

**DISCLOSURE STATEMENT FOR
NEW CALEDONIA ESTATES
(the "Development")**

Developer: 0830561 B.C. Ltd.

Developer's Business Address: Suite 200 – 313 6th Street
New Westminster, British Columbia
V3L 3A7

Address for Service in British Columbia: Suite 101 – 100 Nanaimo Avenue East
Penticton, British Columbia
V2A 1M4

The Developer will not be using a real estate brokerage to market the subdivision lots referred to in this offering. The Developer will use its own employee(s) to market the Subdivision Lots, as defined herein, and such employees are not licensed under the *Real Estate Services Act*.

Date of Disclosure Statement: August 29, 2008

This Disclosure Statement has been filed with the Superintendent of Real Estate, but neither the Superintendent, nor any other authority of the government of the Province of British Columbia, has determined the merits of any statement contained in the Disclosure Statement, or whether the Disclosure Statement contains a misrepresentation or otherwise fails to comply with the requirements of the *Real Estate Development Marketing Act*. It is the responsibility of the developer to disclose plainly all material facts, without misrepresentation

GOWLINGS

RIGHT OF RESCISSION

Under section 21 of the *Real Estate Development Marketing Act*, the purchaser or lessee of a development unit may rescind (cancel) the contract of purchase and sale or contract to lease by serving written notice on the developer or the developer's brokerage, with 7 days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of this Disclosure Statement.

The rescission notice may be served by delivering or sending by registered mail, a signed copy of the notice to:

- (a) the developer at the address shown in the disclosure statement received by the purchaser,**
- (b) the developer at the address shown in the purchaser's purchase agreement,**
- (c) the developer's brokerage, if any, at the address shown in the disclosure statement received by the purchaser, or**
- (d) the developer's brokerage, if any, at the address shown in the purchaser's purchase agreement.**

The developer must promptly place purchasers' deposits with a brokerage, lawyer or notary public who must place the deposits in a trust account in a savings institution in British Columbia. If a purchaser rescinds their purchase agreement in accordance with the Act and regulations, the developer or the developer's trustee must promptly return the deposit to the purchaser.

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1.0 THE DEVELOPER

1.1 Corporate Information

The Developer is a British Columbia corporation incorporated on July 18, 2008 under incorporation number BC0830561 pursuant to the *Business Corporations Act* (British Columbia).

1.2 Purpose

The Developer was incorporated specifically for the purpose of developing the Subdivision Lots, as herein defined, and the Developer has no other assets other than the Subdivision Lots.

1.3 Records Office

The address of the Developer's registered and records offices is:

Suite 101 – 100 Nanaimo Avenue East
Penticton, British Columbia V2A 1M4

1.4 Directors

The name of the directors of the Developer required to sign this Disclosure Statement are Steve Henry and Rudolph Frans Nielsen.

1.5 Disclose Background and Conflicts of Interest for the Developer, its directors, officers and principal holder

- (1) The Developer is a single-purpose corporation that has not previously been used to develop land in British Columbia.

Rudolph Frans Nielsen is a director of the Developer who has approximately 35 years of experience in the British Columbia recreational/bare land subdivision development industry. Mr. Nielsen, who is the sole director and officer of NIHO Land & Cattle Company Ltd., has developed several properties in British Columbia that are similar to the Development.

Steve Henry is a director of the Developer who has 30 years of experience in the British Columbia recreational/bare land subdivision industry.

- (2) To the best of the Developer's knowledge, the Developer, the principal holders of the Developer, the directors of the Developer or principal holder, within the ten years before the date of the Developer's declaration attached to this Disclosure Statement, have not been subject to any penalties or sanctions imposed by a court or regulatory authority, relating to the sale, lease, promotion or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud.

- (3) To the best of the Developer's knowledge, the Developer, the principal holders of the Developer and the directors of the Developer or principal holder, within the last five years before the date of the Developer's declaration attached to this Disclosure Statement have not been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency and have not been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that person.
- (4) To the best of the Developer's knowledge, the directors and principal holders of the Developer, and any director or officer of the principal holder, within the five years prior to the date of the Developer's declaration attached to this Disclosure Statement, have not been a director, officer or principal holder of any other developer that, while that person was acting in that capacity, that other developer:
 - (a) was subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud; or
 - (b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets.

1.6 No Potential Conflicts

There are no existing or potential conflicts of interest among the Developer, manager, any directors and principal holders of the Developer and manager, any directors and officers of the principal holders, and any person providing goods or services to the Developer, manager or holders of the development units in connection with the Development which could reasonably be expected to affect the purchaser's purchase decision to purchase a Subdivision Lot.

2.0 GENERAL DESCRIPTION

2.1 General Description of the Development

The Development consists of 19 subdivision lots (collectively, the "**Subdivision Lots**", and, individually, a "**Subdivision Lot**") and is located approximately 2.4 kilometres (1.5 miles) from the Village of Fort St. James, British Columbia, on Roberts Road. All of the Subdivision Lots are being offered for sale by the Developer under this Disclosure Statement.

A copy of the plan of subdivision no. 9563 showing the layout of the Development and the approximate dimensions or areas of the Subdivision Lots is attached hereto as Exhibit A.

2.2 Permitted Uses

The Development and the Subdivision Lots have been developed according to applicable zoning and regulations and bylaws of Regional District of Bulkley Nechako (the "**RDBN**"). The zoning

applicable to the Development is H1 Small Holdings Zone and the general permitted uses are, among other uses, single family dwelling and buildings and structures accessory to the permitted principal uses.

2.3 Building Construction

Purchasers are responsible for the construction and placement of single-family dwellings and related buildings or structures (hereinafter described as the “**Improvements**”) upon their respective Subdivision Lot. A Purchaser should review their intended use and plan for Improvements with:

The RDBN
37 – 3rd Avenue, P.O. Box 820
Burns Lake, British Columbia V0J 1E0
Tel: (250) 692-3195;

The Northern Health Authority
2000 – 15th Avenue
Prince George, British Columbia V2M 1S2
Tel: (250) 565-2649; and

B.C. Electrical Inspector
189 East Stewart Street
Vanderhoof, British Columbia V0J 3A0
Tel: (250) 567-6307.

Purchasers are responsible for obtaining all necessary permits and approvals from the applicable authority and are responsible for constructing the Improvements in compliance with the aforementioned agencies, the Statutory Building Scheme, as described herein at Section 4.4 and any other registered encumbrances as disclosed in this Disclosure Statement.

3.0 SERVICING INFORMATION

3.1 Utilities and Services

(a) Water

The Development is not serviced with a water system. It is the responsibility of the Purchaser of each Subdivision Lot, at his or her own cost, to determine and obtain a water source for each Subdivision Lot.

(b) Electricity

Electricity supplied by British Columbia Hydro and Power Authority (“**BC Hydro**”) is provided to the lot line of each Subdivision Lot. Electricity will be supplied to any Subdivision Lot on application for and payment by a purchaser to BC Hydro of the usual application charges. For further information, contact BC Hydro at 1-888-769-3766.

(c) Sewerage

The Development is not serviced by a sewer system. It is the responsibility of the Purchaser of a Subdivision Lot, at his or her own expense, to obtain approval from the Northern Health Authority to install a septic tank or such other sewage system in compliance with the applicable laws.

(d) Gas

The Development is not serviced with domestic gas. It is unlikely that such service will be available to the Development in the foreseeable future.

(e) Sidewalks and Street Lighting

No sidewalks or street lighting will be installed by the Developer.

(f) Garbage Collection

There is no garbage collection service for the Development.

(g) Fire Protection

There is no fire protection for the Development.

(h) Police Protection

Police protection for the Development is currently provided by the Royal Canadian Mounted Police. Police protection facilities are located in Fort St. James, British Columbia.

(i) School Facilities

The following are a list of school facilities available in the area and approximate distance of each from the Development:

<u>School</u>	<u>Distance from Development</u>
Elementary	2.4 kilometres (1.5 miles)
Secondary	2.4 kilometres (1.5 miles)

To determine whether school facilities can provide accommodation and transportation, Purchasers are advised to contact the offices of the School Board of School District 91, Phone: (250) 567-2284.

(j) Public Transport

There is no public transportation in the vicinity of the Development.

(k) Telephone

Telephone service may be supplied to each Subdivision Lot upon a purchaser, at his or her own expense, making application to Telus. For further information, contact Telus, telephone number for residential 1-888-811-2323 and for business 1-888-811-2828.

(l) Access

Access to the Development is by Highway 27 or from Roberts Road.

(m) Utilities and Services

There are no further costs relating to utilities or services for which the Developer is responsible.

4.0 TITLE AND LEGAL MATTERS

4.1 Legal Description

The legal descriptions of the Subdivision Lots are:

Parcel Identifier: 005-947-278
Lot 1 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-294
Lot 2 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-308
Lot 3 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-316
Lot 4 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-341
Lot 5 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 004-504-330
Lot 6 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 004-504-356
Lot 7 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 004-504-364
Lot 8 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 004-504-372
Lot 9 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 004-504-402
Lot 10 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-367
Lot 11 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-391
Lot 12 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-405
Lot 13 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-421
Lot 14 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-430
Lot 15 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-456
Lot 16 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-464
Lot 17 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-502
Lot 19 District Lot 314 Range 5 Coast District Plan 9563

Parcel Identifier: 005-947-669
Lot 27 District Lot 314 Range 5 Coast District Plan 9563

4.2 Ownership

The Developer is the beneficial and legal owner of the Subdivision Lots.

4.3 Existing Charges, Liens and Interests and Legal Notations

Non Financial Encumbrances:

1. As to Subdivision Lots 1 and 2, Right of Way No. 35033D in favour of British Columbia Hydro and Power Authority; and
2. As to all of the Subdivision Lots, Statutory Building Scheme No. J6343, which controls the type, size and style of the Improvements that may be located on a Subdivision Lot. A copy of the Statutory Building Scheme is attached hereto as Exhibit B.

4.4 Proposed Encumbrance

No encumbrances, covenants, or liens are proposed or are anticipated to be registered or filed in respect of the Development other than those set out above and any easements and rights of way

in favour of and which may be required by utility providers, public authorities, the RDBN or any other applicable government authority or public or private utility with respect to provision of utilities to the Development or in connection with the construction and occupation of the Development and the Subdivision Lots.

4.5 Outstanding or Contingent Litigation or Liabilities

To the knowledge of the Developer, there is no outstanding litigation in respect of the Development or the Developer.

4.6 Environmental Matters

Based on a physical examination of the Development lands, the Developer is not aware of any dangers or requirements relating to flooding or with respect to condition of the soil and subsoil or other environmental matters affecting a Development.

Efforts have been made to minimize changes from the natural state of the Subdivision Lots, other than clearing for access, construction and servicing purposes. Each purchaser of a Subdivision Lot will be responsible for identifying and effectively mitigating the effects of any changes made by such a purchaser to the natural state, terrain and drainage within a Subdivision Lot.

5.0 CONSTRUCTION AND WARRANTIES

5.1 Construction Dates

Not applicable.

5.2 Warranties

The Developer will not construct Improvements for any purchaser and no warranty as to the Subdivision Lots is given or implied. Purchasers may need to have contractors who construct Improvements comply with the *Homeowner Protection Act* (British Columbia) which requires mandatory warranties in some cases which do not apply to this offering of Subdivision Lots only.

6.0 APPROVALS AND FINANCES

6.1 Development Approval

A plan of subdivision was filed in the Prince Rupert Land Title Office under Plan No. 9563, as attached hereto as Exhibit A. The Developer has satisfied all development requirements established by the Ministry of Transportation and the RDBN.

6.2 Construction Financing

Not applicable.

7.0 MISCELLANEOUS

7.1 Deposits

All deposits received by the Developer from a Purchaser will be held in trust by Christopher W. Dupuis, Notary Public, #103 – 313 Sixth Street, New Westminster, British Columbia, V3L 3A7, in the manner required by the *Real Estate Development Marketing Act* until an instrument evidencing the interest of the purchaser in a Subdivision Lot has been registered in the applicable Land Title Office, provided that in the event a purchaser fails to complete the purchase of a Subdivision Lot that he or she has agreed to buy, the Developer may be entitled to retain all of any deposit paid by such purchaser.

7.2 Purchase Agreement

A copy of the Contract of Purchase and Sale proposed to be used for this Development is attached hereto as Exhibit C. This contract may be modified from time to time by the Developer.

7.3 Developer's Commitments

Not applicable.

7.4 Other Material Facts

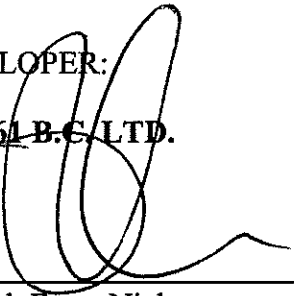
Not applicable.

DEEMED RELIANCE

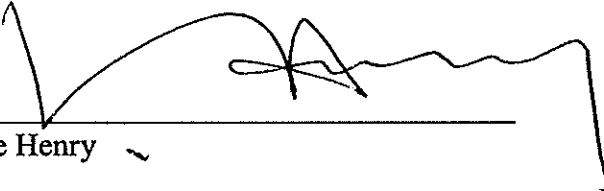
Section 22 of the *Real Estate Development Marketing Act* provides that every purchaser who is entitled to receive this Disclosure Statement is deemed to have relied on any false or misleading statement of a material fact contained in this Disclosure Statement, if any, and any omission to state a material fact. The developer, its directors and any person who has signed or authorized the filing of this Disclosure Statement are liable to compensate the purchaser for any misrepresentation, subject to any defences available under section 22 of the Act.

DECLARATION

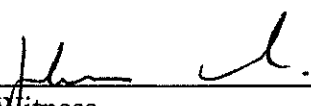
The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of the 29th day of AUGUST, 2008.

DEVELOPER:
0830561 B.C. LTD.
Per: 

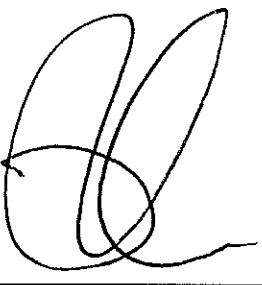
Rudolph Frans Nielsen

0830561 B.C. LTD.
Per: 

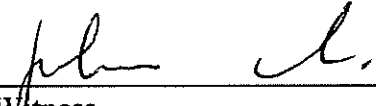
Steve Henry

SIGNED, SEALED and DELIVERED by)
RUDOLPH FRANS NIELSEN in the)
presence of:)
)


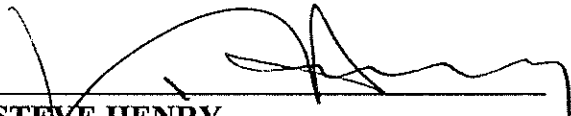
Witness)



RUDOLPH FRANS NIELSEN

SIGNED, SEALED and DELIVERED by)
STEVE HENRY in the presence of:)
)


Witness)



STEVE HENRY

EXHIBITS

Exhibit A – Plan of the Development

Exhibit B – Statutory Building Scheme No. J6343

Exhibit C – Contract of Purchase and Sale

EXHIBIT A

PLAN OF THE DEVELOPMENT

AGENTS PR PRP9663 Filed JUL-23 11:23 Page 1 of 1

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PLAN OF SUBDIVISION OF REMAINDER OF LOT I, PLAN 4145,
AND PART OF LOT II, PLAN 746B, BOTH OF DISTRICT LOT
34, RANGE 5 COAST DISTRICT.

SCALE: 1/2" = 100' (SEE REMARKS FOR DETAILS)
LEGEND: 1. UNIMPROVED LOTS
2. IMPROVED LOTS
3. UNIMPROVED LOTS WITH EASEMENTS
4. UNIMPROVED LOTS WITH EASEMENTS AND EASEMENTS TO BE ABOLISHED
5. UNIMPROVED LOTS WITH EASEMENTS TO BE ABOLISHED AND EASEMENTS TO BE ESTABLISHED

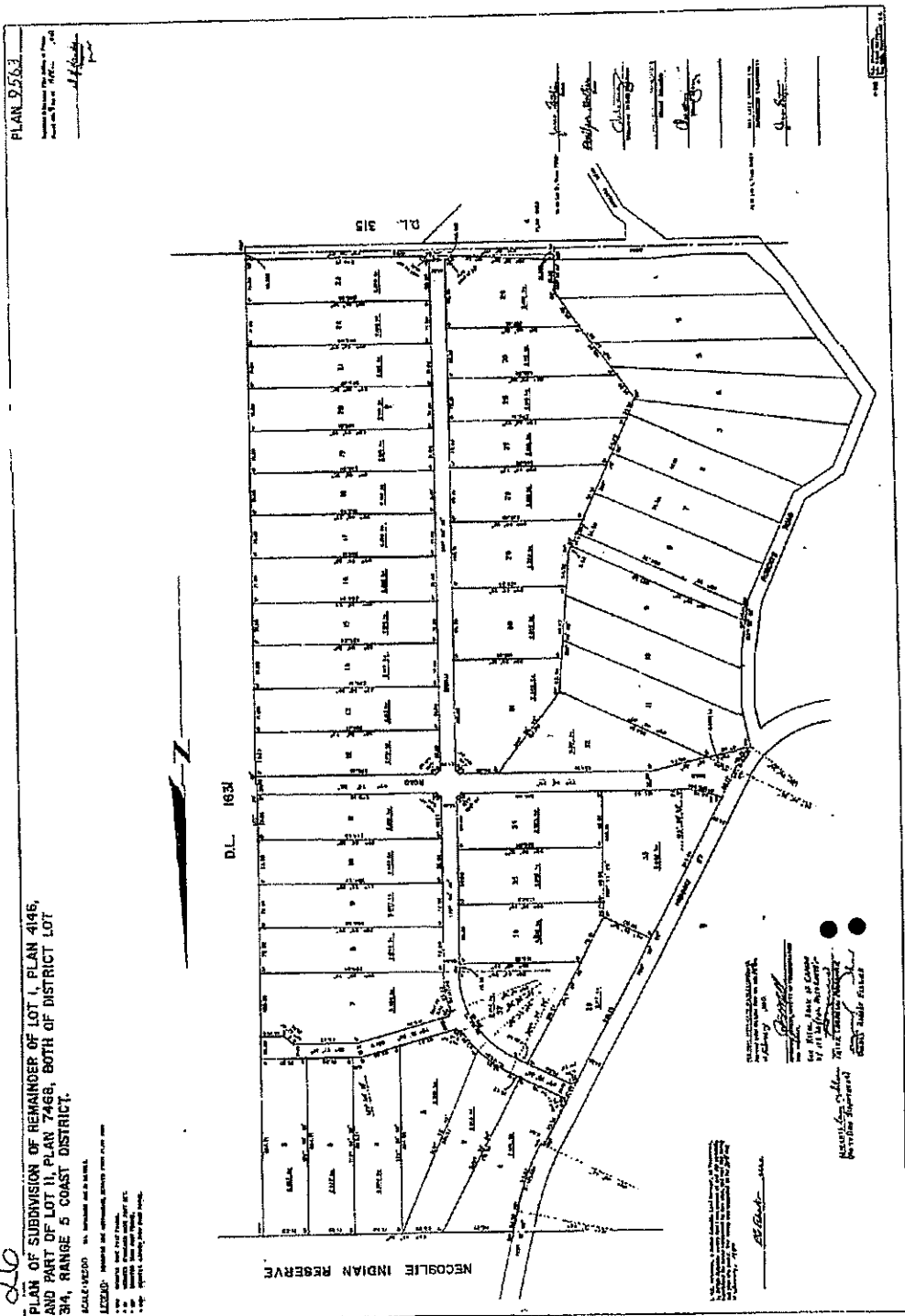


EXHIBIT B

STATUTORY BUILDING SCHEME NO. J6343

CT 11-2603 11:13 FAX 250507

WINGHAM LAW CORP

2008

SCHEDULE "A"

J 6343

LAND TITLE ACT

FORM 35
(Section 216(1))

12 14 08 '08

DECLARATION OF BUILDING SCHEME

NATURE OF INTEREST: Charge Building Scheme.
HEREWITH FEE OF \$10

Address of person entitled to apply to register this building scheme:

Hut Lake Logging Ltd. c/o Christopher K. Wingham, 2375 Burrard Street (Box 1489), Vanderhoof, B. C. V0J 3A0
Full name, address, telephone number of person presenting application: Christopher K. Wingham, Barrister and Solicitor, 2375 Burrard Street (Box 1489), Vanderhoof, B. C. V0J 3A0.-- 567-2237

Christopher K. Wingham
signature of solicitor or authorized agent

I, JAMES EDWARD CORTYEN, of P. O. Box 1049, of the Village of Fort St. James, in the Province of British Columbia, V0J 1P0, Logger, declare:

1. I am the President and sole director of Hut Lake Logging Ltd., the registered owner in fee-simple of the following lands (hereinafter called the "lots")

Lots 1 to 38,
District Lot 314,
Range 8,
Count District,
Plan 9563

2. I hereby create a building scheme relating to the lots.

3. A sale of any of the lots is subject to the restrictions enumerated in the schedule attached or annexed hereto.

4. The restrictions shall be for the benefit of all the lots.

CONSENT AND PRIORITY AGREEMENT OF CHARGE HOLDERS:

I/We THE ROYAL BANK OF CANADA, having a Branch Office at Fort St. James, B.C. the holders of the following registered charges, consent to the registration of the above declaration of building scheme and agree that it shall have priority over our respective charges.

Type of Charge	Registration Number of Charge
<u>Mortgage</u>	<u>2014024</u>

Signature of Holders of Charges

Note--(1) any executing or consenting corporation must seal this instrument, see section 15 of the Conveyancing and Law of Property Act. (2) The execution of all declaring or consenting parties must be witnessed and the execution proved in the manner prescribed by Part 5. (3) This form may be adapted to include any further provisions permitted by section 216. (4) The contents of charge holders may be on a separate form (a) 34.

SCHEDULE OF RESTRICTIONS

1. No building or habitable dwelling shall be erected within One Hundred Feet (100') of any fronting road or back lot line of any lot.
2. Side yards adjacent to flanking streets or roads shall be a minimum of fifteen percent (15%) of the width of any lot. Side yards not adjacent to flanking streets or roads shall be a minimum of ten percent (10%) of the average width of a given lot at the building site. Provided that where the topography and conformation of the plot so requires Hat Lake Logging Ltd. may relieve the purchaser with in whole or in part, from strict compliance with the foregoing.
3. Any barn or other structure for the shelter of animals or any currails constructed on any given lot shall be situated so that the same is not on that part of the lot lying adjacent to a flanking street or road and up to one half (1/2) the distance from the front of the lot (lying adjacent to the flanking street or road) to the back of the lot.
4. No exterior of a building shall remain unfinished, including finishing paint or stain, more than one year after the start of construction and every such habitable building so constructed shall be constructed in conformance with the provisions of the National Building Code.
5. No building or part thereof on any lot shall be used as a boarding-house, hotel, beer-parlor, tavern, store, restaurant, shop or place of trade or business, and no trade or business shall be carried on on any lots unless approved by Hat Lake Logging Ltd.
6. No restriction or stipulation contained herein shall be nor shall it be deemed to be exclusive either of the requirements of the by-laws of the Bulkley Nechako Regional District or of the obligations or liabilities imposed by statute or common law on owners or occupants of land, all of which shall be duly observed and complied with.
7. Wherever and whenever the approval or consent of Hat Lake Logging Ltd. is required such approval or consent may be given by such officer, agent, committee, person or persons as may from time to time may be nominated or appointed in writing by Hat Lake Logging Ltd. for such purpose and such power of appointment or right of nomination may be delegated by Hat Lake Logging Ltd. and such appointees or nominees shall have the right to approve or reject any plan, matter or thing referred to them.
8. Provided always that Hat Lake Logging Ltd. hereby reserves the right to exempt any lot or lots from any of the restrictions and benefits in this Schedule contained and the right to exempt hereby shall be exercisable by Hat Lake Logging Ltd. or any person to whom Hat Lake Logging Ltd. may delegate such right.

07/11/2008 11:14 FAX 2505873

WINGHAM LAW CORP

010

LAND/TITLE ACT

Form 6
(Section 40)

PROOF OF EXECUTION BY CORPORATION

I CERTIFY that on the 29th day of June, 1980
at Port St. James, in British Columbia.

~~That the person who has signed the instrument is the authorized~~ JAMES EDWARD GOETZEN
who is personally known to me, appeared before me and acknowledged to me that he/she is the authorized

signature of HAT LAKE LOGGING LTD.
and that he/she is the person who subscribed his/her name and affixed the seal of the corporation to the
instrument, that he/she was authorized to subscribe his/her name and affix the seal to it. (omit this the
corporation existed at the date the instrument was executed by the corporation.)

IN TESTIMONY of which I set my hand and seal of office.

at Vancouver 2nd day of May, 1980

*When the person making the acknowledgment is personally known to the officer making it, the words in brackets
(These words in brackets may be added, if the applicant wishes the right to exercise his jurisdiction under section 122(3) not to call
for further evidence of the existence of the corporation.)
Write name and qualifications under section 40, e.g., A Commissioner for Taking Affidavits for British Columbia.

EXHIBIT C

NEW CALEDONIA ESTATES											
CONTRACT OF PURCHASE AND SALE											
PREPARED BY <u>0830561 B.C. Ltd. (the "Seller")</u>	DATED FOR REFERENCE: _____ 2008										
ADDRESS: <u>200 - 313 Sixth Street, New Westminster, B.C., V3L 3A7</u>											
PER _____											
RECEIVED FROM _____ (the "Buyer")											
ADDRESS _____		PHONE: _____									
THE BUYER OFFERS TO PURCHASE THE PROPERTY FOR THE PURCHASE PRICE AND ON THE TERMS AND SUBJECT TO THE CONDITIONS HEREIN SET FORTH:											
The proposed purchase of: <u>Civil Description</u>											
legally described as:											
Lot <u>District Lot 314 Range 5 Coast District Plan 9583</u>		PID: _____ (the "Property")									
PURCHASE PRICE _____		DOLLARS \$ _____									
<p>1 DEPOSIT: The Buyer shall pay a deposit of \$ _____ (the "Deposit"), which will form part of the Purchase Price, to: <input type="checkbox"/> Christopher Dupuis, Notary Public; OR <input type="checkbox"/> the Buyer's lawyer or notary, in trust, as a stakeholder pursuant to the provision of the <i>Real Estate Services Act</i> (British Columbia) within two Business Days: (a) of execution of this Contract if there are no Conditions Precedent; or (b) following the satisfaction or waiver of any Conditions Precedent set out in this Contract. In this Contract "Business Day" means any day other than a Saturday, Sunday or statutory holiday in British Columbia.</p> <p>2 TENDER: Tender of payment of monies by the Buyer to the Seller will be by certified cheque, bank or credit union draft or Lawyer's/Notary's trust cheque.</p> <p>3 CONDITIONS PRECEDENT: This Contract is subject to the following conditions precedent (the "Conditions Precedent"), if any, and any other terms attached hereto as an Addendum to this Contract. Each Condition Precedent, if so indicated, is for the sole benefit of the party indicated, unless each Condition Precedent is waived or declared fulfilled by written notice given by the benefiting party to the other party on or before the date specified for each Condition Precedent. This Contract will be thereupon terminated and the Deposit returnable in accordance with the <i>Real Estate Services Act</i> (British Columbia).</p> <p>4 TITLE: Free and clear of all encumbrances except subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, Statutory Building Scheme No. J6343, and except as otherwise set out herein.</p> <p>5 COMPLETION: The sale will be completed on or before _____, 2008, (the "Completion Date") at the appropriate Land Title Office.</p> <p>(a) All documents required to give effect to the Contract will be delivered in registrable form where necessary and shall be lodged for registration in the appropriate Land Title Office on or before Completion Date.</p> <p>(b) Time shall be of the essence of this Contract, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may at the Seller's option terminate this Contract and in such event the Deposit paid by the Buyer will be absolutely forfeited to the Seller, without prejudice to the Seller's other remedies at law or in equity.</p> <p>6 DISCLOSURE STATEMENT: The Buyer acknowledges receipt and approval of the Seller's Disclosure Statement dated ● ●, 2008, together with any amendments as of the date of this Contract.</p> <p>7 POSSESSION: The Buyer will have vacant possession of the Property at 12 noon, on _____, 2008 (the "Possession Date").</p> <p>8 COSTS: The Buyer will bear all costs of the conveyance and if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.</p> <p>9 GOODS AND SERVICES TAX: The Buyer will pay, in addition to the Purchase Price, any applicable goods and services tax payable in respect of the purchase of the Property.</p> <p>10 ADJUSTMENTS: The Buyer will assume and pay all taxes, rate, local improvement assessments, fuel, utilities and other charges from, and including the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of the Possession Date.</p> <p>11 RESIDENCY: The Seller is a resident of Canada.</p> <p>12 PLURAL: In this Contract any reference to a party includes that party's heirs, executors, administrators, successors and assigns, singular includes plural and masculine includes feminine.</p> <p>13 REPRESENTATIONS AND WARRANTIES: THERE ARE NO REPRESENTATIONS, WARRANTIES, GUARANTEES, PROMISES OR AGREEMENTS OTHER THAN THOSE SET OUT HEREIN.</p> <p>14 BINDING CONTRACT: Upon acceptance of the Buyer's offer as set forth herein by the Seller where provided for below, this Contract will constitute legal and binding contract of purchase and sale for the Property.</p> <p>15 CLEARING TITLE: If the Seller has existing financial charges to be cleared from title, the Seller while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the undertaking to pay out and discharge any financial charges and remit the balance, if any, to the Seller.</p> <p>16 BUYER FINANCING: If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds.</p> <p>17 ACCEPTANCE IRREVOCABLE (Buyer and Seller): The Seller and Buyer specifically confirm that this Contract is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including, without limitation, during the period prior to the date specified for the Buyer to either: (a) fulfill or waive the terms and conditions herein contained; and/or (b) exercise any option(s) herein contained. The Buyer acknowledges that the Seller is using its own employee(s) to market the Property and such employee(s) is/are not licensed under the <i>Real Estate Services Act</i> (British Columbia) and is/are not providing real estate services to the Buyer.</p>											
<p>18 ACCEPTANCE: This offer, or counter-offer, will be open for acceptance until 12 o'clock p.m. on _____, 2008, and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance there shall be a binding Contract of Purchase and Sale on the terms and conditions set forth.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 25%; border: none;">X _____ (WITNESS)</td> <td style="width: 25%; border: none;">_____ (BUYER)</td> <td style="width: 25%; border: none;">_____ (SEAL)</td> <td style="width: 25%; border: none;">_____ PRINT NAME</td> </tr> <tr> <td style="border: none;">X _____ (WITNESS)</td> <td style="border: none;">_____ (BUYER)</td> <td style="border: none;">_____ (SEAL)</td> <td style="border: none;">_____ PRINT NAME</td> </tr> </table>				X _____ (WITNESS)	_____ (BUYER)	_____ (SEAL)	_____ PRINT NAME	X _____ (WITNESS)	_____ (BUYER)	_____ (SEAL)	_____ PRINT NAME
X _____ (WITNESS)	_____ (BUYER)	_____ (SEAL)	_____ PRINT NAME								
X _____ (WITNESS)	_____ (BUYER)	_____ (SEAL)	_____ PRINT NAME								
<p>19 The Seller hereby accepts that the above offer and agrees to complete the sale of the Property upon the terms and conditions set out above.</p> <p>Seller's acceptance is dated _____, 2008 0830561 B.C. LTD.</p> <p style="text-align: right;">Per: _____</p> <p>Seller's Address: <u>200 - 313 Sixth Street, New Westminster, B.C.</u> Phone: <u>604-606-7900</u> Fax: <u>604-606-7901</u></p> <p style="font-size: small;">V32332\VAN_LAW_4159541</p>											

INFORMATION ABOUT THE CONTRACT

THIS INFORMATION IS INCLUDED FOR THE ASSISTANCE OF THE PARTIES ONLY. IT DOES NOT FORM PART OF THE CONTRACT AND SHOULD NOT AFFECT THE PROPERTY INTERPRETATION OF ANY OF ITS TERMS.

- 1 **CONTRACT:** This document is more than a receipt. When signed by both parties, it is a legally binding contract. **READ IT CAREFULLY.** The parties should ensure that everything that is agreed to is in writing.
- 2 **TITLE:** (Clause 4) It is up to the Buyer to satisfy himself on matters of zoning or building or use restrictions, toxic or environmental hazards, encroachments on or by the property and any encumbrances which are staying on title before becoming legally bound. If you are talking out a mortgage, make sure that title, zoning and building restrictions are all acceptable to your mortgage company. **IN CERTAIN CIRCUMSTANCES,** the mortgage company could refuse to advance funds. If you as a Seller are allowing a Buyer to assume your mortgage you may still be responsible for payment of the mortgage unless arrangements are made with your mortgage company.
- 3 **COMPLETION:** (Clause 5) Unless the parties are prepared to actually meet at the Land Title Office and exchange title documents for the purchase price, it is in every case advisable for the completion of the sale to take place in the following sequence:
 - a) Buyer pays purchase price or down payment in trust to his lawyer or notary (who should advise you of exact amount required) several days before Completion Date, and Buyer signs documents.
 - b) Buyer's Lawyer or Notary prepares documents and forwards them for signature to Seller's Lawyer or Notary who returns documents to Buyer's Lawyer or Notary.
 - c) Buyer's Lawyer or Notary then attends to deposit of signed title documents (and any mortgages) in the appropriate Land Title Office.
 - d) Buyer's Lawyer or Notary releases sale proceeds at the Buyer's Lawyer or Notary office.

Since the Seller is entitled to its proceeds on the Completion Date, and since the sequence described above takes a day or more, **IT IS STRONGLY RECOMMENDED** that the Buyer deposit money and sign documents **AT LEAST TWO DAYS** before Completion Date, or at the request of the conveyancer, and that the Seller deliver signed Transfer Documents no later than the morning of the day before Completion Date.

- 4 **CUSTOMARY COSTS:** (Clause 8 and 9) In particular circumstances there may be additional costs; but the following costs are applicable in most circumstances:

<p>Costs to be Borne by the Seller Lawyer or Notary Fees and Expenses: - attending to execution of documents, - discharging any encumbrances, Costs of clearing title, including: - discharging fees charged by encumbrance holders, - pre-payment penalties; Real Estate Commission. - Goods and Services Tax</p>	<p>Costs to be Borne by the Buyer Lawyer or Notary Fees and Expenses: - searching title, - investigating title, - drafting documents, - Land Title Registration fees; Survey Certificate (if required); Costs of Mortgage, including: - mortgage company's lawyer/notary, - appraisal (if applicable) - Land Title Registration fees; Fire Insurance Premium; Sales Tax (if applicable); Property Purchase Tax - Goods and Services Tax</p>
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- 5 **POSSESSION:** (Clause 7) Buyer should make arrangements through its Estate Agents for obtaining possession. A Seller will not let a Buyer move in before the Seller has actually received the sale proceeds.

ACKNOWLEDGMENT OF DISCLOSURE STATEMENT

Re: New Caledonia Estates (the “**Development**”).

The undersigned (the “**Purchaser**”) acknowledges and agrees that the Purchaser has received from NIHO Land & Cattle Company Ltd. (the “**Developer**”), or its agent, a copy of the Disclosure Statement dated August 29, 2008 in respect of the Developer’s interest in the Development, including any amendments thereto filed up to the date hereof (collectively, the “**Disclosure Statement**”).

The Purchaser acknowledges and agrees that it has been given a reasonable opportunity to read the Disclosure Statement and the execution by the Purchaser of this Acknowledgment shall constitute a receipt in respect thereof.

This Acknowledgement is dated for reference the _____ day of _____, 20____.

WITNESS:)	
)	
_____)	
Witness Signature)	
)	
_____)	_____
Address)	Purchaser
)	
_____)	_____
)	Purchaser
)	
_____)	
Occupation)	