This is Exhibit "BB" to the Affidavit of Ronald J. Goguen sworn to on the 27th day of August 2012.

Jeffrey R. Parker
Commissioner of Oaths
Being a Solicitor

**WITHOUT PREJUDICE and CONFIDENTIAL**

# MEMORANDUM

LANDDRILL INTERNATIONAL

Landdrill International Inc.
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www.landdrill.com

tel.: (506) 388-8100
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Date: **July 30, 2012**

To: **Certain Lenders of Landdrill**

From: **Landdrill Management**

Subject: **Landdrill Group Restructuring**

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As discussed at our meetings during the week of July 23, 2012, Landdrill is focused on remaining a viable entity and working with our lenders to pursue a restructuring for the benefit of all stakeholders.

To accomplish this, Landdrill's efforts will be focused on the following:

1. Pursuing opportunities for a sale of our Canadian, Mexican and/or Mongolian operations.
2. Sourcing alternative financing for all or a portion of the existing debt.
3. The immediate implementation of a cost reduction plan.

However, in order to facilitate a restructuring it will be necessary to work with our lenders to put into place certain measures that will permit Landdrill to take the steps that are necessary to accomplish this restructuring.

Key elements of Landdrill's restructuring plan include the following:

- Crown, GE and Sprott
  - Principal, interest and other payments will be deferred from July, 2012 to December 31, 2012.
  - The deferred interest will accumulate and will be added to the obligations.

- GMAC loans will continue to be dealt with on existing terms.

- Landdrill is considering various options for dealing with the claims of the holders of the Convertible Debentures.

- Landdrill will make all reasonable efforts to maintain the balance of trade payables at the existing aging. However, trade suppliers will be necessary to maintain operations so this will have to be managed on a case by case basis.

- Landdrill will engage an advisor to facilitate the possible sale of the Canadian, Mexican and/or Mongolian assets.

- Landdrill will make all reasonable efforts to pursue discussions with third parties with a view to securing alternative financing at interest rates equal to or below the current structure.

- Third party investors will provide the required immediate cash infusion of $2 million for working capital purposes. This financing will be secured with a 1st charge on the Mongolian assets.

The suspension of all principal, interest and other payments required to be made to the lenders until December 31, 2012 will provide the required time to pursue refinancing and sale opportunities.

We look forward to discussing this with you.

Sincerely,

Management