



COURT FILE NUMBER: 25-094321

COURT COURT OF QUEEN'S BENCH OF ALBERTA IN
BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF IMPACT 2000 INC.

APPLICANT: IMPACT 2000 INC.

DOCUMENT: **APPLICATION BY IMPACT 2000 INC.**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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File Number: 1139886

NOTICE TO RESPONDENT(S)

You have the right to state your side of this matter before the judge.

To do so, you must be in court when the application is heard as shown below:

Date: April 18, 2013

Time: 10:30 a.m. or so soon thereafter as counsel may be heard.

Where: Calgary Courts Centre, 601-5 Street SW, Calgary, AB T2P 5P7

Before Whom: The Honourable Mr. Justice G.C. Hawco

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

Remedy Claimed or Sought:

1. An Order:
 - (a) declaring that the time for service of this application is abridged, that this application is properly returnable on April 18, 2013, that service of this application is sufficient, and that service on any other persons of notice of this application is dispensed with;
 - (b) approving the extension, pursuant to s. 50.4(9) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), of the time for Impact 2000 Inc. (“**Impact**”) to file a proposal to on or before May 2, 2013 (the “**Stay Extension**”); and
 - (c) such further and other relief as this Honourable Court considers to be just and appropriate in the circumstances.

Grounds for Making this Application:

2. On April 9, 2013, this Honourable Court granted an Order extending to April 18, 2013 the time for Impact to file a proposal.
3. Absent the Stay Extension being granted, Impact will automatically be deemed to be bankrupt on April 19, 2013.
4. Canadian Western Bank (“**CWB**”) has assigned its security against the assets of Impact to Takoda Resources Inc. (“**Takoda**”) and is accordingly no longer a secured creditor of Impact.
5. Takoda, as assignee of CWB’s secured position, has requested that Impact’s assets be valued and has indicated that upon reviewing such valuation it will determine whether it is prepared to sponsor a plan by Impact to its unsecured creditors.
6. Impact has requested that the Proposal Trustee obtain an appraisal of Impact’s assets and solicit auction bids for its equipment.
7. The Stay Extension will allow the time necessary for the Proposal Trustee to obtain the appraisals and bids and for Takoda to assess the same and determine if it is prepared to sponsor a proposal by Impact to its unsecured creditors.

8. If Takoda determines that it is prepared to sponsor a proposal by Impact to its unsecured creditors, Impact may apply to continue the proposal proceedings under the *Companies' Creditors Arrangement Act* and apply for a further stay of proceedings under that Act.

9. If this Honourable Court grants the Stay Extension, and if based on the value information Takoda receives it determines that it is prepared to sponsor a proposal by Impact to its unsecured creditors, then Impact would likely be able to make a viable proposal that would be in the best interests of Impact and its stakeholders.

10. No creditor would be materially prejudiced if the Stay Extension were granted.

11. Impact has acted, and is continuing to act, in good faith and with due diligence to pursue opportunities to enable it to make a viable proposal to its creditors.

Material or Evidence to be Relied On:

- (a) the Affidavit of Michael Wolowich, filed November 26, 2012;
- (b) the Affidavit of Michael Wolowich, filed on January 8, 2013;
- (c) the Affidavit of Michael Wolowich, sworn on February 20, 2013;
- (d) the confidential Affidavit of Michael Wolowich, sworn on February 20, 2013;
- (e) the Affidavit of Michael Wolowich, sworn on March 28, 2013;
- (f) the Affidavit of Michael Wolowich, sworn on April 9, 2013;
- (g) the Affidavit of Michael Wolowich, to be sworn;
- (h) the First Report of the Proposal Trustee, filed November 26, 2012;
- (i) the Supplemental Report to the First Report of the Proposal Trustee, filed November 30, 2013;
- (j) the Second Report of the Proposal Trustee, filed January 8, 2013;
- (k) The Third Report of the Proposal Trustee, to be filed;
- (l) The Fourth Report of the Proposal Trustee, filed on March 28, 2013;

- (m) The Fifth Report of the Proposal Trustee, filed on April 2, 2013;
- (n) The Sixth Report of the Proposal Trustee, filed;
- (o) The Seventh Report of the Proposal Trustee, to be filed;
- (p) Impact's Notice of Intention to Make a Proposal, filed November 2, 2012;
- (q) the pleadings in the within proceedings; and
- (r) such further and other materials as counsel for Impact may advise and this Honourable Court may permit.

Applicable Rules and Provisions:

- (a) Rule 6.3 of the *Alberta Rules of Court*, Alta Reg 124/2010 (the "**Rules of Court**").
- (b) Sections 50.4(9) of the BIA.
- (c) Such further and other sections of the BIA and the Rules of Court as counsel for Impact may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

- (a) the BIA;
- (b) the Rules of Court; and
- (c) such further and other acts and regulations as counsel for Impact may advise and this Honourable Court may permit.

Any Irregularity Complained of or Objection Relied On:

12. N/A

How the Application is Proposed to be Heard or Considered:

13. Before the Honourable Mr. Justice G.C. Hawco in Chambers at the Calgary Courts Centre, 601-5th Street S.W., at Calgary, Alberta, on April 18, 2013 at 10:30 a.m. or as soon

thereafter as counsel may be heard.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to court either in person or by your lawyer, the court may give the applicant what they want in your absence. You will be bound by any order that the court makes, or another order might be given or other proceedings taken which the applicant is entitled to without any further notice of them to you. If you want to take part in this application, you or your lawyer must attend in court on the date and time shown above. If you intend to rely on an affidavit or other evidence when the originating application is heard or considered, you must reply by giving reasonable notice of that material to the applicant.