Form 49
[Rule 13.19]

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JUDICIAL CENTRE
OF CALGARY

COURT FILE NUMBER	1201-10693
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANTS	**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended** **AND IN THE MATTER OF HARVEST GROUP GP CORPORATION AND 1610822 ALBERTA LTD.**
DOCUMENT	**AFFIDAVIT OF GARY L. BENTHAM SWORN June 24, 2013**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**NORTON ROSE FULBRIGHT CANADA LLP** 400 3rd Avenue SW, Suite 3700 Calgary, Alberta T2P 4H2 CANADA Phone: +1 403.267.8222 Fax: +1 403.264.5973 Attention: Howard A. Gorman Randal S. Van de Mosselaer File No. 01024442-0001

I, Gary L. Bentham, of the City of Calgary in the Province of Alberta, chartered accountant, SWEAR AND SAY THAT:

1 I am the president of BTM Advisory Services Inc. ("BTM"), which has been appointed as the Chief Restructuring Office (the "CRO") of each of the Applicants [as that term is defined in the Initial Order granted in the within action on August 24, 2012 (the "Initial Order")] and as such I have personal knowledge of the matters and facts hereinafter deposed to, except where stated to be based on information and belief and where so stated, I verily believe the same to be true.

Applicants Update

2 The Applicants sought and obtained creditor protection under the *Companies' Creditors Arrangement Act* (the "CCAA") pursuant to the Initial Order. The stay of proceedings granted in the Initial Order was to expire on September 21, 2012, and was extended on September 20, 2012 to December 19, 2012, and was extended on December 19, 2012 to March 31, 2013, and was extended again on March 28, 2013 to June 30, 2013.

3 As CRO of the Applicants I have been working diligently since BTM's appointment to review the Applicants' businesses, assets and liabilities in order to better understand the nature and value of the Applicants' assets and to assess restructuring opportunities available to the Applicants. In doing so, I have been working closely with Noel Winter, the real estate professional who has been assisting the Applicants and certain related entities with their restructuring efforts, with a view to determining how best to preserve and maximize value for the Applicants' stakeholders.

Harvest Group GP Corporation ("Harvest Group GP")

4 Harvest Group GP's primary assets consisted of the ownership of a 50% undivided interest in 48 acres of development property in Telford Lake (as that term is defined in the August 23, 2012 Affidavit of Ron Aitkens sworn in the within proceedings), approximately 103 acres of resort development on Lac St. Anne near Stoney Plain, Alberta ("Windmill Harbour"), 289 acres of agricultural land near Granum, Alberta (the "Granum Lands"), approximately $2.64 million in advances to related companies, and a $4.7 million equity investment in the Cimarron Developments Limited Partnership ("Cimarron LP"). The Court has previously approved the sale of the Telford Lake property and the foreclosure of the Windmill Harbour property by the first mortgagee on that property.

5 There is a $1 million first mortgage registered on the Granum Lands by a third party mortgagee, and I understand there is approximately $700,000 owing under this mortgage. In addition, Legacy Communities Inc. ("Legacy") has filed a caveat against these lands, claiming a beneficial ownership interest in the Granum Lands. Legacy claims that the Granum Lands were acquired by 1330075 Alberta Ltd. (a company related to Harvest Group GP and currently subject to CCAA proceedings) using funds belonging to Legacy, after which the Granum Lands were transferred to Harvest Group

GP for nominal consideration. I understand that the first mortgagee and Legacy have attempted unsuccessfully to resolve their competing claims on the Granum Lands.

6 Harvest Group GP does not have the resources to complete the development of the Granum Lands, or the resources to service or repay the debt associated with the Granum Lands, and in my view there is no equity in the Granum Lands after considering the claims on the Granum Lands. I have advised the first mortgagee that Harvest Group GP will consent to a foreclosure action on the Granum lands subject however to Harvest Group GP being reimbursed for up to $75,000 of costs incurred in the CCAA proceedings for which we will claim under the Administration Charge. With the agreement of the first mortgagee we are negotiating a lease of the Granum Lands to a tenant who will use the lands for agricultural purposes. Once that lease arrangement is completed, I understand that the first mortgagee will proceed with its foreclosure action.

7 Harvest Group GP has advanced approximately $2,640,000 to related parties (the "Borrowers"), most of which have initiated their own CCAA proceedings or which appear to be insolvent. I believe that a portion of these advances may be recoverable, however, due to uncertainty of the financial status of each of the Borrowers it is difficult at this time to quantify the expected recoveries.

8 Cimarron LP holds three parcels of land as further described below. Harvest Group GP's equity interest in these lands is subordinated to various mortgage interests in the lands, and I believe that there will be no recovery for Harvest Group GP upon the sale or other disposition of the lands.

9 Harvest Group GP believes it is in the best interests of all stakeholders that it be given additional time to conclude a resolution for the orderly disposition of the Granum Lands, to monitor the affairs of the Borrowers, and to take action where appropriate to secure recovery of advances made by Harvest Group GP.

1610822 Alberta Ltd. ("161")

10 161 is the general partner of Cimarron LP. 161 owned 60 acres of development land and has a purchaser's interest in 93 acres of adjacent lands (the "Cimarron Lands") in Medicine Hat Alberta. As described in the August 23, 2012 Affidavit of Ron Aitkens

sworn in the within proceedings, title to these lands is in the name of Harvest Group GP, but the beneficial owner of the lands is Cimarron LP.

11 As described in the August 23, 2012 Affidavit of Ron Aitkens sworn in the within proceedings, the Cimarron Lands consist of Cimarron Lot 1, Cimarron Lot 2, and Cimarron Lot 3:

(a) Cimarron Lot 1 is a parcel of 30 acres, out of which a 7 acre parcel has been subdivided. This subdivision will be registered upon the payment of approximately $320,000 in levies to the City of Medicine Hat. The City of Medicine Hat has granted an extension to October 15, 2013 for payment of those levies. Bancorp Balance Mortgage Fund Ltd. ("Bancorp") is the holder of the first mortgage on Cimarron Lot 1 and has commenced foreclosure proceedings and a the judicial sale process. Bancorp has listed Cimarron Lot 1 with Avison Young and has advised us that several offers to purchase the property have been received to date, none of which they were prepared to accept. In addition to Bancorp, there are a series of second and third mortgages registered on this parcel. We continue to hold discussions with potential purchasers for Cimarron Lot 1;

(b) Cimarron Lot 2 is also a parcel of 30 acres, and is adjacent to Cimarron Lot 1. B2B Trust ("B2B") held a $1 million first mortgage on this parcel, which was in default. 161 had reached an accommodation with B2B in connection with this mortgage, and B2B had consented to an extension of the stay of proceedings to March 31, 2013 on certain conditions that 161 met. 161 listed Cimarron Lot 2 for sale with Avison Young but did not receive an acceptable offer to purchase this parcel. In accordance with 161's accommodation with B2B we consented to B2B's foreclosure action and the Court granted the Consent Order for Foreclosure on April 30, 2013. Title to Lot 2 was transferred to B2B's nominee on June 4, 2013

(c) Cimarron Lot 3 is 93 acres, title to which is in the name of Hatview Dairy Farm Ltd. ("Hatview"). As is explained in the August 23, 2012 Affidavit of Ronald Aitkens in the within action, Hatview is owed approximately $4.8 million under the Agreement of Purchase and Sale between Hatview and Cimarron LP (as assignee from Harvest Group GP), that Agreement is in default, and neither Cimarron LP nor 161 have the ability to make this payment.

12 Cimarron LP does not have the resources to develop Cimarron Lot 3 or service or repay the existing debts registered against Cimarron Lot 3. We have been in negotiation with several parties to accomplish the sale of some or all of Cimarron Lot 3, however we have not yet reached agreement.

13 161 believes it is in the best interests of all stakeholders that it be given additional time to continue negotiations with potential purchasers for the orderly liquidation of Cimarron Lots 1 and 3.

Extension of Stay Period

14 The Applicants have been working diligently and in good faith with their advisors and the Monitor toward identifying the nature and value of their assets, determining a sales and development strategy for certain assets and have been working with prior mortgagees to reach resolutions on matters in dispute. In order to continue this process and commence the development of a Plan of Arrangement for presentation to creditors, the Applicants seek an extension of the stay period granted in the Initial Order, up to and including September 30, 2013.

Relief Requested

15 I make this Affidavit in support of applications by the Applicants for an order of this Honourable Court extending the stay of proceedings up to and including September 30, 2013.

SWORN BEFORE ME at Calgary, Alberta, this 24th day of June, 2013.	)))	
Commissioner for Oaths in and for the Province of Alberta Randal Van de Mosselaer Barrister + Solicitor	)))	GARY L. BENTHAM

CALGARY: *2132142v3*