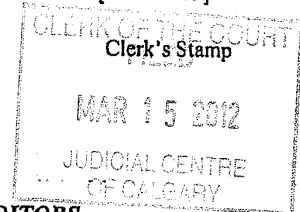


Form 49
[Rule 13.19]



COURT FILE NUMBER 1101-17318
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE Calgary

APPLICANTS

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended**

**AND IN THE MATTER OF THE BUSINESS CORPORATIONS
ACT, R.S.A. 2000, c. B-9**

**AND IN THE MATTER OF LEGACY COMMUNITIES INC.,
AIRDRIE CAPITAL CORPORATION and AIRDRIE COUNTRY
ESTATES INC.**

DOCUMENT

AFFIDAVIT

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Patrick T. McCarthy Q.C./Robyn Gurofsky
Borden Ladner Gervais LLP
1900, 520 3rd Ave. S.W.
Calgary, AB T2P 0R3
Telephone: (403) 232-9406/232-9774
Facsimile: (403) 266-1395
Email: PMcCarthy@blg.com
RGurofsky@blg.com
File No. 439537-000003

BLG
Borden Ladner Gervais

AFFIDAVIT OF RONALD AITKENS

Sworn on March 15, 2012

I, Ronald Aitkens, of the City of Lethbridge, in the Province of Alberta, Businessman, SWEAR AND SAY THAT:

1. I am the sole director of each of Railside Capital Inc. ("Railside Capital"), Railside Industrial Park Inc. ("Railside Industrial"), Foundation Place Capital Inc. ("FCI") and Foundation Place Inc. ("FPI") (Railside Capital, Railside Industrial, FCI and FPI are collectively referred to herein as the "Applicants") and have been a director of these corporations since their inception in 2007 and

2008. As such, I have personal knowledge of the matters and facts hereinafter deposed to except where stated to be based on information and belief and where so stated, I verily believe the same to be true.

2. Each of Railside Capital, Railside Industrial (together, sometimes referred to herein as "Railside"), FCI and FPI (together, sometimes referred to herein as "Foundation Place") are corporations duly incorporated pursuant to the laws of the Province of Alberta.

CCAA INITIAL ORDER

3. On December 21, 2011, an initial order (the "Initial Order") was granted in the within action under the CCAA imposing a stay of proceedings in order to allow Legacy Communities Inc., Airdrie Capital Corporation and Airdrie Country Estates Inc. (collectively, the "Initial CCAA Applicants") an opportunity to restructure their affairs and develop an plan of arrangement for the benefit of their creditors.
4. In support of the application for the Initial Order, I swore an Affidavit dated December 20, 2011 (the "December Affidavit") outlining the background of the Initial CCAA Applicants, and the reasons for which they applied for the Initial Order.
5. In the December Affidavit, I explained that the creditors of the Initial CCAA Applicants were primarily bondholders who, pursuant to a series of offering memoranda, had invested in real estate projects owned by the Initial CCAA Applicants.
6. Like the Initial CCAA Applicants, Railside and Foundation Place issued offering memoranda pursuant to which investors purchased shares and investment bonds in certain real estate investment projects in the Province of Alberta. Like the Initial CCAA Applicants, Railside Capital, Railside Industrial, FPI and FCI have each suffered financial difficulty and will be unable to meet certain obligations to bondholders that are scheduled to come due, with respect to Foundation Place on March 31, 2012, and with respect to Railside on April 30, 2012.
7. Both the Railside and Foundation Place real estate investment projects shared the same management and sales team as the projects associated with the Initial CCAA Applicants. The offering memoranda under which funds were raised by Railside and Foundation Place are very similar, the structure and objective of each project was similar, and the issues currently facing them and the solutions we anticipate proposing, are also similar. Further, some of the

bondholders that invested in the Initial CCAA Applicants also invested in Railside and Foundation Place.

8. As a result, I anticipate that there will be considerable synergy and cost efficiencies associated with using Ernst & Young Inc., the existing Monitor appointed in these proceedings, as well as the same restructuring consultants, counsel and Unsecured Creditors' Committee (if the bondholders so choose) for the restructuring of Railside and Foundation Place. It is for these reasons that I propose the Applicants be allowed to conduct their proposed reorganizations in the within proceedings.

THE RAILSIDE PROJECT

Railside Lands

9. The Railside Project consists of two parcels of land (the "Railside Lands") with approximately 304 acres located alongside the Canadian Pacific Railway's north-south mainline within the town of Millet, approximately 40 kilometres south of Edmonton, Alberta. The Railside Lands are currently zoned and approved for industrial use and have been levelled, serviced and are prepared for development. The registered owner of the Railside Lands is Railside Industrial. Attached hereto and marked as **Exhibit "A"** are copies of certificates of title from the Alberta Land Titles Registry for the Railside Lands.
10. I had identified the Railside Lands as an investment opportunity due to their close proximity to major north-south transportation routes as well as the Edmonton International Airport, and due to the industrial development in the area.

Railside Offering Memorandum

11. In order to raise funds to purchase the Railside Lands, Railside Capital issued an offering memorandum dated March 3, 2008 (the "Railside Capital OM") soliciting funds from investors throughout the Province of Alberta and elsewhere in Canada. The bonds offered by Railside Capital pursuant to the Railside Capital OM, constituted qualified investments for registered plans, in other words RRSPs or RRIFs. Attached hereto and marked as **Exhibit "B"** is a copy of the Railside Capital OM.

12. Pursuant to the terms of the Railside Capital OM, 7% fixed rate redeemable bonds were offered by Railside Capital to investors at a price of \$100 per bond, with a minimum subscription per investor of \$10,000 or 100 bonds.
13. A total of \$34,199,100.00 was raised by Railside Capital pursuant to the Railside Capital OM from a total of approximately 1,482 investments. Of the total bonds sold pursuant to the Railside Capital OM, approximately 982 investments are held in RRSP accounts.
14. The bonds issued pursuant to the Railside Capital OM must be redeemed by Railside Capital on April 30, 2012, at which time Railside Capital will be liable to the bondholders for the purchase price originally paid by the bondholders, plus any accrued interest due and owing thereunder. The payment due by Railside Capital to the bondholders on April 30, 2012 is in the amount of \$43,110,179.
15. The Railside Capital OM bonds were sold through sales agents throughout the Province of Alberta and elsewhere in Canada. The sales agents were paid a sales commission of 10% of the gross proceeds raised by the sales agent in the offering.
16. In order to assist with the purchase of the Railside Lands, Railside Industrial also issued an Offering Memorandum on or about March 3, 2008 (the "Railside Industrial OM"). Pursuant to the terms of the Railside Industrial OM, investors were offered Class "B" Non-Voting Common shares at a price of \$0.10 per share, with a minimum subscription of \$10.00. A copy of the Railside Industrial OM is attached hereto and marked as Exhibit "C" to this my Affidavit.

Use of Proceeds from Railside Offerings

17. Railside Industrial and Railside Capital entered into a loan agreement (the "Railside Loan Agreement") pursuant to which Railside Capital loaned the principal sum of \$33,706,727.15 plus interest at a rate of 7.5% per annum, to Railside Industrial for the purposes of acquiring the Railside Lands and entering into development-related agreements.
18. Railside Industrial purchased the Railside Lands from 12502064 Alberta Ltd. pursuant to a purchase and sale agreement dated February 11, 2008, for a total of \$22.5 million. I am the sole director and shareholder of 12502064 Alberta Ltd. The purchase price was paid out of the funds loaned by Railside Capital to Railside Industrial.

19. As security for the Railside Loan Agreement, Railside Industrial, after acquiring the Railside Lands, granted a mortgage to Railside Capital in the amount of \$34,199,100, which mortgage was registered on title to the Railside Lands.
20. The obligations of Railside Industrial to Railside Capital under the Railside Loan Agreement come due on the same date on which the Railside bonds mature, being April 30, 2012. Railside Industrial will be unable to meet its obligations to Railside Capital on the due date.

Administration, Consulting and Project Management Agreements

21. Railside Capital entered into an administration agreement with Eyelogic Systems Inc. ("Eyelogic") dated March 3, 2008 pursuant to which Eyelogic was to provide administration services to Railside. Eyelogic owns 60% of the issued and outstanding Class A Preferred shares of Railside Capital and because of Eyelogic's involvement, the bonds offered pursuant to the Railside Capital OM are RRSP eligible. Pursuant to the administration agreement, Eyelogic earns an annual administration fee equal to 1/20 of 1% on funds raised between \$500,000 and \$5 million from registered plans and 1/40 of 1% on any funds raised from registered plans in excess of \$5 million.
22. Railside Capital entered into a consulting agreement with KMC Capital Inc. ("KMC") dated March 3, 2008 pursuant to which KMC arranged for the participation of Eyelogic as controlling shareholder of the corporation. Pursuant to the terms of the consulting agreement KMC earns an annual fee equal to the greater of \$2,500 or 9/20 of 1% of funds raised from registered plans pursuant to the Railside Capital OM and 9/40 of 1% on any funds raised from registered plans in excess of \$5 million.
23. Railside Industrial entered into a management agreement (the "Foundation Management Agreement") with Foundation Capital Corporation ("FCC") pursuant to which FCC agreed to provide management services to Railside Industrial with respect to the Railside Industrial OM and with respect to the day-to-day business of the corporation. In addition to reimbursing FCC for its out of pocket expenses in relation to day-to-day operations, Railside Industrial agreed to pay FCC an annual fee of 1% of the aggregate of the loan proceeds advanced to Railside Capital, up to a maximum of \$200,000 per year.
24. On December 1, 2008, FCC, of which I am the sole director, entered into a Multi-Project Management Agreement (the "Project Management Agreement") on behalf of Railside Industrial

with IPM 3 Developments Ltd., an arm's length party. Pursuant to the terms of the Project Management Agreement, IPM 3 Developments Ltd. agreed to provide certain project management services in respect of the Railside Lands, in exchange for compensation in the amount of \$24,000 per year. FCC has terminated the Project Management Agreement.

25. FCC has been paid a total approximate amount of \$90,626 from the Railside Industrial OM, pursuant to the terms of the Foundation Management Agreement.

Circumstances Affecting Financial Status and Need for Restructuring

26. The objectives stated for the Railside Lands in the Railside Capital and Railside Industrial OMs were to:
 - (a) Develop the Railside Lands into an industrial park comprised of 107 lots that range in size from .99 acres to 3.57 acres, suited for warehousing, manufacturing, oil and gas industry services, and other commercial or light industrial development; and
 - (b) Market the lots for sale, returning proceeds from the sales to the bondholders.
27. The Railside Project is partially completed. Zoning has been approved, as has a phasing plan showing development through four phases. The westerly quarter section consisting of 160 acres has been stripped and graded. Phase 1 of the Railside Project consisting of 9 lots on 40 acres has an unregistered tentative subdivision plan. Utility servicing of this phase is 90% complete. The utility servicing will be fully completed when connected with the Town of Millet. The costs incurred to develop the Railside Lands as outlined above approximate \$7 million.
28. The Railside Project was established under the authority of the Province of Alberta/County of Wetaskiwin Joint Economic Development Initiative ("JEDI") the purpose of which was to stimulate growth in the County of Wetaskiwin, primarily to support the oil and gas services industry. The forecast market demand by the oil services industry failed to materialize as a result of the economic downturn and the industry continued to rely on other developed areas around the City of Edmonton and North Leduc to provide serviced land for this market. As a result, the Railside Lands were not fully developed.
29. Recently, the market for serviced industrial land in the greater Edmonton region has strengthened, with demand forecast to increase again in the 2012-2013 period. Railside has recently learned

that manufacturing, assembly, logistics, oil and gas and utilities customers are actively seeking to locate in the County of Wetaskiwin.

30. As a result, Railside intends to move the Railside Project forward as part of a proposal to its stakeholders. This proposal would include:
 - (a) Evaluating the parcel sizes required by the prospective end users and considering a 'block' form of subdivision on Phases 2-4 of the Project to accommodate new users;
 - (b) Assembling an engineering and planning team to review the existing detailed engineering design and re-design if necessary; or
 - (c) Preparing a market strategy in cooperation with JEDI and the government's Department of Economic Sustainability centered on attracting one or more core tenants to the subdivided Project.
31. Railside is hopeful that through a careful restructuring of its operational and financial affairs, it will have the ability to present the Railside bondholders with a plan intended to increase the value of the Railside Project as compared to the current value of the bondholders' investment. In order to assist in preparing the plan, Railside has engaged the interim consulting team hired by the Initial CCAA Applicants to assist in the day to day operations, management and restructuring of the corporation

THE FOUNDATION PLACE PROJECT

Foundation Place Lands

32. The Foundation Place project comprises a parcel of land consisting of approximately 10,656 square feet more or less located on the south west corner of 1st Street S.E. and 17th Avenue S.E. in Calgary, Alberta (the "Foundation Lands"). The Foundation Lands, at 133 – 17 Avenue S.E., are zoned C-3 pursuant to the City of Calgary land use bylaw which allows for the development of commercial office and retail space. The registered owner of the Foundation Lands is FPI. Attached hereto and marked as **Exhibit "D"** to this my Affidavit is a copy of the certificate of title to the Foundation Lands from the Alberta Land Titles Registry.

Foundation Place Offering Memorandum

33. In order to raise funds to purchase the Foundation Lands, FCI issued an offering memorandum (the "FCI OM") in February of 2008 offering 7% fixed rate redeemable bonds. The purchase price was 100\$ per bond, with a minimum subscription per investor of \$10,000. Like the bonds offered pursuant to the Railside Capital OM, the bonds offered pursuant to the FCI OM were RRSP eligible. Attached hereto and marked as **Exhibit "E"** is a copy of the FCI OM.
34. A total of \$8,505,000 was raised pursuant to the FCI OM through a total of approximately 440 investments. I understand that approximately 226 of the 440 investments are held in individual RRSP accounts.
35. The bonds issued pursuant to the FCI OM must be redeemed on March 31, 2012, at which time FCI will be liable to the bondholders for the purchase price originally paid plus any accrued interest due and owing thereunder. The total payment due from FCI to the bondholders on March 31, 2012 is \$10,788,585.
36. The FCI OM bonds were sold through sales agents throughout the Province of Alberta and elsewhere in Canada. The sales agents were paid a sales commission of 10% of the total gross proceeds raised by the sales agents in the offering.
37. In order to assist with the purchase of the Foundation Lands, FPI also issued an Offering Memorandum, on or about February 12, 2008 (the "FPI OM"). Pursuant to the terms of the FPI OM, investors were offered Class B Non-Voting Common Shares at a price of \$0.10 per share, with a minimum subscription requirement of \$10.00. A copy of the FPI OM is attached hereto and marked as **Exhibit "F"** to this my Affidavit.

Use of Proceeds from Foundation Place Offering

38. FCI and FPI entered into a loan agreement (the "Foundation Loan Agreement") pursuant to which FCI loaned the principal sum of \$6,541,255.28 plus interest at a rate of 7.5% per annum, to FPI for the purposes of acquiring the Foundation Lands.
39. FPI purchased the Foundation Lands from 12502064 Alberta Ltd. pursuant to a purchase and sale agreement dated December 17, 2007, for a total of \$4.5 million. I am the sole director and shareholder of 1252064 Alberta Ltd. The purchase price was paid out of the funds loaned by FCI to FPI.

40. As security for the Foundation Loan Agreement, FPI after acquiring the Foundation Lands, granted a mortgage to FCI in the principal amount of \$8,500,000, which mortgage was registered on title to the Foundation Lands on July 7, 2009.
41. The obligations of FPI to FCI under the Foundation Loan Agreement come due on the same date on which the Foundation Place bonds mature, being March 31, 2012. FPI will be unable to meet its obligations to FCI on this date.

Administration, Consulting and Project Management Agreements

42. FCI entered into an administration agreement with Eyelogic Systems Inc. ("Eyelogic") dated February 12, 2008 pursuant to which Eyelogic was to provide administration services to FCI. Eyelogic owns 60% of the issued and outstanding Class A Preferred shares of FCI and because of Eyelogic's involvement, the bonds offered pursuant to the FCI OM are RRSP eligible. Pursuant to the administration agreement, Eyelogic earns an annual administration fee equal to 1/20 of 1% on funds raised between \$500,000 and \$5 million from registered plans and 1/40 of 1% on any funds raised from registered plans in excess of \$5 million.
43. FCI entered into a consulting agreement with KMC Capital Inc. ("KMC") dated February 12, 2008 pursuant to which KMC arranged for the participation of Eyelogic as controlling shareholder of the corporation. Pursuant to the terms of the consulting agreement KMC earns an annual fee equal to the greater of \$2,500 or 9/20 of 1% of funds raised from registered plans pursuant to the FCI OM and 9/40 of 1% on any funds raised from registered plans in excess of \$5 million.
44. On January 30, 2009, FPI entered into a Project Management Agreement (the "FPI Project Management Agreement") with Landstar Teamworks Project Management Ltd. ("Landstar"), an arm's length party. Pursuant to the terms of the FPI Project Management Agreement, Landstar agreed to provide certain project management services in respect of the Foundation Lands, in exchange for a project management fee equal to 5% of all hard costs of development plus GST, as well as a flat fee of \$85,000 for pre-contract services provided. FPI has terminated the FPI Project Management Agreement and Landstar has recently commenced a claim against FPI as a result of the termination. It is FPI's position that the termination was valid and in accordance with the agreement and it has defended the Landstar litigation on that basis.

45. In addition, FPI entered into a management agreement with FCC pursuant to which FCC agreed to provide management services to FPI in relation to the FPI OM and with respect to the day to day business of FPI. FPI agreed to pay FCC its out of pocket expenses in relation to day to day operations of FPI as well as an annual fee of 3% of the aggregate of the loan proceeds received by FPI from FCI pursuant to the Foundation Loan Agreement.
46. FCC has been paid a total approximate amount of \$76,016 from the FPI OM, pursuant to the terms of the Foundation Management Agreement.

Circumstances Affecting Financial Status and Need for Restructuring

47. The objectives stated for the Foundation Lands in the FCI and FPI OM were to:
 - (a) Apply for and obtain the requisite permits necessary to construct a commercial building;
 - (b) Engage a construction company through a bid process;
 - (c) Construct a small commercial building of approximately 30,000 square feet, comprised of 5 floors with 3 levels of underground parking;
 - (d) Register a condominium plan with respect to the building to create separate titled units within the building; and
 - (e) Lease the units in the building to small to medium professional enterprises.
48. Working drawings were prepared for the 30,000 square foot development project and development permits were obtained, however, the development process was halted due to the collapse of the office market in the Beltline district in Calgary in 2009-2010.
49. As part of its go-forward strategy, Foundation Place is requesting to immediately commence a solicitation process with respect to the Foundation Project soliciting development proposals from third party developers and real estate companies to determine the best possible outcome for the development of the Foundation Lands. Based on initial discussions with developments, Foundation Place understands that possible solutions for the Foundation Place Lands might include:

- (a) Developing 'micro-condominiums' through a joint venture project with a local developer;
 - (b) Increasing the density permitted on the property to allow for a higher density commercial development; or
 - (c) Selling the property with updated building plans and permits.
50. Like Railside, Foundation Place has engaged the interim consulting team hired by the Initial CCAA Applicants to assist in developing and presenting a plan to maximize the value of the bondholders' investment.

INSOLVENCY

51. As noted above, each of the Applicants have substantial payments coming due within the coming months, which they will be unable to meet and accordingly are insolvent.

FINANCIAL STATEMENTS

52. The Applicants have recently prepared monthly interim financial statements, the most recent financial statements available for each of them prepared as of February 2, 2012. The financial statements were internally generated and are the only statements prepared within the past year which are available at the time of filing this application. Copies of those statements are attached hereto and marked as **Exhibit "G"** to this my Affidavit.

CONSENT TO ACT BY ERNST & YOUNG INC.

53. Ernst & Young Inc. ("E&Y") has consented to act as Monitor of each of Railside Capital, Railside Industrial, FCI and FPI in these proceedings. Attached hereto and marked as **Exhibit "H"** is a copy of a Consent to Act as Monitor, executed by Neil Narfason of E&Y.

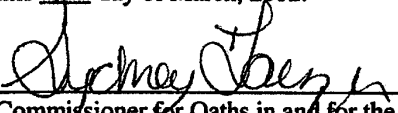
CASH FLOW STATEMENTS DEBTOR IN POSSESSION FINANCING

54. E&Y, with the assistance of the Applicants, has prepared cash flow statements on a go forward basis to April 30, 2012 for each of Railside and Foundation Place, which cash flow statements are attached hereto and marked as **Exhibit "I"**.

55. Based on the cash flow statements attached, Railside has no immediate requirement for debtor-in-possession ("DIP") financing. Foundation Place, however, does require DIP financing in order to continue operations to the end of April 30, 2012. Foundation Place has made arrangements to secure interim DIP financing from Azimuth Risk Management Ltd. in order to satisfy its funding requirements.

RELIEF REQUESTED

56. I make this Affidavit in support of an Order pursuant to the CCAA, including a stay of proceedings for an initial 30 day period, and amending the style of cause in the within proceedings to include Railside Capital, Railside Industrial, FCI and FPI.

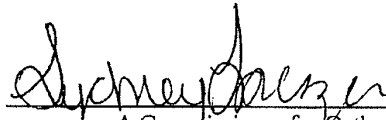
SWORN BEFORE ME at Calgary, Alberta,)
 this 15 day of March, 2012.)
)
)
 Commissioner for Oaths in and for the)
 Province of Alberta)



 RONALD AITKENS

SYDNEY ANN LAUZON
 A Commissioner for Oaths
 in and for the Province of Alberta
 My Commission Expires March 27, 2014

This is Exhibit "A"
referred to in the Affidavit of
Ronald Aitkens sworn before me
this 15 day of March, 2012


A Commissioner for Oaths
In and for the Province of Alberta

SYDNEY ANN LAUZON
A Commissioner for Oaths
In and for the Province of Alberta
My Commission Expires March 27, 2014



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0026 105 982 4;24;47;33;SW 092 104 603 +1

LEGAL DESCRIPTION

THE SOUTH WEST QUARTER OF SECTION THIRTY THREE (33)
TOWNSHIP FORTY SEVEN (47)
RANGE TWENTY FOUR (24)
WEST OF THE FOURTH MERIDIAN,
CONTAINING 65.2 HECTARES (161 ACRES) MORE OR LESS.

EXCEPTING THEREOUT:	HECTARES (ACRES)	MORE OR LESS
A) ROADWAY DESCRIBED IN C.OF T. 79-E-2	1.62	4.00
B) PLAN 2633KS ROAD (NUISANCE GR.)	0.837	2.07
ROAD (ACCESS)	0.125	0.31
C) PLAN 3446NY ROAD	2.04	5.06
D) PLAN 9422421 ROAD	0.090	0.22

EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ESTATE: FEE SIMPLE

MUNICIPALITY: COUNTY OF WETASKIWIN NO. 10

REFERENCE NUMBER: 072 687 868 +1

REGISTRATION	DATE(DMY)	REGISTERED OWNER(S) DOCUMENT TYPE	VALUE	CONSIDERATION
092 104 603	06/04/2009	TRANSFER OF LAND		SEE INSTRUMENT

OWNERS

RAILSIDE INDUSTRIAL PARK INC..
OF #4 4002 9 AVE NORTH
LETHBRIDGE
ALBERTA T1H 6T8

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
092 104 603 +1

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

812 123 931 28/05/1981 CAVEAT

RE : EASEMENT
CAVEATOR - ICG UTILITIES (PLAINS-WESTERN) LTD.

102 048 766 11/02/2010 BUILDER'S LIEN
LIENOR - WEDLER ENGINEERING LLP.
ATTN: BRUCE E. MINTZ
C/O MINTZ LAW
400 THE DORCHESTER
10357 - 109 STREET
EDMONTON
ALBERTA T5J1N3
AGENT - GLEN DARYCHUK
AMOUNT: \$38,500

112 055 339 28/02/2011 BUILDER'S LIEN
LIENOR - WEDLER ENGINEERING LLP.
C/O LIEN PRO INC.
201-11062 156 ST
EDMONTON
ALBERTA T5P4M8
AGENT - LIEN-PRO INC..
AMOUNT: \$32,253

112 211 059 13/07/2011 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 112055339

112 290 954 15/09/2011 CERTIFICATE OF LIS PENDENS
BY - I.P.M. 3 DEVELOPMENTS LTD..
COURT FILE NUMBER 1112000311

122 071 556 08/03/2012 MORTGAGE
MORTGAGEE - RAILSIDE CAPITAL INC..
#4, 4002 - 9TH AVENUE NORTH
LETHBRIDGE
ALBERTA T1H6T8
ORIGINAL PRINCIPAL AMOUNT: \$34,199,100

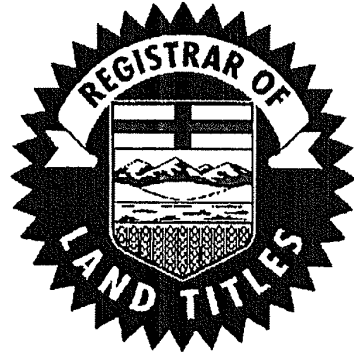
(CONTINUED)

TOTAL INSTRUMENTS: 006

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE
REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED
HEREIN THIS 8 DAY OF MARCH, 2012 AT 04:29 P.M.

ORDER NUMBER:20776014

CUSTOMER FILE NUMBER: 439537/03 RG



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE
SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS
SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR
OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL
PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR
THE BENEFIT OF CLIENT(S).

This is Exhibit "B"
referred to in the Affidavit of
Ronald Aitkens sworn before me
this 5 day of March, 2012


A Commissioner for Oaths
In and for the Province of Alberta

SYDNEY ANN LAUZON
A Commissioner for Oaths
In and for the Province of Alberta
My Commission Expires March 27, 2014

Offering Memorandum

No securities regulatory authority has assessed the merits of these securities or reviewed this Offering Memorandum. Any misrepresentation to the contrary is an offence. The information disclosed on this page is a summary only. Purchasers should read the entire Offering Memorandum for full details about the Offering. This is a risky investment. See Item 8 Risk Factors.

Date: March 3, 2008
The Issuer: Rallside Capital Inc. (the "Corporation" or the "Issuer")
Address: 6163 - 6th Street SE
Calgary, Alberta, T2H 1L9
Phone Number: (403) 253-5822
Fax Number: (403) 253-5820
Email: info@foundationcapital.ca

Currently listed or quoted? No. These securities do not trade on any exchange or market.

Reporting Issuer? No.

SEDAR filer? No.

The Offering

Securities Offered	7.0% Redeemable Bonds (referred to herein as the "Bonds" the "bonds" or the "securities")
Price Per Security	\$100 per Bond
Minimum Offering	\$1,125,000 (11,250 Bonds)
Maximum Offering	\$35,000,000 (350,000 Bonds)
Minimum Subscription Per Investor	\$10,000 (100 Bonds)
Payment Terms	Payment in full by certified cheque, trust cheque, or bank draft of the subscription price is to be made with the delivery of a duly executed and completed subscription agreement. See Item 5.2 Subscription Procedures.
Proposed Closing Date(s)	Closings will take place periodically at the Corporation's discretion with the closing of the Minimum Offering of \$1,125,000 to occur on or before March 31, 2008.

Tax Consequences: There are important tax consequences to these securities. See Item 6 Income Tax Consequences and RRSP Eligibility.

Purchaser's rights: You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11 Purchasers' Rights.

Resale restrictions: You will not be able to sell these securities except in very limited circumstances. You may never be able to resell these securities. See Item 10 Resale Restrictions.

Selling Agents: The Corporation reserves the right, as allowed by applicable securities legislation, to retain agents to help effect sales of the Bonds. If an agent is retained, the agent will be paid aggregate fees and commissions of up to 10% of the gross proceeds realized on the Bonds sold by such agent. The Corporation may compensate its employees and consultants up to 10% of the gross proceeds realized on the sale of the Bonds for soliciting subscriptions for the Bonds with respect to Bonds not sold by an agent. The Corporation may compensate its Officers and Directors up to 10% of the gross proceeds realized on the sale of the Bonds with respect to the Bonds not sold by an agent.

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ITEM 1 - USE OF NET PROCEEDS

1.1 Net Proceeds and Available Funds

The following table discloses the net proceeds of this offering (the "Offering"):

		Assuming Minimum Offering	Assuming Maximum Offering
A	Amount to be raised pursuant to this Offering	\$1,125,000	\$35,000,000
B	Selling commissions ⁽¹⁾	\$112,500	\$3,500,000
C	Estimated costs of this Offering ⁽²⁾	\$7,500	\$100,000
D	Net proceeds: D = A – (B + C)	\$1,005,000	\$31,400,000

⁽¹⁾ Assuming 10% of the gross proceeds of this Offering will be paid for selling commissions based upon Minimum and Maximum Offering.

⁽²⁾ These costs include legal, consulting and accounting costs associated with this Offering.

1.2 Use of Net Proceeds

The following table provides a detailed breakdown of how the Corporation will use the net proceeds of this Offering in the proceeding 12 months from the date of this Memorandum:

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering	Assuming Maximum Offering
The majority of the net proceeds of this Offering shall be loaned by the Corporation to RAILSIDE INDUSTRIAL PARK INC. ("RSIP"), a related party,* for the following purposes:		
1. To allow RSIP to acquire the Lands pursuant to the RSIP Purchase Agreement. See Item 2.3 Our Business; and	\$1,000,000	\$22,500,000
2. Working Capital facility to assist in the development of the Lands.	Nil	\$8,800,000
3. To pay for all administration and operating expenses incurred by the Corporation in the conduct of its business. See Item 2.12.2 Administration Agreement with Eyelogic Systems Inc. and Item 2.12.3 Consulting Agreement with KMC Capital Inc.	\$5,000	\$100,000
Total	\$1,005,000	\$31,400,000

* As of the date of this Offering, Ron Aitkens, the sole the Officer and Director of the Corporation, is also the sole Officer and Director of RSIP. As of the date of this Memorandum, Ron Aitkens owns 100% of the issued outstanding Class A Common shares of RSIP and owns 40% of the issued and outstanding Class A Preferred shares of the Corporation. See Item 3.1 Compensation and Securities Held.

1.3 Reallocation

The Corporation intends to use the net proceeds of this Offering as stated. The Corporation will reallocate the net proceeds of this Offering only for sound business reasons.

1.4 Working Capital Deficiency

The Corporation currently has a working capital deficiency. The sum of \$7,500 has been advanced to the Corporation by a related party to pay for the initial Offerings costs and will be repaid from the net proceeds of the Offering.

ITEM 2 - BUSINESS OF THE CORPORATION

2.1 Structure

The Corporation is a corporation incorporated under the *Business Corporations Act* (Alberta) pursuant to a certificate of incorporation dated February 6, 2008. The Corporation's head and registered office is located at 6163 - 6th Street SE, Calgary AB, T2H 1L9. The Corporation is controlled by Eyelogic Systems Inc. ("Eyelogic"), a publicly traded company listed on the TSX Venture Exchange, trading under the symbol "Eye.A." Please see www.sedar.com for further information with respect to Eyelogic.

2.2 Voting Control – Eyelogic Systems Inc.

Voting control of the Corporation by Eyelogic is to ensure that the Bonds issued pursuant to this Offering are a qualified Registered Retirement Savings Plan ("RRSP") investment. See Item 6 RRSP Eligibility and Income Tax Consequences.

Eyelogic's control and interest in the Corporation is to earn administration fees and not to participate in the profits of the Corporation pursuant to its agreement with the Corporation (the "Eyelogic Agreement"). See Item 2.12.2 Administration Agreement with Eyelogic Systems Inc. Specifically:

- (a) Eyelogic's shares in the Corporation are non-participating as they are not entitled to dividends;
- (b) The Eyelogic Agreement states that Eyelogic cannot acquire any additional shares in the Corporation without the approval of the majority of the minority of shareholders of the Corporation;
- (c) Eyelogic cannot increase the administration fees pursuant to the Eyelogic Agreement without the approval of the majority of the minority shareholders of the Corporation;
- (d) Eyelogic will not sell its shares of the Corporation while the Eyelogic Agreement is in force and will, at the termination of the Eyelogic Agreement, return all of its shares to treasury of the Corporation for six hundred dollars; and
- (e) Eyelogic will not benefit from its position as shareholder except as described in the Eyelogic Agreement and should it receive any benefit in addition to the administration fee, that benefit will be returned to the Corporation in return for the sum of ten dollars.

An investor in the securities offered under this Memorandum should understand that Eyelogic's assets and management are not in any way committed to the activities of the Corporation other than organizing the annual shareholder meeting and voting its shares at shareholder meetings of the Corporation. Eyelogic does not encourage or discourage an investment in the Corporation.

2.3 Our Business

The Corporation is in a start up phase of development and has not carried out business prior to this Offering and has no development history. Since the date of incorporation, the Corporation has been engaged in preparation for this Offering, which has included, among other things, putting in place a management team, a Board of Directors and retaining legal counsel.

The Corporation is raising funds pursuant to this Offering for the purpose of loaning the majority of the net proceeds of this Offering to RSIP (the "RSIP Loan" or the "Loan") to allow RSIP to acquire certain lands located adjacent to the eastern town limits of the Town of Millet, Alberta, in the County of Wetaskiwin (the "Lands"). See Items 2.4 RSIP Purchase Agreement and 2.5 The Lands.

2.4 RSIP Purchase Agreement

RSIP has entered into a purchase agreement dated February 11, 2008 (the "Purchase Agreement") with 1252064 Alberta Ltd. ("1252064"), a related party,* pursuant to which RSIP has agreed to purchase the Lands for the purchase price of \$22,500,000 plus GST if applicable (the "RSIP Purchase Price").

The RSIP Purchase Agreement contains the following terms:

- (a) The Closing Date of the Purchase Agreement shall be March 31, 2008 (the Closing Date);
- (b) The RSIP Purchase Agreement is conditional upon RSIP obtaining a minimum of \$1,000,000 in financing to acquire the Lands on or before March 31, 2008.
- (c) In the event that RSIP does not have sufficient funds to advance to 1252064 the RSIP Purchase Price in full on the Closing Date, RSIP shall advance to 1252064 a minimum of \$1,000,000 from funds obtained by RSIP pursuant to the RSIP Loan or other financing sources. 1252064 shall grant RSIP a mortgage representing the balance of the Purchase Price, at an interest rate of 5% per annum, with payment of the entire balance and accrued interest to be made on or before March 21, 2009 (the "1252064 Mortgage")
- (d) The Purchase Agreement shall be paid as follows:
 - \$1,000,000 by way of cash
 - \$12,400,000 by way of cash or by way of the 1252064 Mortgage (see Item 2.4 (c) above)
 - \$9,100,000 by way of assumption of the VTB (See Item 2.4 (e) below)
- (e) There is a mortgage in favour of 1237901 Alberta Ltd., the previous owner of the Lands, registered against both parcels that comprise the Lands (the "VTB"). The VTB is for the principal amount of \$9,100,000. RSIP will assume the VTB on the closing of the Purchase Agreement. The terms of the VTB are as follows:
 - Maturity Date: October 15, 2008
 - Interest Rate: 12% per annum
 - Payments: Monthly payments of interest only in the amount of \$91,000
 - Principal to be repaid on the maturity date

* Ron Altkens, the sole Officer and Director of the Corporation is the sole Officer, Director and shareholder of 1252064.

2.5 The Lands

The Lands are comprised of two separately titled parcels of land.

The legal description of the Lands is as follows:

Parcel A

THE SOUTH WEST QUARTER OF SECTION THIRTY-THREE (33)
TOWNSHIP FORTY SEVEN (47)
RANGE TWENTY FOUR (24)
WEST OF THE FOURTH MERIDIAN,
CONTAINING 65.2 HECTARES (161 ACRES) MORE OR LESS.
EXCEPTING THEREOUT:
MORE OR LESS

	HECTARES	(ACRES)
A) ROADWAY DESCRIBED IN C. OF T. 79-E-2	1.62	4.00
B) PLAN 2633KS ROAD (NUISANCE GR.)	0.837	2.07
ROAD (ACCESS)	0.125	0.31
C) PLAN 3446NY ROAD	2.04	5.06
D) PLAN 9422421 ROAD	0.090	0.22

EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

Parcel B

THE SOUTH EAST QUARTER OF SECTION THIRTY-THREE (33)
TOWNSHIP FORTY SEVEN (47)
RANGE TWENTY FOUR (24)
WEST OF THE FOURTH MERIDIAN
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS.
EXCEPTING THEREOUT:
MORE OR LESS

	HECTARES	(ACRES)
A) THE MOST NORTHERLY SIXTY SIX (66) FEET THROUGHOUT OF THE SAID QUARTER SECTION FOR ROADWAY	1.62	4.00
B) PLAN 3446NY ROAD	1.84	4.54
C) PLAN 9422421 ROAD	0.395	0.98

EXCEPTING THEREOUT ALL MINES AND MINERALS

The Lands are zoned industrial which is the required zoning for the development proposed by RSIP. The lands have been leveled and graded in preparation for the development proposed by RSIP.

An Area Structure Plan relative to the development was proposed to and adopted by the County of Wetaskiwin. All approvals necessary for development of the lands have been obtained.

There are registered against title to the Lands (other than where indicated below in parentheses) the following encumbrances, none of which are expected to adversely affect the future sale or development of the Lands.

**PARCEL A
REGISTRATION**

072 687 868	22/11/2007	TRANSFER OF LAND
812 123 931	28/05/1981	CAVEAT RE: EASEMENT CAVEATOR: ICG UTILITIES (PLAINS-WESTERN) LTD.
072 687 869	22/11/2007	MORTGAGE MORTGAGEE – 1237901 ALBERTA LTD. 701, 1209-6 STREET SW CALGARY, ALBERTA T2R 0Z5 ORIGINAL PRINCIPAL AMOUNT: \$9,100,000

**PARCEL B
REGISTRATION**

072 687 868	22/11/2007	TRANSFER OF LAND
812 145 267	19/06/1981	UTILITY RIGHT OF WAY GRANTEE – ICG UTILITIES (PLAINS-WESTERN) LTD.
072 687 869	22/11/2007	MORTGAGE MORTGAGEE – 1237901 ALBERTA LTD. 701, 1209-6 STREET SW CALGARY, ALBERTA T2R 0Z5 ORIGINAL PRINCIPAL AMOUNT: \$9,100,000

2.5.1 Previous History of the Lands

The Lands were purchased by 1252064 from 1237901 Alberta Ltd., an arms-length party, for a purchase price of \$15,100,000 pursuant to a real estate purchase contract dated July 14, 2007. Title to the Lands was transferred into the name of 1252064 on September 11, 2007.

The Subscription Agreement to be signed by Subscribers will contain a specific consent to the Loan to RSIP and acknowledgements that the Loan to RSIP is not a breach of fiduciary or other duty and will not give rise to any obligation to account to the Corporation for any profit made on the sale made by 1252064.

2.5.2 Location of the Lands

The figure below illustrates the location of the Lands relative to the Town of Millet. Millet is located approximately 40km south of the City of Edmonton, Alberta.



2.6 Development of the Lands

If successful in acquiring the Lands, RSIP intends to develop the Lands into an industrial park comprised of 107 lots that range in size from .99 acres to 3.57 acres.

The Lands possess favorable soil conditions with limited trees and foliage. The slope of the topography supplies high visibility which potentially increases the value of the development parcels.

Two storm water ponds with a slope of 5H:1V base slides above ground water level are located on the Lands. All geo-technical reports support construction suitability and indicate positive drainage flow.

The Lands are bordered by two lane gravel road transportation routes that provide industrial access. Two emergency entrants are located on the North side of the Lands. An East and West visual sound attenuation buffer exists on the Lands. North and South access routes are owned and maintained by the County of Wetaskiwin.

The Town of Millet has sufficient capacity to provide the development with water line connections in the NW, sanitation connections in the SE, and utilities through FORTIS.

2.6.1 Capital Requirements for the Development of the Lands

RSIP has estimated the capital costs for the development of the Lands as follows (collectively the "Project Costs"):

Land	\$22,500,000
Development Fees/Legal	\$500,000
Roads, Services, Levelling	\$2,500,000
Financing	\$4,000,000
Engineering	\$1,000,000
Off Site Levies	\$5,000,000
Permits	\$50,000
Contingency	\$6,000,000
Site Preparation	\$5,000,000
Shallow Services	\$1,000,000
Total Expenses	\$47,550,000

* The estimated Project Costs are subject to certain uncertainties and factors which could cause actual results or events to differ materially from these estimates. Although the Corporation believes that the estimates provided by RSIP are reasonable, no assurance can be given that the estimates are in all material respects correct or that they will not be greater than anticipated. As such the estimated Project Costs are expressly qualified in their entirety by this cautionary statement. See Item 8 Risk Factors.

2.6.2 Rendering of the Proposed Development*

The illustration below shows an aerial view of the development as proposed by RSIP.



* The final development is subject to change from the above rendering.

2.7 RSIP Financing

RSIP is a start up company and has no operational history revenues or assets. It is presently attempting to raise funds pursuant to an offering of its Class B Common shares pursuant to an Offering Memorandum dated March 3, 2008 (the "RSIP Offering") to be used to acquire the Lands.

The funds raised pursuant the RSIP Offering will not be sufficient to allow RSIP to acquire the Lands. The Corporation intends to enter into a loan agreement with RSIP, pursuant to this Offering, to loan the funds necessary for RSIP to acquire the Lands. See Item 2.12.1 Loan Agreement with Railside Industrial Park Inc.

The amount of the RSIP Loan is contingent upon the amount of proceeds the Corporation raises, if any, pursuant to this Offering. The funds received pursuant to the Loan will not be sufficient to completely fund development of the Lands. RSIP intends to obtain institutional financing or other third party financing to fund the development of the Lands. RSIP may also seek to raise development capital from future issue of equity of RSIP. The terms and conditions of any future financing are not presently known to RSIP.

2.8 Development of Business

The amount of the RSIP Loan is contingent on the amount of funds raised pursuant to this Offering. The Corporation will loan the majority of the net proceeds of this Offering to RSIP to be used by RSIP for the purposes set forth in Item 2.3 Our Business.

2.9 Long Term Objectives

The Corporation's long term goal is to raise up to \$35,000,000 the majority of the net proceeds of which will be advanced to RSIP pursuant to the RSIP Loan and to manage the collection of interest and principal from the RSIP Loan and to provide a return to purchasers of Bonds pursuant to this Offering.

2.10 Short Term Objectives and How the Corporation Intends to Achieve Them

The Corporation's goal for the next twelve (12) months is to raise up to \$35,000,000 for the purpose of loaning the majority of the net proceeds to RSIP.

The following outlines the Corporation's short-term objectives and the methods and costs associated with the achievement thereof.

What we must do and how we will do it	Target completion date or, number of months to complete	Our cost to complete
Raise up to \$35,000,000 and advance the majority of the net proceeds pursuant to the RSIP Loan	12 months	\$3,600,000

2.11 Insufficient Proceeds and Cash Reserves

The majority of the net proceeds raised from this Offering will be committed to the RSIP Loan. The Corporation does not intend to hold any significant cash reserves, other than those amounts necessary to pay for all management, administration and operating expenses incurred by the Corporation in the conduct of its business. A purchaser of Bonds will not be required to contribute any additional funds over and above its subscription amount. The proceeds of this Offering may not be sufficient to accomplish all of the Corporation's proposed objectives.

2.12 Material Agreements

The following are the key terms of all material agreements which the Corporation has or expects to enter into and which can reasonably be regarded as presently being material to the Corporation or a prospective purchaser of Bonds being offered pursuant to this Offering.

2.12.1 Loan Agreement with Railside Industrial Park Inc.

The Corporation expects to enter into a loan agreement with RSIP, some of the anticipated terms of which are summarized below:

- (a) **Loan Amount:** \$1,125,000 to a maximum amount of \$35,000,000. The Loan amount will be contingent upon the amount of funds raised pursuant to this Offering.
- (b) The Corporation will not be required to advance the Loan unless it raises the Minimum Offering of \$1,125,000 pursuant to this Offering.
- (c) **Interest Rate:** 7.5% per annum
- (d) **Maturity Date:** April 30, 2012
- (e) **Payments:** There shall be no payments of principal made by RSIP during the term of the Loan. RSIP shall make a lump sum payment of the principal amount and all accrued interest on April 30, 2012.
- (f) **Security:** The Loan shall be secured by way of a second mortgage against title to the Lands (subject to the qualification set forth below) together with such other commercially reasonable security as shall be agreed to between the Corporation and RSIP. The Corporation's mortgage shall be subordinated to the VTB (See Item 2.4 RSIP Purchase Agreement). The Corporation's mortgage may be subordinated to acquisition or other financing (other than the 1252064 Mortgage – See Item 2.4 RSIP Purchase Agreement) obtained by RSIP with respect to the acquisition and development of the Lands.
- (g) **Additional Terms:** All fees, costs, interest and commissions incurred by the Corporation with respect to this Offering and the Loan shall be classified as a loan fee payable by RSIP and shall form part of the principal of the Loan.
- (h) **Prepayment:** The Loan may be repaid by RSIP in part or in full at any time without notice or penalty.
- (i) **Use of Proceeds:** The net proceeds of the loan will be used by RSIP in the following order:
 - o **\$1,000,000** – payment to 1252064 to meet the obligations pursuant to the purchase agreement
 - o **\$1,000,001 - \$10,100,000** – payment of the VTB
 - o **\$10,100,001 - \$22,500,000** – payment of the remaining obligations pursuant to the purchase agreement or the 1252064 Mortgage
 - o **Balance** - Working Capital facility to assist in the development of the Lands and to pay for all administration and operating expenses.

2.12.2 Administration Agreement with Eyelogic Systems Inc.*

The Corporation has entered into an agreement with Eyelogic dated March 3, 2008, some of the terms of which are summarized below (the "Eyelogic Agreement"):

- (a) Eyelogic shall organize all requisite shareholders meetings and vote its shares at shareholders meetings of the Corporation.
- (b) The Corporation shall pay Eyelogic an annual administration fee equal to 1/20 of 1% on funds raised between \$500,000 and \$5,000,000 from Registered Plans pursuant to this Offering and 1/40 of 1% on any funds raised from Registered Plans in excess of \$5,000,000.
- (c) The term of the Eyelogic Agreement is for a minimum period of 2 years.
- (d) The Eyelogic Agreement is renewable upon mutual agreement between Eyelogic and the Corporation.
- (e) See Item 2.2 Voting Control for additional terms of the Eyelogic Agreement.

* As of the date of this Offering, Eyelogic owns 60% of the issued and outstanding Class A Preferred shares in the Corporation. See Item 3.1 Compensation and Securities Held.

2.12.3 Consulting Agreement with KMC Capital Inc. ("KMC")*

The Corporation has entered into an agreement with KMC dated March 3, 2008, some of the terms of which are summarized below (the "KMC Agreement"):

- (a) On the Corporation's behalf, KMC has arranged the participation of Eyelogic as controlling shareholder of the Corporation.
- (b) The Corporation shall pay KMC an annual fee equal to the greater of \$2,500 or 9/20 of 1% of funds raised from Registered Plans pursuant to this Offering and 9/40 of 1% on any funds raised from Registered Plans in excess of \$5,000,000.
- (c) The term of the KMC Agreement is for a minimum period of 2 years.
- (d) The KMC Agreement is renewable upon mutual agreement between KMC and the Corporation.

The aggregate amount of fees paid to Eyelogic and KMC pursuant to Items 2.12.2 and 2.12.3 will total the greater of \$2,500 or ½ of 1% on up to \$5,000,000 of funds raised from Registered Plans pursuant to this Offering and ¼ of 1% on any funds raised in excess of \$5,000,000.

* An Officer and Director of Eyelogic is also an Officer, Director and shareholder of KMC.

ITEM 3 - DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held

The following table provides specified information about each Director, Officer and promoter of the Corporation and each person who directly or indirectly beneficially owns or controls 10% or more of any class of voting securities of the Corporation (a "Principal Holder"). Where the Principal Holder is not an individual, the following table provides the name of any person that directly or indirectly, beneficially owns or controls more than 50% of the voting rights of the Principal Holder. The Corporation has not completed its first financial year and no compensation has been paid since its inception:

Name and municipality of principal residence	Position held	Compensation paid by the Corporation since inception and the compensation anticipated to be paid in current financial year	Number, type and percentage of securities held after completion of the Minimum Offering	Number, type and percentage of securities held after the completion of the Maximum Offering
Eyelogic Systems Inc. Calgary, Alberta	Shareholder	\$10,000 ⁽¹⁾	60,000 Class A Preferred Shares (60%)	60,000 Class A Preferred Shares (60%)
Ron Aitkens Lethbridge, Alberta	President and Director	Nil	40,000 Class A Preferred Shares (40%)	40,000 Class A Preferred Shares (40%)

⁽¹⁾ Assuming the maximum fee payable pursuant to the Eyelogic Agreement. See Item 2.12.2 Administration Agreement with Eyelogic Systems Inc.

3.2 Management Experience

The names and principal occupations of each of the Directors and Officers of the Corporation over the past five years are as follows:

Name and Position	Principal Occupation and Related Experience
Ron Aitkens President and Director	President, Harvest Financial Services Inc., 1994 – Present President, Harvest Capital Management Inc., 2000 – Present President, Foundation Capital Corporation, 2005 – Present President, Legacy Communities Inc., 2005 – Present President, Airdrie Country Estates Inc., 2006 – Present President, Rockyview Estates Corp., 2006 – Present President, Spruce Ridge Estates Inc., 2007 – Present President, Foundation Mortgage Corporation, 2007 – Present President, Foundation Place Inc., 2008 - Present Harvest Financial Services Inc. and Harvest Capital Management Inc. are involved in the offering of commercial real estate syndications through Limited Partnerships. Foundation Capital Corporation is involved in the offering of raw land syndications through the sale of bonds and shares. Legacy Communities is involved in the acquisition and potential development of a parcel of land located in the Elbow Valley area of Calgary, AB. Airdrie Country Estates and Rockyview Estates both acquired parcels of land in the Municipal District of Rockyview, AB for potential subdivision and development. Spruce Ridge Estates Inc. is involved in the acquisition and potential development of multiple parcels of land located near the Town of Priddis, AB. Foundation Mortgage Corporation is involved in the financing of real estate acquisitions and developments in which Ron Aitkens is involved. Foundation Place Inc. is involved in the potential development of an office building upon vacant lands on 17th Avenue and Macleod Trail S. in Calgary, Alberta.

3.3 Penalties, Sanctions and Bankruptcy

There are no penalties or sanctions that have been in effect during the last ten (10) years against an Officer, Director or control person of the Corporation or against a company of which any of the foregoing was an Officer, Director or control person. Subject to the following, no declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager, or trustee to hold assets, has been in effect during the last ten (10) years with regard to those individuals or any companies of which any of those individuals was an Officer, Director or control person at that time.

ITEM 4- CAPITAL STRUCTURE

4.1 Share Capital

Description of Security	Number authorized to be issued	Number outstanding as at March 3, 2008	Number outstanding assuming completion of Minimum Offering	Number outstanding assuming completion of Maximum Offering
Class A Preferred Shares	Unlimited	100,000	100,000	100,000
Class B Common Shares	Unlimited	Nil	Nil	Nil

Class A Preferred Shares and Class B Common Shares

There are special rights and restrictions attached to the Class A Preferred Shares (the "Class A Shares") and the Class B Common (the "Class B Shares") shares of the Corporation. The following is a brief summary of certain of these rights and restrictions:

- (a) The Corporation is authorized to issue an unlimited number of Class A Shares having attached thereto, as a class, the following rights, privileges, restrictions and conditions:

Voting Rights - The holders of the Class A Shares shall be entitled to receive notice of, to attend and to vote at all meetings of the shareholders of the Corporation. Each Class A Share shall confer on the holder thereof the right to one vote in person or by proxy at all meetings of shareholders of the Corporation.

Dividend Entitlement - The holders of Class A Shares are not entitled to participate in the profits of the Corporation and are not entitled to receive any dividends.

Entitlement on Dissolution or Winding-Up - In the event of a reduction of capital or the liquidation, dissolution or winding-up of the Corporation or other distribution of property or assets of the Corporation among its shareholders for the purpose of winding-up its affairs (a "Winding-Up Event"):

- (i) Prior to the Class A shareholders receiving any consideration in the occurrence of a Winding-Up Event, any bondholders of the Corporation at the time of such Event shall be entitled to receive from the Corporation an amount equal to the face value of their bond together with any accrued interest thereon up to the date of payment (the "Redemption Amount") in priority to any distribution of any of the Corporation's assets or property to the Class A Shareholders. If the Corporation does not have sufficient property or assets to pay the aggregate of the Redemption Amount then each bondholder will be entitled to their pro rata share of the Corporation's property or assets in priority to the Class A shareholders; and
- (ii) The holders of the Class A Shares shall be entitled to receive an amount equal to the aggregate amount paid up capital on the Class A Shares held by them respectively after repayment of the aggregate Redemption Amount and in the event that there is not sufficient property or assets to return the entire amount of paid up capital thereon to all shareholders, the amount available for distribution shall be distributed to the shareholders on a pro rata basis according to the number of Class A Shares owned by each shareholder.

- (b) The Corporation is authorized to issue an unlimited number of Class B Common Shares having attached thereto, as a class, the following rights, privileges, restrictions and conditions:

Voting Rights - The holders of the Class B Shares shall not be entitled to receive notice of, to attend or vote at any meetings of the shareholders of the Corporation.

Dividend Entitlement - The right, subject to any preferential rights attaching to any other class or series of shares of the Corporation, to receive dividends as, when and if declared on the Class B shares by the Corporation. No dividend may be declared or paid on the Class B shares if payment of the dividend would cause the realizable value of the Corporation's assets to be less than the aggregate of its liabilities and the amount required to redeem any bonds issued by the Corporation then outstanding having attached thereto a right of redemption or retraction.

Entitlement on Dissolution or Winding-Up - The right, subject to any preferential rights attaching to any bonds issued by the Corporation, to share in the remaining property of the Corporation upon dissolution after all the Class A Shareholders have received payment of the aggregate amount of paid up capital held by each Class A shareholder.

4.2 Long Term Debt

As of March 3, 2008, the Corporation has no outstanding long term debt. In the event the Corporation is successful in raising funds pursuant to this Offering, it will have the following **unsecured debt obligations** to subscribers through the issue of Bonds offered by the Corporation pursuant to this Offering:

Description of Security	Number authorized to be issued	Number outstanding as at March 3, 2008	Number outstanding assuming completion of Minimum Offering	Number outstanding assuming completion of Maximum Offering
Redeemable bonds	350,000	Nil	11,250 ⁽¹⁾ Representing a debt obligation of \$1,125,000 to subscribers under this Offering plus 7.0% interest per annum thereon	350,000 ⁽¹⁾ Representing a debt obligation of \$35,000,000 to subscribers under this Offering plus 7.0% interest per annum thereon

⁽¹⁾ See Item 5.1 Terms of Securities, for the terms of the Bonds offered pursuant to this Offering.

4.3 Prior Sales

As of March 3, 2008 there are 100,000 Class A Preferred Shares of the Corporation issued and outstanding.

Date of issuance	Type of security issued	Number of Securities issued	Price per share	Total funds received
February 6, 2008	Class A Preferred Shares	40,000	\$0.01 per 1 Class A Preferred Share	\$400
February 7, 2008	Class A Preferred Shares	60,000	\$0.01 per 1 Class A Preferred Share	\$600

ITEM 5 - SECURITIES OFFERED

5.1 Terms of Securities

Securities: The securities being offered pursuant to this Offering are fixed rate redeemable Bonds. The price of each Bond is \$100. The minimum number of Bonds that may be purchased by a subscriber is one hundred (100) Bonds for a minimum investment of \$10,000. There is no maximum number of Bonds allocated to any Purchaser.

Term and Redemption: The Bonds shall mature April 30, 2012 (the "Maturity Date"). Subject to the Corporation's right of early redemption, the Corporation shall redeem the Bonds on the Maturity Date through the payment of the principal amount of the Bonds and all accrued and unpaid interest thereon to the date of payment of such sums.

Early Redemption: The Corporation may redeem Bonds at any time during the term of the Bonds by providing the bondholder with 90 days written notice of its intention to do so, through the payment of the principal amount of the Bonds and all accrued and unpaid interest thereon to the date of payment.

Interest: Each Bond will entitle the holder thereof to simple interest at a fixed rate of 7.0% per annum to accrue from the date of issue of the Bonds until April 30, 2012. Interest payments payable to the Bondholders shall be made at the sole discretion of the Corporation based on the availability of cash flow of the Corporation. Interest payments shall be paid to Bondholders at such times and in such manner as the Corporation in its sole discretion determines. Notwithstanding the foregoing, and subject to the Corporation's right of early redemption, all accrued and unpaid interest accruing between the date of issue of the Bonds and April 30, 2012, shall be paid by the Corporation to the bondholders on April 30, 2012.

Obligations Unsecured: The Corporation's debt obligations represented by the Bonds are unsecured obligations and will rank pari passu amongst themselves and with all other unsecured and unsubordinated obligations of the Corporation except for such preferences as provided for under applicable law.

Funding of Redemption: Management of the Corporation shall have sole discretion in how the Corporation will fund or finance the redemption of the Bonds. Management may decide to use its existing cash on hand if any, raise additional capital or equity in the Corporation, or borrow money to accomplish the redemption of the Bonds or use a combination of the above methods. There is no assurance that any of the above methods of funding the redemption of the Bonds will be successful or if accomplished will raise enough funds to redeem all of the Bonds. It is possible that the Corporation may not have the financial ability to redeem all or any Bonds upon maturity. In this event the provisions contained under the heading "Entitlement on Liquidation, Dissolution and Winding Up" of Item 4 Capital Structure may apply.

Limited Recourse: Recourse under the Bonds will be limited to the principal sum of the Bonds plus any unpaid and outstanding accrued interest thereon. There is no additional recourse by the bondholder for any deficiency in value of the Bonds in the event of non-payment or default by the Corporation of redemption of the Bonds at maturity.

An investor in the Bonds should understand that Eyelogic's assets and management are not in any way committed to the activities of the Corporation and Eyelogic does not encourage or discourage participation in this Offering.

5.2 Subscription Procedure

(a) Subscription Documents

Subscribers wishing to subscribe for Bonds will be required to enter into a Subscription Agreement with the Corporation which will contain, among other things, representations, warranties and covenants by the subscriber that it is duly authorized to purchase the Bonds, that it is purchasing the Bonds as principal and for investment and not with a view to resale and as to its corporate or other status to purchase the Bonds and that the Corporation is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell securities through a person or company registered to sell securities under applicable securities laws and as a consequence of acquiring the securities pursuant to this exemption, certain protections, rights and remedies, provided by applicable securities laws, including statutory rights of rescission or damages, will not be available to the Subscriber.

Reference is made to the Subscription Agreement attached as Schedule A to this Offering Memorandum for the terms of these representations, warranties and covenants.

In order to subscribe for Bonds, a purchaser must complete, execute and deliver the following documentation to Foundation Capital Corporation at 6163 – 6th Street SE, Calgary, Alberta, T2H 1L9:

1. one (1) completed and signed copy of the Subscription Agreement (including any schedules attached thereto);
2. a certified cheque, trust cheque, or bank draft in an amount equal to the Aggregate Subscription Amount (as set forth in the Subscription Agreement), payable to "Douglas Alger Law In Trust";
3. completed and executed copies of the appropriate investor qualification form(s). The appropriate form(s) to be completed depend on your place of residence and on the amount of your investment:
 - (i) if you are resident in British Columbia, Alberta, Saskatchewan, or Manitoba, you must submit one (1) completed and signed copy of the Risk Acknowledgment Form attached to the Subscription Agreement as Schedule B; and
 - (ii) if you are resident in Alberta, Saskatchewan, or Manitoba, and your subscription is for more than \$10,000 one (1) completed and signed copy of the Eligible Investor Representation Letter attached to the Subscription Agreement as Schedule C; and
 - (iii) if you are resident in Ontario and you are purchasing Bonds as an "accredited investor" (as such term is defined by National Instrument 45-106 *Prospectus and Registration Exemptions* ("NI 45-106")), one (1) completed and signed copy of the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule D.

Subject to applicable securities laws, and the Purchaser's two-day cancellation right, a subscription for Bonds, evidenced by a duly completed Subscription Agreement delivered to the Corporation shall be irrevocable by the Subscriber. See **Item 11 Purchasers' Rights**.

Subscriptions for Bonds will be received, subject to rejection and allotment, in whole or in part, and subject to the right of the Corporation to close the subscription books at any time, without notice. If a subscription for Bonds is not accepted, all subscription proceeds will be promptly returned to the Subscriber without interest.

The closing of the Minimum Offering of \$1,125,000 amount is scheduled to occur on or before March 31, 2008. However, prior closings may occur periodically as determined by the Corporation. It is expected that certificates representing the Bonds will be available for delivery within a reasonable period of time after the relevant closing date(s). If the Minimum Offering of \$1,125,000 is not met prior to March 31, 2008, collected funds will be returned to the respective parties by April 15, 2008 without interest.

The subscription funds will be held until midnight of the second business day subsequent to the date that each Subscription Agreement is signed by the Subscriber.

(b) Distribution

The offering is being conducted:

- (i) in the Provinces of British Columbia, Alberta, Saskatchewan, and Manitoba pursuant to the exemptions from the prospectus requirements afforded by Section 2.9 of NI 45-106; and
- (ii) In the Province of Ontario pursuant to the exemption from the prospectus requirements afforded by Section 2.3 of NI 45-106.

The exemption pursuant to Section 2.9 of NI 45-106 is available for distributions to investors in British Columbia, Alberta, Saskatchewan and Manitoba purchasing as principals, who receive this Offering Memorandum prior to signing the Subscription Agreement and who sign a Risk Acknowledgment Form attached to the Subscription Agreement as Schedule B.

In addition, Alberta, Saskatchewan and Manitoba investors relying on the exemption set out in Section 2.9 of NI 45-106 must also sign the Representation Letter attached to the Subscription Agreement as Schedule C if their subscription for Bonds is for more than \$10,000.

The exemption pursuant to Section 2.3 of NI 45-106 is available for distributions to investors in the Province of Ontario purchasing as principal and who are "accredited investors" as defined in NI 45-106 and that sign the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule D.

The foregoing exemptions relieve the Corporation from the provisions of the applicable securities laws of each of the Provinces of Ontario, British Columbia, Alberta, Saskatchewan, and Manitoba which otherwise would require the Corporation to file and obtain a receipt for a prospectus. Accordingly, prospective investors for Bonds will not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by securities regulatory authorities.

The exemptions from the registration requirements contained in the applicable securities laws of each of the Provinces of Ontario, British Columbia, Alberta, Saskatchewan, and Manitoba allow the Corporation to offer the Bonds for sale directly to the investors.

ITEM 6 - INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

6.1 Summary of Principal Federal Income Tax Consequences.

Qualified Investments for RRSP and RRIF

The Income Tax Act [Canada] (the "Tax Act") and regulations thereunder (the "Regulations") provide generally that a Bond or similar obligation of a Canadian corporation (as defined in the Tax Act) which is controlled directly or indirectly by one or more corporations whose shares are listed on a prescribed stock exchange in Canada will constitute a "qualified investment" for an RRSP or RRIF (each, a "Registered Plan").

The Corporation is a Canadian corporation. As a result, the Bonds will constitute a qualified investment for Registered Plans provided the shares of Eyelogic are listed on a stock exchange referred to in section 3200 of the Regulations and as long as Eyelogic controls the Corporation. There is no agreement which restricts the ability of Eyelogic to vote its shares of the Corporation or appoint a majority of the Board of Directors of the Corporation. As such, Eyelogic should be considered to control the Corporation.

The income tax information herein was provided by Collins Barrow Calgary LLP, Chartered Accountants, and it is based on the current provisions of the Income Tax Act, the Regulations thereunder and known administrative practices of the Canada Revenue Agency ("CRA").

ITEM 7 - COMPENSATION PAID TO SELLERS AND FINDERS

The Corporation reserve the right, as allowed by applicable securities legislation, to retain agents to help affect sales of the Bonds. The Corporation reserves the right, as allowed by applicable securities legislation, to retain agents to help effect sales of the Bonds. If an agent is retained, the agent will be paid aggregate fees and commissions of up to 10% of the gross proceeds realized on the Bonds sold by such agent. The Corporation may compensate its employees and consultants up to 10% of the gross proceeds realized on the sale of the Bonds for soliciting subscriptions for the Bonds with respect to Bonds not sold by an agent. The Corporation may compensate its Officers and Directors up to 10% of the gross proceeds realized on the sale of the Bonds with respect to the Bonds not sold by an agent.

ITEM 8 - RISK FACTORS

The purchase of Bonds pursuant to this Offering should only be made after consulting with independent and qualified sources of investment and tax advice. Investment in the Bonds at this time is highly speculative. The Corporation's business involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Purchasers of Bonds must rely on the ability, expertise, judgement, discretion, integrity and good faith of the management of the Corporation. This Offering is suitable for investors who are willing to rely solely upon the management of the Corporation and who could afford a total loss of their investment.

In addition to factors set forth elsewhere in this Offering Memorandum, potential subscribers should carefully consider the following factors, many of which are inherent to the ownership of the Bonds. The following is a summary only of the risk factors involved in an investment in the Bonds. Prospective investors should review the risks with their legal and financial advisors.

In addition to the risks of purchasing Bonds of the Corporation found elsewhere in this Memorandum are the following:

Investment and Issuer Risk

1. The Corporation does not have any operational history and no history of earnings. Accordingly, there is no operating history upon which to base an evaluation of the Corporation and its business and prospects. The Corporation is in the early stage of its business and therefore is subject to all risks associated with early stage companies, including: start up losses, uncertainty of revenues, markets and profitability, the need to raise additional funding, the evolving and unpredictable nature of the Corporation's business. There can be no assurance that the Corporation will be successful in doing what it is required to do to overcome these risks. No assurance can be given that the Corporation's business activities will be successful.
2. The Bonds offered pursuant to this Offering Memorandum are not insured against loss through the Canadian Deposit Insurance Corporation or any other insurance company or program.
3. An investment in the Bonds of the Corporation is an illiquid investment. **There is currently no market through which the Bonds of the Corporation may be sold.** The Corporation is not a "reporting issuer" in any jurisdiction, and a prospectus has not qualified the issuance of the Bonds. The Bonds are subject to a number of restrictions respecting transferability and resale, including a restriction on trading imposed by applicable securities laws. Until the restriction on trading expires, you will not be able to trade the Bonds unless you comply with an exemption from the prospectus and registration requirements under securities legislation. **See Item 10 Resale Restrictions.**
4. The Corporation will have a limited amount of working capital as the majority of the proceeds from this Offering will be advanced to RSIP pursuant to the RSIP Loan.
5. The Corporation may find it necessary in the future to obtain additional debt or equity to support ongoing operations. There can be no assurance that additional financing will be available to the Corporation when needed or on terms acceptable to the Corporation.
6. The tax consequences associated with an investment in Bonds may be subject to changes in federal and provincial tax laws. There can be no assurance that the tax laws will not be changed in a manner that will fundamentally alter the income tax consequences to investors holding or disposing of Bonds. In the event that Eyelogic ceases to control the Corporation or is deemed not to control the Corporation for the purposes of the Tax Act, there may be adverse tax consequences to a subscriber for Bonds. There is also a risk that CRA may reassess the returns of subscribers relating to their investments in the Bonds. No advance income tax ruling has been applied for or received with respect to the income tax consequences described in the Offering Memorandum. **See Item 6 Income Tax Consequences and RRSP Eligibility.**
7. **Conflicts of Interest** - The Director and Officer of the Corporation will not be devoting all of his time to the affairs of the Corporation, but will be devoting such time as required to effectively manage the Corporation. The Director and Officer of the Corporation is engaged and will continue to be engaged in the search for business prospects on his own behalf and on behalf of others.

The Director and Officer of the Corporation is also the sole Director, Officer and shareholder of RSIP. As a result there may be an inherent conflict of interest with respect to the Officer and Director of the Corporation in the event of a default by RSIP under the RSIP Loan.

There are potential conflicts of interest to which the Director and Officer of the Corporation may be subject in connection with the operations of the Corporation. Situations may arise where the Director and Officer will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies under the Business Corporations Act (Alberta).

8. Subscribers under this Offering will not have the benefit of a review of this Offering Memorandum by any regulatory authorities.
9. The Loan by the Corporation to RSIP will be secured by a by a postponable second mortgage on the Lands. See **Item 2.12.1 Loan Agreement with Railside Industrial Park Inc.** In the event that RSIP defaults in obligations under the RSIP Loan, the Corporation will have to enforce its security registered against RSIP's assets. There may be intervening encumbrances or other interests of other third parties that may stand in priority to the Corporation's security, which may prevent the Corporation from realizing on or enforcing some or all of its security against the assets of RSIP. There may be principals at law or at equity that may prevent the Corporation from enforcing some or all of its security against RSIP or its assets. The assets of RSIP may not have a sufficient value to satisfy any outstanding debt obligations to the Corporation.
10. The Corporation's short and long term objective is to raise funds to loan to RSIP to facilitate the purchase of the Lands. A return on investment for a purchaser of Bonds is dependant upon RSIP's ability to meet its obligations of principal and interest pursuant to the RSIP Loan. As a result, there is no assurance or guarantee that the Corporation and, correspondingly, the purchasers of Bonds pursuant to this Offering will earn a return on their investment.
11. The following are some of the risk factors included in the RSIP Offering Memorandum that are inherent to the RSIP Offering. As the sole asset of the Corporation will be the RSIP Loan, these factors are also inherent with respect to an investment in the Bonds. These factors as well as other factors referred to in this Memorandum could adversely affect RSIP's ability to repay the Loan. Subscribers should review these risks with their legal and financial advisors. Capitalized terms below are defined in the RSIP Offering Memorandum. All references below to "Corporation" are to RSIP.

Risks of Real Property Ownership

Real estate developments and investments are generally subject to varying degrees of risk depending on the nature of the property. Such risks include changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as the supply of competing lands in the area), government regulation (such as taxation of property and environmental legislation) and the attractiveness of properties to potential purchasers. In addition, each segment in the real estate development industry is capital intensive and is typically sensitive to interest rates. Any income generated by the sale of the Lands is dependent upon general economic conditions and, accordingly, the ability of the Corporation to repay its financing may be affected by changes in those conditions. The Corporation will be required to make certain significant expenditures in respect of its business including, but not limited to, the payment of property taxes, mortgage payments, insurance costs and related charges which must be made regardless of whether or not the Lands are producing sufficient income to service such expenses. In addition, the Lands may be used as security to obtain financing for the acquisition of the Lands. If the Corporation is unable or unwilling to meet the payment obligations on such loans, losses could be sustained as a result of the exercise by the lenders of their rights of foreclosure or sale.

Investment Not Liquid

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and for the perceived desirability of, the investment. Such illiquidity may tend to limit the Corporation's ability to vary its asset base promptly in response to changing economic or investment conditions. If the Corporation were required to liquidate its real property investments, the proceeds to the Corporation might be significantly less than the total value of its investment on a going concern basis.

Environmental Matters

Under various environmental laws, ordinances and regulations, the current or previous owner or operator of real property may be liable for the costs of removal or remediation of hazardous or toxic substances on, under or in such property. Such laws could impose liability whether or not the Corporation knew of, or was responsible for, the presence of such hazardous or toxic substances. The presence of hazardous or toxic substances, or the failure to remove or remediate such substances, if any, could adversely affect the Corporation's ability to sell such the Lands or to borrow using the Lands as collateral and could potentially also result in claims against the Corporation. The Corporation is not aware of any material non-compliance with environmental laws with respect to the Lands. The Corporation is also not aware of any claims in connection with the breach of environmental laws involving the Lands.

Market Risks

The economic performance and value of the Corporation's investment in the Lands will be subject to all of the risks associated with investing in real estate, including, but not limited to:

- *changes in the national, regional and local economic climate;*
- *local conditions, including an oversupply of properties like the Lands, or a reduction in demand for properties like the Lands;*
- *the attractiveness of all or parts of the Lands to purchasers;*
- *competition from other available properties; and*
- *changes in laws and governmental regulations, including those governing usage, zoning, the environment and taxes.*

Operating History

The Corporation is newly formed and does not have a record of achievement to be relied upon. The Corporation's operations are subject to all the risks inherent in the establishment of a new business enterprise, including a lack of operating history. The Corporation cannot be certain that its investment strategy will be successful. The likelihood of the success of the Corporation must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business and real estate investment. If the Corporation fails to address any of these risks or difficulties adequately, its business will likely suffer. Future profits, if any, will depend upon various factors, including the marketability and sale of the Lands, government regulations and enforcement and general economic conditions. There is no assurance that the Corporation will ultimately sell the Lands for a profit.

Reliance on Management

Decisions regarding the management of the Corporation's affairs will be made exclusively by its Officer and Director. Accordingly, investors must carefully evaluate the personal experience and business performance of the Officer and Director of the Corporation. The Corporation may retain independent contractors to provide services to the Corporation. These contractors have no fiduciary duty to the Corporation.

Major Asset

The Lands represents the major asset of the Corporation and therefore the Corporation's financial performance is directly tied to the value of this particular asset. The Corporation does not have a large portfolio of diverse real estate assets, therefore, its success is dependent on the success of the sale of the Lands for a profit.

Debt Financing

If the Corporation obtains debt financing it will be subject to the risks associated with debt financing, including the risk that mortgage indebtedness secured by the Lands will not be able to be refinanced or that the terms of refinancing will not be as favourable as the terms of existing indebtedness.

Interest Rate Fluctuations

Financing by the Corporation may include indebtedness with interest rates which may fluctuate over time and which will result in fluctuations in the Corporation's cost of borrowing.

ITEM 9 - REPORTING OBLIGATIONS

9.1 Reporting to Bondholders

The Corporation is not a reporting issuer in any jurisdiction. It is therefore not required to disclose material changes which occur in its business and affairs, nor is it required to file with the securities regulatory authorities or provide to bondholders audited interim financial statements or audited year end financial statements.

Financial or other information relating to the Corporation and provided to you in the future may not by itself be sufficient for you to assess the performance of your investment.

ITEM 10 - RESALE RESTRICTIONS

The Bonds are subject to a number of resale restrictions under securities legislation, including a restriction on trading. Unless or until the restriction on trading expires, you will not be able to trade the Bonds unless you are eligible to rely on and comply with an exemption from the prospectus and registration requirements under securities legislation. For information about these resale restrictions you should consult a lawyer.

The certificates representing Bonds issued pursuant to this Offering will be inscribed with the following legend:

Unless permitted under securities legislation, the holder of this security cannot trade these securities before the date that is four (4) months and a day after the date the Corporation became a reporting issuer in any province or territory of Canada.

The Corporation has no intention of becoming a reporting issuer in any province or territory of Canada.

For Manitoba residents, you must not trade the securities without the prior written consent of the regulator in Manitoba unless:

- the Corporation has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus; or
- you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

ITEM 11 - PURCHASERS' RIGHTS

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

1. Two-Day Cancellation Right

You can cancel your agreement to purchase these securities. To do so, you must send a notice to the Corporation by midnight on the 2nd business day after you sign the agreement to buy the securities.

2. Statutory Rights of Action in the Event of a Misrepresentation

Securities legislation in certain of the provinces of Canada grants investors, or requires that investors be granted, rights of rescission or damages where an offering memorandum or any amendment to it contains a misrepresentation. For these purposes, a "misrepresentation" is an untrue statement of a material fact or an omission to state a material fact that is necessary in order to make any statement not misleading in light of the circumstances in which it was made. A "material fact" is a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities. These rights must be exercised by an investor within time limits prescribed by the applicable securities legislation.

If there is a misrepresentation in this Offering Memorandum, purchasers have a statutory right to sue:

- (a) the Corporation to cancel their agreement to buy the Bonds; or
- (b) for damages against the Corporation, its directors and any person who signed the Offering Memorandum.

This right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the Bonds. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. Further particulars of the right to sue in your province are set out below.

The following is a summary of the rights of rescission or damages available to investors under the securities legislation of certain of the provinces of Canada. These rights are in addition to and without derogation from any other rights or remedies that an investor might have at law, and may be subject to defences.

Statutory Rights of Action of Purchasers In British Columbia and Alberta

If this Offering Memorandum, together with any amendment thereto, contains a misrepresentation, an Investor in British Columbia or Alberta who purchases a security offered by this Offering Memorandum shall be deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and such Investor shall have a right of action for damages against, jointly and severally, the Issuer, every director of the Issuer at the date of the Offering Memorandum and every person or company who signed the Offering Memorandum or, at the election of the Investor, a right of rescission against the Issuer (in which case the Investor does not have a right of action for damages), provided that:

- (a) no action may be commenced to enforce a right of action:
 - (i) for rescission more than 180 days after the date of the purchase; and
 - (ii) for damages later than the earlier of (A) 180 days after the Investor first had knowledge of the facts giving rise to the cause of action, and (B) three years after the date of purchase;
- (b) where a misrepresentation is contained in this Offering Memorandum, the Issuer or any person or company is not liable for damages;
 - (i) if it is proven that the Investor had knowledge of the misrepresentation;
 - (ii) if it is proven that the Offering Memorandum was delivered to the Investor without the person's or company's knowledge or consent and that, on becoming aware of its being delivered, the person or company promptly gave written notice to the Issuer that it was delivered without the knowledge and consent of the person or company;
 - (iii) If it is proven that the person or company, on becoming aware of the misrepresentation in the Offering Memorandum, withdrew the person's or company's consent to the Offering Memorandum and gave written notice to the Corporation of the withdrawal and the reason for it;
 - (iv) If, with respect to any part of the Offering Memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that there had been a misrepresentation, or the relevant part of the Offering Memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert; and
 - (v) with respect to any part of the Offering Memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company did not conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or believed there had been a misrepresentation;
- (c) the amount recoverable shall not exceed the price at which the securities were offered under the Offering Memorandum;
- (d) subsections (b)(ii) to (v) do not apply to the Corporation; and
- (e) in an action for damages, the Corporation or any person or company will not be liable for all or any portion of such damages that it proves do not represent the depreciation in value of the security as a result of the misrepresentation.

Statutory Rights of Action of Purchasers in Saskatchewan

Section 138 of *The Securities Act, 1988* (Saskatchewan), as amended (the "Saskatchewan Act") provides that where an offering memorandum or any amendment to it is sent or delivered to an investor and it contains a misrepresentation (as defined in the Saskatchewan Act), an investor who purchases a security covered by the offering memorandum or any amendment to it is deemed to have relied upon that misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for rescission against the issuer or has a right of action for damages against:

- (a) the Corporation;
- (b) every promoter and director of the issuer at the time the offering memorandum or any amendment to it was sent or delivered;
- (c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;
- (d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and
- (e) every person who or company that sells securities on behalf of the issuer under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

- (a) if the investor elects to exercise its right of rescission against the Corporation it shall have no right of action for damages against that party;
- (b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the misrepresentation relied on;
- (c) no person or company, other than the Corporation will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;
- (d) in no case shall the amount recoverable exceed the price at which the securities were offered; and
- (e) no person or company is liable in an action for rescission or damages if that person or company proves that the investor purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the Corporation will be liable if the person or company proves that:

- (a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or
- (b) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Not all defences upon which the issuer or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective Investor that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the Investor is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement.

Section 141(1) of the Saskatchewan Act provides an Investor with the right to void the purchase agreement and to recover all money and other consideration paid by the Investor for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to an Investor to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the Investor enters into an agreement to purchase the securities, as required by Section 80.1 of the Saskatchewan Act.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission, the earlier of:
 - (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) six years after the date of the transaction that gave rise to the cause of action.

Statutory Rights of Action for Subscribers in the Province of Manitoba

In the event that this Offering Memorandum (including any amendment hereto) delivered to a purchaser of Bonds resident in Manitoba, contains a misrepresentation and it is a misrepresentation at the time of purchase, the purchaser shall be deemed to have relied upon the misrepresentation and shall have, in addition to any other rights they may have at law: (a) a right of action for damages against (i) the Corporation, (ii) every director of the Corporation at the date of this Offering Memorandum (collectively, the "Directors"), and (iii) every person or company who signed this Offering Memorandum (collectively, the "Signatories"); and (b) a right of rescission against the Corporation.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into this Offering Memorandum, the misrepresentation is deemed to be contained in this Offering Memorandum.

A purchaser may elect to exercise a right of rescission against the Corporation, in which case the purchaser will have no right of action for damages against the Corporation, Directors or Signatories.

The Corporation, the Directors and Signatories will not be liable if they prove that the purchaser purchased Bonds with knowledge of the misrepresentation.

All persons or companies referred to above that are found to be liable or accept liability are jointly and severally liable. A person or company who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

A Director or Signatory will not be liable:

- (a) if they prove this Offering Memorandum was sent or delivered to the purchaser without their knowledge or consent and, on becoming aware of its delivery, gave reasonable notice to the Corporation that it was delivered without their knowledge and consent;
- (b) if they prove that, after becoming aware of a misrepresentation in this Offering Memorandum, they withdrew their consent to this Offering Memorandum and gave reasonable notice to the Corporation of their withdrawal and the reasons therefore;

- (c) If, with respect to any part of this Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert ("Expert Opinion"), such person proves they did not have any reasonable grounds to believe and did not believe that there was a misrepresentation or that the relevant part of this Offering Memorandum did not fairly represent the Expert Opinion or was not a fair copy of, or an extract from, such Expert Opinion; or
- (d) with respect to any part of this Offering Memorandum not purporting to be made on an expert's authority, or not purporting to be a copy of, or an extract from an Expert Opinion, unless the Director or Signatory (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

In an action for damages, the Corporation, the Directors and Signatories will not be liable for all or any part of the damages that they prove do not represent the depreciation in value of the Bonds as a result of the misrepresentation relied upon. The amount recoverable under the right of action shall not exceed the price at which the Bonds were offered for sale.

A purchaser of Bonds to whom this Offering Memorandum was not delivered prior to such purchase in circumstances where such Offering Memorandum was required to be delivered has a right of rescission or a right of action for damages against the Corporation or any dealer who failed to deliver the Offering Memorandum within the prescribed time.

A purchaser of Bonds to whom the Offering Memorandum is required to be sent may rescind the contract to purchase the Bonds by sending a written notice of rescission to the Corporation not later than midnight on the second day, excluding Saturdays and holidays, after the purchaser signs the agreement to purchase the Bonds.

Unless otherwise provided under applicable securities legislation, no action shall be commenced to enforce a right of action unless the right is exercised:

- (a) in the case of rescission, not later than 180 days from the day of the transaction that gave rise to the cause of action; or
- (b) in the case of an action, other than an action for rescission, the earlier of (i) 180 days from the day the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) two years from the day of the transaction that gave rise to the cause of action.

The rights discussed above are in addition to, and without derogation from, any other right or remedy which purchasers may have at law and are intended to correspond to the provisions of *The Securities Act* (Manitoba) and are subject to the defences contained therein.

Statutory Rights of Action of Purchasers in Ontario

In accordance with section 130.1 of the Securities Act (Ontario), every Investor who purchases Bonds pursuant to this Offering Memorandum in the Province of Ontario shall have a right of action for damages or rescission if this Amended and Restated Offering Memorandum or any amendment hereto contains a misrepresentation (as defined in the *Securities Act* (Ontario)). In particular, if this Offering Memorandum contains a misrepresentation, an Investor who purchases Bonds offered by this Offering Memorandum during the period of distribution shall be deemed to have relied upon the misrepresentation, if it was a misrepresentation at the time of purchase, and shall have a right of action for damages or for rescission against the Issuer, provided that:

- (a) if the Investor exercises its right of rescission, it shall not have a right of action for damages;
- (b) the defendant will not be liable if it proves that the Investor purchased Bonds with knowledge of the misrepresentation;
- (c) the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Bonds as a result of the misrepresentation;
- (d) In no case shall the amount recoverable exceed the price at which the Bonds were offered; and
- (e) the right of action for rescission or damages is in addition to and does not derogate from any other right the Investor may have at law.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these statutory rights more than:

- (a) in an action for rescission, 180 days from the date of the transaction that gave rise to the cause of action; or
- (b) In an action for damages, the earlier of:
 - (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) three years after the date of the transaction that gave rise to the cause of action.

Subscribers should consult their own legal advisers with respect to their rights and the remedies available to them.

The rights discussed above are in addition to and without derogation from any other rights or remedies, which subscribers may have at law.

ITEM 12 - FINANCIAL STATEMENTS

Railside Capital Inc.
Interim un-audited Financial Statements
March 3, 2008

Rallside Capital Inc.

Balance Sheet

March 3, 2008

Un-audited

Assets

Current

Cash

\$ 1,000

Liability and Shareholder's deficit

Current

\$ 7,500

Shareholder's deficit

Share Capital (note 5)

\$ 1,000

Deficit

(\$ 7,500)

(\$ 6,500)

\$ 1,000

APPROVED BY THE BOARD:

Ron Aitkens, Director

Railside Capital Inc.
Statement of Loss and Deficit
For the period from February 6, 2008 (date of incorporation) to March 3, 2008
Un-audited

Expenses	
Professional Fees	\$ 7,500
Net Loss	\$ 7,500
Deficit, Beginning of Period	-
Deficit, End of Period	<u>\$ 7,500</u>

Railside Capital Inc.

Notes To Financial Statements

For the period from February 6, 2008 (date of incorporation) to March 3, 2008

Un-audited

1. Company Operations

Railside Capital Inc. (the "Corporation") was incorporated on February 6, 2008 pursuant to the Business Corporations Act (Alberta). To date, the Corporation has retained professional services to prepare for the Offering discussed in an Offering Memorandum.

2. Significant Accounting Policies

The financial statements of the Corporation have been prepared by management in accordance with generally accepted accounting principles in Canada. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. The financial statements have, in the opinion of management, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of significant policies described below.

The Corporation has not commenced commercial activities and has not identified accounting policies or practices except as listed below:

(a) Measurement Uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(b) Income Taxes

The Corporation uses the liability method of accounting for future income taxes. Under the liability method, future income tax assets and liabilities are determined based on temporary differences (differences between the accounting basis and the tax basis of the assets and liabilities), and are measured using the currently enacted, or subsequently enacted tax rates and laws expected to apply when these differences reverse. A valuation allowance is recorded against any future income tax assets if it is more likely than not that the asset will not be realized.

Railside Capital Inc.

Notes to Financial Statements

For the period from February 6, 2008 (date of incorporation) to March 3, 2008

Un-audited

3. Due to Related Parties

During the period, the Corporation received a loan of \$7,500 from a related party. The loan is payable on demand with no fixed terms of repayment or interest payments to be charged on the principal amount.

4. Income Taxes

At March 3, 2008, the Corporation has non-capital losses of \$7,500 which can be carried forward to reduce future year's taxable income for Canadian tax purposes, the benefit of which has not been recognized in the financial statements. These losses expire commencing in 2015.

5. Share Capital

(a) Authorized

Unlimited Class A Preferred shares; and
Unlimited Class B Common Shares.

(b) Issued

100,000 Class A Preferred Shares for \$1,000

6. Financial Instruments

The Corporation financial statements consist of a loan payable to a related party whose book values approximate their fair values due to their short-term nature. It is management's opinion that the Corporation is not exposed to significant interest or credit risk arising from those financial statements.

ITEM 13 - DATE AND CERTIFICATE

Dated: March 3, 2008

This Offering Memorandum does not contain a misrepresentation.

Ron Aitkens, President

ON BEHALF OF THE BOARD OF DIRECTORS OF RAILSIDE CAPITAL INC.

Ron Aitkens, Director

ON BEHALF OF THE PROMOTER OF RAILSIDE CAPITAL INC.

Ron Aitkens

SCHEDULE A

SUBSCRIPTION FOR BONDS

TO: Railside Capital Inc. (the "Corporation")

The undersigned (hereinafter referred to as the "Subscriber") hereby irrevocably subscribes for and agrees to purchase the number of Bonds ("Bonds") of the Corporation set forth below for the aggregate subscription price set forth below, representing a subscription price of CDN \$100 per Bond, upon and subject to the terms and conditions set forth in "Terms and Conditions of Subscription for Bonds of Railside Capital Inc." attached hereto (the "Subscription Agreement"). In addition to this face page, the Subscriber must also complete all applicable schedules attached hereto.

Full Legal Name of Subscriber (please print) _____
By: _____ Signature of Subscriber or its Authorized Representative
Official Title or Capacity (please print) _____
Name of Signatory (please print name of individual whose signature appears above if different than name of Subscriber) _____
Date of Execution _____
Subscriber's Address (including postal code) _____
Social Insurance Number / Business Number _____
Telephone Number (including area code) _____
E-mail Address _____

Aggregate Subscription Amount: \$ _____

Number of Bonds: _____

If the Subscriber is signing as agent for a principal and is not a trust corporation or, in Alberta or British Columbia, a portfolio manager in any case, purchasing as a trustee or an agent for accounts fully managed by it, complete the following and ensure that the applicable schedules attached hereto are completed in respect of such principal:	
_____ (Name of Principal)	
_____ (Principal's address)	

_____ (Telephone Number)	_____ (E-mail Address)

Register the Bonds (if different from address above) as follows:
Name _____
Account reference, if applicable _____
Address (including postal code) _____

Deliver the Bonds (if different from address given) as follows:
Name _____
Account reference, if applicable _____
Contact Name _____
Address (including postal code) _____
Telephone Number (including area code) _____

NUMBER and type of securities of the Corporation held directly or indirectly by Subscriber _____

ACCEPTANCE: The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement.

Railside Capital Inc.

_____, 2008.

Per: _____

No.: _____

This is the first page of an agreement comprised of 10 pages (excluding the Schedules hereto).

PLEASE MAKE SURE THAT YOUR SUBSCRIPTION INCLUDES:

1. A signed copy of this Subscription Agreement;
2. A certified cheque, trust cheque, or bank draft in an amount equal to the Aggregate Subscription Amount, payable to "Douglas Alger Law in Trust"; and
3. A properly completed and duly executed copy of the appropriate investor qualification form(s):
 - If resident in British Columbia, Alberta, Saskatchewan or Manitoba, two (2) copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B" (one copy may be retained for your records);
 - If resident in Alberta, Saskatchewan or Manitoba if your subscription is for more than \$10,000, one (1) copy of the Eligible Investor Certificate in the form attached to this Subscription Agreement as Schedule "C"; and
 - If resident in Ontario and your are purchasing Bonds as an "accredited Investor" (as such term is defined by NI 45-106), one (1) completed and signed copy of the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule "D".

PLEASE DELIVER YOUR SUBSCRIPTION TO:

Foundation Capital Corporation
6163 – 6th Street SE, Calgary, Alberta, T2H 1L9

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR
BONDS OF RAILSIDE CAPITAL INC.**

Definitions. In this Subscription Agreement:

- (a) "Aggregate Subscription Amount" means the aggregate dollar amount of the subscription under this Subscription Agreement;
- (b) "Closing Date" means the dates on which Bonds are issued by the Corporation pursuant to the Offering Memorandum;
- (c) "Corporation" means Railside Capital Inc., a corporation incorporated under the *Business Corporations Act* (Alberta);
- (d) "Offering" means the offering of the Corporation's Bonds pursuant to the Offering Memorandum;
- (e) "Offering Memorandum" means the Offering Memorandum of the Corporation dated March 3, 2008; and
- (f) "Bonds" means Bonds of the Corporation offered pursuant to the Offering Memorandum.

Acknowledgements of the Subscriber. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that:

- (a) this subscription is subject to rejection or acceptance by the Corporation in whole or in part, and is effective only upon acceptance by the Corporation;
- (b) the Bonds subscribed for by the Subscriber hereunder form part of a larger issue and sale by the Corporation of up to 350,000 Bonds at a subscription price of \$100 per Bond (the "Offering");
- (c) the Subscriber acknowledges that the Lands are or were owned by 1252064 Alberta Ltd., a corporation owned and controlled by Ron Aitkens, the sole officer, director and shareholder of the Corporation. The Subscriber further acknowledges that the Lands will be sold to Railside Industrial Park Inc. by 1252064 Alberta Ltd. The Subscriber consents to the Corporation lending funds to Railside Industrial Park Inc. pursuant to the Loan referred to in the Offering Memorandum and agrees that the advance of the Loan will not constitute a breach of fiduciary or other duty and that neither 1252064 Alberta Ltd. nor Ron Aitkens shall be liable to or required to account to or indemnify the Corporation or the Subscriber in connection with the sale of the Lands by 1252064 Alberta Ltd. to Railside Industrial Park Inc. or the advance of the Loan by the Corporation to Railside Industrial Park Inc.
- (d) the Subscriber is responsible for obtaining such legal advice as it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement.

Representations, Warranties and Covenants of the Subscriber. By executing this Subscription Agreement, the Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) represents, warrants and covenants to the Corporation (and acknowledges that the Corporation and its counsel are relying thereon) that:

- (a) if the Subscriber is an individual, the Subscriber is of the full age of majority in the jurisdiction in which this Subscription Agreement is executed and is legally competent to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder;
- (b) if the Subscriber is not an individual, the Subscriber has the requisite power, authority, legal capacity and competence to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder, and all necessary approvals of its Directors, partners, Shareholders, trustees or otherwise with respect to such matters have been given or obtained;
- (c) if the Subscriber is a body corporate, the Subscriber is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation;
- (d) this Subscription Agreement has been duly and validly authorized, executed and delivered by, and constitutes a legal, valid, binding and enforceable obligation of, the Subscriber;
- (e) if the Subscriber is acting as agent or trustee for a principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documents in connection with such subscription on behalf of such principal, and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid, binding and enforceable obligation of, such principal;

- (f) the execution, delivery and performance by the Subscriber of this Subscription Agreement and the completion of the transactions contemplated hereby do not and will not result in a violation of any law, regulation, order or ruling applicable to the Subscriber, and do not and will not constitute a breach of or default under any of the Subscriber's constating documents (if the Subscriber is not an individual) or any agreement to which the Subscriber is a party or by which it is bound;
- (g) the Subscriber confirms that the Subscriber (and, if the Subscriber is not purchasing as principal, each beneficial purchaser for whom the Subscriber is acting) is:
- (i) **resident in or otherwise subject to the applicable securities laws of Alberta, Saskatchewan or Manitoba**, it is purchasing the Bonds as principal for its own account and not for the benefit of any other person and it has received or been provided with a copy of the Offering Memorandum and has duly completed and executed two (2) copies of the Risk Acknowledgement in the form attached hereto as Schedule "B" (one copy for each of the Corporation and the Subscriber) and, if subscribing for more than \$10,000 in Bonds, has duly completed and executed a copy of the Representation Letter in the form attached hereto as Schedule "C"; or
 - (ii) **resident in or otherwise subject to the applicable securities laws of British Columbia**, it is purchasing the Bonds as principal for its own account and not for the benefit of any other person and it has received or been provided with a copy of the Offering Memorandum and has duly completed and executed two (2) copies of the Risk Acknowledgement in the form attached hereto as Schedule "B" (one copy for each of the Corporation and the Subscriber); or
 - (iii) **resident in or otherwise subject to the applicable securities laws of Ontario**, it is purchasing the Bonds as principal for its own account and not for the benefit of any other person and is an "accredited investor", as such term is defined in National Instrument 45-106 - "Prospectus and Registration Exemptions" ("NI 45-106"), and has concurrently executed and delivered a Representation letter in the form attached as Schedule D to this Subscription Agreement with Appendix A to Schedule D completed;
- (h) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its Investment in the Bonds;
- (i) is capable of assessing the proposed investment in the Bonds as a result of the Subscriber's own experience or as a result of advice received from a person registered under applicable securities legislation; and
 - (ii) is able to bear the economic risk of loss of its investment in the Bonds;
- (i) the Subscriber understands that no securities commission, stock exchange, governmental agency, regulatory body or similar authority has made any finding or determination or expressed any opinion with respect to the merits of investing in the Bonds;
- (j) the Subscriber acknowledges that no prospectus has been filed by the Corporation with any securities commission or similar regulatory authority in any jurisdiction in connection with the issuance of the Bonds and the issuance is exempted from the prospectus requirements available under the provisions of applicable securities laws and as a result:
- (i) the Subscriber may be restricted from using some of the civil remedies otherwise available under applicable securities laws;
 - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under applicable securities laws; and
 - (iii) the Corporation is relieved from certain obligations that would otherwise apply under applicable securities laws;
- (k) the Subscriber confirms that neither the Corporation or any of its representative Directors, employees, Officers or affiliates, have made any representations (written or oral) to the Subscriber:
- (i) regarding the future value of the Bonds;
 - (ii) that any person will resell or repurchase the Bonds;
 - (iii) that the Bonds will be listed on any stock exchange or traded on any market; or
 - (iv) that any person will refund the purchase price of the Bonds other than as provided in this Subscription Agreement;

- (l) the Subscriber confirms that it has been advised to consult its own legal and financial advisors with respect to the suitability of the Bonds as an investment for the Subscriber, the tax consequences of purchasing and dealing with the Bonds, and the resale restrictions and "hold periods" to which the Bonds are or may be subject under applicable securities legislation or stock exchange rules, and has not relied upon any statements made by or purporting to have been made on behalf of the Corporation with respect to such suitability, tax consequences, and resale restrictions;
- (m) except for the Subscriber's knowledge regarding its subscription for Bonds hereunder, the Subscriber has no knowledge of a "material fact" or a "material change" (as those terms are defined in the *Securities Act* (Alberta)) in the affairs of the Corporation that has not been generally disclosed;
- (n) the Subscriber is resident in the jurisdiction indicated on the face page of this Subscription Agreement as the "Subscriber's Address" and the purchase by and sale to the Subscriber of the Bonds, and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase and sale (whether with or with respect to the Subscriber or any beneficial purchaser) has occurred only in such jurisdiction;
- (o) the Subscriber acknowledges that it and/or the Corporation may be required to provide applicable securities regulatory authorities or stock exchanges with information concerning the identities of the beneficial purchasers of the Bonds and the Subscriber agrees that, notwithstanding that the Subscriber may be purchasing the Bonds as agent for an undisclosed principal, the Subscriber will provide to the Corporation, on request, particulars as to the identity of such undisclosed principal as may be required by the Corporation in order to comply with the foregoing;
- (p) the Subscriber understands that it will not resell the Bonds except in accordance with limited exemptions available under applicable securities legislation, regulatory policy and stock exchange rules, and that the Subscriber is solely responsible for (and the Corporation is not in any way responsible for) the Subscriber's compliance with applicable resale restrictions;
- (q) the Subscriber acknowledges that it is aware that there is no market upon which the Bonds trade and there is no assurance that any of the Bonds will be listed and posted for trading on a stock exchange or dealer network in the future;
- (r) the Subscriber understands that the sale of the Bonds is conditional upon such sale being exempt from the requirements to file and obtain a receipt for a prospectus, and the requirement to sell securities through a registered dealer, or upon the issuance of such orders, consents or approvals as may be required to enable such sale to be made without complying with such requirements, and that as a consequence of acquiring the Bonds pursuant to such exemptions, certain protections, rights and remedies provided by applicable securities legislation, including statutory rights of rescission or damages in the event of a misrepresentation may not be available to the Subscriber in connection with the purchase and sale of the Bonds;
- (s) the Subscriber understands that any certificates representing the Bonds will bear a legend indicating that the resale of such securities is restricted;
- (t) other than the Offering Memorandum, the Subscriber has not received or been provided with, nor has it requested, nor does it have any need to receive, any offering memorandum, or any other document (other than the annual financial statements, interim financial statements or any other document (excluding offering memoranda, prospectuses or other offering documents) the content of which is prescribed by statute or regulation) describing the business and affairs of the Corporation, which has been prepared for delivery to and review by prospective purchasers in order to assist them in making an investment decision in respect of the purchase of Bonds pursuant to the offering;
- (u) the Subscriber has not become aware of any advertisement in printed media of general and regular paid circulation or on radio, television or other form of telecommunication or any other form of advertisement (including electronic display or the Internet) or sales literature with respect to the distribution of the Bonds;
- (v) the Subscriber is not a "U.S. Person" (as that term is defined by Regulation S under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States) and is not acquiring the Bonds for the account or benefit of a U.S. Person or a person in the United States;
- (w) the Bonds have not been Offered to the Subscriber in the United States, and the individuals making the order to purchase the Bonds and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered;
- (x) the Subscriber undertakes and agrees that it will not offer or sell any of the Bonds in the United States unless such Securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, or an exemption from such registration requirements is available;

- (y) the Subscriber acknowledges that, in addition to any other requirements under applicable securities legislation to which a disposition of any of the Bonds by the Subscriber may be subject, the Subscriber may, depending on the nature of the disposition, be required to file a report of exempt trade within ten (10) days of a disposition by the Subscriber of the Bonds;
- (z) If required by applicable securities legislation, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Corporation in filing such reports, undertakings and other documents with respect to the issue of the Bonds;
- (aa) except as disclosed in writing to the Corporation, the Subscriber does not act jointly or in concert with any other person or company for the purposes of acquiring securities of the Corporation;
- (bb) the Subscriber is not a non-resident for the purposes of the *Income Tax Act* (Canada);
- (cc) the Subscriber is not a "control person" of the Corporation, as that term is defined in the *Securities Act* (Alberta), will not become a "control person" of the Corporation by purchasing the number of Bonds subscribed for under this Subscription Agreement and does not intend to act jointly or in concert with any other person to form a control group in respect of the Corporation;
- (dd) the Subscriber has not relied upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation except as expressly set forth herein or in the Offering Memorandum;
- (ee) the funds representing the Aggregate Subscription Amount which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "PCMLA") and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of its knowledge: (i) none of the subscription funds to be provided by the Subscriber: (A) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction; or (B) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (ii) it shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith;
- (ff) the Subscriber acknowledges that the Corporation may complete additional financings in the future in order to develop the proposed business of the Corporation and to fund its ongoing development. There is no assurance that such financing will be available and if available, on reasonable terms. Any such future financings may have a dilutive effect on current shareholders or security holders, including the Subscriber; and
- (gg) the Subscriber acknowledges that an investment in the Bonds is subject to a number of risk factors. In particular, the Subscriber acknowledges that the Corporation is not a reporting issuer in any province of Canada and, as such, the applicable hold period may never expire. Accordingly, there is currently no market for any of the Bonds and one may never develop. It may be difficult or even impossible for a Subscriber to sell any of the Bonds. Resale of such Bonds will require the availability of exemptions from the prospectus requirements of applicable Securities legislation, or the application for a discretionary order of the securities commission or similar regulatory authority in the subscriber's province of residence permitting the trade. The Subscriber covenants and agrees to comply with the relevant securities legislation, orders or policies concerning the purchase, holding of, and resale of the Bonds.

Timeliness of Representations, etc. The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time (as defined herein), and will survive the completion of the distribution of the Bonds and any subsequent disposition by the Subscriber of any of the securities.

Indemnity. The Subscriber acknowledges that the Corporation and its counsel are relying upon the representations, warranties and covenants of the Subscriber set forth herein in determining the eligibility (from a Securities law perspective) of the Subscriber (or, if applicable, the eligibility of another on whose behalf the Subscriber is contracting hereunder to subscribe for Bonds) to purchase Bonds under the Offering, and hereby agrees to indemnify the Corporation and its Directors, Officers, employees, advisers, affiliates, Shareholders and agents (including their respective legal counsel) against all losses, claims, costs, expenses, damages or liabilities that they may suffer or incur as a result of or in connection with their reliance on such representations, warranties and covenants. The Subscriber undertakes to immediately notify the Corporation of any change in any statement or other information relating to the Subscriber set forth herein that occurs prior to the Closing Time.

Deliveries by Subscriber prior to Closing. The Subscriber agrees to deliver to the Corporation not later than 5:00 p.m. (Mountain Standard time) on the day that is two business days before any Closing Date of which the Subscriber receives notice:

- (a) this duly completed and executed Subscription Agreement;
- (b) a certified cheque or bank draft made payable to "Douglas Alger Law in Trust" in an amount equal to the Aggregate Subscription Amount, or payment of the same amount in such other manner as is acceptable to the Corporation;
- (c) properly completed and duly executed copies of the appropriate investor qualification form(s) as described on page 2 of this Subscription Agreement; and
- (d) such other documents as may be requested by the Corporation as contemplated by this Subscription Agreement.

Consent to Collection of Personal Information. If the Subscriber is an individual, the Subscriber acknowledges that the Subscriber has provided, in this Subscription Agreement, to the Corporation Information (the "Personal Information") of a personal nature that may or may not be protected under applicable privacy legislation. This information is being collected, used and may be disclosed by the Corporation for the following purposes (the "Purposes"):

- (a) in order to complete the Offering;
- (b) to be kept in the corporate records of the Corporation, on its Securities registers and Bondholders lists, maintained by the Corporation and/or the Corporation's transfer agent;
- (c) to be disclosed to securities/tax regulatory authorities or other government bodies as required and in accordance with applicable securities laws and tax laws;
- (d) as long as the Subscriber is a Shareholder of the Corporation, to be disclosed to other third parties held to an obligation of confidentiality to the Corporation such as its legal counsel, its accountants, transfer agent, securities depository, or any other entity for: (i) the purpose of sending financial statements and other disclosure documentation required to be sent by law to the Shareholders of the Corporation, and/or (ii) in the context of a proposed merger, business combination, acquisition, takeover bid or such other major transaction involving the Corporation and such other third party; and
- (e) to enforce the obligations contemplated by this Subscription Agreement.

The Subscriber or the person subscribing for the Bonds on behalf of a disclosed beneficial purchaser hereby consents to the collection, use and disclosure by the Corporation of the Personal Information for the Purposes.

Certain securities commissions have been granted the authority to indirectly collect this personal information pursuant to securities legislation and this personal information is also being collected for the purpose of administration and enforcement of securities legislation. In Ontario, the Administrative Assistant to the Director of Corporate Finance, Suite 1903, Box 5520 Queen Street West, Toronto, Ontario M5H 3S8, Telephone (416) 593-8086, Facsimile: (416) 593-8252 is the public official who can answer questions about the indirect collection of personal information. The Subscriber's personal information may be disclosed by the Corporation or its counsel to: (a) stock exchanges, securities commissions or securities regulatory authorities; (b) the Corporation's registrar and transfer agent; (c) taxation authorities; (d) any of the other parties involved in the offering, including legal counsel. By executing this Subscription Agreement and the, the Subscriber is deemed to be authorizing and consenting to the foregoing collection (including the indirect collection of personal information), use and disclosure of the Subscriber's personal information as set forth above. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in this Subscription Agreement as may be required to be filed with any stock exchange, securities commission or securities regulatory authority in connection with the transactions contemplated hereby.

Partial Acceptance or Rejection of Subscription. The Corporation may, in its absolute discretion, accept or reject the Subscriber's subscription for Bonds as set forth in this Subscription Agreement, in whole or in part, and the Corporation reserves the right to allot to the Subscriber less than the amount of Bonds subscribed for under this Subscription Agreement.

- (a) Notwithstanding the foregoing, the Subscriber acknowledges and agrees that the acceptance of this Subscription Agreement will be conditional upon among other things, the sale of the Bonds to the Subscriber being exempt from any prospectus and Offering memorandum requirements of applicable Securities laws. The Corporation will be deemed to have accepted this Subscription Agreement upon the delivery at Closing of the certificates representing the Bonds to the Subscriber or upon the direction of the Subscriber in accordance with the provisions hereof.

- (b) If this Subscription Agreement is rejected in whole, any certified cheque(s) or bank draft(s) delivered by the Subscriber to the Corporation on account of the Aggregate Subscription Amount for the Bonds subscribed for will be promptly returned to the Subscriber without interest. If this Subscription Agreement is accepted only in part, a cheque representing the amount by which the payment delivered by the Subscriber to the Corporation exceeds the subscription price of the number of Bonds sold to the Subscriber pursuant to a partial acceptance of this Subscription Agreement, will be promptly delivered to the Subscriber without interest.

Time and Place of Closing. The sale of the Bonds will be completed at the offices of Douglas Alger, in Lethbridge, Alberta at 10:00 a.m. (Mountain Standard time) or such other time as the Corporation may determine (the "Closing Time") on the Closing Date. The Corporation reserves the right to close the Offering in multiple tranches, so that one or more closings may occur after the initial closing.

Subject to Regulatory Approval. The obligations of the parties hereunder are subject to all required regulatory approvals being obtained.

Representations and Warranties of the Corporation. The Corporation hereby represents and warrants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:

- (a) the Corporation has the full corporate right, power and authority to execute and deliver this Subscription Agreement and to issue the Bonds to the Subscriber;
- (b) the Corporation is duly incorporated and validly subsisting, and is qualified to carry on business in each jurisdiction in respect of which the carrying out of the activities contemplated hereby make such qualification necessary;
- (c) the Corporation has complied or will comply with all applicable corporate and Securities laws in connection with the Offer and sale of the Bonds;
- (d) upon acceptance by the Corporation, this Subscription Agreement shall constitute a binding obligation of the Corporation enforceable in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the general principles of equity including the fact that specific performance is available only in the discretion of the court; and
- (e) the execution, delivery and performance of this Subscription Agreement by the Corporation and the issue of the Bonds to the Subscriber pursuant hereto does not and will not constitute a breach of or default under the constituting documents of the Corporation, or any law, regulation, order or ruling applicable to the Corporation, or any agreement to which the Corporation is a party or by which it is bound.

No Partnership. Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscriber and the Corporation.

Governing Law. The contract arising out of acceptance of this Subscription Agreement by the Corporation shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta.

Time of Essence. Time shall be of the essence of this Subscription Agreement.

Entire Agreement. This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof, and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.

Facsimile Copies. The Corporation shall be entitled to rely on delivery of a facsimile copy of executed subscriptions, and acceptance by the Corporation of such facsimile subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and the Corporation in accordance with the terms hereof.

Counterpart. This Subscription Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

Severability. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.

Survival. The covenants, representations and warranties contained in this Subscription Agreement shall survive the closing of the transactions contemplated hereby, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

Interpretation. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. In this Subscription Agreement, all references to money amounts are to Canadian dollars.

Amendment. Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.

Costs. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the sale of the Bonds to the Subscriber shall be borne by the Subscriber.

Withdrawal. The Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, agrees that this subscription is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder.

Assignment. Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.

Language. The Subscriber acknowledges that it has consented to and requested that all documents evidencing or relating in any way to the sale of the Bonds be drawn up in the English language only. **Le souscripteur reconnaît par les présentes avoir consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière à la vente des bons de souscription spéciaux soient rédigés en anglais seulement.**

SCHEDULE B

FORM 45-106F4

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, AND MANITOBA RESIDENTS

RISK ACKNOWLEDGEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The person selling me these securities is not registered with a securities regulatory authority and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances.
- The Bonds offered pursuant to this Offering Memorandum are not insured against loss through the Canadian Deposit Insurance Corporation or any other insurance company or program.
- I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$_____ in total; this includes any amount I am obliged to pay in future.

The Corporation reserve the right, as allowed by applicable securities legislation, to retain agents to help affect sales of the Bonds. If an agent is retained, the agent will be paid aggregate fees and commissions of up to 10% of the gross proceeds realized on the Bonds sold by such agent. The Corporation may compensate its employees and consultants up to 10% of the gross proceeds realized on the sale of the Bonds for soliciting subscriptions for the Bonds with respect to Bonds not sold by an agent. The Corporation may compensate its Officers and Directors up to 10% of the gross proceeds realized on the sale of the Bonds with respect to the Bonds not sold by an agent.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

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You have 2 business days to cancel your purchase

To do so, send a notice to Railside Capital Inc. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after the closing at which you agree to purchase the securities. You can send the notice by fax or email or deliver it in person to Railside Capital Inc. at its business address. Keep a copy of the notice for your records.

Issuer Name: Railside Capital Inc. (the "Corporation")

Address: 6163 - 6th Street SE
Calgary, Alberta, T2H 1L9

Phone #: (403) 253-5822

Fax #: (403) 253-5820

Email: info@foundationcapital.ca

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell exempt market securities to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities commission.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from an adviser or investment dealer registered with a securities commission. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority:

Saskatchewan Financial Services Commission
6th Floor, 1919 Saskatchewan Drive
Regina, SK, S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

The Manitoba Securities Commission
1130 – 405 Broadway Avenue
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

Alberta Securities Commission
4th Floor, 300 - 5th Avenue S.W.
Calgary, AB, T2P 3C4
Phone: (403) 297-6454
Fax: (403) 297-6156
<http://www.albertasecurities.com>

British Columbia Securities Commission
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC, V7Y 1L2
Phone (604) 899-6500
Fax: (604) 899-6506
<http://www.bcsc.bc.ca>

[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]

SCHEDULE B

FORM 45-106F4

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, AND MANITOBA RESIDENTS

RISK ACKNOWLEDGEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The person selling me these securities is not registered with a securities regulatory authority and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances.
- The Bonds offered pursuant to this Offering Memorandum are not insured against loss through the Canadian Deposit Insurance Corporation or any other insurance company or program.
- I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$_____ in total; this includes any amount I am obliged to pay in future.

The Corporation reserve the right, as allowed by applicable securities legislation, to retain agents to help affect sales of the Bonds. If an agent is retained, the agent will be paid aggregate fees and commissions of up to 10% of the gross proceeds realized on the Bonds sold by such agent. The Corporation may compensate its employees and consultants up to 10% of the gross proceeds realized on the sale of the Bonds for soliciting subscriptions for the Bonds with respect to Bonds not sold by an agent. The Corporation may compensate its Officers and Directors up to 10% of the gross proceeds realized on the sale of the Bonds with respect to the Bonds not sold by an agent.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

**W
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You have 2 business days to cancel your purchase

To do so, send a notice to Railside Capital Inc. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after the closing at which you agree to purchase the securities. You can send the notice by fax or email or deliver it in person to Railside Capital Inc. at its business address. Keep a copy of the notice for your records.

Issuer Name: Railside Capital Inc. (the "Corporation")

Address: 6163 - 6th Street SE
Calgary, Alberta, T2H 1L9

Phone #: (403) 253-5822

Fax #: (403) 253-5820

Email: info@foundationcapital.ca

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell exempt market securities to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities commission.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from an adviser or investment dealer registered with a securities commission. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority.

Saskatchewan Financial Services Commission
6th Floor, 1919 Saskatchewan Drive
Regina, SK, S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

The Manitoba Securities Commission
1130 – 405 Broadway Avenue
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

Alberta Securities Commission
4th Floor, 300 - 5th Avenue S.W.
Calgary, AB, T2P 3C4
Phone: (403) 297-6454
Fax: (403) 297-6156
<http://www.albertasecurities.com>

British Columbia Securities Commission
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC, V7Y 1L2
Phone (604) 899-6500
Fax: (604) 899-6506
<http://www.bcsc.bc.ca>

[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]

SCHEDULE C

OFFERING MEMORANDUM EXEMPTION

REPRESENTATION LETTER - 45-106 ELIGIBLE INVESTOR

TO BE COMPLETED BY ALBERTA, SASKATCHEWAN, AND MANITOBA SUBSCRIBERS WHO ARE SUBSCRIBING FOR MORE THAN \$10,000 IN BONDS.

The undersigned (the "Subscriber") hereby confirms and certifies to Railside Capital Inc. that the Subscriber is purchasing the Bonds as principal, that the Subscriber is resident in the jurisdiction set out on the execution page hereof, and that the Subscriber is: [check appropriate boxes]

- ☐ an "eligible investor", being a person or company whose [circle one or more]
- (i) net assets, alone or with a spouse, exceed CDN \$400,000,
 - (ii) net income before taxes exceeded CDN \$75,000 in each of the two most recent years and who reasonably expects to exceed that income level in the current year, or
 - (iii) net income before taxes combined with that of a spouse exceeded CDN \$125,000 in each of the two most recent years and who reasonably expects to exceed that income level in the current year,
- ☐ a person or company of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the Directors are eligible investors,
- ☐ a general partnership in which all of the partners are eligible investors,
- ☐ a limited partnership in which the majority of the general partners are eligible investors,
- ☐ a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are eligible investors,
- ☐ an accredited investor (as defined in National Instrument 45-106),
- ☐ a person who is a family member, close personal friend or close business associate as described in Section 2.5 of National Instrument 45-106; or
- ☐ person or company that has obtained advice regarding the suitability of the investment and if the person or company is in a jurisdiction of Canada that advice has been obtained from an eligibility adviser (as defined in National Instrument 45-106).

EXECUTED by the Subscriber this _____ day of _____, 2008.

If a corporation, partnership or other entity:

If an individual:

Signature of Authorized Signatory

Signature

Name and Position of Signatory

Print Name

Name of Purchasing Entity

Jurisdiction of Residence

Jurisdiction of Residence

SCHEDULE D

REPRESENTATION LETTER

(FOR ACCREDITED INVESTORS)

TO: Railside Capital Inc. (the "Corporation")

In connection with the purchase of bonds (the "Bonds") of the Corporation by the undersigned subscriber or, if applicable, the principal on whose behalf the undersigned is purchasing as agent (the "**Subscriber**" for the purposes of this Schedule D), the Subscriber hereby represents, warrants, covenants and certifies to the Corporation that:

1. The Subscriber is resident in the jurisdiction as set forth on the face page of this Subscription Agreement or is subject to the securities laws of such jurisdiction;
2. The Subscriber is purchasing the Bonds as principal for its own account;
3. The Subscriber is an "accredited investor" within the meaning of National Instrument 45-106 entitled "Prospectus and Registration Exemptions" by virtue of satisfying the indicated criterion as set out in Appendix A to this Representation Letter;
4. The Subscriber was not created or used solely to purchase or hold securities as an "accredited investor" as described in paragraph (XII) of the attached Appendix A of this Schedule D; and
5. Upon execution of this Schedule D by the Subscriber, this Schedule D shall be incorporated into and form a part of the Subscription Agreement.

Dated: _____, 2008.

Print name of Subscriber

By: _____
Signature

Print name of Signatory (if different from Subscriber)

Title

IMPORTANT: PLEASE MARK THE CATEGORY OR CATEGORIES

IN APPENDIX A ON THE NEXT PAGE THAT DESCRIBE YOU

APPENDIX A

TO SCHEDULE D

NOTE: THE INVESTOR MUST INITIAL BESIDE THE APPLICABLE PORTION OF THE DEFINITION BELOW.

Accredited Investor - (defined in National Instrument 45-106) means:

- _____ I. a Canadian financial institution, or an authorized foreign bank named in Schedule III of the *Bank Act* (Canada); or
- _____ II. the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- _____ III. a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by Directors of that subsidiary; or
- _____ IV. a person registered under the securities legislation of a jurisdiction of Canada, as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador); or
- _____ V. an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d); or
- _____ VI. the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly-owned entity of the Government of Canada or a jurisdiction of Canada; or
- _____ VII. a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an Intermunicipal management board in Québec; or
- _____ VIII. any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government; or
- _____ IX. a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada; or
- _____ X. an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000; or
- _____ XI. an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year; or

(Note: if individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under paragraph (i) below, which must be initialed.)
- _____ XII. an individual who, either alone or with a spouse, has net assets of at least \$5,000,000; or
- _____ XIII. a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements; or

- _____ XIV. an investment fund that distributes or has distributed its securities only to
- (a) a person that is or was an accredited investor at the time of the distribution, or
 - (b) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 and 2.19 of National Instrument 45-106, or
 - (c) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 of National Instrument 45-106; or
- _____ XV. an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt; or
- _____ XVI. a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be; or
- _____ XVII. a person acting on behalf of a fully managed account managed by that person, if that person
- (a) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and
 - (b) in Ontario, is purchasing a security that is not a security of an investment fund; or
- _____ XVIII. a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded; or
- _____ XIX. an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function; or
- _____ XX. a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by Directors, are persons that are accredited investors (as defined in National Instrument 45-106); or
- (Note: if you are purchasing as an individual accredited investors paragraph (k) above must be Initialed rather than paragraph (t))
- _____ XXI. an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or
- _____ XXII. a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as
- (a) an accredited investor, or
 - (b) an exempt purchaser in Alberta or British Columbia after September 14, 2005.

For the purposes hereof:

- (b) **"Canadian financial institution"** means
- (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
 - (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (c) **"control person"** has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds
- (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (d) **"Director"** means:
- (i) a member of the board of Directors of a company or an individual who performs similar functions for a company, and
 - (ii) with respect to a person that is not a company, an individual who performs functions similar to those of a Director of a company;
- (e) **"eligibility adviser"** means
- (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and
 - (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not
 1. have a professional, business or personal relationship with the issuer, or any of its Directors, executive Officers, founders, or control persons, and
 2. have acted for or been retained personally or otherwise as an employee, executive Officer, Director, associate or partner of a person that has acted for or been retained by the issuer or any of its Directors, executive Officers, founders or control persons within the previous 12 months;
- (f) **"executive Officer"** means, for an issuer, an individual who is
- (i) a chair, vice-chair or president,
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
 - (iii) an Officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (g) **"financial assets"** means
- (i) cash,
 - (ii) securities, or
 - (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (h) **"foreign jurisdiction"** means a country other than Canada or a political subdivision of a country other than Canada;

- (l) **"founder"** means, in respect of an issuer, a person who,
 - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
 - (ii) at the time of the trade is actively involved in the business of the issuer;
- (j) **"fully managed account"** means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (k) **"investment fund"** has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure*;
- (l) **"jurisdiction"** means a province or territory of Canada except when used in the term foreign jurisdiction;
- (m) **"local jurisdiction"** means the jurisdiction in which the Canadian securities regulatory authority is situate;
- (n) **"non-redeemable investment fund"** means an issuer,
 - (i) whose primary purpose is to invest money provided by its security holders;
 - (ii) that does not invest;
 - 1. for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
 - 2. for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
 - (iii) that is not a mutual fund;
- (o) **"person"** includes
 - (i) an individual,
 - (ii) a corporation,
 - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (p) **"regulator"** means, for the local jurisdiction, the Executive Director as defined under securities legislation of the local jurisdiction;
- (q) **"related liabilities"** means
 - (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
 - (ii) liabilities that are secured by financial assets;
- (r) **"Schedule III bank"** means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (s) **"spouse"** means, an individual who,
 - (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii) above, or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (t) **"subsidiary"** means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

All monetary references are in Canadian Dollars.

This is Exhibit "C"
referred to in the Affidavit of
Ronald Aitkens sworn before me
this 15 day of March, 2012


A Commissioner for Oaths
In and for the Province of Alberta

SYDNEY ANN LAUZON
A Commissioner for Oaths
In and for the Province of Alberta
My Commission Expires March 27, 2014

Offering Memorandum

No securities regulatory authority has assessed the merits of these securities or reviewed this Offering Memorandum. Any misrepresentation to the contrary is an offence. The information disclosed on this page is a summary only. Purchasers should read the entire Offering Memorandum for full details about the Offering. This is a risky investment. See Item 8 Risk Factors.

Date: March 3, 2008

The Issuer: Rallside Industrial Park Inc. (the "Corporation" or the "Issuer")
Address: 6163 - 6th Street SE
Calgary, Alberta, T2H 1L9
Phone #: (403) 253-5822
Fax #: (403) 253-5820
Email: info@foundationcapital.ca

Currently listed or quoted? No. These securities do not trade on any exchange or market.

Reporting Issuer? No.

SEDAR filer? No.

The Offering

Securities Offered	Class B Common Shares (referred to herein as the "Class B Shares," the "Shares," or the "securities")
Price Per Security	\$0.10 per Share
Minimum Offering	\$1,125 (11,250 Shares)
Maximum Offering	\$35,000 (350,000 Shares)
Minimum Subscription Per Investor	\$10 (100 Shares)
Payment Terms	Payment in full by cheque of the subscription price is to be made with the delivery of a duly executed and completed Subscription Agreement. See Item 5.2 Subscription Procedure.
Proposed Closing Date(s)	Closings will take place periodically at the Corporation's discretion with the closing of the Minimum Offering of \$1,125 to occur on or before March 31, 2008.

Tax Consequences: There are important tax consequences to these securities. See Item 6 Income Tax Consequences and RRSP Eligibility.

Purchaser's rights: You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11 Purchasers' Rights.

Resale restrictions: You will not be able to sell these securities except in very limited circumstances. You may never be able to resell these securities. See Item 10 Resale Restrictions.

Selling Agents: The Corporation reserves the right, as allowed by applicable securities legislation, to retain agents to help effect sale of the Class B Shares. No sales commissions of any kind will be payable out of the proceeds of this Offering.

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ITEM 1 - USE OF NET PROCEEDS

1.1 Net Proceeds

The following table discloses the net proceeds of this Offering (the "Offering"):

		Assuming Minimum Offering	Assuming Maximum Offering
A	Amount to be raised by issuance of this Offering	\$1,125	\$35,000
B	Selling commissions ⁽¹⁾	\$0	\$0
C	Offering costs	\$0	\$0
D	Net proceeds: D = A - (B + C)	\$1,125	\$35,000

⁽¹⁾ No sales commissions of any kind will be payable out of the proceeds of this Offering.

1.2 Use of Net Proceeds

The following table provides a detailed breakdown of how the Corporation will use the net proceeds of this Offering in the proceeding 12 months from the date of this Memorandum:

Description of intended use of net proceeds listed in order of priority	Assuming Minimum Offering	Assuming Maximum Offering
The Corporation intends to use the net proceeds of this Offering, together with the RSCI Loan,* to acquire the Lands pursuant to the Purchase Agreement and to continue with development upon the Lands. See Item 2.2 Our Business, Item 2.3 Purchase Agreement, and Item 2.4 The Lands.	\$1,125	\$35,000
Total	\$1,125	\$35,000

* The Corporation intends to enter into a loan agreement with Rallside Capital Inc. ("RSCI") a related party, pursuant to which RSCI will loan the Corporation up to \$35,000,000 to acquire and continue with development upon the Lands (the "RSCI Loan"). See Item 2.11.2 Loan Agreement with Rallside Capital Inc.

1.3 Reallocation

The Corporation intends to use the net proceeds of this Offering as stated. The Corporation will reallocate the net proceeds only for sound business reasons.

ITEM 2 - BUSINESS OF THE CORPORATION

2.1 Structure

The Corporation is a corporation incorporated under the *Business Corporations Act* (Alberta) pursuant to a Certificate of Incorporation dated February 6, 2008. The Corporation's head and registered office is located at 6163 - 6th Street SE, Calgary AB T2H 1L9.

2.2 Our Business

The Corporation is in a start-up phase of development and has carried out limited business prior to this Offering and has no development history. Since the date of incorporation, the Corporation has been engaged in the preparation for this Offering, which has included amongst other things, putting in place a management team, Board of Directors and retaining legal counsel.

The Corporation has entered into a purchase agreement dated February 11, 2008 (the "Purchase Agreement") with 1252064 Alberta Ltd. ("1252064"), a related party,* pursuant to which the Corporation has agreed to purchase certain lands located adjacent to the Town of Millet, Alberta, in the County of Wetaskawin (the "Lands") for the purchase price of \$22,500,000 plus GST if applicable (the "Purchase Price").

* Ron Aitkens, the sole Officer and Director of the Corporation is the sole Officer, Director and shareholder of 1252064.

2.3 Purchase Agreement

The Purchase Agreement contains the following terms:

- (a) The Closing Date of the Purchase Agreement shall be March 31, 2008 (the Closing Date);
- (b) The Purchase Agreement is conditional upon the Corporation obtaining a minimum of \$1,000,000 in financing to acquire the Lands on or before March 31, 2008.
- (c) In the event that the Corporation does not have sufficient funds to advance to 1252064 the Purchase Price in full on the Closing Date, the Corporation shall advance to 1252064 a minimum of \$1,000,000 from funds obtained by the Corporation pursuant to the Loan (See Item 2.5 Financing) or other financing sources. 1252064 shall grant to the Corporation a mortgage representing the balance of the Purchase Price, at an interest rate of 5% per annum, with payment of the entire balance and accrued interest to be made on or before March 21, 2009 (the "1252064 Mortgage").
- (d) The Purchase Agreement shall be paid as follows:
 - \$1,000,000 by way of cash
 - \$12,400,000 by way of cash or by way of the 1252064 Mortgage (see Item 2.3 (c) above)
 - \$9,100,000 by way of assumption of the VTB (See Item 2.3 (e) below)
- (e) There is a mortgage in favour of 1237901 Alberta Ltd., the previous owner of the Lands, registered against both parcels that comprise the Lands (the "VTB"). The VTB is for the principal amount of \$9,100,000. The Corporation will assume the VTB on the closing of the Purchase Agreement. The terms of the VTB are as follows:
 - Maturity Date: October 15, 2008
 - Interest Rate: 12% per annum
 - Payments: Monthly payments of interest only in the amount of \$91,000
 - Principal to be repaid on the maturity date

2.4 The Lands

The Lands are comprised of two separately titled parcels of land.

The legal description of the Lands is as follows:

Parcel A

THE SOUTH WEST QUARTER OF SECTION THIRTY-THREE (33)
TOWNSHIP FORTY SEVEN (47)
RANGE TWENTY FOUR (24)
WEST OF THE FOURTH MERIDIAN,
CONTAINING 65.2 HECTARES (161 ACRES) MORE OR LESS.
EXCEPTING THEREOUT:
MORE OR LESS

	HECTARES	(ACRES)
A) ROADWAY DESCRIBED IN C. OF T. 79-E-2	1.62	4.00
B) PLAN 2633KS ROAD (NUISANCE GR.)	0.837	2.07
ROAD (ACCESS)	0.125	0.31
C) PLAN 3446NY ROAD	2.04	5.06
D) PLAN 9422421 ROAD	0.090	0.22

EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

Parcel B

THE SOUTH EAST QUARTER OF SECTION THIRTY-THREE (33)
TOWNSHIP FORTY SEVEN (47)
RANGE TWENTY FOUR (24)
WEST OF THE FOURTH MERIDIAN
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS.
EXCEPTING THEREOUT:
MORE OR LESS

	HECTARES	(ACRES)
A) THE MOST NORTHERLY SIXTY SIX (66) FEET THROUGHOUT OF THE SAID QUARTER SECTION FOR ROADWAY	1.62	4.00
B) PLAN 3446NY ROAD	1.84	4.54
C) PLAN 9422421 ROAD	0.395	0.98

EXCEPTING THEREOUT ALL MINES AND MINERALS

The Lands are zoned industrial which is the required zoning for the development proposed by the Corporation. The lands have been leveled and graded in preparation for the development proposed by the Corporation.

An Area Structure Plan relative to the development was proposed to and adopted by the County of Wetaskawin. All approvals necessary for development of the lands have been obtained.

There are registered against title to the Lands (other than where indicated below in parentheses) the following encumbrances, none of which are expected to adversely affect the future sale or development of the Lands:

**PARCEL A
REGISTRATION**

072 687 868	22/11/2007	TRANSFER OF LAND
812 123 931	28/05/1981	CAVEAT RE: EASEMENT CAVEATOR: ICG UTILITIES (PLAINS-WESTERN) LTD.
072 687 869	22/11/2007	MORTGAGE MORTGAGEE – 1237901 ALBERTA LTD. 701, 1209-6 STREET SW CALGARY, ALBERTA T2R 0Z5 ORIGINAL PRINCIPAL AMOUNT: \$9,100,000

**PARCEL B
REGISTRATION**

072 687 868	22/11/2007	TRANSFER OF LAND
812 145 267	19/06/1981	UTILITY RIGHT OF WAY GRANTEE – ICG UTILITIES (PLAINS-WESTERN) LTD.
072 687 869	22/11/2007	MORTGAGE MORTGAGEE – 1237901 ALBERTA LTD. 701, 1209-6 STREET SW CALGARY, ALBERTA T2R 0Z5 ORIGINAL PRINCIPAL AMOUNT: \$9,100,000

2.4.1 Previous History of Lands

The Lands were purchased by 1252064 from 1237901 Alberta Ltd., an arms-length party, for a purchase price of \$15,100,000 pursuant to a real estate purchase contract dated July 14, 2007. Title to the Lands was transferred into the name of 1252064 on September 11, 2007.

The Subscription Agreement to be signed by Subscribers will contain a specific consent to the acquisition of the Lands from 1252064 and acknowledgements that the sale of the Lands to the Corporation is not a breach of fiduciary or other duty and will not give rise to any obligation to account to the Corporation or the shareholders for any profit made on the sale.

2.4.2 Location of the Lands

The figure below illustrates the location of the Lands relative to the Town of Millet. Millet is located approximately 40km south of the City of Edmonton, Alberta.



2.5 Development of the Lands

Upon acquisition of the Lands, the Corporation intends to develop the Lands into an industrial park comprised of 107 lots that range in size from .99 acres to 3.57 acres.

The Lands possess favorable soil conditions with limited trees and foliage. The slope of the topography supplies high visibility which potentially increases the value of the development parcels.

Two storm water ponds with a slope of 5H:1V base sides above ground water level are located on the Lands. All geo-technical reports support construction suitability and indicate positive drainage flow.

The Lands are bordered by two lane gravel road transportation routes that provide industrial access. Two emergency entrants are located on the North side of the Lands. An East and West visual sound attenuation buffer exists on the Lands. North and South access routes are owned and maintained by the County of Wetaskwin.

The Town of Millet has sufficient capacity to provide the development with water line connections in the NW, sanitation connections in the SE, and utilities through FORTIS.

2.5.1 Capital Requirements for the Development of the Lands

The Corporation has estimated the capital costs for the development of the Lands as follows (collectively the "Project Costs"):

Land	\$22,500,000
Development Fees/Legal	\$500,000
Roads, Services, Levelling	\$2,500,000
Financing	\$4,000,000
Engineering	\$1,000,000
Off Site Levies	\$5,000,000
Permits	\$50,000
Contingency	\$6,000,000
Site Preparation	\$5,000,000
Shallow Services	\$1,000,000
Total Expenses	\$47,550,000

* The estimated Project Costs are subject to certain uncertainties and factors which could cause actual results or events to differ materially from these estimates. Although the Corporation believes that the estimates are reasonable, no assurance can be given that the estimates are in all material respects correct or that they will not be greater than anticipated. As such the estimated Project Costs are expressly qualified in their entirety by this cautionary statement. See Item 8 Risk Factors.

2.5.2 Rendering of the Proposed Development*

The Illustration below shows an aerial view of the development as proposed by the Corporation.



* The final development is subject to change from the above rendering.

2.6 Financing

The Corporation is a start up company and has no operational history, revenues or assets.

The funds raised pursuant this Offering will not be sufficient to allow the Corporation to acquire the Lands. The Corporation intends to enter into a loan agreement with Railside Capital Inc. ("RSCI"), a related party*, to obtain the funds necessary to acquire the Lands (the "RSCI Loan" or the "Loan"). See Item 2.11.2 Loan Agreement with Railside Capital Inc.

The amount of the RSCI Loan is contingent upon the amount of proceeds RSCI raises, if any, pursuant an offering of its securities consisting of redeemable bonds pursuant to an Offering Memorandum dated March 3, 2008 which offering (the "RSCI Offering") is being made concurrently with this Offering.

The funds received pursuant to the RSCI Loan will not be sufficient to completely fund development of the Lands. The Corporation intends to obtain institutional or other third party financing to fund the development of the Lands. The Corporation may also seek to raise development capital from future issue of equity of the Corporation. The terms and conditions of any future financing are not presently known to the Corporation.

* Ron Aitkens, the sole Officer and Director of the Corporation is also the sole Officer and Director of RSCI and owns 40% of the issued and outstanding shares Class A Preferred Shares in RSCI.

2.7 Development of Business

To facilitate the acquisition of the Lands, the Corporation has arranged to borrow funds from RSCI. See Item 2.11.2 Loan Agreement with Railside Capital Inc.

Upon acquisition of the Lands, the Corporation intends to continue with the current development of the lands.

2.8 Long Term Objectives

The Corporation's long-term goal is to acquire the Lands, complete development of the Lands, sell the Lands to a third party(ies), and to provide a return to purchasers of Class B Shares pursuant to this Offering.

2.9 Short Term Objectives and How the Corporation Intends to Achieve Them

The Corporation's goal for the next twelve (12) months is to raise up to \$35,000 through this Offering and to obtain funding of the RSCI Loan, with the aggregate proceeds to be used to purchase the Lands and continue development upon the same.

The following outlines the Corporation's short term objectives and the methods and costs associated with the achievement thereof.

What we must do and how we will do it	Target completion date or, number of months to complete	Our cost to complete
Raise up to \$35,000 through this Offering, obtain funding of the loan, purchase the Lands, and continue with the development.	12 months	\$0

2.10 Insufficient Proceeds and Cash Reserves

All monies raised will be committed to the purchase of the Lands. The Corporation does not intend to hold any significant cash reserves. Purchasers of Class B Shares are not required to contribute any additional funds over and above their subscription amount. The proceeds of the Offering will not be sufficient to accomplish all of the Corporation's proposed objectives and there is no assurance that the RSCI Loan will be funded, or that RSCI will continue to finance the Corporation or that alternative financing will be available. There is no assurance that the Corporation will be able to finance its proposed development of the Lands.

2.11 Material Agreements

The following are the key terms of all material agreements which the Corporation has entered into or expects to enter into and which can reasonably be regarded as presently being material to the Corporation or a prospective purchaser of the Class B Shares being offered pursuant to this Offering.

2.11.1 Purchase Agreement

See Item 2.3 Purchase Agreement for the terms of the Purchase Agreement.

2.11.2 Loan Agreement with Railside Capital Inc.

The Corporation expects to enter into a loan agreement with RSCI, some of the anticipated terms of which are summarized below:

- (a) **Loan Amount:** \$1,125,000 to a maximum amount of \$35,000,000. The Loan amount will be contingent upon the amount of funds raised pursuant to the RSCI Offering.
- (b) RSCI will not be required to advance the Loan unless it raises the Minimum Offering of \$1,125,000 pursuant to the RSCI Offering.
- (c) **Interest Rate:** 7.5% per annum
- (d) **Maturity Date:** April 30, 2012
- (e) **Payments:** There shall be no payments of principal made by the Corporation during the term of the Loan. The Corporation shall make a lump sum payment of the principal amount and all accrued interest on April 30, 2012.
- (f) **Security:** The Loan shall be secured by way of a second mortgage in favour of RSCI registered against title to the Lands (the "RSCI Mortgage"). The RSCI Mortgage shall be subordinated to the VTB (See Item 2.3 Purchase Agreement). The RSCI Mortgage may be subordinated to acquisition or other financing (other than the 1252064 Mortgage – See Item 2.3 Purchase Agreement) obtained by the Corporation in acquiring or developing the Lands.
- (g) **Additional Terms:** All fees, costs, interest and commissions incurred by RSCI with respect to the RSCI Offering and the Loan shall be classified as a loan fee payable to RSCI by the Corporation and shall form part of the principal of the Loan.
- (h) **Prepayment:** The Loan may be repaid by the Corporation in part or in full at any time without notice or penalty.
- (i) **Use of Proceeds:** The net proceeds of the loan will be used by the Corporation in the following order:
 - o **\$1,000,000** – payment to 1252064 to meet the obligations pursuant to the purchase agreement
 - o **\$1,000,001 - \$10,100,000** – payment of the VTB
 - o **\$10,100,001 - \$22,500,000** – payment of the remaining obligations pursuant to the purchase agreement or the 1252064 Mortgage
 - o **Balance** - Working Capital facility to assist in the development of the Lands and to pay for all administration and operating expenses.

2.11.3 Stock Option Agreement with 1252064 Alberta Ltd. ("1252064")

The Corporation intends to enter into a stock option agreement with 1252064, a related party*, which will grant 1252064 the option to purchase 1 Class B Share of the Corporation at a price of \$0.10 per share for every 4 Class B shares of the Corporation issued pursuant to this Offering (the "1252064 Option").

*Ron Aitkens, the President and Director of the Corporation, is the sole Officer, Director, and shareholder of 1252064.

2.11.4 Management Agreement with Foundation Capital Corporation ("Foundation")

The Corporation intends to enter into a management agreement with Foundation* (the "Management Agreement"), some of the expected terms of which are summarized below:

- (a) Foundation will provide management services to the Corporation with respect to this Offering and with respect to the day-to-day business of the Corporation.
- (b) In addition to reimbursing Foundation for its' out of pocket expenses in relation to the day-to-day operations of the Corporation, Foundation will be paid an annual fee of 1% of the aggregate of the loan proceeds received by the Corporation pursuant to the RSCI Loan to a maximum of \$200,000 per annum (the "Management Fee").
- (c) The Management Fee will be payable in monthly installments of 1/12 of the estimated annual fee.
- (d) The term of the Management Agreement shall be for a minimum of 2 years and will be renewable upon the mutual agreement of the Corporation and Foundation.

* Ron Aitkens, the sole Officer, Director and shareholder of the Corporation, is also an Officer, Director and shareholder of Foundation Capital Corporation.

ITEM 3 – DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held

The following table provides specified information about each Director, Officer and promoter of the Corporation and each person who directly or indirectly beneficially owns or controls 10% or more of any class of voting securities of the Corporation (a "Principal Holder"). Where the Principal Holder is not an individual, the following table provides the name of any person that directly or indirectly, beneficially owns or controls more than 50% of the voting rights of the Principal Holder. The Corporation has not completed its first financial year and no compensation has been paid since its inception:

Name and municipality of residence	Position held	Compensation paid by the Corporation since inception and the compensation anticipated to be paid in current financial year	Number, type and percentage of securities held after completion of the Minimum Offering	Number, type and percentage of securities held after the completion of the Maximum Offering
Ron Aitkens ⁽¹⁾ Lethbridge, AB	President and Director	Nil	1 Class A Common Share (100%)	1 Class A Common Share (100%)
Foundation Capital Corporation ⁽¹⁾ Lethbridge, AB	Manager	\$200,000 ⁽²⁾	Nil	Nil
1252064 Alberta Ltd. ⁽¹⁾ Lethbridge, AB	Shareholder	Nil	2,812 Class B Shares (20%) ⁽³⁾	87,500 Class B Shares (20%) ⁽³⁾

⁽¹⁾ Ron Aitkens, the sole Officer, Director and shareholder of the Corporation, is also an Officer, Director and sole shareholder of both Foundation Capital Corporation and 1252064 Alberta Ltd.

⁽²⁾ Assuming the maximum amount payable pursuant to the Management Agreement. See Item 2.11.4 Management Agreement with Foundation Capital Corporation.

⁽³⁾ Assuming maximum exercise of the 1252064 Option. See Item 2.11.4 Stock Option Agreement with 1252064 Alberta Ltd.

3.2 Management Experience

The name and principal occupations of the Director and Officer of the Corporation over the past five years is as follows:

Name and Position	Principal Occupation and Related Experience
Ron Aitkens President and Director	President, Harvest Financial Services Inc., 1994 – Present President, Harvest Capital Management Inc., 2000 – Present President, Foundation Capital Corporation, 2005 – Present President, Legacy Communities Inc., 2005 – Present President, Airdrie Country Estates Inc., 2006 – Present President, Rockyview Estates Corp., 2006 – Present President, Spruce Ridge Estates Inc., 2007 – Present President, Foundation Mortgage Corporation, 2007 – Present President, Foundation Place Inc., 2008 - Present Harvest Financial Services Inc. and Harvest Capital Management Inc. are involved in the offering of commercial real estate syndications through Limited Partnerships. Foundation Capital Corporation is involved in the offering of raw land syndications through the sale of bonds and shares. Legacy Communities is involved in the acquisition and potential development of a parcel of land located in the Elbow Valley area of Calgary, AB. Airdrie Country Estates and Rockyview Estates both acquired parcels of land in the Municipal District of Rockyview, AB for potential subdivision and development. Spruce Ridge Estates Inc. is involved in the acquisition and potential development of multiple parcels of land located near the Town of Priddis, AB. Foundation Mortgage Corporation is involved in the financing of real estate acquisitions and developments in which Ron Aitkens is involved. Foundation Place Inc. is involved in the potential development of an office building upon vacant lands on 17th Avenue and Macleod Trail S. in Calgary, Alberta.

3.3 Penalties, Sanctions and Bankruptcy

There are no penalties or sanctions that have been in effect during the last (10) ten years against a Director, Officer or control person of the Corporation or against a company of which any of the foregoing was a Director, Officer or control person. No declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets, has been in effect during the last ten (10) years with regard to those individuals or any companies of which any of those individuals was a Director, Officer or control person at that time.

ITEM 4 – CAPITAL STRUCTURE

4.1 Share Capital

The following table sets out information about the Corporation's outstanding shares, including any options, warrants and other securities convertible into Class A Common Shares and Class B Common Shares of the Corporation:

Description of Securities	Number authorized to be issued	Number outstanding as of March 3, 2008	Number outstanding after Minimum Offering	Number outstanding after Maximum Offering
Class A Common Shares	Unlimited	1	1	1
Class B Common Shares	Unlimited	Nil	14,062 ⁽²⁾	437,500 ⁽²⁾
Class B Stock Options	87,500 ⁽¹⁾	87,500 ⁽¹⁾	84,688 ⁽²⁾	0 ⁽²⁾

⁽¹⁾ Representing the maximum options that may be granted under the 1252064 Option. See Item 2.11.3 Stock Option Agreement with 1252064 Alberta Ltd.

⁽²⁾ Assuming the maximum exercise of the 1252064 Option. See Item 2.11.3 Stock Option Agreement with 1252064 Alberta Ltd.

Class A Common Shares and Class B Common Shares

There are special rights and restrictions attached to the Class A Common Shares and the Class B Common Shares of the Corporation. The following is a brief summary of certain of these rights and restrictions:

(1) The Corporation is authorized to issue an unlimited number of Class A Common Shares (the "Class A Shares") having attached thereto, as a class, the following rights, privileges, restrictions and conditions:

- (a) The right to vote at any meeting of the shareholders of the Corporation.
- (b) The Class A shareholders shall not be entitled to receive dividends.
- (c) In the event of a reduction of capital or the liquidation, dissolution or winding-up of the Corporation or other distribution of property or assets of the Corporation among its shareholders for the purpose of winding-up its affairs (a "Winding-Up Event");
 - (i) The holders of the Class A Shares shall be entitled, in priority to all other classes of shares, to receive an amount equal to the aggregate amount paid up capital on the Class A Shares held by them respectively and in the event that there is not sufficient property or assets to return the entire amount of paid-up capital thereon to all Class A shareholders, the amount available for distribution shall be distributed to the Class A shareholders on a pro rata basis according to the number of Class A Shares owned by each shareholder.

(2) The Corporation is also authorized to issue an unlimited number of Class B Common Shares (the "Class B Shares") having attached thereto, as a class, the following rights, privileges, restrictions and conditions:

- (a) The holders of the Class B Shares shall not be entitled to receive notice of, to attend or vote at any meetings of the shareholders of the Corporation.
- (b) The right, subject to any preferential rights attaching to any other class or series of Shares of the Corporation, to receive dividends as, when and if declared on the Class B Common Shares by the Corporation.
- (c) After the Corporation has made the distribution contemplated in paragraph (c) (i) above, the holders of the Class B Shares shall be entitled to receive all remaining amounts distributable or which become distributable by the Corporation pursuant to a Winding Up Event.

Any amount to be distributed to holders of any class of shares pursuant to paragraphs (1) and (2) above shall be distributed pari passu among all holders of shares of that class.

4.2 Long Term Debt

As of March 3, 2008 the Corporation does not have any outstanding long term debt. In the event that the RSCI Loan is advanced to the Corporation it will have the debt obligations set forth in Item 2.11.1 Loan Agreement with Railside Capital Inc. as follows:

Principal Amount	Interest Rate	Term	Payments
\$1,125,000-\$35,000,000	7.5% Per Annum.	Approximately 49 months	Principal and accrued interest due on April 30, 2012

4.3 Prior Sales

As of March 3, 2008, there is one Class A Share of the Corporation issued and outstanding.

Date of Issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
February 6, 2008	Class A Common Share	1	\$1 per share	\$1

ITEM 5- SECURITIES OFFERED

5.1 Terms of Securities

The securities being offered pursuant to this Offering are Class B Common Shares of the Corporation. The price of each Class B Share is \$0.10. No maximum number of Shares has been allocated to any purchaser. See Item 4.1 Share Capital for the rights of the Class B Shares.

5.2 Subscription Procedure

(a) Subscription Documents

Subscribers wishing to subscribe for Class B Shares will be required to enter into a Subscription Agreement with the Corporation which will contain, among other things, representations, warranties and covenants by the subscriber that it is duly authorized to purchase the Class B Shares, that it is purchasing the Class B Shares as principal and for investment and not with a view to resale and as to its corporate or other status to purchase the Shares and that the Corporation is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell securities through a person or company registered to sell securities under applicable securities laws, and, as a consequence of acquiring the Class B Shares pursuant to this exemption, certain protections, rights and remedies, provided by applicable securities laws, including statutory rights of rescission or damages, will not be available to the Subscriber.

Reference is made to the Subscription Agreement attached as Schedule A to this Offering Memorandum for the terms of these representations, warranties and covenants.

In order to subscribe for Class B Shares, a purchaser must complete, execute and deliver the following documentation to Foundation Capital Corporation at 6163 – 6th Street SE, Calgary, Alberta T2H 1L9:

- one (1) completed and signed copy of the Subscription Agreement (including any schedules attached thereto);
- a cheque in an amount equal to the Aggregate Subscription Amount (as set forth in the Subscription Agreement), payable to "Douglas Alger Law in Trust";

3. completed and executed copies of the appropriate investor qualification form(s). The appropriate form(s) to be completed depend on your place of residence and on the amount of your investment:

- (i) If you are resident in British Columbia, Alberta, Saskatchewan, or Manitoba, you must submit one (1) completed and signed copy of the Risk Acknowledgment Form attached to the Subscription Agreement as Schedule B;
- (ii) if you are resident in Ontario and you are purchasing Class B Shares as an "accredited investor", as such term is defined in National Instrument 45 - 106 *Prospectus and Registration Exemptions* ("NI 45 - 106"), one (1) completed and signed copy of the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule C.

Subject to applicable securities laws, and the Purchaser's two-day cancellation right, a subscription for Class B Shares, evidenced by a duly completed Subscription Agreement delivered to the Corporation shall be irrevocable by the Subscriber. **See Item 11 Purchasers' Rights.**

Subscriptions for Class B Shares will be received, subject to rejection and allotment, in whole or in part, and subject to the right of the Corporation to close the subscription books at any time, without notice. If a subscription for Shares is not accepted, all subscription proceeds will be promptly returned to the Subscriber without interest.

Closing of the Minimum Offering of \$1,125 is to occur on or before March 31, 2008. It is expected that certificates representing the Class B Shares will be available for delivery within a reasonable period of time after the relevant closing date (s). If the Minimum Offering of \$1,125 is not met prior to March 31, 2008, collected funds will be returned to the respective parties by April 15, 2008 without interest.

The subscription funds will be held until midnight of the second business day subsequent to the date that each Subscription Agreement is signed by the Subscriber.

(b) Distribution

The Offering is being conducted:

- (i) in the Provinces of British Columbia, Alberta, Saskatchewan and Manitoba pursuant to the exemptions from the prospectus requirements afforded by Section 2.9 of NI 45-106; and
- (ii) in the Province of Ontario pursuant to the exemption from the prospectus requirements afforded by Section 2.3 of NI 45-106.

The exemption pursuant to Section 2.9 of NI 45-106 is available for distributions to investors in British Columbia, Alberta, Saskatchewan, and Manitoba purchasing as principals, who receive this Offering Memorandum prior to signing the Subscription Agreement and who sign a Risk Acknowledgment Form attached to the Subscription Agreement as Schedule B.

The exemption pursuant to Section 2.3 of NI 45-106 is available for distributions to investors in the Province of Ontario purchasing as principal and who are "accredited investors" as defined in NI 45-106 and that sign the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule D.

The foregoing exemptions relieve the Corporation from the provisions of the applicable securities laws of each of the Provinces of Ontario, British Columbia, Alberta, Saskatchewan and Manitoba which otherwise would require the Corporation to file and obtain a receipt for a prospectus. Accordingly, prospective investors for Class B Shares will not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by securities regulatory authorities.

The exemptions from the registration requirements contained in the applicable securities laws of each of the Provinces of Ontario, British Columbia, Alberta, Saskatchewan and Manitoba allow the Corporation to offer the Class B Shares for sale directly to the investors.

ITEM 6 - INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

Not all securities are eligible for investment in a registered retirement savings plan ("RRSP"). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.

ITEM 7 - COMPENSATION PAID TO SELLERS AND FINDERS

As allowed by applicable securities legislation the Corporation shall retain selling agents to assist in selling these securities. No sales commissions of any kind will be payable out of the proceeds of this Offering.

ITEM 8 - RISK FACTORS

Purchase of Class B Shares pursuant to this Offering should only be made after consulting with independent and qualified sources of investment and tax advice. Investment in the Shares at this time is highly speculative due to the stage of the Corporation's development and requirement to raise financing to carry out the long-term business plan of the Corporation. Investors must rely on management of the Corporation. Any investment in the Corporation at this stage involves a high degree of risk. An investment in the Class B Shares is appropriate only for investors who are prepared to invest money for a long period of time and who have the capacity to absorb a loss of some or all of their investment. The following is a summary only of some of the risk factors involved in an investment in the Class B Shares. In addition to the risks of purchasing Class B Shares of the Corporation found elsewhere in this Memorandum are the following:

1. The Corporation will have a limited amount of working capital, as the net proceeds from this Offering will be used to purchase the Lands.
2. There can be no assurance that any additional funding required by the Corporation will be available on terms attractive to the Corporation, or at all.
3. An investment in the Class B Shares of the Corporation is an illiquid investment. There is currently no market through which the Class B Shares of the Corporation may be sold. The Corporation is not a "reporting issuer" in any jurisdiction and a prospectus has not qualified the issuance of the Class B Shares. The Class B Shares are subject to a number of restrictions respecting transferability and resale, including a restriction on trading imposed by applicable securities laws. Until the restriction on trading expires, you will not be able to trade the Class B Shares unless you comply with an exemption from the prospectus and registration requirements under applicable securities legislation. See Item 10 Resale Restrictions.
4. The offering price for the Class B Shares was determined arbitrarily by the Director of the Corporation. The offering price is not an indication of the value of the Class B Shares or that any of the Shares could be sold for an amount equal to the offering price or for any amount.
5. To date, the Corporation has not paid any dividends on its Class B Shares and does not anticipate the payment of any dividends on its Class B Shares for the foreseeable future.
6. The Director and Officer of the Corporation will not be devoting all of his time to the affairs of the Corporation, but will be devoting such time as required to effectively manage the Corporation. The Director and Officer of the Corporation is engaged and will continue to be engaged in the search for business prospects on his own behalf and on the behalf of others.

The Director and Officer of the Corporation is also the Director, Officer and a shareholder of RSCI. As a result there may be an inherent conflict of interest with respect to the Officer and Director of the Corporation in the event of a default by the Corporation under the RSCI Loan.

There are other potential conflicts of interest to which the Director and Officer of the Corporation may be subject in connection with the operations of the Corporation. Situations may arise where the Director and Officer will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies under the Business Corporations Act ("Alberta").

7. Subscribers under this Offering will not have the benefit of a review of this Offering Memorandum by any regulatory authorities.

8. The success of the Corporation is dependent upon, among other things, the services of key personnel. The loss of any of these individuals, for any reason, could have a material adverse affect on the prospects of the Corporation. Failure to retain or to attract additional key employees with necessary skills could have a material adverse impact upon the Corporation's growth and profitability. The Corporation does not maintain key man insurance for its Director and Officer. The contributions of the Director and Officer to the immediate future operations of the Corporation is likely to be of central importance and the loss of this individual could have a material adverse affect on the business of the Corporation.

Industry Risk

The following are general risks associated with ownership of real estate and apply to the acquisition and proposed development of the Lands by the Corporation:

1. Risks of Real Property Ownership

Real estate investments are generally subject to varying degrees of risk depending on the nature of the property. Such risks include changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as the supply of other properties in the area), government regulation (such as taxation of property and environmental legislation) and the attractiveness of properties to potential purchasers. In addition, each segment in the real estate industry is capital intensive and is typically sensitive to interest rates. Any income generated by the sale of the Lands is dependent upon general economic conditions and, accordingly, the ability of the Corporation to repay its financing may be affected by changes in those conditions. The Corporation will be required to make certain significant expenditures with respect to the Lands including, but not limited to, the payment of property taxes, mortgage payments, insurance costs and related charges which must be made regardless of whether or not the Lands are producing sufficient income to service such expenses. In addition, the Lands will be used as security to obtain financing for the acquisition of the Lands. If the Corporation is unable or unwilling to meet the payment obligations on such loans, losses could be sustained as a result of the exercise by the lenders of their rights of foreclosure or sale.

2. Investment Not Liquid

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and for the perceived desirability of the investment. Such illiquidity may tend to limit the Corporation's ability to vary its asset base promptly in response to changing economic or investment conditions. If the Corporation were required to liquidate its real property investments, the proceeds to the Corporation might be significantly less than the total value of its investment on a going concern basis.

3. Environmental Matters

Under various environmental laws, ordinances and regulations, the current or previous owner or operator of real property may be liable for the costs of removal or remediation of hazardous or toxic substances on, under or in such property. Such laws could impose liability whether or not the Corporation knew of, or was responsible for, the presence of such hazardous or toxic substances. The presence of hazardous or toxic substances, or the failure to remove or remediate such substances, if any, could adversely affect the Corporation's ability to sell the Lands or to borrow using the Lands as collateral and could potentially also result in claims against the Corporation. The Corporation is not aware of any material non-compliance with environmental laws with respect to the Lands. The Corporation is also not aware of any claims in connection with the breach of environmental laws involving the Lands.

4. Market Risks

The economic performance and value of the Lands will be subject to all of the risks associated with investing in real estate, including, but not limited to:

- changes in the national, regional and local economic climate;
- local conditions, including an oversupply of properties like the Lands, or a reduction in demand for properties like the Lands;
- the attractiveness of all or parts of the Lands to purchasers and tenants;
- competition from other available properties; and
- changes in laws and governmental regulations, including those governing usage, zoning, the environment and taxes.

5. Operating History

The Corporation is newly formed and does not have a record of achievement to be relied upon. The Corporation's operations are subject to all the risks inherent in the establishment of a new business enterprise, including a lack of operating history. The Corporation cannot be certain that its investment strategy will be successful. The likelihood of the success of the Corporation must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business and real estate investment. If the Corporation fails to address any of these risks or difficulties adequately, its business will likely suffer. Future profits, if any, will depend upon various factors, including the marketability and sale of the Lands, government regulations and enforcement and general economic conditions. There is no assurance that the Corporation will ultimately sell the Lands for a profit.

6. Reliance on Management

Decisions regarding the management of the Corporation's affairs will be made exclusively by its Officer and Director. Accordingly, investors must carefully evaluate the personal experience and business performance of the Officer and Director of the Corporation. The Corporation may retain independent contractors to provide services to the Corporation. These contractors have no fiduciary duty to the Corporation.

7. Major Asset

The Lands represents the major asset of the Corporation and therefore the Corporation's financial performance is directly tied to the value of this particular asset. The Corporation does not have a large portfolio of diverse real estate assets, therefore, its success is dependent on the success of the sale of the Lands.

8. Debt Financing

If the Corporation obtains debt financing it will be subject to the risks associated with debt financing, including the risk that mortgage indebtedness secured by the Lands will not be able to be refinanced or that the terms of refinancing will not be as favourable as the terms of existing indebtedness.

9. Interest Rate Fluctuations

Financing by the Corporation may include indebtedness with interest rates which may fluctuate over time and which will result in fluctuations in the Corporation's cost of borrowing.

ITEM 9 - REPORTING OBLIGATIONS

9.1 Reporting to Shareholders

The Corporation is not a reporting issuer in any jurisdiction. It is therefore not required to disclose material changes which occur in its business and affairs, nor is it required to file with the securities regulatory authorities or to provide to shareholders with audited interim financial statements or audited year end financial statements.

Financial or other information relating to the Corporation and provided to you in the future may not by itself be sufficient for you to assess the performance of your investment.

ITEM 10 - RESALE RESTRICTIONS

The Class B Shares are subject to a number of resale restrictions under securities legislation, including a restriction on trading. Unless or until the restriction on trading expires, you will not be able to trade the Class B Shares unless you are eligible to rely on and comply with an exemption from the prospectus and registration requirements under securities legislation. For information about these resale restrictions you should consult a lawyer.

The certificates representing Class B Shares issued pursuant to this Offering will be inscribed with the following legend:

Unless permitted under securities legislation, the holder of this security cannot trade these securities before the date that is four (4) months and a day after the date the Corporation became a reporting issuer in any province or territory of Canada.

The Corporation has no intention of becoming a reporting issuer in any province or territory of Canada.

For Manitoba residents, you must not trade the securities without the prior written consent of the regulator in Manitoba unless:

- the Corporation has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus; or
- you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

ITEM 11 - PURCHASERS' RIGHTS

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

1. Two-Day Cancellation Right

You can cancel your agreement to purchase these securities. To do so, you must send a notice to the Corporation by midnight on the 2nd business day after you sign the agreement to buy the securities.

2. Statutory Rights of Action in the Event of a Misrepresentation

Securities legislation in certain of the provinces of Canada grants investors, or requires that investors be granted, rights of rescission or damages where an offering memorandum or any amendment to it contains a misrepresentation. For these purposes, a "misrepresentation" is an untrue statement of a material fact or an omission to state a material fact that is necessary in order to make any statement not misleading in light of the circumstances in which it was made. A "material fact" is a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities. These rights must be exercised by an investor within time limits prescribed by the applicable securities legislation.

If there is a misrepresentation in this Offering Memorandum, purchasers have a statutory right to sue:

- (a) the Corporation to cancel their agreement to buy the Class B Shares; or
- (b) for damages against the Corporation, its Directors and any person who signed the Offering Memorandum.

This right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the Class B Shares. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. Further particulars of the right to sue in your province are set out below.

The following is a summary of the rights of rescission or damages available to investors under the securities legislation of certain of the provinces of Canada. These rights are in addition to and without derogation from any other rights or remedies that an investor might have at law, and may be subject to defences.

Statutory Rights of Action of Purchasers in British Columbia and Alberta

If this Offering Memorandum, together with any amendment thereto, contains a misrepresentation, an investor in British Columbia or Alberta who purchases a security offered by this Offering Memorandum shall be deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and such investor shall have a right of action for damages against, jointly and severally, the issuer, every director of the issuer at the date of the Offering Memorandum and every person or company who signed the Offering Memorandum or, at the election of the investor, a right of rescission against the issuer (in which case the investor does not have a right of action for damages), provided that:

- (a) no action may be commenced to enforce a right of action:
 - (i) for rescission more than 180 days after the date of the purchase; and
 - (ii) for damages later than the earlier of (A) 180 days after the investor first had knowledge of the facts giving rise to the cause of action, and (B) three years after the date of purchase;

- (b) where a misrepresentation is contained in this Offering Memorandum, the Issuer or any person or company is not liable for damages;
- (i) if it is proven that the Investor had knowledge of the misrepresentation;
 - (ii) if it is proven that the Offering Memorandum was delivered to the Investor without the person's or company's knowledge or consent and that, on becoming aware of its being delivered, the person or company promptly gave written notice to the Issuer that it was delivered without the knowledge and consent of the person or company;
 - (iii) if it is proven that the person or company, on becoming aware of the misrepresentation in the Offering Memorandum, withdrew the person's or company's consent to the Offering Memorandum and gave written notice to the Corporation of the withdrawal and the reason for it;
 - (iv) if, with respect to any part of the Offering Memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that there had been a misrepresentation, or the relevant part of the Offering Memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert; and
 - (v) with respect to any part of the Offering Memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company did not conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or believed there had been a misrepresentation;
- (c) the amount recoverable shall not exceed the price at which the securities were offered under the Offering Memorandum;
- (d) subsections (b)(ii) to (v) do not apply to the Corporation; and
- (e) in an action for damages, the Corporation or any person or company will not be liable for all or any portion of such damages that it proves do not represent the depreciation in value of the security as a result of the misrepresentation.

Statutory Rights of Action of Purchasers in Saskatchewan

Section 138 of *The Securities Act, 1988* (Saskatchewan), as amended (the "Saskatchewan Act") provides that where an offering memorandum or any amendment to it is sent or delivered to an Investor and it contains a misrepresentation (as defined in the Saskatchewan Act), an Investor who purchases a security covered by the offering memorandum or any amendment to it is deemed to have relied upon that misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for rescission against the Issuer or has a right of action for damages against:

- (a) the Corporation;
- (b) every promoter and director of the Issuer at the time the offering memorandum or any amendment to it was sent or delivered;
- (c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;
- (d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and
- (e) every person who or company that sells securities on behalf of the Issuer under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

- (a) if the Investor elects to exercise its right of rescission against the Corporation it shall have no right of action for damages against that party;
- (b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the misrepresentation relied on;
- (c) no person or company, other than the Corporation will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;
- (d) in no case shall the amount recoverable exceed the price at which the securities were offered; and
- (e) no person or company is liable in an action for rescission or damages if that person or company proves that the Investor purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the Corporation will be liable if the person or company proves that:

- (a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or
- (b) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Not all defences upon which the Issuer or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective Investor that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the Investor is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement.

Section 141(1) of the Saskatchewan Act provides an Investor with the right to void the purchase agreement and to recover all money and other consideration paid by the Investor for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to an Investor to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the Investor enters into an agreement to purchase the securities, as required by Section 80.1 of the Saskatchewan Act.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission, the earlier of:
 - (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) six years after the date of the transaction that gave rise to the cause of action.

Statutory Rights of Action for Subscribers in the Province of Manitoba

In the event that this Offering Memorandum (including any amendment hereto) delivered to a purchaser of Class B Shares resident in Manitoba, contains a misrepresentation and it is a misrepresentation at the time of purchase, the purchaser shall be deemed to have relied upon the misrepresentation and shall have, in addition to any other rights they may have at law: (a) a right of action for damages against (i) the Corporation, (ii) every director of the Corporation at the date of this Offering Memorandum (collectively, the "Directors"), and (iii) every person or company who signed this Offering Memorandum (collectively, the "Signatories"); and (b) a right of rescission against the Corporation.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into this Offering Memorandum, the misrepresentation is deemed to be contained in this Offering Memorandum.

A purchaser may elect to exercise a right of rescission against the Corporation, in which case the purchaser will have no right of action for damages against the Corporation, Directors or Signatories.

The Corporation, the Directors and Signatories will not be liable if they prove that the purchaser purchased Class B Shares with knowledge of the misrepresentation.

All persons or companies referred to above that are found to be liable or accept liability are jointly and severally liable. A person or company who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

A Director or Signatory will not be liable:

- (a) if they prove this Offering Memorandum was sent or delivered to the purchaser without their knowledge or consent and, on becoming aware of its delivery, gave reasonable notice to the Corporation that it was delivered without their knowledge and consent;
- (b) if they prove that, after becoming aware of a misrepresentation in this Offering Memorandum, they withdrew their consent to this Offering Memorandum and gave reasonable notice to the Corporation of their withdrawal and the reasons therefore;
- (c) if, with respect to any part of this Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert ("Expert Opinion"), such person proves they did not have any reasonable grounds to believe and did not believe that there was a misrepresentation or that the relevant part of this Offering Memorandum did not fairly represent the Expert Opinion or was not a fair copy of, or an extract from, such Expert Opinion; or
- (d) with respect to any part of this Offering Memorandum not purporting to be made on an expert's authority, or not purporting to be a copy of, or an extract from an Expert Opinion, unless the Director or Signatory (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

In an action for damages, the Corporation, the Directors and Signatories will not be liable for all or any part of the damages that they prove do not represent the depreciation in value of the Class B Shares as a result of the misrepresentation relied upon. The amount recoverable under the right of action shall not exceed the price at which the Class B Shares were offered for sale.

A purchaser of Class B Shares to whom this Offering Memorandum was not delivered prior to such purchase in circumstances where such Offering Memorandum was required to be delivered has a right of rescission or a right of action for damages against the Corporation or any dealer who failed to deliver the Offering Memorandum within the prescribed time.

A purchaser of Class B Shares to whom the Offering Memorandum is required to be sent may rescind the contract to purchase the Class B Shares by sending a written notice of rescission to the Corporation not later than midnight on the second day, excluding Saturdays and holidays, after the purchaser signs the agreement to purchase the Class B Shares.

Unless otherwise provided under applicable securities legislation, no action shall be commenced to enforce a right of action unless the right is exercised:

- (a) in the case of rescission, not later than 180 days from the day of the transaction that gave rise to the cause of action; or
- (b) in the case of an action, other than an action for rescission, the earlier of (i) 180 days from the day the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) two years from the day of the transaction that gave rise to the cause of action.

The rights discussed above are in addition to, and without derogation from, any other right or remedy which purchasers may have at law and are intended to correspond to the provisions of *The Securities Act* (Manitoba) and are subject to the defences contained therein.

Statutory Rights of Action of Purchasers in Ontario

In accordance with section 130.1 of the *Securities Act* (Ontario), every investor who purchases Class B Shares pursuant to this Offering Memorandum in the Province of Ontario shall have a right of action for damages or rescission if this Amended and Restated Offering Memorandum or any amendment hereto contains a misrepresentation (as defined in the *Securities Act* (Ontario)). In particular, if this Offering Memorandum contains a misrepresentation, an investor who purchases Class B Shares offered by this Offering Memorandum during the period of distribution shall be deemed to have relied upon the misrepresentation, if it was a misrepresentation at the time of purchase, and shall have a right of action for damages or for rescission against the issuer, provided that:

- (a) If the investor exercises its right of rescission, it shall not have a right of action for damages;
- (b) the defendant will not be liable if it proves that the investor purchased Shares with knowledge of the misrepresentation;
- (c) the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Shares as a result of the misrepresentation;
- (d) in no case shall the amount recoverable exceed the price at which the Shares were offered; and
- (e) the right of action for rescission or damages is in addition to and does not derogate from any other right the investor may have at law.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these statutory rights more than:

- (a) in an action for rescission, 180 days from the date of the transaction that gave rise to the cause of action; or
- (b) in an action for damages, the earlier of:
 - (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) three years after the date of the transaction that gave rise to the cause of action.

Subscribers should consult their own legal advisers with respect to their rights and the remedies available to them.

The rights discussed above are in addition to and without derogation from any other rights or remedies, which subscribers may have at law.

ITEM 12 - FINANCIAL STATEMENTS

Railside Industrial Park Inc.
Interim un-audited Financial Statements
March 3, 2008

Railside Industrial Park Inc.

Balance Sheet

March 3, 2008

Un-audited

ASSETS

CURRENT

Cash \$ 1

LIABILITY AND SHAREHOLDER'S EQUITY

CURRENT \$ 0

SHAREHOLDER'S EQUITY

SHARE CAPITAL (note 3) \$ 1

RETAINED EARNINGS \$ 0

\$ 1

APPROVED BY THE BOARD:

Ron Aitkens, Director

Railside Industrial Park Inc.

Statement of Cash Flows

For the period from February 6, 2008 (date of incorporation) to March 3, 2008

Un-audited

Cash provided by (used in):

Operations:

Net income for the period	\$ 0
	\$ 0

Financing:

Issuance of share capital	\$ 1
Increase in cash for the period	\$ 1
Cash, beginning of period	\$ -
Cash, end of period	\$ 1

Railside Industrial Park Inc.

Notes to Financial Statements

For the period from February 6, 2008 (date of incorporation) to March 3, 2008

Un-audited

1. Company Operations

Railside Industrial Park Inc. was incorporated on February 6, 2008 pursuant to the *Business Corporations Act* (Alberta). To date, the Corporation has retained professional services to prepare for the offering discussed in this offering memorandum.

1. Significant Accounting Policies

The financial statements of the Corporation have been prepared by management in accordance with generally accepted accounting principles in Canada. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. The financial statements have, in the opinion of management, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of significant policies described below.

The Corporation has not commenced commercial activities and has not identified accounting policies or practices except as listed below:

(a) Measurement Uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(b) Income Taxes

The Corporation uses the liability method of accounting for future income taxes. Under the liability method, future income tax assets and liabilities are determined based on temporary differences (differences between the accounting basis and the tax basis of the assets and liabilities), and are measured using the currently enacted, or subsequently enacted tax rates and laws expected to apply when these differences reverse. A valuation allowance is recorded against any future income tax assets if it is more likely than not that the asset will not be realized.

3. Share Capital

(a) Authorized

Unlimited Class A Common Shares

Unlimited Class B Common Shares

(b) Issued

1 Class A Common Share for \$1

ITEM 13 - DATE AND CERTIFICATE

Dated: March 3, 2008

This Offering Memorandum does not contain a misrepresentation.

Ron Aitkens, President

ON BEHALF OF THE BOARD OF DIRECTORS OF RAILSIDE INDUSTRIAL PARK INC.

Ron Aitkens, Director

ON BEHALF OF THE PROMOTER OF RAILSIDE INDUSTRIAL PARK INC.

Ron Aitkens

SCHEDULE A

SUBSCRIPTION FOR SHARES

TO: Rallside Industrial Park Inc. (the "Corporation")

The undersigned (hereinafter referred to as the "Subscriber") hereby irrevocably subscribes for and agrees to purchase the number of Class B Shares ("Shares") of the Corporation set forth below for the aggregate subscription price set forth below, representing a subscription price of CDN \$0.10 per Share, upon and subject to the terms and conditions set forth in "Terms and Conditions of Subscription for Shares of Rallside Industrial Park Inc." attached hereto (the "Subscription Agreement"). In addition to this face page, the Subscriber must also complete all applicable schedules attached hereto.

Full Legal Name of Subscriber (please print)	Aggregate Subscription Amount: \$ _____
By:	Number of Shares: _____
Signature of Subscriber or its Authorized Representative	If the Subscriber is signing as agent for a principal and is not a trust corporation or, in Alberta or British Columbia, a portfolio manager, in any case, purchasing as a trustee or an agent for accounts fully managed by it, complete the following and ensure that the applicable schedules attached hereto are completed in respect of such principal: _____ (Name of Principal) _____ (Principal's address) _____ (Telephone Number) (E-mail Address)
Official Title or Capacity (please print)	
Name of Signatory (please print name of individual whose signature appears above if different than name of Subscriber)	
Date of Execution	
Subscriber's Address (including postal code)	
Social Insurance Number / Business Number	
Telephone Number (including area code)	
E-mail Address	
Register the Class B Shares (if different from address above) as follows:	Deliver the Class B Shares (if different from address given) as follows:
Name	Name
Account reference, if applicable	Account reference, if applicable
Address (including postal code)	Contact Name
	Address (including postal code)
	Telephone Number (including area code)

NUMBER and type of securities of the Corporation held directly or indirectly by Subscriber _____

ACCEPTANCE: The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement.

Rallside Industrial Park Inc.

Per: _____

No.: _____

, 2008.

This is the first page of an agreement comprised of 10 pages (excluding the Schedules hereto).

PLEASE MAKE SURE THAT YOUR SUBSCRIPTION INCLUDES:

1. A signed copy of this Subscription Agreement
2. A cheque in an amount equal to the Aggregate Subscription Amount, payable to "Douglas Alger Law In Trust"; and
3. A properly completed and duly executed copy of the appropriate investor qualification form(s):
 - If resident in British Columbia, Alberta, Saskatchewan or Manitoba two (2) copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B" (one copy may be retained for your records).
 - If resident in Ontario and you are purchasing Class B Shares as an "accredited investor" (as such term is defined by NI 45-106), one (1) completed and signed copy of the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule "C".

PLEASE DELIVER YOUR SUBSCRIPTION TO:

Foundation Capital Corporation

6163 – 6th Street SE Calgary, Alberta T2N 1L9

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR
SHARES OF RAILSIDE INDUSTRIAL PARK INC.**

Definitions. In this Subscription Agreement:

- (a) "Aggregate Subscription Amount" means the aggregate dollar amount of the subscription under this Subscription Agreement;
- (b) "Closing Date" means the date on which Shares are issued by the Corporation pursuant to the Offering Memorandum;
- (c) "Corporation" means Railsid Industrial Park Inc., a corporation incorporated under the *Business Corporations Act* (Alberta);
- (d) "Offering" means the offering of the Corporation's Class B Shares pursuant to the Offering Memorandum;
- (e) "Offering Memorandum" means the Offering Memorandum of the Corporation dated March 3, 2008; and
- (f) "Shares" means Class B Shares of the Corporation pursuant to the Offering Memorandum.

Acknowledgements of the Subscriber. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that:

- (a) this subscription is subject to rejection or acceptance by the Corporation in whole or in part, and is effective only upon acceptance by the Corporation;
- (b) the Shares subscribed for by the Subscriber hereunder form part of a larger issue and sale by the Corporation of up to 350,000 Shares at a subscription price of \$0.10 per Share (the "Offering");
- (c) the Subscriber acknowledges that the Lands (as defined in the Offering Memorandum) are or were owned by 1252064 Alberta Ltd., a corporation owned and controlled by Ron Aitkens, the sole officer, director and shareholder of the Corporation. The Subscriber further acknowledges that the Lands will be sold to the Corporation by 1252064 Alberta Ltd. The Subscriber consents to the Corporation purchasing the Lands and agrees that such purchase will not constitute a breach of fiduciary or other duty and that neither 1252064 Alberta Ltd. nor Ron Aitkens shall be liable to or required to account to or indemnify the Corporation or the Subscriber in connection with the sale of the Lands by 1252064 Alberta Ltd.
- (d) the Subscriber is responsible for obtaining such legal advice as it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement.

Representations, Warranties and Covenants of the Subscriber. By executing this Subscription Agreement, the Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) represents, warrants and covenants to the Corporation (and acknowledges that the Corporation and its counsel are relying thereon) that:

- (a) if the Subscriber is an individual, the Subscriber is of the full age of majority in the jurisdiction in which this Subscription Agreement is executed and is legally competent to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder;
- (b) if the Subscriber is not an individual, the Subscriber has the requisite power, authority, legal capacity and competence to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder, and all necessary approvals of its Directors, partners, Shareholders, trustees or otherwise with respect to such matters have been given or obtained;
- (c) if the Subscriber is a body corporate, the Subscriber is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation;
- (d) this Subscription Agreement has been duly and validly authorized, executed and delivered by, and constitutes a legal, valid, binding and enforceable obligation of, the Subscriber;

- (e) if the Subscriber is acting as agent or trustee for a principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documents in connection with such subscription on behalf of such principal, and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid, binding and enforceable obligation of, such principal;
- (f) the execution, delivery and performance by the Subscriber of this Subscription Agreement and the completion of the transactions contemplated hereby do not and will not result in a violation of any law, regulation, order or ruling applicable to the Subscriber, and do not and will not constitute a breach of or default under any of the Subscriber's constating documents (if the Subscriber is not an individual) or any agreement to which the Subscriber is a party or by which it is bound;
- (g) the Subscriber confirms that the Subscriber (and, if the Subscriber is not purchasing as principal, each beneficial purchaser for whom the Subscriber is acting) is:
 - (i) **resident in or otherwise subject to the applicable securities laws of British Columbia, Alberta, Saskatchewan, or Manitoba**, it is purchasing the Shares as principal for its own account and not for the benefit of any other person and it has received or been provided with a copy of the Offering Memorandum and has duly completed and executed two (2) copies of the Risk Acknowledgement in the form attached hereto as Schedule "B" (one copy for each of the Corporation and the Subscriber); or
 - (ii) **resident in or otherwise subject to the applicable securities laws of Ontario** it is purchasing the Shares as principal for its own account and not for the benefit of any other person and is an "accredited investor", as such term is defined in National Instrument 45-106 - "Prospectus and Registration Exemptions" ("NI 45-106"), and has concurrently executed and delivered a Representation letter in the form attached as Schedule C to this Subscription Agreement with Appendix A to Schedule C completed.
- (h) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Shares:
 - (i) is capable of assessing the proposed investment in the Shares as a result of the Subscriber's own experience or as a result of advice received from a person registered under applicable securities legislation; and
 - (ii) is able to bear the economic risk of loss of its investment in the Shares;
- (i) the Subscriber understands that no securities commission, stock exchange, governmental agency, regulatory body or similar authority has made any finding or determination or expressed any opinion with respect to the merits of investing in the Shares;
- (j) the Subscriber acknowledges that no prospectus has been filed by the Corporation with any securities commission or similar regulatory authority in any jurisdiction in connection with the issuance of the Shares and the issuance is exempted from the prospectus requirements available under the provisions of applicable securities laws and as a result:
 - (i) the Subscriber may be restricted from using some of the civil remedies otherwise available under applicable securities laws;
 - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under applicable securities laws; and
 - (iii) the Corporation is relieved from certain obligations that would otherwise apply under applicable securities laws;
- (k) the Subscriber confirms that neither the Corporation or any of its representative Directors, employees, Officers or affiliates, have made any representations (written or oral) to the Subscriber:
 - (i) regarding the future value of the Shares;
 - (ii) that any person will resell or repurchase the Shares;
 - (iii) that the Shares will be listed on any stock exchange or traded on any market; or

(iv) that any person will refund the purchase price of the Shares other than as provided in this Subscription Agreement;

- (l) the Subscriber confirms that it has been advised to consult its own legal and financial advisors with respect to the suitability of the Shares as an investment for the Subscriber, the tax consequences of purchasing and dealing with the Shares, and the resale restrictions and "hold periods" to which the Shares are or may be subject under applicable securities legislation or stock exchange rules, and has not relied upon any statements made by or purporting to have been made on behalf of the Corporation with respect to such suitability, tax consequences, and resale restrictions;
- (m) except for the Subscriber's knowledge regarding its subscription for Shares hereunder, the Subscriber has no knowledge of a "material fact" or a "material change" (as those terms are defined in the *Securities Act* (Alberta)) in the affairs of the Corporation that has not been generally disclosed;
- (n) the Subscriber is resident in the jurisdiction indicated on the face page of this Subscription Agreement as the "Subscriber's Address" and the purchase by and sale to the Subscriber of the Shares, and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase and sale (whether with or without respect to the Subscriber or any beneficial purchaser) has occurred only in such jurisdiction;
- (o) the Subscriber acknowledges that it and/or the Corporation may be required to provide applicable securities regulatory authorities or stock exchanges with information concerning the identities of the beneficial purchasers of the Shares and the Subscriber agrees that, notwithstanding that the Subscriber may be purchasing the Shares as agent for an undisclosed principal, the Subscriber will provide to the Corporation, on request, particulars as to the identity of such undisclosed principal as may be required by the Corporation in order to comply with the foregoing;
- (p) the Subscriber understands that it will not resell the Shares except in accordance with limited exemptions available under applicable securities legislation, regulatory policy and stock exchange rules, and that the Subscriber is solely responsible for (and the Corporation is not in any way responsible for) the Subscriber's compliance with applicable resale restrictions;
- (q) the Subscriber acknowledges that it is aware that there is no market upon which the Shares trade and there is no assurance that any of the Shares will be listed and posted for trading on a stock exchange or dealer network in the future;
- (r) the Subscriber understands that the sale of the Shares is conditional upon such sale being exempt from the requirements to file and obtain a receipt for a prospectus, and the requirement to sell securities through a registered dealer, or upon the issuance of such orders, consents or approvals as may be required to enable such sale to be made without complying with such requirements, and that as a consequence of acquiring the Shares pursuant to such exemptions, certain protections, rights and remedies provided by applicable securities legislation, including statutory rights of rescission or damages in the event of a misrepresentation may not be available to the Subscriber in connection with the purchase and sale of the Shares;
- (s) the Subscriber understands that any certificates representing the Shares will bear a legend indicating that the resale of such securities is restricted;
- (t) other than the Offering Memorandum, the Subscriber has not received or been provided with, nor has it requested, nor does it have any need to receive, any Offering memorandum, or any other document (other than the annual financial statements, interim financial statements or any other document (excluding Offering memoranda, prospectuses or other Offering documents) the content of which is prescribed by statute or regulation) describing the business and affairs of the Corporation, which has been prepared for delivery to and review by prospective purchasers in order to assist them in making an investment decision in respect of the purchase of Shares pursuant to the Offering;
- (u) the Subscriber has not become aware of any advertisement in printed media of general and regular paid circulation or on radio, television or other form of telecommunication or any other form of advertisement (including electronic display or the Internet) or sales literature with respect to the distribution of the Shares;
- (v) the Subscriber is not a "U.S. Person" (as that term is defined by Regulation S under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States) and is not acquiring the Shares for the account or benefit of a U.S. Person or a person in the United States;

- (w) the Shares have not been Offered to the Subscriber in the United States, and the individuals making the order to purchase the Shares and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered;
- (x) the Subscriber undertakes and agrees that it will not Offer or sell any of the Shares in the United States unless such securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, or an exemption from such registration requirements is available;
- (y) the Subscriber acknowledges that, in addition to any other requirements under applicable securities legislation to which a disposition of any of the Shares by the Subscriber may be subject, the Subscriber may, depending on the nature of the disposition, be required to file a report of exempt trade within ten (10) days of a disposition by the Subscriber of the Shares;
- (z) if required by applicable securities legislation, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Corporation in filing, such reports, undertakings and other documents with respect to the issue of the Shares;
- (aa) except as disclosed in writing to the Corporation, the Subscriber does not act jointly or in concert with any other person or company for the purposes of acquiring securities of the Corporation;
- (bb) the Subscriber is not a non-resident for the purposes of the *Income Tax Act* (Canada);
- (cc) the Subscriber is not a "control person" of the Corporation, as that term is defined in the *Securities Act* (Alberta), will not become a "control person" of the Corporation by purchasing the number of Shares subscribed for under this Subscription Agreement and does not intend to act jointly or in concert with any other person to form a control group in respect of the Corporation;
- (dd) the Subscriber has not relied upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation except as expressly set forth herein or in the Offering Memorandum;
- (ee) the funds representing the Aggregate Subscription Amount which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "PCMLA") and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of its knowledge: (i) none of the subscription funds to be provided by the Subscriber: (A) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction; or (B) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (ii) it shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith;
- (ff) the Subscriber acknowledges that the Corporation may complete additional financings in the future in order to develop the proposed business of the Corporation and to fund its ongoing development. There is no assurance that such financing will be available and if available, on reasonable terms. Any such future financings may have a dilutive effect on current Shareholders, including the Subscriber; and
- (gg) the Subscriber acknowledges that an investment in the Shares is subject to a number of risk factors. In particular, the Subscriber acknowledges that the Corporation is not a reporting issuer in any province of Canada and, as such, the applicable hold period may never expire. Accordingly, there is currently no market for any of the Shares and one may never develop. It may be difficult or even impossible for a Subscriber to sell any of the Shares. Resale of such Shares will require the availability of exemptions from the prospectus requirements of applicable securities legislation, or the application for a discretionary order of the securities commission or similar regulatory authority in the subscriber's province of residence permitting the trade. The Subscriber covenants and agrees to comply with relevant securities legislation, orders or policies concerning the purchase, holding of, and resale of the Shares.

Timeliness of Representations, etc. The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time (as defined herein), and will survive the completion of the distribution of the Shares and any subsequent disposition by the Subscriber of any of the Shares.

Indemnity. The Subscriber acknowledges that the Corporation and its counsel are relying upon the representations, warranties and covenants of the Subscriber set forth herein in determining the eligibility (from a securities law perspective) of the Subscriber (or, if applicable, the eligibility of another on whose behalf the Subscriber is contracting hereunder to subscribe for Shares) to purchase Shares under the Offering, and hereby agrees to indemnify the Corporation and its Directors, Officers, employees, advisers, affiliates, Shareholders and agents (including their respective legal counsel) against all losses, claims, costs, expenses, damages or liabilities that they may suffer or incur as a result of or in connection with their reliance on such representations, warranties and covenants. The Subscriber undertakes to immediately notify the Corporation of any change in any statement or other information relating to the Subscriber set forth herein that occurs prior to the Closing Time.

Deliveries by Subscriber prior to Closing. The Subscriber agrees to deliver to the Corporation not later than 5:00 p.m. (Mountain Standard Time) on the day that is two business days before any Closing Date of which the Subscriber receives notice:

- (a) this duly completed and executed Subscription Agreement;
- (b) a cheque made payable to "Douglas Alger Law in Trust" in an amount equal to the Aggregate Subscription Amount, or payment of the same amount in such other manner as is acceptable to the Corporation;
- (c) properly completed and duly executed copies of the appropriate investor qualification form(s) as described on page 2 of this Subscription Agreement; and
- (d) such other documents as may be requested by the Corporation as contemplated by this Subscription Agreement.

Consent to Collection of Personal Information. If the Subscriber is an individual, the Subscriber acknowledges that the Subscriber has provided, in this Subscription Agreement, to the Corporation information (the "Personal Information") of a personal nature that may or may not be protected under applicable privacy legislation. This information is being collected, used and may be disclosed by the Corporation for the following purposes (the "Purposes"):

- (a) in order to complete the Offering;
- (b) to be kept in the corporate records of the Corporation, on its securities registers and Shareholders lists, maintained by the Corporation and/or the Corporation's transfer agent;
- (c) to be disclosed to securities/tax regulatory authorities or other government bodies as required and in accordance with applicable securities laws and tax laws;
- (d) as long as the Subscriber is a Shareholder of the Corporation, to be disclosed to other third parties held to an obligation of confidentiality to the Corporation such as its legal counsel, its accountants, transfer agent, securities depository, or any other entity for: (i) the purpose of sending financial statements and other disclosure documentation required to be sent by law to the Shareholders of the Corporation, and/or (ii) in the context of a proposed merger, business combination, acquisition, takeover bid or such other major transaction involving the Corporation and such other third party; and
- (e) to enforce the obligations contemplated by this Subscription Agreement.

The Subscriber or the person subscribing for the Shares on behalf of a disclosed beneficial purchaser hereby consents to the collection, use and disclosure by the Corporation of the Personal Information for the Purposes.

Certain securities commissions have been granted the authority to indirectly collect this personal information pursuant to securities legislation and this personal information is also being collected for the purpose of administration and enforcement of securities legislation. In Ontario, the Administrative Assistant to the Director of Corporate Finance, Suite 1903, Box 5520 Queen Street West, Toronto, Ontario M5H 3S8, Telephone (416) 593-8086, Facsimile: (416) 593-8252 is the public official who can answer questions about the indirect collection of personal information. The Subscriber's personal information may be disclosed by the Corporation or its counsel to: (a) stock exchanges, securities commissions or securities regulatory authorities; (b) the Corporation's registrar and transfer agent; (c) taxation authorities; (d) any of the other parties involved in the offering, including legal counsel. By executing this Subscription Agreement and the, the Subscriber is deemed to be authorizing and consenting to the foregoing collection (including the indirect collection of personal information), use and disclosure of the Subscriber's personal information as set forth above. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in this Subscription Agreement as may be required to be filed with any stock exchange, securities commission or securities regulatory authority in connection with the transactions contemplated hereby.

Partial Acceptance or Rejection of Subscription. The Corporation may, in its absolute discretion, accept or reject the Subscriber's subscription for Shares as set forth in this Subscription Agreement, in whole or in part, and the Corporation reserves the right to allot to the Subscriber less than the amount of Shares subscribed for under this Subscription Agreement.

Notwithstanding the foregoing, the Subscriber acknowledges and agrees that the acceptance of this Subscription Agreement will be conditional upon among other things, the sale of the Shares to the Subscriber being exempt from any prospectus and Offering memorandum requirements of applicable Securities laws. The Corporation will be deemed to have accepted this Subscription Agreement upon the delivery at Closing of the certificates representing the Shares to the Subscriber or upon the direction of the Subscriber in accordance with the provisions hereof.

If this Subscription Agreement is rejected in whole, any cheque(s) delivered by the Subscriber to the Corporation on account of the Aggregate Subscription Amount for the Shares subscribed for will be promptly returned to the Subscriber without interest. If this Subscription Agreement is accepted only in part, a cheque representing the amount by which the payment delivered by the Subscriber to the Corporation exceeds the subscription price of the number of Shares sold to the Subscriber pursuant to a partial acceptance of this Subscription Agreement, will be promptly delivered to the Subscriber without interest.

Time and Place of Closing. The sale of the Shares will be completed at the offices of Douglas Alger, in Lethbridge, Alberta at 10:00 a.m. (Mountain Standard Time) or such other time as the Corporation may determine (the "Closing Time") on the Closing Date. The Corporation reserves the right to close the Offering in multiple tranches, so that one or more closings may occur after the initial closing.

Subject to Regulatory Approval. The obligations of the parties hereunder are subject to all required regulatory approvals being obtained.

Representations and Warranties of the Corporation. The Corporation hereby represents and warrants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:

- (a) the Corporation has the full corporate right, power and authority to execute and deliver this Subscription Agreement and to issue the Shares to the Subscriber;
- (b) the Corporation is duly incorporated and validly subsisting, and is qualified to carry on business in each jurisdiction in respect of which the carrying out of the activities contemplated hereby make such qualification necessary;
- (c) the Corporation has complied or will comply with all applicable corporate and Securities laws in connection with the Offer and sale of the Shares;
- (d) upon acceptance by the Corporation, this Subscription Agreement shall constitute a binding obligation of the Corporation enforceable in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the general principles of equity including the fact that specific performance is available only in the discretion of the court; and
- (e) the execution, delivery and performance of this Subscription Agreement by the Corporation and the issue of the Shares to the Subscriber pursuant hereto does not and will not constitute a breach of or default under the constating documents of the Corporation, or any law, regulation, order or ruling applicable to the Corporation, or any agreement to which the Corporation is a party or by which it is bound.

No Corporation. Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscriber and the Corporation.

Governing Law. The contract arising out of acceptance of this Subscription Agreement by the Corporation shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta.

Time of Essence. Time shall be of the essence of this Subscription Agreement.

Entire Agreement. This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof, and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.

Facsimile Copies. The Corporation shall be entitled to rely on delivery of a facsimile copy of executed subscriptions, and acceptance by the Corporation of such facsimile subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and the Corporation in accordance with the terms hereof.

Counterpart. This Subscription Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

Severability. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.

Survival. The covenants, representations and warranties contained in this Subscription Agreement shall survive the closing of the transactions contemplated hereby, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

Interpretation. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. In this Subscription Agreement, all references to money amounts are to Canadian dollars.

Amendment. Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.

Costs. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the sale of the Shares to the Subscriber shall be borne by the Subscriber.

Withdrawal. The Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, agrees that this subscription is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder.

Assignment. Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.

Language. The Subscriber acknowledges that it has consented to and requested that all documents evidencing or relating in any way to the sale of the Shares be drawn up in the English language only. Le souscripteur reconnaît par les présentes avoir consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière à la vente des bons de souscription spéciaux soient rédigés en anglais seulement.

SCHEDULE B

FORM 45-106F4

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, AND MANITOBA RESIDENTS

RISK ACKNOWLEDGEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The person selling me these securities is not registered with a securities commission and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances.
- I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$_____ in total; this includes any amount I am obliged to pay in future.

As allowed by applicable securities legislation the Corporation shall retain selling agents to assist in selling these securities. No commissions of any kind will be payable out of the proceeds of this Offering.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date _____

Signature of Purchaser _____

Print name of Purchaser _____

Sign 2 copies of this document. Keep one copy for your records.

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You have 2 business days to cancel your purchase

To do so, send a notice to Rallside Industrial Park Inc. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after the closing at which you agree to purchase the securities. You can send the notice by fax or email or deliver it in person to Rallside Industrial Park Inc. at its business address. Keep a copy of the notice for your records.

Issuer Name: Rallside Industrial Park Inc. (the "Corporation")

Address: 6163 - 6th Street SE
Calgary, AB T2H 1L9

Phone #: (403) 253-5822

Fax #: (403) 253-5820

Email: info@foundationcapital.ca

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell exempt market securities to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities commission.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from an adviser or investment dealer registered with a securities commission. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information about exempt market securities, call your local securities commission:

Saskatchewan Financial Services Commission
6th Floor, 1919 Saskatchewan Drive
Regina, SK, S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

Alberta Securities Commission
4th Floor, 300 - 5th Avenue S.W.
Calgary, AB, T2P 3C4
Phone: (403) 297-6454
Fax: (403) 297-6156
<http://www.albertasecurities.com>

The Manitoba Securities Commission
1130 - 405 Broadway Avenue
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

British Columbia Securities Commission
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC, V7Y 1L2
Phone (604) 899-6500
Fax: (604) 899-6506
<http://www.bcsc.bc.ca>

[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]

SCHEDULE B

FORM 45-106F4

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, AND MANITOBA RESIDENTS

RISK ACKNOWLEDGEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The person selling me these securities is not registered with a securities commission and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances.
- I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$_____ in total; this includes any amount I am obliged to pay in future.

As allowed by applicable securities legislation the Corporation shall retain selling agents to assist in selling these securities. No commissions of any kind will be payable out of the proceeds of this Offering.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date _____

Signature of Purchaser _____

Print name of Purchaser _____

Sign 2 copies of this document. Keep one copy for your records.

**W
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You have 2 business days to cancel your purchase

To do so, send a notice to Rallside Industrial Park Inc. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after the closing at which you agree to purchase the securities. You can send the notice by fax or email or deliver it in person to Rallside Industrial Park Inc. at its business address. Keep a copy of the notice for your records.

Issuer Name: Rallside Industrial Park Inc. (the "Corporation")

Address: 6163 - 6th Street SE
Calgary, AB T2H 1L9

Phone #: (403) 253-5822

Fax #: (403) 253-5820

Email: Info@foundationcapital.ca

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell exempt market securities to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities commission.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from an adviser or investment dealer registered with a securities commission. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area.

For more information, call your local securities commission.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information about exempt market securities, call your local securities commission:

Saskatchewan Financial Services Commission
6th Floor, 1919 Saskatchewan Drive
Regina, SK, S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

Alberta Securities Commission
4th Floor, 300 - 5th Avenue S.W.
Calgary, AB, T2P 3C4
Phone: (403) 297-6454
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The Manitoba Securities Commission
1130 - 405 Broadway Avenue
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

British Columbia Securities Commission
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC, V7Y 1L2
Phone (604) 899-6500
Fax: (604) 899-6506
<http://www.bcsc.bc.ca>

[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]

SCHEDULE C

REPRESENTATION LETTER

(FOR ACCREDITED INVESTORS)

TO: Railside Industrial Park Inc. (the "Corporation")

In connection with the purchase of Class B Shares (the "Shares") of the Corporation by the undersigned subscriber or, if applicable, the principal on whose behalf the undersigned is purchasing as agent (the "Subscriber" for the purposes of this Schedule C), the Subscriber hereby represents, warrants, covenants and certifies to the Corporation that:

4. The Subscriber is resident in the jurisdiction as set forth on the face page of this Subscription Agreement or is subject to the securities laws of such jurisdiction;
5. The Subscriber is purchasing the Shares as principal for its own account;
6. The Subscriber is an "accredited investor" within the meaning of National Instrument 45-106 entitled "Prospectus and Registration Exemptions" by virtue of satisfying the indicated criterion as set out in Appendix "A" to this Representation Letter;
7. The Subscriber was not created or used solely to purchase or hold securities as an "accredited investor" as described in paragraph (XII) of the attached Appendix "A" of this Schedule D; and
8. Upon execution of this Schedule C by the Subscriber, this Schedule C shall be incorporated into and form a part of the Subscription Agreement.

Dated: _____, 2008.

Print name of Subscriber

By: _____
Signature

Print name of Signatory (if different from Subscriber)

Title

**IMPORTANT: PLEASE MARK THE CATEGORY OR CATEGORIES
IN APPENDIX "A" ON THE NEXT PAGE THAT DESCRIBES YOU**

APPENDIX A

TO SCHEDULE C

NOTE: THE INVESTOR MUST INITIAL BESIDE THE APPLICABLE PORTION OF THE DEFINITION BELOW.

Accredited Investor - (defined in National Instrument 45-106) means:

- _____ I. a Canadian financial institution, or an authorized foreign bank named in Schedule III of the *Bank Act* (Canada); or
 - _____ II. the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
 - _____ III. a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by Directors of that subsidiary; or
 - _____ IV. a person registered under the securities legislation of a jurisdiction of Canada, as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador); or
 - _____ V. an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d); or
 - _____ VI. the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly-owned entity of the Government of Canada or a jurisdiction of Canada; or
 - _____ VII. a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec; or
 - _____ VIII. any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government; or
 - _____ IX. a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada; or
 - _____ X. an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000; or
 - _____ XI. an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year; or
- (Note: if individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under paragraph (t) below, which must be initialed.)
- _____ XII. an individual who, either alone or with a spouse, has net assets of at least \$5,000,000; or
 - _____ XIII. a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements; or

- _____ XIV. an investment fund that distributes or has distributed its securities only to
- (a) a person that is or was an accredited investor at the time of the distribution, or
 - (b) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 and 2.19 of National Instrument 45-106, or
 - (c) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 of National Instrument 45-106; or
- _____ XV. an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt; or
- _____ XVI. a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be; or
- _____ XVII. a person acting on behalf of a fully managed account managed by that person, if that person
- (a) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and
 - (b) in Ontario, is purchasing a security that is not a security of an investment fund; or
- _____ XVIII. a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded; or
- _____ XIX. an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function; or
- _____ XX. a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by Directors, are persons that are accredited investors (as defined in National Instrument 45-106); or
- (Note: if you are purchasing as an individual accredited investors paragraph (k) above must be initialed rather than paragraph (t))
- _____ XXI. an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or
- _____ XXII. a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as
- (a) an accredited investor, or
 - (b) an exempt purchaser in Alberta or British Columbia after September 14, 2005.

For the purposes hereof:

(b) "Canadian financial institution" means

- (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
- (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (iii) "control person" has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds
 - 1. a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - 2. more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;

(b) "Director" means:

- (i) a member of the board of Directors of a company or an individual who performs similar functions for a company, and
- (ii) with respect to a person that is not a company, an individual who performs functions similar to those of a Director of a company;

(c) "eligibility adviser" means

- (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and
- (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not
 - 1. have a professional, business or personal relationship with the issuer, or any of its Directors, executive Officers, founders, or control persons, and
 - 2. have acted for or been retained personally or otherwise as an employee, executive Officer, Director, associate or partner of a person that has acted for or been retained by the issuer or any of its Directors, executive Officers, founders or control persons within the previous 12 months;

(e) "executive Officer" means, for an issuer, an individual who is

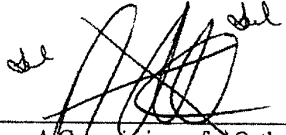
- (i) a chair, vice-chair or president,
- (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
- (iii) an Officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
- (iv) performing a policy-making function in respect of the issuer;

- (f) **"financial assets"** means
 - (i) cash,
 - (ii) securities, or
 - (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (f) **"foreign jurisdiction"** means a country other than Canada or a political subdivision of a country other than Canada;
- (g) **"founder"** means, in respect of an issuer, a person who,
 - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
 - (ii) at the time of the trade is actively involved in the business of the issuer;
- (h) **"fully managed account"** means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (i) **"investment fund"** has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure*;
- (j) **"jurisdiction"** means a province or territory of Canada except when used in the term foreign jurisdiction;
- (k) **"local jurisdiction"** means the jurisdiction in which the Canadian securities regulatory authority is situate;
- (l) **"non-redeemable investment fund"** means an issuer,
 - (i) whose primary purpose is to invest money provided by its security holders;
 - (ii) that does not invest;
 - 1. for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
 - 2. for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
 - (iii) that is not a mutual fund;
- (m) **"person"** includes
 - (i) an individual,
 - (ii) a corporation,
 - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (n) **"regulator"** means, for the local jurisdiction, the Executive Director as defined under securities legislation of the local jurisdiction;

- (o) "related liabilities" means
- (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
 - (ii) liabilities that are secured by financial assets;
- (p) "Schedule III bank" means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (q) "spouse" means, an individual who,
- (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii) above, or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (r) "subsidiary" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

All monetary references are in Canadian Dollars.

This is Exhibit "D"
referred to in the Affidavit of
Ronald Aitkens sworn before me
this 15 day of March, 2012

A Commissioner for Oaths
In and for the Province of Alberta

SYDNEY ANN LAUZON
A Commissioner for Oaths
In and for the Province of Alberta
My Commission Expires March 27, 2014



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0034 298 034 1011477;4;41 101 106 898

LEGAL DESCRIPTION
PLAN 1011477
BLOCK 4
LOT 41
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE
ATS REFERENCE: 5;1;24;10;NW

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 101 093 838
 081 313 561

REGISTRATION	DATE(DMY)	REGISTERED OWNER(S) DOCUMENT TYPE	VALUE	CONSIDERATION
101 106 898	15/04/2010	PLAN OF SURVEY - NEW TITLE		

OWNERS

FOUNDATION PLACE INC..
OF #4,4002 9TH AVE NORTH
LETHBRIDGE
ALBERTA T1H 6T8

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
041 290 476	05/08/2004	CAVEAT RE : RESTRICTIVE COVENANT

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
101 106 898

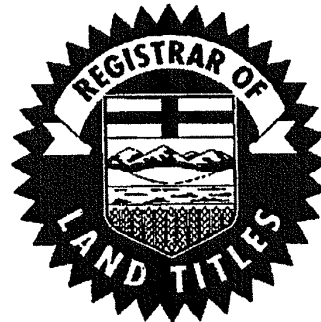
REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
041 290 477	05/08/2004	CAVEAT RE : RESTRICTIVE COVENANT
071 434 678	30/08/2007	CAVEAT RE : AGREEMENT OF PURCHASE & SALE , ETC. CAVEATOR - MYLONAS ENTERPRISES LTD.. 5 201 GRAND BLVD COCHRANE ALBERTA T4C2G4 AGENT - SHELLEY E MABBOTT.
091 091 720	06/04/2009	CAVEAT RE : AGREEMENT CHARGING LAND CAVEATOR - LANDSTAR TEAMWORKS PROJECT MANAGEMENT LTD.. C/O MABBOTT & COMPANY, #5, 201 GRAND BOULEVARD COCHRANE ALBERTA T4C2G4 AGENT - RANDY MABBOTT
091 191 225	07/07/2009	MORTGAGE MORTGAGEE - FOUNDATION PLACE CAPITAL INC.. 4, 4002-9 AVENUE NORTH LETHBRIDGE ALBERTA T1H6T8 ORIGINAL PRINCIPAL AMOUNT: \$8,500,000
121 031 424	06/02/2012	CERTIFICATE OF LIS PENDENS BY - LANDSTAR TEAMWORKS PROJECT MANAGEMENT LTD..

TOTAL INSTRUMENTS: 006

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE
REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED
HEREIN THIS 15 DAY OF MARCH, 2012 AT 09:17 A.M.

ORDER NUMBER:20816442

CUSTOMER FILE NUMBER: 444-V.Smith



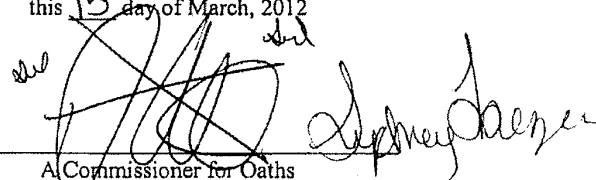
END OF CERTIFICATE

(CONTINUED)

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

This is Exhibit "E"
referred to in the Affidavit of
Ronald Aitkens sworn before me
this 15 day of March, 2012


A Commissioner for Oaths
In and for the Province of Alberta

SYDNEY ANN LAUZON
A Commissioner for Oaths
In and for the Province of Alberta
My Commission Expires March 27, 2014

Offering Memorandum

No securities regulatory authority has assessed the merits of these securities or reviewed this Offering Memorandum. Any misrepresentation to the contrary is an offence. The information disclosed on this page is a summary only. Purchasers should read the entire Offering Memorandum for full details about the Offering. This is a risky investment. See Item 8 Risk Factors.

Date: February 12, 2008
The Issuer: Foundation Place Capital Inc. (the "Corporation" or the "Issuer")
Address: 8163 - 6th Street SE
 Calgary, Alberta, T2H 1L9
Phone #: (403) 253-5822
Fax #: (403) 253-5820
Email: info@foundationcapital.ca

Currently listed or quoted? No. These securities do not trade on any exchange or market.

Reporting issuer? No.

SEDAR filer? No.

The Offering

Securities Offered	7.0% Redeemable Bonds (referred to herein as the "Bonds" the "bonds" or the "securities")
Price Per Security	\$100 per Bond
Minimum Offering	\$900,000 (9,000 Bonds)
Maximum Offering	\$8,500,000 (85,000 Bonds)
Minimum Subscription Per Investor	\$10,000 (100 Bonds)
Payment Terms	Payment in full by certified cheque, trust cheque, or bank draft of the subscription price is to be made with the delivery of a duly executed and completed subscription agreement. See Item 5.2 Subscription Procedures.
Proposed Closing Date(s)	Closings will take place periodically at the Corporation's discretion with the closing of the Minimum Offering of \$900,000 to occur on or before March 21, 2008.

Tax Consequences: There are important tax consequences to these securities. See Item 6 Income Tax Consequences and RRSP Eligibility.

Purchaser's rights: You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11 Purchasers' Rights.

Resale restrictions: You will not be able to sell these securities except in very limited circumstances. You may never be able to resell these securities. See Item 10 Resale Restrictions.

Selling Agents: The Corporation reserves the right, as allowed by applicable securities legislation, to retain agents to help effect sales of the Bonds. If an agent is retained, the agent will be paid aggregate fees and commissions of up to 10% of the gross proceeds realized on the Bonds sold by such agent. The Corporation may compensate its employees and consultants up to 10% of the gross proceeds realized on the sale of the Bonds for soliciting subscriptions for the Bonds with respect to Bonds not sold by an agent. The Corporation may compensate its Officer and Director up to 10% of the gross proceeds realized on the sale of the Bonds with respect to the Bonds not sold by an agent.

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ITEM 1 - USE OF NET PROCEEDS

1.1 Net Proceeds and Available Funds

The following table discloses the net proceeds of this offering (the "Offering"):

		Assuming Minimum Offering	Assuming Maximum Offering
A	Amount to be raised pursuant to this Offering	\$900,000	\$8,600,000
B	Selling commissions ⁽¹⁾	\$90,000	\$850,000
C	Estimated costs of this Offering ⁽²⁾	\$15,000 ⁽³⁾	\$25,000
D	Net proceeds: D = A - (B + C)	\$795,000	\$7,625,000

⁽¹⁾ Assuming 10% of the gross proceeds of this Offering will be paid for selling commissions based upon Minimum and Maximum Offering.

⁽²⁾ These costs include legal, consulting and accounting costs associated with this Offering.

⁽³⁾ The Initial costs have been advanced on the Corporation's behalf by a related party.

1.2 Use of Net Proceeds

The following table provides a detailed breakdown of how the Corporation will use the net proceeds of this Offering in the proceeding 12 months from the date of this Memorandum:

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering	Assuming Maximum Offering
The majority of the net proceeds of this Offering shall be loaned by the Corporation to Foundation Place Inc. ("FPI"), a related party,* for the following purposes:		
(a) To allow FPI to acquire the Lands pursuant to the FPI Purchase Agreement. See Item 2.3 Our Business and Item 2.4 FPI Purchase Agreement;	\$790,000	\$4,500,000
(b) Working Capital facility to to be used in the development of the Lands. See Item 2.5 The Lands, 2.6 The Building and 2.7 Development Budget;	Nil	\$2,891,250
(c) In payment of the Management Fee to Foundation Capital Corporation; and	Nil	\$200,000
(d) Used by the Corporation to pay for operating expenses incurred by the Corporation in the conduct of its business. See Item 2.15.3 Administration Agreement with Eyelagic Systems Inc. and Item 2.15.4 Consulting Agreement with KMC Capital Inc.	\$5,000	\$33,750
Total	\$795,000	\$7,625,000

* Ron Aitkens, the sole Officer and Director of the Corporation is also the sole Officer and Director of FPI. As of the date of this Offering, Ron Aitkens owns 100% of the issued and outstanding shares of FPI and owns 40% of the issued and outstanding shares of the Corporation.

1.3 Reallocation

The Corporation intends to use the net proceeds of this Offering as stated. The Corporation will reallocate the net proceeds of this Offering only for sound business reasons.

1.4 Working Capital Deficiency

The Corporation currently has a working capital deficiency. The sum of \$15,000 has been advanced to the Corporation by Foundation Capital Corporation, a related party, to pay for the Offering costs and will be repaid from the net proceeds of the Offering.

ITEM 2 - BUSINESS OF THE CORPORATION

2.1 Structure

The Corporation is a corporation incorporated under the *Business Corporations Act* (Alberta) pursuant to a certificate of incorporation dated December 12, 2007. The Corporation's head and registered office is located at 6163 - 6th Street SE, Calgary, Alberta, T2H 1L9. The Corporation is controlled by Eyelogic Systems Inc. ("Eyelogic"), a publicly traded company listed on the TSX Venture Exchange, trading under the symbol "Eye.A." Please see www.sedar.com for further information with respect to Eyelogic.

2.2 Voting Control - Eyelogic Systems Inc.

Voting control of the Corporation by Eyelogic is to ensure that the Bonds issued pursuant to this Offering are a qualified Registered Retirement Savings Plan ("RRSP") investment. See Item 6 RRSP Eligibility and Income Tax Consequences.

Eyelogic's control and interest in the Corporation is to earn administration fees and not to participate in the profits of the Corporation pursuant to its agreement with the Corporation (the "Eyelogic Agreement"). See Item 2.15.3 Administration Agreement with Eyelogic Systems Inc. Specifically:

- (a) Eyelogic's shares in the Corporation are non-participating as they are not entitled to dividends;
- (b) The Eyelogic Agreement states that Eyelogic cannot acquire any additional shares in the Corporation without the approval of the majority of the minority of shareholders of the Corporation;
- (c) Eyelogic cannot increase the administration fees pursuant to the Eyelogic Agreement without the approval of the majority of the minority shareholders of the Corporation;
- (d) Eyelogic will not sell its shares of the Corporation while the Eyelogic Agreement is in force and will, at the termination of the Eyelogic Agreement, return all of its shares to treasury of the Corporation for six hundred dollars; and
- (e) Eyelogic will not benefit from its position as shareholder except as described in the Eyelogic Agreement and should it receive any benefit in addition to the administration fee, that benefit will be returned to the Corporation in return for the sum of ten dollars.

An investor in the securities offered under this Memorandum should understand that Eyelogic's assets and management are not in any way committed to the activities of the Corporation other than organizing the annual shareholder meeting and voting its shares at shareholder meetings of the Corporation. Eyelogic does not encourage or discourage an investment in the Corporation.

2.3 Our Business

The Corporation is in a start up phase of development and has not carried out business prior to this Offering and has no development history. Since the date of incorporation, the Corporation has been engaged in preparation for this Offering, which has included, among other things, putting in place a management team, a Board of Directors and retaining legal counsel.

The Corporation is raising funds pursuant to this Offering for the purpose of loaning the majority of the net proceeds of this Offering to FPI (the "FPI Loan" or the "Loan") to allow FPI to purchase and develop certain vacant lands located at the intersection of 17th Avenue and Macleod Trail South in Calgary, Alberta (the "Lands"). See Items 2.5 The Lands and 2.4 FPI Purchase Agreement.

2.4 FPI Purchase Agreement

FPI has entered into a purchase agreement dated February 7, 2008 (the "Purchase Agreement") with 1252064 Alberta Ltd. ("1252064"), a related party,* pursuant to which FPI has agreed to purchase the Lands for the purchase price of \$4,500,000 plus GST if applicable (the "FPI Purchase Price").

The FPI Purchase Agreement contains the following terms:

- (a) The Closing Date of the Purchase Agreement shall be March 21, 2008 (the Closing Date);
- (b) A deposit of \$10,000 has been paid on FPI's behalf by the officer and director of FPI and will be repaid by FPI to him from the proceeds of the FPI Offering and the FPI Loan.
- (c) The FPI Purchase Agreement is conditional upon FPI obtaining a minimum of \$790,000 in financing to acquire the Lands on or before March 21, 2008.
- (d) In the event that FPI does not have sufficient funds to advance the Purchase Price in full to 1252064 on the Closing Date, FPI shall advance to 1252064 a minimum of \$790,000 from funds obtained by FPI pursuant to the FPI Loan or other financing sources. 1252064 shall grant FPI a mortgage representing the balance of the Purchase Price, at an interest rate of 5% per annum, with payment of \$3,700,000 to be made on or before March 21, 2009 (the "Mortgage").

*Ron Aitkens, the sole Officer and Director of the Corporation is the sole Officer, Director and shareholder of 1252064 and FPI.

2.4.1 Previous History of the Lands

The Lands were purchased by 1252064 from Mylonas Enterprises Ltd. ("Mylonas"), an arms-length party, for a purchase price of \$3,060,000 on August 30, 2007. 1252064 will realize an immediate profit of \$1,440,000 on the sale of the Lands to FPI. The Subscription Agreement to be signed by Subscribers will contain a specific consent to the Loan to FPI and acknowledgments that the Loan to FPI is not a breach of fiduciary or other duty and will not give rise to any obligation to account to the Corporation for any profit made on the sale made by 1252064.

2.5 The Lands

The parcel comprising the Lands consists of 10,656 square feet, more or less, and is located on the southwest corner of 1st Street SE and 17th Avenue SE, in the City of Calgary, Alberta. The municipal address for the Lands is 133 – 17 Avenue SE, Calgary, Alberta. The Lands are zoned C-3 pursuant to the City of Calgary land use bylaw and allow for the use proposed by FPI.

The legal description of the Lands is:

Plan Calgary 7157FH

Lots one (1), two (2) and three (3),

Excepting thereout firstly the Road Widening on Plan 731281

Excepting secondly out of Lot Three, the corner cut on Plan 6183JK

Title to the Lands is currently held in the name of 1252064 Alberta Ltd. and is subject to the following encumbrances:

- (a) Encumbrance # 041290476, a restrictive covenant which restricts the use of the Lands by preventing the purchase, sale, marketing, storing, handling, distributing or any kind of dealing in petroleum products on the Property; and
- (b) Encumbrance # 041290477, a restrictive covenant which restricts the use of the Lands by preventing the operation of a business or provision of automotive services on the Lands.
- (c) Encumbrance # 041418900 - 03/11/2004
Mortgage
Mortgagee – Canadian Imperial Bank of Commerce, 929, 4625 Varsity Drive NW, Calgary, AB, T3A 0Z9
Original Principal Amount: \$360,000
- (d) Encumbrance # 071 434 678 – 30/08/2007
Caveat

Re: Agreement of purchase and sale, etc.

Caveator – Mylonas Enterprises Ltd., #5, 201 Grand Blvd., Cochrane, AB, T4C 2G4

Agent – Shelley E Mabbott

It is not anticipated that Encumbrances a) or b) will have any effect on the proposed development of the Lands.

Encumbrance c) relates to a mortgage previously held by Mylonas and is to be discharged by Mylonas.

Encumbrance d) relates to an option to purchase held by Mylonas with respect to the commercial use portion of the Building to be constructed upon the Lands. See Items 2.6 The Building and 2.6.1 The Option.

Prior history of the Lands indicates that a Petro-Canada Gas Station was operating on the Lands until it closed in June of 1999. SEACOR Environmental Engineering Inc. ("SEACOR") completed an environmental assessment of the Lands on June 30, 1999. A Limited Phase II Environmental Site Assessment was completed on November 26, 2001.

Decommissioning activities of the Gas Station occurred October 11-19, 2002. A Site Decommissioning Summary Report was finalized on July 2, 2003. SEACOR developed a remediation plan in accordance with Alberta Environment, and Alberta Environment approved the plan on July 15, 2003.

The Lands underwent a thorough remediation process including replacement of a substantial portion of the soil. Alberta Environment, in a letter dated October 22, 2003, reviewed the SEACOR Remediation Status Report with respect to the Lands and concluded that all remediation activities were conducted satisfactorily and subsequently closed their file on the Lands.

FPI considers the Lands to be suitable for development and construction of a small commercial building due to its location and the high demand for professional office space in the City of Calgary.

2.6 The Building

FPI intends on building a small commercial building of approximately 30,000 square feet (the "Building"). It is anticipated the Building will be comprised of 5 floors and have 3 levels of underground heated parking, with approximately 53 parking stalls. FPI intends to register a condominium plan with respect to the Building to create separate titled units within the Building. The units comprising the Building will be made available for lease to small to medium professional enterprises upon the Lands on floors 2 through 5.

The ground floor of the building will consist of the commercial use space, to which the Option applies. See Item 2.6.1 The Option.

The building / construction process with respect to the Building is expected to be comprised of three stages, which are as follows:

1. Permit application and approval
2. Engagement of construction company
3. Physical construction of structure

FPI has retained the services of Poon McKenzie Architects to provide the following services:

- (a) Review FPI's program relating to building requirements.
- (b) Obtain building permits and site development review and approval.
- (c) Prepare the schematic design for the Building.
- (d) Retain and coordinate consultants for engineering services including structural, mechanical, electrical, as well as landscape architectural services.
- (e) Prepare drawings and other documents for the Building relating to the architectural, structural, mechanical and electrical systems, as well as other materials and elements as appropriate.
- (f) Prepare drawings and specifications detailing the requirements for construction of the Building.
- (g) Oversee construction activities including supplemental details and drawings, preparing change orders, issuing certificates for payment and substantial performance, review of contractors' documentation, general field review and 1 year warranty review.

FPI anticipates that necessary permits from the City of Calgary approving the development of Building will be issued in 2008.

If any of the approvals are not obtained, FPI may be unable to complete development of the Lands and construction of the Building and may be forced to sell the Lands. Failure by FPI to obtain such approvals may result in the sale price of Lands being substantially less than the aggregate amount of the FPI Loan, resulting in a reduced return (or loss) on a subscribers' investment in the Bonds.

2.6.1 The Option

As term of the Purchase Agreement, FPI will become the assignee, as Vendor, of an Option to Purchase and Agreement of Purchase and Sale with Mylonas. The following is a summary of some of the material terms of this Agreement:

- Mylonas shall have the option to purchase (the "Option") the unit of the Building comprising the main floor of the Building (the "Main Floor Unit"), which is to consist of approximately 4000 square feet for a purchase price equal to the actual construction cost of the Main Floor Unit plus the land value of the Main Floor Unit at the time of exercise of the Option plus an administration fee of 15% of the actual construction cost of the Main Floor Unit.
- FPI shall provide Mylonas with 120 days notice of the date on which the Main Floor Unit may be occupied (the "Occupation Date"). Mylonas may exercise the Option within 30 days of being provided by such notice by FPI.
- Should Mylonas exercise the Option, the closing date of the sale of the Main Floor Unit will be the Occupation Date.
- FPI is obligated to obtain approvals for construction of the Building by August 2009. Mylonas shall have the right to approve any subdivision and condominium plan application made by FPI with respect to the Building.
- FPI shall be obligated to construct the Main Floor Unit in accordance with certain finishing specifications provided for within the Option to Purchase and Agreement of Purchase and Sale.

2.7 Development Budget

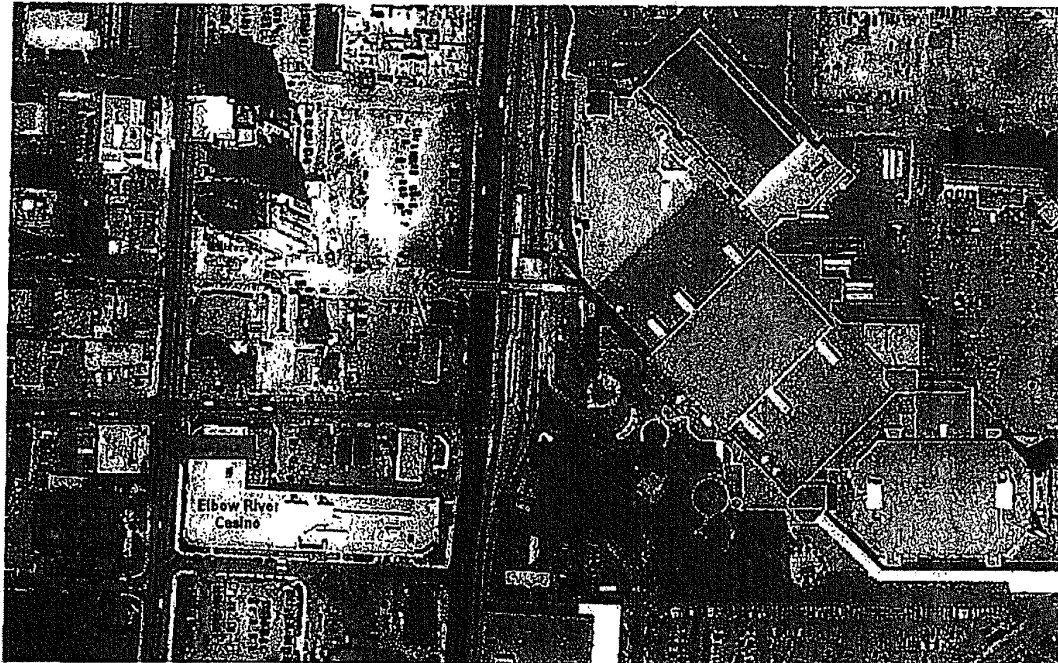
FPI has received quotations from qualified contractors that indicate the current estimated costs associated with the construction of the Building are as follows:*

Land Cost		\$4,500,000
Projected Building Construction Costs	@ \$329 sq. ft.	\$10,351,656
Projected Soft Costs	@ 25% of construction costs	\$2,587,914
Total Projected Costs		\$17,439,570

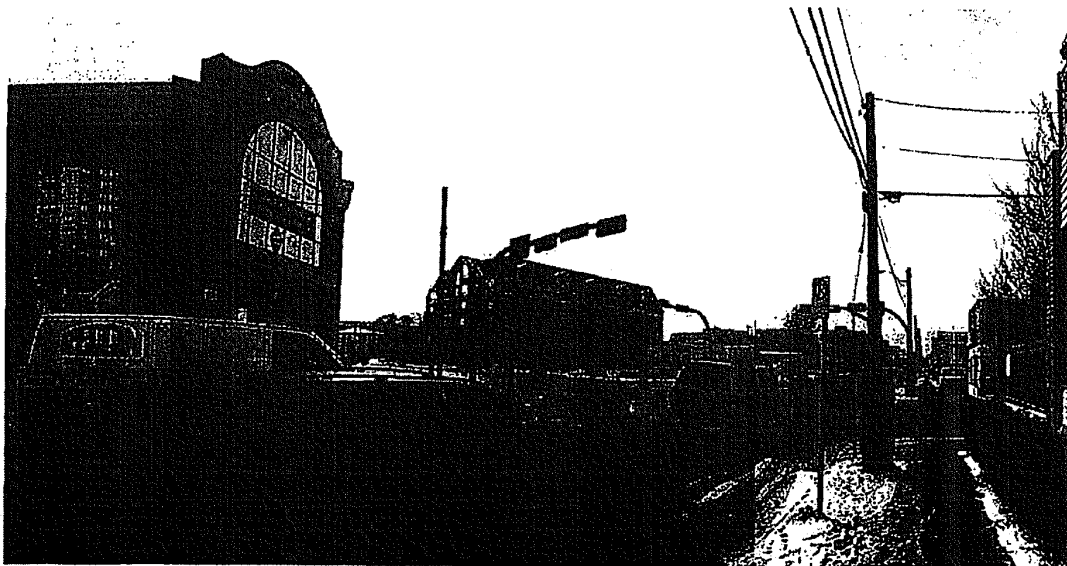
* The estimated costs are subject to certain uncertainties and factors which could cause actual results or events to differ materially from these estimates. Although the Corporation believes that the estimates received by FPI are reasonable, no assurance can be given that the estimates are in all material respects correct or that they will not be greater than anticipated. As such the estimated costs are expressly qualified in their entirety by this cautionary statement. See Item 8 Risk Factors.

2.8 Photographs of the Lands

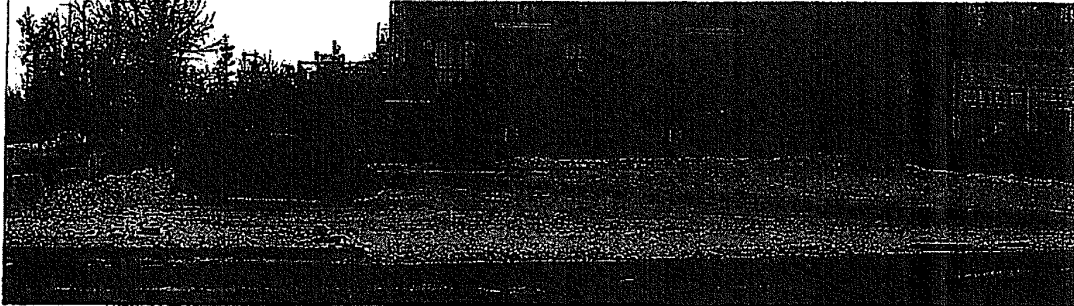
The following is an aerial photograph of the lands obtained from Google Earth showing the Lands outlined in red.



The following is a photograph of the Lands in relation to the Elbow River Casino on Macleod Trail South in Calgary, AB.

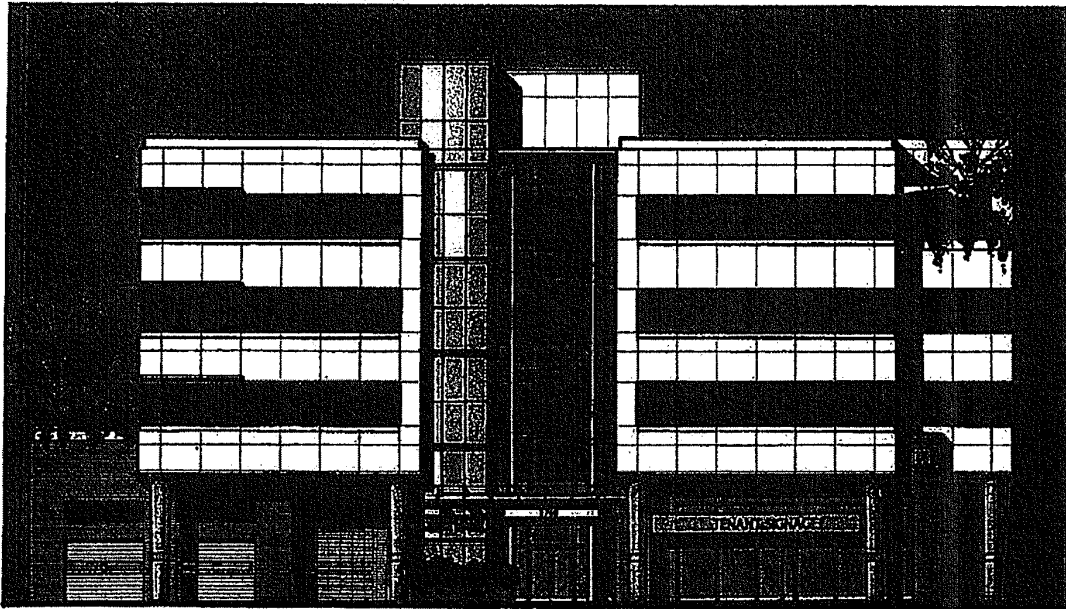


The following is a photograph of a south facing view of the Lands.



2.9 Development Rendering

The following is an artist's rendering of the proposed Building.*



* The final building plan is expected to vary from this rendering.

2.10 FPI Financing*

The funds raised pursuant this Offering, and loaned to FPI, will not be sufficient to allow FPI to completely develop the Lands. If successful in acquiring the Lands, FPI will obtain Institutional or other third party financing to fund the development of the Lands and construction of the building. FPI may also seek to raise funds for the development of the Lands from additional sales of equity of FPI.

* Ron Aitkens, the sole Officer and Director of the Corporation is also the sole Officer and Director of FPI and owns 100% of the issued and outstanding Class A preferred shares in FPI.

2.11 Development of Business

To facilitate the acquisition and development of the Lands, the Corporation has agreed to lend funds to FPI. See Item 2.15.2 Loan Agreement with Foundation Place Inc.

2.12 Long Term Objectives

The Corporation's long term goal is to raise up to \$8,500,000 the majority of the net proceeds of which will be advanced to FPI pursuant to the FPI Loan and to manage the collection of interest and principal from the FPI Loan and to provide a return to purchasers of Bonds pursuant to this Offering.

2.13 Short Term Objectives and How the Corporation Intends to Achieve Them

The Corporation's goal for the next twelve (12) months is to raise up to \$8,500,000 for the purpose of loaning the majority of the net proceeds to FPI.

The following outlines the Corporation's short-term objectives and the methods and costs associated with the achievement thereof.

What we must do and how we will do it	Target completion date or, number of months to complete	Our cost to complete
Raise up to \$8,500,000 and advance the majority of the net proceeds pursuant to the FPI Loan	12 months	\$875,000

2.14 Insufficient Proceeds and Cash Reserves

The majority of the net proceeds raised from this Offering will be committed to the FPI Loan. The Corporation does not intend to hold any significant cash reserves, other than those amounts necessary to pay for all administration and operating expenses incurred by the Corporation in the conduct of its business. A purchaser of Bonds will not be required to contribute any additional funds over and above its subscription amount. The proceeds of this Offering may not be sufficient to accomplish all of the Corporation's proposed objectives.

2.15 Material Agreements

The following are the key terms of all material agreements which the Corporation has or expects to enter into and which can reasonably be regarded as presently being material to the Corporation or a prospective purchaser of Bonds being offered pursuant to this Offering.

2.15.1 FPI Purchase Agreement

See Item 2.4 FPI Purchase Agreement.

2.15.2 Loan Agreement with Foundation Place Inc.

The Corporation expects to enter into a loan agreement with FPI, some of the anticipated terms of which are summarized below:

- (a) **Loan Amount:** \$900,000 to \$8,500,000. The Loan amount will be contingent upon the amount of funds raised pursuant to this Offering.
- (b) The Corporation will not be required to advance the Loan unless it raises the Minimum Offering of \$900,000 pursuant to this Offering.
- (c) **Interest Rate:** 7.5% per annum
- (d) **Maturity Date:** March 31, 2012
- (e) **Payments:** There shall be no payments of principal or interest made by FPI during the term of the Loan. FPI shall make a lump sum payment of the principal amount and all accrued interest on March 31, 2012.
- (f) **Security:** The Loan shall be secured by way of a first mortgage against title to the Lands (subject to the qualification set forth below) together with such other commercially reasonable security as shall be agreed to between the Corporation and FPI. The Corporation's Mortgage will be subordinated to development financing obtained by FPI with respect to development of the Lands.
- (g) **Additional Terms:** All fees, costs, interest and commissions incurred by the Corporation with respect to this Offering and the Loan shall be classified as a loan fee and shall be payable by FPI to the Corporation and shall form part of the principal of the Loan.
- (h) **Prepayment:** The Loan may be repaid by FPI in part or in full at anytime without notice or penalty.

2.15.3 Administration Agreement with Eyelogic Systems Inc.*

The Corporation has entered into an agreement with Eyelogic dated February 12, 2008, some of the terms of which are summarized below (the "Eyelogic Agreement"):

- (a) Eyelogic shall organize all requisite shareholders meetings and vote its shares at shareholders meetings of the Corporation.
- (b) The Corporation shall pay Eyelogic an annual administration fee equal to 1/20 of 1% on funds raised between \$500,000 and \$5,000,000 from Registered Plans pursuant to this Offering and 1/40 of 1% on any funds raised from Registered Plans in excess of \$5,000,000.
- (c) The term of the Eyelogic Agreement is for a minimum period of 2 years.
- (d) The Eyelogic Agreement is renewable upon mutual agreement between Eyelogic and the Corporation.
- (e) See Item 2.2 Voting Control – Eyelogic Systems Inc. for additional terms of the Eyelogic Agreement.

*As of the date of this Offering, Eyelogic owns 60% of the issued and outstanding Class A Preferred shares in the Corporation. See Item 3.1 Compensation and Securities Held.

2.15.4 Consulting Agreement with KMC Capital Inc. ("KMC")*

The Corporation has entered into an agreement with KMC dated February 12, 2008, some of the terms of which are summarized below (the "KMC Agreement"):

- (a) On the Corporation's behalf, KMC has arranged the participation of Eyelogic as controlling shareholder of the Corporation.
- (b) The Corporation shall pay KMC an annual fee equal to the greater of \$2,500 or 9/20 of 1% of funds raised from Registered Plans pursuant to this Offering and 9/40 of 1% on any funds raised from Registered Plans in excess of \$5,000,000.
- (c) The term of the KMC Agreement is for a minimum period of 2 years; and
- (d) The KMC Agreement is renewable upon mutual agreement between KMC and the Corporation.

The aggregate amount of fees paid to Eyelogic and KMC pursuant to Items 2.15.3 and 2.15.4 will total the greater of \$2,500 or ¼ of 1% on up to \$5,000,000 of funds raised from Registered Plans pursuant to this Offering and ¼ of 1% on any funds raised in excess of \$5,000,000.

*An Officer and Director of Eyelogic is also an Officer, Director and shareholder of KMC.

ITEM 3 - DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held

The following table provides specified information about each Director, Officer and promoter of the Corporation and each person who directly or indirectly beneficially owns or controls 10% or more of any class of voting securities of the Corporation (a "Principal Holder"). Where the Principal Holder is not an individual, the following table provides the name of any person that directly or indirectly, beneficially owns or controls more than 50% of the voting rights of the Principal Holder. The Corporation has not completed its first financial year and no compensation has been paid since its inception:

Name and municipality of principal residence	Position held	Compensation paid by the Corporation since inception and the compensation anticipated to be paid in current financial year	Number, type and percentage of securities held after completion of the Minimum Offering	Number, type and percentage of securities held after the completion of the Maximum Offering
Eyelogic Systems Inc. Calgary, Alberta	Shareholder	\$3,375 ⁽¹⁾	60,000 Class A Preferred Shares (60%)	60,000 Class A Preferred Shares (60%)
Ron Aitkens Lethbridge, Alberta	President, Director and Shareholder	Nil	40,000 Class A Preferred Shares (40%)	40,000 Class A Preferred Shares (40%)

⁽¹⁾ Assuming the maximum fee payable pursuant to the Eyelogic Agreement. See Item 2.15.3 Administration Agreement with Eyelogic Systems Inc.

3.2 Management Experience

The names and principal occupations of each of the Directors and Officers of the Corporation over the past five years are as follows:

Name and Position	Principal Occupation and Related Experience
Ron Aitkens President and Director	President, Harvest Financial Services Inc., 1994 – Present President, Harvest Capital Management Inc., 2000 – Present President, Foundation Capital Corporation, 2005 – Present President, Legacy Communities Inc., 2005 – Present President, Airdrie Country Estates Inc., 2006 – Present President, Rockyview Estates Corp., 2006 – Present President, Spruce Ridge Estates Inc., 2007 – Present President, Foundation Mortgage Corporation, 2007 – Present President, Railside Industrial Park Inc., 2008 – Present Harvest Financial Services Inc. and Harvest Capital Management Inc. are involved in the offering of commercial real estate syndications through Limited Partnerships. Foundation Capital Corporation is involved in the offering of raw land syndications through the sale of bonds and shares. Legacy Communities is involved in the acquisition and potential development of a parcel of land located in the Elbow Valley area of Calgary, AB. Airdrie Country Estates and Rockyview Estates both acquired parcels of land in the Municipal District of Rockyview, AB for potential subdivision and development. Spruce Ridge Estates Inc. is involved in the acquisition and potential development of multiple parcels of land located near the town of Priddis, AB. Foundation Mortgage Corporation is involved in the financing of real estate acquisitions and developments in which Ron Aitkens is involved. Railside Industrial Park Inc. is involved in the acquisition and development of an industrial park located adjacent to the town of Millet, AB.

3.3 Penalties, Sanctions and Bankruptcy

There are no penalties or sanctions that have been in effect during the last ten (10) years against an Officer, Director or control person of the Corporation or against a company of which any of the foregoing was an Officer, Director or control person. Subject to the following, no declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager, or trustee to hold assets, has been in effect during the last ten (10) years with regard to those individuals or any companies of which any of those individuals was an Officer, Director or control person at that time.

ITEM 4- CAPITAL STRUCTURE

4.1 Share Capital

Description of Security	Number authorized to be issued	Number outstanding as at February 12, 2008	Number outstanding assuming completion of Minimum Offering	Number outstanding assuming completion of Maximum Offering
Class A Preferred Shares	Unlimited	100,000	100,000	100,000
Class B Common Shares	Unlimited	Nil	Nil	Nil

Class A Preferred Shares and Class B Common Shares

There are special rights and restrictions attached to the Class A Preferred Shares (the "Class A Shares") and the Class B Common (the "Class B Shares") shares of the Corporation. The following is a brief summary of certain of these rights and restrictions:

- (a) **The Corporation is authorized to issue an unlimited number of Class A Preferred Shares having attached thereto, as a class, the following rights, privileges, restrictions and conditions:**

Voting Rights - The holders of the Class A Shares shall be entitled to receive notice of, to attend and to vote at all meetings of the shareholders of the Corporation. Each Class A Share shall confer on the holder thereof the right to one vote in person or by proxy at all meetings of shareholders of the Corporation.

Dividend Entitlement - The holders of Class A Shares are not entitled to participate in the profits of the Corporation and are not entitled to receive any dividends.

Entitlement on Dissolution or Winding-Up - In the event of a reduction of capital or the liquidation, dissolution or winding-up of the Corporation or other distribution of property or assets of the Corporation among its shareholders for the purpose of winding-up its affairs (a "Winding-Up Event"):

- (i) Prior to the Class A shareholders receiving any consideration in the occurrence of a Winding-Up Event, any bondholders of the Corporation at the time of such Event shall be entitled to receive from the Corporation an amount equal to the face value of their bond together with any accrued interest thereon up to the date of payment (the "Redemption Amount") in priority to any distribution of any of the Corporation's assets or property to the Class A Shareholders. If the Corporation does not have sufficient property or assets to pay the aggregate of the Redemption Amount then each bondholder will be entitled to their pro rata share of the Corporation's property or assets in priority to the Class A shareholders; and
- (ii) The holders of the Class A Shares shall be entitled to receive an amount equal to the aggregate amount paid up capital on the Class A Shares held by them respectively after repayment of the aggregate Redemption Amount and in the event that there is not sufficient property or assets to return the entire amount of paid up capital thereon to all shareholders, the amount available for distribution shall be distributed to the shareholders on a pro rata basis according to the number of Class A Shares owned by each shareholder.

- (b) **The Corporation is authorized to issue an unlimited number of Class B Common Shares having attached thereto, as a class, the following rights, privileges, restrictions and conditions:**

Voting Rights - The holders of the Class B Shares shall not be entitled to receive notice of, to attend or vote at any meetings of the shareholders of the Corporation.

Dividend Entitlement - The right, subject to any preferential rights attaching to any other class or series of shares of the Corporation, to receive dividends as, when and if declared on the Class B shares by the Corporation. No dividend may be declared or paid on the Class B shares if payment of the dividend would cause the realizable value of the Corporation's assets to be less than the aggregate of its liabilities and the amount required to redeem any bonds issued by the Corporation then outstanding having attached thereto a right of redemption or retraction.

Entitlement on Dissolution or Winding-Up - The right, subject to any preferential rights attaching to any bonds issued by the Corporation, to share in the remaining property of the Corporation upon dissolution after all the Class A Shareholders have received payment of the aggregate amount of paid up capital held by each Class A shareholder.

4.2 Long Term Debt

As of February 12, 2008, the Corporation has no outstanding long term debt. In the event the Corporation is successful in raising funds pursuant to this Offering, it will have the following unsecured debt obligations to subscribers through the issue of Bonds offered by the Corporation pursuant to this Offering:

Description of Security	Number authorized to be Issued	Number outstanding as at February 12, 2008	Number outstanding assuming completion of Minimum Offering	Number outstanding assuming completion of Maximum Offering
Redeemable Bonds	85,000	Nil	9,000 ⁽¹⁾ Representing a debt obligation of \$900,000 to subscribers under this Offering plus 7% interest thereon	85,000 ⁽¹⁾ Representing a debt obligation of \$8,500,000 to subscribers under this Offering plus 7% interest thereon

⁽¹⁾ See Item 5.1 Terms of Securities, for the terms of the Bonds offered pursuant to this Offering.

4.3 Prior Sales

As of February 12, 2008 there are 100,000 Class A Preferred Shares of the Corporation issued and outstanding.

Date of issuance	Type of security issued	Number of Securities issued	Price per share	Total funds received
February 12, 2008	Class A Preferred Shares	100,000	\$0.01 per 1 Class A Preferred Share	\$1000

ITEM 5 - SECURITIES OFFERED

5.1 Terms of Securities

Securities: The securities being offered pursuant to this Offering are fixed rate redeemable Bonds. The price of each Bond is \$100. The minimum number of Bonds that may be purchased by a subscriber is one hundred (100) Bonds for a minimum investment of \$10,000. There is no maximum number of Bonds allocated to any Purchaser.

Term and Redemption: The Bonds shall mature on March 31, 2012 (the "Maturity Date"). Subject to the Corporation's right of early redemption, the Corporation shall redeem the Bonds on the Maturity Date through the payment of the principal amount of the Bonds and all accrued and unpaid interest thereon to the date of payment of such sums.

Early Redemption: The Corporation may redeem Bonds at any time during the term of the Bonds by providing the bondholder with 90 days written notice of its intention to do so, through the payment of the principal amount of the Bonds and all accrued and unpaid interest thereon to the date of payment.

Interest: Each Bond will entitle the holder thereof to simple interest at a fixed rate of 7.0% per annum to accrue from the date of issue of the Bonds until March 31, 2012. Interest payments shall be paid to Bondholders at such times and in such manner as the Corporation in its sole discretion determines. Notwithstanding the foregoing, and subject to the Corporation's right of early redemption, all accrued and unpaid interest accruing between the date of issue of the Bonds and March 31, 2012, shall be paid by the Corporation to the bondholders on March 31, 2012.

Obligations Unsecured: The Corporation's debt obligations represented by the Bonds are unsecured obligations and will rank *pari passu* amongst themselves and with all other unsecured and unsubordinated obligations of the Corporation except for such preferences as provided for under applicable law.

Funding of Redemption: Management of the Corporation shall have sole discretion in how the Corporation will fund or finance the redemption of the Bonds. Management may decide to use its existing cash on hand if any, raise additional capital or equity in the Corporation, or borrow money to accomplish the redemption of the Bonds or use a combination of the above methods. There is no assurance that any of the above methods of funding the redemption of the Bonds will be successful or if accomplished will raise enough funds to redeem all of the Bonds. It is possible that the Corporation may not have the financial ability to redeem all or any Bonds upon maturity. In this event the provisions contained under the heading "Entitlement on Liquidation, Dissolution and Winding Up" of Item 4 Capital Structure may apply.

Limited Recourse: Recourse under the Bonds will be limited to the principal sum of the Bonds plus any unpaid and outstanding accrued interest thereon. There is no additional recourse by the bondholder for any deficiency in value of the Bonds in the event of non-payment or default by the Corporation of redemption of the Bonds at maturity.

An Investor in the Bonds should understand that EyeLogic's assets and management are not in any way committed to the activities of the Corporation and EyeLogic does not encourage or discourage participation in this Offering.

5.2 Subscription Procedures

(a) Subscription Documents

Subscribers wishing to subscribe for Bonds will be required to enter into a Subscription Agreement with the Corporation which will contain, among other things, representations, warranties and covenants by the subscriber that it is duly authorized to purchase the Bonds, that it is purchasing the Bonds as principal and for investment and not with a view to resale and as to its corporate or other status to purchase the Bonds and that the Corporation is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell securities through a person or company registered to sell securities under applicable securities laws and as a consequence of acquiring the securities pursuant to this exemption, certain protections, rights and remedies, provided by applicable securities laws, including statutory rights of rescission or damages, will not be available to the Subscriber.

Reference is made to the Subscription Agreement attached as Schedule A to this Offering Memorandum for the terms of these representations, warranties and covenants.

In order to subscribe for Bonds, a purchaser must complete, execute and deliver the following documentation to Foundation Capital Corporation at 6163 – 6th Street SE, Calgary, Alberta, T2H 1L9:

1. one (1) completed and signed copy of the Subscription Agreement (including any schedules attached thereto);
2. a certified cheque, trust cheque, or bank draft in an amount equal to the Aggregate Subscription Amount (as set forth in the Subscription Agreement), payable to "Douglas Alger Law in Trust";
3. completed and executed copies of the appropriate investor qualification form(s). The appropriate form(s) to be completed depend on your place of residence and on the amount of your investment:
 - (i) if you are resident in British Columbia, Alberta, Saskatchewan or Manitoba, you must submit one (1) completed and signed copy of the Risk Acknowledgment Form attached to the Subscription Agreement as Schedule B;
 - (ii) if you are resident in Alberta, Saskatchewan or Manitoba and your subscription for Bonds is for more than \$10,000, you must submit one (1) completed and signed copy of the Representation Letter attached to the Subscription Agreement as Schedule C; and
 - (iii) If you are resident in Ontario and you are purchasing Bonds as an "accredited investor" (as such term is defined by National Instrument 45-106 *Prospectus and Registration Exemptions* ("NI 45-106"), one (1) completed and signed copy of the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule D.

Subject to applicable securities laws, and the Purchaser's two-day cancellation right, a subscription for Bonds, evidenced by a duly completed Subscription Agreement delivered to the Corporation shall be irrevocable by the Subscriber. See Item 11 Purchasers' Rights.

Subscriptions for Bonds will be received, subject to rejection and allotment, in whole or in part, and subject to the right of the Corporation to close the subscription books at any time, without notice. If a subscription for Bonds is not accepted, all subscription proceeds will be promptly returned to the Subscriber without interest.

The closing of the Minimum Offering of \$900,000 amount is scheduled to occur on or before March 21, 2008. However, prior closings may occur periodically as determined by the Corporation. It is expected that certificates representing the Bonds will be available for delivery within a reasonable period of time after the relevant closing date (s). If the Minimum Offering of \$900,000 is not met prior to March 21, 2008, collected funds will be returned to the respective parties by April 5, 2008 without interest.

The subscription funds will be held until midnight of the second business day subsequent to the date that each Subscription Agreement is signed by the Subscriber.

(b) Distribution

The offering is being conducted:

- (i) in the Provinces of British Columbia, Alberta, Saskatchewan and Manitoba pursuant to the exemptions from the prospectus requirements afforded by Section 2.9 of NI 45-106; and
- (ii) in the Province of Ontario pursuant to the exemption from the prospectus requirements afforded by Section 2.3 of NI 45-106.

The exemption pursuant to Section 2.9 of NI 45-106 is available for distributions to investors in British Columbia, Alberta, Saskatchewan or Manitoba purchasing as principals, who receive this Offering Memorandum prior to signing the Subscription Agreement and who sign a Risk Acknowledgment Form attached to the Subscription Agreement as Schedule B.

In addition, Alberta, Manitoba and Saskatchewan investors relying on the exemption set out in Section 2.9 of NI 45-106 must also sign the Representation Letter attached to the Subscription Agreement as Schedule C if their subscription for Bonds is for more than \$10,000.

The exemption pursuant to Section 2.3 of NI 45-106 is available for distributions to investors in the Province of Ontario purchasing as principal and who are "accredited investors" as defined in NI 45-106 and that sign the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule D.

The foregoing exemptions relieve the Corporation from the provisions of the applicable securities laws of each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario which otherwise would require the Corporation to file and obtain a receipt for a prospectus. Accordingly, prospective investors for Bonds will not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by securities regulatory authorities.

The exemptions from the registration requirements contained in the applicable securities laws of each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario allow the Corporation to offer the Bonds for sale directly to the investors.

ITEM 6- INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

6.1 Summary of Principal Federal Income Tax Consequences.

Qualified Investments for RRSP and RRIF

The Income Tax Act [Canada] (the "Tax Act") and regulations thereunder (the "Regulations") provide generally that a Bond or similar obligation of a Canadian corporation (as defined in the Tax Act) which is controlled directly or indirectly by one or more corporations whose shares are listed on a prescribed stock exchange in Canada will constitute a "qualified investment" for an RRSP or RRIF (each, a "Registered Plan").

The Corporation is a Canadian corporation. As a result, the Bonds will constitute a qualified investment for Registered Plans provided the shares of Eyelogic are listed on a stock exchange referred to in section 3200 of the Regulations and as long as Eyelogic controls the Corporation. There is no agreement which restricts the ability of Eyelogic to vote its shares of the Corporation or appoint a majority of the Board of Directors of the Corporation. As such, Eyelogic should be considered to control the Corporation.

The income tax information herein was provided by Collins Barrow Calgary LLP, Chartered Accountants, and it is based on the current provisions of the Income Tax Act, the Regulations thereunder and known administrative practices of the Canada Revenue Agency ("CRA").

ITEM 7 - COMPENSATION PAID TO SELLERS AND FINDERS

The Corporation reserve the right, as allowed by applicable securities legislation, to retain agents to help affect sales of the Bonds. The Corporation reserves the right, as allowed by applicable securities legislation, to retain agents to help effect sales of the Bonds. If an agent is retained, the agent will be paid aggregate fees and commissions of up to 10% of the gross proceeds realized on the Bonds sold by such agent. The Corporation may compensate its employees and consultants up to 10% of the gross proceeds realized on the sale of the Bonds for soliciting subscriptions for the Bonds with respect to Bonds not sold by an agent. The Corporation may compensate its Officer and Director up to 10% of the gross proceeds realized on the sale of the Bonds with respect to the Bonds not sold by an agent.

ITEM 8 - RISK FACTORS

The purchase of Bonds pursuant to this Offering should only be made after consulting with independent and qualified sources of investment and tax advice. Investment in the Bonds at this time is highly speculative. The Corporation's business involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Purchasers of Bonds must rely on the ability, expertise, judgement, discretion, integrity and good faith of the management of the Corporation. This Offering is suitable for investors who are willing to rely solely upon the management of the Corporation and who could afford a total loss of their investment.

In addition to factors set forth elsewhere in this Offering Memorandum, potential Subscribers should carefully consider the following factors, which are inherent to the ownership of the Bonds. The following is a summary only of the risk factors involved in an investment in the Bonds. Prospective investors should review the risks with their legal and financial advisors.

Investment and Issuer Risk

1. The Corporation does not have any operational history and no history of earnings. Accordingly, there is no operating history upon which to base an evaluation of the Corporation and its business and prospects. The Corporation is in the early stage of its business and therefore is subject to all risks associated with early stage companies, including: start up losses, uncertainty of revenues, markets and profitability, the need to raise additional funding, the evolving and unpredictable nature of the Corporation's business. There can be no assurance that the Corporation will be successful in doing what it is required to do to overcome these risks. No assurance can be given that the Corporation's business activities will be successful.
2. An investment in the Bonds of the Corporation is an illiquid investment. There is currently no market through which the Bonds of the Corporation may be sold. The Corporation is not a "reporting issuer" in any jurisdiction, and a prospectus has not qualified the issuance of the Bonds. The Bonds are subject to a number of restrictions respecting transferability and resale, including a restriction on trading imposed by applicable securities laws. Until the restriction on trading expires, you will not be able to trade the Bonds unless you comply with an exemption from the prospectus and registration requirements under securities legislation. See Item 10 Resale Restrictions.
3. The Bonds offered pursuant to this Offering Memorandum are not insured against loss through the Canadian Deposit Insurance Corporation or any other insurance company or program.
4. The Corporation will have a limited amount of working capital as the majority of the proceeds from this Offering will be advanced to FPI pursuant to the FPI Loan.
5. The Corporation may find it necessary in the future to obtain additional debt or equity to support ongoing operations. There can be no assurance that additional financing will be available to the Corporation when needed or on terms acceptable to the Corporation.
6. The tax consequences associated with an investment in Bonds may be subject to changes in federal and provincial tax laws. There can be no assurance that the tax laws will not be changed in a manner that will fundamentally alter the income tax consequences to investors holding or disposing of Bonds. In the event that Eyelogic ceases to control the Corporation, cease to be listed on a recognized stock exchange or is deemed not to control the Corporation for the purposes of the Tax Act, there may be adverse tax consequences to a subscriber for Bonds. There is also a risk that CRA may reassess the returns of Subscribers relating to their investments in the Bonds. No advance income tax ruling has been applied for or received with respect to the income tax consequences described in the Offering Memorandum. See Item 6 Income Tax Consequences and RRSP Eligibility.
7. Conflicts of Interest - The Director and Officer of the Corporation will not be devoting all of his time to the affairs of the Corporation, but will be devoting such time as required to effectively manage the Corporation. The Director and Officer of the Corporation is engaged and will continue to be engaged in the search for business prospects on his own behalf and on behalf of others.

The Director and Officer of the Corporation is also the sole Director, Officer and will be the sole voting shareholder of FPI. As a result there may be an inherent conflict of interest with respect to the Officer and Director of the Corporation in the event of a default by FPI under the FPI Loan.

There are potential conflicts of interest to which the Director and Officer of the Corporation may be subject in connection with the operations of the Corporation. Situations may arise where the Director and Officer will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies under the Business Corporations Act (Alberta).
8. Subscribers under this Offering will not have the benefit of a review of this Offering Memorandum by any regulatory authorities.
9. The Loan by the Corporation to FPI will be secured by a postponable first mortgage on the Lands. See Item 2.15.2 Loan Agreement with Foundation Place Inc. In the event that FPI defaults in obligations under the FPI Loan, the Corporation will have to enforce its security registered against FPI's assets. There may be intervening encumbrances or other interests of other third parties that may stand in priority to the Corporation's security, which may prevent the Corporation from realizing on or enforcing some or all of its security against the assets of FPI. There may be principals at law or at equity that may prevent the Corporation from enforcing some or all of its security against FPI or its assets. The assets of FPI may not have a sufficient value to satisfy any outstanding debt obligations to the Corporation.

10. The Corporation's short and long term objective is to raise funds to loan to FPI to facilitate the purchase of the Lands. A return on investment for a purchaser of Bonds is dependant upon FPI's ability to meet its obligations of principal and interest pursuant to the FPI Loan. As a result, there is no assurance or guarantee that the Corporation and, correspondingly, the purchasers of Bonds pursuant to this Offering will earn a return on their investment.
11. The following are some of the risk factors included in the FPI Offering Memorandum that are inherent to the FPI Offering. As the sole asset of the Corporation will be the FPI Loan, these factors are also inherent with respect to an investment in the Bonds. These factors as well as other factors referred to in this Memorandum could adversely affect FPI's ability to repay the Loan. Subscribers should review these risks with their legal and financial advisors. Capitalized terms below are defined in the FPI Offering Memorandum. All references below to "Corporation" are to FPI.

1. Risks of Real Property Ownership

Real estate developments and investments are generally subject to varying degrees of risk depending on the nature of the property. Such risks include changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as the supply of competing lands in the area), government regulation (such as taxation of property and environmental legislation) and the attractiveness of properties to potential purchasers. In addition, each segment in the real estate development industry is capital intensive and is typically sensitive to interest rates. Any income generated by the sale of the Lands or leasing of the Building is dependent upon general economic conditions and, accordingly, the ability of the Corporation to repay its financing may be affected by changes in those conditions. The Corporation will be required to make certain significant expenditures in respect of its business including, but not limited to, the payment of property taxes, mortgage payments, insurance costs and related charges which must be made regardless of whether or not the leasing of the Building produces sufficient income to service such expenses. In addition, the Lands may be used as security to obtain financing for the acquisition of the Lands. If the Corporation is unable or unwilling to meet the payment obligations on such loans, losses could be sustained as a result of the exercise by the lenders of their rights of foreclosure or sale.

2. Investment Not Liquid

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and for the perceived desirability of, the investment. Such illiquidity may tend to limit the Corporation's ability to vary its asset base promptly in response to changing economic or investment conditions.

3. Environmental Matters

Under various environmental laws, ordinances and regulations, the current or previous owner or operator of real property may be liable for the costs of removal or remediation of hazardous or toxic substances on, under or in such property. Such laws could impose liability whether or not the Corporation knew of, or was responsible for, the presence of such hazardous or toxic substances. The presence of hazardous or toxic substances, or the failure to remove or remediate such substances, if any, could adversely affect the Corporation's ability to sell such the Lands or to borrow using the Lands as collateral and could potentially also result in claims against the Corporation. The Corporation is not aware of any material non-compliance with environmental laws with respect to the Lands. The Corporation is also not aware of any claims in connection with the breach of environmental laws involving the Lands.

4. Market Risks

The economic performance and value of the Corporation's investment in the Lands will be subject to all of the risks associated with investing in real estate, including, but not limited to:

- changes in the national, regional and local economic climate;
- local conditions, including an oversupply of properties like the Lands, or a reduction in demand for properties like the Lands;
- the attractiveness of all or parts of the Lands to purchasers or potential tenants of the Building;
- competition from other available properties; and
- changes in laws and governmental regulations, including those governing usage, zoning, the environment and taxes.

5. Operating History

The Corporation is newly formed and does not have a record of achievement to be relied upon. The Corporation's operations are subject to all the risks inherent in the establishment of a new business enterprise, including a lack of operating history. The Corporation cannot be certain that its investment strategy will be successful. The likelihood of the success of the Corporation must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business and real estate investment. If the Corporation fails to address any of these risks or difficulties adequately, its business will likely suffer. Future profits, if any, will depend upon various factors, including the marketability of the Building for purposes of leasing and sale of the Lands, government regulations and enforcement and general economic conditions. There is no assurance that the Corporation will ultimately sell the Lands or lease the Building for a profit.

6. Reliance on Management

Decisions regarding the management of the Corporation's affairs will be made exclusively by its Officer and Director. Accordingly, investors must carefully evaluate the personal experience and business performance of the Officer and Director of the Corporation. The Corporation may retain independent contractors to provide services to the Corporation. These contractors have no fiduciary duty to the Corporation.

7. Major Asset

The Lands represents the major asset of the Corporation and therefore the Corporation's financial performance is directly tied to the value of this particular asset. The Corporation does not have a large portfolio of diverse real estate assets, therefore, its success is dependent on the success of the sale of the Lands or leasing of the Building for profit.

8. Debt Financing

The Corporation will be subject to the risks associated with debt financing, including the risk that mortgage indebtedness secured by the Lands will not be able to be refinanced or that the terms of refinancing will not be as favourable as the terms of existing indebtedness.

9. Interest Rate Fluctuations

Financing by the Corporation may include indebtedness with interest rates which may fluctuate over time and which will result in fluctuations in the Corporation's cost of borrowing.

10. Permits and Approvals

If any of the required permits are not obtained, the Corporation may be unable to complete development of the Lands and construction of the Building and may be forced to sell the Lands. Failure by the Corporation to obtain such approvals may result in the sale price of Lands being substantially less than the aggregate amount of the Loan, resulting in a reduced return (or loss) on Purchasers' investments in the Bonds offered by the FPC Offering.

ITEM 9 - REPORTING OBLIGATIONS

9.1 Reporting to Bondholders

The Corporation is not a reporting issuer in any jurisdiction. It is therefore not required to disclose material changes which occur in its business and affairs, nor is it required to file with the securities regulatory authorities or to provide to bondholders audited interim financial statements or audited year end financial statements.

Financial or other information relating to the Corporation and provided to you in the future may not by itself be sufficient for you to assess the performance of your investment.

ITEM 10 - RESALE RESTRICTIONS

The Bonds are subject to a number of resale restrictions under securities legislation, including a restriction on trading. Unless or until the restriction on trading expires, you will not be able to trade the Bonds unless you are eligible to rely on and comply with an exemption from the prospectus and registration requirements under securities legislation. For information about these resale restrictions you should consult a lawyer.

The certificates representing Bonds issued pursuant to this Offering will be inscribed with the following legend:

Unless permitted under securities legislation, the holder of this security cannot trade these securities before the date that is four (4) months and a day after the date the Corporation became a reporting issuer in any province or territory of Canada.

The Corporation has no intention of becoming a reporting issuer in any province or territory of Canada.

For Manitoba residents, you must not trade the securities without the prior written consent of the regulator in Manitoba unless:

- the Corporation has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus; or
- you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

ITEM 11 - PURCHASERS' RIGHTS

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

Two Day Cancellation Right for a Subscriber

You can cancel your agreement to purchase the Bonds. To do so, you must send a notice to the Corporation before midnight on the second business day after you sign the Subscription Agreement in respect of the Bonds.

Rights of Action in the Event of a Misrepresentation

Applicable securities laws in the Offering Jurisdictions provide you with a remedy to sue to cancel your agreement to buy these securities or for damages if this Offering Memorandum, or any amendment thereto, contains a misrepresentation. Unless otherwise noted, in this section, a "misrepresentation" means an untrue statement or omission of a material fact that is required to be stated or that is necessary in order to make a statement in this Offering Memorandum not misleading in light of the circumstances in which it was made.

These remedies are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In addition, these remedies, or notice with respect thereto, must be exercised or delivered, as the case may be, by you within the strict time limit prescribed in the applicable securities laws.

The applicable contractual and statutory rights are summarized below and will be embodied in the Subscription Agreement to be executed and delivered by you to the Corporation prior to the issuance of the Bonds. By its execution of the Subscription Agreement, the Corporation will be deemed to have granted these rights to you. Subscribers should refer to the applicable securities laws of their respective Offering Jurisdiction for the particulars of these rights or consult with professional advisors.

Rights for Subscribers in the Provinces of Alberta and British Columbia

A Subscriber of Bonds pursuant to this Offering Memorandum who is a resident in Alberta and British Columbia has, in addition to any other rights the Subscriber may have at law, a right of action for damages or rescission against the Corporation if this Offering Memorandum, together with any amendments hereto, contains a misrepresentation. In Alberta and British Columbia, a Subscriber has additional statutory rights of action for damages against every director of the Corporation at the date of this Offering Memorandum and every Person or company who signed this Offering Memorandum.

If this Offering Memorandum contains a misrepresentation, which was a misrepresentation at the time the Bonds were purchased, the Subscriber will be deemed to have relied upon the misrepresentation and will, as provided below, have a right of action against the Corporation for damages or alternatively, while still the owner of any of the Bonds purchased by that Subscriber, for rescission, in which case, if the Subscriber elects to exercise the right of rescission, the Subscriber will have no right of action for damages against the Corporation, provided that:

- (a) no Person or company will be liable if it proves that the Subscriber purchased the securities with knowledge of the misrepresentation;
- (b) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation;

- (c) in no case will the amount recoverable in any action exceed the price at which the securities were purchased by the Subscriber under this Offering Memorandum; and
- (d) in the case of a Subscriber resident in Alberta, no Person or company, other than the Corporation, will be liable if such Person or company is entitled to rely upon certain statutory provisions set out in subsections 204(3)(a) — (e) of the *Securities Act* (Alberta).

In British Columbia and Alberta, no action may be commenced more than:

- (a) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission, more than the earlier of (i) 180 days after the Subscriber first had knowledge of the facts giving rise to the cause of action; or (ii) three (3) years after the date of the transaction that gave rise to the cause of action.

Subscribers should refer to the applicable provisions of the securities legislation for particulars of the rights or consult with a lawyer.

Statutory Rights of Action for Subscribers in the Province of Saskatchewan

In the event that this Offering Memorandum and any amendment thereto or advertising or sales literature used in connection therewith delivered to a purchaser of the securities resident in Saskatchewan contains an untrue statement of a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities (herein called a "material fact") or omits to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made (herein called a "misrepresentation"), a purchaser will be deemed to have relied upon that misrepresentation and will have a right of action for damages against the Corporation, the promoters and "directors" (as defined in *The Securities Act, 1988* (Saskatchewan)) of the Corporation, every person or company whose consent has been filed with this Offering Memorandum or amendment thereto but only with respect to reports, opinions or statements that have been made by them, every person who signed this Offering Memorandum or any amendment thereto, and every person who or company that sells the securities on behalf of the Corporation under this Offering Memorandum or amendment thereto.

Alternatively, where the purchaser purchased the securities from the Corporation, the purchaser may elect to exercise a right of rescission against the Corporation.

In addition, where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the securities and the verbal statement is made either before or contemporaneously with the purchase of the securities, the purchaser has a right of action for damages against the individual who made the verbal statement.

No persons or company is liable, nor does a right of rescission exist, where the persons or company proves that the purchaser purchased the securities with knowledge of the misrepresentation. In an action for damages, no persons or company will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied on.

No action shall be commenced to enforce these rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any action, other than an action for rescission, the earlier of one year after the purchaser first had knowledge of the facts giving rise to the cause of action or six years after the date of the transaction that gave rise to the cause of action.

These rights are (i) in addition to and do not derogate from any other right the purchaser may have at law; and (ii) subject to certain defences as more particularly described in *The Securities Act, 1988* (Saskatchewan).

Statutory Rights of Action for Subscribers in the Province of Manitoba

In the event that this Offering Memorandum (including any amendment hereto) delivered to a purchaser of Bonds resident in Manitoba, contains a misrepresentation and it is a misrepresentation at the time of purchase, the purchaser shall be deemed to have relied upon the misrepresentation and shall have, in addition to any other rights they may have at law: (a) a right of action for damages against (i) the Corporation, (ii) every director of the Corporation at the date of this Offering Memorandum (collectively, the "Directors"), and (iii) every person or company who signed this Offering Memorandum (collectively, the "Signatories"); and (b) a right of rescission against the Corporation.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into this Offering Memorandum, the misrepresentation is deemed to be contained in this Offering Memorandum.

A purchaser may elect to exercise a right of rescission against the Corporation, in which case the purchaser will have no right of action for damages against the Corporation, Directors or Signatories.

The Corporation, the Directors and Signatories will not be liable if they prove that the purchaser purchased Bonds with knowledge of the misrepresentation.

All persons or companies referred to above that are found to be liable or accept liability are jointly and severally liable. A person or company who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

A Director or Signatory will not be liable:

- (a) if they prove this Offering Memorandum was sent or delivered to the purchaser without their knowledge or consent and, on becoming aware of its delivery, gave reasonable notice to the Corporation that it was delivered without their knowledge and consent;
- (b) if they prove that, after becoming aware of a misrepresentation in this Offering Memorandum, they withdrew their consent to this Offering Memorandum and gave reasonable notice to the Corporation of their withdrawal and the reasons therefore;
- (c) if, with respect to any part of this Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert ("Expert Opinion"), such person proves they did not have any reasonable grounds to believe and did not believe that there was a misrepresentation or that the relevant part of this Offering Memorandum did not fairly represent the Expert Opinion or was not a fair copy of, or an extract from, such Expert Opinion; or
- (d) with respect to any part of this Offering Memorandum not purporting to be made on an expert's authority, or not purporting to be a copy of, or an extract from an Expert Opinion, unless the Director or Signatory (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

In an action for damages, the Corporation, the Directors and Signatories will not be liable for all or any part of the damages that they prove do not represent the depreciation in value of the Bonds as a result of the misrepresentation relied upon. The amount recoverable under the right of action shall not exceed the price at which the Bonds were offered for sale.

A purchaser of Bonds to whom this Offering Memorandum was not delivered prior to such purchase in circumstances where such Offering Memorandum was required to be delivered has a right of rescission or a right of action for damages against the Corporation or any dealer who failed to deliver the Offering Memorandum within the prescribed time.

A purchaser of Bonds to whom the Offering Memorandum is required to be sent may rescind the contract to purchase the Bonds by sending a written notice of rescission to the Corporation not later than midnight on the second day, excluding Saturdays and holidays, after the purchaser signs the agreement to purchase the Bonds.

Unless otherwise provided under applicable securities legislation, no action shall be commenced to enforce a right of action unless the right is exercised:

- (a) in the case of rescission, not later than 180 days from the day of the transaction that gave rise to the cause of action; or
- (b) In the case of an action, other than an action for rescission, the earlier of (i) 180 days from the day the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) two years from the day of the transaction that gave rise to the cause of action.

The rights discussed above are in addition to, and without derogation from, any other right or remedy which purchasers may have at law and are intended to correspond to the provisions of *The Securities Act* (Manitoba) and are subject to the defences contained therein.

Statutory Rights of Action of Purchasers in Ontario in the Event of a Misrepresentation

Section 130.1 of the *Securities Act* (Ontario) provides that in the event that this Offering Memorandum, together with any amendments thereto, is delivered to an investor in Bonds resident in Ontario and contains a misrepresentation, the investor will have a right of action against the Corporation for damages or rescission as follows. For these purposes a "misrepresentation" means an untrue statement of a material fact or omits to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made:

- (a) the right of action for rescission or damages will be exercisable by an investor resident in Ontario only if the investor gives written notice to the Corporation, not later than 180 days after the date on which payment was made for the securities (or after the initial payment was made for the securities, where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to or concurrently with the initial payment), that the investor is exercising this right, or alternatively, in an action for damages, the right of action will be exercisable by an investor only if the investor gives notice to the Corporation not later than the earlier of:
 - (i) 180 days after the investor first had knowledge of the facts giving rise to the cause of action; or
 - (ii) three years after the date of the transaction giving rise to the cause of action.
- (b) the Corporation will not be liable if it proves that the investor purchased the securities with knowledge of the misrepresentation;
- (c) in the case of an action for damages, the Issuer will not be liable for all or any portion of such damages that it proves does not represent the depreciation in value of the securities as a result of the misrepresentation relied upon;
- (d) in no case will the amount recoverable in any action exceed the price at which the securities were sold to the investor; and
- (e) the rights of action for rescission or damages are in addition to and without derogation from any other right the investor may have at law.

Reference is made to the *Securities Act* (Ontario) for the complete text of the provisions under which these rights are conferred and this summary is subject to the express provisions of the *Securities Act* (Ontario).

Subscribers should consult their own legal advisers with respect to their rights and the remedies available to them.

The rights discussed above are in addition to and without derogation from any other rights or remedies, which subscribers may have at law.

ITEM 12 - FINANCIAL STATEMENTS

Foundation Place Capital Inc.
Interim un-audited Financial Statements
February 12, 2008

Foundation Place Capital Inc.

Balance Sheet

February 12, 2008

Un-audited

Assets

Current

Cash \$ 1,000

Liability and Shareholder's deficit

Current \$ 15,000

Shareholder's deficit

Share Capital (note 5) \$ 1,000

Deficit (\$ 15,000)

(\$ 14,000)

\$ 1,000

APPROVED BY THE BOARD:

Ron Aitkens, Director

Foundation Place Capital Inc.
Statement of Loss and Deficit
For the period from December 12, 2007 (date of incorporation) to February 12, 2008
Un-audited

Expenses	
Professional Fees	\$ 15,000
Net Loss	\$ 15,000
Deficit, Beginning of Period	-
Deficit, End of Period	<u>\$ 15,000</u>

Foundation Place Capital Inc.
Notes To Financial Statements
For the period from December 12, 2007 (date of Incorporation) to February 12, 2008
Un-audited

1. Company Operations

Foundation Place Capital Inc. (the "Corporation") was incorporated on December 12, 2007 pursuant to the Business Corporations Act (Alberta). To date, the Corporation has retained professional services to prepare for the Offering discussed in an Offering Memorandum.

2. Significant Accounting Policies

The financial statements of the Corporation have been prepared by management in accordance with generally accepted accounting principles in Canada. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. The financial statements have, in the opinion of management, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of significant policies described below.

The Corporation has not commenced commercial activities and has not identified accounting policies or practices except as listed below:

3. Measurement Uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4. Income Taxes

The Corporation uses the liability method of accounting for future income taxes. Under the liability method, future income tax assets and liabilities are determined based on temporary differences (differences between the accounting basis and the tax basis of the assets and liabilities), and are measured using the currently enacted, or subsequently enacted tax rates and laws expected to apply when these differences reverse. A valuation allowance is recorded against any future income tax assets if it is more likely than not that the asset will not be realized.

Foundation Place Capital Inc.

Notes to Financial Statements

For the period from December 12, 2007 (date of incorporation) to February 12, 2008

Un-audited

5. Due to Related Parties

During the period, the Corporation received a loan of \$15,000 from a related party. The loan is payable on demand with no fixed terms of repayment or interest payments to be charged on the principal amount.

6. Income Taxes

At February 12, 2008, the Corporation has non-capital losses of \$15,000 which can be carried forward to reduce future year's taxable income for Canadian tax purposes, the benefit of which has not been recognized in the financial statements. These losses expire commencing in 2014.

7. Share Capital

(a) Authorized

Unlimited Class A Preferred shares; and

Unlimited Class B Common Shares.

(b) Issued

100,000 Class A Preferred Shares for \$1,000

8. Financial Instruments

The Corporation financial statements consist of a loan payable to a related party whose book values approximate their fair values due to their short-term nature. It is management's opinion that the Corporation is not exposed to significant interest or credit risk arising from those financial statements.

ITEM 13 - DATE AND CERTIFICATE

Dated: February 12, 2008

This Offering Memorandum does not contain a misrepresentation.

Ron Aitkens, President

ON BEHALF OF THE BOARD OF DIRECTORS OF FOUNDATION PLACE CAPITAL INC.

Ron Aitkens, Director

ON BEHALF OF THE PROMOTER OF FOUNDATION PLACE CAPITAL INC.

Ron Aitkens

SCHEDULE A

SUBSCRIPTION FOR BONDS

TO: Foundation Place Capital Inc. (the "Corporation")

The undersigned (hereinafter referred to as the "Subscriber") hereby irrevocably subscribes for and agrees to purchase the number of Bonds ("Bonds") of the Corporation set forth below for the aggregate subscription price set forth below, representing a subscription price of CDN \$100 per Bond, upon and subject to the terms and conditions set forth in "Terms and Conditions of Subscription for Bonds of Foundation Place Capital Inc." attached hereto (the "Subscription Agreement"). In addition to this face page, the Subscriber must also complete all applicable schedules attached hereto.

Full Legal Name of Subscriber (please print)
By: _____ Signature of Subscriber or its Authorized Representative
Official Title or Capacity (please print) _____
Name of Signatory (please print name of individual whose signature appears above. If different than name of Subscriber) _____
Subscriber's Address (including postal code) _____
Social Insurance Number _____
Telephone Number (including area code) _____
E-mail Address _____

Aggregate Subscription Amount: \$ _____

Number of Bonds: _____

If the Subscriber is signing as agent for a principal and is not a trust corporation or, in Alberta or British Columbia, a portfolio manager in any case, purchasing as a trustee or an agent for accounts fully managed by it, complete the following and ensure that the applicable schedules attached hereto are completed in respect of such principal:

(Name of Principal) _____	
(Principal's address) _____ _____	
(Telephone Number) _____	(E-mail Address) _____

Register the Bonds (if different from address above) as follows:
Name _____
Account reference, if applicable _____
Address (including postal code) _____

Deliver the Bonds (if different from address given) as follows:
Name _____
Account reference, if applicable _____
Contact Name _____
Address (including postal code) _____
Telephone Number (including area code) _____

ACCEPTANCE: The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement.

Foundation Place Capital Inc.

Per: _____

_____, 2008
No.: _____

This is the first page of an agreement comprised of 10 pages (excluding the Schedules hereto).

PLEASE MAKE SURE THAT YOUR SUBSCRIPTION INCLUDES:

1. A signed copy of this Subscription Agreement; and
2. A certified cheque, trust cheque, or bank draft in an amount equal to the Aggregate Subscription Amount, payable to "Douglas Alger Law in Trust"; and
3. A properly completed and duly executed copy of the appropriate investor qualification form(s):
 - (a) if resident in British Columbia, Alberta, Saskatchewan and Manitoba, two (2) copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B" (one copy may be retained for your records);
 - (b) If resident in Alberta, Manitoba or Saskatchewan, if your subscription is for more than \$10,000, one (1) copy of the Eligible Investor Certificate in the form attached to this Subscription Agreement as Schedule "C"; and
 - (c) If resident in Ontario and you are purchasing Bonds as an "accredited investor" (as such term is defined by NI 45-106), one (1) completed and signed copy of the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule "D".

PLEASE DELIVER YOUR SUBSCRIPTION TO:

Foundation Capital Corporation
6163 – 6th Street SE, Calgary, Alberta, T2H 1L9

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR
BONDS OF FOUNDATION PLACE CAPITAL INC.**

Definitions. In this Subscription Agreement:

- (a) "Aggregate Subscription Amount" means the aggregate dollar amount of the subscription under this Subscription Agreement;
- (b) "Closing Date" means the dates on which Bonds are issued by the Corporation pursuant to the Offering Memorandum;
- (c) "Corporation" means Foundation Place Capital Inc., a corporation incorporated under the *Business Corporations Act* (Alberta);
- (d) "Offering" means the offering of the Corporation's Bonds pursuant to the Offering Memorandum;
- (e) "Offering Memorandum" means the Offering Memorandum of the Corporation dated February 12, 2008; and
- (f) "Bonds" means Bonds of the Corporation offered pursuant to the Offering Memorandum.

Acknowledgements of the Subscriber. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that:

- (a) this subscription is subject to rejection or acceptance by the Corporation in whole or in part, and is effective only upon acceptance by the Corporation;
- (b) the Corporation reserves the right, as allowed by applicable securities legislation, to retain agents to help effect sales of the Bonds. If an agent is retained, the agent will be paid aggregate fees and commissions of up to 10% of the gross proceeds realized on the Bonds sold by such agent. The Corporation may compensate its employees and consultants up to 10% of the gross proceeds realized on the sale of the Bonds for soliciting subscriptions for the Bonds with respect to Bonds not sold by an agent. The Corporation may compensate its Officer and Director up to 10% of the gross proceeds realized on the sale of the Bonds with respect to the Bonds not sold by an agent;
- (c) the Bonds subscribed for by the Subscriber hereunder form part of a larger issue and sale by the Corporation of up to 85,000 Bonds at a subscription price of \$100 per Bond (the "Offering");
- (d) the Subscriber acknowledges that the Lands are or were owned by 1252064 Alberta Ltd., a corporation owned and controlled by Ron Aitkens, the sole officer, director and shareholder of the Corporation. The Subscriber further acknowledges that the Lands will be sold to the Foundation Place Inc. by 1252064 Alberta Ltd. The Subscriber consents to the Corporation lending funds to Foundation Place Inc. pursuant to the Loan referred to in the Offering Memorandum and agrees that the advance of the Loan will not constitute a breach of fiduciary or other duty and that neither 1252064 Alberta Ltd. nor Ron Aitkens shall be liable to or required to account to or indemnify the Corporation or the Subscriber in connection with the sale of the Lands by 1252064 Alberta Ltd. to Foundation Place Inc. or the advance of the Loan by the Corporation to Foundation Place Inc.
- (e) the Subscriber is responsible for obtaining such legal advice as it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement.

Representations, Warranties and Covenants of the Subscriber. By executing this Subscription Agreement, the Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) represents, warrants and covenants to the Corporation (and acknowledges that the Corporation and its counsel are relying thereon) that:

- (a) if the Subscriber is an individual, the Subscriber is of the full age of majority in the jurisdiction in which this Subscription Agreement is executed and is legally competent to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder;
- (b) if the Subscriber is not an individual, the Subscriber has the requisite power, authority, legal capacity and competence to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder, and all necessary approvals of its Directors, partners, Shareholders, trustees or otherwise with respect to such matters have been given or obtained;
- (c) if the Subscriber is a body corporate, the Subscriber is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation;
- (d) this Subscription Agreement has been duly and validly authorized, executed and delivered by, and constitutes a legal, valid, binding and enforceable obligation of, the Subscriber;

- (e) If the Subscriber is acting as agent or trustee for a principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documents in connection with such subscription on behalf of such principal, and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid, binding and enforceable obligation of, such principal;
- (f) the execution, delivery and performance by the Subscriber of this Subscription Agreement and the completion of the transactions contemplated hereby do not and will not result in a violation of any law, regulation, order or ruling applicable to the Subscriber, and do not and will not constitute a breach of or default under any of the Subscriber's constating documents (if the Subscriber is not an individual) or any agreement to which the Subscriber is a party or by which it is bound;
- (g) (the Subscriber confirms that the Subscriber (and, if the Subscriber is not purchasing as principal, each beneficial purchaser for whom the Subscriber is acting) is:
 - (i) resident in or otherwise subject to the applicable securities laws of British Columbia, Alberta, Manitoba or Saskatchewan, it is purchasing the Bonds as principal for its own account and not for the benefit of any other person and it has received or been provided with a copy of the Offering Memorandum and has duly completed and executed two (2) copies of the Risk Acknowledgement in the form attached hereto as Schedule "B" (one copy for each of the Corporation and the Subscriber) and if a resident of Alberta, Manitoba or Saskatchewan and you are subscribing for more than \$10,000 in Bonds, has duly completed and executed a copy of the Representation Letter in the form attached hereto as Schedule "C"; or
 - (ii) resident in or otherwise subject to the applicable securities laws of Ontario, it is purchasing the Bonds as principal for its own account and not for the benefit of any other person and is an "accredited investor", as such term is defined in National Instrument 45-106 - "Prospectus and Registration Exemptions" ("NI 45-106"), and has concurrently executed and delivered a Representation letter in the form attached as Schedule D to this Subscription Agreement with Appendix A to Schedule D completed.
- (h) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Bonds;
 - (i) is capable of assessing the proposed investment in the Bonds as a result of the Subscriber's own experience or as a result of advice received from a person registered under applicable securities legislation; and
 - (ii) is able to bear the economic risk of loss of its investment in the Bonds;
- (i) the Subscriber understands that no securities commission, stock exchange, governmental agency, regulatory body or similar authority has made any finding or determination or expressed any opinion with respect to the merits of investing in the Bonds;
- (j) the Subscriber acknowledges that no prospectus has been filed by the Corporation with any securities commission or similar regulatory authority in any jurisdiction in connection with the issuance of the Bonds and the issuance is exempted from the prospectus requirements available under the provisions of applicable securities laws and as a result:
 - (i) the Subscriber may be restricted from using some of the civil remedies otherwise available under applicable securities laws;
 - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under applicable securities laws; and
 - (iii) the Corporation is relieved from certain obligations that would otherwise apply under applicable securities laws;
- (k) the Subscriber confirms that neither the Corporation or any of its representative Directors, employees, Officers or affiliates, have made any representations (written or oral) to the Subscriber:
 - (i) regarding the future value of the Bonds;
 - (ii) that any person will resell or repurchase the Bonds;
 - (iii) that the Bonds will be listed on any stock exchange or traded on any market; or
 - (iv) that any person will refund the purchase price of the Bonds other than as provided in this Subscription Agreement;

- (l) the Subscriber confirms that it has been advised to consult its own legal and financial advisors with respect to the suitability of the Bonds as an investment for the Subscriber, the tax consequences of purchasing and dealing with the Bonds, and the resale restrictions and "hold periods" to which the Bonds are or may be subject under applicable securities legislation or stock exchange rules, and has not relied upon any statements made by or purporting to have been made on behalf of the Corporation with respect to such suitability, tax consequences, and resale restrictions;
- (m) except for the Subscriber's knowledge regarding its subscription for Bonds hereunder, the Subscriber has no knowledge of a "material fact" or a "material change" (as those terms are defined in the *Securities Act* (Alberta)) in the affairs of the Corporation that has not been generally disclosed;
- (n) the Subscriber is resident in the jurisdiction indicated on the face page of this Subscription Agreement as the "Subscriber's Address" and the purchase by and sale to the Subscriber of the Bonds, and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase and sale (whether with or with respect to the Subscriber or any beneficial purchaser) has occurred only in such jurisdiction;
- (o) the Subscriber acknowledges that it and/or the Corporation may be required to provide applicable securities regulatory authorities or stock exchanges with information concerning the identities of the beneficial purchasers of the Bonds and the Subscriber agrees that, notwithstanding that the Subscriber may be purchasing the Bonds as agent for an undisclosed principal, the Subscriber will provide to the Corporation, on request, particulars as to the identity of such undisclosed principal as may be required by the Corporation in order to comply with the foregoing;
- (p) the Subscriber understands that it will not resell the Bonds except in accordance with limited exemptions available under applicable securities legislation, regulatory policy and stock exchange rules, and that the Subscriber is solely responsible for (and the Corporation is not in any way responsible for) the Subscriber's compliance with applicable resale restrictions;
- (q) the Subscriber acknowledges that it is aware that there is no market upon which the Bonds trade and there is no assurance that any of the Bonds will be listed and posted for trading on a stock exchange or dealer network in the future;
- (r) the Subscriber understands that the sale of the Bonds is conditional upon such sale being exempt from the requirements to file and obtain a receipt for a prospectus, and the requirement to sell securities through a registered dealer, or upon the issuance of such orders, consents or approvals as may be required to enable such sale to be made without complying with such requirements, and that as a consequence of acquiring the Bonds pursuant to such exemptions, certain protections, rights and remedies provided by applicable securities legislation, including statutory rights of rescission or damages in the event of a misrepresentation may not be available to the Subscriber in connection with the purchase and sale of the Bonds;
- (s) the Subscriber understands that any certificates representing the Bonds will bear a legend indicating that the resale of such securities is restricted;
- (t) other than the Offering Memorandum, the Subscriber has not received or been provided with, nor has it requested, nor does it have any need to receive, any offering memorandum, or any other document (other than the annual financial statements, interim financial statements or any other document (excluding offering memoranda, prospectuses or other offering documents) the content of which is prescribed by statute or regulation) describing the business and affairs of the Corporation, which has been prepared for delivery to and review by prospective purchasers in order to assist them in making an investment decision in respect of the purchase of Bonds pursuant to the offering;
- (u) the Subscriber is not a "U.S. Person" (as that term is defined by Regulation S under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States) and is not acquiring the Bonds for the account or benefit of a U.S. Person or a person in the United States;
- (v) the Bonds have not been Offered to the Subscriber in the United States, and the individuals making the order to purchase the Bonds and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered;
- (w) the Subscriber undertakes and agrees that it will not offer or sell any of the Bonds in the United States unless such Securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, or an exemption from such registration requirements is available;
- (x) the Subscriber acknowledges that, in addition to any other requirements under applicable securities legislation to which a disposition of any of the Bonds by the Subscriber may be subject, the Subscriber may, depending on the nature of the disposition, be required to file a report of exempt trade within ten (10) days of a disposition by the Subscriber of the Bonds;

- (y) if required by applicable securities legislation, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Corporation in filing such reports, undertakings and other documents with respect to the issue of the Bonds;
- (z) except as disclosed in writing to the Corporation, the Subscriber does not act jointly or in concert with any other person or company for the purposes of acquiring securities of the Corporation;
- (aa) the Subscriber is not a non-resident for the purposes of the *Income Tax Act* (Canada);
- (bb) the Subscriber is not a "control person" of the Corporation, as that term is defined in the *Securities Act* (Alberta), will not become a "control person" of the Corporation by purchasing the number of Bonds subscribed for under this Subscription Agreement and does not intend to act jointly or in concert with any other person to form a control group in respect of the Corporation;
- (cc) the Subscriber has not relied upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation except as expressly set forth herein or in the Offering Memorandum;
- (dd) the funds representing the Aggregate Subscription Amount which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "PCMLA") and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of its knowledge: (i) none of the subscription funds to be provided by the Subscriber: (A) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction; or (B) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (ii) it shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith;
- (ee) the Subscriber acknowledges that the Corporation may complete additional financings in the future in order to develop the proposed business of the Corporation and to fund its ongoing development. There is no assurance that such financing will be available and if available, on reasonable terms. Any such future financings may have a dilutive effect on current shareholders or security holders, including the Subscriber; and
- (ff) the Subscriber acknowledges that an investment in the Bonds is subject to a number of risk factors. In particular, the Subscriber acknowledges that the Corporation is not a reporting issuer in any province of Canada and, as such, the applicable hold period may never expire. Accordingly, there is currently no market for any of the Bonds and one may never develop. It may be difficult or even impossible for a Subscriber to sell any of the Bonds. Resale of such Bonds will require the availability of exemptions from the prospectus requirements of applicable Securities legislation, or the application for a discretionary order of the securities commission or similar regulatory authority in the subscriber's province of residence permitting the trade. The Subscriber covenants and agrees to comply with relevant securities legislation, orders or policies concerning the purchase, holding of, and resale of the Bonds.

Timeliness of Representations, etc. The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time (as defined herein), and will survive the completion of the distribution of the Bonds and any subsequent disposition by the Subscriber of any of the securities.

Indemnity. The Subscriber acknowledges that the Corporation and its counsel are relying upon the representations, warranties and covenants of the Subscriber set forth herein in determining the eligibility (from a Securities law perspective) of the Subscriber (or, if applicable, the eligibility of another on whose behalf the Subscriber is contracting hereunder to subscribe for Bonds) to purchase Bonds under the Offering, and hereby agrees to indemnify the Corporation and its Directors, Officers, employees, advisers, affiliates, Shareholders and agents (including their respective legal counsel) against all losses, claims, costs, expenses, damages or liabilities that they may suffer or incur as a result of or in connection with their reliance on such representations, warranties and covenants. The Subscriber undertakes to immediately notify the Corporation of any change in any statement or other information relating to the Subscriber set forth herein that occurs prior to the Closing Time.

Deliveries by Subscriber prior to Closing. The Subscriber agrees to deliver to the Corporation not later than 5:00 p.m. (Mountain Standard time) on the day that is two business days before any Closing Date of which the Subscriber receives notice:

- (a) this duly completed and executed Subscription Agreement;
- (b) a certified cheque or bank draft made payable to "Douglas Alger Law in Trust" in an amount equal to the Aggregate Subscription Amount, or payment of the same amount in such other manner as is acceptable to the Corporation;
- (c) properly completed and duly executed copies of the appropriate Investor qualification form(s) as described on page 2 of this Subscription Agreement; and
- (d) such other documents as may be requested by the Corporation as contemplated by this Subscription Agreement.

Consent to Collection of Personal Information. If the Subscriber is an individual, the Subscriber acknowledges that the Subscriber has provided, in this Subscription Agreement, to the Corporation information (the "Personal Information") of a personal nature that may or may not be protected under applicable privacy legislation. This information is being collected, used and may be disclosed by the Corporation for the following purposes (the "Purposes"):

- (a) In order to complete the Offering;
- (b) to be kept in the corporate records of the Corporation, on its Securities registers and Bondholders lists, maintained by the Corporation and/or the Corporation's transfer agent;
- (c) to be disclosed to securities/tax regulatory authorities or other government bodies as required and in accordance with applicable securities laws and tax laws;
- (d) as long as the Subscriber is a Shareholder of the Corporation, to be disclosed to other third parties held to an obligation of confidentiality to the Corporation such as its legal counsel, its accountants, transfer agent, securities depository, or any other entity for: (i) the purpose of sending financial statements and other disclosure documentation required to be sent by law to the Shareholders of the Corporation, and/or (ii) in the context of a proposed merger, business combination, acquisition, takeover bid or such other major transaction involving the Corporation and such other third party; and
- (e) to enforce the obligations contemplated by this Subscription Agreement.

The Subscriber or the person subscribing for the Bonds on behalf of a disclosed beneficial purchaser hereby consents to the collection, use and disclosure by the Corporation of the Personal Information for the Purposes.

Certain securities commissions have been granted the authority to indirectly collect this personal information pursuant to securities legislation and this personal information is also being collected for the purpose of administration and enforcement of securities legislation. In Ontario, the Administrative Assistant to the Director of Corporate Finance, Suite 1903, Box 5520 Queen Street West, Toronto, Ontario M5H 3S8, Telephone (416) 593-8086, Facsimile: (416) 593-8252 is the public official who can answer questions about the indirect collection of personal information. The Subscriber's personal information may be disclosed by the Corporation or its counsel to: (a) stock exchanges, securities commissions or securities regulatory authorities; (b) the Corporation's registrar and transfer agent; (c) taxation authorities; (d) any of the other parties involved in the offering, including legal counsel. By executing this Subscription Agreement and the, the Subscriber is deemed to be authorizing and consenting to the foregoing collection (including the indirect collection of personal information), use and disclosure of the Subscriber's personal information as set forth above. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in this Subscription Agreement as may be required to be filed with any stock exchange, securities commission or securities regulatory authority in connection with the transactions contemplated hereby.

Partial Acceptance or Rejection of Subscription. The Corporation may, in its absolute discretion, accept or reject the Subscriber's subscription for Bonds as set forth in this Subscription Agreement, in whole or in part, and the Corporation reserves the right to allot to the Subscriber less than the amount of Bonds subscribed for under this Subscription Agreement.

- (a) Notwithstanding the foregoing, the Subscriber acknowledges and agrees that the acceptance of this Subscription Agreement will be conditional upon among other things, the sale of the Bonds to the Subscriber being exempt from any prospectus and Offering memorandum requirements of applicable Securities laws. The Corporation will be deemed to have accepted this Subscription Agreement upon the delivery at Closing of the certificates representing the Bonds to the Subscriber or upon the direction of the Subscriber in accordance with the provisions hereof.

- (b) If this Subscription Agreement is rejected in whole, any certified cheque(s) or bank draft(s) delivered by the Subscriber to the Corporation on account of the Aggregate Subscription Amount for the Bonds subscribed for will be promptly returned to the Subscriber without interest. If this Subscription Agreement is accepted only in part, a cheque representing the amount by which the payment delivered by the Subscriber to the Corporation exceeds the subscription price of the number of Bonds sold to the Subscriber pursuant to a partial acceptance of this Subscription Agreement, will be promptly delivered to the Subscriber without interest.

Time and Place of Closing. The sale of the Bonds will be completed at the offices of the Corporation in Calgary, Alberta at 10:00 a.m. (Mountain Standard time) or such other time as the Corporation may determine (the "Closing Time") on the Closing Date. The Corporation reserves the right to close the Offering in multiple tranches, so that one or more closings may occur after the initial closing.

Subject to Regulatory Approval. The obligations of the parties hereunder are subject to all required regulatory approvals being obtained.

Representations and Warranties of the Corporation. The Corporation hereby represents and warrants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:

- (a) the Corporation has the full corporate right, power and authority to execute and deliver this Subscription Agreement and to issue the Bonds to the Subscriber;
- (b) the Corporation is duly incorporated and validly subsisting, and is qualified to carry on business in each jurisdiction in respect of which the carrying out of the activities contemplated hereby make such qualification necessary;
- (c) the Corporation has complied or will comply with all applicable corporate and securities laws in connection with the Offer and sale of the Bonds;
- (d) upon acceptance by the Corporation, this Subscription Agreement shall constitute a binding obligation of the Corporation enforceable in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the general principles of equity including the fact that specific performance is available only in the discretion of the court; and
- (e) the execution, delivery and performance of this Subscription Agreement by the Corporation and the issue of the Bonds to the Subscriber pursuant hereto does not and will not constitute a breach of or default under the constating documents of the Corporation, or any law, regulation, order or ruling applicable to the Corporation, or any agreement to which the Corporation is a party or by which it is bound.

No Partnership. Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscriber and the Corporation.

Governing Law. The contract arising out of acceptance of this Subscription Agreement by the Corporation shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta.

Time of Essence. Time shall be of the essence of this Subscription Agreement.

Entire Agreement. This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof, and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.

Facsimile Copies. The Corporation shall be entitled to rely on delivery of a facsimile copy of executed subscriptions, and acceptance by the Corporation of such facsimile subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and the Corporation in accordance with the terms hereof.

Counterpart. This Subscription Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

Severability. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.

Survival. The covenants, representations and warranties contained in this Subscription Agreement shall survive the closing of the transactions contemplated hereby, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

Interpretation. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. In this Subscription Agreement, all references to money amounts are to Canadian dollars.

Amendment. Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.

Costs. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the sale of the Bonds to the Subscriber shall be borne by the Subscriber.

Withdrawal. The Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, agrees that this subscription is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder.

Assignment. Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.

Language. The Subscriber acknowledges that it has consented to and requested that all documents evidencing or relating in any way to the sale of the Bonds be drawn up in the English language only. *Le souscripteur reconnaît par les présentes avoir consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière à la vente des bons de souscription spéciaux soient rédigés en anglais seulement.*

SCHEDULE B

FORM 45-106F4

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, AND MANITOBA RESIDENTS

RISK ACKNOWLEDGEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The person selling me these securities is not registered with a securities regulatory authority and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances.
- I may never be able to sell these securities.
- I could lose all the money I invest.
- The Bonds offered pursuant to this Offering Memorandum are not insured against loss through the Canadian Deposit Insurance Corporation or any other insurance company or program.

I am investing \$_____ in total; this includes any amount I am obliged to pay in future.

The Corporation reserve the right, as allowed by applicable securities legislation, to retain agents to help affect sales of the Bonds. If an agent is retained, the agent will be paid aggregate fees and commissions of up to 10% of the gross proceeds realized on the Bonds sold by such agent. The Corporation may compensate its employees and consultants up to 10% of the gross proceeds realized on the sale of the Bonds for soliciting subscriptions for the Bonds with respect to Bonds not sold by an agent. The Corporation may compensate its Officer and Director up to 10% of the gross proceeds realized on the sale of the Bonds with respect to the Bonds not sold by an agent.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

_____, 2008

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

WARNING

You have 2 business days to cancel your purchase

To do so, send a notice to Foundation Place Capital Inc. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after the closing at which you agree to purchase the securities. You can send the notice by fax or email or deliver it in person to Foundation Place Capital Inc. at its business address. Keep a copy of the notice for your records.

The Issuer: Foundation Place Capital Inc. (the "Corporation" or the "Issuer")
Address: 6163 - 6th Street SE
Calgary, Alberta, T2H 1L9
Phone #: (403) 253-5822
Fax #: (403) 253-5820
Email: info@foundationcapital.ca

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell exempt market securities to you:

- (i) the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- (ii) the securities do not have to be sold by an investment dealer registered with a securities commission.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from an adviser or investment dealer registered with a securities commission. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority:

Alberta Securities Commission

4th Floor, 300 - 5th Avenue S.W.
Calgary, AB, T2P 3C4
Phone: (403) 297-6454
Fax: (403) 297-6156
<http://www.albertasecurities.com>

British Columbia Securities Commission

701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC, V7Y 1L2
Phone (604) 899-6500
Fax: (604) 899-6506
<http://www.bcsc.bc.ca>

The Manitoba Securities Commission

1130 - 405 Broadway Avenue
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 845-2548
Facsimile: (204) 945-0330

Saskatchewan Financial Services Commission

6th Floor, 1919 Saskatchewan Drive
Regina, SK, S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]

SCHEDULE B

FORM 45-106F4

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, AND MANITOBA RESIDENTS

RISK ACKNOWLEDGEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The person selling me these securities is not registered with a securities regulatory authority and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances.
- I may never be able to sell these securities.
- The Bonds offered pursuant to this Offering Memorandum are not insured against loss through the Canadian Deposit Insurance Corporation or any other insurance company or program.
- I could lose all the money I invest.

I am investing \$_____ in total; this includes any amount I am obliged to pay in future.

The Corporation reserve the right, as allowed by applicable securities legislation, to retain agents to help affect sales of the Bonds. If an agent is retained, the agent will be paid aggregate fees and commissions of up to 10% of the gross proceeds realized on the Bonds sold by such agent. The Corporation may compensate its employees and consultants up to 10% of the gross proceeds realized on the sale of the Bonds for soliciting subscriptions for the Bonds with respect to Bonds not sold by an agent. The Corporation may compensate its Officer and Director up to 10% of the gross proceeds realized on the sale of the Bonds with respect to the Bonds not sold by an agent.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

_____, 2008

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

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You have 2 business days to cancel your purchase

To do so, send a notice to Foundation Place Capital Inc. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after the closing at which you agree to purchase the securities. You can send the notice by fax or email or deliver it in person to Foundation Place Capital Inc. at its business address. Keep a copy of the notice for your records.

The Issuer: Foundation Place Capital Inc. (the "Corporation" or the "Issuer")
Address: 6163 - 6th Street SE
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Fax #: (403) 253-5820
Email: info@foundationcapital.ca

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- (ii) the securities do not have to be sold by an investment dealer registered with a securities commission.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from an adviser or investment dealer registered with a securities commission. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority.

Alberta Securities Commission

4th Floor, 300 - 5th Avenue S.W.
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Phone: (403) 297-6454
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P.O. Box 10142, Pacific Centre
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Phone (604) 899-6500
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The Manitoba Securities Commission

1130 - 405 Broadway Avenue
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

Saskatchewan Financial Services Commission

6th Floor, 1919 Saskatchewan Drive
Regina, SK, S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]

SCHEDULE C

OFFERING MEMORANDUM EXEMPTION

REPRESENTATION LETTER - 45-106 ELIGIBLE INVESTOR

TO BE COMPLETED BY ALBERTA, MANITOBA AND SASKATCHEWAN RESIDENTS WHO ARE SUBSCRIBING FOR MORE THAN \$10,000 IN BONDS.

The undersigned (the "Subscriber") hereby confirms and certifies to Foundation Place Capital Inc. that the Subscriber is purchasing the Bonds as principal, that the Subscriber is resident in the jurisdiction set out on the execution page hereof, and that the Subscriber is: [check appropriate boxes]

- ☐ an "eligible investor", being a person or company whose [circle one or more]
- (i) net assets, alone or with a spouse, exceed CDN \$400,000,
- (ii) net income before taxes exceeded CDN \$75,000 in each of the two most recent years and who reasonably expects to exceed that income level in the current year, or
- (gg) net income before taxes combined with that of a spouse exceeded CDN \$125,000 in each of the two most recent years and who reasonably expects to exceed that income level in the current year,
- ☐ a person or company of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the Directors are eligible investors,
- ☐ a general partnership in which all of the partners are eligible investors,
- ☐ a limited partnership in which the majority of the general partners are eligible investors,
- ☐ a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are eligible investors,
- ☐ an accredited investor (as defined in National Instrument 45-106),
- ☐ a person who is a family member, close personal friend or close business associate as described in Section 2.5 of National Instrument 45-106; or
- ☐ person or company that has obtained advice regarding the suitability of the investment and if the person or company is in a jurisdiction of Canada that advice has been obtained from an eligibility adviser (as defined in National Instrument 45-106).

EXECUTED by the Subscriber this ____ day of _____, 2008

If a corporation, partnership or other entity:

If an individual:

Signature of Authorized Signatory

Signature

Name and Position of Signatory

Print Name

Name of Purchasing Entity

Jurisdiction of Residence

Jurisdiction of Residence

SCHEDULE D

REPRESENTATION LETTER

(FOR ACCREDITED INVESTORS)

TO: Foundation Place Capital Inc. (the "Corporation")

In connection with the purchase of bonds (the "Bonds") of the Corporation by the undersigned subscriber or, if applicable, the principal on whose behalf the undersigned is purchasing as agent (the "Subscriber" for the purposes of this Schedule D), the Subscriber hereby represents, warrants, covenants and certifies to the Corporation that:

- (a) The Subscriber is resident in the jurisdiction as set forth on the face page of this Subscription Agreement or is subject to the securities laws of such jurisdiction;
- (b) The Subscriber is purchasing the Bonds as principal for its own account;
- (c) The Subscriber is an "accredited investor" within the meaning of National Instrument 45-106 entitled "Prospectus and Registration Exemptions" by virtue of satisfying the indicated criterion as set out in Appendix A to this Representation Letter;
- (d) The Subscriber was not created or used solely to purchase or hold securities as an "accredited investor" as described in paragraph (XII) of the attached Appendix A of this Schedule D; and
- (e) Upon execution of this Schedule D by the Subscriber, this Schedule D shall be incorporated into and form a part of the Subscription Agreement.

Dated: _____, 2008.

Print name of Subscriber

By: _____

Signature

Print name of Signatory (if different from Subscriber)

Title

IMPORTANT: PLEASE MARK THE CATEGORY OR CATEGORIES

IN APPENDIX A ON THE NEXT PAGE THAT DESCRIBE YOU

APPENDIX A

TO SCHEDULE D

NOTE: THE INVESTOR MUST INITIAL BESIDE THE APPLICABLE PORTION OF THE DEFINITION BELOW.

Accredited Investor - (defined in National Instrument 45-106) means:

- _____ • a Canadian financial institution, or an authorized foreign bank named in Schedule III of the *Bank Act* (Canada); or
 - _____ • the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
 - _____ • a subsidiary of any person referred to in paragraphs (I) or (II), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by Directors of that subsidiary; or
 - _____ • a person registered under the securities legislation of a jurisdiction of Canada, as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador); or
 - _____ • an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (IV); or
 - _____ • the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly-owned entity of the Government of Canada or a jurisdiction of Canada; or
 - _____ • a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an Intermunicipal management board in Québec; or
 - _____ • any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government; or
 - _____ • a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada; or
 - _____ • an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000; or
 - _____ • an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year; or
- (Note: if individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under paragraph (t) below, which must be initialed.)
- _____ • an individual who, either alone or with a spouse, has net assets of at least \$5,000,000; or
 - _____ • a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements; or

- _____ • an investment fund that distributes or has distributed its securities only to
 - (a) a person that is or was an accredited investor at the time of the distribution, or
 - (b) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 and 2.19 of National Instrument 45-106, or
 - (c) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 of National Instrument 45-106; or
 - _____ • an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt; or
 - _____ • a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be; or
 - _____ • a person acting on behalf of a fully managed account managed by that person, if that person
 - is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and
 - in Ontario, is purchasing a security that is not a security of an investment fund; or
 - _____ • a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded; or
 - _____ • an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (i) to (iv) or paragraph (ix) in form and function; or
 - _____ • a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by Directors, are persons that are accredited investors (as defined in National Instrument 45-106); or
- (Note: if you are purchasing as an individual accredited investors paragraph (xi) above must be initialed rather than paragraph (xx))
- _____ • an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or
 - _____ • a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as
 - an accredited investor, or
 - an exempt purchaser in Alberta or British Columbia after September 14, 2005.

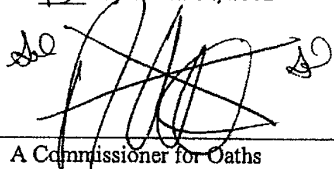
For the purposes hereof:

- (a) **"Canadian financial institution"** means
 - (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
 - (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (b) **"control person"** has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds
 - (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (c) **"Director"** means:
 - (i) a member of the board of Directors of a company or an individual who performs similar functions for a company, and
 - (ii) with respect to a person that is not a company, an individual who performs functions similar to those of a Director of a company;
- (d) **"eligibility adviser"** means
 - (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and
 - (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not
 1. have a professional, business or personal relationship with the issuer, or any of its Directors, executive Officers, founders, or control persons, and
 2. have acted for or been retained personally or otherwise as an employee, executive Officer, Director, associate or partner of a person that has acted for or been retained by the issuer or any of its Directors, executive Officers, founders or control persons within the previous 12 months;
- (e) **"executive Officer"** means, for an issuer, an individual who is
 - (i) a chair, vice-chair or president,
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
 - (iii) an Officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (f) **"financial assets"** means
 - (i) cash,
 - (ii) securities, or
 - (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (g) **"foreign jurisdiction"** means a country other than Canada or a political subdivision of a country other than Canada;

- (h) "founder" means, in respect of an issuer, a person who,
 - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
 - (ii) at the time of the trade is actively involved in the business of the issuer;
- (i) "fully managed account" means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (j) "investment fund" has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure*;
- (k) "jurisdiction" means a province or territory of Canada except when used in the term foreign jurisdiction;
- (l) "local jurisdiction" means the jurisdiction in which the Canadian securities regulatory authority is situate;
- (m) "non-redeemable investment fund" means an issuer,
 - (i) whose primary purpose is to invest money provided by its security holders;
 - (ii) that does not invest;
 - 1. for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
 - 2. for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
 - (iii) that is not a mutual fund;
- (n) "person" includes
 - (i) an individual,
 - (ii) a corporation,
 - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (o) "regulator" means, for the local jurisdiction, the Executive Director as defined under securities legislation of the local jurisdiction;
- (p) "related liabilities" means
 - (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
 - (ii) liabilities that are secured by financial assets;
- (q) "Schedule III bank" means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (r) "spouse" means, an individual who,
 - (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii) above, or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (s) "subsidiary" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

All monetary references are in Canadian Dollars.

This is Exhibit "F"
referred to in the Affidavit of
Ronald Aitkens sworn before me
this 15 day of March, 2012



A Commissioner for Oaths
In and for the Province of Alberta


SYDNEY ANN LAUZON
A Commissioner for Oaths
In and for the Province of Alberta
My Commission Expires March 27, 2014

Offering Memorandum

No securities regulatory authority has assessed the merits of these securities or reviewed this Offering Memorandum. Any misrepresentation to the contrary is an offence. The information disclosed on this page is a summary only. Purchasers should read the entire Offering Memorandum for full details about the Offering. This is a risky investment. See Item 8 Risk Factors.

Date: February 12, 2008

The Issuer: Foundation Place Inc. (the "Corporation" or the "Issuer")
Address: 6163 – 6th Street SE
Calgary, Alberta, T2H 1L9
Phone #: (403) 253-5822
Fax #: (403) 253-5820
Email: info@foundationcapital.ca

Currently listed or quoted? No. These securities do not trade on any exchange or market.

Reporting Issuer? No.

SEDAR filer? No.

The Offering

Securities Offered	Class B Common Shares (referred to herein as the "Class B Shares," the "Shares," or the "securities")
Price Per Security	\$0.10 per Share
Minimum Offering	\$900 (9,000 Shares)
Maximum Offering	\$8,500 (85,000 Shares)
Minimum Subscription Per Investor	\$10 (100 Shares)
Payment Terms	Payment in full by cheque of the subscription price is to be made with the delivery of a duly executed and completed Subscription Agreement. See Item 5.2 Subscription Procedures.
Proposed Closing Date(s)	Closings will take place periodically at the Corporation's discretion with the closing of the Minimum Offering of \$900 to occur on or before March 21, 2008.

Tax Consequences: There are important tax consequences to these securities. See Item 6 Income Tax Consequences and RRSP Eligibility.

Purchaser's rights: You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11 Purchasers' Rights.

Resale restrictions: You will not be able to sell these securities except in very limited circumstances. You may never be able to resell these securities. See Item 10 Resale Restrictions.

Selling Agents: The Corporation reserves the right, as allowed by applicable securities legislation, to retain agents to help effect sale of the Class B Shares. No sales commissions of any kind will be payable out of the proceeds of this Offering with respect to the sale of the Class B Shares.

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ITEM 1 - USE OF NET PROCEEDS

1.1 Net Proceeds and Available Funds

The following table discloses the net proceeds of this Offering (the "Offering"):

		Assuming Minimum Offering	Assuming Maximum Offering
A	Amount to be raised by issuance of this Offering	\$900	\$8,500
B	Selling commissions ⁽¹⁾	\$0	\$0
C	Offering costs	\$0	\$0
D	Net proceeds: D = A - (B + C)	\$900	\$8,500

⁽¹⁾ No sales commissions of any kind will be payable out of the proceeds of this Offering

1.2 Use of Net Proceeds

The following table provides a detailed breakdown of how the Corporation will use the net proceeds of this Offering in the proceeding 12 months from the date of this Memorandum:

Description of intended use of net proceeds listed in order of priority	Assuming Minimum Offering	Assuming Maximum Offering
The Corporation intends to use the net proceeds of this Offering, together with proceeds received from the FPC Loan,* to acquire the Lands pursuant to the Purchase Agreement and proceed with development of an office building upon the lands. See Item 2.2 Our Business, 2.3 The Purchase Agreement and Item 2.5 The Building.	\$900	\$8,500
Total	\$900	\$8,500

* The Corporation intends to enter into a loan agreement with Foundation Place Capital Inc. ("FPC"), a related party, pursuant to which FPC will loan the Corporation funds to acquire the Lands (the "FPC Loan" or the Loan). See Item 2.14.2 Loan Agreement with Foundation Place Capital Inc.

1.3 Reallocation

The Corporation intends to use the net proceeds of this Offering as stated. The Corporation will reallocate the net proceeds only for sound business reasons.

ITEM 2 - BUSINESS OF THE CORPORATION

2.1 Structure

The Corporation is a corporation incorporated under the *Business Corporations Act* (Alberta) pursuant to a Certificate of Incorporation dated December 12, 2007. The Corporation's head and registered office is located at 6163 - 6th Street SE, Calgary, Alberta, T2H 1L9.

2.2 Our Business

The Corporation is in a start-up phase of development and has carried out limited business prior to this Offering and has no development history. Since the date of incorporation, the Corporation has been engaged in the preparation for this Offering, which has included amongst other things, putting in place a management team, Board of Directors and retaining legal counsel.

The Corporation is raising funds pursuant to this Offering for the purpose of purchasing and developing certain vacant lands located at the intersection of 17th Avenue and Macleod Trail South in Calgary, Alberta (the "Lands"). See Item 2.4 The Lands and Item 2.3 The Purchase Agreement.

2.3 The Purchase Agreement

The Corporation has entered into a purchase agreement dated February 7, 2008 (the "Purchase Agreement") with 1252064 Alberta Ltd. ("1252064"), a related party,* pursuant to which the Corporation has agreed to purchase the Lands for the purchase price of \$4,500,000 plus GST if applicable (the "Purchase Price").

The Purchase Agreement contains the following terms:

- (a) The closing date of the Purchase Agreement shall be March 21, 2008 (the "Closing Date");
- (b) A deposit of \$10,000 has been paid on the Corporation's behalf by the officer and director of the Corporation be repaid by the Corporation to him from the proceeds of this Offering and the FPC Loan.
- (c) The Purchase Agreement is conditional upon the Corporation obtaining a minimum of \$790,000 in financing to acquire the Lands on or before March 21, 2008.
- (d) In the event that the Corporation does not have sufficient funds to advance the Purchase Price in full to 1252064 on the Closing Date, the Corporation shall advance to 1252064 a minimum of \$790,000 from funds obtained by the Corporation pursuant to the FPC Loan or other financing sources. 1252064 shall grant the Corporation a mortgage representing the balance of the Purchase Price, at an interest rate of 5% per annum, with payment of \$3,700,000 to be made on or before March 21, 2009 (the "Mortgage").

*Ron Aitkens, the sole Officer and Director of the Corporation is the sole Officer, Director and shareholder of 1252064.

2.3.1 Previous History of the Lands

The Lands were purchased by 1252064 from Mylonas Enterprises Ltd. ("Mylonas"), an arms-length party, for a purchase price of \$3,060,000 on August 30, 2007. 1252064 will realize an immediate profit of \$1,440,000 on the sale of the Lands to the Corporation. The Subscription Agreement to be signed by Subscribers will contain a specific consent to the acquisition of the Lands from 1252064 and acknowledgments that the sale of the Lands to the Corporation is not a breach of fiduciary or other duty and will not give rise to any obligation to account to the Corporation or the shareholders for any profit made on the sale.

2.4 The Lands

The parcel comprising the Lands consists of 10,656 square feet, more or less, and is located on the southwest corner of 1st Street SE and 17th Avenue SE, in the City of Calgary, Alberta. The municipal address for the Lands is 133 - 17 Avenue SE, Calgary, Alberta. The Lands are zoned C-3 pursuant to the City of Calgary land use bylaw and allow for the use proposed by the Corporation.

The legal description of the Lands is:

Plan Calgary 7157FH

Lots one (1), two (2) and three (3),

Excepting thereout firstly the Road Widening on Plan 731281

Excepting secondly out of Lot Three, the corner cut on Plan 6183JK

Title to the Lands is currently held in the name of 1252064 Alberta Ltd. and is subject to the following encumbrances:

- (a) Encumbrance # 041290476, a restrictive covenant which restricts the use of the Lands by preventing the purchase, sale, marketing, storing, handling, distributing or any kind of dealing in petroleum products on the Lands; and
- (b) Encumbrance # 041290477, a restrictive covenant which restricts the use of the Lands by preventing the operation of a business or provision of automotive services on the Lands.
- (c) Encumbrance # 041418900 - 03/11/2004
Mortgage
Mortgagee – Canadian Imperial Bank of Commerce, 929, 4625 Varsity Drive NW, Calgary, AB, T3A 0Z9
Original Principal Amount: \$360,000
- (d) Encumbrance # 071 434 678 – 30/08/2007
Caveat
Re: Agreement of purchase and sale, etc.
Caveator – Mylonas Enterprises Ltd., #5, 201 Grand Blvd., Cochrane, AB, T4C 2G4
Agent – Shelley E Mabbott

It is not anticipated that Encumbrances a) or b) will have any effect on the proposed development of the Lands.

Encumbrance c) relates to a mortgage previously held by Mylonas and is to be discharged by Mylonas.

Encumbrance d) relates to an option to purchase held by Mylonas with respect to the commercial use portion of the Building to be constructed upon the Lands. See Items 2.5 The Building and 2.5.1 The Option.

Prior history of the Lands indicates that a Petro-Canada Gas Station was operating on the Lands until it closed in June of 1999. SEACOR Environmental Engineering Inc. ("SEACOR") completed an environmental assessment of the Lands on June 30, 1999. A Limited Phase II Environmental Site Assessment was completed on November 26, 2001.

Decommissioning activities of the Gas Station occurred October 11-19, 2002. A Site Decommissioning Summary Report was finalized on July 2, 2003. SEACOR developed a remediation plan in accordance with Alberta Environment and Alberta Environment approved the plan on July 15, 2003.

The property underwent a thorough remediation process including replacement of a substantial portion of the soil. Alberta Environment, in a letter dated October 22, 2003, reviewed the SEACOR Remediation Status Report with respect to the Lands and concluded that all remediation activities were conducted satisfactorily and subsequently closed their file on the Lands.

The Corporation considers the Lands to be suitable for development and construction of a small commercial building due to its location and the high demand for professional office space in the City of Calgary.

2.5 The Building

The Corporation intends on building a small commercial building of approximately 30,000 square feet (the "Building"). It is anticipated the Building will be comprised of 5 floors and have 3 levels of underground heated parking, with approximately 53 parking stalls. The Corporation intends to register a condominium plan with respect to the Building to create separate titled units within the Building. The units comprising the Building will be made available for lease to small to medium professional enterprises upon the Lands on floors 2 through 5.

The ground floor of the building will consist of the commercial use space, to which the Option applies. See Item 2.5.1 The Option.

The building / construction process with respect to the Building is expected to be comprised of three stages, which are as follows:

1. Permit application and approval
2. Engagement construction company
3. Physical construction of structure

The Corporation has retained the services of Poon McKenzie Architects to provide the following services:

- (a) Review the Corporation's program relating to building requirements.
- (b) Obtain building permits and site development review and approval.
- (c) Prepare the schematic design for the Building.
- (d) Retain and coordinate consultants for engineering services including structural, mechanical, electrical, as well as landscape architectural services.
- (e) Prepare drawings and other documents for the Building relating to the architectural, structural, mechanical and electrical systems, as well as other materials and elements as appropriate.
- (f) Prepare drawings and specifications detailing the requirements for construction of the Building.
- (g) Oversee construction activities including supplemental details and drawings, preparing change orders, issuing certificates for payment and substantial performance, review of contractors' documentation, general field review and 1 year warranty review.

The Corporation anticipates that necessary permits from the City of Calgary approving the development of Building will be issued in 2008.

If any of the required permits are not obtained, the Corporation may be unable to complete development of the Lands and construction of the Building and may be forced to sell the Lands. Failure by the Corporation to obtain such approvals may result in the sale price of Lands being substantially less than the aggregate amount of the Loan, resulting in a reduced return (or loss) on Purchasers' investments in the Bonds offered by the FPC Offering.

2.5.1 The Option

As term of the Purchase Agreement, the Corporation will become the assignee, as Vendor, of an Option to Purchase and Agreement of Purchase and Sale with Mylonas. The following is a summary of some of the material terms of this Agreement:

- Mylonas shall have the option to purchase (the "Option") the unit of the Building comprising the main floor of the Building (the "Main Floor Unit"), which is to consist of approximately 4000 square feet for a purchase price equal to the actual construction cost of the Main Floor Unit plus the land value of the Main Floor Unit at the time of exercise of the Option plus an administration fee of 15% of the actual construction cost of the Main Floor Unit.
- The Corporation shall provide Mylonas with 120 days notice of the date on which the Main Floor Unit may be occupied (the "Occupation Date"). Mylonas may exercise the Option within 30 days of being provided such notice by the Corporation.
- Should Mylonas exercise the Option, the closing date of the of the sale of the Main Floor Unit will be on the Occupation Date.
- The Corporation is obligated to obtain approvals for construction of the Building by August 2009. Mylonas shall have the right to approve any subdivision and condominium plan application made by the Corporation with respect to the Building.
- The Corporation shall be obligated to construct the main Floor Unit in accordance with certain finishing specifications provide for within the Option to Purchase and Agreement of Purchase and Sale.

2.6 Development Budget

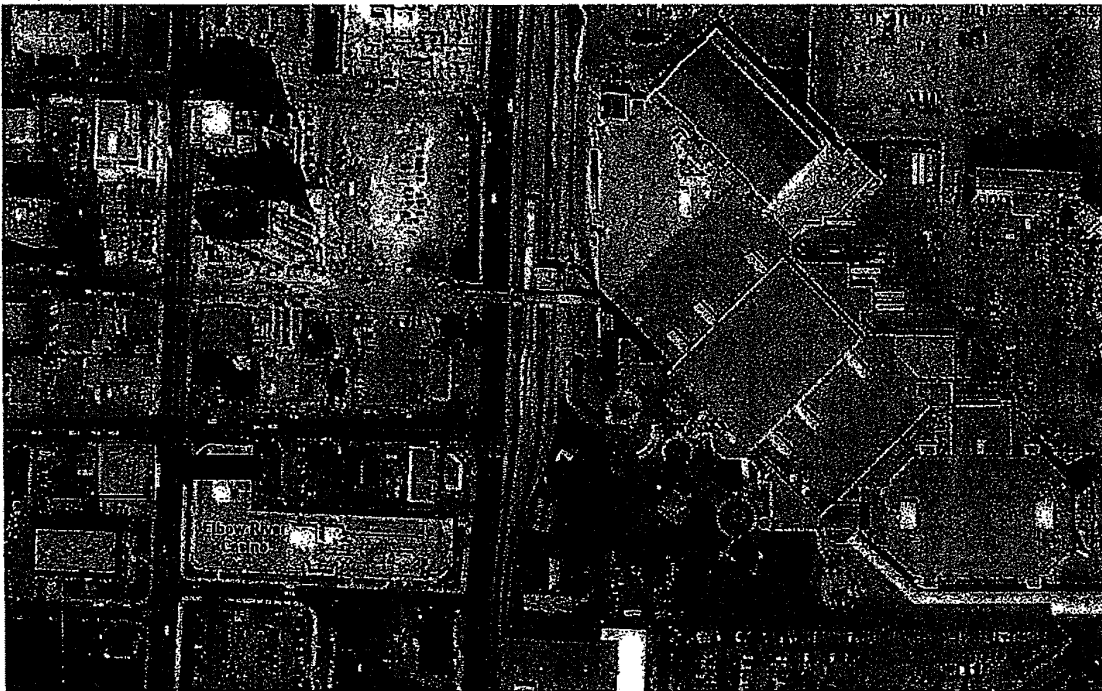
The Corporation has received quotations from qualified contractors that indicate the current estimated costs associated with the construction of the Building are as follows:*

Land Cost		\$4,500,000
Projected Building Construction Costs	@ \$329 sq. ft.	\$10,351,656
Projected Soft Costs	@ 25% of construction costs	\$2,587,914
Total Projected Costs		\$17,439,570

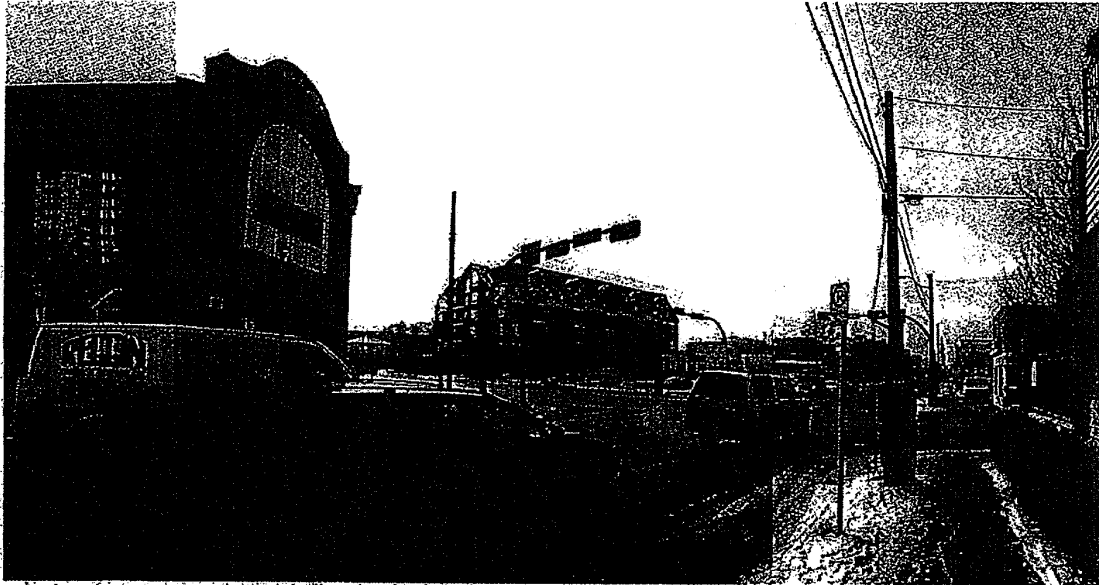
* The estimated costs are subject to certain uncertainties and factors which could cause actual results or events to differ materially from these estimates. Although the Corporation believes that the estimates are reasonable, no assurance can be given that the estimates are in all material respects correct or that they will not be greater than anticipated. As such the estimated costs are expressly qualified in their entirety by this cautionary statement. See Item 8 Risk Factors.

2.7 Photographs of the Lands

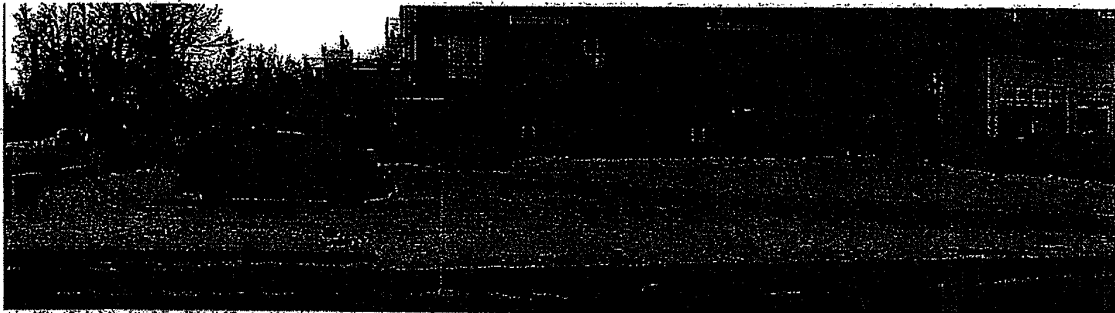
The following is an aerial photograph of the Lands obtained from Google Earth showing the Lands outlined in red.



The following is a photograph of the Lands in relation to the Elbow River Casino on Macleod Trail South in Calgary, AB.

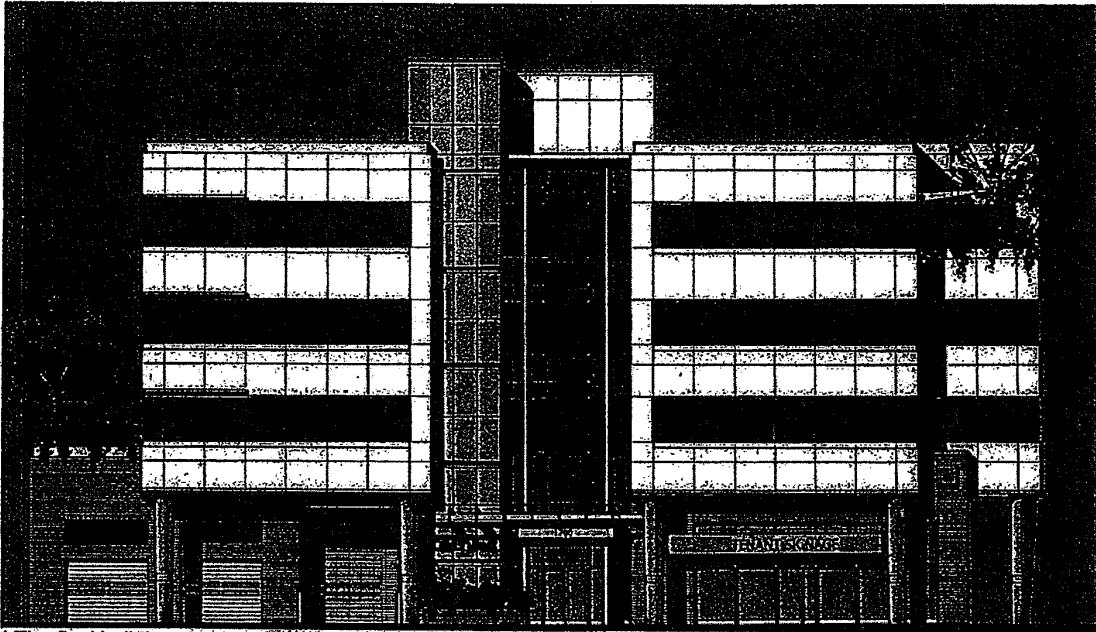


The following is a photograph of a south facing view of the Lands.



2.8 Development Rendering

The following is an artist's rendering of the proposed Building.*



* The final building plan is expected to vary from this rendering.

2.9 Financing

The funds raised pursuant this Offering will not be sufficient to allow the Corporation to acquire or develop the Lands.

The Corporation intends to enter into a loan agreement with FPC to obtain the funds necessary to acquire the Lands. See Item 2.14.2 Loan Agreement with Foundation Place Capital Inc.

The amount of the FPC Loan is contingent upon the amount of proceeds FPC raises, if any, pursuant an offering of its securities consisting of 7.0% redeemable bonds pursuant to an Offering Memorandum dated February 12, 2008 which offering (the "FPC Offering") is being made concurrently with this Offering.

The funds received pursuant to the Loan will not be sufficient to fund the entire development of the Lands and construction of the Building. The Corporation intends to obtain institutional or other third party financing to fund the development of the Lands and construction of the Building. The terms and conditions of any future financing are not presently known to the Corporation. The Corporation may also seek to raise funds for the development of the Lands from future Issues of equity of the Corporation.

*Ron Aitkens, the sole Officer and Director of the Corporation is also the sole Officer and Director of FPC and owns 40% of the issued and outstanding Class A Preferred Shares in FPC.

2.10 Development of Business

To facilitate the acquisition of the Lands, the Corporation has arranged to borrow funds from FPC. See Item 2.14.2 Loan Agreement with Foundation Place Capital Inc.

Upon acquisition of the Lands, the Corporation intends to acquire the financing and approvals necessary to proceed with the construction of the Building.

2.11 Long Term Objectives

The Corporation's long-term goal is to acquire the Lands, acquire the financing and approvals necessary to proceed with the construction of the Building and to provide a return to purchasers of Class B Shares pursuant to this Offering.

2.12 Short Term Objectives and How the Corporation Intends to Achieve Them

The Corporation's goal for the next twelve (12) months is to raise up to \$8,500, obtain funding of the FPC Loan with the net proceeds to be used to purchase the Lands and obtain the required permits to allow for the construction of the Building.

The following outlines the Corporation's short term objectives and the methods and costs associated with the achievement thereof.

What we must do and how we will do it	Target completion date or, number of months to complete	Our cost to complete
Raise up to \$8,500 through this Offering, obtain funding of the FPC Loan, purchase the Lands and obtain required permits for construction of the building.	12 months	\$0

2.13 Insufficient Proceeds and Cash Reserves

All monies raised will be committed to the purchase of the Lands. The Corporation does not intend to hold any significant cash reserves. Purchasers of Class B Shares are not required to contribute any additional funds over and above their subscription amount. The proceeds of the Offering will not be sufficient to accomplish all of the Corporation's proposed objectives and there is no assurance that the FPC Loan or alternative financing will be available. There is no assurance that the Corporation will be able to finance its proposed business objectives.

2.14 Material Agreements

The following are the key terms of all material agreements which the Corporation has entered into or expects to enter into and which can reasonably be regarded as presently being material to the Corporation or a prospective purchaser of the Class B Shares being offered pursuant to this Offering.

2.14.1 The Purchase Agreement

See Item 2.3 The Purchase Agreement.

2.14.2 Loan Agreement with Foundation Place Capital Inc.

The Corporation expects to enter into a loan agreement with FPC, some of the anticipated terms of which are summarized below:

- (a) **Loan Amount:** \$900,000 to \$8,500,000. The Loan amount will be contingent upon the amount of funds raised pursuant to the FPC Offering.
- (b) FPC will not be required to advance the Loan unless it raises the Minimum Offering of \$900,000 pursuant to the FPC Offering.
- (c) **Interest Rate:** 7.5% per annum
- (d) **Maturity Date:** March 31, 2012
- (e) **Payments:** There shall be no payments of principal or interest made by the Corporation during the term of the Loan. The Corporation shall make a lump sum payment of the principal amount and all accrued interest on March 31, 2012.
- (f) **Security:** The Loan shall be secured by way of a first mortgage against title to the Lands (subject to the qualification set forth below) together with such other commercially reasonable security as shall be agreed to between the Corporation and FPC. FPC's mortgage will be subordinated to development financing obtained by the Corporation with respect to development of the Lands.
- (g) **Additional Terms:** All fees, costs, interest and commissions incurred by FPC with respect to the FPC Offering and the Loan shall be classified as a loan fee and shall be payable by the Corporation to FPC and shall form part of the principal of the Loan.
- (h) **Prepayment:** The Loan may be repaid by the Corporation in part or in full at anytime without notice or penalty.

2.14.3 Management Agreement with Foundation Capital Corporation ("Foundation")*

The Corporation intends to enter into a management agreement with Foundation, a related party,* (the "Management Agreement"), some of the expected terms of which are summarized below:

- (a) Foundation will provide management services to the Corporation with respect to this Offering and with respect to the day to day business of the Corporation.
- (b) In addition to reimbursing Foundation for its out of pocket expenses in relation to day to day operations of the Corporation, Foundation will be paid an annual fee of 3% of the aggregate of the loan proceeds received by the Corporation pursuant to the FPC Loan to a maximum of \$200,000 per annum (the "Management Fee").
- (c) The Management Fee will be payable in monthly installments of 1/12 of the estimated annual fee.
- (d) The term of the Management Agreement shall be for a minimum of 2 years and will be renewable upon the mutual agreement of the Corporation and Foundation.

* Ron Aitkens, the sole Officer, Director and shareholder of the Corporation, is also an Officer, Director and sole shareholder of Foundation.

ITEM 3 – DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held

The following table provides specified information about each Director, Officer and promoter of the Corporation and each person who directly or indirectly beneficially owns or controls 10% or more of any class of voting securities of the Corporation (a "Principal Holder"). Where the Principal Holder is not an individual, the following table provides the name of any person that directly or indirectly, beneficially owns or controls more than 50% of the voting rights of the Principal Holder. The Corporation has not completed its first financial year and no compensation has been paid since its inception:

Name and municipality of principal residence	Position held	Compensation paid by the Corporation since inception and the compensation anticipated to be paid in current financial year	Number, type and percentage of securities held after completion of the Minimum Offering	Number, type and percentage of securities held after the completion of the Maximum Offering
Ron Aitkens ⁽¹⁾ Lethbridge, Alberta	President and Director	Nil	1 Class A Common Share (100%)	1 Class A Common Share (100%)
Foundation Capital Corporation Lethbridge, Alberta	Manager	\$200,000 ⁽²⁾	Nil	Nil

⁽¹⁾ Ron Aitkens, the Officer, Director and shareholder of the Corporation, is also an Officer, Director and sole shareholder of Foundation Capital Corporation.

⁽²⁾ Assuming the maximum amount payable pursuant to the Management Agreement. See Item 2.14.3 Management Agreement with Foundation Capital Corporation.

3.2 Management Experience

The name and principal occupations of the Director and Officer of the Corporation over the past five years is as follows:

Name and Position	Principal Occupation and Related Experience
Ron Aitkens President and Director	President, Harvest Financial Services Inc., 1994 – Present President, Harvest Capital Management Inc., 2000 – Present President, Foundation Capital Corporation, 2005 – Present President, Legacy Communities Inc., 2005 – Present President, Airdrie Country Estates Inc., 2006 – Present President, Rockyview Estates Corp., 2006 – Present President, Spruce Ridge Estates Inc., 2007 – Present President, Foundation Mortgage Corporation, 2007 - Present President, Rallside Industrial Park Inc., 2008 - Present Harvest Financial Services Inc. and Harvest Capital Management Inc. are involved in the offering of commercial real estate syndications through Limited Partnerships. Foundation Capital Corporation is involved in the offering of raw land syndications through the sale of bonds and shares. Legacy Communities is involved in the acquisition and potential development of a parcel of land located in the Elbow Valley area of Calgary, AB. Airdrie Country Estates and Rockyview Estates both acquired parcels of land in the Municipal District of Rockyview, AB for potential subdivision and development. Spruce Ridge Estates Inc. is involved in the acquisition and potential development of multiple parcels of land located near the town of Priddis, AB. Foundation Mortgage Corporation is involved in the financing of real estate acquisitions and developments in which Ron Aitkens is involved. Rallside Industrial Park Inc. is involved in the acquisition and development of an industrial park located adjacent to the town of Millet, AB.

3.3 Penalties, Sanctions and Bankruptcy

There are no penalties or sanctions that have been in effect during the last (10) ten years against a Director, Officer or control person of the Corporation or against a company of which any of the foregoing was a Director, Officer or control person. No declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets, has been in effect during the last ten (10) years with regard to those individuals or any companies of which any of those individuals was a Director, Officer or control person at that time.

ITEM 4 – CAPITAL STRUCTURE

4.1 Share Capital

The following table sets out information about the Corporation's outstanding shares, including any options, warrants and other securities convertible into Class A Common Shares and Class B Common Shares of the Corporation:

Description of Securities	Number authorized to be issued	Number outstanding as of February 12, 2008	Number outstanding after Minimum Offering	Number outstanding after Maximum Offering
Class A Common Shares	Unlimited	1	1	1
Class B Common Shares	Unlimited	Nil	9,000	85,000

Class A Common Shares and Class B Common Shares

There are special rights and restrictions attached to the Class A Common Shares and the Class B Common Shares of the Corporation. The following is a brief summary of certain of these rights and restrictions:

- (1) The Corporation is authorized to issue an unlimited number of Class A Common Shares (the "Class A Shares") having attached thereto, as a class, the following rights, privileges, restrictions and conditions:
 - (a) The right to vote at any meeting of the shareholders of the Corporation.
 - (b) The Class A shareholders shall not be entitled to receive dividends.
 - (c) In the event of a reduction of capital or the liquidation, dissolution or winding-up of the Corporation or other distribution of property or assets of the Corporation among its shareholders for the purpose of winding-up its affairs (a "Winding-Up Event"):
 - (i) The holders of the Class A Shares shall be entitled, in priority to all other classes of shares, to receive an amount equal to the aggregate amount paid up capital on the Class A Shares held by them respectively and in the event that there is not sufficient property or assets to return the entire amount of paid up capital thereon to all Class A shareholders, the amount available for distribution shall be distributed to the Class A shareholders on a pro rata basis according to the number of Class A Shares owned by each shareholder.
- (2) The Corporation is also authorized to issue an unlimited number of Class B Common Shares (the "Class B Shares") having attached thereto, as a class, the following, rights, privileges, restrictions and conditions:
 - (a) The holders of the Class B Shares shall not be entitled to receive notice of, to attend or vote at any meetings of the shareholders of the Corporation.
 - (b) The right, subject to any preferential rights attaching to any other class or series of shares of the Corporation, to receive dividends as, when and if declared on the Class B Common Shares by the Corporation.
 - (c) After the Corporation has made the distribution contemplated in paragraph (c) (i) above, the holders of the Class B Shares shall be entitled to receive all remaining amounts distributable or which become distributable by the Corporation pursuant to a Winding Up Event.

Any amount to be distributed to holders of any class of shares pursuant to paragraphs (1) and (2) above shall be distributed pari passu among all holders of shares of that class.

4.2 Long Term Debt

As of February 12, 2008 the Corporation does not have any outstanding long term debt. In the event that the FPC Loan is advanced to the Corporation it will have the debt obligations set forth in Item 2.14.2 Loan Agreement with Foundation Place Capital Inc. as follows:

Principal Amount	Interest Rate	Term	Payments
\$900,000 - \$8,500,000	7.5% Per Annum	Approximately 50 months	Principal and accrued interest due on March 31, 2012

4.3 Prior Sales

As of February 12, 2008, there is one Class A Common Share of the Corporation issued and outstanding.

Date of Issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
December 12, 2007	Class A Common Share	1	\$1 per share	\$1

ITEM 5- SECURITIES OFFERED

5.1 Terms of Securities

The securities being offered pursuant to this Offering are Class B Common Shares of the Corporation. The price of each Class B Share is \$0.10. The minimum number of Shares that may be purchased by a subscriber is one hundred (100) Class B Shares for a minimum investment of \$10. No maximum number of Shares has been allocated to any purchaser. See Item 4.1 Share Capital for the rights of the Class B Shares.

5.2 Subscription Procedures

(a) Subscription Documents

Subscribers wishing to subscribe for Class B Shares will be required to enter into a Subscription Agreement with the Corporation which will contain, among other things, representations, warranties and covenants by the subscriber that it is duly authorized to purchase the Class B Shares, that it is purchasing the Class B Shares as principal and for investment and not with a view to resale and as to its corporate or other status to purchase the Shares and that the Corporation is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell securities through a person or company registered to sell securities under applicable securities laws, and, as a consequence of acquiring the Class B Shares pursuant to this exemption, certain protections, rights and remedies, provided by applicable securities laws, including statutory rights of rescission or damages, will not be available to the Subscriber.

Reference is made to the Subscription Agreement attached as Schedule A to this Offering Memorandum for the terms of these representations, warranties and covenants.

In order to subscribe for Class B Shares, a purchaser must complete, execute and deliver the following documentation to Foundation Capital Corporation at 6163 – 6th Street SE, Calgary, Alberta T2H 1L9:

1. one (1) completed and signed copy of the Subscription Agreement (including any schedules attached thereto);
2. a cheque or bank draft in an amount equal to the Aggregate Subscription Amount (as set forth in the Subscription Agreement), payable to "Douglas Alger Law in Trust";
3. completed and executed copies of the appropriate investor qualification form(s). The appropriate form(s) to be completed depend on your place of residence and on the amount of your investment:
 - (i) if you are resident in British Columbia, Alberta, Saskatchewan or Manitoba you must submit one (1) completed and signed copy of the Risk Acknowledgment Form attached to the Subscription Agreement as Schedule B;
 - (ii) if you are resident in Ontario and you are purchasing Class B Shares as an "accredited investor", as such term is defined in National Instrument 45 - 106 *Prospectus and Registration Exemptions* ("NI 45 - 106"), one (1) completed and signed copy of the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule C.

Subject to applicable securities laws and the Purchaser's two-day cancellation right, a subscription for Class B Shares, evidenced by a duly completed Subscription Agreement delivered to the Corporation shall be irrevocable by the Subscriber. See Item 11 Purchasers' Rights.

Subscriptions for Class B Shares will be received, subject to rejection and allotment, in whole or in part, and subject to the right of the Corporation to close the subscription books at any time, without notice. If a subscription for Shares is not accepted, all subscription proceeds will be promptly returned to the Subscriber without interest.

Closing of the Minimum Offering of \$900 is to occur on or before March 21, 2008. It is expected that certificates representing the Class B Shares will be available for delivery within a reasonable period of time after the relevant closing date (s). If the Minimum Offering of \$900 is not met prior to March 21, 2008, collected funds will be returned to the respective parties by April 5, 2008 without interest.

The subscription funds will be held until midnight of the second business day subsequent to the date that each Subscription Agreement is signed by a Subscriber.

(b) Distribution

The Offering is being conducted:

- (i) In the Provinces of British Columbia, Alberta, Saskatchewan and Manitoba pursuant to the exemptions from the prospectus requirements afforded by Section 2.9 of NI 45-106; and
- (ii) in the Province of Ontario pursuant to the exemption from the prospectus requirements afforded by Section 2.3 of NI 45-106.

The exemption pursuant to Section 2.9 of NI 45-106 is available for distributions to investors in British Columbia, Alberta, Saskatchewan and Manitoba purchasing as principals, who receive this Offering Memorandum prior to signing the Subscription Agreement and who sign a Risk Acknowledgment Form attached to the Subscription Agreement as Schedule B.

The exemption pursuant to Section 2.3 of NI 45-106 is available for distributions to investors in the Province of Ontario purchasing as principal and who are "accredited investors" as defined in NI 45-106 and that sign the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule D.

The foregoing exemptions relieve the Corporation from the provisions of the applicable securities laws of each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario which otherwise would require the Corporation to file and obtain a receipt for a prospectus. Accordingly, prospective investors for Class B Shares will not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by securities regulatory authorities.

The exemptions from the registration requirements contained in the applicable securities laws of each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario allow the Corporation to offer the Class B Shares for sale directly to the investors.

ITEM 6 - INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

Not all securities are eligible for investment in a registered retirement savings plan ("RRSP"). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.

ITEM 7 - COMPENSATION PAID TO SELLERS AND FINDERS

As allowed by applicable securities legislation the Corporation shall retain selling agents to assist in selling these securities. No sales commissions of any kind will be payable out of the proceeds of this Offering with respect to the sale of the Class B Shares.

ITEM 8 - RISK FACTORS

Purchase of Class B Shares pursuant to this Offering should only be made after consulting with independent and qualified sources of investment and tax advice. Investment in the Shares at this time is highly speculative due to the stage of the Corporation's development and requirement to raise financing to carry out the long-term business plan of the Corporation. Investors must rely on management of the Corporation. Any investment in the Corporation at this stage involves a high degree of risk.

An investment in the Class B Shares is appropriate only for investors who are prepared to invest money for a long period of time and who have the capacity to absorb a loss of some or all of their investment. The following is a summary only of some of the risk factors involved in an investment in the Class B Shares. In addition to the risks of purchasing Class B Shares of the Corporation found elsewhere in this Memorandum are the following:

1. The Corporation will have a limited amount of working capital, as the net proceeds from this Offering will be used to purchase the Lands.
2. There can be no assurance that any additional funding required by the Corporation will be available on terms attractive to the Corporation, or at all.
3. An investment in the Class B Shares of the Corporation is an illiquid investment. There is currently no market through which the Class B Shares of the Corporation may be sold. The Corporation is not a "reporting issuer" in any jurisdiction and a prospectus has not qualified the issuance of the Class B Shares. The Class B Shares are subject to a number of restrictions respecting transferability and resale, including a restriction on trading imposed by applicable securities laws. Until the restriction on trading expires, you will not be able to trade the Class B Shares unless you comply with an exemption from the prospectus and registration requirements under applicable securities legislation. See Item 10 Resale Restrictions.
4. The offering price for the Class B Shares was determined arbitrarily by the Directors of the Corporation. The offering price is not an indication of the value of the Class B Shares or that any of the Shares could be sold for an amount equal to the offering price or for any amount.
5. To date, the Corporation has not paid any dividends on its Class B Shares and does not anticipate the payment of any dividends on its Class B Shares for the foreseeable future.
6. The Director and Officer of the Corporation will not be devoting all of his time to the affairs of the Corporation, but will be devoting such time as required to effectively manage the Corporation. The Director and Officer of the Corporation is engaged and will continue to be engaged in the search for business prospects on his own behalf and on the behalf of others.

The sole Director and Officer of the Corporation is also the sole Director and Officer of FPC. As a result there may be an inherent conflict of interest with respect to the Officer and Director of the Corporation in the event of a default by the Corporation under the FPC Loan.

There are other potential conflicts of interest to which the Director and Officer of the Corporation may be subject to in connection with the operations of the Corporation. Situations may arise where the Director and Officer will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies under the Business Corporations Act ("Alberta").

7. Subscribers under this Offering will not have the benefit of a review of this Offering Memorandum by any regulatory authorities.
8. The success of the Corporation is dependent upon, among other things, the services of key personnel. The loss of any of these individuals, for any reason, could have a material adverse affect on the prospects of the Corporation. Failure to retain or to attract additional key employees with necessary skills could have a material adverse impact upon the Corporation's growth and profitability. The Corporation does not maintain key man insurance for its Director and Officer. The contributions of the Director and Officer to the immediate future operations of the Corporation are likely to be of central importance and the loss of these individuals could have a material adverse affect on the business of the Corporation.

Industry Risk

The following are general risks associated with ownership of real estate and apply to the acquisition and proposed development of the Lands by the Corporation:

1. Risks of Real Property Ownership

Real estate investments are generally subject to varying degrees of risk depending on the nature of the property. Such risks include changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as the supply of other properties in the area), government regulation (such as taxation of property and environmental legislation) and the attractiveness of properties to potential purchasers. In addition, each segment in the real estate industry is capital intensive and is typically sensitive to interest rates. Any income generated by the sale of the Lands or the leasing of the Building is dependent upon general economic conditions and, accordingly, the ability of the Corporation to repay its financing may be affected by changes in those conditions. The Corporation will be required to make certain significant expenditures with respect to the Lands including, but not limited to, the payment of property taxes, mortgage payments, insurance costs and related charges which must be made regardless of whether or not the Lands are producing sufficient income to service such expenses. In addition, the Lands will be used as security to obtain financing for the acquisition of the Lands. If the Corporation is unable or unwilling to meet the payment obligations on such loans, losses could be sustained as a result of the exercise by the lenders of their rights of foreclosure or sale.

2. Investment Not Liquid

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and for the perceived desirability of the investment. Such illiquidity may tend to limit the Corporation's ability to vary its asset base promptly in response to changing economic or investment conditions.

3. Environmental Matters

Under various environmental laws, ordinances and regulations, the current or previous owner or operator of real property may be liable for the costs of removal or remediation of hazardous or toxic substances on, under or in such property. Such laws could impose liability whether or not the Corporation knew of, or was responsible for, the presence of such hazardous or toxic substances. The presence of hazardous or toxic substances, or the failure to remove or remediate such substances, if any, could adversely affect the Corporation's ability to sell the Lands or to borrow using the Lands as collateral and could potentially also result in claims against the Corporation. The Corporation is not aware of any material non-compliance with environmental laws with respect to the Lands. The Corporation is also not aware of any claims in connection with the breach of environmental laws involving the Lands.

4. Market Risks

The economic performance and value of the Lands will be subject to all of the risks associated with investing in real estate, including, but not limited to:

- changes in the national, regional and local economic climate;
- local conditions, including an oversupply of properties like the Lands, or a reduction in demand for properties like the Lands;
- the attractiveness of all or parts of the Lands to purchasers potential tenants of the Building;
- competition from other available properties; and
- changes in laws and governmental regulations, including those governing usage, zoning, the environment and taxes.

5. Operating History

The Corporation is newly formed and does not have a record of achievement to be relied upon. The Corporation's operations are subject to all the risks inherent in the establishment of a new business enterprise, including a lack of operating history. The Corporation cannot be certain that its investment strategy will be successful. The likelihood of the success of the Corporation must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business and real estate investment. If the

Corporation fails to address any of these risks or difficulties adequately, its business will likely suffer. Future profits, if any, will depend upon various factors, including the marketability of the Building for purposes of leasing and sale of the Lands, government regulations and enforcement and general economic conditions. There is no assurance that the Corporation will ultimately sell the Lands or lease the Building for a profit.

6. Reliance on Management

Decisions regarding the management of the Corporation's affairs will be made exclusively by its Officer and Director. Accordingly, investors must carefully evaluate the personal experience and business performance of the Officer and Director of the Corporation. The Corporation may retain independent contractors to provide services to the Corporation. These contractors will have no fiduciary duty to the Corporation.

7. Major Asset

The Lands represents the major asset of the Corporation and therefore the Corporation's financial performance is directly tied to the value of this particular asset. The Corporation does not have a large portfolio of diverse real estate assets, therefore, its success is dependent on the success of the sale of the Lands or leasing of the Building for profit.

8. Debt Financing

If the Corporation obtains debt financing it will be subject to the risks associated with debt financing, including the risk that mortgage indebtedness secured by the Lands will not be able to be refinanced or that the terms of refinancing will not be as favourable as the terms of existing indebtedness.

9. Interest Rate Fluctuations

Financing by the Corporation may include indebtedness with interest rates which may fluctuate over time and which will result in fluctuations in the Corporation's cost of borrowing.

10. Permits and Approvals

If any of the required permits are not obtained, the Corporation may be unable to complete development of the Lands and construction of the Building and may be forced to sell the Lands. Failure by the Corporation to obtain such approvals may result in the sale price of Lands being substantially less than the aggregate amount of the Loan, resulting in a reduced return (or loss) on Purchasers' investments in the Bonds offered by the FPC Offering.

ITEM 9 - REPORTING OBLIGATIONS

9.1 Reporting to Shareholders

The Corporation is not a reporting issuer in any jurisdiction. It is therefore not required to disclose material changes which occur in its business and affairs, nor is it required to file with the securities regulatory authorities or to provide shareholders with audited interim financial statements or audited year end financial statements.

Financial or other information relating to the Corporation and provided to you in the future may not by itself be sufficient for you to assess the performance of your investment.

ITEM 10 - RESALE RESTRICTIONS

The Class B Shares are subject to a number of resale restrictions under securities legislation, including a restriction on trading. Unless or until the restriction on trading expires, you will not be able to trade the Class B Shares unless you are eligible to rely on and comply with an exemption from the prospectus and registration requirements under securities legislation. For information about these resale restrictions you should consult a lawyer.

The certificates representing Class B Shares issued pursuant to this Offering will be inscribed with the following legend:

Unless permitted under securities legislation, the holder of this security cannot trade these securities before the date that is four (4) months and a day after the date the Corporation became a reporting issuer in any province or territory of Canada.

The Corporation has no intention of becoming a reporting issuer in any province or territory of Canada.

For Manitoba residents, you must not trade the securities without the prior written consent of the regulator in Manitoba unless:

- the Corporation has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus; or
- you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

ITEM 11 - PURCHASERS' RIGHTS

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

Two Day Cancellation Right for a Subscriber

You can cancel your agreement to purchase the Class B Shares. To do so, you must send a notice to the Corporation before midnight on the second business day after you sign the Subscription Agreement in respect of the Class B Shares.

Rights of Action in the Event of a Misrepresentation

Applicable securities laws in the Offering Jurisdictions provide you with a remedy to sue to cancel your agreement to buy these securities or for damages if this Offering Memorandum, or any amendment thereto, contains a misrepresentation. Unless otherwise noted, in this section, a "misrepresentation" means an untrue statement or omission of a material fact that is required to be stated or that is necessary in order to make a statement in this Offering Memorandum not misleading in light of the circumstances in which it was made.

These remedies are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In addition, these remedies, or notice with respect thereto, must be exercised or delivered, as the case may be, by you within the strict time limit prescribed in the applicable securities laws.

The applicable contractual and statutory rights are summarized below and will be embodied in the Subscription Agreement to be executed and delivered by you to the Corporation prior to the issuance of the Class B Shares. By its execution of the Subscription Agreement, the Corporation will be deemed to have granted these rights to you. Subscribers should refer to the applicable securities laws of their respective Offering Jurisdiction for the particulars of these rights or consult with professional advisors.

Rights for Subscribers in the Provinces of Alberta and British Columbia

A Subscriber of Class B Shares pursuant to this Offering Memorandum who is a resident in Alberta and British Columbia has, in addition to any other rights the Subscriber may have at law, a right of action for damages or rescission against the Corporation if this Offering Memorandum, together with any amendments hereto, contains a misrepresentation. In Alberta and British Columbia, a Subscriber has additional statutory rights of action for damages against every director of the Corporation at the date of this Offering Memorandum and every Person or company who signed this Offering Memorandum.

If this Offering Memorandum contains a misrepresentation, which was a misrepresentation at the time the Class B Shares were purchased, the Subscriber will be deemed to have relied upon the misrepresentation and will, as provided below, have a right of action against the Corporation for damages or alternatively, while still the owner of any of the Class B Shares purchased by that Subscriber, for rescission, in which case, if the Subscriber elects to exercise the right of rescission, the Subscriber will have no right of action for damages against the Corporation, provided that:

- (a) no Person or company will be liable if it proves that the Subscriber purchased the securities with knowledge of the misrepresentation;
- (b) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation;
- (c) in no case will the amount recoverable in any action exceed the price at which the securities were purchased by the Subscriber under this Offering Memorandum; and
- (d) in the case of a Subscriber resident in Alberta, no Person or company, other than the Corporation, will be liable if such Person or company is entitled to rely upon certain statutory provisions set out in subsections 204(3)(a) — (e) of the *Securities Act* (Alberta).

In British Columbia and Alberta, no action may be commenced more than:

- (a) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission, more than the earlier of (i) 180 days after the Subscriber first had knowledge of the facts giving rise to the cause of action; or (ii) three (3) years after the date of the transaction that gave rise to the cause of action.

Subscribers should refer to the applicable provisions of the securities legislation for particulars of the rights or consult with a lawyer.

Statutory Rights of Action for Subscribers in the Province of Saskatchewan

In the event that this Offering Memorandum and any amendment thereto or advertising or sales literature used in connection therewith delivered to a purchaser of the securities resident in Saskatchewan contains an untrue statement of a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities (herein called a "material fact") or omits to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made (herein called a "misrepresentation"), a purchaser will be deemed to have relied upon that misrepresentation and will have a right of action for damages against the Corporation, the promoters and "directors" (as defined in *The Securities Act, 1988* (Saskatchewan)) of the Corporation, every person or company whose consent has been filed with this Offering Memorandum or amendment thereto but only with respect to reports, opinions or statements that have been made by them, every person who signed this Offering Memorandum or any amendment thereto, and every person who or company that sells the securities on behalf of the Corporation under this Offering Memorandum or amendment thereto.

Alternatively, where the purchaser purchased the securities from the Corporation, the purchaser may elect to exercise a right of rescission against the Corporation.

In addition, where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the securities and the verbal statement is made either before or contemporaneously with the purchase of the securities, the purchaser has a right of action for damages against the individual who made the verbal statement.

No persons or company is liable, nor does a right of rescission exist, where the persons or company proves that the purchaser purchased the securities with knowledge of the misrepresentation. In an action for damages, no persons or

company will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied on.

No action shall be commenced to enforce these rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any action, other than an action for rescission, the earlier of one year after the purchaser first had knowledge of the facts giving rise to the cause of action or six years after the date of the transaction that gave rise to the cause of action.

These rights are (i) in addition to and do not derogate from any other right the purchaser may have at law; and (ii) subject to certain defences as more particularly described in *The Securities Act, 1988* (Saskatchewan).

Statutory Rights of Action for Subscribers in the Province of Manitoba

In the event that this Offering Memorandum (including any amendment hereto) delivered to a purchaser of Class B Shares resident in Manitoba, contains a misrepresentation and it is a misrepresentation at the time of purchase, the purchaser shall be deemed to have relied upon the misrepresentation and shall have, in addition to any other rights they may have at law: (a) a right of action for damages against (i) the Corporation, (ii) every director of the Corporation at the date of this Offering Memorandum (collectively, the "Directors"), and (iii) every person or company who signed this Offering Memorandum (collectively, the "Signatories"); and (b) a right of rescission against the Corporation.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into this Offering Memorandum, the misrepresentation is deemed to be contained in this Offering Memorandum.

A purchaser may elect to exercise a right of rescission against the Corporation, in which case the purchaser will have no right of action for damages against the Corporation, Directors or Signatories.

The Corporation, the Directors and Signatories will not be liable if they prove that the purchaser purchased Class B Shares with knowledge of the misrepresentation.

All persons or companies referred to above that are found to be liable or accept liability are jointly and severally liable. A person or company who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

A Director or Signatory will not be liable:

- (a) if they prove this Offering Memorandum was sent or delivered to the purchaser without their knowledge or consent and, on becoming aware of its delivery, gave reasonable notice to the Corporation that it was delivered without their knowledge and consent;
- (b) if they prove that, after becoming aware of a misrepresentation in this Offering Memorandum, they withdrew their consent to this Offering Memorandum and gave reasonable notice to the Corporation of their withdrawal and the reasons therefore;
- (c) if, with respect to any part of this Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert ("Expert Opinion"), such person proves they did not have any reasonable grounds to believe and did not believe that there was a misrepresentation or that the relevant part of this Offering Memorandum did not fairly represent the Expert Opinion or was not a fair copy of, or an extract from, such Expert Opinion; or
- (d) with respect to any part of this Offering Memorandum not purporting to be made on an expert's authority, or not purporting to be a copy of, or an extract from an Expert Opinion, unless the Director or Signatory (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

In an action for damages, the Corporation, the Directors and Signatories will not be liable for all or any part of the damages that they prove do not represent the depreciation in value of the Class B Shares as a result of the misrepresentation relied upon. The amount recoverable under the right of action shall not exceed the price at which the Class B Shares were offered for sale.

A purchaser of Class B Shares to whom this Offering Memorandum was not delivered prior to such purchase in circumstances where such Offering Memorandum was required to be delivered has a right of rescission or a right of action for damages against the Corporation or any dealer who failed to deliver the Offering Memorandum within the prescribed time.

A purchaser of Class B Shares to whom the Offering Memorandum is required to be sent may rescind the contract to purchase the Class B Shares by sending a written notice of rescission to the Corporation not later than midnight on the second day, excluding Saturdays and holidays, after the purchaser signs the agreement to purchase the Class B Shares.

Unless otherwise provided under applicable securities legislation, no action shall be commenced to enforce a right of action unless the right is exercised:

- (a) in the case of rescission, not later than 180 days from the day of the transaction that gave rise to the cause of action; or
- (b) in the case of an action, other than an action for rescission, the earlier of (i) 180 days from the day the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) two years from the day of the transaction that gave rise to the cause of action.

The rights discussed above are in addition to, and without derogation from, any other right or remedy which purchasers may have at law and are intended to correspond to the provisions of *The Securities Act* (Manitoba) and are subject to the defences contained therein.

Statutory Rights of Action of Purchasers in Ontario in the Event of a Misrepresentation

Section 130.1 of the *Securities Act* (Ontario) provides that in the event that this Offering Memorandum, together with any amendments thereto, is delivered to an investor in Class B Shares resident in Ontario and contains a misrepresentation, the investor will have a right of action against the Corporation for damages or rescission as follows. For these purposes a "misrepresentation" means an untrue statement of a material fact or omits to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made:

- (a) the right of action for rescission or damages will be exercisable by an investor resident in Ontario only if the investor gives written notice to the Corporation, not later than 180 days after the date on which payment was made for the securities (or after the initial payment was made for the securities, where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to or concurrently with the initial payment), that the investor is exercising this right, or alternatively, in an action for damages, the right of action will be exercisable by an investor only if the investor gives notice to the Corporation not later than the earlier of:
 - (i) 180 days after the investor first had knowledge of the facts giving rise to the cause of action; or
 - (ii) three years after the date of the transaction giving rise to the cause of action.
- (b) the Corporation will not be liable if it proves that the investor purchased the securities with knowledge of the misrepresentation;
- (c) in the case of an action for damages, the issuer will not be liable for all or any portion of such damages that it proves does not represent the depreciation in value of the securities as a result of the misrepresentation relied upon;
- (d) in no case will the amount recoverable in any action exceed the price at which the securities were sold to the investor; and
- (e) the rights of action for rescission or damages are in addition to and without derogation from any other right the investor may have at law.

Reference is made to the *Securities Act* (Ontario) for the complete text of the provisions under which these rights are conferred and this summary is subject to the express provisions of the *Securities Act* (Ontario).

Subscribers should consult their own legal advisers with respect to their rights and the remedies available to them.

The rights discussed above are in addition to and without derogation from any other rights or remedies, which subscribers may have at law.

ITEM 12 - FINANCIAL STATEMENTS



Foundation Place Inc.

Interim unaudited Financial Statements

February 12, 2008



Foundation Place Inc.

Balance Sheet

February 12, 2008

Unaudited

ASSETS

CURRENT

Cash \$ 1

LIABILITY AND SHAREHOLDER'S EQUITY

CURRENT \$ 0

SHAREHOLDER'S EQUITY

SHARE CAPITAL (note 3) \$ 1

RETAINED EARNINGS \$ 0

\$ 1

APPROVED BY THE BOARD:

Ron Aitkens, Director

Foundation Place Inc.

Statement of Cash Flows

For the period from December 12, 2007 (date of incorporation) to February 12, 2008

Unaudited

Cash provided by (used in):

Operations:

Net income for the period	\$ 0
	\$ 0

Financing:

Issuance of share capital	\$ 1
Increase in cash for the period	\$ 1
Cash, beginning of period	\$ -
Cash, end of period	\$ 1

Foundation Place Inc.

Notes to Financial Statements

For the period from December 12, 2007 (date of incorporation) to February 12, 2008

Unaudited

1. Company Operations

Foundation Place Inc. was incorporated on December 12, 2007 pursuant to the *Business Corporations Act* (Alberta). To date, the Corporation has retained professional services to prepare for the offering discussed in this offering memorandum.

2. Significant Accounting Policies

The financial statements of the Corporation have been prepared by management in accordance with generally accepted accounting principles in Canada. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. The financial statements have, in the opinion of management, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of significant policies described below.

The Corporation has not commenced commercial activities and has not identified accounting policies or practices except as listed below:

(a) Measurement Uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(b) Income Taxes

The Corporation uses the liability method of accounting for future income taxes. Under the liability method, future income tax assets and liabilities are determined based on temporary differences (differences between the accounting basis and the tax basis of the assets and liabilities), and are measured using the currently enacted, or subsequently enacted tax rates and laws expected to apply when these differences reverse. A valuation allowance is recorded against any future income tax assets if it is more likely than not that the asset will not be realized.

3. Share Capital

(a) Authorized

Unlimited Class A Common Shares

Unlimited Class B Common Shares

(b) Issued

1 Class A Common Share for \$1

ITEM 13 - DATE AND CERTIFICATE

Dated: February 12, 2008

This Offering Memorandum does not contain a misrepresentation.

Ron Aitkens, President

ON BEHALF OF THE BOARD OF DIRECTORS OF FOUNDATION PLACE INC.

Ron Aitkens, Director

ON BEHALF OF THE PROMOTER OF FOUNDATION PLACE INC.

Ron Aitkens

SCHEDULE A

SUBSCRIPTION FOR SHARES

TO: Foundation Place Inc. (the "Corporation")

The undersigned (hereinafter referred to as the "Subscriber") hereby irrevocably subscribes for and agrees to purchase the number of Class B Shares ("Shares") of the Corporation set forth below for the aggregate subscription price set forth below, representing a subscription price of CDN \$0.10 per Share, upon and subject to the terms and conditions set forth in "Terms and Conditions of Subscription for Shares of Foundation Place Inc." attached hereto (the "Subscription Agreement"). In addition to this face page, the Subscriber must also complete all applicable schedules attached hereto.

Full Legal Name of Subscriber (please print) _____ By: _____ Signature of Subscriber or its Authorized Representative _____ Official Title or Capacity (please print) _____ Name of Signatory (please print name of individual whose signature appears above if different than name of Subscriber) _____ Date of Execution _____ Subscriber's Address (including postal code) _____ Social Insurance Number _____ Telephone Number (including area code) _____ E-mail Address _____	Aggregate Subscription Amount: \$ _____ Number of Shares: _____ If the Subscriber is signing as agent for a principal and is not a trust corporation or, in Alberta or British Columbia, a portfolio manager, in any case, purchasing as a trustee or an agent for accounts fully managed by it, complete the following and ensure that the applicable schedules attached hereto are completed in respect of such principal: _____ (Name of Principal) _____ (Principal's address) _____ (Telephone Number) (E-mail Address)
<u>Register the Class B Shares (if different from address above) as follows:</u> _____ Name _____ Account reference, if applicable _____ Address (including postal code)	<u>Deliver the Class B Shares (if different from address given) as follows:</u> _____ Name _____ Account reference, if applicable _____ Contact Name _____ Address (including postal code) _____ Telephone Number (including area code)

ACCEPTANCE: The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement.
Foundation Place Inc.

Per: _____

_____, 2008
No.: _____

This is the first page of an agreement comprised of 10 pages (excluding the Schedules hereto).

PLEASE MAKE SURE THAT YOUR SUBSCRIPTION INCLUDES:

1. A signed copy of this Subscription Agreement; and
2. A cheque in an amount equal to the Aggregate Subscription Amount, payable to " Douglas Alger Law in Trust"; and
3. A properly completed and duly executed copy of the appropriate investor qualification form(s):
 - If resident in British Columbia, Alberta, Saskatchewan or Manitoba, two (2) copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B" (one copy may be retained for your records).
 - If resident in Ontario and you are purchasing Class B Shares as an "accredited investor" (as such term is defined by NI 45-106), one (1) completed and signed copy of the Accredited Investor Representation Letter attached to the Subscription Agreement as Schedule "C".

PLEASE DELIVER YOUR SUBSCRIPTION TO:

Foundation Capital Corporation
6163 – 6th Street SE, Calgary, Alberta, T2H 1L9

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR
SHARES OF FOUNDATION PLACE INC.**

Definitions. In this Subscription Agreement:

- (a) "Aggregate Subscription Amount" means the aggregate dollar amount of the subscription under this Subscription Agreement;
- (b) "Closing Date" means the date on which Shares are issued by the Corporation pursuant to the Offering Memorandum;
- (c) "Corporation" means Foundation Place Inc., a corporation incorporated under the *Business Corporations Act* (Alberta);
- (d) "Offering" means the offering of the Corporation's Class B Shares pursuant to the Offering Memorandum;
- (e) "Offering Memorandum" means the Offering Memorandum of the Corporation dated February 12, 2008; and
- (f) "Shares" means Class B Shares of the Corporation pursuant to the Offering Memorandum.

Acknowledgements of the Subscriber. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that:

- (a) this subscription is subject to rejection or acceptance by the Corporation in whole or in part, and is effective only upon acceptance by the Corporation;
- (b) the Shares subscribed for by the Subscriber hereunder form part of a larger issue and sale by the Corporation of up to 85,000 Shares at a subscription price of \$0.10 per Share (the "Offering");
- (c) the Subscriber acknowledges that the Lands (as defined in the Offering Memorandum) are or were owned by 1252064 Alberta Ltd., a corporation owned and controlled by Ron Aitkens, the sole officer, director and shareholder of the Corporation. The Subscriber further acknowledges that the Lands will be sold to the Corporation by 1252064 Alberta Ltd. The Subscriber consents to the Corporation purchasing the Lands and agrees that such purchase will not constitute a breach of fiduciary or other duty and that neither 1252064 Alberta Ltd. nor Ron Aitkens shall be liable to or required to account to or indemnify the Corporation or the Subscriber in connection with the sale of the Lands by 1252064 Alberta Ltd.
- (d) the Subscriber is responsible for obtaining such legal advice as it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement.

Representations, Warranties and Covenants of the Subscriber. By executing this Subscription Agreement, the Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) represents, warrants and covenants to the Corporation (and acknowledges that the Corporation and its counsel are relying thereon) that:

- (a) if the Subscriber is an individual, the Subscriber is of the full age of majority in the jurisdiction in which this Subscription Agreement is executed and is legally competent to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder;
- (b) if the Subscriber is not an individual, the Subscriber has the requisite power, authority, legal capacity and competence to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder, and all necessary approvals of its Directors, partners, Shareholders, trustees or otherwise with respect to such matters have been given or obtained;
- (c) if the Subscriber is a body corporate, the Subscriber is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation;
- (d) this Subscription Agreement has been duly and validly authorized, executed and delivered by, and constitutes a legal, valid, binding and enforceable obligation of, the Subscriber;

- (e) if the Subscriber is acting as agent or trustee for a principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documents in connection with such subscription on behalf of such principal, and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid, binding and enforceable obligation of, such principal;
- (f) the execution, delivery and performance by the Subscriber of this Subscription Agreement and the completion of the transactions contemplated hereby do not and will not result in a violation of any law, regulation, order or ruling applicable to the Subscriber, and do not and will not constitute a breach of or default under any of the Subscriber's constating documents (if the Subscriber is not an individual) or any agreement to which the Subscriber is a party or by which it is bound;
- (g) the Subscriber confirms that the Subscriber (and, if the Subscriber is not purchasing as principal, each beneficial purchaser for whom the Subscriber is acting) is:
- (i) resident in or otherwise subject to the applicable securities laws of British Columbia, Alberta, Saskatchewan, or Manitoba it is purchasing the Shares as principal for its own account and not for the benefit of any other person and it has received or been provided with a copy of the Offering Memorandum and has duly completed and executed two (2) copies of the Risk Acknowledgement in the form attached hereto as Schedule "B" (one copy for each of the Corporation and the Subscriber); or
 - (ii) resident in or otherwise subject to the applicable securities laws of Ontario it is purchasing the Shares as principal for its own account and not for the benefit of any other person and is an "accredited investor", as such term is defined in National Instrument 45-106 - "Prospectus and Registration Exemptions" ("NI 45-106"), and has concurrently executed and delivered a Representation letter in the form attached as Schedule D to this Subscription Agreement with Appendix A to Schedule D completed.
- (h) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Shares:
- (i) is capable of assessing the proposed investment in the Shares as a result of the Subscriber's own experience or as a result of advice received from a person registered under applicable securities legislation; and
 - (ii) is able to bear the economic risk of loss of its investment in the Shares;
- (i) the Subscriber understands that no securities commission, stock exchange, governmental agency, regulatory body or similar authority has made any finding or determination or expressed any opinion with respect to the merits of investing in the Shares;
- (j) the Subscriber acknowledges that no prospectus has been filed by the Corporation with any securities commission or similar regulatory authority in any jurisdiction in connection with the issuance of the Shares and the issuance is exempted from the prospectus requirements available under the provisions of applicable securities laws and as a result:
- (i) the Subscriber may be restricted from using some of the civil remedies otherwise available under applicable securities laws;
 - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under applicable securities laws; and
 - (iii) the Corporation is relieved from certain obligations that would otherwise apply under applicable securities laws;
- (k) the Subscriber confirms that neither the Corporation or any of its representative Directors, employees, Officers or affiliates, have made any representations (written or oral) to the Subscriber:
- (i) regarding the future value of the Shares;
 - (ii) that any person will resell or repurchase the Shares;
 - (iii) that the Shares will be listed on any stock exchange or traded on any market; or

- (iv) that any person will refund the purchase price of the Shares other than as provided in this Subscription Agreement;
- (l) the Subscriber confirms that it has been advised to consult its own legal and financial advisors with respect to the suitability of the Shares as an investment for the Subscriber, the tax consequences of purchasing and dealing with the Shares, and the resale restrictions and "hold periods" to which the Shares are or may be subject under applicable securities legislation or stock exchange rules, and has not relied upon any statements made by or purporting to have been made on behalf of the Corporation with respect to such suitability, tax consequences, and resale restrictions;
- (m) except for the Subscriber's knowledge regarding its subscription for Shares hereunder, the Subscriber has no knowledge of a "material fact" or a "material change" (as those terms are defined in the *Securities Act* (Alberta)) in the affairs of the Corporation that has not been generally disclosed;
- (n) the Subscriber is resident in the jurisdiction indicated on the face page of this Subscription Agreement as the "Subscriber's Address" and the purchase by and sale to the Subscriber of the Shares, and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase and sale (whether with or without respect to the Subscriber or any beneficial purchaser) has occurred only in such jurisdiction;
- (o) the Subscriber acknowledges that it and/or the Corporation may be required to provide applicable securities regulatory authorities or stock exchanges with information concerning the identities of the beneficial purchasers of the Shares and the Subscriber agrees that, notwithstanding that the Subscriber may be purchasing the Shares as agent for an undisclosed principal, the Subscriber will provide to the Corporation, on request, particulars as to the identity of such undisclosed principal as may be required by the Corporation in order to comply with the foregoing;
- (p) the Subscriber understands that it will not resell the Shares except in accordance with limited exemptions available under applicable securities legislation, regulatory policy and stock exchange rules, and that the Subscriber is solely responsible for (and the Corporation is not in any way responsible for) the Subscriber's compliance with applicable resale restrictions;
- (q) the Subscriber acknowledges that it is aware that there is no market upon which the Shares trade and there is no assurance that any of the Shares will be listed and posted for trading on a stock exchange or dealer network in the future;
- (r) the Subscriber understands that the sale of the Shares is conditional upon such sale being exempt from the requirements to file and obtain a receipt for a prospectus, and the requirement to sell securities through a registered dealer, or upon the issuance of such orders, consents or approvals as may be required to enable such sale to be made without complying with such requirements, and that as a consequence of acquiring the Shares pursuant to such exemptions, certain protections, rights and remedies provided by applicable securities legislation, including statutory rights of rescission or damages in the event of a misrepresentation may not be available to the Subscriber in connection with the purchase and sale of the Shares;
- (s) the Subscriber understands that any certificates representing the Shares will bear a legend indicating that the resale of such securities is restricted;
- (t) other than the Offering Memorandum, the Subscriber has not received or been provided with, nor has it requested, nor does it have any need to receive, any Offering memorandum, or any other document (other than the annual financial statements, interim financial statements or any other document (excluding Offering memoranda, prospectuses or other Offering documents) the content of which is prescribed by statute or regulation) describing the business and affairs of the Corporation, which has been prepared for delivery to and review by prospective purchasers in order to assist them in making an investment decision in respect of the purchase of Shares pursuant to the Offering;
- (u) the Subscriber is not a "U.S. Person" (as that term is defined by Regulation S under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States) and is not acquiring the Shares for the account or benefit of a U.S. Person or a person in the United States;

- (v) the Shares have not been Offered to the Subscriber in the United States, and the individuals making the order to purchase the Shares and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered;
- (w) the Subscriber undertakes and agrees that it will not Offer or sell any of the Shares in the United States unless such securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, or an exemption from such registration requirements is available;
- (x) the Subscriber acknowledges that, in addition to any other requirements under applicable securities legislation to which a disposition of any of the Shares by the Subscriber may be subject, the Subscriber may, depending on the nature of the disposition, be required to file a report of exempt trade within ten (10) days of a disposition by the Subscriber of the Shares;
- (y) if required by applicable securities legislation, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Corporation in filing, such reports, undertakings and other documents with respect to the issue of the Shares;
- (z) except as disclosed in writing to the Corporation, the Subscriber does not act jointly or in concert with any other person or company for the purposes of acquiring securities of the Corporation;
- (aa) the Subscriber is not a non-resident for the purposes of the *Income Tax Act* (Canada);
- (bb) the Subscriber is not a "control person" of the Corporation, as that term is defined in the *Securities Act* (Alberta), will not become a "control person" of the Corporation by purchasing the number of Shares subscribed for under this Subscription Agreement and does not intend to act jointly or in concert with any other person to form a control group in respect of the Corporation;
- (cc) the Subscriber has not relied upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation except as expressly set forth herein or in the Offering Memorandum;
- (dd) the funds representing the Aggregate Subscription Amount which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "PCMLA") and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of its knowledge: (i) none of the subscription funds to be provided by the Subscriber: (A) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction; or (B) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (ii) it shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith;
- (ee) the Subscriber acknowledges that the Corporation may complete additional financings in the future in order to develop the proposed business of the Corporation and to fund its ongoing development. There is no assurance that such financing will be available and if available, on reasonable terms. Any such future financings may have a dilutive effect on current Shareholders, including the Subscriber; and
- (ff) the Subscriber acknowledges that an investment in the Shares is subject to a number of risk factors. In particular, the Subscriber acknowledges that the Corporation is not a reporting issuer in any province of Canada and, as such, the applicable hold period may never expire. Accordingly, there is currently no market for any of the Shares and one may never develop. It may be difficult or even impossible for a Subscriber to sell any of the Shares. Resale of such Shares will require the availability of exemptions from the prospectus requirements of applicable securities legislation, or the application for a discretionary order of the securities commission or similar regulatory authority in the subscriber's province of residence permitting the trade. The Subscriber covenants and agrees to comply with relevant securities legislation, orders or policies concerning the purchase, holding of, and resale of the Shares.

Timeliness of Representations, etc. The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time (as defined herein), and will survive the completion of the distribution of the Shares and any subsequent disposition by the Subscriber of any of the Shares.

Indemnity. The Subscriber acknowledges that the Corporation and its counsel are relying upon the representations, warranties and covenants of the Subscriber set forth herein in determining the eligibility (from a securities law perspective) of the Subscriber (or, if applicable, the eligibility of another on whose behalf the Subscriber is contracting hereunder to subscribe for Shares) to purchase Shares under the Offering, and hereby agrees to indemnify the Corporation and its Directors, Officers, employees, advisers, affiliates, Shareholders and agents (including their respective legal counsel) against all losses, claims, costs, expenses, damages or liabilities that they may suffer or incur as a result of or in connection with their reliance on such representations, warranties and covenants. The Subscriber undertakes to immediately notify the Corporation of any change in any statement or other information relating to the Subscriber set forth herein that occurs prior to the Closing Time.

Deliveries by Subscriber prior to Closing. The Subscriber agrees to deliver to the Corporation not later than 5:00 p.m. (Mountain Standard time) on the day that is two business days before any Closing Date of which the Subscriber receives notice:

- (a) this duly completed and executed Subscription Agreement;
- (b) a cheque made payable to " Douglas Alger Law in Trust " in an amount equal to the Aggregate Subscription Amount, or payment of the same amount in such other manner as is acceptable to the Corporation;
- (c) properly completed and duly executed copies of the appropriate investor qualification form(s) as described on page 2 of this Subscription Agreement; and
- (d) such other documents as may be requested by the Corporation as contemplated by this Subscription Agreement.

Consent to Collection of Personal Information. If the Subscriber is an individual, the Subscriber acknowledges that the Subscriber has provided, in this Subscription Agreement, to the Corporation information (the "Personal Information") of a personal nature that may or may not be protected under applicable privacy legislation. This information is being collected, used and may be disclosed by the Corporation for the following purposes (the "Purposes"):

- (a) in order to complete the Offering;
- (b) to be kept in the corporate records of the Corporation, on its securities registers and Shareholders lists, maintained by the Corporation and/or the Corporation's transfer agent;
- (c) to be disclosed to securities/tax regulatory authorities or other government bodies as required and in accordance with applicable securities laws and tax laws;
- (d) as long as the Subscriber is a Shareholder of the Corporation, to be disclosed to other third parties held to an obligation of confidentiality to the Corporation such as its legal counsel, its accountants, transfer agent, securities depository, or any other entity for: (i) the purpose of sending financial statements and other disclosure documentation required to be sent by law to the Shareholders of the Corporation, and/or (ii) in the context of a proposed merger, business combination, acquisition, takeover bid or such other major transaction involving the Corporation and such other third party; and
- (e) to enforce the obligations contemplated by this Subscription Agreement.

The Subscriber or the person subscribing for the Shares on behalf of a disclosed beneficial purchaser hereby consents to the collection, use and disclosure by the Corporation of the Personal Information for the Purposes.

Certain securities commissions have been granted the authority to indirectly collect this personal information pursuant to securities legislation and this personal information is also being collected for the purpose of administration and enforcement of securities legislation. In Ontario, the Administrative Assistant to the Director of Corporate Finance, Suite 1903, Box 5520 Queen Street West, Toronto, Ontario M5H 3S8, Telephone (416) 593-8086, Facsimile: (416) 593-8252 is the public official who can answer questions about the indirect collection of personal information. The Subscriber's personal information may be disclosed by the Corporation or its counsel to: (a) stock exchanges, securities commissions

or securities regulatory authorities; (b) the Corporation's registrar and transfer agent; (c) taxation authorities; (d) any of the other parties involved in the offering, including legal counsel. By executing this Subscription Agreement and the, the Subscriber is deemed to be authorizing and consenting to the foregoing collection (including the indirect collection of personal information), use and disclosure of the Subscriber's personal information as set forth above. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in this Subscription Agreement as may be required to be filed with any stock exchange, securities commission or securities regulatory authority in connection with the transactions contemplated hereby.

Partial Acceptance or Rejection of Subscription. The Corporation may, in its absolute discretion, accept or reject the Subscriber's subscription for Shares as set forth in this Subscription Agreement, in whole or in part, and the Corporation reserves the right to allot to the Subscriber less than the amount of Shares subscribed for under this Subscription Agreement.

Notwithstanding the foregoing, the Subscriber acknowledges and agrees that the acceptance of this Subscription Agreement will be conditional upon among other things, the sale of the Shares to the Subscriber being exempt from any prospectus and Offering memorandum requirements of applicable Securities laws. The Corporation will be deemed to have accepted this Subscription Agreement upon the delivery at Closing of the certificates representing the Shares to the Subscriber or upon the direction of the Subscriber in accordance with the provisions hereof.

If this Subscription Agreement is rejected in whole, any cheque(s) delivered by the Subscriber to the Corporation on account of the Aggregate Subscription Amount for the Shares subscribed for will be promptly returned to the Subscriber without interest. If this Subscription Agreement is accepted only in part, a cheque representing the amount by which the payment delivered by the Subscriber to the Corporation exceeds the subscription price of the number of Shares sold to the Subscriber pursuant to a partial acceptance of this Subscription Agreement, will be promptly delivered to the Subscriber without interest.

Time and Place of Closing. The sale of the Shares will be completed at the offices of the Corporation, in Calgary, Alberta at 10:00 a.m. (Mountain Standard time) or such other time as the Corporation may determine (the "Closing Time") on the Closing Date. The Corporation reserves the right to close the Offering in multiple tranches, so that one or more closings may occur after the initial closing.

Subject to Regulatory Approval. The obligations of the parties hereunder are subject to all required regulatory approvals being obtained.

Representations and Warranties of the Corporation. The Corporation hereby represents and warrants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:

- (a) the Corporation has the full corporate right, power and authority to execute and deliver this Subscription Agreement and to issue the Shares to the Subscriber;
- (b) the Corporation is duly incorporated and validly subsisting, and is qualified to carry on business in each jurisdiction in respect of which the carrying out of the activities contemplated hereby make such qualification necessary;
- (c) the Corporation has complied or will comply with all applicable corporate and Securities laws in connection with the Offer and sale of the Shares;
- (d) upon acceptance by the Corporation, this Subscription Agreement shall constitute a binding obligation of the Corporation enforceable in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the general principles of equity including the fact that specific performance is available only in the discretion of the court; and
- (e) the execution, delivery and performance of this Subscription Agreement by the Corporation and the issue of the Shares to the Subscriber pursuant hereto does not and will not constitute a breach of or default under the constating documents of the Corporation, or any law, regulation, order or ruling applicable to the Corporation, or any agreement to which the Corporation is a party or by which it is bound.

No Corporation. Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscriber and the Corporation.

Governing Law. The contract arising out of acceptance of this Subscription Agreement by the Corporation shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta.

Time of Essence. Time shall be of the essence of this Subscription Agreement.

Entire Agreement. This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof, and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.

Facsimile Copies. The Corporation shall be entitled to rely on delivery of a facsimile copy of executed subscriptions, and acceptance by the Corporation of such facsimile subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and the Corporation in accordance with the terms hereof.

Counterpart. This Subscription Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

Severability. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.

Survival. The covenants, representations and warranties contained in this Subscription Agreement shall survive the closing of the transactions contemplated hereby, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

Interpretation. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. In this Subscription Agreement, all references to money amounts are to Canadian dollars.

Amendment. Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.

Costs. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the sale of the Shares to the Subscriber shall be borne by the Subscriber.

Withdrawal. The Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, agrees that this subscription is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder.

Assignment. Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.

Language. The Subscriber acknowledges that it has consented to and requested that all documents evidencing or relating in any way to the sale of the Shares be drawn up in the English language only. Le souscripteur reconnaît par les présentes avoir consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière à la vente des bons de souscription spéciaux soient rédigés en anglais seulement.

SCHEDULE B

FORM 45-106F4

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, AND MANITOBA RESIDENTS

RISK ACKNOWLEDGEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The person selling me these securities is not registered with a securities commission and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances.
- I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$_____ in total; this includes any amount I am obliged to pay in future.

As allowed by applicable securities legislation the Corporation shall retain selling agents to assist in selling these securities. No commissions of any kind will be payable out of the proceeds of this Offering.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

_____, 2008
Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

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You have 2 business days to cancel your purchase

To do so, send a notice to Foundation Place Inc. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after the closing at which you agree to purchase the securities. You can send the notice by fax or email or deliver it in person to Foundation Place Inc. at its business address. Keep a copy of the notice for your records.

Issuer Name: Foundation Place Inc. (the "Corporation")

Address: 6163 - 6th Street SE
Calgary, Alberta, T2H 1L9

Phone #: (403) 253-5822

Fax #: (403) 253-5820

Email: info@foundationcapital.ca

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell exempt market securities to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities commission.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from an adviser or investment dealer registered with a securities commission. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area. For more information, call your local securities commission.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information about exempt market securities, call your local securities commission:

Alberta Securities Commission

4th Floor, 300 - 5th Avenue S.W.
Calgary, AB, T2P 3C4
Phone: (403) 297-6454
Fax: (403) 297-6156
<http://www.albertasecurities.com>

British Columbia Securities Commission

701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC, V7Y 1L2
Phone (604) 899-6500
Fax: (604) 899-6506
<http://www.bcsc.bc.ca>

The Manitoba Securities Commission

1130 - 405 Broadway Avenue
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

Saskatchewan Financial Services Commission

6th Floor, 1919 Saskatchewan Drive
Regina, SK, S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]

SCHEDULE B

FORM 45-106F4

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, AND MANITOBA RESIDENTS

RISK ACKNOWLEDGEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The person selling me these securities is not registered with a securities commission and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances.
- I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$_____ in total; this includes any amount I am obliged to pay in future.

As allowed by applicable securities legislation the Corporation shall retain selling agents to assist in selling these securities. No commissions of any kind will be payable out of the proceeds of this Offering.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

_____, 2008
Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

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You have 2 business days to cancel your purchase

To do so, send a notice to Foundation Place Inc. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after the closing at which you agree to purchase the securities. You can send the notice by fax or email or deliver it in person to Foundation Place Inc. at its business address. Keep a copy of the notice for your records.

Issuer Name: Foundation Place Inc. (the "Corporation")

Address: 6163 – 6th Street SE
Calgary, Alberta, T2H 1L9

Phone #: (403) 253-5822

Fax #: (403) 253-5820

Email: info@foundationcapital.ca

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell exempt market securities to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities commission.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an Offering Memorandum

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from an adviser or investment dealer registered with a securities commission. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area. For more information, call your local securities commission.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information about exempt market securities, call your local securities commission:

Alberta Securities Commission

4th Floor, 300 - 5th Avenue S.W.
Calgary, AB, T2P 3C4
Phone: (403) 297-6454
Fax: (403) 297-6156
<http://www.albertasecurities.com>

British Columbia Securities Commission

701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC, V7Y 1L2
Phone (604) 899-6500
Fax: (604) 899-6506
<http://www.bcsc.bc.ca>

The Manitoba Securities Commission

1130 - 405 Broadway Avenue
Winnipeg, Manitoba R3C 3L6
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

Saskatchewan Financial Services Commission

6th Floor, 1919 Saskatchewan Drive
Regina, SK, S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]

SCHEDULE C

REPRESENTATION LETTER

(FOR ACCREDITED INVESTORS)

TO: Foundation Place Inc. (the "Corporation")

In connection with the purchase of Class B Shares (the "Shares") of the Corporation by the undersigned subscriber or, if applicable, the principal on whose behalf the undersigned is purchasing as agent (the "Subscriber" for the purposes of this Schedule D), the Subscriber hereby represents, warrants, covenants and certifies to the Corporation that:

1. The Subscriber is resident in the jurisdiction as set forth on the face page of this Subscription Agreement or is subject to the securities laws of such jurisdiction;
2. The Subscriber is purchasing the Shares as principal for its own account;
3. The Subscriber is an "accredited investor" within the meaning of National Instrument 45-106 entitled "Prospectus and Registration Exemptions" by virtue of satisfying the indicated criterion as set out in Appendix "A" to this Representation Letter;
4. The Subscriber was not created or used solely to purchase or hold securities as an "accredited investor" as described in paragraph (XII) of the attached Appendix "A" of this Schedule D; and
5. Upon execution of this Schedule D by the Subscriber, this Schedule D shall be incorporated into and form a part of the Subscription Agreement.

Dated: _____, 2008

Print name of Subscriber

By: _____

Signature

Print name of Signatory (if different from Subscriber)

Title

**IMPORTANT: PLEASE MARK THE CATEGORY OR CATEGORIES
IN APPENDIX "A" ON THE NEXT PAGE THAT DESCRIBES YOU**

APPENDIX A

TO SCHEDULE C

NOTE: THE INVESTOR MUST INITIAL BESIDE THE APPLICABLE PORTION OF THE DEFINITION BELOW.

Accredited Investor - (defined in National Instrument 45-106) means:

- ☐ I. a Canadian financial institution, or an authorized foreign bank named in Schedule III of the *Bank Act* (Canada); or
 - ☐ II. the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
 - ☐ III. a subsidiary of any person referred to in paragraphs (I) or (II), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by Directors of that subsidiary; or
 - ☐ IV. a person registered under the securities legislation of a jurisdiction of Canada, as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador); or
 - ☐ V. an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (IV); or
 - ☐ VI. the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly-owned entity of the Government of Canada or a jurisdiction of Canada; or
 - ☐ VII. a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec; or
 - ☐ VIII. any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government; or
 - ☐ IX. a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada; or
 - ☐ X. an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000; or
 - ☐ XI. an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year; or
- (Note: If individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under paragraph (XX) below, which must be initialed.)
- ☐ XII. an individual who, either alone or with a spouse, has net assets of at least \$5,000,000; or
 - ☐ XIII. a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements; or

- _____ XIV. an investment fund that distributes or has distributed its securities only to
- (a) a person that is or was an accredited investor at the time of the distribution, or
 - (b) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 and 2.19 of National Instrument 45-106, or
 - (c) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 of National Instrument 45-106; or
- _____ XV. an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt; or
- _____ XVI. a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be; or
- _____ XVII. a person acting on behalf of a fully managed account managed by that person, if that person
- (a) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and
 - (b) in Ontario, is purchasing a security that is not a security of an investment fund; or
- _____ XVIII. a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded; or
- _____ XIX. an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (I) to (V) or paragraph (IX) in form and function; or
- _____ XX. a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by Directors, are persons that are accredited investors (as defined in National Instrument 45-106); or
- (Note: if you are purchasing as an individual accredited investor paragraph (k) above must be initialed rather than paragraph (XX))
- _____ XXI. an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or
- _____ XXII. a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as
- (a) an accredited investor, or
 - (b) an exempt purchaser in Alberta or British Columbia after September 14, 2005.

For the purposes hereof:

(a) "Canadian financial institution" means

- (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
- (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (iii) "control person" has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds
 - 1. a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - 2. more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;

(b) "Director" means:

- (i) a member of the board of Directors of a company or an individual who performs similar functions for a company, and
- (ii) with respect to a person that is not a company, an individual who performs functions similar to those of a Director of a company;

(c) "eligibility adviser" means

- (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and
- (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not
 - 1. have a professional, business or personal relationship with the issuer, or any of its Directors, executive Officers, founders, or control persons, and
 - 2. have acted for or been retained personally or otherwise as an employee, executive Officer, Director, associate or partner of a person that has acted for or been retained by the issuer or any of its Directors, executive Officers, founders or control persons within the previous 12 months;

(e) "executive Officer" means, for an issuer, an individual who is

- (i) a chair, vice-chair or president,
- (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
- (iii) an Officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
- (iv) performing a policy-making function in respect of the issuer;

- (f) "financial assets" means
 - (i) cash,
 - (ii) securities, or
 - (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (f) "foreign jurisdiction" means a country other than Canada or a political subdivision of a country other than Canada;
- (g) "founder" means, in respect of an issuer, a person who,
 - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
 - (ii) at the time of the trade is actively involved in the business of the issuer;
- (h) "fully managed account" means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (i) "investment fund" has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure*;
- (j) "jurisdiction" means a province or territory of Canada except when used in the term foreign jurisdiction;
- (k) "local jurisdiction" means the jurisdiction in which the Canadian securities regulatory authority is situate;
- (l) "non-redeemable investment fund" means an issuer,
 - (i) whose primary purpose is to invest money provided by its security holders;
 - (ii) that does not invest;
 - 1. for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
 - 2. for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
 - (iii) that is not a mutual fund;
- (m) "person" includes
 - (i) an individual,
 - (ii) a corporation,
 - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (n) "regulator" means, for the local jurisdiction, the Executive Director as defined under securities legislation of the local jurisdiction;

(o) "related liabilities" means

(i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or

(ii) liabilities that are secured by financial assets;

(p) "Schedule III bank" means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

(q) "spouse" means, an individual who,

(i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,

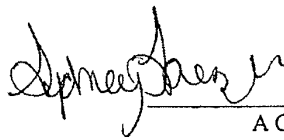
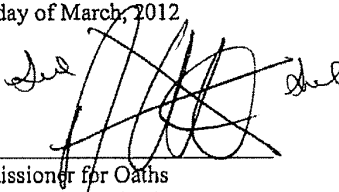
(ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or

(iii) in Alberta, is an individual referred to in paragraph (i) or (ii) above, or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and

(r) "subsidiary" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

All monetary references are in Canadian Dollars.

This is Exhibit "G"
referred to in the Affidavit of
Ronald Aitkens sworn before me
this 15 day of March, 2012

A Commissioner for Oaths
In and for the Province of Alberta

SYDNEY ANN LAUZON
A Commissioner for Oaths
in and for the Province of Alberta
My Commission Expires March 27, 2014

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02/02/12

Accrual Basis

Railside Capital Inc.
Balance Sheet
As of 2 February 2012

	<u>2 Feb 12</u>
ASSETS	
Current Assets	
Chequing/Savings	
Royal Bank Account	208,009.80
Total Chequing/Savings	<u>208,009.80</u>
Other Current Assets	
Marketing-1252064 Alberta Ltd.	170,395.47
Total Other Current Assets	<u>170,395.47</u>
Total Current Assets	<u>378,405.27</u>
Other Assets	
DueFromRailsideIndustrial-int	3,390,471.00
DueFromRailsideIndustrial-Loan	33,706,727.15
Total Other Assets	<u>37,097,198.15</u>
TOTAL ASSETS	<u><u>37,475,603.42</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	69,989.85
Total Accounts Payable	<u>69,989.85</u>
Other Current Liabilities	
GST/HST Payable	-54.00
Total Other Current Liabilities	<u>-54.00</u>
Total Current Liabilities	<u>69,935.85</u>
Long Term Liabilities	
Investor Bonds	34,199,100.00
Investor Interest Payable	3,325,226.00
Total Long Term Liabilities	<u>37,524,326.00</u>
Total Liabilities	<u>37,594,261.85</u>
Equity	
Class A Shares	1,000.00
OpeningBalanceRetained Earnings	-48,444.58
Retained Earnings	-71,213.85
Total Equity	<u>-118,658.43</u>
TOTAL LIABILITIES & EQUITY	<u><u>37,475,603.42</u></u>

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02/02/12

Railside Capital Inc.
A/P Aging Summary
As of 2 February 2012

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Exempt Marketing Consulting	0.00	0.00	0.00	0.00	69,989.85	69,989.85
TOTAL	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>69,989.85</u>	<u>69,989.85</u>

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02/02/12

Annual Basis

Railside Industrial Park Inc.**Balance Sheet**

As of 2 February 2012

	<u>2 Feb 12</u>
ASSETS	
Current Assets	
Chequing/Savings	
Royal Bank Account	15,287.78 ✓
Total Chequing/Savings	15,287.78
Accounts Receivable	
Accounts Receivable	281.44
Total Accounts Receivable	281.44
Other Current Assets	
Due from ?	50,537.18
Due from 1252064 Alberta Ltd.	6,205,000.00
Prepaid Insurance	1,100.00
Prepays & Deposits	10,000.00
Total Other Current Assets	6,266,637.18
Total Current Assets	6,282,206.40
Fixed Assets	
Capitalized Interest	3,390,471.00
Development Costs	1,571,381.96
Land	22,725,000.00
Total Fixed Assets	27,686,852.96
TOTAL ASSETS	<u>33,969,059.36</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due to 1330075 Alberta Ltd.	25,500.00
Due to Foundation Capital Corp	594,152.00
GST/HST Payable	-2,466.51
Total Other Current Liabilities	617,185.49
Total Current Liabilities	617,185.49
Long Term Liabilities	
Interest- Railside Capital Inc	3,390,471.00
Railside Capital Inc.- Loans	33,706,727.15
Total Long Term Liabilities	37,097,198.15
Total Liabilities	37,714,383.64
Equity	
Class A Shares	1.00
Class B Shares	34,204.10
Opening Balance Retained Earnings	-3,777,273.18
Retained Earnings	-2,256.20
Total Equity	-3,745,324.28
TOTAL LIABILITIES & EQUITY	<u>33,969,059.36</u>

Foundation Place Capital Inc.
Balance Sheet
As of 2 February 2012

	2 Feb 12
ASSETS	
Current Assets	
Investments	27,736.70
RBC Bank Account	
Total Chequing/Savings	27,736.70
Other Current Assets	
Due from 1330075 Alberta Ltd.	387,000.00
Total Other Current Assets	387,000.00
Total Current Assets	414,736.70
Other Assets	
Foundation Place Inc - Interest	542,015.00
Foundation Place Inc - Loans	6,725.28
Investments	1,562,500.00
Total Other Assets	8,545,770.28
TOTAL ASSETS	9,060,506.98
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	26,695.20
Total Accounts Payable	26,695.20
Other Current Liabilities	
Due to Foundation Capital Corp	21,525.00
Total Other Current Liabilities	21,525.00
Total Current Liabilities	48,220.20
Long Term Liabilities	
Investor Bonds Payable	8,506,000.00
Investor Interest Payable	1,539,397.00
Total Long Term Liabilities	10,044,397.00
Total Liabilities	10,092,617.20
Equity	
Class A Shares	1,000.00
Open Shares R/E	-1,006,331.02
Retained Earnings	-26,767.20
Net Income	-12.00
Total Equity	-1,032,110.22
TOTAL LIABILITIES & EQUITY	9,060,506.98

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15/03/12

Foundation Place Capital Inc.
A/P Aging Summary
As of 2 February 2012

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Exempt Market Consultants Inc.	0.00	0.00	0.00	0.00	26,695.20	26,695.20
TOTAL	0.00	0.00	0.00	0.00	26,695.20	26,695.20

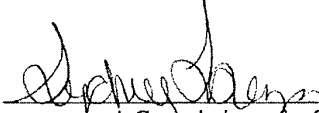
Foundation Place Inc.
Balance Sheet
As of 2 February 2012

	2 Feb 12
ASSETS	
Current Assets	
Chequing/Savings	145.49
RBC Bank Account	
Total Chequing/Savings	145.49
Total Current Assets	145.49
Fixed Assets	
Capitalized Interest	542,015.00
Development Costs	1,526,393.00
Land - Original Cost	4,823,580.55
Total Fixed Assets	6,724,515.55
Other Assets	
Deposits & Prepaids	13,721.30
Total Other Assets	13,721.30
TOTAL ASSETS	6,738,382.44
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	518.16
Accounts Payable	518.16
Total Accounts Payable	
Other Current Liabilities	
Due to 1262064 Alberta Ltd.	80,000.00
Due to Foundation Capital Corp	634,755.00
GST/HST Payable	-40,437.53
Total Other Current Liabilities	674,317.47
Total Current Liabilities	674,835.63
Long Term Liabilities	
Foundation Place Capital Loans	6,541,255.28
Foundation Place Capital-Interest	542,015.00
Total Long Term Liabilities	7,083,270.28
Total Liabilities	7,758,105.91
Equity	
Class A Shares	1.00
Class B Shares	8,505.00
Opening Balance R/E	-1,025,807.09
Retained Earnings	-2,410.38
Net Income	-12.00
Total Equity	-1,019,723.47
TOTAL LIABILITIES & EQUITY	6,738,382.44

Foundation Place Inc.
A/P Aging Summary
As of 2 February 2012

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
The City of Calgary	290.85	0.00	0.00	0.00	0.00	290.85
Urbanics Consultants Ltd.	0.00	0.00	0.00	0.00	227.31	227.31
TOTAL	290.85	0.00	0.00	0.00	227.31	518.16

This is Exhibit "H"
referred to in the Affidavit of
Ronald Aitkens sworn before me
this 15 day of March, 2012


A Commissioner for Oaths
In and for the Province of Alberta

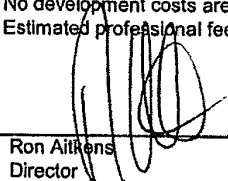
SYDNEY ANN LAUZON
A Commissioner for Oaths
in and for the Province of Alberta
My Commission Expires March 27, 2014

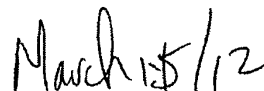
Railside Capital Inc. and Railside Industrial Park Inc.
Cash Flow Forecast
March 1, 2012 - April 30, 2012
(\$C)

	Notes	Railside (Note 1)		
		Mar. 1- Mar. 31/12	Apr. 1- Apr. 30/12	Total
RECEIPTS	2			
Debtor-in-possession financing	3	\$ -	-	-
Total receipts		-	-	-
DISBURSEMENTS				
Management fees	4	16,667	16,667	33,333
Consulting fees	5	12,069	12,069	24,138
Property taxes	6	-	-	-
Operating Expenses	7	-	-	-
Appraisals	8	-	4,000	4,000
Eyelologic fees	9	-	-	-
Development costs	10	-	-	-
CCAA professional fees	11	50,000	25,000	75,000
Total disbursements		\$ 78,736	\$ 57,736	136,471
NET CASH FLOWS		\$ (78,736)	\$ (57,736)	(136,471)
OPENING CASH		\$ 223,298	\$ 144,562	\$ 223,298
NET CHANGE IN CASH FLOWS		(78,736)	(57,736)	(136,471)
ENDING CASH		\$ 144,562	\$ 86,826	\$ 86,826

Notes and Assumptions

- 1 "Railside" is a consolidation of Railside Capital Inc. and Railside Industrial Park Inc.
- 2 Railside has no operating revenues
- 3 No Debtor-in-possession is required for forecast period
- 4 As per OM the management fees are equal to \$200,000 per annum
- 5 Real estate professional estimated fees
- 6 No property taxes are payable during the forecast period
- 7 Operating expenses are based on historical results and as such none are forecast
- 8 Cost of land appraisal
- 9 Eyelologic fees relating to the administration services have been waived
- 10 No development costs are anticipated for this forecast period
- 11 Estimated professional fees


 Ron Aitkens
 Director


 Date

Foundation Capital Inc. and Foundation Place Capital Inc.

Cash Flow Forecast

March 1, 2012 - April 30, 2012

(\$C)

	Notes	Foundation (Note 1)		
		Mar. 1- Mar. 31/12	Apr. 1- Apr. 30/12	Total
RECEIPTS	2			
Debtor-in-possession financing	3	\$ 70,000	47,000	117,000
Total receipts		70,000	47,000	117,000
DISBURSEMENTS				
Management fees	4	16,353	16,353	32,706
Consulting fees	5	2,931	2,931	5,862
Property taxes	6	-	-	-
Operating Expenses	7	-	-	-
Appraisals	8	-	4,000	4,000
Eyelologic fees	9	-	-	-
Development costs	10	-	-	-
CCAA professional fees	11	50,000	25,000	75,000
Total disbursements		\$ 69,284	\$ 48,284	\$ 117,568
NET CASH FLOWS		\$ 716	\$ (1,284)	\$ (568)
OPENING CASH		\$ 1,211	\$ 1,927	\$ 1,211
NET CHANGE IN CASH FLOWS		716	(1,284)	(568)
ENDING CASH		\$ 1,927	\$ 643	\$ 643

Notes and Assumptions

- 1 "Foundation" is a consolidation of Foundation Capital Inc. and Foundation Place Capital Inc.
- 2 Foundation has no operating revenues
- 3 Debtor-in-possession financing provided by Harvest Capital Management Inc.
- 4 As per OM the management fees are equal to \$196,0283 per annum
- 5 Real estate professional estimated fees
- 6 No property taxes are payable during the forecast period
- 7 Operating expenses are based on historical results and as such none are forecast
- 8 Cost of land appraisal
- 9 Eyelologic fees relating to the administration services have been waived
- 10 No development costs are anticipated for this forecast period
- 11 Estimated professional fees

Ron Aitkens
Director

Date

March 15/12

March 14, 2012

Ernst & Young Inc.
1000, 440 – 2nd Avenue SW
Calgary, Alberta
T2P 5E9

Attention: Neil Narfason, CA•CIRP, CBV

Dear Sirs:

**Re: Proceedings under the Companies' Creditors Arrangement Act ("CCAA")
Responsibilities/Obligations and Disclosure with Respect to Cash Flow Projections**

In connection with the application by Railside Capital Inc. and Railside Industrial Park Inc. (collectively "Railside") and Foundation Place Capital Inc. and Foundation Capital Inc. (collectively "Foundation Place") for the commencement of proceedings under the CCAA, the management of Railside and Foundation Place ("Management") has prepared the attached Cash-Flow Statement and the assumptions on which the Cash Flow Statement is based.

Railside and Foundation Place confirm that:

1. The Cash Flow Statement and the underlying assumptions are the responsibility of Railside and Foundation Place;
2. All material information relevant to the Cash Flow Statement and to the underlying assumptions has been made available to Ernst & Young Inc., in its capacity as proposed Monitor; and
3. Management has taken all actions that it considers necessary to ensure:
 - a. That the individual assumptions underlying the Cash Flow Statement are appropriate in the circumstances; and
 - b. That the individual assumptions underlying the Cash Flow Statement, taken as a whole, are appropriate in the circumstances.

Yours truly,

Ron Aitkens
Director of Railside and Foundation Place

This is Exhibit "I"
referred to in the Affidavit of
Ronald Aitkens sworn before me
this 15 day of March, 2012


A Commissioner for Oaths
In and for the Province of Alberta

SYDNEY ANN LAUZON
A Commissioner for Oaths
In and for the Province of Alberta
My Commission Expires March 27, 2014

March 14, 2012

COURT FILE NUMBER	1101-17318	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
APPLICANTS	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF LEGACY COMMUNITIES INC., AIRDRIE CAPITAL CORPORATION and AIRDRIE COUNTRY ESTATES INC.	
DOCUMENT	CONSENT OF THE MONITOR	

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT



1000 – 440, 2nd Ave SW
Calgary, Alberta T2P 4H2
Phone: 403-206-5067
Fax: 403-206-5075
Attention: Neil Narfason

Ernst & Young Inc. does hereby consent to act as Monitor for Railside Capital Inc., Railside Industrial Park Inc., Foundation Place Capital Inc. and Foundation Capital Inc. in these proceedings if so appointed by this Honourable Court.

DATED at the City of Calgary, in the Province of Alberta, this 14th day of March, 2012.

A handwritten signature in black ink, appearing to be "H. Neil Narfason", written over a horizontal line.

Name: H. Neil Narfason
Title: Senior Vice President