Court No. ______
Estate No. ______

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL DISTRICT OF MONCTON

IN THE MATTER OF THE BANKRUPTCY OF LANDDRILL INTERNATIONAL LTD.

BETWEEN:

NORREP CREDIT OPPORTUNITIES FUND, LP

APPLICANT CREDITOR

– AND –

LANDDRILL INTERNATIONAL LTD.

RESPONDENT

APPLICATION FOR A BANKRUPTCY ORDER

Norrep Credit Opportunities Fund, LP ("**Norrep**") hereby makes an application to the Court that Landdrill International Ltd. (the "**Debtor**") be adjudged bankrupt and that a Bankruptcy Order be made in respect of the Debtor, which is a corporation incorporated pursuant to the laws of New Brunswick with its head office and principal place of business located in Moncton, New Brunswick, and says that:

1. The Debtor has, at some time during the six months next preceding the filing of this application, carried on business in the Province of New Brunswick, within the jurisdiction of this Honourable Court.

2. The Debtor is justly and truly indebted to Norrep in the amount of $10,500,000.00 plus interest in the amount of $1,495,925.63 (as at April 10, 2013) accruing at the per diem rate of $4,918.64 from and after April 10, 2013 (the "**Indebtedness**") in regard to: (a) amounts owing to Norrep pursuant to a Credit Agreement dated as of March 21, 2012 (the "**Credit Agreement**"); and (b) amounts owing to Sprott, which indebtedness Norrep acquired from Sprott as of March 15, 2013.

3. The Debtor is further justly and truly indebted to Norrep in the amount of $218,300 (as at April 10, 2013) in regard to: (c) legal costs and disbursements payable pursuant to the terms of the Credit Agreement.

4. Norrep holds security on the Debtor's property for payment of the Indebtedness pursuant to the terms of the Credit Agreement, and Norrep estimates the value of such security to be $10,500,000.00.

5. The Debtor has, within the six months next preceding the date of the filing of this Application for a Bankruptcy Order, committed the following act of bankruptcy pursuant to section 42(1)(j) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (The "**BIA**"), namely:

   (i) the Debtor has ceased to meet its liabilities generally as they become due, in that it has failed to pay its obligations to various creditors, including (without limitation) Norrep.

6. Ernst & Young Inc., a Trustee duly licensed under the provisions of the BIA, has consented to act as Trustee of the estate in bankruptcy of the Debtor should a Bankruptcy Order be issued against it.

DATED at Saint John, New Brunswick, this 24th day of May, 2013.

MACPHERSON LESLIE & TYERMAN LLP

Per: ______________________________
Jeffrey M. Lee, Q.C.
Solicitors for the Applicant,
Norrep Credit Opportunities Fund, LP

ISSUED at Moncton, New Brunswick, this _____day of May, 2013.

____
Registrar

This **Application for a Bankruptcy Order** was delivered by:

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