LET this Affidavit be filed
notwithstanding that it is an emailed copy.

Form 49
[Rule 13.19]

Dated at Edmonton, Alberta
________, 2017.

Clerk's stamp:

Master in Chambers

COURT FILE NUMBER 1703 12327

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

FILED
JUL 24 2017
JUDICIAL CENTRE OF EDMONTON
Clerk of the Court

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF CANADA NORTH GROUP INC., CANADA NORTH CAMPS INC., CAMPCORP STRUCTURES LTD., D. J. CATERING LTD., 816956 ALBERTA LTD. and 1371047 ALBERTA LTD.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

MILLER THOMSON LLP
Barristers and Solicitors
2700, Commerce Place
10155-102 Street
Edmonton, AB, Canada T5J 4G8
Phone: 780.429.1751 Fax: 780.424.5866

Lawyer's Name: Terrence M. Warner
Lawyer's Email: twarner@millerthomson.com
File No.: 141714.58

AFFIDAVIT OF GLENN MACDOUGALL

Sworn on July 24, 2017

I, GLENN MACDOUGALL, of the City of Burlington, in the Province of Ontario, MAKE OATH AND SAY THAT:

1. I am Manager, Portfolio Management of ECN Capital Corp. and, as such, I have personal knowledge of the facts and matters herein deposed, except where stated to be based upon information and belief, and where so stated I verily believe the same to be true. ECN Capital Corp. is a related party and administers the loan and leasing portfolio of ECN Financial Inc. ("**ECN**"). I am authorized to swear this Affidavit on the behalf of ECN.

2. I have reviewed the business records maintained by ECN herein in respect of the matters at issue, which I verily believe were made in the ordinary and usual course of business, and where I do not have direct personal knowledge of matters deposed herein, my knowledge is derived from my review of the business records, relevant copies of which are attached to this my Affidavit.

3. I make this affidavit in response to the Applicants' application for an extension of the Initial Order dated July 5, 2017 ("**CCAA Initial Order**") granted in these proceedings.

4. As set out in more detail below, ECN opposes any further extension of the Initial Order. In this regard, ECN supports the position taken by Canadian Western Bank ("**CWB**") that: (1) the stay period under the Initial Order should not be continued; and (2) the Court should lift the stay of proceedings and grant an order appointing a receiver over the assets, property and undertaking of the Applicants.

Loans and Security

5. ECN is a company incorporated in the province of Province of Ontario and is extra-provincially registered in Alberta. ECN carries on business in Alberta as ECN Business Management Inc. ECN is the successor in interest to Element Financial Corporation and Element Financial Inc. (collectively, "**Element**"). Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a true copy of a corporate search in respect to ECN.

6. Between November 2013 and May 2015, Element, as lessor, and Canada North Camps Inc. ("**CNC**"), Paul William Cracken and Shayne McCracken (with CNC, collectively, the "**Lessees**") entered into ten (10) lease agreements (collectively, the "**Leases**") whereby they leased various equipment (together, with the "Loader" defined below, the "**Equipment**") from Element, the details of which are as follows:

Lease Details	Date
Lease Agreement (CCB9489A-002) ("**Lease 002**")	November 22, 2013
Lease Agreement (CCB9489A-003)	November 28, 2013

("**Lease 003**")	
Lease Agreement (CCB9489A-005) ("**Lease 005**")	December 24, 2013
Lease Agreement (CCB9489A-006) ("**Lease 006**")	April 24, 2014
Lease Agreement (CCB9489A-007) ("**Lease 007**")	April 24, 2014
Lease Agreement (CCB9489A-008) ("**Lease 008**")	December 24, 2014
Lease Agreement (CCB9489A-009) ("**Lease 009**")	December 24, 2014
Lease Agreement (CCB9489A-012) ("**Lease 012**")	May 28, 2015
Lease Agreement (CCB9489A-013) ("**Lease 013**")	May 28, 2015
Lease Agreement (CCB9489A-014) ("**Lease 014**")	May 28, 2015

Copies of the Leases are attached as **Exhibit B** to my affidavit.

7. At various times, the parties executed amending agreements to amend the payment terms or the description of the Equipment under the Leases. In each case, the Leases were amended to reflect that ECN is the successor in interest to Element.

8. In addition to the Leases, CNC and Canada North Group Inc. ("**CNG**") entered into a Loan and Security Agreement dated June 1, 2016, (the "**Loan Agreement**") with

Element in the principal amount of $24,990 in respect to a 2007 CAT 287C Track Loader ("**Loader**"). The payment term under the Loan Agreement was subsequently amended by way of a Contract Amending Agreement dated October 28, 2016. As with the Leases, the Loan Agreement was amended to reflect that ECN is the successor in interest to Element. A copy of the Loan Agreement is attached as **Exhibit C**.

9. CNG also executed guarantees (the **"CNG Guarantees"**) with respect to each of the Leases pursuant to which it guaranteed all of the indebtedness and liability of the Lessees arising under each of the Leases. In addition, 1371047 Alberta Inc. ("**137**") guaranteed (the **"137 Guarantee"**) the indebtedness and liability of the Lessees arising under Leases 006, 007, 008, 009, 012, 013 and 014. For ease of reference, the CNG Guarantee and the 137 Guarantee will be collectively referred to as the "**Guarantees**". Copies of the Guarantees are attached as **Exhibit D**.

10. In respect to each of the Leases and the Loan Agreement (collectively the "**ECN Agreements**"), ECN registered its security interest under the Alberta personal property registry ("**PPR**"). In each case, ECN holds a first-ranking purchase money security interest ("**PMSI**") as against the Equipment. Copies of PPR searches against the Lessees and CNG are attached as **Exhibits E** and **F.**

Indebtedness to ECN

11. In or about April 2017, the Lessees and CNG defaulted in respect to the scheduled payments due and owing to ECN pursuant to the ECN Agreements. The failure to make a payment when due and owing constitutes an event of default under the Leases. Furthermore, a default under one Lease constitutes a default under the other Leases and the Loan Agreement.

12. Although ECN subsequently received payments from CNC, the payments were sporadic and not made in accordance with the payment schedules under the ECN Agreements. Despite repeated promises and overtures of refinancing from representatives of the CNC Debtors, the accounts were constantly in arrears.

13. As at July 7, 2017, the outstanding indebtedness under the Leases and the Loan Agreement was approximately $3,525,925.48 (the "**ECN Indebtedness**"). The particulars are as follows:

Details of Agreement	Amount Owing
Loan Agreement	$17,523.45
Lease 002	$106,523.31
Lease 003	$106,523.31
Lease 005	$739,267.48
Lease 006	$342,025.81
Lease 007	$342,025.81
Lease 008	$446,649.01
Lease 009	$446,649.01
Lease 012	$533,434.37
Lease 013	$256,658.44
Lease 014	$188,645.48
Total ECN Indebtedness	**$3,525,925.48**

Copies of the payout statements for each of the ECN Agreements are attached as **Exhibit G**.

Concerns About the Applicants

14. The financial position of the CNC Debtors with ECN has been problematic over the past year. Beginning on October 2016, the CNC Debtors indicated that the business had experienced cash flow issues and, as a result, requested that ECN consider a temporary reduction in payments under the ECN Agreements between October to December. After assessing the request, ECN agreed to a temporary reduction of payments.

15. However, despite this relief being afforded, the payments due on January 15, 2017 under two of the ECN Agreements were returned. The notification provided by ECN's bank was that the account had been closed. At no time prior to this date did the CNC Debtors ever attempt to notify ECN that the payments would be returned. More concerning is the fact that the account had been closed.

16. As a direct result of this development, I reached out to the CNC Debtors – specifically Paul and Shayne McCracken – to find out what was happening and what they were doing to address the situation. While I was told on multiple occasions that they were making great strides in "righting the ship" or that efforts were being made to seek out alternate financing, I found it hard to get (nor was I provided with) any specifics on the financial plan for the business.

17. Further, the financial situation never seemed to improve. From February 2017 onward, the CNC Debtors were never able to regularize the monthly payments under the ECN Agreements. This was obviously of great concern to ECN.

18. From this point onward, it proved to be extremely difficult to get financial or other information on a timely basis from the CNC Debtors. Despite my regular follow up with them, or to their financial advisor (Ernie Recsetar) by telephone and email messages, a great majority of them went unanswered. When I did hear from them, they repeatedly made representations as to forthcoming payments or a buy-out of ECN's position. However, I was never provided with a concrete plan for addressing the arrears and the proposed refinancing failed to materialize.

19. As a result of the lax manner and avoidance behaviour demonstrated by the CNC Debtors, ECN has completely lost confidence in the CNC Debtors' ability to properly manage and operate the business. This is particularly the case after reviewing the affidavit of Jessie Taha sworn on June 29, 2017 (the "**First Taha Affidavit**") on behalf of CWB which states that the Canada Revenue Agency has a deemed trust claim against the "CNC Core Group" (which includes CNC) in excess of $1 million.

20. I have also reviewed the affidavit of Shayne McCracken sworn July 20, 2017 (the "**Second McCracken Affidavit**") filed in support of the Applicants' request for an extension of the stay. While I note the apparent positive financial impact to CNC resulting from the BC forest fires (as outlined at Paragraphs 19 to 26), ECN views this as a temporary salve on the Applicants' financial circumstances.

21. It is ECN's view that it is unlikely that the Applicants will be able to make a viable Plan of Arrangement. Other than generalities, the Applicants have not presented concrete evidence of a reasonable and realistic plan. At best, it would appear that the end result may be a liquidation under the CCAA. As noted below, ECN will be materially prejudiced by the continuation of the stay of proceedings.

CCAA Proceedings are Not Appropriate

22. ECN shares the concern expressed by CWB in the First Taha Affidavit that the continuation of the CCAA proceedings will erode the value of ECN's security to its detriment. This is evidenced by Paragraph 9(a) of the Initial Order which specifically directs the Applicants "to make no payment of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of the date of this Order". I am advised by ECN's counsel, Terrence Warner, and believe that this means that the Applicants do not need to make any payments to ECN during the stay period despite being able to continue to use the Equipment in the course of its normal business operations.

23. It is ECN's position that it will derive no benefit from the CCAA proceedings. The Applicants' use of the Equipment will cause it to deteriorate, thereby eroding the value of ECN's security. In contrast, the Applicants (and other stakeholders) will derive a benefit from the Applicants' ability to use the Equipment, such as generating additional revenues, at ECN's expense. Further, the Applicants are authorized under Paragraphs 5, 6, 7 and 8 of the Initial Order to make payment as part of their normal business operations to other stakeholders such as employees, reasonable business expenses (i.e. supplier and vendors), government obligations and taxes and rental payments in respect to real property leases. This, in my view, is extremely one-sided, unjustified and contrary to the clear terms of the ECN's Agreements and ECN's position as a secured creditor.

24. ECN is better positioned to effectively realize upon its Equipment and will likely attain a better value through its own realization methods. For that reason, a receivership order is preferable.

25. Further, as an equipment lessor, it should not be forced to bear any of the priority charges under the Initial Order.

26. I make this Affidavit in response to the Applicants' motion to extend the stay of proceedings under the Initial Order and for no other or improper purpose.

SWORN BEFORE ME at the City of Mississauga, in the Province of Ontario, this 24th day of July, 2017.	)))))))	
A Commissioner of Oaths in and for the Province of Ontario C. MILLS		GLENN MACDOUGALL

CRAIG A. MILLS

This is Exhibit "A" referred to in the affidavit
of GLENN MACDOUGALL, SWORN BEFORE ME
this 24th day of July, 2017

A COMMISSIONER FOR TAKING AFFIDAVITS

CRAIG A. MILLS

Government of Alberta ■

Corporation/Non-Profit Search

Corporate Registration System

Date of Search: 2017/07/20
Time of Search: 01:33 PM
Search provided by: MILLER THOMSON LLP - CALGARY

Service Request Number: 27383065
Customer Reference Number: 141714.0058

Corporate Access Number: 2120147950
Legal Entity Name: ECN FINANCIAL INC.
Assumed Name: ECN BUSINESS MANAGEMENT INC.

Legal Entity Status: Active
Extra-Provincial Type: Other Prov/Territory Corps
Method of Registration: Amalgamation
Registration Date: 2017/01/04 YYYY/MM/DD
Date Of Formation in Home Jurisdiction: 2017/01/01 YYYY/MM/DD
Home Jurisdiction: ONTARIO
Home Jurisdiction CAN: 1968106

Primary Attorney:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code
BENTLEY	ROSS		BLAKE, CASSELS & GRAYDON LLP	855 - 2 STREET SW, SUITE 3500	CALGARY	ALBERTA	T2P 4J8

Head Office Address:
Street: 181 BAY STREET, SUITE 2830
City: TORONTO
Province: ONTARIO
Postal Code: M5J 2T3

Directors:

Last Name: COLTER
First Name: GRIER
Street/Box Number: 181 BAY STREET, SUITE 2830
City: TORONTO
Province: ONTARIO
Postal Code: M5J 2T3

Last Name: NIKOPOULOS
First Name: JIM
Street/Box Number: 181 BAY STREET, SUITE 2830
City: TORONTO
Province: ONTARIO
Postal Code: M5J 2T3

Associated Registrations under the Partnership Act:

Trade Partner Name	Registration Number
ECN CAPITAL	TN20554234
MICROSERVE FINANCIAL SOLUTIONS	TN20263554
NEXCAP FINANCE	TN20263695

Other Information:

Amalgamation Predecessors:

Corporate Access Number	Legal Entity Name
2119403158	ECN FINANCIAL INC.
2119425532	NEXCAP FINANCE CORPORATION

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2017/01/04	Register Extra-Provincial Amalgamation
2017/06/22	Change Director / Shareholder

2017/06/22	Change Address

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.

This is Exhibit "B" referred to in the affidavit
of GLENN MACDOUGALL, SWORN BEFORE ME
this 24th day of July, 2017

A COMMISSIONER FOR TAKING AFFIDAVITS

CRAIG A. MILLS

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

LESSEE INFORMATION

Lessee's Full and Legal Name	Lease No.
CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN	CCB9489A-002

Lessee Address (Head Office)
14238 134 Ave. NW Edmonton, Alberta T5L 5V8

LEASE DETAILS

Equipment Location Address (if different from Lessee Address)
6299 57 St. E. Calgary, Alberta T2C 4R4

VENDOR NAME

Campcorp Canada

EQUIPMENT DESCRIPTION

No.	New /Used	Year	Manufacturer	Model	Description	Serial Number

PLEASE SEE ATTACHED SCHEDULE "A"

START DATE	TERM	# RENTALS	RENTAL PAYMENT (PLUS APPLICABLE TAXES)
	49		
11/26/2013		1	$90,000.00
01/10/2014		48	$16,870.20

PURCHASE OPTION

Early Purchase Option

☐ The end of the Term's _____ calendar month for $_______________ (plus applicable taxes).

END OF TERM PURCHASE OPTION

☐ Fair Market Value (plus applicable taxes)

☒ $135,000.00 (plus applicable taxes)

LEASE ACCEPTANCE

This Lease shall not become binding upon Lessor until accepted as follows:

Lessor: **ELEMENT FINANCIAL CORPORATION**

Authorized Signature: Ron Myatt

Executed as Lessor By: Ron Myatt VP Operations

Date of Lessor's Acceptance: Nov 28, 2013

PRE-AUTHORIZED PAYMENT PLAN CONSENT

I hereby authorize Lessor to debit my bank account noted on the attached void cheque ("Lessee's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lessor under the terms of this Lease, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lessor with 30 days' prior written notice. I understand that I may contact my financial institution or visit www.cdnpay.ca to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Lessee and Lessor and has no effect whatsoever on any other provision of this Lease.

ATTACH VOID CHEQUE Signature: [signature]

THE UNDERSIGNED ACKNOWLEDGES HAVING READ THE ENTIRE LEASE AGREEMENT AND ACCEPTS THE TERMS AND CONDITIONS INCLUDING THOSE ON PAGE 2 & 3 HEREOF. EACH OF THE UNDERSIGNED AFFIRMS THAT THEY ARE DULY AUTHORIZED TO EXECUTE THIS LEASE AGREEMENT ON BEHALF OF LESSEE. DATED NOV 28, 2013

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature: [signature]	Signature: [signature]	Signature: [signature]
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

Initial [initials]

element

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

LEASE AGREEMENT

Phone: (416)-386-1067 Fax: (888)-772-8129

TERMS

In consideration of the covenants herein contained, including those on the reverse hereof, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), Lessor and Lessee agree as follows:

1. Lease: Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the equipment described in the Lease Details, together with any parts, accessories, replacements, additions and accessions, tangible or intangible, now and hereafter relating thereto or affixed thereon (collectively the "Equipment"). THIS LEASE CANNOT BE CANCELLED OR TERMINATED BY LESSEE.

2. Purchase Documents: If Lessee has not issued a purchase order or entered into an agreement with Vendor to purchase the Equipment (a "Purchase Document"), Lessee hereby agrees that Lessor may do so on Lessor's own behalf. If Lessee has entered into a Purchase Document, Lessee represents and warrants that title to the Equipment has not passed to Lessee and, at Lessor's option, Lessee shall assign to Lessor its rights under the Purchase Document to purchase the Equipment and to acquire any related license of software, information and documentation (a "License"). Except for the obligation to pay Vendor for the Equipment if (and only if) this Lease commences and is accepted by Lessor, Lessee shall perform, satisfy and discharge all of the purchaser's obligations under any Purchase Document and License and any assignment by Lessee to Lessor pursuant to this Section shall not include such obligations. The provisions of any Purchase Document or License do not modify Lessee's obligations to Lessor hereunder.

3. Term: This lease is for an original term (the "Term") commencing on the earlier of the Lease Commencement Date set out in a certificate (the "Delivery and Acceptance Certificate") in form prescribed by Lessor or, if Lessor waives the requirement for a Delivery and Acceptance Certificate pursuant to Section 4, the Date of Lessor's Acceptance set forth above and ending at the expiry of the number of complete calendar months indicated under the heading "Term" in the Lease Details.

4. Acceptance: Upon delivery and acceptance of the Equipment, Lessee shall forthwith execute and deliver to Lessor the Delivery and Acceptance Certificate unless Lessor, in its sole discretion, waives such execution and delivery by executing this Lease prior to the receipt of such certificate and after the delivery of the Equipment.

5. Equipment Selection: LESSEE HAS PERSONALLY SELECTED THE EQUIPMENT AND LESSOR HAS ACQUIRED THE EQUIPMENT AT LESSEE'S SPECIFIC REQUEST FOR THE PURPOSE OF LEASING IT HEREUNDER. LESSEE ACKNOWLEDGES THAT THE SUITABILITY OF THE EQUIPMENT AND ITS INSTALLATION AND DELIVERY IS LESSEE'S RESPONSIBILITY; THE FAILURE OF THE EQUIPMENT TO BE DELIVERED AND INSTALLED, TO OPERATE OR TO CONFORM TO LESSEE'S REQUIREMENTS SHALL NOT LESSEN LESSEE'S OBLIGATIONS HEREUNDER.

6. Rentals: Lessee shall, without notice from or request by Lessor, pay to Lessor during the Term of this lease the total number of Rental Payments set forth in the Lease Details. Such Rental Payment shall be payable in advance to Lessor at the address indicated above (or other address notified by Lessor to Lessee) as follows: first Rental Payment upon Lessee's execution hereof and, commencing after the calendar period covered by such first Rental Payment subsequent Rental Payments throughout the Term on: (A) in the case of monthly payments, the first day or the fifteenth day of each month, whichever day is closer to the date the Lease commences, or (B) in the case of payments based on any other calendar period, on the first day of each such calendar period. Any amount paid by Lessee to Lessor prior to this Lease commencing which is in excess of such first Rental Payment shall be credited towards Lessee's final Rental Payment(s) in reverse order of occurrence, without interest. RENTAL PAYMENTS AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE ARE PAYABLE WITHOUT SET-OFF, COMPENSATION OR ABATEMENT AND IN NO EVENT SHALL THE FIRST RENTAL PAYMENT BE REFUNDED TO LESSEE.

7. Adjustments: The Rental Payment set forth above is based upon the purchase price for the Equipment and Lessor's cost of funds. If (but only if) an Estimated Purchase Price has been specified in a Financing Terms Addendum attached hereto and the final invoice from Vendor specifies a purchase price (including taxes, delivery, installation and other charges) (the "Purchase Price") that is greater or less than the Estimated Purchase Price, Lessee authorizes Lessor to adjust the above Rental Payments to reflect the Purchase Price provided Lessee receives notice of such adjustment; however, if the Purchase Price exceeds the Estimated Purchase Price by more that 10%, Lessor will notify Lessee and obtain Lessee's prior written approval to such adjustment (such approval not to be unreasonably withheld) and the Lease will not commence until such approval is obtained. If (but only if) a Latest Start Date is specified in a Financing Terms Addendum attached hereto and Lease for any reason commences after such Latest Start Date, this Lease shall nevertheless be binding and Lessee authorizes Lessor in Lessor's sole discretion to adjust the above Rental Payments to reflect its cost of funds on the date this Lease commences and Lessor shall upon Lessee's request, provide Lessee with a copy of the completed description. If this Lease is signed by Lessee prior to Lessor having a complete description of the Equipment, Lessee hereby authorizes Lessor to complete such description provided Lessee receives notice of such description. Any adjustment to Rental Payments or completion of an Equipment description made pursuant to this Section shall be deemed to have effect from the date Lessee executes this Lease; if a Financing Terms Addendum is not executed and attached hereto, Lessor may not adjust the Net Rental Payments set forth above without Lessee's prior written consent.

8. Interest on Overdue Payments: Lessee shall without notice pay interest at the rate of Eighteen percent (18%) per annum calculated and compounded monthly and not in advance, on: (A) any past due Rental Payments (B) any amounts which bear interest according to this Lease and (C) any other amounts due to Lessor hereunder which are not paid on their due dates, in each case from the date any such amount becomes due or interest bearing, before and after maturity, default and judgment, until such arrears or other amounts are paid in full.

9. Pre-Authorized Payments: Lessee's Bank noted on the void cheque delivered by Lessee with this Lease is hereby authorized and directed to (A) debit Lessee's Account for all payments purporting to be drawn on Lessee for payment to Lessor which are presented for payment by Lessor or Lessor's agent, and (B) make all such payments to Lessor or Lessor's agent from Lessee's Account; such payments may be requested in the form of magnetic or computer-produced tape in which case such Bank is hereby authorized to treat them as signed by Lessee. Lessee agrees, in consideration of such Bank acting on this authorization, that such institution will not be liable for any loss or damage incurred as a result of honoring this authorization. If Lessee's Account is transferred to another branch, this authorization shall be directed to such other branch. Lessor is hereby irrevocably authorized to deliver a copy, details or further evidence of this authorization to such Bank, Lessee hereby appointing Lessor its lawful attorney for such purpose. Such authorization may only be used by Lessor in respect of payments arising under this Lease, including payments arising under any Transaction Schedule (defined in Section 38 of this Lease) to this Lease. Lessee has certain recourse rights if any debit from the Lessee's Account does not comply with the pre-authorized payment authorization granted by Lessee in this Lease. For example, Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Lessee in this Lease. To obtain more information on Lessee's recourse rights, Lessee may contact his/her/its financial institution or visit www.cdnpay.ca.

10. Installation, Maintenance and Repair: Lessee shall, at its expense, be responsible for: (A) the delivery, installation, de-installation and redelivery of the Equipment and (B) the maintenance, upkeep, care, servicing and repair (including necessary replacements of parts)("Maintenance") of the Equipment; in both cases by a party acceptable to Lessor. Lessee shall at its expense keep the Equipment in good repair, condition and working order. Lessee shall not without the prior written consent of Lessor make any alterations, additions or improvements to the Equipment. All such alterations, additions or improvements shall be at Lessee's expense and shall belong to, and become property of, Lessor immediately upon being made. On Lessor's request, Lessee shall enter into a Maintenance agreement respecting the Equipment with the manufacturer thereof or other Maintenance supplier acceptable to Lessor.

11. Use: Lessee shall use the Equipment in a careful and prudent manner and not for any unlawful purpose and shall at Lessee's expense comply with and conform to all applicable laws, ordinances and regulations (including laws, ordinances and regulations concerning environmental matters) relating to the possession, use or Maintenance of the Equipment. Lessee enters into this Lease for commercial or industrial purposes and not for any personal, family or household purposes or any farm, ranch or feedlot operation purposes and shall only use the Equipment in connection with its business or in the carrying on of an enterprise and only for commercial or industrial purposes.

12. Loss and Damage: Lessee shall, until this Lease is terminated and Lessee's obligations hereunder are discharged in full (including the return of the Equipment), bear the entire risk of loss, damage, destruction, theft, seizure or governmental taking of the Equipment or any part thereof (any such case being a "Loss"), regardless of whether it is caused by any default or neglect of Lessee. No Loss shall relieve Lessee of its obligations hereunder.

13. Title and Identification: The Equipment is and shall at all times be and remain the sole personal and moveable property of Lessor, shall not be affixed or attached to or otherwise become a fixture or accession to any lands, buildings or chattels and Lessee shall have no right, title or interest in or to the Equipment except as expressly set forth herein. Lessee shall not allow the Equipment to become subject to any claim, privilege, lien, charge, encumbrance, levy, security interest, mortgage, pledge, hypothecation, seizure, trust, attachment, judicial process, ownership interest, license, sublease or other right in favor of any person (in any such case an "Encumbrance") unless such Encumbrance is caused by Lessor. At Lessor's request, Lessee shall at Lessee's expense affix and maintain on the Equipment, in a manner and in places satisfactory to Lessor, labels, plates or other marks supplied by Lessor to identify the Equipment as the property of Lessor.

14. Location and Inspection: Lessee shall maintain the Equipment at the Equipment Location specified in the Lease Details and shall not move the Equipment from such location. Lessor shall have the right to inspect the Equipment and Lessee's Maintenance, insurance and Tax records at any time.

15. Net Lease: ALL COSTS AND EXPENSES RELATING TO THE EQUIPMENT OR ITS USE, MAINTENANCE OR POSSESSION SHALL BE BORNE BY LESSEE, INCLUDING ALL TAXES AND ALL FEES, CHARGES, CLAIMS AND FINES INCURRED OR ARISING IN CONNECTION WITH THE REGISTRATION, LICENSING OR OPERATION OF THE EQUIPMENT. The Rental Payments and other amounts payable hereunder shall be absolutely net to Lessor, free of all expenses or outgoings of any kind or nature. If Lessee fails to perform any of its obligations hereunder, Lessor may do so on Lessee's behalf and shall be entitled to immediate reimbursement from Lessee together with interest from the date of expenditure by the Lessor until reimbursed by the Lessee; without prejudice to any other Lessor's rights or remedies, and Lessee appoints Lessor its lawful attorney for such purposes.

16. Taxes: Lessee shall pay all Taxes and file all returns in respect of Taxes immediately upon such Taxes or returns becoming due. "Taxes" includes all taxes, imposts, levies, fees, duties and charges now or hereafter imposed by any federal, provincial, municipal or other taxation authority on Lessee, the Equipment or the purchase, sale, ownership, delivery, possession, use, Maintenance, operation or lease of the Equipment or on Lessor in respect of any of the foregoing (including sales excise, use, property, business, transfer, goods and services and value added taxes and including penalties or interest based on late payment of taxes), but excluding taxes on or measured by Lessor's overall net income. Lessor shall be entitled to claim any applicable capital cost allowance, investment tax credit or similar benefit under applicable tax legislation from time to time pertaining to the Equipment and/or the Lease and Lessee shall not make any such claim in respect thereof.

17. Insurance: Lessee shall, at its own expense, place and maintain with insurers acceptable to Lessor: (a) comprehensive all risks insurance on the Equipment for its full replacement value, such insurance to include: (i) Lessor as additional insured, (ii) a loss payable clause in favor of Lessor as first payee, and (iii) a waiver of subrogation in favor of Lessor; and (b)general public liability and property damage insurance with limits of liability equal to at least $2,000,000 per occurrence (or such greater amount as Lessor may require from time to time), and such insurance shall: (i) extend to all liabilities of Lessee arising out of its use or possession of Equipment, (ii) include Lessor as additional ensured, and (iii) include a cross-liability provision which insures each person insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each.

All insurance policies shall contain endorsements providing that: (A) thirty days written notice shall be given to Lessor before a policy lapses or is materially altered or cancelled; (B) coverage shall be primary and not contributory; (C) Lessor's interest as additional insured shall not be invalidated or otherwise affected by any act or omission, deliberate, negligent or otherwise, of Lessee or its agents, servants or employees (such as a "standard mortgagee clause"); (D) Lessor shall not be responsible for payment of any premium; and (E) Lessor may elect to have all proceeds of Loss payable only to itself. Lessee shall, on request, supply Lessor with certified copies of all insurance policies or other evidence satisfactory to Lessor of satisfaction of these insurance covenants. In the event of damage amounting to actual or constructive total loss of the Equipment, Lessor shall be entitled to retain from all insurance proceeds an amount equal to the total amount payable to Lessor by Lessee hereunder as Liquidated Damages (as defined in Section 26(a) except that for purposes hereof, each reference in Section 26(a) to "date of Default" shall be replaced with "date of payment by Lessee to Lessor of insurance proceeds").

18. Failure to Insure: If Lessee fails to fulfill its insurance obligations hereunder, then, without prejudice to Lessor's other rights and remedies, Lessor shall have the right, but not the obligation, to procure insurance covering Lessor's interest (but not Lessee's interest) in the Equipment, in such form and amount and with such insurers (including an insurer affiliated with Lessor) as Lessor shall determine from time to time, all at Lessee's expense. Such expense (the "Insurance Expense") shall include the cost of acquiring such insurance and any charges or fees for services associated with the placement, maintenance or service of such insurance, plus interest accruing on such expense at the interest rate provided herein for overdue amounts from the time of payment by the Lessor until such expense is reimbursed by Lessee to Lessor. Lessee shall pay the Insurance Expense to Lessor in equal installments at the same time and in the same manner as the remaining Rental Payments. Lessee shall cooperate with Lessor's insurance agent in connection with the placement of such insurance and the processing of any claims. Nothing herein shall be deemed to obligate or entitle Lessor to act as an insurer hereunder or to arrange any insurance for the benefit of Lessee. Nothing herein shall require Lessor to secure, maintain in force or renew any insurance, in any amounts or upon any specific terms and conditions. Lessor reserves the right to terminate any insurance coverage which Lessor may arrange, or allow same to lapse, without incurring any liability to Lessee.

19. Representations: Lessee represents, warrants and covenants throughout the Term that: (A) if Lessee is a body corporate, it is and will continue to be validly incorporated (or otherwise established), organized and existing and in good standing; (B) it has all necessary power and authority to execute, deliver and perform this Lease, each such action (i) having been duly authorized by all necessary action of Lessee, (ii) not being in conflict with any applicable law, the constating documents, resolutions or by-laws of Lessee or any indenture, instrument, agreement or undertaking to which it is a party or by which it or any of its assets are or may become bound, and (iii) not resulting in the creation of any Encumbrance on the Equipment; (C) this Lease is and will continue to be the legal, valid and binding obligation of Lessee enforceable against it and effective against its creditors in accordance with its terms; (D) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal that could have a material adverse effect on Lessee; (E) financial statements and other related information furnished by Lessee to Lessor are prepared in accordance with generally accepted accounting principles and fairly present Lessee's financial position on their respective dates; and (F) to evidence the foregoing Lessee shall provide legal opinions, resolutions and such other documents as Lessor may reasonably request.

20. Subleasing Etc.: Lessee shall not sublet or part with possession or control of the Equipment or permit its use by any person other than Lessee or employees of Lessee who are qualified and competent to operate same. Neither this Lease nor Lessee's rights hereunder shall be assigned by Lessee except with Lessor's prior written consent and no assignment shall release Lessee from its obligations hereunder.

21. Surrender: At the end of the Term or any renewal thereof, if Lessee has not purchased the Equipment pursuant to Section 29, Lessee, at Lessee's expense, shall surrender control of the Equipment to Lessor and shall; (A) after giving Lessor thirty days prior written notice, return the Equipment to Lessor at Lessor's nearest office or other place specified by Lessor or (B) if requested by Lessor, dispose of the Equipment as Lessor reasonably directs, including disposition in a manner which will avoid any dangerous use thereof or damage or injury to any person or property therefrom. Whenever Lessee is required to return the Equipment to Lessor the Equipment shall be in good repair, condition and working order and Lessee shall pay all costs of Maintenance and restoration of Equipment returned to Lessor, necessary to restore it to its condition on the date this Lease commenced, normal wear and tear excepted. Lessee shall, if Lessor so requests, store the Equipment at Lessee's risk and expense and as Lessor's bailee for a period of up to 90 days after the end of the Term; Lessee shall not use the Equipment or pay Rental Payments for the Equipment during such period but shall otherwise be bound by all of the terms of this Lease during such period.

22. Renewal: If Lessee fails to surrender the Equipment at the end of the Term or any renewal thereof, or to purchase the same pursuant to Section 29, Lessee shall be deemed to have requested a renewal of this Lease for a period of three (3) calendar months and Lessor may, in its sole discretion: (A) demand the surrender of the Equipment in compliance with Section 21 and exercise its rights and remedies for such non-compliance or (B)accept Lessee's request to renew this Lease for a three (3) month period commencing on the end of the Term or the last renewal thereof. Such acceptance may be evidenced in writing signed by Lessor or by Lessor continuing to invoice Lessee, withdrawing Rental Payments pursuant to a pre-authorized payment plan or otherwise accepting Rental Payments in respect of such renewal period. Lessee shall continue to have all of its obligations under this Lease during any such renewal period, including the obligation to pay Lessor Rental Payments, as it had during the Term and all provisions of this Lease shall apply to any such renewal term.

23. Entry: If Lessee fails to surrender the Equipment to Lessor as required under this Lease, Lessor may, without notice to Lessee or resort to legal process, but subject to any applicable law, enter any premises where the Equipment is located and take possession of and remove or disable such Equipment.

24. Indemnity: Lessee hereby indemnifies Lessor and agrees to save Lessor harmless from and against all loss, costs, liabilities, claims, legal proceedings and expenses (including legal fees and costs) whatsoever arising in connection with this Lease, the Purchase Documents, any License, the Equipment, the manufacture, selection, purchase, ownership, delivery, possession, use, Maintenance, operation, Loss or return of the Equipment, Taxes, the recovery of claims under any insurance policy relating to the Equipment, any use or operation of Equipment which infringes any patent or other industrial or intellectual property right of any person, any Default by Lessee, the exercise by Lessor of any rights or remedies hereunder or any entry or taking of possession, removal or disabling of Equipment pursuant to Section 23.

25. Defaults: Each of the following is a default by Lessee (a "Default"): (a) Lessee fails to make any Rental Payment or pay any other amounts due under this Lease within 3 days after the same is due and payable; or (b) Lessee fails to perform, observe or comply with any other obligation, term or condition on its part to be performed, observed or complied with hereunder; or (c) any event of default occurs under any other lease or

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161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

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contract between Lessor and Lessee or under any material agreement between Lessee and any other person; or (d) any representation or warranty made by Lessee to Lessor in or in connection with this Lease is incorrect; or (e) the Equipment or any part thereof is subjected to an Encumbrance not caused by Lessor, Lessee sells or attempts to sell or grant an Encumbrance on any part of the Equipment or the value of Lessor's interest in the Equipment is materially impaired due to Loss; or (f) Lessee makes any assignment for the benefit of its creditors, becomes insolvent, commits any act of bankruptcy, takes any action to wind-up or dissolve, ceases or threatens to cease to do business as a going concern, is subject to a change in control in fact or in law or seeks any arrangement or composition with its creditors; or (g) any proceeding in bankruptcy, receivership, winding-up, dissolution, liquidation or insolvency is commenced by or against Lessee or its property; or (h) Lessor in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance by Lessee under this Lease is or is about to be impaired or the Equipment is or is about to be placed in jeopardy; or (i) any guarantor of Lessee's obligations hereunder disputes its obligation under its guarantee or seeks to determine its obligations thereunder or to terminate its guarantee of Lessee's future obligations or becomes subject to any of the events in clauses (b), (c), (d), (f) or (g) of this Section.

26. Effect of Default; Damages: A loss to Lessor upon a Default is dependent in part upon the cost of the Equipment to Lessor, the Term and the minimum return expected by Lessor from the sale or re-lease of the Equipment at the end of the Term. Upon any Default and in addition to Lessor's other rights and remedies under this Lease and otherwise available at law or in equity: (a) Lessee shall pay forthwith (without notice) to Lessor as liquidated damages, and not as a penalty, an amount (the "Liquidated Damages") equal to the aggregate of: (i) unpaid Rental Payments and other amounts payable hereunder unpaid as of the date of the Default; (ii) the present value (calculated on the basis of an interest rate equal to the lower of (x) of three percent (3%) or (y) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the remaining Term, compounded monthly) of: (A) the remaining Rental Payments payable from the date of Default to the end of the Term or, if applicable, any renewal thereof, and (B) amounts otherwise payable under the Lease to the end of the Term, or, if applicable, any renewal thereof, and (C) the greater of the purchase price for the Equipment pursuant to any end of Term Fair Market Value (as defined in Section 29 below) or fixed Option Price (as defined in Section 29 below) and the amount of any residual interest which Lessor may have in Equipment; (iii) any Enforcement Costs (as defined in sub-paragraph (e) below) incurred by Lessor; and (iv) interest thereon from the date of Default until payment in full; to the extent that the Liquidated Damages are deemed to include any Taxes which Lessor is required to remit to any taxation authority the Liquidated Damages shall be increased by the amount necessary to ensure that the net amount of the Liquidated Damages retained by Lessor after remitting all applicable Taxes will be equal to the amount calculated above; (b) upon Lessor's demand, Lessee at Lessee's expense shall forthwith surrender control of the Equipment to Lessor pursuant to Section 21 as though the Term had expired; (c) Lessor may, immediately and without notice to Lessee or resort to legal process take possession of and remove or disable the Equipment pursuant to Section 23 as though Lessee had failed to surrender such Equipment when required to do so; (d) the rights of Lessee hereunder in respect of the Equipment, including the right to use and possess the Equipment, shall cease and terminate absolutely without limiting Lessee's liability or obligations hereunder; and (e) Lessor may by notice in writing terminate this Lease or any other agreement Lessor may have with Lessee. All rights and remedies of Lessor, either under this Lease or at law or in equity or otherwise afforded to Lessor, are cumulative and not alternative. Lessor's costs and expenses incurred as a result of a Default ("Enforcement Costs") (including all costs and expenses in respect of collection, legal fees, repossession, repair of Equipment, enforcement of Lessor's rights or remedies, sale or re-lease costs or other realization costs) shall be paid by Lessee to Lessor forthwith upon demand, with interest accruing thereon from the date such costs and expenses were incurred until payment in full.

27. Sale on Default: Lessor may after a Default sell, re-lease or otherwise dispose of Equipment at public or private sale with or without notice to Lessee and upon such terms and in such manner as Lessor may determine. Lessee shall thereafter continue to be liable to Lessor for the amount of any deficiency between the proceeds to Lessor from such disposition and the Liquidated Damages. If at any time after a Default and prior to Lessor obtaining possession of the Equipment, Lessee pays to Lessor the Liquidated Damages and all applicable Taxes, title to the Equipment shall vest in Lessee on an "as is, where is" basis without any condition, representation or warranty of Lessor whatsoever except that Lessee acquires such interest free of Encumbrances caused by Lessor.

28. Effect of Waiver: No delay in exercising, or failure to exercise, any right or remedy accruing to Lessor under this Lease will impair or waive such right or remedy, nor will a waiver of any single Default be deemed a waiver of any other prior, subsequent or concurrent Default. Any waiver, permit, consent or approval on the part of Lessor in respect of this Lease must be in writing and shall have effect only to the extent specifically set forth in such writing.

29. Purchase Option: In this Section: (a) "Default" means any existing Default and any event or circumstance which, with the giving of notice or the lapse of time or both, would constitute a Default; (b) "Fair Market Value" means the delivered and installed, all-inclusive, purchase price for equipment in good repair in a sale between an arms length purchaser buying for its own use and a seller dealing in such equipment in the ordinary course of its business, as such purchase price is determined by Lessor acting reasonably; (c) "Option Price" means the amount set forth in the Lease Details as the fixed price for an early payment option or the fixed price for an end of term purchase option, as the case may be; and (d) "Option Date" means the last day of the month set forth in the Lease Details as the date for the exercise of an early payment option or the last day of the Term of the Lease in the case of an end of term purchase option, as the case may be. Provided no Default exists, any Purchase Option set forth in the Lease Details may be exercised by Lessee: (i) giving Lessor written notice sixty (60) days prior to the Option Date of its election to exercise such option; and (ii) paying Lessor the Option Price, plus Taxes, at least thirty (30) days before the Option Date. After the giving of such notice and the making of such payment, provided no Default exists on the Option Date, Lessee shall acquire Lessor's interest in the Equipment on the Option Date on an "as is, where is" basis without any condition, representation or warranty by Lessor of any kind whatsoever except that Lessee acquires such interest from Lessor free of Encumbrances caused by Lessor.

30. Lessee's Waiver: TO THE EXTENT NOT PROHIBITED BY LAW OR STATUTE, LESSEE HEREBY WAIVES THE BENEFIT OF ALL PROVISIONS OF ALL APPLICABLE CONDITIONAL SALES, REGULATORY, CREDIT AND OTHER STATUTES AND ALL REGULATIONS MADE THEREUNDER IN ANY APPLICABLE JURISDICTION WHICH WOULD IN ANY MANNER AFFECT, RESTRICT OR LIMIT THE RIGHTS AND REMEDIES OF LESSOR HEREUNDER, including, without limiting the generality of the foregoing, all of Lessee's rights, benefits and protections given or afforded by the provisions of The Limitation of Civil Rights Act of Saskatchewan, as amended. Lessee also waives and assigns to Lessor the right of any statutory exemption from execution or otherwise and further waives any right to demand security for cost in the event of litigation.

31. Lessor Warranties: Lessor warrants that on the date this Lease commences it is the owner of the Equipment, free and clear of any Encumbrance caused by Lessor, save for Lessee's rights hereunder. Except as otherwise explicitly set forth herein, but without affecting Lessor's warranties set forth in any other agreement (all of which Lessee acknowledges do not affect or form part of this Lease), Lessor makes no warranty or representation whatsoever as to the durability, quality or condition of the Equipment or its suitability for Lessee's purposes or as to any other matter whatsoever (including status of this Lease for tax or accounting classification purposes). No representation to Lessee as to the Equipment or any other matter by the Vendor or any supplier or manufacturer of the Equipment shall in any way affect Lessee's obligations under this Lease. At the request and expense of Lessee and while there is no Default, Lessor will (A) assign to Lessee for the Term any and all warranties, guarantees, service contracts, Licenses and representations given to Lessor by the Vendor or a manufacturer or supplier of the Equipment with respect to the Equipment ("Equipment Rights") which are assignable at law; and (B) assist Lessee in receiving the benefit of such Equipment Rights. If Lessor obtains possession or control of the Equipment or if there is a Default, Lessee shall be deemed to have immediately reassigned such Equipment Rights to Lessor without any further action. If Equipment is located in the Province of Quebec, Lessor hereby conveys to Lessee any warranty which the Vendor or a manufacturer or supplier of such Equipment gave to Lessor. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, CAUSED BY THE EQUIPMENT OR THE USE, MAINTENANCE OR POSSESSION THEREOF, BY THE INADEQUACY OF THE EQUIPMENT RIGHTS OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED.

32. Assignment: This Lease and all rights, remedies and benefits of Lessor hereunder may be assigned by Lessor without notice to or the consent of Lessee and Lessee hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy of any assignment document. Upon such assignment: (A) the assignee (the "Assignee") shall be entitled to enforce the rights and remedies and to receive all benefits which would otherwise accrue to the original Lessor under this Lease; (B) the Assignee shall be deemed to be Lessor for the purpose of all such rights, remedies and benefits; (C) the Assignee shall have no obligation to Lessee to perform any of the obligations of the original Lessor hereunder or otherwise in respect of the Equipment, all of which are retained by the original Lessor; and (D) Lessee's rights hereunder as against the original Lessor shall be unaffected except as herein specifically provided. Lessee agrees not to assert against the Assignee any claim by way of abatement, defense, set-off, compensation, counterclaim or the like which Lessee may have against the original Lessor. Upon notice of an assignment Lessee shall unconditionally pay to such Assignee all Rental Payments and other amounts due hereunder and shall not assert any defense against such Assignee in any action for Rental Payments or other amounts due and payable hereunder, except the defence of payment to the Assignee. Lessor may assign to the Assignee the pre-authorized payment authorization granted by Lessee in this Lease provided that Lessor provides Lessee with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Rental Payments or other amounts due under this Lease from the Lessee's Account.

33. Credit Investigation: Subject to applicable legislation, Lessee hereby consents to Lessor conducting a credit investigation of Lessee and to Lessor making inquires with financial institutions or other persons in a business relationship with Lessee in connection therewith; Lessee hereby authorizes and directs such persons to answer Lessor's inquiries. Lessee agrees to furnish to Lessor: (A) a copy of its interim financial statements and other related information, as Lessor may request from time to time; and (B) its annual financial statements, audited if applicable, within ninety days of the end of each financial year.

34. Security Interests: To secure Lessee's performance of its obligations hereunder Lessee grants Lessor a continuing security interest in any interest Lessee has in the Equipment, in all proceeds thereof (including proceeds of insurance) and in any Rental Payments receivable on any sublease permitted by Lessor; Lessee agrees that Lessor has all rights of a secured party under any applicable personal property security legislation and at law and in equity. To the extent this Lease creates a security interest, such security interest is a purchase money security interest (as the terms "security interest" and "purchase money security interest" are used in the Personal Property Security Act (Ontario)) and shall be interpreted with similar effect under analogous legislation in force in any other relevant jurisdiction. In this Lease the term "security interest" includes a movable hypothec without delivery.

35. Fees: Lessor shall be entitled to charge Lessee such fees and other charges as it may establish from time to time for the administration of and ancillary matters to this Lease, including a fee of $25.00 for each security registration required in connection with this Lease and such fees for invoices as Lessor may from time to time establish.

36. Name Change, etc.: Lessee shall promptly notify Lessor in writing of: (A) any change in Lessee's name: (B) any transfer, authorized or unauthorized, by Lessee of any interest in or benefit from the Equipment; (C) any change, authorized or unauthorized, by Lessee in the location of any Equipment; and (D) any change in the location of Lessee's Head Office specified above.

37. Information: Lessee agrees that Lessor may provide copies of this Lease and/or information concerning Lessee and its obligations hereunder to any person.

38. Additional Equipment: Lessor and Lessee may from time to time agree to lease additional equipment pursuant to these Terms & Conditions and the above Lessee Information and Invoice Option and each such agreement shall be evidenced by a written schedule referencing this initial lease (a "Transaction Schedule"), signed by Lessee and Lessor and setting forth the particulars of such equipment lease transaction including the matters addressed by the above Lease Details and including any amendments to the Lessee Information or Terms and Conditions which are applicable to that transaction. The particulars of the initial transaction set forth in the above Lease Details shall not apply to subsequent transactions but the Terms and Conditions, Invoice Option and Lessee Information of this Lease are incorporated by reference into each Transaction Schedule and shall apply mutatis mutandis, to the transaction specified in such Transaction Schedule; such Lessee Information, Terms and Conditions, Invoice Option and each Transaction Schedule shall constitute a separate lease and the entire agreement with respect to that transaction, shall be deemed to be a "Lease" to which these Terms and Conditions refer and shall not terminate as a result of the termination or expiry of any other Lease made pursuant to these Terms and Conditions. The terms of any Transaction Schedule evidencing a specific transaction shall prevail over these Terms and Conditions and the above Lessee Information to the extent of any conflict or inconsistency but only in respect of that transaction.

39. Entire Agreement: This Lease (including (A) all details set forth above in the Lessee Information, Lease Details and Invoice Option and in these Terms & Conditions and (B) any schedule, addendum or amendment to this Lease which is in writing, references this Lease and is signed by Lessee and Lessor at any time) constitutes the entire agreement between Lessor and Lessee with respect to its subject matter.

40. Applicable Law: This Lease shall be construed according to the laws of the Province where the Equipment is located as set forth in the Lease Details.

41. Enurement: Subject to the terms hereof, this Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, permitted assigns and legal representatives.

42. Interpretation: Whenever the context of this Lease so requires, the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders. Time is of the essence of this Lease and each of its provisions. Headings are for convenience of reference only and do not affect the interpretation. Terms used in the Lessee Information or Lease Details have, when used in these Terms & Conditions, unless the context otherwise requires, the meaning ascribed thereto by such use. The word "including" means "including without limitation"

43. Notices: Any notice required or permitted to be given hereunder must be in writing and will conclusively be deemed to have been received by its recipient on the business day it is delivered or sent by facsimile transmission to a party at the address indicated on the first page hereof (or at such other address as such party specifies to the other party in writing) or, if sent by registered mail, provided there is no interruption in postal services, on the fifth business day after the day of mailing, addressed to such party at such address.

44. Severability: Any provision of this Lease prohibited by or unlawful or unenforceable under any applicable law shall, at the sole option of Lessor, be ineffective without invalidating the remaining provisions of this Lease: provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Lessee.

45. Further Assurances: Lessee agrees to do all things and execute or obtain all documents as may be required by Lessor in order to give effect to or better evidence this Lease including the execution of financing statements or other documents to effect security registrations to protect Lessor's interests, any acknowledgements required by any Assignee and any waivers or subordinations from Lessee's landlords or creditors.

46. Language: The parties hereby acknowledge that they have required this contract, and all other agreements and notices required or permitted to be entered into or given pursuant hereto, to be drawn up in the English language only. Les parties reconnaissent avoir demandé que le présent contrat ainsi que toute autre entente ou avis requis ou permis à être conclu ou donné en vertu des dispositions du présent contrat, soient rédigés en langue anglaise seulement.

47. Survival: Notwithstanding any other sections hereof, all obligations of Lessee under sections 2,8,10,12,13,15,16,19,21,22,23,24,25,26,27,30,31,32,34 and 35 hereof and the rights and remedies of Lessor hereunder shall survive the termination of this Lease and the receipt of all Rental Payments and other amounts payable by Lessee hereunder.

48. Joint and Several Liability: If more than one person executed this Lease, their obligations hereunder shall be joint and several and, in the Province of Quebec, solidary without benefit of division or discussion.

49. Receipt of Copy, Etc.: Lessee acknowledges receipt of a true copy of this Lease and waives, to the extent permitted by applicable law, all rights to receive copies of financing statements, financing change statements, verification statements, confirmation statements or copies of other notices or filings made by Lessor at any time in connection with this Lease, any schedule thereto, any amendment thereof or any Transaction Schedule.

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SCHEDULE "A" EQUIPMENT DESCRIPTION

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

Attached to and forming part of Insurance Confirmation regarding Lease Agreement No. CCB9489A-002 dated ______________, 20__ between **CANADA NORTH CAMPS INC.** and **PAUL WILLIAM MCCRACKEN** and **SHAYNE LEWIS DION MCCRACKEN** as Lessee and **ELEMENT FINANCIAL CORPORATION** as Lessor.

EQUIPMENT DESCRIPTION

No.	New/ Used	Year	Manufacturer	Model	Description	Serial Number	Value
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 001	$100,000.00
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 002	$100,000.00
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 003	$100,000.00
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 004	$100,000.00
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 005	$100,000.00
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 006	$100,000.00
1	New	2013	Campcorp		Unit Rec	SLF 3UR201315 001	$100,000.00
1	New	2013	Campcorp		Unit Rec	SLF 3UR201315 002	$100,000.00
1	New	2013	Campcorp		Unit Rec	SLF 3UR201315 003	$100,000.00

900,000

element

AMENDMENT NO.
OF CONTRACT NUMBER **CCB9489A-002** ("the Agreement")

Element Financial Corporation/Services Financiers Élément ("Element")
Canada North Camps Inc. Canada North Camps Inc. (The "Company)"

AMENDMENT

The Agreement is hereby amended as follows:

Unit Rec, VIN# **FX 6UR 201319 001, FX 6UR 201319 002, FX 6UR 201319 003, FX 6UR 201319 004, FX 6UR 201319 005, FX 6UR 201319 006**

Element has agreed to release it's interest only in the Equipment listed above subsequent and conditional to the return of this executed Amendment.

Element is in receipt of the Purchase Price of **$495,159.89**

Periodic Payments have been amended as follows (amounts shown before taxes):

Payment date	Amount	Payment date	Amount	Payment date	Amount	Payment date	Amount
10-Jan-15	5,623.40	10-Feb-17	5,623.40	10-Mar-19	0.00	10-Apr-21	0.00
10-Feb-15	5,623.40	10-Mar-17	5,623.40	10-Apr-19	0.00	10-May-21	0.00
10-Mar-15	5,623.40	10-Apr-17	5,623.40	10-May-19	0.00	10-Jun-21	0.00
10-Apr-15	5,623.40	10-May-17	5,623.40	10-Jun-19	0.00	10-Jul-21	0.00
10-May-15	5,623.40	10-Jun-17	5,623.40	10-Jul-19	0.00	10-Aug-21	0.00
10-Jun-15	5,623.40	10-Jul-17	5,623.40	10-Aug-19	0.00	10-Sep-21	0.00
10-Jul-15	5,623.40	10-Aug-17	5,623.40	10-Sep-19	0.00	10-Oct-21	0.00
10-Aug-15	5,623.40	10-Sep-17	5,623.40	10-Oct-19	0.00	10-Nov-21	0.00
10-Sep-15	5,623.40	10-Oct-17	5,623.40	10-Nov-19	0.00	10-Dec-21	0.00
10-Oct-15	5,623.40	10-Nov-17	5,623.40	10-Dec-19	0.00	10-Jan-22	0.00
10-Nov-15	5,623.40	10-Dec-17	5,623.40	10-Jan-20	0.00	10-Feb-22	0.00
10-Dec-15	5,623.40	10-Jan-18	45,000.00	10-Feb-20	0.00	10-Mar-22	0.00
10-Jan-16	5,623.40	10-Feb-18	0.00	10-Mar-20	0.00	10-Apr-22	0.00
10-Feb-16	5,623.40	10-Mar-18	0.00	10-Apr-20	0.00	10-May-22	0.00
10-Mar-16	5,623.40	10-Apr-18	0.00	10-May-20	0.00	10-Jun-22	0.00
10-Apr-16	5,623.40	10-May-18	0.00	10-Jun-20	0.00	10-Jul-22	0.00
10-May-16	5,623.40	10-Jun-18	0.00	10-Jul-20	0.00	10-Aug-22	0.00
10-Jun-16	5,623.40	10-Jul-18	0.00	10-Aug-20	0.00	10-Sep-22	0.00
10-Jul-16	5,623.40	10-Aug-18	0.00	10-Sep-20	0.00	10-Oct-22	0.00
10-Aug-16	5,623.40	10-Sep-18	0.00	10-Oct-20	0.00	10-Nov-22	0.00
10-Sep-16	5,623.40	10-Oct-18	0.00	10-Nov-20	0.00	10-Dec-22	0.00
10-Oct-16	5,623.40	10-Nov-18	0.00	10-Dec-20	0.00	10-Jan-23	0.00
10-Nov-16	5,623.40	10-Dec-18	0.00	10-Jan-21	0.00	10-Feb-23	0.00
10-Dec-16	5,623.40	10-Jan-19	0.00	10-Feb-21	0.00	10-Mar-23	0.00
10-Jan-17	5,623.40	10-Feb-19	0.00	10-Mar-21	0.00	10-Apr-23	0.00

IF APPLICABLE, the purchase option, is modified as follows:
Purchase all of the rights, interests and title of the Lessor in and to all of the Equipment covered by the Lease for an amount equal to:
45,000.00

All other terms and conditions applicable to the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on February 4, 2015

Element Financial Corporation/Services Financiers Élément

Name:
Title:

The Company:
Canada North Camps Inc.

Name: Shayne McCracken
Title: VP

Same as doc before

element

AMENDMENT NO.
OF CONTRACT NUMBER **CCB9489A-002** ("the Agreement")

Element Financial Corporation/Services Financiers Élément ("Element")
Canada North Camps Inc. Canada North Camps Inc. (The "Company)"

AMENDMENT

The Agreement is hereby amended as follows:

Unit Rec, VIN# **FX 6UR 201319 001, FX 6UR 201319 002, FX 6UR 201319 003, FX 6UR 201319 004, FX 6UR 201319 005, FX 6UR 201319 006**

Element has agreed to release it's interest only in the Equipment listed above subsequent and conditional to the return of this executed Amendment.

Element is in receipt of the Purchase Price of **$495,159.89**

Periodic Payments have been amended as follows (amounts shown before taxes):

Payment date	Amount	Payment date	Amount	Payment date	Amount	Payment date	Amount
10-Jan-15	5,623.40	10-Feb-17	5,623.40	10-Mar-19	0.00	10-Apr-21	0.00
10-Feb-15	5,623.40	10-Mar-17	5,623.40	10-Apr-19	0.00	10-May-21	0.00
10-Mar-15	5,623.40	10-Apr-17	5,623.40	10-May-19	0.00	10-Jun-21	0.00
10-Apr-15	5,623.40	10-May-17	5,623.40	10-Jun-19	0.00	10-Jul-21	0.00
10-May-15	5,623.40	10-Jun-17	5,623.40	10-Jul-19	0.00	10-Aug-21	0.00
10-Jun-15	5,623.40	10-Jul-17	5,623.40	10-Aug-19	0.00	10-Sep-21	0.00
10-Jul-15	5,623.40	10-Aug-17	5,623.40	10-Sep-19	0.00	10-Oct-21	0.00
10-Aug-15	5,623.40	10-Sep-17	5,623.40	10-Oct-19	0.00	10-Nov-21	0.00
10-Sep-15	5,623.40	10-Oct-17	5,623.40	10-Nov-19	0.00	10-Dec-21	0.00
10-Oct-15	5,623.40	10-Nov-17	5,623.40	10-Dec-19	0.00	10-Jan-22	0.00
10-Nov-15	5,623.40	10-Dec-17	5,623.40	10-Jan-20	0.00	10-Feb-22	0.00
10-Dec-15	5,623.40	10-Jan-18	45,000.00	10-Feb-20	0.00	10-Mar-22	0.00
10-Jan-16	5,623.40	10-Feb-18	0.00	10-Mar-20	0.00	10-Apr-22	0.00
10-Feb-16	5,623.40	10-Mar-18	0.00	10-Apr-20	0.00	10-May-22	0.00
10-Mar-16	5,623.40	10-Apr-18	0.00	10-May-20	0.00	10-Jun-22	0.00
10-Apr-16	5,623.40	10-May-18	0.00	10-Jun-20	0.00	10-Jul-22	0.00
10-May-16	5,623.40	10-Jun-18	0.00	10-Jul-20	0.00	10-Aug-22	0.00
10-Jun-16	5,623.40	10-Jul-18	0.00	10-Aug-20	0.00	10-Sep-22	0.00
10-Jul-16	5,623.40	10-Aug-18	0.00	10-Sep-20	0.00	10-Oct-22	0.00
10-Aug-16	5,623.40	10-Sep-18	0.00	10-Oct-20	0.00	10-Nov-22	0.00
10-Sep-16	5,623.40	10-Oct-18	0.00	10-Nov-20	0.00	10-Dec-22	0.00
10-Oct-16	5,623.40	10-Nov-18	0.00	10-Dec-20	0.00	10-Jan-23	0.00
10-Nov-16	5,623.40	10-Dec-18	0.00	10-Jan-21	0.00	10-Feb-23	0.00
10-Dec-16	5,623.40	10-Jan-19	0.00	10-Feb-21	0.00	10-Mar-23	0.00
10-Jan-17	5,623.40	10-Feb-19	0.00	10-Mar-21	0.00	10-Apr-23	0.00

IF APPLICABLE, the purchase option, is modified as follows:

Purchase all of the rights, interests and title of the Lessor in and to all of the Equipment covered by the Lease for an amount equal to: **45,000.00**

All other terms and conditions applicable to the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on February 4. 2015

Element Financial Corporation/Services Financiers Élément

[signature]

Name:
Title:

The Company.
Canada North Camps Inc.

[signature]

Name: Shayne McCracken
Title: VP

ECN CAPITAL

CONTRACT AMENDING AGREEMENT

4 Robert Speck Parkway, Suite 900, Mississauga, ON L4Z 1S1 Phone: (905)-366-3142 Fax: (866)-797-8488

This Contract Amending Agreement is attached to and forms an integral part of your Lease Agreement.

Lease Agreement No. CCB9489A-002 dated November 28th, 2013 between **ECN BUSINESS MANAGEMENT INC., successor in interest to ELEMENT FINANCIAL CORPORATION**, and **CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN**, (the "Contract") is further amended as follows:

FROM:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
11/26/2013		1	$90,000.00
01/10/2014	50	12	$16,870.20
12/19/2014		1	$440,155.82
01/10/2015		36	$5,623.40

TO:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
11/26/2013		1	$90,000.00
01/10/2014		12	$16,870.20
12/19/2014		1	$440,155.82
01/10/2015	53	21	$5,623.40
10/10/2016		3	$1,000.00
01/10/2017		15	$5,623.40

The End of Term Purchase Option of $45,000.00 (plus applicable taxes) will be due on 04/10/2018.

All other terms and conditions of the Contract shall remain in full force and effect unamended.

Dated this 28 day of October, 2016.

ECN BUSINESS MANAGEMENT INC

Signature:

Name: Ben Wyett

Title: Vice President Operations

PAUL WILLIAM MCCRACKEN

Signature:

Name: PAUL WILLIAM MCCRACKEN

Title: Individual

CANADA NORTH CAMPS INC.

Signature:

Name: PAUL WILLIAM MCCRACKEN

Title: Director

SHAYNE LEWIS DION MCCRACKEN

Signature:

Name: SHAYNE LEWIS DION MCCRACKEN

Title: Individual

element

AMENDMENT NO.
OF CONTRACT NUMBER **CCB9489A-002** ("the Agreement")

Element Financial Corporation/Services Financiers Élément ("Element")
Canada North Camps Inc. Canada North Camps Inc. (The "Company)"

AMENDMENT

The Agreement is hereby amended as follows:

Unit Rec, VIN# **FX 6UR 201319 001, FX 6UR 201319 002, FX 6UR 201319 003, FX 6UR 201319 004, FX 6UR 201319 005, FX 6UR 201319 006**

Element has agreed to release if's interest only in the Equipment listed above subsequent and conditional to the return of this executed Amendment. includes breakage

Element is in receipt of the Purchase Price of $495,159.89 (includes $23,597.04 HST; $471,580.85 without tax)
440,155.82 without breakage

Periodic Payments have been amended as follows (amounts shown before taxes):

Payment date	Amount	Payment date	Amount	Payment date	Amount	Payment date	Amount
10-Jan-15	5,623.40	10-Feb-17	5,623.40	10-Mar-19	0.00	10-Apr-21	0.00
10-Feb-15	5,623.40	10-Mar-17	5,623.40	10-Apr-19	0.00	10-May-21	0.00
10-Mar-15	5,623.40	10-Apr-17	5,623.40	10-May-19	0.00	10-Jun-21	0.00
10-Apr-15	5,623.40	10-May-17	5,623.40	10-Jun-19	0.00	10-Jul-21	0.00
10-May-15	5,623.40	10-Jun-17	5,623.40	10-Jul-19	0.00	10-Aug-21	0.00
10-Jun-15	5,623.40	10-Jul-17	5,623.40	10-Aug-19	0.00	10-Sep-21	0.00
10-Jul-15	5,623.40	10-Aug-17	5,623.40	10-Sep-19	0.00	10-Oct-21	0.00
10-Aug-15	5,623.40	10-Sep-17	5,623.40	10-Oct-19	0.00	10-Nov-21	0.00
10-Sep-15	5,623.40	10-Oct-17	5,623.40	10-Nov-19	0.00	10-Dec-21	0.00
10-Oct-15	5,623.40	10-Nov-17	5,623.40	10-Dec-19	0.00	10-Jan-22	0.00
10-Nov-15	5,623.40	10-Dec-17	5,623.40	10-Jan-20	0.00	10-Feb-22	0.00
10-Dec-15	5,623.40	10-Jan-18	45,000.00	10-Feb-20	0.00	10-Mar-22	0.00
10-Jan-16	5,623.40	10-Feb-18	0.00	10-Mar-20	0.00	10-Apr-22	0.00
10-Feb-16	5,623.40	10-Mar-18	0.00	10-Apr-20	0.00	10-May-22	0.00
10-Mar-16	5,623.40	10-Apr-18	0.00	10-May-20	0.00	10-Jun-22	0.00
10-Apr-16	5,623.40	10-May-18	0.00	10-Jun-20	0.00	10-Jul-22	0.00
10-May-16	5,623.40	10-Jun-18	0.00	10-Jul-20	0.00	10-Aug-22	0.00
10-Jun-16	5,623.40	10-Jul-18	0.00	10-Aug-20	0.00	10-Sep-22	0.00
10-Jul-16	5,623.40	10-Aug-18	0.00	10-Sep-20	0.00	10-Oct-22	0.00
10-Aug-16	5,623.40	10-Sep-18	0.00	10-Oct-20	0.00	10-Nov-22	0.00
10-Sep-16	5,623.40	10-Oct-18	0.00	10-Nov-20	0.00	10-Dec-22	0.00
10-Oct-16	5,623.40	10-Nov-18	0.00	10-Dec-20	0.00	10-Jan-23	0.00
10-Nov-16	5,623.40	10-Dec-18	0.00	10-Jan-21	0.00	10-Feb-23	0.00
10-Dec-16	5,623.40	10-Jan-19	0.00	10-Feb-21	0.00	10-Mar-23	0.00
10-Jan-17	5,623.40	10-Feb-19	0.00	10-Mar-21	0.00	10-Apr-23	0.00

IF APPLICABLE, the purchase option, is modified as follows:
Purchase all of the rights, interests and title of the Lessor in and to all of the Equipment covered by the Lease for an amount equal to:
45,000.00

All other terms and conditions applicable to the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on February 4.2015

Element Financial Corporation/Services Financiers Élément

Name
Title:

The Company
Canada North Camps Inc.

Name: Shayne McCracken
Title: VP

element

SCHEDULE "A" EQUIPMENT DESCRIPTION

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

Attached to and forming part of Lease Agreement No. CCB9489A-002 dated _______________, 20__ between **CANADA NORTH CAMPS INC.** and **PAUL WILLIAM MCCRACKEN** and **SHAYNE LEWIS DION MCCRACKEN** as Lessee and **ELEMENT FINANCIAL CORPORATION** as Lessor.

EQUIPMENT DESCRIPTION

No.	New/Used	Year	Manufacturer	Model	Description	Serial Number
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 001
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 002
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 003
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 004
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 005
1	New	2013	Campcorp		Unit Rec	FX 6UR 201319 006
1	New	2013	Campcorp		Unit Rec	SLF 3UR201315 001
1	New	2013	Campcorp		Unit Rec	SLF 3UR201315 002
1	New	2013	Campcorp		Unit Rec	SLF 3UR201315 003

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

LESSEE INFORMATION

Lessee's Full and Legal Name
CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN

Lease No. CCB9489A-003

Lessee Address (Head Office)
14238 134 Ave. NW Edmonton, Alberta T5L 5V8

LEASE DETAILS

Equipment Location Address (if different from Lessee Address)
6299 57 St. E. Calgary, Alberta T2C 4R4

VENDOR NAME

Campcorp Canada

EQUIPMENT DESCRIPTION

No.	New /Used	Year	Manufacturer	Model	Description	Serial Number

PLEASE SEE ATTACHED SCHEDULE "A"

START DATE	TERM	# RENTALS	RENTAL PAYMENT (PLUS APPLICABLE TAXES)
11/26/2013	49	1	$90,000.00
01/10/2014		48	$16,870.20

PURCHASE OPTION

Early Purchase Option

☐ The end of the Term's _____ calendar month for $_______________ (plus applicable taxes).

END OF TERM PURCHASE OPTION

☐ Fair Market Value (plus applicable taxes)

☒ $135,000.00 (plus applicable taxes)

LEASE ACCEPTANCE

This Lease shall not become binding upon Lessor until accepted as follows:

Lessor: ELEMENT FINANCIAL CORPORATION

Authorized Signature: Ben Hyatt
Executed as Lessor By: Ben Hyatt VP Operations

Date of Lessor's Acceptance: Nov 29, 20 13

PRE-AUTHORIZED PAYMENT PLAN CONSENT

I hereby authorize Lessor to debit my bank account noted on the attached void cheque ("Lessee's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lessor under the terms of this Lease, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lessor with 30 days' prior written notice. I understand that I may contact my financial institution or visit www.cdnpay.ca to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Lessee and Lessor and has no effect whatsoever on any other provision of this Lease.

ATTACH VOID CHEQUE — Signature: [signature]

THE UNDERSIGNED ACKNOWLEDGES HAVING READ THE ENTIRE LEASE AGREEMENT AND ACCEPTS THE TERMS AND CONDITIONS INCLUDING THOSE ON PAGE 2 & 3 HEREOF. EACH OF THE UNDERSIGNED AFFIRMS THAT THEY ARE DULY AUTHORIZED TO EXECUTE THIS LEASE AGREEMENT ON BEHALF OF LESSEE. DATED Nov 28, 20 13

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature: [signature]	Signature: [signature]	Signature: [signature]
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

Initial PM PM SM

element

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

LEASE AGREEMENT

Phone: (416)-386-1067 Fax: (888)-772-8129

TERMS

In consideration of the covenants herein contained, including those on the reverse hereof, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), Lessor and Lessee agree as follows:

1. Lease: Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the equipment described in the Lease Details, together with any parts, accessories, replacements, additions and accessions, tangible or intangible, now and hereafter relating thereto or affixed thereon (collectively the "Equipment"). THIS LEASE CANNOT BE CANCELLED OR TERMINATED BY LESSEE.

2. Purchase Documents: If Lessee has not issued a purchase order or entered into an agreement with Vendor to purchase the Equipment (a "Purchase Document"), Lessee hereby agrees that Lessor may do so on Lessor's own behalf. If Lessee has entered into a Purchase Document, Lessee represents and warrants that title to the Equipment has not passed to Lessee and, at Lessor's option, Lessee shall assign to Lessor its rights under the Purchase Document to purchase the Equipment and to acquire any related license of software, information and documentation (a "License"). Except for the obligation to pay Vendor for the Equipment if (and only if) this Lease commences and is accepted by Lessor, Lessee shall perform, satisfy and discharge all of the purchaser's obligations under any Purchase Document and License and any assignment by Lessee to Lessor pursuant to this Section shall not include such obligations. The provisions of any Purchase Document or License do not modify Lessee's obligations to Lessor hereunder.

3. Term: This lease is for an original term (the "Term") commencing on the earlier of the Lease Commencement Date set out in a certificate (the "Delivery and Acceptance Certificate") in form prescribed by Lessor or, if Lessor waives the requirement for a Delivery and Acceptance Certificate pursuant to Section 4, the Date of Lessor's Acceptance set forth above and ending at the expiry of the number of complete calendar months indicated under the heading "Term" in the Lease Details.

4. Acceptance: Upon delivery and acceptance of the Equipment, Lessee shall forthwith execute and deliver to Lessor the Delivery and Acceptance Certificate unless Lessor, in its sole discretion, waives such execution and delivery by executing this Lease prior to the receipt of such certificate and after the delivery of the Equipment.

5. Equipment Selection: LESSEE HAS PERSONALLY SELECTED THE EQUIPMENT AND LESSOR HAS ACQUIRED THE EQUIPMENT AT LESSEE'S SPECIFIC REQUEST FOR THE PURPOSE OF LEASING IT HEREUNDER. LESSEE ACKNOWLEDGES THAT THE SUITABILITY OF THE EQUIPMENT AND ITS INSTALLATION AND DELIVERY IS LESSEE'S RESPONSIBILITY; THE FAILURE OF THE EQUIPMENT TO BE DELIVERED AND INSTALLED, TO OPERATE OR TO CONFORM TO LESSEE'S REQUIREMENTS SHALL NOT LESSEN LESSEE'S OBLIGATIONS HEREUNDER.

6. Rentals: Lessee shall, without notice from or request by Lessor, pay to Lessor during the Term of this lease the total number of Rental Payments set forth in the Lease Details. Such Rental Payment shall be payable in advance to Lessor at the address indicated above (or other address notified by Lessor to Lessee) as follows: first Rental Payment upon Lessee's execution hereof and, commencing after the calendar period covered by such first Rental Payment subsequent Rental Payments throughout the Term on: (A) in the case of monthly payments, the first day or the fifteenth day of each month, whichever day is closer to the date the Lease commences, or (B) in the case of payments based on any other calendar period, on the first day of each such calendar period. Any amount paid by Lessee to Lessor prior to this Lease commencing which is in excess of such first Rental Payment shall be credited towards Lessee's final Rental Payment(s) in reverse order of occurrence, without interest. RENTAL PAYMENTS AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE ARE PAYABLE WITHOUT SET-OFF, COMPENSATION OR ABATEMENT AND IN NO EVENT SHALL THE FIRST RENTAL PAYMENT BE REFUNDED TO LESSEE.

7. Adjustments: The Rental Payment set forth above is based upon the purchase price for the Equipment and Lessor's cost of funds. If (but only if) an Estimated Purchase Price has been specified in a Financing Terms Addendum attached hereto and the final invoice from Vendor specifies a purchase price (including taxes, delivery, installation and other charges) (the "Purchase Price") that is greater or less than the Estimated Purchase Price, Lessee authorizes Lessor to adjust the above Rental Payments to reflect the Purchase Price provided Lessee receives notice of such adjustment; however, if the Purchase Price exceeds the Estimated Purchase Price by more that 10%, Lessor will notify Lessee and obtain Lessee's prior written approval to such adjustment (such approval not to be unreasonably withheld) and the Lease will not commence until such approval is obtained. If (but only if) a Latest Start Date is specified in a Financing Terms Addendum attached hereto and Lease for any reason commences after such Latest Start Date, this Lease shall nevertheless be binding and Lessee authorizes Lessor in Lessor's sole discretion to adjust the above Rental Payments to reflect its cost of funds on the date this Lease commences and Lessor shall upon Lessee's request, provide Lessee with a copy of the completed description. If this Lease is signed by Lessee prior to Lessor having a complete description of the Equipment, Lessee hereby authorizes Lessor to complete such description provided Lessee receives notice of such description. Any adjustment to Rental Payments or completion of an Equipment description made pursuant to this Section shall be deemed to have effect from the date Lessee executes this Lease; if a Financing Terms Addendum is not executed and attached hereto, Lessor may not adjust the Net Rental Payments set forth above without Lessee's prior written consent.

8. Interest on Overdue Payments: Lessee shall without notice pay interest at the rate of Eighteen percent (18%) per annum calculated and compounded monthly and not in advance, on: (A) any past due Rental Payments (B) any amounts which bear interest according to this Lease and (C) any other amounts due to Lessor hereunder which are not paid on their due dates; in each case from the date any such amount becomes due or interest bearing, before and after maturity, default and judgment, until such arrears or other amounts are paid in full.

9. Pre-Authorized Payments: Lessee's Bank noted on the void cheque delivered by Lessee with this Lease is hereby authorized and directed to (A) debit Lessee's Account for all payments purporting to be drawn on Lessee for payment to Lessor which are presented for payment by Lessor or Lessor's agent, and (B) make all such payments to Lessor or Lessor's agent from Lessee's Account; such payments may be requested in the form of magnetic or computer produced tape in which case such Bank is hereby authorized to treat them as signed by Lessee. Lessee agrees, in consideration of such Bank acting on this authorization, that such institution will not be liable for any loss or damage incurred as a result of honoring this authorization. If Lessee's Account is transferred to another branch, this authorization shall be directed to such other branch. Lessor is hereby irrevocably authorized to deliver a copy, details or further evidence of this authorization to such Bank, Lessee hereby appointing Lessor its lawful attorney for such purpose. Such authorization may only be used by Lessor in respect of payments arising under this Lease, including payments arising under any Transaction Schedule (defined in Section 38 of this Lease) to this Lease. Lessee has certain recourse rights if any debit from the Lessee's Account does not comply with the pre-authorized payment authorization granted by Lessee in this Lease. For example, Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Lessee in this Lease. To obtain more information on Lessee's recourse rights, Lessee may contact his/her/its financial institution or visit www.cdnpay.ca.

10. Installation, Maintenance and Repair: Lessee shall, at its expense, be responsible for: (A) the delivery, installation, de-installation and redelivery of the Equipment and (B) the maintenance, upkeep, care, servicing and repair (including necessary replacements of parts)("Maintenance") of the Equipment; in both cases by a party acceptable to Lessor. Lessee shall at its expense keep the Equipment in good repair, condition and working order. Lessee shall not without the prior written consent of Lessor make any alterations, additions or improvements to the Equipment. All such alterations, additions or improvements shall be at Lessee's expense and shall belong to, and become property of, Lessor immediately upon being made. On Lessor's request, Lessee shall enter into a Maintenance agreement respecting the Equipment with the manufacturer thereof or other Maintenance supplier acceptable to Lessor.

11. Use: Lessee shall use the Equipment in a careful and prudent manner and not for any unlawful purpose and shall at Lessee's expense comply with and conform to all applicable laws, ordinances and regulations (including laws, ordinances and regulations concerning environmental matters) relating to the possession, use or Maintenance of the Equipment. Lessee enters into this Lease for commercial or industrial purposes and not for any personal, family or household purposes or any farm, ranch or feedlot operation purposes and shall only use the Equipment in connection with its business or in the carrying on of an enterprise and only for commercial or industrial purposes.

12. Loss and Damage: Lessee shall, until this Lease is terminated and Lessee's obligations hereunder are discharged in full (including the return of the Equipment), bear the entire risk of loss, damage, destruction, theft, seizure or governmental taking of the Equipment or any part thereof (any such case being a "Loss"), regardless of whether it is caused by any default or neglect of Lessee. No Loss shall relieve Lessee of its obligations hereunder.

13. Title and Identification: The Equipment is and shall at all times be and remain the sole personal and moveable property of Lessor, shall not be affixed or attached to or otherwise become a fixture or accession to any lands, buildings or chattels and Lessee shall have no right, title or interest in or to the Equipment except as expressly set forth herein. Lessee shall not allow the Equipment to become subject to any claim, privilege, lien, charge, encumbrance, levy, security interest, mortgage, pledge, hypothecation, seizure, trust, attachment, judicial process, ownership interest, license, sublease or other right in favor of any person (in any such case an "Encumbrance") unless such Encumbrance is caused by Lessor. At Lessor's request, Lessee shall at Lessee's expense affix and maintain on the Equipment, in a manner and in places satisfactory to Lessor, labels, plates or other marks supplied by Lessor to identify the Equipment as the property of Lessor.

14. Location and Inspection: Lessee shall maintain the Equipment at the Equipment Location specified in the Lease Details and shall not move the Equipment from such location. Lessor shall have the right to inspect the Equipment and Lessee's Maintenance, Insurance and Tax records at any time.

15. Net Lease: ALL COSTS AND EXPENSES RELATING TO THE EQUIPMENT OR ITS USE, MAINTENANCE OR POSSESSION SHALL BE BORNE BY LESSEE, INCLUDING ALL TAXES AND ALL FEES, CHARGES, CLAIMS AND FINES INCURRED OR ARISING IN CONNECTION WITH THE REGISTRATION, LICENSING OR OPERATION OF THE EQUIPMENT. The Rental Payments and other amounts payable hereunder shall be absolutely net to Lessor, free of all expenses or outgoings of any kind or nature. If Lessee fails to perform any of its obligations hereunder, Lessor may do so on Lessee's behalf and shall be entitled to immediate reimbursement from Lessee together with interest from the date of expenditure by the Lessor until reimbursed by the Lessee; without prejudice to any other Lessor's rights or remedies, and Lessee appoints Lessor its lawful attorney for such purposes.

16. Taxes: Lessee shall pay all Taxes and file all returns in respect of Taxes immediately upon such Taxes or returns becoming due. "Taxes" includes all taxes, imposts, levies, fees, duties and charges now or hereafter imposed by any federal, provincial, municipal or other taxation authority on Lessee, the Equipment or the purchase, sale, ownership, delivery, possession, use, Maintenance, operation or lease of the Equipment or on Lessor in respect of any of the foregoing (including sales excise, use, property, business, transfer, goods and services and value added taxes and including penalties or interest based on late payment of taxes), but excluding taxes on or measured by Lessor's overall net income. Lessor shall be entitled to claim any applicable capital cost allowance, investment tax credit or similar benefit under applicable tax legislation from time to time pertaining to the Equipment and/or the Lease and Lessee shall not make any such claim in respect thereof.

17. Insurance: Lessee shall, at its own expense, place and maintain with insurers acceptable to Lessor: (a) comprehensive all risks insurance on the Equipment for its full replacement value, such insurance to include: (i) Lessor as additional insured, (ii) a loss payable clause in favor of Lessor as first payee, and (iii) a waiver of subrogation in favor of Lessor; and (b)general public liability and property damage insurance with limits of liability equal to at least $2,000,000 per occurrence (or such greater amount as Lessor may require from time to time), and such insurance shall: (i) extend to all liabilities of Lessee arising out of its use or possession of Equipment, (ii) include Lessor as additional ensured, and (iii) include a cross-liability provision which insures each person insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each.

All insurance policies shall contain endorsements providing that: (A) thirty days written notice shall be given to Lessor before a policy lapses or is materially altered or cancelled; (B) coverage shall be primary and not contributory; (C) Lessor's interest as additional insured shall not be invalidated or otherwise affected by any act or omission, deliberate, negligent or otherwise, of Lessee or its agents, servants or employees (such as a "standard mortgagee clause"); (D) Lessor shall not be responsible for payment of any premium; and (E) Lessor may elect to have all proceeds of Loss payable only to itself. Lessee shall, on request, supply Lessor with certified copies of all insurance policies or other evidence satisfactory to Lessor of satisfaction of these insurance covenants. In the event of damage amounting to actual or constructive total loss of the Equipment, Lessor shall be entitled to retain from all insurance proceeds an amount equal to the total amount payable to Lessor by Lessee hereunder as Liquidated Damages (as defined in Section 26(a) except that for purposes hereof, each reference in Section 26(a) to "date of Default" shall be replaced with "date of payment by Lessee to Lessor of insurance proceeds").

18. Failure to Insure: If Lessee fails to fulfill its insurance obligations hereunder, then, without prejudice to Lessor's other rights and remedies, Lessor shall have the right, but not the obligation, to procure insurance covering Lessor's interest (but not Lessee's interest) in the Equipment, in such form and amount and with such insurers (including an insurer affiliated with Lessor) as Lessor shall determine from time to time, all at Lessee's expense. Such expense (the "Insurance Expense") shall include the cost of acquiring such insurance and any charges or fees for services associated with the placement, maintenance or service of such insurance, plus interest accruing on such expense at the interest rate provided herein for overdue amounts from the time of payment by the Lessor until such expense is reimbursed by Lessee to Lessor. Lessee shall pay the Insurance Expense to Lessor in equal installments at the same time and in the same manner as the remaining Rental Payments. Lessee shall cooperate with Lessor's insurance agent in connection with the placement of such insurance and the processing of any claims. Nothing herein shall be deemed to obligate or entitle Lessor to act as an insurer hereunder or to arrange any insurance for the benefit of Lessee. Nothing herein shall require Lessor to secure, maintain in force or renew any insurance, in any amounts or upon any specific terms and conditions. Lessor reserves the right to terminate any insurance coverage which Lessor may arrange, or allow same to lapse, without incurring any liability to Lessee.

19. Representations: Lessee represents, warrants and covenants throughout the Term that: (A) if Lessee is a body corporate, it is and will continue to be validly incorporated (or otherwise established), organized and existing and in good standing; (B) it has all necessary power and authority to execute, deliver and perform this Lease, each such action (i) having been duly authorized by all necessary action of Lessee, (ii) not being in conflict with any applicable law, the constating documents, resolutions or by-laws of Lessee or any indenture, instrument, agreement or undertaking to which it is a party or by which it or any of its assets are or may become bound, and (iii) not resulting in the creation of any Encumbrance on the Equipment; (C) this Lease is and will continue to be the legal, valid and binding obligation of Lessee enforceable against it and effective against its creditors in accordance with its terms; (D) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal that could have a material adverse effect on Lessee; (E) financial statements and other related information furnished by Lessee to Lessor are prepared in accordance with generally accepted accounting principles and fairly present Lessee's financial position on their respective dates; and (F) to evidence the foregoing Lessee shall provide legal opinions, resolutions and such other documents as Lessor may reasonably request.

20. Subleasing Etc.: Lessee shall not sublet or part with possession or control of the Equipment or permit its use by any person other than Lessee or employees of Lessee who are qualified and competent to operate same. Neither this Lease nor Lessee's rights hereunder shall be assigned by Lessee except with Lessor's prior written consent and no assignment shall release Lessee from its obligations hereunder.

21. Surrender: At the end of the Term or any renewal thereof, if Lessee has not purchased the Equipment pursuant to Section 29, Lessee, at Lessee's expense, shall surrender control of the Equipment to Lessor and shall; (A) after giving Lessor thirty days prior written notice, return the Equipment to Lessor at Lessor's nearest office or other place specified by Lessor or (B) if requested by Lessor, dispose of the Equipment as Lessor reasonably directs, including disposition in a manner which will avoid any dangerous use thereof or damage or injury to any person or property therefrom. Whenever Lessee is required to return the Equipment to Lessor the Equipment shall be in good repair, condition and working order and Lessee shall pay all costs of Maintenance and restoration of Equipment returned to Lessor, necessary to restore it to its condition on the date this Lease commenced, normal wear and tear excepted. Lessee shall, if Lessor so requests, store the Equipment at Lessee's risk and expense and as Lessor's bailee for a period of up to 90 days after the end of the Term; Lessee shall not use the Equipment or pay Rental Payments for the Equipment during such period but shall otherwise be bound by all of the terms of this Lease during such period.

22. Renewal: If Lessee fails to surrender the Equipment at the end of the Term or any renewal thereof, or to purchase the same pursuant to Section 29, Lessee shall be deemed to have requested a renewal of this Lease for a period of three (3) calendar months and Lessor may, in its sole discretion: (A) demand the surrender of the Equipment in compliance with Section 21 and exercise its rights and remedies for such non-compliance or (B)accept Lessee's request to renew this Lease for a three (3) month period commencing on the end of the Term or the last renewal thereof. Such acceptance may be evidenced in writing signed by Lessor or by Lessor continuing to invoice Lessee, withdrawing Rental Payments pursuant to a pre-authorized payment plan or otherwise accepting Rental Payments in respect of such renewal period. Lessee shall continue to have all of its obligations under this Lease during any such renewal period, including the obligation to pay Lessor Rental Payments, as it had during the Term and all provisions of this Lease shall apply to any such renewal term.

23. Entry: If Lessee fails to surrender the Equipment to Lessor as required under this Lease, Lessor may, without notice to Lessee or resort to legal process, but subject to any applicable law, enter any premises where the Equipment is located and take possession of and remove or disable such Equipment.

24. Indemnity: Lessee hereby indemnifies Lessor and agrees to save Lessor harmless from and against all loss, costs, liabilities, claims, legal proceedings and expenses (including legal fees and costs) whatsoever arising in connection with this Lease, the Purchase Documents, any License, the Equipment, the manufacture, selection, purchase, ownership, delivery, possession, use, Maintenance, operation, Loss or return of the Equipment, Taxes, the recovery of claims under any insurance policy relating to the Equipment, any use or operation of Equipment which infringes any patent or other industrial or intellectual property right of any person, any Default by Lessee, the exercise by Lessor of any rights or remedies hereunder or any entry or taking of possession, removal or disabling of Equipment pursuant to Section 23.

25. Defaults: Each of the following is a default by Lessee (a "Default"): (a) Lessee fails to make any Rental Payment or pay any other amounts due under this Lease within 3 days after the same is due and payable; or (b) Lessee fails to perform, observe or comply with any other obligation, term or condition on its part to be performed, observed or complied with hereunder; or (c) any event of default occurs under any other lease or

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161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

contract between Lessor and Lessee or under any material agreement between Lessee and any other person; or (d) any representation or warranty made by Lessee to Lessor in or in connection with this Lease is incorrect; or (e) the Equipment or any part thereof is subjected to an Encumbrance not caused by Lessor, Lessee sells or attempts to sell or grant an Encumbrance on any part of the Equipment or the value of Lessor's interest in the Equipment is materially impaired due to Loss; or (f) Lessee makes any assignment for the benefit of its creditors, becomes insolvent, commits any act of bankruptcy, takes any action to wind-up or dissolve, ceases or threatens to cease to do business as a going concern, is subject to a change in control in fact or in law or seeks any arrangement or composition with its creditors; or (g) any proceeding in bankruptcy, receivership, winding-up, dissolution, liquidation or insolvency is commenced by or against Lessee or its property; or (h) Lessor in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance by Lessee under this Lease is or is about to be impaired or the Equipment is or is about to be placed in jeopardy; or (i) any guarantor of Lessee's obligations hereunder disputes its obligation under its guarantee or seeks to determine its obligations thereunder or to terminate its guarantee of Lessee's future obligations or becomes subject to any of the events in clauses (b), (c), (d), (f) or (g) of this Section.

26. Effect of Default; Damages: A loss to Lessor upon a Default is dependent in part upon the cost of the Equipment to Lessor, the Term and the minimum return expected by Lessor from the sale or re-lease of the Equipment at the end of the Term. Upon any Default and in addition to Lessor's other rights and remedies under this Lease and otherwise available at law or in equity: (a) Lessee shall pay forthwith (without notice) to Lessor as liquidated damages, and not as a penalty, an amount (the "Liquidated Damages") equal to the aggregate of: (i) unpaid Rental Payments and other amounts payable hereunder unpaid as of the date of the Default; (ii) the present value (calculated on the basis of an interest rate equal to the lower of (x) of three percent (3%) or (y) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the remaining Term, compounded monthly) of: (A) the remaining Rental Payments payable from the date of Default to the end of the Term or, if applicable, any renewal thereof, and (B) amounts otherwise payable under the Lease to the end of the Term, or, if applicable, any renewal thereof, and (C) the greater of the purchase price for the Equipment pursuant to any end of Term Fair Market Value (as defined in Section 29 below) or fixed Option Price (as defined in Section 29 below) and the amount of any residual interest which Lessor may have in Equipment; (iii) any Enforcement Costs (as defined in sub-paragraph (e) below) incurred by Lessor; and (iv) interest thereon from the date of Default until payment in full; to the extent that the Liquidated Damages are deemed to include any Taxes which Lessor is required to remit to any taxation authority the Liquidated Damages shall be increased by the amount necessary to ensure that the net amount of the Liquidated Damages retained by Lessor after remitting all applicable Taxes will be equal to the amount calculated above; (b) upon Lessor's demand, Lessee at Lessee's expense shall forthwith surrender control of the Equipment to Lessor pursuant to Section 21 as though the Term had expired; (c) Lessor may, immediately and without notice to Lessee or resort to legal process take possession of and remove or disable the Equipment pursuant to Section 23 as though Lessee had failed to surrender such Equipment when required to do so; (d) the rights of Lessee hereunder in respect of the Equipment, including the right to use and possess the Equipment, shall cease and terminate absolutely without limiting Lessee's liability or obligations hereunder; and (e) Lessor may by notice in writing terminate this Lease or any other agreement Lessor may have with Lessee. All rights and remedies of Lessor, either under this Lease or at law or in equity or otherwise afforded to Lessor, are cumulative and not alternative. Lessor's costs and expenses incurred as a result of a Default ("Enforcement Costs") (including all costs and expenses in respect of collection, legal fees, repossession, repair of Equipment, enforcement of Lessor's rights or remedies, sale or re-lease costs or other realization costs) shall be paid by Lessee to Lessor forthwith upon demand, with interest accruing thereon from the date such costs and expenses were incurred until payment in full.

27. Sale on Default: Lessor may after a Default sell, re-lease or otherwise dispose of Equipment at public or private sale with or without notice to Lessee and upon such terms and in such manner as Lessor may determine. Lessee shall thereafter continue to be liable to Lessor for the amount of any deficiency between the proceeds to Lessor from such disposition and the Liquidated Damages. If at any time after a Default and prior to Lessor obtaining possession of the Equipment, Lessee pays to Lessor the Liquidated Damages and all applicable Taxes, title to the Equipment shall vest in Lessee on an "as is, where is" basis without any condition, representation or warranty of Lessor whatsoever except that Lessee acquires such interest free of Encumbrances caused by Lessor.

28. Effect of Waiver: No delay in exercising, or failure to exercise, any right or remedy accruing to Lessor under this Lease will impair or waive such right or remedy, nor will a waiver of any single Default be deemed a waiver of any other prior, subsequent or concurrent Default. Any waiver, permit, consent or approval on the part of Lessor in respect of this Lease must be in writing and shall have effect only to the extent specifically set forth in such writing.

29. Purchase Option: In this Section: (a) "Default" means any existing Default and any event or circumstance which, with the giving of notice or the lapse of time or both, would constitute a Default; (b) "Fair Market Value" means the delivered and installed, all-inclusive, purchase price for equipment in good repair in a sale between an arms length purchaser buying for its own use and a seller dealing in such equipment in the ordinary course of its business, as such purchase price is determined by Lessor acting reasonably; (c) "Option Price" means the amount set forth in the Lease Details as the fixed price for an early payment option or the fixed price for an end of term purchase option, as the case may be; and (d) "Option Date" means the last day of the month set forth in the Lease Details as the date for the exercise of an early payment option or the last day of the Term of the Lease in the case of an end of term purchase option, as the case may be. Provided no Default exists, any Purchase Option set forth in the Lease Details may be exercised by Lessee: (i) giving Lessor written notice sixty (60) days prior to the Option Date of its election to exercise such option; and (ii) paying Lessor the Option Price, plus Taxes, at least thirty (30) days before the Option Date. After the giving of such notice and the making of such payment, provided no Default exists on the Option Date, Lessee shall acquire Lessor's interest in the Equipment on the Option Date on an "as is, where is" basis without any condition, representation or warranty by Lessor of any kind whatsoever except that Lessee acquires such interest from Lessor free of Encumbrances caused by Lessor.

30. Lessee's Waiver: TO THE EXTENT NOT PROHIBITED BY LAW OR STATUTE, LESSEE HEREBY WAIVES THE BENEFIT OF ALL PROVISIONS OF ALL APPLICABLE CONDITIONAL SALES, REGULATORY, CREDIT AND OTHER STATUTES AND ALL REGULATIONS MADE THEREUNDER IN ANY APPLICABLE JURISDICTION WHICH WOULD IN ANY MANNER AFFECT, RESTRICT OR LIMIT THE RIGHTS AND REMEDIES OF LESSOR HEREUNDER, including, without limiting the generality of the foregoing, all of Lessee's rights, benefits and protections given or afforded by the provisions of The Limitation of Civil Rights Act of Saskatchewan, as amended. Lessee also waives and assigns to Lessor the right of any statutory exemption from execution or otherwise and further waives any right to demand security for cost in the event of litigation.

31. Lessor Warranties: Lessor warrants that on the date this Lease commences it is the owner of the Equipment, free and clear of any Encumbrance caused by Lessor, save for Lessee's rights hereunder. Except as otherwise explicitly set forth herein, but without affecting Lessor's warranties set forth in any other agreement (all of which Lessee acknowledges do not affect or form part of this Lease), Lessor makes no warranty or representation whatsoever as to the durability, quality or condition of the Equipment or its suitability for Lessee's purposes or as to any other matter whatsoever (including status of this Lease for tax or accounting classification purposes). No representation to Lessee as to the Equipment or any other matter by the Vendor or any supplier or manufacturer of the Equipment shall in any way affect Lessee's obligations under this Lease. At the request and expense of Lessee and while there is no Default, Lessor will (A) assign to Lessee for the Term any and all warranties, guarantees, service contracts, licenses and representations given to Lessor by the Vendor or a manufacturer or supplier of the Equipment with respect to the Equipment ("Equipment Rights") which are assignable at law; and (B) assist Lessee in receiving the benefit of such Equipment Rights. If Lessor obtains possession or control of the Equipment or if there is a Default, Lessee shall be deemed to have immediately reassigned such Equipment Rights to Lessor without any further action. If Equipment is located in the Province of Quebec, Lessor hereby conveys to Lessee any warranty which the Vendor or a manufacturer or supplier of such Equipment gave to Lessor. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, CAUSED BY THE EQUIPMENT OR THE USE, MAINTENANCE OR POSSESSION THEREOF, BY THE INADEQUACY OF THE EQUIPMENT RIGHTS OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED.

32. Assignment: This Lease and all rights, remedies and benefits of Lessor hereunder may be assigned by Lessor without notice to or the consent of Lessee and Lessee hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy of any assignment document. Upon such assignment: (A) the assignee (the "Assignee") shall be entitled to enforce the rights and remedies and to receive all benefits which would otherwise accrue to the original Lessor under this Lease; (B) the Assignee shall be deemed to be Lessor for the purpose of all such rights, remedies and benefits; (C) the Assignee shall have no obligation to Lessee to perform any of the obligations of the original Lessor hereunder or otherwise in respect of the Equipment, all of which are retained by the original Lessor; and (D) Lessee's rights hereunder as against the original Lessor shall be unaffected except as herein specifically provided. Lessee agrees not to assert against the Assignee any claim by way of abatement, defense, set-off, compensation, counterclaim or the like which Lessee may have against the original Lessor. Upon notice of an assignment Lessee shall unconditionally pay to such Assignee all Rental Payments and other amounts due hereunder and shall not assert any defense against such Assignee in any action for Rental Payments or other amounts due and payable hereunder, except the defence of payment to the Assignee. **Lessor may assign to the Assignee the pre-authorized payment authorization granted by Lessee in this Lease provided that Lessor provides Lessee with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Rental Payments or other amounts due under this Lease from the Lessee's Account.**

33. Credit Investigation: Subject to applicable legislation, Lessee hereby consents to Lessor conducting a credit investigation of Lessee and to Lessor making inquires with financial institutions or other persons in a business relationship with Lessee in connection therewith; Lessee hereby authorizes and directs such persons to answer Lessor's inquiries. Lessee agrees to furnish to Lessor: (A) a copy of its interim financial statements and other related information, as Lessor may request from time to time; and (B) its annual financial statements, audited if applicable, within ninety days of the end of each financial year.

34. Security Interests: To secure Lessee's performance of its obligations hereunder Lessee grants Lessor a continuing security interest in any interest Lessee has in the Equipment, in all proceeds thereof (including proceeds of insurance) and in any Rental Payments receivable on any sublease permitted by Lessor; Lessee agrees that Lessor has all rights of a secured party under any applicable personal property security legislation and at law and in equity. To the extent this Lease creates a security interest, such security interest is a purchase money security interest (as the terms "security interest" and "purchase money security interest" are used in the Personal Property Security Act (Ontario)) and shall be interpreted with similar effect under analogous legislation in force in any other relevant jurisdiction. In this Lease the term "security interest" includes a movable hypothec without delivery.

35. Fees: Lessor shall be entitled to charge Lessee such fees and other charges as it may establish from time to time for the administration of and ancillary matters to this Lease, including a fee of $25.00 for each security registration required in connection with this Lease and such fees for invoices as Lessor may from time to time establish.

36. Name Change, etc.: Lessee shall promptly notify Lessor in writing of: (A) any change in Lessee's name: (B) any transfer, authorized or unauthorized, by Lessee of any interest in or benefit from the Equipment; (C) any change, authorized or unauthorized, by Lessee in the location of any Equipment; and (D) any change in the location of Lessee's Head Office specified above.

37. Information: Lessee agrees that Lessor may provide copies of this Lease and/or information concerning Lessee and its obligations hereunder to any person.

38. Additional Equipment: Lessor and Lessee may from time to time agree to lease additional equipment pursuant to these Terms & Conditions and the above Lessee Information and Invoice Option and each such agreement shall be evidenced by a written schedule referencing this initial lease (a "Transaction Schedule"), signed by Lessee and Lessor and setting forth the particulars of such equipment lease transaction including the matters addressed by the above Lease Details and including any amendments to the Lessee Information or Terms and Conditions which are applicable to that transaction. The particulars of the initial transaction set forth in the above Lease Details shall not apply to subsequent transactions but the Terms and Conditions, Invoice Option and Lessee Information of this Lease are incorporated by reference into each Transaction Schedule and shall apply mutatis mutandis, to the transaction specified in such Transaction Schedule; such Lessee Information, Terms and Conditions, Invoice Option and each Transaction Schedule shall constitute a separate lease and the entire agreement with respect to that transaction, shall be deemed to be a "Lease" to which these Terms and Conditions refer and shall not terminate as a result of the termination or expiry of any other Lease made pursuant to these Terms and Conditions. The terms of any Transaction Schedule evidencing a specific transaction shall prevail over these Terms and Conditions and the above Lessee Information to the extent of any conflict or inconsistency but only in respect of that transaction.

39. Entire Agreement: This Lease (including (A) all details set forth above in the Lessee Information, Lease Details and Invoice Option and in these Terms & Conditions and (B) any schedule, addendum or amendment to this Lease which is in writing, references this Lease and is signed by Lessee and Lessor at any time) constitutes the entire agreement between Lessor and Lessee with respect to its subject matter.

40. Applicable Law: This Lease shall be construed according to the laws of the Province where the Equipment is located as set forth in the Lease Details.

41. Enurement: Subject to the terms hereof, this Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, permitted assigns and legal representatives.

42. Interpretation: Whenever the context of this Lease so requires, the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders. Time is of the essence of this Lease and each of its provisions. Headings are for convenience of reference only and do not affect the interpretation. Terms used in the Lessee Information or Lease Details have, when used in these Terms & Conditions, unless the context otherwise requires, the meaning ascribed thereto by such use. The word "including" means "including without limitation"

43. Notices: Any notice required or permitted to be given hereunder must be in writing and will conclusively be deemed to have been received by its recipient on the business day it is delivered or sent by facsimile transmission to a party at the address indicated on the first page hereof (or at such other address as such party specifies to the other party in writing) or, if sent by registered mail, provided there is no interruption in postal services, on the fifth business day after the day of mailing, addressed to such party at such address.

44. Severability: Any provision of this Lease prohibited by or unlawful or unenforceable under any applicable law shall, at the sole option of Lessor, be ineffective without invalidating the remaining provisions of this Lease: provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Lessee.

45. Further Assurances: Lessee agrees to do all things and execute or obtain all documents as may be required by Lessor in order to give effect to or better evidence this Lease including the execution of financing statements or other documents to effect security registrations to protect Lessor's interests, any acknowledgements required by any Assignee and any waivers or subordinations from Lessee's landlords or creditors.

46. Language: The parties hereby acknowledge that they have required this contract, and all other agreements and notices required or permitted to be entered into or given pursuant hereto, to be drawn up in the English language only. Les parties reconnaissent avoir demandé que le présent contrat ainsi que toute autre entente ou avis requis ou permis à être conclu ou donné en vertu des dispositions du présent contrat, soient rédigés en langue anglaise seulement.

47. Survival: Notwithstanding any other sections hereof, all obligations of Lessee under sections 2,8,10,12,13,15,16,19,21,22,23,24,25,26,27,30,31,32,34 and 35 hereof and the rights and remedies of Lessor hereunder shall survive the termination of this Lease and the receipt of all Rental Payments and other amounts payable by Lessee hereunder.

48. Joint and Several Liability: If more than one person executed this Lease, their obligations hereunder shall be joint and several and, in the Province of Quebec, solidary without benefit of division or discussion.

49. Receipt of Copy, Etc.: Lessee acknowledges receipt of a true copy of this Lease and waives, to the extent permitted by applicable law, all rights to receive copies of financing statements, financing change statements, verification statements, confirmation statements or copies of other notices or filings made by Lessor at any time in connection with this Lease, any schedule thereto, any amendment thereof or any Transaction Schedule.

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SCHEDULE "A" EQUIPMENT DESCRIPTION

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

Attached to and forming part of Lease Agreement No. CCB9489A-003 dated Nov 28, 2013 between **CANADA NORTH CAMPS INC.** and **PAUL WILLIAM MCCRACKEN** and **SHAYNE LEWIS DION MCCRACKEN** as Lessee and **ELEMENT FINANCIAL CORPORATION** as Lessor.

EQUIPMENT DESCRIPTION

No.	New/Used	Year	Manufacturer	Model	Description	Serial Number
1	New	2013	Campcorp		Unit KDR (Kitchen/Diner/Rec)	FX 11UD 201318 001
1	New	2013	Campcorp		Unit KDR (Kitchen/Diner/Rec)	FX 11UD 201318 002
1	New	2013	Campcorp		Unit KDR (Kitchen/Diner/Rec)	FX 11UD 201318 003
1	New	2013	Campcorp		Unit KDR (Kitchen/Diner/Rec)	FX 11UD 201318 004
1	New	2013	Campcorp		Unit Tim Hortons	WB 3UR(TH) 201317 001
1	New	2013	Campcorp		Unit Tim Hortons	WB 3UR(TH) 201317 002
1	New	2013	Campcorp		Unit Tim Hortons	WB 3UR(TH) 201317 003

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

AMENDMENT NO.
OF CONTRACT NUMBER **CCB9489A-003** ("the Agreement")

Element Financial Corporation/Services Financiers Élément ("Element")
Canada North Camps Inc. Canada North Camps Inc. (The "Company)"

AMENDMENT

The Agreement is hereby amended as follows:

Unit KDR (Kitchen/Diner/Rec), VIN# **FX 11UD 201318 001, FX 11UD 201318 002, FX 11UD 201318 003, FX 11UD 201318 004**

Element has agreed to release it's interest only in the Equipment listed above subsequent and conditional to the return of this executed Amendment.

Element is in receipt of the Purchase Price of **$495,050.59**

Periodic Payments have been amended as follows (amounts shown before taxes):

Payment date	Amount	Payment date	Amount	Payment date	Amount	Payment date	Amount
10-Jan-15	5,623.40	10-Feb-17	5,623.40	10-Mar-19	0.00	10-Apr-21	0.00
10-Feb-15	5,623.40	10-Mar-17	5,623.40	10-Apr-19	0.00	10-May-21	0.00
10-Mar-15	5,623.40	10-Apr-17	5,623.40	10-May-19	0.00	10-Jun-21	0.00
10-Apr-15	5,623.40	10-May-17	5,623.40	10-Jun-19	0.00	10-Jul-21	0.00
10-May-15	5,623.40	10-Jun-17	5,623.40	10-Jul-19	0.00	10-Aug-21	0.00
10-Jun-15	5,623.40	10-Jul-17	5,623.40	10-Aug-19	0.00	10-Sep-21	0.00
10-Jul-15	5,623.40	10-Aug-17	5,623.40	10-Sep-19	0.00	10-Oct-21	0.00
10-Aug-15	5,623.40	10-Sep-17	5,623.40	10-Oct-19	0.00	10-Nov-21	0.00
10-Sep-15	5,623.40	10-Oct-17	5,623.40	10-Nov-19	0.00	10-Dec-21	0.00
10-Oct-15	5,623.40	10-Nov-17	5,623.40	10-Dec-19	0.00	10-Jan-22	0.00
10-Nov-15	5,623.40	10-Dec-17	5,623.40	10-Jan-20	0.00	10-Feb-22	0.00
10-Dec-15	5,623.40	10-Jan-18	45,000.00	10-Feb-20	0.00	10-Mar-22	0.00
10-Jan-16	5,623.40	10-Feb-18	0.00	10-Mar-20	0.00	10-Apr-22	0.00
10-Feb-16	5,623.40	10-Mar-18	0.00	10-Apr-20	0.00	10-May-22	0.00
10-Mar-16	5,623.40	10-Apr-18	0.00	10-May-20	0.00	10-Jun-22	0.00
10-Apr-16	5,623.40	10-May-18	0.00	10-Jun-20	0.00	10-Jul-22	0.00
10-May-16	5,623.40	10-Jun-18	0.00	10-Jul-20	0.00	10-Aug-22	0.00
10-Jun-16	5,623.40	10-Jul-18	0.00	10-Aug-20	0.00	10-Sep-22	0.00
10-Jul-16	5,623.40	10-Aug-18	0.00	10-Sep-20	0.00	10-Oct-22	0.00
10-Aug-16	5,623.40	10-Sep-18	0.00	10-Oct-20	0.00	10-Nov-22	0.00
10-Sep-16	5,623.40	10-Oct-18	0.00	10-Nov-20	0.00	10-Dec-22	0.00
10-Oct-16	5,623.40	10-Nov-18	0.00	10-Dec-20	0.00	10-Jan-23	0.00
10-Nov-16	5,623.40	10-Dec-18	0.00	10-Jan-21	0.00	10-Feb-23	0.00
10-Dec-16	5,623.40	10-Jan-19	0.00	10-Feb-21	0.00	10-Mar-23	0.00
10-Jan-17	5,623.40	10-Feb-19	0.00	10-Mar-21	0.00	10-Apr-23	0.00

IF APPLICABLE, the purchase option, is modified as follows:

Purchase all of the rights, interests and title of the Lessor in and to all of the Equipment covered by the Lease for an amount equal to:
45,000.00

All other terms and conditions applicable to the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on February 4, 2015

Element Financial Corporation/Services Financiers Élément

Name:
Title:

The Company:
Canada North Camps Inc.

Name: Shayne McCracken
Title: VP

element

AMENDMENT NO.
OF CONTRACT NUMBER **CCB9489A-003** ("the Agreement")

Element Financial Corporation/Services Financiers Élément ("Element")
Canada North Camps Inc. Canada North Camps Inc. (The "Company)"

AMENDMENT

The Agreement is hereby amended as follows:

Unit KDR (Kitchen/Diner/Rec), VIN# **FX 11UD 201318 001, FX 11UD 201318 002, FX 11UD 201318 003, FX 11UD 201318 004**

Element has agreed to release it's interest only in the Equipment listed above subsequent and conditional to the return of this executed Amendment

Element is in receipt of the Purchase Price of **$495,050.59**

Periodic Payments have been amended as follows (amounts shown before taxes):

Payment date	Amount	Payment date	Amount	Payment date	Amount	Payment date	Amount
10-Jan-15	5,623.40	10-Feb-17	5,623.40	10-Mar-19	0.00	10-Apr-21	0.00
10-Feb-15	5,623.40	10-Mar-17	5,623.40	10-Apr-19	0.00	10-May-21	0.00
10-Mar-15	5,623.40	10-Apr-17	5,623.40	10-May-19	0.00	10-Jun-21	0.00
10-Apr-15	5,623.40	10-May-17	5,623.40	10-Jun-19	0.00	10-Jul-21	0.00
10-May-15	5,623.40	10-Jun-17	5,623.40	10-Jul-19	0.00	10-Aug-21	0.00
10-Jun-15	5,623.40	10-Jul-17	5,623.40	10-Aug-19	0.00	10-Sep-21	0.00
10-Jul-15	5,623.40	10-Aug-17	5,623.40	10-Sep-19	0.00	10-Oct-21	0.00
10-Aug-15	5,623.40	10-Sep-17	5,623.40	10-Oct-19	0.00	10-Nov-21	0.00
10-Sep-15	5,623.40	10-Oct-17	5,623.40	10-Nov-19	0.00	10-Dec-21	0.00
10-Oct-15	5,623.40	10-Nov-17	5,623.40	10-Dec-19	0.00	10-Jan-22	0.00
10-Nov-15	5,623.40	10-Dec-17	5,623.40	10-Jan-20	0.00	10-Feb-22	0.00
10-Dec-15	5,623.40	10-Jan-18	45,000.00	10-Feb-20	0.00	10-Mar-22	0.00
10-Jan-16	5,623.40	10-Feb-18	0.00	10-Mar-20	0.00	10-Apr-22	0.00
10-Feb-16	5,623.40	10-Mar-18	0.00	10-Apr-20	0.00	10-May-22	0.00
10-Mar-16	5,623.40	10-Apr-18	0.00	10-May-20	0.00	10-Jun-22	0.00
10-Apr-16	5,623.40	10-May-18	0.00	10-Jun-20	0.00	10-Jul-22	0.00
10-May-16	5,623.40	10-Jun-18	0.00	10-Jul-20	0.00	10-Aug-22	0.00
10-Jun-16	5,623.40	10-Jul-18	0.00	10-Aug-20	0.00	10-Sep-22	0.00
10-Jul-16	5,623.40	10-Aug-18	0.00	10-Sep-20	0.00	10-Oct-22	0.00
10-Aug-16	5,623.40	10-Sep-18	0.00	10-Oct-20	0.00	10-Nov-22	0.00
10-Sep-16	5,623.40	10-Oct-18	0.00	10-Nov-20	0.00	10-Dec-22	0.00
10-Oct-16	5,623.40	10-Nov-18	0.00	10-Dec-20	0.00	10-Jan-23	0.00
10-Nov-16	5,623.40	10-Dec-18	0.00	10-Jan-21	0.00	10-Feb-23	0.00
10-Dec-16	5,623.40	10-Jan-19	0.00	10-Feb-21	0.00	10-Mar-23	0.00
10-Jan-17	5,623.40	10-Feb-19	0.00	10-Mar-21	0.00	10-Apr-23	0.00

IF APPLICABLE, the purchase option, is modified as follows:

Purchase all of the rights, interests and title of the Lessor in and to all of the Equipment covered by the Lease for an amount equal to:
45,000.00

All other terms and conditions applicable to the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on February 4, 2015

Element Financial Corporation/Services Financiers Élément

Name:
Title:

The Company:
Canada North Camps Inc.

Name: Shayne McCracken
Title: VP

element

AMENDMENT NO.
OF CONTRACT NUMBER **CCB9489A-003** ("the Agreement")

Element Financial Corporation/Services Financiers Élément ("Element")
Canada North Camps Inc. Canada North Camps Inc. (The "Company)"

AMENDMENT

The Agreement is hereby amended as follows:

Unit KDR (Kitchen/Diner/Rec), VIN# **FX 11UD 201318 001, FX 11UD 201318 002, FX 11UD 201318 003, FX 11UD 201318 004**

Element has agreed to release it's interest only in the Equipment listed above subsequent and conditional to the return of this executed Amendment.

Element is in receipt of the Purchase Price of **$495,050.59** 440,157^26 without taxes, without breakage

Periodic Payments have been amended as follows (amounts shown before taxes):

Payment date	Amount	Payment date	Amount	Payment date	Amount	Payment date	Amount
10-Jan-15	5,623.40	10-Feb-17	5,623.40	10-Mar-19	0.00	10-Apr-21	0.00
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10-Apr-15	5,623.40	10-May-17	5,623.40	10-Jun-19	0.00	10-Jul-21	0.00
10-May-15	5,623.40	10-Jun-17	5,623.40	10-Jul-19	0.00	10-Aug-21	0.00
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10-Jul-15	5,623.40	10-Aug-17	5,623.40	10-Sep-19	0.00	10-Oct-21	0.00
10-Aug-15	5,623.40	10-Sep-17	5,623.40	10-Oct-19	0.00	10-Nov-21	0.00
10-Sep-15	5,623.40	10-Oct-17	5,623.40	10-Nov-19	0.00	10-Dec-21	0.00
10-Oct-15	5,623.40	10-Nov-17	5,623.40	10-Dec-19	0.00	10-Jan-22	0.00
10-Nov-15	5,623.40	10-Dec-17	5,623.40	10-Jan-20	0.00	10-Feb-22	0.00
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10-Aug-16	5,623.40	10-Sep-18	0.00	10-Oct-20	0.00	10-Nov-22	0.00
10-Sep-16	5,623.40	10-Oct-18	0.00	10-Nov-20	0.00	10-Dec-22	0.00
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10-Nov-16	5,623.40	10-Dec-18	0.00	10-Jan-21	0.00	10-Feb-23	0.00
10-Dec-16	5,623.40	10-Jan-19	0.00	10-Feb-21	0.00	10-Mar-23	0.00
10-Jan-17	5,623.40	10-Feb-19	0.00	10-Mar-21	0.00	10-Apr-23	0.00

IF APPLICABLE, the purchase option, is modified as follows:

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45,000.00

All other terms and conditions applicable to the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on February 4, 2015

Element Financial Corporation/Services Financiers Élément

Name:
Title:

The Company:
Canada North Camps Inc.

Name: Shayne McCracken
Title: VP

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

LESSEE INFORMATION

Lessee's Full and Legal Name	Lease No.
CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN	CCB9489A-005

Lessee Address (Head Office)
14238 134 Ave. NW Edmonton, Alberta T5L 5V8

LEASE DETAILS

Equipment Location Address (if different from Lessee Address)
LSD 12 10 63 25 5 Simonette Oilfield, Alberta

VENDOR NAME
Campcorp Canada

EQUIPMENT DESCRIPTION

No.	New /Used	Year	Manufacturer	Model	Description	Serial Number

PLEASE SEE ATTACHED SCHEDULE "A"

START DATE	TERM	# RENTALS	RENTAL PAYMENT (PLUS APPLICABLE TAXES)
12/24/2013	49	1	$197,000.00
02/10/2014		48	$37,122.50

PURCHASE OPTION

Early Purchase Option

☐ The end of the Term's _____ calendar month for $_______________ (plus applicable taxes).

END OF TERM PURCHASE OPTION

☐ Fair Market Value (plus applicable taxes)

☒ $295,500.00 (plus applicable taxes)

LEASE ACCEPTANCE

This Lease shall not become binding upon Lessor until accepted as follows:

Lessor: **ELEMENT FINANCIAL CORPORATION**

Authorized Signature: Ben Nyatt
Executed as Lessor By: Ben Nyatt VP Operations

Date of Lessor's Acceptance: Dec 30, 20 13

PRE-AUTHORIZED PAYMENT PLAN CONSENT

I hereby authorize Lessor to debit my bank account noted on the attached void cheque ("Lessee's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lessor under the terms of this Lease, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lessor with 30 days' prior written notice. I understand that I may contact my financial institution or visit www.cdnpay.ca to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Lessee and Lessor and has no effect whatsoever on any other provision of this Lease.

ATTACH VOID CHEQUE | Signature: [signature]

THE UNDERSIGNED ACKNOWLEDGES HAVING READ THE ENTIRE LEASE AGREEMENT AND ACCEPTS THE TERMS AND CONDITIONS INCLUDING THOSE ON PAGE 2 & 3 HEREOF. EACH OF THE UNDERSIGNED AFFIRMS THAT THEY ARE DULY AUTHORIZED TO EXECUTE THIS LEASE AGREEMENT ON BEHALF OF LESSEE. DATED Dec 24, 2013

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature: [signature]	Signature: [signature]	Signature: [signature]
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

Initial PM SM PM

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

TERMS

In consideration of the covenants herein contained, including those on the reverse hereof, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), Lessor and Lessee agree as follows:

1. Lease: Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the equipment described in the Lease Details, together with any parts, accessories, replacements, additions and accessions, tangible or intangible, now and hereafter relating thereto or affixed thereon (collectively the "Equipment"). THIS LEASE CANNOT BE CANCELLED OR TERMINATED BY LESSEE.

2. Purchase Documents: If Lessee has not issued a purchase order or entered into an agreement with Vendor to purchase the Equipment (a "Purchase Document"), Lessee hereby agrees that Lessor may do so on Lessor's own behalf. If Lessee has entered into a Purchase Document, Lessee represents and warrants that title to the Equipment has not passed to Lessee and, at Lessor's option, Lessee shall assign to Lessor its rights under the Purchase Document to purchase the Equipment and to acquire any related license of software, information and documentation (a "License"). Except for the obligation to pay Vendor for the Equipment if (and only if) this Lease commences and is accepted by Lessor, Lessee shall perform, satisfy and discharge all of the purchaser's obligations under any Purchase Document and License and any assignment by Lessee to Lessor pursuant to this Section shall not include such obligations. The provisions of any Purchase Document or License do not modify Lessee's obligations to Lessor hereunder.

3. Term: This lease is for an original term (the "Term") commencing on the earlier of the Lease Commencement Date set out in a certificate (the "Delivery and Acceptance Certificate") in form prescribed by Lessor or, if Lessor waives the requirement for a Delivery and Acceptance Certificate pursuant to Section 4, the Date of Lessor's Acceptance set forth above and ending at the expiry of the number of complete calendar months indicated under the heading "Term" in the Lease Details.

4. Acceptance: Upon delivery and acceptance of the Equipment, Lessee shall forthwith execute and deliver to Lessor the Delivery and Acceptance Certificate unless Lessor, in its sole discretion, waives such execution and delivery by executing this Lease prior to the receipt of such certificate and after the delivery of the Equipment.

5. Equipment Selection: LESSEE HAS PERSONALLY SELECTED THE EQUIPMENT AND LESSOR HAS ACQUIRED THE EQUIPMENT AT LESSEE'S SPECIFIC REQUEST FOR THE PURPOSE OF LEASING IT HEREUNDER. LESSEE ACKNOWLEDGES THAT THE SUITABILITY OF THE EQUIPMENT AND ITS INSTALLATION AND DELIVERY IS LESSEE'S RESPONSIBILITY; THE FAILURE OF THE EQUIPMENT TO BE DELIVERED AND INSTALLED, TO OPERATE OR TO CONFORM TO LESSEE'S REQUIREMENTS SHALL NOT LESSEN LESSEE'S OBLIGATIONS HEREUNDER.

6. Rentals: Lessee shall, without notice from or request by Lessor, pay to Lessor during the Term of this lease the total number of Rental Payments set forth in the Lease Details. Such Rental Payment shall be payable in advance to Lessor at the address indicated above (or other address notified by Lessor to Lessee) as follows: first Rental Payment upon Lessee's execution hereof and, commencing after the calendar period covered by such first Rental Payment subsequent Rental Payments throughout the Term on: (A) in the case of monthly payments, the first day or the fifteenth day of each month, whichever day is closer to the date the Lease commences, or (B) in the case of payments based on any other calendar period, on the first day of each such calendar period. Any amount paid by Lessee to Lessor prior to this Lease commencing which is in excess of such first Rental Payment shall be credited towards Lessee's final Rental Payment(s) in reverse order of occurrence, without interest. RENTAL PAYMENTS AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE ARE PAYABLE WITHOUT SET-OFF, COMPENSATION OR ABATEMENT AND IN NO EVENT SHALL THE FIRST RENTAL PAYMENT BE REFUNDED TO LESSEE.

7. Adjustments: The Rental Payment set forth above is based upon the purchase price for the Equipment and Lessor's cost of funds. If (but only if) an Estimated Purchase Price has been specified in a Financing Terms Addendum attached hereto and the final invoice from Vendor specifies a purchase price (including taxes, delivery, installation and other charges) (the "Purchase Price") that is greater or less than the Estimated Purchase Price, Lessee authorizes Lessor to adjust the above Rental Payments to reflect the Purchase Price provided Lessee receives notice of such adjustment; however, if the Purchase Price exceeds the Estimated Purchase Price by more that 10%, Lessor will notify Lessee and obtain Lessee's prior written approval to such adjustment (such approval not to be unreasonably withheld) and the Lease will not commence until such approval is obtained. If (but only if) a Latest Start Date is specified in a Financing Terms Addendum attached hereto and Lease for any reason commences after such Latest Start Date, this Lease shall nevertheless be binding and Lessee authorizes Lessor in Lessor's sole discretion to adjust the above Rental Payments to reflect its cost of funds on the date this Lease commences and Lessor shall upon Lessee's request, provide Lessee with a copy of the completed description. If this Lease is signed by Lessee prior to Lessor having a complete description of the Equipment, Lessee hereby authorizes Lessor to complete such description provided Lessee receives notice of such description. Any adjustment to Rental Payments or completion of an Equipment description made pursuant to this Section shall be deemed to have effect from the date Lessee executes this Lease; if a Financing Terms Addendum is not executed and attached hereto, Lessor may not adjust the Net Rental Payments set forth above without Lessee's prior written consent.

8. Interest on Overdue Payments: Lessee shall without notice pay interest at the rate of Eighteen percent (18%) per annum calculated and compounded monthly and not in advance, on: (A) any past due Rental Payments (B) any amounts which bear interest according to this Lease and (C) any other amounts due to Lessor hereunder which are not paid on their due dates; in each case from the date any such amount becomes due or interest bearing, before and after maturity, default and judgment, until such arrears or other amounts are paid in full.

9. Pre-Authorized Payments: Lessee's Bank noted on the void cheque delivered by Lessee with this Lease is hereby authorized and directed to (A) debit Lessee's Account for all payments purporting to be drawn on Lessee for payment to Lessor which are presented for payment by Lessor or Lessor's agent, and (B) make all such payments to Lessor or Lessor's agent from Lessee's Account; such payments may be requested in the form of magnetic or computer-produced tape in which case such Bank is hereby authorized to treat them as signed by Lessee. Lessee agrees, in consideration of such Bank acting on this authorization, that such institution will not be liable for any loss or damage incurred as a result of honoring this authorization. If Lessee's Account is transferred to another branch, this authorization shall be directed to such other branch. Lessor is hereby irrevocably authorized to deliver a copy, details or further evidence of this authorization to such Bank, Lessee hereby appointing Lessor its lawful attorney for such purpose. Such authorization may only be used by Lessor in respect of payments arising under this Lease, including payments arising under any Transaction Schedule (defined in Section 38 of this Lease) to this Lease. Lessee has certain recourse rights if any debit from the Lessee's Account does not comply with the pre-authorized payment authorization granted by Lessee in this Lease. For example, Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Lessee in this Lease. To obtain more information on Lessee's recourse rights, Lessee may contact his/her/its financial institution or visit www.cdnpay.ca.

10. Installation, Maintenance and Repair: Lessee shall, at its expense, be responsible for: (A) the delivery, installation, de-installation and redelivery of the Equipment and (B) the maintenance, upkeep, care, servicing and repair (including necessary replacements of parts)("Maintenance") of the Equipment; in both cases by a party acceptable to Lessor. Lessee shall at its expense keep the Equipment in good repair, condition and working order. Lessee shall not without the prior written consent of Lessor make any alterations, additions or improvements to the Equipment. All such alterations, additions or improvements shall be at Lessee's expense and shall belong to, and become property of, Lessor immediately upon being made. On Lessor's request, Lessee shall enter into a Maintenance agreement respecting the Equipment with the manufacturer thereof or other Maintenance supplier acceptable to Lessor.

11. Use: Lessee shall use the Equipment in a careful and prudent manner and not for any unlawful purpose and shall at Lessee's expense comply with and conform to all applicable laws, ordinances and regulations (including laws, ordinances and regulations concerning environmental matters) relating to the possession, use or Maintenance of the Equipment. Lessee enters into this Lease for commercial or industrial purposes and not for any personal, family or household purposes or any farm, ranch or feedlot operation purposes and shall only use the Equipment in connection with its business or in the carrying on of an enterprise and only for commercial or industrial purposes.

12. Loss and Damage: Lessee shall, until this Lease is terminated and Lessee's obligations hereunder are discharged in full (including the return of the Equipment), bear the entire risk of loss, damage, destruction, theft, seizure or governmental taking of the Equipment or any part thereof (any such case being a "Loss"), regardless of whether it is caused by any default or neglect of Lessee. No Loss shall relieve Lessee of its obligations hereunder.

13. Title and Identification: The Equipment is and shall, at all times be and remain the sole personal and moveable property of Lessor, shall not be affixed or attached to or otherwise become a fixture or accession to any lands, buildings or chattels and Lessee shall have no right, title or interest in or to the Equipment except as expressly set forth herein. Lessee shall not allow the Equipment to become subject to any claim, privilege, lien, charge, encumbrance, levy, security interest, mortgage, pledge, hypothecation, seizure, trust, attachment, judicial process, ownership interest, license, sublease or other right in favor of any person (in any such case an "Encumbrance") unless such Encumbrance is caused by Lessor. At Lessor's request, Lessee shall at Lessee's expense affix and maintain on the Equipment, in a manner and in places satisfactory to Lessor, labels, plates or other marks supplied by Lessor to identify the Equipment as the property of Lessor.

14. Location and Inspection: Lessee shall maintain the Equipment at the Equipment Location specified in the Lease Details and shall not move the Equipment from such location. Lessor shall have the right to inspect the Equipment and Lessee's Maintenance, Insurance and Tax records at any time.

15. Net Lease: ALL COSTS AND EXPENSES RELATING TO THE EQUIPMENT OR ITS USE, MAINTENANCE OR POSSESSION SHALL BE BORNE BY LESSEE, INCLUDING ALL TAXES AND ALL FEES, CHARGES, CLAIMS AND FINES INCURRED OR ARISING IN CONNECTION WITH THE REGISTRATION, LICENSING OR OPERATION OF THE EQUIPMENT. The Rental Payments and other amounts payable hereunder shall be absolutely net to Lessor, free of all expenses or outgoings of any kind or nature. If Lessee fails to perform any of its obligations hereunder, Lessor may do so on Lessee's behalf and shall be entitled to immediate reimbursement from Lessee together with interest from the date of expenditure by the Lessor until reimbursed by the Lessee; without prejudice to any other Lessor's rights or remedies, and Lessee appoints Lessor its lawful attorney for such purposes.

16. Taxes: Lessee shall pay all Taxes and file all returns in respect of Taxes immediately upon such Taxes or returns becoming due. "Taxes" includes all taxes, imposts, levies, fees, duties and charges now or hereafter imposed by any federal, provincial, municipal or other taxation authority on Lessee, the Equipment or the purchase, sale, ownership, delivery, possession, use, Maintenance, operation or lease of the Equipment or on Lessor in respect of any of the foregoing (including sales excise, use, property, business, transfer, goods and services and value added taxes and including penalties or interest based on late payment of taxes), but excluding taxes on or measured by Lessor's overall net income. Lessor shall be entitled to claim any applicable capital cost allowance, investment tax credit or similar benefit under applicable tax legislation from time to time pertaining to the Equipment and/or the Lease and Lessee shall not make any such claim in respect thereof.

17. Insurance: Lessee shall, at its own expense, place and maintain with insurers acceptable to Lessor: (a) comprehensive all risks insurance on the Equipment for its full replacement value, such insurance to include: (i) Lessor as additional insured, (ii) a loss payable clause in favor of Lessor as first payee, and (iii) a waiver of subrogation in favor of Lessor; and (b)general public liability and property damage insurance with limits of liability equal to at least $2,000,000 per occurrence (or such greater amount as Lessor may require from time to time), and such insurance shall: (i) extend to all liabilities of Lessee arising out of its use or possession of Equipment, (ii) include Lessor as additional ensured, and (iii) include a cross-liability provision which insures each person insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each.

All insurance policies shall contain endorsements providing that: (A) thirty days written notice shall be given to Lessor before a policy lapses or is materially altered or cancelled; (B) coverage shall be primary and not contributory; (C) Lessor's interest as additional insured shall not be invalidated or otherwise affected by any act or omission, deliberate, negligent or otherwise, of Lessee or its agents, servants or employees (such as a "standard mortgagee clause"); (D) Lessor shall not be responsible for payment of any premium; and (E) Lessor may elect to have all proceeds of Loss payable only to itself. Lessee shall, on request, supply Lessor with certified copies of all insurance policies or other evidence satisfactory to Lessor of satisfaction of these insurance covenants. In the event of damage amounting to actual or constructive total loss of the Equipment, Lessor shall be entitled to retain from all insurance proceeds an amount equal to the total amount payable to Lessor by Lessee hereunder as Liquidated Damages (as defined in Section 26(a) except that for purposes hereof, each reference in Section 26(a) to "date of Default" shall be replaced with "date of payment by Lessee to Lessor of insurance proceeds").

18. Failure to Insure: If Lessee fails to fulfill its insurance obligations hereunder, then, without prejudice to Lessor's other rights and remedies, Lessor shall have the right, but not the obligation, to procure insurance covering Lessor's interest (but not Lessee's interest) in the Equipment, in such form and amount and with such insurers (including an insurer affiliated with Lessor) as Lessor shall determine from time to time, all at Lessee's expense. Such expense (the "Insurance Expense") shall include the cost of acquiring such insurance and any charges or fees for services associated with the placement, maintenance or service of such insurance, plus interest accruing on such expense at the interest rate provided herein for overdue amounts from the time of payment by the Lessor until such expense is reimbursed by Lessee to Lessor. Lessee shall pay the Insurance Expense to Lessor in equal installments at the same time and in the same manner as the remaining Rental Payments. Lessee shall cooperate with Lessor's insurance agent in connection with the placement of such insurance and the processing of any claims. Nothing herein shall be deemed to obligate or entitle Lessor to act as an insurer hereunder or to arrange any insurance for the benefit of Lessee. Nothing herein shall require Lessor to secure, maintain in force or renew any insurance, in any amounts or upon any specific terms and conditions. Lessor reserves the right to terminate any insurance coverage which Lessor may arrange, or allow same to lapse, without incurring any liability to Lessee.

19. Representations: Lessee represents, warrants and covenants throughout the Term that: (A) if Lessee is a body corporate, it is and will continue to be validly incorporated (or otherwise established), organized and existing and in good standing; (B) it has all necessary power and authority to execute, deliver and perform this Lease, each such action (i) having been duly authorized by all necessary action of Lessee, (ii) not being in conflict with any applicable law, the constating documents, resolutions or by-laws of Lessee or any indenture, instrument, agreement or undertaking to which it is a party or by which it or any of its assets are or may become bound, and (iii) not resulting in the creation of any Encumbrance on the Equipment; (C) this Lease is and will continue to be the legal, valid and binding obligation of Lessee enforceable against it and effective against its creditors in accordance with its terms; (D) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal that could have a material adverse effect on Lessee; (E) financial statements and other related information furnished by Lessee to Lessor are prepared in accordance with generally accepted accounting principles and fairly present Lessee's financial position on their respective dates; and (F) to evidence the foregoing Lessee shall provide legal opinions, resolutions and such other documents as Lessor may reasonably request.

20. Subleasing Etc.: Lessee shall not sublet or part with possession or control of the Equipment or permit its use by any person other than Lessee or employees of Lessee who are qualified and competent to operate same. Neither this Lease nor Lessee's rights hereunder shall be assigned by Lessee except with Lessor's prior written consent and no assignment shall release Lessee from its obligations hereunder.

21. Surrender: At the end of the Term or any renewal thereof, if Lessee has not purchased the Equipment pursuant to Section 29, Lessee, at Lessee's expense, shall surrender control of the Equipment to Lessor and shall; (A) after giving Lessor thirty days prior written notice, return the Equipment to Lessor at Lessor's nearest office or other place specified by Lessor or (B) if requested by Lessor, dispose of the Equipment as Lessor reasonably directs, including disposition in a manner which will avoid any dangerous use thereof or damage or injury to any person or property therefrom. Whenever Lessee is required to return the Equipment to Lessor the Equipment shall be in good repair, condition and working order and Lessee shall pay all costs of Maintenance and restoration of Equipment returned to Lessor, necessary to restore it to its condition on the date this Lease commenced, normal wear and tear excepted. Lessee shall, if Lessor so requests, store the Equipment at Lessee's risk and expense and as Lessor's bailee for a period of up to 90 days after the end of the Term; Lessee shall not use the Equipment or pay Rental Payments for the Equipment during such period but shall otherwise be bound by all of the terms of this Lease during such period.

22. Renewal: If Lessee fails to surrender the Equipment at the end of the Term or any renewal thereof, or to purchase the same pursuant to Section 29, Lessee shall be deemed to have requested a renewal of this Lease for a period of three (3) calendar months and Lessor may, in its sole discretion: (A) demand the surrender of the Equipment in compliance with Section 21 and exercise its rights and remedies for such non-compliance or (B)accept Lessee's request to renew this Lease for a three (3) month period commencing on the end of the Term or the last renewal thereof. Such acceptance may be evidenced in writing signed by Lessor or by Lessor continuing to invoice Lessee, withdrawing Rental Payments pursuant to a pre-authorized payment plan or otherwise accepting Rental Payments in respect of such renewal period. Lessee shall continue to have all of its obligations under this Lease during any such renewal period, including the obligation to pay Lessor Rental Payments, as it had during the Term and all provisions of this Lease shall apply to any such renewal term.

23. Entry: If Lessee fails to surrender the Equipment to Lessor as required under this Lease, Lessor may, without notice to Lessee or resort to legal process, but subject to any applicable law, enter any premises where the Equipment is located and take possession of and remove or disable such Equipment.

24. Indemnity: Lessee hereby indemnifies Lessor and agrees to save Lessor harmless from and against all loss, costs, liabilities, claims, legal proceedings and expenses (including legal fees and costs) whatsoever arising in connection with this Lease, the Purchase Documents, any License, the Equipment, the manufacture, selection, purchase, ownership, delivery, possession, use, Maintenance, operation, Loss or return of the Equipment, Taxes, the recovery of claims under any insurance policy relating to the Equipment, any use or operation of Equipment which infringes any patent or other industrial or intellectual property right of any person, any Default by Lessee, the exercise by Lessor of any rights or remedies hereunder or any entry or taking of possession, removal or disabling of Equipment pursuant to Section 23.

25. Defaults: Each of the following is a default by Lessee (a "Default"): (a) Lessee fails to make any Rental Payment or pay any other amounts due under this Lease within 3 days after the same is due and payable; or (b) Lessee fails to perform, observe or comply with any other obligation, term or condition on its part to be performed, observed or complied with hereunder, or (c) any event of default occurs under any other lease or

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Phone: (416)-386-1067 Fax: (888)-772-8129

contract between Lessor and Lessee or under any material agreement between Lessee and any other person; or (d) any representation or warranty made by Lessee to Lessor in or in connection with this Lease is incorrect; or (e) the Equipment or any part thereof is subjected to an Encumbrance not caused by Lessor, Lessee sells or attempts to sell or grant an Encumbrance on any part of the Equipment or the value of Lessor's interest in the Equipment is materially impaired due to Loss; or (f) Lessee makes any assignment for the benefit of its creditors, becomes insolvent, commits any act of bankruptcy, takes any action to wind-up or dissolve, ceases or threatens to cease to do business as a going concern, is subject to a change in control in fact or in law or seeks any arrangement or composition with its creditors; or (g) any proceeding in bankruptcy, receivership, winding-up, dissolution, liquidation or insolvency is commenced by or against Lessee or its property; or (h) Lessor in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance by Lessee under this Lease is or is about to be impaired or the Equipment is or is about to be placed in jeopardy; or (i) any guarantor of Lessee's obligations hereunder disputes its obligation under its guarantee or seeks to determine its obligations thereunder or to terminate its guarantee of Lessee's future obligations or becomes subject to any of the events in clauses (b), (c), (d), (f) or (g) of this Section.

26. Effect of Default; Damages: A loss to Lessor upon a Default is dependent in part upon the cost of the Equipment to Lessor, the Term and the minimum return expected by Lessor from the sale or re-lease of the Equipment at the end of the Term. Upon any Default and in addition to Lessor's other rights and remedies under this Lease and otherwise available at law or in equity: (a) Lessee shall pay forthwith (without notice) to Lessor as liquidated damages, and not as a penalty, an amount (the "Liquidated Damages") equal to the aggregate of: (i) unpaid Rental Payments and other amounts payable hereunder unpaid as of the date of the Default; (ii) the present value (calculated on the basis of an interest rate equal to the lower of (x) of three percent (3%) or (y) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the remaining Term, compounded monthly) of: (A) the remaining Rental Payments payable from the date of Default to the end of the Term or, if applicable, any renewal thereof, and (B) amounts otherwise payable under the Lease to the end of the Term, or, if applicable, any renewal thereof, and (C) the greater of the purchase price for the Equipment pursuant to any end of Term Fair Market Value (as defined in Section 29 below) or fixed Option Price (as defined in Section 29 below) and the amount of any residual interest which Lessor may have in Equipment; (iii) any Enforcement Costs (as defined in sub-paragraph (e) below) incurred by Lessor; and (iv) interest thereon from the date of Default until payment in full; to the extent that the Liquidated Damages are deemed to include any Taxes which Lessor is required to remit to any taxation authority the Liquidated Damages shall be increased by the amount necessary to ensure that the net amount of the Liquidated Damages retained by Lessor after remitting all applicable Taxes will be equal to the amount calculated above; (b) upon Lessor's demand, Lessee at Lessee's expense shall forthwith surrender control of the Equipment to Lessor pursuant to Section 21 as though the Term had expired; (c) Lessor may, immediately and without notice to Lessee or resort to legal process take possession of and remove or disable the Equipment pursuant to Section 23 as though Lessee had failed to surrender such Equipment when required to do so; (d) the rights of Lessee hereunder in respect of the Equipment, including the right to use and possess the Equipment, shall cease and terminate absolutely without limiting Lessee's liability or obligations hereunder; and (e) Lessor may by notice in writing terminate this Lease or any other agreement Lessor may have with Lessee. All rights and remedies of Lessor, either under this Lease or at law or in equity or otherwise afforded to Lessor, are cumulative and not alternative. Lessor's costs and expenses incurred as a result of a Default ("Enforcement Costs") (including all costs and expenses in respect of collection, legal fees, repossession, repair of Equipment, enforcement of Lessor's rights or remedies, sale or re-lease costs or other realization costs) shall be paid by Lessee to Lessor forthwith upon demand, with interest accruing thereon from the date such costs and expenses were incurred until payment in full.

27. Sale on Default: Lessor may after a Default sell, re-lease or otherwise dispose of Equipment at public or private sale with or without notice to Lessee and upon such terms and in such manner as Lessor may determine. Lessee shall thereafter continue to be liable to Lessor for the amount of any deficiency between the proceeds to Lessor from such disposition and the Liquidated Damages. If at any time after a Default and prior to Lessor obtaining possession of the Equipment, Lessee pays to Lessor the Liquidated Damages and all applicable Taxes, title to the Equipment shall vest in Lessee on an "as is, where is" basis without any condition, representation or warranty of Lessor whatsoever except that Lessee acquires such interest free of Encumbrances caused by Lessor.

28. Effect of Waiver: No delay in exercising, or failure to exercise, any right or remedy accruing to Lessor under this Lease will impair or waive such right or remedy, nor will a waiver of any single Default be deemed a waiver of any other prior, subsequent or concurrent Default. Any waiver, permit, consent or approval on the part of Lessor in respect of this Lease must be in writing and shall have effect only to the extent specifically set forth in such writing.

29. Purchase Option: In this Section: (a) "Default" means any existing Default and any event or circumstance which, with the giving of notice or the lapse of time or both, would constitute a Default; (b) "Fair Market Value" means the delivered and installed, all-inclusive, purchase price for equipment in good repair in a sale between an arms length purchaser buying for its own use and a seller dealing in such equipment in the ordinary course of its business, as such purchase price is determined by Lessor acting reasonably; (c) "Option Price" means the amount set forth in the Lease Details as the fixed price for an early payment option or the fixed price for an end of term purchase option, as the case may be; and (d) "Option Date" means the last day of the month set forth in the Lease Details as the date for the exercise of an early payment option or the last day of the Term of the Lease in the case of an end of term purchase option, as the case may be. Provided no Default exists, any Purchase Option set forth in the Lease Details may be exercised by Lessee: (i) giving Lessor written notice sixty (60) days prior to the Option Date of its election to exercise such option; and (ii) paying Lessor the Option Price, plus Taxes, at least thirty (30) days before the Option Date. After the giving of such notice and the making of such payment, provided no Default exists on the Option Date, Lessee shall acquire Lessor's interest in the Equipment on the Option Date on an "as is, where is" basis without any condition, representation or warranty by Lessor of any kind whatsoever except that Lessee acquires such interest from Lessor free of Encumbrances caused by Lessor.

30. Lessee's Waiver: TO THE EXTENT NOT PROHIBITED BY LAW OR STATUTE, LESSEE HEREBY WAIVES THE BENEFIT OF ALL PROVISIONS OF ALL APPLICABLE CONDITIONAL SALES, REGULATORY, CREDIT AND OTHER STATUTES AND ALL REGULATIONS MADE THEREUNDER IN ANY APPLICABLE JURISDICTION WHICH WOULD IN ANY MANNER AFFECT, RESTRICT OR LIMIT THE RIGHTS AND REMEDIES OF LESSOR HEREUNDER, including, without limiting the generality of the foregoing, all of Lessee's rights, benefits and protections given or afforded by the provisions of The Limitation of Civil Rights Act of Saskatchewan, as amended. Lessee also waives and assigns to Lessor the right of any statutory exemption from execution or otherwise and further waives any right to demand security for cost in the event of litigation.

31. Lessor Warranties: Lessor warrants that on the date this Lease commences it is the owner of the Equipment, free and clear of any Encumbrance caused by Lessor, save for Lessee's rights hereunder. Except as otherwise explicitly set forth herein, but without affecting Lessor's warranties set forth in any other agreement (all of which Lessee acknowledges do not affect or form part of this Lease), Lessor makes no warranty or representation whatsoever as to the durability, quality or condition of the Equipment or its suitability for Lessee's purposes or as to any other matter whatsoever (including status of this Lease for tax or accounting classification purposes). No representation to Lessee as to the Equipment or any other matter by the Vendor or any supplier or manufacturer of the Equipment shall in any way affect Lessee's obligations under this Lease. At the request and expense of Lessee and while there is no Default, Lessor will (A) assign to Lessee for the Term any and all warranties, guarantees, service contracts, Licenses and representations given to Lessor by the Vendor or a manufacturer or supplier of the Equipment with respect to the Equipment ("Equipment Rights") which are assignable at law; and (B) assist Lessee in receiving the benefit of such Equipment Rights. If Lessor obtains possession or control of the Equipment or if there is a Default, Lessee shall be deemed to have immediately reassigned such Equipment Rights to Lessor without any further action. If Equipment is located in the Province of Quebec, Lessor hereby conveys to Lessee any warranty which the Vendor or a manufacturer or supplier of such Equipment gave to Lessor. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, CAUSED BY THE EQUIPMENT OR THE USE, MAINTENANCE OR POSSESSION THEREOF, BY THE INADEQUACY OF THE EQUIPMENT RIGHTS OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED.

32. Assignment: This Lease and all rights, remedies and benefits of Lessor hereunder may be assigned by Lessor without notice to or the consent of Lessee and Lessee hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy of any assignment document. Upon such assignment: (A) the assignee (the "Assignee") shall be entitled to enforce the rights and remedies and to receive all benefits which would otherwise accrue to the original Lessor under this Lease; (B) the Assignee shall be deemed to be Lessor for the purpose of all such rights, remedies and benefits; (C) the Assignee shall have no obligation to Lessee to perform any of the obligations of the original Lessor hereunder or otherwise in respect of the Equipment, all of which are retained by the original Lessor; and (D) Lessee's rights hereunder as against the original Lessor shall be unaffected except as herein specifically provided. Lessee agrees not to assert against the Assignee any claim by way of abatement, defense, set-off, compensation, counterclaim or the like which Lessee may have against the original Lessor. Upon notice of an assignment Lessee shall unconditionally pay to such Assignee all Rental Payments and other amounts due hereunder and shall not assert any defense against such Assignee in any action for Rental Payments or other amounts due and payable hereunder, except the defence of payment to the Assignee. Lessor may assign to the Assignee the pre-authorized payment authorization granted by Lessee in this Lease provided that Lessor provides Lessee with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Rental Payments or other amounts due under this Lease from the Lessee's Account.

33. Credit Investigation: Subject to applicable legislation, Lessee hereby consents to Lessor conducting a credit investigation of Lessee and to Lessor making inquires with financial institutions or other persons in a business relationship with Lessee in connection therewith; Lessee hereby authorizes and directs such persons to answer Lessor's inquiries. Lessee agrees to furnish to Lessor: (A) a copy of its interim financial statements and other related information, as Lessor may request from time to time; and (B) its annual financial statements, audited if applicable, within ninety days of the end of each financial year.

34. Security Interests: To secure Lessee's performance of its obligations hereunder Lessee grants Lessor a continuing security interest in any interest Lessee has in the Equipment, in all proceeds thereof (including proceeds of insurance) and in any Rental Payments receivable on any sublease permitted by Lessor; Lessee agrees that Lessor has all rights of a secured party under any applicable personal property security legislation and at law and in equity. To the extent this Lease creates a security interest, such security interest is a purchase money security interest (as the terms "security interest" and "purchase money security interest" are used in the Personal Property Security Act (Ontario)) and shall be interpreted with similar effect under analogous legislation in force in any other relevant jurisdiction. In this Lease the term "security interest" includes a movable hypothec without delivery.

35. Fees: Lessor shall be entitled to charge Lessee such fees and other charges as it may establish from time to time for the administration of and ancillary matters to this Lease, including a fee of $25.00 for each security registration required in connection with this Lease and such fees for invoices as Lessor may from time to time establish.

36. Name Change, etc.: Lessee shall promptly notify Lessor in writing of: (A) any change in Lessee's name; (B) any transfer, authorized or unauthorized, by Lessee of any interest in or benefit from the Equipment; (C) any change, authorized or unauthorized, by Lessee in the location of any Equipment; and (D) any change in the location of Lessee's Head Office specified above.

37. Information: Lessee agrees that Lessor may provide copies of this Lease and/or information concerning Lessee and its obligations hereunder to any person.

38. Additional Equipment: Lessor and Lessee may from time to time agree to lease additional equipment pursuant to these Terms & Conditions and the above Lessee Information and Invoice Option and each such agreement shall be evidenced by a written schedule referencing this initial lease (a "Transaction Schedule"), signed by Lessee and Lessor and setting forth the particulars of such equipment lease transaction including the matters addressed by the above Lease Details and including any amendments to the Lessee Information or Terms and Conditions which are applicable to that transaction. The particulars of the initial transaction set forth in the above Lease Details shall not apply to subsequent transactions but the Terms and Conditions, Invoice Option and Lessee Information of this Lease are incorporated by reference into each Transaction Schedule and shall apply mutatis mutandis, to the transaction specified in such Transaction Schedule; such Lessee Information, Terms and Conditions, Invoice Option and each Transaction Schedule shall constitute a separate lease and the entire agreement with respect to that transaction, shall be deemed to be a "Lease" to which these Terms and Conditions refer and shall not terminate as a result of the termination or expiry of any other Lease made pursuant to these Terms and Conditions. The terms of any Transaction Schedule evidencing a specific transaction shall prevail over these Terms and Conditions and the above Lessee Information to the extent of any conflict or inconsistency but only in respect of that transaction.

39. Entire Agreement: This Lease (including (A) all details set forth above in the Lessee Information, Lease Details and Invoice Option and in these Terms & Conditions and (B) any schedule, addendum or amendment to this Lease which is in writing, references this Lease and is signed by Lessee and Lessor at any time) constitutes the entire agreement between Lessor and Lessee with respect to its subject matter.

40. Applicable Law: This Lease shall be construed according to the laws of the Province where the Equipment is located as set forth in the Lease Details.

41. Enurement: Subject to the terms hereof, this Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, permitted assigns and legal representatives.

42. Interpretation: Whenever the context of this Lease so requires, the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders. Time is of the essence of this Lease and each of its provisions. Headings are for convenience of reference only and do not affect the interpretation. Terms used in the Lessee Information or Lease Details have, when used in these Terms & Conditions, unless the context otherwise requires, the meaning ascribed thereto by such use. The word "including" means "including without limitation"

43. Notices: Any notice required or permitted to be given hereunder must be in writing and will conclusively be deemed to have been received by its recipient on the business day it is delivered or sent by facsimile transmission to a party at the address indicated on the first page hereof (or at such other address as such party specifies to the other party in writing) or, if sent by registered mail, provided there is no interruption in postal services, on the fifth business day after the day of mailing, addressed to such party at such address.

44. Severability: Any provision of this Lease prohibited by or unlawful or unenforceable under any applicable law shall, at the sole option of Lessor, be ineffective without invalidating the remaining provisions of this Lease: provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Lessee.

45. Further Assurances: Lessee agrees to do all things and execute or obtain all documents as may be required by Lessor in order to give effect to or better evidence this Lease including the execution of financing statements or other documents to effect security registrations to protect Lessor's interests, any acknowledgements required by any Assignee and any waivers or subordinations from Lessee's landlords or creditors.

46. Language: The parties hereby acknowledge that they have required this contract, and all other agreements and notices required or permitted to be entered into or given pursuant hereto, to be drawn up in the English language only. Les parties reconnaissent avoir demandé que le présent contrat ainsi que toute autre entente ou avis requis ou permis à être conclu ou donné en vertu des dispositions du présent contrat, soient rédigés en langue anglaise seulement.

47. Survival: Notwithstanding any other sections hereof, all obligations of Lessee under sections 2,8,10,12,13,15,16,19,21,22,23,24,25,26,27,30,31,32,34 and 35 hereof and the rights and remedies of Lessor hereunder shall survive the termination of this Lease and the receipt of all Rental Payments and other amounts payable by Lessee hereunder.

48. Joint and Several Liability: If more than one person executed this Lease, their obligations hereunder shall be joint and several and, in the Province of Quebec, solidary without benefit of division or discussion.

49. Receipt of Copy, Etc.: Lessee acknowledges receipt of a true copy of this Lease and waives, to the extent permitted by applicable law, all rights to receive copies of financing statements, financing change statements, verification statements, confirmation statements or copies of other notices or filings made by Lessor at any time in connection with this Lease, any schedule thereto, any amendment thereof or any Transaction Schedule.

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SCHEDULE "A" EQUIPMENT DESCRIPTION

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

Attached to and forming part of Lease or Loan Agreement No. CCB9489A-005 dated Dec 24, 2013 between **CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN** as Lessee or Obligor and **ELEMENT FINANCIAL CORPORATION.**

EQUIPMENT DESCRIPTION

No.	New/Used	Year	Manufacturer	Model	Description	Serial Number
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201334 001
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201334 002
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201334 003
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201334 004
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201334 005
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201334 006
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201334 007
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201334 008
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201335 001
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201335 002
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201335 003
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201335 004
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201335 005
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201335 006
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201335 007
1	New	2013	CampCorp Canada	Skidded	38 Man Dorm	FX 38D 201335 008

16

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

ECNCAPITAL

CONTRACT AMENDING AGREEMENT

4 Robert Speck Parkway, Suite 900, Mississauga, ON L4Z 1S1 Phone: (905) 366-2142 Fax: (866)-797-8468

This Contract Amending Agreement is attached to and forms an integral part of your Lease Agreement.

Lease Agreement No. CCD9489A-005 dated December 30', 2013 between **ECN BUSINESS MANAGEMENT INC, successor in interest to ELEMENT FINANCIAL CORPORATION**, and **CANADA NORTH CAMPS INC.** and **PAUL WILLIAM MCCRACKEN** and **SHAYNE LEWIS DION MCCRACKEN**, (the "Contract") is amended as follows:

FROM:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
12/24/2013	49	1	$197,000.00
02/10/2014		48	$37,122.50

TO:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
12/24/2013		1	$197,000.00
02/10/2014	52	32	$37,122.50
10/10/2016		3	$5,000.00
01/10/2017		16	$37,122.50

The End of Term Purchase Option of $295,000.00 (plus applicable taxes) will be due on 05/10/2018.

All other terms and conditions of the Contract shall remain in full force and effect unamended.

Dated this 28 day of October, 2016.

ECN BUSINESS MANAGEMENT INC

Signature:

Name: Ben Wyett

Title: Vice President Operations

PAUL WILLIAM MCCRACKEN

Signature:

Name: PAUL WILLIAM MCCRACKEN

Title: Individual

CANADA NORTH CAMPS INC.

Signature:

Name: PAUL WILLIAM MCCRACKEN

Title: Director

SHAYNE LEWIS DION MCCRACKEN

Signature:

Name: SHAYNE LEWIS DION MCCRACKEN

Title: Individual

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

LESSEE INFORMATION

Lessee's Full and Legal Name	Lease No.
CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN	CCB9489A-006

Lessee Address (Head Office)
14238 134 Ave. NW Edmonton, Alberta T5L 5V8

LEASE DETAILS

Equipment Location Address (if different from Lessee Address)
1/4SW-5-80-25-W5 Wabasca, Alberta

VENDOR NAME

Campcorp Canada

EQUIPMENT DESCRIPTION

No.	New /Used	Year	Manufacturer	Model	Description	Serial Number
				See attached Schedule "A"		

START DATE	TERM	# RENTALS	RENTAL PAYMENT (PLUS APPLICABLE TAXES)
04/24/2014	49	1	$100,000.00
06/01/2014		48	$21,694.74

PURCHASE OPTION

Early Purchase Option

☐ The end of the Term's _____ calendar month for $_______________ (plus applicable taxes).

END OF TERM PURCHASE OPTION

☐ Fair Market Value (plus applicable taxes)

☒ $1.00 (plus applicable taxes)

LEASE ACCEPTANCE

This Lease shall not become binding upon Lessor until accepted as follows:

Lessor: **ELEMENT FINANCIAL CORPORATION**

Authorized Signature: Ben Hyatt

Executed as Lessor By: Ben Hyatt VP Operations

Date of Lessor's Acceptance: Apr 24, 2014

PRE-AUTHORIZED PAYMENT PLAN CONSENT

I hereby authorize Lessor to debit my bank account noted on the attached void cheque ("Lessee's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lessor under the terms of this Lease, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lessor with 30 days' prior written notice. I understand that I may contact my financial institution or visit www.cdnpay.ca to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Lessee and Lessor and has no effect whatsoever on any other provision of this Lease.

ATTACH VOID CHEQUE | Signature:

THE UNDERSIGNED ACKNOWLEDGES HAVING READ THE ENTIRE LEASE AGREEMENT AND ACCEPTS THE TERMS AND CONDITIONS INCLUDING THOSE ON PAGE 2 & 3 HEREOF. EACH OF THE UNDERSIGNED AFFIRMS THAT THEY ARE DULY AUTHORIZED TO EXECUTE THIS LEASE AGREEMENT ON BEHALF OF LESSEE. DATED Apr 24, 2014

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

Initial

element

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TERMS

In consideration of the covenants herein contained, including those on the reverse hereof, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), Lessor and Lessee agree as follows:

1. Lease: Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the equipment described in the Lease Details, together with any parts, accessories, replacements, additions and accessions, tangible or intangible, now and hereafter relating thereto or affixed thereon (collectively the "Equipment"). THIS LEASE CANNOT BE CANCELLED OR TERMINATED BY LESSEE.

2. Purchase Documents: If Lessee has not issued a purchase order or entered into an agreement with Vendor to purchase the Equipment (a "Purchase Document"), Lessee hereby agrees that Lessor may do so on Lessor's own behalf. If Lessee has entered into a Purchase Document, Lessee represents and warrants that title to the Equipment has not passed to Lessee and, at Lessor's option, Lessee shall assign to Lessor its rights under the Purchase Document to purchase the Equipment and to acquire any related license of software, information and documentation (a "License"). Except for the obligation to pay Vendor for the Equipment if (and only if) this Lease commences and is accepted by Lessor, Lessee shall perform, satisfy and discharge all of the purchaser's obligations under any Purchase Document and License and any assignment by Lessee to Lessor pursuant to this Section shall not include such obligations. The provisions of any Purchase Document or License do not modify Lessee's obligations to Lessor hereunder.

3. Term: This lease is for an original term (the "Term") commencing on the earlier of the Lease Commencement Date set out in a certificate (the "Delivery and Acceptance Certificate") in form prescribed by Lessor or, if Lessor waives the requirement for a Delivery and Acceptance Certificate pursuant to Section 4, the Date of Lessor's Acceptance set forth above and ending at the expiry of the number of complete calendar months indicated under the heading "Term" in the Lease Details.

4. Acceptance: Upon delivery and acceptance of the Equipment, Lessee shall forthwith execute and deliver to Lessor the Delivery and Acceptance Certificate unless Lessor, in its sole discretion, waives such execution and delivery by executing this Lease prior to the receipt of such certificate and after the delivery of the Equipment.

5. Equipment Selection: LESSEE HAS PERSONALLY SELECTED THE EQUIPMENT AND LESSOR HAS ACQUIRED THE EQUIPMENT AT LESSEE'S SPECIFIC REQUEST FOR THE PURPOSE OF LEASING IT HEREUNDER. LESSEE ACKNOWLEDGES THAT THE SUITABILITY OF THE EQUIPMENT AND ITS INSTALLATION AND DELIVERY IS LESSEE'S RESPONSIBILITY; THE FAILURE OF THE EQUIPMENT TO BE DELIVERED AND INSTALLED, TO OPERATE OR TO CONFORM TO LESSEE'S REQUIREMENTS SHALL NOT LESSEN LESSEE'S OBLIGATIONS HEREUNDER.

6. Rentals: Lessee shall, without notice from or request by Lessor, pay to Lessor during the Term of this lease the total number of Rental Payments set forth in the Lease Details. Such Rental Payment shall be payable in advance to Lessor at the address indicated above (or other address notified by Lessor to Lessee) as follows: first Rental Payment upon Lessee's execution hereof and, commencing after the calendar period covered by such first Rental Payment subsequent Rental Payments throughout the Term on: (A) in the case of monthly payments, the first day or the fifteenth day of each month, whichever day is closer to the date the Lease commences, or (B) in the case of payments based on any other calendar period, on the first day of each such calendar period. Any amount paid by Lessee to Lessor prior to this Lease commencing which is in excess of such first Rental Payment shall be credited towards Lessee's final Rental Payment(s) in reverse order of occurrence, without interest. RENTAL PAYMENTS AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE ARE PAYABLE WITHOUT SET-OFF, COMPENSATION OR ABATEMENT AND IN NO EVENT SHALL THE FIRST RENTAL PAYMENT BE REFUNDED TO LESSEE.

7. Adjustments: The Rental Payment set forth above is based upon the purchase price for the Equipment and Lessor's cost of funds. If (but only if) an Estimated Purchase Price has been specified in a Financing Terms Addendum attached hereto and the final invoice from Vendor specifies a purchase price (including taxes, delivery, installation and other charges) (the "Purchase Price") that is greater or less than the Estimated Purchase Price, Lessee authorizes Lessor to adjust the above Rental Payments to reflect the Purchase Price provided Lessee receives notice of such adjustment; however, if the Purchase Price exceeds the Estimated Purchase Price by more that 10%, Lessor will notify Lessee and obtain Lessee's prior written approval to such adjustment (such approval not to be unreasonably withheld) and the Lease will not commence until such approval is obtained. If (but only if) a Latest Start Date is specified in a Financing Terms Addendum attached hereto and Lease for any reason commences after such Latest Start Date, this Lease shall nevertheless be binding and Lessee authorizes Lessor in Lessor's sole discretion to adjust the above Rental Payments to reflect its cost of funds on the date this Lease commences and Lessor shall upon Lessee's request, provide Lessee with a copy of the completed description. If this Lease is signed by Lessee prior to Lessor having a complete description of the Equipment, Lessee hereby authorizes Lessor to complete such description provided Lessee receives notice of such description. Any adjustment to Rental Payments or completion of an Equipment description made pursuant to this Section shall be deemed to have effect from the date Lessee executes this Lease; if a Financing Terms Addendum is not executed and attached hereto, Lessor may not adjust the Net Rental Payments set forth above without Lessee's prior written consent.

8. Interest on Overdue Payments: Lessee shall without notice pay interest at the rate of Eighteen percent (18%) per annum calculated and compounded monthly and not in advance, on: (A) any past due Rental Payments (B) any amounts which bear interest according to this Lease and (C) any other amounts due to Lessor hereunder which are not paid on their due dates, in each case from the date any such amount becomes due or interest bearing, before and after maturity, default and judgment, until such arrears or other amounts are paid in full.

9. Pre-Authorized Payments: Lessee's Bank noted on the void cheque delivered by Lessee with this Lease is hereby authorized and directed to (A) debit Lessee's Account for all payments purporting to be drawn on Lessee for payment to Lessor which are presented for payment by Lessor or Lessor's agent, and (B) make all such payments to Lessor or Lessor's agent from Lessee's Account; such payments may be requested in the form of magnetic or computer-produced tape in which case such Bank is hereby authorized to treat them as signed by Lessee. Lessee agrees, in consideration of such Bank acting on this authorization, that such institution will not be liable for any loss or damage incurred as a result of honoring this authorization. If Lessee's Account is transferred to another branch, this authorization shall be directed to such other branch. Lessor is hereby irrevocably authorized to deliver a copy, details or further evidence of this authorization to such Bank, Lessee hereby appointing Lessor its lawful attorney for such purpose. Such authorization may only be used by Lessor in respect of payments arising under this Lease, including payments arising under any Transaction Schedule (defined in Section 38 of this Lease) to this Lease. Lessee has certain recourse rights if any debit from the Lessee's Account does not comply with the pre-authorized payment authorization granted by Lessee in this Lease. For example, Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Lessee in this Lease. To obtain more information on Lessee's recourse rights, Lessee may contact his/her/its financial institution or visit www.cdnpay.ca.

10. Installation, Maintenance and Repair: Lessee shall, at its expense, be responsible for: (A) the delivery, installation, de-installation and redelivery of the Equipment and (B) the maintenance, upkeep, care, servicing and repair (including necessary replacements of parts)("Maintenance") of the Equipment, in both cases by a party acceptable to Lessor. Lessee shall at its expense keep the Equipment in good repair, condition and working order. Lessee shall not without the prior written consent of Lessor make any alterations, additions or improvements to the Equipment. All such alterations, additions or improvements shall be at Lessee's expense and shall belong to, and become property of Lessor immediately upon being made. On Lessor's request, Lessee shall enter into a Maintenance agreement respecting the Equipment with the manufacturer thereof or other Maintenance supplier acceptable to Lessor.

11. Use: Lessee shall use the Equipment in a careful and prudent manner and not for any unlawful purpose and shall at Lessee's expense comply with and conform to all applicable laws, ordinances and regulations (including laws, ordinances and regulations concerning environmental matters) relating to the possession, use or maintenance of the Equipment. Lessee enters into this Lease for commercial or industrial purposes and not for any personal, family or household purposes or any farm, ranch or feedlot operation purposes and shall only use the Equipment in connection with its business or in the carrying on of an enterprise and only for commercial or industrial purposes.

12. Loss and Damage: Lessee shall, until this Lease is terminated and Lessee's obligations hereunder are discharged in full (including the return of the Equipment), bear the entire risk of loss, damage, destruction, theft, seizure or governmental taking of the Equipment or any part thereof (any such case being a "Loss"), regardless of whether it is caused by any default or neglect of Lessee. No Loss shall relieve Lessee of its obligations hereunder.

13. Title and Identification: The Equipment is and shall at all times be, and remain the sole personal and moveable property of Lessor, shall not be affixed or attached to or otherwise become a fixture or accession to any lands, buildings or chattels and Lessee shall have no right, title or interest in or to the Equipment except as expressly set forth herein. Lessee shall not allow the Equipment to become subject to any claim, privilege, lien, charge, encumbrance, levy, security interest, mortgage, pledge, hypothecation, seizure, trust, attachment, judicial process, ownership interest, license, sublease or other right in favor of any person (in any such case an "Encumbrance") unless such Encumbrance is caused by Lessor. At Lessor's request, Lessee shall at Lessee's expense affix and maintain on the Equipment, in a manner and in places satisfactory to Lessor, labels, plates or other marks supplied by Lessor to identify the Equipment as the property of Lessor.

14. Location and Inspection: Lessee shall maintain the Equipment at the Equipment Location specified in the Lease Details and shall not move the Equipment from such location. Lessor shall have the right to inspect the Equipment and Lessee's Maintenance, Insurance and Tax records at any time.

15. Net Lease: ALL COSTS AND EXPENSES RELATING TO THE EQUIPMENT OR ITS USE, MAINTENANCE OR POSSESSION SHALL BE BORNE BY LESSEE, INCLUDING ALL TAXES AND ALL FEES, CHARGES, CLAIMS AND FINES INCURRED OR ARISING IN CONNECTION WITH THE REGISTRATION, LICENSING OR OPERATION OF THE EQUIPMENT. The Rental Payments and other amounts payable hereunder shall be absolutely net to Lessor, free of all expenses or outgoings of any kind or nature. If Lessee fails to perform any of its obligations hereunder, Lessor may do so on Lessee's behalf and shall be entitled to immediate reimbursement from Lessee together with interest from the date of expenditure by the Lessor until reimbursed by the Lessee; without prejudice to any other Lessor's rights or remedies, and Lessee appoints Lessor its lawful attorney for such purposes.

16. Taxes: Lessee shall pay all Taxes and file all returns in respect of Taxes immediately upon such Taxes or returns becoming due. "Taxes" includes all taxes, imposts, levies, fees, duties and charges now or hereafter imposed by any federal, provincial, municipal or other taxation authority on Lessee, the Equipment or the purchase, sale, ownership, delivery, possession, use, Maintenance, operation or lease of the Equipment or on Lessor in respect of any of the foregoing (including sales excise, use, property, business, transfer, goods and services and value added taxes and including penalties or interest based on late payment of taxes), but excluding taxes on or measured by Lessor's overall net income. Lessor shall be entitled to claim any applicable capital cost allowance, investment tax credit or similar benefit under applicable tax legislation from time to time pertaining to the Equipment and/or the Lease and Lessee shall not make any such claim in respect thereof.

17. Insurance: Lessee shall, at its own expense, place and maintain with insurers acceptable to Lessor: (a) comprehensive all risks insurance on the Equipment for its full replacement value, such insurance to include: (i) Lessor as additional insured, (ii) a loss payable clause in favor of Lessor as first payee, and (iii) a waiver of subrogation in favor of Lessor; and (b)general public liability and property damage insurance with limits of liability equal to at least $2,000,000 per occurrence (or such greater amount as Lessor may require from time to time), and such insurance shall: (i) extend to all liabilities of Lessee arising out of its use or possession of Equipment, (ii) include Lessor as additional ensured, and (iii) include a cross-liability provision which insures each person insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each.

All insurance policies shall contain endorsements providing that: (A) thirty days written notice shall be given to Lessor before a policy lapses or is materially altered or cancelled; (B) coverage shall be primary and not contributory; (C) Lessor's interest as additional insured shall not be invalidated or otherwise affected by any act or omission, deliberate, negligent or otherwise, of Lessee or its agents, servants or employees (such as a "standard mortgagee clause"); (D) Lessor shall not be responsible for payment of any premium; and (E) Lessor may elect to have all proceeds of Loss payable only to itself. Lessee shall, on request, supply Lessor with certified copies of all insurance policies or other evidence satisfactory to Lessor of satisfaction of these insurance covenants. In the event of damage amounting to actual or constructive total loss of the Equipment, Lessor shall be entitled to retain from all insurance proceeds an amount equal to the total amount payable to Lessor by Lessee hereunder as Liquidated Damages (as defined in Section 26(a) except that for purposes hereof, each reference in Section 26(a) to "date of Default" shall be replaced with "date of payment by Lessee to Lessor of insurance proceeds").

18. Failure to Insure: If Lessee fails to fulfill its insurance obligations hereunder, then, without prejudice to Lessor's other rights and remedies, Lessor shall have the right, but not the obligation, to procure insurance covering Lessor's interest (but not Lessee's interest) in the Equipment, in such form and amount and with such insurers (including an insurer affiliated with Lessor) as Lessor shall determine from time to time, all at Lessee's expense. Such expense (the "Insurance Expense") shall include the cost of acquiring such insurance and any charges or fees for services associated with the placement, maintenance or service of such insurance, plus interest accruing on such expense at the interest rate provided herein for overdue amounts from the time of payment by the Lessor until such expense is reimbursed by Lessee to Lessor. Lessee shall pay the Insurance Expense to Lessor in equal installments at the same time and in the same manner as the remaining Rental Payments. Lessee shall cooperate with Lessor's insurance agent in connection with the placement of such insurance and the processing of any claims. Nothing herein shall be deemed to obligate or entitle Lessor to act as an insurer hereunder or to arrange any insurance for the benefit of Lessee. Nothing herein shall require Lessor to secure, maintain in force or renew any insurance, in any amounts or upon any specific terms and conditions. Lessor reserves the right to terminate any insurance coverage which Lessor may arrange, or allow same to lapse, without incurring any liability to Lessee.

19. Representations: Lessee represents, warrants and covenants throughout the Term that: (A) if Lessee is a body corporate, it is and will continue to be validly incorporated (or otherwise established), organized and existing and in good standing; (B) it has all necessary power and authority to execute, deliver and perform this Lease, each such action (i) having been duly authorized by all necessary action of Lessee, (ii) not being in conflict with any applicable law, the constating documents, resolutions or by-laws of Lessee or any indenture, instrument, agreement or undertaking to which it is a party or by which it or any of its assets are or may become bound, and (iii) not resulting in the creation of any Encumbrance on the Equipment; (C) this Lease is and will continue to be the legal, valid and binding obligation of Lessee enforceable against it and effective against its creditors in accordance with its terms; (D) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal that could have a material adverse effect on Lessee; (E) financial statements and other related information furnished by Lessee to Lessor are prepared in accordance with generally accepted accounting principles and fairly present Lessee's financial position on their respective dates; and (F) to evidence the foregoing Lessee shall provide legal opinions, resolutions and such other documents as Lessor may reasonably request.

20. Subleasing Etc.: Lessee shall not sublet or part with possession or control of the Equipment or permit its use by any person other than Lessee or employees of Lessee who are qualified and competent to operate same. Neither this Lease nor Lessee's rights hereunder shall be assigned by Lessee except with Lessor's prior written consent and no assignment shall release Lessee from its obligations hereunder.

21. Surrender: At the end of the Term or any renewal thereof, if Lessee has not purchased the Equipment pursuant to Section 29, Lessee, at Lessee's expense, shall surrender control of the Equipment to Lessor and shall; (A) after giving Lessor thirty days prior written notice, return the Equipment to Lessor at Lessor's nearest office or other place specified by Lessor or (B) if requested by Lessor, dispose of the Equipment as Lessor reasonably directs, including disposition in a manner which will avoid any dangerous use thereof or damage or injury to any person or property therefrom. Whenever Lessee is required to return the Equipment to Lessor the Equipment shall be in good repair, condition and working order and Lessee shall pay all costs of Maintenance and restoration of Equipment returned to Lessor, necessary to restore it to its condition on the date this Lease commenced, normal wear and tear excepted. Lessee shall, if Lessor so requests, store the Equipment at Lessee's risk and expense and as Lessor's bailee for a period of up to 90 days after the end of the Term; Lessee shall not use the Equipment or pay Rental Payments for the Equipment during such period but shall otherwise be bound by all of the terms of this Lease during such period.

22. Renewal: If Lessee fails to surrender the Equipment at the end of the Term or any renewal thereof, or to purchase the same pursuant to Section 29, Lessee shall be deemed to have requested a renewal of this Lease for a period of three (3) calendar months and Lessor may, in its sole discretion: (A) demand the surrender of the Equipment in compliance with Section 21 and exercise its rights and remedies for such non-compliance or (B)accept Lessee's request to renew this Lease for a three (3) month period commencing on the end of the Term or the last renewal thereof. Such acceptance may be evidenced in writing signed by Lessor or by Lessor continuing to invoice Lessee, withdrawing Rental Payments pursuant to a pre-authorized payment plan or otherwise accepting Rental Payments in respect of such renewal period. Lessee shall continue to have all of its obligations under this Lease during any such renewal period, including the obligation to pay Lessor Rental Payments, as it had during the Term and all provisions of this Lease shall apply to any such renewal term.

23. Entry: If Lessee fails to surrender the Equipment to Lessor as required under this Lease, Lessor may, without notice to Lessee or resort to legal process, but subject to any applicable law, enter any premises where the Equipment is located and take possession of it and remove or disable such Equipment.

24. Indemnity: Lessee hereby indemnifies Lessor and agrees to save Lessor harmless from and against all loss, costs, liabilities, claims, legal proceedings and expenses (including legal fees and costs) whatsoever arising in connection with this Lease, the Purchase Documents, any License, the Equipment, the manufacture, selection, purchase, ownership, delivery, possession, use, Maintenance, operation, Loss or return of the Equipment, Taxes, the recovery of claims under any insurance policy relating to the Equipment, any use or operation of Equipment which infringes any patent or other industrial or intellectual property right of any person, any Default by Lessee, the exercise by Lessor of any rights or remedies hereunder or any entry or taking of possession, removal or disabling of Equipment pursuant to Section 23.

25. Defaults: Each of the following is a default by Lessee (a "Default"): (a) Lessee fails to make any Rental Payment or pay any other amounts due under this Lease within 3 days after the same is due and payable; or (b) Lessee fails to perform, observe or comply with any other obligation, term or condition on its part to be performed, observed or complied with hereunder; or (c) any event of default [illegible] any other lease or

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contract between Lessor and Lessee or under any material agreement between Lessee and any other person; or (d) any representation or warranty made by Lessee to Lessor in or in connection with this Lease is incorrect; or (e) the Equipment or any part thereof is subjected to an Encumbrance not caused by Lessor, Lessee sells or attempts to sell or grant an Encumbrance on any part of the Equipment or the value of Lessor's interest in the Equipment is materially impaired due to Loss; or (f) Lessee makes any assignment for the benefit of its creditors, becomes insolvent, commits any act of bankruptcy, takes any action to wind-up or dissolve, ceases or threatens to cease to do business as a going concern, is subject to a change in control in fact or in law or seeks any arrangement or composition with its creditors; or (g) any proceeding in bankruptcy, receivership, winding-up, dissolution, liquidation or insolvency is commenced by or against Lessee or its property; or (h) Lessor in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance by Lessee under this Lease is or is about to be impaired or the Equipment is or is about to be placed in jeopardy; or (i) any guarantor of Lessee's obligations hereunder disputes its obligation under its guarantee or seeks to determine its obligations thereunder or to terminate its guarantee of Lessee's future obligations or becomes subject to any of the events in clauses (b), (c), (d), (f) or (g) of this Section.

26. Effect of Default; Damages: A loss to Lessor upon a Default is dependent in part upon the cost of the Equipment to Lessor, the Term and the minimum return expected by Lessor from the sale or re-lease of the Equipment at the end of the Term. Upon any Default and in addition to Lessor's other rights and remedies under this Lease and otherwise available at law or in equity: (a) Lessee shall pay forthwith (without notice) to Lessor as liquidated damages, and not as a penalty, an amount (the "Liquidated Damages") equal to the aggregate of: (i) unpaid Rental Payments and other amounts payable hereunder unpaid as of the date of the Default; (ii) the present value (calculated on the basis of an interest rate equal to the lower of (x) of three percent (3%) or (y) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the remaining Term, compounded monthly) of: (A) the remaining Rental Payments payable from the date of Default to the end of the Term or, if applicable, any renewal thereof, and (B) amounts otherwise payable under the Lease to the end of the Term, or, if applicable, any renewal thereof, and (C) the greater of the purchase price for the Equipment pursuant to any end of Term Fair Market Value (as defined in Section 29 below) or Fixed Option Price (as defined in Section 29 below) and the amount of any residual interest which Lessor may have in Equipment; (iii) any Enforcement Costs (as defined in sub-paragraph (e) below) incurred by Lessor; and (iv) interest thereon from the date of Default until payment in full; to the extent that the Liquidated Damages are deemed to include any Taxes which Lessor is required to remit to any taxation authority the Liquidated Damages shall be increased by the amount necessary to ensure that the net amount of the Liquidated Damages retained by Lessor after remitting all applicable Taxes will be equal to the amount calculated above; (b) upon Lessor's demand, Lessee at Lessee's expense shall forthwith surrender control of the Equipment to Lessor pursuant to Section 21 as though the Term had expired; (c) Lessor may, immediately and without notice to Lessee or resort to legal process take possession of and remove or disable the Equipment pursuant to Section 23 as though Lessee had failed to surrender such Equipment when required to do so; (d) the rights of Lessee hereunder in respect of the Equipment, including the right to use and possess the Equipment, shall cease and terminate absolutely without limiting Lessee's liability or obligations hereunder; and (e) Lessor may by notice in writing terminate this Lease or any other agreement Lessor may have with Lessee. All rights and remedies of Lessor, either under this Lease or at law or in equity or otherwise afforded to Lessor, are cumulative and not alternative. Lessor's costs and expenses incurred as a result of a Default ("Enforcement Costs") (including all costs and expenses in respect of collection, legal fees, repossession, repair of Equipment, enforcement of Lessor's rights or remedies, sale or re-lease costs or other realization costs) shall be paid by Lessee to Lessor forthwith upon demand, with interest accruing thereon from the date such costs and expenses were incurred until payment in full.

27. Sale on Default: Lessor may after a Default sell, re-lease or otherwise dispose of Equipment at public or private sale with or without notice to Lessee and upon such terms and in such manner as Lessor may determine. Lessee shall thereafter continue to be liable to Lessor for the amount of any deficiency between the proceeds to Lessor from such disposition and the Liquidated Damages. If at any time after a Default and prior to Lessor obtaining possession of the Equipment, Lessee pays to Lessor the Liquidated Damages and all applicable Taxes, title to the Equipment shall vest in Lessee on an "as is, where is" basis without any condition, representation or warranty of Lessor whatsoever except that Lessee acquires such interest free of Encumbrances caused by Lessor.

28. Effect of Waiver: No delay in exercising, or failure to exercise, any right or remedy accruing to Lessor under this Lease will impair or waive such right or remedy, nor will a waiver of any single Default be deemed a waiver of any other prior, subsequent or concurrent Default. Any waiver, permit, consent or approval on the part of Lessor in respect of this Lease must be in writing and shall have effect only to the extent specifically set forth in such writing.

29. Purchase Option: In this Section: (a) "Default" means any existing Default and any event or circumstance which, with the giving of notice or the lapse of time or both, would constitute a Default; (b) "Fair Market Value" means the delivered and installed, all-inclusive, purchase price for equipment in good repair in a sale between an arms length purchaser buying for its own use and a seller dealing in such equipment in the ordinary course of its business, as such purchase price is determined by Lessor acting reasonably; (c) "Option Price" means the amount set forth in the Lease Details as the fixed price for an early payment option or the fixed price for an end of term purchase option, as the case may be; and (d) "Option Date" means the last day of the month set forth in the Lease Details as the date for the exercise of an early payment option or the last day of the Term of the Lease in the case of an end of term purchase option, as the case may be. Provided no Default exists, any Purchase Option set forth in the Lease Details may be exercised by Lessee: (i) giving Lessor written notice sixty (60) days prior to the Option Date of its election to exercise such option; and (ii) paying Lessor the Option Price, plus Taxes, at least thirty (30) days before the Option Date. After the giving of such notice and the making of such payment, provided no Default exists on the Option Date, Lessee shall acquire Lessor's interest in the Equipment on the Option Date on an "as is, where is" basis without any condition, representation or warranty by Lessor of any kind whatsoever except that Lessee acquires such interest from Lessor free of Encumbrances caused by Lessor.

30. Lessee's Waiver: TO THE EXTENT NOT PROHIBITED BY LAW OR STATUTE, LESSEE HEREBY WAIVES THE BENEFIT OF ALL PROVISIONS OF ALL APPLICABLE CONDITIONAL SALES, REGULATORY, CREDIT AND OTHER STATUTES AND ALL REGULATIONS MADE THEREUNDER IN ANY APPLICABLE JURISDICTION WHICH WOULD IN ANY MANNER AFFECT, RESTRICT OR LIMIT THE RIGHTS AND REMEDIES OF LESSOR HEREUNDER, including, without limiting the generality of the foregoing, all of Lessee's rights, benefits and protections given or afforded by the provisions of The Limitation of Civil Rights Act of Saskatchewan, as amended. Lessee also waives and assigns to Lessor the right of any statutory exemption from execution or otherwise and further waives any right to demand security for cost in the event of litigation.

31. Lessor Warranties: Lessor warrants that on the date this Lease commences it is the owner of the Equipment, free and clear of any Encumbrance caused by Lessor, save for Lessee's rights hereunder. Except as otherwise explicitly set forth herein, but without affecting Lessor's warranties set forth in any other agreement (all of which Lessee acknowledges do not affect or form part of this Lease), Lessor makes no warranty or representation whatsoever as to the durability, quality or condition of the Equipment or its suitability for Lessee's purposes or as to any other matter whatsoever (including status of this Lease for tax or accounting classification purposes). No representation to Lessee as to the Equipment or any other matter by the Vendor or any supplier or manufacturer of the Equipment shall in any way affect Lessee's obligations under this Lease. At the request and expense of Lessee and while there is no Default, Lessor will (A) assign to Lessee for the Term any and all warranties, guarantees, service contracts, licenses and representations given to Lessor by the Vendor or a manufacturer or supplier of the Equipment with respect to the Equipment ("Equipment Rights") which are assignable at law; and (B) assist Lessee in receiving the benefit of such Equipment Rights. If Lessor obtains possession or control of the Equipment or if there is a Default, Lessee shall be deemed to have immediately reassigned such Equipment Rights to Lessor without any further action. If Equipment is located in the Province of Quebec, Lessor hereby conveys to Lessee any warranty which the Vendor or a manufacturer or supplier of such Equipment gave to Lessor. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, CAUSED BY THE EQUIPMENT OR THE USE, MAINTENANCE OR POSSESSION THEREOF, BY THE INADEQUACY OF THE EQUIPMENT RIGHTS OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED.

32. Assignment: This Lease and all rights, remedies and benefits of Lessor hereunder may be assigned by Lessor without notice to or the consent of Lessee and Lessee hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy of any assignment document. Upon such assignment: (A) the assignee (the "Assignee") shall be entitled to enforce the rights and remedies and to receive all benefits which would otherwise accrue to the original Lessor under this Lease; (B) the Assignee shall be deemed to be Lessor for the purpose of all such rights, remedies and benefits; (C) the Assignee shall have no obligation to Lessee to perform any of the obligations of the original Lessor hereunder or otherwise in respect of the Equipment, all of which are retained by the original Lessor; and (D) Lessee's rights hereunder as against the original Lessor shall be unaffected except as herein specifically provided. Lessee agrees not to assert against the Assignee any claim by way of abatement, defense, set-off, compensation, counterclaim or the like which Lessee may have against the original Lessor. Upon notice of an assignment Lessee shall unconditionally pay to such Assignee all Rental Payments and other amounts due hereunder and shall not assert any defense against such Assignee in any action for Rental Payments or other amounts due and payable hereunder, except the defence of payment to the Assignee. **Lessor may assign to the Assignee the pre-authorized payment authorization granted by Lessee in this Lease provided that Lessor provides Lessee with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Rental Payments or other amounts due under this Lease from the Lessee's Account.**

33. Credit Investigation: Subject to applicable legislation, Lessee hereby consents to Lessor conducting a credit investigation of Lessee and to Lessor making inquires with financial institutions or other persons in a business relationship with Lessee in connection therewith; Lessee hereby authorizes and directs such persons to answer Lessor's inquiries. Lessee agrees to furnish to Lessor: (A) a copy of its interim financial statements and other related information, as Lessor may request from time to time; and (B) its annual financial statements, audited if applicable, within ninety days of the end of each financial year.

34. Security Interests: To secure Lessee's performance of its obligations hereunder Lessee grants Lessor a continuing security interest in any interest Lessee has in the Equipment, in all proceeds thereof (including proceeds of insurance) and in any Rental Payments receivable on any sublease permitted by Lessor; Lessee agrees that Lessor has all rights of a secured party under any applicable personal property security legislation and at law and in equity. To the extent this Lease creates a security interest, such security interest is a purchase money security interest (as the terms "security interest" and "purchase money security interest" are used in the Personal Property Security Act (Ontario)) and shall be interpreted with similar effect under analogous legislation in force in any other relevant jurisdiction. In this Lease the term "security interest" includes a movable hypothec without delivery.

35. Fees: Lessor shall be entitled to charge Lessee such fees and other charges as it may establish from time to time for the administration of and ancillary matters to this Lease, including a fee of $25.00 for each security registration required in connection with this Lease and such fees for invoices as Lessor may from time to time establish.

36. Name Change, etc.: Lessee shall promptly notify Lessor in writing of: (A) any change in Lessee's name: (B) any transfer, authorized or unauthorized, by Lessee of any interest in or benefit from the Equipment; (C) any change, authorized or unauthorized, by Lessee in the location of any Equipment; and (D) any change in the location of Lessee's Head Office specified above.

37. Information: Lessee agrees that Lessor may provide copies of this Lease and/or information concerning Lessee and its obligations hereunder to any person.

38. Additional Equipment: Lessor and Lessee may from time to time agree to lease additional equipment pursuant to these Terms & Conditions and the above Lessee Information and Invoice Option and each such agreement shall be evidenced by a written schedule referencing this initial lease (a "Transaction Schedule"), signed by Lessee and Lessor and setting forth the particulars of such equipment lease transaction including the matters addressed by the above Lease Details and including any amendments to the Lessee Information or Terms and Conditions which are applicable to that transaction. The particulars of the initial transaction set forth in the above Lease Details shall not apply to subsequent transactions but the Terms and Conditions, Invoice Option and Lessee Information of this Lease are incorporated by reference into each Transaction Schedule and shall apply mutatis mutandis, to the transaction specified in such Transaction Schedule; such Lessee Information, Terms and Conditions, Invoice Option and each Transaction Schedule shall constitute a separate lease and the entire agreement with respect to that transaction, shall be deemed to be a "Lease" to which these Terms and Conditions refer and shall not terminate as a result of the termination or expiry of any other Lease made pursuant to these Terms and Conditions. The terms of any Transaction Schedule evidencing a specific transaction shall prevail over these Terms and Conditions and the above Lessee Information to the extent of any conflict or inconsistency but only in respect of that transaction.

39. Entire Agreement: This Lease (including (A) all details set forth above in the Lessee Information, Lease Details and Invoice Option and in these Terms & Conditions and (B) any schedule, addendum or amendment to this Lease which is in writing, references this Lease and is signed by Lessee and Lessor at any time) constitutes the entire agreement between Lessor and Lessee with respect to its subject matter.

40. Applicable Law: This Lease shall be construed according to the laws of the Province where the Equipment is located as set forth in the Lease Details.

41. Enurement: Subject to the terms hereof, this Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, permitted assigns and legal representatives.

42. Interpretation: Whenever the context of this Lease so requires, the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders. Time is of the essence of this Lease and each of its provisions. Headings are for convenience of reference only and do not affect the interpretation. Terms used in the Lessee Information or Lease Details have, when used in these Terms & Conditions, unless the context otherwise requires, the meaning ascribed thereto by such use. The word "including" means "including without limitation"

43. Notices: Any notice required or permitted to be given hereunder must be in writing and will conclusively be deemed to have been received by its recipient on the business day it is delivered or sent by facsimile transmission to a party at the address indicated on the first page hereof (or at such other address as such party specifies to the other party in writing) or, if sent by registered mail, provided there is no interruption in postal services, on the fifth business day after the day of mailing, addressed to such party at such address.

44. Severability: Any provision of this Lease prohibited by or unlawful or unenforceable under any applicable law shall, at the sole option of Lessor, be ineffective without invalidating the remaining provisions of this Lease: provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Lessee.

45. Further Assurances: Lessee agrees to do all things and execute or obtain all documents as may be required by Lessor in order to give effect to or better evidence this Lease including the execution of financing statements or other documents to effect security registrations to protect Lessor's interests, any acknowledgements required by any Assignee and any waivers or subordinations from Lessee's landlords or creditors.

46. Language: The parties hereby acknowledge that they have required this contract, and all other agreements and notices required or permitted to be entered into or given pursuant hereto, to be drawn up in the English language only. Les parties reconnaissent avoir demandé que le présent contrat ainsi que toute autre entente ou avis requis ou permis à être conclu ou donné en vertu des dispositions du présent contrat, soient rédigés en langue anglaise seulement.

47. Survival: Notwithstanding any other sections hereof, all obligations of Lessee under sections 2,8,10,12,13,15,16,19,21,22,23,24,25,26,27,30,31,32,34 and 35 hereof and the rights and remedies of Lessor hereunder shall survive the termination of this Lease and the receipt of all Rental Payments and other amounts payable by Lessee hereunder.

48. Joint and Several Liability: If more than one person executed this Lease, their obligations hereunder shall be joint and several and, in the Province of Quebec, solidary without benefit of division or discussion.

49. Receipt of Copy, Etc.: Lessee acknowledges receipt of a true copy of this Lease and waives, to the extent permitted by applicable law, all rights to receive copies of financing statements, financing change statements, verification statements, confirmation statements or copies of other notices or filings made by Lessor at any time in connection with this Lease, any schedule thereto, any amendment thereof or any Transaction Schedule.

Initial ______

SCHEDULE "A" EQUIPMENT DESCRIPTION

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

Attached to and forming part of Lease or Loan Agreement No. CCB9489A-006 dated Apr 24, 2014 between **CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN** as Lessee or Obligor and **ELEMENT FINANCIAL CORPORATION.**

EQUIPMENT DESCRIPTION

No.	New/Used	Year	Manufacturer	Model	Description	Serial Number
1	New	2013	Campcorp	Skidded	6 Unit 30 Man Dorm	FXWB201308002
1	New	2013	Campcorp	Skidded	6 Unit 30 Man Dorm	FXWB201308003
1	New	2013	Campcorp	Skidded	6 Unit 30 Man Dorm	FXWB201308004
1	New	2013	Campcorp	Skidded	6 Unit 30 Man Dorm	FXWB201308006
1	New	2013	Campcorp	Skidded	6 Unit 30 Man Dorm	FXWB201308007
1	New	2013	Campcorp	Skidded	6 Unit 30 Man Dorm	FXWB201308008
1	New	2013	Campcorp	Skidded	Staircase Unit	FXWB201308001
1	New	2013	Campcorp	Skidded	Staircase Unit	FXWB201308005

Lessee's Full Legal Name: **CANADA NORTH CAMPS INC.**	Lessee's Full Legal Name: **PAUL WILLIAM MCCRACKEN**	Lessee's Full Legal Name: **SHAYNE LEWIS DION MCCRACKEN**
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

element

CROSS COLLATERALIZATION AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

BETWEEN: Element Financial Corporation
(hereinafter referred to as "Element")

- and -

CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN
(hereinafter referred to as "Lessee")

WHEREAS Lessee is, or may be, from time to time, indebted to Element under loan and security agreements, conditional sales contracts, equipment lease agreements, other security agreements, promissory notes, guarantees and other instruments (herein collectively referred to as the "**Security Agreements**" and individually a "**Security Agreement**");

AND WHEREAS to secure the indebtedness now or hereafter owing by Lessee to Element, and the performance of Lessee's current and future obligations under and pursuant to each Security Agreement, Lessee has granted or will grant to Element a security interest in, to and against the collateral (and any resulting proceeds thereof) (hereinafter the "**Collateral**") described in each Security Agreement;

AND WHEREAS to further secure any and all indebtedness now or hereafter owing by Lessee to Element, whensoever and howsoever incurred, and the performance by Lessee of all its current and future obligations under any and all of the Security Agreements, now or hereafter entered into between Lessee and Element (all of the foregoing herein referred to as the "**Obligations**") Element desires to have all of the Collateral secure all of the Obligations of the Lessee;

NOW THEREFORE, in consideration of the foregoing presents and the mutual covenants and agreements herein contained the parties agree as follows:

1. All presently existing and hereafter acquired Collateral in which Element does or will have a security interest shall stand charged for and secure the payment and performance by Lessee of all Obligations of every kind and character, joint or several, direct or indirect, absolute or contingent, due or to become due and whether under a presently existing or hereafter created Security Agreement.

2. The security interest of Element in the Collateral now held or hereafter acquired, shall not be terminated in whole or in part until and unless all Obligations of Lessee have been paid, performed and fully satisfied. Notwithstanding the foregoing, in the event that Lessee has fully paid his/her/its indebtedness and fully performed his/her/its obligations owing to Element under any particular Security Agreement, Lessee shall be free to sell or otherwise dispose of the Collateral secured by such particular Security Agreement, but shall thereafter promptly notify Element of such disposition and the security interest granted thereunder shall continue in the proceeds of such sale or disposition.

3. An event of default under a particular Security Agreement shall be deemed to constitute an event of default under all other Security Agreements, and upon the occurrence thereof, Element shall have and may exercise all remedies available to it, whether granted by the terms of the Security Agreements or by law.

4. All rights and remedies granted hereunder shall be cumulative and not alternative, and are in addition to and not in substitution of the rights and remedies granted under a Security Agreement or at law.

IN WITNESS WHEREOF, this Agreement has been duly executed as of this 29 day of Apr, 2014.

ELEMENT FINANCIAL CORPORATION

Per:
Name: Ron Hyatt
Title: VP Operations

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

ECN CAPITAL

CONTRACT AMENDING AGREEMENT

4 Robert Speck Parkway, Suite 900, Mississauga, ON L4Z 1S1 Phone: (905) 366-2142 Fax: (866)-797-8488

This Contract Amending Agreement is attached to and forms an integral part of your Lease Agreement.

Lease Agreement No. CCB9489A-006 dated April 29th, 2014 between **ECN BUSINESS MANAGEMENT INC, successor in interest to ELEMENT FINANCIAL CORPORATION,** and **CANADA NORTH CAMPS INC.** and **PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN**, (the "Contract") is amended as follows:

FROM:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
04/24/2014	49	1	$100,000.00
06/01/2014		48	$21,694.74

TO:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
04/24/2014	52	1	$100,000.00
06/01/2014		28	$21,694.74
10/01/2016		3	$2,500.00
01/01/2017		20	$21,694.74

The End of Term Purchase Option of $1.00 (plus applicable taxes) will be due on 09/01/2018.

All other terms and conditions of the Contract shall remain in full force and effect unamended.

Dated this 4 day of November, 2016

ECN BUSINESS MANAGEMENT INC

Signature: ____________________

Name: Ben Wyett

Title: Vice President Operations

CANADA NORTH CAMPS INC.

Signature: ____________________

Name: PAUL WILLIAM MCCRACKEN

Title: Director

PAUL WILLIAM MCCRACKEN

Signature: ____________________

Name: PAUL WILLIAM MCCRACKEN

Title: Individual

SHAYNE LEWIS DION MCCRACKEN

Signature: ____________________

Name: SHAYNE LEWIS DION MCCRACKEN

Title: Individual

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

LESSEE INFORMATION

Lessee's Full and Legal Name	Lease No.
CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN	CCB9489A-007

Lessee Address (Head Office)
14238 134 Ave. NW, Edmonton, Alberta T5L 5V8

LEASE DETAILS

Equipment Location Address (If different from Lessee Address)
1/4SW-5-80-25-W5 Wabasca, Alberta

VENDOR NAME
Campcorp Canada

EQUIPMENT DESCRIPTION

No.	New /Used	Year	Manufacturer	Model	Description	Serial Number
See attached schedule "A"						

START DATE	TERM	# RENTALS	RENTAL PAYMENT (PLUS APPLICABLE TAXES)
04/24/2014	49	1	$100,000.00
06/01/2014		48	$21,694.47

PURCHASE OPTION

Early Purchase Option

☐ The end of the Term's _____ calendar month for $_______________ (plus applicable taxes).

END OF TERM PURCHASE OPTION

☐ Fair Market Value (plus applicable taxes)

☒ $1.00 (plus applicable taxes)

LEASE ACCEPTANCE

This Lease shall not become binding upon Lessor until accepted as follows:

Lessor: **ELEMENT FINANCIAL CORPORATION**

Authorized Signature: Ben Wyatt
Executed as Lessor By: Ben Wyatt VP Operations

Date of Lessor's Acceptance: Apr 24, 2014

PRE-AUTHORIZED PAYMENT PLAN CONSENT

I hereby authorize Lessor to debit my bank account noted on the attached void cheque ("Lessee's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lessor under the terms of this Lease, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lessor with 30 days' prior written notice. I understand that I may contact my financial institution or visit www.cdnpay.ca to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Lessee and Lessor and has no effect whatsoever on any other provision of this Lease.

ATTACH VOID CHEQUE Signature: [signature]

THE UNDERSIGNED ACKNOWLEDGES HAVING READ THE ENTIRE LEASE AGREEMENT AND ACCEPTS THE TERMS AND CONDITIONS INCLUDING THOSE ON PAGE 2 & 3 HEREOF. EACH OF THE UNDERSIGNED AFFIRMS THAT THEY ARE DULY AUTHORIZED TO EXECUTE THIS LEASE AGREEMENT ON BEHALF OF LESSEE. DATED Apr 24, 2014

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature: [signature]	Signature: [signature]	Signature: [signature]
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

Initial PMcC SM

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

TERMS

In consideration of the covenants herein contained, including those on the reverse hereof, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), Lessor and Lessee agree as follows:

1. Lease: Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the equipment described in the Lease Details, together with any parts, accessories, replacements, additions and accessions, tangible or intangible, now and hereafter relating thereto or affixed thereon (collectively the "Equipment"). THIS LEASE CANNOT BE CANCELLED OR TERMINATED BY LESSEE.

2. Purchase Documents: If Lessee has not issued a purchase order or entered into an agreement with Vendor to purchase the Equipment (a "Purchase Document"), Lessee hereby agrees that Lessor may do so on Lessor's own behalf. If Lessee has entered into a Purchase Document, Lessee represents and warrants that title to the Equipment has not passed to Lessee and, at Lessor's option, Lessee shall assign to Lessor its rights under the Purchase Document to purchase the Equipment and to acquire any related license of software, information and documentation (a "License"). Except for the obligation to pay Vendor for the Equipment if (and only if) this Lease commences and is accepted by Lessor, Lessee shall perform, satisfy and discharge all of the purchaser's obligations under any Purchase Document and License and any assignment by Lessee to Lessor pursuant to this Section shall not include such obligations. The provisions of any Purchase Document or License do not modify Lessee's obligations to Lessor hereunder.

3. Term: This lease is for an original term (the "Term") commencing on the earlier of the Lease Commencement Date set out in a certificate (the "Delivery and Acceptance Certificate") in form prescribed by Lessor or, if Lessor waives the requirement for a Delivery and Acceptance Certificate pursuant to Section 4, the Date of Lessor's Acceptance set forth above and ending at the expiry of the number of complete calendar months indicated under the heading "Term" in the Lease Details.

4. Acceptance: Upon delivery and acceptance of the Equipment, Lessee shall forthwith execute and deliver to Lessor the Delivery and Acceptance Certificate unless Lessor, in its sole discretion, waives such execution and delivery by executing this Lease prior to the receipt of such certificate and after the delivery of the Equipment.

5. Equipment Selection: LESSEE HAS PERSONALLY SELECTED THE EQUIPMENT AND LESSOR HAS ACQUIRED THE EQUIPMENT AT LESSEE'S SPECIFIC REQUEST FOR THE PURPOSE OF LEASING IT HEREUNDER. LESSEE ACKNOWLEDGES THAT THE SUITABILITY OF THE EQUIPMENT AND ITS INSTALLATION AND DELIVERY IS LESSEE'S RESPONSIBILITY; THE FAILURE OF THE EQUIPMENT TO BE DELIVERED AND INSTALLED, TO OPERATE OR TO CONFORM TO LESSEE'S REQUIREMENTS SHALL NOT LESSEN LESSEE'S OBLIGATIONS HEREUNDER.

6. Rentals: Lessee shall, without notice from or request by Lessor, pay to Lessor during the Term of this lease the total number of Rental Payments set forth in the Lease Details. Such Rental Payment shall be payable in advance to Lessor at the address indicated above (or other address notified by Lessor to Lessee) as follows: first Rental Payment upon Lessee's execution hereof and, commencing after the calendar period covered by such first Rental Payment subsequent Rental Payments throughout the Term on: (A) in the case of monthly payments, the first day or the fifteenth day of each month, whichever day is closer to the date the Lease commences, or (B) in the case of payments based on any other calendar period, on the first day of each such calendar period. Any amount paid by Lessee to Lessor prior to this Lease commencing which is in excess of such first Rental Payment shall be credited towards Lessee's final Rental Payment(s) in reverse order of occurrence, without interest. RENTAL PAYMENTS AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE ARE PAYABLE WITHOUT SET-OFF, COMPENSATION OR ABATEMENT AND IN NO EVENT SHALL THE FIRST RENTAL PAYMENT BE REFUNDED TO LESSEE.

7. Adjustments: The Rental Payment set forth above is based upon the purchase price for the Equipment and Lessor's cost of funds. If (but only if) an Estimated Purchase Price has been specified in a Financing Terms Addendum attached hereto and the final invoice from Vendor specifies a purchase price (including taxes, delivery, installation and other charges) (the "Purchase Price") that is greater or less than the Estimated Purchase Price, Lessee authorizes Lessor to adjust the above Rental Payments to reflect the Purchase Price provided Lessee receives notice of such adjustment; however, if the Purchase Price exceeds the Estimated Purchase Price by more that 10%, Lessor will notify Lessee and obtain Lessee's prior written approval to such adjustment (such approval not to be unreasonably withheld) and the Lease will not commence until such approval is obtained. If (but only if) a Latest Start Date is specified in a Financing Terms Addendum attached hereto and Lease for any reason commences after such Latest Start Date, this Lease shall nevertheless be binding and Lessee authorizes Lessor in Lessor's sole discretion to adjust the above Rental Payments to reflect its cost of funds on the date this Lease commences and Lessor shall upon Lessee's request, provide Lessee with a copy of the completed description. If this Lease is signed by Lessee prior to Lessor having a complete description of the Equipment, Lessee hereby authorizes Lessor to complete such description provided Lessee receives notice of such description. Any adjustment to Rental Payments or completion of an Equipment description made pursuant to this Section shall be deemed to have effect from the date Lessee executes this Lease; if a Financing Terms Addendum is not executed and attached hereto, Lessor may not adjust the Net Rental Payments set forth above without Lessee's prior written consent.

8. Interest on Overdue Payments: Lessee shall without notice pay interest at the rate of Eighteen percent (18%) per annum calculated and compounded monthly and not in advance, on: (A) any past due Rental Payments (B) any amounts which bear interest according to this Lease and (C) any other amounts due to Lessor hereunder which are not paid on their due dates, in each case from the date any such amount becomes due or interest bearing, before and after maturity, default and judgment, until such arrears or other amounts are paid in full.

9. Pre-Authorized Payments: Lessee's Bank noted on the void cheque delivered by Lessee with this Lease is hereby authorized and directed to (A) debit Lessee's Account for all payments purporting to be drawn on Lessee for payment to Lessor which are presented for payment by Lessor or Lessor's agent, and (B) make all such payments to Lessor or Lessor's agent from Lessee's Account; such payments may be requested in the form of magnetic or computer-produced tape in which case such Bank is hereby authorized to treat them as signed by Lessee. Lessee agrees, in consideration of such Bank acting on this authorization, that such institution will not be liable for any loss or damage incurred as a result of honoring this authorization. If Lessee's Account is transferred to another branch, this authorization shall be directed to such other branch. Lessor is hereby irrevocably authorized to deliver a copy, details or further evidence of this authorization to such Bank, Lessee hereby appointing Lessor its lawful attorney for such purpose. Such authorization may only be used by Lessor in respect of payments arising under this Lease, including payments arising under any Transaction Schedule (defined in Section 38 of this Lease) to this Lease. Lessee has certain recourse rights if any debit from the Lessee's Account does not comply with the pre-authorized payment authorization granted by Lessee in this Lease. For example, Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Lessee in this Lease. To obtain more information on Lessee's recourse rights, Lessee may contact his/her/its financial institution or visit www.cdnpay.ca.

10. Installation, Maintenance and Repair: Lessee shall, at its expense, be responsible for: (A) the delivery, installation, de-installation and redelivery of the Equipment and (B) the maintenance, upkeep, care, servicing and repair (including necessary replacements of parts)("Maintenance") of the Equipment; in both cases by a party acceptable to Lessor. Lessee shall at its expense keep the Equipment in good repair, condition and working order. Lessee shall not without the prior written consent of Lessor make any alterations, additions or improvements to the Equipment. All such alterations, additions or improvements shall be at Lessee's expense and shall belong to, and become property of Lessor immediately upon being made. On Lessor's request, Lessee shall enter into a Maintenance agreement respecting the Equipment with the manufacturer thereof or other Maintenance supplier acceptable to Lessor.

11. Use: Lessee shall use the Equipment in a careful and prudent manner and not for any unlawful purpose and shall at Lessee's expense comply with and conform to all applicable laws, ordinances and regulations (including laws, ordinances and regulations concerning environmental matters) relating to the possession, use or Maintenance of the Equipment. Lessee enters into this Lease for commercial or industrial purposes and not for any personal, family or household purposes or any farm, ranch or feedlot operation purposes and shall only use the Equipment in connection with its business or in the carrying on of an enterprise and only for commercial or industrial purposes.

12. Loss and Damage: Lessee shall, until this Lease is terminated and Lessee's obligations hereunder are discharged in full (including the return of the Equipment), bear the entire risk of loss, damage, destruction, theft, seizure or governmental taking of the Equipment or any part thereof (any such case being a "Loss"), regardless of whether it is caused by any default or neglect of Lessee. No Loss shall relieve Lessee of its obligations hereunder.

13. Title and Identification: The Equipment is and shall at all times be and remain the sole personal and moveable property of Lessor, shall not be affixed or attached to or otherwise become a fixture or accession to any lands, buildings or chattels and Lessee shall have no right, title or interest in or to the Equipment except as expressly set forth herein. Lessee shall not allow the Equipment to become subject to any claim, privilege, lien, charge, encumbrance, levy, security interest, mortgage, pledge, hypothecation, seizure, trust, attachment, judicial process, ownership interest, license, sublease or other right in favor of any person (in any such case an "Encumbrance") unless such Encumbrance is caused by Lessor. At Lessor's request, Lessee shall at Lessee's expense affix and maintain on the Equipment, in a manner and in places satisfactory to Lessor, labels, plates or other marks supplied by Lessor to identify the Equipment as the property of Lessor.

14. Location and Inspection: Lessee shall maintain the Equipment at the Equipment Location specified in the Lease Details and shall not move the Equipment from such location. Lessor shall have the right to inspect the Equipment and Lessee's Maintenance, insurance and Tax records at any time.

15. Net Lease: ALL COSTS AND EXPENSES RELATING TO THE EQUIPMENT OR ITS USE, MAINTENANCE OR POSSESSION SHALL BE BORNE BY LESSEE, INCLUDING ALL TAXES AND ALL FEES, CHARGES, CLAIMS AND FINES INCURRED OR ARISING IN CONNECTION WITH THE REGISTRATION, LICENSING OR OPERATION OF THE EQUIPMENT. The Rental Payments and other amounts payable hereunder shall be absolutely net to Lessor, free of all expenses or outgoings of any kind or nature. If Lessee fails to perform any of its obligations hereunder, Lessor may do so on Lessee's behalf and shall be entitled to immediate reimbursement from Lessee together with interest from the date of expenditure by the Lessor until reimbursed by the Lessee; without prejudice to any other Lessor's rights or remedies, and Lessee appoints Lessor its lawful attorney for such purposes.

16. Taxes: Lessee shall pay all Taxes and file all returns in respect of Taxes immediately upon such Taxes or returns becoming due. "Taxes" includes all taxes, imposts, levies, fees, duties and charges now or hereafter imposed by any federal, provincial, municipal or other taxation authority on Lessee, the Equipment or the purchase, sale, ownership, delivery, possession, use, Maintenance, operation or lease of the Equipment or on Lessor in respect of any of the foregoing (including sales excise, use, property, business, transfer, goods and services and value added taxes and including penalties or interest based on late payment of taxes), but excluding taxes on or measured by Lessor's overall net income. Lessor shall be entitled to claim any applicable capital cost allowance, investment tax credit or similar benefit under applicable tax legislation from time to time pertaining to the Equipment and/or the Lease and Lessee shall not make any such claim in respect thereof.

17. Insurance: Lessee shall, at its own expense, place and maintain with insurers acceptable to Lessor: (a) comprehensive all risks insurance on the Equipment for its full replacement value, such insurance to include: (i) Lessor as additional insured, (ii) a loss payable clause in favor of Lessor as first payee, and (iii) a waiver of subrogation in favor of Lessor; and (b)general public liability and property damage insurance with limits of liability equal to at least $2,000,000 per occurrence (or such greater amount as Lessor may require from time to time), and such insurance shall: (i) extend to all liabilities of Lessee arising out of its use or possession of Equipment, (ii) include Lessor as additional ensured, and (iii) include a cross-liability provision which insures each person insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each.

All insurance policies shall contain endorsements providing that: (A) thirty days written notice shall be given to Lessor before a policy lapses or is materially altered or cancelled; (B) coverage shall be primary and not contributory; (C) Lessor's interest as additional insured shall not be invalidated or otherwise affected by any act or omission, deliberate, negligent or otherwise, of Lessee or its agents, servants or employees (such as a "standard mortgagee clause"); (D) Lessor shall not be responsible for payment of any premium; and (E) Lessor may elect to have all proceeds of Loss payable only to itself. Lessee shall, on request, supply Lessor with certified copies of all insurance policies or other evidence satisfactory to Lessor of satisfaction of these insurance covenants. In the event of damage amounting to actual or constructive total loss of the Equipment, Lessor shall be entitled to retain from all insurance proceeds an amount equal to the total amount payable to Lessor by Lessee hereunder as Liquidated Damages (as defined in Section 26(a) except that for purposes hereof, each reference in Section 26(a) to "date of Default" shall be replaced with "date of payment by Lessee to Lessor of insurance proceeds").

18. Failure to Insure: If Lessee fails to fulfil its insurance obligations hereunder, then, without prejudice to Lessor's other rights and remedies, Lessor shall have the right, but not the obligation, to procure insurance covering Lessor's interest (but not Lessee's interest) in the Equipment, in such form and amount and with such insurers (including an insurer affiliated with Lessor) as Lessor shall determine from time to time, all at Lessee's expense. Such expense (the "Insurance Expense") shall include the cost of acquiring such insurance and any charges or fees for services associated with the placement, maintenance or service of such insurance, plus interest accruing on such expense at the interest rate provided herein for overdue amounts from the time of payment by the Lessor until such expense is reimbursed by Lessee to Lessor. Lessee shall pay the Insurance Expense to Lessor in equal installments at the same time and in the same manner as the remaining Rental Payments. Lessee shall cooperate with Lessor's insurance agent in connection with the placement of such insurance and the processing of any claims. Nothing herein shall be deemed to obligate or entitle Lessor to act as an insurer hereunder or to arrange any insurance for the benefit of Lessee. Nothing herein shall require Lessor to secure, maintain in force or renew any insurance, in any amounts or upon any specific terms and conditions. Lessor reserves the right to terminate any insurance coverage which Lessor may arrange, or allow same to lapse, without incurring any liability to Lessee.

19. Representations: Lessee represents, warrants and covenants throughout the Term that: (A) if Lessee is a body corporate, it is and will continue to be validly incorporated (or otherwise established), organized and existing and in good standing; (B) it has all necessary power and authority to execute, deliver and perform this Lease, each such action (i) having been duly authorized by all necessary action of Lessee, (ii) not being in conflict with any applicable law, the constating documents, resolutions or by-laws of Lessee or any indenture, instrument, agreement or undertaking to which it is a party or by which it or any of its assets are or may become bound, and (iii) not resulting in the creation of any Encumbrance on the Equipment; (C) this Lease is and will continue to be the legal, valid and binding obligation of Lessee enforceable against it and effective against its creditors in accordance with its terms; (D) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal that could have a material adverse effect on Lessee; (E) financial statements and other related information furnished by Lessee to Lessor are prepared in accordance with generally accepted accounting principles and fairly present Lessee's financial position on their respective dates; and (F) to evidence the foregoing Lessee shall provide legal opinions, resolutions and such other documents as Lessor may reasonably request.

20. Subleasing Etc.: Lessee shall not sublet or part with possession or control of the Equipment or permit its use by any person other than Lessee or employees of Lessee who are qualified and competent to operate same. Neither this Lease nor Lessee's rights hereunder shall be assigned by Lessee except with Lessor's prior written consent and no assignment shall release Lessee from its obligations hereunder.

21. Surrender: At the end of the Term or any renewal thereof, if Lessee has not purchased the Equipment pursuant to Section 29, Lessee, at Lessee's expense, shall surrender control of the Equipment to Lessor and shall; (A) after giving Lessor thirty days prior written notice, return the Equipment to Lessor at Lessor's nearest office or other place specified by Lessor or (B) if requested by Lessor, dispose of the Equipment as Lessor reasonably directs, including disposition in a manner which will avoid any dangerous use thereof or damage or injury to any person or property therefrom. Whenever Lessee is required to return the Equipment to Lessor the Equipment shall be in good repair, condition and working order and Lessee shall pay all costs of Maintenance and restoration of Equipment returned to Lessor, necessary to restore it to its condition on the date this Lease commenced, normal wear and tear excepted. Lessee shall, if Lessor so requests, store the Equipment at Lessee's risk and expense and as Lessor's bailee for a period of up to 90 days after the end of the Term; Lessee shall not use the Equipment or pay Rental Payments for the Equipment during such period but shall otherwise be bound by all of the terms of this Lease during such period.

22. Renewal: If Lessee fails to surrender the Equipment at the end of the Term or any renewal thereof, or to purchase the same pursuant to Section 29, Lessee shall be deemed to have requested a renewal of this Lease for a period of three (3) calendar months and Lessor may, in its sole discretion: (A) demand the surrender of the Equipment in compliance with Section 21 and exercise its rights and remedies for such non-compliance or (B)accept Lessee's request to renew this Lease for a three (3) month period commencing on the end of the Term or the last renewal thereof. Such acceptance may be evidenced in writing signed by Lessor or by Lessor continuing to invoice Lessee, withdrawing Rental Payments pursuant to a pre-authorized payment plan or otherwise accepting Rental Payments in respect of such renewal period. Lessee shall continue to have all of its obligations under this Lease during any such renewal period, including the obligation to pay Lessor Rental Payments, as it had during the Term and all provisions of this Lease shall apply to any such renewal term.

23. Entry: If Lessee fails to surrender the Equipment to Lessor as required under this Lease, Lessor may, without notice to Lessee or resort to legal process, but subject to any applicable law, enter any premises where the Equipment is located and take possession of and remove or disable such Equipment.

24. Indemnity: Lessee hereby indemnifies Lessor and agrees to save Lessor harmless from and against all loss, costs, liabilities, claims, legal proceedings and expenses (including legal fees and costs) whatsoever arising in connection with this Lease, the Purchase Documents, any License, the Equipment, the manufacture, selection, purchase, ownership, delivery, possession, use, Maintenance, operation, Loss or return of the Equipment, Taxes, the recovery of claims under any insurance policy relating to the Equipment, any use or operation of Equipment which infringes any patent or other industrial or intellectual property right of any person, any Default by Lessee, the exercise by Lessor of any rights or remedies hereunder or any entry or taking of possession, removal or disabling of Equipment pursuant to Section 23.

25. Defaults: Each of the following is a default by Lessee (a "Default"): (a) Lessee fails to make any Rental Payment or pay any other amounts due under this Lease within 3 days after the same is due and payable; or (b) Lessee fails to perform, observe or comply with any other obligation, term or condition on its part to be performed, observed or complied with hereunder; or (c) any event of default [illegible] any other lease or

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161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

LEASE AGREEMENT

contract between Lessor and Lessee or under any material agreement between Lessee and any other person; or (d) any representation or warranty made by Lessee to Lessor in or in connection with this Lease is incorrect; or (e) the Equipment or any part thereof is subjected to an Encumbrance not caused by Lessor, Lessee sells or attempts to sell or grant an Encumbrance on any part of the Equipment or the value of Lessor's interest in the Equipment is materially impaired due to Loss; or (f) Lessee makes any assignment for the benefit of its creditors, becomes insolvent, commits any act of bankruptcy, takes any action to wind-up or dissolve, ceases or threatens to cease to do business as a going concern, is subject to a change in control in fact or in law or seeks any arrangement or composition with its creditors; or (g) any proceeding in bankruptcy, receivership, winding-up, dissolution, liquidation or insolvency is commenced by or against Lessee or its property; or (h) Lessor in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance by Lessee under this Lease is or is about to be impaired or the Equipment is or is about to be placed in jeopardy; or (i) any guarantor of Lessee's obligations hereunder disputes its obligation under its guarantee or seeks to determine its obligations thereunder or to terminate its guarantee of Lessee's future obligations or becomes subject to any of the events in clauses (b), (c), (d), (f) or (g) of this Section.

26. Effect of Default; Damages: A loss to Lessor upon a Default is dependent in part upon the cost of the Equipment to Lessor, the Term and the minimum return expected by Lessor from the sale or re-lease of the Equipment at the end of the Term. Upon any Default and in addition to Lessor's other rights and remedies under this Lease and otherwise available at law or in equity: (a) Lessee shall pay forthwith (without notice) to Lessor as liquidated damages, and not as a penalty, an amount (the "Liquidated Damages") equal to the aggregate of: (i) unpaid Rental Payments and other amounts payable hereunder unpaid as of the date of the Default; (ii) the present value (calculated on the basis of an interest rate equal to the lower of (x) of three percent (3%) or (y) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the remaining Term, compounded monthly) of: (A) the remaining Rental Payments payable from the date of Default to the end of the Term or, if applicable, any renewal thereof, and (B) amounts otherwise payable under the Lease to the end of the Term, or, if applicable, any renewal thereof, and (C) the greater of the purchase price for the Equipment pursuant to any end of Term Fair Market Value (as defined in Section 29 below) or fixed Option Price (as defined in Section 29 below) and the amount of any residual interest which Lessor may have in Equipment; (iii) any Enforcement Costs (as defined in sub-paragraph (e) below) incurred by Lessor; and (iv) interest thereon from the date of Default until payment in full; to the extent that the Liquidated Damages are deemed to include any Taxes which Lessor is required to remit to any taxation authority the Liquidated Damages shall be increased by the amount necessary to ensure that the net amount of the Liquidated Damages retained by Lessor after remitting all applicable Taxes will be equal to the amount calculated above; (b) upon Lessor's demand, Lessee at Lessee's expense shall forthwith surrender control of the Equipment to Lessor pursuant to Section 21 as though the Term had expired; (c) Lessor may, immediately and without notice to Lessee or resort to legal process take possession of and remove or disable the Equipment pursuant to Section 23 as though Lessee had failed to surrender such Equipment when required to do so; (d) the rights of Lessee hereunder in respect of the Equipment, including the right to use and possess the Equipment, shall cease and terminate absolutely without limiting Lessee's liability or obligations hereunder; and (e) Lessor may by notice in writing terminate this Lease or any other agreement Lessor may have with Lessee. All rights and remedies of Lessor, either under this Lease or at law or in equity or otherwise afforded to Lessor, are cumulative and not alternative. Lessor's costs and expenses incurred as a result of a Default ("Enforcement Costs") (including all costs and expenses in respect of collection, legal fees, repossession, repair of Equipment, enforcement of Lessor's rights or remedies, sale or re-lease costs or other realization costs) shall be paid by Lessee to Lessor forthwith upon demand, with interest accruing thereon from the date such costs and expenses were incurred until payment in full.

27. Sale on Default: Lessor may after a Default sell, re-lease or otherwise dispose of Equipment at public or private sale with or without notice to Lessee and upon such terms and in such manner as Lessor may determine. Lessee shall thereafter continue to be liable to Lessor for the amount of any deficiency between the proceeds to Lessor from such disposition and the Liquidated Damages. If at any time after a Default and prior to Lessor obtaining possession of the Equipment, Lessee pays to Lessor the Liquidated Damages and all applicable Taxes, title to the Equipment shall vest in Lessee on an "as is, where is" basis without any condition, representation or warranty of Lessor whatsoever except that Lessee acquires such interest free of Encumbrances caused by Lessor.

28. Effect of Waiver: No delay in exercising, or failure to exercise, any right or remedy accruing to Lessor under this Lease will impair or waive such right or remedy, nor will a waiver of any single Default be deemed a waiver of any other prior, subsequent or concurrent Default. Any waiver, permit, consent or approval on the part of Lessor in respect of this Lease must be in writing and shall have effect only to the extent specifically set forth in such writing.

29. Purchase Option: In this Section: (a) "Default" means any existing Default and any event or circumstance which, with the giving of notice or the lapse of time or both, would constitute a Default; (b) "Fair Market Value" means the delivered and installed, all-inclusive, purchase price for equipment in good repair in a sale between an arms length purchaser buying for its own use and a seller dealing in such equipment in the ordinary course of its business, as such purchase price is determined by Lessor acting reasonably; (c) "Option Price" means the amount set forth in the Lease Details as the fixed price for an early payment option or the fixed price for an end of term purchase option, as the case may be; and (d) "Option Date" means the last day of the month set forth in the Lease Details as the date for the exercise of an early payment option or the last day of the Term of the Lease in the case of an end of term purchase option, as the case may be. Provided no Default exists, any Purchase Option set forth in the Lease Details may be exercised by Lessee: (i) giving Lessor written notice sixty (60) days prior to the Option Date of its election to exercise such option; and (ii) paying Lessor the Option Price, plus Taxes, at least thirty (30) days before the Option Date. After the giving of such notice and the making of such payment, provided no Default exists on the Option Date, Lessee shall acquire Lessor's interest in the Equipment on the Option Date on an "as is, where is" basis without any condition, representation or warranty by Lessor of any kind whatsoever except that Lessee acquires such interest from Lessor free of Encumbrances caused by Lessor.

30. Lessee's Waiver: TO THE EXTENT NOT PROHIBITED BY LAW OR STATUTE, LESSEE HEREBY WAIVES THE BENEFIT OF ALL PROVISIONS OF ALL APPLICABLE CONDITIONAL SALES, REGULATORY, CREDIT AND OTHER STATUTES AND ALL REGULATIONS MADE THEREUNDER IN ANY APPLICABLE JURISDICTION WHICH WOULD IN ANY MANNER AFFECT, RESTRICT OR LIMIT THE RIGHTS AND REMEDIES OF LESSOR HEREUNDER, including, without limiting the generality of the foregoing, all of Lessee's rights, benefits and protections given or afforded by the provisions of The Limitation of Civil Rights Act of Saskatchewan, as amended. Lessee also waives and assigns to Lessor the right of any statutory exemption from execution or otherwise and further waives any right to demand security for cost in the event of litigation.

31. Lessor Warranties: Lessor warrants that on the date this Lease commences it is the owner of the Equipment, free and clear of any Encumbrance caused by Lessor, save for Lessee's rights hereunder. Except as otherwise explicitly set forth herein, but without affecting Lessor's warranties set forth in any other agreement (all of which Lessee acknowledges do not affect or form part of this Lease), Lessor makes no warranty or representation whatsoever as to the durability, quality or condition of the Equipment or its suitability for Lessee's purposes or as to any other matter whatsoever (including status of this Lease for tax or accounting classification purposes). No representation to Lessee as to the Equipment or any other matter by the Vendor or any supplier or manufacturer of the Equipment shall in any way affect Lessee's obligations under this Lease. At the request and expense of Lessee and while there is no Default, Lessor will (A) assign to Lessee for the Term any and all warranties, guarantees, service contracts, licenses and representations given to Lessor by the Vendor or a manufacturer or supplier of the Equipment with respect to the Equipment ("Equipment Rights") which are assignable at law; and (B) assist Lessee in receiving the benefit of such Equipment Rights. If Lessor obtains possession or control of the Equipment or if there is a Default, Lessee shall be deemed to have immediately reassigned such Equipment Rights to Lessor without any further action. If Equipment is located in the Province of Quebec, Lessor hereby conveys to Lessee any warranty which the Vendor or a manufacturer or supplier of such Equipment gave to Lessor. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, CAUSED BY THE EQUIPMENT OR THE USE, MAINTENANCE OR POSSESSION THEREOF, BY THE INADEQUACY OF THE EQUIPMENT RIGHTS OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED.

32. Assignment: This Lease and all rights, remedies and benefits of Lessor hereunder may be assigned by Lessor without notice to or the consent of Lessee and Lessee hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy of any assignment document. Upon such assignment: (A) the assignee (the "Assignee") shall be entitled to enforce the rights and remedies and to receive all benefits which would otherwise accrue to the original Lessor under this Lease; (B) the Assignee shall be deemed to be Lessor for the purpose of all such rights, remedies and benefits; (C) the Assignee shall have no obligation to Lessee to perform any of the obligations of the original Lessor hereunder or otherwise in respect of the Equipment, all of which are retained by the original Lessor; and (D) Lessee's rights hereunder as against the original Lessor shall be unaffected except as herein specifically provided. Lessee agrees not to assert against the Assignee any claim by way of abatement, defense, set-off, compensation, counterclaim or the like which Lessee may have against the original Lessor. Upon notice of an assignment Lessee shall unconditionally pay to such Assignee all Rental Payments and other amounts due hereunder and shall not assert any defense against such Assignee in any action for Rental Payments or other amounts due and payable hereunder, except the defence of payment to the Assignee. Lessor may assign to the Assignee the pre-authorized payment authorization granted by Lessee in this Lease provided that Lessor provides Lessee with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Rental Payments or other amounts due under this Lease from the Lessee's Account.

33. Credit Investigation: Subject to applicable legislation, Lessee hereby consents to Lessor conducting a credit investigation of Lessee and to Lessor making inquires with financial institutions or other persons in a business relationship with Lessee in connection therewith; Lessee hereby authorizes and directs such persons to answer Lessor's inquiries. Lessee agrees to furnish to Lessor: (A) a copy of its interim financial statements and other related information, as Lessor may request from time to time; and (B) its annual financial statements, audited if applicable, within ninety days of the end of each financial year.

34. Security Interests: To secure Lessee's performance of its obligations hereunder Lessee grants Lessor a continuing security interest in any interest Lessee has in the Equipment, in all proceeds thereof (including proceeds of insurance) and in any Rental Payments receivable on any sublease permitted by Lessor; Lessee agrees that Lessor has all rights of a secured party under any applicable personal property security legislation and at law and in equity. To the extent this Lease creates a security interest, such security interest is a purchase money security interest (as the terms "security interest" and "purchase money security interest" are used in the Personal Property Security Act (Ontario)) and shall be interpreted with similar effect under analogous legislation in force in any other relevant jurisdiction. In this Lease the term "security interest" includes a movable hypothec without delivery.

35. Fees: Lessor shall be entitled to charge Lessee such fees and other charges as it may establish from time to time for the administration of and ancillary matters to this Lease, including a fee of $25.00 for each security registration required in connection with this Lease and such fees for invoices as Lessor may from time to time establish.

36. Name Change, etc.: Lessee shall promptly notify Lessor in writing of: (A) any change in Lessee's name; (B) any transfer, authorized or unauthorized, by Lessee of any interest in or benefit from the Equipment; (C) any change, authorized or unauthorized, by Lessee in the location of any Equipment; and (D) any change in the location of Lessee's Head Office specified above.

37. Information: Lessee agrees that Lessor may provide copies of this Lease and/or information concerning Lessee and its obligations hereunder to any person.

38. Additional Equipment: Lessor and Lessee may from time to time agree to lease additional equipment pursuant to these Terms & Conditions and the above Lessee Information and Invoice Option and each such agreement shall be evidenced by a written schedule referencing this initial lease (a "Transaction Schedule"), signed by Lessee and Lessor and setting forth the particulars of such equipment lease transaction including the matters addressed by the above Lease Details and including any amendments to the Lessee Information or Terms and Conditions which are applicable to that transaction. The particulars of the initial transaction set forth in the above Lease Details shall not apply to subsequent transactions but the Terms and Conditions, Invoice Option and Lessee Information of this Lease are incorporated by reference into each Transaction Schedule and shall apply mutatis mutandis, to the transaction specified in such Transaction Schedule; such Lessee Information, Terms and Conditions, Invoice Option and each Transaction Schedule shall constitute a seperate lease and the entire agreement with respect to that transaction, shall be deemed to be a "Lease" to which these Terms and Conditions refer and shall not terminate as a result of the termination or expiry of any other Lease made pursuant to these Terms and Conditions. The terms of any Transaction Schedule evidencing a specific transaction shall prevail over these Terms and Conditions and the above Lessee Information to the extent of any conflict or inconsistency but only in respect of that transaction.

39. Entire Agreement: This Lease (including (A) all details set forth above in the Lessee Information, Lease Details and Invoice Option and in these Terms & Conditions and (B) any schedule, addendum or amendment to this Lease which is in writing, references this Lease and is signed by Lessee and Lessor at any time) constitutes the entire agreement between Lessor and Lessee with respect to its subject matter.

40. Applicable Law: This Lease shall be construed according to the laws of the Province where the Equipment is located as set forth in the Lease Details.

41. Enurement: Subject to the terms hereof, this Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, permitted assigns and legal representatives.

42. Interpretation: Whenever the context of this Lease so requires, the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders. Time is of the essence of this Lease and each of its provisions. Headings are for convenience of reference only and do not affect the interpretation. Terms used in the Lessee Information or Lease Details have, when used in these Terms & Conditions, unless the context otherwise requires, the meaning ascribed thereto by such use. The word "including" means "including without limitation"

43. Notices: Any notice required or permitted to be given hereunder must be in writing and will conclusively be deemed to have been received by its recipient on the business day it is delivered or sent by facsimile transmission to a party at the address indicated on the first page hereof (or at such other address as such party specifies to the other party in writing) or, if sent by registered mail, provided there is no interruption in postal services, on the fifth business day after the day of mailing, addressed to such party at such address.

44. Severability: Any provision of this Lease prohibited by or unlawful or unenforceable under any applicable law shall, at the sole option of Lessor, be ineffective without invalidating the remaining provisions of this Lease; provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Lessee.

45. Further Assurances: Lessee agrees to do all things and execute or obtain all documents as may be required by Lessor in order to give effect to or better evidence this Lease including the execution of financing statements or other documents to effect security registrations to protect Lessor's interests, any acknowledgements required by any Assignee and any waivers or subordinations from Lessee's landlords or creditors.

46. Language: The parties hereby acknowledge that they have required this contract, and all other agreements and notices required or permitted to be entered into or given pursuant hereto, to be drawn up in the English language only. Les parties reconnaissent avoir demandé que le présent contrat ainsi que toute autre entente ou avis requis ou permis à être conclu ou donné en vertu des dispositions du présent contrat, soient rédigés en langue anglaise seulement.

47. Survival: Notwithstanding any other sections hereof, all obligations of Lessee under sections 2,8,10,12,13,15,16,19,21,22,23,24,25,26,27,30,31,32,34 and 35 hereof and the rights and remedies of Lessor hereunder shall survive the termination of this Lease and the receipt of all Rental Payments and other amounts payable by Lessee hereunder.

48. Joint and Several Liability: If more than one person executed this Lease, their obligations hereunder shall be joint and several and, in the Province of Quebec, solidary without benefit of division or discussion.

49. Receipt of Copy, Etc.: Lessee acknowledges receipt of a true copy of this Lease and waives, to the extent permitted by applicable law, all rights to receive copies of financing statements, financing change statements, verification statements, confirmation statements or copies of other notices or filings made by Lessor at any time in connection with this Lease, any schedule thereto, any amendment thereof or any Transaction Schedule.

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SCHEDULE "A" EQUIPMENT DESCRIPTION

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

Attached to and forming part of Lease or Loan Agreement No. CCB9489A-007 dated Apr 24, 2014 between **CANADA NORTH CAMPS INC.** and **PAUL WILLIAM MCCRACKEN** and **SHAYNE LEWIS DION MCCRACKEN** as Lessee or Obligor and **ELEMENT FINANCIAL CORPORATION.**

EQUIPMENT DESCRIPTION

No.	New/Used	Year	Manufacturer	Model	Description	Serial Number
1	New	2013	Campcorp	Skidded	6 Unit 30 Man Dorm	FXWB201308010
1	New	2013	Campcorp	Skidded	6 unit 30 Man Dorm	FXWB201308011
1	New	2013	Campcorp	Skidded	6 unit 30 Man Dorm	FXWB201308012
1	New	2013	Campcorp	Skidded	6 unit 30 Man Dorm	FXWB201308014
1	New	2013	Campcorp	Skidded	6 unit 30 Man Dorm	FXWB201308015
1	New	2013	Campcorp	Skidded	6 unit 30 Man Dorm	FXWB201308016
1	New	2013	Campcorp	Skidded	Staircase Unit	FXWB201308009
1	New	2013	Campcorp	Skidded	Staircase Unit	FXWB201308013

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

ECN CAPITAL

CONTRACT AMENDING AGREEMENT

4 Robert Speck Parkway, Suite 900, Mississauga, ON L4Z 1S1 Phone: (905)-366-2142 Fax: (866)-797-8488

This Contract Amending Agreement is attached to and forms an integral part of your Lease Agreement.

Lease Agreement No. CCB9489A-007 dated April 29th, 2014 between **ECN BUSINESS MANAGEMENT INC, successor in interest to ELEMENT FINANCIAL CORPORATION, and CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN**, (the "Contract") is amended as follows:

FROM:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
04/24/2014	49	1	$100,000.00
06/01/2014		48	$21,694.74

TO:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
04/24/2014		1	$100,000.00
06/01/2014	52	28	$21,694.74
10/01/2016		3	$2,500.00
01/01/2017		20	$21,694.74

The End of Term Purchase Option of $1.00 (plus applicable taxes) will be due on 09/01/2018.

All other terms and conditions of the Contract shall remain in full force and effect unamended.

Dated this 4 day of November, 2016.

ECN BUSINESS MANAGEMENT INC

Signature: ______________________

Name: Ben Wyett

Title: Vice President Operations

CANADA NORTH CAMPS INC.

Signature: ______________________

Name: PAUL WILLIAM MCCRACKEN

Title: Director

PAUL WILLIAM MCCRACKEN

Signature: ______________________

Name: PAUL WILLIAM MCCRACKEN

Title: Individual

SHAYNE LEWIS DION MCCRACKEN

Signature: ______________________

Name: SHAYNE LEWIS DION MCCRACKEN

Title: Individual

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

LESSEE INFORMATION

Lessee's Full and Legal Name	Lease No.
CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN	CCB9489A-008

Lessee Address (Head Office)
14238 134 Ave. NW Edmonton, Alberta T5L 5V8

LEASE DETAILS

Equipment Location Address (if different from Lessee Address)
W 1/2 22-74-8 W4, Monias South Camp, Conklin, AB

VENDOR NAME

Alta-Fab Structures Ltd.

EQUIPMENT DESCRIPTION

No.	New /Used	Year	Manufacturer	Model	Description	Serial Number
1	New	2014	Alta-Fab	12' x 56'	8 Unit 38 Bed Dorm	NHAF5021, NHAF5022, NHAF5023, NHAF5024, NHAF5025, NHAF5026, NHAF5027, NHAF5028

START DATE	TERM	# RENTALS	RENTAL PAYMENT (PLUS APPLICABLE TAXES)
12/29/2014	36	1	$92,500.00
02/15/2015		35	$21,825.51

PURCHASE OPTION

Early Purchase Option

☐ The end of the Term's _____ calendar month for $_______________ (plus applicable taxes).

END OF TERM PURCHASE OPTION

☐ Fair Market Value (plus applicable taxes)

☒ $185,000.00 (plus applicable taxes)

LEASE ACCEPTANCE

This Lease shall not become binding upon Lessor until accepted as follows:

Lessor: **ELEMENT FINANCIAL CORPORATION**

Authorized Signature: Ben Hyatt

Executed as Lessor By: Ben Hyatt VP Operations

Date of Lessor's Acceptance: Dec 24, 20 14

PRE-AUTHORIZED PAYMENT PLAN CONSENT

I hereby authorize Lessor to debit my bank account noted on the attached void cheque ("Lessee's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lessor under the terms of this Lease, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lessor with 30 days' prior written notice. I understand that I may contact my financial institution or visit www.cdnpay.ca to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Lessee and Lessor and has no effect whatsoever on any other provision of this Lease.

ATTACH VOID CHEQUE Signature:

THE UNDERSIGNED ACKNOWLEDGES HAVING READ THE ENTIRE LEASE AGREEMENT AND ACCEPTS THE TERMS AND CONDITIONS INCLUDING THOSE ON PAGE 2 & 3 HEREOF. EACH OF THE UNDERSIGNED AFFIRMS THAT THEY ARE DULY AUTHORIZED TO EXECUTE THIS LEASE AGREEMENT ON BEHALF OF LESSEE. DATED Dec 24, 20 14

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

Initial PM PM SM

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

TERMS

In consideration of the covenants herein contained, including those on the reverse hereof, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), Lessor and Lessee agree as follows:

1. Lease: Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the equipment described in the Lease Details, together with any parts, accessories, replacements, additions and accessions, tangible or intangible, now and hereafter relating thereto or affixed thereon (collectively the "Equipment"). THIS LEASE CANNOT BE CANCELLED OR TERMINATED BY LESSEE.

2. Purchase Documents: If Lessee has not issued a purchase order or entered into an agreement with Vendor to purchase the Equipment (a "Purchase Document"), Lessee hereby agrees that Lessor may do so on Lessor's own behalf. If Lessee has entered into a Purchase Document, Lessee represents and warrants that title to the Equipment has not passed to Lessee and, at Lessor's option, Lessee shall assign to Lessor its rights under the Purchase Document to purchase the Equipment and to acquire any related license of software, information and documentation (a "License"). Except for the obligation to pay Vendor for the Equipment if (and only if) this Lease commences and is accepted by Lessor, Lessee shall perform, satisfy and discharge all of the purchaser's obligations under any Purchase Document and License and any assignment by Lessee to Lessor pursuant to this Section shall not include such obligations. The provisions of any Purchase Document or License do not modify Lessee's obligations to Lessor hereunder.

3. Term: This lease is for an original term (the "Term") commencing on the earlier of the Lease Commencement Date set out in a certificate (the "Delivery and Acceptance Certificate") in form prescribed by Lessor or, if Lessor waives the requirement for a Delivery and Acceptance Certificate pursuant to Section 4, the Date of Lessor's Acceptance set forth above and ending at the expiry of the number of complete calendar months indicated under the heading "Term" in the Lease Details.

4. Acceptance: Upon delivery and acceptance of the Equipment, Lessee shall forthwith execute and deliver to Lessor the Delivery and Acceptance Certificate unless Lessor, in its sole discretion, waives such execution and delivery by executing this Lease prior to the receipt of such certificate and after the delivery of the Equipment.

5. Equipment Selection: LESSEE HAS PERSONALLY SELECTED THE EQUIPMENT AND LESSOR HAS ACQUIRED THE EQUIPMENT AT LESSEE'S SPECIFIC REQUEST FOR THE PURPOSE OF LEASING IT HEREUNDER. LESSEE ACKNOWLEDGES THAT THE SUITABILITY OF THE EQUIPMENT AND ITS INSTALLATION AND DELIVERY IS LESSEE'S RESPONSIBILITY; THE FAILURE OF THE EQUIPMENT TO BE DELIVERED AND INSTALLED, TO OPERATE OR TO CONFORM TO LESSEE'S REQUIREMENTS SHALL NOT LESSEN LESSEE'S OBLIGATIONS HEREUNDER.

6. Rentals: Lessee shall, without notice from or request by Lessor, pay to Lessor during the Term of this lease the total number of Rental Payments set forth in the Lease Details. Such Rental Payment shall be payable in advance to Lessor at the address indicated above (or other address notified by Lessor to Lessee) as follows: first Rental Payment upon Lessee's execution hereof and, commencing after the calendar period covered by such first Rental Payment subsequent Rental Payments throughout the Term on: (A) in the case of monthly payments, the first day or the fifteenth day of each month, whichever day is closer to the date the Lease commences, or (B) in the case of payments based on any other calendar period, on the first day of each such calendar period. Any amount paid by Lessee to Lessor prior to this Lease commencing which is in excess of such first Rental Payment shall be credited towards Lessee's final Rental Payment(s) in reverse order of occurrence, without interest. RENTAL PAYMENTS AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE ARE PAYABLE WITHOUT SET-OFF, COMPENSATION OR ABATEMENT AND IN NO EVENT SHALL THE FIRST RENTAL PAYMENT BE REFUNDED TO LESSEE.

7. Adjustments: The Rental Payment set forth above is based upon the purchase price for the Equipment and Lessor's cost of funds. If (but only if) an Estimated Purchase Price has been specified in a Financing Terms Addendum attached hereto and the final invoice from Vendor specifies a purchase price (including taxes, delivery, installation and other charges) (the "Purchase Price") that is greater or less than the Estimated Purchase Price, Lessee authorizes Lessor to adjust the above Rental Payments to reflect the Purchase Price provided Lessee receives notice of such adjustment; however, if the Purchase Price exceeds the Estimated Purchase Price by more that 10%, Lessor will notify Lessee and obtain Lessee's prior written approval to such adjustment (such approval not to be unreasonably withheld) and the Lease will not commence until such approval is obtained. If (but only if) a Latest Start Date is specified in a Financing Terms Addendum attached hereto and Lease for any reason commences after such Latest Start Date, this Lease shall nevertheless be binding and Lessee authorizes Lessor in Lessor's sole discretion to adjust the above Rental Payments to reflect its cost of funds on the date this Lease commences and Lessor shall upon Lessee's request, provide Lessee with a copy of the completed description. If this Lease is signed by Lessee prior to Lessor having a complete description of the Equipment, Lessee hereby authorizes Lessor to complete such description provided Lessee receives notice of such description. Any adjustment to Rental Payments or completion of an Equipment description made pursuant to this Section shall be deemed to have effect from the date Lessee executes this Lease; if a Financing Terms Addendum is not executed and attached hereto, Lessor may not adjust the Net Rental Payments set forth above without Lessee's prior written consent.

8. Interest on Overdue Payments: Lessee shall without notice pay interest at the rate of Eighteen percent (18%) per annum calculated and compounded monthly and not in advance, on: (A) any past due Rental Payments (B) any amounts which bear interest according to this Lease and (C) any other amounts due to Lessor hereunder which are not paid on their due dates; in each case from the date any such amount becomes due or interest bearing, before and after maturity, default and judgment, until such arrears or other amounts are paid in full.

9. Pre-Authorized Payments: Lessee's Bank noted on the void cheque delivered by Lessee with this Lease is hereby authorized and directed to (A) debit Lessee's Account for all payments purporting to be drawn on Lessee for payment to Lessor which are presented for payment by Lessor or Lessor's agent, and (B) make all such payments to Lessor or Lessor's agent from Lessee's Account; such payments may be requested in the form of magnetic or computer-produced tape in which case such Bank is hereby authorized to treat them as signed by Lessee. Lessee agrees, in consideration of such Bank acting on this authorization, that such institution will not be liable for any loss or damage incurred as a result of honoring this authorization. If Lessee's Account is transferred to another branch, this authorization shall be directed to such other branch. Lessor is hereby irrevocably authorized to deliver a copy, details or further evidence of this authorization to such Bank, Lessee hereby appointing Lessor its lawful attorney for such purpose. Such authorization may only be used by Lessor in respect of payments arising under this Lease, including payments arising under any Transaction Schedule (defined in Section 38 of this Lease) to this Lease. Lessee has certain recourse rights if any debit from the Lessee's Account does not comply with the pre-authorized payment authorization granted by Lessee in this Lease. For example, Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Lessee in this Lease. To obtain more information on Lessee's recourse rights, Lessee may contact his/her/its financial institution or visit www.cdnpay.ca.

10. Installation, Maintenance and Repair: Lessee shall, at its expense, be responsible for: (A) the delivery, installation, de-installation and redelivery of the Equipment and (B) the maintenance, upkeep, care, servicing and repair (including necessary replacements of parts)("Maintenance") of the Equipment; in both cases by a party acceptable to Lessor. Lessee shall at its expense keep the Equipment in good repair, condition and working order. Lessee shall not without the prior written consent of Lessor make any alterations, additions or improvements to the Equipment. All such alterations, additions or improvements shall be at Lessee's expense and shall belong to, and become property of, Lessor immediately upon being made. On Lessor's request, Lessee shall enter into a Maintenance agreement respecting the Equipment with the manufacturer thereof or other Maintenance supplier acceptable to Lessor.

11. Use: Lessee shall use the Equipment in a careful and prudent manner and not for any unlawful purpose and shall at Lessee's expense comply with and conform to all applicable laws, ordinances and regulations (including laws, ordinances and regulations concerning environmental matters) relating to the possession, use or Maintenance of the Equipment. Lessee enters into this Lease for commercial or industrial purposes and not for any personal, family or household purposes or any farm, ranch or feedlot operation purposes and shall only use the Equipment in connection with its business or in the carrying on of an enterprise and only for commercial or industrial purposes.

12. Loss and Damage: Lessee shall, until this Lease is terminated and Lessee's obligations hereunder are discharged in full (including the return of the Equipment), bear the entire risk of loss, damage, destruction, theft, seizure or governmental taking of the Equipment or any part thereof (any such case being a "Loss"), regardless of whether it is caused by any default or neglect of Lessee. No Loss shall relieve Lessee of its obligations hereunder.

13. Title and Identification: The Equipment is and shall at all times be and remain the sole personal and moveable property of Lessor, shall not be affixed or attached to or otherwise become a fixture or accession to any lands, buildings or chattels and Lessee shall have no right, title or interest in or to the Equipment except as expressly set forth herein. Lessee shall not allow the Equipment to become subject to any claim, privilege, lien, charge, encumbrance, levy, security interest, mortgage, pledge, hypothecation, seizure, trust, attachment, judicial process, ownership interest, license, sublease or other right in favor of any person (in any such case an "Encumbrance") unless such Encumbrance is caused by Lessor. At Lessor's request, Lessee shall at Lessee's expense affix and maintain on the Equipment, in a manner and in places satisfactory to Lessor, labels, plates or other marks supplied by Lessor to identify the Equipment as the property of Lessor.

14. Location and Inspection: Lessee shall maintain the Equipment at the Equipment Location specified in the Lease Details and shall not move the Equipment from such location. Lessor shall have the right to inspect the Equipment and Lessee's Maintenance, insurance and Tax records at any time.

15. Net Lease: ALL COSTS AND EXPENSES RELATING TO THE EQUIPMENT OR ITS USE, MAINTENANCE OR POSSESSION SHALL BE BORNE BY LESSEE, INCLUDING ALL TAXES AND ALL FEES, CHARGES, CLAIMS AND FINES INCURRED OR ARISING IN CONNECTION WITH THE REGISTRATION, LICENSING OR OPERATION OF THE EQUIPMENT. The Rental Payments and other amounts payable hereunder shall be absolutely net to Lessor, free of all expenses or outgoings of any kind or nature. If Lessee fails to perform any of its obligations hereunder, Lessor may do so on Lessee's behalf and shall be entitled to immediate reimbursement from Lessee together with interest from the date of expenditure by the Lessor until reimbursed by the Lessee; without prejudice to any other Lessor's rights or remedies, and Lessee appoints Lessor its lawful attorney for such purposes.

16. Taxes: Lessee shall pay all Taxes and file all returns in respect of Taxes immediately upon such Taxes or returns becoming due. "Taxes" includes all taxes, imposts, levies, fees, duties and charges now or hereafter imposed by any federal, provincial, municipal or other taxation authority on Lessee, the Equipment or the purchase, sale, ownership, delivery, possession, use, Maintenance, operation or lease of the Equipment or on Lessor in respect of any of the foregoing (including sales excise, use, property, business, transfer, goods and services and value added taxes and including penalties or interest based on late payment of taxes), but excluding taxes on or measured by Lessor's overall net income. Lessor shall be entitled to claim any applicable capital cost allowance, investment tax credit or similar benefit under applicable tax legislation from time to time pertaining to the Equipment and/or the Lease and Lessee shall not make any such claim in respect thereof.

17. Insurance: Lessee shall, at its own expense, place and maintain with insurers acceptable to Lessor: (a) comprehensive all risks insurance on the Equipment for its full replacement value, such insurance to include: (i) Lessor as additional insured, (ii) a loss payable clause in favor of Lessor as first payee, and (iii) a waiver of subrogation in favor of Lessor; and (b)general public liability and property damage insurance with limits of liability equal to at least $2,000,000 per occurrence (or such greater amount as Lessor may require from time to time), and such insurance shall: (i) extend to all liabilities of Lessee arising out of its use or possession of Equipment, (ii) include Lessor as additional ensured, and (iii) include a cross-liability provision which insures each person insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each.

All insurance policies shall contain endorsements providing that: (A) thirty days written notice shall be given to Lessor before a policy lapses or is materially altered or cancelled; (B) coverage shall be primary and not contributory; (C) Lessor's interest as additional insured shall not be invalidated or otherwise affected by any act or omission, deliberate, negligent or otherwise, of Lessee or its agents, servants or employees (such as a "standard mortgagee clause"); (D) Lessor shall not be responsible for payment of any premium; and (E) Lessor may elect to have all proceeds of Loss payable only to itself. Lessee shall, on request, supply Lessor with certified copies of all insurance policies or other evidence satisfactory to Lessor of satisfaction of these insurance covenants. In the event of damage amounting to actual or constructive total loss of the Equipment, Lessor shall be entitled to retain from all insurance proceeds an amount equal to the total amount payable to Lessor by Lessee hereunder as Liquidated Damages (as defined in Section 26(a) except that for purposes hereof, each reference in Section 26(a) to "date of Default" shall be replaced with "date of payment by Lessee to Lessor of insurance proceeds").

18. Failure to Insure: If Lessee fails to fulfill its insurance obligations hereunder, then, without prejudice to Lessor's other rights and remedies, Lessor shall have the right, but not the obligation, to procure insurance covering Lessor's interest (but not Lessee's interest) in the Equipment, in such form and amount and with such insurers (including an insurer affiliated with Lessor) as Lessor shall determine from time to time, all at Lessee's expense. Such expense (the "Insurance Expense") shall include the cost of acquiring such insurance and any charges or fees for services associated with the placement, maintenance or service of such insurance, plus interest accruing on such expense at the interest rate provided herein for overdue amounts from the time of payment by the Lessor until such expense is reimbursed by Lessee to Lessor. Lessee shall pay the Insurance Expense to Lessor in equal installments at the same time and in the same manner as the remaining Rental Payments. Lessee shall cooperate with Lessor's insurance agent in connection with the placement of such insurance and the processing of any claims. Nothing herein shall be deemed to obligate or entitle Lessor to act as an insurer hereunder or to arrange any insurance for the benefit of Lessee. Nothing herein shall require Lessor to secure, maintain in force or renew any insurance, in any amounts or upon any specific terms and conditions. Lessor reserves the right to terminate any insurance coverage which Lessor may arrange, or allow same to lapse, without incurring any liability to Lessee.

19. Representations: Lessee represents, warrants and covenants throughout the Term that: (A) if Lessee is a body corporate, it is and will continue to be validly incorporated (or otherwise established), organized and existing and in good standing; (B) it has all necessary power and authority to execute, deliver and perform this Lease, each such action (i) having been duly authorized by all necessary action of Lessee, (ii) not being in conflict with any applicable law, the constating documents, resolutions or by-laws of Lessee or any indenture, instrument, agreement or undertaking to which it is a party or by which it or any of its assets are or may become bound, and (iii) not resulting in the creation of any Encumbrance on the Equipment; (C) this Lease is and will continue to be the legal, valid and binding obligation of Lessee enforceable against it and effective against its creditors in accordance with its terms; (D) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal that could have a material adverse effect on Lessee; (E) financial statements and other related information furnished by Lessee to Lessor are prepared in accordance with generally accepted accounting principles and fairly present Lessee's financial position on their respective dates; and (F) to evidence the foregoing Lessee shall provide legal opinions, resolutions and such other documents as Lessor may reasonably request.

20. Subleasing Etc.: Lessee shall not sublet or part with possession or control of the Equipment or permit its use by any person other than Lessee or employees of Lessee who are qualified and competent to operate same. Neither this Lease nor Lessee's rights hereunder shall be assigned by Lessee except with Lessor's prior written consent and no assignment shall release Lessee from its obligations hereunder.

21. Surrender: At the end of the Term or any renewal thereof, if Lessee has not purchased the Equipment pursuant to Section 29, Lessee, at Lessee's expense, shall surrender control of the Equipment to Lessor and shall; (A) after giving Lessor thirty days prior written notice, return the Equipment to Lessor at Lessor's nearest office or other place specified by Lessor or (B) if requested by Lessor, dispose of the Equipment as Lessor reasonably directs, including disposition in a manner which will avoid any dangerous use thereof or damage or injury to any person or property therefrom. Whenever Lessee is required to return the Equipment to Lessor the Equipment shall be in good repair, condition and working order and Lessee shall pay all costs of Maintenance and restoration of Equipment returned to Lessor, necessary to restore it to its condition on the date this Lease commenced, normal wear and tear excepted. Lessee shall, if Lessor so requests, store the Equipment at Lessee's risk and expense and as Lessor's bailee for a period of up to 90 days after the end of the Term; Lessee shall not use the Equipment or pay Rental Payments for the Equipment during such period but shall otherwise be bound by all of the terms of this Lease during such period.

22. Renewal: If Lessee fails to surrender the Equipment at the end of the Term or any renewal thereof, or to purchase the same pursuant to Section 29, Lessee shall be deemed to have requested a renewal of this Lease for a period of three (3) calendar months and Lessor may, in its sole discretion: (A) demand the surrender of the Equipment in compliance with Section 21 and exercise its rights and remedies for such non-compliance or (B)accept Lessee's request to renew this Lease for a three (3) month period commencing on the end of the Term or the last renewal thereof. Such acceptance may be evidenced in writing signed by Lessor or by Lessor continuing to invoice Lessee, withdrawing Rental Payments pursuant to a pre-authorized payment plan or otherwise accepting Rental Payments in respect of such renewal period. Lessee shall continue to have all of its obligations under this Lease during any such renewal period, including the obligation to pay Lessor Rental Payments, as it had during the Term and all provisions of this Lease shall apply to any such renewal term.

23. Entry: If Lessee fails to surrender the Equipment to Lessor as required under this Lease, Lessor may, without notice to Lessee or resort to legal process, but subject to any applicable law, enter any premises where the Equipment is located and take possession of and remove or disable such Equipment.

24. Indemnity: Lessee hereby indemnifies Lessor and agrees to save Lessor harmless from and against all loss, costs, liabilities, claims, legal proceedings and expenses (including legal fees and costs) whatsoever arising in connection with this Lease, the Purchase Documents, any License, the Equipment, the manufacture, selection, purchase, ownership, delivery, possession, use, Maintenance, operation, Loss or return of the Equipment, Taxes, the recovery of claims under any insurance policy relating to the Equipment, any use or operation of Equipment which infringes any patent or other industrial or intellectual property right of any person, any Default by Lessee, the exercise by Lessor of any rights or remedies hereunder or any entry or taking of possession, removal or disabling of Equipment pursuant to Section 23.

25. Defaults: Each of the following is a default by Lessee (a "Default"): (a) Lessee fails to make any Rental Payment or pay any other amounts due under this Lease within 3 days after the same is due and payable; or (b) Lessee fails to perform, observe or comply with any other obligation, term or condition on its part to be performed, observed or complied with hereunder; or (c) any event of default occurs under any other lease or

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contract between Lessor and Lessee or under any material agreement between Lessee and any other person; or (d) any representation or warranty made by Lessee to Lessor in or in connection with this Lease is incorrect; or (e) the Equipment or any part thereof is subjected to an Encumbrance not caused by Lessor, Lessee sells or attempts to sell or grant an Encumbrance on any part of the Equipment or the value of Lessor's interest in the Equipment is materially impaired due to Loss; or (f) Lessee makes any assignment for the benefit of its creditors, becomes insolvent, commits any act of bankruptcy, takes any action to wind-up or dissolve, ceases or threatens to cease to do business as a going concern, is subject to a change in control in fact or in law or seeks any arrangement or composition with its creditors; or (g) any proceeding in bankruptcy, receivership, winding-up, dissolution, liquidation or insolvency is commenced by or against Lessee or its property; or (h) Lessor in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance by Lessee under this Lease is or is about to be impaired or the Equipment is or is about to be placed in jeopardy; or (i) any guarantor of Lessee's obligations hereunder disputes its obligation under its guarantee or seeks to determine its obligations thereunder or to terminate its guarantee of Lessee's future obligations or becomes subject to any of the events in clauses (b), (c), (d), (f) or (g) of this Section.

26. Effect of Default; Damages: A loss to Lessor upon a Default is dependent in part upon the cost of the Equipment to Lessor, the Term and the minimum return expected by Lessor from the sale or re-lease of the Equipment at the end of the Term. Upon any Default and in addition to Lessor's other rights and remedies under this Lease and otherwise available at law or in equity: (a) Lessee shall pay forthwith (without notice) to Lessor as liquidated damages, and not as a penalty, an amount (the "Liquidated Damages") equal to the aggregate of: (i) unpaid Rental Payments and other amounts payable hereunder unpaid as of the date of the Default; (ii) the present value (calculated on the basis of an interest rate equal to the lower of (x) of three percent (3%) or (y) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the remaining Term, compounded monthly) of: (A) the remaining Rental Payments payable from the date of Default to the end of the Term or, if applicable, any renewal thereof, and (B) amounts otherwise payable under the Lease to the end of the Term, or, if applicable, any renewal thereof, and (C) the greater of the purchase price for the Equipment pursuant to any end of Term Fair Market Value (as defined in Section 29 below) or fixed Option Price (as defined in Section 29 below) and the amount of any residual interest which Lessor may have in Equipment; (iii) any Enforcement Costs (as defined in sub-paragraph (e) below) incurred by Lessor; and (iv) interest thereon from the date of Default until payment in full; to the extent that the Liquidated Damages are deemed to include any Taxes which Lessor is required to remit to any taxation authority the Liquidated Damages shall be increased by the amount necessary to ensure that the net amount of the Liquidated Damages retained by Lessor after remitting all applicable Taxes will be equal to the amount calculated above; (b) upon Lessor's demand, Lessee at Lessee's expense shall forthwith surrender control of the Equipment to Lessor pursuant to Section 21 as though the Term had expired; (c) Lessor may, immediately and without notice to Lessee or resort to legal process take possession of and remove or disable the Equipment pursuant to Section 23 as though Lessee had failed to surrender such Equipment when required to do so; (d) the rights of Lessee hereunder in respect of the Equipment, including the right to use and possess the Equipment, shall cease and terminate absolutely without limiting Lessee's liability or obligations hereunder; and (e) Lessor may by notice in writing terminate this Lease or any other agreement Lessor may have with Lessee. All rights and remedies of Lessor, either under this Lease or at law or in equity or otherwise afforded to Lessor, are cumulative and not alternative. Lessor's costs and expenses incurred as a result of a Default ("Enforcement Costs") (including all costs and expenses in respect of collection, legal fees, repossession, repair of Equipment, enforcement of Lessor's rights or remedies, sale or re-lease costs or other realization costs) shall be paid by Lessee to Lessor forthwith upon demand, with interest accruing thereon from the date such costs and expenses were incurred until payment in full.

27. Sale on Default: Lessor may after a Default sell, re-lease or otherwise dispose of Equipment at public or private sale with or without notice to Lessee and upon such terms and in such manner as Lessor may determine. Lessee shall thereafter continue to be liable to Lessor for the amount of any deficiency between the proceeds to Lessor from such disposition and the Liquidated Damages. If at any time after a Default and prior to Lessor obtaining possession of the Equipment, Lessee pays to Lessor the Liquidated Damages and all applicable Taxes, title to the Equipment shall vest in Lessee on an "as is, where is" basis without any condition, representation or warranty of Lessor whatsoever except that Lessee acquires such interest free of Encumbrances caused by Lessor.

28. Effect of Waiver: No delay in exercising, or failure to exercise, any right or remedy accruing to Lessor under this Lease will impair or waive such right or remedy, nor will a waiver of any single Default be deemed a waiver of any other prior, subsequent or concurrent Default. Any waiver, permit, consent or approval on the part of Lessor in respect of this Lease must be in writing and shall have effect only to the extent specifically set forth in such writing.

29. Purchase Option: In this Section: (a) "Default" means any existing Default and any event or circumstance which, with the giving of notice or the lapse of time or both, would constitute a Default; (b) "Fair Market Value" means the delivered and installed, all-inclusive, purchase price for equipment in good repair in a sale between an arms length purchaser buying for its own use and a seller dealing in such equipment in the ordinary course of its business, as such purchase price is determined by Lessor acting reasonably; (c) "Option Price" means the amount set forth in the Lease Details as the fixed price for an early payment option or the fixed price for an end of term purchase option, as the case may be; and (d) "Option Date" means the last day of the month set forth in the Lease Details as the date for the exercise of an early payment option or the last day of the Term of the Lease in the case of an end of term purchase option, as the case may be. Provided no Default exists, any Purchase Option set forth in the Lease Details may be exercised by Lessee: (i) giving Lessor written notice sixty (60) days prior to the Option Date of its election to exercise such option; and (ii) paying Lessor the Option Price, plus Taxes, at least thirty (30) days before the Option Date. After the giving of such notice and the making of such payment, provided no Default exists on the Option Date, Lessee shall acquire Lessor's interest in the Equipment on the Option Date on an "as is, where is" basis without any condition, representation or warranty by Lessor of any kind whatsoever except that Lessee acquires such interest from Lessor free of Encumbrances caused by Lessor.

30. Lessee's Waiver: TO THE EXTENT NOT PROHIBITED BY LAW OR STATUTE, LESSEE HEREBY WAIVES THE BENEFIT OF ALL PROVISIONS OF ALL APPLICABLE CONDITIONAL SALES, REGULATORY, CREDIT AND OTHER STATUTES AND ALL REGULATIONS MADE THEREUNDER IN ANY APPLICABLE JURISDICTION WHICH WOULD IN ANY MANNER AFFECT, RESTRICT OR LIMIT THE RIGHTS AND REMEDIES OF LESSOR HEREUNDER, including, without limiting the generality of the foregoing, all of Lessee's rights, benefits and protections given or afforded by the provisions of The Limitation of Civil Rights Act of Saskatchewan, as amended. Lessee also waives and assigns to Lessor the right of any statutory exemption from execution or otherwise and further waives any right to demand security for cost in the event of litigation.

31. Lessor Warranties: Lessor warrants that on the date this Lease commences it is the owner of the Equipment, free and clear of any Encumbrance caused by Lessor, save for Lessee's rights hereunder. Except as otherwise explicitly set forth herein, but without affecting Lessor's warranties set forth in any other agreement (all of which Lessee acknowledges do not affect or form part of this Lease), Lessor makes no warranty or representation whatsoever as to the durability, quality or condition of the Equipment or its suitability for Lessee's purposes or as to any other matter whatsoever (including status of this Lease for tax or accounting classification purposes). No representation to Lessee as to the Equipment or any other matter by the Vendor or any supplier or manufacturer of the Equipment shall in any way affect Lessee's obligations under this Lease. At the request and expense of Lessee and while there is no Default, Lessor will (A) assign to Lessee for the Term any and all warranties, guarantees, service contracts, Licenses and representations given to Lessor by the Vendor or a manufacturer or supplier of the Equipment with respect to the Equipment ("Equipment Rights") which are assignable at law; and (B) assist Lessee in receiving the benefit of such Equipment Rights. If Lessor obtains possession or control of the Equipment or if there is a Default, Lessee shall be deemed to have immediately reassigned such Equipment Rights to Lessor without any further action. If Equipment is located in the Province of Quebec, Lessor hereby conveys to Lessee any warranty which the Vendor or a manufacturer or supplier of such Equipment gave to Lessor. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, CAUSED BY THE EQUIPMENT OR THE USE, MAINTENANCE OR POSSESSION THEREOF, BY THE INADEQUACY OF THE EQUIPMENT RIGHTS OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED.

32. Assignment: This Lease and all rights, remedies and benefits of Lessor hereunder may be assigned by Lessor without notice to or the consent of Lessee and Lessee hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy of any assignment document. Upon such assignment: (A) the assignee (the "Assignee") shall be entitled to enforce the rights and remedies and to receive all benefits which would otherwise accrue to the original Lessor under this Lease; (B) the Assignee shall be deemed to be Lessor for the purpose of all such rights, remedies and benefits; (C) the Assignee shall have no obligation to Lessee to perform any of the obligations of the original Lessor hereunder or otherwise in respect of the Equipment, all of which are retained by the original Lessor; and (D) Lessee's rights hereunder as against the original Lessor shall be unaffected except as herein specifically provided. Lessee agrees not to assert against the Assignee any claim by way of abatement, defense, set-off, compensation, counterclaim or the like which Lessee may have against the original Lessor. Upon notice of an assignment Lessee shall unconditionally pay to such Assignee all Rental Payments and other amounts due hereunder and shall not assert any defense against such Assignee in any action for Rental Payments or other amounts due and payable hereunder, except the defence of payment to the Assignee. Lessor may assign to the Assignee the pre-authorized payment authorization granted by Lessee in this Lease provided that Lessor provides Lessee with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Rental Payments or other amounts due under this Lease from the Lessee's Account.

33. Credit Investigation: Subject to applicable legislation, Lessee hereby consents to Lessor conducting a credit investigation of Lessee and to Lessor making inquires with financial institutions or other persons in a business relationship with Lessee in connection therewith; Lessee hereby authorizes and directs such persons to answer Lessor's inquiries. Lessee agrees to furnish to Lessor: (A) a copy of its interim financial statements and other related information, as Lessor may request from time to time; and (B) its annual financial statements, audited if applicable, within ninety days of the end of each financial year.

34. Security Interests: To secure Lessee's performance of its obligations hereunder Lessee grants Lessor a continuing security interest in any interest Lessee has in the Equipment, in all proceeds thereof (including proceeds of insurance) and in any Rental Payments receivable on any sublease permitted by Lessor; Lessee agrees that Lessor has all rights of a secured party under any applicable personal property security legislation and at law and in equity. To the extent this Lease creates a security interest, such security interest is a purchase money security interest (as the terms "security interest" and "purchase money security interest" are used in the Personal Property Security Act (Ontario)) and shall be interpreted with similar effect under analogous legislation in force in any other relevant jurisdiction. In this Lease the term "security interest" includes a movable hypothec without delivery.

35. Fees: Lessor shall be entitled to charge Lessee such fees and other charges as it may establish from time to time for the administration of and ancillary matters to this Lease, including a fee of $25.00 for each security registration required in connection with this Lease and such fees for invoices as Lessor may from time to time establish.

36. Name Change, etc.: Lessee shall promptly notify Lessor in writing of: (A) any change in Lessee's name: (B) any transfer, authorized or unauthorized, by Lessee of any interest in or benefit from the Equipment; (C) any change, authorized or unauthorized, by Lessee in the location of any Equipment; and (D) any change in the location of Lessee's Head Office specified above.

37. Information: Lessee agrees that Lessor may provide copies of this Lease and/or information concerning Lessee and its obligations hereunder to any person.

38. Additional Equipment: Lessor and Lessee may from time to time agree to lease additional equipment pursuant to these Terms & Conditions and the above Lessee Information and Invoice Option and each such agreement shall be evidenced by a written schedule referencing this initial lease (a "Transaction Schedule"), signed by Lessee and Lessor and setting forth the particulars of such equipment lease transaction including the matters addressed by the above Lease Details and including any amendments to the Lessee Information or Terms and Conditions which are applicable to that transaction. The particulars of the initial transaction set forth in the above Lease Details shall not apply to subsequent transactions but the Terms and Conditions, Invoice Option and Lessee Information of this Lease are incorporated by reference into each Transaction Schedule and shall apply mutatis mutandis, to the transaction specified in such Transaction Schedule; such Lessee Information, Terms and Conditions, Invoice Option and each Transaction Schedule shall constitute a separate lease and the entire agreement with respect to that transaction, shall be deemed to be a "Lease" to which these Terms and Conditions refer and shall not terminate as a result of the termination or expiry of any other Lease made pursuant to these Terms and Conditions. The terms of any Transaction Schedule evidencing a specific transaction shall prevail over these Terms and Conditions and the above Lessee Information to the extent of any conflict or inconsistency but only in respect of that transaction.

39. Entire Agreement: This Lease (including (A) all details set forth above in the Lessee Information, Lease Details and Invoice Option and in these Terms & Conditions and (B) any schedule, addendum or amendment to this Lease which is in writing, references this Lease and is signed by Lessee and Lessor at any time) constitutes the entire agreement between Lessor and Lessee with respect to its subject matter.

40. Applicable Law: This Lease shall be construed according to the laws of the Province where the Equipment is located as set forth in the Lease Details.

41. Enurement: Subject to the terms hereof, this Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, permitted assigns and legal representatives.

42. Interpretation: Whenever the context of this Lease so requires, the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders. Time is of the essence of this Lease and each of its provisions. Headings are for convenience of reference only and do not affect the interpretation. Terms used in the Lessee Information or Lease Details have, when used in these Terms & Conditions, unless the context otherwise requires, the meaning ascribed thereto by such use. The word "including" means "including without limitation"

43. Notices: Any notice required or permitted to be given hereunder must be in writing and will conclusively be deemed to have been received by its recipient on the business day it is delivered or sent by facsimile transmission to a party at the address indicated on the first page hereof (or at such other address as such party specifies to the other party in writing) or, if sent by registered mail, provided there is no interruption in postal services, on the fifth business day after the day of mailing, addressed to such party at such address.

44. Severability: Any provision of this Lease prohibited by or unlawful or unenforceable under any applicable law shall, at the sole option of Lessor, be ineffective without invalidating the remaining provisions of this Lease: provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Lessee.

45. Further Assurances: Lessee agrees to do all things and execute or obtain all documents as may be required by Lessor in order to give effect to or better evidence this Lease including the execution of financing statements or other documents to effect security registrations to protect Lessor's interests, any acknowledgements required by any Assignee and any waivers or subordinations from Lessee's landlords or creditors.

46. Language: The parties hereby acknowledge that they have required this contract, and all other agreements and notices required or permitted to be entered into or given pursuant hereto, to be drawn up in the English language only. Les parties reconnaissent avoir demandé que le présent contrat ainsi que toute autre entente ou avis requis ou permis à être conclu ou donné en vertu des dispositions du présent contrat, soient rédigés en langue anglaise seulement.

47. Survival: Notwithstanding any other sections hereof, all obligations of Lessee under sections 2,8,10,12,13,15,16,19,21,22,23,24,25,26,27,30,31,32,34 and 35 hereof and the rights and remedies of Lessor hereunder shall survive the termination of this Lease and the receipt of all Rental Payments and other amounts payable by Lessee hereunder.

48. Joint and Several Liability: If more than one person executed this Lease, their obligations hereunder shall be joint and several and, in the Province of Quebec, solidary without benefit of division or discussion.

49. Receipt of Copy, Etc.: Lessee acknowledges receipt of a true copy of this Lease and waives, to the extent permitted by applicable law, all rights to receive copies of financing statements, financing change statements, verification statements, confirmation statements or copies of other notices or filings made by Lessor at any time in connection with this Lease, any schedule thereto, any amendment thereof or any Transaction Schedule.

Initial AM SM

ECN CAPITAL

CONTRACT AMENDING AGREEMENT

4 Robert Speck Parkway, Suite 930, Mississauga, Ot. L4Z 1S1 Phone: (905) 366 2142 Fax: (866)-797 6485

This Contract Amending Agreement is attached to and forms an integral part of your Lease Agreement.

Lease Agreement No. CCB9489A-008 dated December 24', 2014 between **ECN BUSINESS MANAGEMENT INC**, successor in interest to **ELEMENT FINANCIAL CORPORATION**, and **CANADA NORTH CAMPS INC.** and **PAUL WILLIAM MCCRACKEN** and **SHAYNE LEWIS DION MCCRACKEN**. (the "Contract") is amended as follows:

FROM:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
12/29/2014	36	1	$92,500.00
02/15/2015		35	$21,825.51

TO:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
12/29/2014		1	$92,500.00
02/15/2015	39	20	$21,825.51
10/15/2016		3	$3,000.00
01/15/2017		15	$21,825.51

The End of Term Purchase Option of $185,000.00 (plus applicable taxes) will be due on 04/15/2018

All other terms and conditions of the Contract shall remain in full force and effect unamended.

Dated this 28 day of October, 2016.

ECN BUSINESS MANAGEMENT INC

Signature: Ben Wyatt

Name: Ben Wyett

Title: Vice President Operations

PAUL WILLIAM MCCRACKEN

Signature: [signature]

Name: PAUL WILLIAM MCCRACKEN

Title: Individual

CANADA NORTH CAMPS INC.

Signature: [signature]

Name: PAUL WILLIAM MCCRACKEN

Title: Director

SHAYNE LEWIS DION MCCRACKEN

Signature: [signature]

Name: SHAYNE LEWIS DION MCCRACKEN

Title: Individual

element

LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

LESSEE INFORMATION

Lessee's Full and Legal Name	Lease No.
CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN	CCB9489A-009

Lessee Address (Head Office)
14238 134 Ave. NW Edmonton, Alberta T5L 5V8

LEASE DETAILS

Equipment Location Address (if different from Lessee Address)
Legal Land W 1/2 22-74-8 W4 Monias South Camp, Conklin AB

VENDOR NAME

Alta-Fab Structures Ltd.

EQUIPMENT DESCRIPTION

No.	New /Used	Year	Manufacturer	Model	Description	Serial Number
1	New	2014	Alta-Fab	12'x56'	8 Unit 38 Bed Dorm	NHAF4871, NHAF4872, NHAF4873, NHAF4874, NHAF4875, NHAF4876, NHAF4877, NHAF4878

START DATE	TERM	# RENTALS	RENTAL PAYMENT (PLUS APPLICABLE TAXES)
12/29/2014	36	1	$92,500.00
02/15/2015		35	$21,825.51

PURCHASE OPTION

Early Purchase Option

☐ The end of the Term's _____ calendar month for $_______________ (plus applicable taxes).

END OF TERM PURCHASE OPTION

☐ Fair Market Value (plus applicable taxes)

☒ $185,000.00 (plus applicable taxes)

LEASE ACCEPTANCE

This Lease shall not become binding upon Lessor until accepted as follows:

Lessor: **ELEMENT FINANCIAL CORPORATION**

Authorized Signature: ____________

Executed as Lessor By: Ben Hyatt VP Operations

Date of Lessor's Acceptance: Dec 30, 2014

PRE-AUTHORIZED PAYMENT PLAN CONSENT

I hereby authorize Lessor to debit my bank account noted on the attached void cheque ("Lessee's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lessor under the terms of this Lease, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lessor with 30 days' prior written notice. I understand that I may contact my financial institution or visit www.cdnpay.ca to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Lessee and Lessor and has no effect whatsoever on any other provision of this Lease.

ATTACH VOID CHEQUE | Signature: ____________

THE UNDERSIGNED ACKNOWLEDGES HAVING READ THE ENTIRE LEASE AGREEMENT AND ACCEPTS THE TERMS AND CONDITIONS INCLUDING THOSE ON PAGE 2 & 3 HEREOF. EACH OF THE UNDERSIGNED AFFIRMS THAT THEY ARE DULY AUTHORIZED TO EXECUTE THIS LEASE AGREEMENT ON BEHALF OF LESSEE. DATED Dec 24, 2014

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

Initial ____________

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

TERMS

In consideration of the covenants herein contained, including those on the reverse hereof, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), Lessor and Lessee agree as follows:

1. Lease: Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the equipment described in the Lease Details, together with any parts, accessories, replacements, additions and accessions, tangible or intangible, now and hereafter relating thereto or affixed thereon (collectively the "Equipment"). THIS LEASE CANNOT BE CANCELLED OR TERMINATED BY LESSEE.

2. Purchase Documents: If Lessee has not issued a purchase order or entered into an agreement with Vendor to purchase the Equipment (a "Purchase Document"), Lessee hereby agrees that Lessor may do so on Lessor's own behalf. If Lessee has entered into a Purchase Document, Lessee represents and warrants that title to the Equipment has not passed to Lessee and, at Lessor's option, Lessee shall assign to Lessor its rights under the Purchase Document to purchase the Equipment and to acquire any related license of software, information and documentation (a "License"). Except for the obligation to pay Vendor for the Equipment if (and only if) this Lease commences and is accepted by Lessor, Lessee shall perform, satisfy and discharge all of the purchaser's obligations under any Purchase Document and License and any assignment by Lessee to Lessor pursuant to this Section shall not include such obligations. The provisions of any Purchase Document or License do not modify Lessee's obligations to Lessor hereunder.

3. Term: This lease is for an original term (the "Term") commencing on the earlier of the Lease Commencement Date set out in a certificate (the "Delivery and Acceptance Certificate") in form prescribed by Lessor or, if Lessor waives the requirement for a Delivery and Acceptance Certificate pursuant to Section 4, the Date of Lessor's Acceptance set forth above and ending at the expiry of the number of complete calendar months indicated under the heading "Term" in the Lease Details.

4. Acceptance: Upon delivery and acceptance of the Equipment, Lessee shall forthwith execute and deliver to Lessor the Delivery and Acceptance Certificate unless Lessor, in its sole discretion, waives such execution and delivery by executing this Lease prior to the receipt of such certificate and after the delivery of the Equipment.

5. Equipment Selection: LESSEE HAS PERSONALLY SELECTED THE EQUIPMENT AND LESSOR HAS ACQUIRED THE EQUIPMENT AT LESSEE'S SPECIFIC REQUEST FOR THE PURPOSE OF LEASING IT HEREUNDER. LESSEE ACKNOWLEDGES THAT THE SUITABILITY OF THE EQUIPMENT AND ITS INSTALLATION AND DELIVERY IS LESSEE'S RESPONSIBILITY; THE FAILURE OF THE EQUIPMENT TO BE DELIVERED AND INSTALLED, TO OPERATE OR TO CONFORM TO LESSEE'S REQUIREMENTS SHALL NOT LESSEN LESSEE'S OBLIGATIONS HEREUNDER.

6. Rentals: Lessee shall, without notice from or request by Lessor, pay to Lessor during the Term of this lease the total number of Rental Payments set forth in the Lease Details. Such Rental Payment shall be payable in advance to Lessor at the address indicated above (or other address notified by Lessor to Lessee) as follows: first Rental Payment upon Lessee's execution hereof and, commencing after the calendar period covered by such first Rental Payment subsequent Rental Payments throughout the Term on: (A) in the case of monthly payments, the first day or the fifteenth day of each month, whichever day is closer to the date the Lease commences, or (B) in the case of payments based on any other calendar period, on the first day of each such calendar period. Any amount paid by Lessee to Lessor prior to this Lease commencing which is in excess of such first Rental Payment shall be credited towards Lessee's final Rental Payment(s) in reverse order of occurrence, without interest. RENTAL PAYMENTS AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE ARE PAYABLE WITHOUT SET-OFF, COMPENSATION OR ABATEMENT AND IN NO EVENT SHALL THE FIRST RENTAL PAYMENT BE REFUNDED TO LESSEE.

7. Adjustments: The Rental Payment set forth above is based upon the purchase price for the Equipment and Lessor's cost of funds. If (but only if) an Estimated Purchase Price has been specified in a Financing Terms Addendum attached hereto and the final invoice from Vendor specifies a purchase price (including taxes, delivery, installation and other charges) (the "Purchase Price") that is greater or less than the Estimated Purchase Price, Lessee authorizes Lessor to adjust the above Rental Payments to reflect the Purchase Price provided Lessee receives notice of such adjustment; however, if the Purchase Price exceeds the Estimated Purchase Price by more that 10%, Lessor will notify Lessee and obtain Lessee's prior written approval to such adjustment (such approval not to be unreasonably withheld) and the Lease will not commence until such approval is obtained. If (but only if) a Latest Start Date is specified in a Financing Terms Addendum attached hereto and Lease for any reason commences after such Latest Start Date, this Lease shall nevertheless be binding and Lessee authorizes Lessor in Lessor's sole discretion to adjust the above Rental Payments to reflect its cost of funds on the date this Lease commences and Lessor shall upon Lessee's request, provide Lessee with a copy of the completed description. If this Lease is signed by Lessee prior to Lessor having a complete description of the Equipment, Lessee hereby authorizes Lessor to complete such description provided Lessee receives notice of such description. Any adjustment to Rental Payments or completion of an Equipment description made pursuant to this Section shall be deemed to have effect from the date Lessee executes this Lease; if a Financing Terms Addendum is not executed and attached hereto, Lessor may not adjust the Net Rental Payments set forth above without Lessee's prior written consent.

8. Interest on Overdue Payments: Lessee shall without notice pay interest at the rate of Eighteen percent (18%) per annum calculated and compounded monthly and not in advance, on: (A) any past due Rental Payments (B) any amounts which bear interest according to this Lease and (C) any other amounts due to Lessor hereunder which are not paid on their due dates; in each case from the date any such amount becomes due or interest bearing, before and after maturity, default and judgment, until such arrears or other amounts are paid in full.

9. Pre-Authorized Payments: Lessee's Bank noted on the void cheque delivered by Lessee with this Lease is hereby authorized and directed to (A) debit Lessee's Account for all payments purporting to be drawn on Lessee for payment to Lessor which are presented for payment by Lessor or Lessor's agent, and (B) make all such payments to Lessor or Lessor's agent from Lessee's Account; such payments may be requested in the form of magnetic or computer-produced tape in which case such Bank is hereby authorized to treat them as signed by Lessee. Lessee agrees, in consideration of such Bank acting on this authorization, that such institution will not be liable for any loss or damage incurred as a result of honoring this authorization. If Lessee's Account is transferred to another branch, this authorization shall be directed to such other branch. Lessor is hereby irrevocably authorized to deliver a copy, details or further evidence of this authorization to such Bank, Lessee hereby appointing Lessor its lawful attorney for such purpose. Such authorization may only be used by Lessor in respect of payments arising under this Lease, including payments arising under any Transaction Schedule (defined in Section 38 of this Lease) to this Lease. Lessee has certain recourse rights if any debit from the Lessee's Account does not comply with the pre-authorized payment authorization granted by Lessee in this Lease. For example, Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Lessee in this Lease. To obtain more information on Lessee's recourse rights, Lessee may contact his/her/its financial institution or visit www.cdnpay.ca.

10. Installation, Maintenance and Repair: Lessee shall, at its expense, be responsible for: (A) the delivery, installation, de-installation and redelivery of the Equipment and (B) the maintenance, upkeep, care, servicing and repair (including necessary replacements of parts)("Maintenance") of the Equipment; in both cases by a party acceptable to Lessor. Lessee shall at its expense keep the Equipment in good repair, condition and working order. Lessee shall not without the prior written consent of Lessor make any alterations, additions or improvements to the Equipment. All such alterations, additions or improvements shall be at Lessee's expense and shall belong to, and become property of, Lessor immediately upon being made. On Lessor's request, Lessee shall enter into a Maintenance agreement respecting the Equipment with the manufacturer thereof or other Maintenance supplier acceptable to Lessor.

11. Use: Lessee shall use the Equipment in a careful and prudent manner and not for any unlawful purpose and shall at Lessee's expense comply with and conform to all applicable laws, ordinances and regulations (including laws, ordinances and regulations concerning environmental matters) relating to the possession, use or Maintenance of the Equipment. Lessee enters into this Lease for commercial or industrial purposes and not for any personal, family or household purposes or any farm, ranch or feedlot operation purposes and shall only use the Equipment in connection with its business or in the carrying on of an enterprise and only for commercial or industrial purposes.

12. Loss and Damage: Lessee shall, until this Lease is terminated and Lessee's obligations hereunder are discharged in full (including the return of the Equipment), bear the entire risk of loss, damage, destruction, theft, seizure or governmental taking of the Equipment or any part thereof (any such case being a "Loss"), regardless of whether it is caused by any default or neglect of Lessee. No Loss shall relieve Lessee of its obligations hereunder.

13. Title and Identification: The Equipment is and shall at all times be and remain the sole personal and moveable property of Lessor, shall not be affixed or attached to or otherwise become a fixture or accession to any lands, buildings or chattels and Lessee shall have no right, title or interest in or to the Equipment except as expressly set forth herein. Lessee shall not allow the Equipment to become subject to any claim, privilege, lien, charge, encumbrance, levy, security interest, mortgage, pledge, hypothecation, seizure, trust, attachment, judicial process, ownership interest, license, sublease or other right in favor of any person (in any such case an "Encumbrance") unless such Encumbrance is caused by Lessor. At Lessor's request, Lessee shall at Lessee's expense affix and maintain on the Equipment, in a manner and in places satisfactory to Lessor, labels, plates or other marks supplied by Lessor to identify the Equipment as the property of Lessor.

14. Location and Inspection: Lessee shall maintain the Equipment at the Equipment Location specified in the Lease Details and shall not move the Equipment from such location. Lessor shall have the right to inspect the Equipment and Lessee's Maintenance, insurance and Tax records at any time.

15. Net Lease: ALL COSTS AND EXPENSES RELATING TO THE EQUIPMENT OR ITS USE, MAINTENANCE OR POSSESSION SHALL BE BORNE BY LESSEE, INCLUDING ALL TAXES AND ALL FEES, CHARGES, CLAIMS AND FINES INCURRED OR ARISING IN CONNECTION WITH THE REGISTRATION, LICENSING OR OPERATION OF THE EQUIPMENT. The Rental Payments and other amounts payable hereunder shall be absolutely net to Lessor, free of all expenses or outgoings of any kind or nature. If Lessee fails to perform any of its obligations hereunder, Lessor may do so on Lessee's behalf and shall be entitled to immediate reimbursement from Lessee together with interest from the date of expenditure by the Lessor until reimbursed by the Lessee; without prejudice to any other Lessor's rights or remedies, and Lessee appoints Lessor its lawful attorney for such purposes.

16. Taxes: Lessee shall pay all Taxes and file all returns in respect of Taxes immediately upon such Taxes or returns becoming due. "Taxes" includes all taxes, imposts, levies, fees, duties and charges now or hereafter imposed by any federal, provincial, municipal or other taxation authority on Lessee, the Equipment or the purchase, sale, ownership, delivery, possession, use, Maintenance, operation or lease of the Equipment or on Lessor in respect of any of the foregoing (including sales excise, use, property, business, transfer, goods and services and value added taxes and including penalties or interest based on late payment of taxes), but excluding taxes on or measured by Lessor's overall net income. Lessor shall be entitled to claim any applicable capital cost allowance, investment tax credit or similar benefit under applicable tax legislation from time to time pertaining to the Equipment and/or the Lease and Lessee shall not make any such claim in respect thereof.

17. Insurance: Lessee shall, at its own expense, place and maintain with insurers acceptable to Lessor: (a) comprehensive all risks insurance on the Equipment for its full replacement value, such insurance to include: (i) Lessor as additional insured, (ii) a loss payable clause in favor of Lessor as first payee, and (iii) a waiver of subrogation in favor of Lessor; and (b)general public liability and property damage insurance with limits of liability equal to at least $2,000,000 per occurrence (or such greater amount as Lessor may require from time to time), and such insurance shall: (i) extend to all liabilities of Lessee arising out of its use or possession of Equipment, (ii) include Lessor as additional ensured, and (iii) include a cross-liability provision which insures each person insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each.

All insurance policies shall contain endorsements providing that: (A) thirty days written notice shall be given to Lessor before a policy lapses or is materially altered or cancelled; (B) coverage shall be primary and not contributory; (C) Lessor's interest as additional insured shall not be invalidated or otherwise affected by any act or omission, deliberate, negligent or otherwise, of Lessee or its agents, servants or employees (such as a "standard mortgagee clause"); (D) Lessor shall not be responsible for payment of any premium; and (E) Lessor may elect to have all proceeds of Loss payable only to itself. Lessee shall, on request, supply Lessor with certified copies of all insurance policies or other evidence satisfactory to Lessor of satisfaction of these insurance covenants. In the event of damage amounting to actual or constructive total loss of the Equipment, Lessor shall be entitled to retain from all insurance proceeds an amount equal to the total amount payable to Lessor by Lessee hereunder as Liquidated Damages (as defined in Section 26(a) except that for purposes hereof, each reference in Section 26(a) to "date of Default" shall be replaced with "date of payment by Lessee to Lessor of insurance proceeds").

18. Failure to Insure: If Lessee fails to fulfill its insurance obligations hereunder, then, without prejudice to Lessor's other rights and remedies, Lessor shall have the right, but not the obligation, to procure insurance covering Lessor's interest (but not Lessee's interest) in the Equipment, in such form and amount and with such insurers (including an insurer affiliated with Lessor) as Lessor shall determine from time to time, all at Lessee's expense. Such expense (the "Insurance Expense") shall include the cost of acquiring such insurance and any charges or fees for services associated with the placement, maintenance or service of such insurance, plus interest accruing on such expense at the interest rate provided herein for overdue amounts from the time of payment by the Lessor until such expense is reimbursed by Lessee to Lessor. Lessee shall pay the Insurance Expense to Lessor in equal installments at the same time and in the same manner as the remaining Rental Payments. Lessee shall cooperate with Lessor's insurance agent in connection with the placement of such insurance and the processing of any claims. Nothing herein shall be deemed to obligate or entitle Lessor to act as an insurer hereunder or to arrange any insurance for the benefit of Lessee. Nothing herein shall require Lessor to secure, maintain in force or renew any insurance, in any amounts or upon any specific terms and conditions. Lessor reserves the right to terminate any insurance coverage which Lessor may arrange, or allow same to lapse, without incurring any liability to Lessee.

19. Representations: Lessee represents, warrants and covenants throughout the Term that: (A) if Lessee is a body corporate, it is and will continue to be validly incorporated (or otherwise established), organized and existing and in good standing; (B) it has all necessary power and authority to execute, deliver and perform this Lease, each such action (i) having been duly authorized by all necessary action of Lessee, (ii) not being in conflict with any applicable law, the constating documents, resolutions or by-laws of Lessee or any indenture, instrument, agreement or undertaking to which it is a party or by which it or any of its assets are or may become bound, and (iii) not resulting in the creation of any Encumbrance on the Equipment; (C) this Lease is and will continue to be the legal, valid and binding obligation of Lessee enforceable against it and effective against its creditors in accordance with its terms; (D) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal that could have a material adverse effect on Lessee; (E) financial statements and other related information furnished by Lessee to Lessor are prepared in accordance with generally accepted accounting principles and fairly present Lessee's financial position on their respective dates; and (F) to evidence the foregoing Lessee shall provide legal opinions, resolutions and such other documents as Lessor may reasonably request.

20. Subleasing Etc.: Lessee shall not sublet or part with possession or control of the Equipment or permit its use by any person other than Lessee or employees of Lessee who are qualified and competent to operate same. Neither this Lease nor Lessee's rights hereunder shall be assigned by Lessee except with Lessor's prior written consent and no assignment shall release Lessee from its obligations hereunder.

21. Surrender: At the end of the Term or any renewal thereof, if Lessee has not purchased the Equipment pursuant to Section 29, Lessee, at Lessee's expense, shall surrender control of the Equipment to Lessor and shall; (A) after giving Lessor thirty days prior written notice, return the Equipment to Lessor at Lessor's nearest office or other place specified by Lessor or (B) if requested by Lessor, dispose of the Equipment as Lessor reasonably directs, including disposition in a manner which will avoid any dangerous use thereof or damage or injury to any person or property therefrom. Whenever Lessee is required to return the Equipment to Lessor the Equipment shall be in good repair, condition and working order and Lessee shall pay all costs of Maintenance and restoration of Equipment returned to Lessor, necessary to restore it to its condition on the date this Lease commenced, normal wear and tear excepted. Lessee shall, if Lessor so requests, store the Equipment at Lessee's risk and expense and as Lessor's bailee for a period of up to 90 days after the end of the Term; Lessee shall not use the Equipment or pay Rental Payments for the Equipment during such period but shall otherwise be bound by all of the terms of this Lease during such period.

22. Renewal: If Lessee fails to surrender the Equipment at the end of the Term or any renewal thereof, or to purchase the same pursuant to Section 29, Lessee shall be deemed to have requested a renewal of this Lease for a period of three (3) calendar months and Lessor may, in its sole discretion: (A) demand the surrender of the Equipment in compliance with Section 21 and exercise its rights and remedies for such non-compliance or (B)accept Lessee's request to renew this Lease for a three (3) month period commencing on the end of the Term or the last renewal thereof. Such acceptance may be evidenced in writing signed by Lessor or by Lessor continuing to invoice Lessee, withdrawing Rental Payments pursuant to a pre-authorized payment plan or otherwise accepting Rental Payments in respect of such renewal period. Lessee shall continue to have all of its obligations under this Lease during any such renewal period, including the obligation to pay Lessor Rental Payments, as it had during the Term and all provisions of this Lease shall apply to any such renewal term.

23. Entry: If Lessee fails to surrender the Equipment to Lessor as required under this Lease, Lessor may, without notice to Lessee or resort to legal process, but subject to any applicable law, enter any premises where the Equipment is located and take possession of and remove or disable such Equipment.

24. Indemnity: Lessee hereby indemnifies Lessor and agrees to save Lessor harmless from and against all loss, costs, liabilities, claims, legal proceedings and expenses (including legal fees and costs) whatsoever arising in connection with this Lease, the Purchase Documents, any License, the Equipment, the manufacture, selection, purchase, ownership, delivery, possession, use, Maintenance, operation, Loss or return of the Equipment, Taxes, the recovery of claims under any insurance policy relating to the Equipment, any use or operation of Equipment which infringes any patent or other industrial or intellectual property right of any person, any Default by Lessee, the exercise by Lessor of any rights or remedies hereunder or any entry or taking of possession, removal or disabling of Equipment pursuant to Section 23.

25. Defaults: Each of the following is a default by Lessee (a "Default"): (a) Lessee fails to make any Rental Payment or pay any other amounts due under this Lease within 3 days after the same is due and payable; or (b) Lessee fails to perform, observe or comply with any other obligation, term or condition on its part to be performed, observed or complied with hereunder; or (c) any event of default occurs under any other lease or

Initial ____________

element

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

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contract between Lessor and Lessee or under any material agreement between Lessee and any other person; or (d) any representation or warranty made by Lessee to Lessor in or in connection with this Lease is incorrect; or (e) the Equipment or any part thereof is subjected to an Encumbrance not caused by Lessor, Lessee sells or attempts to sell or grant an Encumbrance on any part of the Equipment or the value of Lessor's interest in the Equipment is materially impaired due to Loss; or (f) Lessee makes any assignment for the benefit of its creditors, becomes insolvent, commits any act of bankruptcy, takes any action to wind-up or dissolve, ceases or threatens to cease to do business as a going concern, is subject to a change in control in fact or in law or seeks any arrangement or composition with its creditors; or (g) any proceeding in bankruptcy, receivership, winding-up, dissolution, liquidation or insolvency is commenced by or against Lessee or its property; or (h) Lessor in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance by Lessee under this Lease is or is about to be impaired or the Equipment is or is about to be placed in jeopardy; or (i) any guarantor of Lessee's obligations hereunder disputes its obligation under its guarantee or seeks to determine its obligations thereunder or to terminate its guarantee of Lessee's future obligations or becomes subject to any of the events in clauses (b), (c), (d), (f) or (g) of this Section.

26. Effect of Default; Damages: A loss to Lessor upon a Default is dependent in part upon the cost of the Equipment to Lessor, the Term and the minimum return expected by Lessor from the sale or re-lease of the Equipment at the end of the Term. Upon any Default and in addition to Lessor's other rights and remedies under this Lease and otherwise available at law or in equity: (a) Lessee shall pay forthwith (without notice) to Lessor as liquidated damages, and not as a penalty, an amount (the "Liquidated Damages") equal to the aggregate of: (i) unpaid Rental Payments and other amounts payable hereunder unpaid as of the date of the Default; (ii) the present value (calculated on the basis of an interest rate equal to the lower of (x) of three percent (3%) or (y) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the remaining Term, compounded monthly) of: (A) the remaining Rental Payments payable from the date of Default to the end of the Term or, if applicable, any renewal thereof, and (B) amounts otherwise payable under the Lease to the end of the Term, or, if applicable, any renewal thereof, and (C) the greater of the purchase price for the Equipment pursuant to any end of Term Fair Market Value (as defined in Section 29 below) or fixed Option Price (as defined in Section 29 below) and the amount of any residual interest which Lessor may have in Equipment; (iii) any Enforcement Costs (as defined in sub-paragraph (e) below) incurred by Lessor; and (iv) interest thereon from the date of Default until payment in full; to the extent that the Liquidated Damages are deemed to include any Taxes which Lessor is required to remit to any taxation authority the Liquidated Damages shall be increased by the amount necessary to ensure that the net amount of the Liquidated Damages retained by Lessor after remitting all applicable Taxes will be equal to the amount calculated above; (b) upon Lessor's demand, Lessee at Lessee's expense shall forthwith surrender control of the Equipment to Lessor pursuant to Section 21 as though the Term had expired; (c) Lessor may, immediately and without notice to Lessee or resort to legal process take possession of and remove or disable the Equipment pursuant to Section 23 as though Lessee had failed to surrender such Equipment when required to do so; (d) the rights of Lessee hereunder in respect of the Equipment, including the right to use and possess the Equipment, shall cease and terminate absolutely without limiting Lessee's liability or obligations hereunder; and (e) Lessor may by notice in writing terminate this Lease or any other agreement Lessor may have with Lessee. All rights and remedies of Lessor, either under this Lease or at law or in equity or otherwise afforded to Lessor, are cumulative and not alternative. Lessor's costs and expenses incurred as a result of a Default ("Enforcement Costs") (including all costs and expenses in respect of collection, legal fees, repossession, repair of Equipment, enforcement of Lessor's rights or remedies, sale or re-lease costs or other realization costs) shall be paid by Lessee to Lessor forthwith upon demand, with interest accruing thereon from the date such costs and expenses were incurred until payment in full.

27. Sale on Default: Lessor may after a Default sell, re-lease or otherwise dispose of Equipment at public or private sale with or without notice to Lessee and upon such terms and in such manner as Lessor may determine. Lessee shall thereafter continue to be liable to Lessor for the amount of any deficiency between the proceeds to Lessor from such disposition and the Liquidated Damages. If at any time after a Default and prior to Lessor obtaining possession of the Equipment, Lessee pays to Lessor the Liquidated Damages and all applicable Taxes, title to the Equipment shall vest in Lessee on an "as is, where is" basis without any condition, representation or warranty of Lessor whatsoever except that Lessee acquires such interest free of Encumbrances caused by Lessor.

28. Effect of Waiver: No delay in exercising, or failure to exercise, any right or remedy accruing to Lessor under this Lease will impair or waive such right or remedy, nor will a waiver of any single Default be deemed a waiver of any other prior, subsequent or concurrent Default. Any waiver, permit, consent or approval on the part of Lessor in respect of this Lease must be in writing and shall have effect only to the extent specifically set forth in such writing.

29. Purchase Option: In this Section: (a) "Default" means any existing Default and any event or circumstance which, with the giving of notice or the lapse of time or both, would constitute a Default; (b) "Fair Market Value" means the delivered and installed, all-inclusive, purchase price for equipment in good repair in a sale between an arms length purchaser buying for its own use and a seller dealing in such equipment in the ordinary course of its business, as such purchase price is determined by Lessor acting reasonably; (c) "Option Price" means the amount set forth in the Lease Details as the fixed price for an early payment option or the fixed price for an end of term purchase option, as the case may be; and (d) "Option Date" means the last day of the month set forth in the Lease Details as the date for the exercise of an early payment option or the last day of the Term of the Lease in the case of an end of-term purchase option, as the case may be. Provided no Default exists, any Purchase Option set forth in the Lease Details may be exercised by Lessee: (i) giving Lessor written notice sixty (60) days prior to the Option Date of its election to exercise such option; and (ii) paying Lessor the Option Price, plus Taxes, at least thirty (30) days before the Option Date. After the giving of such notice and the making of such payment, provided no Default exists on the Option Date, Lessee shall acquire Lessor's interest in the Equipment on the Option Date on an "as is, where is" basis without any condition, representation or warranty by Lessor of any kind whatsoever except that Lessee acquires such interest from Lessor free of Encumbrances caused by Lessor.

30. Lessee's Waiver: TO THE EXTENT NOT PROHIBITED BY LAW OR STATUTE, LESSEE HEREBY WAIVES THE BENEFIT OF ALL PROVISIONS OF ALL APPLICABLE CONDITIONAL SALES, REGULATORY, CREDIT AND OTHER STATUTES AND ALL REGULATIONS MADE THEREUNDER IN ANY APPLICABLE JURISDICTION WHICH WOULD IN ANY MANNER AFFECT, RESTRICT OR LIMIT THE RIGHTS AND REMEDIES OF LESSOR HEREUNDER, including, without limiting the generality of the foregoing, all of Lessee's rights, benefits and protections given or afforded by the provisions of The Limitation of Civil Rights Act of Saskatchewan, as amended. Lessee also waives and assigns to Lessor the right of any statutory exemption from execution or otherwise and further waives any right to demand security for cost in the event of litigation.

31. Lessor Warranties: Lessor warrants that on the date this Lease commences it is the owner of the Equipment, free and clear of any Encumbrance caused by Lessor, save for Lessee's rights hereunder. Except as otherwise explicitly set forth herein, but without affecting Lessor's warranties set forth in any other agreement (all of which Lessee acknowledges do not affect or form part of this Lease), Lessor makes no warranty or representation whatsoever as to the durability, quality or condition of the Equipment or its suitability for Lessee's purposes or as to any other matter whatsoever (including status of this Lease for tax or accounting classification purposes). No representation to Lessee as to the Equipment or any other matter by the Vendor or any supplier or manufacturer of the Equipment shall in any way affect Lessee's obligations under this Lease, At the request and expense of Lessee and while there is no Default, Lessor will (A) assign to Lessee for the Term any and all warranties, guarantees, service contracts, Licenses and representations given to Lessor by the Vendor or a manufacturer or supplier of the Equipment with respect to the Equipment ("Equipment Rights") which are assignable at law; and (B) assist Lessee in receiving the benefit of such Equipment Rights. If Lessor obtains possession or control of the Equipment or if there is a Default, Lessee shall be deemed to have immediately reassigned such Equipment Rights to Lessor without any further action. If Equipment is located in the Province of Quebec, Lessor hereby conveys to Lessee any warranty which the Vendor or a manufacturer or supplier of such Equipment gave to Lessor. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, CAUSED BY THE EQUIPMENT OR THE USE, MAINTENANCE OR POSSESSION THEREOF, BY THE INADEQUACY OF THE EQUIPMENT RIGHTS OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED.

32. Assignment: This Lease and all rights, remedies and benefits of Lessor hereunder may be assigned by Lessor without notice to or the consent of Lessee and Lessee hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy of any assignment document. Upon such assignment: (A) the assignee (the "Assignee") shall be entitled to enforce the rights and remedies and to receive all benefits which would otherwise accrue to the original Lessor under this Lease; (B) the Assignee shall be deemed to be Lessor for the purpose of all such rights, remedies and benefits; (C) the Assignee shall have no obligation to Lessee to perform any of the obligations of the original Lessor hereunder or otherwise in respect of the Equipment, all of which are retained by the original Lessor; and (D) Lessee's rights hereunder as against the original Lessor shall be unaffected except as herein specifically provided. Lessee agrees not to assert against the Assignee any claim by way of abatement, defense, set-off, compensation, counterclaim or the like which Lessee may have against the original Lessor. Upon notice of an assignment Lessee shall unconditionally pay to such Assignee all Rental Payments and other amounts due hereunder and shall not assert any defense against such Assignee in any action for Rental Payments or other amounts due and payable hereunder, except the defence of payment to the Assignee. **Lessor may assign to the Assignee the pre-authorized payment authorization granted by Lessee in this Lease provided that Lessor provides Lessee with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Rental Payments or other amounts due under this Lease from the Lessee's Account.**

33. Credit Investigation: Subject to applicable legislation, Lessee hereby consents to Lessor conducting a credit investigation of Lessee and to Lessor making inquires with financial institutions or other persons in a business relationship with Lessee in connection therewith; Lessee hereby authorizes and directs such persons to answer Lessor's inquiries. Lessee agrees to furnish to Lessor: (A) a copy of its interim financial statements and other related information, as Lessor may request from time to time; and (B) its annual financial statements, audited if applicable, within ninety days of the end of each financial year.

34. Security Interests: To secure Lessee's performance of its obligations hereunder Lessee grants Lessor a continuing security interest in any interest Lessee has in the Equipment, in all proceeds thereof (including proceeds of insurance) and in any Rental Payments receivable on any sublease permitted by Lessor; Lessee agrees that Lessor has all rights of a secured party under any applicable personal property security legislation and at law and in equity. To the extent this Lease creates a security interest, such security interest is a purchase money security interest (as the terms "security interest" and "purchase money security interest" are used in the Personal Property Security Act (Ontario)) and shall be interpreted with similar effect under analogous legislation in force in any other relevant jurisdiction. In this Lease the term "security interest" includes a movable hypothec without delivery.

35. Fees: Lessor shall be entitled to charge Lessee such fees and other charges as it may establish from time to time for the administration of and ancillary matters to this Lease, including a fee of $25.00 for each security registration required in connection with this Lease and such fees for invoices as Lessor may from time to time establish.

36. Name Change, etc.: Lessee shall promptly notify Lessor in writing of: (A) any change in Lessee's name: (B) any transfer, authorized or unauthorized, by Lessee of any interest in or benefit from the Equipment; (C) any change, authorized or unauthorized, by Lessee in the location of any Equipment; and (D) any change in the location of Lessee's Head Office specified above.

37. Information: Lessee agrees that Lessor may provide copies of this Lease and/or information concerning Lessee and its obligations hereunder to any person.

38. Additional Equipment: Lessor and Lessee may from time to time agree to lease additional equipment pursuant to these Terms & Conditions and the above Lessee Information and Invoice Option and each such agreement shall be evidenced by a written schedule referencing this initial lease (a "Transaction Schedule"), signed by Lessee and Lessor and setting forth the particulars of such equipment lease transaction including the matters addressed by the above Lease Details and including any amendments to the Lessee Information or Terms and Conditions which are applicable to that transaction. The particulars of the initial transaction set forth in the above Lease Details shall not apply to subsequent transactions but the Terms and Conditions, Invoice Option and Lessee Information of this Lease are incorporated by reference into each Transaction Schedule and shall apply mutatis mutandis, to the transaction specified in such Transaction Schedule; such Lessee Information, Terms and Conditions, Invoice Option and each Transaction Schedule shall constitute a separate lease and the entire agreement with respect to that transaction, shall be deemed to be a "Lease" to which these Terms and Conditions refer and shall not terminate as a result of the termination or expiry of any other Lease made pursuant to these Terms and Conditions. The terms of any Transaction Schedule evidencing a specific transaction shall prevail over these Terms and Conditions and the above Lessee Information to the extent of any conflict or inconsistency but only in respect of that transaction.

39. Entire Agreement: This Lease (including (A) all details set forth above in the Lessee Information, Lease Details and Invoice Option and in these Terms & Conditions and (B) any schedule, addendum or amendment to this Lease which is in writing, references this Lease and is signed by Lessee and Lessor at any time) constitutes the entire agreement between Lessor and Lessee with respect to its subject matter.

40. Applicable Law: This Lease shall be construed according to the laws of the Province where the Equipment is located as set forth in the Lease Details.

41. Enurement: Subject to the terms hereof, this Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, permitted assigns and legal representatives.

42. Interpretation: Whenever the context of this Lease so requires, the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders. Time is of the essence of this Lease and each of its provisions. Headings are for convenience of reference only and do not affect the interpretation. Terms used in the Lessee Information or Lease Details have, when used in these Terms & Conditions, unless the context otherwise requires, the meaning ascribed thereto by such use. The word "including" means "including without limitation"

43. Notices: Any notice required or permitted to be given hereunder must be in writing and will conclusively be deemed to have been received by its recipient on the business day it is delivered or sent by facsimile transmission to a party at the address indicated on the first page hereof (or at such other address as such party specifies to the other party in writing) or, if sent by registered mail, provided there is no interruption in postal services, on the fifth business day after the day of mailing, addressed to such party at such address.

44. Severability: Any provision of this Lease prohibited by or unlawful or unenforceable under any applicable law shall, at the sole option of Lessor, be ineffective without invalidating the remaining provisions of this Lease: provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Lessee.

45. Further Assurances: Lessee agrees to do all things and execute or obtain all documents as may be required by Lessor in order to give effect to or better evidence this Lease including the execution of financing statements or other documents to effect security registrations to protect Lessor's interests, any acknowledgements required by any Assignee and any waivers or subordinations from Lessee's landlords or creditors.

46. Language: The parties hereby acknowledge that they have required this contract, and all other agreements and notices required or permitted to be entered into or given pursuant hereto, to be drawn up in the English language only. Les parties reconnaissent avoir demandé que le présent contrat ainsi que toute autre entente ou avis requis ou permis á être conclu ou donné en vertu des dispositions du présent contrat, soient rédigés en langue anglaise seulement.

47. Survival: Notwithstanding any other sections hereof, all obligations of Lessee under sections 2,8,10,12,13,15,16,19,21,22,23,24,25,26,27,30,31,32,34 and 35 hereof and the rights and remedies of Lessor hereunder shall survive the termination of this Lease and the receipt of all Rental Payments and other amounts payable by Lessee hereunder.

48. Joint and Several Liability: If more than one person executed this Lease, their obligations hereunder shall be joint and several and, in the Province of Quebec, solidary without benefit of division or discussion.

49. Receipt of Copy, Etc.: Lessee acknowledges receipt of a true copy of this Lease and waives, to the extent permitted by applicable law, all rights to receive copies of financing statements, financing change statements, verification statements, confirmation statements or copies of other notices or filings made by Lessor at any time in connection with this Lease, any schedule thereto, any amendment thereof or any Transaction Schedule.

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ECN CAPITAL

CONTRACT AMENDING AGREEMENT

4 Robert Speck Parkway, Suite 900, Mississauga, ON L4Z 1S1 Phone: (905) 366-2142 Fax: (866) 797-8458

This Contract Amending Agreement is attached to and forms an integral part of your Lease Agreement.

Lease Agreement No. CCB9489A-009 dated December 30th, 2014 between **ECN BUSINESS MANAGEMENT INC, successor in interest to ELEMENT FINANCIAL CORPORATION, and CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN**, (the "Contract") is amended as follows:

FROM:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
12/29/2014	36	1	$92,500.00
02/15/2015		35	$21,825.51

TO:

START DATE	TERM	# RENTALS	RENTAL PAYMENT (Plus Applicable Taxes)
12/29/2014		1	$92,500.00
02/15/2015	39	20	$21,825.51
10/15/2016		3	$3,000.00
01/15/2017		15	$21,825.51

The End of Term Purchase Option of $185,000.00 (plus applicable taxes) will be due on 04/15/2018.

All other terms and conditions of the Contract shall remain in full force and effect unamended.

Dated this 28 day of October, 2016.

ECN BUSINESS MANAGEMENT INC

Signature: [signature]

Name: Ben Wyett

Title: Vice President Operations

PAUL WILLIAM MCCRACKEN

Signature: [signature]

Name: PAUL WILLIAM MCCRACKEN

Title: Individual

CANADA NORTH CAMPS INC.

Signature: [signature]

Name: PAUL WILLIAM MCCRACKEN

Title: Director

SHAYNE LEWIS DION MCCRACKEN

Signature: [signature]

Name: SHAYNE LEWIS DION MCCRACKEN

Title: Individual

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161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

LESSEE INFORMATION

Lessee's Full and Legal Name	Lease No.
CANADA NORTH CAMPS INC. and PAUL WILLIAM MCCRACKEN and SHAYNE LEWIS DION MCCRACKEN	CCB9489A-012

Lessee Address (Head Office)
14238 134 Ave. NW Edmonton, Alberta T5L 5V8

LEASE DETAILS

Equipment Location Address (If different from Lessee Address)
Hwy 881 at KM 148 Edmonton, Alberta T5L 5V8

VENDOR NAME

Campcorp Canada

EQUIPMENT DESCRIPTION

No.	New /Used	Year	Manufacturer	Model	Description	Serial Number
See attached Schedule "A" Equipment Description						

START DATE	TERM	# RENTALS	RENTAL PAYMENT (PLUS APPLICABLE TAXES)
05/25/2015	37	1	$135,000.00
07/01/2015		36	$19,277.48

PURCHASE OPTION

Early Purchase Option

☐ The end of the Term's _____ calendar month for $__________ (plus applicable taxes).

END OF TERM PURCHASE OPTION

☐ Fair Market Value (plus applicable taxes)

☒ $180,000.00 (plus applicable taxes)

LEASE ACCEPTANCE

This Lease shall not become binding upon Lessor until accepted as follows:

Lessor: ELEMENT FINANCIAL CORPORATION

Authorized Signature: [signature]

Executed as Lessor By: Ben Wyatt VP Operations

Date of Lessor's Acceptance: May 29, 2015

PRE-AUTHORIZED PAYMENT PLAN CONSENT

I hereby authorize Lessor to debit my bank account noted on the attached void cheque ("Lessee's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lessor under the terms of this Lease, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lessor with 30 days' prior written notice. I understand that I may contact my financial institution or visit www.cdnpay.ca to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Lessee and Lessor and has no effect whatsoever on any other provision of this Lease.

ATTACH VOID CHEQUE Signature: [signature]

THE UNDERSIGNED ACKNOWLEDGES HAVING READ THE ENTIRE LEASE AGREEMENT AND ACCEPTS THE TERMS AND CONDITIONS INCLUDING THOSE ON PAGE 2 & 3 HEREOF. EACH OF THE UNDERSIGNED AFFIRMS THAT THEY ARE DULY AUTHORIZED TO EXECUTE THIS LEASE AGREEMENT ON BEHALF OF LESSEE. DATED MAY 28, 2015

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature: [signature]	Signature: [signature]	Signature: [signature]
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual

Initial PM PM SM

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LEASE AGREEMENT

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1

Phone: (416)-386-1067 Fax: (888)-772-8129

TERMS

In consideration of the covenants herein contained, including those on the reverse hereof, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), Lessor and Lessee agree as follows:

1. **Lease:** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the equipment described in the Lease Details, together with any parts, accessories, replacements, additions and accessions, tangible or intangible, now and hereafter relating thereto or affixed thereon (collectively the "Equipment"). THIS LEASE CANNOT BE CANCELLED OR TERMINATED BY LESSEE.

2. **Purchase Documents:** If Lessee has not issued a purchase order or entered into an agreement with Vendor to purchase the Equipment (a "**Purchase Document**"), Lessee hereby agrees that Lessor may do so on Lessor's own behalf. If Lessee has entered into a Purchase Document, Lessee represents and warrants that title to the Equipment has not passed to Lessee and, at Lessor's option, Lessee shall assign to Lessor its rights under the Purchase Document to purchase the Equipment and to acquire any related license of software, information and documentation (a "**License**"). Except for the obligation to pay Vendor for the Equipment if (and only if) this Lease commences and is accepted by Lessor, Lessee shall perform, satisfy and discharge all of the purchaser's obligations under any Purchase Document and License and any assignment by Lessee to Lessor pursuant to this Section shall not include such obligations. The provisions of any Purchase Document or License do not modify Lessee's obligations to Lessor hereunder.

3. **Term:** This lease is for an original term (the "**Term**") commencing on the earlier of the Lease Commencement Date set out in a certificate (the "**Delivery and Acceptance Certificate**") in form prescribed by Lessor or, if Lessor waives the requirement for a Delivery and Acceptance Certificate pursuant to Section 4, the Date of Lessor's Acceptance set forth above and ending at the expiry of the number of complete calendar months indicated under the heading "Term" in the Lease Details.

4. **Acceptance:** Upon delivery and acceptance of the Equipment, Lessee shall forthwith execute and deliver to Lessor the Delivery and Acceptance Certificate unless Lessor, in its sole discretion, waives such execution and delivery by executing this Lease prior to the receipt of such certificate and after the delivery of the Equipment.

5. **Equipment Selection:** LESSEE HAS PERSONALLY SELECTED THE EQUIPMENT AND LESSOR HAS ACQUIRED THE EQUIPMENT AT LESSEE'S SPECIFIC REQUEST FOR THE PURPOSE OF LEASING IT HEREUNDER. LESSEE ACKNOWLEDGES THAT THE SUITABILITY OF THE EQUIPMENT AND ITS INSTALLATION AND DELIVERY IS LESSEE'S RESPONSIBILITY; THE FAILURE OF THE EQUIPMENT TO BE DELIVERED AND INSTALLED, TO OPERATE OR TO CONFORM TO LESSEE'S REQUIREMENTS SHALL NOT LESSEN LESSEE'S OBLIGATIONS HEREUNDER.

6. **Rentals:** Lessee shall, without notice from or request by Lessor, pay to Lessor during the Term of this lease the total number of Rental Payments set forth in the Lease Details. Such Rental Payment shall be payable in advance to Lessor at the address indicated above (or other address notified by Lessor to Lessee) as follows: first Rental Payment upon Lessee's execution hereof and, commencing after the calendar period covered by such first Rental Payment subsequent Rental Payments throughout the Term on: (A) in the case of monthly payments, the first day or the fifteenth day of each month, whichever day is closer to the date the Lease commences, or (B) in the case of payments based on any other calendar period, on the first day of each such calendar period. Any amount paid by Lessee to Lessor prior to this Lease commencing which is in excess of such first Rental Payment shall be credited towards Lessee's final Rental Payment(s) in reverse order of occurrence, without interest. RENTAL PAYMENTS AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE ARE PAYABLE WITHOUT SET-OFF, COMPENSATION OR ABATEMENT AND IN NO EVENT SHALL THE FIRST RENTAL PAYMENT BE REFUNDED TO LESSEE.

7. **Adjustments:** The Rental Payment set forth above is based upon the purchase price for the Equipment and Lessor's cost of funds. If (but only if) an Estimated Purchase Price has been specified in a Financing Terms Addendum attached hereto and the final invoice from Vendor specifies a purchase price (including taxes, delivery, installation and other charges) (the "**Purchase Price**") that is greater or less than the Estimated Purchase Price, Lessee authorizes Lessor to adjust the above Rental Payments to reflect the Purchase Price provided Lessee receives notice of such adjustment; however, if the Purchase Price exceeds the Estimated Purchase Price by more that 10%, Lessor will notify Lessee and obtain Lessee's prior written approval to such adjustment (such approval not to be unreasonably withheld) and the Lease will not commence until such approval is obtained. If (but only if) a Latest Start Date is specified in a Financing Terms Addendum attached hereto and Lease for any reason commences after such Latest Start Date, this Lease shall nevertheless be binding and Lessee authorizes Lessor in Lessor's sole discretion to adjust the above Rental Payments to reflect its cost of funds on the date this Lease commences and Lessor shall upon Lessee's request, provide Lessee with a copy of the completed description. If this Lease is signed by Lessee prior to Lessor having a complete description of the Equipment, Lessee hereby authorizes Lessor to complete such description provided Lessee receives notice of such description. Any adjustment to Rental Payments or completion of an Equipment description made pursuant to this Section shall be deemed to have effect from the date Lessee executes this Lease; if a Financing Terms Addendum is not executed and attached hereto, Lessor may not adjust the Net Rental Payments set forth above without Lessee's prior written consent.

8. **Interest on Overdue Payments;** Lessee shall without notice pay interest at the rate of Eighteen percent (18%) per annum calculated and compounded monthly and not in advance, on: (A) any past due Rental Payments (B) any amounts which bear interest according to this Lease and (C) any other amounts due to Lessor hereunder which are not paid on their due dates; in each case from the date any such amount becomes due or interest bearing, before and after maturity, default and judgment, until such arrears or other amounts are paid in full.

9. **Pre-Authorized Payments:** Lessee's Bank noted on the void cheque delivered by Lessee with this Lease is hereby authorized and directed to (A) debit Lessee's Account for all payments purporting to be drawn on Lessee for payment to Lessor which are presented for payment by Lessor or Lessor's agent, and (B) make all such payments to Lessor or Lessor's agent from Lessee's Account; such payments may be requested in the form of magnetic or computer-produced tape in which case such Bank is hereby authorized to treat them as signed by Lessee. Lessee agrees, in consideration of such Bank acting on this authorization, that such institution will not be liable for any loss or damage incurred as a result of honoring this authorization. If Lessee's Account is transferred to another branch, this authorization shall be directed to such other branch. Lessor is hereby irrevocably authorized to deliver a copy, details or further evidence of this authorization to such Bank, Lessee hereby appointing Lessor its lawful attorney for such purpose. Such authorization may only be used by Lessor in respect of payments arising under this Lease, including payments arising under any Transaction Schedule (defined in Section 38 of this Lease) to this Lease. Lessee has certain recourse rights if any debit from the Lessee's Account does not comply with the pre-authorized payment authorization granted by Lessee in this Lease. For example, Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Lessee in this Lease. To obtain more information on Lessee's recourse rights, Lessee may contact his/her/its financial institution or visit www.cdnpay.ca.

10. **Installation, Maintenance and Repair:** Lessee shall, at its expense, be responsible for: (A) the delivery, installation, de-installation and redelivery of the Equipment and (B) the maintenance, upkeep, care, servicing and repair (including necessary replacements of parts)("**Maintenance**") of the Equipment; in both cases by a party acceptable to Lessor. Lessee shall at its expense keep the Equipment in good repair, condition and working order. Lessee shall not without the prior written consent of Lessor make any alterations, additions or improvements to the Equipment. All such alterations, additions or improvements shall be at Lessee's expense and shall belong to, and become property of, Lessor immediately upon being made. On Lessor's request, Lessee shall enter into a Maintenance agreement respecting the Equipment with the manufacturer thereof or other Maintenance supplier acceptable to Lessor.

11. **Use:** Lessee shall use the Equipment in a careful and prudent manner and not for any unlawful purpose and shall at Lessee's expense comply with and conform to all applicable laws, ordinances and regulations (including laws, ordinances and regulations concerning environmental matters) relating to the possession, use or Maintenance of the Equipment. Lessee enters into this Lease for commercial or industrial purposes and not for any personal, family or household purposes or any farm, ranch or feedlot operation purposes and shall only use the Equipment in connection with its business or in the carrying on of an enterprise and only for commercial or industrial purposes.

12. **Loss and Damage:** Lessee shall, until this Lease is terminated and Lessee's obligations hereunder are discharged in full (including the return of the Equipment), bear the entire risk of loss, damage, destruction, theft, seizure or governmental taking of the Equipment or any part thereof (any such case being a "Loss"), regardless of whether it is caused by any default or neglect of Lessee. No Loss shall relieve Lessee of its obligations hereunder.

13. **Title and Identification:** The Equipment is and shall at all times be and remain the sole personal and moveable property of Lessor, shall not be affixed or attached to or otherwise become a fixture or accession to any lands, buildings or chattels and Lessee shall have no right, title or interest in or to the Equipment except as expressly set forth herein. Lessee shall not allow the Equipment to become subject to any claim, privilege, lien, charge, encumbrance, levy, security interest, mortgage, pledge, hypothecation, seizure, trust, attachment, judicial process, ownership interest, license, sublease or other right in favor of any person (in any such case an "Encumbrance") unless such Encumbrance is caused by Lessor. At Lessor's request, Lessee shall at Lessee's expense affix and maintain on the Equipment, in a manner and in places satisfactory to Lessor, labels, plates or other marks supplied by Lessor to identify the Equipment as the property of Lessor.

14. **Location and Inspection:** Lessee shall maintain the Equipment at the Equipment Location specified in the Lease Details and shall not move the Equipment from such location. Lessor shall have the right to inspect the Equipment and Lessee's Maintenance, Insurance and Tax records at any time.

15. **Net Lease:** ALL COSTS AND EXPENSES RELATING TO THE EQUIPMENT OR ITS USE, MAINTENANCE OR POSSESSION SHALL BE BORNE BY LESSEE, INCLUDING ALL TAXES AND ALL FEES, CHARGES, CLAIMS AND FINES INCURRED OR ARISING IN CONNECTION WITH THE REGISTRATION, LICENSING OR OPERATION OF THE EQUIPMENT. The Rental Payments and other amounts payable hereunder shall be absolutely net to Lessor, free of all expenses or outgoings of any kind or nature. If Lessee fails to perform any of its obligations hereunder, Lessor may do so on Lessee's behalf and shall be entitled to immediate reimbursement from Lessee together with interest from the date of expenditure by the Lessor until reimbursed by the Lessee; without prejudice to any other Lessor's rights or remedies, and Lessee appoints Lessor its lawful attorney for such purposes.

16. **Taxes:** Lessee shall pay all Taxes and file all returns in respect of Taxes immediately upon such Taxes or returns becoming due. "**Taxes**" includes all taxes, imposts, levies, fees, duties and charges now or hereafter imposed by any federal, provincial, municipal or other taxation authority on Lessee, the Equipment or the purchase, sale, ownership, delivery, possession, use, Maintenance, operation or lease of the Equipment or on Lessor in respect of any of the foregoing (including sales excise, use, property, business, transfer, goods and services and value added taxes and including penalties or interest based on late payment of taxes), but excluding taxes on or measured by Lessor's overall net income. Lessor shall be entitled to claim any applicable capital cost allowance, investment tax credit or similar benefit under applicable tax legislation from time to time pertaining to the Equipment and/or the Lease and Lessee shall not make any such claim in respect thereof.

17. **Insurance:** Lessee shall, at its own expense, place and maintain with insurers acceptable to Lessor: (a) comprehensive all risks insurance on the Equipment for its full replacement value, such insurance to include: (i) Lessor as additional insured, (ii) a loss payable clause in favor of Lessor as first payee, and (iii) a waiver of subrogation in favor of Lessor; and (b)general public liability and property damage insurance with limits of liability equal to at least $2,000,000 per occurrence (or such greater amount as Lessor may require from time to time), and such insurance shall: (i) extend to all liabilities of Lessee arising out of its use or possession of Equipment, (ii) include Lessor as additional ensured, and (iii) include a cross-liability provision which insures each person insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each.

All insurance policies shall contain endorsements providing that: (A) thirty days written notice shall be given to Lessor before a policy lapses or is materially altered or cancelled; (B) coverage shall be primary and not contributory; (C) Lessor's interest as additional insured shall not be invalidated or otherwise affected by any act or omission, deliberate, negligent or otherwise, of Lessee or its agents, servants or employees (such as a "standard mortgagee clause"); (D) Lessor shall not be responsible for payment of any premium; and (E) Lessor may elect to have all proceeds of Loss payable only to itself. Lessee shall, on request, supply Lessor with certified copies of all insurance policies or other evidence satisfactory to Lessor of satisfaction of these insurance covenants. In the event of damage amounting to actual or constructive total loss of the Equipment, Lessor shall be entitled to retain from all insurance proceeds an amount equal to the total amount payable to Lessor by Lessee hereunder as Liquidated Damages (as defined in Section 26(a) except that for purposes hereof, each reference in Section 26(a) to "date of Default" shall be replaced with "date of payment by Lessee to Lessor of insurance proceeds").

18. **Failure to Insure:** If Lessee fails to fulfil its insurance obligations hereunder, then, without prejudice to Lessor's other rights and remedies, Lessor shall have the right, but not the obligation, to procure insurance covering Lessor's interest (but not Lessee's interest) in the Equipment, in such form and amount and with such insurers (including an insurer affiliated with Lessor) as Lessor shall determine from time to time, all at Lessee's expense. Such expense (the "**Insurance Expense**") shall include the cost of acquiring such insurance and any charges or fees for services associated with the placement, maintenance or service of such insurance, plus interest accruing on such expense at the interest rate provided herein for overdue amounts from the time of payment by the Lessor until such expense is reimbursed by Lessee to Lessor. Lessee shall pay the Insurance Expense to Lessor in equal installments at the same time and in the same manner as the remaining Rental Payments. Lessee shall cooperate with Lessor's insurance agent in connection with the placement of such insurance and the processing of any claims. Nothing herein shall be deemed to obligate or entitle Lessor to act as an insurer hereunder or to arrange any insurance for the benefit of Lessee. Nothing herein shall require Lessor to secure, maintain in force or renew any insurance, in any amounts or upon any specific terms and conditions. Lessor reserves the right to terminate any insurance coverage which Lessor may arrange, or allow same to lapse, without incurring any liability to Lessee.

19. **Representations:** Lessee represents, warrants and covenants throughout the Term that: (A) if Lessee is a body corporate, it is and will continue to be validly incorporated (or otherwise established), organized and existing and in good standing; (B) it has all necessary power and authority to execute, deliver and perform this Lease, each such action (i) having been duly authorized by all necessary action of Lessee, (ii) not being in conflict with any applicable law, the constating documents, resolutions or by-laws of Lessee or any indenture, instrument, agreement or undertaking to which it is a party or by which it or any of its assets are or may become bound, and (iii) not resulting in the creation of any Encumbrance on the Equipment; (C) this Lease is and will continue to be the legal, valid and binding obligation of Lessee enforceable against it and effective against its creditors in accordance with its terms; (D) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal that could have a material adverse effect on Lessee; (E) financial statements and other related information furnished by Lessee to Lessor are prepared in accordance with generally accepted accounting principles and fairly present Lessee's financial position on their respective dates; and (F) to evidence the foregoing Lessee shall provide legal opinions, resolutions and such other documents as Lessor may reasonably request.

20. **Subleasing Etc.:** Lessee shall not sublet or part with possession or control of the Equipment or permit its use by any person other than Lessee or employees of Lessee who are qualified and competent to operate same. Neither this Lease nor Lessee's rights hereunder shall be assigned by Lessee except with Lessor's prior written consent and no assignment shall release Lessee from its obligations hereunder.

21. **Surrender:** At the end of the Term or any renewal thereof, if Lessee has not purchased the Equipment pursuant to Section 29, Lessee, at Lessee's expense, shall surrender control of the Equipment to Lessor and shall; (A) after giving Lessor thirty days prior written notice, return the Equipment to Lessor at Lessor's nearest office or other place specified by Lessor or (B) if requested by Lessor, dispose of the Equipment as Lessor reasonably directs, including disposition in a manner which will avoid any dangerous use thereof or damage or injury to any person or property therefrom. Whenever Lessee is required to return the Equipment to Lessor the Equipment shall be in good repair, condition and working order and Lessee shall pay all costs of Maintenance and restoration of Equipment returned to Lessor, necessary to restore it to its condition on the date this Lease commenced, normal wear and tear excepted. Lessee shall, if Lessor so requests, store the Equipment at Lessee's risk and expense and as Lessor's bailee for a period of up to 90 days after the end of the Term; Lessee shall not use the Equipment or pay Rental Payments for the Equipment during such period but shall otherwise be bound by all of the terms of this Lease during such period.

22. **Renewal:** If Lessee fails to surrender the Equipment at the end of the Term or any renewal thereof, or to purchase the same pursuant to Section 29, Lessee shall be deemed to have requested a renewal of this Lease for a period of three (3) calendar months and Lessor may, in its sole discretion: (A) demand the surrender of the Equipment in compliance with Section 21 and exercise its rights and remedies for such non-compliance or (B)accept Lessee's request to renew this Lease for a three (3) month period commencing on the end of the Term or the last renewal thereof. Such acceptance may be evidenced in writing signed by Lessor or by Lessor continuing to invoice Lessee, withdrawing Rental Payments pursuant to a pre-authorized payment plan or otherwise accepting Rental Payments in respect of such renewal period. Lessee shall continue to have all of its obligations under this Lease during any such renewal period, including the obligation to pay Lessor Rental Payments, as it had during the Term and all provisions of this Lease shall apply to any such renewal term.

23. **Entry:** If Lessee fails to surrender the Equipment to Lessor as required under this Lease, Lessor may, without notice to Lessee or resort to legal process, but subject to any applicable law, enter any premises where the Equipment is located and take possession of and remove or disable such Equipment.

24. **Indemnity:** Lessee hereby indemnifies Lessor and agrees to save Lessor harmless from and against all loss, costs, liabilities, claims, legal proceedings and expenses (including legal fees and costs) whatsoever arising in connection with this Lease, the Purchase Documents, any License, the Equipment, the manufacture, selection, purchase, ownership, delivery, possession, use, Maintenance, operation, Loss or return of the Equipment, Taxes, the recovery of claims under any insurance policy relating to the Equipment, any use or operation of Equipment which infringes any patent or other industrial or intellectual property right of any person, any Default by Lessee, the exercise by Lessor of any rights or remedies hereunder or any entry or taking of possession, removal or disabling of Equipment pursuant to Section 23.

25. **Defaults:** Each of the following is a default by Lessee (a "**Default**"): (a) Lessee fails to make any Rental Payment or pay any other amounts due under this Lease within 3 days after the same is due and payable; or (b) Lessee fails to perform, observe or comply with any other obligation, term or condition on its part to be performed, observed or complied with hereunder; or (c) any event of default occurs under any other lease or

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contract between Lessor and Lessee or under any material agreement between Lessee and any other person; or (d) any representation or warranty made by Lessee to Lessor in or in connection with this Lease is incorrect; or (e) the Equipment or any part thereof is subjected to an Encumbrance not caused by Lessor, Lessee sells or attempts to sell or grant an Encumbrance on any part of the Equipment or the value of Lessor's interest in the Equipment is materially impaired due to Loss; or (f) Lessee makes any assignment for the benefit of its creditors, becomes insolvent, commits any act of bankruptcy, takes any action to wind-up or dissolve, ceases or threatens to cease to do business as a going concern, is subject to a change in control in fact or in law or seeks any arrangement or composition with its creditors; or (g) any proceeding in bankruptcy, receivership, winding-up, dissolution, liquidation or insolvency is commenced by or against Lessee or its property; or (h) Lessor in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance by Lessee under this Lease is or is about to be impaired or the Equipment is or is about to be placed in jeopardy; or (i) any guarantor of Lessee's obligations hereunder disputes its obligation under its guarantee or seeks to determine its obligations thereunder or to terminate its guarantee of Lessee's future obligations or becomes subject to any of the events in clauses (b), (c), (d), (f) or (g) of this Section.

26. Effect of Default; Damages: A loss to Lessor upon a Default is dependent in part upon the cost of the Equipment to Lessor, the Term and the minimum return expected by Lessor from the sale or re-lease of the Equipment at the end of the Term. Upon any Default and in addition to Lessor's other rights and remedies under this Lease and otherwise available at law or in equity: (a) Lessee shall pay forthwith (without notice) to Lessor as liquidated damages, and not as a penalty, an amount (the "Liquidated Damages") equal to the aggregate of: (i) unpaid Rental Payments and other amounts payable hereunder unpaid as of the date of the Default; (ii) the present value (calculated on the basis of an interest rate equal to the lower of (x) of three percent (3%) or (y) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the remaining Term, compounded monthly) of: (A) the remaining Rental Payments payable from the date of Default to the end of the Term or, if applicable, any renewal thereof, and (B) amounts otherwise payable under the Lease to the end of the Term, or, if applicable, any renewal thereof, and (C) the greater of the purchase price for the Equipment pursuant to any end of term Fair Market Value (as defined in Section 29 below) or fixed Option Price (as defined in Section 29 below) and the amount of any residual interest which Lessor may have in Equipment; (iii) any Enforcement Costs (as defined in sub-paragraph (e) below) incurred by Lessor; and (iv) interest thereon from the date of Default until payment in full; to the extent that the Liquidated Damages are deemed to include any Taxes which Lessor is required to remit to any taxation authority the Liquidated Damages shall be increased by the amount necessary to ensure that the net amount of the Liquidated Damages retained by Lessor after remitting all applicable Taxes will be equal to the amount calculated above; (b) upon Lessor's demand, Lessee at Lessee's expense shall forthwith surrender control of the Equipment to Lessor pursuant to Section 21 as though the Term had expired; (c) Lessor may, immediately and without notice to Lessee or resort to legal process take possession of and remove or disable the Equipment pursuant to Section 23 as though Lessee had failed to surrender such Equipment when required to do so; (d) the rights of Lessee hereunder in respect of the Equipment, including the right to use and possess the Equipment, shall cease and terminate absolutely without limiting Lessee's liability or obligations hereunder; and (e) Lessor may by notice in writing terminate this Lease or any other agreement Lessor may have with Lessee. All rights and remedies of Lessor, either under this Lease or at law or in equity or otherwise afforded to Lessor, are cumulative and not alternative. Lessor's costs and expenses incurred as a result of a Default ("Enforcement Costs") (including all costs and expenses in respect of collection, legal fees, repossession, repair of Equipment, enforcement of Lessor's rights or remedies, sale or re-lease costs or other realization costs) shall be paid by Lessee to Lessor forthwith upon demand, with interest accruing thereon from the date such costs and expenses were incurred until payment in full.

27. Sale on Default: Lessor may after a Default sell, re-lease or otherwise dispose of Equipment at public or private sale with or without notice to Lessee and upon such terms and in such manner as Lessor may determine. Lessee shall thereafter continue to be liable to Lessor for the amount of any deficiency between the proceeds to Lessor from such disposition and the Liquidated Damages. If at any time after a Default and prior to Lessor obtaining possession of the Equipment, Lessee pays to Lessor the Liquidated Damages and all applicable Taxes, title to the Equipment shall vest in Lessee on an "as is, where is" basis without any condition, representation or warranty of Lessor whatsoever except that Lessee acquires such interest free of Encumbrances caused by Lessor.

28. Effect of Waiver: No delay in exercising, or failure to exercise, any right or remedy accruing to Lessor under this Lease will impair or waive such right or remedy, nor will a waiver of any single Default be deemed a waiver of any other prior, subsequent or concurrent Default. Any waiver, permit, consent or approval on the part of Lessor in respect of this Lease must be in writing and shall have effect only to the extent specifically set forth in such writing.

29. Purchase Option: In this Section: (a) "Default" means any existing Default and any event or circumstance which, with the giving of notice or the lapse of time or both, would constitute a Default; (b) "Fair Market Value" means the delivered and installed, all-inclusive, purchase price for equipment in good repair in a sale between an arms length purchaser buying for its own use and a seller dealing in such equipment in the ordinary course of its business, as such purchase price is determined by Lessor acting reasonably; (c) "Option Price" means the amount set forth in the Lease Details as the fixed price for an early payment option or the fixed price for an end of term purchase option, as the case may be; and (d) "Option Date" means the last day of the month set forth in the Lease Details as the date for the exercise of an early payment option or the last day of the Term of the Lease in the case of an end of term purchase option, as the case may be. Provided no Default exists, any Purchase Option set forth in the Lease Details may be exercised by Lessee: (i) giving Lessor written notice sixty (60) days prior to the Option Date of its election to exercise such option; and (ii) paying Lessor the Option Price, plus Taxes, at least thirty (30) days before the Option Date. After the giving of such notice and the making of such payment, provided no Default exists on the Option Date, Lessee shall acquire Lessor's interest in the Equipment on the Option Date on an "as is, where is" basis without any condition, representation or warranty by Lessor of any kind whatsoever except that Lessee acquires such interest from Lessor free of Encumbrances caused by Lessor.

30. Lessee's Waiver: TO THE EXTENT NOT PROHIBITED BY LAW OR STATUTE, LESSEE HEREBY WAIVES THE BENEFIT OF ALL PROVISIONS OF ALL APPLICABLE CONDITIONAL SALES, REGULATORY, CREDIT AND OTHER STATUTES AND ALL REGULATIONS MADE THEREUNDER IN ANY APPLICABLE JURISDICTION WHICH WOULD IN ANY MANNER AFFECT, RESTRICT OR LIMIT THE RIGHTS AND REMEDIES OF LESSOR HEREUNDER, including, without limiting the generality of the foregoing, all of Lessee's rights, benefits and protections given or afforded by the provisions of The Limitation of Civil Rights Act of Saskatchewan, as amended. Lessee also waives and assigns to Lessor the right of any statutory exemption from execution or otherwise and further waives any right to demand security for cost in the event of litigation.

31. Lessor Warranties: Lessor warrants that on the date this Lease commences it is the owner of the Equipment, free and clear of any Encumbrance caused by Lessor, save for Lessee's rights hereunder. Except as otherwise explicitly set forth herein, but without affecting Lessor's warranties set forth in any other agreement (all of which Lessee acknowledges do not affect or form part of this Lease), Lessor makes no warranty or representation whatsoever as to the durability, quality or condition of the Equipment or its suitability for Lessee's purposes or as to any other matter whatsoever (including status of this Lease for tax or accounting classification purposes). No representation to Lessee as to the Equipment or any other matter by the Vendor or any supplier or manufacturer of the Equipment shall in any way affect Lessee's obligations under this Lease. At the request and expense of Lessee and while there is no Default, Lessor will (A) assign to Lessee for the Term any and all warranties, guarantees, service contracts, Licenses and representations given to Lessor by the Vendor or a manufacturer or supplier of the Equipment with respect to the Equipment ("Equipment Rights") which are assignable at law; and (B) assist Lessee in receiving the benefit of such Equipment Rights. If Lessor obtains possession or control of the Equipment or if there is a Default, Lessee shall be deemed to have immediately reassigned such Equipment Rights to Lessor without any further action. If Equipment is located in the Province of Quebec, Lessor hereby conveys to Lessee any warranty which the Vendor or a manufacturer or supplier of such Equipment gave to Lessor. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, CAUSED BY THE EQUIPMENT OR THE USE, MAINTENANCE OR POSSESSION THEREOF, BY THE INADEQUACY OF THE EQUIPMENT RIGHTS OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE OF THE EQUIPMENT OR FOR ANY LOSS OF BUSINESS OR DAMAGE WHATSOEVER AND HOWSOEVER CAUSED.

32. Assignment: This Lease and all rights, remedies and benefits of Lessor hereunder may be assigned by Lessor without notice to or the consent of Lessee and Lessee hereby accepts such assignments and waives signification of the act of assignment and the delivery of a copy of any assignment document. Upon such assignment: (A) the assignee (the "Assignee") shall be entitled to enforce the rights and remedies and to receive all benefits which would otherwise accrue to the original Lessor under this Lease; (B) the Assignee shall be deemed to be Lessor for the purpose of all such rights, remedies and benefits; (C) the Assignee shall have no obligation to Lessee to perform any of the obligations of the original Lessor hereunder or otherwise in respect of the Equipment, all of which are retained by the original Lessor; and (D) Lessee's rights hereunder as against the original Lessor shall be unaffected except as herein specifically provided. Lessee agrees not to assert against the Assignee any claim by way of abatement, defense, set-off, compensation, counterclaim or the like which Lessee may have against the original Lessor. Upon notice of an assignment Lessee shall unconditionally pay to such Assignee all Rental Payments and other amounts due hereunder and shall not assert any defense against such Assignee in any action for Rental Payments or other amounts due and payable hereunder, except the defence of payment to the Assignee. Lessor may assign to the Assignee the pre-authorized payment authorization granted by Lessee in this Lease provided that Lessor provides Lessee with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Rental Payments or other amounts due under this Lease from the Lessee's Account.

33. Credit Investigation: Subject to applicable legislation, Lessee hereby consents to Lessor conducting a credit investigation of Lessee and to Lessor making inquires with financial institutions or other persons in a business relationship with Lessee in connection therewith; Lessee hereby authorizes and directs such persons to answer Lessor's inquiries. Lessee agrees to furnish to Lessor: (A) a copy of its interim financial statements and other related information, as Lessor may request from time to time; and (B) its annual financial statements, audited if applicable, within ninety days of the end of each financial year.

34. Security Interests: To secure Lessee's performance of its obligations hereunder Lessee grants Lessor a continuing security interest in any interest Lessee has in the Equipment, in all proceeds thereof (including proceeds of insurance) and in any Rental Payments receivable on any sublease permitted by Lessor; Lessee agrees that Lessor has all rights of a secured party under any applicable personal property security legislation and at law and in equity. To the extent this Lease creates a security interest, such security interest is a purchase money security interest (as the terms "security interest" and "purchase money security interest" are used in the Personal Property Security Act (Ontario)) and shall be interpreted with similar effect under analogous legislation in force in any other relevant jurisdiction. In this Lease the term "security interest" includes a movable hypothec without delivery.

35. Fees: Lessor shall be entitled to charge Lessee such fees and other charges as it may establish from time to time for the administration of and ancillary matters to this Lease, including a fee of $25.00 for each security registration required in connection with this Lease and such fees for invoices as Lessor may from time to time establish.

36. Name Change, etc.: Lessee shall promptly notify Lessor in writing of: (A) any change in Lessee's name: (B) any transfer, authorized or unauthorized, by Lessee of any interest in or benefit from the Equipment; (C) any change, authorized or unauthorized, by Lessee in the location of any Equipment; and (D) any change in the location of Lessee's Head Office specified above.

37. Information: Lessee agrees that Lessor may provide copies of this Lease and/or information concerning Lessee and its obligations hereunder to any person.

38. Additional Equipment: Lessor and Lessee may from time to time agree to lease additional equipment pursuant to these Terms & Conditions and the above Lessee Information and Invoice Option and each such agreement shall be evidenced by a written schedule referencing this initial lease (a "Transaction Schedule"), signed by Lessee and Lessor and setting forth the particulars of such equipment lease transaction including the matters addressed by the above Lease Details and including any amendments to the Lessee Information or Terms and Conditions which are applicable to that transaction. The particulars of the initial transaction set forth in the above Lease Details shall not apply to subsequent transactions but the Terms and Conditions, Invoice Option and Lessee Information of this Lease are incorporated by reference into each Transaction Schedule and shall apply mutatis mutandis, to the transaction specified in such Transaction Schedule; such Lessee Information, Terms and Conditions, Invoice Option and each Transaction Schedule shall constitute a separate lease and the entire agreement with respect to that transaction, shall be deemed to be a "Lease" to which these Terms and Conditions refer and shall not terminate as a result of the termination or expiry of any other Lease made pursuant to these Terms and Conditions. The terms of any Transaction Schedule evidencing a specific transaction shall prevail over these Terms and Conditions and the above Lessee Information to the extent of any conflict or inconsistency but only in respect of that transaction.

39. Entire Agreement: This Lease (including (A) all details set forth above in the Lessee Information, Lease Details and Invoice Option and in these Terms & Conditions and (B) any schedule, addendum or amendment to this Lease which is in writing, references this Lease and is signed by Lessee and Lessor at any time) constitutes the entire agreement between Lessor and Lessee with respect to its subject matter.

40. Applicable Law: This Lease shall be construed according to the laws of the Province where the Equipment is located as set forth in the Lease Details.

41. Enurement: Subject to the terms hereof, this Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, permitted assigns and legal representatives.

42. Interpretation: Whenever the context of this Lease so requires, the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders. Time is of the essence of this Lease and each of its provisions. Headings are for convenience of reference only and do not affect the interpretation. Terms used in the Lessee Information or Lease Details have, when used in these Terms & Conditions, unless the context otherwise requires, the meaning ascribed thereto by such use. The word "including" means "including without limitation"

43. Notices: Any notice required or permitted to be given hereunder must be in writing and will conclusively be deemed to have been received by its recipient on the business day it is delivered or sent by facsimile transmission to a party at the address indicated on the first page hereof (or at such other address as such party specifies to the other party in writing) or, if sent by registered mail, provided there is no interruption in postal services, on the fifth business day after the day of mailing, addressed to such party at such address.

44. Severability: Any provision of this Lease prohibited by or unlawful or unenforceable under any applicable law shall, at the sole option of Lessor, be ineffective without invalidating the remaining provisions of this Lease; provided, however, that to the extent that the provisions of any such applicable law can be waived, they are hereby waived by Lessee.

45. Further Assurances: Lessee agrees to do all things and execute or obtain all documents as may be required by Lessor in order to give effect to or better evidence this Lease including the execution of financing statements or other documents to effect security registrations to protect Lessor's interests, any acknowledgements required by any Assignee and any waivers or subordinations from Lessee's landlords or creditors.

46. Language: The parties hereby acknowledge that they have required this contract, and all other agreements and notices required or permitted to be entered into or given pursuant hereto, to be drawn up in the English language only. Les parties reconnaissent avoir demandé que le présent contrat ainsi que toute autre entente ou avis requis ou permis à être conclu ou donné en vertu des dispositions du présent contrat, soient rédigés en langue anglaise seulement.

47. Survival: Notwithstanding any other sections hereof, all obligations of Lessee under sections 2,8,10,12,13,15,16,19,21,22,23,24,25,26,27,30,31,32,34 and 35 hereof and the rights and remedies of Lessor hereunder shall survive the termination of this Lease and the receipt of all Rental Payments and other amounts payable by Lessee hereunder.

48. Joint and Several Liability: If more than one person executed this Lease, their obligations hereunder shall be joint and several and, in the Province of Quebec, solidary without benefit of division or discussion.

49. Receipt of Copy, Etc.: Lessee acknowledges receipt of a true copy of this Lease and waives, to the extent permitted by applicable law, all rights to receive copies of financing statements, financing change statements, verification statements, confirmation statements or copies of other notices or filings made by Lessor at any time in connection with this Lease, any schedule thereto, any amendment thereof or any Transaction Schedule.

Initial ____

element

SCHEDULE "A" EQUIPMENT DESCRIPTION

161 Bay Street, Suite 4600, PO Box 621, Toronto, ON M5J 2S1 Phone: (416)-386-1067 Fax: (888)-772-8129

Attached to and forming part of Lease or Loan Agreement No. CCB9489A-012 dated May 28, 2015 between **CANADA NORTH CAMPS INC.** and **PAUL WILLIAM MCCRACKEN** and **SHAYNE LEWIS DION MCCRACKEN** as Lessee or Obligor and **ELEMENT FINANCIAL CORPORATION.**

EQUIPMENT DESCRIPTION

No.	New/Used	Year	Manufacturer	Model	Description	Serial Number
1	New	2014	Campcorp	Diner Exit/Ent	Skidded Camp Corp Structure	201401005SL
1	New	2014	Campcorp	Diner-Rec	Skidded Camp Corp Structure	201401006SL
1	New	2014	Campcorp	Diner	Skidded Camp Corp Structure	201401007SL
1	New	2014	Campcorp	Diner	Skidded Camp Corp Structure	201401008SL
1	New	2014	Campcorp	Diner	Skidded Camp Corp Structure	201401009SL
1	New	2014	Campcorp	Diner Exit/Ent	Skidded Camp Corp Structure	201401010SL

Lessee's Full Legal Name: CANADA NORTH CAMPS INC.	Lessee's Full Legal Name: PAUL WILLIAM MCCRACKEN	Lessee's Full Legal Name: SHAYNE LEWIS DION MCCRACKEN
Signature:	Signature:	Signature:
Name: Paul William McCracken	Name: Paul William McCracken	Name: Shayne Lewis Dion McCracken
Title: Director	Title: Individual	Title: Individual