

**AC LTD. ("the Company") – IN RECEIVERSHIP**  
**Estate #25-093958**

**RECEIVER'S INTERIM REPORT**  
**(Subsection 246(2) of the *Bankruptcy and Insolvency Act*)**

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**Interim Statement of Receipts and Disbursements**

The Receiver's Interim Statement of Receipts and Disbursements for the period December 4, 2009 to November 30, 2010 is attached.

**Statement of Property**

Substantially all of the Company's equipment was sold via auction held March 9, 2010. Remaining equipment not cost effective to move to auction individually was sold to individual arms-length purchasers since that time.

The Receiver has not yet realized upon the following assets:

- A builder's lien was filed by the Company against lands owned by Fairmont Resort Properties Ltd. ("Fairmont") in the amount of \$643,532.70 prior to the Receivership proceedings. The Receiver had taken steps to perfect the lien under British Columbia law and is presently in negotiations regarding a potential settlement with legal counsel for Fairmont and its' Monitor, as Fairmont is under restructuring proceedings. As such, the timing and amount of any potential recovery for this asset cannot be reasonably determined at this time.
- The Company had previously acquired the assets of A-Men Siding and Roofing, which holds a 37.5% interest in 1269393 Alberta Ltd. 1269393 Alberta Ltd. owns 118.8 acres in the Fort McMurray area which is currently listed on the multiple listing service. The Receiver considers the list price to be unattainable and does not anticipate sale proceeds to exceed the existing mortgages on the property. As such, the Receiver is unable to predict the potential recovery from this asset at the present time.

**Other Information**

AC Ltd. was also adjudged bankrupt by order of the Court dated March 4, 2010 and Meyers Norris Penny Limited was appointed Trustee. To date, no assets have been realized in the bankruptcy administration. Additional exigible assets held by AC Ltd. in the bankruptcy administration are as follows:

- A 20.81 acre parcel of land described as the Portion of NW ¼ 32-19-28 W4M, MD of Foothills is presently listed for sale with Avison & Young on the multiple listing service for the sum of \$1,800,000 and has known encumbrances of approximately \$1,230,000. The site was previously utilized for sprint car racing operating as “Rocky Mountain Raceway Park” and also includes a 12,000 sq. ft. building, located near highway 2, south of Calgary, Alberta.
- A 13.43 acre parcel of land described as the Portion of SE ¼ 5-20-28 W4M MD of Foothills is presently listed for sale with Avison & Young on the multiple listing service for the sum of \$2,500,000 and has known encumbrances of approximately \$2,200,000. The site also houses a multi-bay warehouse and is adjacent to highway 2 south of Calgary, Alberta. The Municipal District of Foothills has issued a stop work order against the property as the warehouse does not meet the MD’s fire and safety codes. The stop work order has made the property unappealing to potential buyers so the Trustee is in the process of determining if it would be economical for the estate to hire a contractor to update the building in compliance with County codes so that the stop work order can be removed.
- A 9 acre parcel of vacant land described municipally as 5667 Draper Road, Fort McMurray, Alberta is presently listed for sale with Royal LePage on the multiple listing service for the sum of \$329,900. There is a pending offer of \$325,000 for the property conditional upon the buyer obtaining geological test results which would support the buyer’s plan for a building. At this time it is unclear whether the condition will be successfully met.

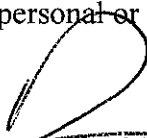
To date, the primary secured creditor in the Receivership has not filed nor proven a claim against the aforementioned lands pursuant to its’ general security agreement. As such, it is the intention of the Trustee to realize against these assets where feasible in the bankruptcy administration for the general benefit of unsecured creditors.

#### **Status of Administration**

The Receiver shall continue to negotiate a settlement on the Fairmont Resort Properties Ltd. builder’s lien, following which the Receivership will be wound up.

Dated at Lethbridge, Alberta, this 3<sup>rd</sup> day of December, 2010.

Meyers Norris Penny Limited  
In its capacity as Receiver and Manager  
Of AC Ltd. and not in  
Its personal or corporate capacity



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Randy Kobbert, CA-CIRP  
Senior Vice President