

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

IN BANKRUPTCY

IN THE MATTER OF THE PROPOSAL OF

**THE DIAMOND BULLET CORPORATION,
PREMIERE MANUFACTURING LTD. AND
HAT BIT SUPPLY LTD.**

OF THE TOWN OF TABER, IN THE PROVINCE OF ALBERTA

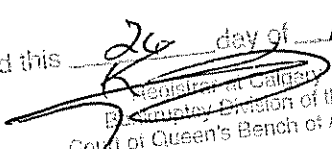
BEFORE THE HONOURABLE) At the Calgary Courts Centre, in the City of Calgary,
JUSTICE J.D.B. McDONALD) in the Province of Alberta, on Tuesday, the 25th day
IN CHAMBERS) of November, 2008.

ORDER

UPON THE application of THE DIAMOND BULLET CORPORATION, PREMIERE MANUFACTURING LTD. and HAT BIT SUPPLY LTD. (the "Debtor Companies"), insolvent persons, for an order abridging the time of service of this Notice of Motion, extending the time for the Debtor Companies to file their proposal to January 10, 2009, procedurally consolidating Estates, authorizing the Debtor Companies to enter into a Commercial Real Estate Purchase Contract to sell its industrial plant warehouse, and granting the Debtor Companies leave to apply to the Court for authority and direction to enter into an agreement to dispose of assets to a proposed auction house or other buyer;

AND UPON having read the Debtor Companies' Notice of Motion and the Affidavit of Rick Souther dated November 20, 2008, filed; AND UPON having read the report of the trustee on the state of the Debtor Companies' business and financial affairs, filed:

I hereby certify this to be a true copy of the
original order
of which it purports to be a copy.

Dated this 26 day of Nov 2008

Registrar of Calendars
Bankruptcy Division of the
Court of Queen's Bench of Alberta

AND UPON hearing the submission for counsel for the Debtor Companies, counsel for HSBC Bank Canada, counsel for Lorna Moores and Three Cloud Properties Ltd.; AND ALSO hearing from Meyers Norris Penny Limited (the "Trustee");

IT IS HEREBY ORDERED AND DECLARED THAT:

- (a) The time for service of the Notice of Motion and materials in support thereof be and it is hereby abridged to the date of actual service, and that the service, including the manner of service of the motion materials, be and is hereby approved and validated, that the motion is properly returnable today, and that all parties entitled to notice of this motion have been properly served and further service thereof is hereby dispensed with;
- (b) The time for filing the Debtor Companies' proposal is extended from November 26, 2008 to January 10, 2009 granted under section 50.4(9) of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3;
- (c) The following Estates are procedurally consolidated into Estate No. 25-1124515:
- i. THE DIAMOND BULLET CORPORATION, PREMIERE MANUFACTURING LTD. and HAT BIT SUPPLY LTD., Estate No. 25-1124515;
 - ii. DBC INTERNATIONAL INC., Estate No. 25-1124511;
 - iii. R ENVIRONMENTAL LABS LTD., Estate No. 25-1124514; and
 - iv. DUNN TRUCKING LTD., Estate No. 25-1124513;


but said consolidation specifically does not permit an intermingling of assets or a global proposal for all Estates without further Order of this Honourable Court; and

- (d) Subject to the Debtor Companies obtaining an update to the current appraisal or a new appraisal of PREMIERE MANUFACTURING LTD.'S industrial plant warehouse located at 6215 – 62 Street, Taber, Alberta, and said appraisal being less than or equal to the purchase price PREMIERE MANUFACTURING LTD., be and are hereby authorized to:
- i. execute and deliver a Commercial Real Estate Purchase Contract (the "Real Estate Contract") in the form attached as Schedule "A", the form of which is hereby approved; and

- ii. take such steps as are necessary to give effect to the transaction of purchase and sale as contemplated by said Real Estate Contract.

If said appraisal is more than the purchase price, the Debtor Companies have leave to return to Court for further authorization and direction.

- (e) The Debtor Companies and specifically, PREMIERE MANUFACTURING LTD., are hereby granted leave to apply to this Honourable Court for authorization and direction to dispose of the drill bit inventory of PREMIERE MANUFACTURING LTD. to a proposed auction house or other buyer as set out in the Affidavit of Rick Souther, sworn November 20, 2008, filed.



J.C.Q.B.A.

ENTERED THIS 26 DAY OF NOVEMBER, 2008.



Clerk of the Court

141108-62
Purchase Contract Number

COMMERCIAL REAL ESTATE PURCHASE CONTRACT

This form was developed by the Alberta Real Estate Association
for the use of its members and may not be altered electronically by any person.

PART A - OFFER TO PURCHASE

This Contract is between

Name PREMIERE MANUFACTURING LTD. **THE SELLER** and Name JIM FULLER **THE BUYER**
 Name _____ Name or/ NOMINEE

1. THE PROPERTY

1.1 The Property is the Land, Buildings, Accepted Tenancies, Attached Goods (unless excluded) and Included Unattached Goods located at:

Municipal Address: 6215-62 St. TABOR, AB

Legal Description: Plan 7711362 Block 1 Lot/Unit 4 (South

half), A/S Ref: 4;16;10;5;E
Title(s) # 971 282 755 A copy of the existing Title(s) attached hereto as Schedule "A".

If Condominium Property, legal description and details as described in Commercial Condominium Property Schedule (attached).

1.2 All Attached Goods (fixtures) except for: _____

1.3 No Unattached Goods (specific chattels) except for: _____

1.4 Title to the Property shall be subject to any reservations and exceptions stated on the Certificate of Title, non-financial obligations now on Title such as easements, utility rights-of-way, covenants and conditions that are normally found registered against property of this nature, and non-financial encumbrances which have been accepted by the Buyer (the "Permitted Encumbrances"). Unless otherwise agreed in writing, the Title shall be free and clear of all other liens, encumbrances, registrations and obligations except those implied by law.

The Buyer agrees to accept the following Permitted Encumbrances: _____

The Buyer agrees to accept the following tenancies (the "Accepted Tenancies"): _____

2. THE TRANSACTION

2.1 The Buyer and the Seller agree to act cooperatively, reasonably, diligently and in good faith

2.2 The Buyer hereby offers to purchase the Property for the sum of \$ FOUR HUNDRED THOUSAND Dollars (the "Purchase Price").

2.3 Other than the Deposits, the Buyer shall pay the Purchase Price by certified cheque, lawyer's trust cheque, bank draft or other agreed value as follows:

\$ <u>1000-00</u>	Initial Deposit
\$ <u>9000-00</u>	Additional Deposit
\$ _____	Assumption of Mortgage/Agreement for Sale (approximate principal balance)
\$ _____	New Financing
\$ _____	Seller Financing (as per attached Financing Schedule)
\$ _____	Other Value
\$ <u>390,000-00</u>	Balance Owing
\$ <u>400,000-00</u>	Purchase Price (plus GST, if applicable)

Seller's Initials

Buyer's Initials

Commercial Real Estate Purchase Contract: Part A - Offer to Purchase

Purchase Contract # 141108-62

2.4 In addition to the Purchase Price, the applicable GST will be paid by the Buyer. On or before the Completion Day, the Buyer may confirm to the Seller's lawyer that it is registered for the purposes of Part IX of the Excise Tax Act (Canada) (the "Act") and will provide its registration number. In that event, the Buyer covenants to assume liability for applicable GST accruing with respect to the contemplated transaction and further covenants to pay the applicable GST immediately after the Completion Day or to complete, sign and file such forms, filings or reports required by the Act within the prescribed time limits. The Buyer agrees to indemnify and save harmless the Seller from and against all liability, fines, penalties, costs, expenses and interest, including legal fees and disbursements on a solicitor/client full indemnity basis, which the Seller incurs or may incur as a result of or arising out of a default by the Buyer of its obligations described in this paragraph. If the Buyer does not confirm that it is a registrant under Part IX of the Act on or before the Completion Day, then the Seller will collect from the Buyer, the Buyer will pay the applicable GST and the Seller will then remit the GST amount as required by the Act.

3. DEPOSITS

3.1 The Initial Deposit shall be delivered in trust to MAXWELL REALT.
Unless otherwise agreed in writing, the Initial Deposit shall accompany the offer.

3.2 Any Additional Deposits shall be delivered in trust to MAXWELL REALT as follows UPON REMIUM OF CONDITIONS.

3.3 In the event that either Deposit(s) are undelivered or returned by the financial institution as funds not cleared or non-sufficient funds, then the Buyer must replace the Deposit(s) by certified cheque, money order or bank draft within two (2) Business Days of being notified that the Deposits did not clear. If the Buyer fails to provide the Deposit(s), the Seller may, at its discretion, terminate the Contract by notice in writing to the Buyer within two (2) Business Days.

3.4 Unless otherwise agreed in writing, no interest on the Deposits shall be paid to the Seller or the Buyer.

3.5 The Deposits shall be held in trust for both the Seller and the Buyer and shall be:
(a) applied against the Commission (as defined in the Commercial Real Estate Listing Contract or any other commission agreement signed by the Seller) and paid directly out of trust to the brokerage(s) when the Commission is earned in accordance with the terms of the Listing Contract or other commission agreement signed by the Seller;
(b) returned forthwith to the Buyer if this offer is not accepted and the cheque has not been deposited;
(c) refunded forthwith to the Buyer if this offer is not accepted and the Buyer's cheque has cleared the brokerage's trust account;
(d) refunded forthwith to the Buyer upon the Buyer's cheque clearing the brokerage's trust account if a condition is not satisfied or waived (as per Section 4) or the Seller fails to perform this Contract; and
(e) forfeited to the Seller if this offer is accepted and all conditions are satisfied or waived and the Buyer fails to perform on this Contract.

3.6 ~~The brokerage holding the Deposits is further directed and authorized to pay that portion of the Deposits exceeding the Commission in trust to the Seller's lawyer no later than two (2) Business Days prior to the Completion Day.~~

3.7 ~~If there is a dispute between the Seller and the Buyer as to entitlement to the Deposits then:~~
(a) ~~the brokerage holding the Deposits shall review the circumstances, determine entitlement and pay the money to the party who is entitled to the Deposit;~~
(b) ~~if no reasonable conclusion can be made in regard to (a) above, the brokerage shall notify the parties to the Contract in writing and shall pay the money into a lawyer's trust account;~~
(c) ~~the parties agree to allow the lawyer and/or the brokerage to deduct from the Deposit a reasonable fee and costs incurred for dealing with the Deposit;~~
(d) ~~a brokerage and/or lawyer acting in good faith under this clause shall not be liable to either party for any damages associated with the handling of the Deposit except as arising from the negligence of the brokerage or lawyer.~~

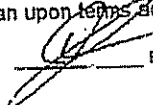
4. CONDITIONS

4.1 **Buyer's Conditions:** The obligations of the Buyer described in this Contract are subject to the satisfaction or waiver of the following conditions precedent, if any. These conditions are inserted for the sole and exclusive benefit and advantage of the Buyer. The satisfaction or waiver of these conditions will be determined in the sole discretion of the Buyer. The Buyer agrees to use reasonable efforts to satisfy these conditions. These conditions may only be satisfied or waived by the Buyer giving written notice (the "Buyer's Notice") to the Seller on or before 5 p.m. on the 21ST day of DECEMBER, 2008 (the "Buyer's Condition Day"). If the Buyer fails to give the Buyer's Notice to the Seller on or before the Buyer's Condition Day, then this Contract will be ended and the Initial Deposit plus any earned interest will be returned to the Buyer and all agreements, documents, materials and written information exchanged between the parties will be returned to the Buyer and the Seller respectively.

Within three (3) Business Days of the Final Signing of this Contract (Section 18), the Seller will provide to the Buyer true copies of all agreements/documents/materials which reasonably relate to the Property and the Buyer's Conditions and which are in the possession of the Seller or under its control (the "Documents"). The Documents are required by the Buyer in order for it to decide whether the conditions are satisfied or should be waived. Any delay by the Seller in providing the Documents will extend the Buyer's Condition Day.

(a) **Financing Condition:** The Buyer being able to arrange a new mortgage loan upon terms acceptable to the Buyer and/or the Buyer being approved to assume an existing mortgage loan upon terms acceptable to the Buyer.

Seller's Initials



Buyer's Initials

(b) Due Diligence Conditions:

- (i) acceptable physical viewing/inspection of the Property;
- (ii) acceptable review of legal title for the Property and any Unattached Goods;
- (iii) acceptable review of any Permitted Encumbrances;
- ~~(iv) acceptable review of Accepted Tenancies;~~
- ~~(v) acceptable review of financial records and statements respecting the Property and any operating agreements that the Buyer is to assume;~~
- (vi) acceptable review of all engineering, mechanical, electrical, plumbing, roof, heating, ventilation, construction or similar reports, studies, assessments, plans, drawings, specifications, correspondence or work orders;
- (vii) acceptable review of all environmental reports;
- (viii) acceptable review of all real property reports; and
- (ix) acceptable review of the following additional agreements/documents/materials: _____

(x) The Buyer may also, at its expense, retain its own consultants to conduct such inspections, reviews and tests and to produce such observations, reports or assessments regarding the Property. In this regard, the Buyer and its authorized representatives will have access to the Property after the Final Signing of this Contract and during normal business hours in order to conduct all inspections, reviews and tests deemed necessary by the Buyer acting reasonably. The rights of the existing tenants must be respected and the Buyer will be responsible for all damages caused by its representatives. The Seller will provide the Buyer with such written authorizations and other assistance when reasonably required by the Buyer to facilitate or to complete its inspections, review or tests.

(c) Additional Buyer's Conditions: 1) THAT SALE OF BUYER'S HOME LOCATED AT 4525-50 AVE TABER, AB IS SOLD BY DECEMBER 21ST, 2008; 2) THAT SALE OF BUYER'S LOT ON 40-MUG RESUIOR IS SOLD BY DECEMBER 21 ST, 2008. 3) THAT SUITABLE FINANCING BE ARRANGED BY DECEMBER 21 ST, 2008.
4) BUYER AND SELLER TO AGREE ON A CHATELAIN INCLUSION LIST BY DECEMBER 21 ST, 2008.

4.2 Seller's Conditions: The obligations of the Seller described in this Contract are subject to the satisfaction or waiver of the following conditions precedent, if any. These conditions are inserted for the sole and exclusive benefit and advantage of the Seller. The satisfaction or waiver of these Conditions will be determined in the sole discretion of the Seller. The Seller agrees to use reasonable efforts to satisfy these conditions. These conditions may only be satisfied or waived by the Seller giving written notice (the "Seller's Notice") to the Buyer on or before 5 p.m. on the _____ day of _____, (the "Seller's Condition Day"). If the Seller fails to give the Seller's Notice to the Buyer on or before the Seller's Condition Day, then this Contract will be ended and the Initial Deposit plus any earned interest will be returned to the Buyer and all agreements, documents, materials and written information exchanged between the parties will be returned to the Buyer and the Seller respectively

4.3 Subject to clauses 4.1 and 4.2, the Buyer and the Seller may give written notice to the other party on or before the stated Condition Day advising that a Condition will not be waived, has not been satisfied and will not be satisfied on or before the Condition Day. If that notice is given, then this Contract is ended upon the giving of that notice.

5. INSURANCE

5.1 The risk of loss or damage to the Property shall lie with the Seller until the Purchase Price is paid according to the terms of this Contract. If loss or damage to the Property occurs before the Seller is paid the Purchase Price, then any insurance proceeds shall be held in trust for the Buyer and the Seller according to their interests in the Property.

6. WARRANTIES AND REPRESENTATIONS

6.1 The Seller represents and warrants to the Buyer that:

- (a) the current use of the Land and Buildings complies with the existing municipal land use bylaw;
- (b) the Buildings and other improvements on the Land are not placed partly or wholly on any easement or utility right-of-way and are entirely on the Land and do not encroach upon neighbouring lands, except where an encroachment agreement is in place;
- (c) the location of Buildings and other improvements on the Land complies with all relevant municipal bylaws, regulations or relaxations granted by the appropriate municipality prior to the Completion Day, or the Buildings and other improvements on the Land are "non-conforming buildings" as that term is defined in the *Municipal Government Act* (Alberta);
- (d) to the best of the Seller's knowledge, there is no legal action outstanding with respect to the Property;
- (e) the Seller is not in breach of any contract with respect to the Property;
- (f) the Seller is not in breach of any obligation to any third party with respect to the Property;
- (g) within the meaning of the *Income Tax Act* (Canada), the Seller is not now, nor will be on the Completion Day, a non-resident of Canada nor an agent or a trustee for any person with an interest in the Property who is a non-resident of Canada;
- (h) \$ N/A is the current monthly condominium contribution payable (fee for administrative and other expenses); and
- (i) except as otherwise disclosed, the Seller is not aware of any defects that are not visible and that may render the Property dangerous or potentially dangerous to occupants or unfit for habitation.

6.2 All of the warranties contained in this Contract and any attached Schedules are made as of and will be true at the Completion Day, unless otherwise agreed in writing.

Seller's Initials

Buyer's Initials

Commercial Real Estate Purchase Contract: Part A - Offer to Purchase

Purchase Contract # KA1108-62

- 6.3 The Seller and the Buyer each acknowledge that, except as otherwise described in this Contract, there are no other warranties, representations or collateral agreements made by or with the other party, the Seller's brokerage and the Buyer's brokerage about the Property, any neighbouring lands, and this transaction, including any warranty, representation or collateral agreement relating to the size/measurements of the Land and Buildings or the existence or non-existence of any environmental condition or problem.
- 6.4 The representations and warranties in this Contract may be enforced after the Completion Day, provided that any legal action is commenced within the time limits prescribed by the *Limitations Act* (Alberta)
- 6.5 The Buyer shall have the right to register a caveat against the Title to the Property upon the acceptance of this offer by the Seller. Should the Buyer fail to perform this Contract, it agrees to forthwith discharge that caveat.

7. ADDITIONAL TERMS

- 7.1 All time periods, deadlines and dates in this Contract shall be strictly followed and enforced. All times will be Alberta time unless otherwise stated.
- 7.2 Neither the Buyer or the Seller shall assign its interest in the Property without the written approval of the other, such approval not to be unreasonably withheld.
- 7.3 All changes of number and gender shall be made where required.
- 7.4 This Contract will be governed by the laws of the Province of Alberta. The parties submit to the exclusive jurisdiction of the Courts in the Province of Alberta regarding any dispute that may arise out of this transaction
- 7.5 The following terms are a part of this Contract:

The terms and provisions of the Addendum.

8. CLOSING

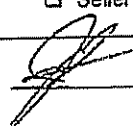
- 8.1 Subject to compliance with the terms hereof, possession of the Property shall be available and given to the Buyer on or before 12 noon on the 16 day of February 2009 (the "Completion Day"), subject to the rights of the Accepted Tenancies, if any.
When the Buyer obtains possession, the Property will be in substantially the same condition as it was in when this Contract was accepted.
- 8.2 All normal adjustments for the Property including but not limited to taxes, local improvement levy and assessments, municipal charges, rents, utilities, tenant deposits including interest, prepaid rent, mortgage principal and interest that are applicable with respect to the Property shall be adjusted as of 24:00 hours on the Completion Day. The Buyer shall assume all local improvements, assessments and charges against the Property as of that time.
- 8.3 Closing documents shall:
 - (a) consist of the transfer of land (the "Transfer") in registerable form together with all applicable conveyancing documents normally expected in a commercial transaction of this nature;
 - (b) include estoppel certificates for each of the Accepted Tenancies (if applicable); and
 - (c) be prepared at the expense of the Seller and delivered to the Buyer's lawyer within a reasonable time to confirm registration prior to the Completion Day.
- 8.4 In the event the Seller fails to deliver the Transfer to the Buyer's lawyer within such reasonable time, then the Buyer shall not be obliged to pay interest on that portion of the cash to close attributable to the Buyer's own funds, excluding mortgages, provided that those funds are paid to Seller's lawyer in trust, until the Buyer has a reasonable time in which to register the Transfer
- 8.5 The Seller's lawyer may use the Purchase Price to pay out all mortgages, condominium contributions, registrations and other financial obligations that are the Seller's obligation to pay or discharge. Within a reasonable period of time after the Completion Day, the Seller's lawyer will provide the Buyer's lawyer with evidence of all discharges including, where required, a certified copy of the certificate of title and an estoppel certificate evidencing the payment of all condominium contributions that are the Seller's obligation to pay.
- 8.6 All money due and owing to the Seller including GST, if applicable, shall be paid to the Seller's lawyer on or before the Completion Day. If the Seller agrees to accept payment after the Completion Day, the Buyer shall pay interest at a rate of 3% per annum above the prime rate set by the Alberta Treasury Branch on all monies owing to the Seller, from the Completion Day to and including the date that the monies owing have been unconditionally paid.
- 8.7 If a new mortgage is a condition of this Contract, the Seller agrees to trust conditions that allow the Buyer's lawyer to register the Transfer so as to obtain the advance of mortgage funds on the new mortgage; provided however that the Buyer's lawyer undertakes, accepts, and complies with reasonable trust conditions imposed by the Seller's lawyer until the Seller has been paid the total Purchase Price.
- 8.8 The Seller's lawyer has a right to prepare (at the expense of the Buyer) any mortgage or agreement for sale between the Seller and the Buyer

9. ATTACHED SCHEDULES

9.1 The following Schedules form part of this Contract and are attached:

- Schedule A (copy of Title)
- Schedule B (other documents)
- Commercial Condominium Property Schedule
- Addendum
- Other Schedules _____
- Financing Schedule
- Assumption of Mortgage/Agreement for Sale
- Other Value
- Seller Financing

Seller's Initials



Buyer's Initials

Commercial Real Estate Purchase Contract, Part A - Offer to Purchase

Purchase Contract # 141108-62

10. CONFIDENTIALITY

10.1 The Buyer shall keep all information obtained in strictest confidence and shall only make the information available to the Buyer's employees, agents and professional advisors in strict confidence and shall return all of the Documents including all copies to the Seller before any Deposits are released to the Buyer pursuant to this Contract

11. REMEDIES/DISPUTES

11.1 If the Seller or the Buyer fails or refuses to complete the Contract according to its terms, then the other party may pursue all available remedies. The Seller's remedies include keeping the Deposits and claiming additional damages. Both the Seller and the Buyer can claim reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.

12. SECURITY FOR THE SELLER'S BROKERAGE'S FEES

12.1 The Seller does hereby irrevocably assign to the Seller's brokerage enough of the Purchase Price to pay all sums due and owing to the Seller's brokerage, and agrees to pay any unpaid balance of the Commission to the Seller's brokerage.

13. ADVICE

13.1 This Contract is intended to create binding legal obligations. The Seller and the Buyer should read this Contract carefully and are encouraged to obtain legal advice before signing.

13.2 This Contract may be signed and sent by fax and this procedure will be as effective as signing and delivering an original copy.

13.3 Unless there is a dual agency or another written agreement, the Seller's brokerage represents the Seller as Seller's Agent and does not have a fiduciary relationship with the Buyer, and the Buyer's brokerage represents the Buyer as Buyer's Agent and does not have a fiduciary relationship with the Seller.

13.4 The Buyer and Seller agree that the sale and other related information regarding this transaction may be retained and disclosed by the brokerage and/or its real estate board(s) as required for closing and for reporting, appraisal and statistical purposes.

14. DEFINITIONS

14.1 In this Contract:

- (a) Business Day means a day when the Land Titles Office is open for business
- (b) Buyer's Agent means the licensed brokerage (including its broker, all associate brokers and agents) who represents the Buyer
- (c) Seller's Agent means the licensed brokerage (including its broker, all associate brokers and agents) who represents the Seller.

15. REPRESENTATIVES/NOTICE

Note: The Representative information must be completed in full by the Buyer's Agent at the offer stage prior to the Contract being signed in order to permit communication on the Representatives.

15.1 The Representatives identified in clause 15.2 represent the Seller and the Buyer.

15.2 For the purposes of giving and receiving any notice referred to in this Contract, and for acceptance of an offer to purchase, communication must be in writing and must be delivered to the address or faxed to the number described below.

A notice sent or received by a Representative is proper notice for the purposes of this Contract.

Seller's Information:

Seller's Address _____ Phone _____ Fax _____ (postal code) _____

Seller's GST # _____

Seller's Representative: _____

Broker, associate broker or agent registered to the brokerage

Brokerage Name _____

Brokerage Address _____

Phone _____

Fax _____

(postal code) _____

Buyer's Information:

Buyer's Address _____ Phone _____ Fax _____ (postal code) _____

Buyer's GST # _____

Buyer's Representative: **ROB KINNIBURGH**

Broker, associate broker or agent registered to the brokerage

Brokerage Name **MAXWELL REALTY - LETHBRIDGE**

Brokerage Address **#1 - 1718 - 3rd Ave. S.**

Lethbridge

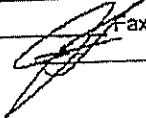
T1J 0Y9

(postal code)

Phone **(403)320-6969**

Fax **(403)320-6569**

Seller's Initials

 _____
Buyer's Initials

Purchase Contract # 141108-62

Commercial Real Estate Purchase Contract: Part B - Acceptance

16. OFFER

16.1 The Buyer offers to buy the Property for the Purchase Price according to the terms of this Contract.

16.2 This offer/counter offer shall be open for acceptance in writing until 9:00 p.m. on NOVEMBER 18, 2008.

SIGNED AND DATED at TABER, Alberta at 3:30 p.m. on the 14 day of NOVEMBER, 2008.

Name of Buyer (Print)

Per: VIM FULVER
Authorized Signing Officer(s)

Print Name of Authorized Signing Officer(s)

Per: _____
Authorized Signing Officer(s)

Print Name of Authorized Signing Officer(s)

Witness: [Signature]

Print Name of Witness: ROBERT KIMMOURGH

Witness: _____

Print Name of Witness: _____

PART B - ACCEPTANCE

17. ACCEPTANCE

17.1 The Seller accepts the Buyer's offer and agrees to sell the Property for the Purchase Price according to the terms of the Contract.

SIGNED AND DATED at _____, Alberta at _____ .m. on the _____ day of _____.

Name of Seller (Print)

Per: _____
Authorized Signing Officer(s)

Print Name of Authorized Signing Officer(s)

Per: _____
Authorized Signing Officer(s)

Print Name of Authorized Signing Officer(s)

Witness: _____

Print Name of Witness: _____

Witness: _____

Print Name of Witness: _____

18. FINAL SIGNING

18.1 Final Signing of this Contract occurred at _____ .m. on _____.

Initials of the person(s) who signed last _____

CONVEYANCING

Seller's Lawyer _____

Lawyer's Address _____ (postal code)

Lawyer's Phone _____ Fax _____

Buyer's Lawyer DOUG CARLE

Lawyer's Address _____ (postal code)

Lawyer's Phone _____ Fax _____

ADDENDUM
to Commercial Real Estate Purchase Contract
between Premiere Manufacturing Ltd. and Jim Fuller
dated as of November 18, 2008 (Purchase Contract No. 141108-62)
(the "Contract")

1. Capitalized terms in this Addendum not otherwise defined herein have the meanings given to them in the Contract. The Contract is amended by the terms and provisions of this Addendum.
2. Pursuant to Section 1.1 of the Contract, there are no Unattached Goods.
3. Pursuant to Section 3.1 of the Contract, the Initial Deposit shall be delivered in trust to Myers Norris Penny Limited, the trustee of the Seller under the Seller's proposal proceedings under the *Bankruptcy and Insolvency Act* (the "BIA") (in such capacity, the "Trustee").
4. Pursuant to Section 3.2 of the Contract, the Additional Deposit shall be delivered in trust to the Trustee upon the satisfaction or waiver of the conditions set out in Sections 4.1 and 4.2 of the Contract.
5. Section 3.5 of the Contract is amended by deleting the "and" at the end of clause (d), replacing the period at the end of clause (e) with "; and", and adding the following as clause (f):

“(f) refunded to the Buyer in the event that the Court of Queen's Bench of Alberta in the Seller's BIA proceedings or HSBC Bank of Canada does not approve this Contract.”

6. Section 4.1 of the Contract is amended to change the Buyer's Condition Day to December 23, 2008 and Section 4.1(c) of the Contract is restated as follows:

“(c) Additional Buyer's Conditions:

- (i) the Buyer completing the sale of his home located at 4525-50th Avenue, Taber, Alberta by December 22, 2008;
- (ii) the Buyer completing the sale of his lot on 40 Mile Reservoir by December 22, 2008; and
- (iii) the Buyer shall have arranged financing for the purchase of the Property on terms satisfactory to the Buyer by December 22, 2008,

provided that the Buyer shall forthwith from the later of the date hereof or the entering into agreements, term sheets or commitment letters with respect to the forgoing provide copies thereof provide copies of such agreements, term sheets and commitment letters to the Seller, and the Buyer undertakes to use his best

efforts to complete the sales and arrange the financing contemplated by clauses (i) to (iii).

7. Section 4.2 is amended to complete the Seller's Condition Day as December 23, 2008 and to add the following conditions:

- “(a) the approval of the sale of the Property and the Contract by the Court of Queen's Bench of Alberta in the BIA proceedings of the Seller and by the Trustee; and
- (b) the consent by HSBC Bank of Canada to the sale of the Property.”

Court No. 25-1124515
Estate No. 25-1124515

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

IN BANKRUPTCY

**IN THE MATTER OF
THE PROPOSAL OF**

**THE DIAMOND BULLET
CORPORATION,
PREMIERE MANUFACTURING LTD.
AND HAT BIT SUPPLY LTD.**

**OF THE TOWN OF TABER, IN THE
PROVINCE OF ALBERTA**

ORDER

GOWLING LAFLEUR HENDERSON LLP
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Calgary, Alberta T2P 4V5

Responsible Solicitor:
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File No.: A114525

