

**Polar Supplies Ltd.
In Bankruptcy**

Confidential Information Package



TABLE OF CONTENTS

INTRODUCTION.....	4
LIMITATIONS.....	4
HIGHLIGHTS	5
KINGNAIT INN	5
Summary.....	5
The Lands.....	5
The Building.....	6
Zoning.....	6
POLAR SUPPLIES STORE.....	6
Summary.....	6
The Lands.....	6
The Building.....	7
Zoning.....	7
POLAR LODGE.....	7
Summary.....	7
The Lands.....	8
The Complex.....	8
Zoning.....	8
POLAR GARAGE.....	8
Summary.....	8
The Lands.....	9
The Structures.....	9
Zoning.....	9
POLAR WAREHOUSE.....	9
Summary.....	9
The Lands.....	9
The Building.....	10
Zoning.....	10

EQUIPMENT.....10
PROCEDURE TO SUBMIT OFFER.....12

INTRODUCTION

On October 30th, 2014, MNP Ltd. was appointed as the Trustee in Bankruptcy in respect of the assets and properties of Polar Supplies Ltd. (herein referred to as “**Polar Supplies**” or the “**Company**”). In our capacity as Trustee, we are soliciting offers to purchase that Company’s assets, namely the property and all of the associated equipment and inventory located near Cape Dorset, Nunavut.

LIMITATIONS

This Confidential Information Package (“**CIP**”) has been prepared solely for information purposes to assist prospective purchasers in making an evaluation of the Company’s assets. The information provided herein may not contain all of the information a prospective purchaser may require and therefore, prospective purchasers should conduct their own investigations, analysis and due diligence relating to the Company’s assets and any of the information contained in the information package.

The Trustee has not independently audited, verified or reviewed any of the information contained herein. The Trustee does not make any representations or warranties as to the accuracy or completeness of the CIP and shall have no liability for any representations (be they expressed or implied) or omissions contained herein nor in any other written or oral communications transmitted to prospective purchasers in the course of their evaluation of the assets.

HIGHLIGHTS

- The Kingnait Inn, a 21-room, 6,290 square foot hotel on an 18,621 square foot parcel
- 1,892 square foot retail store on a 12,379 square foot parcel of land
- Assets/Equipment including a Caterpillar 966C, Caterpillar Fork Lift and Caterpillar Rock Truck
- 8-room, 5,230 square foot lodge on a 15,285 square foot parcel of land

KINGNAIT INN

Summary

The Kingnait Inn, located near the Cape Dorset Airport, is a 21-room hotel. The building was originally constructed in 1970, with expansions completed in 1985 and 1993 to bring the room total to its current number.



The Lands

The property, more specifically described as

1stly All that portion of Lot 2, Block 29, Plan 3503,
lying within Lot 126, Plan 942, Hamlet of Cape Dorset, Nunavut

AND

2ndly all that portion of Lot 4, Block 29, Plan 3503
lying within Lot 127, Plan 942, and all that
portion of Lot 4, Block 29, Plan 3503 lying
within Lot 127, Plan 942, Hamlet of Cape Dorset, Nunavut

is located on approximately 18,621 square feet of land. Currently, the lands are registered in the Land Titles Office, Iqaluit to the Commissioner of Nunavut, as per Certificate of Title No. 51502, dated November 26th, 2002 and Certificate of Title No. 51503, dated November 26th, 2002. A copy of the information obtained by the Trustee in regards to any existing or previous ground leases for which the Company had an interest can be accessed through the Trustee's electronic data room.

The Building

The Kingnait Inn is built with a wood pad and crib foundation with low-rise asphalt shingles on wooden trusses. The flooring of the building is predominantly carpeted, with sheet vinyl in certain areas that would potentially get wet. In regards to heating, the building has an oil fired hot water heating system complete with a 2,000 gallon water storage tank. Functioning smoke detectors are located in each room and the lobby area.

The main floor of the Kingnait Inn has a dining room and reception area that can be closed off to guests. Along with the dining area, the hotel's office, kitchen and storage rooms are located on the main floor as well.

Zoning

The property is currently zoned under Zoning By-Law 54. The following is permitted for development on the property.

Fire hall, Church, Public Daycare Centre, Sports Field, Park and Playground, Store, Restaurant, Private Office, Tourism Facility and Service Establishments.

POLAR SUPPLIES SHOP (the "Shop")

Summary

The Shop, located next to the Kingnait Inn, is a 1,892 square foot building that was originally built in 1983 with an addition constructed in 1993.



The Lands

The Shop, more specifically described as

Lot 231-2, Plan 1435, Hamlet of Cape Dorset, Nunavut

is located on approximately 12,379 square feet of land. Currently, the lands are registered in the Land Titles Office, Iqaluit to the Municipal Corporation of the Hamlet of Cape Dorset, as per Certificate of Title No. 48885, dated February 22nd, 1999. Leasehold Certificate of Title No. 36440 dated December 1st, 1995 issued to Polar Supplies Ltd. A copy of the information obtained by the Trustee in regards to any existing or previous ground leases for which the Company had an interest can be accessed through the Trustee's electronic data room.

The Building

The Shop is built on a wood block foundation with channel board exterior siding and a wooden frame. The flooring is predominantly vinyl tile, insulated with a vapour barrier and plywood sheathing on a wood joist frame. The building is equipped with oil-fired forced air heating and a 100 amp electrical system. There are no windows, with only one solid core sheet door for entry at the front.

The interior of the Shop is divided to accommodate for a break area in the back of the building behind the counter. Aside from this, the floor plan is open at the front.

Zoning

The property is currently zoned under Zoning By-Law 54. The following is permitted for development on the property.

Fire hall, Church, Public Daycare Centre, Sports Field, Park and Playground, Store, Restaurant, Private Office, Tourism Facility and Service Establishments.

POLAR LODGE

Summary

The Polar Lodge, located next to the Kingnait Inn, is a complex with a 2,288 square foot lodge, 1,584 square foot manager's residence, as 769 square foot shop along with a 589 square foot storage facility. The original structure, being the manager's residence, was constructed in 1983, with the lodge added to the complex in 1997.



The Lands

The property, more specifically described as

Lot 231-1, Plan 1435, Hamlet of Cape Dorset, Nunavut

is located on approximately 15,285 square feet of land. As of to date, the lands are registered in the Land Titles Office, Iqaluit to the Municipal Corporation of the Hamlet of Cape Dorset, as per Certificate of Title No. 48886, dated February 22nd, 1999. Leasehold Certificate of Title No. 36439 dated December 1st, 1995 issued to Polar Supplies Ltd. A copy of the information obtained by the Trustee in regards to any existing or previous ground leases for which the Company had an interest can be accessed through the Trustee's electronic data room.

The Complex

The complex is built on a wood block foundation with channel board exterior siding and a wooden frame. The flooring is predominantly vinyl tile, insulated with a vapour barrier and plywood sheathing on a wood joist frame. The building is equipped with oil-fired forced air heating in the manager's residence and hot water heating in the lodge itself.

The manager's residence is a one and a half storey, wood frame building equipped with a kitchen, living room, bathroom and two bedrooms located on the upper level. The lodge, an extension of the residence built later, has a reception area, a coffee shop with a capacity of twenty-six (26) people, one double room, and washrooms on the main floor. The upper level of the lodge has seven (7) double occupancy rooms with shared bath facilities.

Zoning

The property is currently zoned under Zoning By-Law 54. The following is permitted for development on the property.

Fire hall, Church, Public Daycare Centre, Sports Field, Park and Playground, Store, Restaurant, Private Office, Tourism Facility and Service Establishments.

POLAR SUPPLY GARAGE (the “Garage”)

Summary

An industrial zone plot of land located in the centre of Cape Dorset, comprising of a 1,300 square foot shop, a 1,300 square foot staff house, 1,397 square foot building made of corrugated metal, and a mobile home.



The Lands

The property, more specifically described as

Lot 38, Block 11, Plan 2796 Hamlet of Cape Dorset, Nunavut

is located on approximately 26,264 square feet of land. As of to date, the lands are registered in the Land Titles Office, Iqaluit to the Municipal Corporation of the Hamlet of Cape Dorset, as per Certificate of Title No. 51621, dated February 11th, 2003. Leasehold Certificate of Title No. 51623 dated February 11th, 2003 issued to Polar Supplies Ltd. A copy of the information obtained by the Trustee in regards to any existing or previous ground leases for which the Company had an interest can be accessed through the Trustee's electronic data room.

The Structures

The shop is a wood frame industrial building founded on a concrete slab. The building is heated with an oil-fired forced air furnace with the wall insulated with fibreglass and plywood. There are no windows in the shop.

Like the shop, the staff house is a wood frame industrial building founded on a concrete slab. Unfortunately, due to a fire, the structure has been destroyed to the point of no repair.

The corrugated metal, or Quonset structure, is a cold storage building. The building has a gravel floor, no heat and no windows. There is a front foyer of wood, where a hinged door is for the entrance way.

Zoning

The property is currently zoned under Zoning By-Law 54. The following is permitted for development on the property.

Garage, Warehouse/Workshop, Repair Shop, Storage, Dish and telecommunication facility, Office in relation to any industrial use, Accessory building

POLAR SUPPLY WAREHOUSE (the “Warehouse”)

Summary

An industrial zone plot of land located in the centre of Cape Dorset, the structure is a single story 2,044 square foot warehouse. The structure was originally built in 1970 and has been used primarily as a warehouse for the past ten years.

The Lands

The property, more specifically described as

Lot 13, Block 9, Plan 2296 Hamlet of Cape Dorset, Nunavut

is located on approximately 12,701 square feet of land. As of to date, the lands are registered in the Land Titles Office, Iqaluit to the Municipal Corporation of the Hamlet of Cape Dorset, as per Certificate of Title No. 35912, dated September 29th, 1995.



The Structure

The warehouse is a wood frame industrial building founded on wood pads with exterior metal siding. It is heated with an oil-fired forced air furnace with the wall insulated with fibreglass and plywood. It appears there have been no significant upgrades or modifications to the building since its original construction in 1970.

Zoning

The property is currently zoned under Zoning By-Law 54. The following is permitted for development on the property.

Firehall, Church, Public Daycare Centre, Sports Field, Park and Playground, Store, Restaurant, Private Office, Tourism Facility

EQUIPMENT

The Company has the following pieces of equipment as detailed in the following table:

YEAR	TYPE	MAKE	MODEL	VIN / PIN
1991	SUV	Ford	Explorer	1FMDU34X7MUC94778
1999	Pick up	Ford	F 350	1FTSX30F5XEC30480
	Skid Steer loader	Case	1845C	9893520
	Excavator	Catepillar	3302	5YM00545
2000	Rock truck	Catepillar	D250E	4PS00625
1984	Dump Truck	Ford	9000	1FDZY90W6EVA59021
	Roller/Compactor	Bomag	BW213D-3	101580291097
	Crawler Loader	John Deere	JD 755	
	Excavator	JSW	BH 8011	S25383
2002	Telehandler Forklift	Catepillar	TH83	CAT0TH83V3RN05030
1979	Front End Loader	Catepillar	966C	30K03114
	Backhoe	Case	580 Super K	JJGO172551
	Front End Loader	Catepillar		



All pieces of equipment owned by the Company are held on location in Cape Dorset at the Polar Garage and Warehouse.



PROCEDURE TO SUBMIT OFFER

The submission of an Offer to Purchase to the Trustee shall constitute an acknowledgement of and an acceptance by the prospective purchaser of the terms of the CIP including the Terms and Conditions of Sale attached hereto as Appendix 1. Additionally, upon its acceptance by the Trustee, an Offer to Purchase shall constitute a binding agreement upon the prospective purchaser to execute and deliver a specific Agreement for Purchase and Sale in a form to be provided by the Trustee (the "Asset Purchase Agreement") which must be executed prior to the Trustee applying to Court for approval of the Offer to Purchase.

All Offers to Purchase must be substantially in the form attached as Appendix 2 and accompanied by a deposit in the form of a bank draft or certified cheque payable to "MNP Ltd., in trust" in an amount equal to 10% of the total purchase price offered for the assets.

The Offer to Purchase and corresponding Asset Purchase Agreement are subject to the approval of the Nunavut Court of Justice (the "Court"). The Trustee makes no assurance that any particular Offer to Purchase will be approved by the Court as any such approval is subject to the jurisdiction and discretion of the Court and any Orders the Court may make regarding the proposed transaction.

Any offers submitted through a broker, finder or other financial consultant will be considered, however, there shall be no commission or other compensation (the "Compensation") payable to any broker, finder, financial consultant or similar agent claiming to have been employed by or on behalf of any prospective purchaser out of the proceeds of sale unless and until:

- a) The Trustee has agreed to such Compensation in writing;
- b) The Compensation is approved as part of the Order approving the Offer to Purchase and Sale; and

- c) Only if the approved transaction closes in accordance with the terms of the Asset Purchase Agreement and Order of the Court

The Trustee has formulated specific transaction procedures that are included in the Terms and Conditions of Sale attached as Appendix 1. However, the Trustee reserves the right to:

- Amend or terminate the sales procedures during the sales process;
- Accept an Offer to Purchase that may not necessarily be the highest bid;
- Negotiate with one or more prospective purchasers at any time;
- Set a minimum offer price for any of the assets;
- Not accept any Offers to Purchase; and
- Enter into a definitive transaction agreement without prior notice to other prospective purchasers.

For further information please contact the representative of the Trustee as follows:

Karen Aylward, CIRP, Trustee
karen.aylward@mnp.ca
Direct: 780.969.1400
Toll Free: 1.866.465.1155

THE DEADLINE FOR THE SUBMISSION OF AN OFFER TO PURCHASE IS 12:00 (MST) ON JULY 31, 2015.