

COURT FILE NUMBER: 1703 12327  
COURT 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  
667402 ALBERTA LTD., 18512398 ALBERTA LTD., 816956  
ALBERTA LTD., 1371047 ALBERTA LTD. AND 1919209  
ALBERTA LTD.**

DOCUMENT **APPLICATION BY STAHELI CONSTRUCTION CO. LTD.**

ADDRESS FOR SERVICE  
AND CONTACT  
INFORMATION OF PARTY  
FILING THIS DOCUMENT

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**NOTICE TO RESPONDENTS:**

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

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

Date: **Thursday, June 21, 2018**

Time: **10:00 AM**

Where: **Edmonton Law Courts  
1A Sir Winston Churchill Square  
Edmonton, Alberta, T5J 0R2**

Before Whom: **The Honourable Justice Nielsen sitting on the Commercial List**

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 directing that Staheli Construction Co. Ltd. ("**Staheli**") is permitted to file its Proof of Claim notwithstanding that it was submitted for filing beyond the Claims Bar Date as ordered in the Claims Process Order in these Proceedings on December 6, 2017, and that it be adjudicated in accordance with the terms of the Claims Process Order as though it was filed prior to the Claims Bar Date.

**Grounds for making this application:**

2. 506221 Alberta Ltd. ("**506**") amalgamated with Staheli on July 1, 2014.
3. 506 sold the following lands to Canada North Structures Inc. ("**Structures**") on or about November 30, 2011:  
  
PLAN 8622655  
BLOCK E  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
AREA:5.66 HECTARES (13.99 ACRES) MORE OR LESS  
(the "**Winterburn Lands**").
4. The purchase price for the Winterburn Lands was paid by way of an initial down payment in the amount of \$100,000.00, and a vendor take back mortgage securing the Winterburn Lands for up to the principal sum of \$5,600,000.00, plus interest and costs as between a solicitor and client (the "**Mortgage**"). At all material times, the Mortgage was registered as a first financial charge against the Winterburn Lands.
5. The Mortgage was later amended to *inter alia*, acknowledge that Structures sold its interest in the Winterburn Lands to 1371047 Alberta Ltd. ("**137**"), and that 137 assumed Structures' obligations under the Mortgage.
6. As at March 27, 2018, there is outstanding, due and owing to Staheli the principal amount of \$4,757,345.23, plus interest from and after March 27, 2018 at the rate of 5% per annum, which equates to \$649.28 per day, all of which is secured to Staheli pursuant to the Mortgage.
7. The Claims Process Order required that Claimants file a Proof of Claim with the Monitor on or before the Claims Bar Date, or such later date as the Monitor may agree in writing or as otherwise directed by the Court.
8. Staheli did not file its Proof of Claim before the Claims Bar Date because it did not receive notice of the Claims Process Order or the Claims Package.
9. Staheli was not aware of the Claims Process Order or the necessity to file a Proof of Claim in these Proceedings until it received a letter from the Monitor on March 23, 2018.
10. In response to the letter from the Monitor, Staheli acted in good faith in promptly completing and filing its Proof of Claim on March 27, 2018.
11. Staheli's failure to file its Proof of Claim prior to the Claims Bar Date was due to inadvertence, it is likely that the Monitor, the Debtors and creditors with an interest in the Winterburn Lands were aware of Staheli's claim, and no one will suffer prejudice as a result of permitting Staheli to file its Proof of Claim late.
12. Such further and other grounds as counsel may advise and this Honourable Court may permit.

**Material or evidence to be relied on:**

13. Affidavit of Glen Staheli Affirmed on June 15, 2018, filed.

14. The Claims Process Order granted on December 6, 2017 in these Proceedings.

**Applicable rules:**

15. *Rules 6.1, 6.2, 6.3, of the Alberta Rules of Court, Alta Reg 124/2010'.*

**Applicable Acts and regulations:**

16. *The Companies' Creditors Arrangement Act, RSC 1985, c C-36 □, s. 12.*

17. Such further and other authority as counsel may advise and this Honourable Court may permit.

**Any irregularity complained of or objection relied on:**

18. None.

**How the application is proposed to be heard or considered:**

19. In person, before the Honourable Justice Nielsen sitting 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.