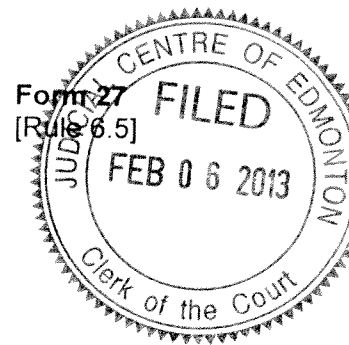




COURT FILE NUMBER 1203 04033
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFF(S) WINDMILL HARBOUR DEVELOPMENT INC.
DEFENDANT(S) HARVEST GROUP GP CORPORATION
DOCUMENT **APPLICATION FOR AN ORDER FOR SALE TO THE PLAINTIFF**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Ogilvie LLP
1400, 10303 Jasper Avenue
Edmonton AB T5J 3N6
Attention: Kentigern A. Rowan
Phone: 780.429-6236
Fax: 780.429.4453
File No.: 57184.1 KAR
**Service will be accepted by delivery or fax. No
other form of service will be accepted.**

NOTICE TO RESPONDENT(S): **Harvest Group GP
Corporation**

This application is made against you. You are a respondent.

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

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

Date: February 20, 2013
Time: 2:30 p.m.
Where: Law Courts, Calgary, Alberta
Before Whom: Madam Justice K.M. Horner

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. A Declaration:
 - (a) as to the identity of the mortgaged lands described in the Statement of Claim (the "Secured Property");

- (b) that the mortgage described in the Statement of Claim (the "Mortgage") is a valid and enforceable mortgage over the Secured Property; and
 - (c) of the amount owing under the Mortgage, with interest according to the terms thereof.
- 2. An order substantially in the form attached hereto as Schedule "A".
 - 3. Such further and other relief as this Honourable Court may seem just.

Grounds for making this application:

- 1. The Defendant mortgaged the Secured Property to the Plaintiff and covenanted to pay the principal, interest and other payments as provided for in the Mortgage. The Mortgage sued on herein is in default and the Defendant has not remedied such default.
- 2. There is no equity in the Secured Property.
- 3. The Defendant has commenced proceedings pursuant to the *Companies' Creditors Arrangement Act* to compromise claims made against it by its creditors.
- 4. The Defendant and Ernst & Young Inc., the Monitor appointed pursuant to the *Companies' Creditors Arrangement Act* proceedings do not oppose this Application.
- 5. Ernst & Young Inc. and Harvest Group GP Corporation have consented to an Order substantially in the form attached hereto.

Material or evidence to be relied on:

- 1. The pleadings and proceedings had and taken in this action.
- 2. The Affidavit of Default sworn by Jean Martenson on January 22, 2013.
- 3. The Affidavit of Value and Valuator's Report sworn by Tim Vreeland on May 25, 2012.
- 4. Certified copies of the Certificates of Title to the Secured Property.
- 5. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable rules:

- 1. *Alberta Rules of Court*, Alta. Reg. 124/2010, Rules 6.5, Part 9, Division 5 and Part 11, Division 4.
- 2. Such further and other Rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

1. Part 5 of the Law of Property Act, R.S.A. 2000, c. L-7.
2. The Law of Property Regulation, Alta Reg 89/2004.
3. The Land Titles Act, R.S.A. 2000, c. L-4.
4. Such further and other Acts and Regulations as counsel may advise and this Honourable Court may permit.

How the application is proposed to be heard or considered:

1. In person, before Madam Justice K.M. Horner in Chambers.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE "A"

Form 41
[Rule 9.22]

COURT FILE NUMBER 1203 04033
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFF(S) WINDMILL HARBOUR DEVELOPMENT INC.
DEFENDANT(S) HARVEST GROUP GP CORPORATION
DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Ogilvie LLP
1400, 10303 Jasper Avenue
Edmonton AB T5J 3N6
Attention: Kentigern A. Rowan, Q.C.
Phone: 780. 429-6236
Fax: 780.429.4453
File No.: 57184.1 KAR
**Service will be accepted by delivery or fax. No
other form of service will be accepted.**

DATE ON WHICH ORDER WAS PRONOUNCED: February 20, 2013
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER: Madam Justice K.M. Horner

ORDER

UPON THE APPLICATION of the Plaintiff; AND UPON noting that the Defendant is subject to an Initial and Subsequent Orders granted pursuant to the provisions of the *Companies' Creditors Arrangement Act* in Queen's Bench Action No. 1201 10693 (the Orders collectively being referred to as the "Initial Order") (the "CCAA Proceedings"); AND UPON noting that pursuant to the Initial Order, Ernst & Young Inc. ("E&Y") was appointed Monitor of the Defendant; AND UPON noting that an Order has been granted in the CCAA Proceedings removing the stay of proceedings as provided in the Initial Order so as to allow the Plaintiff to make application for an Order for Sale to the Plaintiff and to obtain this Order; AND UPON noting that an agreement has been reached between the Plaintiff and E&Y respecting the Plaintiff's claims as against the Defendant, which agreement is reflected in an Order granted in the CCAA Proceedings concurrent with this Order; AND UPON reading the Affidavit of Default, filed January 22, 2013; AND UPON reading the Affidavit of Value filed January 22, 2013; AND UPON hearing counsel for Windmill, counsel for Harvest and counsel for E&Y; AND UPON noting the consent to this Order by counsel for Windmill, counsel for Harvest

SCHEDULE "A"

and counsel for E&Y; AND UPON reading the Affidavit of Service of notice of this Application; IT IS HEREBY ORDERED AND ADJUDGED THAT:

1. Service of notice of this Application and supporting documents as described in the Affidavit of Service filed in these proceedings is hereby declared good and sufficient and time for service of notice of this Application and supporting documents is abridged as required.
2. In this Order, the Mortgaged Lands are the following:

See Schedule "A".
3. The Mortgage described in the Statement of Claim is a valid and enforceable Mortgage over the Mortgaged Lands.
4. The Plaintiff's Offer to Purchase the Mortgaged Lands for \$5,230,000.00 (the "Purchase Price") be and is hereby approved and accepted.
5. The Plaintiff is not required to pay the Purchase Price into Court but may set-off the Purchase Price against the amount outstanding under the Mortgage.
6. It is hereby declared that after setting-off the Purchase Price, there is due and owing to the Plaintiff by the Defendant as of the date of this Order, the sum of \$4,336,772.69 (as set forth in the calculation deficiency which is annexed to this Order) plus solicitor and client costs, inclusive of disbursements and GST to the date of this Order in the sum of \$37,688.75, for a total of \$4,374,461.44.
7. The Registrar of Land Titles shall cancel the existing Certificates of Title to the Mortgaged Lands and shall issue new Certificates of Title in the name of the Plaintiff or Plaintiff's Nominee as the Registrar of Land Titles is notified by counsel for the Plaintiff, free and clear from the Plaintiff's Mortgage and all subsequent encumbrances, but subject to those encumbrances on those Certificates of Title as are described in Schedule "B" to this Order.
8. The Registrar of Land Titles shall discharge from the Additional Plan Sheet Condominium Corporation No. 0922536 all encumbrances except for those encumbrances as are identified in Schedule "B" to this Order, relating to the said Additional Plan Sheet.

SCHEDULE "A"

9. If the Mortgaged Lands are or become vacant, then the Plaintiff is entitled to immediate possession. If the Mortgaged Lands are not vacant, then the Defendant, any tenants, and any occupants, shall deliver up to the Plaintiff vacant possession of the Mortgaged Lands 30 days after service of this Order upon them. Service of this Order may be made on the occupants by posting same on the main entrance door to the Mortgaged Lands. A Civil Enforcement agency has authority 30 days after service of this Order has been effected, to evict any occupant of the Mortgaged Lands.
10. The requirements for service of documents prior to entry of this Order, set out in Rule 9.35(1)(a), is hereby waived.
11. The Registrar of Land Titles shall comply with this Order forthwith notwithstanding Section 191(1) of the *Land Titles Act*.
12. Service of this Order and all subsequent documents in this action may be served upon the Defendant by serving Norton Rose Canada LLP, Suite 3700, 400 – 3rd Avenue SW, Calgary, AB T2P 4H2, Attention: Howard Gorman.

JUSTICE OF THE COURT OF QUEEN'S
BENCH OF ALBERTA

CONSENT TO THIS ORDER:

NORTON ROSE CANADA LLP

Per:

HOWARD GORMAN
Counsel for Harvest Group GP
Corporation

McCARTHY TETRAULT LLP

Per:

Walker W. MacLeod
Counsel for Ernst & Young LLP
Counsel for the Court-Appointed Monitor

OGILVIE LLP

Per:

KENTIGERN A. ROWAN, Q.C.
Counsel for Windmill Harbour
Development Corporation

Schedule "A"

Title Number	Legal Description
102 184 543 +33	Condominium Plan 0922536 Unit A And 8399 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +34	Condominium Plan 0922536 Unit B And 1 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543	Condominium Plan 0922536 Unit 1 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543+1	Condominium Plan 0922536 Unit 2 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +2	Condominium Plan 0922536 Unit 3 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +3	Condominium Plan 0922536 Unit 4 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals

102 184 543 +4	Condominium Plan 0922536 Unit 5 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +5	Condominium Plan 0922536 Unit 6 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +6	Condominium Plan 0922536 Unit 7 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +7	Condominium Plan 0922536 Unit 8 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +8	Condominium Plan 0922536 Unit 9 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +9	Condominium Plan 0922536 Unit 10 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +10	Condominium Plan 0922536 Unit 12 And 40 undivided one ten thousandth shares in the common property

	Excepting thereout all mines and minerals
102 184 543 +11	Condominium Plan 0922536 Unit 16 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +12	Condominium Plan 0922536 Unit 18 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +13	Condominium Plan 0922536 Unit 19 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +14	Condominium Plan 0922536 Unit 20 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +15	Condominium Plan 0922536 Unit 21 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +16	Condominium Plan 0922536 Unit 23 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +17	Condominium Plan 0922536 Unit 24 And 40 undivided one ten thousandth shares in the common

	property Excepting thereout all mines and minerals
102 184 543 +18	Condominium Plan 0922536 Unit 25 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +19	Condominium Plan 0922536 Unit 26 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +20	Condominium Plan 0922536 Unit 27 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +21	Condominium Plan 0922536 Unit 28 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +22	Condominium Plan 0922536 Unit 30 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +23	Condominium Plan 0922536 Unit 31 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +24	Condominium Plan 0922536 Unit 33

	And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +25	Condominium Plan 0922536 Unit 33 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +26	Condominium Plan 0922536 Unit 34 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +27	Condominium Plan 0922536 Unit 35 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +28	Condominium Plan 0922536 Unit 36 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +29	Condominium Plan 0922536 Unit 37 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +30	Condominium Plan 0922536 Unit 38 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +31	Condominium Plan 0922536

	Unit 39 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +32	Condominium Plan 0922536 Unit 40 And 40 undivided one ten thousandth shares in the common property Excepting thereout all mines and minerals
102 184 543 +35	LAC STE. ANNE SETTLEMENT ALL OF RIVER LOT 15 AND THE GOVERNMENT ROAD ALLOWANCE CROSSING SAID LOT 15; CONTAINING WITHIN RIVER LOT 15, 63.1 HECTARES (156 ACRES) MORE OR LESS AND WITH THE ROAD ALLOWANCE 1.22 HECTARES (3.02 ACRES) MORE OR LESS. A) ALL THAT PORTION INCLUDED WITHIN THE LIMITS OF THE SAID ROAD ALLOWANCE AND WHICH LIES TO THE EAST OF THE EAST LIMIT OF ROAD PLAN 8922882 HECTARES (ACRES) MORE OR LESS CONTAINING..... 0.285 0.70 B) THE MOST SOUTHERLY 761.5 FEET IN PERPENDICULAR DEPTH THEREOF OF SAID RIVER LOT 12.1 30.00 C) PLAN 8922882- ROAD 0.869 2.15 D) PLAN 0126096- DESCRIPTIVE 9.33 23.05 E) PLAN 0922536- CONDOMINIUM 31.130 76.92 EXCEPTING THEREOUT ALL MINES AND MINERALS

Schedule "B"

TITLE NUMBER	Encumbrances to Remain on Title
Additional Plan Sheet, Condominium Corporation No. 0922536	092 072 438: Instrument, Phased Development Disclosure Statement
	882 168 726: Utility Right of Way, Grantee – Ste Anne Natural Gas Co-op Limited
	082 310 266: Utility Right of Way, Grantee – FortisAlberta Inc.
	092 072 152: Conservation Easement, Grantee - Lac Ste. Anne County
	092 072 153: Utility Right of Way, Grantee – Lac Ste. Anne County
	092 078 009: Change of By-Laws
	092 078 010: Change of Directors
102 184 543 +33	882 168 726: Utility Right of Way, Grantee – Ste Anne Natural Gas Co-op Limited
	082 310 266: Utility Right of Way, Grantee – FortisAlberta Inc.
	092 072 154: Caveat Re: Development Agreement Pursuant to Municipal Government Act
102 184 543 +34	882 168 726: Utility Right of Way, Grantee – Ste Anne Natural Gas Co-op Limited
	082 310 266: Utility Right of Way, Grantee – FortisAlberta Inc.
	092 072 154: Caveat Re: Development Agreement Pursuant to Municipal Government Act
	092 080 968: Caveat Re: Access – Caveator Windmill Estates Ltd., Condominium Corporation No. 0922536

102 184 543		
102 184 543+1		
102 184 543 +2		
102 184 543 +3		
102 184 543 +4		
102 184 543 +5		
102 184 543 +6	882 168 726:	Utility Right of Way, Grantee – Ste Anne Natural Gas Co-op Limited
102 184 543 +7		
102 184 543 +8		
102 184 543 +9	082 310 266:	Utility Right of Way, Grantee – FortisAlberta Inc.
102 184 543 +10		
102 184 543 +11		
102 184 543 +12	092 072 154:	Caveat Re: Development Agreement Pursuant to Municipal Government Act
102 184 543 +13		
102 184 543 +14		
102 184 543 +15		
102 184 543 +16	092 072 396:	Utility Right of Way, Grantee, Lac Ste. Anne County
102 184 543 +17		
102 184 543 +18		
102 184 543 +19		
102 184 543 +20		
102 184 543 +21		
102 184 543 +22		
102 184 543 +23		
102 184 543 +24		
102 184 543 +25		
102 184 543 +26		
102 184 543 +27		
102 184 543 +28		
102 184 543 +29		
102 184 543 +30		
102 184 543 +31		
102 184 543 +32		

102 184 543 +35	882 168 726:	Utility Right of Way, Grantee – Ste Anne Natural Gas Co-op Limited
	082 310 266:	Utility Right of Way, Grantee – FortisAlberta Inc.
	092 072 153:	Utility Right of Way, Grantee – Lac Ste. Anne County
	092 072 154:	Caveat Re: Development Agreement Pursuant to Municipal Government Act