IN THE MATTERS OF THE INSOLVENCIES OF CONCRETE EQUITIES INC. et. al

MINUTES OF THE SIXTH MEETING OF THE MANAGEMENT COMMITTEE

via conference call
on Monday, September 14, 2009 at
the hour of 4:30 p.m. in the afternoon

Attendance

Name	Company	Representing
Michelle Grant	Ernst & Young Inc.	Receiver
Sean Collins	McCarthy Tetrault LLP	Counsel to the Receiver
Steven Butt	Avenue Commercial	LP Investors
Dave Bulloch	Strategic Group	Applicants
Vincenzo De Palma	Concrete Equities Inc.	Applicants
Brian Newman		LP Investors
Barry Mills	Steering Committee for El Golfo Investors	LP Investors
Kevin Keyes	McCarthy Tetrault LLP	Counsel to the Receiver

Call to Order

Ms. Grant called the meeting to order at 4:35 p.m.

El Golfo Town Hall Presentation

The Receiver reviewed the draft presentation to the El Golfo Investors with the Management Committee.

The Receiver briefly discussed the background to the transactions including the role of Mr. Aguilera and Mr. Letourneau, the offering memorandums ("OM") that were issued by Concrete (the original OM for Lot 5 and the amended OM for Lot 1 and 2) and the Lots that were supposed to be purchased.

There was a brief discussion with respect to the preliminary accounting investigation to date roughly $24 million was raised. $9.5 USD million dollars was paid on deposits and fees on the five lots, the remaining $15 million went to inter company advances, $1MM to purchase the condo in Mexico, loan repayment to P3 (not sure where it falls as of now), $600k to Concrete Equity place for the 8th and 13th floors.

Mr. Butt asked about the P3 Loan. Mr. De Palma indicated that P3 holdings lent $5 million dollars for a property near the Calgary airport (Deerfoot Professional Centre). $5 million was advanced $2.5 million went towards the purchase of the Luna Marada property and the remainder of $2.5 million went to the Deerfoot Professional Centre. Mrs. Grant stated that more documentation is needed to properly categorize this loan repayment.

Mrs. Grant noted that Mr. Keyes is assisting with the due diligence process, in particular review of the documentation provided by Mr. Aguilera and Mr. Letourneau with respect to the transactions.

The Receiver has engaged legal counsel in Mexico who has done a preliminary review of title deeds and title insurance reports, to get a sense of where there may be holes in the documents. The Receiver had also engaged an appraiser to give a preliminary estimate of value.

Mr. Keyes noted that the appraiser's results were presented to Mr. Aguilera and Mr. Letourneau. Mr. Aguilera indicated that he thought that the appraiser was not qualified to appraise beachfront property. Mr. Keyes noted that the appraiser was hired based on the recommendation of Mexico City counsel. The appraiser is accredited in El Paso, Mexico. He looked over documentation and took photographs of the property. He qualified certain information such as an environmental assessment because the information was not available to him. No formal title registration in Mexico, so reliance is on seller's title and the prior owners, thus it is difficult to do a thorough appraisal in short period of time. The appraiser assed the land based on current fair market value, and summarized the land as sandy beachfront property.

Mr. Butt asked Mr. Keyes if the original contract for the five lots was purchased at arm's length. Mr. Keyes stated that on the surface it does not appear as though the transaction occurred between related parties; however, it is possible that because they were in negotiations on several lots in the area that they obtained bargain prices on certain lots.

Mr. Butt noted that the OM was not well worded; however, it clearly indicated that funds raised were for Lot 5. Mr. De Palma noted that the promotional materials etc. were misleading indicating that investors were purchasing Lot 5 even after the OM was amended to Lot 1 and 2.

Mr. Butt stated that he does not believe that investors will add more money to close on these lots given that Lot 1 & 2 were appraised at $2.7 million dollars, and $5 million dollars is still owed.

Mrs. Grant stated the options that the following options would be presented to investors at town hall meeting:

1) abandon lots and wait to recover inter company advances and other amounts;

2) pursue different combination of lots (ie. close on a portion of them); or
3) pursue all of the available lots

The consensus among the Management Committee was that they agreed with Mr. Butt in that Option#3 did not seem feasible because it would require an additional $16 million to be invested and then a total of $40 million would have been invested for land appraised at $6 million today.

Mr. Mills asked Mrs. Grant where the remaining funds were spent. Mrs. Grant reviewed the cash outflows on a high-level including the inter-company loans, the payment to P3, etc.

Mr. De Palma inquired if investors opt to take option #1 and abandon the properties, will they have the legal right to monies that are recovered from inter company transactions. Mrs. Grant clarified that investors do not have to pursue the lots in order to be eligible to recover money from inter company transactions.

Mr. Butt noted that despite having raised the $24 million to purchase Lot 5, even after switching to Lots 1 and 2 (which cost approximately $8 million dollars), they did not use the money raised to purchase them. Instead the money went to various other projects.

Mr. Butt inquired as to the status of Lots 3,4 and 7A. Mr. Keyes noted that the holding of the unpaid land purchase contracts are put in the hands of a Mexican company. The Mexican Company is owned 1% by Mr. Aguilera, then 99% by an Arizona limited partnership, which is then owned 50% by El Golfo Investment Corporation. Mr. Butt notes that regardless of the outcome, the investors only own 50% of the properties. Mrs. Grant clarified that there is an option to purchase another 30% from Mr. Aguilera, Mr. Letourneau and Corridor Pacific. The remaining 20% is owned by Mr. Humenuik and Mr. Aurora (if there are recoveries from these individuals then that additional 20% would go to investors).

Mrs. Grant read an unsolicited email received from Mr. Letourneau yesterday he wanted to inform the Receiver that there is a large group that in the past several months has met with Mr. Letourneau and Mr. Aguilera to discuss developing the land. The group is ready to proceed on the basis of a joint venture agreement and would provide all the funds to develop infrastructure. The investors in this project would stand to obtain 20%, while the group would obtain 80% of the profits. There was a brief discussion with respect to this e-mail, it was decided that this was more selling on the part of Mr. Letourneau to move this deal forward.

Mrs. Grant asked the Management Committee to confirm their recommendation to the investors that they proceed with Option 1 – do not fund the Pre-Closing costs except for appraisal and some fees that have to be allocated and to instead rely on inter company amounts for potential recoveries. The vote was unanimous from the Management Committee to recommend Option 1.

There was a discussion with respect to the possibility of investigating Mr. Aguilera and Mr. Letourneau.

The Management Committee also discussed where the original appraisals came from for these Lots and whether the investors have recourse against the parties that provided the appraisals. Mr. De Palma indicated that his recollection based on his involvement in preparing sales materials that the original figure for the appraisal was based on a condominium called Villa Cortez, which was located near the land in question.

The Management Committee agreed to circulate a draft copy of presentation to Mr. Mills provided that he does not circulate to any other party.

Mr. Keyes suggested that it be communicated to the investors that even if there are recoveries there may be a risk of other claimants, including those from Arizona.

Mr. Butt inquired as to the ownership of Concor Pacific Inc. Mrs. Grant indicated that it is owned by Mr. Humeniuk, Mr. Aurora and Mr. Kielbach. Mr. Butt reviewed the inter company transactions and indicated that based on the nature of items that the potential recovery may be minimal. The Management Committee agreed with this point, and noted that 50% is optimistic and that potential recoveries of 20% may be more likely.

Mrs. Grant asked if there was anything else to be discussed at this meeting. The meeting was adjourned at 5:35 p.m.

Respectfully submitted,

Michelle Grant, Chairperson and Secretary

October 30, 2009
Date