

# **APPENDIX G**

**OFFER TO PURCHASE**

**TO: MEYERS NORRIS PENNY LIMITED, IN ITS CAPACITY AS INTERIM RECEIVER OF  
PREMIERE MANUFACTURING LTD., AND NOT IN ITS PERSONAL CAPACITY**

1. \_\_\_\_\_  
(Name of Prospective Purchaser)

2. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(Address, Phone, Fax and E-mail of Prospective Purchaser)

3. The undersigned hereby irrevocably offers to purchase the following assets at the following prices, in the lawful currency of Canada, namely:

4.

Description	Amount (Cdn \$)
<b>Parcel 1</b>	
Tri-Cone Drill Bit Inventory (see Appendix X)	_____
PDC Drill Bit Inventory (see Appendix X)	_____
<b>Total Inventory</b>	_____
<b>Parcel 2</b>	
Owned Machinery and Equipment (see Appendix X)	_____
Leased Machinery and Equipment (see Appendix X)	_____
<b>Total Machinery and Equipment</b>	_____
<b>Parcel 3</b>	
Land and Building	_____
<b>Total Land and Building</b>	_____
<b>Applicable Taxes</b>	
GST	_____
<b>Total Applicable Taxes</b>	_____
<b>Total Purchase Price</b>	=====

5. Enclosed is a bank draft or certified cheque payable to Meyers Norris Penny Limited – In Trust, in the amount of \$\_\_\_\_\_, in the lawful currency of Canada, representing 10% of the total purchase price.

6. The undersigned hereby represents and warrants that it is not a non-Canadian as defined in the *Investment Act (Canada)* and that it is not a non-resident of Canada as defined in the *Income Tax Act (Canada)*. **[Delete if not applicable]**
  
7. The undersigned acknowledges receipt of a copy of the Terms and Conditions of Sale and acknowledges such Terms and Conditions of Sale are deemed to form part of this Offer to Purchase and agrees to be bound by them and covenants and agrees, that should it be the successful Prospective Purchaser, to execute and deliver the applicable form of Asset Purchase Agreement, substantially in the form attached hereto.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 2008.  
(City, Province) (Date) (Month)

\_\_\_\_\_  
Print Name of Prospective Purchaser

\_\_\_\_\_  
Signature of Prospective Purchaser

# **ASSET PURCHASE AGREEMENT**

**(Real Property)**

**[NTD: This APA relates solely to Real Property.  
Purchasers who wish to submit an offer for Inventory,  
Fixed Assets and Real Property are directed to the form of  
APA relating to Real Property and for Inventory/Fixed Assets]**

**Between**

**•**

**and**

**MEYERS NORRIS PENNY LIMITED, in its capacity  
as Interim Receiver of Premiere Manufacturing Ltd.**

**•, 2009**

## INDEX TO EXHIBITS

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## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (“**Agreement**”) is entered into as of this •, 2009, by and between • (the “**Buyer**”) and Meyers Norris Penny Limited, in its capacity as Interim Receiver of Premier Manufacturing Ltd. (the “**Seller**”).

**WHEREAS** the Seller desires to sell or otherwise transfer to the Buyer and the Buyer desires to purchase from the Seller the right, title and interest of the Seller, if any, in the Transferred Assets.

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties intending to be legally bound agree as follows:

### **ARTICLE 1 DEFINITIONS**

#### **1.1 Certain Defined Terms**

As used in this Agreement, the following terms shall have the following meanings and grammatical variations of such terms shall have corresponding meanings:

“**Agreement**” means this asset purchase agreement, between the Seller and the Buyer, including all exhibits and schedules and all amendments or restatements, as permitted.

“**Approval and Vesting Order**” means an approval and vesting order in the form of the draft order attached hereto as Exhibit “A”, or as otherwise acceptable to the Buyer and the Seller.

“**Business Day**” means any day other than a Saturday, Sunday or statutory holiday in Calgary, Alberta on which Canadian chartered banks are open for commercial banking business during normal banking hours.

“**Buyer**” has the meaning specified in the recitals to this Agreement provided that in the event the Buyer assigns its interest in accordance with the provisions of this Agreement to a nominee, the term “Buyer” will also include such nominee.

“**Closing**” means the closing of the transaction contemplated by this Agreement.

“**Closing Date**” has the meaning specified in Section 2.4.

“**Closing Documents**” means the documents referred to in Section 8.3 and 9.3 hereof.

“**Court**” means the Court of Queen’s Bench of Alberta, Judicial District of Calgary.

“**Documents**” shall have the meaning specified in Section 13.4.

“**Environmental Legislation**” means any federal, provincial or other jurisdictional legislation, statute, regulation or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Environmental Protection and Enhancement Act* (Alberta), the *Canadian Environmental Protection Act*, the *Water Act* (Alberta), the *Climate Change and Emission Management Act* (Alberta) and the *Dangerous Goods Transportation and Handling Act* (Alberta), or any regulations under such legislation.

“**Excluded Assets**” means all assets set out on Schedule 1.1.

“**GAAP**” means generally accepted accounting principles recommended, from time to time, in the Handbook of the Canadian Institute of Chartered Accountants.

“**Governmental Authority**” means any Canadian federal, provincial, municipal or local or any foreign government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body or any other public agency.

“**Initial Deposit**” means the amount paid pursuant to Section 2.2(a).

“**Law**” means any Canadian federal, provincial, state, municipal, local or foreign statute, act, law, ordinance, regulation, rule, code, order, decree, judgment, policy, other requirement or rule of law, including the common law and its principles.

“**Licences and Permits**” means the licences and permits relating to the operation of the Transferred Assets.

“**Losses**”, in respect of any matter, means all losses, claims, demands, proceedings, damages, liabilities, deficiencies, costs and expenses (including, without limitation, all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) arising directly or indirectly as a consequence of such matter.

“**Permitted Encumbrances**” means the encumbrances set out in Schedule 2.1.

“**Person**” means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity.

“**Purchase Price**” has the meaning specified in Section 2.2.

“**Real Property**” means the lands as more particularly described in Schedule 3.1.

“**Tax**” means any and all transfer taxes, goods and services taxes, harmonized sales taxes, value added taxes or license, registration and documentation fees and similar charges, but does not include income or disposition tax levied on the Seller arising by reason of the sale of the Transferred Assets.

“**Transferred Assets**” has the meaning specified in Section 2.1.

## 1.2 Certain Rules of Interpretation

In this Agreement:

- (a) Consent - Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.
- (b) Currency - Unless otherwise specified, all references to money amounts are to lawful currency of Canada.
- (c) Number and Gender – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

- (d) Statutory References – A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.
- (e) Time - Time is of the essence in the performance of the parties' respective obligations.
- (f) Time Periods - Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.
- (g) GAAP - all accounting terms not otherwise defined in this Agreement have the meanings assigned to them in accordance with GAAP.
- (h) References – all references to Articles, Sections, Subsections, Exhibits or Schedules shall, unless stated to the contrary, mean Articles, Sections, Subsections, Exhibits or Schedules of this Agreement.

## ARTICLE 2 PURCHASE AND SALE OF ASSETS

### 2.1 The Transferred Assets

Subject to the terms and conditions of this Agreement, on the Closing Date the Seller shall sell, transfer, assign and convey to the Buyer all of the right, title and interest of the Seller, if any, in and to the following assets:

- (a) the Real Property; and
- (b) to the extent transferable, the Licences and Permits;

(collectively the “**Transferred Assets**”). For greater certainty, the Transferred Assets do not include the Excluded Assets.

The Transferred Assets shall be transferred to and vested in the Buyer pursuant to the Approval and Vesting Order on an “as is, where is” basis free and clear of all encumbrances subject only to the Permitted Encumbrances and the rights reserved to or vested in or deemed to be reserved to or vested in any governmental or public authority pursuant to the original grant from the Crown in the right of the Province of Alberta applicable to the Real Property or pursuant to any applicable statutory provisions. The parties acknowledge and agree that the Seller shall deliver the Transferred Assets to the Buyer effective on the Closing Date by delivering vacant possession of the Real Property and by permitting the Buyer to take possession of the Transferred Assets.

## 2.2 Purchase Price

Exclusive of all applicable federal, provincial and municipal Taxes, the aggregate purchase price (the “**Purchase Price**”) payable by the Buyer to the Seller in consideration of the transfer of the Transferred Assets shall be \$●, subject only to the usual adjustments for property taxes (and deposits as and where applicable). The Purchase Price will be satisfied by the Buyer as follows:

- (a) as to the amount of \$●, as a deposit (the “**Initial Deposit**”) shall be paid by wire transfer, money order, certified cheque or bank draft within two Business Days of mutual execution of this Agreement and shall be dealt with in accordance with Section 2.3; and
- (b) as to the balance, by payment on the Closing Date by wire transfer, money order, certified cheque or bank draft.

All Taxes payable in connection with the purchase and sale of the Transferred Assets shall be the responsibility of the Buyer and shall be paid as and when required by law in order to permit the consummation of the purchase and sale of the Transferred Assets as contemplated herein.

## 2.3 Initial Deposit

- (a) The Initial Deposit, provided by the Buyer to the Seller and held by the Seller’s solicitor, McCarthy Tétrault LLP, in trust, in an interest bearing escrow account shall be:

- (i) forfeited on account of liquidated damages in the event that the Closing does not occur on or before the Closing Date by reason of the Buyer's breach of its obligations hereunder;
- (ii) in the event the Closing occurs on or before the Closing Date, applied toward the Purchase Price in accordance with Section 2.2; or
- (iii) otherwise returned to the Buyer.

## **2.4 Closing**

Upon the terms and subject to the conditions of this Agreement, the sale, transfer, conveyance and assignment of the Transferred Assets as contemplated by this Agreement shall take place on the Business Day following the issuance of the Approval and Vesting Order and shall be held at the offices of McCarthy Tétrault LLP, Suite 3300, 421-7th Avenue SW, Calgary, Alberta, T2P 4K9 at 10:00 a.m. Calgary time or at such other place or at such other time or on such other date as the Seller and the Buyer may mutually agree upon in writing (the "**Closing Date**"). The Closing Documents and Purchase Price shall be held in escrow until such time as the Seller informs the Buyer in writing that the Seller's Certificate, as defined in the Approval and Vesting Order, has been filed with the Court and the Buyer has advised that the Approval and Vesting Order has been registered with the Alberta Land Titles Office and that the Buyer has received certified copies of title to all the Real Property registered in the name of the Buyer (or its nominee) free of all encumbrances other than the Permitted Encumbrances. Notwithstanding anything to the contrary contained in this Agreement, in the event registration of the Real Property is delayed by reason of a delay in registration of the Approval and Vesting Order at the Land Titles Office, interest will be payable on the Purchase Price by the Buyer at a rate of interest equal to the prime rate of interest charged by the Alberta Treasury Branches at its main office in Calgary, Alberta plus three (3%) percent per annum from the Closing Date to the date the Purchase Price is unconditionally releasable to the Seller.

## **ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE SELLER**

The Seller hereby represents and warrants to the Buyer as follows:

### **3.1 Authorization**

The Seller has, or will have after obtaining the Approval Order, all necessary authority to execute and deliver this Agreement and all other documents and instruments contemplated herein or therein to which it is or will be party and to perform its obligations hereunder and thereunder.

### **3.2 Seller Resident of Canada**

The Seller is not a non-resident of Canada under the *Income Tax Act* (Canada).

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF BUYER**

The Buyer represents and warrants to the Seller as follows:

### **4.1 Organization**

The Buyer is duly incorporated, validly existing and in good standing under the Laws of its incorporating jurisdiction.

### **4.2 Authorization**

The Buyer has the corporate power and authority to execute and deliver this Agreement and the other documents and instruments contemplated herein or therein to which it is or will be a party and to perform its obligations hereunder and thereunder. The execution, delivery and performance of this Agreement and the documents contemplated hereby and the consummation of the transactions contemplated hereby and thereby have been duly authorized and approved by the Buyer.

### **4.3 Execution and Delivery**

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Buyer on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Buyer.

#### 4.4 Validity, Etc

Neither the execution and delivery of this Agreement by the Buyer and the other documents and instruments contemplated hereby, the consummation of the transactions contemplated hereby or thereby, nor the performance of this Agreement and such other agreements in compliance with the terms and conditions hereof and thereof will (i) conflict with or result in any breach of the articles or by-laws of the Buyer or shareholders agreement or resolution of shareholders or directors or any Law applicable to the Buyer, (ii) require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority, (iii) result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under any Law, governmental permit, license or order or any of the terms, conditions or provisions of any mortgage, indenture, note, license, agreement or other instrument to which the Buyer is a party, or (iv) violate any order, writ, injunction, decree, statute, rule or regulation applicable to the Buyer.

#### 4.5 Resident

As at the Closing Date, the Buyer is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada). The Buyer will be registered under the *Excise Tax Act* (Canada) and provide its GST number to the Seller at the Closing Date. **[Delete if Inapplicable.]**

#### 4.6 “As Is, Where Is”

Save and except as expressly provided herein, the Buyer acknowledges that the Transferred Assets are purchased on an “as is, where is” basis and without warranty and that it has inspected the Transferred Assets and will accept the same on the Closing Date in their state, condition and location existing as of the date of this Agreement, reasonable wear and tear excepted.

Unless specifically stated in this Agreement, no representation, warranty or condition, whether statutory, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise is being given by the Seller in this Agreement or in any instrument furnished in connection with this Agreement as to title, outstanding liens, description, fitness for purpose, merchantability, acreage or workable acreage, condition, quality, value, suitability, durability, compliance or non-compliance with environmental rules, regulations or legislative provisions, zoning, or site plan requirements or marketability thereof or in respect of any other matter or thing whatsoever including,

without limitation, the respective rights, titles and interests of the Seller, if any, therein and wherever all or part of the Transferred Assets are situate and all of the same are expressly excluded. The implied covenants set forth in the *Land Titles Act* (Alberta) otherwise operating in favour of the Buyer are hereby expressly excluded. The Buyer shall be deemed to have relied entirely on its own inspection and investigation in proceeding with the transactions contemplated hereunder. Further, the Buyer confirms that it has relied entirely on its own inspection, due diligence and investigation in preparing and finalizing the Schedules attached hereto and acknowledges that the Seller has made no representations in respect thereof.

#### **4.7 Environmental Condition**

Without limiting Section 4.6 hereof in any way, the Buyer acknowledges that the Seller makes no representations or warranties, whatsoever, as to the existence or non-existence of urea formaldehyde insulation, asbestos, PCB's, radium, radon or radon progeny, or any other substances, liquids or materials, whether hazardous or toxic or not, which are or which may constitute on their own or together in combination with any other substance, contaminants or pollutants of any environment, including the natural environment. The Seller specifically makes no representation regarding the compliance of the Transferred Assets with any environmental regulation, whether federal, provincial or municipal or with respect to any rule, regulation, covenant or agreement whether statutory or non-statutory.

#### **4.8 Environmental Indemnity**

The Buyer shall indemnify the Seller and hold the Seller harmless from and against all losses, costs, damages, expenses and costs (including legal fees calculated as between a solicitor and his own client with a right to full indemnity) which the Seller may sustain, incur be or become liable for by reason of or arising from anything done by the Buyer in relation to the Transferred Assets in contravention of Environmental Legislation or other Law including, without limitation, any clean-up, de-commissioning, restoration or remediation of the Transferred Assets.

#### **4.9 Consents**

Notwithstanding any other provision of this Agreement, the Buyer acknowledges that the Seller shall have no obligation to obtain any consent that may be required for the assignment of any

contract, lease or other agreement or any other asset pursuant to this Agreement, and that it shall be the sole responsibility of the Buyer, at the Buyer's sole expense, to obtain any necessary consents and to make any necessary payments in relation thereto. The obtaining of such consents shall not, in any manner, be a precondition to the completion of or affect or limit the Buyer's obligations to complete the within transaction but the Seller shall cooperate with the Buyer in obtaining any such consents.

## **ARTICLE 5 COVENANTS OF THE SELLER**

The Seller covenants and agrees with the Buyer as follows:

### **5.1 Satisfaction of Conditions**

The Seller shall take such commercially reasonable actions in good faith which are within its power to control to cause the conditions set forth in Sections 7.1 and Article 9 to be satisfied and, further, shall use commercially reasonable efforts to cooperate with the Buyer (and shall not hinder or delay the Buyer) in the Buyer's efforts to cause the satisfaction of the conditions enumerated in Section 6.1 within such period.

### **5.2 Approval and Vesting Order**

On or before the Closing Date, the Seller shall apply to the Court on notice to the Buyer for the Approval and Vesting Order. The Seller will diligently pursue such application and will promptly notify the Buyer of the disposition.

### **5.3 Insurance**

Until the time of the Closing, the Seller shall maintain in full force all policies and contracts of insurance which are now in effect (or renewals thereof) and under which it or any of the Transferred Assets are insured. At the request and expense of the Buyer, the Seller shall use commercially reasonable efforts to, subject to availability: (i) place such additional insurance on the Transferred Assets; and/or (ii) place such additional public liability and other insurance on the Transferred Assets as the Buyer may request.

#### 5.4 Seller to Pay Utilities and Real Property Taxes to Closing Date

The Seller shall pay the utilities as and when the same are due and payable with respect to the Transferred Assets. The Seller shall pay any real property taxes as and when due with respect to the Real Property unless the Seller adjusts (in accordance with Section 2.2) for any unpaid property taxes.

### ARTICLE 6 COVENANTS OF THE BUYER

#### 6.1 Satisfaction of Conditions

The Buyer shall take such commercially reasonable actions in good faith which are within its power to control to cause the conditions set forth in Section 7.1 and Article 8 to be satisfied and, further, shall cooperate with the Seller (and shall not hinder or delay the Seller) in the Seller's efforts to cause the satisfaction of the conditions enumerated in Section 5.1 within such period.

#### 6.2 Tax Certificate

At the Closing, the Buyer shall provide the Seller with evidence satisfactory to the Seller, acting reasonably, of its federal goods and services tax registration number. **[Delete if Inapplicable.]**

#### 6.3 Filings

The Buyer shall make all necessary filings and registrations in connection with this Agreement and the sale of the Transferred Assets and shall be solely responsible for the costs associated therewith.

### ARTICLE 7 CONDITIONS TO THE OBLIGATIONS OF BOTH PARTIES

The following condition is for the benefit of both the Seller and the Buyer and neither will be obligated to complete the relevant transaction unless the condition has been satisfied:

#### 7.1 Court Approval

The Approval and Vesting Order (the "**Order**") shall have been duly granted, and the Order shall not have been stayed, reversed, or dismissed as at the Closing Date. For greater certainty, expiration of

the appeal period for the Order shall not be a pre-condition of the Buyer's or Seller's obligation to complete the within transaction.

## **ARTICLE 8 CONDITIONS TO THE BUYER'S OBLIGATIONS**

The obligation of the Buyer to pay the Purchase Price on the Closing Date as outlined in Section 2.2, to perform its obligations under this Agreement and to consummate the other transactions contemplated hereby are subject to the satisfaction, on or before the Closing Date, of the following conditions each of which may be waived by the Buyer in its sole discretion:

### **8.1 Representations and Warranties**

The representations and warranties of the Seller contained in Article 3 shall be true, correct and complete in all material respects at the time of the Closing Date with the same force and effect as if such representations and warranties were made at and as of such time.

### **8.2 Performance**

The Seller shall have performed its obligations under this Agreement in all material respect.

### **8.3 Closing Documents**

The Seller shall have delivered to the Buyer at or before the Closing the following documents:

- (a) a certified copy of the issued and entered Approval and Vesting Order;
- (b) the executed Seller's Certificates;
- (c) a statement of adjustments;
- (d) an original letter from McCarthy Tétrault LLP addressed to the Registrar of the Alberta Land Titles Office in the form and content as contemplated in paragraph 3 of the Approval and Vesting Order; and

- (e) such other usual and customary documents for transactions of the nature set out in this Agreement as may be required by the Seller or the Buyer, each acting reasonably, necessary to complete the purchase and sale of the Transferred Assets contemplated by this Agreement.

## **ARTICLE 9 CONDITIONS TO THE SELLER'S OBLIGATIONS**

The obligation of the Seller to perform its obligations under this Agreement and to consummate the other transactions contemplated hereby is subject to the satisfaction, on or before the Closing Date, of the following conditions, each of which may be waived by the Seller in its sole discretion:

### **9.1 Representations and Warranties**

The representations and warranties contained in Article 4 shall be true, complete and correct in all material respects at the time of the Closing with the same force and effect as if such representations and warranties were made at and as of such time.

### **9.2 Performance**

The Buyer shall have performed its obligations under this Agreement in all material respects.

### **9.3 Closing Documents**

The Buyer shall have delivered to the Seller balance of the Purchase Price and the following documents:

- (a) a certified copy of a resolution of the Board of Directors of the Buyer authorizing the consummation of the transaction contemplated herein;
- (b) a certificate of incumbency of the officers of the Buyer;
- (c) the Buyer's GST number **[Delete if Inapplicable.]**;
- (d) such other usual and customary documents for transactions of the nature set out in this Agreement as may be required by the Seller or the Buyer, each acting

reasonably, necessary to complete the purchase and sale of the Transferred Assets contemplated by this Agreement..

## **ARTICLE 10 ADDITIONAL AGREEMENTS**

### **10.1 Confidentiality - Buyer**

If the Closing fails to occur for whatever reason, thereafter, the Buyer agrees not to divulge, communicate or disclose, except as may be required by Law or for the performance of this Agreement, or use to the detriment of the Seller or for the benefit of any other Person or Persons, or misuse in any way, any confidential information of the Seller related to the Transferred Assets. In the event that the Buyer is required to divulge, communicate or disclose any such confidential information pursuant to any Law, the Buyer shall promptly provide written notice to the Seller of such requirement so that the Seller may seek a protective order or other appropriate remedy (in which case the Buyer will cooperate fully). If no such protective order or other remedy is obtained, the Buyer will disclose only that portion of such confidential information which it is advised by counsel it is legally required to disclose.

## **ARTICLE 11 INDEMNIFICATION**

### **11.1 Survival of Representations and Warranties**

All representations and warranties in Article 3 and Article 4, as given at the date hereof and restated at the Closing as provided for in Section 8.1 or Section 9.1, or in any instrument or document furnished in connection with this Agreement or the transactions contemplated hereby, shall survive the closing of the transaction contemplated herein and, notwithstanding any investigation at any time made by or on behalf of any party continue in full force and effect for a period of six (6) months from the Closing, provided that a claim for any breach of the representations and warranties contained in this Agreement, or in any instrument or document furnished in connection with this Agreement or the transactions contemplated hereby, that involves fraud or fraudulent misrepresentation may be made at any time following the Closing, subject only to applicable limitation periods imposed by Law. All covenants and agreements contained herein shall survive until fully performed in accordance with their terms.

## **11.2 Buyer's Indemnification of the Seller**

In addition to the indemnity contained in Section 4.8, the Buyer shall indemnify, defend and hold harmless the Seller and its officers, directors, employees, agents and shareholders, and their respective successors and assigns from and against all Taxes payable in connection with the purchase and sale of the Transferred Assets.

## **ARTICLE 12 TERMINATION**

### **12.1 Termination**

This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing Date, as the case may be:

- (a) by mutual written consent of the Buyer and the Seller;
- (b) by the Buyer or the Seller if any court of competent jurisdiction or other Governmental Authority shall have issued an order, decree or ruling, or taken any other action specifically restraining, enjoining or otherwise prohibiting the transactions contemplated hereby, which order, decree, ruling or other action is not stayed or dismissed prior to the Closing Date;
- (c) by the Buyer or the Seller if, on or before the Closing Date, a material part of the Transferred Assets has been removed from the control of the Seller by any means or process, or the Transferred Assets, or any part thereof, are redeemed;
- (d) Subject to the provisions of Section 2.4, by the Buyer or the Seller if the Closing does not occur by the Closing Date; or
- (e) by the Buyer or the Seller if the conditions contained in Article 7 and Article 8 are not satisfied or waived prior to the applicable date for satisfaction of such conditions.

## **12.2 Effect of Termination**

Notwithstanding the termination and abandonment of this Agreement pursuant to Section 12.1, the provisions of Section 10.1 of this Agreement shall survive and the provisions of Section 2.3 shall apply with respect to the Initial Deposit. Nothing in this Article 12 shall relieve any party to this Agreement of liability for breach of this Agreement.

## **ARTICLE 13 MISCELLANEOUS**

### **13.1 Risk of Loss**

Up to the time of the Closing, the Transferred Assets shall be and remain at the risk of the Seller. If, prior to the time of the Closing, all or any material part of the Transferred Assets are destroyed or damaged by fire or any other casualty or shall be expropriated, the Seller shall have the first option to elect to terminate this agreement exercisable within twenty (20) Business days from the date of such destruction, damage, casualty or expropriation by providing written notice (the “**Destruction Notice**”) thereof to the Buyer and, upon such notice being given, this Agreement shall terminate and be of no further force or effect (save and except the provisions of Section 10.1 and the Seller shall return the Initial Deposit to the Buyer. Thereafter, the Buyer shall have the option, exercisable by notice in writing given within five (5) Business Days of the later of the Buyer receiving notice in writing from the Seller of such destruction, damage, casualty, or expropriation of the Destruction Notice:

- (a) to complete the purchase without reduction of the Purchase Price, in which event the Initial Deposit shall be applied to the Purchase Price, in accordance with Section 2.2, and all proceeds of insurance or compensation for expropriation shall be payable to the Buyer and all right and claim of the Seller to any such amounts not paid by the time of the Closing shall be assigned by the Seller to the Buyer; or
- (b) of terminating this Agreement and not completing the purchase, in which case all obligations of the Buyer and the Seller hereunder, other than those pursuant to Section 10.1, shall terminate and the Initial Deposit shall be returned to the Buyer.

13.2 Notices

All notices, requests, consents and other communications hereunder shall be in writing, shall be addressed to the receiving party's address set forth below or to such other address as such party may designate by notice hereunder, and shall be either (i) delivered by hand, (ii) made by facsimile transmission, or (iii) sent by recognized overnight courier.

If to the Buyer:

•

Attention: •  
Facsimile No.: •

With a copy to:

•

Attention: •  
Facsimile No.: •

If to the Seller:

Meyers Norris Penny Limited  
300, 622-5th Avenue S.W.  
Calgary, AB T2P 0M6

Attention: Katherine Bujold  
Facsimile No.: 403-537-8437

- and to -

McCarthy Tétrault LLP  
Suite 3300, 421-7th Avenue S.W.  
Calgary, Alberta  
T2P 4K9

Attention: Sean Collins  
Facsimile No.: 403-260-3501

All notices, requests, consents and other communications hereunder shall be deemed to have been given (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party in accordance with this Section 13.2, (ii) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, or (iii) if sent by overnight courier with guaranteed next day delivery, on the next Business Day following the day such notice is delivered to the courier service.

### **13.3 Further Assurances**

At any time and from time to time after the date hereof each of the parties hereto, at the reasonable request and expense of the other party hereto, will execute and deliver such other instruments of sale, transfer, conveyance, assignment, confirmation and other instruments as may be reasonably requested in order to more effectively transfer, convey and assign to the Buyer and to confirm the Buyer's title to the Transferred Assets and to effectuate the transactions contemplated herein.

### **13.4 Entire Agreement**

This Agreement together with the Exhibits and Schedules hereto and the other documents executed in connection herewith or referred to herein (together, the "**Documents**") embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in the Documents shall affect, or be used to interpret, change or restrict, the express terms and provisions of the Documents.

### **13.5 Modifications and Amendments**

The terms and provisions of this Agreement may be modified or amended only by written agreement executed by all parties hereto and, where same may be required, by order of the Court in the Proceedings.

### **13.6 Waivers and Consents**

No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

### **13.7 Assignment**

Except as set out herein, neither this Agreement, nor any right hereunder, may be assigned by any of the parties hereto without the prior written consent of the other party. Except as set out herein, the assignment of this Agreement, or any portion thereof, shall not, in any way, release the Buyer from its obligations hereunder. The Buyer shall, within five (5) Business Days of the execution of this Agreement by the Seller, provide a written direction to the Seller or its solicitors as to the company or companies which shall take title to the Transferred Assets, or any portion thereof, herein.

**13.8 Parties in Interest**

This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no Person or entity shall be regarded as a third-party beneficiary of this Agreement.

**13.9 Governing Law**

This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the Laws of the Province of Alberta and the federal laws of Canada applicable therein, without giving effect to the conflict of Law principles thereof.

**13.10 Jurisdiction and Service of Process**

Any legal action or proceeding with respect to this Agreement may only be brought in the Court. By execution and delivery of this Agreement, each of the parties hereto accepts for itself and in respect of its property, generally and unconditionally, the exclusive jurisdiction of the Court. Nothing in this Section shall affect the rights of the parties to commence any such action in any other forum or to serve process in any such action in any other manner permitted by Law.

**13.11 Interpretation**

The parties hereto acknowledge and agree that: (i) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (ii) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto and not in favour of or against any party, regardless of which party was generally responsible for the preparation of this Agreement.

**13.12 Headings and Captions**

The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify, or affect, or be considered in construing or interpreting the meaning or construction of any of the terms or provisions hereof.

**13.13 Enforcement**

Each of the parties hereto acknowledges and agrees that the rights acquired by each party hereunder are unique and that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by the other party were not performed in accordance with their specific terms or were otherwise breached. Accordingly, in addition to any other remedy to which the parties hereto are entitled at Law or in equity, each party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other party and to enforce specifically the terms and provisions hereof in the Court.

**13.14 Expenses**

Each of the parties hereto shall pay its own fees and expenses (including the fees of any lawyers, financial advisors, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transactions contemplated hereby whether or not the transactions contemplated hereby are consummated.

**13.15 No Broker or Finder**

Each of the parties hereto represents and warrants to the other parties that no broker, finder or other financial consultant has acted on its behalf in connection with this Agreement or the transactions contemplated hereby in such a way as to create any liability on the other. Each of the parties hereto agrees to indemnify and save the other harmless from any claim or demand for commission or other compensation by any broker, finder, financial consultant or similar agent claiming to have been employed by or on behalf of such party and to bear the cost of legal expenses incurred in defending against any such claim.

**13.16 Publicity**

The Buyer shall not, at any time, issue any press release or otherwise make any public statement with respect to the execution of, or the transactions contemplated by, this Agreement without the prior written consent of the Seller, such consent not to be unreasonably withheld.

**13.17 Counterparts**

This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement may be made and evidenced by facsimile transmission.

**IN WITNESS WHEREOF**, the Buyer and the Seller have executed this Agreement as of the day and year first written above.

**MEYERS NORRIS PENNY LIMITED, solely in its capacity as Interim Receiver of Premiere Manufacturing Ltd. and not in its personal capacity**

Per:

\_\_\_\_\_  
Name: •

Title: •

•

Per:

\_\_\_\_\_  
Name:

Title:

Per:

\_\_\_\_\_  
Name:

Title:

I/We have authority to bind the Purchaser

**EXHIBIT A**

**Approval and Vesting Order**

## **SCHEDULE 1.1**

### **Excluded Assets**

“**Excluded Assets**” means all rights, interests and assets of the Seller, other than the Transferred Assets, including:

**SCHEDULE 2.1**

**Permitted Encumbrances**

**SCHEDULE 3.1**

**Real Property**

Plan 7711362

Block 1

South Half of Lot 4

Excepting thereout all Mines and Minerals

# **ASSET PURCHASE AGREEMENT**

**(Real Property and/or Inventory/Fixed Assets)**

**[NTD: If this APA is to relate solely to Inventory/Fixed Assets, then delete references to Real Property as indicated. Purchasers who wish to submit an offer solely for Real Property are directed to the form of APA relating solely to Real Property]**

**Between**

**•**

**and**

**MEYERS NORRIS PENNY LIMITED, in its capacity  
as Interim Receiver of Premiere Manufacturing Ltd.**

**•, 2009**

## INDEX TO EXHIBITS

- EXHIBIT A - Approval Order
- EXHIBIT B - Operations Vesting Order
- EXHIBIT C - Real Property Vesting Order **[Delete if inapplicable]**
- EXHIBIT D - General Conveyance

## INDEX TO SCHEDULES

Schedule 1.1	-	Excluded Assets
Schedule 2.1	-	Permitted Encumbrances
Schedule 2.1(a)	-	Inventory
Schedule 2.1(b)	-	Fixed Assets
Schedule 2.1(c)	-	Real Property <b>[Delete if inapplicable]</b>
Schedule 2.2	-	Assumed Liabilities
Schedule 2.3	-	Required Equipment - Adjustment of Purchase Price

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (“**Agreement**”) is entered into as of this •, 2009, by and between • (the “**Buyer**”) and Meyers Norris Penny Limited, in its capacity as Interim Receiver of Premier Manufacturing Ltd. (the “**Seller**”).

**WHEREAS** the Seller desires to sell or otherwise transfer to the Buyer and the Buyer desires to purchase from the Seller the right, title and interest of the Seller, if any, in the Transferred Assets.

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties intending to be legally bound agree as follows:

### **ARTICLE 1 DEFINITIONS**

#### **1.1 Certain Defined Terms**

As used in this Agreement, the following terms shall have the following meanings and grammatical variations of such terms shall have corresponding meanings:

“**Agreement**” means this asset purchase agreement, between the Seller and the Buyer, including all exhibits and schedules and all amendments or restatements, as permitted.

“**Approval Order**” means an approval order in the form of the draft order attached hereto as Exhibit “A”, or as otherwise acceptable to the Buyer and the Seller.

“**Assumed Liabilities**” has the meaning specified in Section 2.4.

“**Business Day**” means any day other than a Saturday, Sunday or statutory holiday in Calgary, Alberta on which Canadian chartered banks are open for commercial banking business during normal banking hours.

“**Buyer**” has the meaning specified in the recitals to this Agreement provided that in the event the Buyer assigns its interest in accordance with the provisions of this Agreement to a nominee, the term “Buyer” will also include such nominee.

“**Closing**” means the closing of the transaction contemplated by this Agreement.

“**Closing Date**” has the meaning specified in Section 2.6.

“**Closing Documents**” means the documents referred to in Section 8.3 and 9.3 hereof.

“**Court**” means the Court of Queen’s Bench of Alberta, Judicial District of Calgary.

“**Documents**” shall have the meaning specified in Section 13.4.

“**Environmental Legislation**” means any federal, provincial or other jurisdictional legislation, statute, regulation or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Environmental Protection and Enhancement Act* (Alberta), the *Canadian Environmental Protection Act*, the *Water Act* (Alberta), the *Climate Change and Emission Management Act* (Alberta) and the *Dangerous Goods Transportation and Handling Act* (Alberta), or any regulations under such legislation. **[Delete if inapplicable]**

“**Excluded Assets**” means all assets set out on Schedule 1.1.

“**Fixed Assets**” means those assets set out on Schedule 2.1(b).

“**GAAP**” means generally accepted accounting principles recommended, from time to time, in the Handbook of the Canadian Institute of Chartered Accountants.

“**General Conveyance**” means a general conveyance agreement in the form set out in Exhibit “D” attached hereto.

“**Governmental Authority**” means any Canadian federal, provincial, municipal or local or any foreign government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body or any other public agency.

“**Initial Deposit**” means the amount paid pursuant to Section 2.3(a).

“**Intellectual Property**” means the intellectual property owned by the Seller used in the operation of the Transferred Assets.

“**Inventory**” means all inventory and finished goods set out on Schedule 2.1(a).

“**Law**” means any Canadian federal, provincial, state, municipal, local or foreign statute, act, law, ordinance, regulation, rule, code, order, decree, judgment, policy, other requirement or rule of law, including the common law and its principles.

“**Licences and Permits**” means the licences and permits relating to the operation of the Transferred Assets.

“**Losses**”, in respect of any matter, means all losses, claims, demands, proceedings, damages, liabilities, deficiencies, costs and expenses (including, without limitation, all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) arising directly or indirectly as a consequence of such matter.

“**Operations Vesting Order**” means a vesting order in the form attached hereto as Exhibit “B” or as otherwise acceptable to the Buyer and Seller in relation to all of the Transferred Assets, save and except the Real Property.

“**Permitted Encumbrances**” means the encumbrances set out in Schedule 2.1. **[Delete if inapplicable]**

“**Person**” means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity.

“**Purchase Price**” has the meaning specified in Section 2.2.

“**Real Property**” means the lands as more particularly described in Schedule 2.1(c). **[Delete if inapplicable]**

“**Real Property Vesting Order**” means a vesting order in the form of draft order attached hereto as Exhibit “C” or as otherwise acceptable to the Buyer and Seller. **[Delete if inapplicable]**

“**Tax**” means any and all transfer taxes, goods and services taxes, harmonized sales taxes, value added taxes or license, registration and documentation fees and similar charges, but does not include income or disposition tax levied on the Seller arising by reason of the sale of the Transferred Assets.

“**Transferred Assets**” has the meaning specified in Section 2.1.

## 1.2 Certain Rules of Interpretation

In this Agreement:

- (a) Consent - Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.
- (b) Currency - Unless otherwise specified, all references to money amounts are to lawful currency of Canada.
- (c) Number and Gender – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (d) Statutory References – A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.
- (e) Time - Time is of the essence in the performance of the parties’ respective obligations.
- (f) Time Periods - Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

- (g) GAAP - all accounting terms not otherwise defined in this Agreement have the meanings assigned to them in accordance with GAAP.
- (h) References – all references to Articles, Sections, Subsections, Exhibits or Schedules shall, unless stated to the contrary, mean Articles, Sections, Subsections, Exhibits or Schedules of this Agreement.

## ARTICLE 2 PURCHASE AND SALE OF ASSETS

### 2.1 The Transferred Assets

Subject to the terms and conditions of this Agreement, on the Closing Date the Seller shall sell, transfer, assign and convey to the Buyer all of the right, title and interest of the Seller, if any, in and to the following assets:

- (a) the Real Property; **[Delete if inapplicable]**
- (b) the Inventory;
- (c) the Fixed Assets;
- (d) the Intellectual Property;
- (e) to the extent transferable, the Licences and Permits;

(collectively the “**Transferred Assets**”). For greater certainty, the Transferred Assets do not include the Excluded Assets.

At the Closing Date, the Transferred Assets which are personal property shall be transferred and vested to the Buyer pursuant to the Operations Vesting Order and by the General Conveyance on an “as is, where is” basis and subject to the Assumed Liabilities assumed by the Buyer pursuant to Section 2.4 but otherwise free and clear of any liens, charges or encumbrances of any nature whatsoever. **[The Transferred Assets which are real property shall be transferred to and vested in the Buyer pursuant to the Real Property Vesting Order on an “as is, where is” basis free and clear of all encumbrances subject only to the Permitted Encumbrances and the rights**

reserved to or vested in or deemed to be reserved to or vested in any governmental or public authority pursuant to the original grant from the Crown in the right of the Province of Alberta applicable to the Real Property or pursuant to any applicable statutory provisions.] [Delete if inapplicable]. The parties acknowledge and agree that the Seller shall deliver the Transferred Assets to the Buyer effective on the Closing Date [by delivering vacant possession of the Real Property] [Delete if inapplicable] and by permitting the Buyer to take possession of the remainder of the Transferred Assets. The Seller shall not be required to consolidate such assets in any one location.

## 2.2 Purchase Price

Exclusive of all applicable federal, provincial and municipal Taxes, the aggregate purchase price (the “**Purchase Price**”) payable by the Buyer to the Seller in consideration of the transfer of the Transferred Assets shall be \$●, subject only to: (a) the usual adjustments for property taxes (and deposits as and where applicable); and (b) an adjustment in favour of the Buyer on account of Other Inventory. The Purchase Price will be satisfied by the Buyer as follows:

- (a) as to the amount of \$●, as a deposit (the “**Initial Deposit**”) shall be paid by wire transfer, money order, certified cheque or bank draft within two Business Days of mutual execution of this Agreement and shall be dealt with in accordance with Section 2.3; and
- (b) as to the balance, by payment on the Closing Date by wire transfer, money order, certified cheque or bank draft.

All Taxes payable in connection with the purchase and sale of the Transferred Assets shall be the responsibility of the Buyer and shall be paid as and when required by law in order to permit the consummation of the purchase and sale of the Transferred Assets as contemplated herein.

## 2.3 Initial Deposit

- (a) The Initial Deposit, provided by the Buyer to the Seller and held by the Seller’s solicitor, McCarthy Tétrault LLP, in trust, in an interest bearing escrow account shall be:

- (i) forfeited on account of liquidated damages in the event that the Closing does not occur on or before the Closing Date by reason of the Buyer's breach of its obligations hereunder;
- (ii) in the event the Closing occurs on or before the Closing Date, applied toward the Purchase Price in accordance with Section 2.2; or
- (iii) otherwise returned to the Buyer.

#### **2.4 Assumption of Liabilities**

The Buyer shall assume, at Closing, and will satisfy and discharge as the same shall become due, only the liabilities and obligations of the Seller set out in Schedule 2.2 (the "**Assumed Liabilities**") pursuant to the General Conveyance. The Buyer shall not assume or be responsible for any liability or obligation of the Seller other than the Assumed Liabilities and any other liability or obligation expressly assumed by the Buyer herein.

#### **2.5 Adjustment of Purchase Price – Fixed Assets and Inventory**

- (a) The Seller agrees to make reasonable commercial efforts to protect and to provide to the Buyer on the Closing, the Fixed Assets and Inventory (the "**Required Equipment**") listed in Schedule 2.3. In the event that any of the Required Equipment is not delivered to the Buyer on the Closing, then the Purchase Price shall be reduced by the value(s) listed for the undelivered item(s) on the said Schedule 2.3;
- (b) Within five (5) Business Days after the Closing Date, the Seller will prepare and deliver to the Buyer an unaudited statement setting out a schedule of Inventory conveyed by the Seller to the Buyer together with a statement setting out the Seller's valuation of Inventory not conveyed to the Buyer (the "**Revised Inventory Statement**"). If the Buyer acknowledges in writing that it agrees with the Revised Inventory Statement, or fails to respond in writing to the Revised Inventory Statement within two (2) Business Days of its receipt, then the Revised Inventory Statement shall be deemed to be final, conclusive and binding upon the parties and, in either case, the Seller shall deliver a cheque to the Buyer in an amount equal to the

amount of the diminution of the value of the Inventory (the “**Inventory Refund**”) and acceptance of such payment shall be deemed to constitute a full and final release of any claims the Buyer may have with respect to the Revised Inventory Statement. If the Buyer gives written notice to the Seller that it disputes the Revised Inventory Statement within two (2) Business Days after the Revised Inventory Statement has been provided and the parties cannot reach agreement on the Revised Inventory Statement within ten (10) Business Days after such notice of dispute is given, the dispute will be determined by a sole arbitrator in accordance with the provisions of the *Alberta Arbitration Act*, R.S.A. 2000, c. A-43. The determination of the arbitrator shall be final and binding on both parties and not subject to appeal. The costs of the arbitration will be borne by the Buyer and will be deducted from the Inventory Refund as determined by the arbitrator. If, following such deduction, the Buyer owes the Seller a net amount, then the Buyer shall forthwith make payment of such net amount to the Seller.

Notwithstanding Section 2.5(b), the Buyer acknowledges that its obligation to complete the transaction of purchase and sale contemplated herein shall not be diminished in any fashion if any or all of the Required Equipment is not delivered to it upon closing, it being expressly understood and agreed that the Buyer's sole remedy and entitlement in this regard shall be an abatement of the Purchase Price as set out in this Section 2.5.

## **2.6 Closing**

Upon the terms and subject to the conditions of this Agreement, the sale, transfer, conveyance and assignment of the Transferred Assets as contemplated by this Agreement shall take place on the Business Day following the issuance of the Approval Order and shall be held at the offices of McCarthy Tétrault LLP, Suite 3300, 421-7th Avenue SW, Calgary, Alberta, T2P 4K9 at 10:00 a.m. Calgary time or at such other place or at such other time or on such other date as the Seller and the Buyer may mutually agree upon in writing (the “**Closing Date**”). The Closing Documents and Purchase Price shall be held in escrow until such time as the Seller informs the Buyer in writing that the Seller's Certificate, as defined in the Operations Vesting Order [**and the Real Property Vesting Order**] [**Delete if inapplicable**], has been filed with the Court [**and the Buyer has advised that the**

Real Property Vesting Order has been registered with the Alberta Land Titles Office and that the Buyer has received certified copies of title to all the Real Property registered in the name of the Buyer (or its nominee) free of all encumbrances other than the Permitted Encumbrances. Notwithstanding anything to the contrary contained in this Agreement, in the event registration of the Real Property is delayed by reason of a delay in registration of the Real Property Vesting Order at the Land Titles Office, interest will be payable by the Buyer on the Purchase Price at a rate of interest equal to the prime rate of interest charged by the HSBC Bank Canada at its main office in Calgary, Alberta plus three (3%) percent per annum from the Closing Date to the date the Purchase Price is unconditionally releasable to the Seller.]  
[Delete if inapplicable]

### ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller hereby represents and warrants to the Buyer as follows:

#### 3.1 Authorization

The Seller has, or will have after obtaining the Approval Order, all necessary authority to execute and deliver this Agreement and all other documents and instruments contemplated herein or therein to which it is or will be party and to perform its obligations hereunder and thereunder.

#### 3.2 Seller Resident of Canada

The Seller is not a non-resident of Canada under the *Income Tax Act* (Canada).

### ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF BUYER

The Buyer represents and warrants to the Seller as follows:

#### 4.1 Organization

The Buyer is duly incorporated, validly existing and in good standing under the Laws of its incorporating jurisdiction.

#### 4.2 Authorization

The Buyer has the corporate power and authority to execute and deliver this Agreement and the other documents and instruments contemplated herein or therein to which it is or will be a party and to perform its obligations hereunder and thereunder. The execution, delivery and performance of this Agreement and the documents contemplated hereby and the consummation of the transactions contemplated hereby and thereby have been duly authorized and approved by the Buyer.

#### 4.3 Execution and Delivery

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Buyer on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Buyer.

#### 4.4 Validity, Etc.

Neither the execution and delivery of this Agreement by the Buyer and the other documents and instruments contemplated hereby, the consummation of the transactions contemplated hereby or thereby, nor the performance of this Agreement and such other agreements in compliance with the terms and conditions hereof and thereof will (i) conflict with or result in any breach of the articles or by-laws of the Buyer or shareholders agreement or resolution of shareholders or directors or any Law applicable to the Buyer, (ii) require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority, (iii) result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under any Law, governmental permit, license or order or any of the terms, conditions or provisions of any mortgage, indenture, note, license, agreement or other instrument to which the Buyer is a party, or (iv) violate any order, writ, injunction, decree, statute, rule or regulation applicable to the Buyer.

#### 4.5 Resident

As at the Closing Date, the Buyer is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada). The Buyer will be registered under the *Excise Tax Act* (Canada) and provide its GST number to the Seller at the Closing Date. **[Delete if Inapplicable]**.

#### 4.6 “As Is, Where Is”

Save and except as expressly provided herein, the Buyer acknowledges that the Transferred Assets are purchased on an “as is, where is” basis and without warranty and that it has inspected the Transferred Assets and will accept the same on the Closing Date in their state, condition and location existing as of the date of this Agreement, reasonable wear and tear excepted, it being expressly understood that:

- (a) the Fixed Assets shall on the Closing Date be comprised of the assets as set out in Schedule 2.1(b) attached hereto; and
- (b) the Inventory shall be in the quantity which existed as of the date of this Agreement subject to the permitted use by the Seller in the ordinary course of business and as adjusted in accordance with Section 2.5.

Unless specifically stated in this Agreement, no representation, warranty or condition, whether statutory (including under the *Sales of Goods Act* (Alberta), express or implied, oral or written, legal, equitable, conventional, collateral or otherwise is being given by the Seller in this Agreement or in any instrument furnished in connection with this Agreement as to title, outstanding liens, description, fitness for purpose, merchantability, acreage or workable acreage, condition, quality, value, suitability, durability, compliance or non-compliance with environmental rules, regulations or legislative provisions, zoning, or site plan requirements or marketability thereof or in respect of any other matter or thing whatsoever including, without limitation, the respective rights, titles and interests of the Seller, if any, therein and wherever all or part of the Transferred Assets are situate and all of the same are expressly excluded. **[The implied covenants set forth in the *Land Titles Act* (Alberta) otherwise operating in favour of the Buyer are hereby expressly excluded.]** **[Delete if inapplicable]** The Buyer shall be deemed to have relied entirely on its own inspection and investigation in proceeding with the transactions contemplated hereunder. Further, the Buyer confirms that it has relied entirely on its own inspection, due diligence and investigation in preparing and finalizing the Schedules attached hereto and acknowledges that the Seller has made no representations in respect thereof.

#### **4.7 Environmental Condition**

Without limiting Section 4.6 hereof in any way, the Buyer acknowledges that the Seller makes no representations or warranties, whatsoever, as to the existence or non-existence of urea formaldehyde insulation, asbestos, PCB's, radium, radon or radon progeny, or any other substances, liquids or materials, whether hazardous or toxic or not, which are or which may constitute on their own or together in combination with any other substance, contaminants or pollutants of any environment, including the natural environment. The Seller specifically makes no representation regarding the compliance of the Transferred Assets with any environmental regulation, whether federal, provincial or municipal or with respect to any rule, regulation, covenant or agreement whether statutory or non-statutory.

#### **4.8 Environmental Indemnity**

The Buyer shall indemnify the Seller and hold the Seller harmless from and against all losses, costs, damages, expenses and costs (including legal fees calculated as between a solicitor and his own client with a right to full indemnity) which the Seller may sustain, incur be or become liable for by reason of or arising from anything done by the Buyer in relation to the Transferred Assets in contravention of Environmental Legislation or other Law including, without limitation, any clean-up, de-commissioning, restoration or remediation of the Transferred Assets.

#### **4.9 Consents**

Subject always to the provisions of Section 2.5(a), notwithstanding any other provision of this Agreement, the Buyer acknowledges that the Seller shall have no obligation to obtain any consent that may be required for the assignment of any contract, lease or other agreement or any other asset pursuant to this Agreement, and that it shall be the sole responsibility of the Buyer, at the Buyer's sole expense, to obtain any necessary consents and to make any necessary payments in relation thereto. The obtaining of such consents shall not, in any manner, be a precondition to the completion of or affect or limit the Buyer's obligations to complete the within transaction but the Seller shall cooperate with the Buyer in obtaining any such consents.

**ARTICLE 5  
COVENANTS OF THE SELLER**

The Seller covenants and agrees with the Buyer as follows:

**5.1 Satisfaction of Conditions**

The Seller shall take such commercially reasonable actions in good faith which are within its power to control to cause the conditions set forth in Sections 7.1 and Article 9 to be satisfied and, further, shall use commercially reasonable efforts to cooperate with the Buyer (and shall not hinder or delay the Buyer) in the Buyer's efforts to cause the satisfaction of the conditions enumerated in Section 6.1 within such period.

**5.2 Access**

During the period between the granting of the Approval Order and the Closing Date, the Seller shall furnish the Buyer and its representatives reasonable access to the Transferred Assets in the presence of a representative of the Seller, or such person as the Seller may designate, at all times during normal business hours, as well as such information within the possession or control of the Seller regarding the Transferred Assets, to the extent permitted by law, as the Buyer and its representatives may reasonably request and the Seller will use commercially reasonable efforts to cause its officers, employees, consultants and agents to cooperate fully with the Buyer and its representatives in connection with their review and examination of the Transferred Assets.

**5.3 Approval Order, Operations Vesting Order and Real Property Vesting Order**

On or before the Closing Date, the Seller shall apply to the Court on notice to the Buyer for the Approval Order, the Operations Vesting Order and Real Property Vesting Order. The Seller will diligently pursue such application and will promptly notify the Buyer of the disposition.

**5.4 Insurance**

Until the time of the Closing, the Seller shall maintain in full force all policies and contracts of insurance which are now in effect (or renewals thereof) and under which it or any of the Transferred Assets are insured. At the request and expense of the Buyer, the Seller shall use

commercially reasonable efforts to, subject to availability: (i) place such additional insurance on the Transferred Assets; and/or (ii) place such additional public liability and other insurance on the Transferred Assets as the Buyer may request.

**5.5 Seller to Pay Utilities and Real Property Taxes to Closing Date**

The Seller shall pay the utilities as and when the same are due and payable with respect to the Transferred Assets. The Seller shall pay any real property taxes as and when due with respect to the Real Property unless the Seller adjusts (in accordance with Section 2.2) for any unpaid property taxes.

**ARTICLE 6  
COVENANTS OF THE BUYER**

**6.1 Satisfaction of Conditions**

The Buyer shall take such commercially reasonable actions in good faith which are within its power to control to cause the conditions set forth in Section 7.1 and Article 8 to be satisfied and, further, shall cooperate with the Seller (and shall not hinder or delay the Seller) in the Seller's efforts to cause the satisfaction of the conditions enumerated in Section 5.1 within such period.

**6.2 Tax Certificate**

At the Closing, the Buyer shall provide the Seller with evidence satisfactory to the Seller, acting reasonably, of its federal goods and services tax registration number. **[Delete if inapplicable.]**

**6.3 Filings**

The Buyer shall make all necessary filings and registrations in connection with this Agreement and the sale of the Transferred Assets and shall be solely responsible for the costs associated therewith.

**ARTICLE 7  
CONDITIONS TO THE OBLIGATIONS OF BOTH PARTIES**

The following condition is for the benefit of both the Seller and the Buyer and neither will be obligated to complete the relevant transaction unless the condition has been satisfied:

### 7.1 Court Approval

The Approval Order, Operations Vesting Order and **[Real Property Vesting Order]** **[Delete if inapplicable]** (the “Orders”) shall have been duly granted, and the Orders shall not have been stayed, reversed, or dismissed as at the Closing Date. For greater certainty, expiration of the appeal period for the Orders shall not be a pre-condition of the Buyer’s or Seller’s obligation to complete the within transaction.

## ARTICLE 8 CONDITIONS TO THE BUYER’S OBLIGATIONS

The obligation of the Buyer to pay the Purchase Price on the Closing Date as outlined in Section 2.2, to perform its obligations under this Agreement and to consummate the other transactions contemplated hereby are subject to the satisfaction, on or before the Closing Date, of the following conditions each of which may be waived by the Buyer in its sole discretion:

### 8.1 Representations and Warranties

The representations and warranties of the Seller contained in Article 3 shall be true, correct and complete in all material respects at the time of the Closing Date with the same force and effect as if such representations and warranties were made at and as of such time.

### 8.2 Performance

The Seller shall have performed its obligations under this Agreement in all material respect.

### 8.3 Closing Documents

The Seller shall have delivered to the Buyer at or before the Closing the following documents:

- (a) the General Conveyance executed by the Seller;
- (b) a certified copy of the issued and entered Approval Order, Operations Vesting Order and the Real Property Vesting Order; **[Delete if inapplicable]**
- (c) the executed Seller’s Certificates;

- (d) a statement of adjustments;
- (e) an original letter from McCarthy Tétrault LLP addressed to the Registrar of the Alberta Land Titles Office in the form and content as contemplated in paragraph 3 of the Real Property Vesting Order; **[Delete if inapplicable]**
- (f) an undertaking to readjust in accordance with Section 2.5; and
- (g) such other usual and customary documents for transactions of the nature set out in this Agreement as may be required by the Seller or the Buyer, each acting reasonably, necessary to complete the purchase and sale of the Transferred Assets contemplated by this Agreement.

## **ARTICLE 9 CONDITIONS TO THE SELLER'S OBLIGATIONS**

The obligation of the Seller to perform its obligations under this Agreement and to consummate the other transactions contemplated hereby is subject to the satisfaction, on or before the Closing Date, of the following conditions, each of which may be waived by the Seller in its sole discretion:

### **9.1 Representations and Warranties**

The representations and warranties of the Buyer contained in Article 4 shall be true, correct and complete in all material respects at the time of the Closing with the same force and effect as if such representations and warranties were made at and as of such time.

### **9.2 Performance**

The Buyer shall have performed its obligations under this Agreement in all material respects.

### **9.3 Closing Documents**

The Buyer shall have delivered to the Seller balance of the Purchase Price and the following documents:

- (a) a certified copy of a resolution of the Board of Directors of the Buyer authorizing the consummation of the transactions contemplated herein;
- (b) a certificate of incumbency of the officers of the Buyer;
- (c) an undertaking to readjust in accordance with Section 2.5;
- (d) the Buyer's GST number; **[Delete if Inapplicable]**
- (e) the General Conveyance executed by the Buyer; and
- (f) such other usual and customary documents for transactions of the nature set out in this Agreement as may be required by the Seller or the Buyer, each acting reasonably, necessary to complete the purchase and sale of the Transferred Assets contemplated by this Agreement..

## ARTICLE 10 ADDITIONAL AGREEMENTS

### 10.1 Confidentiality - Buyer

If the Closing fails to occur for whatever reason, thereafter, the Buyer agrees not to divulge, communicate or disclose, except as may be required by Law or for the performance of this Agreement, or use to the detriment of the Seller or for the benefit of any other Person or Persons, or misuse in any way, any confidential information of the Seller related to the Transferred Assets. In the event that the Buyer is required to divulge, communicate or disclose any such confidential information pursuant to any Law, the Buyer shall promptly provide written notice to the Seller of such requirement so that the Seller may seek a protective order or other appropriate remedy (in which case the Buyer will cooperate fully). If no such protective order or other remedy is obtained, the Buyer will disclose only that portion of such confidential information which it is advised by counsel it is legally required to disclose.

## ARTICLE 11 INDEMNIFICATION

### 11.1 Survival of Representations and Warranties

All representations and warranties in Article 3 and Article 4, as given at the date hereof and restated at the Closing as provided for in Section 8.1 or Section 9.1, or in any instrument or

document furnished in connection with this Agreement or the transactions contemplated hereby, shall survive the closing of the transaction contemplated herein and, notwithstanding any investigation at any time made by or on behalf of any party continue in full force and effect for a period of six (6) months from the Closing, provided that a claim for any breach of the representations and warranties contained in this Agreement, or in any instrument or document furnished in connection with this Agreement or the transactions contemplated hereby, that involves fraud or fraudulent misrepresentation may be made at any time following the Closing, subject only to applicable limitation periods imposed by Law. All covenants and agreements contained herein shall survive until fully performed in accordance with their terms.

### **11.2 Buyer's Indemnification of the Seller**

In addition to the indemnity contained in Section 4.8, the Buyer shall indemnify, defend and hold harmless the Seller and its officers, directors, employees, agents and shareholders, and their respective successors and assigns from and against all Taxes payable in connection with the purchase and sale of the Transferred Assets.

## **ARTICLE 12 TERMINATION**

### **12.1 Termination**

This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing Date, as the case may be:

- (a) by mutual written consent of the Buyer and the Seller;
- (b) by the Buyer or the Seller if any court of competent jurisdiction or other Governmental Authority shall have issued an order, decree or ruling, or taken any other action specifically restraining, enjoining or otherwise prohibiting the transactions contemplated hereby, which order, decree, ruling or other action is not stayed or dismissed prior to the Closing Date;

- (c) by the Buyer or the Seller if, on or before the Closing Date, a material part of the Transferred Assets has been removed from the control of the Seller by any means or process, or the Transferred Assets, or any part thereof, are redeemed;
- (d) Subject to the provisions of Section 2.6, by the Buyer or the Seller if the Closing does not occur by the Closing Date; or
- (e) by the Buyer or the Seller if the conditions contained in Article 7 and Article 8 are not satisfied or waived prior to the applicable date for satisfaction of such conditions.

## **12.2 Effect of Termination**

Notwithstanding the termination and abandonment of this Agreement pursuant to Section 12.1, the provisions of Section 10.1 of this Agreement shall survive and the provisions of Section 2.3 shall apply with respect to the Initial Deposit. Nothing in this Article 12 shall relieve any party to this Agreement of liability for breach of this Agreement.

## **ARTICLE 13 MISCELLANEOUS**

### **13.1 Risk of Loss**

Up to the time of the Closing, the Transferred Assets shall be and remain at the risk of the Seller. If, prior to the time of the Closing, all or any material part of the Transferred Assets are destroyed or damaged by fire or any other casualty or shall be expropriated, the Seller shall have the first option to elect to terminate this agreement exercisable within twenty (20) Business days from the date of such destruction, damage, casualty or expropriation by providing written notice (the “**Destruction Notice**”) thereof to the Buyer and, upon such notice being given, this Agreement shall terminate and be of no further force or effect (save and except the provisions of Section 10.1 and the Seller shall return the Initial Deposit to the Buyer. Thereafter, the Buyer shall have the option, exercisable by notice in writing given within five (5) Business Days of the later of the Buyer receiving notice in writing from the Seller of such destruction, damage, casualty, or expropriation of the Destruction Notice:

- (a) to complete the purchase without reduction of the Purchase Price, in which event the Initial Deposit shall be applied to the Purchase Price, in accordance with Section 2.2, and all proceeds of insurance or compensation for expropriation shall be payable to the Buyer and all right and claim of the Seller to any such amounts not paid by the time of the Closing shall be assigned by the Seller to the Buyer; or
- (b) of terminating this Agreement and not completing the purchase, in which case all obligations of the Buyer and the Seller hereunder, other than those pursuant to Section 10.1, shall terminate and the Initial Deposit shall be returned to the Buyer.

**13.2 Notices**

All notices, requests, consents and other communications hereunder shall be in writing, shall be addressed to the receiving party's address set forth below or to such other address as such party may designate by notice hereunder, and shall be either (i) delivered by hand, (ii) made by facsimile transmission, or (iii) sent by recognized overnight courier.

If to the Buyer:

•

Attention: •  
Facsimile No.: •

With a copy to:

•

Attention: •  
Facsimile No.: •

If to the Seller:

Meyers Norris Penny Limited  
300, 622-5th Avenue S.W.  
Calgary, AB T2P 0M6

Attention: Katherine Bujold  
Facsimile No.: 403-537-8437

- and to -

McCarthy Tétrault LLP  
 Suite 3300, 421-7th Avenue S.W.  
 Calgary, Alberta  
 T2P 4K9  
 Attention: Sean Collins  
 Facsimile No.: 403-260-3501

All notices, requests, consents and other communications hereunder shall be deemed to have been given (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party in accordance with this Section 13.2, (ii) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, or (iii) if sent by overnight courier with guaranteed next day delivery, on the next Business Day following the day such notice is delivered to the courier service.

### **13.3 Further Assurances**

At any time and from time to time after the date hereof each of the parties hereto, at the reasonable request and expense of the other party hereto, will execute and deliver such other instruments of sale, transfer, conveyance, assignment, confirmation and other instruments as may be reasonably requested in order to more effectively transfer, convey and assign to the Buyer and to confirm the Buyer's title to the Transferred Assets and to effectuate the transactions contemplated herein.

### **13.4 Entire Agreement**

This Agreement together with the Exhibits and Schedules hereto and the other documents executed in connection herewith or referred to herein (together, the "**Documents**") embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in the Documents shall affect, or be used to interpret, change or restrict, the express terms and provisions of the Documents.

### **13.5 Modifications and Amendments**

The terms and provisions of this Agreement may be modified or amended only by written agreement executed by all parties hereto and, where same may be required, by order of the Court in the Proceedings.

### **13.6 Waivers and Consents**

No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

### **13.7 Assignment**

Except as set out herein, neither this Agreement, nor any right hereunder, may be assigned by any of the parties hereto without the prior written consent of the other party. Except as set out herein, the assignment of this Agreement, or any portion thereof, shall not, in any way, release the Buyer from its obligations hereunder. The Buyer shall, within five (5) Business Days of the execution of this Agreement by the Seller, provide a written direction to the Seller or its solicitors as

to the company or companies which shall take title to the Transferred Assets, or any portion thereof, herein.

### **13.8 Parties in Interest**

This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no Person or entity shall be regarded as a third-party beneficiary of this Agreement.

### **13.9 Governing Law**

This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the Laws of the Province of Alberta and the federal laws of Canada applicable therein, without giving effect to the conflict of Law principles thereof.

### **13.10 Jurisdiction and Service of Process**

Any legal action or proceeding with respect to this Agreement may only be brought in the Court. By execution and delivery of this Agreement, each of the parties hereto accepts for itself and in respect of its property, generally and unconditionally, the exclusive jurisdiction of the Court. Nothing in this Section shall affect the rights of the parties to commence any such action in any other forum or to serve process in any such action in any other manner permitted by Law.

### **13.11 Interpretation**

The parties hereto acknowledge and agree that: (i) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (ii) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto and not in favour of or against any party, regardless of which party was generally responsible for the preparation of this Agreement.

**13.12 Headings and Captions**

The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify, or affect, or be considered in construing or interpreting the meaning or construction of any of the terms or provisions hereof.

**13.13 Enforcement**

Each of the parties hereto acknowledges and agrees that the rights acquired by each party hereunder are unique and that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by the other party were not performed in accordance with their specific terms or were otherwise breached. Accordingly, in addition to any other remedy to which the parties hereto are entitled at Law or in equity, each party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other party and to enforce specifically the terms and provisions hereof in the Court.

**13.14 Expenses**

Each of the parties hereto shall pay its own fees and expenses (including the fees of any lawyers, financial advisors, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transactions contemplated hereby whether or not the transactions contemplated hereby are consummated.

**13.15 No Broker or Finder**

Each of the parties hereto represents and warrants to the other parties that no broker, finder or other financial consultant has acted on its behalf in connection with this Agreement or the transactions contemplated hereby in such a way as to create any liability on the other. Each of the parties hereto agrees to indemnify and save the other harmless from any claim or demand for commission or other compensation by any broker, finder, financial consultant or similar agent claiming to have been employed by or on behalf of such party and to bear the cost of legal expenses incurred in defending against any such claim.

**13.16 Publicity**

The Buyer shall not, at any time, issue any press release or otherwise make any public statement with respect to the execution of, or the transactions contemplated by, this Agreement without the prior written consent of the Seller, such consent not to be unreasonably withheld.

**13.17 Counterparts**

This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement may be made and evidenced by facsimile transmission.

**IN WITNESS WHEREOF**, the Buyer and the Seller have executed this Agreement as of the day and year first written above.

**MEYERS NORRIS PENNY LIMITED, solely in its capacity as Interim Receiver of Premiere Manufacturing Ltd. and not in its personal capacity**

Per:

\_\_\_\_\_  
Name: •

Title: •

•

Per:

\_\_\_\_\_  
Name:

Title:

Per:

\_\_\_\_\_  
Name:

Title:

I/We have authority to bind the Purchaser

**EXHIBIT A**

**Approval Order**

**EXHIBIT B**

**Operations Vesting Order**

**EXHIBIT C**

**Real Property Vesting Order**

**EXHIBIT D**

**General Conveyance**

## **SCHEDULE 1.1**

### **Excluded Assets**

“**Excluded Assets**” means all rights, interests and assets of the Seller, other than the Transferred Assets, including:

## **SCHEDULE 2.1**

### **Permitted Encumbrances**

## SCHEDULE 2.1(a)

### Inventory

All Inventory owned by the Seller, including, without limitation:

-

## **SCHEDULE 2.1(b)**

### **Fixed Assets**

The Fixed Assets shall be comprised of the following:

**SCHEDULE 2.1(e)**

**Real Property**

Plan 7711362

Block 1

South Half of Lot 4

Excepting thereout all Mines and Minerals

## SCHEDULE 2.2

### Assumed Liabilities

“Assumed Liabilities” means:

1. all liabilities and obligations to third parties with respect to the Transferred Assets which accrue from and after the Closing Date that the Buyer has expressly agreed to assume in writing with each and every such third party;
2. any other obligations expressly assumed under this Agreement; and
3. all assets encumbered by purchase money security interest (as defined in *Personal Property Security Act* (Alberta)).

**SCHEDULE 2.3**

**REQUIRED EQUIPMENT - ADJUSTMENT OF PURCHASE PRICE**

<b>Fixed Assets/Inventory</b>	<b>Attributed Value for Purchase Price Adjustment</b>
•	•
•	•