. Nothing in this Order, or in any steps taken in connection with the said bankruptcy or receivership of the Kaleido Companies, will affect in any manner the quantum, validity or

priority of the Administration Charge and the DIP Lender's Charge granted in these proceedings, as against the Kaleido Companies or at all.

Miscellaneous

6. The Medican Group shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. Service effected as aforesaid shall be good and sufficient service.

"K.D. Yamawchi"

Justice of the Court of Queen's Bench of Alberta