

COURT FILE NUMBER 643 of 2016
COURT QUEEN'S BENCH FOR SASKATCHEWAN
 IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE SASKATOON
APPLICANTS 101133330 SASKATCHEWAN LTD. and
 101149825 SASKATCHEWAN LTD.

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF 101133330 SASKATCHEWAN LTD. and 101149825 SASKATCHEWAN LTD.

ORDER (Fifth Extension and DIP Facility #5)

BEFORE THE HONOURABLE) WEDNESDAY, THE 20th DAY
MR. JUSTICE G.A. MESCHISHNICK) OF DECEMBER, 2017
IN CHAMBERS)

UPON THE APPLICATION of counsel on behalf of the Applicants, 101133330 Saskatchewan Ltd. and 101149825 Saskatchewan Ltd, and upon hearing read the Notice of Application with proof of service thereof, the Seventh Supplementary Affidavit of John Orr sworn December 15, 2017, the Third Supplementary Affidavit of David Calyniuk sworn December 15, 2017, the Draft Order, the Order of the Honourable Justice N.G. Gabrielson dated May 20, 2016 (the "**Initial Order**"), the Order of the Honourable Justice G.A. Meschishnick dated June 13, 2016, the Order of the Honourable Justice G.A. Meschishnick dated August 17, 2016, the Order of the Honourable Justice G.A. Meschishnick dated December 22, 2016 (the "**Third Extension and DIP Facility #3 Order**"), and the Order of the Honourable Justice G.A. Meschishnick dated May 31, 2017 (the "**Fourth Extension and Secondary DIP Order**"), the Seventh Report of the Monitor, and the Applicants' Brief of Law, all filed; and the pleadings and proceedings herein:

IT IS HEREBY ORDERED, ADJUDGED, AND DECLARED THAT:

VALIDATION OF SERVICE

1. Service of the Notice of Application and all other materials filed in support of this application upon all parties listed in the Service List established in these proceedings and maintained by the Monitor (a current copy of which is attached as Schedule “A” hereto) shall be and is hereby deemed good, valid, timely, and sufficient.

EXTENSION OF THE INITIAL ORDER

2. The Initial Order, including the stay of proceedings provided for therein, as further extended by the Order of the Honourable Mr. Justice G.A. Meschishnick dated June 13, 2016, the Order of the Honourable Mr. Justice G.A. Meschishnick dated August 17, 2016, the Order of the Honourable Justice G.A. Meschishnick dated December 22, 2016, and the Fourth Extension and Secondary DIP Order, is confirmed and extended and shall continue to apply in accordance with its terms and conditions, save as amended by this and any other Order of this Court, until 11:59 p.m. on Sunday, June 17th, 2018.

APPROVAL OF THE REPORTS AND ACTIVITIES OF THE MONITOR

3. The Seventh Report of the Monitor, Deloitte Restructuring Inc. (the “**Monitor**”), and the conduct and activities of the Monitor described therein are hereby approved.

APPROVAL OF THE FEES AND DISBURSEMENTS OF THE MONITOR AND ITS LEGAL COUNSEL

4. The fees and disbursements of the Monitor for the period of June 1, 2017 to November 28, 2017, and its legal counsel, MLT Aikins LLP, for the period of May 15,

2017, to November 28, 2017, as more particularly described in the Seventh Report of the Monitor are hereby approved.

APPROVAL OF DIP FACILITY #5

5. The Applicants are hereby:

- (a) authorized and empowered to obtain and borrow under a credit facility (the “**New DIP Facility**”) from Affinity Credity Union 2013 (the “**DIP Lender**”) in order to:
 - (i) finance the Applicants’ working capital requirements;
 - (ii) repay Dip Facility #3 previously borrowed from Staheli Construction Co. Ltd. (“**Staheli**”) pursuant to the Third Extension and DIP Facility #3 Order;
 - (iii) repay the Secondary DIP Credit Facility previously borrowed from Staheli pursuant to the Fourth Extension and Secondary DIP Facility Order;
 - (iv) and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$3,800,000.00, unless permitted by further Order of this Court;
- (b) authorized and directed to repay all indebtedness owing to Staheli pursuant to DIP Facility #3 and the Secondary DIP Credit Facility, upon payment of which indebtedness, all liability and obligations of the Applicants in regard to the same shall be deemed to be satisfied; and
- (c) authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Lender Documents (as that term is defined below) as and when the same become due and are to be performed, notwithstanding any other provision of this Order;

6. The New DIP Facility shall be on the same terms and subject to the conditions set forth in the commitment letter between the Applicants and the DIP Lender dated December 19, 2017 (the “**Commitment Letter**”), a copy which is appended as Exhibit “**A**” to the Eighth Supplementary Affidavit of John Orr sworn December 19, 2017. The

Commitment Letter is hereby approved, and the Applicants' execution of the Commitment Letter is hereby authorized and approved.

7. The Applicants are hereby authorized to execute and deliver such commitment letters, credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively the "**DIP Lender Documents**") necessary to give effect to this order.

8. The DIP Lender shall be entitled to the benefits of a charge (the "**DIP Lender's Charge**") on the Property (as that term is defined in the Initial Order), which charge shall neither exceed the aggregate amount advanced on or after the date of this Order under the DIP Lender Documents nor secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the respective priorities set out in paragraphs 35 and 38 of the Initial Order.

9. Notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the DIP Lender Documents;
- (b) subject to subparagraph 9(c) hereof, in the event of a default under the DIP Lender Documents or the DIP Lender's Charge, prior to exercising any or all of its rights and remedies against the Applicants or the Property under or pursuant to the DIP Lender Documents and the DIP Lender's Charge (the "**DIP Lender's Remedies**"), the DIP Lender shall first apply to the Court for leave to exercise such DIP Lender's Remedies, including (without limitation) to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against any of the Applicants and for the appointment of a trustee in bankruptcy of any of the Applicants;
- (c) upon the occurrence of an event of default under the DIP Lender Documents or the DIP Lender's Charge, the DIP Lender shall be at liberty, without Court Order, but after first providing the Applicants with 48 hours' written notice of its intention to do so, to set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the

obligations of the Applicants to the DIP Lender under the DIP Lender Documents or the DIP Lender's Charge and to seize and retain proceeds from the sale of the Property and the cash flow of the Applicants to repay amounts owing to the DIP Lender in accordance with the DIP Lender Documents and the DIP Lender's Charge, but subject to the priorities as set out in paragraphs 35 and 38 of the Initial Order; and

(d) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of any of the Applicants or the Property.

10. The DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the BIA, with respect to any advances made under the DIP Lender Documents.

ISSUED at the City of Saskatoon, in the Province of Saskatchewan, this 20th day of December, 2017.


DEPUTY LOCAL REGISTRAR

This Order was delivered by:

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Name of lawyer in charge of file:	Ian A. Sutherland
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TO: ALL PARTIES ON THE ATTACHED SERVICE LIST

Schedule "A" – SERVICE LIST

PARTY	COUNSEL
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