

NOTICE TO CREDITOR OF SPRUCE RIDGE ESTATES INC.

TO: [NAME AND ADDRESS OF CREDITOR]

On August 24, 2012, Spruce Ridge Estates Inc. (“Spruce Ridge Estates”) applied for and received protection from its creditors by order of the Court of Queen’s Bench of Alberta (the “Court”) pursuant to the *Companies Creditors’ Arrangements Act* (the “CCAA”). Ernst & Young Inc. was appointed Monitor of Spruce Ridge Estates (the “Monitor”). It is the intention of Spruce Ridge Estates to propose a plan of compromise and arrangement to its creditors.

On September 20, 2012, the Court granted a further order prescribing a process by which the identity and status of all creditors of Spruce Ridge Estates and the amounts of their claims will be established for purposes of the CCAA proceedings (the “Claims Process Order”). A copy of the Claims Process Order may be viewed at www.ey.com/ca/foundationgroup.

Pursuant to the Claims Process Order, the Monitor, in cooperation with Spruce Ridge Estates is to send a notice to each known creditor of Spruce Ridge Estates (the “Notice to Creditor”) indicating the amount of such creditor’s claim as of August 24, 2012. In the case of the claims of creditors whose claims are disputed, a Notice to Creditor will be sent containing the amount which Spruce Ridge Estates is prepared to allow as a claim by such creditor.

All claims against Spruce Ridge Estates are listed as unsecured based on the records of Spruce Ridge Estates.

SPRUCE RIDGE ESTATES HAS REVIEWED ITS RECORDS AND ACCEPTS THAT YOUR CLAIM AGAINST SPRUCE RIDGE ESTATES, AS OF AUGUST 24, 2012, WAS AN UNSECURED CLAIM IN THE AMOUNT OF \$_____.

IN THE EVENT THAT YOU AGREE WITH SPRUCE RIDGE ESTATES’ ASSESSMENT OF YOUR CLAIM, YOU NEED TAKE NO FURTHER ACTION.

HOWEVER, IF YOU WISH TO DISPUTE SPRUCE RIDGE ESTATES’ ASSESSMENT OF YOUR CLAIM, YOU MUST TAKE THE STEPS OUTLINED BELOW.

The Claims Process Order provides that if a creditor disagrees with the assessment of its claim set out in this Notice to Creditor, the creditor must complete and return to Spruce Ridge Estates, with a copy to the Monitor, a completed Proof of Claim advancing a claim in a different amount and/or claiming secured status if applicable, supported by appropriate documentation. A blank Proof of Claim form is enclosed. The Proof of Claim with supporting

documentation must be received by Spruce Ridge Estates and the Monitor no later than **October 31, 2012**. If no such Proof of Claim is received by Spruce Ridge Estates and the Monitor by that date the amount of such creditor's claim and its status as secured or unsecured will be, subject to further order of the Court, conclusively deemed to be as shown in this Notice to Creditor.

The Claims Process Order also provides that any party who does not receive a Notice to Creditor and who wishes to advance a claim against Spruce Ridge Estates must complete and forward to Spruce Ridge Estates, a completed Proof of Claim supported by appropriate documentation advancing its claim and claiming secured status if applicable, with a copy to the Monitor, on or before **October 31, 2012**.

Claims not proven in accordance with the procedures set out above shall, unless otherwise ordered by the Court, be deemed to be forever barred and may not thereafter be advanced against Spruce Ridge Estates.

Where a Proof of Claim is sent to Spruce Ridge Estates by a creditor, Spruce Ridge Estates and the Monitor will review the Proof of Claim and provide to the creditor a notice in writing by registered mail, by courier service, email or by facsimile as to whether the claim set out in the Proof of Claim is accepted, disputed in whole, or disputed in part. Where the claim is disputed in whole or in part, Spruce Ridge Estates or the Monitor will issue a Notice of Dispute indicating the reasons for the dispute.

The Claims Process Order further provides that where a creditor objects to a Notice of Dispute, the creditor must notify Spruce Ridge Estates, with a copy to the Monitor, of the objection in writing by registered mail, courier service, email or facsimile within fifteen (15) days of receipt of the Notice of Dispute. The creditor shall thereafter serve on Spruce Ridge Estates, with a copy to the Monitor, a filed Application with a supporting Affidavit in Spruce Ridge Estates' CCAA proceedings, returnable within ten (10) calendar days after it gave its notice of objection, for the determination by the Court of the claim in dispute.

If you have any questions regarding the claims process or the attached materials, please contact Jessica Caden of Ernst & Young Inc. at (403) 206-5394.

Dated the 3rd day of October, 2012 in Calgary, Alberta

Ernst & Young Inc., in its capacity as
Monitor of Spruce Ridge Estates Inc.

A handwritten signature in black ink, appearing to read 'Cassie Riglin'.

Cassie Riglin, CA