

COURT FILE NUMBER Q.B. No. 1693 of 2017

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE SASKATOON

APPLICANTS COPPER SANDS LANDS CORP., WILLOW RUSH DEVELOPMENT
CORP., MIDTDAL DEVELOPMENTS & INVESTMENTS CORP.,
PRAIRIE COUNTRY HOMES LTD., JJL DEVELOPMENTS &
INVESTMENTS CORP. and MDI UTILITY CORP.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, c C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
COPPER SANDS LANDS CORP., WILLOW RUSH DEVELOPMENT CORP., MIDTDAL
DEVELOPMENTS & INVESTMENTS CORP., PRAIRIE COUNTRY HOMES LTD., JJL
DEVELOPMENTS & INVESTMENTS CORP. and MDI UTILITY CORP.

SALE APPROVAL AND VESTING ORDER

Before the Honourable Mr. Justice N.G. Gabrielson in Chambers the 20th day of December, 2017.

On the application of Jeffrey M. Lee, Q.C. and Paul Olfert, counsel on behalf of the Applicants, Copper Sands Lands Corp., Willow Rush Development Corp. ("**Willow Rush**"), Midtdal Developments & Investments Corp., Prairie Country Homes Ltd. and JJL Developments & Investments Corp., and upon hearing from Jeffrey M. Lee, Q.C., counsel on behalf of the Applicants, and all other counsel present, and upon reading the Notice of Application dated December 6, 2017, the Affidavit of Jaimey Midtdal sworn on November 9, 2017, Supplementary Affidavit of Jaimey Midtdal sworn on December 6, 2017, Confidential Supplementary Affidavit of Jaimey Midtdal, the Pre-Filing Report of the Monitor dated November 10, 2017, the Pre-Filing Confidential Report of the Monitor dated November 10, 2017, the Affidavit of David Gordon Barber sworn on November 13, 2017, the Affidavit of Gary Cooke sworn on November 14, 2017, and the Affidavit of Tim Kramer sworn on November 14, 2017, proof of compliance with General Application Practice Directive #3, and a proposed draft Order, all filed; and the pleadings and proceedings herein:

The Court orders:

1. Service of the Notice of Application on behalf of the applicants and the materials filed in support thereof (collectively, the "**Application Materials**") shall be and is hereby deemed to be good and valid and, further, shall be and is hereby abridged, such that service of such Application Materials is deemed to be timely and sufficient.

Approval of Sale of Willow Rush Lands

2. The proposed sale (the "**Proposed Sale**") by Willow Rush Development Corp. ("**Willow Rush**") to 102035126 Saskatchewan Ltd. (the "**Purchaser**") of certain lands in the R.M. of Edenwold No. 158 legally described as Surface Parcel #202848880, Blk/Par BB, Plan 102138342 Extension 0) (the "**Willow Rush Lands**") as more particularly described in, and subject to the terms and conditions set forth in, the Offer to Purchase and Agreement of Purchase and Sale of Real Property between Willow Rush and the Purchaser dated November 2, 2017, as amended November 7, 2017, November 17, 2017, November 24, 2017, December 14, 2017, and December 21, 2017 (collectively, the "**Sale Agreement**"), copies of which have been filed as an

Exhibit to the Pre-Filing Confidential Report of the Proposed Monitor dated November 10, 2017 and filed in these proceedings, except the November 17 and 24 amendments which are exhibited to the Supplementary Affidavit of Jaimey Midtdal sworn December 6, 2017, and the December 14 and 21 amendments, which are not yet in evidence), for the purchase price identified in the Sale Agreement (the "**Purchase Price**") is declared to be commercially reasonable and in the best interests of Applicants and their stakeholders and is hereby authorized, approved, ratified and confirmed by this Honourable Court.

3. Willow Rush and Deloitte Restructuring Inc. (the "**Monitor**") are hereby authorized and given directions by this Honourable Court to complete the Proposed Sale in accordance with the Sale Agreement (subject to such amendments as Willow Rush and the Purchaser may agree upon, provided that any such amendments do not materially affect the Sale Agreement and provided that the transaction contemplated in the Sale Agreement shall have closed, with the purchase price paid, on or before Friday, January 12, 2018) and to execute such documents and perform such acts as may reasonably be required in order to close the Proposed Sale in accordance with the Sale Agreement, including any steps necessary or desirable to satisfy and/or comply with any applicable laws, regulations or orders of any courts, tribunals, regulatory bodies or administrative bodies.
4. The Registrar of Titles for the Province of Saskatchewan shall be and is hereby directed to accept an application to cancel the existing title to the Willow Rush Lands, to cancel such existing title, and to issue a new title to the Willow Rush Lands in the name of the Purchaser as owner, free and clear of all encumbrances save and except for the encumbrances set forth in **Schedule A** to this Order ("**Permitted Encumbrances**"), and such title shall issue to, and vest in, the Purchaser free and clear of any and all Encumbrances (as hereinafter defined) except Permitted Encumbrances.

Vesting of Title to the Willow Rush Lands in the Name of the Purchaser

5. Upon the Monitor determining that the Proposed Sale has closed to the satisfaction of the Monitor and on terms substantially as approved by this Honourable Court pursuant to this Order, the Monitor shall file with this Honourable Court a certificate to that effect substantially in the form set out at **Schedule B** hereto (the "**Closing Certificate**"), whereupon the Willows Rush Lands shall vest, without further instrument of transfer or assignment, absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory or otherwise), liens, leases, pledges, encumbrances, taxes and arrears of taxes, licenses, assignments, judgments, title retention agreements, reservations of ownership, demands, legal hypothecs, executions, levies, charges (including any charges pursuant to the Initial Order granted in these proceedings), options or other rights to acquire any interests in any assets, or other financial or monetary claims, whether or not they are liquidated, unliquidated or contingent or they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, or any other rights (whether contractual, statutory, arising by operation of law or created by or pursuant to Orders made in these proceedings), of any persons, corporations, firms or entities of any kind whatsoever, and all contracts to create any of the foregoing (collectively, "**Encumbrances**") and of all rights of others, save and except for the Permitted Encumbrances, and, for greater clarity, this Court orders that all of the Encumbrances and all rights of others affecting or relating to the Willow Rush Lands are hereby expunged and discharged as against the Willow Rush Lands.

Payment of Purchase Price

6. On the Closing Date (as defined in the Sale Agreement), the Purchaser shall pay the Purchase Price to the Monitor (less the amount of any deposit which has previously been paid to the Monitor or to counsel for Willow Rush pursuant to the Sale Agreement). For the purposes of determining the nature and priority of the Encumbrances:

- a) the net proceeds from the sale of the Willow Rush shall stand in the place and stead of the Willow Rush Lands; and
 - b) from and after the delivery of the Closing Certificate, all Encumbrances and all rights of others shall attach to the net proceeds from the sale of the Willow Rush Lands with the same priority as they had with respect to the Willow Rush Lands immediately prior to the sale, as if the Willow Rush Lands had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the Proposed Sale.
7. The Monitor may rely on written notices from Willow Rush and the Purchaser regarding fulfillment or, if applicable, waiver of conditions to closing of the Proposed Sale under the Sale Agreement and shall have no liability with respect to the delivery of the Closing Certificate.
8. Notwithstanding:
- a) the pendency of these proceedings;
 - b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of Willow Rush and any bankruptcy order issued pursuant to such applications;
 - c) any assignment in bankruptcy made in respect of Willow Rush; and
 - d) the provisions of any federal statute, provincial statute or any other law or at equity,

the vesting of the Willow Rush Lands in the Purchaser pursuant to this Order and the obligations of Willow Rush under the Sale Agreement, shall be binding on any trustee in bankruptcy that may be appointed in respect of Willow Rush and shall not be void or voidable by creditors of Willow Rush, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. The Proposed Sale is exempt from any requirement under any applicable federal or provincial law to obtain shareholder approval and is exempt from the application of any bulk sales legislation in any Canadian province or territory.

Sealing Order

10. Counsel to Willow Rush having complied with Practice Directive #3, the Confidential Supplementary Affidavit of Jaimey Midtdal sworn December 6, 2017, the Affidavit of Peter Lawrek sworn December 6, 2017, and the Affidavit of Samantha Lawrek sworn December 6, 2017, all filed in relation to this matter, shall be kept sealed and confidential and shall not form part of the public record, but rather shall be placed, kept separate and apart from all other contents of the Court file, in sealed envelopes each of which shall bear a notice which sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further order of the Court.

General

11. Any interested person (including, without limitation, Willow Rush, the Purchaser and the Monitor) may apply to this Honourable Court for advice or directions in regard to the execution of this Order or any matter arising out of or necessarily incidental to this Order.

12. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist Willow Rush, the Monitor, the Purchaser and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested:
- a) to make such orders and to provide such assistance to Willow Rush, the Monitor (as an officer of this Court) and the Purchaser as may be necessary or desirable to give effect to this Order;
 - b) to grant representative status to the Monitor in any foreign proceeding; and
 - c) to assist Willow Rush, the Monitor, the Purchaser and their respective agents in carrying out the terms of this Order.

ISSUED at Saskatoon, Saskatchewan, this 27th day of December, 2017.

V. GROFF
DEPUTY LOCAL REGISTRAR

(Deputy) Local Registrar

CONTACT INFORMATION AND ADDRESS FOR SERVICE:

Name of the firm: MLT Aikins LLP
Lawyer in charge of file : Jeffrey M. Lee Q.C. / Paul Olfert
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SCHEDULE "A" – PERMITTED ENCUMBRANCES

1. CNV Easement in favour of Enbridge Pipelines Inc., registered June 6 1950 as Interest Register #100929797.
2. CNV Easement in favour of Saskatchewan Power Corporation, registered November 22, 1957 as Interest Register #101172293.
3. CNV Easement in favour of Transgas Limited, registered April 19, 1963 as Interest Register #101235361.
4. CNV Easement in favour of Saskatchewan Power Corporation, registered January 28, 1975 as Interest Register #101209812.
5. CNV Easement in favour of Transgas Limited, registered June 12, 1992 as Interest Register #101172305.
6. CNV Caveat in favour of Emerald Park Golf and Country Club Ltd., registered March 30, 1993 as Interest Register #101235372.
7. CNV Common Law Easement in favour of The Current Dominant Tenement, registered May 30, 1997 as Interest Register #101235394.
8. CNV Common Law Easement in favour of The Current Dominant Tenement, registered January 22, 1999 as Interest Register #101235406.
9. Miscellaneous Interest in favour of the Rural Municipality of Edenwold No. 158, registered December 9, 2011 as Interest Register #117945995.

SCHEDULE "B" – CLOSING CERTIFICATE

TO: 102035126 SASKATCHEWAN LTD. (the "Purchaser"), c/o Pedersen Law Professional Corporation, 200-2161 Scarth Street, Regina SK S4P 2H8, Attention: Yens Pedersen

AND TO: WILLOW RUSH DEVELOPMENT CORP. ("Willow Rush"), c/o: MLT Aikins LLP, 1500 – 410 22nd Street East, Saskatoon SK S7K 5T6, Attention: Jeffrey M. Lee, Q.C. and Paul Olfert

TAKE NOTICE THAT, pursuant to paragraph 5 of the Order of the Honourable Mr. Justice N.G. Gabrielson dated December 20, 2017 (the "Order"), Deloitte Restructuring Inc., the Monitor of Willow Rush appointed pursuant to the Initial Order pronounced in these proceedings under the *Companies' Creditors Arrangement Act* on December 20, 2017 by the Honourable Mr. Justice N.G. Gabrielson, hereby confirms that the sale by Willow Rush to the Purchaser of the Willow Rush Lands as more particularly described in paragraph 2 of the Order has closed to the satisfaction of the Monitor and pursuant to the terms of the Order effective as of the date of filing of this Closing Certificate.

DATED this ___ day of _____, 20__.

DELOITTE RESTRUCTURING INC.
in its capacity as Monitor of
WILLOW RUSH DEVELOPMENT CORP,
and not in its personal capacity

Per: _____