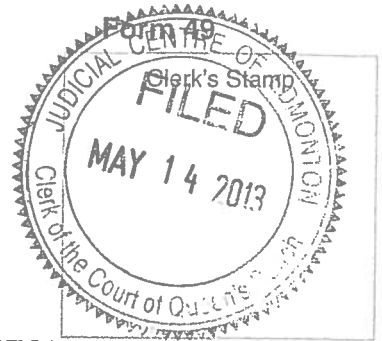


COURT FILE NUMBER 1103 18646  
COURT QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON



IN THE MATTER OF THE **COMPANIES'**  
**CREDITORS ARRANGEMENT ACT**,  
R.S.C. 1985, Chapter C-36, AS  
AMENDED

AND IN THE MATTER OF A PLAN OF  
COMPROMISE OR ARRANGEMENT OF  
ARMAC INVESTMENTS LTD. (AB),  
LAKE EDEN PROJECTS INC. (AB),  
1204583 ALBERTA INC. (AB), 1317517  
ALBERTA INC. (AB), WESTRIDGE PARK  
LODGE DEVELOPMENT CORP (AB),  
and WESTRIDGE PARK LODGE AND  
GOLF RESORT LTD. (AB), HALF MOON  
LAKE RESORT LTD. (AB), NO. 50  
CORPORATE VENTURES LTD. (BC),  
FISHPATH RESORTS CORPORATION  
(BC), ARMAC INVESTMENT LTD. (BC),  
OSTROM ESTATES LTD. (BC),  
HAWKEYE MARINE GROUP LTD. (BC),  
JUBILEE MOUNTAIN HOLDINGS LTD.  
(BC), GIANT MOUNTAIN PROPERTIES  
LTD. (BC), and CHERRY BLOSSOM  
PARK DEVELOPMENT CORP (BC)

DOCUMENT **AFFIDAVIT OF JOHN KENNETH PURDY**  
sworn on May 14, 2013

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT Taylor Law Office  
Suite 401, 10722 – 103 Avenue  
Edmonton, Alberta  
T5J 5G7  
Attention: Conan J. Taylor  
Phone: (780) 428-7770  
Fax: (780) 428-7775

I, JOHN KENNETH PURDY (also known as "Jack Purdy"), businessman, of the County  
of Strathcona, in the Province of Alberta, MAKE OATH AND SAY THAT:

A handwritten signature in the bottom right corner of the page.

1. Since the last stay application on February 19<sup>th</sup>, 2013, the Applicants have continued diligently with their restructuring efforts, as set out and described in detail in the Eleventh Report of the Monitor, filed.
2. I confirm that all statements and reporting I have made to the Monitor and upon which the Monitor has based its conclusions and recommendations as set out in the Eleventh Report have been made by me in good faith and are true.
3. All statements made in the Eleventh Report regarding the Applicants are true, and are put forward, confirmed, and attested to by me as if set out and expressly stated in this my Affidavit.
4. I continue to believe that if the Applicants are provided the requested additional time as recommended by the Monitor to achieve the restructuring efforts as set out in the Eleventh Report, the results will be to the best benefit of creditors and other stakeholders.
5. I believe that substantial progress continues to have been made over the timeframe of the past extension towards building the necessary foundation for a proposal to Creditors. However, as set out in the Eleventh Report, continuing time is still required to allow the Applicants, with the assistance of the Monitor, to complete their restructuring efforts and to put forward a meaningful compromise or Plan of Arrangement.
6. I agree with the Monitors recommendations as set out at paragraph 33 of the Eleventh Report, requiring the Applicants to prepare and submit to the Monitor a draft Plan acceptable to the Monitor by June 7, 2013, and I believe that the Applicants will be able to meet this time line: if not, I agree with the Monitor's further recommendation that it be authorized by the Court to take such steps as are necessary to obtain appraisals to confirm the value of the properties and proposals for the orderly disposition of the properties and report to the Court its recommendations by the expiry of any further stay period granted in the within extension application.
7. I believe that the Stay Extension is necessary for the Applicants in furtherance of their restructuring initiatives generally, and specifically to allow the Applicants additional time to complete their investigation aimed at securing refinancing monies, which will be required by the Applicants in their preparation of a compromise or Plan of Arrangement for presentation to their creditors.
8. I continue strongly to believe that any immediate forced sale strategies would not be advantageous to creditors at this time, and would negatively impact the nature of any potential compromise or Plan of Arrangement presently being undertaken by the Applicants.





**Purdy Group of Companies**  
**Actual to Forecast Results**  
For the period of February 9, 2013 to May 3, 2013 (the "Forecast Period")  
(in CDN dollars)

	Forecast	Actual	Variance
	Week 65 to Week 76	Week 65 to Week 76	Week 65 to Week 76
	February 9 to May 23, 2013		
<b><u>Operating receipts</u></b>			
Hawkeye Group Properties sales and rental receipts	-	1,790	1,790
Half Moon Lake Resort receipts	28,000	60,030	32,030
Other receipts	-	1,000	1,000
<i>Total operating receipts</i>	28,000	62,820	34,820
<b><u>Funds from Monitor's Trust Account</u></b>	1,125,000	469,179	(655,821)
<b>Total receipts</b>	<b>1,153,000</b>	<b>531,998</b>	<b>(621,002)</b>
<b><u>Operating Disbursements</u></b>			
Hawkeye Group Properties expenses	30,000	18,392	11,608
Half Moon Lake expenses	68,000	42,317	25,683
Management fees, wages and salaries	13,500	7,200	6,300
Half Moon Lake Capital Costs	-	-	-
Contingency - Non Bamfield	1,500	-	1,500
LBVR Management agreement set aside funds	170,000	220,000	(50,000)
<i>Total operating disbursements</i>	283,000	287,909	(4,909)
<b><u>Restructuring professional fees</u></b>			
- Monitor	525,000	150,000	375,000
- Company Counsel	190,000	40,000	150,000
- Monitor Counsel	165,000	40,000	125,000
<i>Total restructuring professional fees</i>	880,000	230,000	650,000
<b>Total disbursements</b>	<b>1,163,000</b>	<b>517,909</b>	<b>645,091</b>
<b>Net change in Applicant cash</b>	<b>(10,000)</b>	<b>14,089</b>	<b>24,089</b>
<b>APPLICANT CASH BALANCE</b>			
Opening cash	14,855	14,855	-
Net change in operating cash	(10,000)	14,089	24,089
Ending Cash	4,855	28,944	24,089

This is Exhibit "A" referred to in the  
Affidavit of

John Kenneth Purdy

(continued...)

Sworn before me this 14 day  
of May, A.D., 2013

Valerie Foster  
A Commissioner for Oaths  
in and for the Province of Alberta

Valerie Foster  
May 13 2013

FUNDS HELD BY MONITOR			
Opening Cash	344,051	344,051	-
Collection of funds - other	260,000	225,803	(34,197)
Non Core Property Sale Receipts	1,320,000	-	
Half Moon Lake Lot Sale Receipts	350,000	-	
Release of funds to LBVR	(170,000)	(220,000)	(50,000)
Release of funds to Applicants	(955,000)	(249,179)	705,821
	805,000	(243,376)	621,624
Ending cash	1,149,051	100,675	621,624

TOTAL AVAILABLE CASH FOR GENERAL RESTRUCTURING			
Applicant ending cash balance	4,855	28,944	24,089
Total Funds held by Monitor	1,149,051	100,675	(1,048,376)
Less: Funds held for LBVR Agreement	(50,000)	-	50,000
Cash held in trust per Court Order	(100,000)	(100,000)	-
	999,051	675	(998,376)
Cash available for general restructuring	1,003,906	29,619	(974,287)

  
 Jack Purdy, President  
 Purdy Group

Date May 7/2013



**"Curdy Group of Companies"**  
**Updated Forecast Cash Flow**  
**for the period of May 4 to July 26, 2013 (the "Forecast Period")**  
**in CDN dollars)**

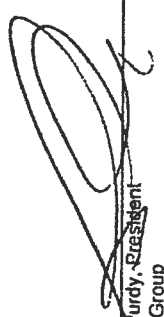
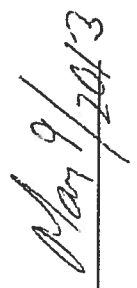
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	TOTAL Forecast Week 77 to Week 88
	Week 77 10-May-13	Week 78 17-May-13	Week 79 24-May-13	Week 80 31-May-13	Week 81 7-Jun-13	Week 82 14-Jun-13	Week 83 21-Jun-13	Week 84 28-Jun-13	Week 85 5-Jul-13	Week 86 12-Jul-13	Week 87 19-Jul-13	Week 88 26-Jul-13							
<b>Operating receipts</b>																			
lawkeye Group Properties trade sales and initial receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
half Moon Lake Resort receipts	7,000	20,000	10,000	10,000	7,500	7,500	7,500	7,500	10,000	10,000	10,000	10,000	-	-	-	-	-	-	117,000
other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>total operating receipts</b>	7,000	20,000	10,000	10,000	7,500	7,500	7,500	7,500	10,000	10,000	10,000	10,000	-	-	-	-	-	-	117,000
<b>funds from Monitor's Trust Account</b>	14,500	-	-	-	260,000	-	-	100,000	-	-	-	-	-	-	-	-	-	-	374,500
<b>total receipts</b>	21,500	20,000	10,000	10,000	267,500	7,500	7,500	107,500	10,000	10,000	10,000	10,000	-	-	-	-	-	-	491,500
<b>Operating Disbursements</b>																			
lawkeye Group Properties expenses	7,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,000
half Moon Lake expenses	10,000	12,000	6,000	6,000	3,000	5,000	5,000	5,000	6,000	6,000	6,000	6,000	-	-	-	-	-	-	76,000
management fees, wages and consultants	7,500	-	-	-	15,000	-	4,500	-	-	-	4,500	-	-	-	-	-	-	-	36,000
half Moon Lake Capital Costs	-	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000
contingency	-	4,000	-	-	4,000	-	-	-	-	-	-	-	-	-	-	-	-	-	12,000
<b>total operating disbursements</b>	24,500	41,000	6,000	10,500	22,000	5,000	9,500	5,000	6,000	10,000	10,500	6,000	-	-	-	-	-	-	156,000
<b>BVR management agreement disbursements</b>																			
release of funds to LBVR	-	-	-	-	100,000	-	-	100,000	-	-	-	-	-	-	-	-	-	-	200,000
<b>total operating &amp; LBVR disbursements</b>	24,500	41,000	6,000	10,500	122,000	5,000	9,500	105,000	6,000	10,000	10,500	6,000	-	-	-	-	-	-	356,000
<b>Restructuring professional fees</b>																			
Monitor	-	-	-	-	70,000	-	-	-	-	-	-	-	-	-	-	-	-	-	70,000
Company Counsel	-	-	-	-	40,000	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000
Monitor Counsel	-	-	-	-	40,000	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000
<b>total restructuring professional fees</b>	-	-	-	-	150,000	-	-	-	-	-	-	-	-	-	-	-	-	-	150,000
<b>total disbursements</b>	24,500	41,000	6,000	10,500	272,000	5,000	9,500	105,000	6,000	10,000	10,500	6,000	-	-	-	-	-	-	506,000
<b>at change in Applicant cash</b>	(3,000)	(21,000)	4,000	(500)	(4,500)	2,500	(2,000)	2,500	4,000	-	(500)	4,000	-	-	-	-	-	-	(14,500)

<b>APPLICANT CASH BALANCE</b>																			
opening cash	28,944	25,944	4,944	8,944	8,444	3,944	6,444	4,444	6,944	10,944	10,944	10,444	10,444	10,444	10,444	10,444	10,444	10,444	28,944
at change in operating cash	(3,000)	(21,000)	4,000	(500)	(4,500)	2,500	(2,000)	2,500	4,000	-	(500)	4,000	-	-	-	-	-	-	(14,500)
<b>ending Cash</b>	25,944	4,944	8,944	8,444	3,944	6,444	4,444	6,944	10,944	10,944	10,444	10,444	10,444	10,444	10,444	10,444	10,444	10,444	14,444

ENDIX D

FUNDS HELD BY MONITOR												
Opening Cash	100,675	136,175	136,175	136,175	136,175	136,175	211,175	211,175	211,175	211,175	111,175	111,175
Collection of funds - other	50,000	-	-	-	-	-	-	-	-	-	-	-
Jon Core Property Sale Receipts	-	-	-	-	335,000	-	-	-	-	-	-	-
Half Moon Lake Lot Sale Receipts	-	-	-	-	-	-	-	-	-	-	-	-
Release of funds to Applicants (for LBVR)	-	-	-	-	-	(100,000)	-	-	(100,000)	-	-	-
Release of funds to Applicants (for operations)	(14,500)	-	-	-	(160,000)	-	-	-	-	-	-	-
	35,500	-	-	-	75,000	-	-	-	(100,000)	-	-	-
Ending cash	136,175	136,175	136,175	136,175	136,175	211,175	211,175	211,175	111,175	111,175	111,175	111,175
												100,675
												50,000
												335,000
												(200,000)
												(174,500)
												10,500
												111,175

TOTAL AVAILABLE CASH FOR GENERAL RESTRUCTURING												
Applicant ending cash balance	25,944	4,944	8,944	8,444	3,944	6,444	4,444	4,444	6,944	10,944	10,444	14,444
Total Funds held by Monitor	136,175	136,175	136,175	136,175	211,175	211,175	211,175	211,175	111,175	111,175	111,175	111,175
Less: Funds held for LBVR Agreement	-	-	-	-	(100,000)	(100,000)	(100,000)	(100,000)	-	-	-	-
Cash held in trust per Court Order	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
	36,175	36,175	36,175	36,175	11,175	11,175	11,175	11,175	11,175	11,175	11,175	11,175
Cash available for general restructuring	62,119	41,119	45,119	44,619	15,119	17,619	15,619	22,119	18,119	22,119	21,619	25,619

Date

Jack Purdy, President  
 Purdy Group