

**IN THE COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
JUDICIAL CENTRE OF SASKATOON**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF
COPPER SANDS LAND CORP., WILLOW RUSH DEVELOPMENT CORP., PRAIRIE
COUNTRY HOMES LTD., MIDTDAL DEVELOPMENTS & INVESTMENTS CORP.,
JL DEVELOPMENTS & INVESTMENTS CORP., AND MDI UTILITY CORP.**

APPLICANTS

**FOURTH REPORT OF THE MONITOR
DELOITTE RESTRUCTURING INC.**

October 12, 2018

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EXHIBITS

- Exhibit A – September 5, 2018 Court Order
- Exhibit B – September 18, 2018 MLT Aikins LLP Correspondence
- Exhibit C – September 21, 2018 MLT Aikins LLP Correspondence
- Exhibit D – Proposed Sales and Information Process
- Exhibit E – October 4, 2018 MLT Aikins LLP Correspondence
- Exhibit F – Actual vs. Forecast Cash Flows for the Period August 27, 2018 to October 7, 2018
- Exhibit G – September 25, 2018 Redacted Offer to Purchase

INTRODUCTION

1. On November 15, 2017, Copper Sands Land Corp. (“**CSLC**”), Willow Rush Development Corp. (“**Willow Rush**”), Midtdal Developments & Investments Corp. (“**MDI**”), Prairie Country Homes Ltd. (“**Prairie Country**”), JIL Developments & Investments Corp. (“**JIL**”), and MDI Utility Corp. (collectively the “**Companies**” or the “**Applicants**”) filed for protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”). The Honourable Justice Gabrielson reserved his decision at the November 15, 2017 hearing.
2. On November 21, 2017, Justice Gabrielson rendered his decision wherein he concluded that the Applicants’ initial CCAA application was premature, and adjourned the matter to December 7, 2017.
3. At the request of counsel for Industrial Properties Regina Ltd. (“**IPRL**”), one of the secured creditors, the December 7, 2017 hearing was adjourned to December 11, 2017 (the “**December 11, 2017 Hearing**”).
4. At the December 11, 2017 Hearing, Justice Gabrielson heard arguments from IPRL, Affinity Credit Union 2013, and 101297277 Saskatchewan Ltd. (“**7277**”) (collectively the “**Respondents**”), and the Applicants as to the appropriateness and merits of a CCAA proceeding, and again reserved his decision. On December 20, 2017, Justice Gabrielson rendered his decision, which granted the following orders:
 - a. The initial order (the “**Initial Order**”) of the Applicants as filed with the Court on December 11, 2017, authorizing a stay of proceedings for thirty (30) days and including other related relief;
 - b. An order authorizing the Applicants to obtain interim financing from Staheli Construction Co. Ltd. up to \$1,250,000 with a priority first charge upon the Applicants’ assets;
 - c. An order appointing Deloitte Restructuring Inc. as monitor (the “**Monitor**”);

- d. An order pursuant to section 36 of the CCAA authorizing and approving the sale of the Willow Rush Lands to 102035126 Saskatchewan Ltd. (the “**Purchaser**”) and vesting in the Purchaser all rights, title, and interest free and clear of all liens, charges, and encumbrances upon completion of the transaction; and
 - e. An order sealing the Pre-Filing Confidential Report of the Monitor dated November 10, 2017 (the “**Pre-Filing Confidential Report**”), the confidential documents contained in the supplementary affidavit of Jaimey Midtdal (“**Ms. Midtdal**”) sworn December 6, 2017 (the “**December 6, 2017 Midtdal Affidavit**”), and the affidavits of Peter Lawrek and Samantha Lawrek sworn December 6, 2017.
5. On January 19, 2018, the Court extended the stay of proceedings until January 24, 2018.
 6. On January 24, 2018, the Court extended paragraphs 1 to 22 of the Initial Order, and the stay of proceedings provided therein, to January 31, 2018. The Applicants’ application to extend paragraphs 23 to 61 of the Initial Order was adjourned *sine die*, with the return date of such application to be no sooner than the date that is thirty (30) days after the date on which the appeals of the Initial Order by the Respondents were heard and decided by the Court of Appeal for Saskatchewan (the “**Court of Appeal**”).
 7. On January 31, 2018, the Court extended paragraphs 1 to 22 of the Initial Order, and the stay of proceedings provided therein, until further order of the Court.
 8. On February 2, 2018, the Court extended paragraphs 1 to 22 of the Initial Order until the date that is thirty (30) days after the date on which the appeals of the Initial Order by the Respondents were heard and decided by the Court of Appeal (the “**February 2, 2018 Extension Order**”).
 9. On March 5, 2018, the Court of Appeal heard from the Respondents and the Applicants as to the appeal of the Initial Order (the “**March 5, 2018 Appeal Hearing**”). The Court of Appeal reserved its decision at the March 5, 2018 Appeal Hearing.

10. On March 9, 2018, the Court of Appeal rendered its decision (the “**March 9, 2018 Appeal Hearing Decision**”), with more extensive written reasons (the “**Reasons for Judgment**”) to follow at a later date. The Reasons for Judgment were received by the Applicants on May 23, 2018, which detailed the following:
 - a. The IPRL debt conversion dispute (as detailed in the December 6, 2017 Midtdal Affidavit) could be adjudicated, if necessary, through the summary claims process provisions contained in sections 19 to 21 of the CCAA;
 - b. Appropriate circumstances existed to merit the granting of the Initial Order (and the initial thirty (30) day stay of proceedings) to permit the Applicants to organize themselves and present a restructuring arrangement to their creditors;
 - c. It was inappropriate for the Court to order interim financing at the initial stage of the CCAA proceedings, and the Court of Appeal therefore set aside paragraphs 33 to 38A, and 39(b) of the Initial Order relating to interim financing, but concluded that this would not prevent the Applicants from initiating another application for such financing at a later date; and
 - d. Apart from the sections of the Initial Order pertaining to interim financing, the remaining components of the Initial Order were to remain intact and all other grounds of appeal were dismissed.
11. In accordance with the March 9, 2018 Appeal Hearing Decision and the February 2, 2018 Extension Order, the granting of the Initial Order was upheld (with the deletion of paragraphs 33 to 38A and 39(b)) and the stay of proceedings therein remained in effect until April 9, 2018.
12. On March 21, 2018, the Court extended paragraphs 1 to 22 of the Initial Order, and the stay of proceedings provided therein, until April 17, 2018.
13. On April 17, 2018, the Court extended paragraphs 1 to 22 of the Initial Order, and the stay of proceedings provided therein, until May 25, 2018.

14. On May 25, 2018, the Court extended paragraphs 1 to 22 of the Initial Order, and the stay of proceedings provided therein, until June 7, 2018.
15. On June 7, 2018, the Court extended paragraphs 1 to 22 of the Initial Order, and the stay of proceedings provided therein, until June 15, 2018.
16. On June 15, 2018, the Court extended paragraphs 1 to 22 of the Initial Order, and the stay of proceedings provided therein, until July 5, 2018.
17. On July 5, 2018, the Court issued an amended and restated Initial Order (the “**Amended and Restated Initial Order**”), extending the stay of proceedings until September 5, 2018.
18. On September 5, 2018, the Court extended the Amended and Restated Initial Order and the stay proceedings provided therein, until October 15, 2018 (the “**Stay Period**”).
19. The Monitor has provided the Court with the following reports:
 - a. A Pre-Filing Report of the Proposed Monitor dated November 10, 2018 (the “**Pre-Filing Report**”) and the Pre-Filing Confidential Report in connection with the Applicants’ application for protection under the CCAA;
 - b. A First Report of the Monitor dated January 16, 2018 (the “**First Report**”) in connection with the Applicants’ motion to extend the stay of proceedings;
 - c. A Second Report of the Monitor dated July 3, 2018 (the “**Second Report**”) in connection with the Applicants’ motion for an increase in the Administration Charge, the creation of the Subordinate Administration Charge, and to extend the stay of proceedings; and
 - d. A Third Report of the Monitor dated August 30, 2018 (the “**Third Report**”) in connection with the Applicants’ motion seeking Court approval to sell three (3) mobile homes owned by Prairie Country by public auction, and to extend the stay of proceedings.

20. Copies of the Initial Order, the Pre-Filing Report, the First Report, the Second Report, the Third Report, all motion materials and orders in the CCAA proceedings, and certain other documents related to the CCAA proceedings have been posted and are available on the Monitor's website at www.insolvencies.deloitte.ca/en-ca/coppersands.

PURPOSE

21. The purpose of this fourth report of the Monitor (the "**Fourth Report**") is to provide the Court with information with respect to the following:
- a. A summary of the Monitor's activities since the Third Report;
 - b. The status of the Applicants' operations and key stakeholder relationships since the Third Report;
 - c. An update of the Applicants' cash flow forecast and comments on variances between actual results compared to forecast results for the period ended October 7, 2018;
 - d. The activities of the Applicants since the Third Report with respect to restructuring the operations of the Companies; and
 - e. The Applicants' request for an extension of the Stay Period and the Monitor's recommendations regarding the relief requested.

TERMS OF REFERENCE

22. In preparing this Fourth Report, the Monitor has relied upon unaudited interim financial information, the Applicants' books and records, the initial affidavit of Ms. Midtdal sworn on November 9, 2017, the December 6, 2017 Midtdal Affidavit, the Confidential Affidavit of Ms. Midtdal sworn on December 6, 2017, the Affidavit of Ms. Midtdal sworn on January 2, 2018, the Affidavit of Ms. Midtdal sworn on January 16, 2018, the Affidavit of Ms. Midtdal sworn on January 25, 2018, the Affidavit of Ms. Midtdal sworn on June 29, 2018, the Affidavit of Ms. Midtdal sworn on August 30, 2018, and discussions with management ("**Management**") and their financial and legal advisors.

23. The financial information of the Companies has not been audited, reviewed, or otherwise verified by the Monitor as to its accuracy or completeness, nor has it necessarily been prepared in accordance with generally accepted accounting principles and the reader is cautioned that this Fourth Report may not disclose all significant matters about the Applicants. Additionally, none of the Monitor's procedures were intended to detect defalcations or other irregularities. If the Monitor were to perform additional procedures or to undertake an audit examination of the financial statements in accordance with generally accepted auditing standards, additional matters may have come to the Monitor's attention. Accordingly, the Monitor does not express an opinion nor does it provide any other form of assurance on the financial or other information presented herein. The Monitor may refine or alter its observations as further information is obtained or brought to its attention after the date of this Fourth Report.
24. The Monitor assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction or use of this Fourth Report. Any use which any party makes of this Fourth Report, or any reliance or decision to be made based on this Fourth Report, is the sole responsibility of such party.
25. Unless otherwise stated, all monetary amounts contained in this Fourth Report are expressed in Canadian dollars.
26. Capitalized terms used in this Fourth Report but not defined herein are as defined in the Pre-Filing Report, the First Report, the Second Report, and the Third Report as applicable.

MONITOR'S ACTIVITIES SINCE THE THIRD REPORT

27. Since filing of the Third Report, the Monitor has engaged in the following activities:
 - a. Held discussions with Management and the Companies' legal counsel, MLT Aikins LLP ("**MLT Aikins**"), regarding the Companies' business and financial affairs, restructuring activities, creditor matters, and other matters relating to the CCAA proceedings generally;

- b. Reviewed the list of owned real property and assets compiled by the Companies (the “**Subject Assets**”) and supporting invoices and documentation shared with the Monitor, IPR, IPRL Capital Ltd., and 7277 (collectively the “**Secured Creditors**”) on September 18, 2018;
- c. Attended at the Copper Sands Mobile Home Park (the “**Mobile Home Park**”) on October 1, 2018 to inspect the Subject Assets in accordance with the September 5, 2018 Court Order (the “**September 5, 2018 Order**”), attached hereto as Exhibit A;
- d. At the request of the Applicants, prepared a proposed sales and information process (“**SIP**”) for the Applicants consideration and discussion with the Secured Creditors;
- e. Monitored on a weekly basis the receipts and disbursements of the Applicants as compared to the cash flow forecast appended as Exhibit G to the Third Report (the “**Revised Cash Flow**”), for the period ending October 7, 2018 as filed with the Court in connection with the Companies’ September 5, 2018 extension application;
- f. Attended to inquiries from creditors of the Companies; and
- g. Drafted, reviewed, and finalized this Fourth Report.

STAKEHOLDER UPDATE

- 28. In accordance with the September 5, 2018 Order, on September 18, 2018, the Applicants provided the Secured Creditors and the Monitor with written correspondence, attached hereto as Exhibit B, and on-line access to supporting documentation for the MDI Utility Facility (the “**Utility Facility**”). On September 21, 2018, the Applicants provided further correspondence to the Secured Creditors and the Monitor proposing dates to attend on-site at the Mobile Home Park to complete the inspection of the Utility Facility, attached hereto as Exhibit C.

29. On September 27, 2018, the Monitor’s legal counsel, McDougall Gauley LLP (“**McDougall Gauley**”), received correspondence from Miller Thomson LLP (“**Miller Thomson**”), legal counsel representing 7277, confirming that October 1, 2018 was the preferred date for the on-site inspection. Accordingly, on October 1, 2018, the Monitor attended on-site (the “**Site Visit**”) with representatives from the Secured Creditors and Ms. Midtdal to inspect and photograph the Utility Facility and other Subject Assets owned by the Applicants.
30. Subsequent to the Site Visit, at the request of the Applicants and in accordance with the September 5, 2018 Order, on October 3, 2018, the Monitor prepared a proposed SIP (the “**Proposed SIP**”) for the Applicants consideration. The Proposed SIP is attached hereto as Exhibit D.
31. On October 4, 2018, MLT Aikins provided written correspondence to the Secured Creditors, attached hereto as Exhibit E, sharing the Proposed SIP. That same day, legal counsel representing IPRL advised that IPRL had no interest in the Proposed SIP.
32. On October 11, 2018, MLT Aikins provided the Monitor with a draft sales process order (the “**Draft Sales Process Order**”) which the Applicants received from legal counsel representing IPRL on October 10, 2018, and requested the Monitor review and comment thereon. As the correspondence provided by MLT Aikins also indicated that Miller Thomson had not yet reviewed the Draft Sales Process Order and was therefore subject to further amendment, the Monitor was only in a position to provide general comments on what it would expect to see in a robust sales process for the Subject Assets. More specifically, a robust sale process would be expected to include items such as the following:
 - a. Compilation of a detailed interested party list and targeted advertising;
 - b. Milestone dates for the viewing of the Subject Assets and timelines associated with each stage of the sales process (i.e. advertising, due diligence, offer dates, closing);
 - c. Access to technical specifications and financial information hosted in an on-line data-room;

- d. Development of a detailed sales and information package describing the Subject Assets, the terms and conditions of sale, and providing prospective purchasers with an ability to submit bids for individual parcels of assets or an en bloc acquisition;
 - e. An estimate of the costs to complete the sales process; and
 - f. Provision for the execution of non-disclosure agreements prior to the release of certain technical and financial data.
33. The Companies' other stakeholders continue to generally support the ongoing operations of the Companies during these CCAA proceedings, which primarily comprise the ongoing operation of the Mobile Home Park.

a. Suppliers

The Monitor has been advised by Management that the suppliers have been supportive of the Companies post-filing and continue to supply goods and services on commercially reasonable terms.

b. Tenants

Management has advised that no issues have been raised by the existing tenants of the Mobile Home Park since the date of the Initial Order which Management has not been able to address. The tenants continue to follow these CCAA proceedings and communicate questions and concerns to Management from time to time regarding the proceedings.

c. Employees

Management has advised that the existing employees of the Companies remain committed to the Companies during the restructuring efforts. Management has further advised that given the limited funds available to the Companies, Canada Revenue Agency ("CRA") payroll source deduction remittances have fallen into arrears, and approximately \$5,500 is owing by the Applicants to CRA as at the date of this Fourth Report.

CASH FLOW STATEMENT AND LIQUIDITY

34. The Companies' cash receipts and disbursements for the period August 27, 2018 to October 7, 2018 are attached as Exhibit F with a comparison to the Revised Cash Flow.
35. Since the filing of the Third Report, the Monitor has reviewed the Companies' actual cash flow compared to the Revised Cash Flow on a weekly basis. The Monitor's comments on the actual cash flow to October 7, 2018 are as follows:
- a. Compared with the Revised Cash Flow, the Companies experienced an overall favorable variance of approximately \$41,000.
 - b. The variance is primarily attributable to the following:
 - i. \$18,000 favorable cash receipt variance compared to the forecast due to the timing of rental receipts from the Mobile Home Park tenants; and
 - ii. \$23,000 favorable cost variance due primarily to reduced consulting costs (approximately \$15,000), not making the Monthly \$5,000 Payment (as defined below) on account of property tax arrears for the months of September and October 2018 (approximately \$10,000), not having to draw on the contingency reserve (approximately \$5,000), various other operating costs savings (approximately \$15,000), offset by increased well remediation and water testing costs (approximately \$12,000) and the timing of financing costs and professional fees (\$10,000) as compared to the forecast.
36. In accordance with paragraph 57 of the Amended and Restated Initial Order, commencing July 2018, \$5,000 per month (the "**Monthly \$5,000 Payment**") from the rental revenues from the Mobile Home Park were to be utilized by the Applicants to pay property tax arrears owed by CSLC to the Rural Municipality of Edenwold No. 158 (the "**RM of Edenwold**") until such time as the tax arrears were paid in full, and thereafter, the Monthly \$5,000 Payment was to be paid into a reserve account under the control of the Monitor to pay accruing property taxes and any other amounts owing to the RM of

Edenwold which have priority over IPRL and 7277. As at the date of this Fourth Report, the Applicants have not made the July through October 2018 payments.

37. As of the date of this Fourth Report, all expenses incurred by the Applicants, with the exception of professional fees and the Monthly \$5,000 Payment, have been paid in accordance with the Amended and Restated Initial Order from ongoing operations and shareholder injections. As the Amended and Restated Initial Order no longer provided the Applicants with any access to interim financing, as at the date of this Fourth Report, the Companies have not been able to address the significant professional fee arrears as detailed in the Third Report.

RESTRUCTURING EFFORTS

38. Since the September 5, 2018 Order, the Applicants have been actively trying to obtain refinancing to repay the Secured Creditors, and have also been trying to complete a sale transaction for the Mobile Home Park (the “**Transaction**”).
39. Attached hereto as Exhibit G is a redacted copy of an offer to purchase (the “**Offer to Purchase**”) that the Applicants are hoping to close on or before November 15, 2018. The Applicants advised that legal counsel representing the purchaser is currently in receipt of the First Deposit (as defined in the Offer to Purchase), and that they are optimistic that the conditions will be waived and the Second Deposit (as defined in the Offer to Purchase) will be paid into trust during the week of October 15, 2018.
40. In order to provide the Applicants with a short period of time to determine if the conditions in the Offer to Purchase can be waived, the Second Deposit received, and the Transaction can be completed, the Applicants are requesting a one (1) week extension of the Amended and Restated Initial Order, and the stay of proceedings therein, to October 22, 2018. Prior to the expiration of this extension, assuming the Transaction is proceeding, the Applicants intend to apply for a sale approval and vesting order and will provide the Court with further details of the Transaction by way of confidential affidavit materials in order to avoid tainting any future sales process that may be necessary.

REQUEST FOR EXTENSION OF THE PROCEEDINGS AND RECOMMENDATIONS

41. The current stay of proceedings under the Amended and Restated Initial Order expires on October 15, 2018. In order to facilitate restructuring efforts and determine whether the Transaction can be completed for the Mobile Home Park, the Companies are requesting an extension of the Amended and Restated Initial Order (and the stay of proceedings provided therein) to October 22, 2018.
42. The Monitor is aware of its duty under section 23(1)(h) of the CCAA. That section states that, if the Monitor is of the opinion that it would be more beneficial to the company's creditors if proceedings in respect of the company were taken under the *Bankruptcy and Insolvency Act*, it shall so advise the Court without delay after coming to that opinion. As at the date of this Fourth Report, the Monitor has not formed such an opinion.
43. The Monitor is of the view that continuing the Companies' restructuring under the CCAA proceedings will continue to maximize and preserve value for stakeholders of the Companies, and will allow time for the Companies to continue to develop a restructuring plan which offers the only opportunity for many of the stakeholders to achieve a recovery.
44. The Monitor is of the view that the Companies have acted, and are acting, in good faith and with due diligence.
45. Ms. Midtdal has stated that reasonable prospects exist for the Companies to file a plan of arrangement under the CCAA and that it is the intention of the Companies to do so. Based upon information presently available to it, the Monitor has no reason to take issue with these statements by Ms. Midtdal.
46. Accordingly, the Monitor respectfully recommends that this Court approve the following:
 - a. An extension of the Amended and Restated Initial Order, and the stay of proceedings therein, to October 22, 2018; and
 - b. This Fourth Report and the conduct and activities of the Monitor described herein.

All of which is respectfully submitted at Saskatoon, Saskatchewan, this 12th day of October, 2018.

DELOITTE RESTRUCTURING INC.

In its capacity as Monitor of

Copper Sands Land Corp., Willow Rush Development Corp., Midtdal Developments & Investments Corp., Prairie Country Homes Ltd., JIL Developments & Investments Corp., and MDI Utility Corp., and not in its personal capacity.



Per: Brent Warga, CPA, CA, CIRP, LIT
Senior Vice-President

Exhibit A – September 5, 2018 Court Order

COURT FILE NUMBER Q.B. No. 1693 of 2017

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE SASKATOON

APPLICANTS COPPER SANDS LANDS CORP., WILLOW RUSH
DEVELOPMENT CORP., MIDTDAL DEVELOPMENTS
& INVESTMENTS CORP., PRAIRIE COUNTRY HOMES
LTD. and JJL DEVELOPMENTS & INVESTMENTS
CORP.

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

AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT FOR THE
CREDITORS OF COPPER SANDS LANDS CORP., WILLOW RUSH
DEVELOPMENT CORP., MIDTDAL DEVELOPMENTS & INVESTMENTS CORP.,
PRAIRIE COUNTRY HOMES LTD. and JJL DEVELOPMENTS & INVESTMENTS
CORP.

ORDER

(Extension of Amended and Restated Initial Order)

Order made this 5th day of September, 2018.

Before the Honourable Mr. Justice N.G. Gabrielson in chambers the 5th day of
September, 2018.

On the application of Jeffrey M. Lee, Q.C. and Paul Olfert, counsel on behalf
of the Applicants, Copper Sands Land Corp., Willow Rush Development Corp., Midtdal
Developments & Investments Corp., Prairie Country Homes Ltd., JJL Developments &
Investments Corp. and MDI Utility Corp. (collectively, the "**Applicants**"), and upon reading
the Amended and Restated Initial Order of the Honourable Mr. Justice N.G. Gabrielson
granted on July 5, 2018 in these proceedings (the "**Amended and Restated Initial Order**")
the Consent Order endorsed by counsel for each of the Applicants, IPR Capital Ltd.

(successor to Affinity Credit Union 2013), Industrial Properties Regina Limited and 101297277 Saskatchewan Ltd. (such latter three parties hereinafter collectively described as the “**Senior Secured Creditors**”), and Deloitte Restructuring Inc. (the “**Monitor**”), and the letter dated August 24, 2018 from Jeffrey M. Lee, Q.C. to Rick Van Beselaere, Q.C. and Warren N. Sproule, Q.C., the letter dated August 30, 2018 from Jeffrey M. Lee, Q.C. to Rick Van Beselaere, Q.C. and Warren N. Sproule, Q.C. and the letter from Rick Van Beselaere, Q.C. to Jeffrey M. Lee, Q.C. dated August 31, 2018, each filed with the Court (such latter three letters hereinafter collectively described as the “**Confidential Letters**”); and the pleadings and proceedings herein; and upon hearing from counsel present:

The Court orders:

1. The time for service of the Notice of Application in respect of this Order (and all supporting materials filed by the Applicant in support of its application for this Order) is hereby abridged and service thereof is deemed good, valid, timely and sufficient. Words and phrases contained in this Order which begin with capital letters but which are not expressly defined herein shall have the respective meanings ascribed thereto in the Amended and Restated Initial Order.
2. Prairie Country Homes Ltd. shall be and is hereby authorized to cause one or more of the three mobile homes owned by it which are situated on lots in the Town of Kerrobert, Saskatchewan to be sold by public auction conducted by a licensed auctioneer (the “**Auction Sale**”). The net proceeds derived from the Auction Sale shall be paid into the trust account of counsel to the Monitor and not paid to any party without further Court Order.
3. The Amended and Restated Initial Order, and the stay of proceedings provided for therein, shall be and is hereby further extended from the current expiry date of 11:59 p.m. Saskatchewan Time on Wednesday, September 5, 2018 to 11:59 p.m. Saskatchewan time on Monday, October 15, 2018.

4. The Senior Secured Creditors shall be entitled to designate in a written communication addressed by them to the Monitor, two persons authorized to represent the Senior Secured Creditors (collectively, the "**Creditor Representatives**"), to inspect the real property and assets owned by the Applicants (the "**Subject Assets**"). The Creditor Representatives shall be entitled to accompany the Monitor (at a date and time agreed upon by the Monitor, the Creditor Representatives and the Applicants which is subsequent to the date of delivery of the Subject Asset List, as defined below) to attend upon the real property owned by the Applicants and there to inspect the Subject Assets.

5. The Applicants shall prepare a list of the Subject Assets (including the location of same and supporting documentation evidencing their acquisition of, payment for and ownership of the same) (the "**Subject Asset List**") and shall provide the Subject Asset List to the Senior Secured Creditors and the Monitor on or before September 18, 2018.

6. The professional fees and disbursements of the Monitor to carry out the duties of the Monitor described above in paragraph 4 hereof:

- (a) shall not exceed \$5,000.00 (without further Order of the Court); and
- (b) shall be paid by the Applicants on or before October 15, 2018.

7. The Applicants shall pay \$15,000.00 to the Rural Municipality of Edenwold No. 158 on account of the property tax arrears for July and August, 2018 and for the September, 2018 taxes on or before October 15, 2018.

8. The Senior Secured Creditors and the Applicants shall agree to terms of sale of the Subject Assets no later than October 4, 2018. If the Senior Secured Creditors and the Applicants cannot agree to the said terms of sale, then the matter of the terms of sale shall be heard and determined by Mr. Justice Gabrielson on October 15, 2018.

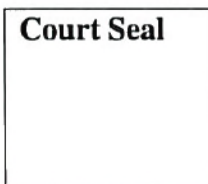
8. The Applicants shall be entitled to continue their efforts to obtain financing for the purposes of paying out the indebtedness agreed by the Applicants owed to the Senior Secured Creditors, as set out in the Amended and Restated Initial Order.

9. The Confidential Letters shall be kept sealed and confidential and shall not form part of the public record but shall be kept separate and apart from the other contents of the Court file in respect of this matter in a sealed envelope which sets out the style of cause of these proceedings and a statement that the contents thereof are subject to a Sealing Order, and shall not be opened except by a Judge of the Court or upon Order of the Court.

10. Any party appearing in respect of the Application made before this Court on September 4, 2018, may on 3 business days' notice to the other parties so appearing, apply to Mr. Justice Gabrielson for further directions in respect of the matters in this Order.

11. Save and except as expressly amended by this Order, the Amended and Restated Initial Order shall remain in full force and effect.

ISSUED at Saskatoon, Saskatchewan, this 5th day of September, 2018.





Local Registrar

Consented to as form and content,
this ____ day of September, 2018.

MLT AIKINS LLP

Per: _____
Solicitors for Copper Sands Lands

Consented to as form and content,
this ____ day of September, 2018.

KANUKA THURINGER LLP

Per: _____
Solicitors for Industrial Properties

Corp., Willow Rush Development Corp., Midtdal Developments & Investments Corp., Prairie Country Homes Ltd., JIL Developments & Investments Corp. and MDI Utility Corp.

Regina Limited and IPR Capital Ltd.

Consented to as form and content, this ____ day of September, 2018.

Consented to as form and content, this ____ day of September, 2018.

MILLER THOMSON LLP

McDOUGALL GAULEY LLP

Per: _____
Solicitors for 101297277
Saskatchewan Ltd.

Per: _____
Solicitors for the Monitor, Deloitte
Restructuring Inc.

CONTACT INFORMATION AND ADDRESS FOR SERVICE

MLT AIKINS LLP
Lawyers
1500 – 410 22nd Street East
Saskatoon, Saskatchewan
S7K 5T6

Address for Service: Same as above
Telephone: (306) 975-7100
Fax: (306) 975-7145
Email address: jmlee@mltaikins.com
Lawyer in Charge of File: Jeffrey M. Lee, Q.C.

Exhibit B – September 18, 2018 MLT Aikins LLP Correspondence

MLT AIKINS

WESTERN CANADA'S LAW FIRM

MLT Aikins LLP
1500 - 410 22nd Street East
Saskatoon, Saskatchewan S7K 5T6
T: (306) 975-7100
F: (306) 975-7145

Jeffrey M. Lee, Q.C.
Direct Line: (306) 975-7136
E-mail: jmlee@mltaikins.com

Carmen R. Balzer
Legal Assistant
E-mail: cbalzer@mltaikins.com

September 18, 2018

*Via E-mail: WSproule@ktllp.ca, DLee@ktllp.ca,
and AShalashniy@ktllp.ca*

Kanuka Thuringer LLP
1400 – 2500 Victoria Avenue
Regina, SK S4P 3X2
**Attention: Warren Sproule, Diana Lee, Q.C.
and Alexander Shalashniy**

Via E-mail: ISutherland@mcdougallgauley.com

McDougall Gauley LLP
500-616 Main Street
Saskatoon SK S7H 0J6
Attention: Ian Sutherland

*Via E-mail:
RVanBeselaere@millerthomson.com*

Miller Thomson LLP
600, 2103 – 11th Avenue
Regina, SK S4P 3Z8
Attention: Rick Van Beselaere, Q.C.

Dear Sirs/Madam:

**Re: Re Copper Sands Lands Corp. et al.
Q.B. No. 1693 of 2017, Judicial Centre of Saskatoon**

We write further to the requirement in paragraph 5 of the September 4, 2018 Order of the Honourable Mr. Justice N.G. Gabrielson in the above-noted proceedings.

We enclose a Microsoft Excel document listing the assets of Copper Sands Group.

The nature, location, and ownership of the assets of Copper Sands Land Corp. and Prairie Country Homes Ltd. are fully detailed in the affidavit evidence filed in relation to this matter.

Additional supporting documentation respecting the assets of MDI Utility Corp. will be provided by Carmen Balzer of our firm by way of a link to a document hosting site. If you have any problems accessing these documents, please feel free to contact Paul Olfert. Please note that the index numbers for these document folders do not follow the numbers in the Excel sheet.

The Excel sheet also contains an "Overage Summary" at tab 4 which details additional costs incurred by MDI Utility Corp. throughout the course of the project.

Mr. Van Beselaere's letter of September 14 indicates that the secured creditors would like to have David Barber and Tom Williams attend on the Copper Sands Land Corp./MDI Utility Corp. premises to view the assets. Copper Sands Group is agreeable to having Mr. Barber attend.

With respect to Tom Williams, we note that Copper Sands Land Corp. is involved in active litigation against Mr. Williams and Walker Projects Inc. in Q.B. No. 2130 of 2018, Judicial Centre of Regina. We understand that the Statement of Claim in that litigation has been served upon Walker Projects Inc. and will be served on Mr. Williams personally in short order. In these circumstances, Copper Sands Group believes that it would be wholly inappropriate for Mr. Williams to have any involvement in the asset review or sales process.

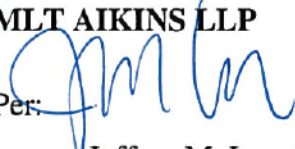
To be clear, **none of the documentation provided along with this letter may be provided to Mr. Williams**, and he is not welcome on the property of Copper Sands Land Corp. or on the MDI Utility site. We would ask that the secured creditors designate someone else as a second representative to accompany Mr. Barber.

We trust that this is satisfactory.

Sincerely,

MLT AIKINS LLP

Per:


Jeffrey M. Lee, Q.C.

Encl.

Exhibit C – September 21, 2018 MLT Aikins LLP Correspondence

September 21, 2018

VIA E-MAIL:
rvanbeselaere@millerthomson.comMiller Thomson LLP
Bank of Montreal Building
2103 – 11th Avenue, Suite 600
Regina, SK S4P 2Z9**Attention: Rick Van Beselaere, Q.C.****VIA E-MAIL:**
ISutherland@mcdougallgauley.comMcDougall Gauley LLP
500 – 616 Main Street
Saskatoon, SK S7H 0J6**Attention: Mr. Ian A. Sutherland**

Dear Sirs:

Re: Copper Sands Land Corp. et al (Q.B.G. No. 1693 of 2017)

We write further to the September 5, 2018 Order of Mr. Justice Gabrielson and the September 14, 2018 correspondence of Mr. Van Beselaere, counsel to 7277.

Copper Sands Group proposes that the onsite inspection of its assets contemplated in the above – noted Order take place on either Monday or Tuesday, October 1 or 2, 2018. We have briefly reviewed these dates with Mr. Warga of the Monitor and have been informed that Monday, October 1 would be the preferred date for the Monitor.

Kindly review these dates and let us hear from you as to whether they are satisfactory.

As previously explained, Copper Sands Group has no objection to David Barber attending onsite as proposed representative of IPRL. However, for reasons previously explained, Copper Sands Group is not prepared to participate in an arrangement whereby Mr. Tom Williams serves as onsite representative of 7277. As previously explained, Copper Sands Land Corp. is involved in litigation with Mr. Tom Williams pertaining to conflict of interest matters and takes the position that Mr. Williams (for a variety of reasons detailed in the pleadings in such litigation) is in a position of conflict of interest in regard to the Copper Sands Land Corp. In those circumstances, for Mr. Tom Williams to be designated as onsite inspection representative of 7277 is wholly inappropriate.

Copper Sands Group respectfully requests that 7277 designate an alternative representative to conduct the onsite inspection on its behalf.

MLT AIKINS

WESTERN CANADA'S LAW FIRM

We thank you for your consideration of these matters and look forward to hearing from you.

Sincerely,

MLT AIKINS LLP

Per: 

Jeffrey M. Lee, Q.C.

JML: sm

- cc: Kanuka Thuringer LLP
Attention: Warren Sproule Q.C.; Diana Lee, Q.C. ; Alexander Shalashniy
- cc: Copper Sands Land Corp.
- cc: Deloitte Restructuring Inc.
Attention: Brent Warga; John Fritz
- cc: MLT Aikins LLP
Attention: Paul Olfert

Exhibit D – Proposed Sales and Information Process



Deloitte Restructuring Inc.
360 Main Street
Suite 2300
Winnipeg MB R3C 3Z3
Canada

Tel: (204)944-3611
Fax: (204)947-2689
www.deloitte.ca

October 3, 2018

VIA EMAIL: JMLee@mltaikins.com

MLT Aikins LLP
1500 – 410 22nd Street East
Saskatoon, SK S7K 5T6

Attention: Jeff Lee

Dear Sir,

Subject: Proposed sales and information process for the assets of Copper Sands Land Corporation, Willow Rush Development Corp., Middal Developments & Investments Corp., Prairie Country Homes Ltd., JJJL Developments & Investments Corp. and MDI Utility Corp. (collectively the “Applicants” or the “Companies”)

In accordance with paragraph 8 of the September 5, 2018 Court Order, the Senior Secured Creditors and the Applicants were to agree to terms of sale for the real property and assets owned by the Applicants (the “**Subject Assets**”) no later than October 4, 2018. As you requested, the undernoted provides an overview of a sales and information process (the “**SIP**”) suggested by Deloitte Restructuring Inc., in its capacity as Monitor, for the Subject Assets.

Phase 1: Development of SIP documents and listing of prospective interested parties (2-3 weeks)

The Monitor will develop a comprehensive SIP to distribute to prospective interested purchasers. Key components of the SIP will include:

1. Invitation for Offers:
 - a. Description of the nature of the Monitor’s appointment and role;
 - b. General overview of the parcels of land, buildings, equipment, and stage of construction of the utility facility; and
 - c. Timing for asset viewings, due diligence, non-disclosure agreement (if deemed appropriate), offer deadlines, and expected closing dates.
2. Terms and Conditions of Sale:
 - a. Subject Assets will be sold on an “as is, where is” basis with no representations or warranties;
 - b. Offers to be received via a sealed bid process with all bids being submitted to the Monitor and accompanied by a 20% certified deposit;
 - c. Offers will be subject to obtaining a Court approved sale and vesting order; and

- d. Other terms and conditions as necessary to ensure the integrity of the SIP.
3. Detailed asset descriptions of the Subject Assets developed with the assistance of management and its technical advisors including:
 - a. Land locations;
 - b. Property tax rolls;
 - c. Details of all buildings and equipment owned by the Companies;
 - d. Details of the infrastructure assets including age, capacities, and costs of installation;
 - e. Financial information with respect to the operational revenues and costs of the Copper Sands Mobile Home Park;
 - f. Status of the utility facility construction, equipment required to complete construction, and information regarding future plans (i.e. engineering drawings, etc.);
 - g. Selected Subject Asset photographs; and
 - h. Creation of an on-line data room if deemed appropriate.

Phase 2: Marketing the SIP, prospective purchaser due diligence and site visits (4-6 weeks)

Through public advertising and direct contact with prospective parties identified within the Liquidator's network and through discussion with management, the Monitor will expose the Subject Assets to a variety of prospective purchasers.

In addition to direct contact with prospective purchasers, the Monitor will also solicit liquidation proposals from major auction houses and commercial real estate brokers to ensure broad exposure of the Subject Assets.

Phase 3: Review and selection of the best offer(s) in consultation with the Senior Secured Creditors (1-2 weeks)

At the conclusion of the SIP, the Monitor will provide a report to the Court summarizing the offers received, those recommended for approval (subject to consultation with the Senior Secured Creditors as appropriate), and requesting a sales approval and vesting order.

Should any further information be required with respect to the Monitor's proposed SIP, please do not hesitate to contact the undersigned at (204)944-3611.

Regards,

DELOITTE RESTRUCTURING INC.

In its capacity as Monitor of
Copper Sands Land Corp., Willow Rush Development Corp., Midtdal Developments & Investments Corp., Prairie Country Homes Ltd., JLL Developments & Investments Corp., and MDI Utility Corp., and not in its personal capacity.



Per: Brent Warga, CPA, CA, CIRP, LIT
Senior Vice-President

Exhibit E – October 4, 2018 MLT Aikins LLP Correspondence

October 4, 2018

*Via E-mail: WSproule@ktllp.ca,
DLee@ktllp.ca, and AShalashniy@ktllp.ca*

*Via E-mail:
RVanBeselaere@millerthomson.com*

Kanuka Thuringer LLP
1400 – 2500 Victoria Avenue
Regina, SK S4P 3X2
**Attention: Warren Sproule, Q.C., Diana
Lee, Q.C. and Alexander Shalashniy**

Miller Thomson LLP
600, 2103 – 11th Avenue
Regina, SK S4P 3Z8
Attention: Rick Van Beselaere, Q.C.

Dear Sirs/Madam:

**Re: Re Copper Sands Lands Corp. et al.
Q.B. No. 1693 of 2017, Judicial Centre of Saskatoon**

We write further to the Order (Extension of Amended and Restated Initial Order) granted on September 5, 2018 by the Honourable Mr. Justice N.G. Gabrielson in these proceedings, and in particular both of the paragraphs numbered 8 therein. (Both the last paragraph on page 3 and the first paragraph on page 4 are numbered "8".)

Copper Sands Group continues to work on options to meet its obligations to its secured creditors. Further discussions in this regard will likely need to take place prior to the October 15 Court date. The options which are still being pursued would generate proceeds sufficient to retire the secured obligations of Copper Sands Group to its three senior secured creditors. As such, these efforts remain the priority of Copper Sands Group, and if successful they represent the best way to preserve value for all stakeholders, including the secured creditors.

In our view, if a sales process is to be conducted in these proceedings, it must be done by a professional who is qualified to conduct a sale of unique business assets of this nature. Deloitte Restructuring Inc., the Monitor, is the firm best placed to play this role in the circumstances in order to maximize value for all stakeholders, including the senior secured creditors.

Accordingly, please find attached:

1. A letter from the Monitor dated October 3, 2018 outlining its proposed three-phase Sale and Information Process ("**SIP**"); and
2. An e-mail message from the Monitor accompanying its October 3 letter, including (subject to certain assumptions) a cost estimate of \$75,000.00 to \$125,000.00 to conduct

the SIP, and a note that the Monitor would require an additional administrative charge in favour of itself and its counsel in the amount of \$125,000.00 prior to embarking on the SIP.


We have received Ms. Lee's e-mails of October 3 and 4. We will provide responses to the inquiries contained therein if they are reasonably available. With that said, now that the obligations of Copper Sands Group enumerated in paragraphs 4 and 5 of the September 5 Order have been performed, the primary focus of Copper Sands Group has turned to the objectives spelled out in the second paragraph 8 of that Order – namely, to seek out its own sources of funding to retire the indebtedness owed to the senior secured creditors.

We trust that this is satisfactory.

Sincerely,

MLT AIKINS LLP

Per:



For Jeffrey M. Lee, Q.C.

cc: McDougall Gauley LLP, Attention: Ian Sutherland and Craig Frith
Deloitte Restructuring Inc., Attention: Brent Warga and John Fritz

Encl. (2)

Exhibit F – Actual vs. Forecast Cash Flows for the Period August 27, 2018 to October 7, 2018

COPPER SANDS LAND CORP. ("CSLC")
WILLOW RUSH LAND CORP. ("Willow Rush")
MDI UTILITY CORP.
JLL DEVELOPMENTS AND INVESTMENTS CORP. ("JLL")
MIDLAND DEVELOPMENTS AND INVESTMENTS CORP. ("MDI")
PRAIRIE COUNTRY HOMES LTD. ("PRAIRIE COUNTRY")
(collectively the "COMPANIES")

6-Week Forecast to Actual Results

Notes	Forecast Week 1 27-Aug-18 2-Sep-18	Actual Week 1 27-Aug-18 2-Sep-18	Forecast Week 2 3-Sep-18 9-Sep-18	Actual Week 2 3-Sep-18 9-Sep-18	Forecast Week 3 10-Sep-18 16-Sep-18	Actual Week 3 10-Sep-18 16-Sep-18	Forecast Week 4 17-Sep-18 23-Sep-18	Actual Week 4 17-Sep-18 23-Sep-18	Forecast Week 5 24-Sep-18 30-Sep-18	Actual Week 5 24-Sep-18 30-Sep-18	Forecast Week 6 1-Oct-18 7-Oct-18	Actual Week 6 1-Oct-18 7-Oct-18	Forecast Week 1 - 6 Cumulative Totals	Actual Week 1 - 6 Cumulative Totals	Variance
Receipts															
CSLC monthly rent (existing CSLC tenants)	\$ -	\$ -	\$ 33,750	\$ 32,783	\$ 10,125	\$ -	\$ 9,450	\$ 3,650	\$ -	\$ -	\$ -	\$ 35,111	\$ 53,325	\$ 71,544	\$ 18,219
CSLC monthly rent (Tanglewood expansion)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	33,750	32,783	10,125	-	9,450	3,650	-	-	-	35,111	53,325	71,544	18,219
Total Receipts	-	-	33,750	32,783	10,125	-	9,450	3,650	-	-	-	35,111	53,325	71,544	18,219
Disbursements															
CSLC Operating Costs															
Bank Fees	25	107	25	-	25	-	25	-	25	55	25	8	150	170	20
Consulting costs	3,800	-	5,000	-	-	-	5,000	-	5,000	-	5,000	-	15,000	-	(15,000)
Land taxes	-	-	-	-	-	-	-	-	-	-	-	-	3,800	-	(3,800)
Marketing / meals and entertainment	150	-	-	-	150	-	-	-	150	84	-	-	450	84	(366)
Miscellaneous operating costs	-	-	500	-	-	-	500	-	500	300	-	-	1,500	863	(637)
Park operator license	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property taxes	-	-	5,000	-	-	-	-	-	-	-	-	-	10,000	-	(10,000)
Repairs and maintenance	-	-	1,500	390	1,500	-	-	-	-	-	-	471	1,500	471	(1,029)
SaskPower / SaskEnergy	-	-	1,500	-	-	-	-	-	-	-	-	-	3,000	390	(2,610)
Travel expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street repair / road maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle expenses	-	-	447	-	-	-	-	-	-	-	-	-	894	-	(894)
Travel costs	-	-	1,500	-	-	-	-	-	1,500	200	1,032	1,032	3,000	1,032	(1,968)
Wages	-	-	500	2,437	-	-	2,438	1,829	-	608	2,438	2,438	1,000	450	(550)
Waste disposal	-	-	2,438	-	-	-	-	-	-	-	-	-	7,314	7,313	(1)
Water tests	-	-	1,455	-	-	-	-	-	-	-	1,455	-	2,910	-	(2,910)
Well remediation	2,500	-	-	14,057	110	1,003	-	-	-	-	-	-	110	1,003	893
WSA permit	-	-	-	-	2,500	-	-	-	600	-	-	250	5,000	15,592	10,592
Contingency	-	-	1,500	-	-	-	1,500	-	-	-	-	-	600	250	(350)
Subtotal	6,475	107	19,865	16,884	4,285	1,003	9,463	1,829	775	1,247	19,865	6,546	60,728	27,617	(33,111)
Financing Costs and Professional Fees															
Professional fees	-	-	-	10,000	10,000	-	-	5,000	-	-	-	5,000	10,000	20,000	10,000
Subtotal	-	-	-	10,000	10,000	-	-	5,000	-	-	-	5,000	10,000	20,000	10,000
Total Disbursements	6,475	107	19,865	26,884	14,285	1,003	9,463	6,829	775	1,247	19,865	11,546	70,728	47,617	(23,111)
Net Cash Flows	(6,475)	(107)	13,885	5,898	(4,160)	(1,003)	(1,33)	(3,179)	(775)	(1,247)	(19,865)	23,565	(17,403)	23,927	41,330
Opening Cash (Balance per Bank)	38	38	(6,437)	(69)	7,448	5,829	3,288	4,827	3,275	1,647	2,500	400	38	38	
Net Cash Flows	(6,475)	(107)	13,885	5,898	(4,160)	(1,003)	(1,33)	(3,179)	(775)	(1,247)	(19,865)	23,565	(17,403)	23,927	
Closing Cash (Indefinite)	(6,437)	(69)	7,448	5,829	3,288	4,827	3,275	1,647	2,500	400	(17,365)	23,965	(17,365)	23,965	

Notes and Assumptions

1	CSLC revenues are forecast based on 79 existing Copper Sands Mobile Home Park tenants paying lease fees of \$675 per month.
2	CSLC continues to work with the Rural Municipality of Edenwold to obtain approval of the development plan and subdivision for the CSLC Expansion (Tanglewood). As the timing of development is uncertain, no rental revenues have been included in the forecast.
3	Operating costs are forecast based on the historical annualized operating costs for Copper Sands Mobile Home Park prorated monthly.
4	Forecast consulting costs for Ms. Midtdal and other third party external consultants associated with the CSLC Expansion (Tanglewood), development of the MDI Utility, and securing alternative financing.
5	Forecast property tax reserve account payments to be paid to the Monitor in accordance with the Amended and Restated Initial Order.
6	Forecast based on actual repairs and maintenance costs incurred for the period January 15, 2018 to August 26, 2018.
7	Forecast utility costs are based on annual costs associated with five (5) accounts prorated monthly.
8	Estimated quarterly remittance of payroll source deductions.
9	Forecast based on actual travel costs incurred by Ms. Midtdal for the period January 15, 2018 to August 26, 2018.
10	Forecast vehicle costs are based on monthly fuel charges of \$500.
11	Wages are forecast based on the actual cost of the on-site resident manager at Copper Sands Mobile Home Park and a part-time maintenance/repair individual.
12	Given the dry conditions in the Copper Sands Mobile Home Park, the water table in the area is incredibly low and the Park's two wells are not recovering. Given the delays in accessing capital to finish the Utility Facility, the Applicants will have to incur costs to remediate the existing wells.
13	Water Security Agency (WSA) costs are based on historical costs.
14	Contingency reserve for unbudgeted costs.
15	Given the limited operating capital available to the Applicants, professional fees will continue to accrue during the forecast period with limited professional fees expected to be paid. Professional fee arrears (as disclosed in the Second Report) in the approximate amount of \$525,000 (i.e. approximately \$125,000 for the Monitor, \$100,000 for the Monitor's legal counsel, and \$300,000 for the Applicants' legal counsel) have not been included in the forecast.
16	Opening cash balance as at August 27, 2018.

Exhibit G – September 25, 2018 Redacted Offer to Purchase

OFFER TO PURCHASE

BETWEEN:

[REDACTED]
(the "**Purchaser**")

AND:

COPPER SANDS LAND CORP.

(the "**Vendor**")

1. **Offer to Purchase:** The Purchaser hereby offers to purchase from the Vendor the land described as follows):

The Business of Copper Sands Mobile Home Park (MHP) AND 18.5 acres of land upon which Copper Sands mobile home park is located, within LSD 5 Sec 25 Twp 17 Rge 18 W2 Ext 38, R.M. of Edenwold No. 158, Saskatchewan

(the "**Property**"), free and clear of all encumbrances save and except such encumbrances as the Purchaser herein expressly agrees to accept or assume.

2. **Purchase Price:** The purchase price for the Property shall be [REDACTED] (the "**Purchase Price**"), payable as follows:

- (a) **\$50,000.00** deposit (the "**First Deposit**"), which Deposit shall be paid on the date upon which this Offer is accepted, held in trust by the Purchaser's solicitors and dealt with in accordance with the terms hereof;
- (b) **\$100,000** 2nd deposit (the "**Second Deposit**") which Deposit shall be paid within upon the removal of all conditions as described below, held in trust by the Purchaser's solicitors and dealt with in accordance with the terms hereof and
- (c) the balance of the Purchase Price (as adjusted pursuant to section 11 hereof), by cash and/or mortgage financing, in a proportion to be determined by the Purchaser.

3. **Goods and Services Tax:** The Purchaser shall be liable for and shall indemnify and hold the Vendor harmless from any liability relating to GST which may be payable in respect of this transaction. The Purchaser agrees to self-assess, remit the GST directly to the Receiver General and timely comply with all filing and payment obligations referred to in Section 228(4) of the *Excise Tax Act* (Canada).

4. **Closing Arrangements:** The Purchaser and the Vendor shall each cause their respective solicitors to affect the closing of the transaction of purchase and sale contemplated herein in accordance with usual and customary practices in Saskatchewan, subject to such trust conditions and other arrangements as such solicitors may agree.

5. **Purchaser's Conditions:** This Offer is subject to the following conditions precedent in favour of the Purchaser (collectively, the "**Purchaser's Conditions**"):

- (a) the Purchaser obtaining unconditional written approval of financing on the Property on or before **October 14, 2018** (the "**Deadline for Conditions**");
- (b) the Purchaser obtaining a Property Condition Disclosure Statement satisfactory to the Purchaser;
- (c) the Purchaser obtaining a Surveyor's Certificate, to be provided by the Vendor; and
- (d) the Purchaser obtaining the approval of [REDACTED] business partner.

The Purchaser's Conditions are inserted for the exclusive benefit of the Purchaser and any of the Purchaser's Conditions may be waived by the Purchaser at any time up to and including the Deadline for Conditions.

6. **Vendor's Condition.** This Offer is subject to the following condition precedent in favour of the Vendor (the "**Vendor's Condition**"):

- (a) the Vendor has obtained the approval of the Saskatchewan Court of Queen's Bench for the completion of the transaction of purchase and sale contemplated herein, and an Order pursuant to the *Companies' Creditors Arrangement Act* vesting title to the Property in the purchasers, in the Vendor's sole and absolute discretion, on or before **October 15, 2018**.

The Vendor's Condition is inserted for the exclusive benefit of the Vendor and may be waived by the Vendor at any time up to and including October 15, 2018.

7. **Deposit:** The Deposit shall be dealt with as follows:

- (a) if the Purchaser's Conditions are not waived as provided in this Offer, the Deposit shall forthwith be returned to the Purchaser;
- (b) if this transaction is completed as contemplated hereby, the Deposit shall be credited on account of the Purchase Price;
- (c) if the Purchaser's Conditions are waived as provided in this Offer by the date specified herein and the Purchaser thereafter fails to complete the purchase of the Property in accordance herewith, the Deposit shall be paid to the Vendor upon demand by the Vendor, and the money so paid to the Vendor will be absolutely forfeited to the Vendor, without prejudice to any other rights and remedies which the Vendor may have at law or in equity, as a result of such default by the Purchaser; or
- (d) if the Purchaser's Conditions are waived as provided in this Agreement by the date specified herein and if the Vendor thereafter fails to remove the Vendor's

Condition or complete the sale of the Property in accordance with this Offer, the Deposit shall forthwith be refunded to the Purchaser upon demand by the Purchaser.

8. **Interest after Possession:** The Purchaser agrees to pay to the Vendor interest at the rate of 3.0% per annum on any portion of the Purchase Price, less mortgages or other encumbrances assumed, not received by the Vendor or the Vendor's solicitors as of the Possession Date. Such interest shall be calculated from the later of:
- (a) the Possession Date; and
 - (b) the date upon which the Purchaser's solicitors receive registrable transfer documents with respect to the Property,
- until monies are received by the Vendor or the Vendor's solicitors.
9. **Permitted Encumbrances:** The Purchaser hereby agrees to accept title subject to:
- (a) all utility easements and restrictive covenants which are normally found registered against property of this nature;
 - (b) all personal property security interest registrations by lenders who have lent funds to residents of the mobile home park; and
 - (c) without limiting the generality of the foregoing, all of those permitted encumbrances listed in **Schedule A** hereto.
10. **Completion and Possession:** Unless otherwise agreed to in writing, the transaction contemplated herein shall be completed, and the Purchaser shall be entitled to possession of the Property, at noon (Saskatchewan time) on **November 15, 2018** (the "**Possession Date**").
11. **Adjustments:** Adjustments for property taxes, rents, insurance, utilities and other income and outgoing, shall be made as of Possession Date. Any income or expenses of the Property on the Possession Date shall be for the account of the Purchaser.
12. **Representations and Warranties of the Vendor:** The Vendor represents and warrants to the Purchaser that:
- (a) the Vendor is, and on the Possession Date will be, the exclusive legal and beneficial owner of the Property;
 - (b) subject to the fulfilment of the Vendor's Condition, the Vendor has, and shall on the Possession Date have, full power and authority to enter into and perform the Vendor's obligations hereunder; and
 - (c) the Vendor will not, as of the Possession Date, be:

- (i) a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada); or
- (ii) agent or trustee of such a non-resident.

13. Additional Covenant of Vendor: The Vendor further covenants and agrees that:

- (a) The Vendor will make Jaimey Midtdal available for consultation purposes at no cost to the Vendor for a total of 10 hours in the three months following the Possession Date.

14. Binding Agreement: If this Offer is accepted and notice of such acceptance is received by the Purchaser within the time provided, it will form an agreement that is legally binding on the parties, their respective heirs, executors, administrators, successors and assigns.

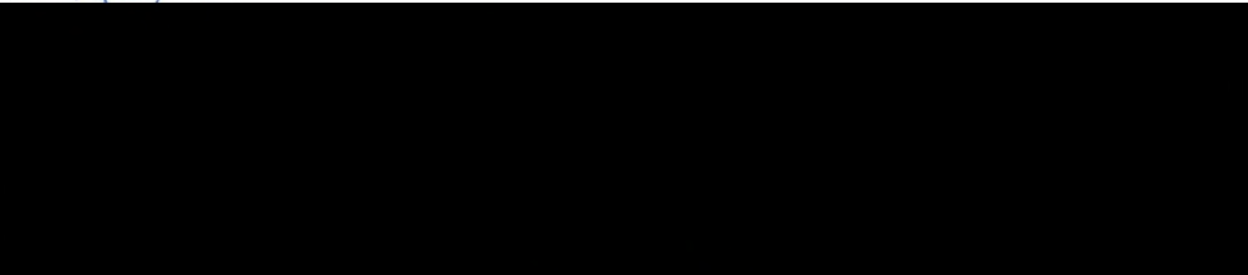
15. Miscellaneous:

- (a) The terms of this agreement as amended from time to time, together with any schedules, shall not merge with but shall survive the closing of the purchase and sale contemplated herein.
- (b) Time shall be of the essence of this Offer and the agreement resulting from the acceptance hereof.
- (c) For the purpose of giving or receiving any notice referred to in this Offer, or the agreement that results from the acceptance hereof, and for acceptance or revocation of this Offer or any counter offer thereto, such notice, acceptance or revocation must be in writing and delivered to the other party or parties, as the case may be, at the mailing address, e-mail address or facsimile number set out above. Any notice, acceptance or revocation to be given by any party to the other or others shall be deemed to be duly given when delivered by hand to such party or parties or when such notice, acceptance or revocation is sent by facsimile or e-mail to such party or parties and receipt thereof is confirmed.
- (d) This Offer and the agreement resulting from the acceptance hereof may only be altered or amended by way of written memorandum duly executed by the parties hereto.
- (e) The invalidity of any provision, or portion of a provision, of this Offer shall not affect the validity of rest of this Offer.
- (f) Each of the parties hereto shall, at the request and expense of the other party, execute and deliver any further or additional documents and do all acts and things that may be reasonably necessary to properly create or confirm title to the Property and to carry out the true intent and meaning of this Offer.

- (g) If more than one party executes this Offer as a vendor, the obligations of such parties hereunder are joint and several and if more than one party executes this Offer as a purchaser, the obligations of such parties hereunder are joint and several
- (h) This Offer and the agreement of purchase and sale resulting from the acceptance hereof shall be governed by and construed in accordance with the laws of the Province of Saskatchewan.
- (i) This Offer may be executed in counterpart and delivered by facsimile or other means of electronic communication producing a printed copy, each of which, when so executed and delivered, shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument

16. **Open for Acceptance:** Unless sooner revoked, this offer shall be open for acceptance by the Vendor until 5:00 p.m. (Saskatchewan time) on the 25 day of Sept, 2018.

Dated at the City of [REDACTED] in the Province of [REDACTED] this 25 day of Sept, 2018.



ACCEPTANCE

THE UNDERSIGNED VENDOR hereby accepts the above Offer and agrees to carry out the sale of the Property according to the terms thereof.

THIS ACCEPTANCE executed this 25 day of September, 2018.

COPPER SANDS LAND CORP.

Per: Jaimey Midtdal
Jaimey Midtdal

SCHEDULE A
PERMITTED ENCUMBRANCES

1. CNV Caveat in favour of Saskatchewan Power Corporation, Interest Register #101299349
2. CNV Caveat in favour of Saskatchewan Power Corporation, Interest Register #101299350
3. CNV Public Utility Easement in favour of Saskatchewan Telecommunications, Interest Register # 101299473
4. Personal Property Security Interest in favour of The Toronto-Dominion Bank, Interest Register #105446044
5. Personal Property Security Interest in favour of The Toronto-Dominion Bank, Interest Register #113219265
6. Personal Property Security Interest in favour of The Toronto-Dominion Bank, Interest Register #114654630
7. Personal Property Security Interest in favour of Bank of Nova Scotia, Interest Register #115341612
8. Personal Property Security Interest in favour of The Toronto-Dominion Bank, Interest Register #116188577
9. Personal Property Security Interest in favour of The Toronto-Dominion Bank, Interest Register #116309651
10. Assignment of a Lease as Security in favour of Conexus Credit Union 2006, Interest Register #117287624
11. Personal Property Security Interest in favour of Conexus Credit Union 2006, Interest Register #117287646
12. Joint Use Utility Easement in favour of Saskatchewan Power Corporation and Saskatchewan Telecommunications, Interest Register #120554287
13. Personal Property Security Interest in favour of Conexus Credit Union 2006, Interest Register #120996579
14. Personal Property Security Interest in favour of Plainsview Credit Union, Interest Register #122090161