Attached is Exhibit "31" to the
Affidavit of Michael Pisani sworn the
12th day of April, 2013.

Lara FH

A Commissioner, Etc.

Lara Fitzgerald-Husek, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 29, 2014.

From: Paul.D.Hickey@ca.ey.com
To: chris.johnson@crowncapital.ca <'chris.johnson@crowncapital.ca'>, david.meldrum@ge.com
Cc: Andrew Steuter SRL <asteuter@sprottlending.com>, "Ashley Taylor" <ataylor@stikeman.com>, Christopher.Mediratta@ca.ey.com, Jeff Lee (jmlee@mlt.com) <jmlee@mlt.com>, Alissa Mitchell (amitchell@millerthomson.com) <amitchell@millerthomson.com>, "Buttery, Mary (mbuttery@davis.ca)" <mbuttery@davis.ca>
Date: 01/10/2013 10:12 AM
Subject: Landdrill - Allocation of Proceeds of Sale of Canadian Assets to Crown & GE

Chris/David,

We have attached a draft proposed "Allocation of Proceeds of Sale of Canadian Assets to Crown & GE for your consideration. The proposed allocation is designated as "Scenario A" in the attachment. Scenarios B & C are alternate calculations we considered but ruled out in favour of Scenario A which we believe is most appropriate in the circumstances. Nevertheless, we have provided these scenarios for your perusal. We note that although the inventory levels were much lower at closing that at the time of signing the APA, much of the inventory was consumed in the ordinary course of operations and generated accounts receivable which have been or are expected to be collected shortly for the benefit of Crown. The costs of administration of the proceedings to date have been 100% funded from the proceeds of Crown's security (A/R collections) and we expect that an allocation of the costs of the proceedings amongst the three senior lenders will result in a net reimbursement to Crown from GE and Sprott.

We note that this only is a proposed allocation of the actual proceeds received from Major and does not reflect any deductions therefrom for an allocation of court-ordered charges, the costs of administration of the estate that have been incurred to date (e.g., professional fees) or statutory charges such as pre-filing HST etc. All of these amounts will have to be deducted in due course and the allocated amounts in Scenario A would be reduced accordingly to enable a calculation of distributable amounts.

Once you have had a chance to review the attached, please let us know if you have any questions or otherwise wish to discuss. We would be happy to arrange a conference call if and as necessary.

Best regards,

Paul

	DRAFT FOR DISCUSSION PURPOSES ONLY					
	LANDDRILL'S CANADIAN ASSETS					
	POTENTIAL ALLOCATION SCENARIOS FOR CROWN & GE RE CANADIAN SALE					
	Scenarios					
	Scenario A		Scenario B		Scenario C	
Creditor	$	% Crown & GE	$	% Crown & GE	$	% Crown & GE
Crown	$ 598,153	16%	$ 849,038	22%	$ 921,956	24%
GE	3,252,975	84%	3,002,090	78%	2,929,172	76%
Sub-total	3,851,128	100%	3,851,128	100%	3,851,128	100%
Ally (formerly GMAC)	207,023		207,023		-	
Total	$ 4,058,151		$ 4,058,151		$ 3,851,128	

	Scenario B	Scenario C	Total
Increase (Decrease) in Crown Position - $	$ 250,885	$ 72,918	$ 323,804
Increase (Decrease) in GE Postion - $	$ (250,885)	$ (72,918)	$ (323,804)
Net	$ -	$ (0)	$ (0)

Scenario A: Proposed Allocation Based on Actual Purchase Price and Relative Net Book Values of Inventory and Equipment at Time of Closing of Sale to Major
Scenario B: Scenario A Adjusted to Limit Sale Proceeds for Equipment to the Maximum Amount Major Would Have Paid Had All Inventory been Consumed &.or Dissipated Prior to Closing
Scenario C: Allocation of Actual Purchase Price Based on Net Book Values (NBV) Used to Negotiate the APA (Original NBVs)

DRAFT FOR DISCUSSION PURPOSES ONLY
SCENARIO A
Sale of Landdrill's Canadian Assets to Major Drilling
Proposed Allocation of Actual Purchase Price Based on Closing Net Book Values ("NBV")

NBV of Canadian Assets Sold to Major	**$**	**% of Assets Not subject to Ally security**
Total NBV of Equipment & All Vehicles	$ 7,654,862	
Less: NBV of Vehicles subject to Ally Security (formerly GMAC)	($414,046)	
Total NBV of Equipment & Vehicles Subject to GE Security	$ 7,240,816	84%
Total NBV of Inventory Subject to Crown security	1,331,431	16%
Total NBV of Assets Sold to Major subject to Crown & GE security	$ 8,572,247	100%
Proposed Purchase Price Allocation		
Purchase Price		
Total Actual Purchase Price for Canadian Assets	$ 4,058,151	
Less: Portion attributable to Vehicles Subject to Ally security	($207,023)	
Net Purchase Price Attributable to Canadian Assets Subject to Crown & GE security	$ 3,851,128	
Allocation Amongst Equipment & Inventory Based on Relative NBV's:		
Allocation to Equipment & Vehicles Subject to GE Security	$ 3,252,975	84%
Allocation to Inventory Subject to Crown Security	598,153	16%
Total Allocated	$ 3,851,128	100%

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SCENARIO B

Sale of Landdrill's Canadian Assets to Major Drilling

Allocation of Actual Sale Price Adjusted for Hypothetical Maximum Purchase Price for Equipment if 100% of Inventory Consumed or Dissapated Before Closing

Total Original APA Purchase Price for Canadian Assets		$4,576,540
Less: Purchase Price Adjustment Based on Hypothetical 100% Consumption &/or Dissipation of Inventory Before Closing:		
Book Value of Inventory Per APA	$2,279,045	
Adjustment for 100% Consumption &/or Dissipation of Inventory (60% x Book Value of Inventory Per APA)	($1,367,427)	($1,367,427)
Maximum Potential Purchase Price for Equipment and All Vehicles if All Inventory Consumed &/or Otherwise Dissipated Before Closing		$3,209,113
Less: Purchase Price for Vehicles subject to Ally Security		($207,023)
Maximum Potential Purchase Price for Equipment & Vehicles Subject to GE Security if All Inventory Consumed &/or Otherwise Dissipated Before Closing		$3,002,090

Adjustment to Scenario A Results for GE & Crown if GE's Allocation is Limited by the Scenario B Maximum

Difference to GE		
Scenario A Allocation to GE	$	3,252,975
Reduction to GE if Scenario B Maximum Applied to GE		($250,885)
Revised Allocation to GE	$	3,002,090
Difference to Crown		
Scenario A Allocation of Proceeds to Crown	$	598,153
Increase to Crown if Scenario B Maximum Applied to GE	$	250,885
Revised Allocation to Crown if Scenario B Maximum Applied to GE	$	849,038

DRAFT FOR DISCUSSION PURPOSES ONLY

Sale of Landdrill's Canadian Assets to Major Drilling

Allocation of Actual Purchase Price Based on Net Book Values (NBV) Used to Negotiate the APA ("Original NBVs")

			% of Assets Not subject to Ally security
Original NBVs of Canadian Assets Sold to Major		**$**	
Original NBV of Equipment & All Vehicles	$	7,654,862	
Less: Original NBV of Vehicles Subject to Ally Security (formerly GMAC)		($414,046)	
Original NBV of Equipment & Vehicles Subject to Crown & GE security	$	7,240,816	76%
Original NBV of Inventory Subject to Crown security		2,279,045	24%
Total Original NBV of Inventory, Equipment & Vehicles Sold to Major and Subject to Crown & GE Security	$	9,519,861	100%
Potential Purchase Price Allocation			
Calculation of Proceeds Attributable to Crown and GE			
Actual Purchase Price for Canadian Assets	$	4,058,151	
Less: Portion attributable to Vehicles Subject to Ally security		($207,023)	
Net Purchase Price Attributable to Inventory, Equipment & Vehicles Subject to GE & Crown Security	$	3,851,128	
Allocation Amongst Crown & GE Based on Original NBV's of Inventory & Equipment:			
Allocation to Equipment & Vehicles Subject to GE Security	$	2,929,172	76%
Allocation to Inventory Subject to Crown Security		921,956	24%
Total Net Purchase Allocated	$	3,851,128	100%

Attached is Exhibit "32" to the
Affidavit of Michael Pisani sworn the
12th day of April, 2013.

Lara [signature]

A Commissioner, Etc.

Lara Fitzgerald-Husek, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 29, 2014.

From: Paul.D.Hickey@ca.ey.com
To: Andrew Steuter SRL <asteuter@sprottlending.com>, david.meldrum@ge.com, "Mary Buttery" <mbuttery@davis.ca>, Alissa Mitchell (amitchell@millerthomson.com) <amitchell@millerthomson.com>, Jeff Lee (jmlee@mlt.com) <jmlee@mlt.com>
Cc: "Ashley Taylor" <ATAYLOR@stikeman.com>, Steven.J.McLaughlin@ca.ey.com, Christopher.Mediratta@ca.ey.com
Date: 02/14/2013 08:36 AM
Subject: Landdrill Group of Companies - Estimated Asset Realizations & Costs Incurred to Date

Good day,

The Monitor has recently received requests for information related to the subjected matters and thought it would be useful and more cost-effective to provide all Senior Lenders with the same information at the same time to facilitate informed discussion and analysis. The Monitor had been planning to deal with such matters once the Mexican transaction with Major had closed because most of the necessary information would have been available at that time. The fact that Major has not agreed to extend the Mexican Transaction Closing Date beyond February 15, 2013, presents certain challenges in dealing with such matters. Nevertheless, we have attached two DRAFT schedules for your consideration and feedback.

1) The first is a corporate chart showing the Applicants, certain subsidiaries and the key remaining assets of each.

2) The second schedule is a format that can be used to estimate the amount of net proceeds that might potentially be realized from the assets of the Landdrill Companies including an estimate of the potential value to be realized from any ultimate sale of the Mexican Assets. For this purpose, the $4.5 M amount of the Major Transaction purchase price has been used in this DRAFT schedule. From these amounts have been deducted the administrative costs incurred since the date of the Initial Order and a preliminary estimate of future costs of closing the remaining asset sales etc. and finalizing other residual administrative matters other than as related to Landdrill Mexico. Finally, all of the costs of administration to date have been paid from proceeds realized from Crown's security in Canada. Should the Senior Lenders reach agreement on cost sharing, we can amend this schedule accordingly. This schedule is merely intended as a cost-effective tool that we all can use to run scenario analysis for different sets of assumptions.

Should your review of these DRAFT schedule identify any errors or omissions, please communicate them to Steve McLaughlin of the Monitor's staff.

We trust these schedules will be helpful and remain available to discuss them and their underlying assumptions with you at your convenience. We are also available to run scenario analysis using assumptions provided by you should that also be helpful.

Sincerely,

Paul

mails in compliance with its internal policies and the rules of securities regulators.//
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Landdrill Group of Companies
Corporate Chart
February 12, 2013
DRAFT - FOR DISCUSSION PURPOSES ONLY

LEGEND:

Cash is in Monitor's Trust Accounts

The Real Estate and Equipment is being sold via the Sale of the Shares of Landdrill Mongolia

Split Shareholding - 50% of Shares not held by a Canadian company

Applicants	**Country**		**Significant Assets**								
Landdrill International Inc.	Canada			HST Input Tax Credits since Filing Date?	Intercompany Accounts Receivables from Mongolia, Mexico & Russia	Shares of Silverbear re Settlement of Russian Prognos A/R ??	Auction Proceeds Moncton Assets		Shares of Landdrill International Ltd. (Canada)	Shares of Landdrill Atlantic Ltd. (Canada)	
Landdrill International Ltd.	Canada		Cash in Bank (@ $1.0 M+)			Major Sale Proceeds	Auction Proceeds Moncton Assets	Real Property NDDN	Shares of Landdrill International LLC (Mongolia)	Shares of Landdrill International Inc. (Barbados)	50% of Shares of Landdrill International Cooperatief U.A. (Netherlands) owner of Shares of LLC Landdrill International (Russia)
Landdrill Atlantic Ltd.	Canada		nominal								
Landdrill Contract Mining Ltd.	Canada		nominal								
Landdrill International LLC	Mongolia					Major Sale Proceeds			Real Estate & Equipment		
Landdrill International Inc.	Barbados							Disputed Morocan Account Receivable (@ $200,000)	Shares of Landdrill International Mexico S.A. De C.V.	Shares of Landdrill International Nicarauga S.A.	50% of Shares of Landdrill International Cooperatief U.A. (Netherlands) owner of Shares of LLC Landdrill International (Russia)
Landdrill International Mexico S.A. De C.V.	Mexico		Cash in Bank		Trade Accounts Receivable	Inventory	Drill Rigs & Equipment				
Subsidiaries of Applicants											
Landdrill International Cooperatief U.A. (Netherlands)	Netherlands								Shares of LLC Landdrill International (Russia)		
LLC Landdrill International (Russia)	Russia				Prognos Accounts Receivable (Silverbear)		Equipment and Inventory (sale by tender)	PDRUS Litigation Award			
Landdrill International Nicarauga S.A.	Nicarauga						1 Drilling Rig (located in Nicarauga (unsure who is owner)				

Landdrill Group of Companies
Estimated/Projected Net Proceeds Potentially Expected to be Available for Distribution (Unaudited and Estimated - See Notice to Reader)
February 14, 2013

DRAFT - FOR DISCUSSION PURPOSES ONLY

	Note(s)	Estimated Totals	Crown	GE	Sprott	Sub-total Senior Lenders	Ally (GMAC)
Net Realizations (Actual and Estimated):							
Actual Cash on Hand - Company's Canadian Bank Account		$ 1,000,000	$ 1,000,000			$ 1,000,000	
Residual Canadian Assets:							
Actual Moncton Auction Proceeds		82,000	82,000			82,000	
Estimated NDDN Real Property Sale Proceeds		200,000	200,000			200,000	
Residual Russian Assets:							
Estimated PDRUS Settlement		500,000	500,000			500,000	
Estimated Proceeds from Sale by Tender of Russian Equipment and Inventory		100,000	100,000			100,000	
Prognos Silverbear Settlement		200,000	200,000			200,000	
Residual Mongolian Assets:							
Estimated Proceeds from Sale by Tender Mongolian Shares (Building and Equipment)		1,000,000	1,000,000			1,000,000	
Sales from Clarus Sale Process:							
Actual Proceeds from Sale of Canadian Assets to Major	1	4,058,151	598,153	$ 3,252,975		3,851,128	$ 207,023
Actual Proceeds from Sale of Monglian Assets to Major		835,390	835,390			835,390	
Mexican Assets (Estimated):							
Equipment & Inventory	2, 3	4,500,000	1,700,000		$ 2,800,000	4,500,000	
Accounts Receivable (75% of NBV as at January 31, 2013)		1,200,000	1,200,000			1,200,000	
Disputed Morocan Receivable of $200,000 due to Landdrill Barbados		10,000	10,000			10,000	
HST ITC Refunds since Filing Date	4	-	-			-	
Estimated/Projected Net Proceeds Potentially Expected to be Available for Distribution before Allocation of Actual Costs to Date and Reserve for Court Ordered Charges	5	**$ 13,685,541**	**$ 7,425,543**	**$ 3,252,975**	**$ 2,800,000**	**$ 13,478,518**	**$ 207,023**
Allocation of Costs:							
Actual Professional Fees paid to date less HST		$ 1,969,531	TBD	TBD	TBD	TBD	TBD
Additional Provision for Professional Fees		300,000	TBD	TBD	TBD	TBD	TBD
Clarus Commission re Canada		121,745	TBD	TBD	TBD	TBD	TBD
Clarus Commission re Mongolia		25,062	TBD	TBD	TBD	TBD	TBD
Lesser of Provision for Pre-Filing HST Arrears and Costs of Bankruptcy Proceedings	6	50,000	TBD	TBD	TBD	TBD	TBD
Total Allocation of Costs		$ 2,466,337	TBD	TBD	TBD	TBD	TBD
Estimated/Projected Net Proceeds Potentially Expected to be Available for Distribution before Reserve for Court Ordered Charges	7	**$ 11,219,204**					
Other Matters	8						

Notice to Reader
The Estimated/Projected Net Proceeds Potentially Expected to be Available for Distribution has not been audited, reviewed or otherwise verified.

Note(s)
1 Should the amount of proceeds allocated to GE exceed the amount to which GE is entitled then any surplus would be allocated to Crown.
2 The amount of any costs allocated to Sprott will be added to the amount of its indebtedness and will correspondingly reduce the the amount of net proceeds to be allocated to Crown.
3 Although the sale of the Mexican Assets to Major did not close due to legal reasons, the purchase price has been included here as a representation of the value of the Mexican Assets from which a share of the costs to date might be recovered.
4 There is a potential HST refund of approximately $300,000 that is subject to an audit by CRA. This schedule above may be adjusted when the results of the CRA HST audit are known.
5 We have assumed for purposes of this schedule that both Crown and Sprott have valid and enforceable security in Mexico.
6 Assumes the appropriate Landdrill Entities are bankrupted to invert relative priorities or that the HST arrears are in company different than that with the ITC Refunds.
7 Any interim distribution would have to be net of a provision for the full amount of the Court Ordered charges namely, the Directors' & Officers' charge in the amount of $1 million and the Administrative Charge in the amount of $400,000
8 Certain other matters for consideration that are not reflected above are as follows:

Inter-company transfer from Landdrill Canada to Landdrill Mexico post filing:	$390,000
Landdrill Canada payment of Landdrill Mexico salaries post-filing:	$250,000
Other?	

Attached is Exhibit "33" to the
Affidavit of Michael Pisani sworn the
12th day of April, 2013.

Lara Ott

A Commissioner, Etc.

Lara Fitzgerald-Husek, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 29, 2014.

From: Paul.D.Hickey@ca.ey.com
To: "Alissa Mitchell" <amitchell@millerthomson.com>, Andrew Steuter SRL <asteuter@sprottlending.com>, Ashley Taylor <ATAYLOR@stikeman.com>, "Christopher.Mediratta@ca.ey.com" <Christopher.Mediratta@ca.ey.com>, "Meldrum, David (GE Capital)" <David.Meldrum@ge.com>, Jeff Lee <jmlee@mlt.com>, Mary Buttery <mbuttery@davis.ca>, shutchison@stewartmckelvey.com, "Steven.J.McLaughlin@ca.ey.com" <Steven.J.McLaughlin@ca.ey.com>
Date: 02/22/2013 01:45 PM
Subject: Errata - Landdrill Group of Companies - Intercompany Accounts Receiveable/Payable

By now many of you will have noted I have incorrectly used July 31, 2013" instead of "July 31, 2012" in a number of places in the body of my email below. Regrets.

Paul

From: Paul D Hickey/TAS/ErnstYoung/CA
To: "Meldrum, David (GE Capital)" <David.Meldrum@ge.com>@EYI-AMERICAS
Cc: shutchison@stewartmckelvey.com, "Alissa Mitchell" <amitchell@millerthomson.com>, Andrew Steuter SRL <asteuter@sprottlending.com>, Ashley Taylor <ATAYLOR@stikeman.com>, "Christopher.Mediratta@ca.ey.com" <Christopher.Mediratta@ca.ey.com>, Jeff Lee <jmlee@mlt.com>, Mary Buttery <mbuttery@davis.ca>, "Steven.J.McLaughlin@ca.ey.com" <Steven.J.McLaughlin@ca.ey.com>
Date: 22/02/2013 02:54 PM
Subject: Landdrill Group of Companies - Intercompany Accounts Receiveable/Payable

David,

In response to your request, we have attached a schedule of intercompany accounts receivable/payable as at July 31, 2012. Management has reviewed this chart and confirms it is a reasonably accurate reflection of the balances outstanding as at July 31, 2013. Further, Management has indicated that the July 31 balances are directionally indicative of the current balances outstanding at this time notwithstanding certain transactions have occurred since July 31, 2013 (e.g., the amount owing from Landdrill Russia to LII is now approximately $3.1 M; in July and August a number of repayments were made from Mexico to LII which would serve to somewhat reduce the amount owing from Mexico to LII; and, during the CCAA proceedings approximately $390,000 was transferred from LTD to Mexico to fund disbursements there, etc.). Management has agreed to update the chart to reflect the transactions occurring since July 31, 2013. We will provide that update to you one we have received it from Management.

Please let us know if you have any questions.

Regards,

Paul

From: "Meldrum, David (GE Capital)" <David.Meldrum@ge.com>
To: "Paul.D.Hickey@ca.ey.com" <Paul.D.Hickey@ca.ey.com>, Andrew Steuter SRL <asteuter@sprottlending.com>, Mary Buttery <mbuttery@davis.ca>, "Alissa Mitchell" <amitchell@millerthomson.com>, Jeff Lee <jmlee@mlt.com>
Cc: Ashley Taylor <ATAYLOR@stikeman.com>, "Steven.J.McLaughlin@ca.ey.com" <Steven.J.McLaughlin@ca.ey.com>, "Christopher.Mediratta@ca.ey.com" <Christopher.Mediratta@ca.ey.com>
Date: 15/02/2013 11:41 AM
Subject: RE: Landdrill Group of Companies - Estimated Asset Realizations & Costs Incurred to Date

Paul,

Kindly provide the amount of intercompany accounts receivable from Mongolia, Mexico & Russia owed Landdrill International Inc. as indicated in the corporate chart provided below.

Regards,

David

David G. Meldrum, CPA, CA
Senior Manager, Workout
GE Capital, Canada
T +1 514 397 5383
F +1 514 221 4051
E david.meldrum@ge.com

1250 René-Lévesque West, Suite 1100
Montréal, Québec, H3B 4W8, Canada

GE Imagination at work

From: Paul.D.Hickey@ca.ey.com [mailto:Paul.D.Hickey@ca.ey.com]
Sent: Thursday, February 14, 2013 8:36 AM
To: Andrew Steuter SRL; Meldrum, David (GE Capital); Mary Buttery; Alissa Mitchell; Jeff Lee
Cc: Ashley Taylor; Steven.J.McLaughlin@ca.ey.com; Christopher.Mediratta@ca.ey.com
Subject: Landdrill Group of Companies - Estimated Asset Realizations & Costs Incurred to Date

Good day,

The Monitor has recently received requests for information related to the subjected matters and thought it would be useful and more cost-effective to provide all Senior Lenders with the same information at the same time to facilitate informed discussion and analysis. The Monitor had been planning to deal with such matters once the Mexican transaction with Major had closed because most of the necessary information would have been available at that time. The fact that Major has not agreed to extend the Mexican Transaction Closing Date beyond February 15, 2013, presents certain challenges in dealing with such matters. Nevertheless, we have attached two DRAFT schedules for your consideration and feedback.

1) The first is a corporate chart showing the Applicants, certain subsidiaries and the key remaining assets of each.

2) The second schedule is a format that can be used to estimate the amount of net proceeds that might potentially be realized from the assets of the Landdrill Companies including an estimate of the potential value to be realized from any ultimate sale of the Mexican Assets. For this purpose, the $4.5 M amount of the Major Transaction purchase price has been used in this DRAFT schedule. From these amounts have been deducted the administrative costs incurred since the date of the Initial Order and a preliminary estimate of future costs of closing the remaining asset sales etc. and finalizing other residual administrative matters other than as related to Landdrill Mexico. Finally, all of the costs of administration to date have been paid from proceeds realized from Crown's security in Canada. Should the Senior Lenders reach agreement on cost sharing, we can amend this schedule accordingly. This schedule is merely intended as a cost-effective tool that we all can use to run scenario analysis for different sets of assumptions.

Should your review of these DRAFT schedule identify any errors or omissions, please communicate them to Steve McLaughlin of the Monitor's staff.

We trust these schedules will be helpful and remain available to discuss them and their underlying assumptions with you at your convenience. We are also available to run scenario analysis using assumptions provided by you should that also be helpful.

Sincerely,

Paul

LANDDRILL GROUP OF COMPANIES
INTER-COMPANY ACOUNTS RECEIVABLE/PAYABLE
AS AT JULY 31, 2012
UNAUDITED - SEE NOTICE TO READER

	Due To												
Due From	International Inc.	International Ltd.	Atlantic Ltd.	Contract Mining Ltd.	Mexico	Mongolia	Russia	Barbados	Nicarauga	Nitasi Landdrill LP	Nitasi Landdrill (Quebec) LP	Other	Total
International Inc. (Note 1)				45,936	1,600,925								1,646,861
International Ltd.	5,917,638		218,094							347,606	2,814,737		9,298,075
Atlantic Ltd.	449,659												449,659
Contract Mining Ltd.		38,936											38,936
Mexico	15,603,566					100,548							15,704,114
Mongolia (Note 2)	5,418,500												5,418,500
Russia (Note 2)	2,966,165					2,334							2,968,499
Barbados	80,702												80,702
Nicarauga	940,471												940,471
Nitasi Landdrill LP	4,040,002												4,040,002
Nitasi Landdrill (Quebec) LP	1,632,056												1,632,056
Other	788,823					6,208							795,031
Total	37,837,582	38,936	218,094	45,936	1,600,925	109,090	-	-	-	347,606	2,814,737	-	43,012,906

Note 1 - The $1,600,925 owing from International Inc. to Mexico has not been offset against the $15,603,566 owing from Mexico to International Inc. because these amounts were separately in the Company's financial records as at July 31, 2013. Management to advise if these amounts should be offset.
Note 2 - Boxed cells indicate that both current and long term amounts have been included in the number presented

Notice to Reader: This schedule has been prepared from information provided by Management and does not reflect any updates required for transactions that have occurred since July 31, 2013 of which there have been several. It has not been audited, reviewed or otherwise verified. Readers are cautioned regarding its use.

Attached is Exhibit "34" to the
Affidavit of Michael Pisani sworn the
12th day of April, 2013.

Lara [signature]

A Commissioner, Etc.

Lara Fitzgerald-Husek, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 29, 2014.

9512659.1

MLT

MACPHERSON LESLIE
& TYERMAN LLP
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Assistant: Carmen R. Balzer
Direct Line: (306) 956-6956
E-mail: CBalzer@mlt.com

February 27, 2013

Stewart McKelvey
Barristers & Solicitors
44 Chipman Hill
Suite 1000, Brunswick House
Saint John, NB E2L 4S6

Attention: Mr. Stephen J. Hutchison
Via E-Mail: shutchison@stewartmckelvey.com

Miller Thomson LLP
Barristers & Solicitors
1 London Place
255 Queens Avenue, Suite 2100
London, ON N6A 5R8

Attention: Ms. Alissa K. Mitchell
Via E-Mail: amitchell@millerthomson.com

Dear Sir/Madam:

Re: Landdrill International Inc. et al.
Court File No. M/M/114/12

We acknowledge receipt of Ms. Mitchell's letter dated February 21, 2013 on behalf of GE Canada Equipment Financing GP et al. ("**GE**").

We also acknowledge receipt of Mr. Hutchison's e-mail correspondence dated February 22, 2013 regarding the proposed "Shares For Debt" settlement agreement between Prognoz, a Russian subsidiary of Silver Bear Resources Inc. ("**SBR**") and LLC Landdrill International ("**Landdrill Russia**").

Ms. Mitchell's letter asserts (on page 3) a claim by GE to a first ranking security interest in the accounts receivable and other intangible property of Landdrill International Inc. ("**Landdrill BC**"), including the inter-company receivables allegedly owed to Landdrill BC by such entities as Landdrill Russia and Landdrill International LLC ("**Landdrill Mongolia**").

Mr. Hutchison's February 22, 2013 e-mail indicates that GE appears to have first priority claim to the accounts receivable of Landdrill BC (including the inter-company receivable allegedly owed by Landdrill Russia to Landdrill BC).

1818695v3

Crown Capital Partners Inc. ("**Crown**") and Norrep Credit Opportunities Fund, LP ("**Norrep**") reject this claim by GE to a first ranking priority in the intercompany accounts receivable owed by Landdrill Russia and Landdrill Mongolia.

For reasons detailed below, Crown and Norrep hold a first ranking (and, to our knowledge, the only) security interest in the assets of Landrill Mongolia and Landdrill Russia. Accordingly, the attempt by GE to assert priority to accounts receivable and intangible property originating from Landdrill Mongolia and Landdrill Russia by trying to assert priority to such assets in the hands of Landdrill BC:

a) amounts to an attempt by GE to expand its collateral pool in a manner completely at odds with the original understanding of priorities within the debt structure shared by Crown/Norrep, Landdrill and GE; and

b) fails in any event (owing to the security held by Crown/Norrep in these assets in the hands of Landdrill Mongolia and Landdrill Russia).

GE's Assertion Of Priority To A/R Originating From Landrrill Mongolia and Landdrill Russia Is At Odds With The Understanding & Conduct Of The Parties

As the evidence filed in these proceedings reflects, the New Brunswick corporation known as Landdrill International Ltd. ("**Landdrill NB**") is the 100% owner of Landdrill Mongolia and is a 50% owner of a Netherlands holding company which is the 100% owner of Landdrill Russia.

The suggestion that the inter-company receivables owed by Landdrill Russia and Landdrill Mongolia are owed to Landdrill BC (rather than Landdrill NB) is, to our knowledge, a suggestion made in these proceedings **for the first time** in February 14, 2013 e-mail correspondence from the Monitor.

Prior to that date, GE (by its own admission), Crown/Norrep and the Monitor all appear to have proceeded on the understanding that the inter-company accounts receivable owed by Landdrill Mongolia and Landdrill Russia were owed to Landdrill NB.

The evidence filed in these proceedings also reflects that, prior to February 14, 2013, GE and Crown/Norrep had proceeded on the understanding that the primary security and primary collateral pool of GE in regard to the indebtedness owed to it by the Landrill Group was the equipment owned by Landdrill NB.

Crown/Norrep respectfully submits that GE's assertion in Ms. Mitchell's February 21 letter of priority to accounts receivable and intangible property originating with Landdrill Mongolia and Landdrill Russia (by attempting to see those assets "vacuumed up" into Landdrill BC) is inappropriate and at odds with the working understanding of the parties.

More importantly, as detailed below, this attempt by GE to assert priority to these foreign receivables and intangible property through Landdrill BC fails in any event.

<u>Norrep's Security In The Assets Of Landdrill Mongolia & Landdrill Russia is A Complete Answer To GE's Assertion of Priority To The A/R & Intangibles Of These Entities</u>

The Credit Agreement (the "**Crown Credit Agreement**") dated as of March 21, 2012 between Landdrill BC (as Borrower), eleven entities in the Landdrill Group (including Landdrill Mongolia and Landrill Russia) (as guarantors) (the "**Guarantors**") and Crown/Norrep (as Lender) comprises Exhibit "A" to the Affidavit of Christopher Johnson sworn to on February 21, 2013 (as well as comprising a portion of Exhibit "E" to the Affidavit of Ronald Goguen sworn to on August 27, 2012).

If you require an additional copy of the Crown Credit Agreement, please let us know.

The Crown Credit Agreement contained provisions whereby:

1. Crown/Norrep (as Lender) agreed to advance a loan (the "**Crown Loan**") in the original principal amount of $8 million to Landdrill BC (as Borrower);

2. Each of the Guarantors (including Landdrill Mongolia and Landdrill Russia) guaranteed the repayment to Crown/Norrep of the Crown Loan; and

3. Pursuant to Article 7.1 of the Crown Credit Agreement and in order to secure the payment or performance of their respective obligations to Crown/Norrep as Guarantors, each of the Guarantors (including Landdrill Mongolia and Landdrill Russia) thereby granted to Crown/Norrep a security interest in all of their respective undertaking and Property, whether now or hereafter owned, existing, acquired or arising, tangible or intangible, real or personal, moveable or immoveable and wherever now or hereafter located (the "**March 21, 2012 Crown Security**").

So far as the evidence adduced in these proceedings reflects, **<u>the only security interest in the assets of Landdrill Mongolia and Landdrill Russia</u>** which was extant prior to the August 31, 2012 commencement of these CCAA proceedings was the March 21, 2012 Crown Security.

Accordingly, the assertion by GE that it can now advance a priority claim to receivables and intangible property originating from Landdrill Mongolia and Landdrill Russia (by claiming such assets through its new-found priority claim in the assets of Landdrill BC) fails entirely.

Such receivables and intangible property of Landdrill Mongolia and Landdrill Russia are secured to Crown/Norrep. It is not open to Landdrill Mongolia, Landdrill Russia or GE to transfer, assign or convey such assets out of Landdrill Mongolia or Landdrill Russia to or in favour of an unsecured creditor of such entities (Landdrill BC) to the prejudice of a secured creditor of such entities (Crown/Norrep).

<u>Demand By Crown/Norrep That The Status Quo Be Preserved Regarding Assets of Landdrill Russia & Landdrill Mongolia</u>

GE's assertion of priority to the receivables and intangible property of Landdrill Mongolia and Landdrill Russia puts Crown/Norrep in the unfortunate position of having to take steps to protect and preserve its first priority secured position in the assets of those entities.

Accordingly, until such time as GE withdraws its assertion of a priority claim to receivables or intangible property originating from Landdrill Mongolia and Landdrill Russia, Crown/Norrep must insist that:

a) the proposed form of Debt Exchange Agreement enclosed with Mr. Hutchison's February 22, 2013 e-mail correspondence be amended to delete therefrom the proposed assignment by Landdrill Russia to Landdrill BC of the indebtedness owed to Landdrill Russia by SBR (and instead be restructured as a transaction solely between Landdrill Russia and SBR);

b) our office be provided with the name and contact information of Russian counsel to Landdrill Russia (so that we may put them on notice as to the priority claim of Crown/Norrep and of the position of Crown/Norrep that assets must not be transferred out of Landdrill Russia to Landdrill BC without the express written consent of Crown/Norrep); and

c) the Monitor provide written confirmation to Crown/Norrep that the Monitor is holding the proceeds of sale of the assets of Landdrill Mongolia (the "**Landdrill Mongolia Asset Sale Proceeds**") resulting from the December, 2012 sale of assets by Landdrill Mongolia to Major Drilling in a separate and distinct trust account, such that the priority claim of Crown/Norrep to those Landdrill Mongolia Asset Sale Proceeds has been preserved.

Until such time as GE is prepared to withdraw this attempt to assert priority to accounts receivable and intangible property originating from Landdrill Mongolia and Landdrill Russia, it will be necessary for Crown/Norrep to maintain this position of requiring that assets of Landdrill Mongolia and Landdrill Russia remain within those entities and not be transferred to the order of Landdrill BC.

We regret that it has become necessary to complicate matters by taking this position. However, given the position recently asserted by GE, it has become necessary for Crown/Norrep to insist on strict segregation of assets in this manner (in order to avoid compromise of its priority position).

Yours truly,

MacPherson Leslie & Tyerman LLP

Per:
Jeffrey M. Lee

JML:crb

cc: Stikeman Elliott LLP
Toronto, ON
Attention: Ashley Taylor

cc: Davis LLP
Vancouver, BC
Attention: Mary Buttery

M L T

cc: Crown Capital Partners Inc./Norrep Credit Opportunities Fund, LP
Attention: Chris Johnson

cc: MLT
Regina, SK
Attention: Aaron Runge/Brianna Demofsky

Attached is Exhibit "35" to the

Affidavit of Michael Pisani sworn the

12th day of April, 2013.

Lara

A Commissioner, Etc.

Lara Fitzgerald-Husek, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 29, 2014.

From: Jeff Lee <jmlee@mlt.com>
To: "'amitchell@millerthomson.com'" <amitchell@millerthomson.com>
Date: 03/13/2013 07:13 PM
Subject: Re: Landdrill

Receipt acknowledged, Alissa. Will be back to you in due course. -Jeff
---------------------- Jeff Lee, MacPherson Leslie & Tyerman LLP, Saskatoon, Canada. This e-mail is confidential, may be the subject of solicitor-client privilege and is intended only for delivery to the addressee identified above.

From: Alissa Mitchell [mailto:amitchell@millerthomson.com]
Sent: Tuesday, March 12, 2013 05:27 AM
To: Jeff Lee
Cc: natasha.decicco@ge.com <natasha.decicco@ge.com>; David Meldrum <david.meldrum@ge.com>; Michael Pisani <michael.pisani@ge.com>
Subject: Landdrill

Hi Jeff,

Further to a recent telephone conversation wherein you advised that Crown had registered its security interest in Russia and Mongolia, kindly provide copies of the opinions of counsel in Mongolia and Russia obtained by Crown in March 2012 confirming the "perfection" and priority of Crown's security over the interests of unsecured creditors of Landdrill Mongolia and Landdrill Russia, as the case may be.

Provided Crown is properly secured, I fully expect that GE will reconsider its position on its entitlement to any portion of the assets/proceeds of these entities. Moreover, the parties could save substantial time and money by not having to deal with this issue.

Many thanks for your anticipated cooperation, Jeff.

Alissa Mitchell
Partner
Miller Thomson LLP
One London Place
255 Queens Avenue, Suite 2010
London, Ontario N6A 5R8
Direct Line: 519.931.3510
Fax: 519.858.8511
Email: amitchell@millerthomson.com
www.millerthomson.com

Attached is Exhibit "36" to the

Affidavit of Michael Pisani sworn the

12th day of April, 2013.

A Commissioner, Etc.

Lara Fitzgerald-Husek, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 29, 2014.

9512659.1

Court File No. M/M/114-12

Amended March 21/13

COURT OF QUEENS BENCH
TRIAL DIVISION
MONCTON, N.B.
FILED/REGISTERED

MAR 21 2013

COUR DU BANC DE LA REINE
DIV DE PREMIÈRE INSTANCE
MONCTON, N.-B.
DÉPOSÉ/ENREGISTRÉ

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF LANDDRILL INTERNATIONAL INC. (A BRITISH COLUMBIA CORPORATION), LANDDRILL INTERNATIONAL LTD. (A NEW BRUNSWICK CORPORATION), LANDDRILL ATLANTIC LTD. (A NEW BRUNSWICK CORPORATION), LANDDRILL CONTRACT MINING LTD. (A NEW BRUNSWICK CORPORATION), LANDDRILL INTERNATIONAL MEXICO S.A. DE C.V. (A MEXICAN CORPORATION), LANDDRILL INTERNATIONAL LLC (A MONGOLIAN CORPORATION) and LANDDRILL INTERNATIONAL INC. (A BARBADOS CORPORATION)

(the "**Applicants**" and each, an "**Applicant**")

ORDER
(D&O Claims Solicitation Procedure)

WHEREAS the motion of Ernst & Young Inc., the Court-appointed Monitor of the Applicants (the "**Monitor**"), seeking an order approving a procedure for the solicitation of claims against the Directors and Officers (as defined below) pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the

"**CCAA**"), was heard this 20th day of March, 2013 at 145 Assomption Blvd., Moncton, New Brunswick.

ON READING the Monitor's Ninth Report;

AND UPON HEARING:

Maria Konyukhova, Counsel for the Monitor;

Stephen J. Hutchison, Counsel for the Applicants;

Mary Buttery, Counsel for Sprott Resource Lending Partnership;

Jeffrey M. Lee, Counsel for Norrep Credit Opportunities Fund and Crown Capital Partners Inc.; and

Alissa K. Mitchell, Counsel for GE Canada Equipment Financing, GP;

no one appearing for any other person on the Service List, although properly served as appears from the affidavit of service, filed:

<u>SERVICE</u>

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record in respect of this Motion is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

<u>DEFINITIONS</u>

2. **THIS COURT ORDERS** that, for the purposes of this Order establishing a claims solicitation procedure for the Applicants' Directors and Officers, in addition to terms defined elsewhere herein, the following terms shall have the following meanings:

(a) **"Applicants' Website"** means http://www.landdrill.com;

(b) **"Business Day"** means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Moncton, New Brunswick;

(c) **"CCAA"** means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

(d) **"CCAA Proceedings"** means the proceedings commenced by the Applicants in the Court under Court File No. M/M/114-12;

(e) **"Court"** means the Court of Queen's Bench of New Brunswick (Trial Division) in the Judicial District of Moncton;

(f) **"D&O Claim"** means any existing or future right or claim of any Person against one or more of the Directors and/or Officers of an Applicant which arose or arises as a result of such Director's or Officer's position, supervision, management or involvement as a Director or Officer of an Applicant since the Filing Date up to and including the date of this D&O Claims Solicitation Procedure Order and whether enforceable in any civil, administrative or criminal proceeding (each a **"D&O Claim"**, and collectively the **"D&O Claims"**).

(g) **"D&O Claimant"** means a Person asserting a D&O Claim;

(h) **"D&O Claims Bar Date"** means 5:00 p.m. on April 15, 2013;

(i) **"D&O Claims Solicitation Procedure"** means the procedures outlined in this Order, including the Schedules;

(j) **"D&O Proof of Claim Form"** means a form substantially in accordance with the form attached hereto as Schedule "B";

(k) "**Directors**" means any and all of the directors of each of the Applicants since the Filing Date, and "**Director**" means any one of them;

(l) "**Filing Date**" means August 31, 2012 as of 12:01 a.m.;

(m) "**Initial Order**" means the Initial Order of the Honourable Chief Justice Smith dated August 31, 2012, as extended and amended from time to time;

(n) "**Monitor**" means Ernst & Young Inc., in its capacity as the Court-appointed Monitor of the Applicants;

(o) "**Monitor's Website**" means http://www.ey.com/ca/landdrill;

(p) "**Notice of D&O Claims Solicitation Procedure and D&O Claims Bar Date**" means the notice for publication, substantially in the form attached as Schedule "A";

(q) "**Officers**" means any and all of the officers of each of the Applicants since the Filing Date, and "**Officer**" means any one of them;

(r) "**Orders**" means any and all of the orders issued by the Court in the CCAA Proceedings, including the Initial Order;

(s) "**Person**" means any individual, partnership, firm, joint venture, trust, entity, corporation, unincorporated organization, trade union, pension plan administrator, pension plan regulator, governmental authority or agency, employee or other association, or similar entity, howsoever designated or constituted;

(t) "**Supporting Documentation Submission Form**" means a form substantially in accordance with the form attached hereto as Schedule "C".

INTERPRETATION

3. **THIS COURT ORDERS** that all references as to time herein shall mean local time in Moncton, New Brunswick, Canada, and any references to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day, unless otherwise indicated herein.

4. **THIS COURT ORDERS** that all references to the word "including" shall mean "including without limitation".

5. **THIS COURT ORDERS** that all references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.

GENERAL PROVISIONS

6. **THIS COURT ORDERS** that any D&O Claims denominated in a foreign currency shall be converted to Canadian dollars for the purposes of this D&O Claims Solicitation Procedure on the basis of the average Bank of Canada Canadian dollar noon exchange rate at the close of business on the Filing Date or such other exchange rate as the Monitor reasonably considers acceptable.

7. **THIS COURT ORDERS** that interest and penalties that would otherwise accrue after the Filing Date shall not be included in any D&O Claim.

ADMINISTRATION OF THE D&O CLAIMS SOLICITATION PROCEDURE

8. **THIS COURT ORDERS** that the D&O Claims Solicitation Procedure shall govern the solicitation of D&O Claims against the Applicants and shall be administered by the Monitor as provided for in this Order.

MONITOR'S ROLE

9. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Orders, is hereby authorized and directed to take such other actions and fulfill such other roles as are contemplated by this Order.

10. **THIS COURT ORDERS** that the Monitor, in carrying out the terms of the D&O Claims Solicitation Procedure Order, shall have all of the protections given it by the CCAA and the Initial Order or as an officer of this Court, including the stay of proceedings in its favour, shall incur no liability or obligation as a result of the carrying out of its obligations under this Order, shall be entitled to rely on the books and records of the Applicants, and any information provided by the Applicants or a D&O Claimant, and shall not be liable for any claims or damages resulting from any errors or omissions in such books, records, or information.

NOTICE OF D&O CLAIMS BAR DATE

11. **THIS COURT ORDERS** that:

(a) The Monitor shall cause the Notice of D&O Claims Solicitation Procedure and D&O Claims Bar Date to be placed in each of the Globe and Mail (national edition), the Times & Transcript, the Telegraph Journal and the Daily Gleaner as soon as practicable after the date of this order;

(b) The Monitor shall cause the Notice of D&O Claims Solicitation Procedure and D&O Claims Bar Date to be distributed via the Canada Newswire as soon as practicable after the date of this order;

(c) The Monitor shall cause the Notice of D&O Claims Solicitation Procedure and D&O Claims Bar Date to be posted on the Monitor's

Website as soon as practicable after the date of this Order and cause it to remain posted thereon until its discharge as Monitor of the Applicants; and

(d) The Monitor or the Applicants shall cause the Notice of D&O Claims Solicitation Procedure and D&O Claims Bar Date to be posted on the Applicants' Website as soon as practicable after the date of this Order and cause it to remain posted thereon until the CCAA Proceedings have been terminated.

DEADLINE FOR SUBMITTING A D&O CLAIM

12. **THIS COURT ORDERS** that any Person that wishes to assert a D&O Claim must submit proof of such D&O Claim to the Monitor in the manner prescribed in this Order using the D&O Proof of Claim Form, together with all relevant supporting documentation in respect of such D&O Claim using the Supporting Documentation Submission Form, on or before the D&O Claims Bar Date.

13. **THIS COURT ORDERS** that any Person who does not file a proof of a D&O Claim in accordance with this Order by the D&O Claims Bar Date or such other later date as may be ordered by the Court shall be forever barred from asserting or enforcing such D&O Claim against the Directors and Officers and the Directors and Officers shall not have any liability whatsoever in respect of such D&O Claim and such D&O Claim shall be extinguished without any further act or notification.

NOTICE OF TRANSFEREES

14. **THIS COURT ORDERS** that if, after the Filing Date, the holder of a D&O Claim transfers or assigns the whole of such D&O Claim to another Person, neither the Monitor nor the Applicants shall be obligated to give notice or

otherwise deal with the transferee or assignee of such D&O Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the Monitor in writing and thereafter such transferee or assignee shall for the purposes hereof constitute the D&O Claimant in respect of such D&O Claim. Any such transferee or assignee of a D&O Claim shall be bound by any notices given or steps taken in respect of such D&O Claim in accordance with this Order prior to receipt and acknowledgment by the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any right of set-off to which the applicable Directors or Officers may be entitled with respect to such D&O Claim. For greater certainty, a transferee or assignee of a D&O Claim is not entitled to set off, apply, merge, consolidate or combine any D&O Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to any of the Directors or Officers.

15. **THIS COURT ORDERS** that if a D&O Claimant transfers or assigns the whole of such D&O Claim to more than one Person or part of such D&O Claim to another Person, such transfers or assignments shall not create separate D&O Claims and such D&O Claims shall continue to constitute and be dealt with as a single D&O Claim notwithstanding such transfers or assignments. The Monitor shall not, in each case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and to otherwise deal with such D&O Claim only as a whole and then only to and with the Person last holding such D&O Claim, provided such D&O Claimant may, by notice in writing delivered to the Monitor, direct that subsequent dealings in respect of such D&O Claim, but only as a whole, shall be with and by a specified Person and in such event, such Person shall be bound by any notices given or steps taken in respect of such D&O Claim with such D&O Claimant in accordance with the provisions of this Order.

SERVICE AND NOTICES

16. **THIS COURT ORDERS** any notice, notification or communication required to be delivered by the Monitor pursuant to this Order may be delivered by facsimile, email or electronic transmission, personal delivery, courier or prepaid mail to the address or number contained in the books and records of the Applicants or as included in the information submitted by a D&O Claimant in respect of its D&O Claim.

17. **THIS COURT ORDERS** that any paper copy of any notice, notification or communication required to be provided or delivered by a D&O Claimant to the Monitor under this Order will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery, email or facsimile transmission addressed to:

Ernst & Young Inc.
In its capacity as Monitor of Landdrill International Inc. *et al.*
11 Englehart Street
Dieppe, NB E1A 7Y7

Attention:	Ingo Eckoldt
Telephone:	(709) 570-8252
Facsimile:	(709) 726-0345
Email:	ingo.eckoldt@ca.ey.com

18. **THIS COURT ORDERS** that if during any period during which notices or other communications are being given pursuant to this Order, a postal strike or postal work stoppage of general application should occur, such notices, notifications or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if

given by courier, personal delivery, email or facsimile transmission in accordance with this Order.

19. **THIS COURT ORDERS** that any notice delivered to a D&O Claimant via email or facsimile transmission shall be deemed to have been received by such D&O Claimant on the date that it was sent, as evidenced by the date stamp on the email, if sent prior to 5:00 p.m. (local time) on a Business Day, or if sent after 5:00 p.m. on a Business Day or on a non-Business Day, on the next following Business Day.

20. **THIS COURT ORDERS** that any notice delivered to a D&O Claimant by mail, personal delivery or courier shall be deemed to have been received by such D&O Claimant on the third Business Day after the notice was mailed, personally delivered or couriered.

21. **THIS COURT ORDERS** that in the event that this Order is amended by further Order of the Court, the Applicants or the Monitor may post such further Order on the Monitor's website and send an email to the service list created in the CCAA Proceedings and such posting and emailing shall constitute adequate notice to D&O Claimants of such amended claims procedure.

APPROVAL OF THE NINTH REPORT

22. **THIS COURT ORDERS** that the Ninth Report of the Monitor dated March 11, 2013, and the activities of the Monitor described therein, are hereby approved.

MISCELLANEOUS

23. **THIS COURT ORDERS** that notwithstanding any other provisions of this Order, the solicitation by the Monitor or the Applicants of D&O Claims and

the filing by any D&O Claimant of any D&O Claims shall not, for that reason only, grant any person any standing in these proceedings.

24. **THIS COURT ORDERS** that the forms of notice to be provided in accordance with this Order shall constitute good and sufficient service and delivery of notice of this Order and the D&O Claims Bar Date on all Persons who may be entitled to receive notice and who may assert a D&O Claim and no other notice or service need be given or made and no other documents or material need be sent to or served upon any Person in respect of this Order.

25. **THIS COURT ORDERS** that notwithstanding the terms of this Order, the Monitor may apply to this Court from time to time for directions from this Court with respect to the Order, or for such further Order or Orders as it may consider necessary or desirable to amend, supplement or clarify the terms of this Order.

26. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada (including the assistance of any court in Canada pursuant to section 17 of the CCAA) and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial regulatory body of any other nation or state, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

March 21/13

CJC QB.

see the endorsement on the motion

Schedule "A"

NOTICE TO CREDITORS AND OTHERS

IN RESPECT OF CLAIMS AGAINST
CURRENT AND FORMER DIRECTORS AND OFFICERS
(collectively, the "Directors and Officers")

OF

LANDDRILL INTERNATIONAL INC. (A BRITISH COLUMBIA CORPORATION),
LANDDRILL INTERNATIONAL LTD. (A NEW BRUNSWICK CORPORATION),
LANDDRILL ATLANTIC LTD. (A NEW BRUNSWICK CORPORATION),
LANDDRILL CONTRACT MINING LTD. (A NEW BRUNSWICK CORPORATION),
LANDDRILL INTERNATIONAL MEXICO S.A. DE C.V. (A MEXICAN CORPORATION),
LANDDRILL INTERNATIONAL LLC (A MONGOLIAN CORPORATION) AND
LANDDRILL INTERNATIONAL INC. (A BARBADOS CORPORATION)
(collectively, the "Applicants")

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, as amended

NOTICE OF D&O CLAIMS SOLICITATION PROCEDURE

AND

D&O CLAIMS BAR DATE

FOR D&O CLAIMS AGAINST THE DIRECTORS AND OFFICERS PURSUANT TO THE COMPANIES' CREDITORS ARRANGEMENT ACT (THE "CCAA")

PLEASE TAKE NOTICE that this notice is being published pursuant to an order of the Honourable Chief Justice Smith of the Court of Queen's Bench of New Brunswick (Trial Division), Judicial District of Moncton, dated March 20, 2013 (the "**D&O Claims Solicitation**

Procedure Order"). Capitalized terms not defined within this notice shall have the meaning ascribed thereto in the D&O Claims Solicitation Procedure Order.

Any person who believes that it has a claim against a Director or Officer should send a D&O Proof of Claim to Ernst & Young Inc., in its capacity as the Court-appointed Monitor of the Applicants, to be received **by 5:00 p.m. (Atlantic Daylight Savings Time) on April 15, 2013 or such other later date as may be ordered by the Court (the "D&O Claims Bar Date").**

D&O CLAIMS FOR WHICH D&O PROOFS OF CLAIM ARE NOT RECEIVED BY THE D&O CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

Claimants who require a D&O Proof of Claim form may obtain a copy of this form from the Monitor's website at http://www.ey.com/ca/landdrill or may contact Ernst & Young Inc., in its capacity as the Court-appointed Monitor of the Applicants, (**Attention:** Ingo Eckoldt, Telephone: (709) 570-8252, Fax: (709) 726-0345 and email: ingo.eckoldt@ca.ey.com), to obtain a D&O Proof of Claim form and Instruction Letter.

Claimants may file their D&O Proof of Claim with the Monitor by mail, fax, email, courier or hand delivery, so that the D&O Proof of Claim is actually received by the D&O Claims Bar Date at the address below:

Address of Monitor:

Ernst & Young Inc.
In its capacity as Monitor of Landdrill International Inc. et al.
11 Englehart Street
Dieppe, NB E1A 7Y7

Attention:	Ingo Eckoldt
Telephone:	(709) 570-8252
Facsimile:	(709) 726-0345
Email:	ingo.eckoldt@ca.ey.com

Dated at ____________________ this _____ day of ____________________, 2013.

Schedule "B"

D&O PROOF OF CLAIM

IN RESPECT OF CLAIMS AGAINST
CURRENT AND FORMER DIRECTORS AND OFFICERS
(collectively, the "Directors and Officers")

OF

LANDDRILL INTERNATIONAL INC. (A BRITISH COLUMBIA CORPORATION),
LANDDRILL INTERNATIONAL LTD. (A NEW BRUNSWICK CORPORATION),
LANDDRILL ATLANTIC LTD. (A NEW BRUNSWICK CORPORATION),
LANDDRILL CONTRACT MINING LTD. (A NEW BRUNSWICK CORPORATION),
LANDDRILL INTERNATIONAL MEXICO S.A. DE C.V. (A MEXICAN CORPORATION),
LANDDRILL INTERNATIONAL LLC (A MONGOLIAN CORPORATION) AND
LANDDRILL INTERNATIONAL INC. (A BARBADOS CORPORATION)
(collectively, the "Applicants")

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, as amended

A. PARTICULARS OF D&O CLAIMANT

In order to ensure all D&O Claims are processed in an expeditious manner, you must provide the Full Legal Name of D&O Claimant and one or more of the following:

1. Full Legal Name of D&O Claimant: ______________________________ (the "D&O Claimant").
   (Do not file separate Proofs of D&O Claim by division of the same D&O Claimant.)

2. Full Mailing Address of the D&O Claimant:
   ____
   ____
   ____
   ____

3. Telephone Number of Claimant: ______________________________

4. Facsimile Number of Claimant: ______________________

5. Attention (Contact Person): ______________________

6. Email address: ______________________

7. Has the D&O Claim been sold or assigned by D&O Claimant to another party?
Yes___ No___ **(If yes please complete section D)**

B. PROOF OF D&O CLAIM:

I, ______________________ [Name of D&O Claimant or Representative of the D&O Claimant], do hereby certify:

1. that I am (please check one):

___ the D&O Claimant; or
___ hold the following position of ______________ of the D&O Claimant

and have personal knowledge of all the circumstances connected with the D&O Claim described herein;

2. that, as set out below, the Directors and Officers were and still are indebted to the Claimant as follows:

Total D&O Claim Cdn $__________.

Note: Claims in a foreign currency are to be converted to Canadian dollars on the basis of the average Bank of Canada daily noon exchange rate in effect over the ten day period preceding the date of the Initial Order, August 31, 2012. Averages can be calculated on the Bank of Canada website: www.bankofcanada.ca/rates/exchange/10-year-lookup/.

C. PARTICULARS OF D&O CLAIM:

Name of each Director or Officer and amount claimed in respect of each Director or Officer:

Director or Officer	Amount
	$________
	$________
	$________
	$________

Description of transaction, agreement or event giving rise or relating to the D&O Claim:

____

____

If the D&O Claim is contingent or unliquidated, state the basis and provide evidence upon which the D&O Claim has been valued:

____

____

____

IF YOU REQUIRE ADDITIONAL SPACE, PLEASE ATTACH A SCHEDULE HERETO. D&O CLAIMANTS MUST PROVIDE COPIES OF ALL RELEVANT AGREEMENTS.

A DETAILED, COMPLETE STATEMENT OF ACCOUNT THAT SHOWS THE DATE, THE NUMBER AND THE AMOUNT OF EACH INVOICE OR CHARGE, TOGETHER WITH THE DATE, THE NUMBER AND THE AMOUNT OF ALL CREDITS, COUNTERCLAIMS, DISCOUNTS, PAYMENTS, ETC., TO WHICH THE APPLICANTS ARE ENTITLED, MUST BE ATTACHED TO THE PROOF OF CLAIM.

D. PARTICULARS OF ASSIGNEE(S) (IF ANY):

1. Full Legal Name of Assignee(s) of D&O Claim (if all or a portion of the D&O Claim has been sold). If there is more than one assignee, please attach separate sheets with the following information:

____
(the "Assignee(s)")

Amount of Total D&O Claim Assigned	$__________
Amount of Total D&O Claim Not Assigned	$__________

Total Amount of D&O Claim $__________
(Note: should equal "Total D&O Claim" as entered in Section B.)

2. Full Mailing Address of Assignee(s):

____

____

____

____

3. Telephone Number of Assignee(s): ____________________
4. Facsimile Number of Assignee(s): ____________________
5. Email address of Assignee(s): ____________________
6. Attention (Contact Person): ____________________

E. FILING OF D&O CLAIMS:

THE DULY COMPLETED D&O PROOF OF CLAIM, TOGETHER WITH SUPPORTING DOCUMENTATION, MUST BE RETURNED AND RECEIVED BY THE MONITOR, NO LATER

THAN 5:00 PM (ATLANTIC DAYLIGHT SAVINGS TIME) ON APRIL 15, 2013, TO THE EMAIL ADDRESS, ADDRESS OR FACSIMILE LISTED BELOW.

FAILURE TO FILE YOUR D&O PROOF OF CLAIM BY SUCH TIME AND DATE WILL RESULT IN YOUR D&O CLAIM BEING FOREVER EXTINGUISHED AND BARRED AND YOU WILL BE PROHIBITED FROM MAKING OR ENFORCING A D&O CLAIM AGAINST THE DIRECTORS AND OFFICERS.

This D&O Proof of Claim must be delivered by email, facsimile transmission, personal delivery, courier or prepaid mail at the following address:

Address of Monitor:

Ernst & Young Inc.
In its capacity as Monitor of Landdrill International Inc. et al.
11 Englehart Street
Dieppe, NB E1A 7Y7

Attention: Ingo Eckoldt
Telephone: (709) 570-8252
Facsimile: (709) 726-0345
Email: ingo.eckoldt@ca.ey.com

DATED at ________________ this ______ day of _________, 2013.

____
(Signature of Witness)

____
(Signature of individual completing this form)

____
(Please print name)

____
(Please print name)

INSTRUCTION LETTER

IN RESPECT OF CLAIMS AGAINST
CURRENT AND FORMER DIRECTORS AND OFFICERS
(collectively, the "Directors and Officers")

OF

LANDDRILL INTERNATIONAL INC. (A BRITISH COLUMBIA CORPORATION),
LANDDRILL INTERNATIONAL LTD. (A NEW BRUNSWICK CORPORATION),
LANDDRILL ATLANTIC LTD. (A NEW BRUNSWICK CORPORATION),
LANDDRILL CONTRACT MINING LTD. (A NEW BRUNSWICK CORPORATION),
LANDDRILL INTERNATIONAL MEXICO S.A. DE C.V. (A MEXICAN CORPORATION),
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(collectively, the "Applicants")

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, as amended

D&O CLAIMS SOLICITATION PROCEDURE

By Order of the Honourable Chief Justice Smith dated March 20, 2013 (as may be amended from time to time, the "**D&O Claims Solicitation Procedure Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**"), the Monitor has been authorized and directed to conduct a claims procedure (the "**D&O Claims Procedure**"). A copy of the D&O Claims Solicitation Procedure Order and other public information concerning these proceedings can be obtained from the website of Ernst & Young Inc., the Court-appointed Monitor of the Applicants, at: http://www.ey.com/ca/landdrill.

This letter provides general instructions for completing the D&O Proof of Claim forms. Capitalized terms not defined within this instruction letter shall have the meaning ascribed thereto in the D&O Claims Solicitation Procedure Order.

The D&O Claims Solicitation Procedure is intended for any Person with any existing or future right or claim against one or more of the Directors and/or Officers of an Applicant which arose or arises as a result of such Director's or Officer's position, supervision, management or involvement as a Director or Officer of an Applicant since the Filing Date up to and including the date of this D&O Claims Solicitation Procedure Order and whether *enforceable in any civil, administrative or criminal proceeding (each a "D&O Claim", and collectively the "D&O Claims"). Please review the D&O Claims Solicitation Procedure Order for the complete definition of D&O Claim.*

All notices and inquiries with respect to the D&O Claims Solicitation Procedure should be directed to the Monitor by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below:

Ernst & Young Inc.
In its capacity as Monitor of Landdrill International Inc. et al.
11 Englehart Street
Dieppe, NB E1A 7Y7

Attention:	Ingo Eckoldt
Telephone:	(709) 570-8252
Facsimile:	(709) 726-0345
Email:	ingo.eckoldt@ca.ey.com

FOR D&O CLAIMANTS SUBMITTING A D&O PROOF OF CLAIM FORM

If you believe that you have a D&O Claim against one or more of the Directors or Officers of the Applicants, you must file a D&O Proof of Claim form with the Monitor.

All D&O Proofs of Claim with respect to D&O Claims must be received by the Monitor on or before 5:00 pm (Atlantic Daylight Savings Time) on April 15, 2013, unless the Court orders that the D&O Proof of Claim be accepted after that date.

IF YOU DO NOT FILE A D&O PROOF OF CLAIM IN RESPECT OF A D&O CLAIM BY SUCH TIME AND DATE, the Directors and Officers shall have no liability whatsoever in respect of such D&O Claim and such D&O Claim shall be extinguished without any further act or notification by Monitor.

All Claims denominated in a foreign currency shall be converted to Canadian dollars at the average Bank of Canada noon exchange rate in effect over the ten day period preceding the Filing Date.

ADDITIONAL FORMS

Additional D&O Proof of Claim forms can be obtained from the Monitor's website at http://www.ey.com/ca/landdrill or by contacting the Monitor and providing the particulars as to your name, address, facsimile number, email address and contact person. Once the Monitor has this information, you will receive, as soon as practicable, an additional D&O Proof of Claim form.

DATED this ● day of ●, 2013.

Schedule "C"

Supporting Documentation Submission Form

Contact Details

Name ______________________________

Attention ______________________________

Address 1 ______________________________

Address 2 ______________________________

City ______________________________

State/Province ______________________________

ZIP/Postal Code ______________________________

Country ______________________________

Phone ______________________________

Fax ______________________________

Email ______________________________

Supporting Documentation

Please attach hard copies of your supporting documentation to this form.

Comments ______________________________

____

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____

____

Future correspondence

All future correspondence will be directed to the email designated in the contact details unless you specifically request that hardcopies be provided.

☐ Hardcopy of correspondence required

Acknowledgement

Signature ______________________________

Date ______________________________

Attached is Exhibit "37" to the
Affidavit of Michael Pisani sworn the
12th day of April, 2013.

Lara F-H

A Commissioner, Etc.

Lara Fitzgerald-Husek, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 29, 2014.

Early termination quote

Name:	LANDDRILL INTERNATIONAL LTD.
Agreement Number:	2164552001
Financed Amount:	$1,655,885.88
Agreement Date:	May 27, 2011
Agreement Type:	Loan - fixed rate

Quote as of: **April 11, 2013**

Outstanding Balance:		1,064,896.41	
Prepayment Fee:		71,813.81	
Accrued Interest:		68,783.94	since last instalment made
*Charges Dues:		7,430.35	
***Total:**	$	1,212,924.51	

*If received by 3 PM local time at your branch today. Otherwise, please add an amount of per day until the payment is received. $ 263.54

This quote is indicative only. It is based on GE Canada Equipment Financing G.P. standard terms and may vary according to your specific terms.

Early termination quote

Name:	LANDDRILL INTERNATIONAL LTD.
Agreement Number:	8688011-001
Financed Amount:	$377,027.57
Agreement Date:	July 13, 2011
Agreement Type:	Loan - fixed rate

Quote as of: **April 11, 2013**

Outstanding Balance:		252,359.77	
Prepayment Fee:		18,610.09	
Accrued Interest:		14,791.43	since last instalment made
*Charges Dues:		826.27	
***Total:**	$	286,587.56	

*If received by 3 PM local time at your branch today. Otherwise, please add an amount of per $ 61.38 day until the payment is received.

This quote is indicative only. It is based on GE Canada Equipment Financing G.P. standard terms and may vary according to your specific terms.

Early termination quote

Name:	LANDDRILL INTERNATIONAL LTD.
Agreement Number:	8698749-001
Financed Amount:	$707,103.96
Agreement Date:	September 30, 2011
Agreement Type:	Loan - fixed rate

Quote as of: **April 11, 2013**

Outstanding Balance:		527,539.86	
Prepayment Fee:		42,080.39	
Accrued Interest:		30,015.14	since last instalment made
*Charges Dues:		3,044.22	
***Total:**	$	602,679.62	

*If received by 3 PM local time at your branch today. Otherwise, please add an amount of per day until the payment is received. $ 117.71

This quote is indicative only. It is based on GE Canada Equipment Financing G.P. standard terms and may vary according to your specific terms.

Early termination quote

Name:	LANDDRILL INTERNATIONAL LTD.
Agreement Number:	8724235001
Financed Amount:	$1,200,000.00
Agreement Date:	March 30, 2012
Agreement Type:	Loan - fixed rate

Quote as of:	**April 11, 2013**		
Outstanding Balance:		1,030,241.72	
Prepayment Fee:		95,774.94	
Accrued Interest:		64,742.20	since last instalment made
*Charges Dues:		6,987.72	
***Total:**	$	1,197,746.58	

*If received by 3 PM local time at your branch today. Otherwise, please add an amount of per day until the payment is received. $ 253.89

This quote is indicative only. It is based on GE Canada Equipment Financing G.P. standard terms and may vary according to your specific terms.