Action No: 0901-11866

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 INVESTMENTS 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., ORILLIA INVESTMENTS LTD., 0726028 B.C. LTD., 0675816 B.C. LTD., AND BOSUN'S HOLDINGS LTD.

NINTH REPORT OF ERNST & YOUNG INC. IN ITS CAPACITY JOINTLY AS MONITOR AND RECEIVER

December 2, 2009

ERNST & YOUNG

INTRODUCTION

1. On August 10, 2009, Shire International Real Estate Investments Ltd. ("Shire"), 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 Investments 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 "Shire Group") sought and obtained protection from their creditors under the Companies' Creditors Arrangement Act, R.S.C. 1985 c. C-36, as amended, (the "CCAA") pursuant to an order of this Honourable Court (the "Preliminary Initial Order").

2. Subsequent to the Preliminary Initial Order, the Alberta Securities Commission ("ASC") sought and obtained certain amendments to the Preliminary Initial Order clarifying terms relating to the actions commenced by the ASC with respect to the interim cease trade order extension dated June 15, 2009. For the purposes of this report, the Preliminary Initial Order, together with the ASC amendments thereon will be referred to as the Initial Order.

3. Pursuant to the Initial Order, Ernst & Young Inc. was appointed monitor of the Applicants during these CCAA proceedings (the "Monitor"). The Initial Order authorized debtor in possession financing in the amount of $1,000,000 and granted a priority charge in respect of such debtor in possession financing.

4. On October 8, 2009, the Applicants sought and obtained an Order (the "Receivership Order") appointing Ernst & Young Inc. as Receiver (the "Receiver") of all of the Applicants' current and future assets, undertaking and property of every nature and kind whatsoever, and wherever situate. In addition, on October 8, 2009 this Honourable Court added 0726028 B.C. Ltd., 0675816 B.C. Ltd. ("0675816"), and Bosun's Holdings Ltd. ("Bosun") as parties to these proceedings as a result of an

application by the Applicants. Finally, on October 8, 2009, this Honourable Court at the come-back hearing on the Initial Order extended the stay of proceedings to December 4, 2009 and granted an Order approving an increase in the amount of the debtor in possession financing ("DIP Financing") to be obtained by the Applicants up to a maximum amount of $2,500,000 with the stipulation that the Receiver shall only be permitted to draw sufficient funds to repay the existing DIP Facility and draw up to an additional $1,000,000 until further Order of this Court. The Orders granted on October 8, 2009, comprising the Receivership Order, approval of the additional DIP Financing and the extension to the CCAA Proceedings are collectively referred to as the "October 8th Orders".

5. On November 4, 2009, Fisgard Capital Corporation ("Fisgard") applied before the Honourable Mr. Justice Wilkins for an Order vacating the CCAA proceedings in their entirety or, alternatively, for an order removing the property known as Tsehum Harbour over which Fisgard holds mortgage security. Fisgard's application in this regard was argued and heard as a *de novo* application on the basis that Fisgard had commenced foreclosure proceedings in respect of its security and that counsel to Fisgard in the foreclosure proceedings had not been given notice of the October 8, 2009 application. The Monitor understands that Fisgard's Alberta counsel was served with the original material at the inception of the CCAA proceedings and for the October 8, 2009 application, while Fisgard's British Columbia counsel was not served.

6. Justice Wilkins denied the application to vacate the CCAA proceedings in their entirety; however, His Lordship granted the relief sought by Fisgard as it pertained to removing Bosun's Holdings Ltd. and 0675816 from the scope of the CCAA proceedings, with the effect that the assets of these entities do not stand as security for any principal amounts advanced under the DIP Financing. The Monitor understands that any amount available after paying Fisgard and the other secured charges against the property would still be available to unsecured creditors. The properties remain subject to the Receivership Order and the charges granted therein. The Receiver and Shire have decided not to appeal this Order due to the difficulty in obtaining leave, the

threshold for success being unreasonableness, rather than incorrectness, and the lack of funds available to fund an appeal.

7. On November 27, 2009, an application was brought before this Honourable Court for advice and directions with respect to the effect, if any, of the error in the material put before this Honourable Court in the granting of the October 8th Orders approving the DIP Financing, granting the Receivership Order and the extension to these CCAA proceedings. This Honourable Court advised that the matter would be put over until December 4, 2009.

8. Capitalized terms not defined in this Ninth Report are as defined in the Initial Order or the previous reports of the Monitor. All references to dollars in this Ninth Report are in Canadian currency unless otherwise noted.

TERMS OF REFERENCE

9. In preparing this Ninth Report, the Monitor has relied upon unaudited financial information, the Applicants records and discussions with management of the Applicants. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of such information contained in this report. Some of the information referred to in this report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants ("CICA") Handbook has not been performed. Future oriented financial information relied upon in this report is based on management's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

BACKGROUND

10. The business of the Applicants has been the financing, purchase and contracting for development of commercial, recreational and residential real estate in Alberta, British Columbia, Ontario, Hawaii, Belize and Mexico. A detailed background with respect

to the Applicants is provided in the Affidavit of Cleone Couch dated August 7, 2009 with respect to these proceedings (the "August 7th Couch Affidavit") and the previous reports of the Monitor. These documents and other information regarding these CCAA proceedings, including the Initial Order, have been posted by the Monitor on its website at: www.ey.com/ca/Shire.

PURPOSE OF THIS REPORT

11. The purpose of this Ninth Report of Ernst & Young Inc. jointly in its capacity as Monitor and Receiver (the "Ninth Report") is to provide this Honourable Court with an update in respect of the following;

   a. The outcome of the application of 1533021 Ontario Inc. ("153 Ontario") with respect to the sale of the Orillia Property (as defined and discussed below);

   b. An analysis of the various concerns of certain stakeholder groups with respect to the continuation of these CCAA proceedings, the granting of the Receivership Order and the DIP Financing;

   c. The Applicant's and Receiver's operational and restructuring efforts since the Third Report of the Monitor dated October 7, 2009;

   d. An update with respect to the Offer to Purchase the property owned by Fort McMoney II Properties Ltd (the "Fort McMoney II Property") as disclosed in the Affidavit of Cleone Couch, sworn October 7, 2009;

   e. An outline of the request for proposal process proposed by the Applicants and the Receiver (the "RFP Process") and the retention of a real estate advisor to assist in the RFP Process;

   f. The Applicants' request for confirmation of the October 8th Orders and a request for a further draw on the remaining $500,000 in DIP Financing;

   g. The Applicants' forecast to actual variance of its cash flows for the period from October 3, 2009 to November 27, 2009 (the "Reporting Period");

h. The Applicants' forecast for the period from November 28, 2009 to March 5, 2009 (the "Forecast Period"); and

i. The Monitor's and Receiver's recommendations.

OUTCOME OF 153 ONTARIO'S APPLICATION FOR SALE OF THE ORILLIA PROPERTY

12. An application was brought before this Honourable Court on November 23, 2009 seeking, *inter alia*, an Order approving a purchase and sale agreement in the amount of $1.7 million (the "Chi Tran PSA") for the sale of the lands located at 679 Atherly Road, Orillia, Ontario (the "Orillia Property"). The Orillia Property is owned by the applicant Orillia Investments Ltd.

13. As noted in the Eighth Report and Supplemental to the Eighth Report, the Receiver and Monitor had concerns with respect to the value ascribed to the Orillia Property as contained in the Chi Tran PSA.

14. The application for the approval of the sale of the Orillia Property was adjourned until November 26, 2009 to allow the Receiver and Monitor and 153 Ontario to further research certain matters with respect to the proposed sale. On November 25, 2009, counsel to 153 Ontario advised that the sale of the Orillia Property as contemplated in the Chi Tran PSA had been terminated; therefore the application before this Court was no longer heard.

15. Receiver continues to analyze the Orillia Property as discussed below.

BACKGROUND OF RECENT RESTRUCTURING ACTIVITIES AND COURT APPLICATIONS

16. Since the granting of the extension to these CCAA proceedings and appointing Ernst & Young Inc. as Receiver- and Manager on October 8, 2009, a series of court applications have occurred, which have delayed both the receipt of the additional DIP Financing and in proceeding with the restructuring initiatives as originally contemplated. Such applications have included:

a. On October 27, 2009, a Notice of Appeal was filed by Investit Financial Inc. ("Investit") in respect of the October 8th Orders;

b. On November 4, 2009, Investit applied to the Court of Appeal seeking a stay of the October 8th Orders;

c. On November 4, 2009 Fisgard Capital Corporation ("Fisgard") applied to vacate the CCAA proceeding or as an alternative to lift the say relating to Bosun's Holdings Ltd. and 0675816 B.C. Ltd and to declare that the assets of those companies (referred to as the "Tsehum Harbour Property") was not charged by the DIP Financing;

d. On November 13, 2009, Madam Justice Paperny heard Investit's application for a stay pending leave to appeal, which application was denied;

e. On November 13, 2009, Madam Justice Horner varied the Order made on October 8, 2009 so that Echo Merchant Fund Ltd. ("Echo" or the "DIP Lender") had the ability to waive the conditions precedent to the $2.5 million DIP Financing; and

f. On November 23, 2009, 153 Ontario applied for the approval of a sale of the Orillia Property for $1.7 million and an Order that the charge relating to the DIP Financing did not charge the Orillia Property.

17. Since the granting of the October 8th Orders, Shire, the Monitor and the Receiver have spent considerable time and effort responding to the above noted applications which primarily relate to the concerns of secured creditors of being included in these CCAA proceedings and being potentially materially prejudiced by the granting of the DIP Financing. Although progress has been made, this progress has been severely restricted by the availability of cash to pay professional fees, consultant fees and general expenses.

18. Upon Madam Justice Paperny denying Investit's application for a stay pending leave to appeal on November 13, 2009, on November 16, 2009 Echo advanced DIP

proceeds in the amount of $0.92 million which was used to repay the DIP Financing owing to Kairos Funding Group Inc. (the previous DIP lender) and advanced a further $0.92 million to the Receiver's counsel (the "Remaining DIP Financing Proceeds"). The October 8th Orders limited the amount to be drawn under the DIP Financing facility to allow for a repayment of the outstanding DIP Financing plus an additional $1.0 million.

19. As set out in the Seventh Report, on November 16, 2009, the Monitor noted that an appraisal value used in a table in the Monitor's Third Report was incorrect (the "Property Summary Table"). As the Property Summary Table was referred to in numerous applications, upon determining the error which was noted by the Monitor in responding to a diligence request, on November 19, 2009, the Monitor issued its Seventh Report which advised of the error in the Property Summary table and instructed its counsel to hold the Remaining DIP Financing Proceeds pending further advice and direction from this Honourable Court.

20. On November 27, 2009, Shire and the Monitor, sought advice and direction with respect to the error in the Property Summary Table and whether such an error would have affected the granting of the October 8th Orders. Justice Kent determined that the issue should be heard on December 4, 2009 to allow a full examination of all the relevant facts such that this Honourable Court could decide the appropriate steps going forward.

21. The Monitor has prepared this report to assist this Honourable Court by providing an overview of the current status of the CCAA proceedings and its recommendations going forward.

CURRENT STATUS OF RESTRUCTURING EFFORTS

22. As discussed above, over the past several weeks, efforts to establish, enhance or realize value for the various stakeholders of the Shire Group have been hampered primarily as a result of the various court applications to determine rights and / or priorities to assets and the other delays in obtaining the additional proceeds from the

DIP Financing. As Echo was not prepared to advance the additional DIP Financing as approved by the October 8th Orders in the face of the applications for a stay of proceedings, now denied, Shire has been without funds since the granting of the October 8th Orders.

23. The Monitor provides a summary of the current status of the restructuring efforts:

a. The Management Committee has been established and four meetings have been held to discuss the on going administration of these proceedings and various restructuring efforts including the proposed RFP Process;

b. On about November 16, 2009, Foxbridge Development Group ("Foxbridge") was retained as a consultant to enable the initial preparation for the RFP Process, pending formal approval of an engagement letter with Foxbridge as discussed in further detail below;

c. Foxbridge has commenced the process of reviewing documents and establishing the timelines set out in the RFP Process, as discussed in further detail below; and

d. The Monitor has continued with following up on certain of the outstanding matters as set out in the Investigation contained in the Third Report.

24. The Shire Group's assets comprise mainly land held for development and accordingly provide no significant source of cash flow. Accordingly, funding is required to proceed with any meaningful restructuring process. The Monitor advises that the restructuring efforts of the Shire Group are being negatively affected by the lack of funds available and also the various court applications addressing various creditors' concerns with these proceedings. The Monitor believes it is essential that such matters be dealt with to definitively determine the following:

a. Whether continuation of the CCAA proceedings are appropriate; and

b. Whether the remainder of the DIP Financing of $2.5 million can be advanced in accordance with the orders granted in the proceedings.

SUMMARY OF STAKEHOLDER CONCERNS

25. The Monitor understands that the main concerns for certain of the stakeholders including Investit and 153 Ontario relate to the appropriateness of continuing these CCAA proceedings and with respect to the priority and amount of the DIP Financing.

26. The Monitor has summarized Ivestit's position as set out in its Chambers' Brief dated November 27, 2009 (the "Investit Brief") which advises of the following:

a. The DIP Financing should be capped at the existing $920,000 that had been advanced under the Initial Order and that any further advances under the DIP Financing should only be made available by way of a charge ranking subsequent to the existing encumbrances;

b. The existing DIP Financing should be allocated as set out in the Ivestit Chamber's Brief ("Investit's Proposed DIP Allocation");

c. The stay of proceedings should be lifted to allow Investit to proceed with its foreclosure action with any sale of the Investit lands (comprising the property referred to as "Bearspaw") to be subjected to Court approval;

d. The Receivership Order be amended such that none of the charges created in that Order rank in priority to the Investit mortgage;

e. That this is not a proper case for a CCAA as Shire's assets consist essentially of vacant land, Shire has only 2 employees and its business and management have been effectively terminated and there is no real compromise or arrangement that is going to be put forward;

f. That the DIP Financing is not appropriate as there is no 'cogent evidence' that the benefit of the DIP financing outweighs the potential prejudice to the secured lenders, that no 'value' is being added to the enterprise by virtue of the DIP Financing, that the DIP Financing is to be used to fund professional fees; and

g. Concern over the equity available to the secured lenders after consideration is given the priority charge of the DIP Financing.

27. The Monitor understands that 153 Ontario's concerns relate to the ability to sell the Orillia Property and that the DIP Financing should not be charged against the Orillia Property.

MONITOR'S COMMENTS WITH RESPECT TO THE CONCERNS OF THE VARIOUS STAKEHOLDERS

28. The Monitor acknowledges the concerns of Investit and 153 Ontario and has provided the following comments with respect to such concerns.

Appropriateness of this CCAA Proceeding

29. The Monitor believes that this CCAA proceedings is a proper forum to restructure the affairs of the Shire Group, as discussed in further detail below. The Monitor acknowledges that certain of the facts set out in the Investit Brief are correct; however, certain matters and facts that are not specifically addressed in the Investit Brief are equally important, including:

a. That Shire has approximately 2,800 individual investors who have advanced over $65 million to acquire and develop the land of various individual companies comprising the Shire Group (the "Project Companies" or "Project Company"). The individual investors are a significant stakeholder to these proceedings;

b. A Management Committee has been established by Order of this Court with the committee comprising Ms. Couch and certain representatives of the investors and secured creditors (including a representative from Investit who has not participated in the Management Committee due to Investit's appeals of the October 8th Orders). The Management Committee's responsibilities are to work with and provide stakeholder input to the Receiver regarding on going restructuring initiatives including the proposed RFP Process;

c. The restructuring efforts contemplated may include the sale of certain of the assets or may involve a potential joint venture arrangement between the individual investors of a Project Company and a third party which may result in superior recoveries than an immediate liquidation and such an arrangement would likely require a plan of arrangement. As the RFP Process has not been formally launched, the Monitor believes it is premature to conclude that all the assets will be liquidated on a forced sale basis. In addition, as a joint venture arrangement could involve one or more individual Project Companies;

d. Investit refers to the only assets of the Shire Group being raw land which can be dealt with in a foreclosure proceeding. The Monitor believes that this assertion is over simplified. The Shire Group has spent considerable funds in proceeding with development and building permits which may add significant value to the assets if marketed in an appropriate manner. The RFP Process is designed to ensure that the value of such items including permits, are recovered and the concern of the Monitor is that insufficient value will be recovered with respect to such items in a forced sale scenario;

e. As set out in the Third Report, the Shire Group has significant inter-company balances causing the overall structure of the Shire Group to be intertwined. Certain individual Project Companies will be creditors of other Project Companies. Furthermore a significant portion of assets are owned by Shire itself, which will be distributed to individual Project Companies based on the above noted inter-company balances. Such distribution related issues and inter-twining of investors and corporate structures cannot be dealt with in foreclosure proceedings; and

f. An overriding concern of the Monitor is that if the Shire Group is not maintained under one combined insolvency proceeding, certain of the individual assets will be dealt with on a stand-alone basis to avoid being entangled with the various complexities of these CCAA Proceedings. The Monitor can appreciate the desires of certain stakeholders to attempt to deal with its security on stand alone basis, however doing so is difficult given the intertwining of the estates and the fact that such a process would likely involve an immediate liquidation which may not maximize value to all stakeholders including the investors.

30. The Monitor advises that Shire and the Receiver are in a position to commence the marketing of the properties which may include a sale of the land or a joint venture arrangement resulting in the need for a plan of arrangement. Furthermore, the Monitor has been advised by Foxbridge that such a coordinated effort to extract value of the assets will provide the best opportunity to maximize value as opposed to a straight liquidation forced sale. Foreclosure would effectively eliminate any opportunity for the Investors or other creditors from participating in a restructuring plan or joint venture arrangement.

DIP Financing

31. The Investit Brief and materials filed by Romspen Mortgage Corporation ("Romspen") expressed certain concerns with respect to the DIP Financing. The Monitor's comments with respect to the above are set out below:

  a. The Monitor acknowledges Investit's comment that a significant portion of the Initial DIP Financing of $920,000 was used to complete the Investigation Report, however the Investigation was authorized by this Honourable Court as part of the Initial Order. A significant portion of the remaining DIP Financing is to be used to fund the proposed RFP Process and future restructuring initiatives, in addition to the funds expended in the recent court application;

  b. The Monitor believes that the DIP Financing will allow for the launching of the RFP Process which will provide the best opportunity to maximize recoveries for all stakeholders, as opposed to an immediate forced sale liquidation which would likely occur without any further DIP Financing;

  c. The Monitor understands that Echo is not prepared to fund the DIP Financing on the basis that it be subordinated to any charges of existing secured lenders; and

d. The Monitor continues to believe that sufficient equity exists in the assets, as discussed in further detail below.

32. The Monitor believes that it is premature to address the allocation of the DIP Financing but generally would be in agreement with the methodology of Investit's Proposed DIP Allocation, subject to further analysis and approval of this Court.

Value of assets to support the DIP Financing

33. Certain of the secured lenders have expressed concerns with the values included in the Property Summary Table that was included in the Monitor's Third Report. The Monitor advises that while this chart was for illustrative purposes, the following concerns have been expressed:

a. The error that was contained in the Third Report indicates the appraised value of the Fort McMoney Property was $7.0 million, whereas the correct appraised value was $3.4 million;

b. Justice Wilkins on November 4, 2009 concluded that there is little or no equity in the Tsehum Harbour Property;

c. 153 Ontario's sale process of the Orillia Property resulted in an offer of $1.7 million;

d. The offer received by Shire on the Fort McMoney II Property has expired as the purchaser could not waive their conditions by November 15, 2009 as was required under the purchase and sale agreement;

e. Certain other mortgage balances owing are in excess to that disclosed in the Third Report; and

f. Certain of the property values were based on appraisals or purchase prices that are in excess of current market values.

34. Furthermore, Romspen has provided an updated version of the Property Summary Table in its Memorandum of Argument which indicates a total property value of $28.0 million and 'negative' equity of approximately $8.5 million.

35. The Monitor provides the following comments with respect to above noted concerns regarding the estimated values of the Shire Group's properties:

a. The Monitor understands that withstanding the Order issued by Justice Wilkins on November 4, 2009, any value relating to the Tsehum Harbour Property in excess of the secured charges would be available to the estate; accordingly, the Order in itself does not alter this;

b. The Monitor advises that significant discussion has taken place with respect to the appropriateness or reasonableness of the estimate values of the properties. The Monitor recommends that to obtain the highest and best price the properties should be exposed en bloc to an open and unrestricted market, thereby allowing for the purchase or joint venture on a single property or on multiple properties. The Monitor anticipates obtaining appraisal reports on each property; however, the Monitor believes these notional market valuations should only be used to support the negotiations in the RFP Process and not be used in place of a price that may be achieved upon exposure to an open and unrestricted market;

c. The Monitor and Foxbridge continue to have significant concerns over the appraisal used by 153 Ontario to support the listing price of $1.8 million as the appraisal specifically excludes any reference to the Water Rights (as defined and explained in detail in the Monitors Eighth Report and the Supplement to the Eighth Report). The property identification number ("PIN") of the Water Rights are not included in the definition of the land and the disclaimer set out in the 153 Ontario's supporting advises that no value was included relating to the Water Rights;

d. The purchase price of $1.7 million as set out in the Tri Chan PSA excluded any reference to, or the acres attributed to, the Water Rights, which would indicate that the $1.7 million offer excluded any value attributable to the Water Rights. Furthermore, the Monitor understands that the Water Rights are required to have condominium approval on the property and could be worth 1/3rd of the total value of the property; and

e. The offer received by Shire relating to the Fort McMoney II Property is from a third party and the Monitor believes that the price is the best indication of the market value. While the offer has formally lapsed, the Receiver advises that it is currently in discussions with the same interested party regarding a revised purchase and sale agreement at the same purchase price.

36. The Monitor has reviewed the revised Property Summary Table prepared by Romspen which is included in their Memorandum of Argument and advises of the following:

a. The table appears to be incorrect in that it deducts the estimated net negative values (calculated by the estimated value less secured mortgage) from the overall equity of other properties and notes that the value is calculated on a consolidated basis. For example, Romspen's schedule indicates negative equity of the property owned by Maples and White Sands Investment Ltd. (referred to as the "MWS Property") of $9.0 million which is deducted from the other properties consolidated value. However, as an example, if a secured creditor is owed $1 million and the property is sold for $600,000, the secured creditor would not have a secured claim against the remaining properties for $400,000 as the Romspen schedule implies;

b. Romspen has reduced the purchase prices used in the Monitor's Property Summary Table by 1/3rd to 'conservatively reflect properties acquired before economic downturn and that no party disputes properties acquired at inflated prices'. The Monitor believes such a calculation and comment to be arbitrary; and

c. The Romspen estimate ignores the third party offer to purchase received on the Fort McMoney II Property and instead estimates the value of this property based on 2/3rd of the original purchase price.

37. The table below has been reproduced by the Monitor using the values estimated by Romspen while adjusting for the negative values. The Monitor notes that it does not support or agree with Romspen's value but has provided the table for illustrative purposes. The schedule indicates that based on the values estimated by Romspen, there is approximately $6.0 million in equity in the assets to support the DIP Financing after adjusting for the incorrect negative equity deduction.

Project	Estimated Value	Secured charges	Est. value less secured charges
	a	**b**	**max (a+b or nil)**
Bearspaw	6,632,500	(8,600,000)	-
Chemainus	522,600	-	522,600
Ft McMoney	3,400,000	(1,900,000)	1,500,000
Ft McMoney II	3,216,000	(6,490,000)	-
Halama Gardens	-	-	-
Hawaii Fund	-	-	-
Orillia	1,700,000	(1,900,000)	-
Shire Capital	-	-	-
Skaha Lake	1,273,000	-	1,273,000
Tsehum Harbour	2,900,000	(2,900,000)	-
MWS	2,000,000	(11,024,900)	-
Project Companies	21,644,100	(32,814,900)	3,295,600
Shire	6,344,000	(3,635,000)	2,709,000
Total	27,988,100	(36,449,900)	6,004,600

Note: Total estimated value less mortgage charges is sum of individual Project Companies

38. The Receiver has provided a revised Property Summary Table reflecting the following:

a. Adjusting Bearspaw value to be the mid point of the appraisal dated September 15, 2009 commissioned by Shire;

b. Eliminating the Romspen adjustment of a 1/3rd of the property values;

c. Valuing the Fort McMoney II Property at the recent offer price;

d. Revising the third party mortgage amount to equal the Romspen chart;

e. Estimating the value of the Orillia Property at $1.7 million consistent with the last offer received by 153 Ontario; however, the Monitor continues to have concerns over the appropriateness of this value as discussed above;

f. The Monitor's Revised schedule updated for the above as set out below indicates estimated equity of $11.0 million.

Revised analysis			
Project	Estimated Value	Secured charges	Est. value less secured charges
	a	**b**	**max (a+b or nil)**
Bearspaw	9,000,000	(8,600,000)	400,000
Chemainus	780,000	-	780,000
Ft McMoney	3,400,000	(1,900,000)	1,500,000
Ft McMoney II	9,600,000	(6,490,000)	3,110,000
Halama Gardens	-	-	-
Hawaii Fund	-	-	-
Orillia	1,700,000	(1,900,000)	-
Shire Capital	-	-	-
Skaha Lake	2,500,000	-	2,500,000
Tsehum Harbour	2,900,000	(2,900,000)	-
MWS	2,000,000	(11,024,900)	-
Project Companies	31,880,000	(32,814,900)	8,290,000
Shire	6,344,000	(3,635,000)	2,709,000
Total	38,224,000	(36,449,900)	10,999,000
Note: Total estimated value less mortgage charges is sum of individual Project Companies			

Summary of Monitor's comments

39. In summary, after considering the legitimate concerns of the various stakeholders, the Monitor believes that the CCAA proceeding and DIP Facility are appropriate given the following:

a. The CCAA proceeding will allow Shire to deal with the intertwined assets and estates on a coordinated effort and implement the RFP Process which will provide the best opportunity to maximize the values of the Shire Group's assets;

b. Without a coordinated effort, the Monitor's concerns are that assets will be dealt with on one-off basis which could lead to an erosion in the recoveries as the assets will likely be sold on a forced sale basis and eliminate any potential for a plan involving the investors or other creditors. Furthermore, certain extrinsic value items such as water rights and permits may not be maximized without a proper and fulsome marketing effort;

c. The CCAA proceeding will allow the development of plans that could involve joint venture arrangements and the continued participation of the investors; and

d. Sufficient equity is apparent in the assets to support the DIP Financing as illustrated above and therefore not unduly prejudicial to any particular stakeholder.

PROPOSED RESTRUCTURING STEPS TO BE COMPLETED

40. Assuming the continuation of these CCAA proceedings and confirmation of the DIP Financing as set out in the October 8th Orders, the Monitor would recommend the following:

a. Continuation of the Management Committee;

b. Retention of Foxbridge a consultant to assist with the implementation of the RFP Process; and

c. Immediate implementation of the RFP Process as summarized below, with a view to (i) finding a restructuring alternative, or (ii) determining if a sale is appropriate of one or all of the properties, or (iii) more fully expose the properties to the market

Management Committee

41. Following the creation of the Management Committee pursuant to the Management Committee charter contained in the Receivership Order dated October 8, 2009, the Receiver and the Management Committee have met several times with the primary

goal of providing input to the Receiver and with the intent of establishing the RFP Process.

42. The Receiver advises that the Management Committee has been successful and believes that the importance of the committee will become more evident upon the implementation of the RFP Process.

Retention of Foxbridge as a consultant

43. The Receiver, in conjunction with the consultation of the Management Committee has selected Foxbridge as its advisor and is seeking the Court's approval of the terms of both the engagement letter of Foxbridge as well as the overall structure of the RFP Process, as discussed in further detail below. The process of selecting Foxbridge was outlined in the Monitor's Eighth Report.

44. As outlined in the Eighth Report, the delay in retaining Foxbridge and implementing the RFP Process was primarily a result of the uncertainty over the availability of the DIP Financing. Upon the issuance of the reasons for judgment issued by the Court of Appeal on November 16, 2009, Echo proceeded to advance the DIP Financing and the Receiver proceeded to engage Foxbridge as a consultant, on an interim basis until the formal engagement letter could be approved by this Court.

45. During the short period in which Foxbridge has been retained by the Receiver as a consultant on a day-to-day basis, the following tasks have been commenced:

    a. Foxbridge has met with the Receiver and commenced a review of the various books and records to obtain a preliminary understanding of the various properties and the status of development potential or other indication of value for each property. Foxbridge is in the process of scheduling meetings with Ms. Cleone Couch;

    b. A File Transfer Protocol site ("FTP Site") has been established that will be used to facilitate potential acquirers and co-developers conducting remote due diligence on the assets of the Shire Group;

c. A review of available corporate information for each of the various properties has been conducted by Foxbridge and selected information has been digitized for uploading to the respective FTP Site;

d. Further property information necessary to the RFP Process and not presently available to Foxbridge has been identified and steps are being undertaken to secure such information;

e. Follow-up investigations have been initiated with respect to outstanding information that would potentially be of interest to potential purchasers of the specific property or to those contemplating a plan to develop the property;

f. Arrangement for site inspections of the various Shire properties have commenced and are expected to be completed within the next week or so, pending approval of the RFP Process;

g. Initial drafts of the standard RFP documents have been developed;

h. A review of the Offer to Purchase on the Orillia Property has been performed to assist the Monitor and Receiver in responding to the 153 Ontario Application for sale of such property;

i. A review of the Offer to Purchase on the Fort McMoney II Property has begun as discussed below; and

j. Proposals have been received from nationally recognized, certified and reputable appraisers recommended by Foxbridge and who have provided a timeline and cost estimate to complete appraisals on all relevant properties. It is anticipated that the appraisals can be completed by December 22, 2009.

Foxbridge Engagement Letter

46. Attached at Appendix "A" is a copy of the proposed engagement letter between the Receiver and Foxbridge (the "Foxbridge Engagement Letter"). The main terms of the

Foxbridge Engagement Letter have been reviewed by the Receiver and the Management Committee and are summarized below:

a. Foxbridge shall have responsibility for the day-to-day management and implementation of the RFP Process;

b. Foxbridge shall be available for meetings upon the request of the Receiver or the Management Committee to discuss the implementation and management of the RFP Process;

c. Foxbridge will be compensated through a fixed monthly fee of $18,000 plus applicable goods and services tax (the "Management Fee") and a fee equal to 1.5% on the sale of assets or based on the land value component of the formation of a joint venture (the "Success Fee"). The Success Fee can only be earned on Court approval and closing of any given transaction. To the extent that a third-party broker is involved in a closed transaction then the Success Fee will be reduced to 1%;

d. The Success Fee is to be subordinated to any secured charges except for the shire –originated mortgage units;

e. The RFP Process is to include all the properties owned by the Shire Group that are included in the Receivership Order, excluding the Tsehum Harbour Property;

f. The Success Fee will not be applicable if the sale of the Fort McMoney II Property is sold to the party who the Receiver is currently in discussions with;

g. The Receiver may terminate the engagement by providing one months written notice; and

h. Foxbridge shall be responsible for its own internal costs incurred in the performance of its obligations under the Foxbridge Engagement Letter but shall be reimbursed for direct RFP Process expenses incurred by Foxbridge at the direction of the Receiver. Direct expenses exceeding $2,000 require the prior written consent of the Receiver.

47. The Receiver believes that Foxbridge is well equipped to assist in the proposed RFP Process and that the terms and conditions of the Foxbridge Engagement Letter are appropriate in the circumstances.

Proposed FRP Process and timeline

48. The proposed RFP Process and timeline that has been prepared by Foxbridge and the Receiver, attached hereto as Appendix "B", is summarized below:

a. By the end of December 2009:

i. Complete a standard information package for each property which describes the asset and the opportunity including property photos, title information and certificates, details of the potential development opportunity together with details of what development activity has already taken place (for example, completed environmental, geotechnical or traffic studies);

ii. Develop a target candidate list and a formalized marketing strategies;

iii. In addition to leveraging off Foxbridge's contacts within the development and brokerage community, advertisements will be arranged for the Globe and Mail and relevant local newspapers to ensure maximum exposure; and

iv. Complete FTP Site

b. In January 2010, the following is to be completed;

i. Distribute RFP information to potential purchasers; and

ii. Advertise in newspapers or other trade magazines as required;

iii. Coordinate site visits with potential parties;

iv. Assist purchasers in completing any preliminary due diligence;

c. Expressions of interest to be received on February 4, 2010;

d. In February 2010, the following is to be completed:

i. Final due diligence completed by purchasers; and

ii. Negotiate with purchasers regarding expressions of interest and remaining terms and conditions.

e. Final offers to be received on or about March 5, 2010.

49. The Receiver believes that the RFP Process is reasonable and appropriate and provides a detailed timeline to be followed. The Receiver believes that such a process will also be beneficial to the various secured lenders as it will address their concern as to timing of the sale of their respective property.

OPERATIONAL UPDATE

General

50. Shire currently operates from temporary space which has been prepaid until December 12, 2009. The majority of the books and records have been moved to the office of the Receiver to assist in the RFP Process and other matters relating to this file.

51. It is anticipated that the office space will no longer be required beyond December 12, 2009 as Ms. Couch can continue to assist either by attending the Receiver's offices (an office has been established with the relevant books and records) or by working remotely from her home and is corresponding with the Monitor and Receiver via email and telephone.

52. As previously reported to this Court, the Monitor has a dedicated phone line for investors and other stakeholders to call. To date a significant number of investors

have contacted the Monitor. In addition, all reports are posted on the Monitor's website.

53. The Monitor intends to mail a general update letter to all the investors and creditors of Shire advising them of the outcome of the December 4, 2009 application and the go forward plan.

Budget to Actual Analysis for the Period from October 3 to November 27, 2009

54. A variance analysis of the Applicants' actual receipts and disbursements for the period October 3, 2009 to November 27, 2009 (the "Reporting Period") as against the cash flow projections which is summarized below with the detailed variance analysis attached to this Ninth Report as Appendix "C".

	A	**B**	**A-B**
	Actual and accrued	**Forecast**	**Variance**
	For the eight weeks ending November 27, 2009	**For the eight weeks ending November 27, 2009**	**Positive (Negative)**
Sources of Cash	**67,972**	**1,305,000**	**(1,237,028)**
Uses of Cash	**(806,765)**	**(938,581)**	**131,816**
Net change in cash	**(738,793)**	**366,419**	**(1,105,212)**
Opening cash October 2, 2009	164,098	164,098 #	-
Ending cash November 27, 2009	(574,696)	530,517	(1,105,212)

55. The Applicants' net cash receipts during the Reporting Period totaled approximately $67,972 as compared to $1,305,000 as set out in the Third Report Forecast. Disbursements including accrued but unpaid professional fees totaled approximately $806,765 as compared to $938,581 as set out in the Third Report Forecast.

56. The Monitor has prepared the above schedule to include expenditures paid during the Reporting Period and also those incurred but not paid. As discussed above, the additional DIP Financing as approved in the October 8th Orders has not been utilized. Accordingly, significant professional fees have been incurred but not paid. Approximately $657,000 in professional fees relating to the Reporting Period remain unpaid. For comparison purposes, these accrued expenses have been included in the budget to actual analysis.

57. The significant variances are discussed below:

a. DIP financing - The negative variance is a result of the delays in receiving the additional DIP Financing as discussed above. The additional DIP Financing currently remains in the counsel to the Receiver's trust account pending further direction from this Honourable Court;

b. Other receipts- Modena Homes - relates to funds received from an interest Shire held in a property that was sold pursuant to a purchase and sale agreement in existence prior to the inception of these proceedings. The Receiver understands that third parties have claimed an interest in these funds, but have not yet provided supporting documentation to support such a claim;

c. The positive variance in receipts from the Sorrento Inn and OK Falls operations is partly due to higher than anticipated revenues together with classification of certain utility expenses in the "other expenses";

d. Salary and contractor amounts - Positive variance of $34,850 as a result lower than forecasted costs associated with the consultants and employees of Shire;

e. DIP financing expenses - Positive variance as a result of not receiving the additional DIP Financing, therefore, less interest was incurred; and

f. Restructuring expenses - Negative variance of $31,038 mainly to do higher than anticipated costs caused by the recent court applications along with the approval of $100,000 in fees for Borden Ladner Gervais, counsel for certain of the investors, as set out in the October 8th Orders. The fees to BLG have not been paid but have been included in the accrued liabilities column;

FINANCIAL FORECAST FOR THE PERIOD NOVEMBER 28, 2009 TO MARCH 5, 2010

58. A summarized financial forecast for the period November 28, 2009 to March 5, 2010 (the "Ninth Report Forecast") is attached to this Ninth Report as Appendix "D". The Ninth Report Forecast has been extended to March 5, 2009 to coincide with the date

of receipt of final bids as set out in the proposed RFP Process. Significant assumptions used in deriving the Ninth Report Forecast are outlined below:

a. Cash Receipts of $1.44 million are forecast based on the receipt of net DIP Financing and nominal net receipts related to the operation of the Sorrento Inn and OK Falls. No amounts for potential assets sales have been included;

b. Cash disbursements of approximately $1.45 million, subject to the review and input of the proposed Management Committee, are forecast based on the following:

   i. $19,300 in payment of salaries and wages to be used for the two employees operating Sorrento Inn;

   ii. Approximately $139,000 in payment of DIP Financing Interest, and related fees based on estimated terms;

   iii. Approximately $19,500 in non recurring expenses in week 17 will be made following consultation with the Management Committee as applicable and relate primarily to furnishing security deposits to set-up post receivership utility accounts and in week 19 $50,000 for property appraisals;

   iv. Approximately $7,000 per month of routine other expenses including costs of maintaining the properties (utilities, insurance, security fence rentals and general office and technology charges); and

   v. Approximately $1.13 million in payment of professional fees to legal counsel, the receiver and Foxbridge including approximately $657,000 of fees outstanding at the inception of this forecast period.

59. Considering the draw-down of the DIP Financing the Ninth Report Forecast indicates sufficient funds are available to substantially complete the RFP Process.

APPLICANT'S REQUEST FOR A FURTHER DRAW ON THE DIP FINANCING

60. The Order granted by this Honourable Court on October 8, 2009 amended the amount of the approved DIP Financing to $2,500,000 from $1,000,000. However, the Order contained a restriction that the Receiver was only permitted to draw;

   a. Sufficient funds to repay the existing DIP; and

   b. An additional $1,000,000 until further Order.

61. If these CCAA proceedings are continued and the RFP Process is approved, the Monitor advises that the DIP Financing of approximately $2.3 million is required during the Forecast Period.

OFFER TO PURCHASE FORT MCMONEY II PROPERTY

62. The Affidavit of Cleone Couch, sworn October 7, 2009 contained a counteroffer on the Fort McMoney II Properties II, which proposed a purchase price of the Fort McMoney II Property, described as 10109 – 10119 Manning Avenue, Fort McMurray, Alberta, in the amount of $9.6 million, which is $3 million more than the estimated current amount of the mortgage held on these lands.

63. Following the issuance of the Receivership Order, the Receiver commenced discussions with the realtor who is acting with respect to the Fort McMoney II Property to determine the status of the offer. It was brought to the attention of the Receiver that the Offer to Purchase was essentially incapable of proceeding due to certain conditions to provide information such as available geotechnical reports and environmental reports within five business days of conditional acceptance of the offer to purchase.

64. Notwithstanding the above, the Receiver has now provided all outstanding materials required for the purchaser to conduct its due diligence and the parties are in the process of drafting a new agreement with the Receiver. The Receiver is seeking to retain the right to continue to market the property while under the conditional offer, subject to provisions that should the Receiver wish to accept an offer considered to be

superior, that the original purchaser retains a specified time period to remove any remaining conditions.

65. The Receiver intends to seek further approval of this Honourable Court with respect to the approval of the Fort McMoney II Property in due course.

APPLICANTS' REQUEST FOR AN EXTENSION TO THE STAY PERIOD

66. Pursuant to the Order granted by this Honourable Court, the Applicants' Stay Period continues until and including December 8, 2009. Shire is seeking an extension of the Stay Period until, and including January 30, 2009. An extension to the Stay Period is necessary to allow the Shire Group to continue with its restructuring efforts including the implementation of the RFP Process.

RECOMMENDATION AND SUMMARY OF NEXT STEPS

67. In the Monitor's view, the Applicants have since the inception of these proceedings acted in good faith and with due diligence. The Monitor and Receiver are of the view that the extension of the Stay Period is appropriate in the circumstances and therefore recommends that the Applicants request for an extension of the Stay Period be granted to, and including, January 30, 2009.

68. The Receiver and Monitor recommends that the Applicants application to access the last tranche of DIP Financing in the amount of $500,000 be granted and that the October 8th Orders be confirmed.

69. Lastly, the Receiver recommends that the Foxbridge Engagement Letter in a form similar to Appendix "A" and the terms thereof be approved by this Honourable Court and that the RFP Process as set out above be implemented.

All of which is respectfully submitted this 2nd day of December 2009.

ERNST & YOUNG INC.

in its capacity jointly as Court Appointed Monitor and Receiver of Shire International Real Estate Investments Ltd. et. al

Deryck Helkaa, CA·CIRP
Senior Vice-President

APPENDIX “A”

PROPOSED FOXBRIDGE ENGAGEMENT LETTER

RFP PROJECT AGREEMENT

THIS AGREEMENT is made effective the 1st day of December, 2009.

BETWEEN:

Ernst and Young Inc.,
in its capacity as the Receiver of Shire International Real Estate Investments Inc., 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 Investments 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., Orillia Investments Ltd., 072608 B.C. Ltd., 0675816 B.C. Ltd. and Bosun's Holdings Ltd. (collectively the "Shire Group"), and not in its personal capacity, having an office at 1000, 440 2nd Avenue SW, Calgary, Alberta T2P 5E9

(the "**Receiver**")

-and-

Foxbridge Asset Management Ltd.,
having an office at Unit C, 5799 3rd St, SE, Calgary, Alberta T2K 1K1

("**Foxbridge**")

WHEREAS in its capacity as the Receiver and Monitor of the Shire Group, the Receiver provided the Third Report of the Monitor dated October 7, 2009 (the "**Monitor's Report**") to the Court of Queens Bench of Alberta (the "**Court**") regarding certain properties owned or managed by the Shire Group (the "**Properties**");

AND WHEREAS the Receiver desires to engage Foxbridge as an independent consultant to design, initiate and implement an RFP process (the "**RFP Consultant**") for the purpose of exposing the Properties to the market (the "**RFP Project**"), as outlined in the Monitor's Report;

AND WHEREAS Foxbridge desires to accept such engagement, all subject to the terms and conditions of this Agreement;

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

ARTICLE 1 - DEFINITIONS

1.1 Definitions

The following terms shall have the meanings hereinafter set forth throughout this Agreement:

(a) “**Applicable Law**” shall have the meaning specified in Section 7.3 hereof;

(b) "**Authority**" means any person, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial, regional, municipal or other governmental department having jurisdiction over the whole or any part of the Mandate, this Agreement, the Receiver or Foxbridge;

(c) “**Confidential Information**” means non-public, confidential, personal or proprietary information concerning the Shire Group, the Receiver, the Management Committee and their respective businesses and affairs that is or has been disclosed to Foxbridge in connection with the RFP Project;

(d) "**Foxbridge Notice Address**" means Unit C, 5799 3rd St, SE, Calgary, Alberta T2K1K1, Fax No. (403) 235-5583;

(e) "**Management Committee**" means the management committee of the Shire Group as created by the Receivership Order granted by the Court on October 8, 2009;

(f) "**Management Fee**" shall have the meaning specified in Section **Error! Reference source not found.** hereof;

(g) "**Properties**" means those properties included in the October 8, 2009 Receivership Order excluding the property known as Tsehum Harbour;

(h) "**Receiver Notice Address**" means 1000, 440 2nd Avenue SW, Calgary, Alberta T2P 5E9, Fax No. (403) 206-5075;

(i) "**Related Person**" shall have the meaning set forth in Section 3.3.

ARTICLE 2 - APPOINTMENT

2.1 Appointment

Subject to the terms and conditions hereinafter set forth, the Receiver hereby appoints Foxbridge and Foxbridge hereby accepts the appointment to act as RFP Consultant. By its acceptance of this appointment, Foxbridge represents and warrants that:

(a) it is duly organized, validly existing, in good standing under the laws of the Province of its incorporation or formation, qualified to do business in the Province in which the Properties are located and has all requisite power and authority to enter into and perform its obligations under this Agreement; and

(b) the person signing this Agreement for it is duly authorized to execute this Agreement on its behalf, and it has secured and will keep in effect during the term hereof all necessary licenses, permits and authorizations to enable Foxbridge, and all agents and employees acting on its behalf, to perform all of Foxbridge's duties under this Agreement and shall notify the Receiver immediately should any such license, permit or authorization no longer be in effect or in good standing.

ARTICLE 3- RESPONSIBILITIES OF FOXBRIDGE

3.1 Responsibilities

Subject to the prior approval of the Receiver with respect to those matters enumerated hereof, Foxbridge shall act as RFP Consultant and shall have responsibility for the day-to-day management and implementation of the RFP Project.

3.2 Standards for Foxbridge and its Employees

Foxbridge shall have in its employ and shall engage or retain at all times a sufficient number of capable employees or persons to enable it to properly and adequately carry out its responsibilities under this Agreement; provided that all matters pertaining to the employment of such employees or consultants shall be the sole responsibility of Foxbridge. For further clarity, Foxbridge shall be responsible for the costs associated with its own office space for its employees and for its own staff and expenses.

3.3 Meetings with the Receiver

Foxbridge shall be available upon request for meetings with the Receiver and/or the Management Committee to discuss the implementation and management of the RFP Project.

3.4 Use of Counsel and Other Professionals

It is anticipated that the assistance of attorneys, accountants, contractors, and other professionals will be required in relation to the administration, maintenance, marketing and operation of the RFP Project. Foxbridge shall require prior written authorization from the Receiver to retain such professionals relative to the RFP Project. Foxbridge shall cooperate with all persons employed, retained or contracted by the Receiver in connection with the RFP Project.

ARTICLE 4- COMPENSATION

4.1 Management Fee

The Receiver shall pay to Foxbridge a monthly management fee of $18,000.00 plus applicable goods and services tax (the "**Management Fee**") for the duration of this Agreement. Foxbridge shall send invoices to the Receiver at the end of each month, commencing December 1, 2009, which invoices shall be paid by the Receiver within two weeks from the date of the invoice.

4.2 Success Fee

In addition to the Management Fee, the Receiver shall pay a success fee to Foxbridge (the “Success Fee”) equal to 1.5% on sale of assets (or based on the land value component of the formation of a joint venture) earned only on the Court approval and closing of any given transaction. To the extent that a third-party broker is involved in any sale (or JV formation), the Success Fee will be reduced to 1%. The Success Fee is to be subordinate to all secured charges except the shire –originated mortgage units.

At no time shall be a Success Fee earned or payable to Foxbridge on a sale of the Fort McMoney II Property to the currently interested party and/or another previously identified potential purchaser.

4.3 Expenses of Foxbridge and Receiver

Foxbridge shall be responsible for all of its own internal costs and expenses incurred in the performance of its obligations under this Agreement (which shall be the sole business and concern of Foxbridge), but shall be reimbursed for direct RFP Project expenses incurred by Foxbridge at the direction of the Receiver and/or the Management Committee (the "**Direct Expenses**"). Foxbridge shall send invoices for payment of the Direct Expenses to the Receiver at the end of the month during which the Direct Expenses were incurred. Direct Expenses greater than $2,000 shall have the prior written consent of the Receiver.

4.4 Related Parties

It is expressly agreed by the parties hereto that without the prior written consent of the Receiver in each instance, Foxbridge shall not, in connection with the performance of its duties hereunder, purchase any supplies, equipment or other items from or contract or make any commitments with or otherwise employ or deal with any person, firm, company, partnership or other entity (a) which is a **"related person"** (which term, when used herein, shall have the meaning ascribed thereto in the *Business Corporations Act* (Alberta), (b) which is controlled by Foxbridge, or (c) in which Foxbridge, its employees, or any related person to Foxbridge have a direct or indirect financial interest or relation (each a "**Related Person**"), except with the prior written approval of the Receiver.

4.5 Payment

Payments owing to Foxbridge pursuant to Sections **Error! Reference source not found.** to 4.3 will be paid to Foxbridge by the Receiver.

ARTICLE 5 - TERMINATION

5.1 Term

This Agreement shall commence effective December 1st, 2009 and shall terminate upon the earlier of:

(a) completion of the RFP Project; or

(b) the date of termination of the Agreement by one of the parties hereto in accordance with this Article 5.

5.2 Receiver's Rights of Termination

Notwithstanding anything to the contrary contained in this Agreement, the Receiver may terminate this Agreement at any time. In the event that the Receiver wishes to terminate this Agreement, it will provide one clear month of notice to Foxbridge of its intention to terminate by providing written notice to the Foxbridge Notice Address on or before the first day of the month to be effective on the last day of that month.

5.3 Foxbridge's Right of Termination

Notwithstanding anything to the contrary contained in this Agreement, Foxbridge may terminate this Agreement for cause, including, without limitation, any failure by the Receiver to observe or perform any or all of the material covenants and provisions of this Agreement, upon one month's written notice to the Receiver, sent to the Receiver Notice Address, provided that the failure has not been resolved to the satisfaction of Foxbridge, acting reasonably.

5.4 Responsibilities upon Termination

Upon termination of this Agreement, for any reason, Foxbridge shall forthwith, without necessity of demand or notice, deliver the following to the Receiver on the effective date of termination:

(a) a final accounting reflecting the balance of income and expenses for the Project as of the date of termination;

(b) all files, records or documents of any kind, utilized or committed to by the parties and provided to Foxbridge; and

(c) an assignment to the Receiver or its nominee or designee, of all service contracts relating to the Receiver or the RFP Project, if in the name of Foxbridge.

The obligation of Foxbridge to deliver the foregoing shall survive the termination of this Agreement.

ARTICLE 6 - MISCELLANEOUS PROVISIONS

6.1 Court Approval

The Receiver and Foxbridge acknowledge that this Agreement and the rights and obligations herein are subject to, and conditional upon, the acceptance and approval of the terms and conditions of this Agreement by the Court of Queen's Bench, judicial district of Calgary (the "Court"), failing which this Agreement shall be null and void and of no force and effect and neither party hereto shall have any claim against the other arising out of this Agreement.

The Receiver and Foxbridge agree that should this Agreement not be accepted and approved by the Court, that an amount equal to the first months Management Fee and reimbursement of Direct Expenses as duly approved by the Receiver would remain due and owing by the Receiver to Foxbridge.

6.2 Notices

Any notice, request, demand or other communication required or permitted to be given to a party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by facsimile, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five days after mailing via registered mail, return receipt requested. All notices not delivered personally or by facsimile will be sent with postage and other charges prepaid and properly addressed to the party to be notified at the address set forth for such party:

(a) If to the Receiver – to the Receiver Notice Address.

(b) If to Foxbridge – to the Foxbridge Notice Address.

6.3 Amendment

This Agreement contains the entire agreement of the parties and any attempt to change or modify the terms hereof shall be null and void, unless approved and agreed to in writing by the Receiver and Foxbridge. All prior agreements and understandings are hereby agreed to be null and void.

6.4 Governing Law

This Agreement shall be construed, interpreted and governed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein (the "**Applicable Law**").

6.5 Assignment

Foxbridge shall not assign this Agreement or any right hereunder without the prior written consent of the Receiver. The transfer of a majority in interest of the voting stock or general partnership interest in Foxbridge or any material change in the individuals having operating responsibility for Foxbridge shall be deemed an assignment of this Agreement.

6.6 Waiver

No consent or waiver, expressed or implied, by a party to or any breach or default by another party in the performance by such other party of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in performance by such other party hereunder. Failure on the part of a party to complain of any act or failure to act of another party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such first mentioned party of its rights hereunder.

6.7 Severability

If any covenant, obligation or agreement of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each covenant, obligation and agreement of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

6.8 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

FOXBRIDGE ASSET MANAGEMENT LTD.	**ERNST & YOUNG INC.**, solely in its capacity as Receiver of Shire International Real Estate Investments Inc., 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 Investments 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., Orillia Investments Ltd., 072608 B.C. Ltd., 0675816 B.C. Ltd. and Bosun's Holdings Ltd.
By:____________________	By: ____________________
Name:	Name:
Title:	Title:

APPENDIX B

RFP PLAN

Proposed RFP Process			
Stage	**Duration**	**Start**	**Finish**
Shire Request For Proposals Plan	75.d	30-Nov-09	12-Mar-10
Complete Mandate with E & Y	1.d	30-Nov-09	30-Nov-09
Conceptualization	44.d	30-Nov-09	28-Jan-10
Detail RFP Plan	1.d	30-Nov-09	30-Nov-09
Define scope	1.d	1-Dec-09	1-Dec-09
Draft Standard RFP Package	5.d	24-Dec-09	30-Dec-09
Legal and Monitor Clearance	4.d	21-Dec-09	24-Dec-09
Finalize RFP	4.d	25-Dec-10	28-Dec-10
Distribute RFP and Commence Marketing	21.d	28-Dec-09	25-Jan-10
Market research	9.d	15-Dec-09	25-Dec-09
Develop Candidate List by Project	9.d	15-Dec-09	25-Dec-09
Presolicitation Process	18.d	30-Nov-09	23-Dec-09
Establish FTP Site	1.d	30-Nov-09	30-Nov-09
Define requirements	1.d	23-Dec-09	23-Dec-09
Complete Project Due Diligence & Site Inspections	17.d	30-Nov-09	22-Dec-09
Source Selection Plan and Strategy	1.d	30-Nov-09	30-Nov-09
Develop evaluation criteria (score card)	2.d	1-Dec-09	2-Dec-09
Post-Solicitation Process	47.d	7-Jan-10	12-Mar-10
Receive oral and written expressions of interest	15.d	15-Jan-10	4-Feb-10
Due Diligence Review by Purchasers	21.d	12-Feb-10	1-Mar-10
Conduct evaluation of proposals	3.d	5-Feb-10	9-Feb-10
Determine competitive range determination	2.d	10-Feb-10	11-Feb-10
Prepare for discussions with remaining bidders	1.d	10-Feb-10	10-Feb-10
Conduct face-to-face discussions and negotiations	10.d	11-Feb-10	24-Feb-10
Receive and analyze final offers	5.d	25-Feb-10	3-Mar-10
Present to Monitor and Committee	2.d	4-Mar-10	5-Mar-10
Make selection decision	3.d	8-Mar-10	10-Mar-10
Advise proponents and confirm timing of Court approval	2.d	11-Mar-10	12-Mar-10

Shire International Real Estate Investments Ltd.

APPENDIX "C"

Forecast to Actual Cash Flow Analysis

(in CAD Dollars)

	A	B	C = A + B	D	C - D
	Actual	**Incurred not yet paid**	**Actual and accrued**	**Forecast**	**Variance**
	For the eight weeks ending November 27, 2009	**For the eight weeks ending November 27, 2009**	**For the eight weeks ending November 27, 2009**	**For the eight weeks ending November 27, 2009**	**Positive (Negative)**
Receipts / DIP Financing					
DIP Financing and Principal Injections	-	-	-	1,300,000	(1,300,000)
Other receipts - Shire Intl	-	-	-	-	-
Other receipts - Modena Homes	41,503	-	41,503	-	41,503
Other receipts - Bosun Holdings	5,279	-	5,279	-	5,279
Other receipts - Net receipts - Sorrento Inn	9,965	-	9,965	2,000	7,965
Other receipts - Net receipts - OK Falls RV Park	11,225	-	11,225	3,000	8,225
Total Sources of Cash	**67,972**	**-**	**67,972**	**1,305,000**	**(1,237,028)**
Disbursements					
Mortgage Payments	-	-	-	-	-
Property Taxes	-	-	-	-	-
Salary and Contractor Fees			-		-
- Salary and contractor amounts	(27,650)	(1,500)	(29,150)	(64,000)	34,850
- Employee expense reimbursement	-	-	-	-	-
- Source deduction arrears	-	-	-	-	-
- Contract accountant fees	(29,625)	-	(29,625)	(29,625)	-
Rent	(3,150)	-	(3,150)	(3,150)	-
Other	13,790	(12,465)	1,325	(28,000)	29,325
DIP Financing Expenses	(18,561)	(13,759)	(32,320)	(91,000)	58,680
Contingency	-	-	-	(40,000)	40,000
Restructuring Expenses	(56,658)	(657,187)	(713,844)	(682,806)	(31,038)
Total Uses of Cash	**(121,854)**	**(684,911)**	**(806,765)**	**(938,581)**	**131,816**
Net change in cash	**(53,883)**	**(684,911)**	**(738,793)**	**366,419**	**(1,105,212)**
Opening cash October 2, 2009	164,098	-	164,098	164,098	-
Ending cash November 27, 2009	110,215	(684,911)	(574,696)	530,517	(420,302)

SHIRE INTERNATIONAL REAL ESTATE INVESTMENTS LTD. APPENDIX "D"

FORECAST 14 WEEK CASH FLOW
($ CAD)

(Wk Ended)	Week 17 **04-Dec-09**	Week 18 **11-Dec-09**	Week 19 **18-Dec-09**	Week 20 **25-Dec-09**	Week 21 **01-Jan-10**	Week 22 **08-Jan-10**	Week 23 **15-Jan-10**	Week 24 **22-Jan-10**	Week 25 **29-Jan-10**	Week 26 **05-Feb-10**	Week 27 **12-Feb-10**	Week 28 **19-Feb-10**	Week 29 **26-Feb-10**	Week 30 **05-Mar-10**	**CUMULATIVE TOTAL**
RECEIPTS / DIP FINANCING															
DIP Financing	$ 920,000	$ -	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,420,000
Other receipts - from Sorrento Inn	$ 2,000	$ -	$ -	$ -	$ 2,000	$ -	$ -	$ -	$ -	$ 2,000	$ -	$ -	$ -	$ 2,000	$ 8,000
Other receipts - from OK Falls RV Park	$ 3,000	$ -	$ -	$ -	$ 3,000	$ -	$ -	$ -	$ -	$ 3,000	$ -	$ -	$ -	$ 3,000	$ 12,000
TOTAL RECEIPTS	925,000	-	500,000	-	5,000	-	-	-	-	5,000	-	-	-	5,000	1,440,000
DISBURSEMENTS															
MORTGAGE PAYMENTS															
PROPERTY TAXES															
SALARY AND CONTRACTOR FEES	2,500	-	4,300	-	2,500	-	2,500	-	2,500	-	2,500	-	2,500	-	$ 19,300
EXTERNAL ACCOUNTANT FEES	-	-	-	-	-	-	-	-	-	-	-	-	-		$ -
RENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$ -
OTHER	19,500	-	50,000	-	7,000	-	-	-	-	7,000	-	-	-	7,000	$ 90,500
DIP FINANCING AND INTEREST EXPENSES	36,000	-	-	34,000	-	-	-	-	36,000	-	-	-	33,000	-	$ 139,000
CONTINGENCY	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	$ 70,000
RESTRUCTURING EXPENSES	764,533	24,933	24,933	24,933	24,933	30,746	30,746	30,746	30,746	29,497	29,497	29,497	29,497	28,604	$ 1,133,838
TOTAL DISBURSEMENTS	827,533	29,933	84,233	63,933	39,433	35,746	38,246	35,746	74,246	41,497	36,997	34,497	69,997	40,604	1,452,638
EXCESS (SHORTFALL)	$ 97,467	$ (29,933)	$ 415,767	$ (63,933)	$ (34,433)	$ (35,746)	$ (38,246)	$ (35,746)	$ (74,246)	$ (36,497)	$ (36,997)	$ (34,497)	$ (69,997)	$ (35,604)	$ (12,638)
CHANGE IN CASH	$ 97,467	$ (29,933)	$ 415,767	$ (63,933)	$ (34,433)	$ (35,746)	$ (38,246)	$ (35,746)	$ (74,246)	$ (36,497)	$ (36,997)	$ (34,497)	$ (69,997)	$ (35,604)	$ (12,638)
OPENING CASH	110,215	207,682	177,749	593,517	529,584	495,151	459,405	421,159	385,413	311,167	274,671	237,674	203,178	133,181	110,215
CLOSING CASH	$ 207,682	$ 177,749	$ 593,517	$ 529,584	$ 495,151	$ 459,405	$ 421,159	$ 385,413	$ 311,167	$ 274,671	$ 237,674	$ 203,178	$ 133,181	$ 97,577	$ 97,577