

IN THE COURT OF QUEEN'S BENCH OF ALBERTA JUDICIAL CENTRE OF 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., AXXESS (GRANDE PRAIRIE) DEVELOPMENTS LTD., AXXESS (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

BEFORE THE HONOURABLE

MADAM JUSTICE K.M. HORNER

IN CHAMBERS

At the Courts Centre in the City of Calgary, in the Province of Alberta, on Thursday, the 29th day of July, 2010

ORDER

(Examination by Monitor)

UPON the application of the Petitioners in these proceedings (collectively, the "Medican Group"); AND UPON having read the Notice of Motion of the Petitioners, dated July 27, 2010, the Affidavit of Tyrone Schneider, sworn July 27, 2010 (the "Schneider Affidavit"), to be filed; the Third Report of the Monitor, dated July 27, 2010, the Affidavit of Ronica Cameron, sworn July 29, 2010 (the "Service Affidavit"), to be filed; and such other material in the pleadings and

proceedings as deemed necessary; AND UPON hearing counsel for the Medican Group, counsel for the Monitor, and other interested parties; IT IS HEREBY ORDERED AND DECLARED THAT:

Defined Terms

1. Defined terms in this Order are as defined in the Initial Order granted May 26, 2010.

Service

2. The time for service of notice of the Monitor's application is abridged as necessary to proceed at this time. Service of the application is deemed to be good and sufficient. Service of this Order on any party other than those referred to in the Service List attached as Schedule "A" to the Notice of Motion is hereby dispensed with.

Examinations by Monitor

- 3. The Monitor may, in its discretion and without further order of this Court, examine under oath any person or representative of a legal entity (an "Examinee") reasonably thought by the Monitor to potentially have knowledge of the Property or Business of any of the Petitioners, including any past dealings therewith, including any Examinee who has been an agent, employee, officer or director of any of the Petitioners or who has been party to any business relationships with any of the Petitioners. In so doing, the Monitor may require any Examinee to produce any potentially relevant records, books, documents, correspondence, papers or electronic records (collectively, the "Records") in the Examinee's possession or power, however that nothing in this paragraph 3 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Monitor due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
- 4. The Monitor may compel the attendance of the Examinee by service of an appointment without conduct money. Any Examinee served with an appointment shall attend as specified in the appointment, and shall cooperate fully with the Monitor. If any Examinee fails to do so, the Monitor may apply to this Court for an Order finding the Examinee in contempt or for other relief.

5. The evidence of any Examinee may be filed by the Monitor and may be read in these proceedings or any proceedings authorized by this Court to which the Examinee is a party.

Approval and Service of Order

- 6. This Order shall be approved only by counsel for the Medican Group and counsel for the Monitor.
- 7. The Medican Group shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. Service effected as aforesaid shall be good and sufficient service.

Marin Herrar.

J.C.Q.B.A.

THIS FORM OF ORDER IS HEREBY APPROVED

FRASER MILNER CASGRAIN LLP

Per:

David W. Mann

Solicitors for the Petitioners

MACLEOD DIXON LLP

Per:

Stephen H. Leitl

Solicitors for RSM Richter Inc.

ENTERED this 29 day of Ohly, 2010

CLERK OF THE COURT

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The Petitioners

ORDER

(Examinations by Monitor)

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