

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

**APPLICATION FOR APPROVAL OF
WINTERBURN SALE, ASSIGNMENT OF
LITIGATION, EXPANDING POWERS OF THE
MONITOR AND EXTENSION OF THE STAY OF
PROCEEDINGS**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

MILLER THOMSON LLP
Barristers and Solicitors
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Name: Stephanie A. Wanke
Email: swanke@millerthomson.com
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	April 20, 2018
Time	10:00 am
Where	Edmonton Law Courts 1A Sir Winston Churchill Square Edmonton, AB T5J 0R2
Before Whom	The Honourable Justice K.G. Nielsen

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 substantially in the form attached as Schedule "A":
 - (a) Deeming Service of this Application and supporting material as good and sufficient;
 - (b) Extending the Stay of Proceedings to July 31, 2018
 - (c) Approving the sale of the lands legally described as Plan 8622655, Block E (the "**Winterburn Property**") on the terms of the Offer to Purchase and Interim Agreement as attached as Schedule "D" to the Confidential Supplement to the Eleventh Report of the Monitor and the Purchaser Condition Removal and Second Amending Agreement as attached as Schedule "A" to the Confidential Supplement to the Twelfth Report of the Monitor (collectively, the "**Transaction**");
 - (d) Authorizing 1371047 Alberta Ltd. ("**137**") to agree with the purchaser, 2007062 Alberta Ltd. (or its nominee) (the "**Purchaser**"), to such minor amendments as may be required to facilitate closing, subject to the approval of the Monitor;
 - (e) 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. against the Property;
 - (f) Addressing matters ancillary to the closing of the Camp Transaction, as defined in the March 20, 2018 Order granted in these proceedings, including the removal of Campcorp Structures Ltd. ("**Campcorp**") and DJ Catering Ltd. ("**DJ**") from these proceedings, the change of name of Canada North Group Inc. ("**CNGI**") and Canada North Camps Inc. ("**CNC**") to numbered entities and the resignation of Paul and Shayne McCracken as directors of CNGI, CNC, 816956 Alberta Ltd. ("**816**"), 1371047 Alberta Ltd. ("**137**") and 1919209 Alberta Ltd. ("**191**") (CNGI, CNC, 816, 137 and 191, collectively, the "**Remaining Applicants**");
 - (g) Effective closing of the Camp Transaction, expanding the Monitor's powers with respect to the Remaining Applicants;
 - (h) Effective closing of the Camp Transaction, assigning CNC, 137, Heart Lake Canada North Group GP's right, title and interest in and to accounts receivable and claims against Grand Rapids Limited Partnership to DJ; and
 - (i) Authorizing the amendment of the Camp Transaction so that Campcorp's right, title and interest in and to accounts receivable and related claims against Canadian Natural Resources Limited connected to Campcorp's provision of labour and materials to the North Kirby Camp and the Wooden House Camp remain with Campcorp and not be transferred prior to the closing of the Camp Transaction.
2. Such other relief as this Honourable Court deems just.

Grounds for making this application:

Extension of Stay

3. 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.
4. Further Orders have been granted extending the Stay Period to April 30, 2018.
5. The request for extension to July 31, 2018 provides time for the Camp Transaction to close and for the Monitor to commence liquidation of the balance of the assets of the Remaining Applicants.

Sale of the Winterburn Property

6. On or around February 17, 2018, 137 and the Purchaser executed an offer for purchase and sale of the Property.
7. During the Purchaser due diligence with respect to the Transaction, certain environmental issues arose.
8. On or around March 23, 2018, 137 and the Purchaser further executed a Purchaser Condition Removal and Second Amending Agreement providing for a reduction of the purchaser price for the Property in return for the waiver of the Purchasers’ conditions precedent.
9. In respect of the proposed sale of the Property:
 - (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 process;
 - (c) the Transaction is 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 Transaction is more beneficial than a sale or disposition of the same assets under a bankruptcy; and
 - (f) the consideration proposed is fair and reasonable.

Grand Rapids Action and CNRL Claim

10. Both matters are in respect of accounts receivable of Canada North Camps Inc. Without these matters being assigned, it is unlikely the accounts receivable can properly be pursued.
11. Canadian Western Bank has asked that the accounts receivable transfer as part of the Camp Transaction on the condition that half of the net proceeds are held for Canadian Western Bank.
12. The assignment of the Grand Rapids claim is to parties with a pre-existing economic interest.

Expansion of the Powers of the Monitor

13. Effective the closing of the Camp Transaction, it is appropriate to authorize the expansion of the Monitor's powers and to grant the additional ancillary relief sought in connection with the Camp Transaction.
14. Post-Camp Transaction, the interested parties in the Remaining Applicants will be the creditors and the Monitor is the appropriate party to handle the realization and distribution of the assets of the Remaining Applicants.

Material or evidence to be relied on:

15. The Eleventh Report of the Monitor, filed March 12, 2018.
16. The Confidential Supplement to the Eleventh Report of the Monitor dated March 21, 2018.
17. The Twelfth Report of the Monitor, filed April 10, 2018.
18. The Confidential Supplement to the Twelfth Report of the Monitor
19. The Thirteenth Report of the Monitor, filed April 11, 2018.
20. The Confidential Supplement to the Twelfth Report of the Monitor dated April 9, 2018.
21. Second Affidavit of Paul McCracken sworn March 13, 2018, filed.
22. Brief of the Applicants, to be filed.
23. Such further and other materials as previously filed in this matter as counsel may advise and this Honourable Court permits.

Applicable rules:

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

Applicable Acts and regulations:

25. Judicature Act, RSA 2000 c. J-2 , as amended;
26. Companies' Creditors Arrangement Act, RSC 1985, c C-36 including ss. 9, 11, 11.02, and 36.
27. Such further other provisions and statutes as counsel may advise.

Any irregularity complained of or objection relied on:

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

How the application is proposed to be heard or considered:

29. Before Justice K.G. Nielsen 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.

SCHEDULE "A"

COURT FILE NO. 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 **ORDER APPROVING WINTERBURN SALE, ASSIGNING
LITIGATION, EXPANDING POWERS OF MONITOR, REMOVING
CERTAIN PARTIES AS APPLICANTS, AUTHORIZING NAME
CHANGES OF CERTAIN APPLICANTS AND EXTENDING THE
STAY OF PROCEEDINGS**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

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Lawyer: Stephanie A. Wanke
Email: swanke@millerthomson.com
File No.: 230560.1

DATE ON WHICH ORDER WAS PRONOUNCED: April 20, 2018

LOCATION OF HEARING: Edmonton, AB

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice K.G. Nielsen

UPON THE APPLICATION of Canada North Camps Inc. ("**CNC**"), D.J. Catering Ltd. ("**DJ**"), Campcorp Structures Ltd. ("**Campcorp**"), Canada North Group Inc. ("**CNGI**"), 816956 Alberta Ltd. ("**816**"), 1371047 Alberta Ltd. ("**137**") and 1919209 Alberta Ltd. ("**191**") (collectively, the "**Applicants**"), **AND UPON** having read the Initial Order granted in these proceedings on July 5, 2017 (the "**Initial Order**"), the Eleventh Report of the Monitor, Ernst & Young Inc., (the "**Monitor**"), filed March 12, 2018; the Confidential Supplement to the Eleventh Report of the Monitor dated March 12, 2018, unfiled (the "**Confidential Supplement to the Eleventh Report**"); the Twelfth Report of the Monitor, filed April 10, 2018; the Confidential Supplement to the Twelfth Report of the Monitor dated April 9, 2018, unfiled (the "**Confidential Supplement to the Twelfth Report**"); the Thirteenth Report of the Monitor, filed April 11, 2018, and the

Confidential Supplement to the Thirteenth Report of the Monitor, dated April 11, 2018, unfiled, the Affidavit of Service of Gillian Cameron to be filed;

AND UPON NOTING that the shares of Campcorp and DJ and the rights to the names "Canada North Camps" and "Canada North Group" are being sold as part of the Camp Transaction, as defined in the Order granted in these proceedings on March 20, 2018 (the "**Camp Transaction Order**"); AND UPON BEING ADVISED that, the current directors of CNC, CNGI, 816, 137, and 191 (collectively, the "**Remaining Applicants**") wish to resign effective the closing of the Camp Transaction;

AND UPON hearing from counsel for the Applicants, counsel for Canadian Western Bank, counsel for the Monitor and such other counsel as were present, IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this Order and its supporting materials is hereby abridged to time actually given and service thereof is deemed good and sufficient and this application is property returnable as of the date of this Order.

EXTENSION OF STAY

2. The Stay Period as referred to and defined in paragraph 13 of the Initial Order is hereby extended to and including July 31, 2018

SALE OF WINTERBURN PROPERTY

3. 137 is hereby authorized to sell the property 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**")

pursuant to the terms of the Offer to Purchase and Interim Agreement made between 137 and 2007062 Alberta Ltd. (or its nominee) (the "**Purchaser**") dated February 17, 2018 and appended as Schedule "D" to the Confidential Supplement to the Eleventh Report and amended by the Purchaser Condition Removal and Second Amending Agreement dated March 23, 2018 (collectively, the "**Purchase Agreement**") and appended to Schedule "A" of the Confidential Supplement to the Twelfth Report (collectively, the "**Winterburn Transaction**").

4. 137 is hereby authorized and approved to, without further Order of this Court:
 - (a) take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Winterburn Transaction or for the conveyance of the Winterburn Property to the Purchaser; and
 - (b) agree with the Winterburn Purchaser to such minor amendments to the Purchase Agreement as may be required to facilitate closing, subject to the approval of the Monitor.

5. Upon the delivery of a Monitor's certificate to the Winterburn Purchaser (or its nominee) substantially in the form set out in Schedule "A" hereto (the "**Monitor's Certificate**"), all of 137's right, title and interest in and to the Winterburn Property shall vest absolutely in the name of the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Initial Order;
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
- (c) those Claims listed on Schedule "B" hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, easements and restrictive covenants listed on Schedule "C") (the "**Permitted Encumbrances**"); and,

for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Winterburn Property are hereby expunged and discharged as against the Winterburn Property.

6. Upon the delivery of the Monitor's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar of Land Titles of Alberta (the "**Registrar**") is hereby authorized, requested, and directed to cancel the existing Certificate of Title No. 132 082 619 for the Winterburn Property and to issue a new Certificate of Title for the Winterburn Property in the name of the Purchaser (or its nominee), and to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Winterburn Lands to the Purchaser (or its nominee), which Certificate of Title shall be subject only to the Permitted Encumbrances.
7. This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.
8. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Winterburn Property (to be held by the Monitor) shall stand in the place and stead of the Winterburn Property, and from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Winterburn Property with the same priority as they had with respect to the Winterburn Property immediately prior to the sale, as if the Winterburn Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
9. The Winterburn Purchaser shall, by virtue of the completion of the Winterburn Transaction, have no liability of any kind whatsoever in respect of any Claims against 137 or the Winterburn Property.

10. Immediately after the closing of the Winterburn Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Monitor or 137.
11. The Monitor is to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).
12. Notwithstanding:
 - (a) The pendency of these proceedings;
 - (b) Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of 137 and any bankruptcy order issued pursuant to any such applications; and
 - (c) Any assignment in bankruptcy made in respect of 137.

the vesting of the Winterburn Property the Winterburn Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of 137 and shall not be void or voidable by creditors of 137, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

13. 137, the Monitor, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Winterburn Transaction.

ORDERS ANCILLARY TO CLOSING THE RESTRUCTURING TRANSACTION

14. Upon the filing of the Camp Monitor's Certificate, as defined in the Camp Transaction Order, and effective only from the date of such filing:
 - (a) Campcorp and DJ shall be removed as Applicants from these proceedings and shall no longer be subject to the Initial Order or any subsequent Orders in these proceedings;
 - (b) CNG shall change its name to 667402 Alberta Ltd. and CNC shall change its name to 18512398 Alberta Ltd.;
 - (c) The Style of Cause in these proceedings shall be amended:
 - (i) to amend the names of each of CNG and CNC to their respective numbers as set out in paragraph 14(b) above; and
 - (ii) to delete Campcorp and DJ; and
 - (d) The resignations of each of Paul McCracken and Shayne McCracken as directors of each of the Remaining Applicants shall be deemed to be accepted by each of the Remaining Applicants and the Alberta Registrar of Corporations is directed to reflect their resignation in the corporate records for each of Campcorp and DJ.

EXPANSION OF MONITOR'S POWERS

15. Upon the filing of the Camp Monitor's Certificate, as defined in the Camp Transaction Order, and effective only from the date of such filing, the Monitor's powers are expanded as set out in this Order.
16. Nothing in this Order shall derogate from the powers of the Monitor as provided for in the Initial Order or subsequent Orders in this Action.
17. In addition to the powers and duties of the Monitor set out in the Initial Order, and without altering in any way the limitations and obligations of the Remaining Applicants because of these proceedings, the Monitor be and is hereby authorized and empowered to do any of the following with respect to the Remaining Applicants where the Monitor considers it necessary or desirable:
 - (a) preserve, protect and maintain control of the Remaining Applicants' remaining real property, personal property, books, records, and documents (paper and electronic) (collectively "**Property**"), and any and all proceeds, receipts and disbursements arising out of or from the Property or any parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (b) manage, operate and carry on the business of the Remaining Applicants, including, without limitation, completing the sale of the Winterburn Property;
 - (c) take all steps and actions the Monitor, on behalf of the Remaining Applicants, considers necessary or desirable in these proceedings including, without limitation:
 - (i) entering into any agreements;
 - (ii) incurring obligations in the ordinary course of business;
 - (iii) retaining or terminating employees;
 - (iv) ceasing to carry on all or any part of the business;
 - (v) marketing any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Monitor, in its discretion, may deem appropriate;
 - (vi) subject to the terms of the Initial Order, selling, conveying, transferring, leasing or assigning the Property or any part or parts thereof out of the ordinary course of business of the Remaining Applicants;
 - (vii) applying for any Vesting Order or other Orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property.

- (viii) engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this Order;
 - (ix) oversee and direct the preparation of cash flow statements and to assist in the dissemination of financial and other information in these proceedings;
 - (x) receive, collect and take possession of all monies and accounts now owed or hereafter owing to any one or more of the Remaining Applicants, including proceeds payable pursuant to sales of Property;
 - (xi) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property or business of the Remaining Applicants, whether in the Monitor's name or in the name and on behalf any one or more of the Remaining Applicants;
 - (xii) initiate, prosecute and continue the prosecution of any and all proceedings on behalf of one or more of the Remaining Applicants and to settle or compromise any such proceedings or claims. For greater certainty, such authority shall include the ability to represent the Remaining Applicants in any negotiations or mediation with respect to such claims of the Remaining Applicants. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceedings;
 - (xiii) exercise any rights which the Remaining Applicants may have;
 - (xiv) provide instruction and direction to the advisors of the Remaining Applicants;
 - (xv) make any distribution or payments required under any Order in these proceedings; and
 - (xvi) exercise any other incidental rights or powers which the Remaining Applicants may have, including rights or powers available to the Remaining Applicants under the terms of the Initial Order and the *Companies' Creditors Arrangement Act* as applicable, as deemed reasonable and appropriate by the Monitor.
18. No provision in this Order is intended to appoint the Monitor as an officer, director or employee of any of the Remaining Applicants. Additionally, nothing in this Order shall constitute or be deemed to constitute the Monitor as a receiver, assignee, liquidator, or receiver and manager of any of the Remaining Applicants and that any distribution made to creditors of the Remaining Applicants will be deemed to have been made by the Remaining Applicants, as applicable.
19. The Remaining Applicants, and their current and former shareholders, officers, directors, agents and representatives shall fully co-operate with the Monitor in the exercise of its powers and discharge of its duties and obligations under this Order or any other Order of the Court.

20. The Monitor shall continue to have the benefit of all of the protections and priorities as set out in the Initial Order and any such protections and priorities shall apply to the Monitor in fulfilling its duties under this Order or in carrying out the provisions of this Order.

ASSIGNMENT OF GRAND RAPIDS ACCOUNTS RECEIVABLE AND RELATED CLAIMS

21. Effective as of the filing of the Camp Monitor's Certificate, any and all right, title and interest:
- (a) Of CNC and Heart Lake Canada North Group GP ("**Heart Lake**") to accounts receivable pursuant to or arising from the Services Agreement No. 4600005905 made between Grand Rapids Pipeline Limited Partnership ("**Grand Rapids**") and Heart Lake effective November 4, 2014;
 - (b) Of CNC, 137 and Wandering River Properties Ltd. ("**Wandering River**") to accounts receivable pursuant to or arising from the Lease Agreement made among 137, Wandering River and Grand Rapids effective October 1, 2014;
 - (c) Of Heart Lake, 137 and Wandering River in and to the proceedings of the Court of Queen's Bench of Alberta Action No. 1701 – 16910 (the "**Grand Rapids Action**") in addition to all claims of whatsoever nature or kind which 137 now has or may have hereafter in relation to the Grand Rapids Action, including, but not limited to, any and all rights to collect and receive any amounts awarded pursuant to a judgment or any benefits that may arise from a settlement of the Grand Rapids Action

are assigned and transferred over to DJ.

22. Upon filing of this Camp Monitor's Certificate:
- (a) the Clerk of the Court of Queen's bench is hereby authorized and directed to amend the style of cause of the Grand Rapids Action to substitute DJ as Plaintiff for Heart Lake, Wandering River and 137; and
 - (b) is hereby permitted and authorized to take up and continue proceedings in the Grand Rapids Action in its own name and at its own expense.

TRANSFER OF CNRL ACCOUNTS RECEIVABLE AND RELATED CLAIMS

23. The parties to the Camp Transaction are authorized to amend the Camp Transaction so that Campcorp's right, title, and interest in and to its accounts receivable with Canadian Natural Resources Limited ("**CNRL**") arising from services and materials provided to or in connection with building of CNRL's North Kirby Camp and Wooden House Camp stay with Campcorp and are not removed from Campcorp prior to the shares of Campcorp being sold as part of the Camp Transaction.

FOREIGN ASSISTANCE

24. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order.

NO PROCEEDINGS AGAINST THE MONITOR

25. No proceeding or enforcement process in any court or tribunal, shall be commenced or continued against the Monitor except with the written consent of the Monitor or with leave of this Court.

SEALING THE CONFIDENTIAL SUPPLEMENTS TO THE TWELFTH AND THIRTEENTH REPORT

26. The Confidential Supplements to the Twelfth and Thirteenth Report shall be sealed on the Court file until further order of this Court, notwithstanding Division 4 of Part 6 of the Alberta Rules of Court.
27. The Clerk of this Honourable Court shall file the Confidential Supplements to the Twelfth and Thirteenth Report in sealed envelopes that set out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY ERNST & YOUNG INC., in its capacity as Court-Appointed Monitor of CANADA NORTH GROUP INC., et al. THE CONFIDENTIAL MATERIALS ARE SEALED PURSUANT TO AN ORDER ISSUED BY JUSTICE K. D. Nielsen ON April 20, 2018 UNTIL FURTHER ORDER OF THIS COURT.

APPROVAL OF REPORTS AND ACTIVITIES

28. The Tenth to and including the Thirteenth Reports of the Monitor, and any Confidential Supplements prepared in connection therewith, and the activities of the Monitor outlined therein are hereby approved provided, however, that only the Monitor in its personal capacity and only with respect to its own personal liability shall be entitled to rely upon or utilize in any such approval.

J.C.Q.B.A.

SCHEDULE A

Form of Monitor's Certificate

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

Monitor's Certificate

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

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Email: dbieganeck@dcllp.com

RECITALS

- A. Pursuant to an Order of the Honourable Justice K.G. Nielsen of the Court of Queen's Bench of Alberta, Judicial District of Edmonton (the "Court") dated July 5, 2018, Ernst & Young Inc. was appointed as the Monitor 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. (collectively, the "**Debtor**").
- B. Pursuant to an Order of the Court dated April 20, 2018, the Court approved the sale transaction (the "**Winterburn Transaction**") contemplated by an agreement of purchase and sale (the "**Winterburn Sale Agreement**") made between 137 and 2007062 Alberta Ltd. or nominee (the "**Winterburn Purchaser**") dated February 17, 2018 and appended as Schedule "D" to the Confidential Supplement to the 11th Report of Ernst & Young Inc. in its capacity as Monitor of the Applicant (the "**Monitor**") dated March 12, 2018 and subsequently amended by the Purchaser Condition Removal and Second Amending Agreement dated March 23, 2018 and appended to Schedule "**A**" of the Confidential

Supplement to the Twelfth Report of the Receiver dated April 9, 2018, which provided for the vesting in the Winterburn Purchaser (or its nominee) of 137's right, title and interest in and to the land and improvements (the "**Winterburn Property**") described in the Winterburn Sale Agreement which vesting is to be effective with respect to the Winterburn Property upon the delivery by the Monitor to the Winterburn Purchaser of a certificate confirming (i) the payment by the Winterburn Purchaser of the Purchase Price for the Winterburn Property; (ii) that the conditions to Closing as set out in sections 5 and 6 of the Winterburn Sale Agreement have been satisfied or waived by 137, the Monitor and the Winterburn Purchaser; and (iii) the Winterburn Transaction has been completed to the satisfaction of the Monitor.

- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Winterburn Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Winterburn Purchaser (or its nominee) has paid and 137 has received the Purchase Price for the Winterburn Property payable on the Closing Date pursuant to the Winterburn Sale Agreement;
2. The conditions to Closing as set out in sections 5 and 6 of the Winterburn Sale Agreement have been satisfied or waived by 137, the Monitor and the Winterburn Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at **[Time]** on **[Date]**.

**Ernst & Young Inc., in its capacity
as Monitor of the Debtor and not
in its personal capacity.**

Per:_____

Name:

Title:

SCHEDULE B

Winterburn Encumbrances

1. Registration 102 253 454: Caveat re: Lease Interest in favour of Experienced Equipment Sales & Rental registered on July 21, 2010.
2. Registration 112 394 192: Mortgage in favour of 506221 Alberta Ltd. registered on December 7, 2011.
3. Registration 162 322 778: Mortgage in favour of Northland Mortgage & Investment Corporation registered on November 16, 2016.
4. Registration 162 322 779: Caveat re: Assignment of Rents and Leases in favour of Northland Mortgage & Investment Corporation registered on November 16, 2016.
5. Registration 172 101 430: Mortgage in favour of Canadian Western Bank registered on April 27, 2017.

SCHEDULE C

Winterburn Permitted Encumbrances

1. Registration 022 349 944: Caveat re Lease in favour of TM Mobile Inc. registered on September 17, 2002.