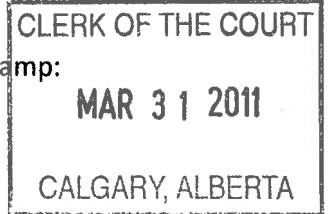


COURT FILE NUMBER
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE

1001-07852

CALGARY

Clerk's stamp:



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)**

DOCUMENT

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

AFFIDAVIT



FRASER MILNER CASGRAIN LLP

Bankers Court

15th Floor, 850 - 2nd Street S.W.

Calgary, Alberta T2P 0R8

Attention: David W. Mann / Rebecca L. Lewis

Ph. (403) 268-7097/6354 Fx. (403) 268-3100

File No.: 526686-1

**AFFIDAVIT OF TYRONE SCHNEIDER
(SUPPLEMENTAL)**

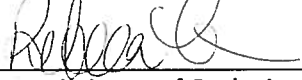
Sworn on March 31, 2011

I, Tyrone Schneider, of Alberta, SWEAR AND SAY THAT:

1. I am the president of 1539319 Alberta Ltd., the Court appointed chief restructuring officer to all of the Petitioners (the "CRO") appointed to assist with the restructuring of the Petitioners. As such, I am familiar with the books and records of these proceedings and have personal knowledge of the matters herein deposed to except where based upon information and belief, in which case I do verily believe the same to be true.
2. This Affidavit is supplemental to my Affidavit sworn March 25, 2011 (the "Extension Affidavit") and all capitalized terms used in this Affidavit shall have the meaning ascribed to them in the Extension Affidavit unless otherwise indicated in this Affidavit.
3. In paragraphs 9 through 12 of the Extension Affidavit, I described the Classic Purchase Agreement whereby Classic has agreed to purchase the Valleydale Lots. As part of the consideration for the Classic Purchase Agreement, it was contemplated that Classic would provide a replacement Letter of Credit to the City of Medicine Hat with respect to the top lift paving. This replacement would require the assumptions of certain warranties, which was not originally contemplated by Classic and the Medican Group. As such, the Classic Purchase Agreement has been amended by an Amending Agreement among Valleydale and Classic dated March 28, 2011, a copy of which is attached hereto and marked as Exhibit "A" to this my Affidavit.
4. In paragraphs 18 through 23 of the Extension Affidavit, I described the proposed sale of certain units in Phases I and II of the Sanderson Project and a sales mechanism for the remaining condominium units in Phases I and II of the Sanderson Project.
5. Attached hereto and marked as Exhibits "B" and "C" to this my Affidavit are an updated list of the units and closing adjustments (including Mrs. Sanderson's unit) that the Medican Group is seeking to have approved, and a Statement of Trust Funds with respect to Mrs. Sanderson's unit, both of which have been approved by the Medican Group, the Monitor, Harbour Mortgage Corp. and IMOR Capital Corp.
6. Attached hereto and marked as Exhibit "D" to this my Affidavit is an updated revised price list for the remaining units in Phases I and II of the Sanderson, which will form Schedule "A.1" to the sales process for the remaining units in Phases I and II of the Sanderson Project and has also been approved by the Medican Group, the Monitor, Harbour Mortgage Corp. and IMOR Capital Corp.


7. I swear this Affidavit in support of the relief sought by the Petitioners in the Application by the Petitioners served by the Medican Group in these proceedings on March 25, 2011.

SWORN BEFORE ME at Calgary, Alberta, this)
31st day of March, 2011.)



Commissioner of Oaths in and for the Province
of Alberta
Rebecca Lewis
Minister & Solicitor

PRINT NAME AND EXPIRY/LAWYER
/STUDENT-AT-LAW



(Signature)

Tyrone Schneider

(Print Name)

Medican Group of Companies
 Sanderson Project - Phase 1 and 2
 Proposed Sales
 (Unaudited, \$C)

Phase	Suite	Closing date	Listing Price	Sales Price	Commissions	GST	Condo fees *	Property taxes *	Legal fees * DIP/Admin	Harbour exit fee	Monarch per door bonus	Total Costs *	Deposit released	Estimated equity	Paid to Harbour mortgage	Estimated Cost to Complete
2	B104	Closed	339,000	351,080	9,216	3,119	3,177	1,000	8,500	3,000	6,801	34,813	25,000	-	282,568	44,682 ¹
2	F309	Closed	253,000	240,000	6,300	1,593	1,805	1,000	8,500	3,000	6,801	28,999	35,500	-	188,989	31,237 ¹
1	C101	03/31/2011	344,000	341,000	8,951	3,499	3,500	1,000	8,500	3,000	-	28,450	-	312,550	-	6,644 ²
1	B206	04/01/2011	354,000	354,000	9,293	3,499	3,500	1,000	8,500	3,000	-	28,791	-	325,209	-	37,774 ²
1	B302	04/15/2011	354,000	349,000	9,161	3,499	3,500	1,000	8,500	3,000	-	28,660	-	320,340	-	37,908 ³
2	F134	03/28/2011	242,000	230,000	6,038	2,559	3,500	1,000	8,500	3,000	-	24,596	30,000	205,404	-	9,362 ³
1	B202	05/30/2011	349,000	349,000	9,161	3,499	3,500	1,000	8,500	3,000	-	28,660	30,000	290,340	-	39,117 ³
1	B306	05/31/2011	362,000	357,000	9,371	3,499	3,500	1,000	8,500	3,000	-	28,870	-	328,130	-	9,756 ³
1	B303	06/15/2011	354,000	354,000	9,293	3,499	3,500	1,000	8,500	3,000	-	28,791	-	325,209	-	42,000 ³
2	B301	TBD	387,000	354,000	9,293	3,499	3,500	1,000	8,500	3,000	-	28,792	-	325,209	-	29,811 ⁴
2	B310	TBD	527,000	526,000	-	4,690	3,500	1,000	8,500	3,000	-	45,781	-	480,219	-	29,811 ⁴
			3,865,000	3,805,080	86,076	36,451	36,482	11,000	93,500	33,000	13,602	335,202	90,500	2,912,610	471,557	288,291

Notes:

- Units B104 and F309 have been completed. The costs to complete these units have been incurred, however, Trades and Suppliers have not been paid.
- Units C101 and B206 are being completed. Trades and Suppliers have not been paid.
- Estimated completion costs. Work will commence shortly to meet the closing date.
- Offer accepted subject to Court approval.
- The unit is designated for Mrs. Sanderson. The amount under "Deposit Released" is GST payable.

* Amounts estimated

5722427.2

THIS IS EXHIBIT "B"
 referred to in the Affidavit of
 Tyronne Schneider
 sworn before me this 21st
 Day of March A.D. 2011
 Rebecca Lewis
 A COMMISSIONER FOR OATHS
 IN AND FOR THE PROVINCE OF ALBERTA
 Barrister & Solicitor

FINAL STATEMENT OF TRUST RECEIPTS AND DISBURSEMENTS

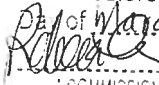
Sanderson of Fish Creek (Calgary) Developments Ltd.

Sale to Rosamond Sanderson

B310/2332, 2330 Fish Creek Blvd. S.W., Calgary, AB

527712-135/JOP

Date	Description	Received	Disbursed
	Received - Cash to Close	\$526,452.39	
	Paid to RSM Richter - net GST		\$25,090.95
	Paid to the City of Calgary - property taxes and arrears		\$3,291.86
	Paid to Simco Property Management - Feb/Mar/April condo fees		\$1,695.69
	Paid to Monarch Land Ltd. - Condo fee advance to Jan 31/11		\$2,994.62
	Held at FMC - DIP Admin Charge		\$8,500.00
	Paid to Fraser Milner Casgrain LLP - Estimated Invoice		\$1,000.00
	Paid to HMT Holdings Inc. - Exit Fee		\$3,000.00
	Paid to HMT Holdings Inc. - net sale proceeds		\$480,879.27
	Totals	\$526,452.39	\$526,452.39

THIS IS EXHIBIT " C " referred to in the Affidavit of Tyronne Schneid
 Sworn before me this 31 Day of March, A.D. 2011

 A COMMISSIONER FOR OATHS
 IN THE PROVINCE OF ALBERTA
Rebecca Lewis
 Barrister & Solicitor

Medican Group of Companies
 Sanderson - Harbour/IMOR Phase 1 and 2
 Suites Available for Sale
 (\$Canadian, Unaudited)

Phase	Suite	Listing Price	Estimated Cost to Complete	Commissions*	Condo fees*	Property taxes*	Legal fees* overhead**	Marketing and DIP/Admin	Harbour exit fee	Total Costs	Estimated equity
1	D101	344,000	8,041	9,600	3,499	3,500	1,000	4,500	3,000	41,639	302,361
1	D201	349,000	6,644	9,725	3,499	3,500	1,000	4,500	3,000	40,368	308,632
1	D203	347,000	8,361	9,675	3,499	3,500	1,000	4,500	3,000	42,035	304,965
1	D303	353,000	8,041	9,825	3,499	3,500	1,000	4,500	3,000	41,864	311,136
1	F234	247,000	2,400	7,175	3,499	3,500	1,000	4,500	3,000	33,573	213,427
Total Phase 1		1,640,000	33,487	46,000	17,493	17,500	5,000	22,500	15,000	199,479	1,440,521
2	B101	344,000	23,170	9,600	3,499	3,500	1,000	4,500	3,000	56,769	287,231
2	B103	339,000	30,416	9,475	3,499	3,500	1,000	4,500	3,000	63,890	275,110
2	B201	349,000	29,811	9,725	3,499	3,500	1,000	4,500	3,000	63,534	285,466
2	B203	349,000	30,833	9,725	3,499	3,500	1,000	4,500	3,000	64,557	284,443
2	B204	349,000	24,155	9,725	3,499	3,500	1,000	4,500	3,000	57,879	291,121
2	B207	352,000	395	9,800	3,499	3,500	1,000	4,500	3,000	34,193	317,807
2	C202	349,000	29,811	9,725	3,499	3,500	1,000	4,500	3,000	63,534	285,466
2	C301	354,000	29,811	9,850	3,499	3,500	1,000	4,500	3,000	63,659	290,341
2	C302	354,000	-	9,850	3,499	3,500	1,000	4,500	3,000	33,849	320,151
2	F108	300,000	29,525	8,500	3,499	3,500	1,000	4,500	3,000	62,023	237,977
2	F208	305,000	29,562	8,625	3,499	3,500	1,000	4,500	3,000	62,185	242,815
Total Phase 2		3,744,000	257,488	104,600	38,484	38,500	11,000	49,500	33,000	626,072	3,117,928
Grand Total		5,384,000	290,975	150,600	55,977	56,000	16,000	72,000	48,000	825,551	4,558,449

Total units available for sale 16

* Estimate

** Held in trust by FMC pending verification of costs and consent of Harbour

5724250.1

THIS IS EXHIBIT " D " referred to in the Affidavit of *Tyrone Schneider* sworn before me this *31* day of *March* A.D. *2011*
Rebecca Lewis
 A COMMISSIONER FOR CATS
 MANITOBA
 Barrister & Solicitor