

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 September 17<sup>th</sup>, 2014

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:

1. The Second Amended and Restated Plan of Compromise and Arrangement of the Applicants (the "Second Amended Plan") was sanctioned by Sanction Order of the Honourable Madam Justice J. Topolniski dated July 18<sup>th</sup>, 2014 (the "Sanction Order").
2. The Second Amended Plan, attached to the Sanction Order as Schedule "A", at Articles 5 and 6 respectively, require certain corporate restructuring transactions to be undertaken, and certain Condition Precedents to be met, in order to achieved Plan Implementation and conclusion of the within CCAA proceeding (the "Plan Implementation Conditions").
3. Since the granting of the Sanction Order on July 18<sup>th</sup>, 2014, the Applicants have been working diligently towards completion of the Plan Implementation Conditions. This has required the significant coordination of parties, including Creditors and Lenders and their counsel, the Applicants' corporate counsel in British Columbia, the Monitor and its counsel, and tax and accounting restructuring advisors, a task made more challenging over the course of the past Stay Extension period ending September 22<sup>nd</sup>, 2014, given Summer Holiday scheduling.
4. The Applicants require a further extension of the Stay Period in order to continue working toward satisfying the Plan Implementation Conditions. It is likely that an additional extension of the Stay Period will yet be required following the within requested stay extension, as may be required for the expiry of appeal periods, etc.; however, it is anticipated that the majority of the necessary corporate reorganization steps, completion and execution of financing documentation, and vesting and other required orders under the Plan should be completed by on or before the within requested Stay Extension through to and including October 22<sup>nd</sup>, 2014.
5. I believe that the Applicants have or will have sufficient available cash to meet their current obligations through the requested Stay Extension period, or be able to make arrangements satisfactory to any arising post-stay creditors.
6. The Applicants are acting in good faith and with due diligence, and in the best interests of their creditors.

7. I believe that no creditor will be materially prejudiced if the Stay Extension applied for is granted.
8. I am advised and believe it to be true that the Monitor supports and recommends the Stay Extension being sought by the Applicant Companies.
9. Both CRA and Axxess Capital, the Applicants' major creditors by both number and value, and in all voting classes, support the Stay Extension being sought by the Applicants, as set out and confirmed in email correspondence dated September 16<sup>th</sup>, 2014, attached hereto as Exhibit "A".
10. I make this Affidavit in support of a Stay Extension in the CCAA Proceeding from September 22<sup>nd</sup>, 2014, through and to include October 22<sup>nd</sup>, 2014, and other relief sought.

Commission of Oaths in and for the  
Province of Alberta

**CONAN J. TAYLOR**  
Barrister and Solicitor

## Conan Taylor

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**From:** Body, George  
**Sent:** 16 September 2014 10:37  
**To:** 'Maciag, Andrew K.'; Conan Taylor (ctaylor@taylorlawservices.com); Rutman, Ray  
**Cc:** Milani, Kathy L.  
**Subject:** RE: Purdy CCAA

Conan;

I assume that you tried to reach me yesterday, too, concerning the proposed adjournment.

I spoke with my client this morning. If you require a further extension to October 22, CRA can support that extension application.

George

George F. Bódy  
Counsel | Prairie Region | Justice Canada  
tel: 780-495-7595  
fax: 780-495-3319

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**From:** Maciag, Andrew K. [mailto:AMaciag@blg.com]  
**Sent:** September-16-14 8:40 AM  
**To:** Conan Taylor (ctaylor@taylorlawservices.com); Rutman, Ray; Body, George  
**Cc:** Milani, Kathy L.  
**Subject:** Purdy CCAA

Conan:

With reference to our telephone conversations of September 15, 2014, this will confirm that Axcoss supports the upcoming Court application for a further extension of the CCAA stay of proceedings, to October 22, 2014. The additional time is necessary so as to complete various steps which are required in order to implement the Court approved Plan of Arrangement.

Please advise the Court of the position of Axcoss.

Thank you,

**Andrew K. Maciag, Q.C.** | Partner  
**Borden Ladner Gervais LLP.**  
T: (403) 232-9608 F: (403) 266-1395  
E-mail [amaciag@blg.com](mailto:amaciag@blg.com)  
1900 Centennial Place, East Tower  
520 - 3rd Avenue S.W. Calgary, Alberta, Canada T2P 0R3

This is Exhibit "A" referred to in the  
Affidavit of  
John Kenneth Rudy  
Sworn before me this 17<sup>th</sup> day  
of September A.D., 2014  
[Signature]  
A Commissioner for Oaths  
in and for the Province of Alberta

**CONAN J. TAYLOR**

**Barister and Solicitor**

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