

Clerk's Stamp



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)

I hereby certify this to be a
true copy of the original
for Court use only

ORDER

DATE ON WHICH ORDER WAS PRONOUNCED: November 24, 2014

NAME OF MASTER/JUDGE WHO MADE THIS ORDER: THE HONOURABLE MR. JUSTICE D.R.G. THOMAS


LOCATION OF HEARING: Law Courts Building, 1A Sir Winston Churchill Square, Edmonton, Alberta

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

UPON THE APPLICATION of the Applicants, 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); AND UPON having read the Affidavit of John Kenneth Purdy dated November 19th, 2014, filed, AND UPON having read the Twenty-Eighth Report of the Monitor Alvarez & Marsal Canada Inc.; AND UPON having heard counsel for the Applicants and counsel for the Monitor and other interested parties, creditors and stakeholders;

IT IS HEREBY ORDERED THAT:

1. Notice of the application for this Order and any material in support is deemed good and sufficient upon all interested persons and the time for service is abridged to the time actually given.
2. Paragraph 13 of the Initial Order dated December 1, 2011, granted in this matter, as further amended by the subsequent Orders of the Honourable Mr. Justice D.R.G. Thomas dated December 20th, 2011, February 15th, May 2nd, June 29th, 2012, September 28th, 2012, December 18th, 2012, February 19th, 2013, May 17th, 2013, July 26th, 2013, October 25th, 2013, December 4th, 2013, February 12th, 2014, April 1st, 2014, April 17th, 2014, and the Order of the Honourable Mr. Justice Donald Lee on June 5th, 2014, the Order of the Honourable Madam Justice Juliana Topolniski on July 18th, the Order of the Honourable Madam Justice Joanne B. Veit dated September 22nd, 2014, and the Order of the Honourable Justice R.P. Belzil dated October 21, 2014, is further amended to extend the "Stay Period" until and including January 16th, 2015.
3. Article 5.3 of the Second Amended and Restated Plan of Compromise and Arrangement sanctioned by the Sanction Order of the Honourable Madam Justice J. Topolniski dated July 18th, 2014, shall be amended as attached to this Order as Appendix "A".
3. Service of this Order shall be made on all known creditors who have requested to be on the service list, all such persons who appeared on this application, either by counsel or in person, and on any other interested persons who have requested service, and shall be posted on the website of the Monitor Alvarez & Marsal Canada Inc., but is otherwise dispensed with.


Justice of the Court of Queen's Bench of Alberta
Thomas

5.3 New Financing

a) The Plan Applicants will arrange new financing to pay the Unaffected Creditor claim, Priority Claims, fund the distribution to the Unsecured Creditors and provide working capital for Holdco, Half Moon Lake and BC Opco. The amount of financing to be sought by the Plan Applicants will be approximately \$4,300,000, as follows:

(i) \$2,000,000 secured by a first charge on the Half Moon assets (the "**Half Moon Financing**"); and

(ii) approximately \$2,300,000 (inclusive of principal plus accrued interest and costs) continuation of the existing Interim DIP Financing (the "**BC Opco Financing**").

b) The Half Moon Financing will be committed on or before the date the Plan Sanction Order is granted and will be releasable to the Monitor and utilized to pay the following:

(i) Professional Fees and claims of the Monitor, counsel for the Monitor and counsel for the Plan Applicants estimated at \$600,000;

(ii) Unaffected Creditor Claims for 2012, 2013 and 2014 property taxes and the Province of B.C.'s secured claim, and arrears of B.C. provincial sales taxes estimated at \$300,000;

(iii) \$300,000 to fund the Unsecured Creditor Cash Pool;

(iv) Subject to Article 5.4(b), the Secured Claim of Bank of Montreal estimated at \$75,000 unless alternative arrangements are agreed to between Bank of Montreal, CRA, Axxess and the Plan Applicants;

(v) Subject to Article 5.4(b), the Priority Claim of CRA of approximately \$110,000 unless alternative arrangements are agreed to between CRA, Axxess and the Plan Applicants;

(vi) The balance will be allocated towards loan fees, interest reserves and working capital.

c) The BC Opco Financing will be arranged within 170 days of the Plan Sanction Order. If so arranged, the BC Opco Financing shall be as follows:

(i) Continuation of the existing Interim (DIP) Financing including principal, accrued interest and costs at approximately \$2,300,000.

5.3 New Financing

a) The Plan Applicants will arrange new financing to pay the Unaffected Creditor claim, Priority Claims, fund the distribution to the Unsecured Creditors and provide working capital for Holdco, Half Moon Lake and BC Opco. The amount of financing to be sought by the Plan Applicants will be ~~\$4.5-~~ million, approximately \$4,300,000, as follows:

(i) ~~a minimum of \$1.5 million~~ \$2,000,000 secured by a first charge on the Half Moon assets (the "Half Moon Financing"); and

(ii) ~~\$3.0 million secured by a first charge on the BC Opco assets and the BC Saleco assets, as may be required~~ approximately \$2,300,000 (inclusive of principal plus accrued interest and costs) continuation of the existing Interim DIP Financing (the "BC Opco Financing").

b) ~~THE~~ The Half Moon Financing will be committed on or before the date the Plan Sanction Order is granted and will be releasable to the Monitor and utilized to pay the following:

(i) Professional Fees and claims ~~under the Administration charge of the Monitor, counsel for the Monitor and counsel for the Plan Applicants~~ estimated at ~~\$400,000~~ \$600,000;

(ii) Unaffected Creditor Claims for 2012, 2013 and 2014 property taxes and the Province of B.C.'s secured claim, and arrears of B.C. provincial sales taxes estimated at \$300,000;

(iii) \$300,000 to fund the Unsecured Creditor Cash Pool; and

(iv) Subject to Article 5.4(b), the Secured Claim of Bank of Montreal estimated at \$75,000 unless alternative arrangements are agreed to between Bank of Montreal, CRA, Axxess and the Plan Applicants;

(iv) The balance of \$500,000 for working capital and an interest reserve y) Subject to Article 5.4(b), the Priority Claim of CRA of approximately \$110,000 unless alternative arrangements are agreed to between CRA, Axxess and the Plan Applicants;

(vi) The balance will be allocated towards loan fees, interest reserves and working capital.

c) The BC Opco Financing will be arranged within ~~120~~ 170 days of the Plan Sanction Order ~~and utilized to pay Unaffected Creditor Claims and Priority Claims. If so arranged, the BC Opco Financing shall be~~ as follows:

(i) ~~Existing~~ Continuation of the existing Interim (DIP) Financing including principal, accrued interest and costs at ~~\$2,125,000~~;

(ii) ~~The Secured Claim of Bank of Montreal estimated at \$75,000;~~

(iii) the Priority Claim of CRA of \$110,000; The balance of approximately \$690,000 will fund an interest reserve and loan fees for the BC Opco new financing for 24 months and provide working capital, 2,300,000.