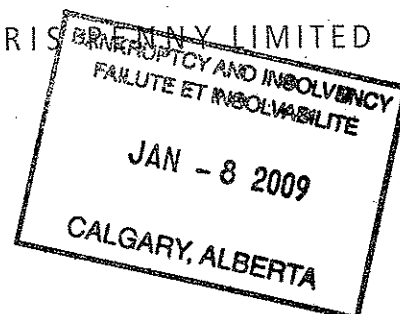


District of Alberta
Division No: 02-Calgary
Court/Estate No: 25-093732
25-093733
25-1124511
25-1124513
25-1124514
25-1124515



MEYERS NORRIS PENNY LIMITED



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

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
THE DIAMOND BULLET CORPORATION, HAT BIT SUPPLY LTD., PREMIERE
MANUFACTURING LTD., R ENVIRONMENTAL LABS LTD., DBC INTERNATIONAL INC.,
AND DUNN TRUCKING LTD.,**

TRUSTEE'S SECOND REPORT TO THE COURT
(Subsection 50.4(7)(b)(ii) of the *Bankruptcy and Insolvency Act*)

INTRODUCTION AND BACKGROUND

1. The Diamond Bullet Corporation ("Diamond") and its wholly owned subsidiaries, Hat Bit Supply Ltd. ("Hat Bit") and Premiere Manufacturing Ltd. ("Premiere"), and related companies, R Environmental Labs Ltd. ("Labs"), DBC International Inc. ("DBC"), and Dunn Trucking Ltd. ("Dunn"), (collectively, the "Debtor Companies"), by way of predecessors, have been operating since 1986. The Debtor Companies manufacture, distribute, sell and repair tri-cone rock bits and poly-crystalline diamond compact rock bits for use in the oil and gas industry. The head office of the Debtor Companies is located in Taber, Alberta.
2. Diamond, Hat Bit, and Premiere have outstanding credit facilities owing to HSBC Bank Canada ("HSBC") in the approximate amount of \$3.05 million as at September 22, 2008 (the "HSBC Debt"). The HSBC Debt is secured by a general security agreement registered by HSBC and by unlimited guarantees of related companies, namely DBC and Labs. On September 24, 2008, HSBC issued demands with respect to the HSBC Debt and the guarantees. It is unknown at this time whether the HSBC Debt will be paid in full by the Debtor Companies.
3. On July 31, 2008, a Statement of Claim was filed against the Debtor Companies by Lorna Moores and Three Cloud Properties Ltd., a shareholder of Diamond. Management advises that the Debtor Companies have filed a Statement of Defense.
4. The Debtor Companies filed a Notice of Intention to Make a Proposal ("NOI") on October 27, 2008 (the "Filing Date") and Meyers Norris Penny Limited consented to act as Trustee (the "Trustee").
5. On November 25, 2008 an order was granted extending the time for the Debtor Companies to file Proposals to January 9, 2009.
6. On November 25, 2008 and December 4, 2008, the Court granted Orders to procedurally consolidate the Debtor Companies' NOI filings into one Estate.

7. Pursuant to an Order of the Court of Queen's Bench of Alberta granted December 4, 2008, Meyers Norris Penny Limited was appointed as Interim Receiver (the "Receiver") of all of the current and future assets, undertakings and property of Premiere.
8. This report constitutes the Trustee's second report to the Court and should be read in conjunction with the Trustee's Reports to the Court dated November 24, 2008 (the "First Reports").

FINANCIAL POSITION

9. The most recent financial information available from the Debtor Companies is the internally prepared, unaudited financial statements as at December 31, 2008. Copies of the Debtor Companies' balance sheets as at December 31, 2008 are attached hereto as Schedule 1.
10. A list of assets and the net book values is summarized below:

	Premiere (Note 2)	DBC	Net Book Value (Note 1)		Diamond	Total
	\$	\$	Labs \$	Dunn (Note 3) \$	\$	\$
Cash on Hand	117,961	36,961	11,799	-	1,038	167,760
Accounts Receivable	458,866	228,996	559,403	-	-	1,247,266
Prepays and Deposits	55,193	14,059	90,692	-	18,961	178,906
Due from Related Companies	-	588,351	-	-	-	588,351
Inventory	2,462,201	52,717	116,242	-	-	2,631,160
Land and Building	75,899	-	434,966	34,234	-	545,099
Equipment (Note 4)	1,710,342	-	94,356	85,000	-	1,889,698
Vehicles (Note 4)	56,130	-	-	-	9,709	65,839
Computer Hardware and Software	6,434	-	-	-	5,311	11,744
Furniture and Fixtures	628	-	1,184	-	764	2,576
Investments in Related Companies (Note 5)	1,490,245	-	-	-	6,000,000	7,490,245
	<u>6,433,898</u>	<u>921,085</u>	<u>1,308,642</u>	<u>119,234</u>	<u>6,035,783</u>	<u>14,818,643</u>

NOTES:

1. The source of information is the Debtor Companies' internally prepared, unaudited balance sheets as at December 31, 2008.
 2. The operations of Hat Bit were wound up into Premiere prior to the Filing Date. As such, all of the transactions related to Hat Bit are included in Premiere's internally prepared, unaudited balance sheet as at December 31, 2008.
 3. Management has been unable to provide any financial statements for Dunn. The source of information is Dunn's corporate tax return for the year ended October 31, 2006.
 4. Certain of the equipment and vehicles are subject to security agreements.
 5. The investments in related companies represent Premiere's investment in Hat Bit and Diamond's investment in Premiere and Hat Bit. As the Debtor Companies have filed NOIs, the value of these investments in related companies is unknown.
11. From a review of the balance sheets here have been no material changes to the Debtor Companies' assets since the First Reports. However, it should be noted that the Debtor Companies do not record inventory adjustments on the balance sheets until year end. A review of the Debtor Companies' manual inventory schedule indicates that inventory decreased in October and November 2008 by a total of approximately \$30,350 (inventory adjustments for December 2008 are not processed until sales are invoiced in mid January 2009).
 12. As noted in the First Reports, the Debtor Companies commissioned appraisals of Premiere and Labs' land and buildings as at October 6, 2006 which indicates resale market values of approximately \$375,000, and \$475,000, respectively. The Debtor Companies have also commissioned current appraisals and anticipate that the current appraisals will be received in the near future.

OPERATIONS

13. The Debtor Companies have terminated one staff member and currently have nine employees. The Debtor Companies also have three sales agents (contractors) that are paid on a commission basis.
14. The Debtor Companies have continued operations on a business as usual basis. Results of the Debtor Companies' operations since October 27, 2008 are discussed below in the monitoring section of this report.
15. Sales in November and December 2008 were higher than projected (total sales for Premiere and DBC were approximately \$432,000 compared to the total projected sales of \$142,000). Management advises that all sales for November 2008 have been invoiced to customers. December 2008 sales are not invoiced until mid January 2009.
16. As a result of these increased sales, Management advises that certain cash disbursements, including commissions payable, are also higher than forecast.

MONITORING

17. The Debtor Companies' actual cash receipts and disbursements for the period October 27, 2008 to January 3, 2009 are summarized below:

Premiere

	Actual	Projected	Variance
	\$	\$	\$
Opening Cash Position	50,710	50,710	-
Cash Receipts	314,386	345,749	(31,363)
Cash Disbursements	(253,089)	(377,625)	124,535
Net Cash Flow	61,297	(31,876)	93,173
Closing Cash Position	112,007	18,835	93,173

Note: Diamond is a holding company that holds the shares of Premiere and Hat Bit. The operations of Hat Bit were wound up into Premiere prior to the Filing Date. As such, Management has included any disbursements relating to the operations of Diamond and Hat Bit in Premiere's actual cash receipts and disbursements.

DBC

	Actual	Projected	Variance
	\$	\$	\$
Opening Cash Position	2,834	2,828	6
Cash Receipts	58,967	102,892	(43,925)
Cash Disbursements	(26,617)	(44,138)	17,522
Net Cash Flow	32,350	58,754	(26,404)
Closing Cash Position	35,184	61,582	(26,398)

Labs

	Actual \$	Projected \$	Variance \$
Opening Cash Position	8,906	8,906	-
Cash Receipts	21,445	65,200	(43,755)
Cash Disbursements	(28,398)	(43,489)	15,090
Net Cash Flow	<u>(6,953)</u>	<u>21,712</u>	<u>(28,664)</u>
Closing Cash Position	<u>1,953</u>	<u>30,618</u>	<u>(28,664)</u>

Dunn

	Actual \$	Projected \$	Variance \$
Opening Cash Position	110	110	-
Cash Receipts	-	937	(937)
Cash Disbursements	-	(1,047)	1,047
Net Cash Flow	<u>-</u>	<u>(110)</u>	<u>110</u>
Closing Cash Position	<u>110</u>	<u>-</u>	<u>110</u>

Note: Management advises that during the period to January 3, 2009 there were no cash receipts or disbursements.

18. The Trustee reviewed the Debtor Companies' cash receipts for the period and provides the following comments:
- The actual collection of accounts receivable and bit sale and repair revenue was less than forecast. Management advises that this is likely a result of a timing delay due to the holiday season and that the amounts are still collectible.
 - A customer has made EFT payments (total of approximately \$10,000) to the Debtor Companies' pre Filing Date HSBC bank account. Management has been unable to recover these amounts from HSBC. Management has contacted this customer on several occasions to request that EFT payments be made to the proper operating account.
19. The Trustee reviewed the Debtor Companies' cash disbursements for the period and provides the following comments:
- The Debtor Companies' cash disbursements relating to the purchase of materials and supplies are less than forecast as the Debtor Companies' have been relying on current stock.
 - Cash disbursements relating to professional fees are less than forecast. Currently, the Trustee and the Debtor Companies' legal counsel are owed approximately \$150,000 (included in accounts payable as discussed in paragraph 21 of this report).
 - Commissions are higher than forecast as a result of the higher than forecast sales.

- Management did not forecast bi-weekly office and shop cleaning expenses of \$500 or photocopier lease payments of approximately \$750 per month.
 - Management advises that HSBC has processed automatic debits (approximately \$6,500) from the Debtor Companies pre Filing Date HSBC bank accounts with respect to pre Filing Date HSBC mastercards.
 - Management advises that HSBC has processed automatic debits (approximately \$3,400) from the Debtor Companies pre Filing Date HSBC bank accounts that do not relate to the Debtor Companies. Management has advised that they have contacted HSBC with respect to this issue.
20. Summaries of actual cash receipts and disbursements for the period October 27, 2008 to January 3, 2009 are attached as Schedule 2.
21. Management advises that there is approximately \$192,000 in post Filing Date accounts payable that has not yet been paid. This is comprised mainly of outstanding professional fees of \$150,000 (as discussed above) and amounts due by Premiere of approximately \$33,000 that pertain to services provided during the period between the Filing Date and the date of receivership and, as such, cannot be paid at this time.
22. The Trustee did not note any material adverse change in the Debtor Companies' projected cash flow that would impair the Debtor Companies' ability to carry on operations.
23. Management advises that all of the Debtor Companies' post Filing Date remittances relating to GST and source deductions are up to date.

CASH FLOW FORECASTS

24. Attached as Schedule 3 are copies of the Debtor Companies internally prepared, unaudited weekly projected statement of cash flow for the period ending March 28, 2009 (the "Projected Statements of Cash Flow").
25. The significant assumptions used in preparing the Projected Statements of Cash Flow are summarized as follows:
- Continue to provide supplies and materials, distribute, sell and provide bit repair services to domestic and international customers in the ordinary course of business;
 - No inter-company transactions except within the normal course of business represented by the actual sale of product or services between companies;
 - Continue to collect accounts receivable in the ordinary course of business;
 - No payment of pre Filing Date accounts payable; and
 - Projected expenses based on average historical expenses from past fiscal year.

26. A summary of the Debtor Companies' Projected Statements of Cash Flow are provided below:

	Premiere (Note 1)	DBC	Labs	Dunn	Total
	\$	\$	\$	\$	\$
Opening Cash Position	112,007	35,184	1,953	-	149,145
Estimated Cash Receipts	631,544	148,397	90,000	923	870,864
Estimated Cash Disbursements	<u>(543,543)</u>	<u>(96,700)</u>	<u>(64,257)</u>	<u>(923)</u>	<u>(705,423)</u>
Estimated Closing Cash Position	<u>200,009</u>	<u>86,881</u>	<u>27,696</u>	<u>-</u>	<u>314,586</u>

Note 1: Diamond is a holding company that holds the shares of Premiere and Hat Bit. The operations of Hat Bit were wound up into Premiere in September 2006. As such, Management has included any disbursements relating to the operations of Diamond and Hat Bit in Premiere's Projected Statement of Cash Flow.

27. Management has projected sales for Premiere and DBC of approximately \$238,000 per month for the period of the Projected Statements of Cash Flow. Although this is higher than actual sales during November and December 2008 (approximately \$216,000 per month), Management believes that the trend of increased sales will continue during the first quarter of 2009.

28. Management anticipates that there will be sufficient cash flow to meet the Debtor Companies' on-going expenses and to pay the costs of restructuring.

SALE OF ASSETS

29. Premiere owns a significant portion of the Debtor Companies' assets. The Receiver of Premiere has commenced a sales process with respect to Premiere's assets. The Receiver's marketing efforts and sales process is outlined in the Receiver's First Report to the Court dated January 8, 2009.

EXTENSION OF STAY PERIOD

30. The period for the Debtor Companies to file Proposals expires on January 9, 2009. The Trustee understands that the Debtor Companies will be applying for an extension of time to file its Proposal for a period of 45 days to February 23, 2009.

31. The Debtor Companies' Proposals are dependent on the outcome of the sales process under the receivership of Premiere.

32. The Trustee is of the view that Management is acting in good faith and with due diligence in its effort to restructure the Debtor Companies' affairs. The Debtor Companies are operating in a manner consistent with the Projected Statements of Cash Flow and there have been no material changes to its operations since the Filing Date.

33. The Trustee is of the view that no creditor would be materially prejudiced should an extension of the period for filing the Proposals be granted.

34. The Trustee is of the view that an extension of the period for filing the Proposals is appropriate in the circumstances and respectively recommends that the Court approve an extension of the period for filing the Proposal for a period of 45 days to February 23, 2009.

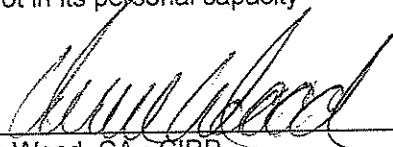
OTHER

35. Nothing has been brought to the attention of the Trustee that would indicate the existence of any payments to unrelated third parties that would constitute fraudulent transactions as defined under subsections 91 to 101 of the *Bankruptcy and Insolvency Act*.
36. The Trustee does not require further advice, direction or assistance from the Court at this time.

Dated at Calgary, Alberta this 8th day of January 2009.

MEYERS NORRIS PENNY LIMITED

In its capacity as Trustee of the Notice of Intention to Make a Proposal of
The Diamond Bullet Corporation, Hat Bit Supply Ltd.,
Premiere Manufacturing Ltd., R Environmental Labs Ltd.,
DBC International Inc. and Dunn Trucking Ltd. Insolvent Person
And not in its personal capacity



Verne Wood, CA • CIRP
Senior Vice President

SCHEDULE 1

Premiere Manufacturing Ltd
Balance Sheet As at 12/31/2008

ASSET

Assets

Petty Cash- Office	514.37	
Petty Cash- Rick Souther	444.34	
Petty Cash- Paul Karl	633.35	
HSBC Operating Account	10,290.00	
HSBC Bank - Hat Bit	-3,455.99	
HSBC Operating Acct US\$	-9.00	
HSBC US\$ - Hat Bit	-17.16	
Scotiabank Operating Account	-2,333.80	
MNP Bank Account (In Trust)	111,894.80	
A/P Clearing	0.00	
Total Cash		117,960.91
Accounts Receivable (CAD)	325,734.26	
Other Accounts Receivable	114,269.77	
Employee Receivable - Ross Math	17,541.21	
Agents Clearing Account--LL	527.20	
Agents Clearing Account--GP	482.02	
Agents Clearing Account--RD	311.76	
Total Receivables		458,866.22
Deposits - Prepaid Orders	15,000.00	
Prepaid Insurance - Hat Bit	18,105.57	
Prepaid W.B.C.	4,501.01	
Prepaid WCB - Hat Bit	-2,874.32	
Prepaid Taxes	7,888.24	
Prepaid Other	5,415.97	
Prepaid Deposits	898.43	
Prepays - Hat Bit	6,258.37	
Total Prepaid Expenses		55,193.27
Mastercard Clearing Account		3,839.33
Inventory Raw Materials	488,264.00	
Inventory Bits-Tooth-Button	872,656.00	
Inventory--PDC Bits	434,501.14	
Inventory Out of Service Bits	179,900.00	
Inventory--W.I.P.	486,880.00	
Total Inventory		2,462,201.14
Due (to) from Renviron		-772,655.36
Due (to) from Renviron - Hat Bit		258,118.72
Due (to) from DBC Int'l		201,035.89
Due (to) from DBC Int'l - Hat Bit		-300,289.35
Due (to) Hat Bit Supply Ltd.		11,066,513.83
Due (to) Premiere - Hat Bit		-11,067,296.68
Due (to) Diamond Bullet		-12,456,297.08
Due (to) Diamond Bullet - Hat Bit		11,875,466.15
Due To Shelby Recycling - Hat Bit		1,072.00
Due from Sleawzone		58.69
Total Current Assets		1,903,787.68

Property, Plant and Equipment

Land	5,047.19
Building	187,167.45
Equipment	1,239,651.00
Vehicles	201,466.18
Computer Hardware	51,565.88
Furniture & Fixtures	38,736.51
PDC Rentals	9,497,990.00
Other PDC Rental Bits	2,082,240.00
Tooth & Button Bits	2,027,054.00
Accum Deprn Buildings	-116,315.98
Accum Deprn Equipment	-1,090,023.65
Accum Deprn Equip - Hat Bit	-476.45
Accum Deprn Vehicles	-84,069.53
Accum Deprn Vehicles - Hat Bit	-499.58
Accum Deprn Computers	-45,132.32
Accum Deprn Furniture	-38,108.23

Accum Depm PDC Rentals	-7,207,702.00	
Accum Depm Other	-1,883,817.00	
Accum Depm Tooth	<u>-1,569,605.00</u>	
Net Prperty, Plant and Equipment		3,295,168.47
Total Capital Assets		<u>3,295,168.47</u>

Investments		
Investments Marketabel		-1,670.58
Investment in Hat Bit		<u>1,491,916.00</u>
Total Investments		<u>1,490,245.42</u>

TOTAL ASSET 6,689,201.57

LIABILITY

Liabilities		
Accounts Payable Pre Oct 27, 2008	12,036.89	
Accounts Payable After Oct 27, 2008	210,150.62	
Trade Accounts Payable	572,270.97	
Accrued Payroll	<u>23,848.94</u>	
Total Accounts payable		818,307.42
GST Charged on Sales	5,201.81	
GST Charged on Sales - Hat Bit	-348.96	
GST Purchases ITC Credits	-9,315.15	
GST Purchases ITC's - Hat Bit	990.86	
GST Clearing	<u>-11,584.02</u>	
Net GST Payable (Receivable)		-15,055.46
PST Sask Payable		-351.20
Vacation Payable		-3,578.11
CPP Payable	21,473.49	
EI Payable	7,537.17	
Tax Payable (PAYROLL)	<u>32,487.48</u>	
Payroll remittance payable		61,498.14
Provincial Heath Payable		-2,495.55
Health Insurance Payable		-4,111.95
Other Payable		-249.74
Future Income Tax payable		282,256.71
M/C Payable R.Souther		2,077.79
M/C Payable C Daub		2,892.45
M/C Payable P Karl		1,954.45
Temp A/P		<u>0.00</u>
Total Current Liabilities		<u>1,143,144.95</u>

Long Term Debt

Long Term Equipment Loans	1,384,969.15	
Bank Loan # 600 - Vehicle	5,447.33	
GMAC Loan #701	52,287.32	
Toyota Loan - Unit 102	3,032.92	
Due (to) Dunn Trucking	13,175,155.50	
Due (to) Dunn Trucking - Hat Bit	-36,100.14	
Shareholder Loan - Rick Souther	<u>-7,478.63</u>	
Total Liabilities		<u>14,577,313.45</u>

TOTAL LIABILITY 15,720,458.40

EQUITY

Owners Equity		
Common Shares		2.00
Common Shares - Hat Bit		190.00
Retained Earnings	-11,348,277.17	
Retained Earnings - Hat Bit	2,392,265.40	
Current Earnings	<u>-75,437.06</u>	
Total Owners Equity		<u>-9,031,256.83</u>

TOTAL EQUITY -9,031,256.83

LIABILITIES AND EQUITY 6,689,201.57

Generated On: 01/07/2009

**DBC International Inc.
Balance Sheet As at 12/31/2008**

ASSET

Assets	
Petty Cash	412.66
Petty Cash US	194.74
Petty Cash- Rick	2,537.22
HSBC Operating Account	-55.41
HSBC Operating Acct US\$	0.82
Scotiabank Operating Account	30,395.16
Scotiabank Operating Account US\$	3,475.97
Accounts Receivable (CAD)	229,004.37
Accounts Receivable (USD)	-8.05
Prepaid Other	4,059.37
Prepaid Deposits	10,000.00
Inventory Bits-Tooth-Button	30,997.88
Inventory Other PDC Bits	14,204.00
Due (to) from Renviron	38,077.14
Due (to) Hat Bit Supply Ltd.	460,184.28
Due (to) Premiere Manufacturing Ltd	-333,234.76
Due (to) Diamond Bullet	423,324.63
PDC Rentals	7,515.00
Total Assets	<u>921,085.02</u>
TOTAL ASSET	<u><u>921,085.02</u></u>

LIABILITY

Liabilities	
Accounts Payable Pre 10/27/08	0.00
Accounts Payable US	1,248.27
GST Purchases ITC Credits	-215.27
Shareholder Loan - Rick Souther	18,391.99
Total Liabilities	<u>19,424.99</u>
TOTAL LIABILITY	<u>19,424.99</u>

EQUITY

Owners Equity and Retained Earnings	
Share Capital	100.00
Retained Earnings	811,892.87
Current Earnings	89,667.16
Total Owners Equity and Retained	<u>901,660.03</u>
TOTAL EQUITY	<u>901,660.03</u>
LIABILITIES AND EQUITY	<u><u>921,085.02</u></u>

Generated On: 01/07/2009

R Environmental Labs Ltd
Balance Sheet As at 12/31/2008

ASSET

Assets

Petty Cash	15.00
HSBC Operating Account	-163.84
HSBC Operating Acct US\$	9.84
Scotiabank Operating Account	11,938.18
A/P Clearing	0.00
Accounts Receivable (CAD)	559,403.14
Accounts Receivable (USD)	0.00
Accounts Receivable (RRBIT)	0.00
Advances Receivable	0.00
Agents Clearing Account	0.00
Agents Clearing Account-MH	0.00
Agents Clearing Account-LL	0.00
Agents Clearing Account-GP	0.00
Agents Clearing Account-PK	0.00
Allowance for Doubtful Accounts	0.00
Deposits	90,691.69
Deposits - Prepaid Orders	0.00
Prepaid Insurance	-68.88
Prepaid W.B.C.	2,521.39
Prepaid Accounting Services	0.00
Prepaid Taxes	13,018.41
Prepaid Other	0.00
Prepaid Deposits	1,500.00
Mastercard Clearing Account	15.48
Inventory Raw Materials	116,242.16
Inventory Bits-Tooth-Button	0.00
Inventory-PDC Bits	0.00
Inventory Other PDC Bits	0.00
Inventory Out of Service Bits	0.00
Inventory-Scrap Bits	0.00
Inventory-W.I.P.	0.00
Inventory-Stainless Steel	0.00
Due (to) from Renviron	0.00
Due (to) Dunn Trucking	0.00
Due (to) from DBC Int'l	-61,099.34
Due (to) Hat Bit Supply Ltd.	-258,118.72
Due (to) Premiere Manufacturing Ltd	788,726.94
Due (to) Diamond Bullet	-688,764.59
Due (to) Shelby Recycling	0.00
Due From/To Shelby Recycling	3,515.68
Land	78,000.00
Building	424,084.63
Equipment	263,317.65
Vehicles	11,243.21
Computer Hardware	0.00
Computer Software	0.00
Furniture & Fixtures	6,751.41
PDC Rentals	0.00
Other PDC Rental Bits	0.00
Tooth & Button Bits	0.00
Accum Depm Buildings	-67,118.72
Accum Depm Equipment	-165,403.66
Accum Depm Vehicles	-14,801.23
Accum Depm Computers	-5,567.42
Accum Depm Computer Software	0.00
Accum Depm Furniture	0.00
Accum Depm PDC Rentals	0.00
Accum Depm Other	0.00
Accum Depm Tooth	0.00
Investment in Hat Bit	0.00

Investment in Premiere	0.00
Total Assets	<u>1,109,888.41</u>
TOTAL ASSET	<u>1,109,888.41</u>
LIABILITY	
Liabilities	
Accounts Payable Pre Oct 27, 2008	-348.74
Accounts Payable After Oct 27, 2008	5,110.81
Mastercard Rick Souther	0.00
Trade Accounts Payable	61,020.47
Accounts Payable US	13,125.00
A/P - US \$ Exchange	0.00
Accrued Payables	0.00
Accrued Payables US	0.00
Accrued Payroll	0.00
Asset Clearing Account	0.00
GST Charged on Sales	39,260.61
GST Purchases ITC Credits	-6,595.15
PST Sask Payable	0.00
Vacation Payable	771.77
Social Club & Safety Awards Payable	0.00
CPP Payable	2,938.30
EI Payable	1,363.24
Tax Payable (PAYROLL)	6,002.66
Provincial Health Payable	77.84
Health Insurance Payable	-1,032.01
Other Payable	0.00
Corporate Tax Payable	-6,093.67
Future Income Taxes	2,406.18
Temp A/P for After 10/27/08	0.00
Long Term Mortgage Payable	0.00
Long Term Equipment Loans	0.00
Bank Loan # 602 Former Shlder & Cas	0.00
Bank Loan # 600 - Vehicle	0.00
GMAC Loan - Unit 643	0.00
GMAC Loan - Unit 917	0.00
Toyota Loan - Unit 102	0.00
Due (to) Dunn Trucking	-167,686.61
Due (to) Three Cloud Properties	0.00
Due (to) Krellco	0.00
Shareholder Loan - Rick Souther	599,284.62
Deferred Income Tax	0.00
Total Liabilities	<u>549,605.32</u>
TOTAL LIABILITY	<u>549,605.32</u>
EQUITY	
Owners Equity	
Common Shares	100.00
Preferred Shares Class I	0.00
Class B - Common Shares	0.00
Class C - Common Shares	0.00
Class D- Common Shares	0.00
Class H - Common Shares	0.00
Prior Period Adjustment	0.00
Retained Earnings	522,010.88
Current Earnings	38,172.21
Total Owners Equity	<u>560,283.09</u>
TOTAL EQUITY	<u>560,283.09</u>
LIABILITIES AND EQUITY	<u>1,109,888.41</u>

Generated On: 01/07/2009

Diamond Bullet Corporation
Balance Sheet As at 12/31/2008

ASSET

Assets	
HSBC Operating Account	-1,649,148.38
Accounts Receivable (CAD)	1,038.31
Deposits	1,743.69
Prepaid Insurance	18,961.21
Prepaid W.B.C.	-262.97
Due (to) from Renviron	688,764.59
Due (to) from DBC Int'l	-276,307.03
Due (to) Hat Bit Supply Ltd.	-11,897,516.15
Due (to) Premiere Manufacturing Ltd	12,483,279.34
Vehicles	51,109.43
Computer Hardware	75,357.14
Computer Software	42,401.02
Furniture & Fixtures	16,921.19
Accum Deprn Vehicles	-31,949.61
Accum Deprn Computers	-72,137.78
Accum Deprn Computer Software	-40,309.87
Accum Deprn Furniture	-16,157.02
Investment in Hat Bit	3,000,000.00
Investment in Premiere	3,000,000.00
Total Assets	<u>5,395,787.11</u>
TOTAL ASSET	<u>5,395,787.11</u>

LIABILITY

Liabilities	
Accounts Payable	7,859.04
Accrued Payables	18,961.21
Accrued Payroll	6,071.32
Asset Clearing Account	-6,071.32
GST Charged on Sales	-41.88
GST Purchases ITC Credits	-3,455.42
Vacation Payable	3,092.53
CPP Payable	0.20
Provincial Health Payable	-348.52
Health Insurance Payable	1,316.44
GMAC Loan - Unit 917	9,450.54
Due (to) Dunn Trucking	255,076.53
Due (to) Three Cloud Properties	641,048.42
Total Liabilities	<u>932,959.09</u>
TOTAL LIABILITY	<u>932,959.09</u>

EQUITY

Owners Equity	
Class C - Common Shares	100.00
Class D- Common Shares	100.00
Class H - Common Shares	3,000,000.00
Retained Earnings	1,455,296.82
Current Earnings	7,331.20
Total Owners Equity	<u>4,462,828.02</u>
TOTAL EQUITY	<u>4,462,828.02</u>
LIABILITIES AND EQUITY	<u>5,395,787.11</u>

Generated On: 01/07/2009

SCHEDULE 2

Premiere Manufacturing Ltd., Insolvent Person ("Premiere")
 Summary of Actual Cash Receipts and Disbursements (Note 1)
 for the period October 27, 2008 to January 3, 2009

	Week 1 October 27 - Nov 1			Week 2 November 2 - 8			Week 3 November 9 - 15			Week 4 November 16 - 22			Week 5 November 23 - 29			Week 6 November 30 - Dec 5		
	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance
Opening Cash Balance	50,710.01	50,710.01	-	65,557.32	52,911.33	(12,645.99)	83,976.58	61,433.08	(22,543.50)	61,828.52	46,989.89	(14,838.63)	50,775.63	51,551.35	775.72	43,462.63	54,937.19	11,474.56
Cash Receipts																		
Collection of Accounts Receivable	33,302.53	15,820.03	(17,482.50)	29,149.50	19,057.50	(10,092.00)	25,410.00	16,222.50	(9,187.50)	19,844.00	49,087.50	29,243.50	43,487.00	6,300.00	(37,187.00)	8,090.00	22,199.75	22,199.75
Bill Repair and Rental Revenue																		
Total Cash Receipts	33,302.53	15,820.03	(17,482.50)	29,149.50	19,057.50	(10,092.00)	25,410.00	16,222.50	(9,187.50)	19,844.00	49,087.50	29,243.50	43,487.00	6,300.00	(37,187.00)	8,090.00	22,199.75	22,199.75
Cash Disbursements																		
Freight and Brokerage Charges	-	-	-	100.00	-	(100.00)	100.00	19.10	(80.90)	100.00	-	(100.00)	100.00	-	(100.00)	100.00	-	(100.00)
Net Petty Cash Reimbursement	-	-	-	1,000.00	886.97	(113.03)	-	1,851.54	1,851.54	-	1,106.24	1,106.24	-	394.23	394.23	-	-	1,952.75
Materials and Supplies	-	-	-	-	-	-	4,000.00	13,445.25	(1,954.75)	-	1,966.95	1,966.95	-	-	-	-	-	18,620.28
Rent	3	-	-	-	-	-	-	(4,000.00)	4,000.00	-	-	-	-	-	-	-	-	4,000.00
Professional Fees	-	-	-	-	-	-	-	10,000.00	10,000.00	-	-	-	30,000.00	-	(30,000.00)	-	-	-
Answering Service and Security	-	-	-	200.00	225.63	25.63	200.00	60.02	(139.98)	200.00	-	(200.00)	200.00	5.00	(195.00)	20.00	-	(20.00)
Auto Repairs and Maintenance	-	-	-	100.00	-	(100.00)	100.00	-	(100.00)	100.00	-	(100.00)	100.00	-	400.00	100.00	-	(100.00)
Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings Repair & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commissions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corner	-	-	-	50.00	26.87	(23.13)	50.00	13.89	(36.11)	50.00	-	(50.00)	50.00	-	(50.00)	50.00	-	(50.00)
Equipment Lease, Repairs and Maintenance	-	-	-	1,124.97	66.15	(1,124.97)	1,000.00	470.00	(530.00)	1,000.00	1,124.97	1,124.97	800.00	272.65	(527.35)	1,124.97	544.68	(1,124.97)
Fuel and Oil	-	-	-	1,000.00	-	(933.85)	-	-	66.15	-	436.07	(563.93)	-	-	(527.35)	800.00	-	(253.34)
Net Goods and Services Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance - Property and Vehicles	4,972.59	4,972.59	-	1,950.00	-	(1,950.00)	-	-	-	-	-	-	-	-	-	4,972.59	4,972.59	-
Insurance Life	-	-	-	150.00	-	(150.00)	-	-	-	-	-	-	-	-	-	-	-	-
Licences, Membership and Dues	-	-	-	100.00	48.29	(51.71)	100.00	20.35	(79.65)	100.00	24.25	(75.75)	100.00	141.79	41.79	100.00	265.14	165.14
Meals	-	-	-	100.00	-	(100.00)	100.00	250.00	150.00	100.00	315.73	(74.27)	100.00	141.67	41.67	100.00	1,115.10	1,015.10
Office	-	-	-	100.00	-	(100.00)	100.00	65.10	(134.90)	100.00	90.28	(104.72)	100.00	615.94	415.94	200.00	1,326.63	(67.37)
Shop Supplies and Uniforms	-	-	-	200.00	745.09	545.09	200.00	65.10	(134.90)	200.00	365.43	(634.57)	1,000.00	428.72	228.72	1,000.00	3,365.99	2,365.99
Telephone	-	-	-	200.00	-	(200.00)	200.00	-	(200.00)	200.00	-	(200.00)	200.00	-	228.72	200.00	-	(200.00)
Travel	-	-	-	200.00	-	(200.00)	200.00	-	(200.00)	200.00	-	(200.00)	200.00	-	228.72	200.00	-	(200.00)
Truck Lease & Expenses	1,517.70	1,517.70	-	750.00	1,221.27	471.27	918.06	918.06	-	1,868.89	2,634.25	738.36	750.00	-	(750.00)	1,517.70	126.18	(623.82)
Utilities	-	-	-	1,464.00	7,314.48	5,850.48	17,640.00	3,572.38	(14,067.62)	-	12,852.45	12,852.45	17,200.00	-	(17,200.00)	1,464.00	23,888.87	22,424.87
Salaries, Wages and Benefits	11,964.83	7,113.67	(4,851.26)	1,464.00	7,314.48	5,850.48	17,640.00	3,572.38	(14,067.62)	6,696.89	44,906.04	37,809.15	50,800.00	2,914.16	(17,200.00)	12,699.26	58,984.19	46,284.93
Total Cash Disbursements	18,455.22	13,618.71	(4,836.51)	10,730.24	10,538.75	(194.49)	30,685.89	41,072.87	(10,387.98)	6,696.89	44,906.04	37,809.15	50,800.00	2,914.16	(17,200.00)	12,699.26	58,984.19	46,284.93
Closing Cash Balance	65,557.32	52,911.33	(12,645.99)	83,976.58	61,433.08	(22,543.50)	57,628.52	46,989.89	(10,638.63)	50,775.63	51,551.35	775.72	43,462.63	54,937.19	11,474.56	38,763.37	54,937.19	18,152.75

NOTES:

- This document should be read in conjunction with the Projected Statement of Cash Flow, the Notes to the Projected Statement of Cash Flow (attached to the Report on Cash Flow Statement by the Person Making the Proposal dated November 6, 2008), and the Trustee's Report on the Cash Flow Statement dated November 6, 2008. The Summary of Actual Cash Receipts and Disbursements was prepared solely from the information provided by Management. Meyers Norris Penny Limited has not audited or otherwise verified this information.
- The Diamond Bullet Corporation ("Diamond") is a holding company that holds the shares of Premiere and Hat Bit Supply Ltd. ("Hat Bit"). The operations of Hat Bit were wound up into Premiere prior to the Filing Date. As such, Management has included any disbursements relating to the operations of Diamond and Hat Bit in Premiere's Summary of Actual Cash and Disbursements.
- Premiere purchases most materials and supplies from a related company, R. Environmental Labs Ltd. Premiere rents shop facilities from a related company, R. Environmental Labs Ltd.

Premiere Manufacturing Ltd., Insolvent Person ("Premiere")
Summary of Actual Cash Receipts and Disbursements (Note 1)
for the period October 27, 2008 to January 3, 2009

	Note	Week 7			Week 8			Week 9			Week 10			Totals		
		December 7 - 13	Actual	Variance	December 14 - 20	Actual	Variance	December 21 - 27	Actual	Variance	December 28 - Jan 3	Actual	Variance	Oct 27/08 - Jan 3/09	Actual	Variance
Opening Cash Balance		36,763.37	16,152.75	(20,610.62)	27,132.04	22,662.34	(4,469.70)	2,122.65	44,157.48	42,034.84	16,266.15	9,399.67	(6,866.48)	18,834.49	112,007.02	93,172.53
Cash Receipts		28,508.00	6,300.00	(22,208.00)	10,374.00	74,907.35	64,533.35	2,497.00	34,000.00	34,000.00	2,497.00	34,000.00	(2,497.00)	278,749.03	314,356.16	35,637.13
Collection of Accounts Receivable		-	-	-	-	-	-	-	-	-	-	-	-	67,000.00	67,000.00	(67,000.00)
Bit Repair and Rental Revenue		-	-	-	-	-	-	-	-	-	-	-	-	345,748.03	314,356.16	(31,382.87)
Total Cash Receipts		28,508.00	6,300.00	(22,208.00)	10,374.00	74,907.35	64,533.35	2,497.00	34,000.00	34,000.00	2,497.00	34,000.00	(2,497.00)	278,749.03	314,356.16	35,637.13
Cash Disbursements		100.00	(1,464.12)	(1,564.12)	100.00	(2,846.28)	(2,946.28)	100.00	2,811.62	2,811.62	100.00	(600.17)	(1,000.00)	900.00	4,092.78	3,092.78
Freight and Brokerage Charges		-	-	-	-	-	-	-	-	-	-	-	-	1,000.00	4,092.78	3,092.78
Net Pery Cash Reimbursement	2	13,200.00	284.05	(12,915.95)	-	1,172.50	1,172.50	-	4,000.00	4,000.00	-	-	16,000.00	35,489.03	(9,110.97)	
Materials and Supplies	3	4,000.00	-	(4,000.00)	-	-	-	-	-	-	-	-	8,000.00	8,000.00	-	
Rent		-	-	-	-	-	-	-	-	-	-	-	90,000.00	120,000.00	(30,000.00)	
Professional Fees		-	-	-	211.00	-	(211.00)	-	301.84	101.84	-	-	200.00	422.00	222.00	
Answering Service and Security		200.00	-	(200.00)	200.00	134.35	(65.65)	200.00	500.00	400.00	20.00	-	200.00	1,800.00	1,500.00	
Auto Repairs and Maintenance		-	-	-	100.00	10.00	400.00	100.00	500.00	29.00	100.00	-	60.00	900.00	73.75	
Bank Charges		100.00	-	(100.00)	100.00	590.00	10,992.55	100.00	6,000.00	6,000.00	100.00	-	60,000.00	70,292.07	10,292.07	
Buildings, Repair & Maintenance		-	-	-	50.00	40,992.55	(50.00)	50.00	6,000.00	(50.00)	-	-	60,000.00	70,292.07	10,292.07	
Commissions		50.00	-	(50.00)	50.00	-	-	50.00	-	-	-	-	450.00	1,058.99	(608.99)	
Courier		-	775.61	775.61	-	-	-	-	152.00	(648.00)	800.00	1,124.97	3,374.91	1,900.58	(1,474.33)	
Equipment Lease, Repairs and Maintenance		800.00	565.31	(234.69)	800.00	654.05	(145.95)	800.00	152.00	(648.00)	800.00	1,124.97	3,374.91	1,900.58	(1,474.33)	
Fuel and Oil		-	-	-	-	-	-	-	-	-	-	-	14,917.77	14,917.77	-	
Net Goods and Services Tax		-	-	-	-	-	-	-	4,434.25	4,434.25	-	-	14,917.77	14,917.77	-	
Insurance - Property and Vehicles		-	-	-	-	-	-	-	-	-	-	-	1,950.00	3,12.73	(1,637.27)	
Insurance Life		-	-	-	-	-	-	-	-	-	-	-	180.00	536.65	(356.65)	
Licenses, Membership and Dues		100.00	246.75	146.75	100.00	204.70	104.70	100.00	213.60	113.60	100.00	89.34	900.00	1,051.68	151.68	
Meals		100.00	43.22	(56.78)	100.00	231.84	(65.16)	100.00	20.94	(79.06)	100.00	125.01	2,480.00	2,957.57	477.57	
Office		100.00	657.28	557.28	890.00	448.84	2,488.84	200.00	2,094.00	(2,000.00)	2,000.00	-	1,800.00	2,196.19	396.19	
Shop Supplies and Uniforms		200.00	96.31	(103.69)	200.00	448.84	2,488.84	200.00	2,094.00	(2,000.00)	2,000.00	-	9,000.00	3,731.42	(5,268.58)	
Telephone		1,000.00	-	(1,000.00)	1,000.00	-	(1,000.00)	1,000.00	-	(1,000.00)	1,000.00	-	1,800.00	428.72	(1,371.28)	
Travel		200.00	-	(200.00)	200.00	-	(200.00)	200.00	-	(200.00)	200.00	-	12,623.54	6,291.28	(6,332.26)	
Truck Lease & Expenses		2,139.33	-	(2,139.33)	342.39	(342.39)	(750.00)	1,553.50	-	(1,553.50)	1,517.70	-	6,750.00	126.18	(6,623.82)	
Utilities		750.00	-	(750.00)	750.00	-	(750.00)	750.00	-	(750.00)	750.00	-	86,036.93	85,294.25	(742.68)	
Salaries, Wages and Benefits		17,200.00	484.00	(16,716.00)	440.00	11,909.65	11,469.65	17,200.00	16,323.57	(876.43)	1,464.00	1,835.18	(371.18)	377,624.55	253,088.15	(124,536.40)
Total Cash Disbursements		40,139.33	1,790.41	(38,348.92)	35,393.39	53,412.20	18,028.81	22,353.50	34,757.82	12,404.32	108,608.66	1,884.18	(106,724.48)	377,624.55	253,088.15	(124,536.40)
Closing Cash Balance		27,132.04	22,662.34	(4,469.70)	2,122.65	44,157.48	42,034.84	16,266.15	9,399.67	(6,866.48)	18,834.49	112,007.02	93,172.53	18,834.49	112,007.02	93,172.53

NOTES:

1 This document should be read in conjunction with the Projected Statement of Cash Flow, the Notes to the Projected Statement of Cash Flow (attached to the Report on Cash Flow Statement by the Person Making the Proposal dated November 6, 2008), and the Trustee's Report on the Cash Flow Statement dated November 6, 2008. The Summary of Actual Cash Receipts and Disbursements was prepared solely from the information provided by Management. Meyers Norris Penny Limited has not audited or otherwise verified this information.

2 The Diamond Bullet Corporation ("Diamond") is a holding company that holds the shares of Premiere and Hat Bit Supply Ltd. ("Hat Bit"). The operations of Hat Bit were wound up into Premiere prior to the Filing Date. As such, Management has included any disbursements relating to the operations of Diamond and Hat Bit in Premiere's Summary of Actual Cash and Disbursements.

3 Premiere Manufacturing Ltd. purchases most materials and supplies from a related company, R Environmental Labs Ltd. Premiere Manufacturing Ltd. rents shop facilities from a related company, R Environmental Labs Ltd.

IBC International Inc., Insolvent Person ("IBC")
Summary of Actual Cash Receipts and Disbursements (Note 1)
for the Period October 27, 2008 to January 3, 2009

	Note	Projected	Week 1 October 27 - Nov 1		Variance	Week 2 November 2 - 8		Variance	Week 3 November 9 - 15		Variance	Week 4 November 16 - 22		Variance	Week 5 November 23 - 29		Variance	Week 6 November 30 - Dec 6		Variance
			Actual	Actual		Actual	Actual		Actual	Actual		Actual	Actual		Actual	Actual				
Opening Cash Balance (CDN)	2	2,827.88	2,834.20	6.32	25,612.51	25,622.27	209.76	27,589.01	29,603.77	2,014.76	27,589.01	24,103.77	(3,485.24)	27,589.01	21,876.32	(5,712.69)	37,335.26	21,876.32	(15,458.94)	
Cash Receipts																				
Collection of Accounts Receivable (USD)	3	19,675.03	19,675.03	-	19,110.00	3,420.00	(15,690.00)	-	-	-	-	8,475.00	8,475.00	-	8,475.00	8,475.00	-	-	-	-
Foreign Exchange Conversion		3,148.00	3,360.00	212.00	2,866.50	361.50	(2,505.00)	-	-	-	-	1,897.55	1,897.55	-	1,271.25	1,271.25	-	-	-	-
BI Sales and Repair Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts		22,823.03	23,035.03	212.00	21,976.50	3,781.50	(18,195.00)	-	-	-	-	10,372.55	10,372.55	-	9,746.25	9,746.25	-	-	-	-
Cash Disbursements																				
Freight and Brokerage Charges	4	-	-	-	-	-	-	-	366.07	366.07	-	316.67	316.67	-	78.26	78.26	-	-	-	-
Commissions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Materials and Supplies	5	-	-	-	-	-	-	-	134.93	134.93	-	2,283.33	2,283.33	-	(78.26)	(78.26)	-	-	-	-
Net Petty Cash Reimbursement		-	-	-	20,000.00	(20,000.00)	-	-	5,000.00	5,000.00	-	10,000.00	10,000.00	-	-	-	-	-	-	-
Professional Fees		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertising		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Answering Service and Security		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auto Repairs and Maintenance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank Charges		38.40	46.96	8.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales & Admin Wages & Benefits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Disbursements		38.40	46.96	8.56	20,000.00	(20,000.00)	-	-	5,500.00	5,500.00	-	12,600.00	12,600.00	-	-	-	-	-	-	-
Closing Cash Balance (CDN)		25,612.51	25,622.27	209.76	27,589.01	29,603.77	2,014.76	27,589.01	24,103.77	(3,485.24)	27,589.01	21,876.32	(5,712.69)	37,335.26	21,876.32	(15,458.94)	25,285.26	21,876.32	(3,408.94)	

NOTES:

- This document should be read in conjunction with the Projected Statement of Cash Flow, the Notes to the Projected Statement of Cash Flow (attached to the Report on Cash Flow Statement by the Person Making the Proposal dated November 6, 2008) and the Trustee's Report on Cash Flow Statement dated November 6, 2008. The Summary of Actual Cash Receipts and Disbursements was prepared solely from the information provided by Management. Meyers Norris Penny Limited has not audited or otherwise verified this information.
- IBC holds both a US dollar and Canadian dollar bank account. The opening cash balance is reported in Canadian funds and was calculated using the foreign exchange rate as at October 27, 2008 (1.29).
- Actual foreign exchange conversion is calculated using the closing foreign exchange rate as at the date the funds are converted to Canadian dollars. As such, IBC is exposed to foreign exchange gains and losses.
- Actual expenses incurred in US dollars by IBC are converted using the closing foreign exchange rate as at the date the transaction is processed through IBC's US dollar bank account.
- IBC purchases materials and supplies from a related company, namely, Premier Manufacturing Ltd.

Environmental Labs Ltd., Insolvent Person ("Labs")
 Summary of Actual Cash Receipts and Disbursements (Note 1)
 for the period October 27, 2008 to January 3, 2009

	Note	Week 1 October 27 - Nov 1			Week 2 November 2 - 8			Week 3 November 9 - 15			Week 4 November 16 - 22			Week 5 November 23 - 29			Week 6 November 30 - Dec 6		
		Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance
Opening Cash Balance		8,906.17	8,906.17	-	6,778.17	7,852.63	1,074.46	2,009.17	5,789.69	3,780.52	11,984.17	15,885.61	4,021.44	11,614.17	12,751.60	1,137.43	11,364.17	12,626.28	1,262.11
Cash Receipts																			
Sales - Cutters	2	-	-	-	-	-	-	12,000.00	13,445.25	1,445.25	-	-	-	-	-	-	-	-	-
Rental Income	2	-	-	-	-	-	-	4,000.00	-	(4,000.00)	-	-	-	-	-	-	-	-	-
Sales		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Accounts Receivable		-	-	-	-	-	-	9,200.00	-	(9,200.00)	-	-	-	-	-	-	-	-	-
Total Cash Receipts		-	-	-	-	-	-	25,200.00	13,445.25	(11,754.75)	-	-	-	-	-	-	-	-	-
Cash Disbursements																			
Accounting and Legal		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Answering Service and Security		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Lease, Repairs and Maintenance		-	-	-	750.00	746.79	(3.21)	-	-	-	-	-	-	-	-	-	-	-	-
Materials and Supplies		-	-	-	250.00	-	(250.00)	6,500.00	-	(6,500.00)	250.00	-	(250.00)	250.00	-	(250.00)	250.00	-	(250.00)
Fuel and Oil		-	-	-	-	-	-	250.00	-	(250.00)	-	-	-	-	-	-	-	-	-
Insurance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank Charges		-	6.50	6.50	-	-	(50.00)	-	-	-	-	-	-	-	-	-	-	-	-
Truck Lease and Expenses		-	-	-	50.00	-	(50.00)	-	-	-	-	-	-	-	-	-	-	-	-
Utilities		-	-	-	3,200.00	-	(3,200.00)	5,595.00	2,149.32	(3,445.68)	-	-	-	-	-	-	-	-	-
Salaries, Wages and Benefits		2,128.00	1,047.04	(1,080.96)	519.00	1,316.15	797.15	3,000.00	1,200.01	(1,799.99)	-	-	-	-	-	-	-	-	-
Net GST Owning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Disbursements		2,128.00	1,053.54	(1,074.46)	4,769.00	2,062.94	(2,706.06)	15,345.00	3,349.33	(11,995.67)	250.00	3,134.01	2,884.01	250.00	125.32	(124.68)	7,769.00	5,124.08	(2,644.92)
Closing Cash Balance		6,778.17	7,852.63	1,074.46	2,009.17	5,789.69	3,780.52	11,864.17	15,885.61	4,021.44	11,614.17	12,751.60	1,137.43	11,364.17	12,626.28	1,262.11	7,595.17	29,852.20	22,257.03

NOTES:

- This document should be read in conjunction with the Projected Statement of Cash Flow, the Notes to the Projected Statement of Cash Flow (attached to the Report on Cash Flow Statement by the Person Making the Proposal dated November 6, 2008), and the Trustee's Report on the Cash Flow Statement dated November 6, 2008. The Summary of Actual Cash Receipts and Disbursements was prepared solely from the information provided by Management. Meyers Norris Penny Limited has not audited or otherwise verified this information.
- Sales and rental income are derived solely from a related company, namely Premiere Manufacturing Ltd. and represents the actual sale of product or services between companies.

Environmental Labs Ltd., Insolvent Person ("Labs")
 Summary of Actual Cash Receipts and Disbursements (Note 1)
 for the period October 27, 2008 to January 3, 2009

	Note	Week 7 December 7 - 13			Week 8 December 14 - 20			Week 9 December 21 - 27			Week 10 December 28 - Jan 3			Totals Oct 27/08 - Jan 3/09		
		Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance
Opening Cash Balance		7,595.17	29,852.20	22,257.03	21,230.17	9,210.73	(12,019.44)	17,980.17	3,986.51	(13,993.66)	17,730.17	3,986.51	(13,743.66)	8,906.17	8,906.17	-
Cash Receipts																
Sales - Cutlery	2	12,000.00	(18,350.00)	(30,350.00)	-	-	-	-	-	-	-	-	-	12,000.00	13,445.25	(22,554.75)
Rental Income	2	4,000.00	-	(4,000.00)	-	-	-	-	-	-	-	-	-	4,000.00	8,000.00	(4,000.00)
Sales		-	-	-	-	-	-	-	-	-	-	-	-	4,000.00	-	(8,000.00)
Miscellaneous Accounts Receivable		-	-	-	-	-	-	-	-	-	-	-	-	9,200.00	-	(9,200.00)
Total Cash Receipts		16,000.00	(18,350.00)	(34,350.00)	-	-	-	-	-	-	-	-	-	20,000.00	4,000.00	(16,000.00)
Cash Disbursements																
Accounting and Legal		-	-	-	1,500.00	1,500.00	-	-	-	-	-	-	-	-	1,500.00	1,500.00
Answering Service and Security		-	-	-	-	-	-	-	-	-	-	-	-	-	125.32	125.32
Equipment Lease, Repairs and Maintenance		-	-	-	-	-	-	-	-	-	-	-	-	750.00	2,240.37	(9.63)
Materials and Supplies		-	-	-	-	-	-	-	-	-	-	-	-	6,500.00	-	(6,500.00)
Fuel and Oil		250.00	-	(250.00)	250.00	(250.00)	-	250.00	(250.00)	-	250.00	(250.00)	-	2,250.00	-	(2,250.00)
Insurance		-	-	-	-	-	-	-	-	-	-	-	-	50.00	-	(105.50)
Bank Charges		-	-	-	-	-	-	-	-	-	-	-	-	-	38.00	-
Truck Lease and Expenses		2,115.00	2,115.47	0.47	-	124.94	124.94	-	-	-	-	-	-	7,710.00	4,264.79	(3,445.21)
Utilities		-	-	-	-	124.94	124.94	-	-	-	-	-	-	6,400.00	513.44	(5,886.56)
Salaries, Wages and Benefits		-	176.00	176.00	3,000.00	3,599.28	599.28	-	-	-	-	-	-	15,401.00	19,709.61	4,308.61
Net GST Owning		-	-	-	-	-	-	250.00	-	-	-	-	-	2,827.50	-	(2,827.50)
Total Cash Disbursements		2,365.00	2,291.47	(73.53)	3,280.00	5,224.22	1,974.22	250.00	-	(250.00)	-	-	-	43,488.50	28,398.03	(15,090.47)
Closing Cash Balance		21,230.17	9,210.73	(12,019.44)	17,980.17	3,986.51	(13,993.66)	17,730.17	3,986.51	(13,743.66)	30,617.67	1,953.39	(28,664.28)	30,617.67	1,953.39	(28,664.28)

NOTES:
 1 This document should be read in conjunction with the Projected Statement of Cash Flow, the Notes to the Projected Statement of Cash Flow (attached to the Report on Cash Flow Statement by the Person Making the Proposal dated November 6, 2008), and the Trustee's Report on the Cash Flow Statement dated November 6, 2008. The Summary of Actual Cash Receipts and Disbursements was prepared solely from the information provided by Management. Meyers Norris Penny Limited has not audited or otherwise verified this information.
 2 Sales and rental income are derived solely from a related company, namely Premiere Manufacturing Ltd. and represents the actual sale of product or services between companies.

Sum Trucking Ltd., Insolvent Person ("Dunn")
 Summary of Actual Cash Receipts and Disbursements (Note 1)
 of the Period October 27, 2008 to January 3, 2009

	Week 1 October 27 - Nov 1			Week 2 November 2 - 8			Week 3 November 9 - 15			Week 4 November 16 - 22			Week 5 November 23 - 29			Week 6 November 30 - Dec 6		
	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance	Projected	Actual	Variance
Opening Cash Balance	109.98	109.98	-	-	109.98	(109.98)	-	109.98	(109.98)	-	109.98	(109.98)	-	109.98	(109.98)	-	109.98	(109.98)
Cash Receipts																		
Advances from Shareholder	115.02	-	115.02	124.00	-	124.00	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts	115.02	-	115.02	124.00	-	124.00	-	-	-	-	-	-	-	-	-	-	-	-
Cash Disbursements																		
Epcor	-	-	-	124.00	-	124.00	-	-	-	-	-	-	-	-	-	-	-	-
Bow River Gas	225.00	-	225.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Disbursements	225.00	-	225.00	124.00	-	124.00	-	-	-	-	-	-	-	-	-	-	-	-
Closing Cash Balance	-	109.98	(109.98)	-	109.98	(109.98)	-	109.98	(109.98)	-	109.98	(109.98)	-	109.98	(109.98)	-	109.98	(109.98)

NOTES:

1. This document should be read in conjunction with the Projected Statement of Cash Flow, The Notes to the Projected Statement of Cash Flow (attached to the Report on Cash Flow Statement by the Person Making the Proposal dated November 6, 2008) and the Trustee's Report on Cash Flow Statement dated November 6, 2008. The Summary of Actual Cash Receipts and Disbursements was prepared solely from the information provided by Management. Meyers Norris Penny has not audited or otherwise verified this information.

Dunn Trucking Ltd., Insolvent Person ("Dunn")
 Summary of Actual Cash Receipts and Disbursements (Note 1)
 for the Period October 27, 2008 to January 3, 2009

	Week 7 December 7 - 13		Week 8 December 14 - 20		Week 9 December 21 - 27		Week 10 December 28 - Jan 3		Totals Oct 28/08 - Jan 3/09	
	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Opening Cash Balance	-	109,98	-	109,98	-	109,98	-	109,98	109,98	109,98
Cash Receipts	-	-	-	-	225,00	-	225,00	124,00	937,02	-
Advances from Shareholder	-	-	-	-	225,00	-	225,00	124,00	937,02	-
Total Cash Receipts	-	-	-	-	225,00	-	225,00	124,00	937,02	-
Cash Disbursements	-	-	-	-	-	-	-	124,00	372,00	372,00
Epcor	-	-	-	-	-	-	-	124,00	675,00	675,00
Bow River Gas	-	-	-	-	225,00	-	225,00	124,00	1,047,00	1,047,00
Total Cash Disbursements	-	-	-	-	225,00	-	225,00	124,00	1,047,00	1,047,00
Closing Cash Balance	-	109,98	-	109,98	-	109,98	-	109,98	109,98	109,98

NOTES:

- This document should be read in conjunction with the Projected Statement of Cash Flow. The Notes to the Projected Statement of Cash Flow (attached to the Report on Cash Flow Statement by the Person Making the Proposal dated November 6, 2008) and the Trustee's Report on Cash Flow Statement dated November 6, 2008. The Summary of Actual Cash Receipts and Disbursements was prepared solely from the information provided by Management. Meyers Norris Penny has not audited or otherwise verified this information.

SCHEDULE 3

In the Matter of the Notice of Intention to Make a Proposal of Premiere Manufacturing Ltd, Insolvent Person ("Premiere")
Projected Statement of Cash Flow (Note 1)
For the Period January 4 to March 28, 2009

Schedule 3(a)

	Week 11 04-Jan-09	Week 12 11-Jan-09	Week 13 18-Jan-09	Week 14 25-Jan-09	Week 15 01-Feb-09	Week 16 08-Feb-09	Week 17 15-Feb-09	Week 18 22-Feb-09	Week 19 01-Mar-09	Week 20 08-Mar-09	Week 21 15-Mar-09	Week 22 22-Mar-09	Total	
Opening Cash Balance	112,007.02	195,959.50	155,178.94	140,303.05	176,155.38	199,766.14	207,368.08	161,045.69	196,862.22	215,855.28	228,557.22	189,234.83	198,708.69	200,008.69
Cash Receipts	105,718.75	26,617.50	49,500.00	49,570.03	49,500.00	49,500.00	49,500.00	49,570.03	49,500.00	49,500.00	49,500.00	49,570.03	49,500.00	49,570.03
Collection of Accounts Receivable	1,500.00	1,500.00	49,500.00	49,570.03	49,500.00	49,500.00	49,500.00	49,570.03	49,500.00	49,500.00	49,500.00	49,570.03	49,500.00	49,570.03
Bit Repair and Rental Revenue (Note 2)	108,218.75	25,117.50	49,500.00	49,570.03	49,500.00	49,500.00	49,500.00	49,570.03	49,500.00	49,500.00	49,500.00	49,570.03	49,500.00	49,570.03
Total Cash Receipts	105,718.75	26,617.50	49,500.00	49,570.03	49,500.00	49,500.00	49,500.00	49,570.03	49,500.00	49,500.00	49,500.00	49,570.03	49,500.00	49,570.03
Cash Disbursements	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
Freight and Brokerage Charges	-	26,000.00	-	-	-	26,000.00	-	-	-	-	-	-	-	-
Materials and Supplies (Note 3)	4,000.00	-	-	-	4,000.00	-	-	-	4,000.00	-	-	-	-	-
Rent (Note 3)	300.00	-	50,000.00	-	300.00	-	-	50,000.00	300.00	-	-	-	-	-
Professional Fees	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	
Answering Service and Security	-	-	-	20.00	-	-	-	20.00	-	-	-	-	-	-
Auto Repairs and Maintenance	500.00	-	500.00	-	500.00	-	-	500.00	500.00	-	-	-	-	-
Bank Charges	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	
Buildings, Repair & Maintenance	-	30,000.00	-	-	-	-	-	-	33,000.00	-	-	-	-	-
Commissions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Counter	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Lease, Repairs and Maintenance	600.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	
Fuel and Oil	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Goods and Services Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance - Property and Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Life	2,263.00	-	-	-	2,263.00	-	-	2,263.00	-	-	-	-	-	-
Licenses, Membership and Dues	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
Meals	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	
Office	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
Shop Supplies and Uniforms	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	
Telephone	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	
Travel	1,221.27	918.06	1,895.88	1,517.70	1,221.27	918.06	1,221.27	918.06	1,221.27	918.06	1,221.27	918.06	1,221.27	
Truck Lease & Expenses	4,000.00	-	-	-	4,000.00	-	-	-	4,000.00	-	-	-	-	-
Utilities	9,425.00	9,425.00	9,425.00	9,425.00	9,425.00	9,425.00	9,425.00	9,425.00	9,425.00	9,425.00	9,425.00	9,425.00	9,425.00	
Salaries, Wages and Benefits	24,284.27	58,898.05	64,375.89	13,717.70	23,859.24	38,898.05	95,822.39	30,405.94	38,898.05	95,822.39	30,405.94	38,898.05	95,822.39	
Total Cash Disbursements	195,959.50	155,178.94	140,303.05	176,155.38	199,766.14	207,368.08	161,045.69	196,862.22	215,855.28	228,557.22	189,234.83	198,708.69	200,008.69	
Closing Cash Balance														

NOTES:
1 The Notes to the Projected Statement of Cash Flow (attached) form an integral part of this cash-flow projection and must be read in conjunction with this projection.

2 The Projected Statement of Cash Flow for Premiere was prepared in accordance with subsection 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report to the Court dated January 8, 2009.

3 Management projects that Premiere will invoice approximately \$199,000 per month with respect to bit rental and repair.

4 Premiere purchases materials and supplies and rents shop space from a related company, R Environmental Labs Ltd

Meyers Norris Penny Limited
in its capacity as Trustee of the Notice of Intention to Make a Proposal of
Premiere Manufacturing Ltd., Insolvent Person
And not in its personal capacity

Premiere Manufacturing Ltd., Insolvent Person

Verma Wood, CA - CMAA
Senior Vice President

Rick Souther
President

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
PREMIERE MANUFACTURING LTD.**

**NOTES TO PROJECTED STATEMENT OF CASH FLOW
For the Period January 4, 2009 to March 28, 2009**

Management of Premiere Manufacturing Ltd. ("Premiere") has prepared the attached projected statement of cash flow of Premiere, as of the 9th day of January, 2009, consisting of weekly cash flow projections for the period January 4, 2009 to March 28, 2009.

The projected cash flow statement reflects Premiere's planned course of action for the period covered during the projection and is based on Management's judgment as to the most probable set of economic conditions.

Management believes that the hypothetical assumptions are reasonable and consistent with the purpose of the projection and the probable assumptions are suitably supported and consistent with the plans of Premiere and provide a reasonable basis for the projection. All such assumptions are disclosed below.

Since the project is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. The projection has been prepared solely for the purpose described. Consequently, readers are cautioned that it may not be appropriate for other purposes.

The projected cash flow statement is based on the following assumptions:

Hypothetical Assumptions

- a) The Proposal will be approved by the creditors and the Court.
- b) No creditors will take remedies which may be available to them during the stay period.
- c) No inter-company transactions except within the normal course of business represented by the actual sale of product or services between the companies.
- d) Professional fees (representing the estimated fees and disbursements of the Proposal Trustee and the Company's legal counsel and other restructuring costs) will be paid by Premiere and DBC International Inc. These costs will be allocated to the other related companies as part of the Proposals.

Probable Assumptions

- a) Continue to provide bit rental services to Canadian customers in the ordinary course of business.
- b) Continue to provide services to DBC International Inc.
- c) Continue to purchase supplies and materials from R Environmental Labs Ltd.
- d) Continue to collect accounts receivable in the ordinary course of business. Projected collections based on average collections during the past fiscal year (75 days).
- e) Projected expenses based on average historical expenses from the past fiscal year of operations.
- f) No payment of pre Filing Date accounts payable.

7 the Matter of the Notice of Intention to Make a Proposal of DBC International Inc., Insolvent Person ("DBC")
 8 Projected Statement of Cash Flow (Note 1)
 9 For the Period January 4 to March 28, 2009

Week Beginning	Week 11 04-Jan-09 (Note 2)	Week 12 11-Jan-09	Week 13 18-Jan-09	Week 14 25-Jan-09	Week 15 01-Feb-09	Week 16 08-Feb-09	Week 17 15-Feb-09	Week 18 22-Feb-09	Week 19 01-Mar-09	Week 20 08-Mar-09	Week 21 15-Mar-09	Week 22 22-Mar-09	Total		
Opening Cash Balance (CAD) (Note 2)	35,184.15	97,281.15	98,981.15	21,681.15	21,331.15	55,031.15	54,731.15	54,731.15	54,431.15	54,081.15	87,781.15	87,481.15	87,181.15	86,881.15	35,184.15
Cash Receipts	57,476.47	-	-	-	40,000.00	-	-	-	-	-	-	-	-	-	57,476.47
Collection of Accounts Receivable (USD)	10,920.53	-	-	-	-	-	-	-	-	-	-	-	-	-	10,920.53
Foreign Exchange (Gain/Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	80,000.00
Bit Rental Revenue (Note 3)	-	-	-	-	40,000.00	-	-	-	-	-	-	-	-	-	148,397.00
Total Cash Receipts	68,397.00	-	-	-	40,000.00	-	-	-	-	-	-	-	-	-	148,397.00
Cash Disbursements	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	3,600.00
Freight and Brokerage	6,000.00	-	75,000.00	-	-	-	-	-	-	-	-	-	-	-	18,000.00
Materials and Supplies (Note 4)	-	-	75,000.00	-	-	-	-	-	-	-	-	-	-	-	75,000.00
Professional Fees	-	-	-	50.00	-	-	-	-	-	-	-	-	-	-	100.00
Bank Charges	6,300.00	300.00	75,300.00	350.00	6,300.00	300.00	300.00	350.00	6,300.00	300.00	300.00	300.00	300.00	300.00	96,700.00
Total Cash Disbursements	97,281.15	98,981.15	21,681.15	21,331.15	55,031.15	54,731.15	54,431.15	54,081.15	87,781.15	87,481.15	87,181.15	86,881.15	86,881.15	88,881.15	
Closing Cash Balance (CAD)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

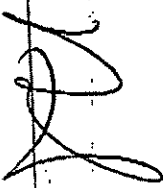
NOTES:
 1 The Notes to the Projected Statement of Cash Flow (attached) form an integral part of this cash-flow projection and must be read in conjunction with this projection.

The Projected Statement of Cash Flow for DBC was prepared in accordance with subsection 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report to the Court dated January 8, 2009.

- 2 DBC holds both a USD and Canadian bank account. The opening cash balance was calculated using the foreign exchange rate at January 2, 2009 (1.21).
- 3 Management projects that DBC will invoice approximately \$40,000 per month from January to March 2009 with respect to bit rentals and expects to collect accounts receivable within 30 days.
- 4 DBC purchases materials and supplies a related companies, Pterriere Manufacturing Ltd.

Meyers Norris Penny Limited
 In its capacity as Trustee of the Notice of Intention to Make a Proposal of
 DBC International Inc., Insolvent Person
 And not in its personal capacity


 Verne Wood, CA, CRRP
 Senior Vice President


 Rick Souther
 President

DBC International Inc., Insolvent Person

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
DBC INTERNATIONAL INC.**

**NOTES TO PROJECTED STATEMENT OF CASH FLOW
For the Period January 4, 2009 to March 28, 2009**

Management of DBC International Inc. ("DBC") has prepared the attached projected statement of cash flow of DBC, as of the 9th day of January, 2009, consisting of weekly cash flow projections for the period January 4, 2009 to March 28, 2009.

The projected cash flow statement reflects DBC's planned course of action for the period covered during the projection and is based on Management's judgment as to the most probable set of economic conditions.

Management believes that the hypothetical assumptions are reasonable and consistent with the purpose of the projection and the probable assumptions are suitably supported and consistent with the plans of Labs and provide a reasonable basis for the projection. All such assumptions are disclosed below.

Since the project is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. The projection has been prepared solely for the purpose described. Consequently, readers are cautioned that it may not be appropriate for other purposes.

The projected cash flow statement is based on the following assumptions:

Hypothetical Assumptions

- a) The Proposal will be approved by the creditors and the Court.
- b) No creditors will take remedies which may be available to them during the stay period.
- c) No inter-company transactions except within the normal course of business represented by the actual sale of product or services between the companies.
- d) Professional fees (representing the estimated fees and disbursements of the Proposal Trustee and the Company's legal counsel and other restructuring costs) will be paid by Premiere Manufacturing Ltd. and DBC. These costs will be allocated to the other related companies as part of the Proposals.
- e) The foreign exchange rate will remain constant and is projected based on the foreign exchange rate (1.21) as at January 2, 2009.

Probable Assumptions

- a) Continue to provide bit rental services to international customers in the ordinary course of business.
- b) Continue to purchase materials and supplies from Premiere Manufacturing Ltd. in the ordinary course of business.
- c) Continue to collect accounts receivable in the ordinary course of business. Projected collections based on average collections during the past fiscal year (30 to 60 days).
- d) Projected expenses based on average historical expenses from the past fiscal year of operations.
- e) No payment of pre Filing Date accounts payable.

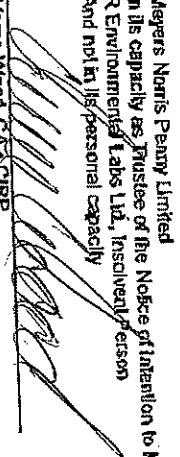
in the Matter of the Notice of Intention to Make a Proposal of R Environmental Labs Ltd., Insolvent Person ("Labs")
Projected Statement of Cash Flow (Note 1)
For the Period January 4 to March 28, 2009

	Week 11 04-Jan-09 (Note 2)	Week 12 11-Jan-09	Week 13 18-Jan-09	Week 14 25-Jan-09	Week 15 01-Feb-09	Week 16 08-Feb-09	Week 17 15-Feb-09	Week 18 22-Feb-09	Week 19 01-Mar-09	Week 20 08-Mar-09	Week 21 15-Mar-09	Week 22 22-Mar-09	Total
Week Beginning	1,953.39	1,506.60	19,671.13	17,571.13	11,391.13	11,344.34	29,108.87	27,008.87	20,828.87	20,782.08	38,546.61	36,446.61	1,953.39
Opening Cash Balance													
Cash Receipts													
Sales - Cutlery (Note 2)	4,000.00	26,000.00	-	-	4,000.00	-	-	-	4,000.00	-	-	-	80,000.00
Rental Income (Note 2)													
Miscellaneous Accounts Receivable													
Total Cash Receipts	4,000.00	26,000.00	-	-	4,000.00	-	-	-	4,000.00	-	-	-	2,240.00
Cash Disbursements													
Equipment Lease, Repairs and Maintenance	746.79	2,000.00	2,000.00	2,000.00	746.79	2,000.00	2,000.00	2,000.00	746.79	2,000.00	2,000.00	2,000.00	24,000.00
Materials & Supplies	2,000.00	100.00	100.00	100.00	2,000.00	100.00	100.00	100.00	2,000.00	100.00	100.00	100.00	1,200.00
Buildings, Repair & Maintenance	100.00	-	-	-	-	-	-	-	-	-	-	-	-
Fuel and Oil	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance (Note 3)	-	-	-	60.00	-	-	-	60.00	-	-	-	-	120.00
Back Charges	-	2,115.47	-	-	-	2,115.47	-	-	2,115.47	-	-	-	8,346.41
Truck Lease & Expenses	1,200.00	-	-	-	1,200.00	-	-	-	1,200.00	-	-	-	3,600.00
Utilities	-	4,020.00	-	4,020.00	-	4,020.00	-	4,020.00	-	4,020.00	-	-	24,120.00
Salaries, Wages and Benefits	-	-	-	-	-	-	-	-	-	-	-	-	2,630.88
Net GST Owning	4,006.79	8,235.47	2,100.00	6,160.00	4,848.79	9,235.47	2,100.00	6,160.00	4,848.79	8,235.47	2,100.00	2,100.00	64,257.44
Total Cash Disbursements	1,906.80	19,871.13	17,571.13	11,391.13	11,344.34	29,108.87	27,008.87	20,828.87	20,782.08	38,546.61	36,446.61	27,685.95	27,685.95
Closing Cash Balance													

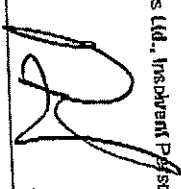
NOTES:

- The Notes to the Projected Statement of Cash Flow (attached) form an integral part of this cash-flow projection and must be read in conjunction with this projection.
- The Projected Statement of Cash Flow for Labs was prepared in accordance with subsection 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report to the Court dated January 8, 2009.
- Labs provides materials and supplies to and collects rent from a related company, Premiere Manufacturing Ltd.
- Management advises that insurance has been prepaid.

Meyers Norris Penny Limited
in its capacity as Trustee of the Notice of Intention to Make a Proposal of
R Environmental Labs Ltd., Insolvent Person
And not in its personal capacity


Verna Wood, CA, CFP
Senior Vice President

R Environmental Labs Ltd., Insolvent Person


Rick Souther
President

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
R ENVIRONMENTAL LABS LTD.**

**NOTES TO PROJECTED STATEMENT OF CASH FLOW
For the Period January 4, 2009 to March 28, 2009**

Management of R Environmental Labs Ltd. ("Labs") has prepared the attached projected statement of cash flow of Labs, as of the 9th day of January, 2009, consisting of weekly cash flow projections for the period January 4, 2009 to March 28, 2009.

The projected cash flow statement reflects Labs' planned course of action for the period covered during the projection and is based on Management's judgment as to the most probable set of economic conditions.

Management believes that the hypothetical assumptions are reasonable and consistent with the purpose of the projection and the probable assumptions are suitably supported and consistent with the plans of Labs and provide a reasonable basis for the projection. All such assumptions are disclosed below.

Since the project is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. The projection has been prepared solely for the purpose described. Consequently, readers are cautioned that it may not be appropriate for other purposes.

The projected cash flow statement is based on the following assumptions:

Hypothetical Assumptions

- a) The Proposal will be approved by the creditors and the Court.
- b) No creditors will take remedies which may be available to them during the stay period.
- c) No inter-company transactions except within the normal course of business represented by the actual sale of product or services between the companies.
- d) Professional fees (representing the estimated fees and disbursements of the Proposal Trustee and the Company's legal counsel and other restructuring costs) will be paid by Premiere Manufacturing Ltd. and DBC International Inc. Labs' share of the professional fees will be allocated as part of the Proposals.

Probable Assumptions

- a) Continue to provide supplies and materials to Premiere Manufacturing Ltd. in the ordinary course of business.
- b) Continue to collect rental income from Premiere Manufacturing Ltd. in the ordinary course of business.
- c) Projected expenses based on average historical expenses from the past fiscal year of operations.
- d) No payment of pre Filing Date accounts payable.

The Matter of the Notice of Intention to Make a Proposal of Dunn Trucking Ltd., Insolvent Person ("Dunn")
Projected Statement of Cash Flow (NOTE)
For the Period January 4 to March 28, 2009

	Week 11 04-Jan-09	Week 12 11-Jan-09	Week 13 18-Jan-09	Week 14 25-Jan-09	Week 15 01-Feb-09	Week 16 08-Feb-09	Week 17 15-Feb-09	Week 18 22-Feb-09	Week 19 01-Mar-09	Week 20 08-Mar-09	Week 21 15-Mar-09	Week 22 22-Mar-09	Total
Week Beginning	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening Cash Balance	-	-	-	-	-	-	-	-	-	-	-	-	923.00
Cash Receipts	-	-	-	225.00	124.00	-	-	225.00	124.00	-	-	-	248.00
Advances from Shareholder	-	-	-	225.00	124.00	-	-	225.00	124.00	-	-	-	675.00
Total Cash Receipts	-	-	-	450.00	248.00	-	-	450.00	248.00	-	-	-	923.00
Cash Disbursements	-	-	-	-	124.00	-	-	-	-	-	-	-	-
Epcoor	-	-	-	225.00	-	-	-	225.00	-	-	-	-	-
Bow River Gas	-	-	-	225.00	124.00	-	-	225.00	124.00	-	-	-	-
Total Cash Disbursements	-	-	-	450.00	248.00	-	-	450.00	248.00	-	-	-	-
Closing Cash Balance	-	-	-	-	-	-	-	-	-	-	-	-	-

NOTES:
The Notes to the Projected Statement of Cash Flow (attached) form an integral part of this cash-flow projection and must be read in conjunction with this projections.
The Projected Statement of Cash Flow for Dunn was prepared in accordance with subsection 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report to the Court dated January 8, 2009.

The Projected Statement of Cash Flow for Dunn was prepared in accordance with subsection 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report to the Court dated January 8, 2009.
Dunn is a holding company and its only assets are the shares in The Diamond Buller Corporation and a storage facility in Taber. It does not generate any revenue and historically has been funded through shareholders' loans.
Our review consisted solely of inquiries and discussion with management.

Meyers Norris Penny Limited
In its capacity as Trustee of the Notice of Intention to Make a Proposal of
Dunn Trucking Ltd., Insolvent Person
And not in its personal capacity
Verne Wood, CA. CkRP
Senior Vice President

Dunn Trucking Ltd., Insolvent Person
Rick Souther
President

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
DUNN TRUCKING LTD.**

**NOTES TO PROJECTED STATEMENT OF CASH FLOW
For the Period January 4, 2009 to March 28, 2009**

Management of Dunn Trucking Ltd. ("Dunn") has prepared the attached projected statement of cash flow of Dunn, as of the 9th day of January, 2009, consisting of weekly cash flow projections for the period January 4, 2009 to March 28, 2009.

The projected cash flow statement reflects Dunn's planned course of action for the period covered during the projection and is based on Management's judgment as to the most probable set of economic conditions.

Management believes that the hypothetical assumptions are reasonable and consistent with the purpose of the projection and the probable assumptions are suitably supported and consistent with the plans of Premiere and provide a reasonable basis for the projection. All such assumptions are disclosed below.

Since the project is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. The projection has been prepared solely for the purpose described. Consequently, readers are cautioned that it may not be appropriate for other purposes.

The projected cash flow statement is based on the following assumptions:

Hypothetical Assumptions

- a) The Proposal will be approved by the creditors and the Court.
- b) No creditors will take remedies which may be available to them during the stay period.
- c) No inter-company transactions.
- d) Professional fees (representing the estimated fees and disbursements of the Proposal Trustee and the Company's legal counsel and other restructuring costs) will be paid by Premiere Manufacturing Ltd. and DBC International Inc. These costs will be allocated to the other related companies, including Dunn, as part of the Proposals.

Probable Assumptions

- a) Cash receipts will be derived from advances from shareholder.
- b) Projected expenses based on average historical expenses from the past fiscal year of operations.
- c) No payment of pre Filing Date accounts payable.