

Clerk's stamp:



COURT FILE NUMBER

1703 12327

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

Edmonton

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
ARRANGEMENT OF CANADA NORTH
GROUP INC., CANADA NORTH CAMPS
INC., CAMPCORP STRUCTURES LTD., D.J.
CATERING LTD., 816956 ALBERTA LTD.,
1371047 ALBERTA LTD. and 1919209
ALBERTA LTD.

DOCUMENT

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

APPLICATION

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File No.: 230560.1

NOTICE TO RESPONDENT

This application is made against you. You are a respondent. You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date	March 20, 2018
Time	8:30 am
	Edmonton Law Courts 1A Sir Winston Churchill Square Edmonton, AB T5J 0R2
Where	
Before Whom	The Honourable Justice S.D. Hillier

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. An Order abridging time for service of this Notice of Application and supporting materials to the time actually given.
2. An Order extending the Stay Period as defined in the Initial Order and as subsequently extended to March 23, 2018 up to and including April 30, 2018.
3. An Order:
 - (a) approving the sale of the lands legally described as Plan 8622655, Block E (the “**Property**”) on the terms of the Offer to Purchase and Interim Agreement as attached as Schedule D to the Monitor’s Confidential Supplement to the Eleventh Report;
 - (b) authorizing 1371047 Alberta Ltd. to agree with the purchaser to such minor amendments as may be required to facilitate closing, subject to the approval of the Monitor;
 - (c) upon closing, vesting title in and to the Property in the Purchaser, free and clear from all encumbrances, including the lease caveat registered by Experienced Equipment Sales & Rentals Inc.
4. An Order:
 - (a) approving the sale of assets and shares (collectively, the “**Assets**”) on the terms of the Binding Letter of Intent (the “**LOI**”) attached as Exhibit “A” to the Confidential Supplement to the First Affidavit of Paul McCracken, as amended by the Amending Agreement (the “**Amending Agreement**”) attached as Exhibit “A” to the Confidential Supplement to the Second Affidavit of Paul McCracken (the “**Nilsson Transaction**”);
 - (b) approving the pre-closing transactions necessary to give effect to the Nilsson Transaction, including:
 - (i) cancelling any debt owing by Spallumcheen Estates Ltd., D.J. Catering Ltd. (“**DJ**”), Carma Software Systems Inc., Campcorp, USA Inc., and Campcorp Structures Ltd. (“**CSL**”) to any of the Applicants, other than as expressly approved by the purchaser; and
 - (ii) other than as provided for in the LOI, transferring all assets and all liabilities of DJ and CSL to other corporate entities.
 - (c) authorizing the applicants to agree with the purchaser to such minor amendments as may be required to facilitate closing, subject to the approval of the Monitor;
 - (d) approving the allocation of the purchase prices as set out in Schedule “A” and “B” of the Amending Agreement
 - (e) authorizing the Applicants to agree with the purchaser to such minor amendments as may be required to facilitate closing, subject to the approval of the Monitor;

- (f) upon closing, vesting title in and to the Assets in the purchaser, free and clear from all encumbrances, other than permitted encumbrances.
- 5. An Order sealing the Confidential Supplement to the Second Affidavit of Paul McCracken sworn March 13, 2018.
- 6. Such other relief as this Honourable Court deems just.

Grounds for making this application:

- 7. An Initial Order was granted pursuant to CCAA on July 5, 2017 (the “Initial Order”) whereby the Honourable Mr. Justice K.G. Nielsen granted a stay of proceedings (the “Stay Period”) up to and including August 3, 2017 and interim financing to the Applicants from Business Development Bank of Canada (the “Interim Lender”) in the amount of \$1,000,000 (the “Interim Financing”) and the Interim Lender’s Charge in the same amount.
- 8. Further Orders have been granted extending the Stay Period to March 23, 2018.
- 9. The requested extension to April 30, 2018 is to allow time for the sale of the Property and the Nilsson Transaction to close.
- 10. In respect of both the proposed sale of the Property and the Nilsson Transaction:
 - (a) the process leading up to the proposed sale was reasonable and the result of extensive consultation with creditors;
 - (b) the Monitor has been involved and approved the processes;
 - (c) the transactions are the result of extensive market efforts to obtain the best result for creditors;
 - (d) there has been extensive consultation with key creditors and reporting to the Court and creditors throughout this process;
 - (e) the Monitor has opined that the transactions are more beneficial than a sale or disposition of the same assets under a bankruptcy; and
 - (f) the consideration proposed is fair and reasonable.
- 11. The information in the Confidential Supplement to the Second Affidavit of Paul McCracken is commercially sensitive and ought to be sealed.

Material or evidence to be relied on:

- 12. Second Affidavit of Paul McCracken sworn March 13, 2018, filed.
- 13. Confidential Supplement to Second Affidavit of Paul McCracken sworn March 13, 2018, unfiled.
- 14. Tenth Report of the Monitor, filed March 12, 2018.
- 15. Eleventh Report of the Monitor, filed March 12, 2018.
- 16. Confidential Supplement to the Eleventh Report of the Monitor, filed March 12, 2018;

17. Brief of the Applicants, to be filed.
18. Such further and other materials as previously filed in this matter as counsel may advise and this Honourable Court permits.

Applicable rules:

19. Alberta Rules of Court AR 124/2010, including Rules 1.2, 1.4, 6.1, 6.2 and 11.27.

Applicable Acts and regulations:

20. Judicature Act, RSA 2000 c. J-2 , as amended;
21. Companies' Creditors Arrangement Act, RSC 1985, c C-36 including ss. 9, 11, 11.02, 11.2 and 36.
22. Business Corporations Act, RSA 2000. c B-9, including s. 193 thereof.
23. Such further other provisions and statutes as counsel may advise.

Any irregularity complained of or objection relied on:

24. Abridgement of time for service to the time actually given.

How the application is proposed to be heard or considered:

25. Before Justice S.D. Hillier on the Commercial List

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.