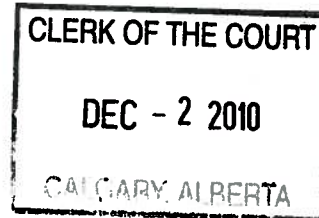


Clerk's stamp:

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

ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

David W. Mann/Rebecca L. Lewis
Fraser Milner Casgrain LLP
Bankers Court
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Calgary, Alberta T2P 0R8
Ph. (403) 268-7097/(403) 268-6354 Fx. (403) 268-3100
File No.: 526686-1

DATE ON WHICH ORDER WAS PRONOUNCED: December 2, 2010

NAME OF JUDGE WHO MADE THIS ORDER: Madam Justice K.M. Horner

ORDER
(Stay Extension and CRO)

I hereby certify this to be a true copy of the original Order
Dated this 2nd day of Dec, 2010

for Clerk of the Court

UPON the application of the Petitioners in these proceedings (collectively, the **Medican Group**"); **AND UPON** having read the Application by the Petitioners, dated November 29, 2010, the Affidavit of Tyrone Schneider dated November 29, 2010 (the "**Schneider Affidavit**"), the Affidavit of Ronica Cameron dated December 1, 2010 (the "**Service Affidavit**"), the Seventh Monitor's Report, dated November 29, 2010, 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, 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 Notice of Motion 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**").

Extension of Stay

3. The Stay Period is hereby extended up to and including ^{Kmt March ✓ Kmt} ~~January~~ 31, 2011.

Appointment of the Chief Restructuring Officer

4. 1539319 Alberta Ltd., be and is hereby appointed as chief restructuring officer over the Petitioners (the "**CRO**") with authority to carry on, manage, operate, and supervise the management and operations of the business and affairs of the Petitioners in accordance with the terms of a letter of engagement dated May 27, 2010 (the "**Engagement Letter**") and the terms and conditions set forth in this Order.
5. The CRO shall have and may exercise and perform the powers, responsibilities and duties described in the Engagement Letter, together with the following powers, responsibilities and duties (collectively the "**CRO Powers**"):
 - (a) to manage the Business, affairs, and Restructuring of the Petitioners in the name of, and on behalf of, the Petitioners;
 - (b) take such steps as in the opinion of the CRO are necessary or appropriate to maintain control over all receipts and disbursements of the Medican Group including, without limiting the generality of the foregoing, take such steps as necessary or desirable to control and use all bank accounts of the Medican Group;
 - (c) ensure that Tyrone Schneider or such other persons as he designates in writing (each, a "**CRO Signing Officer**") shall become signing officers of all bank accounts of the Medican Group and the Medican Group's banks are hereby directed, when notified in writing by the CRO, to revoke any existing signing authorities and act on the instructions only of such CRO signing officers;

- (d) retain and terminate the employment or services contacts of employees, agents or consultants and otherwise deal with human resources and other organization issues on behalf of the Medican Group or any of them;
- (e) represent the Medican Group in any negotiations with any party;
- (f) retain such agents and advisors that the CRO considers necessary or appropriate on whatever basis, including temporary, to assist the CRO in exercising the CRO powers;
- (g) communicate with and provide information to the Monitor regarding the business and affairs of the Medican Group;
- (h) such other duties or powers that the CRO may agree to and which are approved by the Monitor or by order of this Court; and
- (i) take all such steps and actions, enter into and execute all such agreements and documents and incur such expenses and obligations necessary or incidental to the exercise of the CRO Powers, as are reasonably required to carry out the provisions of this Order, including in the name and on behalf of the Medican Group, as applicable,

provided that in each case such actions, agreements, expenses and obligations, shall be construed to be those of the Medican Group and not of the CRO or any of its shareholders, directors, officers, employees, or advisors.

6. The Petitioners and its shareholders, direct and indirect subsidiaries, officers, directors, employees, servants, agents and representatives (the "**Company Persons**") shall cooperate fully with the CRO in the exercise of its powers and the discharge of its obligations. Without limiting the generality of the foregoing, the Company Persons shall provide the CRO with such access to the Petitioners' and its direct and indirect subsidiaries' books, records, assets and premises as the CRO requires to exercise its powers and perform its obligations under this Order.
7. The CRO shall incur no liability or obligation as a result of its engagement or the fulfillment of its duties in the carrying out of the provisions of its engagement or as may be ordered by this Court, save and except for gross negligence or wilful misconduct on its part, and no action or other proceeding shall be commenced against the CRO as a result of or relating in any way to its engagement as CRO, the fulfillment of its duties as CRO or the carrying out of any of the orders of this Court, except with prior leave of this Court and provided further that the liability of the CRO hereunder shall not in any event exceed the quantum of the fees and disbursements paid to or incurred by it in connection with this matter.
8. The Petitioner shall pay the CRO's fees in the sum of \$30,000 per month and pay all of the CRO's disbursements in accordance with the terms of the Engagement Letter.
9. The Administration Charge shall secure the fees and disbursements of the CRO and the Directors' Charge shall secure the indemnities in favour of the CRO hereunder. The aggregate amounts of these charges are not changed by this Order.
10. The CRO may resign or may be removed by order of this Court.

11. The appointment of the CRO and the granting of powers and responsibilities to the CRO hereunder will not constitute the sale or disposition of the Business or the sale or disposition of any of the Property and such Business and Property will continue to be the Business and Property of the Petitioners unless and until sold in whole or in part to a purchaser.
12. The CRO shall be subject to the supervisory jurisdiction of the Court.
13. The CRO may apply to this Court from time to time for advice and directions concerning its powers and duties or any other relevant matter.
14. None of the CRO or Tyrone Schneider or any of the employees or consultants of the CRO shall be deemed to be a director of any of the Medican Group.

Late Claim

15. The late claim of Empire Drywall Ltd. is to be filed in these proceedings, notwithstanding that the claim was filed after the Claims Bar Date, as defined in the Claims Procedure Order granted in these proceedings on June 11, 2010.

DIP Credit Facility

16. The Medican Group be and is hereby authorized to extend the DIP credit facility on terms not to exceed: (i) a maturity date of February 28, 2011; and (ii) an extension fee of not greater than 25,000 payable on maturity, and the Medican Group be and is hereby authorized to do such things as are reasonably necessary to give full effect to such amendments.

Miscellaneous

17. 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.

K.M. Horner

Justice of the Court of Queen's Bench of Alberta

ENTERED THIS 2nd DAY OF
DECEMBER, 2010

Clerk of the Court