

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)**

**NOTICE OF MOTION
(FORM 37A)**

TO: Norrep Credit Opportunities Fund, LP
and Crown Capital Partners Inc.
c/o Jeff Lee
MacPherson Leslie & Tyerman LLP
1500, 410 – 22nd Street East
Saskatoon, Saskatchewan S7K 5T6

AND TO:

GE Canada Equipment Financing, G.P.
c/o Alissa K. Mitchell

COUR DU BANC DE LA REINE DU
NOUVEAU-BRUNSWICK

DIVISION DE PREMIERE INSTANCE

CIRCONSCRIPTION JUDICIAIRE DE

**AVIS DE MOTION
(FORMULE 37A)**

DESTINATAIRE:

Miller Thompson
One London Place
255 Queens Avenue,
Suite 2010
London, Ontario N6A 5R8

AND TO:

Sprott Resource Lending Partnership
c/o Mary Buttery
Davis LLP
Suite 2800, Park Place
666 Burrard Street
Vancouver, British Columbia
V6C 2Z7

AND TO:

Gold Canyon Resources Inc.
c/o Josh J.B. McElman
Brunswick Square, Suite 1500
1 Germain Street
Saint John, New Brunswick
E2L 4V1

AND TO:

Ernst & Young Inc.
c/o Ashley John Taylor
Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario
M5L 1B9

Landdrill International Inc., a British Columbia corporation, ("**Landdrill BC**"), Landdrill International Ltd., a New Brunswick corporation, ("**Landdrill NB**"), Landdrill Atlantic Ltd., a New Brunswick corporation, Landdrill Contract Mining Ltd., a New Brunswick corporation, Landdrill Mexico S.A. de C.V., a Mexican corporation, ("**Landdrill Mexico**"), Landdrill International LLC, a Mongolian corporation, and Landdrill International Inc., a Barbados corporation, (collectively, the "**Applicants**") will make a

Le Demandeur _____
demandera à la Cour à
_____ le _____ 20____, à
_____ h _____, d'ordonner

motion to the Court on the 17th day of September 2012 at 10 A.M. or as soon after that time as a motion can be heard, at the Moncton Court House, 145 Assumption Blvd., Moncton, New Brunswick for an Order including the following relief:

1. an Order abridging and validating the timing and method of service of the Notice of Motion, if necessary, so that this Motion is properly returnable and further service thereof and with the need to file a Record on Motion is dispensed with;
2. an Order adjourning the Comeback Hearing originally scheduled for September 17, 2012 to September 27, 2012; and
3. an Order amending paragraph 24(f) of the DIP Agreement (as defined in the Initial Order) to substitute September 27, 2012 for September 21, 2012; and
4. an Order respecting service and Notice in these proceedings as follows:

Service and Notice

THIS COURT ORDERS that, in addition to the methods of service prescribed by paragraphs 52 and 53 of the Initial Order, any materials to be served in these proceedings may be served on any party on the service list to be maintained by the Monitor by notifying such party in writing, delivered personally, or sent by mail, courier, facsimile or electronic transmission, that the materials to be served have been delivered to the Monitor and have been posted to the Monitors website at www.ey.com/ca/landdrill. Further, all parties serving materials in this manner shall also advise the party(ies) being served that they can contact the party

effecting service to elect to receive service of the materials directly by facsimile or electronic transmission, in lieu of through the Monitor's website and in such case the party effecting service shall comply with any such request.

5. Such further and other relief as may be just and appropriate.

The grounds to be argued upon the hearing of the motion are as follows:

1. The Applicants operate an international drilling business providing industrial drilling services to mineral exploration companies in Canada, Mexico, Mongolia, Nicaragua and Russia;
2. The Applicants are facing severe liquidity issues and do not have the liquidity required to meet their ongoing payment obligations;
3. The Applicants were granted protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), pursuant to an Initial Order dated the 31st day of August 2012 (the "**Initial Order**");
4. The Applicants with the support of their Senior Secured Creditors have requested that the Comeback Hearing originally scheduled for September 17, 2012 be adjourned to September 27, 2012;
5. Norrep Credit Opportunities Fund, LP by its agent, Crown Capital Partners Inc. have agreed to amend the DIP Agreement (as defined in the Initial Order) to substitute "September 27, 2012 for "September 21, 2012" in paragraph 24(f) thereof.
6. The additional Order requested with respect to Service and Notice will

facilitate service of materials on creditors by utilizing the publically accessible website maintained by the Monitor.

Upon the hearing of the within motion, the Applicants intend to rely upon the following statutory provisions and rules, namely:

- (a) the provisions of the CCAA and, particularly, sections 2, 9, 10 and 11 thereof;
- (b) Rules 1.03, 2.01, 2.02, 3.01, 38 and 39 of the *Rules of Court*;
- (c) the inherent jurisdiction of this Honourable Court; and
- (d) such further and other provisions as counsel may advise and this Honourable Court may permit.

Upon the hearing of the motion, the following affidavit or other documentary evidence will be presented or relied upon:

- 1. The Initial Order of this Honourable Court in these proceedings;
- 2. All materials filed with this Honourable Court in these proceedings;
- 3. The Affidavit of Ronald Goguen sworn to on the 12th day of September 2012 and the exhibits attached thereto; and
- 4. such further and other affidavits or documentary and other evidence as counsel may advise and this Honourable Court may permit.

You are advised that:

- (a) you are entitled to issue documents and present evidence at the hearing in English or French or both;

Sachez que:

- (a) vous avez le droit d'émettre des documents et de présenter votre preuve à l'audience en français, en anglais ou dans les deux langues;

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|--|---|
| <p>(b) the Applicant intends to proceed in the English language; and</p> <p>(c) if you intend to proceed in the other official language, an interpreter may be required and you must so advise the Clerk at least 5 days before the hearing.</p> | <p>(b) le demandeur a l'intention d'utiliser la</p> <p>(c) si vous avez l'intention d'utiliser l'autre langue officielle, les services d'un interprète pourront être requis et vous devrez en aviser le greffier au moins 5 jours avant l'audience.</p> |
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DATED at Saint John, New Brunswick, this 13th day of September 2012

STEWART McKELVEY
Solicitors the Applicants



Stephen J. Hutchison

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