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 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	FIFTH AFFIDAVIT OF SHAYNE McCRACKEN
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Stephanie A. Wanke DLA Piper (Canada) LLP 1201 Scotia Tower 2 10060 Jasper Avenue Edmonton AB T5J 4E5 T 780.429.6822 F 780.702.4379 File No.: 37060-00001

FIFTH AFFIDAVIT OF SHAYNE McCRACKEN

Sworn on October 2, 2017

I, Shayne McCracken, Businesswoman, of the City of Edmonton, in the Province of Alberta, MAKE OATH AND SAY THAT:

1. I am a Director and the Secretary of each of the applicants, Canada North Group Inc., Canada North Camps Inc., CampCorp Structures Inc., D.J. Catering Inc., 816956 Alberta Ltd., 1371047 Alberta Ltd., and 1919209 Albert Ltd. (collectively, the "**Companies**") as such, the matters deposed to herein are based on my personal knowledge or on my review of the books and records maintained by the Companies in the ordinary course of their business, entries in which books and records are made reasonably contemporaneously with the Companies' business transactions as they occur, except where stated to be based upon other information and belief, and where so stated, I believe the same to be true.

CRO

2. R.e.I Group Inc. was appointed as Chief Restructuring Officer ("**CRO**") of the Companies pursuant to the Initial Order granted in these matters on July 5, 2017.

3. As set out in paragraphs 16 - 24 of my Second Supplemental Affidavit sworn on July 4, 2017, the DIP financing provided by Business Development Bank of Canada ("**BDC**") was conditional upon the Companies engaging a CRO acceptable to BDC.

4. In addition to satisfying the DIP financing requirement, the CRO was engaged to assist the Companies with their restructuring in an orderly and timely manner as well as to provide confidence to the Court and creditors throughout the restructuring process.

5. Since July 5, 2017, the initial disruption of these CCAA proceedings to the Companies has subsided. Further, progress has made in respect of the internal accounting and financial reporting abilities of the Companies.

6. Since the Initial Order, the Companies have also been working closely with the Edmonton office of Ernst & Young Inc., in its role as Court-Appointed Monitor (the "**Monitor**").

7. Further to the Court Order granted in these proceedings on September 26, 2017, Peters & Co. Inc. has also been engaged by the Companies to run the Investment and Sales Solicitation Process (the "**ISSP**").

8. The Companies believe that the initial mandate of the CRO has been completed and that transitioning the role of the CRO to the Monitor is appropriate. This transition should reduce duplication and provide for a more efficient, cost-effective and collaborative approach moving forward in these proceedings.

9. BDC has advised the Companies that it supports the Companies' request to seek to transition the role of the CRO to the Monitor and waives its requirement for a CRO.

10. The fees and disbursements of the CRO from July 5, 2017 to September 27, 2017 total $726,738.33, not including the $60,000 retainer held by the CRO.

DIP Amendment

11. BDC and the Companies entered into an extension and amendment of the DIP financing by way of a letter agreement dated September 28, 2017 (the "**Amendment**"). The Amendment is attached hereto as Exhibit "A".

12. The Amendment is primarily to extend the DIP facility and to confirm the reporting requirements between the Companies and BDC with respect to the ISSP and the Plan of Arrangement.

13. The Companies seek court approval of the Amendment.

SWORN (OR AFFIRMED) BEFORE ME at Edmonton, Alberta, this 2nd day of October, 2017.	)	
[signature]	)	[signature]
(Commissioner for Oaths in and for the Province of Alberta)	)	SHAYNE McCRACKEN
Stephanie A. Wanke Barrister & Solicitor	)	

TAB A

A

Shayne McCracken

2

October 17

Stephanie A. Wanke
Barrister & Solicitor

PRIVATE & CONFIDENTIAL

September 28, 2017

Paul McCracken
Canada North Group Inc.
14238 – 134 Avenue
Calgary, AB T5L 5V8

RE: **Debtor-in-Possession Financing – Amendment No. 3**

Dear Paul,

Reference is made to that certain offer letter dated June 29, 2017 (the "**June Offer Letter**") issued by Business Development Bank of Canada ("**BDC**") and accepted by Canada North Group Inc., Canada North Camps Inc., Campcorp Structures Ltd., D.J. Catering Ltd., 1371047 Alberta Ltd. and 816956 Alberta Ltd. (collectively, "**Canada North**" or the "**Borrower**"), as amended by that certain first amendment letter dated July 12, 2017 and by that certain second amendment letter dated July 21, 2017 (such amendments, collectively with the June Offer letter, are referred to as the "**Original Offer Letter**"). Capitalized terms used herein but not defined shall have the meaning given to such terms in the Original Offer Letter.

As an accommodation to the Borrower, BDC hereby agrees to amend the Original Offer Letter as follows (the Original Offer Letter as amended by this letter being collectively the "**Offer Letter**"):

Description of Loan & Loan Purpose

Schedule "A" of the Original Offer letter is deleted in its entirety and is replaced with the attached Schedule "A".

Term

The section in the Original Offer Letter entitled "Term" is hereby deleted in its entirety and replaced with the following:

*The term of the DIP Loan shall be that period commencing on the date of issuance of the DIP Order (as hereinafter defined) and ending on the earliest of (such ending date, the "**Maturity Date**"):*

(a) March 15, 2018;

*(b) the effective date of a plan of arrangement for the Borrower under the CCAA and the expiry of all relevant appeal periods in relation thereto (a "**Plan of Arrangement**");*

*(c) the closing of a sale of assets or equity interests that results in a change in control of the business conducted by the Borrower (a "**Sale Transaction**"); or*

(d) the occurrence of an Event of Default (as hereinafter defined).

Underlying Conditions	Paragraph (e) of the section in the Original Offer Letter entitled "Underlying Conditions" is hereby deleted in its entirety and replaced with the following:

(e) the Borrower, with the assistance of the Chief Restructuring Officer, shall:

*(i) deliver to BDC a discussion paper outlining the material components of the Borrower's restructuring plan (the "**Discussion Paper**"), acceptable to BDC in its sole discretion, on or before September 8, 2017;*

(ii) develop an Investment and Sale Solicitation Process ("ISSP"), satisfactory to BDC in its sole discretion, and apply to the Court for an order authorizing the Borrower to pursue the ISSP, as described in the Report of the Chief Restructuring Officer dated September 18, 2017, and the engagement of a solicitation firm and obtain such order on or before September 26, 2017;

*(iii) following Court authorization to pursue the ISSP, deliver to BDC detailed ISSP process procedures (the "**Procedures**") on or before October 25, 2017, which Procedures must be approved by BDC in its sole discretion prior to the implementation of the ISSP;*

*(iv) deliver to BDC a summary of the offers or investment proposals received by the Borrower through the ISSP or otherwise and an analysis of the Borrower's preferred transaction(s) that will form the basis of a CCAA plan of arrangement (the "**Plan**") on or before December 13, 2017;*

(v) file the Plan with the Court on or before January 17, 2018; and

(vi) provide to BDC updates on all activity undertaken and progress made with respect to the ISSP, as requested by BDC.

For each of the milestone dates set out in this paragraph (e), BDC may agree to such later date as BDC, in its sole discretion, deems appropriate.

Offer Letter Amendment Fee	The Borrower agrees to pay a non-refundable Offer Letter Amendment Fee in the amount of $2,000 which Offer Letter Amendment Fee is fully earned and payable in full as of the date of acceptance of this letter.
Confirmations	Except as provided for in this letter, the parties ratify and confirm all of the terms and conditions of the Original Offer Letter and each of the other the Loan Documents and acknowledge and agree that they are and shall remain in full force and effect, unamended.

Without limiting the generality of the foregoing, the Borrower hereby

bdc

	confirms that notwithstanding the terms and conditions of this letter, any security executed and delivered by the Borrower to BDC continues to be legal, valid, binding and enforceable in accordance with the terms thereof and stands as valid and enforceable security for the for all present and future liabilities, obligations and indebtedness owing by the Borrower to BDC.
Governing Law	This letter as well as the interpretation and exercise of the recourses hereunder shall be subject to and governed by the laws of the Province of Alberta and the laws of Canada applicable therein.
Expiry Date	This letter shall become null and void if it is not accepted by 2 p.m. (Calgary time) on September 21, 2017 and if the Order of the Court of Queen's Bench of Alberta referenced in (e) above has not been obtained by September 26, 2017.
Further Assurances	Upon notice from BDC, the Borrower shall sign (or cause to be signed) all further documents, do (or cause to be done) all further acts, and provide all reasonable assurances as BDC may reasonably require to give effect to this letter and the amendments contemplated hereunder.
Counterparts	This letter may be signed in any number of counterparts and by facsimile or portable electronic document format, each of which when taken together shall constitute one and the same original document.

We trust that the foregoing is acceptable but please contact the undersigned if you have any questions at this time. Otherwise, we look forward to continuing to work with you.

Yours truly,

Adam Laiken
Director, Business Restructuring

Russell W. French
Assistant Vice President, Business Restructuring

ACCEPTANCE

To: Business Development Bank of Canada
Business Restructuring
121 King Street West, Suite 1200
Toronto, Ontario
M5H 3T9

Attention: Adam Laiken

We certify that all the information provided to BDC is true. We accept the terms set forth in this letter and, without limiting the generality of the foregoing, we specifically acknowledge the events of default described therein.

We further acknowledge that today we paid BDC a sum of $2,000 representing the non-refundable offer letter amendment fee related to the DIP Loan. The said non-refundable offer letter amendment fee does not create any right in favour of the Borrower and does not require BDC to make any further disbursement of the DIP Loan, as such rights and obligations can only be generated to the extent that the terms and conditions set out in the Offer Letter are met to the complete satisfaction of BDC.

Accepted in the City of Edmonton on SEPT 28, 2017.

CANADA NORTH GROUP INC.

Per: [signature]
Name: SHAYNE MCCRACKEN
Title: DIRECTOR

CANADA NORTH CAMPS INC.

Per: [signature]
Name: SHAYNE MCCRACKEN
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bdc

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Confirmations

Except as provided for in this letter, the parties ratify and confirm all of the terms and conditions of the Original Offer Letter and each of the other the Loan Documents and acknowledge and agree that they are and shall remain in full force and effect, unamended.

Without limiting the generality of the foregoing, the Borrower hereby confirms that notwithstanding the terms and conditions of this letter, any security executed and delivered by the Borrower to BDC continues to be legal, valid, binding and enforceable in accordance with the terms thereof and stands as valid and enforceable security for the for all present and future liabilities, obligations and indebtedness owing by the Borrower to BDC.

Governing Law — This letter as well as the interpretation and exercise of the recourses hereunder shall be subject to and governed by the laws of the Province of Alberta and the laws of Canada applicable therein.

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