

July 15, 2010

Sent via Email: george.c.kinsman@ca.ey.com

ERNST & YOUNG

1959 Upper Water Street, Suite 1301
Halifax, Nova Scotia
B3J 3N2

Attention: George C. Kinsman

RE: ATCON CONSTRUCTION INC.

Dear Sir:

Century Services Inc. ("**Century**") has reviewed certain fixed assets and inventory, inclusive of customer lists and goodwill ("**collectively Assets**") of the above-noted Company, per the attached Schedule "A" listing provided by George C. Kinsman and as viewed in Fort McMurray in June, 2010, and propose the following methods of disposal of same:

PROPOSAL A (GUARANTEE)

\$•

(with sales exceeding \$• to be split Ernst & Young - 80%, Century - 20%)

PROPOSAL B (STRAIGHT COMMISSION)

•% plus \$100,000.00 in expenses

These Proposals are subject to the following General Limiting Conditions and Critical Assumptions:

1. A verification of the fixed assets with adjustments for quantity and quality discrepancies from time of original inspection.
2. Century assumes all tenderers are tendering on the same group of Assets and reserve the right to amend these Proposals should this not be the case.
3. The Assets are free and clear of all liens and encumbrances. Century shall be indemnified and held harmless by Ernst & Young Inc., in its capacity as Court Appointed Reciever of Atcon Construction Inc.,

and not in its personal or corporate capacity, against any claims or actions arising as a result of dealing with said Assets that were represented as being free and clear. The indemnities described in this section shall not apply to any Costs resulting from the negligent, wrongful or willful acts or omissions of Century or its personnel or agents.

4. Century will be permitted the use of "Atcon Construction Inc." in advertising an auction related to the Assets. Century will be allowed to advertise the auction as a Receivership Sale.
5. Century will have unrestricted, free use of the premises which shall include rent, occupancy costs, property tax, utilities, telephone, business tax, etc. until October 31, 2010. Same shall be left in broom-swept condition upon vacating.
6. Century assumes no responsibility for disposal or proper treatment of any hazardous materials as defined by municipal, provincial or federal legislation.
7. Garbage disposal expenses incurred during the clean up shall be billed separately to Ernst & Young.
8. Century reserves the right to abandon any unsold Assets.
9. These Proposals are to be considered en bloc and are null and void, at Century's sole option, if any items offered on are withdrawn.
10. Century reserve the right to amend these Proposals in the event that between the date of this letter and the date or proposed date of the auction or sale there occurs an event of *force majeure* which shall include, but not be limited to, acts of God, riots, civil disturbances, strikes, lock-outs, acts of war, terrorism, insurrection and the like.

Proposals A and, B and the specific Limiting Conditions and Critical Assumptions relating to each are outlined below:

Proposal A (Guarantee)

Century offers its services to operate an Auction on or before September/October, 2010, with a net minimum guarantee of \$• under the following specific conditions (including the General Limiting Conditions and Critical Assumptions outlined above):

1. Century will have an inspection period prior to the Auction.
2. Century will set-up, detail and catalogue the Assets to be sold by Auction.

3. Century will advertise an Auction through relevant daily, weekly and trade papers; through exposure on the World Wide Web; through pamphleteering to trade related companies; to Century contacts from previous like sales; and through direct telephone solicitation to relevant potential purchasers.
4. Century will be responsible for charging, collecting and remitting the GST where it has been notified said tax is applicable.
5. Century reserves the right to charge and retain a Buyer's Premium. Any Buyer's Premium collected will be to the sole account of Century and will not constitute sales for the purpose of calculating any splits outlined below.
6. Century shall continue to carry a \$5 million Comprehensive General Liability insurance policy covering personal injury and property damage that may occur during the Auction as described above. Ernst & Young shall satisfactorily insure the Assets Century is liquidating.
7. Century will be responsible for collection of monies for all sales and will guarantee payment once collected. All sale proceeds shall be deposited in a trust account.
8. Century shall be responsible for merchant charges related to monies received from bank card transactions.
9. Century will have the option of adding other assets to enhance the sale.
10. Within 21 days of the sale, Century shall provide a full report of all Asset sales together with sale proceeds in the form of a cheque.
11. All sales exceeding \$• to be split Ernst & Young - 80%, Century - 20%.

Proposal B (Straight Commission)

Century herewith offers its services at a •% commission plus costs in the amount of \$100,000.00, with conditions as outlined in the General Limiting Conditions and Critical Assumptions above and those specific to Proposal B but **without** a net minimum guarantee.

Box 579, Grande Prairie, AB T8V 3A8
Ph. 780-532-2883
Fax. 780-882-8701
Email: grandeprairie@centuryservices.com

In order to comply with the timetable outlined, the above proposals are open until 5:00 PM July 30, 2010 unless extended by mutual agreement.

We trust the above is to your satisfaction. We are ready to proceed immediately.

Respectfully yours,
CENTURY SERVICES INC.

PROPOSAL ACCEPTED: _____
ERNST & YOUNG,
in its capacity as Receiver

Per: 

Roger Bourgeois
Regional Manger

Per: _____
George C. Kinsman
Executive Director

GST Number

~ PLEASE SIGN AND RETURN ~

RB/vvb
Enclosure