

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

1001-07852

Clerk's stamp: MAY 12 2011

CLERK OF THE COURT
MAY 12 2011
CALGARY, ALBERTA

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

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

ORDER



I hereby certify this to be a true copy of the original order

Dated this 12 day of May, 2011

C. Pankaj
for Clerk of the Court

FRASER MILNER CASGRAIN LLP

Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8

Attention: David W. Mann/David LeGeyt

Ph. (403) 268-7097/(403) 268-3075 Fx. (403) 268-3100

File No.: 526686-1

DATE ON WHICH ORDER WAS PRONOUNCED:

May 11, 2011

LOCATION WHERE ORDER WAS PRONOUNCED:

CALGARY

NAME OF JUDGE WHO MADE THIS ORDER:

JUSTICE K.M. HORNER

ORDER

(Axxess (Grande Prairie) Developments Ltd.)

UPON the application of the Petitioners in these proceedings (collectively, the "**Medican Group**"); **AND UPON** having read the Application by the Petitioners, filed May 5, 2011 (the "**Petitioners' Application**"), the Affidavit of Tyrone Schneider dated May 3, 2011 (the "**Schneider Affidavit**"), the Affidavit of Gail Wheatley dated May 10, 2011 (the "**Service Affidavit**"), **AND UPON** the application of Canadian Imperial Bank of Commerce, filed May 6, 2011 (the "**CIBC Application**"), **AND UPON** the application of Condominium Corporation No. 0627724, filed March 22, 2011 (the "**Condominium Corp. Application**") all filed, and such other material in the pleadings and proceedings as are deemed necessary; **AND UPON** hearing counsel for the Medican Group, the Monitor, Canadian Imperial Bank of Commerce, Condominium Corporation No. 0627724, and other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of notice of this application is abridged to the time actually given and service of the Application and supporting material as described in the Service Affidavit is good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
2. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Order granted by Madam Justice K.M. Horner in this Action dated May 26, 2010 ("**Initial Order**").

Approving the Sale of Units

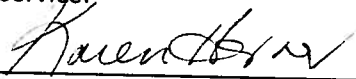
3. The two condominium units sales in the Axxess Project (as described in the Schneider Affidavit) pursuant to the Purchase and Sales Agreements attached as Exhibits "D" and "E" to the Schneider Affidavit be and are hereby approved.
4. Condominium Corporation No. 0627724 will immediately issue estoppel certificates and certificates of insurance in respect of the units subject to the Purchase and Sale Agreements attached as Exhibits "D" and "E" to the Schneider Affidavit which will describe only the amounts owing as of the applicable closing date for arrears of condominium contributions, and without restricting the generality of the foregoing the certificates will not include any amounts allegedly owing by the Medican Group on account of any other type of claim which Condominium Corporation No. 0627724 may have against the Medican Group, as described in the Affidavit of Ralph Yeo sworn March 9, 2011 in these proceedings, or otherwise.
5. Condominium Corporation No. 0627724 will issue estoppel certificates in accordance with the foregoing paragraph for all subsequent unit sales in the Axxess Grande Prairie Project which will be used in conjunction with a Monitor's Certificate as contemplated in the Condominium Sales Order granted by this Honourable court on June 11, 2010.
6. The Medican Group and the Monitor be and are hereby authorized and directed to execute all deeds, documents, and agreements, and to do all things reasonably necessary to complete the sales contemplated in of this Order, including without limitation, the Monitor issuing Monitor's

Certificates as contemplated in the Condominium Sales Order granted by this Honourable Court on June 11, 2010 in connection with such sales, which Monitor's Certificate shall request the Registrar of the North Alberta Land Registration District to discharge the caveats registered as instrument no. 112 105 908 and instrument no. 102 162 821, and the Registrar of the North Alberta Land Registration District shall discharge the caveats registered as instrument no. 112 105 908 and instrument no. 102 162 821 from the titles of the units transferred pursuant to this Order, notwithstanding the provisions of section 191 of the *Land Titles Act* (Alberta).

7. Until further Order of this Honourable Court, counsel to the Medican Group, Fraser Milner Casgrain LLP, shall hold the net proceeds of the unit sales contemplated by paragraph 3 of this Order in trust and such proceeds shall stand in the place instead of the units transferred pursuant to this Order, and all claims of whatsoever nature or kind, including without limitation, all liens, claims, encumbrances, mortgages, proprietary claims, trust claims, lease claims, royalty claims, other interests, and the claims of Condominium Corporation No. 0627724, shall attach solely to the proceeds with the same validity, priority and in the same amount and subject to the same defenses that were or may have been available when they attached to the units themselves.
8. Condominium Corporation No. 0627724 is hereby permanently prohibited, stayed and restrained from:
 - (a) seeking payment from the purchasers of the units described in paragraph 3 of this Order, and
 - (b) encumbering the units described in paragraph 3 of this Orderon account of any amounts owing or alleged owing to Condominium Corporation No. 0627724 by the Medican Group.
9. The CIBC Application, the Condominium Corp. Application, and, to the extent not disposed of by this Order, the Petitioners' Application, are adjourned *sine die*.

Miscellaneous

10. 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 affected as aforesaid shall be good and sufficient service.


Justice of the Court of Queen's Bench of Alberta