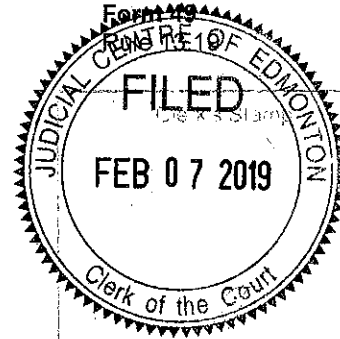


COURT FILE NO. 1603 20319

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON



IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, RSC 1985, c C-
36, as amended

AND IN THE MATTER OF THE PARKLAND
AIRPORT DEVELOPMENT CORPORATION

DOCUMENT **SECOND AFFIDAVIT OF STEVE FROESE**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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File #204-201086

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SECOND AFFIDAVIT OF STEVE FROESE

Sworn on February 6, 2019

I, STEVE FROESE, of the City of Vancouver, in the Province of British Columbia, Businessman,
SWEAR AND SAY THAT:

1. I am a director of 2155734 Alberta Ltd. (the "Creditor" or "215") and as such, the matters herein deposed to are based on my personal knowledge, except where stated to be based on information and belief and whereso stated I do verily believe the same to be true.
2. The Creditor has acquired the first secured position of 383501 Alberta Ltd. ("383") and is now the first mortgage holder in respect of the remaining parcels of land owned by Parkland Airport Development Corporation ("PADC") together with additional parcels of land which were transferred out by PADC but remain subject to 383's first mortgage.
3. The transfer documents have been registered at Land Titles and are referenced in my Affidavit sworn November 28, 2018 ("First Affidavit") as Exhibits "A" and "B".
4. The transaction has closed and the Mortgage has now been transferred on title.

5. As indicated at the last application before this Honourable Court, the property tax arrears and current property taxes against the PADC Lands have been paid.

Intentions of 215

6. It remains the intention of 215 to make application to the Court to have a credit bid offer, in conjunction with other consideration, be accepted in exchange for the acquisition by 215 of:
- (a) All of the operating and physical assets of PADC including the licences and permits to operate the facility as an airport; and
 - (b) All of the land subject to the existing first mortgage which now belongs to 215.
7. However, during the course of due diligence it has become apparent there are advantages to acquiring the shares of PADC and therefore the control of the entity. That approach is the desired intent of 215. The result will be similar, however, it is anticipated that in addition to these transactions some Plan of Arrangement will need to be formulated for creditors in order to complete the transaction.
8. As a result, further time will be needed in order to formulate the agreement, establish the plan, present it to creditors and close the transaction.

Request for an Extension

9. As first secured creditor behind only Court-ordered and, at present, statutory charges, 215 is making application to the Court to extend the stay of proceedings in this matter to afford it the opportunity of putting together the transaction as noted above for consideration by PADC and the Court.
10. I understand from discussions with Robert Gilgen, and do verily believe it to be true, that the Airport is actually at present managing to cover its ongoing operational expenses with revenue generated from operations. However, recognizing that there may be expenses incurred by the airport to maintain operations over that period of time, 215 is prepared to pay any operational cash shortfalls during this extension.
11. In the circumstances, while the PADC continues to operate, I do not know of any facts to suggest they are not operating other than in good faith and with due diligence. 215 is proceeding in good faith and moving with due diligence in an effort to put forward its offer.
12. I make this Affidavit in support of an application to extend the stay of proceedings to April 30, 2019, or such other date as the Court considers appropriate in the circumstances.

SWORN BEFORE ME at ^{Abbotsford BC} ~~Edmonton, Alberta,~~
this 6th day of February, 2019.


Notary Public

TERRY SIDHU
Notary Public
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STEVE FROESE