

COURT FILE NUMBER     643 of 2016

COURT                     QUEEN’S BENCH FOR SASKATCHEWAN  
                              IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE        SASKATOON

APPLICANTS             101133330 SASKATCHEWAN LTD. and  
                              101149825 SASKATCHEWAN LTD.

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 101133330 SASKATCHEWAN LTD. and 101149825 SASKATCHEWAN LTD.

**NOTICE OF APPLICATION**  
**(First Extension)**

**NOTICE TO RESPONDENTS: All parties listed on the attached Service List**

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court. To do so, you must be in Court when the application is heard as shown below:

**Where:**            Court of Queen’s Bench for Saskatchewan  
                          Judicial Centre of Melfort  
                          409 Main Street, Melfort SK

**Date:**             June 13, 2016

**Time:**            2:30 pm

Go to the end of this document to see what you can do and when you must do it.

**Remedy claimed or sought:**

1.     The Applicants seek an order pursuant to the *Companies’ Creditors Agreement Act*, R.S.C. 1985 c. C-36, as amended (the “**CCAA**”):

- (a) deeming service of this notice of application and materials in support thereof good, valid, timely and sufficient;
- (b) providing that the Initial Order, the stay of proceedings in favour of the Applicants contained in the Initial Order and the period of time within which the Applicants shall be permitted to file one or more plans of compromise or arrangement with one or more classes of their creditors shall be and are hereby extended to and including 11:59 p.m. (Saskatchewan Time) on Monday, August 31, 2016; and
- (c) granting such other and further relief as the circumstances may require and this Honourable Court deems appropriate.

2. In addition, the Applicants seek an order pursuant to Rule 13-7(2) abridging the time for service of this Notice of Application and all materials filed in support of such application.

**Grounds for making this application:**

3. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Initial Order, Affidavit of John Orr sworn on May 12, 2016, and the Affidavit of John Orr sworn June 6, 2016, respectively.

4. Each of the Applicants is a “Debtor Company” to which the CCAA applies and in respect of which the Initial Order has been granted.

5. The stay of proceedings granted by the Initial Order expires on Sunday, June 19, 2016, at 11:59 p.m. Saskatchewan time.

6. Since the granting of the Initial Order on May 20, 2016, the Applicants have continued to carry on business in the ordinary course, except insofar as affected by the Initial Order, and have been acting and are acting diligently and in good faith in the

conduct of their business and towards the development of a plan of arrangement to restructure their business and financial affairs in a manner designed to achieve the best possible results for the Applicants and their stakeholders.

7. In particular, since the granting of the Initial Order the Applicants have, among other things, conducted the following activities diligently and in good faith, namely:

- (a) fully executed the DIP Lender Documents and have fully drawn down the debtor-in-possession financing loan;
- (b) worked diligently to prevent any material changes to the Applicants' cash flows and other circumstances from occurring;
- (c) worked to reduce expenses in relation to the Orr Centre, controlled by the Applicant 101133330 Saskatchewan Ltd.;
- (d) worked to increase revenues in relation to the Orr Centre;
- (e) taken action to improve the 825 Land, including, among other things, by retaining Stantec Engineering Inc. to facilitate the Concept Plan; and
- (f) determined that it would be prudent to seek out the aid of a professional land developer to act as a consultant in relation to the carrying out of the Concept Plan, and has therefore invited eight pre-eminent local land development companies with the requisite experience and resources to fulfill this role to submit proposals for consideration of the Applicants and the Monitor.

8. An extension of the stay of proceedings to August 31, 2016 is necessary to enable the Applicants to continue their restructuring efforts, including to allow the Monitor and the Applicants to continue communicating and working with the various professional advisors and stakeholders of the Applicants in order to develop and present a plan of

compromise and arrangement.

9. If the requested extension is granted, the Applicants will be able to continue to operate and to formulate a plan of arrangement whereby their creditors and other stakeholders will derive greater benefit than they would through the liquidation of the assets of the Applicants.

**Material or evidence to be relied on:**

- (a) this Notice of Application;
- (b) the Affidavit of John Orr sworn June 6, 2016;
- (c) the First Report of the Monitor;
- (d) a draft Order; and
- (e) such further and other material as counsel may advise and this Honourable Court may permit.

**Applicable rules:**

10. The Applicants rely on Rule 13-7(2).

**Applicable Acts and Regulations:**

11. The Applicants rely on the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and, in particular, sections 11 and 11.02(2) and (3).

**NOTICE**

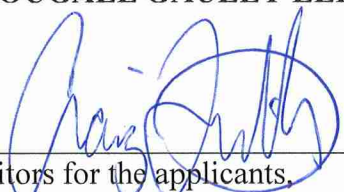
If you wish to oppose the application, you or your lawyer must prepare an affidavit in response, serve a copy at the address for service given at the end of this document, and file it in the court office, with proof of service, at least 7 days before the date set for hearing the application. You or your lawyer must also come to court for the hearing of the application on the date set.

AND FURTHER TAKE NOTICE that if you do not appear at the hearing an order may be made in your absence and enforced against you. YOU WILL NOT RECEIVE FURTHER NOTICE OF THIS APPLICATION.

Dated at the City of Saskatoon, in the Province of Saskatchewan this 6<sup>th</sup> day of June, 2016.

**McDOUGALL GAULEY LLP**

Per:

  
Solicitors for the applicants.  
101133330 Saskatchewan Ltd., and  
101149825 Saskatchewan Ltd.

**CONTACT INFORMATION AND ADDRESS FOR SERVICE**

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