Action No. 0901-11866
Affidavit of Cleone Couch
Sworn: September 2, 2009

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY

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

AND IN THE MATTER OF SHIRE INTERNATIONAL REAL ESTATE INVESTMENTS LTD., SHIRE CAPITAL LTD., HALAMA GARDENS LLC, SHIRE ASSET MANAGEMENT LTD., WINN RIVER RESORT LTD., FORT MCMONEY PROPERTIES II LTD., HALAMA GARDENS LTD., MAPLES AND WHITE SANDS INVESTMENT LTD., FORT MCMONEY PROPERTIES LTD., CHEMAINUS PROPERTIES LTD., SKAHA LAKE DEVELOPMENT LTD., TSEHUM HARBOUR LTD., BEARSPAW AT 144TH AVENUE LTD., BEARSPAW AT 144TH EQUITIES LTD., BEARSPAW AT 144TH BONDS INC., TSEHUM HARBOUR EQUITIES LTD., TSEHUM HARBOUR BONDS LTD. and ORILLIA INVESTMENTS LTD.

Applicants

AFFIDAVIT

I, Cleone Couch, of the City of Calgary, Businesswoman, MAKE OATH AND SAY:

1. I am the President and in most cases the Sole Director of the Applicants, Shire International Real Estate Investments Ltd. ("Shire"), Shire Capital Ltd., Shire Asset Management Ltd., Winn River Resort Ltd., Fort McMoney Properties II Ltd., Halama Gardens LLC, Halama Gardens Ltd., Maples and White Sands Investment Ltd., Fort McMoney Properties Ltd., Chemainus Properties Ltd., Skaha Lake Development Ltd., Tsehum Harbour Ltd., Bearspaw at 144th Avenue Ltd., Bearspaw at 144th Equities Ltd., Bearspaw at 144th Bonds Inc., Tsehum Harbour Equities Ltd., Tsehum Harbour Bonds Ltd. and Orillia Investments Ltd. (collectively, the "Applicants" or the "Shire Group"), and as such I have personal knowledge of the matters to which I depose in this Affidavit, except where such matters are stated to be based on information and belief, in which case I verily believe such information to be true.

2. This Affidavit supplements my Affidavit sworn August 7, 2009, which sets out much of the background information concerning events that occurred to that date. This Affidavit

addresses the activities undertaken by the Shire Group in the approximately three weeks since the Initial Order was granted.

Operations

3. At the application for the Initial Order, the Shire Group's counsel stated that progress would be required in at least six areas in order to demonstrate that this process should continue and is beneficial for the stakeholders. In a very short space of time Shire has made significant progress including accomplishing the following:

(a) **Office Relocation**

Shire has relocated from its downtown space to 6413B 35th Street S.E., Calgary, Alberta. Although this move was disruptive, Shire's phones, files, and operations are continuing as before at the new location, though four contract employees now work off-site dealing with investor concerns. The net savings in rent is approximately $15,491/month.

(b) **Stakeholder Communication**

Immediately following the Initial Order, Shire advised all bondholders and mortgage unitholders of the CCAA filing. Four contract employees deal almost full time with investor concerns and inquiries. Shire worked closely with the Monitor and its counsel in understanding the process and appropriately responding to investor inquiries.

I met with John Blair (counsel for the class action litigants), his client Jenn Lofgren, the Monitor and my counsel on August 21, 2009 to set out what has been done and to answer questions. John Blair has been invited, along with Eyelogic/Olympia Trust to nominate a person to sit on an Investors Committee. Interest has been expressed by both of these groups, but details of the Committee have yet to be determined. It is anticipated this will be accomplished in the next month.

In the longer term, it will likely be necessary to have meetings of stakeholders. I believe this will be most appropriate when we have definite proposals to put before those stakeholders, and may also be most appropriate to occur on a project by project basis.

(c) **Financial Statements**

In my earlier Affidavit, I indicated that although I had delivered all of the information to my accountant, I was having difficulty getting financial statements completed for 2007 and 2008. 2007 financial statements for the properties owned by the Shire group at that time have now been prepared and are appended to this Affidavit as Exhibit "A". I am hopeful that 2008 financial statements will be prepared and available for distribution before October 2, 2009.

(d) **Monitor Review of Accounting Records**

As detailed more fully in the Monitor's Report, Ernst & Young Inc. ("E&Y") has begun its review of the accounting records of the Shire Group. All accounting records in the possession of the Shire Group have been made available to E&Y, though I understand some are still being located. While I understand that preparing a report will take some time, I have and intend to continue to fully cooperate with the Monitor in this regard.

(e) **Legal Analysis of Properties**

Through the Shire Group's counsel, the legal picture on a number of properties has been reviewed and set out on paper. Each of the properties in which Shire invests has unique legal issues and attributes and a significant amount of work is involved in determining the issues with respect to each property. Summaries and binders with key documents with respect to the following properties are marked as exhibits to this Affidavit but not attached because of their size:

(i) Fort McMoney Properties II Ltd. (Exhibit "B");

(ii) Maples & White Sands Ltd. (Exhibit "C");

(iii) Skaha Lake Developments Ltd. (Exhibit "D");

(iv) OK Falls RV Park (Exhibit "E");

(v) Marda Loop Lots (Exhibit "F");

(vi) Killarney Infills (Exhibit "G"); and

(vii) Marquis Ranche Lot (Exhibit "H").

I note that these documents are prepared by my counsel and while I have been involved, I have not yet had an opportunity to review and comment on them.

All of the options to purchase property formerly held by Shire International Real Estate Investments Ltd., have formally lapsed, except the option to purchase waterfront property in La Cruz, Mexico. Efforts are being made to assess prospects regarding this property and the nearby Mexico office, which will be required if a Mexico project goes ahead.

As indicated in my prior Affidavit, the Killarney Infills, the Marda Loop Lots and the Marquis Ranche Lot have no value to the Shire Group as the mortgages exceed the fair market value. In the case of the Marda Loop Lots, myself, my husband, my daughter and her husband have also signed personal guarantees. While the Shire Group has a 50% interest in these properties, they are in the name of Williamson & Associates Inc., a company owned by my daughter and not part of these proceedings. Attempts are being made to sell these properties and the Shire Group is cooperating with the mortgage companies who are proceeding with enforcing their security.

The following properties remain to be assessed from a legal point of view:

(i) Chemainus Properties Ltd.;

(ii) Tsehum Harbour Ltd.;

(iii) Fort McMoney Properties Ltd.;

(iv) Halama Gardens LLC;

(v) Paradise Ridge;

(vi) Orillia Investments Ltd.;

(vii) Winn River Resort Ltd.;

(viii) Kincardine; and

(ix) 4828-4830 – 16 Avenue N.W., Calgary.

It is expected this review will be completed in the next couple of weeks.

(f) **Triage on Investments**

This subject is discussed more fully below.

Initial Analysis of Investments

4. I continue to believe that all of the real estate investments of the Shire Group are feasible and profitable under the right circumstances. However, I realize that for the benefit of investors and the sake of the Shire Group, a number of properties will need to be sold. Market conditions have changed for some since the money was raised and these properties were acquired. Some of the properties depend on the pre-sale of units for financing, and the market for such pre-sales has declined. Nevertheless, I believe that a number of the projects are still viable and expect that in the coming months a clear direction on these properties will emerge which is acceptable to all stakeholders.

5. As indicated earlier, a major challenge of the Shire Group is the volume of projects it has to deal with. The Shire Group has been working diligently to categorize the various projects into roughly three categories:

(a) Projects to sell;

(b) Projects ready for development upon financing; and

(c) Projects to hold for future development and sale.

These decisions must be made having regard to the expectations of the investors and secured creditors. Equally important are whether there are realistic economic prospects to actually follow through with initial plans. In the last three weeks, there have been discussions with construction partners, contractors, potential financers and others regarding the projects to try to better understand these issues.

6. Of the existing projects, Shire believes that two should be sold immediately: Fort McMoney Properties II Ltd. and OK Falls. The Fort McMoney property has been listed for sale for some time. The Shire Group yesterday received an offer for an amount in excess of the amount owing to the secured creditor, a copy of which, with the purchaser's name redacted, is marked as Exhibit "I" but not appended to this Affidavit. Shire hopes to conclude a transaction regarding this property in the next few weeks, subject to further Court approval.

7. The OK Falls property is owned by Shire Capital Ltd., a wholly owned subsidiary of Shire International Investments Ltd. It has no encumbrances except one to my counsel, which is subject to discharge, and as such any proceeds from its sale could be used to finance these proceedings.

Alberta Securities Commission ("ASC") Investigation

8. About two weeks ago, the ASC requested that the standard form Initial Order be clarified to explicitly provide that it was not affected by these proceedings. The Shire Group consented to an Order clarifying the Initial Order. I continue to fully cooperate with the ASC, but note that I expect at least 2-3 days of my time will be occupied with ASC matters in September, 2009.

Application by Investit Financial Inc. to Lift the Stay

9. The Bearspaw at 144th Avenue property was purchased by Shire for the sum of $14,100,000 in 2007. It has a mortgage to Investit Financial, the outstanding balance of which is $7,373,000. Approximately $18,000,000 of bondholders have invested in this property. This 118 acre property is located northwest of Calgary, and since its acquisition has been annexed by the City of Calgary.

10. This property was appraised for financing purposes on May 15, 2007 at $14,200,000. A copy of this appraisal is appended to this Affidavit as Exhibit "J". Shire received an updated indication of value effective May 15, 2009 which indicated a value range of $11,876,000 to $13,657,400, a copy of which is appended as Exhibit "K". In my opinion, there is significant value in this property in excess of the amount owing to Investit Financial which value would

accrue to bondholders. Shire has requested an updated appraisal. Upon receipt of this appraisal, I would propose to advise the bondholders of the options available and seek direction of the Court.

11. This property was a 4-5 year development project with bonds not maturing until December 31, 2012. In this regard, the area structure plan has been developed by the City of Calgary. A concept plan has been completed by Shire with proposed multi-family, single family, student housing and green space. We are now on a priority basis assessing options to finance the development and bring the mortgage current or repay it in full. In view of these facts, I do not think it to be appropriate that the stay be lifted regarding this mortgage at this time.

Cash Flow and Finances

12. The Applicants have remained within the cash flow statements filed in support of the Initial Order and until October 2, 2009. It is anticipated that the Applicants will remain within the cash flows that were filed in support of the Initial Order for the duration of the stay extension being sought.

13. I make this Affidavit in support of an application to extend the stay of proceedings, and for such further and other relief as set out in the Notice of Motion.

SWORN BEFORE ME at the City of Calgary, in the Province of Alberta, this 2nd day of September, 2009.

A COMMISSIONER FOR OATHS
in and for the Province of Alberta

KENNETH T. LENZ
BARRISTER AND SOLICITOR

CLEONE COUCH

THIS IS EXHIBIT "A"
referred to in the Affidavit of
Cleone Couch
Sworn before me this 2nd
day of September 2009

KENNETH T. LENZ
BARRISTER AND SOLICITOR

SHIRE INTERNATIONAL REAL ESTATE INVESTMENTS LTD.

Financial Statements

Year Ended April 30, 2007

(Unaudited - See Notice To Reader)

SHIRE INTERNATIONAL REAL ESTATE INVESTMENTS LTD.
Index to Financial Statements
Year Ended April 30, 2007
(Unaudited - See Notice To Reader)

DNTW

Chartered Accountants, LLP

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Shire International Real Estate Investments Ltd. as at April 30, 2007 and the statement of income and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Calgary, Alberta
August 21, 2009

DNTW CHARTERED ACCOUNTANTS, LLP

SHIRE INTERNATIONAL REAL ESTATE INVESTMENTS LTD.

Balance Sheet

April 30, 2007

(Unaudited - See Notice To Reader)

ASSETS		
CURRENT		
Cash	$	59,082
Goods and services tax recoverable		68,335
Deposits		40,000
		167,417
EQUIPMENT *(Note 1)*		109,387
GOODWILL		500,000
INVESTMENTS IN RELATED COMPANIES		1,500
DUE FROM RELATED PARTIES		2,053,014
PROPERTY HELD FOR DEVELOPMENT		1,212,500
	$	4,043,818
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
CURRENT		
Accounts payable	$	161,963
LONG TERM DEBT		1,159,636
DUE TO SHAREHOLDERS		347,560
NOTES PAYABLE		2,534,793
		4,203,952
SHAREHOLDERS' DEFICIENCY		
Share capital *(Note 2)*		100
Deficit		(160,234)
		(160,134)
	$	4,043,818

ON BEHALF OF THE BOARD

______________________________ *Director*

______________________________ *Director*

The accompanying notes are an integral part of these financial statements.

SHIRE INTERNATIONAL REAL ESTATE INVESTMENTS LTD.

Statement of Income and Deficit

Year Ended April 30, 2007

(Unaudited - See Notice To Reader)

SALES	$	476,000
COST OF SALES		420,000
GROSS PROFIT		56,000
EXPENSES		
Advertising and promotion		440,757
Amortization		26,138
Bank charges		171,243
Insurance		9,658
Interest on long term debt		187,763
Office		109,318
Commissions		1,084,132
Professional fees		32,515
Property taxes		10,646
Rental		191,201
Repairs and maintenance		350
Salaries and wages		37,844
Telephone		20,409
Travel		138,450
		2,460,424
LOSS FROM OPERATIONS		(2,404,424)
OTHER INCOME		
Interest		2,169
Recovery of expenses		2,711,007
		2,713,176
NET INCOME		308,752
DEFICIT - BEGINNING OF YEAR		(468,986)
DEFICIT - END OF YEAR	$	(160,234)

The accompanying notes are an integral part of these financial statements.

1. EQUIPMENT

	Cost	Accumulated amortization	**Net book value**
Equipment	$ 37,615	$ 7,523	**$ 30,092**
Motor vehicles	71,718	10,758	**60,960**
Computer equipment	26,192	7,857	**18,335**
	$ 135,525	$ 26,138	**$ 109,387**

2. SHARE CAPITAL

Authorized:
Unlimited Class A Common voting shares

Issued:		
1,000	Class A common shares	**$ 100**

CHEMAINUS PROPERTIES LTD.

Financial Statements

Year Ended April 30, 2007

(Unaudited - See Notice To Reader)

CHEMAINUS PROPERTIES LTD.
Index to Financial Statements
Year Ended April 30, 2007
(Unaudited - See Notice To Reader)

DNTW

Chartered Accountants, LLP

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Chemainus Properties Ltd. as at April 30, 2007 and the statement of loss and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Calgary, Alberta
August 18, 2009

DNTW Chartered Accountants, LLP

#700, 550 - 11th Ave. SW, Calgary, Alberta, Canada, T2R 1M7 PHONE: 403.777.2299 FAX: 403.262.3917 www.dntw.com

CHEMAINUS PROPERTIES LTD.
Balance Sheet
April 30, 2007
(Unaudited - See Notice To Reader)

		2007		2006
ASSETS				
CURRENT				
Cash	$	3,048	$	-
EQUIPMENT *(Note 1)*		900		-
DEFERRED FINANCING COSTS		214,414		16,906
DUE FROM RELATED PARTIES		822,765		-
PROPERTY UNDER DEVELOPMENT *(Note 2)*		1,337,717		150,000
	$	2,378,844	$	166,906
LIABILITIES AND SHAREHOLDERS' DEFICIENCY				
CURRENT				
Accounts payable and accrued liabilities	$	90,309	$	-
DUE TO RELATED PARTIES		-		166,906
BONDS PAYABLE *(Note 3)*		2,692,005		-
		2,782,314		166,906
SHAREHOLDERS' DEFICIENCY				
Share capital *(Note 4)*		3,695		-
Retained earnings (deficit)		(407,165)		-
		(403,470)		-
	$	2,378,844	$	166,906

ON BEHALF OF THE BOARD

____________________ *Director*

____________________ *Director*

The accompanying notes are an integral part of these financial statements.

CHEMAINUS PROPERTIES LTD.
Statement of Loss and Deficit
Year Ended April 30, 2007
(Unaudited - See Notice To Reader)

	2007	2006
SALES	$ -	$ -
EXPENSES		
Advertising and promotion	79,156	-
Amortization	100	-
Amortization of intangible assets	107,200	-
Interest and bank charges	374	-
Management fees	133,894	-
Office	19,203	-
Professional fees	2,305	-
Rental	34,090	-
Salaries and wages	6,796	-
Telephone	3,619	-
Travel	20,428	-
	407,165	-
NET LOSS BEING DEFICIT - END OF PERIOD	$ (407,165)	$ -

The accompanying notes are an integral part of these financial statements.

1. EQUIPMENT

	Cost	Accumulated amortization	**2007 Net book value**	2006 Net book value
Equipment	$ 1,000	$ 100	$ **900**	$ -

2. PROPERTY UNDER DEVELOPMENT

	2007	2006
Land costs	$ **804,216**	$ -
Development costs	**533,501**	-
	$ **1,337,717**	$ -

3. BONDS PAYABLE

	2007	2006
26,947 8% Bonds (Matures on April 30, 2009) Issued for cash	$ **2,692,005**	$ -

4. SHARE CAPITAL

Authorized:
Unlimited Class A Common voting shares
Unlimited Class B Common non-voting shares

		2007	2006
Issued:			
100,000	Class A	$ **1,000**	$ -
26,947	Class B	**2,695**	-
		$ **3,695**	$ -

FORT MCMONEY PROPERTIES LTD.

Financial Statements

Year Ended April 30, 2007

(Unaudited - See Notice To Reader)

FORT MCMONEY PROPERTIES LTD.
Index to Financial Statements
Year Ended April 30, 2007
(Unaudited - See Notice To Reader)

DNTW

Chartered Accountants, LLP

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Fort McMoney Properties Ltd. as at April 30, 2007 and the statement of loss and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Calgary, Alberta
August 19, 2009

DNTW Chartered Accountants, LLP

#700, 550 - 11th Ave. SW, Calgary, Alberta, Canada, T2R 1M7 PHONE: 403.777.2299 FAX: 403.262.3917 www.dntw.com

FORT MCMONEY PROPERTIES LTD.

Balance Sheet

April 30, 2007

(Unaudited - See Notice To Reader)

ASSETS		
CURRENT		
Cash	$	152
Deposit for land		700,000
		700,152
PROPERTY UNDER DEVELOPMENT *(Note 1)*		5,676,637
DEFERRED FINANCING COSTS		951,438
DUE FROM RELATED PARTIES		2,542,742
	$	9,870,969
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
CURRENT		
Accounts payable	$	421,183
Vendor mortgage payable		1,850,000
		2,271,183
MORTGAGES PAYABLE		727,500
BONDS PAYABLE *(Note 2)*		7,728,664
		10,727,347
SHAREHOLDERS' DEFICIENCY		
Share capital *(Note 3)*		8,736
Deficit		(865,114)
		(856,378)
	$	9,870,969

ON BEHALF OF THE BOARD

______________________________ *Director*

______________________________ *Director*

The accompanying notes are an integral part of these financial statements.

FORT MCMONEY PROPERTIES LTD.

Statement of Loss and Deficit

Year Ended April 30, 2007

(Unaudited - See Notice To Reader)

EXPENSES		
Advertising and promotion	$	227,253
Amortization of intangible assets		237,859
Bank charges		426
Management salaries		154,728
Office		54,720
Professional fees		3,000
Rental		97,871
Repairs and maintenance		706
Salaries and wages		19,512
Telephone		10,390
Travel		58,649
		865,114
NET LOSS		(865,114)
RETAINED EARNINGS - BEGINNING OF YEAR		-
DEFICIT - END OF YEAR	$	(865,114)

The accompanying notes are an integral part of these financial statements.

1. Property under development

Land cost	$	5,581,560
Development costs		95,077
	$	5,676,637

2. Bonds payable

77,364 Bonds	$	7,728,664

The bonds are issued at $99.90 each, carry interest at the rate of 8% per annum and mature on December 31, 2011.

3. SHARE CAPITAL

Authorized:

Unlimited	Class A Common voting shares		
Unlimited	Class B Common non-voting shares		

Issued:

100,000	Class A shares	$	1,000
77,364	Class B shares		7,736
		$	8,736

SKAHA LAKE DEVELOPMENT LTD.

Financial Statements

Period Ended April 30, 2007

(Unaudited - See Notice To Reader)

SKAHA LAKE DEVELOPMENT LTD.
Index to Financial Statements
Period Ended April 30, 2007
(Unaudited - See Notice To Reader)

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Skaha Lake Development Ltd. as at April 30, 2007 and the statement of loss and deficit for the period then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Calgary, Alberta
August 18, 2009

DNTW Chartered Accountants, LLP

#700, 550 - 11th Ave. SW, Calgary, Alberta, Canada, T2R 1M7 PHONE: 403.777.2299 FAX: 403.262.3917 www.dntw.com

SKAHA LAKE DEVELOPMENT LTD.
Balance Sheet
April 30, 2007
(Unaudited - See Notice To Reader)

ASSETS		
CURRENT		
Cash	$	151,266
PROPERTY UNDER DEVELOPMENT *(Note 1)*		3,464,452
DEFERRED FINANCING COSTS		113,612
	$	3,729,330
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
CURRENT		
Accounts payable	$	355,122
Vendor's mortgage loan		600,000
		955,122
BONDS PAYABLE *(Note 2)*		2,128,469
DUE TO RELATED PARTIES		941,123
		4,024,714
SHAREHOLDERS' DEFICIENCY		
Share capital *(Note 3)*		3,131
Deficit		(298,515)
		(295,384)
	$	3,729,330

ON BEHALF OF THE BOARD

____________________________ *Director*

____________________________ *Director*

The accompanying notes are an integral part of these financial statements.

SKAHA LAKE DEVELOPMENT LTD.

Statement of Loss and Deficit

Period Ended April 30, 2007

(Unaudited - See Notice To Reader)

SALES	$ -
EXPENSES	
Advertising and promotion	63,375
Amortization of intangible assets	113,611
Interest and bank charges	7,968
Management salaries	42,612
Office	15,009
Professional fees	4,599
Rental	26,954
Salaries and wages	5,374
Telephone	2,861
Travel	16,152
	298,515
NET LOSS BEING DEFICIT - END OF PERIOD	$ (298,515)

The accompanying notes are an integral part of these financial statements.

1. PROPERTY UNDER DEVELOPMENT

Land costs - Okanagan Falls	$ 3,084,995
Development costs	379,457
	$ 3,464,452

2. BONDS PAYABLE

21,306 8% Bonds (Matures on December 31, 2008)	$ 2,128,469

3. SHARE CAPITAL

Authorized:

Unlimited	Class A Common voting shares
Unlimited	Class B Common voting shares
Unlimited	Class C Common non-voting shares
Unlimited	Class D Common non-voting shares
Unlimited	Class E Common non-voting shares
Unlimited	Class F Common non-voting shares
Unlimited	Class G non-cumulative preferred shares
Unlimited	Class H non-cumulative preferred shares

Issued:

1,000	Class A shares	$ 1,000
21,306	Class B shares	2,131
		$ 3,131

HALAMA GARDENS LTD.

Financial Statements

Year Ended April 30, 2007

(Unaudited - See Notice To Reader)

DNTW

Chartered Accountants, LLP

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Halama Gardens Ltd. as at April 30, 2007 and the statement of loss and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Calgary, Alberta
July 30, 2009

DNTW Chartered Accountants, LLP

HALAMA GARDENS LTD.
Balance Sheet
April 30, 2007
(Unaudited - See Notice To Reader)

	2007	2006
ASSETS		
CURRENT		
Cash	$ 5,453	$ 928
Deposits for land	1,874,545	50,000
	1,879,998	50,928
DEFERRED DEVELOPMENT COSTS	198,084	-
DEFERRED FINANCING COSTS	263,788	14,231
DUE FROM RELATED PARTIES	-	466,874
	$ 2,341,870	$ 532,033
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
CURRENT		
Accounts payable	$ 124,084	$ -
DUE TO RELATED PARTIES	382,277	-
BONDS PAYABLE *(Note 1)*	2,110,466	536,591
	2,616,827	536,591
SHAREHOLDERS' DEFICIENCY		
Share capital *(Note 2)*	3,113	1,520
Deficit	(278,070)	(6,078)
	(274,957)	(4,558)
	$ 2,341,870	$ 532,033

ON BEHALF OF THE BOARD

____________________________ *Director*

____________________________ *Director*

The accompanying notes are an integral part of these financial statements.

HALAMA GARDENS LTD.
Statement of Loss and Deficit
Year Ended April 30, 2007
(Unaudited - See Notice To Reader)

	2007	2006
EXPENSES		
Advertising and promotion	$ 60,652	$ -
Amortization of financing costs	96,000	-
Bank charges	445	26
Management salaries	40,818	-
Office	14,484	52
Professional fees	8,671	-
Rental	25,819	-
Salaries and wages	5,147	-
Telephone	2,741	-
Travel	15,472	6,000
Utilities	1,743	-
	271,992	6,078
NET LOSS	(271,992)	(6,078)
RETAINED EARNINGS (DEFICIT) - BEGINNING OF YEAR	(6,078)	-
DEFICIT - END OF YEAR	$ (278,070)	$ (6,078)

The accompanying notes are an integral part of these financial statements.

HALAMA GARDENS LTD.
Notes to Financial Statements
Year Ended April 30, 2007
(Unaudited - See Notice To Reader)

1. BONDS PAYABLE

		2007		2006
21,126 8% Bonds (Matures on March 31, 2008)	$	**2,110,466**	$	536,591

2. SHARE CAPITAL

Authorized:
Unlimited Class A Common voting shares
Unlimited Class B Common non-voting shares

			2007		2006
Issued:					
1,000	Class A common shares	$	**1,000**	$	1,000
21,130	Class B common shares		**2,113**		520
		$	**3,113**	$	1,520

Stock options: Shire International Real Estate Investments Ltd., manager of the issuer is entiltled under a stock option agreement dated March 8, 2006 to purchase 25 Class B shares at $0.10 per share for each $25,000 raised through offering memorandum, in excess of the minimum offering, from treasury.

ORILLIA INVESTMENTS LTD.

Financial Statements

Year Ended April 30, 2007

(Unaudited - See Notice To Reader)

ORILLIA INVESTMENTS LTD.
Index to Financial Statements
Year Ended April 30, 2007
(Unaudited - See Notice To Reader)

DNTW
Chartered Accountants, LLP

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Orillia Investments Ltd. as at April 30, 2007 and the statement of loss and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Calgary, Alberta
July 31, 2008

DNTW Chartered Accountants, LLP

#700, 550 - 11th Ave. SW, Calgary, Alberta, Canada, T2R 1M7 PHONE: 403.777.2299 FAX: 403.262.3917 www.dntw.com

ORILLIA INVESTMENTS LTD.
Balance Sheet
April 30, 2007
(Unaudited - See Notice To Reader)

ASSETS		
PROPERTY UNDER DEVELOPMENT *(Note 1)*	$	5,540,972
DEFERRED FINANCING COSTS		46,395
	$	5,587,367
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
CURRENT		
Accounts payable and accrued liabilities	$	1,774,787
Note payable		1,400,000
		3,174,787
BONDS PAYABLE *(Note 2)*		401,698
DUE TO RELATED PARTIES		2,099,495
		5,675,980
SHAREHOLDERS' DEFICIENCY		
Share capital *(Note 3)*		1,402
Deficit		(90,015)
		(88,613)
	$	5,587,367

ON BEHALF OF THE BOARD

________________________ *Director*

________________________ *Director*

The accompanying notes are an integral part of these financial statements.

ORILLIA INVESTMENTS LTD.

Statement of Loss and Deficit

Year Ended April 30, 2007

(Unaudited - See Notice To Reader)

EXPENSES		
Advertising and promotion	$	40,226
Amortization of intangible assets		23,198
Management salaries		8,042
Office		2,833
Professional fees		6,027
Rental		5,087
Salaries and wages		1,014
Telephone		540
Travel		3,048
		90,015
NET LOSS BEING DEFICIT - END OF YEAR	$	(90,015)

The accompanying notes are an integral part of these financial statements.

1. PROPERTY UNDER DEVELOPMENT

Land costs	$	**5,458,996**
Development costs		**81,976**
	$	**5,540,972**

2. BONDS PAYABLE

4,021 8% Bonds (matures on April 30, 2009)	$	**401,698**

3. SHARE CAPITAL

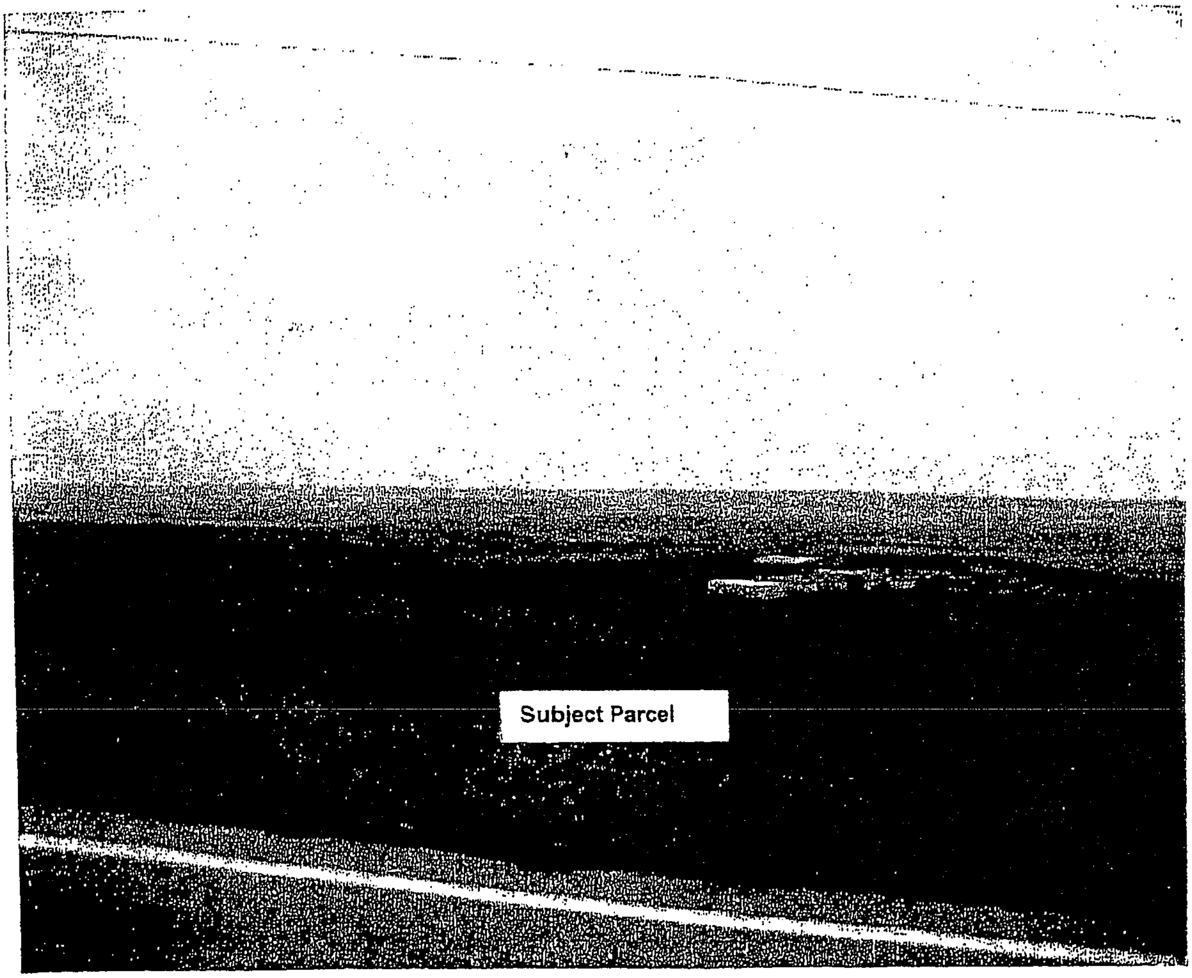
Authorized:

Unlimited	Class A Common voting shares		
Unlimited	Class B Common non-voting shares		

Issued:

100,000	Class A shares	$	**1,000**
4,021	Class B shares		**402**
		$	**1,402**

CURRENT APPRAISAL REPORT
118.76 ACRES OF LAND
W5M – 2 – 26 – 3SE
M.D. OF ROCKY VIEW, ALBERTA



Prepared For:

Shire International Real Estate Investments Ltd.
Suite 300, 808 - 4th Avenue SW
Calgary, Alberta T2P 3E8

Prepared By:

Wernick Omura Limited
#306, 901 Centre Street North
Calgary, Alberta T2E 2P6

THIS IS EXHIBIT "E J"
referred to in the Affidavit of
Cleone Couch
Sworn before me this 2nd
day of September 2009

KENNETH T. LENZ
BARRISTER AND SOLICITOR

WERNICK OMURA LIMITED
real estate advisory services

Market Research Valuation Consulting Property Tax Review

Shire International Real Estate Investments Ltd.
Suite 300, 808 - 4th Avenue SW
Calgary, Alberta
T2P 3E8

May 15th, 2007
File:2078

Attention: Celone Couch

Re: Appraisal of 118.76 acres, W5M - 2 – 26 – 3SE, MD Rocky View, Alberta

In accordance with your request, we have completed a current appraisal report on the above referenced property.

The purpose of the appraisal is to estimate the market value of the subject property as at May 2nd, 2007.

The intended use of this appraisal is to provide you with information for internal asset valuation purposes. Unauthorized use of the data, analyses, and conclusions presented in this report is strictly prohibited.

Based on an inspection of the property and the research and analyses undertaken, we have formed the opinion that as at May 2nd, 2007, subject to the Critical Assumptions and Limiting Conditions contained herein, the subject property has a Market Value of:

FOURTEEN MILLION TWO HUNDRED THOUSAND DOLLARS ($14,200,000)

This appraisal complies with the reporting requirements set forth in the Canadian Standards of Professional Appraisal Practice. The information contained in this report is specific to the needs of the client and for the stated intended use. Wernick Omura Limited is not responsible for unauthorized use of this report.

In addition to the above, requested was the probable value of the property as if located within Calgary. On this basis, we estimate the probable value at $17,200,000.

Respectfully submitted,
WERNICK OMURA LIMITED

T. Tony Omura, AACI, PApp.

Sanjit Singh, B.Comm

1.2 TABLE OF CONTENTS

1.3 EXECUTIVE SUMMARY

The subject is 118.76 acres of land located at the northwest corner of 144th Avenue NW and 69th Street NW, in the MD of Rocky View.

Address	:	M.D. of Rocky View, Alberta
Legal Description	:	W5M – 2 – 26 – 3SE
Ownership	:	1206354 Alberta Ltd.
Appraisal/Report Option	:	Current Appraisal Report
Purpose	:	Estimate market value
Property Rights	:	Fee simple estate
Effective Date	:	May 2nd, 2007
Intended Use	:	Financing purposes

PROPERTY DESCRIPTION

Site Description	:	±118.76 acres
Improvements	:	N/A
Assessments/Taxes (2006)	:	$123,678/$1,700
Land Use Classification	:	RF (Ranch & Farm) District
Highest and Best Use	:	Holding use for future urban development, after annexation

VALUATION

Sales Comparison Approach	:	**$14,200,000**

2.0 TERMS OF REFERENCE

2.1 Intended Use

The intended use of this appraisal is to assist Shire International Real Estate Investments Ltd. with information for internal valuation purposes. In the event another use is intended further analyses may be required. Unauthorized use of the data, analyses and conclusions presented in this report is strictly prohibited.

2.2 Purpose

The purpose of this appraisal is to estimate the current market value.

2.3 Property Rights

The property rights appraised in this report are that of a fee simple estate.

2.4 Effective Date

The effective date of this valuation is May 2nd, 2007.

2.5 Scope

The scope of this appraisal refers to the extent of the process of collecting, confirming, and reporting data and summarized following:

The terms of reference of this appraisal are to estimate the market value of the property. The land was inspected and photographed on May 2nd, 2007 by Sanjit Singh. Tony Omura inspected the property on May 6, 2007. The identification of the property included review of the current and historic certificates of title. Municipal assessment and tax information was not obtained for this analysis.

This current appraisal complies with the Standards of the Appraisal Institute of Canada. We are competent in this type of appraisal analysis and have appraised this type of property previously. We received our instruction from Celeone Couch, of Shire International Real Estate Investments Ltd.

Publications produced by the MD of Rocky View and the City of Calgary provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board, Land Titles Office transactions, real estate agent, vendors and purchasers active in the market.

We did not complete technical investigation such as: an environmental review of the property; a site survey; Investigation into the bearing qualities of the soils; or audits of financial and legal arrangements.

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable.

2.0 TERMS OF REFERENCE

2.6 Critical Assumptions

This is considered the primary critical assumptions. If you do not fully agree with and accept all of the Limiting Conditions and Assumptions contained in this report and all of the Critical Assumptions set forth below, do not use this report.

The appraiser's function is to provide a present market value indication for the subject properties based upon the appraiser's observations as to the subject properties and the real estate market. This appraisal report is an economic study to estimate value as defined herein. It is not an engineering, environmental, construction, legal, audit or architectural study nor a survey and expertise in these areas, among others, is not implied.

All sales data, including land sales, are analyzed and reported on a cash equivalent basis. Extraordinary or non-market terms of any sale have been considered, where found.

A variety of other assumptions are necessary in the valuation process, specifically; discount rates, overall capitalization rates, reversion and terminal rates and vacancies. These assumptions are made throughout the report where necessary and deemed appropriate. Only that information which has been verified by this office is considered; as a result, this report may NOT contain up to the minute offerings or transactions.

There may be mortgage financing registered against the title of the subject property. This analysis is for potential new financing, hence the existing financing, if applicable, is being set aside.

The value estimate herein relies on information provided. We assume this information, as provided, are correct and have relied on this data.

The assumption is made there are no pledges, charges, liens or special assessments outstanding or in the process of being registered against the property. It is assumed the subject property complies in all material aspects with any restrictive covenants, and has been built in compliance with all requirements of law, including all zoning, land classification, building, planning, fire and health regulations, and codes of all levels of government having jurisdiction with respect thereto.

The report assumes there are no encumbrances, easements, rights-of-way, building restrictions, work orders or other notices of violation of law outstanding, or pending legal action, suit, or any other requirement of law preventing occupancy or imposing any other adverse affect on the operation of the property, so as to affect value.

All capital contributions to the property, including utility installation costs, site servicing, construction or other costs, both direct and indirect, are all reflected in the value estimate.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos (see comments following), polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the

2.0 TERMS OF REFERENCE

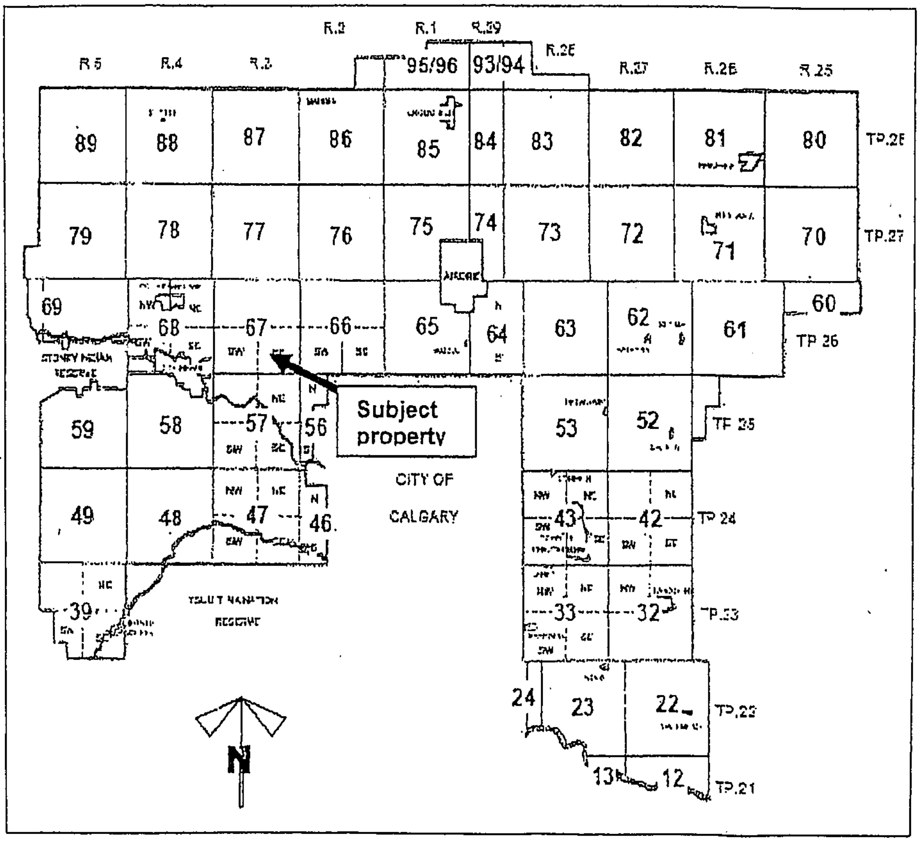
existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for such conditions, nor for any expertise or engineering knowledge required to discover them.

This report conforms to the standards and regulations of the Canadian Uniform Standards of as required by the Appraisal Institute of Canada.

3.0 THE PROPERTY

3.1 MD Rocky View No. 44

The MD of Rocky View surrounds the City of Calgary on its west, north and east sides. Rocky View is surrounded by the MD of Foothills to the south, Mountain View County and Kneehill County to the west & north respectively and Wheatland County to the east. Major centers within the boundaries of Rocky View include the City of Airdrie, the Towns of Cochrane, Beisker, Crossfield, Irricana and Chestermere. Other smaller centers such as Springbank, Bragg Creek, Langdon, Indus, Dalemead, Conrich, Kathryn, Keoma and Balzac are also under the Rocky View's jurisdiction.



The MD is 1,048.43 meters or 3,439.71 feet above sea level. Its area is approximately 403,428 hectares or 996,119 acres (approximately 42 townships). Major transportation corridors within the MD include Highway 1 (Trans Canada), which connects the country from coast to coast & Highway 2 (Queen Elizabeth) which connects Alberta north to south.

The MD of Rocky View has a diversified landscape with mostly open farm to the east and rolling tree-covered foothills at the west. It is primarily comprised of acreage development, light industrial & commercial development, with farming and tourism. There has been a rapid expansion of country residential development surrounding the major centers within the municipality. Development is occurring primarily in the East Balzac, Springbank, Bearspaw, Langdon and Chestermere areas. At this point, there is no country residential subdivision development in the area of the subject.

3.0 THE PROPERTY

Population

According to the 2001 census, the population of Rocky View was 30,668, according to Statistics Canada, it increased 31.6% from 1996-2001. Continuing economic growth experienced in Alberta, and in particular, Calgary, has affected the local economy and changed the growth rate and expansion of this county to a high growth situation.

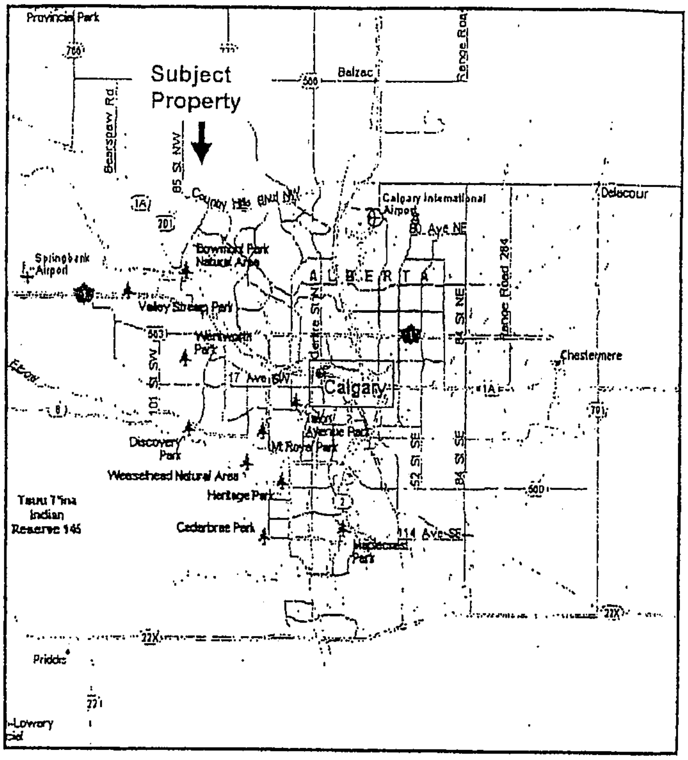
Economy

The main industries in the municipality include ranching, agricultural and natural resource processing as well as light manufacturing, tourism and aerospace industries. The Municipality hosts a broad range of oil and natural gas extraction, processing and distribution facilities. Agriculture in the M.D. is characterized by a mix of traditional grain and mixed farming to extensive cattle ranching closer to the foothills.

3.0 THE PROPERTY

3.1.1 Market Overview

The subject property is located adjacent to the City of Calgary as shown below. The property is located in an un-serviced area north of the community of Citadel, and Country Hills Boulevard NW.



More specifically, the subject is located in an area to be annexed into the northwest sector of Calgary. The city of Calgary is acquiring the lands as part a long term strategy, to substantiate its high population growth.

Calgary is rapidly expanding, with an average of 13,100 housing starts per year, for the last 5 years. Its short term population projections are 1,112,800 people in 2011, as seen below.

Table 2: Short-Term Population Projections 2007 - 2011

Year	Net Migration	Natural Increase	Population	Calgary Population
2006 (Actual)	25,794	9,587	35,681	991,759
2007	16,500	9,900	28,400	1,020,100
2008	13,800	10,100	23,900	1,044,100
2009	13,800	10,200	24,000	1,069,000
2010	12,300	10,200	22,500	1,090,600
2011	12,300	10,100	22,400	1,112,800
Total 2007-2011	70,700	50,500	121,200	

Source: City of Calgary, Civic Census, Planning Development & Assessment-Land Use Planning & Policy. Socio-Economic Outlook 2006-2016 Calgary and Region

Table 3: Calgary Housing Starts 2002 -2006

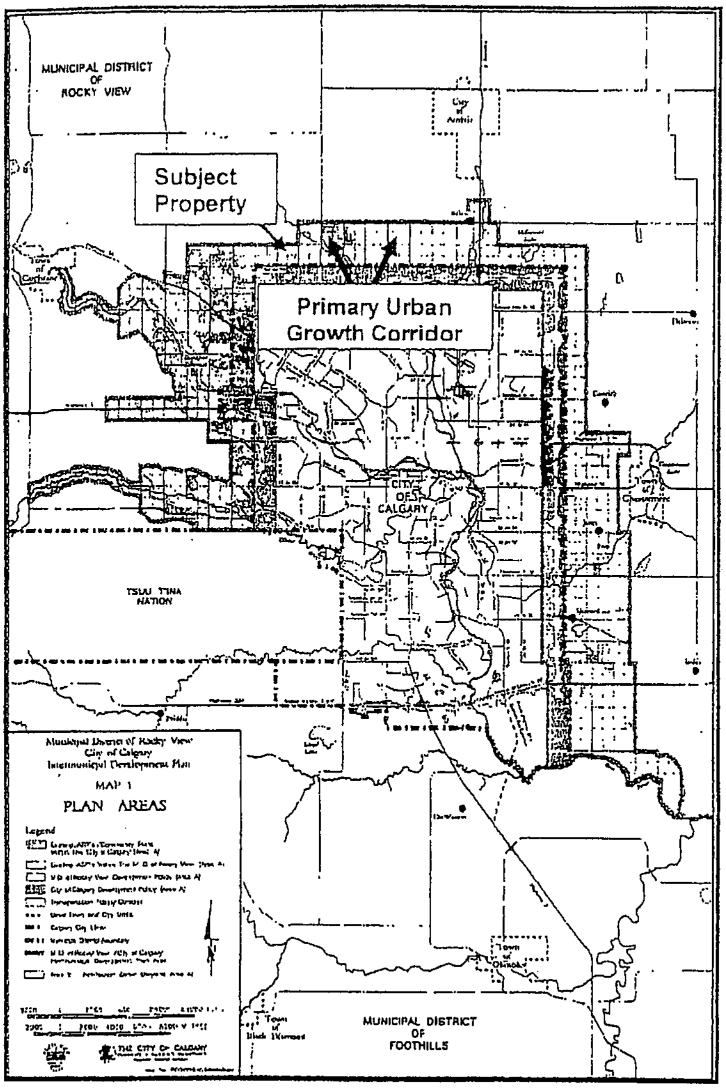
Year	Single Unit	Semi Detached	Row	Apartment	Total	Total Single & Semi	Total Multi-Unit	% Multi Unit
	Units	Units	Units	Units	Units	Units	Units	
2002	7,353	548	945	2,917	12,362	8,500	3,862	31%
2003	7,300	678	1,092	2,877	11,877	7,978	3,969	33%
2004	6,582	760	796	3,656	12,194	7,342	4,452	37%
2005	7,493	836	984	2,729	12,042	8,329	3,713	31%
2006	10,482	1,132	1,021	4,411	17,046	11,614	5,432	32%
Five Year Average	8,042	777	968	3,318	13,104	8,819	4,286	33%

Source: Canada Mortgage and Housing Corporation, Housing Now Reports

Multi Family includes Apartment and Townhouse Units

3.0 THE PROPERTY

3.1.1 Intermunicipal Development Plan



The subject property is located within the Calgary/MD of Rocky View Intermunicipal Development Plan. This plan address the future land use, development and other matters of intermunicipal concern affecting lands within the plan boundaries, as agreed to by the municipalities. This area is identified as a future primary urban growth corridor. In the feasibility study of the Calgary Transportation Plan, particularly, the Utility Corridor, it was determined that these areas provide the best opportunities for efficient and economical urban development; to the north of the current city limits.

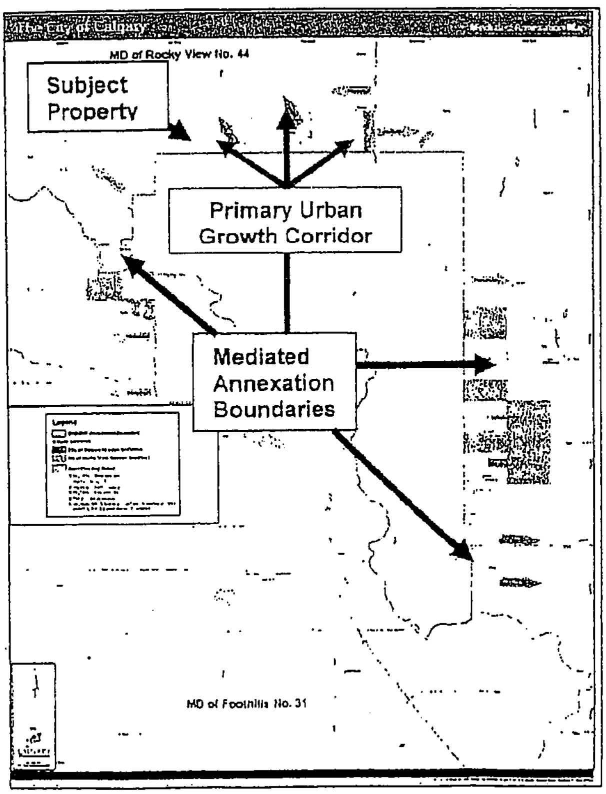
The subject parcel is located within the MD of Rocky View policy area as show in yellow on the map opposite. The area colored in purple is Symon Valley.

3.0 THE PROPERTY

3.1.2 Annexation

The subject property is located within an area that is to be annexed by the City of Calgary. The land annexation process included mediation between the municipalities that began in September 2006 and was approved June 2006 for public review. The annexation is in its final stages; the estimated date of transfer was January 2007; although according to Tim Creelman, Coordinator, with the Intermunicipal & Regional Planning Department in Calgary; a government decision is expected by the end of May. Essentially, the annexation will provide the City of Calgary with lands surrounding its borders, for future residential and commercial expansion. An estimated 25,000 acres of land is to be annexed over the course of the agreement.

- Approximately 14,000 acres in two groupings along the City's eastern boundary, south of Highway 1 and north of the Bow River.
- Approximately 9,000 acres along the City's northern boundary, west of Highway 2
- Approximately 2,000 acres along the City's western boundary lying north of the Bow River adjacent to the Bearspaw Reservoir and lying south of the Bow River straddling Highway 1



The annexation plans, propose residential expansion in the direction of the subject, as seen on the map, by the blue arrows. Calgary will secure an estimated 38 year land supply for residential housing in a variety of growth sectors and a 37 year supply in the southeast for commercial uses.

The northwest and most southeasterly portions of the city are planned for future residential growth. The annexed lands are to be re-designated UR (Urban Reserve), essentially to prevent these lands from premature subdivision. Existing residential communities, and industrial zones will be re-zoned DC to allow development.

Both municipalities have agreed to work under a joint venture, as set fourth in the Intermunicipal Development Plan, to coordinate and develop the lands in the coming years. More specifically, planning, maintenance, upgrades of the transportation infrastructure, water & waste management, subdivision & development in conjunction with the existing MD designations.

3.0 THE PROPERTY

3.2 Municipal Address

Northwest corner of 144th Avenue NW and 69th Street NW.

3.3 Legal Description

```
THE SOUTH EAST QUARTER OF SECTION THREE (3), IN TOWNSHIP TWENTY
SIX (26), RANGE TWO (2), WEST OF THE FIFTH MERIDIAN, CONTAINING
64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING:
PLAN            NUMBER    HECTARES    ACRES
ROAD            7911162   1.03        2.54
SUBDIVISION     9012020   15.7        38.7
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME
```

3.3.1 Property Ownership

```
1206354 ALBERTA LTD.
OF 51 PINNACLE RIDGE DR SW
CALGARY
ALBERTA T3Z 3N7
```

3.3.2 Encumbrances Liens and Interests

```
------------------------------------------------------------------------
                 ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION
 NUMBER     DATE (D/M/Y)         PARTICULARS
------------------------------------------------------------------------

------------------------------------------------------------------------
                 ENCUMBRANCES, LIENS & INTERESTS
                                                        PAGE 2
                                                        # 061 455 409
REGISTRATION
 NUMBER     DATE (D/M/Y)         PARTICULARS
------------------------------------------------------------------------
901 262 755   22/10/1990 CAVEAT
                         RE : ROADWAY
                         CAVEATOR - THE MUNICIPAL DISTRICT OF ROCKY VIEW NO.
                         44.
                         911 - 32ND AVENUE N E
                         CALGARY
                         ALBERTA T2M4L6

981 219 490   23/07/1998 UTILITY RIGHT OF WAY
                         GRANTEE - CANADIAN WESTERN NATURAL GAS COMPANY
                         LIMITED.
                         PORTION AS DESCRIBED

071 091 208   23/02/2007 CAVEAT
                         RE : MORTGAGE
                         CAVEATOR - ALAN CHU
                         C/O 1400, 350 - 7TH AVE SW
                         CALGARY
                         ALBERTA T2P3N9
                         AGENT - ANNETTE J M LAMBERT

TOTAL INSTRUMENTS: 003
```

3.0 THE PROPERTY

3.3.3 History of Property

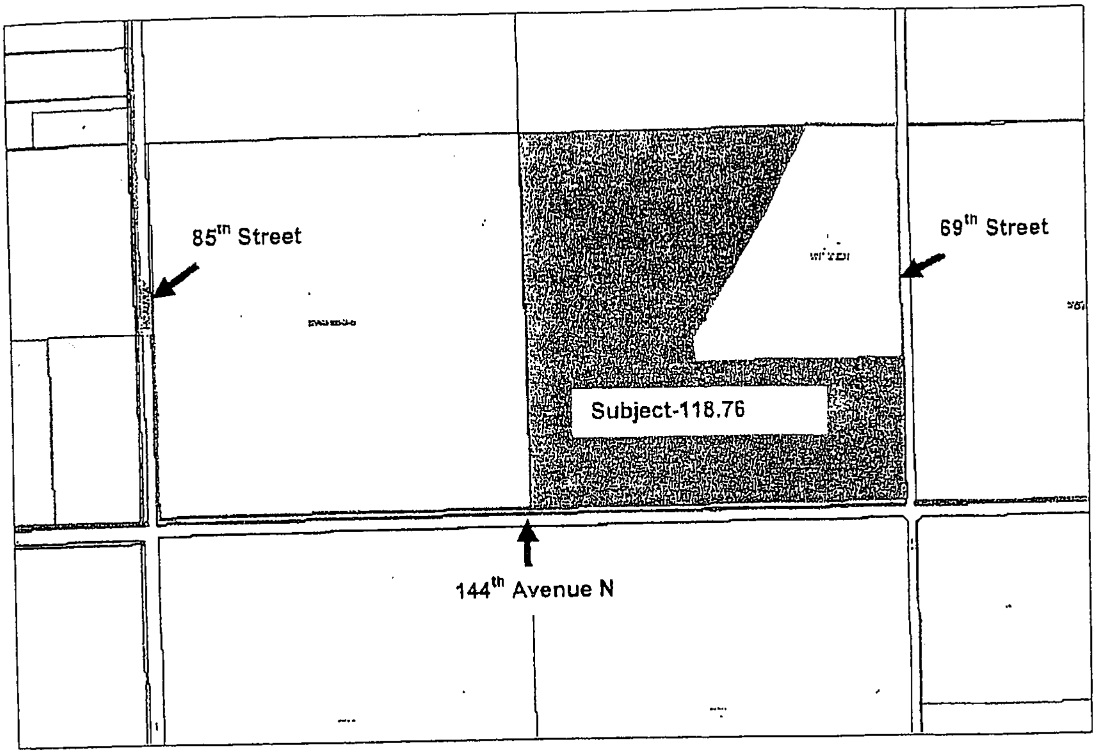
Uniform Standards of Professional Appraisal Practice require investigation and analysis of transactions involving the subject property within three years prior to the effective date of appraisal. The parcel has been registered in the name of 1206354 Alberta Ltd. since November 2006. The transfer of land was for a consideration amount of $2,850,000. Prior transfer was in 2000.

Shire International Real Estate Investments Ltd. reported that about three months ago, they negotiated the purchased of the property at $13,800,000. The transaction is to close next month.

3.0 THE PROPERTY

3.4 The Site

The subject comprises of 118.76 acres of potential development land located along 144th Avenue NW, at the northwest corner of 69th Street NW & 144th Avenue NW, in the M.D. of Rocky View, as shown on the map.



Shape, Dimensions and Area

The subject site is an irregular shaped parcel, comprising of 118.76 acres. The land is sloping downward, south to north.

Encumbrances

In review of the title, there is a private mortgage and roadway plan. There are no liens or encumbrances that materially affect the development potential of the subject parcel at this time.

Topography

The subject site slopes downward, south to north.

Availability of Utilities

The site is currently un-serviced, although, city utilities are located about 2 miles south of the subject.

3.0 THE PROPERTY

Street Improvements

The subject is located at the northwest corner of 144th Avenue NW & 69th Street NW, both roads are paved.

Unapparent Conditions

There are no known environmental reports, studies, or other investigations or soil surveys which may have been carried out on the property and which may have indicated the existence or possibility of contamination. There are no known environmental concerns or stigma (negative intangible value) attached to the area. In undertaking this assignment, it is assumed that no actual or potential contaminate uses have ever been carried out on the property. Furthermore, no investigation was carried out into the past or present uses of either the subject or of any adjacent properties to establish whether there is any potential for contamination from any uses on any sites adjacent to the subject and, therefore, it is assumed that none exist. Should it subsequently be established that contamination is, or has been present on, from, near or to the subject property, then this report and the market value conclusion could be altered significantly.

3.5 Assessment (2007) : $123,678

3.6 Property Taxes (2006): $1,700

3.7 Land Use : RF (Ranch & Farm) District
UR (Urban Reserve)
Conforms : Yes

The current land use designation is RF (Ranch & Farm), which indicates a variety of uses, primarily agricultural based. As mentioned above, after annexation, the intent is to re-zone these lands to UR (Urban reserve), to protect the lands from premature subdivision. See addenda for all uses, under each designation.

4.0 ANALYSIS AND CONCLUSION

4.1 Highest and best use

Highest and Best Use is defined as:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."

Source: AI, p.171

To estimate the highest and best use of the subject parcel four criteria are considered: legal permissibility, physical possibility, financial feasibility and maximum profitability.

Legal Permissibility

Legal permissibility refers to the possible uses of the subject site subject to legal restrictions. The legal restrictions that apply to the subject property include private and public restrictions. Private restrictions relate to leases, easements, rights-of-way and restrictive covenants may be registered against the subject property. Public restrictions relate to government constraints in the form of land use bylaws, building codes and environmental regulations. If private restrictions conflict with public restrictions, the most restrictive guidelines usually prevail.

With respect to private restrictions, the Certificate of Title indicates that there are 2 encumbrances. A roadway widening plan and a private mortgage. These do no materially affect the development potential of the subject parcel.

With respect to public restrictions, the current land use bylaw governing the subject property applies a RF land use designation. The intent of the RF designation is to provide for agricultural activities as the primary land use on a quarter section of land or on large balance lands from previous subdivision.

The subject parcel is located within the Calgary/MD of Rocky View Intermunicipal Development Plan as discussed previously. Specifically, it is in an area that will be annexed into the City of Calgary, in the near future. The city intends to re-designate these agricultural areas to UR (Urban Reserve), to protect lands from premature subdivision, until detailed planning is complete. The next step in the planning process is either commissioning a Regional or Area Structure Plan; which will provide a framework for future development of the annexed area. According to the city, the subject and surrounding land are projected for future residential uses.

Physical Possibility

An important constraint on the possible use of the property is dictated by the physical aspects of the site. The size and location of the parcel are important determinants of value. In general, the larger the site, the greater it's potential to achieve economies of scale and flexibility in development.

4.0 ANALYSIS AND CONCLUSION

The subject is ±118.76 acres in size, located in an undeveloped area of the M.D. of Rocky View and to be to be annexed into the City of Calgary. Thus, the subject site has potential for urban development, more specifically, residential uses.

Therefore, urban residential uses are physically possible for the site, after rezoning and utility servicing.

Financial Feasibility/

Financial feasibility refers to the legally permissible and physically possible uses of the subject site that will produce a positive net financial or economic return to the owner of the site.

There is no planning approvals or urban infrastructure on or near the subject site. Therefore the subject parcel is a holding property, until it is economically feasible for urban use.

Maximum Profitability

Maximum profitability refers to the economically feasible use which produces the greatest net return to the subject site or which would result in the highest property value. This use is estimated to be the highest and best use of the subject.

In conclusion, the highest and best use of the subject land is a holding use until such time that the land is approved by City of Calgary for development. The timing of development of the subject site is based a variety of economic factors, primarily population growth and demand for urban development.

4.0 ANALYSIS AND CONCLUSION

4.2 VALUATION PROCESS

The valuation process is the orderly program in which the data used to estimate the value of the subject property are acquired, classified, analyzed, and presented. The first step in the process is to define the appraisal problem, i.e., identify the real estate, the effective date of the value estimate, the property rights being appraised, and the type of value sought. Once this has been accomplished, the appraiser collects and analyzes the factors that affect the market value of the subject property. These factors are addressed in the area and neighborhood analysis, the site and improvement analysis, and the highest and best use analysis, and in the application of the approaches to value.

In estimating the value of a site, the appraiser may rely on one of four methods of valuation depending upon the type of site, use, and the available market evidence. These approaches include the Sales Comparison Approach, the Abstraction Approach, the Development Approach, and the Land Residual Approach.

The Sales Comparison Approach to the site valuation is the preferred approach to the value of a site because it reflects typical buyer and seller reactions in the market place. It requires the gathering, recording and comparing of similar land sales at times concurrent with the date of appraisal and under comparable conditions. Through a process of adjustment for differences between the comparable sale and the subject property, each comparable sale becomes a basis for indicating the value of the site being appraised.

The Abstraction Approach to site valuation involves a study of ratios between land and improvements. The abstraction method is applicable when no land sales exist. It should be considered as a rule of thumb method or a rough value guide which decreases in accuracy as the improvements depreciate.

The Development Approach to site valuation is used mainly for undeveloped tracts which are in line for development or urban use. It attempts to value undeveloped land by projecting a hypothetical or proposed subdivision onto the site. The gross sale price of all the lots is estimated and from this, the costs of development are deducted. The balance will be the value of the property to the owner, including his profits. The resulting figure is the value if there was no time lag in marketing the lots. This figure has to be discounted to represent this marketing problem. Final value estimate is really the price the developer would pay for the land, taking into consideration the development potential of the site.

The Land Residual Approach to site valuation is based on the productivity or income producing capacity of the site under the highest and best land utilization. Because of immobility, land has the last claim on income. In the land residual technique, the site is assumed improved to its highest and best use, and the net operating income attributable to the site is capitalized by the land capitalization rate into an indication of land value.

Consistent with the purpose and intended use of this report, the **Sales Comparison Approach** is considered in estimating the market value of the subject property as a fee simple estate.

4.0 ANALYSIS AND CONCLUSION

4.3 SALES COMPARISON APPROACH

Definition

The Sales Comparison Approach is defined as:

"A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments to the sale prices of the comparables based on the elements of comparison. The sales comparison approach my be used to value improved properties, vacant land, or being considered as though vacant; it is the most common and preferred method of land valuation when comparable sales data are available."

Source: AI, p. 318

In the Sales Comparison Approach, market value is estimated by comparing the subject property to similar properties that have been sold or for which offers to purchase have been made. A major premise of the Sales Comparison Approach is that the market value of a property is directly related to the prices of comparable, competitive properties.

The comparative analysis in the Sales Comparison Approach focuses on differences in the legal, physical, locational and economic characteristics of similar properties and the subject properties and on differences in the real property rights conveyed, the date of sale, the motivations of buyers and sellers, and the financing arrangements for each sales transaction, all or any of which can account for variations in prices.

A transaction price is always predicated on the real property interest conveyed. Many types of real estate, particularly income-producing property, are sold subject to existing leases. The revenue-generating potential of a property is often fixed or limited by the terms of existing leases. In the valuation process, adjustments must be made to reflect the difference between contract rent and market rent and how this difference affects property price.

Property prices are determined by the market. They result from negotiations between buyers and sellers; buyers constitute market demand and the properties offered for sale make up the supply. If the demand for a particular type of property is high, prices tend to increase; if demand is low, prices tend to decline. Shifts in the supply of improved properties frequently lag behind shifts in demand because supply is created by time-consuming construction, while demand can change rapidly. The analysis of real estate markets at a specific time may seem to focus on demand, but the supply of properties must also be considered.

The forces of supply and demand tend toward equilibrium, or balance, in the market, but absolute equilibrium, is almost never attained. The balance between supply and demand changes continually. Due to economic changes, shifts in purchasing power, investor perceptions and preferences, demand varies greatly over time. The construction of new buildings and the demolition of old ones cause supply to vary as well.

4.0 ANALYSIS AND CONCLUSION

As applied in the Sales Comparison Approach, the principle of substitution holds that the value of a property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability. This principle implies that the reliability of the Sales Comparison Approach is diminished if substitute properties are not available in the market.

After sales data has been gathered and verified, systematic analysis begins. Because like units must be compared, each sale price should be stated in terms of appropriate units of comparison, i.e. price per square foot, Gross Rent Multiplier.

To apply the Sales Comparison Approach, an appraiser follows a systematic procedure:

- Research the market to obtain information on sales transactions, listings and offerings to purchase properties similar to the subject property.
- Verify the information by confirming the data obtained are factually accurate and the transactions reflect arm's length market considerations.
- Select relevant units of comparison (e.g., price per square foot, or per front foot) and develop a comparative analysis for each unit.
- Compare the subject property and comparable sale properties using the elements of comparison and adjust the sale price of each comparable appropriately or eliminate the property as a comparable.
- Reconcile the various value indications produced from the analysis of comparables into a single value indication or range of values. An imprecise market may indicate a range of values.

4.3.1 ESTIMATE OF CURRENT MARKET VALUE

The subject comprises ±118.76 acres located within the M.D. of Rocky View and to be annexed into the City of Calgary. The comparable data, indicating prices ranging of $65,395 to $152,792 per acre, is presented following:

Land Sales Chart

No.	Location Legal Description W	R	T	S	¼	Sale Date Sale Price	Site Size (Acres)	Zoning	Sale Price Per Acre
1	MD of Rocky View					08/31/06	152	RF	$80,000
	5	1	26	5	SE	12,160,000			
2	MD of Rocky View					1/3/2007	140	RF	$75,524
	5	1	26	12	SW	$10,573,419			
3	MD of Rocky View					2/6/2007	151	RF	$115,166
	5	2	26	1	NE	$17,390,000			
4	MD of Rocky View					4/4/2007	159	RF	$75,653
	4	29	26	10	SE	$12,028,800			
5	MD of Rocky View					4/12/2007	152	RF	$65,395
	5	1	26	9	SE	$9,940,000			
6	Calgary					05/16/06	15.62	UR	$140,845
	3680 Sage Hill Drive NW					$2,200,000			
	Plan 7410194; Block 4;								
7	Calgary					8/18/2006	19.34	UR	$152,792
	9881 - 68 Street NE					$2,955,000			
	Plan 7410571; Block 1; Lot 1								
8	Calgary					1/27/2007			
	4	29	25	33	SE	$18,707,200	116.93	UR	$159,986
	4	29	25	34	SW	$12,560,000	80	UR	$157,000
	4	29	25	28	NE	$25,577,600	160	UR	$159,860
	4	29	25	27	NW	$25,611,200	160	UR	$160,070
9	Calgary					2/7/2007	54	UR	$149,417
	13630/13590 Centre Street NE					$8,068,500			
	Plan 8210460								
	5	1	25	34	SW				
	5	1	25	34	NW				
Subject	MD of Rocky View								
	5	2	26	3	SE		118.76	RF	

4.0 ANALYSIS AND CONCLUSION

Indices 1 to 5 represent sales of land located within the MD of Rocky View. Moreover, these comparables are located within the northwest annexation area. The sales indicate a value range from $65,395 per acre to $115,166 per acre.

Index 1 is an August 2006 sale of a 152 acre parcel at an indicated price of $80,000 per acre. This comparable is located east of the subject, along 144th Avenue NE. However, the date of sale was about nine months prior to the effective date of this appraisal. There has been a substantial increase in the value of real estate since that time.

Index 2 is a January 2007 sale of a 140 acre parcel at an indicated price of $75,524 per acre. This property is located at the most easterly boundary of the northwest annexation area, adjacent Highway 2. In our opinion, the subject parcel would be developed before Index 2. Therefore, a price higher than $75,524 is warranted for the subject parcel.

Index 3 is a February 2007 sale of a 151 acre parcel at an indicated price of $115,166 per acre. This comparable is located 1.5 miles east of the subject, along 144th Avenue NW. This sale included portions of the northeast & southeast parcels. This is the best comparable in terms of location, and it represents a relatively recent sales date. In our opinion; Index 3 could have similar development potential to the subject.

Index 4 is an April 2007 sale of a 159 acre parcel at an indicated price of $75,653 per acre. This parcel is located about a 2½ mile east of the subject property and east of Highway 2. The location is considered inferior to the subject.

Index 5 is an April 2007 transaction of a 152 acre parcel at an indicated price of $65,395 per acre. This parcel is located at the north boundary of the annexation area and as such, the timing for develop is perceive long than for the subject property.

In summary, of the five comparable properties analyzed above, Index 3 is considered most similar to the subject property.

Indices 6 to 9, inclusive, represent land sales located within the City of Calgary. These transactions indicate prices ranging from $140,845 to $160,000 per acre. Moreover, there has been a negotiated sale of 160 acres in the undeveloped northeast sector of the city at a price of $185,000 per acre – to close in July 2007. However, these comparables reflect transaction located within the boundaries of Calgary. The market value of the subject land would be lower than the price per acre indicated by Indices 6 to 9.

Conclusion

Based on the foregoing analysis we conclude that Index 3, adjusted for the time factor, is most indicative of the market value of the subject land, or say $120,000 per acre.

Therefore:	$120,000 per acre X 118.76 acres	=	$14,251,200
		(Rounded)	$14,200,000

4.0 ANALYSIS AND CONCLUSION

Based on an inspection of the subject site and the research and analyses undertaken, we have formed the opinion that as of May 2, 2007, subject to the Critical Assumptions and Limiting Conditions contained herein, the subject site has a Market Value of:

FOURTEEN MILLION TWO HUNDRED THOUSAND DOLLARS ($14,200,000)

4.4 Reasonable Exposure Time : six month

4.5 Probable Value

In addition to the above, requested was the probable value of the subject land, were it within the boundaries of the City of Calgary. In our opinion, Indices 6 to 9 are considered reasonable evidence of value. In our opinion, the probable value of the subject land, as if currently within the boundaries of Calgary, is $145,000 per acre, or say, ($140,000 X 118.76) **$17,200,000.**

5.0 CERTIFICATION

I certify that, to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct and have been verified where possible; the Appraiser(s) does not authorize the out of context quoting from or partial reprinting of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of media for public communication without the prior written consent of the Appraiser signing this appraisal report.

The reported analyses, opinions and conclusions are limited by the Critical Assumptions and the Limiting Conditions, all of which are identified within the report; such have been imposed by the terms of the assignment or by the undersigned;

I have no past, present or contemplated future interest in the property appraised; and neither the employment to prepare the appraisal nor the compensation for it, is contingent upon the appraised value of the property; I have no personal interest or bias with respect to the parties involved;

This report considers all factors affecting value and is to be read in its entirety, such has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice and subject to the requirements of the Codes of Ethics and Rules of Professional Conduct and Standards of Professional Practice of the Appraisal organizations of which the Appraiser is a member;

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives;

I Sanjit Singh have made personal inspections of the subject property. I have not made any personal inspection of the comparables.

No one other than Sanjit Singh provided significant professional assistance in the preparation of this report.

The Appraisal Institute of Canada has a Mandatory Recertification Program for designated members. As of the date of this report I have fulfilled the requirements of the program.

As of the date of this report, I am a licensed appraiser in the Province of Alberta.

The undersigned have formed an opinion of the market value of the subject property, as fee simple estate, subject to all Critical Assumptions and Limiting Conditions contained herein, as of May 2nd, 2007, in the amounts of:

FOURTEEN MILLION TWO HUNDRED THOUSAND DOLLARS ($14,200,000)

Respectfully submitted,

Sanjit Singh, B.Comm

T. Tony Omura, AACI

6.0 ADDENDA

This Addenda contains information which supports the data, reasoning and analyses that was used in the Appraisal Process to develop the opinion of value and to report this Current Appraisal Report.

6.1 ASSUMPTIONS AND LIMITING CONDITIONS

(Consisting of 17 items below plus others contained in the Statement of Critical Assumptions)

1. **Information Used, Trade Secrets**

Appraiser(s) shall not be responsible for the accuracy of any information used in the Appraisal, which was obtained from the client or any other source, subject to the due diligence provision of the Uniform Standards of Professional Appraisal Practice. The Appraiser(s) shall not be liable for any information or work obtained from any subcontractor. It is strongly suggested that the client consider independent verification of all factual data as a prerequisite to any transaction involving the purchase, sale, lease, or other decision involving a significant commitment of funds affecting the subject property.

This appraisal report is copyrighted by Wernick Omura Limited, as such, any part thereof is not to be copied or reproduced in any way without the permission of the appraiser. Certain parts of this report supplied by others or alluded to herein may be copyrighted by others, as a result, the appraiser has no authority to permit further reproduction thereof as such further reproduction must have prior approval of the originator. The appraiser herein has no authority to permit further duplication and any third party may be subject to the penalties of The Copyright Act for unauthorized re-publishing. All permits and royalties required for the reproduction of the works of others as contained herein have been obtained and/or paid for by the appraiser, and any reproduction of any part of this report for any purpose without permission of the appraiser is strictly prohibited.

2. **Authentic Copies, Changes, Modifications**

The authentic copies of this report will be bound in Wernick Omura Limited covers, signed in blue ink and have an embossed type seal. Any copy that does not have the above is unauthorized and may have been altered. After a diligent effort in following standard appraisal procedures, the Appraiser(s) reserve the right, at their sole discretion, at any time to alter statements, analysis, conclusions or any value estimate(s) in the appraisal if there become known to the Appraiser(s) facts pertinent to the appraisal process which were unknown to the appraiser when the report was finished.

3. **Limit of Liability, Use of Appraisal**

The liability of Appraiser and affiliated business entities, its officers, directors, shareholders or employees (hereinafter collectively referred to as "Appraiser(s)") is limited to the herein named client only and no liability shall extend to any third party, and the total amount of such liability shall in no event exceed the amount of the fee actually received by Appraiser(s). This report is for the sole and exclusive use of the client only. The sole function of the report is to assist the client by valuation of the subject property, no other use is intended. Client also acknowledges and agrees that some individuals working on the assignment, ie: Appraiser(s), may be working as Independent Contractors and client agrees not to hold Appraiser(s) liable for any acts of same.

Notwithstanding anything herein to the contrary, the client will forever indemnify and hold Appraiser(s) harmless from any claims by third parties related in any way to this appraisal. Third parties shall include, but not be limited to, limited and general partners of the client if the client is a partnership, stockholders of the client if the client is a corporation, and all lenders, tenants, past owners, successors, assigns, offerees, transferees and spouses of client. The Appraiser(s) shall not be held responsible for any costs incurred to investigate or correct any deficiencies of any type which may be present in the real estate and/or real property appraised herein. **Acceptance and/or use of this report by the client constitutes acceptance of all limiting conditions and assumptions set forth herein.**

4. **Copies, Publication, Distribution of the Report**

Possession of any copy of this report shall not authorize or empower the client or any third party with any publication rights or authorization to use the appraisal for anything other than its intended and stated purpose noted in agreement and/or in the report. The physical report(s) shall remain the property of the Appraiser(s) at all times and Appraiser(s) hereby grant to the client the permission to use the Appraisal report(s) solely for the purposes set forth herein. Client agrees that the payment of the fee for the appraisal is in exchange for the analytical services of Appraiser(s) and not for the purchase of the appraisal report. Neither all nor any part of this appraisal report shall be given, recited, published, copied, distributed, nor in any way communicated to third parties, **particularly other appraisers or appraisal firms**, in any manner, in whole or in part, without the prior written consent of the Appraiser(s).

5. **Confidentiality**

All conclusions and opinion concerning the analysis as set forth in the report prepared by the Appraiser(s) whose signature(s) appear on the appraisal report. No change of any item in the report shall be made by anyone other than the Appraiser(s). The Appraiser(s) shall not be held responsible for any unauthorized change or any consequences, which may arise from any unauthorized change. The Appraiser(s) may not divulge the material contents of the report to anyone other than the client or his designee as specified in writing, except as may be required by the professional association(s) of which the Appraiser(s) are members as may requested in confidence for ethics enforcement, or by a court of law, or any other body with the power of subpoena.

6. **Measurements, Exhibits**

The sketches, maps and photographs in the appraisal report are included solely for the purpose of assisting the reader in visualizing the property and are not necessarily to scale. The Appraiser(s) have made no survey of the property and site plans included in the report are not to be considered as surveys unless so designated. Any sketch or map in the appraisal report shows approximate dimensions and is included for general illustrative purposes only. It is the responsibility of a qualified engineer, architect, or registered land surveyor to show the exact location of the subject improvements thereon, existing or proposed, as well as the measurements and areas of land and improvements. In the absence of a survey, the Appraiser(s) may have used Tax Assessor's maps or records or other maps provided by the client which may or may not represent the exact measurements of the subject property or other comparable data relied upon in estimating the market value of the subject property. Any variation in land or building areas from those considered in the appraisal may alter the estimates of value contained in the report.

7. Legal, Title, and Market Value Premise

The Appraiser(s) have no responsibility for matters of any legal nature affecting the property being appraised or the title thereto; the Appraiser(s) assume title to be good and marketable, free of adverse influences unless noted in the appraisal. No Title Policy or report has been furnished to the Appraiser(s), unless so stated in the report. The property is being appraised as though it was under financially sound and responsible ownership with typical and competent management. The hypothetical sale referred to in the definition of market value assumes adequate marketing efforts and exposure time, normal for this type of property. The Appraiser(s) are not responsible for the accuracy of any legal description.

8. Engineering, Structural Matters; Hazardous or Toxic Material, Physical Conditions

The appraiser has inspected the land and the improvements; however, it is not possible to personally observe conditions beneath the soil surface, or hidden structurally, mechanical, or other components; appraiser shall not be held responsible for any defects in the property related thereto. The property appraised is as with no hidden or unapparent conditions, which would affect market value; this includes subsoil conditions, potential flood conditions, hydrological and/or structural conditions. The Appraiser(s) are not responsible for such conditions or those engineering efforts, which might be required to discover and/or correct such factors. The value estimate assumes there are no defective property conditions that would cause a loss of value. The land or the soil of the area being appraised is assumed to be firm and otherwise satisfactory for building use. Although soil subsidence and toxic materials influence in the area of the subject and its environs is unknown, the Appraiser(s) do not warrant against this condition or occurrence of problems arising from soil (or toxic atmospheric) conditions whether known to some or unknown.

Unless otherwise stated in the report, the existence of hazardous material or substance or gas, which may or may not be present within or on or near the property, has been disregarded in the appraisal. The Appraiser(s) are not qualified to detect such substances as asbestos, urea-formaldehyde foam insulation, radon gas, or other potentially hazardous materials and/or substances that may adversely affect the value of the property. The value estimate is predicated on the assumption that there is no such toxic material and/or condition affecting the property that would cause a loss in value. The Appraiser(s) are not responsible for any such conditions and/or the engineering expertise required to discover any such condition. The client is urged to retain an expert in this field, if desired. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment are assumed to in good working order unless otherwise stated. Appraiser(s) are not responsible for the adequacy or type of insulation, or energy efficiency of the improvements or equipment, which are assumed to be standard for the subject property type. Unless otherwise stated in the report, the Appraiser(s) have not been supplied with a termite inspection report or occupancy permit. Appraiser(s) shall not be held responsible for, nor shall Appraiser(s) be deemed to have made, any representations regarding any potential costs associated with obtaining same or for past or present, legal or physical, deficiencies which may be found. Client further agrees that the Appraiser(s) shall not be held responsible for any costs incurred or consequences arising from the need, or the lack of need, for flood hazard insurance.

9. Utilities

In the absence of qualified professional engineer's study, information regarding the existence of utilities is made from a visual inspection of the site and review of available public information. The Appraiser(s) have no responsibility for the actual availability of utilities, their capacity, or any other problem which might result from a condition involving utilities. Although public utility lines might be located adjacent the subject property, the capacity of these lines for any proposed development is not known. The respective companies, governmental agencies or entities should be contacted directly by concerned individuals. Unless otherwise stated in the report, utilities of all types are considered in the appraisal to be present in adequate quality and quantity for the intended use or highest and best use of the property.

10. Legality of Use, Management of Property

The appraisal is based on there being full compliance with all applicable federal, provincial and local environmental regulations and laws unless otherwise stated in the report; further that all applicable zoning, building, and land use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, provincial, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate. The Appraisal is prepared under the assumption that the property, which is the subject of this report, is maintained and managed pursuant to prudent and competent ownership and management.

11. Component Values, Special Studies

The distribution of the total valuation in this report between land and improvements applies only under the existing program of use. The separate valuations for land and building must not be used separately and are invalid if so used. No environmental or impact

6.1 ASSUMPTIONS AND LIMITING CONDITIONS

studies, special market study or analysis, highest and best use analysis study or feasibility study have been requested or made unless otherwise specified in an agreement for services or in the report.

12. Inclusions
Furnishings, equipment, personal property or business operations, which may sometimes be considered as a part of the real estate, have been disregarded, unless otherwise specified, and only the real estate is considered in the value estimate. In some limited circumstances, business and real estate interests and values may be combined depending on the specific situation and as determined by a written agreement, see appraisal report.

13. Proposed Improvements, Conditional Value

Improvements proposed, if any, on or off-site, as well as any repairs required will be assumed, for purposes of this appraisal, to be completed in a good and workmanlike manner according to information submitted by client for consideration by the Appraiser(s). In cases of proposed construction, the appraisal is subject to change upon inspection of the property by the appraiser after construction is completed. The estimate of market value is as of the date shown, as proposed, and as if completed and operating at the levels shown and projected, otherwise, where indicated and labeled in the appraisal report, a second date will be estimated indicating the likely date upon which the events should occur.

14. Value Change, Dynamic Market, Influences on Market Value, Alteration of Estimate and/or Analysis Herein by Appraiser

The estimated market value, as defined in the report, is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation, personal and general economic and supply/demand conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace. The market value estimated, and the costs used, is as of the date of the estimate of value. All dollar amounts are based on the purchasing power and the price of the dollar as of the date of the value estimate.

Client also agrees that the appraisal report and value estimate are subject to change if the physical or legal entity or any financing arrangements are different from that envisioned in this report or upon change in (or discovery of certain influencing) market conditions or property conditions as well.

In case of appraisals involving the capitalization of income benefits, the estimate of market value or investment value or value in use, the client hereby acknowledges and agrees that such estimates are intended to be a reflection of benefits which the Appraiser(s) have been directed to assume as given, as well as from Appraiser's interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of naturally dynamic. Client agrees that these types of appraisals are based on reasonable estimates and as such, Client will not hold Appraiser(s) responsible for any errors in the estimated values. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, colour or national origin of the present owners or occupants of the properties in the vicinity of the property, which is the subject of the appraisal.

15. After-Tax Analysis, Investment Analysis, and/or Valuation

Any "after" tax income or investment analysis and resultant measures of return on investment are intended to reflect only possible and general market considerations, whether as part of estimating value or estimating possible returns on investment at an assumed value or price paid; client acknowledges and agrees that the Appraiser(s) do not claim any expertise in tax matters and client agrees that they will not rely on any information prepared by Appraiser(s) which in any way relates to Income Tax matters.

16. **All information furnished by client and third parties** is logically presumed to be not only correct but <u>complete</u> either in entirety or summarized as presented and there are no other documents modifying the one or ones mentioned herein.

17. Conclusion

Acceptance of and/or use of, this appraisal report by anyone else (or any third party reader or user) constitutes acceptance of the above conditions and any other(s) shown in the report or on the following page. Such acceptance of, and use of, the appraisal also indicates acceptance of responsibility for payment of appraisal fee balance due and cost to appraiser to collect same. Appraiser liability extends only to stated client, not subsequent appraiser. These Limiting Conditions and Assumptions are in addition to any form type page(s) of similar nature in the appraisal report package; further, the reader is advised that certain comments in the report may point out other specific assumptions and/or limiting conditions pertaining to this appraisal even though an attempt has been made to summarize all limiting conditions and assumptions in these listed items; AND THE CLIENT OR DESIGNATED USER OF THE APPRAISAL REPORT SHOULD INSPECT THE PROPERTY AND CONFIRM FACTUAL INFORMATION BEFORE FINAL DECISIONS ARE MADE CONCERNING THE SUBJECT.

6.2 SCOPE OF THE REPORT

An appraisal is a supported estimate of market value; the appraisal process behind the report is a type of research study or project. Specifically, it is about the real estate market, its supply and demand balance, information processing, terms, pricing, and values. The objective of the appraisal being to estimate **market value** of the property appraised. The appraisal is a process of research and analysis; the appraisal report is the written summary of that physical and mental activity. Thus, it is important to note here, in various analysis sections of the report, in the Critical Assumptions, and in the Limiting Conditions and Assumptions of your Wernick Omura appraisal, the "Scope" or extent and nature of the research and analyses, and generally what has been done in the appraisal process.

1. **Scope of, intended use of this appraisal analysis and report:**

This appraisal is intended for use only by persons, or firms, familiar with real estate and real property such as the subject and familiar with appraisal terminology, methodology and reporting; this report is intended for use only by direct client (not third parties) unless expressly permitted otherwise.

2. **Scope of value estimated is limited to "market value," as defined herein:**

The appraisal is limited to estimating, not "determining," the market value of the real property, as defined herein, as of the date specified for the interest specified in this report. Be aware that market value is dynamic and changes over time because the market, the interaction of buyers and sellers for such property, is dynamic along with constantly changing supply and demand. Further, forecasts made in the appraisal, unless otherwise specified, exclude inflation and are in "real" (current) terms and relative amounts. Only Market Value as defined is estimated, not other types of value unless so indicated and defined in the report.

3. **Scope of specific data search:**

The geographic extent of the search for general real estate market information included the market area influencing the supply of and demand for real estate of the subject type. The extent of the search for market comparable properties considered or included market activity for properties which were judged to be in an appropriate comparable and/or competitive property type submarket. In some cases, properties market observations or activity are selected to bracket the property appraised.

4. **Scope of Appraiser responsibility:**

Comparable property research data sources included the following unless otherwise indicated in the report; Wernick Omura Limited. information files, computer records, and land ownership surveys; Calgary and District Real Estate Board's services, signs indicating comparable property for sale or leased or sold, and corresponding agent or broker, published advertising, and interviews. Information from others, including the client, is believed to be correct, but accuracy cannot be guaranteed; the verity of information from clients and others is trusted, unless we have specific reason for doubt, in which case further confirmation is usually attempted.

5. **Scope of physical inspection:**

The property appraised was inspected on the interior, where appropriate, and exterior. Inspection of the comparable properties cited in the report is limited to visual off-site inspection. Interior inspection of the comparable properties at the time of sale is seldom, if ever, possible. Size of subject improvements as measured by appraiser, or other source used if indicated in the report, are rounded as indicated. With no survey available to the appraiser, Land Titles' records as to property size are generally used for subject and comparables (rental and sale) unless reliable information is obtained from other sources such as buyer, seller, occupant, or broker. Sketches, diagrams, maps and plats may not be "to scale" and are for general illustration only.

6. **Scope of investigation or to marketability and such legal matters:**

The Appraiser has not examined the title of the subject (or comparables) and assumes marketability of title with no adverse influences (to value) such as encroachments, liens, or easements; the research has not involved consultation with legal expertise concerning these items. Please see the appraiser's Limiting Conditions and Assumptions in the report concerning lack of inspection of, or responsibility for, and condition of, such things as mechanical equipment, inspection of title (and its marketability or freedom from uncertainties) from a legal standpoint. Legal investigation of the title and marketability are not in the scope of the appraisal. No civil engineering report, or engineers professional soils report, or possible contamination report was used unless otherwise indicated in the report.

7. **Scope of appraisal techniques used:**

All possible appraisal techniques are considered but not necessarily used: only those believed most appropriate for this property type and market, per education programs and standards of the Appraisal Institutes have been considered with only the most pertinent used in the appraisal. The appraisal technique(s) is (are) intended to meet or exceed the standards, ethics, and the rules of the Appraisal Institute of Canada (AIC), the Appraisal Institute (AI), and the Uniform Standards of Professional Appraisal Practice (USPAP) as developed cooperatively by several North American professional appraisal organizations. Further, techniques used included consideration of any written appraisal guidelines furnished to the appraiser with request for this assignment.

6.2 SCOPE OF THE REPORT

8. Scope of study type:

The scope of the appraisal does not include a specific economic feasibility, market, or real estate supply/demand study of any type other than that of a conventional appraisal to estimate market value; in other words, the scope of this study and report does not include other special studies, such as market study, economic or legal or market feasibility study, or market analysis, or highest and best use analysis. Study of the subject and market may involve analysis of information similar to one or more of these as part of the appraisal process, but no "stand-alone" separate such study(ies) has(have) been made. Such studies may be available from your appraisers, if desired, at additional fee for time and costs involved.

9. Not within the scope of this appraisal or appraiser expertise:

Soils (stability, suitability for construction, and presence or absence of toxic materials), absence of appraiser civil engineering survey inspection as by surveyor or civil engineer; also note that there is no inspection by appraiser for toxic materials in or near subject site or structure, subject or comparable, or their respective environments; the appraiser is not particularly trained in inspection of mechanical, plumbing, or electrical equipment, insulation, or in detection of presence or absence of toxic materials, in the subject or influencing environment; or structural, legal, civil engineering, structural or construction material or construction technique matter. In addition see the Statement of Critical Assumptions, the Limiting Conditions and Assumptions and also any special points regarding this appraisal report.

All information in the report concerning what was revealed to the appraiser by inspection of the primary information; other data in the report may be considered primary in that it was generally originally collected by Omura staff, but "secondary" in that it may be from published or unpublished written sources. In some cases either primary or secondary verbal sources such as property listings, publication and newspaper articles, research articles, and/or other public and private sources may have been used. All information used is believed reasonably correct, but accuracy cannot be guaranteed. Analytical conclusions are those of only the appraiser(s) signing the report, however, other people may have assisted in the research and preparation of the report. Appraiser liability is limited, as noted in the Limiting Conditions and Assumptions, to the client only, not to third party users.

10. The term "Scope of the Appraisal" has been interpreted to mean the extent of the process of collecting, confirming, and reporting data.
Source: Appraisal Institute (AI) Standards Rule (USPAP) 2-2 (f)

6.3 CERTIFICATE OF TITLE

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0015 544 829	5;2;26;3;SE	061 455 409

LEGAL DESCRIPTION

THE SOUTH EAST QUARTER OF SECTION THREE (3), IN TOWNSHIP TWENTY SIX (26), RANGE TWO (2), WEST OF THE FIFTH MERIDIAN, CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS.

EXCEPTING:

PLAN	NUMBER	HECTARES	ACRES
ROAD	7911162	1.03	2.54
SUBDIVISION	9012020	15.7	38.7

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

ESTATE: FEE SIMPLE

MUNICIPALITY: MUNICIPAL DISTRICT OF ROCKY VIEW NO. 44

REFERENCE NUMBER: 001 135 912

REGISTERED OWNER(S)

REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
061 455 409	02/11/2006	TRANSFER OF LAND	$2,850,000	$2,850,000

OWNERS

1206354 ALBERTA LTD.
OF 51 PINNACLE RIDGE DR SW
CALGARY
ALBERTA T3Z 3N7

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS

6.3 CERTIFICATE OF TITLE

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
061 455 409

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
901 262 755	22/10/1990	CAVEAT RE : ROADWAY CAVEATOR - THE MUNICIPAL DISTRICT OF ROCKY VIEW NO. 44. 911 - 32ND AVENUE N E CALGARY ALBERTA T2M4L6
981 219 490	23/07/1998	UTILITY RIGHT OF WAY GRANTEE - CANADIAN WESTERN NATURAL GAS COMPANY LIMITED. PORTION AS DESCRIBED
071 091 208	23/02/2007	CAVEAT RE : MORTGAGE CAVEATOR - ALAN CHU C/O 1400, 350 - 7TH AVE SW CALGARY ALBERTA T2P3N9 AGENT - ANNETTE J M LAMBERT.

TOTAL INSTRUMENTS: 003

LAND USE DISTRICTS

SECTION 43.10 RANCH AND FARM DISTRICT (RF)

43.11 Purpose and Intent

The purpose and intent of this District is to provide for agricultural activities as the primary land use on a quarter section of land or on large balance lands from previous subdivision.

43.12 Uses, Permitted

Accessory buildings (not exceeding 500.0 sq. m (5,382.0 sq. ft.)
Agriculture, General
Dwelling, single detached, accessory to the agricultural uses
Home-Based Business, Type I
Private Swimming Pools

43.13 Uses, Discretionary

Accessory building greater than 500.0 sq. m (5,382,0 sq. ft.) building area
Agriculture, Intensive (up to the maximum allowed in Table 24.4)
Animal Health Care Services
Bed and Breakfast Home
Bee Keeping
Commercial Communications Facilities - Type "A", Type "B", Type "C"
Dwelling, mobile home for farm help
Dwelling, moved-in
Equestrian Centre I and Equestrian Centre II
Fish Farms
Home-Based Business, Type II
Horticulture Development where there is a surface supply of water
Keeping of livestock at densities no greater than two (2) livestock manure units per 1.6 ha (4.0 acres)
Kennels
Kennels, Hobby
Museums
Private Riding Arena
Public buildings, utilities, uses and services
Third or additional farm *dwellings* on parcels over 80 acres
Signs
Special Care Facility
Special Events Parking

43.14 General Regulations

The General Regulations apply as contained in Part 3 of this Land Use *By-law* as well as the following provisions:

43.15 Minimum Requirements

6.4 LAND USE DESIGNATION

LAND USE DISTRICTS

1. *Parcel* Size:
   64.7 hectares (160.0 acres) or the area in title at the time of passage of this *Bylaw*, or that portion of a *parcel* remaining after approval of a redesignation which facilitates a subdivision and after the subsequent registration of said subdivision reduces the area of the parent *parcel*.

2. *Yard, Front*:
   (a) 60.0 m (196.8 ft.) from any *road, municipal*
   (b) 60.0 m (196.8 ft.) from any *road, primary highway* or any *road, secondary or highway*

3. *Yard, Side*:
   (a) 60.0 m (196.8 ft.) from any - *road, municipal*
   (b) 60.0 m (196.8 ft.) from any *road, primary highway or any road, secondary or highway*
   (c) 15.0 m (49.2 ft.) all other

4. *Yard, Rear*:
   (a) 60.0 m (196.8 ft.) from any *road, primary highway or any road, secondary or highway*
   (b) 30.0 m (98.4 ft.) all other

43.16 Minimum Habitable floor area, excluding basement

(a) 92.0 sq. m (990.3 sq. ft.) single *storey dwelling*
(b) 92.0 sq. m (990.3 sq. ft.) split level *dwelling*, the total area of two finished levels
(c) 74.0 sq. m (796.6 sq. ft.) split entry or bi-level and the main floor; 18.0 sq. m (193.8 sq. ft.) finished lower level
(d) 92.0 sq. m (990.3 sq. ft.) combined *floor area*, two *storey dwelling*
(e) 92.0 sq. m (990.3 sq. ft.) main floor for *dwelling, moved-in*.

43.17 Exceptions to Ranch and Farm District (RF)

The following described properties held a designation of Agriculture (2) District or Agricultural (4) under the former Land Use *Bylaw* C-1725-84 and pursuant to that *Bylaw* the subdivision of one (1) *parcel* from the parent *parcel* was provided for, subject to conformity with all other mmicipal *Bylaws* and policies. Notwithstanding Section 43.5.1(a), this *Bylaw* therefore continues to provide for the subdivision of one (1) *parcel* or *lot* from the following described properties:

54. UR URBAN RESERVE DISTRICT

(1) PURPOSE

The purpose of this district is to protect land from premature subdivision and development.

(2) PERMITTED USES

Accessory buildings 14P83

Essential public services

Extensive agricultural uses

Home occupations - Class 1 8P83

Parks and playgrounds

Power Generation Facility, Small-scale 25P2001

Signs - Class 1 21P88

Single-detached dwellings

Utilities

(3) PERMITTED USE RULES

In addition to the General Rules for Special Districts contained in Section 48, the following rules shall apply:

(a) **Yards**

A minimum depth of 7.5 metres.

(b) **Site Area**

(i) A minimum site area of 32 hectares (80 acres) for extensive agricultural uses and single-detached dwellings.

(ii) Sites of less than 32 hectares (80 acres) in area registered at the time that such land is brought under the provisions of this Bylaw are deemed to be conforming in this district.

(c) **Landscaped Area**

For utilities and essential public services the following areas shall be landscaped:

(i) all minimum required front yards, and

(ii) all adjoining City boulevards.

(d) **Garbage Storage**

Garbage and waste material shall be stored in weatherproof and animal-proof containers in accordance with the Waste Bylaw and shall be visually screened from all adjacent sites and public thoroughfares.

(e) Right-of-Way Setbacks

See Section 17.

(e.1) Parking and Loading Regulations 11P94

See Section 18.

(f) Airport Vicinity Special Regulations

See Section 19.

(g) Floodway Floodplain Special Regulations

See Section 19.1. 5P85

(4) **DISCRETIONARY USES** 28P83

Double-wide mobile homes 12P82

Home occupations - Class 2 (N.P.) 9P93

Intensive agricultural uses

Power Generation Facility, Mid-scale 25P2001

Signs - Class 2 21P93

Single-wide mobile homes

Special function tents (commercial) 8P2003

Utility Building 25P2001

(5) **DISCRETIONARY USE RULES**

In addition to the General Rules for Special Districts contained in Section 48 and the Permitted Use Rules contained in Section 54(3), the following rules shall apply:

(a) Intensive agricultural uses shall be located so that, in the opinion of the Approving Authority, they will not conflict with existing land uses or future urban expansion, or cause undue deterioration to the environment.

(b) **Site Area**

Notwithstanding the minimum site area requirement contained in Section 54(3)(b)(i), the subdivision from an unsubdivided quarter section (64 hectares - 160 acres) of one site which contains less than 4 hectares (10 acres) but not less than 0.4 hectares (1 acre) may be allowed where the purpose of the subdivision is

(i) to provide a separate site for an existing dwelling and accessory buildings, and

(ii) to retain the balance of the quarter section as a single unsubdivided site for continuing agricultural purposes.

(c) Signs

See Appendix.

(6) CONDITIONS OF DEVELOPMENT

See Section 11. 11P99

(7) EXISTING USES IN THE UR URBAN RESERVE DISTRICT 8P81

Where

(a) a use was being carried on land that was designated UR Urban Reserve at the time of coming into force of this Bylaw, and

(b) the use was not listed as a permitted or a discretionary use in the UR Urban Reserve District,

that use on that land shall be deemed to be a discretionary use in the UR Urban Reserve District, but if that use is discontinued for a period of six consecutive months or more, any future use of the land shall conform with the uses specified in the UR Urban Reserve District.

6.5 DEFINITIONS

The following definitions are used in this report

Fee simple estate	: *Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat."*
Leasehold estate	: *"The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions."*
Leasehold Estate	: *"The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions."*
Market Value	: *"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:* *1.) buyer and seller are typically motivated;* *2.) both parties are well informed or well advised, and acting in what they consider their own best interests;* *3.) a reasonable time is allowed for exposure in the open market;* *4.) payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."*
Highest and Best Use	*"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility,* physical possibility, financial feasibility, and maximum profitability."
"As Vacant"	: *"Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the*

6.5 DEFINITIONS

assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements."

"As Improved" : *"The use that should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one."*

Sales Comparison Approach : *"A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments to the sale prices of the comparables based on the elements of comparison. The sales comparison approach my be used to value improved properties, vacant land, or being considered as though vacant; it is the most common and preferred method of land valuation when comparable sales data are available."*

Income Capitalization Approach: *"A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits, (cash flows and reversion), into property value. This conversion can be accomplished two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate."*

Discounted Cash Flow : *"The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams as well as the quantity and timing of the reversion and discounts each to its present value at a specified yield rate. DCF analysis can be applied with any yield capitalization technique and may be performed on either a lease-by-lease or aggregate basis."*

Reasonable Exposure Time : *"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a*

6.5 DEFINITIONS

sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market."

Source: USPAP

Bearspaw

WERNICK OMURA LIMITED
REAL ESTATE ADVISORY SERVICES

MARKET RESEARCH VALUATION PROPERTY TAX REVIEW

Shire International Real Estate Investments Ltd.
Suite 300, 808 - 4th Avenue SW
Calgary, Alberta
T2P 3E8

May 15th, 2007
File:2078V2

Attention: Cleone Couch

Re: Appraisal of 118.76 acres, W5M - 2 – 26 – 3SE, Calgary, Alberta

Wernick Omura Limited has been engaged by Shire International Real Estate Investments Ltd. to complete an appraisal report on the above described property.

We have already completed a narrative report on this property, reference our file no: 2078, May 2nd, 2007. The market value estimate indicated at that time was $14,200,000.

We are in the process of completing an updated current appraisal report on the above referenced property. However, Ms. Couch requested that you require an indication of market value of the property.

Please reference our old appraisal for information regarding the property. Important to note, at the time of the last appraisal, the subject property was located within the MD of Rocky View. However, after the middle of 2007, the subject property was annexed by the City of Calgary for future growth.

Property Address : W5-2-26-3SE, Calgary, Alberta

Registered Owner : Shire International Real Estate Investments Ltd.

Title Registration Date : November 2007

Property History : The subject property was most recently transferred during November 2007 for $13,840,000 for consideration of cash and mortgage. Prior to this it was registered in 2006.

Purpose of Appraisal : Estimate the current market value

Property Rights Appraises : Fee Simple Estate

Effective Date : May 15, 2009

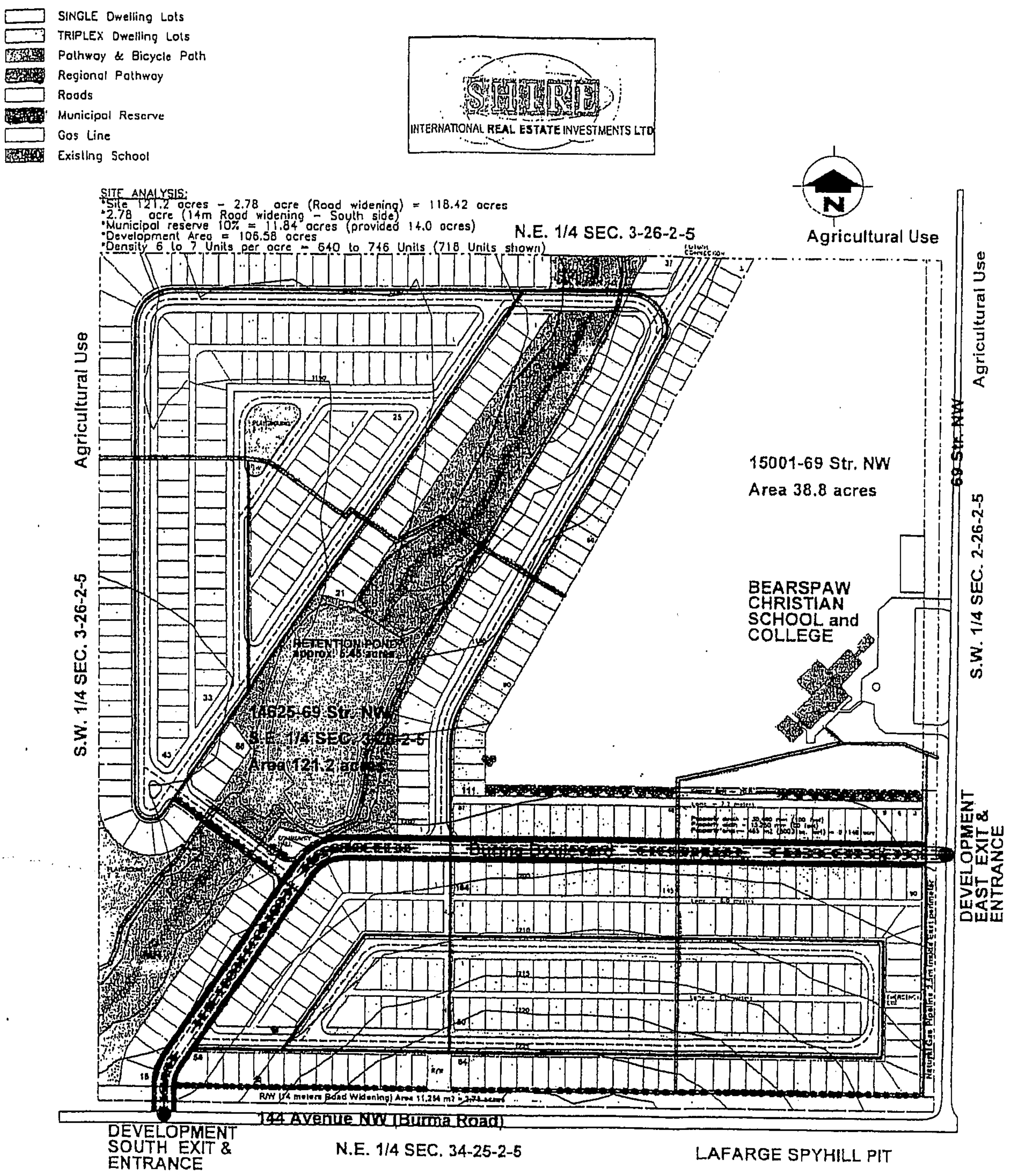
THIS IS EXHIBIT " ~~E~~ K. "
referred to in the Affidavit of
Cleone Couch
Sworn before me this 2nd
day of September 2009

KENNETH T. LENZ
BARRISTER AND SOLICITOR

Intended Use	: To provide Shire International Real Estate Investments Ltd. with information for mortgage financing purposes.
Land Use Classification	: The Land Use Designation for the property is S-FUD, a Special Purpose Future Urban Development District that is intended to be applied to lands that are awaiting urban development and utility servicing, to protect lands from premature subdivision, to provide for a limited range of temporary uses and to accommodate extensive agricultural uses prior to development. The District permits a minimum site area of 25.9 acres.
Highest and Best Use	: Holding for future development, when economically feasible.
Valuation	: There are three approaches to value: the Cost Approach, the Income Capitalization Approach and the Sales Comparison Approach. Consistent with the purpose and intended use of this report, the Sales Comparison Approach is considered in estimating the market value of the subject property.
Sales Comparison Approach	:In the Sales Comparison Approach, market value is estimated by comparing the subject property to similar properties that have been sold or for which offers to purchase have been made. A major premise of the Sales Comparison Approach is that the market value of a property is directly related to the prices of comparable, competitive properties. Based on preliminary analysis of similar type lands, conversations with local realtors and RealNet/MLXchange Services, the estimated market value range of the subject property as at May 15, 2009 is $100,000 per acre to $115,000 per acre, or $11,876,000 to $13,657,400.
Exposure Time	: one year

The appraisal, when completed, will comply with the reporting requirements set forth in the Canadian Uniform Standards of Professional Appraisal Practice. The information contained in the report will be for the specific to the needs of the client and for the stated intended use. Wernick Omura Limited will not be responsible for unauthorized use of this letter.

Respectfully submitted,
WERNICK OMURA LIMITED



BEARSPAW / SHIRE Development - 121.2 acres

DEVELOPMENT PROPOSAL - 14625-69 Str. NW, CALGARY, ALBERTA

L ARCHITECT INC.

SCHEDULE "A"

May, 2009
Not to Scale

Name of Deponent: Cleone Couch
Affidavit sworn: September 2, 2009

Action No: 0901-11866

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

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

AND IN THE MATTER OF SHIRE INTERNATIONAL REAL ESTATE INVESTMENTS LTD., SHIRE CAPITAL LTD., HALAMA GARDENS LLC, SHIRE ASSET MANAGEMENT LTD., WINN RIVER RESORT LTD., FORT MCMONEY PROPERTIES II LTD., HALAMA GARDENS LTD., MAPLES AND WHITE SANDS INVESTMENT LTD., FORT MCMONEY PROPERTIES LTD., CHEMAINUS PROPERTIES LTD., SKAHA LAKE DEVELOPMENT LTD., TSEHUM HARBOUR LTD., BEARSPAW AT 144TH AVENUE LTD., BEARSPAW AT 144TH EQUITIES LTD., BEARSPAW AT 144TH BONDS INC., TSEHUM HARBOUR EQUITIES LTD., TSEHUM HARBOUR BONDS LTD. and ORILLIA INVESTMENTS LTD.

Applicants

CLERK OF THE COURT
SEP - 2 2009
CALGARY, ALBERTA

AFFIDAVIT

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street SW
Calgary, Alberta T2P 4K7

Ken Lenz
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