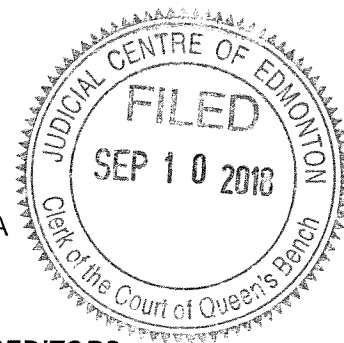


COURT FILE NUMBER: 1703 12327
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON



**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: **Friday September 21, 2018**

Time: **10:00 a.m.**

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

Before Whom: **The Honourable Justice S.D. Hillier sitting in Commercial Chambers**

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 authorizing and directing the Monitor appointed in these Proceedings, Ernst & Young Inc. (the "**Monitor**") to pay to Staheli Construction Co. Ltd. ("**Staheli**") from the net sale proceeds from the sale of the Winterburn Property the amount of \$4,852,598.24, plus interest from and after September 6, 2018 at the per diem rate of \$617.77, plus legal costs on a solicitor and client basis, or such other amount as may be ordered by this Honourable Court.

Grounds for making this application:

2. 1371047 Alberta Ltd. ("**137**") is one of the applicant companies in these proceedings, and at all material times, owned the land legally described as:

PLAN 8622655
BLOCK E
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA:5.66 HECTARES (13.99 ACRES) MORE OR LESS
(the "**Winterburn Property**").
3. At all material times, Staheli had a first registered mortgage securing the Winterburn Property for up to the principal sum of \$5,600,000.00, plus interest and costs as between a solicitor and client (the "**Mortgage**").
4. As at September 6, 2018, 137 is indebted to Staheli pursuant to the Mortgage in the amount of \$4,852,598.24, plus interest from and after September 6, 2018 at the per diem rate of \$617.77, plus legal costs on a solicitor and client basis (the "**Indebtedness**").
5. The Winterburn Property was sold by 137, and the sale was authorized by this Honourable Court on April 20, 2018 (as amended by an Amending Order dated April 30, 2018) (the "**Winterburn Sale Order**").
6. In addition to authorizing the sale of the Winterburn Property, the Winterburn Sale Order expanded the powers of the Monitor, upon the filing of the Camp Monitor's Certificate (defined in the Winterburn Sale Order), including the power to receive, collect and take possession of all monies and accounts owed or owing to, *inter alia*, 137 and to make any distribution or payment required under any Order in these Proceedings.
7. The sale of the Winterburn Property closed, the Camp Monitor's Certificate was filed on May 30, 2018 in these Proceedings and the Monitor is holding the net sale proceeds from the sale.
8. The Winterburn Sale Order directed that the net sale proceeds arising from the sale of the Winterburn Property shall stand in place and stead of the Winterburn Property, and that all claims and encumbrances shall attach to the net sale proceeds with the same priority that they had as against the Winterburn Property immediately prior to the sale, including the Mortgage.
9. By an Order of this Honourable Court dated June 21, 2018 and filed on June 22, 2018, Staheli was permitted to file its Proof of Claim in these proceedings beyond the Claims Bar Date defined in the Claims Process Order granted in these Proceedings on December 6, 2017.
10. The Monitor has accepted Staheli's Proof of Claim filed in these Proceedings.
11. The Indebtedness is fully due, owing and payable to Staheli and is secured by the Mortgage.
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 September 10, 2018, filed.

14. Affidavit of Glen Staheli Affirmed on June 15, 2018, filed.
15. The Seventeenth Report of the Monitor and any confidential supplement thereto.
16. The Pleadings and Proceedings filed in this Action.

Applicable rules:

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

Applicable Acts and regulations:

18. The *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 □, s. 12.
19. The *Land Titles Act*, RSA 2000, c L-4, including Sections 14, 56, 60 and 104.
20. Such further and other authority as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

21. None.

How the application is proposed to be heard or considered:

22. In person, before the Honourable Justice S.D. Hillier sitting in Commercial Chambers.

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.