



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)**

DOCUMENT

AFFIDAVIT

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
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File No.: 526686-1

AFFIDAVIT OF TYRONE SCHNEIDER
Sworn on May 28, 2012

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 stated to be based upon information and belief, in which case I do verily believe the same to be true.
2. All capitalized terms used in this Affidavit shall have the meaning ascribed to them in the Affidavit sworn by Mr. Wesley Reinheller and filed in these proceedings on May 25, 2010 (the "**Initial Affidavit**") unless otherwise indicated in this Affidavit.
3. I swear this Affidavit in support of the application of the Petitioners to extend the stay period in these 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**").
4. I have had the opportunity to review the Eighteenth Report of Ernst & Young Inc., the court appointed monitor of the Petitioners in these proceedings (the "**Monitor**"), dated May 28, 2012, and I agree with the summaries and recommendations provided therein.

Status Update

5. On November 30, 2011, the Medican Group filed a Plan of Compromise and Arrangement (the "**Plan**") in respect of all of the Petitioners apart from the Kaleido Companies and Sanderson. On January 11, 2012, a substantial majority of the Affected Creditors (as defined in the Plan) voted in favour of the Plan, and on January 13, 2012 the Plan was sanctioned by Order of the Court.
6. On December 5, 2011 and February 29, 2012, Orders were made lifting the Stay, to a limited extent, to allow receivership and foreclosure proceedings in respect of certain lands owned by the Kaleido Companies to commence.
7. The remaining entity in respect of which these proceedings continue is Sanderson, as summarized in the Monitor's Eighteenth Report. I do verily believe that an extension of the Stay to July 27, 2012 is necessary to address the various issues surrounding the Sanderson project.

Extension of the Stay

8. Further to the foregoing, the Petitioners continue to work in good faith and with due diligence in these proceedings and I verily believe it is in the best interests of the Petitioners and all of the stakeholders to continue in these proceedings in the manner sought herein, including that the Stay be extended to July 27, 2012.
9. I make this Affidavit in support of an Application for the relief described in paragraph 3, above.

SWORN BEFORE ME at the City of Winnipeg,)
this 28th day of May, 2012.)

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Notary Public in and for the Province of
Manitoba **RONALD S. ADE**
A NOTARY PUBLIC
IN AND FOR THE
PROVINCE OF MANITOBA

PRINT NAME AND EXPIRY



(Signature)

Tyrone Schneider

(Print Name)