

COURT FILE NUMBER

1103 18646

COURT OF QUEEN'S BENCH OF ALBERTA

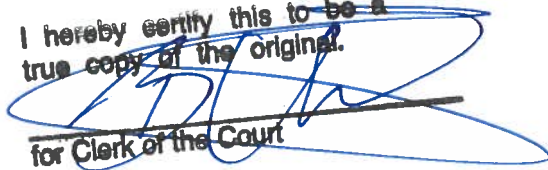
JUDICIAL CENTRE

EDMONTON

APPLICANTS

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c.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 INVESTMENTS 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)
(collectively, the "Purdy Group" or the "Applicants")

I hereby certify this to be a
true copy of the original.

for Clerk of the Court

DOCUMENT

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

ORDER

Taylor Law Office
10722 - 103 Avenue
Edmonton, AB T5J 5G7
Attention : Conan Taylor
Ph. (780) 428-7770 Fx. (780) 428-7775

DATE ON WHICH ORDER WAS PRONOUNCED:

 July 4, 2013

LOCATION WHERE ORDER WAS PRONOUNCED:

Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER:

The Honourable Mr. Justice D.R.G.
Thomas

UPON the application of the Purdy Group; AND UPON READING the Initial Order
granted in the within Action on December 1, 2011 (the "Initial Order"), the Eleventh Report of
Alvarez & Marsal Canada Inc. (the "Monitor") in its capacity as Court appointed monitor of the

Clerk's Seal:



Purdy Group and filed May 10, 2013 (the "Monitor's Eleventh Report"), the Application filed herein and proof of service thereof and the pleadings and proceedings had and taken herein; AND UPON NOTING that by the Initial Order the Purdy Group was authorized to dispose of redundant or non-material assets not exceeding \$350,000.00 in any one transaction or \$1,500,000.00 in the aggregate; AND UPON NOTING that certain properties owned by members of the Purdy Group and deemed to be non-essential to the restructuring efforts of the Purdy Group (the "Non-Core For Sale Properties") have been listed with Colliers MacAulay Nicolls Inc. ("Colliers") since June 22, 2012; AND UPON NOTING that the Purdy Group, with the concurrence and assistance of the Monitor and Colliers, initiated a process to sell the Non-Core For Sale Properties, which process included a strict-bid deadline of 3:00 p.m. (MST), April 25, 2013 (the "Sales Process"); AND UPON NOTING that, in accordance with the Sales Process, an offer (the "Offer") has been presented by Daniel Bergeron (the "Purchaser") to purchase some of the Non-Core Fore Sale Properties inclusive of payment of a deposit of \$5,500.00 (the "Deposit") to his realtor, Coast Realty Group; AND UPON NOTING that the Offer has been accepted by Armac Investments Ltd., Inc. No. 40671 ("Armac BC"), being a member of the Purdy Group identified in the style of cause to this action as "Armac Investments Ltd. (BC)" and the owner of the properties which the Purchaser has offered to purchase, subject to the Court granting an Order authorizing the sale and vesting title in the Purchaser; AND UPON hearing the submissions of Counsel for the Purdy Group and Counsel for the Monitor; AND UPON NOTING the consent of counsel for the Monitor, counsel for the Crown in Right of Canada, counsel for Kim Galavan and counsel for Byron Loewen; IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of the notice of application for this Order is hereby abridged and service thereof is deemed good and sufficient and all further service is dispensed with.
2. The sale transaction (the "Transaction") contemplated by the agreement of purchase and sale (the "Sale Agreement") between Armac BC and the Purchaser dated April 22, 2013, and attached as Appendix "F" to the Monitor's Eleventh Report, is hereby approved.
3. The execution, delivery and performance of the Sale Agreement by Armac BC are hereby authorized and approved (with such alternations and amendments as the parties thereto may agree, subject to obtaining the written consent of the Monitor prior to making any alterations or amendments to the Sale Agreement), and Armac BC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the transactions contemplated by the Sale Agreement, including without limitation, the Transaction and the conveyance of Armac BC's right, title and interest in and to the land and assets described in the Sale Agreement (collectively, the "Acquired Assets") to the Purchaser.
4. Upon the delivery of a filed Monitor's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Monitor's Certificate"), all of Armac BC's right, title and interest in and to the Acquired Assets shall vest 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, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Orders made in these proceedings, including, but not limited to, the Initial Order; and
- (b) liens, including without limitation mechanics' liens, repairers liens, builders' liens and statutory liens

but specifically excluding the permitted encumbrances listed in Schedule "B" hereto (the "Permitted Encumbrances"). For greater certainty, this Court orders that all of the Claims affecting or relating to the Acquired Assets are hereby expunged, discharged, released and deleted as against the Acquired Assets, save and except for the Permitted Encumbrances.

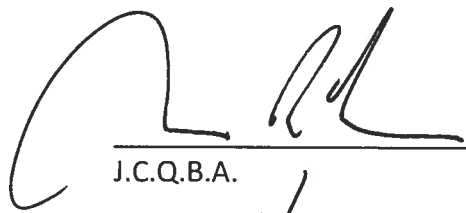
5. Nothing in this Order exempts or relieves Armac BC or the Purchaser from obtaining any consents or approvals or giving any notices required under any enactment of the Province of British Columbia or any agreement, licence, permit, approval, certificate or other instrument issued under the authority of an enactment of the Province of British Columbia in connection with any transfer or assignment of any of the Acquired Assets as contemplated in the Sale Agreement or this Order or makes an Acquired Asset transferable or assignable if such acquired Asset is not, by virtue of an enactment of the Province of British Columbia, transferable or assignable. Notwithstanding any other provision of this Order the vesting in the Purchaser of Armac BC's right, title and interest in and to any of the Acquired Assets that requires any such consent or approval is not effective unless and until such consent or approval is obtained.
6. The Purchaser shall self assess and remit directly to the Receiver General of Canada the GST payable pursuant to subsection 228(4) of the *Excise Tax Act (Canada)*, in connection with the purchase of the Acquired Assets, if any.
7. The Purchaser shall indemnify and save harmless Armac BC, its officers, directors, successors and assigns, from any GST, penalty, interest or other amounts which may be payable by or assessed against Armac BC under the *Excise Tax Act (Canada)* as a result of or in connection with its failure to collect and remit any GST applicable on the sale and conveyance of the lands to the Purchaser by the plaintiff.
8. The Registrar of Victoria Land Title Office is hereby directed to discharge, release, delete and expunge from title the registrations on the lands which are registered in the Victoria Land Title Office, as set out in Schedule "C" to this Order and any registrations on the lands subsequent to those set out in Schedule "C", forthwith upon receipt by such person of:

- (a) a letter from Taylor Law Office to such registry authorizing the registration and/or filing of this Order;
 - (b) a certified copy of this Order; and
 - (c) a copy of a Monitor's Certificate filed with this Honourable Court.
9. The Monitor is hereby authorized and directed to take such actions as it deems necessary or appropriate in the circumstances to assist Armac BC to conclude the Transaction.
10. Upon completion of the Transaction:
- (a) Armac BC is hereby ordered and directed to forthwith deposit the proceeds of the sale arising from or related to the Transaction and the Acquired Assets that Armac BC receives pursuant to the Transaction (the "Proceeds"), as and when received, into one or more deposit accounts or securities accounts established by and under the sole dominion and control of the Monitor for immediate release to the Monitor for general use in these proceedings; and
 - (b) no Claims shall attach to the Proceeds. *to be applied to the outstanding liability of the Applicants to the Monitor, the Monitor's Counsel, and the Applicant's Counsel*
11. 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 any one or more of the Purdy Group and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of any one or more of the Purdy Group;
 - (d) any applications for an order now or hereafter issued pursuant to the *Winding Up and Restructuring Act (Canada)* in respect of any one or more of the Purdy Group and any winding up order issued pursuant to any such application; and
 - (e) any transfer at undervalue or alleged by any person to be at undervalue by any one or more of the Purdy Group,


the vesting of the Acquired Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Armac BC and shall not be void or voidable by creditors of Armac BC, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance 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.

12. This Order shall have full force and effect in all provinces and territories in Canada against all persons, firms, corporations, governmental, municipal and regulatory authorities against whom it may otherwise be enforceable.
13. Armac BC and the Purchaser are granted liberty to apply for further directions and relief as may be necessary to carry out this Order.
14. This Court requests the aid of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any Federal or State Court or administrative body in the United States of America, (including, without limitation, the United States Bankruptcy Court), to act in aid of this Court in approving the terms of the Transaction as set forth in the Sale Agreement where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to (i) make such orders and to provide such assistance to the Purdy Group and to the Monitor, as an officer of this Court, as may be necessary or desirable to approve the Transaction, (ii) grant representative status to the Purdy Group in any foreign proceeding, and (iii) assist the Purdy Group, the Monitor and the respective agents of each of the foregoing in carrying out the Transaction as set forth in the Sale Agreement.
15. All evidence, reports and briefs filed in these proceedings shall be treated as evidence, reports and briefs in the Proposal Proceedings of John (Jack) Kenneth Purdy in court action no. BE03-568045.



J.C.Q.B.A.



Schedule "A"

Clerk's Stamp:

COURT FILE NUMBER 1103 18646

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

APPLICANTS IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c.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
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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)
(collectively, the "Purdy Group")

DOCUMENT

MONITOR'S CERTIFICATE

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

MONITOR
ALVAREZ & MARSAL CANADA INC.
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Edmonton Alberta T5J 3V5
Ph. (780) 423-7276 Fx. (780) 423-7276
Email: ray.rutman@dentons.com
File: 529227.7/RCR

Pursuant to an Order of the Honourable Justice _____ of the Alberta Court of Queen's Bench (the "Court") dated December 2, 2013, Alvarez and Marsal Canada Inc. was appointed the monitor (the "Monitor") of the Purdy Group. Pursuant to an order of the Court dated _____, 2013, the Court approved the agreement for sale of certain lands and assets (the "Acquired Assets") in British Columbia, Canada, dated April 22, 2013, as may be amended from time to time (the "Sale Agreement"), between Armac Investments Ltd., Inc. No. 40671 ("Armac BC"), being a member of the Purdy Group, and Daniel Bergeron (the "Purchaser") for Armac BC's right, title and interest in and to the Acquired Assets and ordered that all of Armac BC's right, title and interest in and to the Acquired Assets, as described and defined in the Sale Agreement, shall vest in the Purchaser effective upon the delivery by counsel for the Purdy Group to the Purchaser of this Certificate.

THE MONITOR HEREBY CERTIFIES as follows:

1. The Monitor has received the Proceeds from the Sale Agreement in full.

Dated at the _____ of _____, in the Province of Alberta, this ____ day of _____, 2013.

ALVAREZ & MARSAL INC.

in its capacity as court-appointed
Monitor of the Purdy Group
and not in its personal capacity

Per: _____
Name: _____
Title: _____

Schedule "B"

Permitted Encumbrances

Lot, 13, Block 74, District Lot 1, Alberni District, Plan 197

Nature: Undersurface rights
Registration Number: 393172G
Registered Owner: Alberni Land Company Limited, and
Esquimalt and Nanaimo Railway Company
Remarks: AFB 36.381.19590F
DD 18683 DD 12230F
DD 11395I

Nature: Restrictive Covenant
Registration Number: EK64439
Registration Date and Time: 1996-06-13 09:37
Registered Owner: City of Port Alberni
Remarks: Inter Alia
Pursuant to Section 215 Land Title Office

Lot 14, Block 74, District Lot 1, Alberni District, Plan 197

Nature: Undersurface rights
Registration Number: 393172G
Registered Owner: Alberni Land Company Limited, and
Esquimalt and Nanaimo Railway Company
Remarks: AFB 36.381.19590F
DD 18683 DD 12230F
DD 11395I

Nature: Restrictive Covenant
Registration Number: EK64439
Registration Date and Time: 1996-06-13 09:37
Registered Owner: City of Port Alberni
Remarks: Inter Alia
Pursuant to Section 215 Land Title Office

Lot 15, Block 74, District Lot 1, Alberni District, Plan 197

Nature: Undersurface rights
Registration Number: 393172G
Registered Owner: Alberni Land Company Limited, and
Esquimalt and Nanaimo Railway Company
Remarks: AFB 36.391.19590F
DD 18683 DD 12230F
DD 11395I

Nature: Restrictive Covenant
Registration Number: EK64439
Registration Date and Time: 1996-06-13 09:37
Registered Owner: City of Port Alberni
Remarks: Inter Alia
Pursuant to Section 215 Land Title Office.

Schedule "C"

Description of Charges to be Removed

Lot, 13, Block 74, District Lot 1, Alberni District, Plan 197

Nature: Judgment
Registration Number: EV94884
Registration Date and Time: 2003-08-20 11:47
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewed by EX99057

Nature: Judgment
Registration Number: EX99057
Registration Date and Time: 2005-08-09 12:23
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewal of EV94884
Renewed by FB74761

Nature: Certificate of Pending Litigation
Registration Number: FA113294
Registration Date and Time: 2006-09-19 09:57
Registered Owner: Kim Galavan
Remarks: Inter Alia
Re-instated Pursuant to Section 40(3), Taxation
(Rural Area) Act

Nature: Judgment
Registration Number: FB74761
Registration Date and Time: 2007-07-19 11:47
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewal of EX99057
Renewed by FB281646

Nature: Judgment
Registration Number: FB281646
Registration Date and Time: 2009-07-10 10:35
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewal of FB74761
Renewed by FB386647

Renewed by FB421840

Nature: Judgment
Registration Number: FB314787
Registration Date and Time: 2009-11-24 10:04
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewed by FB440888

Nature: Property Transfer Tax Act Charge
Registration Number: FB334737
Registration Date and Time: 2010-03-09 10:05
Registered Owner: The Crown in Right of British Columbia
Remarks: Inter Alia
Section 28

Nature: Judgment
Registration Number: LB381165
Registration Date and Time: 2010-04-23 11:27
Registered Owner: Byron Loewen
Remarks: Inter Alia

Nature: Judgment
Registration Number: FB421840
Registration Date and Time: 2011-07-06 09:58
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewal of FB281646
(FB74761, EX99057 and EV94884)

Nature: Judgment
Registration Number: FB440888
Registration Date and Time: 2011-10-28 11:29
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewal of FB314787

Lot 14, Block 74, District Lot 1, Alberni District, Plan 197

Nature: Judgment
Registration Number: FB314787
Registration Date and Time: 2009-11-24 10:04
Registered Owner: The Crown in Right of Canada

Remarks:	Inter Alia Renewed by FB440888
Nature:	Property Transfer Tax Act Charge
Registration Number:	FB334737
Registration Date and Time:	2010-03-09 10:05
Registered Owner:	The Crown in Right of British Columbia
Remarks:	Inter Alia Section 28
Nature:	Judgment
Registration Number:	LB381165
Registration Date and Time:	2010-04-23 11:27
Registered Owner:	Byron Loewen
Remarks:	Inter Alia
Nature:	Judgment
Registration Number:	FB421840
Registration Date and Time:	2011-07-06 09:58
Registered Owner:	The Crown in Right of Canada
Remarks:	Inter Alia Renewal of FB281646 (FB74761, EX99057 and EV94884)
Nature:	Judgment
Registration Number:	FB440888
Registration Date and Time:	2011-10-28 11:29
Registered Owner:	The Crown in Right of Canada
Remarks:	Inter Alia Renewal of FB314787

Lot 15, Block 74, District Lot 1, Alberni District, Plan 197

Nature:	Mortgage
Registration Number:	ET96391
Registration Date and Time:	2002-08-22 09:26
Registered Owner:	The Crown in Right of Canada
Remarks:	Inter Alia
Nature:	Judgment
Registration Number:	EV94884
Registration Date and Time:	2003-08-20 11:47

Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewed by EX99057

Nature: Judgment
Registration Number: EX99057
Registration Date and Time: 2005-08-09 12:23
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewal of EV94884
Renewed by FB74761

Nature: Certificate of Pending Litigation
Registration Number: FA113294
Registration Date and Time: 2006-09-19 09:57
Registered Owner: Kim Galavan
Remarks: Inter Alia
Re-Instated pursuant to section 40(3), Taxation
(Rural Area) Act

Nature: Judgment
Registration Number: FB74761
Registration Date and Time: 2007-07-19 11:47
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewal of EX99057
Renewed by FB281646

Nature: Judgment
Registration Number: FB281646
Registration Date and Time: 2009-07-10 10:35
Registered Owner: The Crown in Right of Canada
Remarks: Inter Alia
Renewal of FB74761
Renewed by FB386647
Renewed by FB421840