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July 7, 2011

VIA EMAIL (MIREILLE.YOGA@ALBERTACOURTS.CA.)

Calgary Courts Centre  
601, 5 Street S.W.  
Calgary, AB T2P 5P7

**Attention: Madam Justice C.A. Kent**

**Re: Shire International et al: Action No. 0901-11866**

Romspen Investment Corporation ("**Romspen**") writes to report in respect of the above noted matter pursuant to the Order of this Honourable Court entered June 30, 2010.

Romspen confirms that:

1. The Fort McMoney II property continues to be marketed.
2. Pursuant to the June 30, 2010 Order of this Honourable Court, Romspen brought a petition in the B.C. Supreme Court for the cancellation of a statutory right of way registered against title to the Chemainus property. The petition was heard December 8 and 9, 2010 and January 17, 2011. In reasons released on June 14, 2011, Madam Justice Fitzpatrick ordered that the statutory right of way be cancelled. The holder of the statutory right of way has filed an appeal. If Madam Justice Fitzpatrick's decision is upheld, it is expected that a significantly broader spectrum of purchasers will be interested in the property.
3. Romspen entered into an agreement of purchase and sale with Derrick Davies in respect to the Sorrento properties for a total purchase price of \$750,000. At the hearing for court approval, another bid, submitted by PK Chahal Holdings Ltd., in the amount of \$840,000 was accepted. By order pronounced April 21, 2011, this Honourable Court approved PK Chahal Holdings Ltd.'s offer. The sale to PK Chahal Holdings Ltd. closed on May 20, 2011. Net proceeds have been disbursed in accordance with the court order. \$608,738.51 of the net proceeds are held by the Receiver, Ernst & Young, pending the court's determination of the amount secured by the Olympia mortgage.

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Romspen would be pleased to provide any further information desired by this Honourable Court.

Yours truly,

**OWEN BIRD LAW CORPORATION**

"Alan Frydenlund"

Alan A. Frydenlund

cc Shire Service List