

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c. C-36, AS AMENDED AND *THE JUDICATURE ACT*, R.S.A. 2000, c. J-2, AS
AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
MEDICAN HOLDINGS LTD., MEDICAN DEVELOPMENTS INC., R7 INVESTMENTS
LTD., MEDICAN CONSTRUCTION LTD., MEDICAN CONCRETE INC., 1090772
ALBERTA LTD., 1144233 ALBERTA LTD., 1344241 ALBERTA LTD., 9150-3755
QUEBEC INC., AXCESS (GRANDE PRAIRIE) DEVELOPMENTS LTD., AXCESS
(SYLVAN LAKE) DEVELOPMENTS LTD., CANVAS (CALGARY) DEVELOPMENTS
LTD., ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD., HOMES BY
KINGSLAND LTD., LAKE COUNTRY (SITARA) DEVELOPMENTS LTD., MEDICAN
(EDMONTON TERWILLEGAR) DEVELOPMENTS LTD., MEDICAN (GRANDE
PRAIRIE) HOLDINGS LTD., MEDICAN (KELOWNA MOVE) DEVELOPMENTS
LTD., MEDICAN (LETHBRIDGE – FAIRMONT PARK) DEVELOPMENTS LTD.,
MEDICAN (RED DEER – MICHENER HILL) DEVELOPMENTS LTD., MEDICAN
(SYLVAN LAKE) DEVELOPMENTS LTD., MEDICAN (WESTBANK)
DEVELOPMENT LTD., MEDICAN (WESTBANK) LAND LTD., MEDICAN
CONCRETE FORMING LTD., MEDICAN DEVELOPMENTS (MEDICINE HAT
SOUTHWEST) INC., MEDICAN ENTERPRISES INC. / LES ENTREPRISES MEDICAN
INC., MEDICAN EQUIPMENT LTD., MEDICAN FRAMING LTD., MEDICAN
GENERAL CONTRACTORS LTD., MEDICAN GENERAL CONTRACTORS 2010
LTD., RIVERSTONE (MEDICINE HAT) DEVELOPMENTS LTD., SANDERSON OF
FISH CREEK (CALGARY) DEVELOPMENTS LTD., SIERRAS OF EAUX CLAIRES
(EDMONTON) DEVELOPMENTS LTD., SONATA RIDGE (KELOWNA)
DEVELOPMENTS LTD., SYLVAN LAKE MARINA DEVELOPMENTS LTD., THE
ESTATES OF VALLEYDALE DEVELOPMENTS LTD., THE LEGEND (WINNIPEG)
DEVELOPMENTS LTD., and WATERCREST (SYLVAN LAKE) DEVELOPMENTS
LTD.**

The Petitioners

AFFIDAVIT

I, Wesley Reinheller, of the City of Medicine Hat, in the Province of Alberta, **MAKE OATH AND SAY THAT:**

1. I am an Officer of certain of the Petitioners and I am authorized by all of the Petitioners to depose this Affidavit and do so on their behalf. I am, together with my wife Janice Reinheller, the controlling mind of all of the Petitioners and, as such, I have personal knowledge of the

matters herein deposed to, except where stated to be based on information and belief, in which case I do verily believe the same to be true.

RELIEF REQUESTED

2. I make this Affidavit in support of an application by all of the Petitioners (collectively, the “Applicants”, or the “Medican Group”) for an Order pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended, (the “CCAA”) granting certain relief, including the following:

- (a) a declaration that the Applicants are entities to which the CCAA applies;
- (b) a stay of all proceedings and remedies taken, or that might be taken, with respect to the Applicants, their respective property and undertaking, without leave of the Court or as otherwise permitted by law;
- (c) authorizing the Applicants to carry on business in a manner consistent with the preservation of their property and maximization of value of their assets for stakeholders, including to make payments and enter into contracts as necessary to continue the normal course of operations (including the sale of inventory) and, where appropriate to do so, to complete construction of, and bring to market, the projects that are currently under development (as further described herein);
- (d) appointing RSM Richter Inc. (“RSM Richter”) as Monitor of the Applicants in these proceedings;
- (e) permitting the Applicants to file with the Court a plan or plans of compromise or arrangement;
- (f) approving a debtor-in-possession financing facility in the principal sum of \$2.5 million secured by a charge against the property of the Medican Group;
- (g) permitting the Medican Group to pay certain amounts to suppliers, and to charge certain property and assets with a suppliers’ charge;
- (h) certain other relief more specifically discussed below, including approving: (i) a mechanism to pay critical trades and suppliers; and (ii) the creation of a charge for professional fees including the fees of the Medican Group’s counsel, RSM

Richter and its legal counsel, and (iii) the creation of a charge to secure indemnification obligations in favour of officers and directors of the Medican Group; and

(i) such other relief as this Honourable court may grant.

3. Each of the Applicants: (i) is a direct or indirect subsidiary of Wesley or Janice Reinheller; (ii) is variously incorporated in the jurisdictions Alberta, British Columbia, Quebec and Manitoba; (iii) has a bank account, or books and records, or other assets in Alberta; and (iv) reports to the Medican Group's head office being located at 1870A, 6th Avenue, S.W., Medicine Hat, Alberta T1A 7X5.

4. In certain circumstances with respect to certain projects that are described in more detail below, the Medican Group carries on business in limited partnerships. There is currently one such partnership, as follows:

(a) Cercle Des Cantons, S.E.C., a limited partnership whose general partner is Medican Enterprises Inc., an Alberta corporation, and whose limited partner is Medican Developments Inc.

(each limited partnership is sought to be included in this application and is hereinafter included in the term "Applicants" and "Medican Group").

OVERVIEW

Background

5. In 1974 I, together with three partners, formed the Medican business in Medicine Hat, Alberta. Originally, Medican operated as a concrete company in the Medicine Hat area. The concrete company proved successful because of its focused skills on extruded concrete. As the company became profitable, Medican expanded to include a housing development division to build condominiums and single family homes.

6. In time, I bought out my three partners and, with the help of my wife, Janice Reinheller, began to grow the Medican Group. By 2007, Medican was one of the largest developers in Alberta, with over 30 projects underway and net equity estimated to be over \$90 million.

7. Currently, the Medican Group consists of two divisions: (i) a residential development enterprise (referred to herein as “Medican Projects”) and (ii) a construction enterprise (referred to herein as “Medican Construction”). Medican Construction operates as a general contractor for a number of projects, including Medican Projects, and also owns a number of subsidiaries that provide various types of building trade services across Western Canada, including the original concrete business, through Medican Concrete Inc. (described in more detail below).

Brands of the Medican Projects

8. Medican Projects have built over 10,000 homes in Western Canada since 1974. Over this period of time Medican Projects have developed four distinct brands: Sierras, Recreation, Axxess and Legend condominium projects.

9. The Sierras brand involves luxury condominiums targeted to homeowners 40 years and over. The Sierras condominium communities are the flagship product line of the Medican Group.

10. The Recreation brand focuses on developing destination properties. Crossbow Point in Canmore was the Medican Group’s first Recreation development and the luxury vacation properties have since expanded into developments in Quebec, British Columbia and Hawaii.

11. The Axxess brand focuses on condominium communities that would provide for affordable home ownership. First launched in Medicine Hat in 2004, the Medican Group is currently providing Axxess communities in Brooks, Grande Prairie, Edmonton, Sylvan Lake, Saskatoon, and Oshawa.

12. The Legend brand is the Medican Group’s newest product, seeking to provide upscale condominium communities for families.

Corporate Philosophy

13. Medican Projects operates under the corporate philosophy that the purpose of residential real estate development is to build and develop communities. The Medican Group takes pride in its conscientious approach to building and maintaining flourishing communities. This approach includes: (i) care for the cities selected; (ii) care for the impact of the development on the existing community; (iii) excellence in the product delivered; and (iv) establishment and maintenance trust with its customers.

14. The Medican Group was recently rewarded for the product of its care and workmanship with 3 SAMM awards. This honour was bestowed on the Medican Group by its peers in the home building industry for “Best Multifamily Wood Frame”, “Best Multifamily Community” and “Best Floor Plan”.

15. In addition to providing quality homes for the people in the community, the Medican Group supports community initiatives and youth development programs, such as Eagle’s Nest Ranch. Eagle’s Nest Ranch is a non-profit non denominational children’s camp dedicated to positively impacting the lives of our youth. Thousands of young people have benefited over 25 years of summer camp programs and year-round activities offered through the program.

16. Six years ago, Medican developed a neighborhood hub called “Central Neighbourhood Hub” in Medicine Hat with a 45,000 square foot building containing, among other things, an indoor skate board park, dance studio, boxing club, the “Prairie Gleaners”, and 12 other non profit groups working out of it. Medican also serves those in the community facing crisis in unwanted pregnancy and sexual health through support of the Agnes Adam Lee Centre.

17. Medican believes in making a lasting positive impact in all of the communities in which it operates. In mid-March of this year, a massive fire destroyed a significant portion of the Canvas at Millrise condominium development, a condominium complex in Calgary developed by the Medican Group. Hundreds of people and their families were devastated by the loss of their homes. At the time of the fire it had been over a year since the condo board of Canvas at Millrise took over ownership and responsibility for the project. Nevertheless, Medican has been and remains actively involved in offering support to the families impacted by the fire through assisting with donation campaigns in support of those affected families. The Medican Group has recently been awarded the construction management contract to rebuild the damaged section of the project.

STRUCTURE

Corporate Structure

18. The Medican Group employs a complex corporate organizational structure. A diagram depicting the corporate organization of the Medican Group (depicting the Applicants shaded in green) is attached hereto and marked as **Exhibit “A”**.

19. Attached hereto and marked as **Exhibit “B”** are the results of a corporate search of each of the Applicants from the corporate registrar of the respective provincial jurisdiction in which the company is registered.

20. As outlined above, the Medican Group has developed into two divisions: Medican Construction and Medican Projects. Both Medican Construction and Medican Projects carry on business under the “Medican” name, use the same marketing and branding, utilize the same head office, accounting and other administrative services and carry on work with each other wherever it makes sense to do so. My wife ultimately owns the Medican Projects division and I, or trusts which I control, own the Medican Construction division. All of the Medican Group utilizes a single executive team that reports to me. The Medican Group is a fully integrated real estate development operation that uses a single cash management system and finances its many projects through a variety of credit facilities that are cross-collateralized with other projects of the Medican Group.

Medican Construction

21. Medican Construction is comprised of the following companies, each of which is an Applicant in these proceedings:

- (a) R7 Investments Ltd. (holding company);
- (b) 1090772 Alberta Ltd.
- (c) Medican Construction Ltd.;
- (d) Medican Concrete Inc.;
- (e) Medican Equipment Ltd.;
- (f) Medco Development Corp.;
- (g) Medican Concrete Forming Ltd.;
- (h) Medican General Contractors Ltd.; and
- (i) Medican Framing Ltd.

(collectively, the “Construction Companies”)

22. Medican Construction is an enterprise which operates as a contract builder, and as a direct provider of construction services, equipment and labour. R7 Investment Ltd. is the parent company of Medican Construction and it wholly owns each subsidiary listed above with the exception of Medican Concrete Inc., of which a third party, Mr. David Mudrack, owns a minority position.

23. Each individual subsidiary offers specific construction services. As an example, Medican Concrete Inc. is in the business of providing concrete services throughout Alberta. Medican Concrete Inc. specializes in building sidewalks, curbs and gutters and has been profitable since its inception and remains to this day a highly profitable business, with deep ties to the community of Medicine Hat.

24. R7 Investments Ltd. is owned either directly or indirectly by the Reinheller Family Trust A, Reinheller Family Trust B, Wes Reinheller Trust, and myself. The details of the trusts are as follows:

(a) Reinheller Family Trust A:

(i) Trustee: Wesley Reinheller.

(ii) Beneficiaries: Wesley Reinheller, Michael Reinheller and Melissa Davidson.

(b) Reinheller Family Trust B:

(i) Trustee: Wesley Reinheller.

(ii) Beneficiaries: Wesley Reinheller, Renee Rood and Ryan Reinheller.

(c) Wes Reinheller Trust:

(i) Trustee: 969022 Alberta Ltd.

(ii) Beneficiaries: Wesley Reinheller.

Medican Projects

25. Medican Projects operates two types of residential construction operations:

- (a) Medican Projects develops residential real estate projects as the owner of the land and assets being developed (referred to as a “Development Project”); and
- (b) Medican Projects develops real estate projects under ‘cost-plus’ contracts on behalf of third party owners of the lands upon which the project is situated (referred to as a “Cost-Plus Project”).

26. For a Development Project, for each new project undertaken, an operating company is created to function as the owner of the land and assets, and as the primary borrower in respect of the financing for the particular project (referred to generally as a “Project Company”). The Project Company will retain a general contractor to arrange for, and supervise, the construction work required to build the projects. In most cases, the general contractor is Medican Construction Ltd. who, in turn, retains the sub-trades for the completion of the project.

27. The Project Companies are held either directly or indirectly under the umbrella company Medican Holdings Ltd., which, in turn, is owned solely by Janice Reinheller. The following of the Applicants are held directly (or if so indicated, indirectly) by Medican Holdings Ltd.:

- (a) 1344241 Alberta Ltd.;
- (b) 9150 – 3755 Quebec Ltd.;
- (c) Axxess (Grande Prairie) Developments Ltd. (held indirectly through Medican Developments Inc.);
- (d) Axxess (Sylvan Lake) Developments Ltd.;
- (e) Canvas (Calgary) Developments Ltd.;
- (f) Cercle de Cantons, S.E.C.;
- (g) The Estates of Valleydale Developments Ltd. (held indirectly through Homes by Kingsland Ltd.);
- (h) Homes by Kingsland Ltd.;
- (i) Lake Country (Sitara) Developments Ltd.;
- (j) Medican Developments Inc.;

- (k) Medican Enterprises Inc.;
- (l) Medican Developments (Medicine Hat Southwest) Inc.;
- (m) Medican (Lethbridge – Fairmont Park) Developments Ltd.;
- (n) Medican (Edmonton Terwillegar) Developments Ltd.;
- (o) Medican General Contractors 2010 Ltd.;
- (p) Medican (Kelowna Move) Developments Ltd.;
- (q) Medican (Red Deer – Michener Hill) Developments Ltd.;
- (r) Medican (Sylvan Lake) Developments Ltd.;
- (s) Medican (Westbank) Developments Ltd.;
- (t) Medican (Westbank) Land Ltd.;
- (u) Riverstone (Medicine Hat) Developments Ltd.;
- (v) Sanderson of Fish Creek (Calgary) Developments Ltd.;
- (w) Sierras of Eaux Claires (Edmonton) Developments Ltd.;
- (x) Sonata Ridge (Kelowna) Developments Ltd.
- (y) Sylvan Lake Mariana Developments Ltd.; and
- (z) The Legend (Winnipeg) Developments Ltd.
- (aa) Watercrest (Sylvan Lake) Developments Ltd.
- (bb) Elements (Grande Prairie) Developments Ltd.

The Development Projects of Medican

28. The Development Projects held by Medican Projects are at various stages of development ranging from holdings of bare land for planned projects, to lands that have been developed with

infrastructure, to fully completed projects with only the sale of finished units as inventory remaining to take place.

29. For ease of reference, the following is a list of the Development Projects (as defined in **Exhibit "C"**) that pertain to the Applicants in this proceedings:

- (a) Axxess Terwillegar Project;
- (b) Canvas at Millrise Project;
- (c) Kaleido Project;
- (d) Canyon Creek Project;
- (e) Legend Project;
- (f) Sanderson Project;
- (g) Riverstone Project;
- (h) Axxess Sylvan Lake Project;
- (i) Michener Project;
- (j) Cimmaron Project;
- (k) Sitara Project;
- (l) Bromont Project;
- (m) Sonata Ridge Project;
- (n) Sylvan Lake Dipert Project;
- (o) Sylvan Lake Marina Project;
- (p) Lexington Project;
- (q) High River (Montrose Project);
- (r) Edgewood Brooks Project;

- (s) Watercrest Project; and
- (t) Elements of Grande Prairie.

30. Attached hereto and marked as **Exhibit “C”** is a summary description of each of the Development Projects, including a description of the secured lending facilities associated with each project.

31. The Medican Group employs 25 commission sales associates who work on site at the developments. These employees market completed units and presales on future phase developments. The Medican Group employs 5 people through their head office that coordinate all sales and marketing including the commission sales people.

32. In addition, I am the sole shareholder of Medican (Grande Prairie) Holdings Ltd., an Alberta corporation, formerly used as the Project Company in respect of a project that was completed several years ago in Grande Prairie. Medican (Grande Prairie) Holdings Ltd. is the owner of several condominium units from which it derives rental income in the approximate amount of \$20,000 per month.

33. I am also the owner of 1144233 Alberta Ltd., an Alberta corporation that owns a building located in Medicine Hat. This building is known as the ‘Central Neighborhood Hub’, is described above, and is worth approximately \$1.2 million.

Material Agreements

The Extendicare Contracts

34. The Medican Group, through Medican General Contractors 2010 Ltd., has a series of construction management contracts in place with Extendicare (Canada) Inc. (“Extendicare”) to develop, as Cost-Plus Projects returning 4% to the Medican Group, three assisted living facilities in Alberta, generally described as follows:

- (a) a 180 unit care facility in Edmonton (the “Edmonton Extendicare Project”). The Edmonton Extendicare Project is budgeted to cost \$35 million, and, in addition, Sierras of Eaux Claires (Edmonton) Developments Ltd. holds an interest in the lands associated with the Edmonton Extendicare Project;

- (b) a 280 unit care facility in Red Deer (the “Red Deer Extendicare Project”). The Red Deer Extendicare Project is budgeted to cost \$48 million and, in addition, Medican (Red Deer – Michener Hill) Developments Ltd. holds an interest in the lands associated with the Red Deer project; and
- (c) a 140 unit care facility in Lethbridge (the “Lethbridge Extendicare Project”). The Lethbridge Extendicare Project is budgeted to cost \$20 million and, in addition, Medican (Lethbridge – Fairmont Park) Developments Ltd. holds an interest in the lands associated with the Red Deer project.

(collectively, the “Extendicare Contracts”).

35. The Medican Group currently maintains trust accounts for each of the three Extendicare projects whereby interim payments made by Extendicare are deposited and then disbursed to suppliers to the Extendicare projects pursuant to cheques jointly signed by the Medican Group and Extendicare. Balances remaining in the accounts after payments to suppliers represent profit to the Medican Group and currently form a material portion of the Applicants’ monthly revenues.

The Haven Cost-Plus Project

36. The Medican Group has contracted with Haven of Rest (“Haven”) to develop, as a Cost-Plus Project, a 40 unit adult condominium project in Medicine Hat (the “Haven Cost-Plus Project”). This is a Cost-Plus Project that will return to the Medican Group 5% of the cost of the project as net profit. The Haven Cost-Plus Project is budgeted to cost \$8.5 million, thus returning to the Medican Group an estimated fee of \$425,000.

The Okotoks Cost-Plus Project

37. The Medican Group has contracted with Brenda Stafford Foundation to develop, as a as Cost-Plus Project, a 149 unit assisted living project in Okotoks (the “Okotoks Cost-Plus Project”). This is a Cost-Plus Project that will return to the Medican Group 5% of the cost of the project as net profit. The Okotoks Cost-Plus Project is budgeted to cost \$22 million, thus returning to the Medican Group an estimated fee of \$1,100,000.

The Millrise Rebuild Project

38. The Medican Group has been awarded a construction management contract to re-build, as a Cost-Plus Project, the portion of the Millrise Project that was damaged in the recent fire (the "Millrise Rebuild Project").

39. The re-build of the Millrise Project is projected to cost an estimated \$20 million, and will return to the Medican Group an estimated \$1.4 million in fees.

40. All of the Cost-Plus Projects will, when commenced in the next sixty days have a materially positive impact on the cash flow available to the Medican Group.

41. Medican Concrete Ltd. has contracts that are projected to generate approximately \$2,500,000 in 2010.

Purchase Contracts

42. The Medican Group is currently a party to approximately 60 contracts for the sale of residential condominium units to various individuals. In the aggregate, this represents approximately \$18,000,000 in unit sales that are slated to be completed over the next sixty days. Deposits received by the Medican Group in respect of these unit sales amount to approximately \$2,500,000, most of which have been either invested into the Medican Projects to which such purchases relate pursuant to arrangements with the applicable recognized warranty program or held in trust by solicitors in accordance with the provisions of the *Condominium Property Act* (Alberta) or other applicable legislation.

LIABILITIES

Secured Debt

43. The Medican Group currently owes an aggregate of approximately \$110 million in secured debt. The secured debt is made up of 14 lenders who primarily provide the financing facilities for the Development Projects as outlined in Exhibit "C" hereto.

44. The following table provides a summary of the total estimated amount of secured debt owed to each lender of the Medican Group in respect of the various Development Projects:

Secured Lender	Estimated Amount of Secured Debt	Development Project(s) Secured
933208 Alberta Ltd.	\$ 2,100,000	Michener Project
Bancorp Financial Corporation	\$ 1,200,000	Cimmaron Project
Carry Investments	\$ 4,845,125	Canyon Creek Project (Phases 2,3 &4); Riverstone Project; and Sonata Ridge Project.
CIBC	\$ 15,000,000	Canvas at Millrise Project; Sanderson Project; Riverstone Project; Axxess Sylvan Lake Project; Michener Project; Sitara Project; Lexington Project; Hamptons Duo; and Axxess Grande Prairie.
Harbour Mortgage	\$ 8,262,756	Sanderson Project Bromont Project; and Kelowna Move Sales Centre.
Instafund	\$ 5,000,000	Sanderson Project.
Laurentian Bank	\$ 3,765,667	Sonata Ridge Project.
Majoros	\$ 3,000,000	Kaleido Project.
MCAP	\$ 33,500,000	Axxess Terwillegar Project; Kaleido Project; Canyon Creek Project; and

Secured Lender	Estimated Amount of Secured Debt	Development Project(s) Secured
		Legend Project.
McDonald Group	\$ 14,800,000	Axxess Terwillegar Project; Canvas at Millrise Project.
Monarch	\$ 12,194,449	Axxess Terwillegar Project; Sanderson Project; Axxess Sylvan Lake Project; and Kaleido Project
Paragon Capital	\$ 2,500,000	Michener Project.
TD Bank	\$ 1,000,000	General security over the current assets of Medican Concrete Inc.
Deferred Lien Payables	\$ 1,850,000	Legend Project.
Worthington Mortgage	\$ 750,000	The Estates of Valleydale.
TOTAL SECURED DEBT	\$ 109,767,997	

45. Many of the secured facilities are cross-collateralized with other Projects, and virtually all of them have been guaranteed by R7 Investments Ltd., Medican Holdings Ltd., Medican Developments Inc., Medican Construction Ltd., Medican Concrete Inc. and myself and my wife, personally.

Unsecured Debt

Trade Payables

46. As discussed above, Medican Construction contracts for most of the supply of goods and services for various Development Projects. As such, it incurs most of the trade debt, excepting only lien claims against specific Development Projects.

47. The Medican Group – primarily Medican Construction – currently has an aggregate trade debt estimated in excess of \$25 million owing to well over 100 vendors.

Unsecured Loans

48. The Medican Group currently has an aggregate amount of approximately \$31 million outstanding in unsecured loans. The unsecured loan debt is made up of a number of lenders, estimated as follows:

Lender	Amount
Holly Oak Homes	\$5,736,563
Foundation Capital	\$4,100,000
Brenda Strafford Foundation	\$15,000,000
Other	\$6,000,000
TOTAL	\$30,836,563

Other Liabilities

49. The Medican Group is in arrears to Canada Revenue Agency (“CRA”) in the aggregate amount of approximately \$3.7 million for G.S.T. owing in respect unit sales on the Development Projects (the “GST Debt”). CRA has demanded payment from the Medican Group and has threatened to initiate enforcement proceedings on May 31, 2010 unless the Medican Group provides payment before that time. The Medican Group currently has no means to make any payments to CRA in respect of these arrears.

50. As discussed above, the Medican Group has potential liability to purchasers or the insurers of the purchasers' deposits in excess of \$2 million if the Development Projects to which they relate are not completed by the Medican Group and deposits have to be refunded to the purchasers. The Medican Group has insured these deposits with insurers such as the National Home Warranty Deposit Protection Program, which in turn relies on guarantees from the Medican Group, and Janice and myself personally, in the event of a loss.

51. The Medican Group owes approximately \$2.4 million in corporate tax as accumulated amongst its various Project Companies and the companies of the Medican Construction enterprise.

52. The Medican Group owes approximately \$500,000 in municipal taxes accumulated on the lands of the various Development Projects.

FINANCIAL POSITION OF THE APPLICANTS

53. Attached hereto and marked as Exhibit “D”, is a copy of the Medican Group’s most recently completed unaudited combined financial statements as at March 31, 2009 (the “Financial Statements”).

54. Attached hereto and marked as Exhibit “E”, are the Medican Group’s consolidated cash flows for the 13 week period commencing the week of May 24 2010 and ending the week including August 20, 2010 (the “Cash Flows”). The Cash Flows have been prepared by the Medican Group with the assistance of RSM Richter, the proposed monitor, and may be amended from time to time.

CASH MANAGEMENT AND INTER-COMPANY PAYMENTS

55. In the ordinary course of its business, the Medican Group is funded through the financings obtained on each Development Project. That particular project then pays its general contractor, which is usually Medican Construction, who then pays its suppliers. Surpluses remaining with Medican Construction are then applied against general administration and servicing interest payments. The lenders to each Development Project are repaid out of the proceeds generated from the sale of completed inventory arising out of the financed property.

56. Cash flow generated from the Extendicare Contracts in excess of monies payable to subtrades working on the Extendicare Contracts is generally paid to Medican Construction Ltd. and Medican Concrete Inc. for general corporate uses.

57. There are, generally, no restrictions in transferring funds between the Applicants. From time to time monies are moved through unsecured, non-interest intercompany loans in amounts assessed on an as-needed basis to meet obligations, but generally funds flow as outlined above. To assist the management of Medican Construction’s cash flow, the most volatile of the Medican Group, Medican Construction has a \$1 million operating line of credit with Toronto Dominion Bank through Medican Concrete Ltd. The operating line is secured against the current assets of Medican Concrete Ltd., and is currently fully drawn.

LIQUIDITY – DIP FINANCING

58. The Medican Group’s funds are insufficient to continue its operations. As discussed above, the Applicants are in immediate need of funding to continue operating in the short term.

The Medican Group is seeking debtor in possession (“DIP”) financing in the amount of \$2.5

million (limited to the amount required in the cash flow statements for first thirty days of restructuring) to allow it to begin and continue with these proceedings. The Medican Group has, with the assistance of RSM Richter, selected Paragon Capital Corporation Ltd. to provide the DIP funding, who provided the best terms to the Medican Group. A copy of the Commitment Letter is attached hereto and marked as Exhibit "F".

59. The \$2.5 million DIP financing should be sufficient to fund the Medican Group's operations for the next thirty days. In conjunction with the Monitor, the Medican Group has reduced its cash projections to the bare minimum for the next 30 days. During this time frame, the Medican Group intends to continue with its major Projects (discussed in more detail below), stabilize its Cost-Plus Projects, and dialogue with our major secured creditors.

60. On the basis of the Medican Group's equity described in Exhibit "C", I do not believe that granting super-priority DIP funding in the amount required will prejudice the secured creditors.

OPERATIONS

Employees

61. The Medican Group currently employs 128 people, the majority of which are employed by Medican Construction Ltd.

62. The Medican Group pays approximately \$575,000 in salary and wages to its employees each month. The Medican Group is required to make remittances in the approximate amount of \$220,000 as a result of these wages. These remittances are made bi-weekly.

63. A significant number of the Medican Group's employees have been with the company over an extended period of years, and have built their lives and families around the Medican Group. The number of people directly affected by the operations of the Medican Group is increased significantly when all of the Medican Group's contract workers are taken into account.

64. It is our goal through these restructuring efforts to protect the interests of all the Medican Group's stakeholders – to ensure the continued and profitable existence of the Medican Group for the hundreds of families directly affected by our operation, to continue to have a positive impact on the communities in which we build, and to provide to our current lenders and investors the best return possible under the circumstances.

Management

65. As the Medican Group continued to expand and grow over the years, it was my wife's and my goal to reduce our role in respect of the management and operation of the company. Starting seven years ago, we slowly empowered certain employees with the responsibility of managing the day to day operations and some overall management of the company.

66. The Medican Group became managed primarily by the team of Cam Ens, Terrence Kowalchuk and Luke Day. As time went by we relied more and more on this management team to run the Medican Group.

67. More recently, as it became apparent that the Medican Group's financial performance was in decline, I have increased my involvement in the day-to-day management of the Medican Group. I am fully committed to the success of the Medican Group (indeed, all of Janice's and my net worth is tied to the fortune of the Medican Group) and its restructuring. Cam Ens and Terrence Kowalchuk are no longer employed by the Medican Group.

68. We are in the process of rebuilding the management team of the Medican Group. Currently this team consists of Jason Fleury, Matt Rood, Mike Reinheller, and myself. In addition, Mr. Tyrone Schnieder, operating through his independent consulting company, has agreed to assist in our restructuring. Mr. Tyrone Schneider has significant experience in business development and finance. It is contemplated that, should the relief we are requesting be granted, Mr. Schneider will, through his holding company, be engaged as an advisor to the Medican Group's legal advisor, and share in the benefit of the proposed Administration Charge with the Medican Group being solely liable for all fees incurred. Matt Rood, my son-in-law, has been retained to manage and oversee the orderly completion of the various Development Projects, and to continue the profitable operation of the Cost-Plus Projects.

69. It is my belief that the new management team is highly competent will restore the confidence of the Medican Group's stakeholders and return the Medican Group to its historical profitability.

EVENTS LEADING TO THE PRESENT APPLICATION

70. The Medican Group has encountered significant cost overruns associated with certain projects. This has been exacerbated by both the recent decline in the residential real estate

market (which had an adverse effect on the Applicants' sale of residential units) and the increased pricing of the financing on our Development Projects.

71. This rapid and material decline in the Medican Group's financial position has caused me to review what appears to be material cost over-runs associated with certain projects. In the course of that review I have discovered that the Medican Group's loss of liquidity has been more severe than I had been lead to believe and that things like GST remittances and basic payments to utilities and others, were long overdue. In this latter regard, one creditor has proceeded to judgment and, were it not for an emergency payment of approximately \$150,000 on Friday, May 21, 2010, various utilities would have disconnected services to the Medican Group.

NOTICE AND URGENCY

72. On May 21, 2010, Monarch Land Ltd. ("Monarch") demanded repayment and served the Medican Group with a Notice of Default for the loans provided by Monarch in respect of Development Projects ("the Monarch Demands") as follows:

- (a) Axxess Sylvan Lake Project - \$3.1 million outstanding;
- (b) Kaleido Project – \$4.0 million outstanding;
- (c) Axxess Terwillegar Project – \$5.0 million outstanding; and
- (d) Sanderson Project – \$5.7 million outstanding.

73. The Monarch Demands demand repayment of the full amount of the balance outstanding on each the above loans within 10 days of May 21, 2010, failing which, Monarch intends to pursue its remedies to enforce on the mortgages and other security held by Monarch against the Medican Group.

74. Earlier today, the Medican Group received immediate demand for payment from Majoros in respect of amounts owed on the Kaleido Project (the "Majoros Demand").

75. The Medican Group has a liquidity crisis. It has insufficient funds to carry on beyond the end of May, 2010. In this regard, and as mentioned above, the Medican Group:

- (a) is in arrears to the CRA in the aggregate amount of \$6.1 million and is not in a position to make any payment to CRA notwithstanding CRA's position that it will begin to enforce its rights if payments are made to CRA beginning May 31, 2010;
- (b) the Medican Group had to borrow \$180,000 from its proposed DIP lender on an emergency basis this past Friday to meet the Medican Group's obligations for payroll and utilities;
- (c) Medican Group will not be able to service interest payments on its current credit facilities in respect of the month of May, 2010; and
- (d) Medican Group will not be able to comply with the Monarch Demands or the Majoros Demand.

MONITOR

76. RSM Richter has consented to the Medican Group's request that RSM Richter Inc. be appointed monitor (the "Monitor") of each of the Applicants.

BENEFITS OF PROPOSED RESTRUCTURING

77. The Medican Group's core business is sound. It is a long standing industry leader in residential real estate construction and development. Over the years, the Medican Group has forged successful long-standing relationships with its various lenders, trades and suppliers, all elements critical to success in the development industry. This is a valuable intangible asset that would be lost and unrecoverable to the Medican Group's stakeholders in the context of a receivership, liquidation, or bankruptcy scenario.

78. There is significant value in undeveloped portions of the Development Projects. The Medican Group's intention is to review with the Monitor and the affected secured lenders the viability of each Development Project. In this way, secured lenders will have transparency on their collateral, and the inherent value of the Development Projects can be realized in a deliberate fashion for the benefit of all of the Medican Group's stakeholders.

79. Most notably, the Medican Group expects to realize approximately \$40,000,000 in net returns on the completion of the Sanderson and Michener projects. The proposed value the various stakeholders of the Medican Group could receive upon completion of these projects can only be realized by allowing the Medican Group time, through a stay of proceedings, to continue

its operations while restructuring its affairs. We have been in extensive negotiations with CIBC to provide financing for these two projects. Term sheets, and related documentation, are virtually finalized. While the Medican Group is not prepared to complete the financing when a CCAA filing is imminent, I am hopeful that, should the current relief be granted such that CIBC's position is not adversely affected, we can continue our discussions with CIBC such that financing will be available shortly and the projects may continue.

80. Further, the Medican Group intends to continue providing services under its Cost-Plus Projects, including the profitable Extendicare Contracts. The Extendicare Contracts will provide the Medican Group with a steady stream of income during the restructuring process. This benefits the Medican Group and its creditors by providing a measure of predictability and certainty in respect of the Medican Group's ability to fund its ongoing operations until the equity in its highly profitable Development Projects can be completed.

81. The alternative is undesirable and benefits no one. If the Medican Group was not afforded an opportunity to restructure and it was left to collapse, I believe the ramifications would include:

- (a) piecemeal liquidation of the Medican Group, with its complex corporate structure and cross-collateralized credit facilities, would be inefficient and expensive;
- (b) significant loss of value to stakeholders from the loss of the "build-out" value discussed above, and the loss of skilled craftsman, developers, and marketing initiatives that the Medican Group has developed over the past 35 years;
- (c) significant loss of recovery and future job opportunities to the Medican Group's trade creditors and employees;
- (d) lost support to the communities that the Medican Group has helped develop; and
- (e) loss of residences and deposits to the Medican Group's customers.

82. The relief that is sought in this application is done to protect the Medican Group's business and operations, to allow the Medican Group to realize value from its Development Projects and to facilitate a restructuring of its credit facilities. I do not believe that any party will be materially prejudiced by the relief sought in this application.

RELIEF SOUGHT

Stay of proceedings

83. As discussed above, the Medican Group is highly concerned that, in light of its present debt structure and financial covenants, the exercise by any of its secured lenders of their security will result in a significant erosion of the value of the Applicants and the Development Projects, and will cause serious detriment to the Medican Group and all other stakeholders. Accordingly, a stay will afford the Applicants, in conjunction with the Monitor and affected secured lenders, an opportunity to review the viability of each Development Project and devise a strategy to maximize the value of each project.

84. Moreover, if a stay is not granted the Medican Group is at risk of operations being disrupted.

Administration charge

85. In connection with its appointment, it is contemplated that the Monitor would be granted a Court-ordered charge over the assets, property and undertaking of the Medican Group (the "Administration Charge") in respect of its fees and disbursements, as well as those of the Medican Group's legal counsel, incurred at the standard rates and charges of such parties, which Administration Charge shall be in an aggregate amount of \$1 million.

86. I am informed by my counsel, and do verily believe, that cost of putting any particular project into receivership or some similar liquidation proceeding would be comparable to, or exceed, the Administration Charge attached to any particular Development Project. As such, it is my belief that the lenders will not be prejudiced by the proposed Administration Charge.

Director and Officer Indemnity

87. The Medican Group's obligations to fund its payroll, remit the necessary statutory withholdings, remit GST remittances, and ensure that all taxes are paid amounts to approximately \$850,000 of exposure to directors per month.

88. The Medican Group requests a Court-ordered charge in the amount of \$1,000,000 over the assets, property and undertaking of the Medican Group (the Directors' and Officers' Charge) to indemnify the directors and officers of the Medican Group in respect of any such liabilities they may incur in their capacity as directors and officers from and after the commencement of

these proceedings. The Medican Group has discussed the quantum of the proposed Directors' and Officers' Charge with the proposed Monitor, who has indicated that it has no objection to the quantum of the proposed Directors' and Officers' Charge.

DIP Financing

89. As discussed above, the Medican Group is currently in the midst of a liquidity crisis and is in immediate need of funding to continue operating in the short-term. The Medican Group is seeking DIP financing in the amount of \$2,500,000 (limited to the amount required in the Cash Flow Statements for first thirty days of restructuring) to allow it to continue its operations during the first 30 days of these proceedings. It is contemplated that the DIP financing will have priority to all property of the Medican Group, save in respect of funds advanced by Extendicare under the Extendicare contracts and in respect of CIBC and the Toronto Dominion Bank.

90. In the absence of the Applicants being granted the DIP Financing charge as sought, the Medican Group will not be able to fund its ongoing operations over the next 30 days, and as a result, will likely collapse, resulting in the immediate and piece meal liquidation of the Applicants and the Development Projects. As previously discussed, the immediate and piece meal liquidation of the Applicants and the Development Projects would affect adversely all stakeholders of the Medican Group.

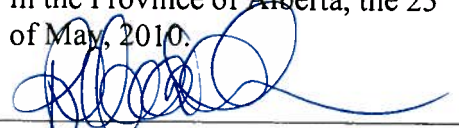
SUMMARY

91. I believe that the most feasible and viable option for the Medican Group to restructure and best serve all of its stakeholders is through a CCAA proceeding. The protection afforded by the CCAA will allow the Medican Group the opportunity it needs to assess the set back it has suffered, maximize the value of each Development Project and emerge from the proceeding as a stronger enterprise. It will grant the Medican Group the otherwise unattainable opportunity to generate short term financing and maximize value for the benefit of all stakeholders. If the requested CCAA protection is not granted, the Medican Group and its assets will be exposed to the possibility of immediate and piece meal liquidation that will cause a material deterioration in value to the estate.

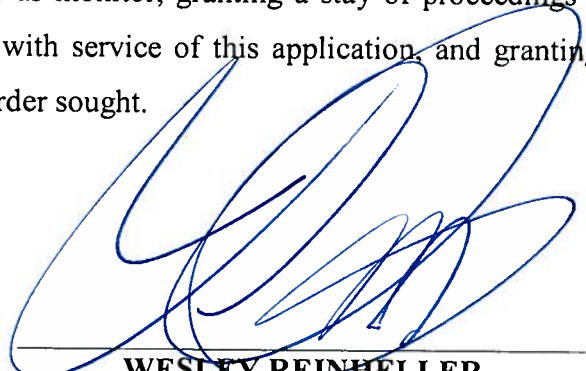
92. I make this Affidavit in support of an application by the Applicants under the provisions of the CCAA for an order substantially in the form of the draft Order which is submitted with this application, declaring the Medican Group comprising corporations and partnerships to which

the CCAA applies, appointing RSM Richter as monitor, granting a stay of proceedings on the terms set out in the draft order, dispensing with service of this application, and granting such other relief as is set out in the draft form of order sought.

Sworn before me in the City of Calgary,)
in the Province of Alberta, the 25th day)
of May, 2010.)

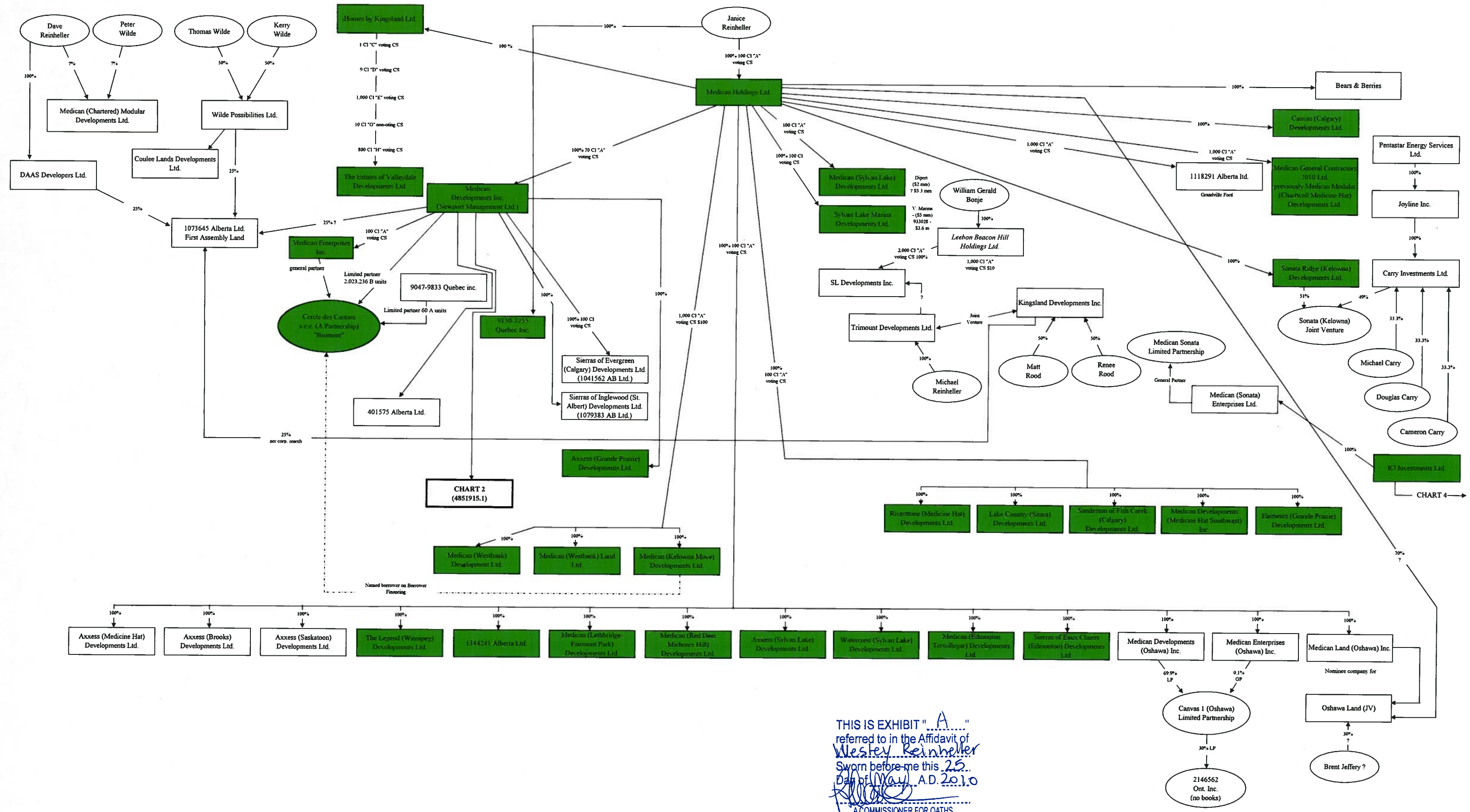


A Commissioner of Oaths in and for the)
Province of Alberta)
Rebecca Lewis)
Barrister & Solicitor)



WESLEY REINHELLER

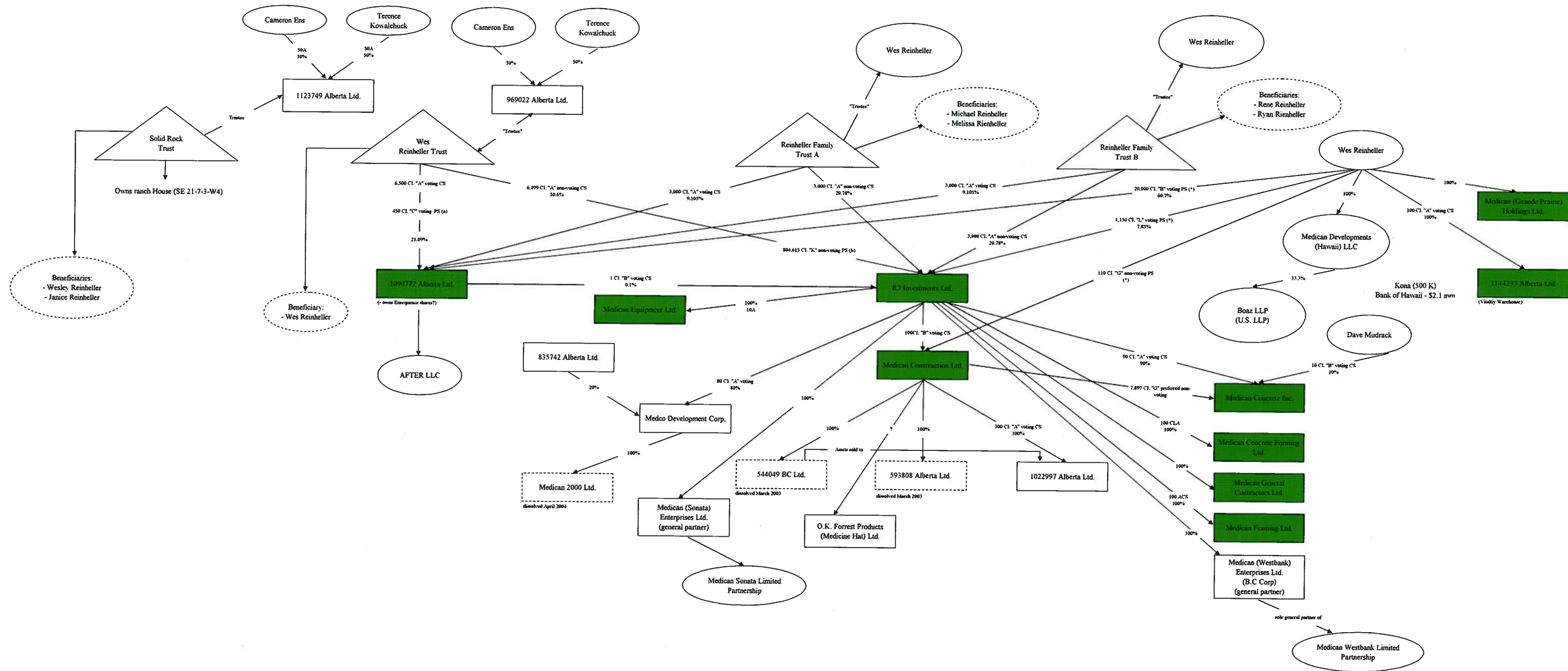
CHART 1
(Applicants Shaded)




THIS IS EXHIBIT "A" referred to in the Affidavit of Westley Reinheller Sworn before me this 25 Day of May, A.D. 2010

A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA
Rebecca Lewis
Barrister & Solicitor

CHART 2
(Applicants Shaded)



1. MEDICAN HOLDINGS LTD.
2. MEDICAN DEVELOPMENTS INC.
3. R7 INVESTMENTS LTD.
4. MEDICAN CONSTRUCTION LTD.
5. MEDICAN CONCRETE INC.
6. 1090772 ALBERTA LTD.
7. 1144233 ALBERTA LTD.
8. 1344241 ALBERTA LTD.
9. 9150-3755 QUEBEC INC.
10. AXXESS (GRANDE PRAIRIE) DEVELOPMENTS LTD.
11. AXXESS (SYLVAN LAKE) DEVELOPMENTS LTD.
12. CANVAS (CALGARY) DEVELOPMENTS LTD.
13. ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD.
14. HOMES BY KINGSLAND LTD.
15. LAKE COUNTRY (SITARA) DEVELOPMENTS LTD.
16. MEDICAN (EDMONTON TERWILLEGAR) DEVELOPMENTS LTD.
17. MEDICAN (GRANDE PRAIRIE) HOLDINGS LTD.
18. MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD.
19. MEDICAN (LETHBRIDGE – FAIRMONT PARK) DEVELOPMENTS LTD.
20. MEDICAN (RED DEER – MICHENER HILL) DEVELOPMENTS LTD.
21. MEDICAN (SYLVAN LAKE) DEVELOPMENTS LTD.
22. MEDICAN (WESTBANK) DEVELOPMENT LTD.
23. MEDICAN (WESTBANK) LAND LTD.
24. MEDICAN CONCRETE FORMING LTD.
25. MEDICAN DEVELOPMENTS (MEDICINE HAT SOUTHWEST) INC.
26. MEDICAN ENTERPRISES INC. / LES ENTREPRISES MEDICAN INC.
27. MEDICAN EQUIPMENT LTD.
28. MEDICAN FRAMING LTD.
29. MEDICAN GENERAL CONTRACTORS LTD.
30. MEDICAN GENERAL CONTRACTORS 2010 LTD.
31. RIVERSTONE (MEDICINE HAT) DEVELOPMENTS LTD.
32. SANDERSON OF FISH CREEK (CALGARY) DEVELOPMENTS LTD.
33. SIERRAS OF EAUX CLAIRES (EDMONTON) DEVELOPMENTS LTD.
34. SONATA RIDGE (KELOWNA) DEVELOPMENTS LTD.
35. SYLVAN LAKE MARINA DEVELOPMENTS LTD.
36. THE ESTATES OF VALLEYDALE DEVELOPMENTS LTD.
37. THE LEGEND (WINNIPEG) DEVELOPMENTS LTD.
38. WATERCREST (SYLVAN LAKE) DEVELOPMENTS LTD.

THIS IS EXHIBIT " B " referred to in the Affidavit of
Wesley Reinbeller
 Sworn before me this 25
 Day of May A.D. 2010

 A COMMISSIONER FOR OATHS
 IN AND FOR THE PROVINCE OF ALBERTA

Rebecca Lewis
Barrister & Solicitor

Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 02:47 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14500834
Customer Reference Number:

Corporate Access Number: 2012266504

Legal Entity Name: MEDICAN HOLDINGS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2006/03/03 YYYY/MM/DD

Registered Office:

Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6

Records Address:

Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6 AVENUE S.W.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Last Name: REINHELLER
First Name: JANICE
Street: 1870A - 6 AVENUE S.W.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: AS PROVIDED IN SCHEDULE "A" ATTACHED HERETO.
Share Transfers Restrictions: NO SHARES SHALL BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED WITHOUT THE CONSENT OF THE DIRECTORS.
Min Number Of Directors: 1
Max Number Of Directors: 20
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: AS PROVIDED IN SCHEDULE "B" ATTACHED HERETO.

Holding Shares In:

Legal Entity Name
MEDICAN DEVELOPMENTS INC.
AXXESS (MEDICINE HAT) DEVELOPMENTS LTD.
1118291 ALBERTA LTD.
HOMES BY KINGSLAND LTD.
AXXESS (BROOKS) DEVELOPMENTS LTD.
CANVAS (CALGARY) DEVELOPMENTS LTD.
MEDICAN (SYLVAN LAKE) DEVELOPMENTS LTD.
RIVERSTONE (MEDICINE HAT) DEVELOPMENTS LTD.
SYLVAN LAKE MARINA DEVELOPMENTS LTD.
MEDICAN DEVELOPMENTS (MEDICINE HAT SOUTHWEST) INC.

SIERRAS OF EAUX CLAIRES (EDMONTON) DEVELOPMENTS LTD.
ANDERSON OF FISH CREEK (CALGARY) DEVELOPMENTS LTD.
MEDICAN GENERAL CONTRACTORS 2010 LTD.
AXXESS (SYLVAN LAKE) DEVELOPMENTS LTD.
ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD.
MEDICAN (EDMONTON TERWILLEGAR) DEVELOPMENTS LTD.
WATERCREST (SYLVAN LAKE) DEVELOPMENTS LTD.
1344241 ALBERTA LTD.
MEDICAN (RED DEER - MICHENER HILL) DEVELOPMENTS LTD.
MEDICAN (LETHBRIDGE - FAIRMONT PARK) DEVELOPMENTS LTD.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/05/05

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2006/03/03	Incorporate Alberta Corporation
2009/05/05	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2006/03/03
Other Rules or Provisions	ELECTRONIC	2006/03/03

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 11:37 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498763
Customer Reference Number:

Corporate Access Number: 202054425
Legal Entity Name: MEDICAN DEVELOPMENTS INC.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
NEWPORT FINANCIAL HOLDINGS LTD.	1981/01/26
NEWPORT MANAGEMENT LTD.	1996/10/17

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 1979/04/09 YYYY/MM/DD

Registered Office:

Street: 499 - 1 STREET S.E.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1 STREET S.E.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870 - 6 AVE. S.W.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Holding Shares In:

Legal Entity Name
401575 ALBERTA LTD.
SIERRAS OF EVERGREEN (CALGARY) DEVELOPMENTS LTD.
H.V.E. DEVELOPMENTS LTD.
1073645 ALBERTA LTD.
SIERRAS OF INGLEWOOD (ST. ALBERT) DEVELOPMENTS LTD.
MEDICAN ENTERPRISES INC.
AXXESS (GRANDE PRAIRIE) DEVELOPMENTS LTD.
AXXESS (SUMMERWOOD SP) DEVELOPMENTS INC.
AXXESS (SUMMERWOOD TOWNHOUSES SP) DEVELOPMENTS INC.
1244188 ALBERTA LTD.

Other Information:

Last Annual Return Filed:

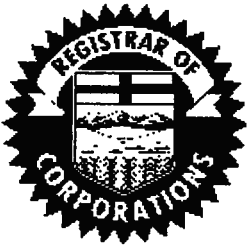
File Year	Date Filed (YYYY/MM/DD)
2009	2009/04/23

Continued Under the Business Corporations Act on: 1982/04/20 YYYY/MM/DD

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2009/04/23	Enter Annual Returns for Alberta and Extra-Provincial Corp.

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 03:10 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14501132
Customer Reference Number:

Corporate Access Number: 207233446
Legal Entity Name: R7 INVESTMENTS LTD.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
723344 ALBERTA LTD.	1997/03/27

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 1997/01/09 YYYY/MM/DD

Registered Office:

Street: 378 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A6

Records Address:

Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Mailing Address:

Post Office Box: P.O. BOX 490
City: MEDICINE HAT

Province: ALBERTA
Postal Code: T1A 7G2

Directors:

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 1870A 6 AVE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: 1090772 ALBERTA LTD.
Corporate Access Number: 2010907729
Street: 1870A 6TH AVENUE S.W.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: .01

Last Name: REINHELLER
First Name: WESLEY
Street: 1870A 6 AVE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 7.83

Last Name: REINHELLER FAMILY TRUST "A"
First Name: WES
Street: 1870A 6TH AVE. SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 20.78

Last Name: REINHELLER FAMILY TRUST "B"
First Name: WES
Street: 1870A 6TH AVE. SW

City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 20.78

Last Name: REINHELLER IN TRUST
First Name: WES
Street: 1870A 6TH AVE. SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 50.6

Holding Shares In:

Legal Entity Name
MEDICAN CONSTRUCTION LTD
MEDCO DEVELOPMENT CORP.
MEDICAN CONCRETE INC.
MEDICAN GENERAL CONTRACTORS LTD.
MEDICAN CONCRETE FORMING LTD.
MEDICAN FRAMING LTD.
MEDICAN EQUIPMENT LTD.

Other Information:

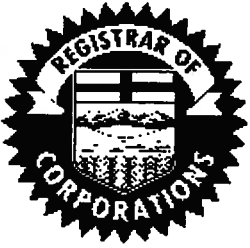
Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2010	2010/01/13

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2001/09/04	Change Address
2010/01/13	Enter Annual Returns for Alberta and Extra-Provincial Corp.

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 11:36 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498756
Customer Reference Number:

Corporate Access Number: 200759272
Legal Entity Name: MEDICAN CONSTRUCTION LTD

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 1974/10/11 YYYY/MM/DD

Registered Office:
Street: 499 1 STREET S.E.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 61 ROSSHEIGHTS CR.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1B 2R6

Voting Shareholders:

Legal Entity Name: R7 INVESTMENTS LTD.
Corporate Access Number: 207233446
Street: 1870A - 6TH AVENUE SW

City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Holding Shares In:

Legal Entity Name
O.K. FOREST PRODUCTS (MEDICINE HAT) LTD.
1022997 ALBERTA LTD.

Other Information:

Last Annual Return Filed:

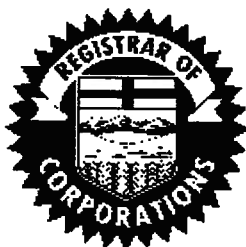
File Year	Date Filed (YYYY/MM/DD)
2009	2009/10/08

Continued Under the Business Corporations Act on: 1982/02/25 YYYY/MM/DD

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2009/10/08	Enter Annual Returns for Alberta and Extra-Provincial Corp.

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 11:35 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498752
Customer Reference Number:

Corporate Access Number: 209283787
Legal Entity Name: MEDICAN CONCRETE INC.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2001/04/06 YYYY/MM/DD

Registered Office:
Street: 499 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:
Street: 499 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: MUDRACK
First Name: DAVID
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 1870A 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Last Name: MUDRACK
First Name: DAVID
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 10

Legal Entity Name: R7 INVESTMENTS LTD.
Corporate Access Number: 207233446
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 90

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM.
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM.
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS

PART OF THIS FORM.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/04/16

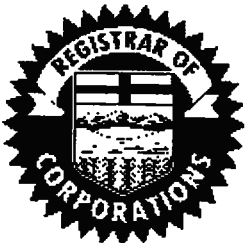
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2001/04/06	Incorporate Alberta Corporation
2002/05/30	Service Provider Correct Legal Entity
2009/01/23	Change Director / Shareholder
2009/04/16	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2001/04/06
Restrictions on Share Transfers	ELECTRONIC	2001/04/06
Other Rules or Provisions	ELECTRONIC	2001/04/06

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 09:46 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14497297
Customer Reference Number:

Corporate Access Number: 2010907729

Legal Entity Name: 1090772 ALBERTA LTD.

Legal Entity Status: Active

Alberta Corporation Type: Numbered Alberta Corporation

Registration Date: 2004/02/10 YYYY/MM/DD

Registered Office:

Street: 378 FIRST STREET, S.E.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A6

Records Address:

Street: 1870A-6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Mailing Address:

Post Office Box: BOX 490
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7G2

Directors:

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 1870A-6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Last Name: REINHELLER
First Name: WESLEY
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 60.7

Last Name: WES REINHELLER FAMILY TRUST "A"
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 9.105

Last Name: WES REINHELLER FAMILY TRUST "B"
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 9.105

Last Name: WES REINHELLER TRUST
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 21.09

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE "A".
Share Transfers Restrictions: NO SHARES MAY BE TRANSFERRED WITHOUT THE PRIOR WRITTEN APPROVAL OF THE BOARD OF DIRECTORS.
Min Number Of Directors: 1
Max Number Of Directors: 15
Business Restricted To: NONE.
Business Restricted From: NONE.
Other Provisions: NONE.

Holding Shares In:

Legal Entity Name
R7 INVESTMENTS LTD.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2010	2010/02/10

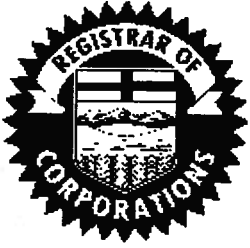
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2004/02/10	Incorporate Alberta Corporation
2005/04/04	Change Director / Shareholder
2005/05/16	Change Address
2010/02/10	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2004/02/10

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 09:48 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14497330
Customer Reference Number:

Corporate Access Number: 2011442338
Legal Entity Name: 1144233 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2004/12/24 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

oting Shareholders:

Last Name: REINHELLER
First Name: WESLEY
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART FOR THIS FORM

Associated Registrations under the Partnership Act:

Trade Partner Name	Registration Number
CENTRAL NEIGHBOURHOOD HUB	TN13904370

Other Information:

Last Annual Return Filed:

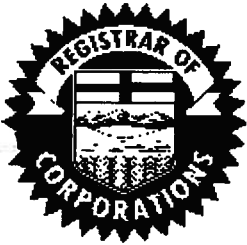
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2004/12/24	Incorporate Alberta Corporation
2009/12/03	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2004/12/24
Restrictions on Share Transfers	ELECTRONIC	2004/12/24
Other Rules or Provisions	ELECTRONIC	2004/12/24

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 09:53 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14497379
Customer Reference Number:

Corporate Access Number: 2013442419
Legal Entity Name: 1344241 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2007/08/20 YYYY/MM/DD

Registered Office:

Street: 1500, 850- 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Records Address:

Street: 1500, 850- 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6 AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A - 6 AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE OF SHARE PROVISIONS.
Share Transfers Restrictions: SEE ATTACHED SCHEDULE OF RESTRICTIONS ON SHARE TRANSFERS.
Min Number Of Directors: 1
Max Number Of Directors: 9
Business Restricted To: NONE.
Business Restricted From: NONE.
Other Provisions: SEE ATTACHED SCHEDULE OF OTHER PROVISIONS.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/10/19

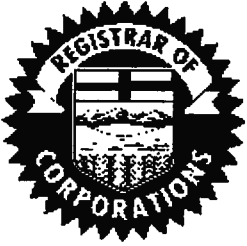
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2007/08/20	Incorporate Alberta Corporation
2009/10/19	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2007/08/20
Restrictions on Share Transfers	ELECTRONIC	2007/08/20
Other Rules or Provisions	ELECTRONIC	2007/08/20

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



110-03-25
H:22:06:52

LE REGISTRAIRE DES ENTREPRISES
SYSTÈME CIDREQ

R-PU-U03-1 ÉTAT DES INFORMATIONS SUR UNE PERSONNE MORALE
INFORMATIONS GÉNÉRALES
=====

MATRICULE: 1162684253 NOM: 9150-3755 QUÉBEC INC.

IMMATRICULATION : 2004-12-29
FORMATION : 2004-12-23 CONSTITUTION
LOCALITÉ : QUÉBEC

DERN DÉCL ANNL : 2008-11-15 2008
MAJ ÉTAT INFO : 2007-10-10 TRANCHE EMPLOYÉS: AUCUN
CESSATION PRÉVUE: CONTINUAT: TRANSFORM:
STATUT IMMATR : IM IMMATRICULÉ 2004-12-29
RÉSULTANTE :
FORME JURDQ : CIE COMPAGNIE

ADRESSE DOMICILE: 109, BOULEVARD BROMONT, BUR. 200 CODE POSTAL: J2L 2K7
BROMONT (QUÉBEC)

RÉG. CONSTITUTIF: 024 LOI SUR LES COMPAGNIES PARTIE 1A
RÉG. COURANT : 024 LOI SUR LES COMPAGNIES PARTIE 1A

ACTIVITÉS ÉCONOMIQUES
=====

4012 ACHAT, VENTE, CONSTRUCTION D'IMMEUBLES

ADRESSE POSTALE
=====

DESTINATAIRE :
ADRESSE : CODE POSTAL:

PERSONNES LIÉES
=====

PERSONNES MANQUANTES: NON	CODE POSTAL	DÉTAIL PERSONNE
NOM ET ADRESSE		
=====	=====	=====
REINHELLER, JANICE		ADMINISTRATEUR PRÉSIDENT ACTIONNAIRE MAJORITA

1870A, SIX AVENUE SW T1A 7X5
MEDECINE HAT (ALBERTA)

ROBITAILLE, ANDRÉ ADMINISTRATEUR

SECRÉTAIRE

109, BOULEVARD BROMONT, APP. 200
BROMONT (QUÉBEC)

J2L 2K7

NOMS DE L'ASSUJETTI

=====

DATE MAJ INDEX DES NOMS:

NOM DE L'ASSUJETTI	DATE DÉBUT	DATE FIN	STATUT
=====	=====	=====	=====
9150-3755 QUÉBEC INC.	2004-12-23		EN VIGUEUR

DOCUMENTS CONSERVÉS

=====

TYPE DOCUMENTS	DATE	CAST	IMAGE
=====	=====	=====	=====
708E ÉTAT & DÉCLARATION DE RENSEIGNEMENTS 2008	2008-11-15	0	000
32 CERTIFICAT DE MODIFICATION (PARTIE 1A)	2008-02-06	7747	6 094
707E ÉTAT & DÉCLARATION DE RENSEIGNEMENTS 2007	2008-01-19	0	000
706 ÉTAT & DÉCLARATION DE RENSEIGNEMENTS 2006	2007-05-23	7297	8 015
105 DÉCLARATION ANNUELLE 2005	2006-08-22	6786	20 042
81 AVIS DE DÉFAUT (art. 29)	2006-06-20	6732	101 032
19 DÉCLARATION MODIFICATIVE	2005-03-17	6371	3 006
08 MODIFICATIVE CORRECTION/ACTE RÉGULARISATION	2005-01-05	6165	25 008
40 DÉCLARATION INITIALE	2004-12-29	6165	14 004
30 CONSTITUTION	2004-12-29	6180	1 026
17 DOCUMENTS ADMINISTRATIFS	2004-12-29	6204	2 067

Corporation/Non-Profit Search

Possible Matches for "9150-3755 Quebec Inc.":

No records returned.



Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 09:55 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14497407
Customer Reference Number:

Corporate Access Number: 2011329386

Legal Entity Name: AXXESS (GRANDE PRAIRIE) DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2004/10/18 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: ENS
First Name: CAMERON
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN DEVELOPMENTS INC.
Corporate Access Number: 202054425
Street: 1870A-6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

Information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

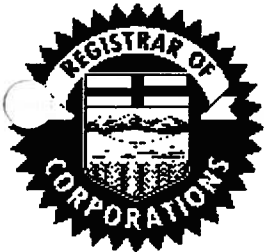
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2004/10/18	Incorporate Alberta Corporation
2006/03/08	Change Director / Shareholder
2009/10/08	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2004/10/18
Restrictions on Share Transfers	ELECTRONIC	2004/10/18
Other Rules or Provisions	ELECTRONIC	2004/10/18

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 10:52 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498130
Customer Reference Number:

Corporate Access Number: 2012671596

Legal Entity Name: AXXESS (SYLVAN LAKE) DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2006/09/11 YYYY/MM/DD

Registered Office:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Records Address:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - SIXTH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A 6TH AVE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE OF SHARE PROVISIONS.
Share Transfers Restrictions: SEE ATTACHED SCHEDULE OF RESTRICTIONS ON SHARE TRANSFERS.
Min Number Of Directors: 1
Max Number Of Directors: 9
Business Restricted To: NONE.
Business Restricted From: NONE.
Other Provisions: SEE ATTACHED SCHEDULE OF OTHER PROVISIONS.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/12/17

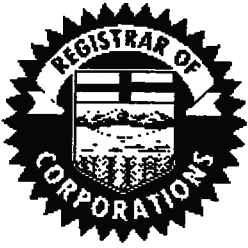
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2006/09/11	Incorporate Alberta Corporation
2008/08/12	Change Director / Shareholder
2009/08/27	Change Address
2009/12/17	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2006/09/11
Restrictions on Share Transfers	ELECTRONIC	2006/09/11
Other Rules or Provisions	ELECTRONIC	2006/09/11

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 11:06 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498340
Customer Reference Number:

Corporate Access Number: 2011557440

Legal Entity Name: CANVAS (CALGARY) DEVELOPMENTS LTD.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
1155744 ALBERTA LTD.	2006/07/18

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2005/03/02 YYYY/MM/DD

Registered Office:

Street: 1500, 850- 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Records Address:

Street: 1500, 850- 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

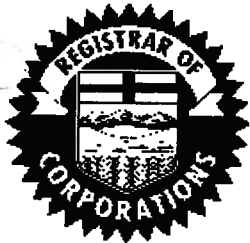
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2005/03/02	Incorporate Alberta Corporation
2006/07/18	Name Change Alberta Corporation
2009/06/08	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2009/09/09	Change Address

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2005/03/02
Restrictions on Share Transfers	ELECTRONIC	2005/03/02
Other Rules or Provisions	ELECTRONIC	2005/03/02

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 11:17 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498478
Customer Reference Number:

Corporate Access Number: 2012677999

Legal Entity Name: ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2006/09/13 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/09/03

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2006/09/13	Incorporate Alberta Corporation

2009/09/03

Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2006/09/13
Restrictions on Share Transfers	ELECTRONIC	2006/09/13
Other Rules or Provisions	ELECTRONIC	2006/09/13

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 11:22 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498565
Customer Reference Number:

Corporate Access Number: 2011287162
Legal Entity Name: HOMES BY KINGSLAND LTD.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2004/09/22 YYYY/MM/DD

Registered Office:
Street: 499 - 1ST STREET, SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:
Street: 499 - 1ST STREET, SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Holding Shares In:

Legal Entity Name
THE ESTATES OF VALLEYDALE DEVELOPMENTS LTD.

Other Information:

Last Annual Return Filed:

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2004/09/22	Incorporate Alberta Corporation
2009/09/09	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Restrictions on Share Transfers	ELECTRONIC	2004/09/22
Other Rules or Provisions	ELECTRONIC	2004/09/22
Share Structure	ELECTRONIC	2004/09/22

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





BC Company Summary

For
LAKE COUNTRY (SITARA) DEVELOPMENTS LTD.

Date and Time of Search: March 26, 2010 01:43 PM Pacific Time
Currency Date: February 23, 2010

ACTIVE

Incorporation Number: BC0737594
Name of Company: LAKE COUNTRY (SITARA) DEVELOPMENTS LTD.
Recognition Date and Time: Incorporated on October 13, 2005 04:15 PM Pacific Time **In Liquidation:** No
Last Annual Report Filed: October 13, 2009 **Receiver:** No

REGISTERED OFFICE INFORMATION

Mailing Address:
PUSHOR MITCHELL LLP
3RD FLOOR
1665 ELLIS ST.
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
PUSHOR MITCHELL LLP
3RD FLOOR
1665 ELLIS ST.
KELOWNA BC V1Y 2B3
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
PUSHOR MITCHELL LLP
3RD FLOOR
1665 ELLIS ST.
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
PUSHOR MITCHELL LLP
3RD FLOOR
1665 ELLIS ST.
KELOWNA BC V1Y 2B3
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
REINHELLER, JANICE

Mailing Address:
1870A-6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:
1870A-6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

OFFICER INFORMATION AS AT October 13, 2009

Last Name, First Name, Middle Name:

Ens, Cameron

name corrected, formerly ENS, CAMERON

Office(s) Held: (Vice President)

Mailing Address:

1870A-6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A-6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Last Name, First Name, Middle Name:

Reinheller, Janice

name corrected, formerly REINHELLER, JANICE

Office(s) Held: (President, Secretary, Treasurer)

Mailing Address:

1870A -6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A -6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 11:44 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498860
Customer Reference Number:

Corporate Access Number: 2012951444

Legal Entity Name: MEDICAN (EDMONTON TERWILLEGAR) DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2007/01/19 YYYY/MM/DD

Registered Office:

Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6

Records Address:

Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6 AVENUE S.W.
City: MEDINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A - 6 AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: AS PROVIDED IN SCHEDULE "A" ATTACHED HERETO.
Share Transfers Restrictions: NO SHARES SHALL BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED WITHOUT THE CONSENT OF THE DIRECTORS.
Min Number Of Directors: 1
Max Number Of Directors: 20
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: AS PROVIDED IN SCHEDULE "B" ATTACHED HERETO.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/03/13

Outstanding Returns:

Annual returns are outstanding for the 2010 file year(s).

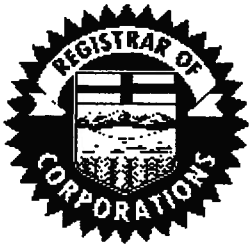
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2007/01/19	Incorporate Alberta Corporation
2009/03/13	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2007/01/19
Other Rules or Provisions	ELECTRONIC	2007/01/19

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 02:46 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14500826
Customer Reference Number:

Corporate Access Number: 2014759803

Legal Entity Name: MEDICAN (GRANDE PRAIRIE) HOLDINGS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2009/06/23 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Min Number Of Directors: 1

Max Number Of Directors: 7

Business Restricted To: NO RESTRICTIONS

Business Restricted From: NO RESTRICTIONS

Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2009/06/23	Incorporate Alberta Corporation

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2009/06/23
Restrictions on Share Transfers	ELECTRONIC	2009/06/23
Other Rules or Provisions	ELECTRONIC	2009/06/23

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





**BRITISH
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**Ministry
of Finance**
BC Registry Services

Mailing Address:
PO BOX 9431 Stn Prov Govt.
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard St.
Victoria BC
250 356-8626

BC Company Summary

For MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD.

Date and Time of Search: March 26, 2010 01:48 PM Pacific Time
Currency Date: February 23, 2010

ACTIVE

Incorporation Number: BC0782368
Name of Company: MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD.
Recognition Date and Time: Incorporated on February 09, 2007 02:27 PM Pacific Time
Last Annual Report Filed: February 09, 2009

In Liquidation: No
Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address:
ROBSON COURT
1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1
CANADA

Delivery Address:
ROBSON COURT
1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
ROBSON COURT
1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1
CANADA

Delivery Address:
ROBSON COURT
1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Reinheller, Janice

Mailing Address:
1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:
1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

OFFICER INFORMATION AS AT February 09, 2009

Last Name, First Name, Middle Name:

Ens, Cameron

Office(s) Held: (Vice President)

Mailing Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Last Name, First Name, Middle Name:

Reinheller, Janice

Office(s) Held: (President, Secretary, Treasurer)

Mailing Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 02:56 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14500959
Customer Reference Number:

Corporate Access Number: 2013784323

Legal Entity Name: MEDICAN (LETHBRIDGE - FAIRMONT PARK) DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2008/01/31 YYYY/MM/DD

Registered Office:

Street: 2700, 10155 - 102 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 4G8

Records Address:

Street: 2700, 10155 - 102 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J G48

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE WEST
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE
Share Transfers Restrictions: SEE ATTACHED SCHEDULE
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/02/17

Outstanding Returns:

Annual returns are outstanding for the 2010 file year(s).

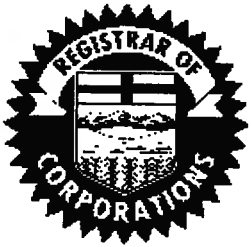
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2008/01/31	Incorporate Alberta Corporation
2009/02/17	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2008/01/31
Restrictions on Share Transfers	ELECTRONIC	2008/01/31
Other Rules or Provisions	ELECTRONIC	2008/01/31

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 02:58 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14500985
Customer Reference Number:

Corporate Access Number: 2013540212

Legal Entity Name: MEDICAN (RED DEER - MICHENER HILL) DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2007/10/03 YYYY/MM/DD

Registered Office:

Street: 2700, 10155-102 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 4G8

Records Address:

Street: 2700, 10155-102 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 4G8

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A-6TH AVE. WEST
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1400,10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE
Share Transfers Restrictions: SEE SCHEDULE
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: SEE SCHEDULE

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2008	2008/10/30

Outstanding Returns:

Annual returns are outstanding for the 2009 file year(s).

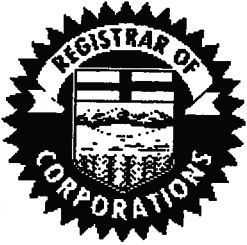
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2007/10/03	Incorporate Alberta Corporation
2008/10/30	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2007/10/03
Restrictions on Share Transfers	ELECTRONIC	2007/10/03
Other Rules or Provisions	ELECTRONIC	2007/10/03

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 03:02 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14501026
Customer Reference Number:

Corporate Access Number: 2011900426

Legal Entity Name: MEDICAN (SYLVAN LAKE) DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2005/09/01 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/09/10

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2005/09/01	Incorporate Alberta Corporation

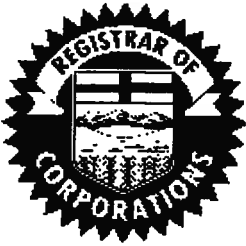
2009/09/10

Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2005/09/01
Restrictions on Share Transfers	ELECTRONIC	2005/09/01
Other Rules or Provisions	ELECTRONIC	2005/09/01

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





BC Company Summary

For
MEDICAN (WESTBANK) DEVELOPMENT LTD.

Date and Time of Search: March 26, 2010 02:08 PM Pacific Time
Currency Date: February 23, 2010

ACTIVE

Incorporation Number: BC0767306
Name of Company: MEDICAN (WESTBANK) DEVELOPMENT LTD.
Recognition Date and Time: Incorporated on August 29, 2006 08:53 AM Pacific Time **In Liquidation:** No
Last Annual Report Filed: August 29, 2009 **Receiver:** No

COMPANY NAME INFORMATION

Previous Company Name	Date of Company Name Change
0767306 B.C. LTD.	September 26, 2006

REGISTERED OFFICE INFORMATION

Mailing Address: ROBSON COURT 1000 - 840 HOWE STREET VANCOUVER BC V6Z 2M1 CANADA	Delivery Address: ROBSON COURT 1000 - 840 HOWE STREET VANCOUVER BC V6Z 2M1 CANADA
---	--

RECORDS OFFICE INFORMATION

Mailing Address: ROBSON COURT 1000 - 840 HOWE STREET VANCOUVER BC V6Z 2M1 CANADA	Delivery Address: ROBSON COURT 1000 - 840 HOWE STREET VANCOUVER BC V6Z 2M1 CANADA
---	--

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Reinheller, Janice

Mailing Address: 1870A - 6TH AVENUE SW MEDICINE HAT AB T1A 7X5 CANADA	Delivery Address: 1870A - 6TH AVENUE SW MEDICINE HAT AB T1A 7X5 CANADA
---	--

OFFICER INFORMATION AS AT August 29, 2009

Last Name, First Name, Middle Name:

Ens, Cameron

Office(s) Held: (Vice President)

Mailing Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Last Name, First Name, Middle Name:

Reinheller, Janice

Office(s) Held: (President, Secretary, Treasurer)

Mailing Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA



BC Company Summary
For
MEDICAN (WESTBANK) LAND LTD.

Date and Time of Search: March 26, 2010 02:07 PM Pacific Time
Currency Date: February 23, 2010

ACTIVE

Incorporation Number: BC0768843
Name of Company: MEDICAN (WESTBANK) LAND LTD.
Recognition Date and Time: Incorporated on September 13, 2006 02:50 PM Pacific Time
Last Annual Report Filed: September 13, 2009
In Liquidation: No
Receiver: No

COMPANY NAME INFORMATION

Previous Company Name: 0768843 B.C. LTD.
Date of Company Name Change: September 26, 2006

REGISTERED OFFICE INFORMATION

Mailing Address:
ROBSON COURT
1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1
CANADA

Delivery Address:
ROBSON COURT
1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
ROBSON COURT
1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1
CANADA

Delivery Address:
ROBSON COURT
1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Reinheller, Janice

Mailing Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

OFFICER INFORMATION AS AT September 13, 2009

Last Name, First Name, Middle Name:

Ens, Cameron

Office(s) Held: (Vice President)

Mailing Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Last Name, First Name, Middle Name:

Reinheller, Janice

Office(s) Held: (President, Secretary, Treasurer)

Mailing Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 11:34 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498740
Customer Reference Number:

Corporate Access Number: 2013543950
Legal Entity Name: MEDICAN CONCRETE FORMING LTD.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2007/10/04 YYYY/MM/DD

Registered Office:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Records Address:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Directors:

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 1870A - 6 AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: R7 INVESTMENTS LTD.
Corporate Access Number: 207233446
Street: 378 - 1 STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A6
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE OF SHARE PROVISIONS.
Share Transfers Restrictions: SEE ATTACHED SCHEDULE OF RESTRICTIONS ON SHARE TRANSFERS.
Min Number Of Directors: 1
Max Number Of Directors: 9
Business Restricted To: NONE.
Business Restricted From: NONE.
Other Provisions: SEE ATTACHED SCHEDULE OF OTHER PROVISIONS.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/12/18

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2007/10/04	Incorporate Alberta Corporation
2009/09/02	Change Address
2009/12/18	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2007/10/04
Restrictions on Share Transfers	ELECTRONIC	2007/10/04
Other Rules or Provisions	ELECTRONIC	2007/10/04

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 11:37 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14498770
Customer Reference Number:

Corporate Access Number: 2012101586

Legal Entity Name: MEDICAN DEVELOPMENTS (MEDICINE HAT SOUTHWEST) INC.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
1210158 ALBERTA LTD.	2006/03/02

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2005/12/19 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

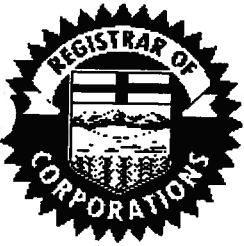
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2005/12/19	Incorporate Alberta Corporation
2006/03/02	Name Change Alberta Corporation
2009/12/04	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Restrictions on Share Transfers	ELECTRONIC	2005/12/19
Other Rules or Provisions	ELECTRONIC	2005/12/19
Share Structure	ELECTRONIC	2005/12/19

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 12:21 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14499204
Customer Reference Number:

Corporate Access Number: 2010811681

Legal Entity Name: MEDICAN ENTERPRISES INC.

French Equivalent Name: LES ENTREPRISES MEDICAN INC.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2003/12/12 YYYY/MM/DD

Registered Office:

Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6

Records Address:

Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6 AVENUE SW
City: MEDICINE HAT
Province: ALBERTA

Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN DEVELOPMENTS INC.

Corporate Access Number: 202054425

Street: 1870A - 6 AVENUE SW

City: MEDICINE HAT

Province: ALBERTA

Postal Code: T1A 7X5

Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: AS PROVIDED IN SCHEDULE "A" ATTACHED HERETO.
Share Transfers Restrictions: NO SHARES SHALL BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED, OR HYPOTHECATED WITHOUT THE CONSENT OF THE DIRECTORS.
Min Number Of Directors: 1
Max Number Of Directors: 20
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: AS PROVIDED IN SCHEDULE "B" ATTACHED HERETO.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2008	2009/03/13

Outstanding Returns:

Annual returns are outstanding for the 2009 file year(s).

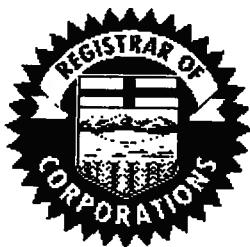
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2003/12/12	Incorporate Alberta Corporation
2009/03/13	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2003/12/12
Other Rules or Provisions	ELECTRONIC	2003/12/12

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 12:28 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14499275
Customer Reference Number:

Corporate Access Number: 2013929167

Legal Entity Name: MEDICAN EQUIPMENT LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2008/04/08 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 -1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: R7 INVESTMENTS LTD.
Corporate Access Number: 207233446
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/04/09

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2008/04/08	Incorporate Alberta Corporation

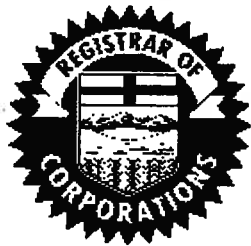
2009/04/09

Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2008/04/08
Restrictions on Share Transfers	ELECTRONIC	2008/04/08
Other Rules or Provisions	ELECTRONIC	2008/04/08

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 12:30 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14499289
Customer Reference Number:

Corporate Access Number: 2013544503
Legal Entity Name: MEDICAN FRAMING LTD.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2007/10/04 YYYY/MM/DD

Registered Office:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Records Address:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Directors:

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 1870A - 6 AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: R7 INVESTMENTS LTD.
Corporate Access Number: 207233446
Street: 378 - 1 STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A6
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE OF SHARE PROVISIONS.
Share Transfers Restrictions: SEE ATTACHED SCHEDULE OF RESTRICTIONS ON SHARE TRANSFERS.
Min Number Of Directors: 1
Max Number Of Directors: 9
Business Restricted To: NONE.
Business Restricted From: NONE.
Other Provisions: SEE ATTACHED SCHEDULE OF OTHER PROVISIONS.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/12/18

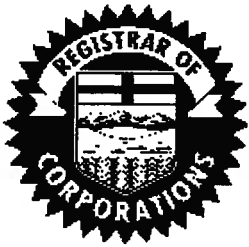
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2007/10/04	Incorporate Alberta Corporation
2009/09/02	Change Address
2009/12/18	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2007/10/04
Restrictions on Share Transfers	ELECTRONIC	2007/10/04
Other Rules or Provisions	ELECTRONIC	2007/10/04

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 12:31 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14499295
Customer Reference Number:

Corporate Access Number: 2013099664
Legal Entity Name: MEDICAN GENERAL CONTRACTORS LTD.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
1309966 ALBERTA LTD.	2008/12/23

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2007/03/28 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: WESLEY
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: R7 INVESTMENTS LTD.
Corporate Access Number: 207233446
Street: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

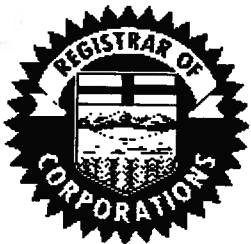
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2007/03/28	Incorporate Alberta Corporation
2007/03/28	Service Provider Correct Legal Entity
2008/12/23	Change Director / Shareholder
2008/12/23	Name Change Alberta Corporation
2010/03/24	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2007/03/28
Restrictions on Share Transfers	ELECTRONIC	2007/03/28
Other Rules or Provisions	ELECTRONIC	2007/03/28

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 12:33 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14499309
Customer Reference Number:

Corporate Access Number: 2012475881

Legal Entity Name: MEDICAN GENERAL CONTRACTORS 2010 LTD.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
MEDICAN MODULAR (CHARTWELL MEDICINE HAT) DEVELOPMENTS LTD.	2010/02/17

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2006/06/06 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

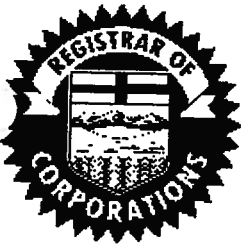
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2006/06/06	Incorporate Alberta Corporation
2009/05/22	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2010/02/17	Name Change Alberta Corporation

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Restrictions on Share Transfers	ELECTRONIC	2006/06/06
Other Rules or Provisions	ELECTRONIC	2006/06/06
Share Structure	ELECTRONIC	2006/06/06

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 03:10 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14501139
Customer Reference Number:

Corporate Access Number: 2011947633

Legal Entity Name: RIVERSTONE (MEDICINE HAT) DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2005/09/27 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET SE
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE ANNEXED SCHEDULE 1 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Share Transfers Restrictions: THE ANNEXED SCHEDULE 2 IS INCORPORATED INTO AND FORMS PART OF THIS FORM
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: THE ANNEXED SCHEDULE 3 IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/09/10

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2005/09/27	Incorporate Alberta Corporation

2009/09/10

Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2005/09/27
Restrictions on Share Transfers	ELECTRONIC	2005/09/27
Other Rules or Provisions	ELECTRONIC	2005/09/27

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 03:11 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14501150
Customer Reference Number:

Corporate Access Number: 2012385247

Legal Entity Name: SANDERSON OF FISH CREEK (CALGARY) DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2006/04/27 YYYY/MM/DD

Registered Office:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Records Address:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE
Share Transfers Restrictions: SEE SCHEDULE
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/06/12

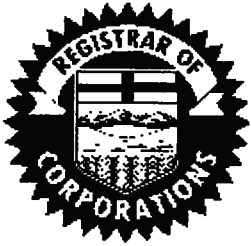
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2006/04/27	Incorporate Alberta Corporation
2009/06/12	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2009/09/16	Change Address

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2006/04/27
Restrictions on Share Transfers	ELECTRONIC	2006/04/27
Other Rules or Provisions	ELECTRONIC	2006/04/27

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/04/08
Time of Search: 08:54 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14552629
Customer Reference Number:

Corporate Access Number: 2012267213

Legal Entity Name: SIERRAS OF EAUX CLAIRES (EDMONTON) DEVELOPMENTS LTD.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
AXXESS (SHERWOOD PARK) DEVELOPMENTS INC.	2006/06/15
1226721 ALBERTA LTD.	2009/05/21

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2006/03/06 YYYY/MM/DD

Registered Office:

Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6

Records Address:

Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6 AVENUE S.W.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1870A - 6 AVENUE S.W.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: AS PROVIDED IN SCHEDULE "A" ATTACHED HERETO.
Share Transfers Restrictions: NO SHARES SHALL BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED WITHOUT THE CONSENT OF THE DIRECTORS.
Min Number Of Directors: 1
Max Number Of Directors: 20
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: AS PROVIDED IN SCHEDULE "B" ATTACHED HERETO.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/04/03

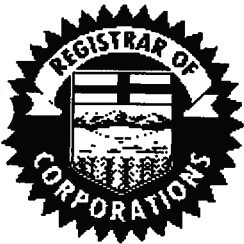
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2006/03/06	Incorporate Alberta Corporation
2009/04/03	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2009/05/21	Name Change Alberta Corporation
2009/05/21	Change Director / Shareholder

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2006/03/06
Other Rules or Provisions	ELECTRONIC	2006/03/06

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





BC Company Summary

For

SONATA RIDGE (KELOWNA) DEVELOPMENTS LTD.

Date and Time of Search: March 26, 2010 02:13 PM Pacific Time
Currency Date: February 23, 2010

ACTIVE

Incorporation Number: BC0771744
Name of Company: SONATA RIDGE (KELOWNA) DEVELOPMENTS LTD.
Recognition Date and Time: Incorporated on October 16, 2006 09:57 AM Pacific Time **In Liquidation:** No
Last Annual Report Filed: October 16, 2009 **Receiver:** No

COMPANY NAME INFORMATION

Previous Company Name	Date of Company Name Change
0771744 B.C. LTD.	April 18, 2007

REGISTERED OFFICE INFORMATION

Mailing Address:	Delivery Address:
ROBSON COURT	ROBSON COURT
1000 - 840 HOWE STREET	1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1	VANCOUVER BC V6Z 2M1
CANADA	CANADA

RECORDS OFFICE INFORMATION

Mailing Address:	Delivery Address:
ROBSON COURT	ROBSON COURT
1000 - 840 HOWE STREET	1000 - 840 HOWE STREET
VANCOUVER BC V6Z 2M1	VANCOUVER BC V6Z 2M1
CANADA	CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Reinheller, Janice

Mailing Address:	Delivery Address:
1870A - 6TH AVENUE SW	1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5	MEDICINE HAT AB T1A 7X5
CANADA	CANADA

OFFICER INFORMATION AS AT October 16, 2009

Last Name, First Name, Middle Name:

Ens, Cameron

Office(s) Held: (Vice President)

Mailing Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Last Name, First Name, Middle Name:

Reinheller, Janice

Office(s) Held: (President, Secretary, Treasurer)

Mailing Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Delivery Address:

1870A - 6TH AVENUE SW
MEDICINE HAT AB T1A 7X5
CANADA

Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 03:49 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14501673
Customer Reference Number:

Corporate Access Number: 2012089492

Legal Entity Name: SYLVAN LAKE MARINA DEVELOPMENTS LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Registration Date: 2005/12/07 YYYY/MM/DD

Registered Office:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Records Address:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6TH AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE
Share Transfers Restrictions: SEE SCHEDULE
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE

Holding Shares In:

Legal Entity Name
SL DEVELOPMENTS INC.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2010/02/01

Filing History:

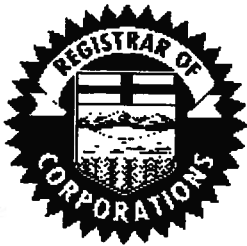
List Date (YYYY/MM/DD)	Type of Filing
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2005/12/07	Incorporate Alberta Corporation
2009/10/13	Change Address
2010/02/01	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2005/12/07
Restrictions on Share Transfers	ELECTRONIC	2005/12/07
Other Rules or Provisions	ELECTRONIC	2005/12/07

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Alberta Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
Time of Search: 03:50 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14501694
Customer Reference Number:

Corporate Access Number: 200532018

Legal Entity Name: THE ESTATES OF VALLEYDALE DEVELOPMENTS LTD.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
VALLEY DALE GREENHOUSES LTD	1983/09/15
VALLEY DALE GREENHOUSES & FLORISTS LTD.	2005/12/13

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 1969/12/22 YYYY/MM/DD

Registered Office:

Street: 499 - 1ST STREET, S.E.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Records Address:

Street: 499 - 1ST STREET, S.E.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 0A7

Directors:

Last Name: ENS
First Name: CAM
Street/Box Number: 1870A-6 AVENUE S.W.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6 AVENUE S.W.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: HOMES BY KINGSLAND LTD.
Corporate Access Number: 2011287162
Street: 1870A 6 AVENUE S.W.
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5
Percent Of Voting Shares: 100

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/12/04

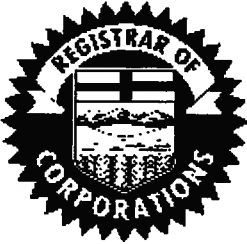
Continued Under the Business Corporations Act on: 1983/07/07 YYYY/MM/DD

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2005/12/13	Name Change Alberta Corporation
.007/05/30	Change Director / Shareholder

2008/07/18	Change Address
2009/12/04	Enter Annual Returns for Alberta and Extra-Provincial Corp.

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



CB05 BASIC DATA COMPANIES OFFICE 2010/05/25 14:36:34
FUNCTION CODE I MAINT CODE FILE NO 5110700 OTHER SELECTION CB 05
BN15 833480148MC0001
NAME THE LEGEND (WINNIPEG) DEVELOPMENTS LTD.

OL

FILE # 5110700 TYPE 02 MB SHARE NONDIST STATUS ACT ACTIVE 2005/07/04
INC/REG 2005/07/04 JURIS MB MANITOBA DATE REG
LAST ANNUAL RETURN/RENEWAL 2009 NAME CHANGE AM+ 2006/06/29

ADDRESS CODE REGISTERED OFFICE ADDRESS
PITBLADO LLP - 2500-360 MAIN ST
CITY WINNIPEG PROV/ST MB PSTL CD R3C-4H6
COUNTRY CA FOREIGN PROV FOREIGN MAILING CODE
LANGUAGE PREFERENCE E DEFAULT DATE
COMMENTS

052 CURRENT DISPLAY IS COMPLETE - PRESS ENTER TO RETURN TO SEARCH FUNCTION.

CB07 EXTRA DATA

COMPANIES OFFICE

2010/05/25 14:36:40

BN15 833480148MC0001 FILE NO 5110700

OTHER SELECTION CB 07

NAME THE LEGEND (WINNIPEG) DEVELOPMENTS LTD.

SIC CODE 0736 DEVELOPMENT

ATTN

TYPE 02 MB SHARE NONDIST

RENEWAL ADDRESS CODE

ATTY ADDRESS CODE

PITBLADO LLP

PITBLADO LLP

2500-360 MAIN ST

2500-360 MAIN ST

CITY WINNIPEG

CITY WINNIPEG

PROV/ST MB

POSTAL CD R3C 4H6

PROV MB

POSTAL CD R3C 4H6

COUNTRY CA FOREIGN PROV

FOREIGN MAIL CD

SHARE CODE

SHARE TYPE

AUTHORIZED

ISSUED

CONSIDERATION

D

COM A

UNLTD

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COM B

UNLTD

F

COM C

UNLTD

G

COM D

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COM E

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UNLTD

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UNLTD

INDEX NAME WINIPEG LEGEND DEVELOP

054 LOGON ID NOT AUTHORIZED TO ADD/UPDATE.

CB08 CHRONOLOGY

COMPANIES OFFICE

2010/05/25 14:36:44

ADD ONLY SCREEN

BN15 833480148MC0001 FILE NO 5110700

OTHER SELECTION CB 08

NAME THE LEGEND (WINNIPEG) DEVELOPMENTS LTD.

TYPE 02 MB SHARE NONDIST

FNC MC	DATE	SEQ	TRAN	DESCRIPTION	ADDITIONAL DESCRIPTION
	2009/10/22	001	ARF	ANNUAL RETURN	2009
	2009/08/31	001	DFL	DEFAULT	
	2008/11/25	001	ARF	ANNUAL RETURN	2008
	2008/08/31	001	DFL	DEFAULT	
	2007/09/27	001	ARF	ANNUAL RETURN	2007
	2007/08/31	001	DFL	DEFAULT	
	2006/12/11	001	ARF	ANNUAL RETURN	2006
	2006/08/31	001	DFL	DEFAULT	
	2006/06/29	001	AM+	AMEND NAME CHG	
	2005/07/15	001	AAS	APPOINT ATTY	ROBERT B. GIESBRECHT
	2005/07/04	001	INC	INCORPORATED	

178 NO MORE CHRONOLOGY DATA FOUND.

CB10 OTHER NAMES COMPANIES OFFICE 2010/05/25 14:36:56
FUNCTION I BN15 833480148MC0001 FILE NO 5110700 OTHER SELECTION CB 10
NAME THE LEGEND (WINNIPEG) DEVELOPMENTS LTD.

TYPE 02 MB SHARE NONDIST

CODE AND DESCRIPTION

A DIRECTOR NAME JANICE REINHELLER

FILE NO

ADDR 1870A-6TH AVE SW -

CITY MEDICINE HAT

PROV AB POSTAL CD T1A-7X5

SHARE CODE # OF SHARES

SHARE CODE # OF SHARES

B PRESIDENT NAME JANICE REINHELLER

FILE NO

ADDR 1870A-6TH AVE SW -

CITY MEDICINE HAT

PROV AB POSTAL CD T1A-7X5

SHARE CODE # OF SHARES

SHARE CODE # OF SHARES

C SECRETARY NAME JANICE REINHELLER

FILE NO

ADDR 1870A-6TH AVE SW -

CITY MEDICINE HAT

PROV AB POSTAL CD T1A-7X5

SHARE CODE # OF SHARES

SHARE CODE # OF SHARES

MORE ADDS? Y

054 LOGON ID NOT AUTHORIZED TO ADD/UPDATE.

CB10 OTHER NAMES COMPANIES OFFICE 2010/05/25 14:37:01
FUNCTION I BN15 833480148MC0001 FILE NO 5110700 OTHER SELECTION CB 10
NAME THE LEGEND (WINNIPEG) DEVELOPMENTS LTD.

TYPE 02 MB SHARE NONDIST

CODE AND DESCRIPTION

D TREASURER NAME JANICE REINHELLER

FILE NO

ADDR 1870A-6TH AVE SW

-

CITY MEDICINE HAT

PROV AB POSTAL CD T1A-7X5

SHARE CODE # OF SHARES

SHARE CODE # OF SHARES

E SHAREHOLDER NAME MEDICAN HOLDINGS LTD.

FILE NO

ADDR

-

CITY

PROV POSTAL CD 000-000

SHARE CODE D # OF SHARES

100 SHARE CODE # OF SHARES

K ATTY SRVC

NAME ROBERT B. GIESBRECHT

FILE NO

ADDR 2500 360 MAIN ST

-

CITY WINNIPEG

PROV MB POSTAL CD R3C-4H6

SHARE CODE # OF SHARES

SHARE CODE # OF SHARES

MORE ADDS? Y

054 LOGON ID NOT AUTHORIZED TO ADD/UPDATE.

CB10 OTHER NAMES COMPANIES OFFICE 2010/05/25 14:37:05
FUNCTION I BN15 833480148MC0001 FILE NO 5110700 OTHER SELECTION CB 10
NAME THE LEGEND (WINNIPEG) DEVELOPMENTS LTD.

TYPE 02 MB SHARE NONDIST

CODE AND DESCRIPTION

V VICE-PRES NAME CAMERON ENS

FILE NO

ADDR 1870A-6TH AVE. S W

CITY MEDICINE HAT

PROV AB POSTAL CD T1A-YX5

SHARE CODE # OF SHARES

SHARE CODE # OF SHARES

NAME

FILE NO

ADDR

CITY

PROV POSTAL CD

SHARE CODE # OF SHARES

SHARE CODE # OF SHARES

NAME

FILE NO

ADDR

CITY

PROV POSTAL CD

SHARE CODE # OF SHARES

SHARE CODE # OF SHARES

MORE ADDS? N

054 LOGON ID NOT AUTHORIZED TO ADD/UPDATE.

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FUNCTION I BN15 833480148MC0001 FILE NO 5110700 OTHER SELECTION CB 13
NAME THE LEGEND (WINNIPEG) DEVELOPMENTS LTD.

TYPE 02 MB SHARE NONDIST

FNC IDENT CD & DESC

1 PREV NAME

FILE NO

NAME CHANGE DATE 2006/06/29

ENTITY NAME

AXXESS (WINNIPEG) DEVELOPMENTS LTD.

FILE NO

NAME CHANGE DATE

ENTITY NAME

054 LOGON ID NOT AUTHORIZED TO ADD/UPDATE.

MORE ADDS? N



Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2010/03/26
 Time of Search: 03:51 PM
 Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD

Service Request Number: 14501702
 Customer Reference Number:

Corporate Access Number: 2013164062

Legal Entity Name: WATERCREST (SYLVAN LAKE) DEVELOPMENTS LTD.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
REFLECTIONS (SYLVAN LAKE) DEVELOPMENTS LTD.	2008/06/12

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2007/04/19 YYYY/MM/DD

Registered Office:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Records Address:

Street: 1500, 850 - 2 STREET SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0R8

Directors:

Last Name: REINHELLER
First Name: JANICE
Street/Box Number: 1870A - 6 AVENUE SW
City: MEDICINE HAT
Province: ALBERTA
Postal Code: T1A 7X5

Voting Shareholders:

Legal Entity Name: MEDICAN HOLDINGS LTD.
Corporate Access Number: 2012266504
Street: 1400, 10303 JASPER AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3N6
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE OF SHARE PROVISIONS.
Share Transfers Restrictions: SEE ATTACHED SCHEDULE OF RESTRICTIONS ON SHARE TRANSFERS.
Min Number Of Directors: 1
Max Number Of Directors: 9
Business Restricted To: NONE.
Business Restricted From: NONE.
Other Provisions: SEE ATTACHED SCHEDULE OF OTHER PROVISIONS.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2009	2009/06/08

Change History:

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List Date (YYYY/MM/DD)	Type of Filing
07/04/19	Incorporate Alberta Corporation
2008/06/12	Name Change Alberta Corporation
2009/06/08	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2009/09/15	Change Address

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2007/04/19
Restrictions on Share Transfers	ELECTRONIC	2007/04/19
Other Rules or Provisions	ELECTRONIC	2007/04/19

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.

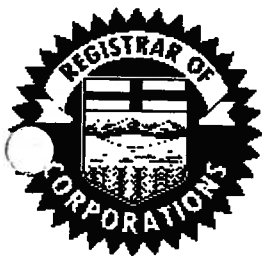


Exhibit "C"
to the Affidavit of Wesley Reinheller, sworn May 25, 2010.

THIS IS EXHIBIT " C " referred to in the Affidavit of Wesley Reinheller Sworn before me this 25 Day of May A.D. 2010
A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

Rebecca Lewis
Barrister & Solicitor

1. Unless specifically otherwise defined herein, capitalized terms shall have the meaning as defined in the Affidavit to which this Exhibit attaches.

Axxess Terwillegar (Edmonton)

2. Axxess Terwillegar (Edmonton) is a condominium project located at Edmonton, Alberta, for which it is planned that the project will yield upon its completion a 3-phase, 275 unit condo complex (the "Axxess Terwillegar Project"). Medican (Edmonton Terwillegar) Developments Ltd., an Alberta corporation, is the developer of this project and the primary borrower in respect of the project's lending facilities.
3. Phase 1 of the Axxess Terwillegar Project is currently under construction; 81 units are complete and are for sale as inventory, with the remaining 21 units out of the planned 111 units of Phase 1 currently under construction. Phases 2 and 3 of the Axxess Terwillegar Project are as yet bare land, and it is planned that Phases 2 and 3 will yield 94 and 70 units respectively. It is expected that the Axxess Terwillegar Project will be complete by June 1, 2014.
4. Phase 1 of the Axxess Terwillegar Project is financed by way of the following secured lending facilities:
- (a) Lender: MCAP Financial Corporation ("MCAP") – \$9,206,900 outstanding on loan.

MCAP is secured in 1st priority against all of the remaining 81 unsold units of Phase 1 of the Axxess Terwillegar Project. The following are guarantors for the MCAP loan granted in respect of Phase 1 of the Axxess Terwillegar Project:

- 1) Medican Holdings Ltd.; and
 - 2) R7 Investments Ltd.
- (b) The original purchase of the land was financed by Monarch Land Ltd. ("Monarch") and there is a Unit Bonus of \$5,500. per Unit owing to Monarch which is secured by a \$675,000 mortgage of the phase 1 lands.
- (c) Lender: Macdonald Terwillegar Properties Ltd. ("Macdonald") – \$5,750,000.

Macdonald is secured against all of the remaining unsold phase 1 units of Phase 1 of the Axxess Terwillegar Project in 2nd priority to MCAP and Monarch's Unit Bonus. The following are guarantors for the Macdonald loan granted in respect of the Axxess Terwillegar Project:

- 1) Canvas (Calgary) Developments Ltd.;

- 2) Medican Holdings Ltd.;
 - 3) Medican Developments Inc.;
 - 4) Medican Construction Ltd.;
 - 5) R7 Investments Ltd.;
 - 6) Wesley Reinheller (personal guarantee); and
 - 7) Janice Reinheller (personal guarantee).
5. Phases 2 and 3 of the Axxess Terwillegar Project are financed by way of the following secured lending facility:
- (a) Lender: Monarch Land Ltd. ("Monarch") –

\$1,914,182 outstanding on Phase 2; and

\$1,425,454 outstanding on Phase 3.

Monarch is secured in priority over the lands pertaining to Phases 2 and 3 of the Axxess Terwillegar Project. The following are guarantors for the Monarch loan for the Axxess Terwillegar Project:

- 1) Medican Developments Inc.; and
 - 2) Janice Reinheller (personal guarantee).
6. The total amount of secured debt outstanding against the Axxess Terwillegar Project (including bonus amounts not yet accrued) is \$19,317,882. It is expected that upon completion of the Phase 1 of the Axxess Terwillegar Project, there will be a deficit on the project in the amount of \$234,702. However, profits are anticipated upon completion of Phases 2 & 3 of the Axxess Terwillegar Project in the estimated amount of \$8 million.

Canvas at Millrise (Calgary)

7. Canvas at Millrise (Calgary) is a condominium project located at Calgary, Alberta, comprised of a 4-phase, 318 unit condominium complex (the "Canvas at Millrise Project"). Canvas (Calgary) Developments Ltd., an Alberta corporation, is the developer of this project and is the primary borrower in respect of the project's lending facilities.
8. In March, 2010, a massive fire partially destroyed Phases 1 and 2 of the Canvas at Millrise Project. At the time of the fire it had been over a year since the condo board of Canvas at Millrise took over ownership and responsibility for the project. Nevertheless, the Medican Group has been and remains actively involved in offering support to the families impacted by the fire through assisting with donation campaigns in support of those affected families. The Medican Group has been retained to reconstruct this part of the complex.

9. The Canvas at Millrise Project is complete except for final finishing of the unsold units. There are 12 – units unsold in Phases 1 and 2, and 35 units complete and currently for sale and 1 sold but not yet closed in Phases 3 and 4.

10. The unsold units in Phases 1 and 2 of the Canvas at Millrise Project are financed by way of the following secured lending facility:

(a) Lender: CIBC (inventory loan) – \$2,523,579 outstanding on loan.

The CIBC inventory loan for the Canvas at Millrise Project is secured in 1st priority against the unsold units in Phases 1 and 2 of the Canvas at Millrise Project. The following are guarantors for the CIBC inventory loan lending facility:

- 1) Medican Developments Inc.;
- 2) Medican Construction Ltd.;
- 3) Medican Holdings Ltd.;
- 4) R7 Investments Ltd.;
- 5) Wesley Reinheller (personal guarantee); and
- 6) Janice Reinheller (personal guarantee).

11. The unsold units in Phases 3 and 4 of the Canvas at Millrise Project are financed by way of the following secured lending facility:

(a) Lender: Macdonald Canvas Properties Ltd. (“Macdonald”) – \$9,050,000 outstanding on loan (including bonus amount).

The Macdonald loan is secured 1st in priority on the remaining unsold units in Phases 3 and 4 of the Canvas at Millrise Project. The following are guarantors for the Macdonald loan granted in respect of the Canvas at Millrise Project:

- 1) Medican Holdings Ltd.;
- 2) Medican Developments Inc.;
- 3) Medican Construction Ltd.;
- 4) R7 Investments Inc.;
- 5) Wesley Reinheller (personal guarantee); and
- 6) Janice Reinheller (personal guarantee).

12. The total amount of secured debt outstanding against the Canvas at Millrise Project (including bonus amounts not yet accrued) is \$11,573,579. The expected equity value upon completion of the Canvas at Millrise Project is \$500,000.

Kaleido (Westbank) Kelowna

13. Kaleido (Westbank) is a condominium development project located in Westbank, B.C., just outside of Kelowna (the "Kaleido Project"). The project, upon its completion, is expected to yield a 7-phase, 717 unit condominium complex. Medican (Westbank) Development Ltd., a British Columbia corporation, is the developer of this project and is the primary borrower under the project's lending facilities. The subject lands of the Kaleido Project are held by Medican (Wesbank) Land Ltd., a British Columbia corporation, as nominee, agent and bare trustee on behalf of the beneficiary Medican (Westbank) Development Ltd.
14. Phase 1 of the Kaleido Project is currently under construction with 82 units now complete. In respect of Phases 2 and 3, approximately \$3,000,000 in infrastructure costs have been invested in preparing the lands for construction, although construction on the actual units has not yet commenced. Construction on Phases 4 - 7 has not yet commenced, and sits as bare land.
15. Phases 1, 2 and 3 of the Kaleido Project are financed by way of the following secured lending facility:
 - (a) Lender: MCAP Financial Corporation (construction loan) – \$15,763,903 outstanding on the loan.

The MCAP inventory loan for the Kaleido Project is secured in 1st priority against Phases 1, 2 and 3 of the Kaleido Project. The following are guarantors for the MCAP inventory loan granted in respect of the Kaleido Project:

- 1) Medican Holdings Ltd.;
 - 2) R7 Investment Ltd.;
 - 3) Wesley Reinheller (personal guarantee); and
 - 4) Janice Reinheller (personal guarantee).
16. The lands of Phase 4 – 7 of the Kaleido Project are financed by way of the following secured lending facility:
 - (a) Lender: Zoltan and Margaret Majoros (mortgage on lands) – \$3,000,000 outstanding on loan.

Zoltan and Margaret Majoros ("Majoros") hold security in 1st over the land of Phase 4 – 7 of the Kaleido Project. The following has guaranteed the Majoros loan granted in respect of the Kaleido Project:

1) Medican Developments Inc.

17. The total amount of debt secured against the Kaleido Project that remains outstanding is \$20,946,314. The expected equity value of the upon completion of the Kaleido Project is \$35,000,000.

Canyon Creek (Medicine Hat)

18. Canyon Creek is a 4 phase single-family development containing 42.01 acres of land located on the western edge of Medicine Hat, Alberta (the "Canyon Creek Project"). It is expected upon its completion to contain 84 estate style lots. Kingsland Developments Inc., an Alberta corporation owned by Matt and Renee Rood, is the developer of this project and is the primary borrower under the project's lending facilities. The Medican Group and Kingsland Developments Inc. are equal joint venturers in the Canyon Creek Project.
19. Infrastructure work has commenced on Phase 1 of the Canyon Creek Project, with 25 lots serviced and ready for construction of the residences. Phases 2, and are as yet bare land.
20. Phase 1 of the Canyon Creek Project is financed by way of the following secured lending facility:

(a) Lender: MCAP Financial – \$1,916,783 outstanding on loan.

The MCAP Financial loan is secured in priority against Phase 1 of the Canyon Creek Project. The following are guarantors for the MCAP Financial loan granted in respect of the Canyon Creek Project:

- 1) Medican Holdings Ltd.; and
2) R7 Investments Ltd.

21. Phases 2, 3 and 4 of the Canyon Creek Project is financed by way of the following secured lending facilities:

(a) Lender: Michael Shawn Carry – \$695,125 outstanding on loan.

22. Michael Shawn Carry is secured in priority against phases 2, 3, and 4 of the Canyon Creek Project (Plan 0514096, Block 1, Lot 3). The following company has guaranteed the loan granted by Michael Shawn Carry in respect of the Canyon Creek Project:

- 1) Medican Construction Ltd.

23. The total amount of debt secured against the Canyon Creek Project that remains outstanding is \$2,611,908. The expected equity value of the upon completion of the Canyon Creek Project is \$1,065,896 of which Medican is entitled to 50%.

The Legend at Creekbend (Winnipeg)

24. The Legend at Creekbend is condominium real estate development project located at Winnipeg, Manitoba (the "Legend Project"). The developer and primary borrower in connection with this project is The Legend (Winnipeg) Developments Ltd., a corporation incorporated under the *Corporations Act* of the province of Manitoba.
25. Phase 1 of the Legend Project is completed, sold and has been turned over to the condominium board. Phases 2 and 3 of the Legend Project are planned to yield an additional 56 units each, for a total of 112 units slated for construction. More than 40 units in Phase 2 are sold and construction is scheduled to be complete in June of 2010. The sales and marketing of Phase 3 of the project has recently commenced however, construction on Phase 3 has not yet commenced and as yet sits as bare land.
26. The Legend Project is financed by way of the following secured lending facility:
 - (a) Lender: MCAP Financial Corporation – \$6,627,302 outstanding on loan.

The MCAP loan for the Legend Project is secured in priority over the lands comprising Phases 2 and 3 of the project. The following are guarantors under the MCAP loan granted in respect of the Legend Project:

- 1) Medican Holdings Ltd.; and
 - 2) R7 Investments Ltd.
- (b) The lands of Phases 2 and 3 of the Legend Project are further encumbered by a \$2,100,000 mortgage relating to trades payable amounts owed to various trades on Phase 2 construction payables.
27. The total amount of debt secured against the Legend Project that remains outstanding (including trades payable) is \$8,727,302. The expected equity value of the upon completion of Phase 2 of the Legend Project is \$980,000. Phase 3 is expected to yield an additional \$4,000,000.

Sanderson Ridge on Fish Creek (Calgary)

28. Sanderson Ridge on Fish Creek (Calgary) is a multi-phase residential development project located at Calgary, Alberta, for which it is planned upon its completion to yield a 352 unit condominium complex (the "Sanderson Project"). Sanderson of Fish Creek (Calgary) Developments Ltd., an Alberta corporation, is the developer of the Sanderson Project, and is the primary borrower in respect of the project's various lending facilities.
29. The Sanderson Project consists of Phases 1, 2, 3, 4A and 4B. Construction on Phases 1, 2, and 4A is substantially complete, with units in Phases 1 and 2 that have been completed, sold and closed. The sold units in Phase 4A can be completed, and closed in the next 60 days. The foundation (including underground parking) for Phase 3 is largely complete using developer's funds but above ground construction of the units has yet to

commence. There are 30 pre-sales on the 75 units in Phase 3 and 9 of the 19 units in Phase 4A. Construction on Phase 4B has not been commenced and there are no pre-sales.

30. The financing arrangements on the Sanderson Project are highly complex. There are a series of 'postponement and priority agreements' as between the various lenders that serve to re-arrange the priorities of the security detailed in following paragraphs upon the happening of certain events. Those financing arrangements are summarized as follows:
- (a) The original purchase of the land was financed by Monarch Land Ltd. ("Monarch") and secured by a \$6,900,000 mortgage on all of the lands.
 - (b) Construction financing was provided by CIBC Mortgages Inc. ("CMI") and secured by a \$36,000,000 mortgage. Monarch subordinated their charge to that mortgage on phases 1, 2, and 4A.
 - (c) Inventory financing for certain completed units in Phases 1 and 2 and all of the units in Phase 4A was provided by CMI and secured by a \$13,000,000 mortgage which has been amended to \$25,000,000. This mortgage also secures inventory in other Medican projects.
 - (d) Inventory financing for the remaining completed units in Phase 1 and 2 was provided by Harbour Mortgage Company (registered as Home Trust Company) ("HMT").
 - (e) Supplemental inventory financing for all of the completed units was provided by IMOR Capital Corporation ("Insta Fund").
 - (f) Monarch remains entitled to a "per door bonus" of \$6,801 from the sale of all units and has secured a charge on all of the remaining unsold units.
 - (g) Rosamund Sanderson (the original owner of the lands) is entitled to one completed unit in the project. Her unpaid vendor's lien caveat has been postponed to the above lenders but remains registered on the entire project.
31. The remaining unsold units in Phases 1 and 2 of the Sanderson Project are financed by way the following secured lending facilities (as listed in order of priority of security as against Phases 1 and 2):
- (a) Lender: CIBC (construction loan) – Nil outstanding on loan
 - (b) Lender: CIBC (inventory loan) – \$3,598,545 outstanding on loan

The CIBC construction and inventory loans are secured in 1st and 2nd priority, respectively, over the lands of Phase 1 and 2 of the Sanderson Project. The CIBC construction and inventory loans are also secured against Phases 3, 4A and 4B of the Sanderson project (as described below). The inventory loan secures 10 units in Phases 1

and 2 of which 8 are sold. Three of those 8 sold units have recently closed or will close by the end of May.

The construction loan has been paid out but will remain on title until the inventory loan has been paid out, at which point CIBC will discharge all encumbrances against the Sanderson Project. The following are guarantors for the CIBC inventory loan granted in respect of the Sanderson Project:

- 1) Medican Developments Inc.;
- 2) Medican Construction Ltd.;
- 3) Medican Holdings Ltd.;
- 4) R7 Investments Ltd.;
- 5) Wesley Reinheller (personal guarantee); and
- 6) Janice Reinheller (personal guarantee).

(c) Lender: Harbour Mortgage Company (Home Trust Company) ("HMT") – \$8,263,756 outstanding on loan.

The HMT inventory loan is secured 1st in priority against the 40 remaining Phase 1 and Phase 2 units of the Sanderson Project which are not included in the CIBC inventory loan. This loan is also secured against the lands of Phase 3 (4th in priority) of the Sanderson Project. The following are guarantors for the Harbour loan granted in respect of the Sanderson Project:

- 1) Medican Developments Inc.;
- 2) Medican Construction Ltd.;
- 3) Medican Holdings Ltd.;
- 4) R7 Investments Ltd.;
- 5) Wesley Reinheller (personal guarantee); and
- 6) Janice Reinheller (personal guarantee).

(d) Lender: IMOR Capital Corporation (or "InstaFund") – \$5,000,000 outstanding on loan.

The InstaFund loan is secured 3rd in priority against specific Phase 1 and Phase 2 units after the CIBC inventory loan and the HMT inventory loan. This loan is also secured by other lands owned by an unrelated borrower, 1252064 Alberta Ltd. The following are guarantors for the InstaFund loan granted in respect of the Sanderson Project:

- 1) Medican Developments Inc.;
- 2) Medican Construction Ltd.;
- 3) Medican Holdings Ltd.;
- 4) R7 Investments Ltd.;
- 5) Wesley Reinheller (personal guarantee);
- 6) Janice Reinheller (personal guarantee); and
- 7) 1252064 Alberta Ltd.

32. Phase 3 of the Sanderson Project is financed by way of the following secured lending facilities (as listed in order of priority of security against Phase 3):

- (a) Lender: Monarch Land Ltd. ("Monarch") – \$2,048,580 outstanding on loan.

The Monarch loan for the Sanderson Project is secured in 1st priority against Phase 3. The following are guarantors for the Monarch loan granted in respect of the Sanderson Project:

- 1) Medican Developments Inc.; and
- 2) R7 Developments Ltd.

- (b) Lender: CIBC construction loan (as described above)

- (c) Lender: CIBC inventory loan (as described above)

- (d) Lender: Harbour loan (as described above)

- (e) Secured Party: Avia Insurance Company of Canada ("Avia") (Deposit Protection Insurance Facility).

The purpose of the Avia security is to enable the release of deposits from trust so that they may be used as a source of project financing. Avia is secured in 5th (last) priority against Phase 3, and is secured 4th in priority (last) against Phase 4A of the Sanderson Project.

33. Phase 4A of the Sanderson Project is financed by way of the following secured lending facilities (as listed in order of priority of security against Phase 4A):

- (a) Lender: CIBC construction loan (as described above)

- (b) Lender: Monarch loan (as described above)

- (c) Lender: CIBC inventory loan (as described above)

- (d) Secured Party: Avia deposit protection insurance facility (as described above)
34. Phase 4B of the Sanderson Project is financed by way of the following secured lending facilities (as listed in order of priority of security against Phase 4):
- (a) Lender: Monarch loan (as described above)
 - (b) Lender: CIBC construction loan (as described above)
 - (c) Lender: CIBC inventory loan (as described above)
35. In addition, all of the Sanderson project is still encumbered by an unpaid vendor's caveat in favour of Rosamund Sanderson who is entitled to a completed unit in the Sanderson project. The caveat has been postponed to all of the above lenders.
36. In addition, there are the following unsecured debts owing in respect of the Sanderson Project:
- (a) Deferred Trade Payables: \$4,119,940;
 - (b) Accounts Payable: \$1,613,000;
 - (c) Holly Oak Homes (loan): \$ 2,874,500; and
 - (d) Stafford (loan): \$15,000,000 + \$1,750,000 in accrued interest.
37. The total amount of debt secured against the Sanderson Project that remains outstanding is \$58,869,949. The expected equity value of the upon completion of the Sanderson Project is \$30,000,000.

Riverstone Condominium (Medicine Hat)

38. Riverstone Condominium (Medicine Hat) is a residential real estate project located at Medicine Hat, Alberta, which is planned to yield upon its completion a 3-phase, 136 unit condominium complex (the "Riverstone Project"). Riverstone (Medicine Hat) Developments Ltd., an Alberta corporation, is the developer and primary borrower for this project.
39. Construction is complete on Phase 1, with 40 units already complete and up for sale, and 35 units sold and closed. Phases 2 and 3 as yet remain as bare land. It is expected that construction on the project will be complete by June 1, 2014.
40. Phase 1 of the Riverstone Project is financed by way of the following secured lending facility:
- (a) Lender: CIBC Inventory Loan - \$184,000 outstanding on loan.

The CIBC loan is secured in 1st priority against the Riverstone Project. The following are guarantors under for the CIBC loan granted in respect of the Riverstone Project:

- 1) Medican Developments Inc.;
 - 2) Medican Construction Ltd.;
 - 3) Medican Holdings Ltd.;
 - 4) R7 Investments Ltd.;
 - 5) Wesley Reinheller (personal guarantee); and
 - 6) Janice Reinheller (personal guarantee).
41. The lands of Phases 2 and 3 of the Riverstone Project are financed by way of the following secured lending facility:
- (a) Lender: Carry Investments Ltd. – \$4,500,000 mortgage on the Phase 2 and 3 lands.
42. The Carry Investment Ltd. loan is secured in 1st against the lands of Phases 2 and 3 of the Riverstone Project. The following are guarantors for the loan granted by Carry Investments Ltd. in respect of the Riverstone Project:
- 1) Medican Developments Inc.;
 - 2) Medican Construction Ltd.;
 - 3) Wesley Reinheller (personal guarantee); and
 - 4) Janice Reinheller (personal guarantee).
43. The total amount of debt secured against the Riverstone Project that remains outstanding is \$1,334,000. The expected equity value of the upon completion of the Riverstone Project is \$567,414.

Axxess Sylvan Lake

44. Axxess Sylvan Lake is a real estate development project located at Sylvan Lake, Alberta, for which its is planned upon its completion to yield a 3-phase, 169 unit condominium complex (the “Axxess Sylvan Lake Project”). Axxess (Sylvan Lake) Developments Ltd., an Alberta corporation, is the developer of this project and is the primary borrower under the project’s lending facilities.
45. Phase 1 of the Axxess Sylvan Lake Project is complete, with one unit remaining to sell. Pre-sales on Phase 2 have commenced, but as yet construction has not started. Phase 3 has yet to be commenced and sits as bare land. It is expected the project will be complete by June 1, 2012.
46. Phase 1 of the of the Axxess Sylvan Lake Project is financed by way of the following secured lending facilities:

- (a) Lender: CIBC (construction loan) – Nil outstanding on loan.
- (b) Lender: CIBC (inventory loan) – \$181,125 outstanding on loan.

The CIBC loans are secured in 1st priority against Phase 1 of the Axxess Sylvan Lake Project. The CIBC construction loan has been paid out but remains on title against the lands of Phase 1 until the final unit has been sold. Upon sale of the final unit, CIBC will discharge its security in respect of both the construction loan and inventory loan.

47. Phases 2 and 3 of the Axxess Sylvan Lake Project are financed by way of the following secured lending facility:

- (a) Lender: Monarch Land Ltd. – \$2,853,812 (including bonus amounts) outstanding on loan.

The Monarch loan for the Axxess Sylvan Lake Project is secured in 1st priority against the lands of Phases 2 and 3 of the project. The following are guarantors for the Monarch loan granted in respect of the Axxess Sylvan Lake Project:

- 1) Medican Developments Inc.; and
- 2) Janice Reinheller (personal guarantee).

48. The total amount of debt secured against the Axxess Sylvan Lake project that remains outstanding (including bonus amounts not yet accrued) is \$3,034,812. The expected equity value of the upon completion of the Axxess Sylvan Lake project is \$3,401,552.

The Sierras of Michener Hill (Red Deer)

49. The Sierras of Michener Hill is a three-phase residential development located at Red Deer, Alberta (the “Michener Project”), that is planned to yield upon its completion a 4-story, 52 unit condominium complex (Phase 1), a similar number in Phases 2 and 3 and a 38 unit duplex community. Medican (Red Deer – Michener Hill) Developments Ltd., an Alberta corporation, is the developer of this project and is the primary borrower under the project’s lending facilities.
50. Construction on Phase 1 of the Michener Project is underway, with \$1,500,000 having been invested in infrastructure costs to prepare the lots for residence building. Construction on Phase 1 is expected to be completed by December 24th, 2010. Construction on Phase 2 has not yet commenced, but is expected to begin by March 1, 2011, subject to the project meeting the required pre-sales to achieve construction financing on Phase 2 of the project.
51. Phase 1, 2 and 3 of the Michener Project are financed by way of the following secured lending facilities:
- (a) Lender: Paragon Capital Corporation Ltd. - \$2,515,419

(b) Lender: 933680 Alberta Ltd. – \$915,728 outstanding on loan.

The loan by Paragon Capital Corporation Ltd is secured in 1st priority against the lands of Phases 1, 2, and 3 of the Michener Project. The following are guarantors for the Paragon Capital Corporation Ltd loan granted in respect of the Michener Project:

- 1) Medican Developments Inc.;
- 2) Medican Construction Ltd.; and
- 3) Wesley Reinheller (personal guarantee).

The loan by 933680 Alberta Ltd. is secured in 2nd position against the lands of Phases 1, 2, and 3 of the Michener Project. The following are guarantors for the 933680 Alberta Ltd. loan granted in respect of the Michener Project:

- 1) The Estates of Valleydale Developments Ltd.;
- 2) Homes by Kingsland Ltd.;
- 3) Sylvan Lake Marina Developments Ltd.;
- 4) R7 Investments Ltd.;
- 5) 1144233 Alberta Ltd.;
- 6) Medican General Contractors 2010 Ltd.;
- 7) Medican Developments Inc.;
- 8) Medican Construction Ltd.;
- 9) Medican Holdings Ltd.;
- 10) Wesley Reinheller (personal guarantee); and
- 11) Janice Reinheller (personal guarantee).

52. The total amount of debt secured against the Michener Project that remains outstanding is \$3,431,147. The expected equity value of the upon completion of the Michener Project is \$7,300,000.

Cimmaron (Medicine Hat)

53. Cimmaron (Medicine Hat) is a 5-phase residential real estate project located at Medicine Hat, Alberta, for which it is planned upon its completion to yield an 1800 unit residential development (the “Cimmaron Project”). Medican Developments (Medicine Hat Southwest) Inc., an Alberta corporation, is the developer of this project and is the primary borrower under the project’s lending facilities and is presently registered owner of the

first 64 acres of the project. Expenditures for engineering, planning and underground work in the amount of approximately \$1,500,000 have been incurred and an agreement for sale for 6 acres of commercial land to yield \$2,345,000 is expected to close in 60 days.

54. Phase 1 of the Cimmaron Project comprising 32 acres is financed by way of the following secured lending facility:

(a) Lender: Bancorp Balanced Mortgage Fund Ltd. and Bancorp Financial Services Ltd. ("Bancorp") – \$1,200,000 outstanding on loan.

Bancorp is secured in 1st priority against the lands of Phase 1 of the Cimmaron Project, being legally described as Plan 0614556, Block 1, Lot 1. The following are guarantors for the Bancorp loan granted in respect of the Cimmaron Project:

- 1) Medican Developments Inc.;
- 2) Medican Construction Ltd.; and
- 3) Wesley Reinheller (personal guarantee).

55. Phase 2 of the Cimmaron Project comprising of an additional 32 acres is financed by way of the following secured lending facility:

(a) Lender: 292561 Alberta Inc. (on behalf of B2B Trust) – \$1,000,000 outstanding on loan.

292561 Alberta Inc. has a 1st priority mortgage over lands of Phase 2 of the Cimmaron Project, legally described a Plan 0810982, Block 1, Lot 2. The following are guarantors for the 292561 Alberta Inc. loan granted in respect of the Cimmaron Project:

- 1) Medican Developments Inc.;
- 2) Medican Construction Ltd.;
- 3) Medican Holdings Ltd.;
- 4) R7 Investments Ltd.;
- 5) Janice Reinheller (personal guarantee); and
- 6) Wesley Reinheller (personal guarantee).

56. Title to the remaining 96 acres of land in the Cimmaron Project remains in the name of the Vendor, Hatview Dairy Farm Ltd., and Medican Developments (Medicine Hat Southwest) Inc. has an option to Purchase these lands for \$4,500,000 plus accrued interest of \$263,383.

Foundation Capital has agreed to purchase Medican's interest in the Cimmaron project for \$3,700,000 and an assumption of all of the abovementioned debt on the lands. The total amount of debt secured against the Cimmaron Project that remains outstanding is presently \$2,200,000. The expected equity value of the upon completion of Phases 1 and 2 of the Cimmaron Project is \$12,000,000.

Sitara on the Pond (Kelowna)

57. Sitara on the Pond (Kelowna) is a condominium project located at Kelowna, British Columbia that is a completed 2 phase condominium project (the "Sitara Project"). Lake Country (SITARA) Developments Ltd., a British Columbia corporation, is the developer of this project and is the primary borrower under the project's lending facilities.
58. The Sitara Project is financed by way of the following secured lending facilities:
- (a) Lender: CIBC (Inventory Loan) – \$983,186 outstanding on loan.

The CIBC inventory loan is secured in 1st priority over lands of Phases 1 and 2 of the Sitara Project. The following are guarantors for the for the CIBC inventory loan granted in respect of the Sitara Project:

- 1) Medican Developments Inc.;
- 2) Medican Construction Ltd.;
- 3) Medican Holdings Ltd.;
- 4) R7 Investments Ltd.;
- 5) Wesley Reinheller (personal guarantee); and
- 6) Janice Reinheller (personal guarantee).

- (b) Lender: Holly Oak Homes – \$2,729,787 outstanding on loan.

The Holly Oak Homes loan is secured against certain units of Phases 1 and 2 of the Sitara Project.

59. The total amount of debt secured against the Sitara Project that remains outstanding is \$3,712,973. There is no expected equity value upon the completion of the Sitara Project at this time.

Cercle des Cantons (Bromont, Quebec)

60. Cercle des Cantons (Bromont, Quebec) is a 480 unit condominium community, located on the slopes of Bromont Ski Resort at Bromont, Quebec (the "Bromont Project"). There are eight planned phases and Phase I and II are complete. This project is being developed by Cercle des Cantons, S.E.C. (A Partnership) (the "Bromont Partnership"). The Bromont Partnership has as its partners the following companies:

(a) Medican Enterprises Inc. (carrying on business in respect of this project as "Cercle des Cantons"), an Alberta corporation, as a general partner; and

(b) Medican Developments Inc., an Alberta corporation, as a limited partner.

61. Construction is complete on 110 of the 480 units of the Bromont Project, and 91 of those completed units have been sold for revenues of approximately \$10,000,000.

62. The Bromont Project is financed by the following secured lending facility:

(a) Lender: Harbour Mortgage Corp. ("Harbour")

The Harbour loan was provided as construction financing for the Bromont Project, and is secured against the Bromont lands (1) the remaining 19 unsold units in the Bromont Project (the "Bromont Advance"); and (2) a single story retail building located in Kelowna, British Columbia ("Kelowna Move Sales Center") that is owned by Medican (Kelowna Move) Developments Ltd. and is used as a sales center for real estate developments of Medican Projects in the area (the "Kelowna Sales Center Advance").

There is \$1,887,501 outstanding in respect of the Bromont Advance and \$1,500,000 outstanding in respect of the Kelowna Sales Center Advance.

63. Medican (Kelowna Move) Developments Ltd. is the named primary borrower under the Harbour loan for the Bromont Project. The following are guarantors for the Harbour loan:

- 1) Cercle des Cantons, S.E.C.;
- 2) Medican Holdings Inc.;
- 3) Medican Developments Inc.;
- 4) Medican Construction Ltd.;
- 5) R7 Investments Inc.;
- 6) Wesley Reinheller (personal guarantee); and
- 7) Janice Reinheller (personal guarantee).

64. In addition to the secured lending facility, Warren Isrealson and Dwayne Betzsil each individually loaned funds to Medican (Kelowna Move) Developments Ltd. for the development. The amounts of the loans were \$1,500,000 and \$500,000 respectively.

65. The total amount of debt secured against the Bromont Project and the Move Sales Center that remains outstanding is \$3,387,501. The total unsecured debt that remains outstanding against Bromont Project is \$2,000,000. The expected equity value of the upon the completion of phase II of the Bromont Project is \$2,735,375.

Sonata Ridge (Lot C)

66. Sonata Ridge is a multi-family project located at Lake Country, British Columbia (the "Sonata Ridge Project"). Sonata Ridge (Kelowna) Developments Ltd., a British Columbia corporation, is the developer of the this project and is the primary borrower in respect of the project's lending facilities.
67. The lands for the Sonata Ridge Project have been acquired. Construction on this project has not yet commenced. It is planned that the Sonata Ridge Project will be a 213 unit condominium complex.
68. The lands for the Sonata Ridge Project were acquired in connection with the following secured lending facility:
- (a) Lender: Laurentian Bank of Canada ("Laurentian") - \$3,833,333 outstanding on loan.
- Laurentian is secured in 1st priority over the lands of the Sonata Ridge Project.
- (b) Lender: Carry Investments - \$3,000,000 outstanding on loan.
69. The total amount of debt secured against the Sonata Ridge Project that remains outstanding is \$6,833,333. The expected equity value upon the completion of the Sonata Ridge Project is \$8,000,000.

Sylvan Lake – Dipert Land

70. Medican Developments Inc. acquired from Myrna Dipert lands located near Sylvan Lake, Alberta for the development of a residential real estate project (the "Sylvan Lake Dipert Project"). The lands are legally described as SW Quarter of Section 28, Township 38, Range 1, West of the 5th (the "Dipert Lands"). It is planned that Medican (Sylvan Lake Developments Ltd. an Alberta corporation, will be the developer for this project.
71. The acquisition of the Dipert Lands was financed by the following secured lending facility, which is secured in priority against the Dipert Lands:
- (a) Dipert - \$3,924,152 outstanding on unsecured loan.
- (b) Dundas/Fuller - \$800,000 mortgage with \$800,000 outstanding on loan.

Sylvan Lake Marina

72. Sylvan Lake Marina is a single phase condominium project, located at in Sylvan Lake, Alberta (the "Sylvan Lake Marina Project"). The Lands are currently owned by 933028 Alberta Ltd. Sylvan Lake Marina Developments Ltd. currently has a \$4,800,000 option to purchase the Sylvan Lake Marina Project lands for a period of 24 months. Sylvan Lake Marina Developments Ltd. expects to execute its options on the lands and commence construction on the lands within 12 months.

Lexington

73. Lexington is an townhouse project, located at Medicine Hat, Alberta (the “Lexington Project”). Homes by Kingsland Ltd. is the developer and primary borrower under the project’s lending facilities.
74. Construction on the project is complete.
75. The Lexington Project is financed by way of the following secured lending facilities:
- (a) Lender: CIBC (inventory loan): \$439,238 outstanding on loan.

The CIBC loan is secured in first priority against the lands of the Lexington Project. The following are guarantors for the CIBC loan granted in respect of the Lexington Project:

- 1) Medican Developments Inc.;
 - 2) Medican Construction Ltd.;
 - 3) Medican Holdings Ltd.;
 - 4) R7 Investments Ltd.;
 - 5) Wesley Reinheller (personal guarantee); and
 - 6) Janice Reinheller (personal guarantee).
76. The total amount of debt secured against the Lexington Project that remains outstanding is approximately \$300,900. The expected equity value of the upon completion of the Lexington Project is \$80,000.

High River (Montrose)

77. High River (Montrose) is a residential condominium project for approximately 120 units, located at High River, Alberta (the “High River (Montrose) Project”) 1344241 Alberta Ltd. is the proposed developer of the project.
78. The construction has not yet started.
79. Medican has paid a deposit of \$500,000 to Dundee Realty Corporation towards closing for the purchase of the lands.

Edgewood Brooks

80. The remaining Edgewood Brooks Properties comprise 2 buildings, containing 5 and 6 unit townhouses, respectively, located at Brooks, Alberta (the “Edgewood Brooks Project”). Homes by Kingsland Ltd. is the developer.

81. Construction is underway on both the 5 and 6 unit town home buildings with 3 of the 5 available units pre-sold on the 5 unit building.
82. Based on the pre-sales and final equity value from Homes by Kingsland Ltd., Bank of Montreal is prepared to fund the Edgewood Brooks Project.
83. There is no current outstanding construction financing that has been advanced. Amounts are due to the Vendor of the land and to trade creditors. There is no significant equity value expected upon the completion of the Edgewood Brooks Project.

Valleydale

84. The Estates of Valleydale is a 24 lot single family development, located in Medicine Hat (the "Valleydale Project") The Estates of Valleydale Developments Ltd. is the developer and primary borrower under the project's lending facilities.
85. This project is 95% complete.
86. The Valleydale Project is financed by way of the following secured lending facilities:
 - (a) Lender: Worthington

The \$450,000 loan is secured in first priority against the lands of the Valleydale Project. The following are guarantors for the \$450,000 loan granted in respect of the Valleydale Project:

- 1) Janice Reinheller (personal guarantee).

The total amount of debt secured against the Valleydale Project that remains outstanding is \$450,000. The expected equity value of the upon completion of the Valleydale Project is \$300,000.

Elements (Grande Prairie) Developments Ltd.


87. Elements (Grande Prairie) Developments Ltd., an Alberta corporation, is a wholly subsidiary of Medican Holdings Ltd., and was created in order to develop a contemplated residential project in Grande Prairie. The land upon which the project was to be developed was transferred to Elements (Grande Prairie) Developments Ltd. from Henry Hamn on the condition that the project would be completed. However, the project never materialized, and as such, the Medican Group is now in the process of transferring the land back to Henry Hamn.

Watercrest (Sylvan Lake) Developments Ltd.

88. Watercrest (Sylvan Lake) Developments Ltd., an Alberta corporation, is a wholly owned subsidiary of Medican Holdings Ltd. This company was created in respect of a contemplated condominium development project located at Sylvan Lake. The company has an option to purchase land that it will not likely exercise as the it appears the cost of

the project will be excessive, and therefore the project does not appear to be viable. However, pre-sales on the contemplated project took place, and there are 22 purchasers who have given deposits to the Medican Group in the total amount of approximately \$450,000.

END DOCUMENT

THIS IS EXHIBIT " D " referred to in the Affidavit of Wesley Reinhold Sworn before me this 25 Day of May A.D. 2010

A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Rebecca Lewis
Barrister & Solicitor

Medican Group of Companies
Combined Financial Statements
March 31, 2009
(Unaudited)

Review Engagement Report

To the Shareholders of Medican Group of Companies:

We have reviewed the combined balance sheet of Medican Group of Companies as at March 31, 2009 and the combined statements of earnings (loss), retained earnings and cash flows for the year then ended. These combined financial statements have been prepared in accordance with Canadian generally accepted accounting principles using differential reporting options available to non-publicly accountable enterprises, as described in Note 2 to the combined financial statements. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Group.

A review does not constitute an audit and consequently we do not express an audit opinion on these combined financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these combined financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Edmonton, Alberta

October 25, 2009

Chartered Accountants

Medican Group of Companies
Combined Balance Sheet
As at March 31, 2009
(Unaudited)

	2009	2008
Assets		
Cash and guaranteed investment certificates (Note 4)	5,790,928	20,844,709
Accounts receivable	14,089,291	32,004,358
Inventory (Note 5)	234,825,900	210,759,642
Prepaid expenses and deposits	98,832	101,541
Property and equipment (Note 6)	12,045,047	11,923,926
Investments (Note 7)	10,418	10,418
Due from related parties (Note 7)	1,635,903	621,329
Due from joint venture participants (Note 7)	828,062	4,891,664
Other receivables (Note 8)	1,312,672	1,410,215
Future income taxes recoverable	3,669,900	2,430,552
	274,306,953	284,998,354
Liabilities		
Bank indebtedness (Note 9)	183,848,852	193,612,103
Accounts payable and accruals	44,296,172	36,882,842
Income taxes payable	2,122,674	1,314,815
Customer deposits	9,244,374	15,839,166
Long-term debt (Note 9)	7,024,773	6,403,136
Due to related parties (Note 10)	1,604,173	1,363,278
Due to joint venture participants (Note 10)	4,476,088	11,049,761
Payable to shareholders and directors (Note 11)	2,087,450	190,587
Executive compensation payable (Note 12)	13,548,900	10,195,698
Future income taxes payable	1,272,400	1,897,866
	269,525,856	278,749,252
Commitments (Note 13)		
Financial guarantees and contingencies (Note 14)		
Shareholders' Equity		
Share capital (Note 15)		
Common shares	1,795	1,795
Class K and L preferred shares, redeemable and retractable at \$4,410,095	176	176
	1,971	1,971
Retained earnings	4,779,126	6,247,131
	4,781,097	6,249,102
	274,306,953	284,998,354

Approved on behalf of the Board

Director

The accompanying notes are an integral part of these financial statements

Medican Group of Companies
Combined Statement of Earnings (Loss)
For the year ended March 31, 2009
(Unaudited)

	2009	2008
Sales	165,696,176	137,444,285
Cost of sales	144,584,304	118,209,232
Gross margin	21,111,872	19,235,053
General and administrative expenses (Schedule 1)	10,422,363	9,366,828
Earnings from operations	10,689,509	9,868,225
Other items		
Interest income	358,135	217,421
Gain on disposal of property and equipment	12,695	100,479
Management bonus (Note 12)	-	(5,651,900)
Impairment loss on inventory	(4,490,502)	-
Employee profit sharing plan (Note 12)	(8,956,000)	-
	(13,075,672)	(5,334,000)
Earnings (loss) before income taxes	(2,386,163)	4,534,225
Provision for (recovery of) income taxes		
Current	946,656	1,228,627
Future	(1,864,814)	536,890
	(918,158)	1,765,517
Net earnings (loss)	(1,468,005)	2,768,708

The accompanying notes are an integral part of these financial statements

Medican Group of Companies
Combined Statement of Retained Earnings
For the year ended March 31, 2009
(Unaudited)

	2009	2008
Retained earnings, beginning of year	6,247,131	3,478,423
Net earnings (loss)	(1,468,005)	2,768,708
Retained earnings, end of year	4,779,126	6,247,131

The accompanying notes are an integral part of these financial statements

Medican Group of Companies
Combined Statement of Cash Flows
For the year ended March 31, 2009
(Unaudited)

	2009	2008
Cash provided by (used for) the following activities		
Operating activities		
Net earnings (loss)	(1,468,005)	2,768,708
Amortization	1,232,712	1,040,963
Future income taxes	(1,864,814)	536,890
Gain on disposal of property and equipment	(12,695)	(100,479)
Increase in executive compensation payable	3,353,202	5,602,799
	1,240,400	9,848,881
Changes in working capital accounts <i>(Note 17)</i>		
Net change in non-cash working capital items	19,544,175	(2,372,395)
Net change in development activities	(24,066,258)	(51,223,051)
	(3,281,683)	(43,746,565)
Financing activities <i>(Note 17)</i>		
Operating loan advances, net	-	62,529,819
Operating loan repayments, net	(3,905,311)	-
Advances on long-term debt, net	352,539	-
Repayments on long-term debt, net	-	(327,620)
Advances to related parties and joint venture participants, net	-	(1,847,139)
Repayments of advances to related parties and joint venture participants, net	3,049,028	-
Advances from related parties and joint venture participants, net	-	3,271,160
Repayment of advances from related parties and joint venture participants, net	(6,332,780)	-
Advances from shareholders and directors, net	1,896,863	-
Repayment of advances from shareholders and directors, net	-	(2,604,462)
	(4,939,661)	61,021,758
Investing activities		
Purchase of guaranteed investment certificates	(1,762,779)	(3,761,257)
Proceeds on disposal of guaranteed investment certificates	4,193,995	369,940
Purchase of Investments	-	(5,000)
Purchases of property and equipment	(1,087,540)	(4,594,595)
Proceeds on disposal of property and equipment	15,500	703,254
Repayments of other receivables	97,543	38,885
	1,456,719	(7,248,773)
Increase (decrease) in cash resources	(6,764,625)	10,026,420
Cash resources, beginning of year	9,994,711	(31,709)
Cash resources, end of year <i>(Note 4)</i>	3,230,086	9,994,711

The accompanying notes are an integral part of these financial statements

Medican Group of Companies
Notes to the Combined Financial Statements
For the year ended March 31, 2009
(Unaudited)

1. Operations and basis of presentation

Operations

Medican Group of Companies (the "Group") constructs and sells luxury condominiums, destination properties, contemporary living condominiums, and cement infrastructures, provides construction planning and execution services, and develops raw land in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, and Quebec.

Basis of presentation

These combined financial statements include the consolidated accounts of R7 Investments Ltd. and its wholly owned subsidiaries as well as the consolidated accounts of Medican Holdings Inc. and its wholly owned subsidiaries.

2. Significant accounting policies

The Group, with the unanimous consent of its shareholders, has elected to prepare its financial statements in accordance with Canadian generally accepted accounting principles, using the differential reporting options available to non-publicly accountable enterprises, including the following significant accounting policies:

Preferred shares issued under tax planning arrangements

The Group has elected to apply the differential reporting option allowed for preferred shares issued in tax planning arrangements and, accordingly, classifies these shares as equity.

These shares have been recorded at their stated value. Upon redemption, any excess of redemption proceeds over the stated value of the shares is recognized first as a charge to Contributed Surplus, to the extent that previous transactions resulted in a Contributed Surplus balance, and then as a charge to retained earnings.

Any distributions, including dividends, from the Group to the holders of redeemable preferred shares issued under tax planning arrangements are charged to the Group's equity accounts.

Fair value disclosure

The Group has elected to apply the differential reporting option allowed for disclosure of fair value information and, accordingly, has elected not to disclose fair value information about financial assets and liabilities for which fair value was not readily obtainable.

Investments in significantly influenced entities

The Group has elected to apply the differential reporting option allowed for significantly influenced entities and, accordingly, accounts for all investments subject to significant influence using the cost method. Investment in companies subject to significant influence (those companies in which interests ranging from 20% to 50% are held) is recorded at cost, less any provisions for other than temporary impairment.

All transactions with significantly influenced entities are disclosed as related party transactions.

In addition, the Group has applied the following significant accounting policies without reference to differential reporting:

Revenue recognition

Revenue from the sale of condominium units is recognized once all significant conditions have been met, title has passed to the purchaser, or the purchaser has moved into the condominium unit, and collection of the proceeds from sale is reasonably assured. Condominium units which have been sold, but for which these criteria have not been satisfied, are included in inventory.

Revenue from cost-plus construction planning and execution services is recognized progressively as earned. Any excess of progress billings over earned revenue on construction contracts is carried as deferred contract revenue in the financial statements.

Revenue from the sale of land is recognized when title passes to the purchaser upon closing, all material conditions of the sales contract have been met and collectibility is evident.

Revenue from contract services is recognized as the services are rendered.

Medican Group of Companies
Notes to the Combined Financial Statements
For the year ended March 31, 2009
(Unaudited)

2. **Significant accounting policies** (Continued from previous page)

Cash and guaranteed investment certificates

Cash and guaranteed investment certificates include cash on deposit, term deposits with a term to maturity, at the date of purchase, of three months or less, and cash held in trust.

Inventory

Inventory consists of land under development and held for future development, construction costs including capitalized labour, supplies, capitalized interest and financing fees on condominium units that are held for sale and is recorded at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

The Group capitalizes all direct costs relating to property held for future development and property under development. In addition, carrying costs such as interest on debt specifically related to the project, property taxes and interest on construction financing considered applicable to the investment in the project are capitalized. In the event the net realizable values of specific properties held for development do not exceed their capitalized carrying value, additional interest and carrying costs relating to the properties are charged to current operations and are not capitalized. Operational administrative overhead expenses are not capitalized.

Property and equipment

Property and equipment are initially recorded at cost. Amortization is provided using the following methods at rates intended to amortize the cost of assets over their estimated useful lives:

	<i>Method</i>	<i>Rate</i>
Buildings	declining balance	4-5 %
Portable show offices	declining balance	10 %
Automotive	declining balance	30 %
Computer equipment	declining balance	30 %
Equipment	declining balance	20 %
Leasehold improvements	straight-line	3 years
Office equipment	declining balance	20 %
Radio and communication equipment	declining balance	8 %
Trailers	declining balance	10 %

In the year of acquisition, amortization is taken at one-half of the above rates.

Long-lived assets

Long-lived assets consist of property and equipment. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Group performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in earnings for the year.

Prices for similar items are used to measure fair value of long-lived assets.

Leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on the declining balance basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Medican Group of Companies
Notes to the Combined Financial Statements
For the year ended March 31, 2009
(Unaudited)

2. **Significant accounting policies** *(Continued from previous page)*

Investments in joint ventures

Investments in companies subject to joint control are accounted for using the proportionate consolidation method. The Group's pro-rata share of the assets, liabilities, revenues and expenses of the joint venture have been combined on a line-by-line basis with similar items of the Group.

Future income taxes

The Group follows the asset and liability method of accounting for future income taxes. Under this method, future income tax assets and liabilities are recorded based on temporary differences between the carrying amount of balance sheet items and their corresponding tax bases. In addition, the future benefits of income tax assets, including unused tax losses, are recognized, subject to a valuation allowance, to the extent that it is more likely than not that such future benefits will ultimately be realized. Future income tax assets and liabilities are measured using enacted tax rates and laws expected to apply when the tax liabilities or assets are to be either settled or realized.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for warranty and after-sales service costs. Amortization is based on the estimated useful lives of property and equipment. Net realizable value of specific properties under development and held for development are estimated based on market conditions prevailing at the time. Investments in joint ventures are proportionately consolidated based on the Group's share of budgeted total profit.

The calculation of future income tax is based on assumptions, which are subject to uncertainty as to timing and which tax rates are expected to apply when temporary differences reverse. By their nature, these estimates are subject to measurement uncertainty, and the effect on the combined financial statements from changes in such estimates in future years could be significant.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

Financial instruments

All significant financial assets, financial liabilities and equity instruments of the Group are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows and interest rate, currency or credit risk.

Recent accounting pronouncements

Financial instruments exemption for private enterprises

In September 2008, the Accounting Standards Board (AcSB) released a decision to exempt private enterprises from implementation of the current financial instruments standards. Effective immediately, private enterprises are no longer required to apply CICA 1530 Comprehensive income; CICA 1651 Foreign currency translation; CICA 3051 Investments; CICA 3251 Equity; CICA 3855 Financial instruments – recognition and measurement; CICA 3862 Financial instruments – disclosures; CICA 3863 Financial instruments – presentation; and CICA 3865 Hedges, including minor consequential amendments made to other related standards. However, the Group is required to continue to present and disclose its financial instruments in accordance with CICA 3860 Financial instruments – disclosure and presentation.

Medican Group of Companies
Notes to the Combined Financial Statements
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3. Change in accounting policies

Inventory

Effective April 1, 2008, the Group adopted the Canadian Institute of Chartered Accountants' new recommendation for inventory under CICA 3031 *Inventories*. The new Section provides guidance on the measurement and disclosure of inventories. The new recommendation establishes that inventories should be measured at the lower of cost and net realizable value and provides guidance on the determination of cost. There was no material impact on the combined financial statements from the retrospective application of the new accounting recommendations.

Capital disclosures

Effective April 1, 2008, the Group adopted the Canadian Institute of Chartered Accountants' new recommendations for disclosures about capital. Section 1535 *Capital Disclosures* prescribes disclosure regarding whether a non-publicly accountable enterprise has complied with any externally imposed capital requirements, and if not, the consequences of such non-compliance.

The adoption of this new standard did not have a material impact on the Group's combined financial statements.

General Standards of Financial Statement Presentation

Effective April 1, 2008, the Group adopted the amendment to CICA Handbook Section 1400 *General Standards of Financial Statement Presentation*. This Section has been amended to include requirements to assess and disclose an entity's ability to continue as a going concern. When management is aware of material uncertainties related to events or conditions that may cast doubt on the Group's ability to continue as a going concern, those uncertainties are disclosed. In assessing the going concern assumption, management considers all available information about the future, which is at least, but is not limited to, twelve months from balance sheet date.

The adoption of this amendment to Section 1400 did not have a material impact on the Group's combined financial statements.

4. Cash and guaranteed investment certificates

	2009	2008
Cash	383,736	6,235,647
Cheques issued in excess of deposits received (<i>Note 9</i>)	(1,070,463)	(6,928,403)
Cash held in trust	3,916,813	10,687,467
<hr/>		
Cash and cash equivalents	3,230,086	9,994,711
Cheques issued in excess of deposits received presented as bank indebtedness (<i>Note 9</i>)	1,070,463	6,928,403
Guaranteed investment certificates	1,490,379	3,921,595
<hr/>		
	5,790,928	20,844,709

Guaranteed investment certificates are held as security against letters of credit issued.

Cash held in trust is comprised of customer deposits that have been received in trust by the solicitors of the Group. These funds are released to the Group when the legal title to the condominium unit has transferred to the purchaser and where all obligations on construction contracts have been met.

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(Unaudited)

5. Inventory

	2008	2007
Completed and under construction units	214,296,030	186,381,858
Land held for future development	17,919,236	21,808,353
Condominium units held for resale	713,000	713,000
Land and buildings held for resale	1,734,095	1,685,394
Supplies	163,539	171,037
	234,825,900	210,759,642

During the year, interest of \$7,382,373 (2008 - \$8,500,459) was capitalized to inventory. Capitalized interest of \$17,312,936 (2008 - \$12,960,726) remains in inventory at March 31, 2009.

6. Property and equipment

	Cost	Accumulated amortization	2009 Net book value	2008 Net book value
Land	1,209,381	-	1,209,381	1,209,381
Buildings	8,862,840	937,729	7,925,111	7,450,999
Portable show offices	151,706	69,393	82,313	91,454
Automotive	2,662,177	1,830,416	831,761	975,712
Computer equipment	778,835	625,578	153,257	201,301
Equipment	4,422,865	2,745,039	1,677,826	1,895,360
Leasehold improvements	141,627	141,627	-	4,854
Office equipment	348,864	206,392	142,472	66,949
Radio and communication equipment	37,545	22,537	15,008	16,314
Trailers	17,425	9,507	7,918	11,602
	18,633,265	6,588,218	12,045,047	11,923,926

Automotive and equipment includes assets under capital lease with an original cost of \$2,566,535 (2008 - \$2,345,103), and accumulated amortization of \$1,198,596 (2008 - \$805,808). During the year, amortization of \$392,788 (2008 - \$383,639) was recorded with respect to assets under capital lease.

During the year, property and equipment were acquired at an aggregate cost of \$1,356,638, of which \$269,098 (2008 - \$892,134) were acquired by means of capital leases and \$1,087,540 were acquired in cash.

Medican Group of Companies
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7. Investments and due from related parties and joint venture participants

	2009	2008
Investments		
Portfolio investments	5,004	5,004
Other investments	5,414	5,414
	10,418	10,418
Due from related parties		
1062415 Alberta Ltd.	195,452	212,390
1090772 Alberta Ltd.	105,876	79,767
Bears & Berries	-	161,854
1144233 Alberta Ltd.	1,054,449	93,607
Other related parties	280,126	73,711
	1,635,903	621,329
Due from joint venture participants		
Medican Grande Prairie Project Joint Venture	-	1,905,823
Sherwood Park North Townhouse Project	24,100	1,842,270
SL Developments Joint Venture	247,432	10,000
Sonata Ridge (Kelowna) Developments Joint Venture	412,030	153,432
Sierras of Inglewood (St. Albert) Developments Joint Venture	144,500	381,834
Axxess Sherwood Park Development Project Joint Venture	-	598,305
	828,062	4,891,664

1062415 Alberta Ltd. is controlled by the son of the shareholders and the son's spouse. 1090772 Alberta Ltd., Bears & Berries and 1144233 Alberta Ltd., which owns a rental property, are entities under common control. Medican Grande Prairie Project Joint Venture, Sherwood Park North Townhouse Project, SL Developments Joint Venture, Sonata Ridge (Kelowna) Developments Joint Venture, Sierras of Inglewood (St. Albert) Developments Joint Venture, and Axxess Sherwood Park Development Project Joint Venture are subject to joint control.

Amounts due from related parties are non interest bearing, unsecured and have no specified terms of repayment.

8. Other receivables

	2009	2008
Unsecured non-interest bearing note receivable with no specific terms of repayment from an officer of the Group	33,581	33,581
Unsecured non-interest bearing notes receivable with no specific terms of repayment from unrelated parties	152,655	252,476
Masterpiece - non-interest bearing with terms of repayment dependent upon occupancy levels of the Club Sierra projects and is secured by a non-interest bearing mortgage	1,000,000	1,000,000
Unsecured note receivable bearing interest at 2% annually, due November 2015 from the father of the shareholders	126,436	124,158
	1,312,672	1,410,215

Medican Group of Companies
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For the year ended March 31, 2009
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9. Bank indebtedness and long-term debt

	2009	2008
Cheques issued in excess of deposits received (Note 4)	1,070,463	6,928,403
Operating Lines - bearing interest at a varying rates of prime plus 1.3% to prime plus 1.5% with a weighted average interest rate at March 31, 2009 of 5.53% (2008 - 7.5%); due on demand	2,278,803	1,521,416
Demand Promissory Notes Payable - bearing interest at fixed rates varying from 6% to 20% with a weighted average interest rate at March 31, 2009 of 14.86% (2008 - 13.98%); no specific terms of repayment; secured by the assets of the Group and its shareholders and deposits on unsold condominiums in various projects; maturing at March 2010 or with no set date of maturity	10,094,660	8,751,768
Project Land Loans and Mortgages - bearing interest at fixed rates varying from 5% to 13.5% and variable rates of prime plus 1% to prime plus 9% with a weighted average interest rate at March 31, 2009 of 5.95% (2008 - 7.14%); monthly interest only payments; secured by first mortgages on land and second mortgages on phases of the properties, general assignment of any future purchase or sale, assignment of insurance, assignment of contracts, rents and leases, general security agreement, and promissory notes; maturing at varying dates from July 2009 to September 2011, but expected to be settled upon sale of related inventory in fiscal 2010	14,221,568	16,734,254
Project Construction Loans - bearing interest at fixed rates varying from 7% to 20% and variable rates of prime plus 0.5% to prime plus 19.25% with a weighted average interest rate at March 31, 2009 of 24.42% (2008 - 31.35%); monthly interest only payments with principal repayable from sales proceeds on condominium units; secured by first mortgages on projects and second mortgages on various phases of the projects, assignment of contracts, rents and leases, general security agreement, guarantees of shareholders, and promissory notes; maturing at varying dates from April 2009 to June 2010 or with no set terms of maturity, but expected to be settled upon sale of related inventory in fiscal 2010	133,229,235	141,230,412
Sold and Unsold Inventory Financing - bearing interest at fixed rates varying from 4.35% to 8.25% and variable rates of prime plus 1.5% to prime plus 3.75% with a weighted average interest rate at March 31, 2009 of 7.21% (2008 - 7.75%); monthly interest only payments with principal repayable from sales proceeds on condominium units; secured by first mortgages on projects and specific condominium units, assignment of rents, guarantees of shareholders, and promissory notes; maturing at varying dates from June 2009 to February 2010, but expected to be settled upon sale of related inventory in fiscal 2010	22,954,123	18,445,850
	183,848,852	193,612,103

The Group has established an operating line of credit to a maximum of the lesser of \$250,000 (2008 - \$250,000) or 90% of Medican Concrete Ltd.'s accounts receivable less holdbacks, outstanding cheques and all accounts payable.

The Group has established a \$9,791,397 (2008 - \$8,750,000) credit limit to provide for the issuance of Letters of Credit to municipalities, governments and other parties relating to construction projects undertaken by the Group. Letters of Credit issued are to be secured by deposit instruments issued by the lender.

Medican Group of Companies
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9. **Bank indebtedness and long-term debt** (Continued from previous page)

Security for the operating lines and the letters of credit includes a general security agreement on all present and future acquired property of the Group, unlimited corporate guarantees and registered security agreements of companies within the Group, specified property, an unlimited personal guarantee from a director of the Group, an assignment and postponement of any amounts owing to the Medican Group Executive Profit Sharing Plan and executive compensation, an assignment of life insurance on the life of a director of the Group to a maximum of \$200,000 and an assignment of fire and other perils insurance on business assets.

	2009	2008
Land and Building Loans and Mortgages - bearing interest at fixed rates varying from 3.7% to 12% and variable rates varying from prime minus 0.55% to prime plus 1.5% with a weighted average interest rate at March 31, 2009 of 6.08% (2008 - 6.26%); payable monthly including principal, interest, and property taxes; secured by general security agreements, underlying assets, collateral mortgages, corporate and personal guarantees, postponements of claim, and assignment of rents and leases; maturing at varying dates from April 2009 to February 2014	4,850,481	3,777,189
Equipment Loans - bearing interest at fixed rates varying from 0% to 13.16% and variable rates of prime plus 1% to prime plus 2.95% with a weighted average interest rate at March 31, 2009 of 6.98% (2008 - 6.98%); payable monthly including principal and interest; secured by underlying assets; maturing at varying dates from April 2009 to July 2013	2,174,292	2,625,947
	7,024,773	6,403,136

Included in the equipment loans are capital lease obligations of \$1,680,123 (2008 - \$1,887,572).

Principal repayments on long-term debt until extinguished, assuming term debt is subject to contractual terms of repayment, and minimum lease payments related to the obligations under capital lease are estimated as follows:

	Long-term debt	Capital lease obligations	Total
2010	592,037	690,662	1,282,699
2011	305,806	593,685	899,491
2012	269,290	442,860	712,150
2013	246,662	205,606	452,268
2014	207,427	31,030	238,457
Thereafter	3,723,428	-	3,723,428
	5,344,650	1,963,843	7,308,493
Less: imputed interest	-	283,720	283,720
	5,344,650	1,680,123	7,024,773

Certain bank indebtedness, long-term debt and letters of credit have terms and conditions that require measurable covenants be met both on a combined basis and on an individual company basis. The Group has covenants with respect to current ratio and total equity. Individual companies have covenants with respect to unit sales prices, current ratio, total equity, debt service ratio and debt to equity ratio. As at March 31, 2009, the Group is in compliance with all such covenants. It is management's opinion that the Group is likely to remain in compliance with all long-term debt covenants throughout the next 12 months subsequent to March 31, 2009.

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10. Due to related parties and joint venture participants

	2009	2008
Due to related parties		
Jamaris Holdings Ltd.	500,000	500,000
Kingsland Developments Inc.	222,714	651,008
Other related parties	881,459	212,270
	1,604,173	1,363,278
Due to joint venture participants		
Medican Grande Prairie Project Joint Venture	-	1,817,227
Axxess Sherwood Park Development Project Joint Venture	-	2,775,650
Sherwood Park North Townhouse Project	1,815,473	3,778,702
Sierras of Inglewood (St. Albert) Developments Joint Venture	344,500	344,500
Sonata Ridge (Kelowna) Developments Joint Venture	907,358	1,159,337
Laebon Beacon Hill Holdings Ltd.	1,408,757	1,174,345
	4,476,088	11,049,761

Jamaris Holdings Ltd. is controlled by the son of the shareholders. Kingsland Developments Inc. is controlled by the daughter of the shareholders and the daughter's spouse.

Medican Grande Prairie Project Joint Venture, Axxess Sherwood Park Development Project Joint Venture, Sherwood Park North Townhouse Project, Sierras of Inglewood (St. Albert) Developments Joint Venture, and Sonata Ridge (Kelowna) Developments Joint Venture are subject to joint control. Laebon Beacon Hill Holdings Ltd. is the co-venturer in SL Developments Joint Venture.

Amounts due to related parties are non interest bearing, unsecured and have no specified terms of repayment.

11. Payable to shareholders and directors

	2009	2008
Directors	387,676	190,587
Shareholders	1,699,774	-
	2,087,450	190,587

Amounts owing to shareholders and directors are unsecured, non-interest bearing and due on demand.

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12. Related party transactions

The Group, in the normal course of business operations, enters into transactions with related parties. Except as otherwise noted below, all such transactions occur at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the year the Group paid Kingsland Developments Inc., a company controlled by the daughter of the shareholders and the daughter's spouse, \$643,843 (2008 - \$883,019) for services performed.

During the year, the Group made option payments to 1062415 Alberta Ltd., a company controlled by the son of the shareholders and the son's spouse, in the amount of \$60,000 (2008 - \$60,000) to secure the right of future purchase of a parcel of land.

During the year, contributions were made to the Medican Group Executive Profit Sharing Plan in the amount of \$8,956,000 (2008 - \$500) and bonuses of nil (2008 - \$5,651,900) were declared. It is the intention of the ultimate recipients of the executive compensation to loan the unpaid portion of the contributions and bonuses at year-end back to the Group.

13. Commitments

The Group has entered into a land purchase agreement whereby the Group has agreed to make payments on a per unit basis within 30 days of the closing date. The Group has committed to construct 280 units on the land, however, in the event that the project proceeds with fewer than 280 units, the purchase price will be adjusted upwards proportionately per door to reflect the lower number units produced. The purchase price will be calculated as follows:

- a) \$15,000 per unit closed from August 2008 to July 2009;
- b) \$20,000 per unit closed from August 2009 to July 2010;
- c) \$25,000 per unit closed from August 2010 to July 2011; and
- d) \$30,000 per unit closed after July 2011.

In addition, The Group has entered into various equipment and vehicle lease agreements with estimated minimum annual payments as follows:

2010	196,218
2011	26,527
2012	3,110

14. Financial guarantees and contingencies

During the year, the Group provided corporate guarantees for debts incurred by related companies comprised of a corporate guarantee for the debt of Kingsland Developments Inc. in the amount of \$3,500,000 (2008 - \$4,500,000) of which \$695,125 (2008 - \$1,000,000) remains outstanding, and a corporate guarantee for the debt of 1062415 Alberta Ltd. in the amount of \$490,000 (2008 - \$490,000) of which nil (2008 - nil) remains outstanding. Payments under these guarantees, which will remain in place for the next 12 months, are triggered upon an event of default. As at March 31, 2009, no liabilities have been recorded with association to these guarantees by the Group.

In the normal course of operations, the Group has letters of credit outstanding in the amount of \$1,490,379 (2008 - \$4,614,095). Of the total letters of credit outstanding, \$1,490,379 (2008 - \$3,921,595) are secured by cash on deposit held by a financial institution (note 4).

The Group has been named in a number of claims and lawsuits seeking damages and other relief in an aggregate amount of \$4,355,630 (2008 - \$5,088,966). It is impossible at this time for the Group to predict with any certainty the outcome of such litigation. However, management is of the opinion, based upon information presently available, that it is unlikely that any liability, to the extent not provided for through insurance or otherwise, would be material in relation to the Group's financial position.

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15. Share capital

	2009	2008
R7 Investments Ltd.		
Authorized:		
Unlimited Class A and B common voting shares		
Unlimited Class K and L non-cumulative maximum 12% per annum preferred voting shares redeemable and retractable at \$5,481 per share for the Class K shares and at a nominal amount per share for the Class L shares without par value		
Issued:		
12,499 Class A common shares	124	124
1 Class B common share	1	1
804.615 Class K preferred shares	165	165
1,130 Class L preferred shares	11	11
Medican Holdings Ltd.		
Authorized:		
Unlimited number of Class A common voting shares without par value		
Issued:		
200 Class A common shares	1,670	1,670
<hr/>		
Combined share capital	1,971	1,971

16. Investment in joint ventures

As at March 31, 2009, the Group holds the following interests in joint ventures:

- 50% of Sierras of Inglewood (St. Albert) Developments Joint Venture
- 80% of Sherwood Park North Townhouse Project
- 50% of SL Developments Joint Venture
- 83% of Sonata Ridge (Kelowna) Developments Joint Venture

The following amounts represent the Group's proportionate interest relating to joint ventures prior to the elimination of inter-entity transactions:

	2009	2008
Balance sheets		
Assets	18,072,537	44,220,484
Liabilities	17,138,086	42,683,283
<hr/>		
Statements of earnings		
Sales	34,430,114	24,480,312
Cost of sales	29,371,374	21,270,519
General and administrative expenses	162,049	74,965
Net earnings	4,896,691	3,134,828
<hr/>		
Statements of cash flows		
Cash provided by (used for) operating activities	21,060,862	(19,934,744)
Cash provided by (used for) financing activities	(19,064,571)	9,527,577
Cash provided by (used for) investing activities	(3,396,106)	9,788,571

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17. Supplemental cash flow information

Net change in non-cash working capital items is defined as the net change of accounts receivable, prepaid expenses and deposits, accounts payable and accruals, income taxes payable and customer deposits.

Net change in development activities is defined as the net change of inventory.

Cash flows related to operating loans, advances to related parties and joint ventures, advances from related parties and joint ventures, and advances from shareholders and directors have been presented on a net basis as it is impracticable for management to determine the gross cash receipts and repayments.

Included in operating activities are the following amounts:

	2009	2008
Interest paid	10,179,463	10,519,755
Income taxes paid	138,797	6,095,250
Interest received	358,135	290,031

18. Capital management

The Group sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets, as well as with consideration of externally imposed capital requirements.

The Group is subject to capital requirements as described in Note 9. During the year ended March 31, 2009, the Group complied with the capital requirements.

19. Financial instruments

The Group as part of its operations carries a number of financial instruments. It is management's opinion that the Group is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Fair value disclosure

Management believes that the carrying values of its financial instruments approximate their fair values due to the relatively short period to maturity and market interest rates of the instruments.

The Group has elected to apply the differential reporting option allowed for disclosure of fair value information and, according, has elected not to disclose fair value information about financial assets and liabilities for which fair value was not readily obtainable. As such, the fair value of due from related parties, due from joint venture participants, other receivables, due to related parties, due to joint venture participants, payable to shareholders and directors, and executive compensation payable, which are described in Notes 7, 8, 10, 11 and 12, have not been determined since it not practicable to determine their fair values with sufficient reliability due to the uncertainty of the amount and timing of future payments.

Interest rate risk

The Group is exposed to interest rate risk to the extent that bank indebtedness and long-term debt have interest rates that vary with the prevailing prime rate. Fluctuations in interest rates may impact the fair value of and cash flows related to these instruments.

Credit risk

The Group is exposed to credit risk which is considered normal within the real estate industry that the Group operates.

20. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Medican Group of Companies
Schedule 1 - Combined Schedule of General and Administrative Expenses

For the year ended March 31, 2009

(Unaudited)

	2009	2008
General and administrative expenses		
Interest and finance charges	2,156,347	1,377,624
Salaries, wages and benefits	1,999,198	1,716,738
Amortization (Note 6)	1,232,712	1,040,963
Office and administrative	1,208,039	1,181,253
Professional fees	697,319	635,044
Interest on long-term debt	640,743	459,373
Condominium expenses	555,963	256,813
Travel and promotion	414,386	803,217
Insurance	292,342	439,787
Automotive	292,290	307,962
Repairs and maintenance	285,749	415,773
Management salary	197,935	302,146
Rental expenses	177,984	-
Training and safety	162,348	291,766
Computer	71,249	109,819
Supplies	19,423	26,944
Bad debts	18,336	1,606
	10,422,363	9,366,828

Medican (Edmonton Terwillegar) Development Ltd.

Financial Statements

For the year ended March 31, 2009

(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican (Edmonton Terwillegar) Development Ltd. as at March 31, 2009 and the statement of earnings (loss) and retained earnings (deficit) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyus Norris Penny LLP

Chartered Accountants

Medican (Edmonton Terwillegar) Development Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	19,067	4,632,793
Accounts receivable	4,761,180	-
Inventory	16,938,002	9,843,222
Prepaid expenses and deposits	25,000	25,000
	21,743,249	14,501,015
Receivable from shareholder	100	100
	21,743,349	14,501,115
Liabilities		
Current		
Bank indebtedness	18,032,963	10,427,613
Accounts payable and accruals	52,790	115,051
Income taxes payable	119,222	-
Customer deposits	310,875	567,364
	18,515,850	11,110,028
Due to related parties	3,225,776	3,392,821
	21,741,626	14,502,849
Shareholder's Equity (Deficit)		
Share capital	100	100
Retained earnings (deficit)	1,623	(1,834)
	1,723	(1,734)
	21,743,349	14,501,115

Medican (Edmonton Terwillegar) Development Ltd.
Statement of Earnings (Loss) and Retained Earnings (Deficit)

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

	2009	2008
Sales	4,975,945	-
Cost of sales	4,575,657	-
Gross margin	400,288	-
Expenses		
Professional fees	208	1,995
Interest and bank charges	168	121
	376	2,116
Earnings (loss) from operations	399,912	(2,116)
Other items		
Interest income	7,769	277
Earnings (loss) before income taxes	407,681	(1,839)
Provision for income taxes		
Current	119,224	-
Net earnings (loss)	288,457	(1,839)
Retained earnings (deficit), beginning of year	(1,834)	5
Dividends	(285,000)	-
Retained earnings (deficit), end of year	1,623	(1,834)

Medican Developments (Medicine Hat Southwest) Inc.

Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican Developments (Medicine Hat Southwest) Inc. as at March 31, 2009 and the statement of loss and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Medican Developments (Medicine Hat Southwest) Inc.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	384	201
Accounts receivable	3,494	-
Inventory	6,640,876	4,750,326
Future income taxes receivable	10,800	11,000
	6,655,554	4,761,527
Receivable from shareholder	100	100
	6,655,654	4,761,627
Liabilities		
Current		
Bank indebtedness	2,200,000	2,200,000
Accounts payable and accruals	127,749	50,414
	2,327,749	2,250,414
Due to related parties	4,353,766	2,536,628
	6,681,515	4,787,042
Shareholder's Deficit		
Share capital	100	100
Deficit	(25,961)	(25,515)
	(25,861)	(25,415)
	6,655,654	4,761,627

Medican Developments (Medicine Hat Southwest) Inc.
Statement of Loss and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Cost of sales	-	38,596
Expenses		
Professional fees	165	3,165
Interest and bank charges	81	51
	246	3,216
Loss from operations	(246)	(41,812)
Other income		
Interest income	-	4,662
Loss before income taxes	(246)	(37,150)
Provision for (recovery of) income taxes		
Future	200	(11,000)
Net loss	(446)	(26,150)
Retained earnings (deficit), beginning of year	(25,515)	635
Deficit, end of year	(25,961)	(25,515)

Medican Developments Inc.
Financial Statements

March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican Developments Inc. as at March 31, 2009 and the statements of earnings (loss) and retained earnings (deficit) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyus Norris Penny LLP

Chartered Accountants

Medican Developments Inc.**Balance Sheet**

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	397,695	2,588,367
Accounts receivable	470,569	14,722,871
Income taxes recoverable	374,400	-
Inventory	28,244,521	51,857,490
Prepaid expenses and deposits	50,000	50,000
Future income taxes receivable	3,400	-
	29,540,585	69,218,728
Property and equipment	82,312	96,309
Investments	200	200
Due from related parties	18,031,226	9,987,033
Due from joint venture participants	10,000	1,346,981
Other receivables	1,033,581	1,033,581
Future income taxes recoverable	14,700	15,300
	48,712,604	81,698,132
Liabilities		
Current		
Bank indebtedness	34,894,541	57,641,343
Accounts payable and accruals	1,183,147	817,354
Income taxes payable	-	467,286
Dividends payable	-	4,875,000
Customer deposits	327,141	3,331,924
Future income taxes payable	-	367,400
Due to joint venture participants	1,815,473	7,573,841
	38,220,302	75,074,148
Payable to shareholder	-	73,903
Due to related parties	9,981,107	4,949,545
Executive compensation payable	1,770,000	1,600,000
	49,971,409	81,697,596
Shareholder's Equity (Deficit)		
Share capital	70	70
Retained earnings (deficit)	(1,258,875)	466
	(1,258,805)	536
	48,712,604	81,698,132

Medican Developments Inc.
Statement of Earnings (Loss)

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

	2009	2008
Sales	44,622,861	52,273,672
Cost of sales	44,688,171	47,487,397
Gross margin	(65,310)	4,786,275
Expenses		
Interest and bank charges	1,589,425	1,077,133
Condo fees	168,029	89,031
Professional fees	93,340	123,630
Repairs and maintenance	73,456	66,921
Rental units expense	22,411	-
Amortization	13,996	41,304
Advertising and promotion	7,538	11,128
Salaries, wages and benefits	4,082	1,313
Automotive	2,360	23,531
Training and safety	730	7,237
Office	-	95,179
Management salary	-	100,000
Bad debts	-	1,606
	1,975,367	1,638,013
Earnings (loss) from operations	(2,040,677)	3,148,262
Other income (expense)		
Interest income	147,911	39,267
Dividend income	-	1,107,000
Management bonus	-	(1,600,000)
Employee profit sharing plan	(77,225)	-
	70,686	(453,733)
Earnings (loss) before income taxes	(1,969,991)	2,694,529
Provision for (recovery of) income taxes		
Current	(340,450)	370,400
Future	(370,200)	127,800
	(710,650)	498,200
Net earnings (loss)	(1,259,341)	2,196,329

Medican Developments Inc.
Statement of Retained Earnings (Deficit)
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Retained earnings, beginning of year	466	2,679,137
Net earnings (loss)	(1,259,341)	2,196,329
Dividends	-	(4,875,000)
<hr/>		
Retained earnings (deficit), end of year	(1,258,875)	466

Medican Construction Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican Construction Ltd. as at March 31, 2009 and the statements of earnings and retained earnings for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyus Norris Penny LLP

Chartered Accountants

Medican Construction Ltd.**Balance Sheet**

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Accounts receivable	2,601,693	428,564
Inventory	7,048,506	6,268,999
Prepaid expenses and deposits	1,595	1,595
	9,651,794	6,699,158
Property and equipment	1,741,462	2,054,930
Investments	119	119
Due from related parties	67,066,641	42,945,179
Due from joint venture participant	673,562	-
Other receivables	152,655	252,476
Future income taxes recoverable	644,900	673,700
	79,931,133	52,625,562
Liabilities		
Current		
Bank indebtedness	961,167	1,513,368
Accounts payable and accruals	39,521,281	28,863,123
Bonus payable	-	600,000
Income taxes payable	1,433,378	5,117
	41,915,826	30,981,608
Long-term debt	1,268,101	1,679,614
Due to related parties	36,248,881	19,427,580
Executive compensation payable	498,000	498,000
	79,930,808	52,586,802
Shareholder's Equity		
Share capital	125	125
Retained earnings	200	38,635
	325	38,760
	79,931,133	52,625,562

Medican Construction Ltd.**Statement of Earnings**

For the year ended March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Sales	99,413,830	98,805,127
Cost of sales	93,968,316	92,239,048
Gross profit	5,445,514	6,566,079
Expenses		
Salaries, wages and benefits	1,376,628	1,007,314
Office	920,163	874,438
Amortization	686,027	592,071
Professional fees	438,359	327,576
Advertising and promotion	383,110	770,730
Automotive	234,819	244,844
Management salary	197,935	202,146
Insurance	193,895	334,006
Training and safety	139,804	225,041
Interest and bank charges	139,465	912,821
Interest on long-term debt	119,824	123,948
Repairs and maintenance	112,199	163,281
Computer	69,079	109,119
Supplies	19,327	24,616
Bad debts	18,336	-
	5,048,970	5,911,951
Earnings from operations	396,544	654,128
Other items		
Interest income	102,559	3,383
Gain on disposal of assets	12,695	1,519
Legal settlements	-	(2,155)
Other	-	3,834
Management bonus	-	(600,000)
	115,254	(593,419)
Earnings before income taxes	511,798	60,709
Provision for income taxes		
Current	148,433	-
Future	28,800	22,200
	177,233	22,200
Net earnings	334,565	38,509

Medican Construction Ltd.
Statement of Retained Earnings
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Retained earnings, beginning of year	38,635	126
Net earnings	334,565	38,509
Dividends	(373,000)	-
Retained earnings, end of year	200	38,635

Medican Concrete Forming Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican Concrete Forming Ltd. as at March 31, 2009 and the statement of earnings (loss) and retained earnings (deficit) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyer Norris Penny LLP

Chartered Accountants

Medican Concrete Forming Ltd.**Balance Sheet**

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	56,493	287
Accounts receivable	7,770	13,011
Inventory	305,497	620,110
	369,760	633,408
Receivable from shareholder	100	100
	369,860	633,508
Liabilities		
Current		
Accounts payable and accruals	55,455	239,476
Income taxes payable	23,778	72,543
Due to related parties	-	163,000
	79,233	475,019
Due to related parties	320,576	158,368
	399,809	633,387
Shareholder's Equity (Deficit)		
Share capital	100	100
Retained earnings (deficit)	(30,049)	21
	(29,949)	121
	369,860	633,508

Medican Concrete Forming Ltd.
Statement of Earnings (Loss) and Retained Earnings (Deficit)

For the March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Sales	2,720,192	1,237,741
Cost of sales	2,720,179	1,002,132
Gross margin	13	235,609
Expenses		
Interest and bank charges	29,103	45
Professional fees	429	-
Miscellaneous	285	-
Office	266	-
	30,083	45
Earnings (loss) from operations	(30,070)	235,564
Provision for income taxes		
Current	-	72,543
Net earnings (loss)	(30,070)	163,021
Retained earnings, beginning of year	21	-
Dividends	-	(163,000)
Retained earnings (deficit), end of year	(30,049)	21

Lake Country (Sitara) Developments Ltd.
Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Lake Country (Sitara) Developments Ltd. as at March 31, 2009 and the statement of earnings (loss) and retained earnings (deficit) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyes Norris Penny LLP

Chartered Accountants

Lake Country (Sitara) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	246,347	370,634
Accounts receivable	14,175	6,355,576
Income taxes recoverable	80,201	-
Inventory	4,005,132	8,548,029
Future income taxes receivable	287,800	-
	4,633,655	15,274,239
Receivable from shareholder	100	100
	4,633,755	15,274,339
Liabilities		
Current		
Bank indebtedness	889,297	9,145,597
Accounts payable and accruals	112,564	108,741
Income taxes payable	-	63,385
Due to related parties	-	126,000
Customer deposits	219,795	345,510
	1,221,656	9,789,233
Due to related parties	4,255,914	5,485,005
	5,477,570	15,274,238
Shareholder's Equity (Deficit)		
Share capital	100	100
Retained earnings (deficit)	(843,915)	1
	(843,815)	101
	4,633,755	15,274,339

Lake Country (Sitara) Developments Ltd.
Statement of Earnings (Loss) and Retained Earnings (Deficit)

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

	2009	2008
Sales	7,056,979	21,422,779
Cost of sales	7,455,648	21,144,220
Gross margin	(398,669)	278,559
Expenses		
Condominium fees	125,088	38,199
Interest on long-term debt	72,251	-
Rental units expense	41,854	-
Interest and bank charges	13,568	5,432
Professional fees	3,767	43,172
	256,528	86,803
Earnings (loss) from operations	(655,197)	191,756
Other items		
Interest income	12,585	1,084
Impairment loss on inventory	(552,489)	-
	(539,904)	1,084
Earnings (loss) before income taxes	(1,195,101)	192,840
Provision for (recovery of) income taxes		
Current	(63,385)	63,385
Future	(287,800)	-
	(351,185)	63,385
Net earnings (loss)	(843,916)	129,455
Retained earnings (deficit), beginning of year	1	(3,454)
Dividends	-	(126,000)
Retained earnings (deficit), end of year	(843,915)	1

Homes by Kingsland Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Homes by Kingsland Ltd. as at March 31, 2009 and the statement of earnings and retained earnings for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Homes by Kingsland Ltd.**Balance Sheet**

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	213,141	102,632
Accounts receivable	5,842	841,017
Inventory	3,303,734	8,862,197
Prepaid expenses and deposits	-	2,709
	3,522,717	9,808,555
Property and equipment	8,572	8,572
Receivable from shareholder	-	50
Future income taxes	17,600	18,200
	3,548,889	9,835,377
Liabilities		
Current		
Bank indebtedness	-	5,713,804
Accounts payable and accruals	708,582	1,608,657
Bonus payable	-	550,000
Income taxes payable	150,678	85,970
Dividends payable	-	316,000
Customer deposits	37,133	421,667
	896,393	8,696,098
Due to related parties	2,583,035	1,069,996
Executive compensation payable	68,800	68,800
	3,548,228	9,834,894
Shareholder's Equity		
Share capital	50	50
Retained earnings	611	433
	661	483
	3,548,889	9,835,377

Homes by Kingsland Ltd.
Statement of Earnings and Retained Earnings
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Sales	14,411,422	6,695,873
Cost of sales	13,745,216	5,852,482
Gross margin	666,206	843,391
Expenses		
Interest and bank charges	44,259	3,114
Rental units expense	44,159	-
Office	17,306	2,292
Salaries, wages and benefits	13,761	-
Advertising and promotion	695	(114)
Professional fees	290	2,158
Insurance	-	151
Repairs and maintenance	-	1,500
Computer	-	700
Automotive	-	284
	120,470	10,085
Earnings from operations	545,736	833,306
Other expense		
Management bonus	-	(550,000)
Earnings before income taxes	545,736	283,306
Provision for income taxes		
Current	159,958	88,669
Future	600	3,600
	160,558	92,269
Net earnings	385,178	191,037
Retained earnings, beginning of year	433	125,396
Dividends	(385,000)	(316,000)
Retained earnings, end of year	611	433

Elements (Grande Prairie) Developments Ltd.
Financial Statements

March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Elements (Grande Prairie) Developments Ltd. as at March 31, 2009 and the statement of loss and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Elements (Grande Prairie) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	386	215
Inventory	419,963	730,038
Future income taxes receivable	116,900	-
	537,249	730,253
Receivable from shareholder	100	100
	537,349	730,353
Liabilities		
Current		
Accounts payable and accruals	457	5,360
Customer deposits	-	65,450
	457	70,810
Due to related parties	822,889	661,532
	823,346	732,342
Shareholder's Deficit		
Share capital	100	100
Deficit	(286,097)	(2,089)
	(285,997)	(1,989)
	537,349	730,353

Elements (Grande Prairie) Developments Ltd.
Statement of Loss and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Expenses		
Interest and bank charges	736	67
Professional fees	172	1,995
Loss from operations	(908)	(2,062)
Other expense		
Impairment loss on inventory	(400,000)	-
Loss before income taxes	(400,908)	(2,062)
Recovery of income taxes		
Future	(116,900)	-
Net loss	(284,008)	(2,062)
Deficit, beginning of year	(2,089)	(27)
Deficit, end of year	(286,097)	(2,089)

Axxess (Sylvan Lake) Developments Ltd.
Financial Statements

March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Axxess (Sylvan Lake) Developments Ltd. as at March 31, 2009 and the statement of earnings (loss) and retained earnings (deficit) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Axxess (Sylvan Lake) Developments Ltd.**Balance Sheet**

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	103,059	189,453
Accounts receivable	1,716,209	-
Inventory	4,249,412	1,665,846
	6,068,680	1,855,299
Receivable from shareholder	10	10
Advances to related parties	1,708,070	3,439,359
	7,776,760	5,294,668
Liabilities		
Current		
Bank indebtedness	4,997,318	4,100,000
Accounts payable and accruals	299,715	25,001
Income taxes payable	245,802	-
Customer deposits	642,993	1,170,164
	6,185,828	5,295,165
Advances from related party	590,000	-
Executive compensation payable	1,000,000	-
	7,775,828	5,295,165
Shareholder's Equity (Deficit)		
Share capital	10	10
Retained earnings (deficit)	922	(507)
	932	(497)
	7,776,760	5,294,668

Axxess (Sylvan Lake) Developments Ltd.
Statement of Earnings (Loss) and Retained Earnings (Deficit)

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

	2009	2008
Sales	8,088,464	-
Cost of sales	6,244,338	-
Gross margin	1,844,126	-
Expenses		
Property taxes	9,081	-
Professional fees	1,701	1,470
Miscellaneous	1,185	-
Interest and bank charges	19	125
	11,986	1,595
Earnings (loss) from operations	1,832,140	(1,595)
Other items		
Rental income	2,747	-
Interest income	2,344	1,123
Employee profit sharing plan	(1,000,000)	-
	(994,909)	1,123
Earnings (loss) before income taxes	837,231	(472)
Provision for income taxes		
Current	245,802	-
Net earnings (loss)	591,429	(472)
Deficit, beginning of year	(507)	(35)
Dividends	(590,000)	-
Retained earnings (deficit), end of year	922	(507)

1344241 Alberta Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of 1344241 Alberta Ltd. as at March 31, 2009 and the statement of loss and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

1344241 Alberta Ltd.
Balance Sheet
As at March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	200	164
Accounts receivable	11	8
Inventory	3,724,374	3,721,921
Future income taxes receivable	100	-
	3,724,685	3,722,093
Receivable from shareholder	100	100
	3,724,785	3,722,193
Liabilities		
Current		
Bank indebtedness	3,162,000	3,161,999
Accounts payable and accruals	228	-
	3,162,228	3,161,999
Due to related parties	562,868	560,133
	3,725,096	3,722,132
Shareholder's Equity (Deficit)		
Share capital	100	100
Deficit	(411)	(39)
	(311)	61
	3,724,785	3,722,193

1344241 Alberta Ltd.
Statement of Loss and Deficit
For the March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Expenses		
Professional fees	403	-
Interest and bank charges	69	39
Loss from operations	(472)	(39)
Recovery of income taxes		
Future	(100)	-
Net loss	(372)	(39)
Deficit, beginning of year	(39)	-
Deficit, end of year	(411)	(39)

1144233 Alberta Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of 1144233 Alberta Ltd. as at March 31, 2009 and the statement of loss and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyes Norris Penny LLP

Chartered Accountants

1144233 Alberta Ltd.
Balance Sheet
As at March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Property and equipment	1,717,774	942,315
Liabilities		
Current		
Bank indebtedness	275,000	275,005
Accounts payable and accruals	4,165	2,905
Goods and services tax payable	1,265	896
	280,430	278,806
Long-term debt	509,014	541,797
Due to related parties	1,304,448	343,607
	2,093,892	1,164,210
Shareholder's Deficit		
Share capital	10	10
Deficit	(376,128)	(221,905)
	(376,118)	(221,895)
	1,717,774	942,315

1144233 Alberta Ltd.
Statement of Loss and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Sales	73,133	27,600
Expenses		
Interest on long-term debt	70,516	69,629
Salaries, wages and benefits	56,756	35,892
Amortization	42,904	-
Utilities	26,966	3,291
Property taxes	18,534	17,392
Repairs and maintenance	9,940	6,901
Travel and entertainment	718	-
Office	392	-
Supplies	252	915
Professional fees	165	5,258
Telephone, fax and internet	117	-
Meals and entertainment	86	-
Dues and memberships	10	2,535
Insurance	-	3,600
	227,356	145,413
Net loss	(154,223)	(117,813)
Deficit, beginning of year	(221,905)	(104,092)
Deficit, end of year	(376,128)	(221,905)

1090772 Alberta Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of 1090772 Alberta Ltd. as at March 31, 2009 and the statement of earnings (loss) and retained earnings for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyus Norris Penny LLP

Chartered Accountants

1090772 Alberta Ltd.**Balance Sheet**

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	8,330	14,471
Accounts receivable	377	367
Income taxes recoverable	998	-
	9,705	14,838
Property and equipment	112,500	112,500
Investments	630,285	630,285
Note receivable	175,550	175,550
Receivable from shareholders	325	325
	928,365	933,498
Liabilities		
Current		
Accounts payable and accruals	208	176
Income taxes payable	-	30,000
	208	30,176
Payable to shareholders	50,000	50,000
Due to related parties	105,876	79,767
	156,084	159,943
Shareholders' Equity		
Share capital	342	342
Retained earnings	771,939	773,213
	772,281	773,555
	928,365	933,498

1090772 Alberta Ltd.
Statement of Earnings (Loss) and Retained Earnings

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

	2009	2008
Expenses		
Property taxes	826	508
Bank charges and interest	251	120
Professional fees	197	2,161
Loss from operations	(1,274)	(2,789)
Other income		
Gain on disposal of asset	-	136,217
Earnings (loss) before income taxes	(1,274)	133,428
Provision for income taxes		
Current	-	27,701
Net earnings (loss)	(1,274)	105,727
Retained earnings, beginning of year	773,213	667,486
Retained earnings, end of year	771,939	773,213

9150-3755 Quebec Inc.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of 9150-3755 Quebec Inc. as at March 31, 2009 and the statement of loss and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

9150-3755 Quebec Inc.
Balance Sheet
As at March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Accounts receivable	3,081	897
Inventory	-	1,855,128
Future income taxes receivable	42,000	-
	45,081	1,856,025
Receivable from shareholders	100	100
	45,181	1,856,125
Liabilities		
Current		
Accounts payable and accruals	19,609	-
Income taxes payable	8,500	8,500
	28,109	8,500
Advances from related parties	128,439	1,859,976
	156,548	1,868,476
Shareholder's Deficit		
Share capital	100	100
Deficit	(111,467)	(12,451)
	(111,367)	(12,351)
	45,181	1,856,125

9150-3755 Quebec Inc.
Statement of Loss and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Sales	1,535,321	-
Cost of sales	1,535,321	-
Gross margin	-	-
Expenses		
Professional fees	-	1,248
Loss from operations	-	(1,248)
Other income (expense)		
Professional fees recovery	723	-
Impairment loss on inventory	(144,442)	-
	(143,719)	-
Earnings (loss) before income taxes	(143,719)	(1,248)
Provision for (recovery of) income taxes		
Current	(2,703)	5,103
Future	(42,000)	-
	(44,703)	5,103
Net loss	(99,016)	(6,351)
Deficit, beginning of year	(12,451)	(6,100)
Deficit, end of year	(111,467)	(12,451)

Cercle des Cantons s.e.c. (A Partnership)

Financial Statements

December 31, 2008

(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Cercle des Cantons s.e.c. (A Partnership) as at December 31, 2008 and the statements of loss and partners' capital for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyus Norris Penny LLP

Chartered Accountants

Cercle des Cantons s.e.c. (A Partnership)
Balance Sheet

As at December 31, 2008
(Unaudited - see Notice to Reader)

	2008	2007
Assets		
Current		
Cash	303,905	300,074
Accounts receivable	312,995	111,025
Inventory	11,256,460	13,842,515
	11,873,360	14,253,614
Liabilities		
Current		
Bank indebtedness	9,228,680	11,983,904
Accounts payable and accruals	86,732	160,617
Customer deposits	90,000	79,270
	9,405,412	12,223,791
Due to related parties	5,563,327	2,960,527
	14,968,739	15,184,318
Partners' Capital	(3,095,379)	(930,704)
	11,873,360	14,253,614

Cercle des Cantons s.e.c. (A Partnership)
Statement of Loss

*For the year ended December 31, 2008
(Unaudited - see Notice to Reader)*

	2008	2007
Sales	3,413,979	4,428,393
Cost of sales	4,994,322	4,735,721
Gross margin	(1,580,343)	(307,328)
Expenses		
Interest and bank charges	578,518	242,114
Condominium expenses	14,778	3,820
Professional fees	-	20,947
Salaries, wages and benefits	(662)	976
	592,634	267,857
Loss from operations	(2,172,977)	(575,185)
Other income		
Interest income	8,302	5,993
Net loss	(2,164,675)	(569,192)
Allocation of net loss		
Medican Developments Ltd.	(2,164,675)	(569,192)

Cercle des Cantons s.e.c. (A Partnership)
Statement of Partners' Capital
For the year ended December 31, 2008
(Unaudited - see Notice to Reader)

	2008	2007
Medican Developments Ltd.		
Balance, beginning of year	(930,704)	(361,512)
Share of loss	(2,164,675)	(569,192)
Balance, end of year	(3,095,379)	(930,704)
965436 Alberta Ltd.		
Balance, end of year	-	-
9047-9833 Quebec Inc.		
Balance, end of year	-	-
	(3,095,379)	(930,704)

Medican Concrete Ltd.
Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican Concrete Ltd. as at March 31, 2009 and the statement of earnings (loss) and retained earnings (deficit) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Medican Concrete Ltd.
Balance Sheet
As at March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	421,940	-
Accounts receivable	287,985	262,766
Income taxes recoverable	47,684	10,600
Prepaid expenses and deposits	21,472	21,472
	779,081	294,838
Property and equipment	901,820	1,082,811
Due from related parties	6,340,836	3,931,017
Future income taxes recoverable	862,100	896,400
	8,883,837	6,205,066
Liabilities		
Current		
Bank indebtedness	1,003,524	78,906
Accounts payable and accruals	202,816	41,870
Future income taxes payable	121,500	-
	1,327,840	120,776
Long-term debt	774,355	946,333
Payable to shareholders	387,676	174,342
Due to related parties	1,300,561	-
Executive compensation payable	4,982,100	5,009,998
	8,772,532	6,251,449
Shareholders' Equity (Deficit)		
Share capital	101	101
Retained earnings (deficit)	111,204	(46,484)
	111,305	(46,383)
	8,883,837	6,205,066

Medican Concrete Ltd.
Statement of Earnings (Loss) and Retained Earnings (Deficit)

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

	2009	2008
Sales	7,411,125	6,574,604
Cost of sales	4,327,619	3,491,908
Gross margin	3,083,506	3,082,696
Expenses		
Salaries, wages and benefits	346,183	593,793
Amortization	260,214	240,036
Office	107,281	55,702
Interest and bank charges	55,773	76,936
Interest on long-term debt	49,804	39,471
Repairs and maintenance	42,645	95,296
Automotive	24,546	38,103
Training and safety	11,788	25,751
Professional fees	5,951	5,116
Computer [support]	2,170	-
Insurance	730	1,067
Advertising and promotion	141	-
Supplies	96	2,328
	907,322	1,173,599
Earnings from operations	2,176,184	1,909,097
Other income (expense)		
Interest income	220	44
Management bonus	(1,900,000)	(1,976,900)
	(1,899,780)	(1,976,856)
Earnings (loss) before income taxes	276,404	(67,759)
Provision for (recovery of) income taxes		
Current	(37,084)	-
Future	155,800	16,900
	118,716	16,900
Net earnings (loss)	157,688	(84,659)
Retained earnings (deficit), beginning of year	(46,484)	38,175
Retained earnings (deficit), end of year	111,204	(46,484)

The Estates of Valleydale Developments Ltd.

Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of The Estates of Valleydale Developments Ltd. as at March 31, 2009 and the statement of earnings (loss) and retained earnings (deficit) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Megus Norris Penny LLP

Chartered Accountants

The Estates of Valleydale Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	289	196
Accounts receivable	-	61
Inventory	1,743,128	2,206,434
	1,743,417	2,206,691
Receivable from shareholder	100	100
	1,743,517	2,206,791
Liabilities		
Current		
Bank indebtedness	337,843	955,706
Accounts payable and accruals	6,843	1,276
Income taxes payable	1,059	-
Customer deposits	-	86,320
	345,745	1,043,302
Due to related parties	1,395,125	1,167,157
	1,740,870	2,210,459
Shareholder's Equity (Deficit)		
Share capital	100	100
Retained earnings (deficit)	2,547	(3,768)
	2,647	(3,668)
	1,743,517	2,206,791

The Estates of Valleydale Developments Ltd.
Statement of Earnings (Loss) and Retained Earnings (Deficit)
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Sales	759,370	577
Cost of sales	753,114	-
Gross margin	6,256	577
Expenses		
Interest and bank charges	314	77
Professional fees	-	1,995
	314	2,072
Earnings (loss) from operations	5,942	(1,495)
Other income		
Property tax recovery	1,271	-
Interest income	161	-
	1,432	-
Earnings (loss) before income taxes	7,374	(1,495)
Provision for income taxes		
Current	1,059	-
Net earnings (loss)	6,315	(1,495)
Deficit, beginning of year	(3,768)	(2,273)
Retained earnings (deficit), end of year	2,547	(3,768)

The Legend (Winnipeg) Developments Ltd.
Financial Statements

March 31, 2009
(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of The Legend (Winnipeg) Developments Ltd. as at March 31, 2009 and the statement of earnings (loss) and retained earnings (deficit) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

The Legend (Winnipeg) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	377	564,512
Accounts receivable	17,642	921,313
Income taxes recoverable	48,543	-
Inventory	9,389,042	6,054,574
	9,455,604	7,540,399
Receivable from shareholder	-	100
	9,455,604	7,540,499
Liabilities		
Current		
Bank indebtedness	3,704,666	3,139,500
Accounts payable and accruals	32,116	389,906
Bonus payable	-	925,000
Income taxes payable	-	73,300
Customer deposits	306,144	23,735
	4,042,926	4,551,441
Due to related parties	5,445,486	2,988,596
	9,488,412	7,540,037
Shareholder's Equity (Deficit)		
Share capital	100	100
Retained earnings (deficit)	(32,908)	362
	(32,808)	462
	9,455,604	7,540,499

The Legend (Winnipeg) Developments Ltd.
Statement of Earnings (Loss) and Retained Earnings (Deficit)

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

	2009	2008
Revenue	1,527,727	8,373,002
Cost of sales	1,531,752	7,264,074
Gross margin	(4,025)	1,108,928
Expenses		
Condo Expenses	31,079	22,221
Professional fees	14,050	1,995
Interest and bank charges (recovery)	4,461	(369)
	49,590	23,847
Earnings (loss) from operations	(53,615)	1,085,081
Other income (expense)		
Interest income	8,278	46,598
Management bonuses	-	(925,000)
	8,278	(878,402)
Earnings (loss) before income taxes	(45,337)	206,679
Provision for (recovery of) income taxes		
Current	(12,067)	73,300
Net earnings (loss)	(33,270)	133,379
Retained earnings (deficit), beginning of year	362	(17)
Dividends	-	(133,000)
Retained earnings (deficit), end of year	(32,908)	362

Sylvan Lake Marina Developments Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Sylvan Lake Marina Developments Ltd. as at March 31, 2009 and the statements of earnings (loss) and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Sylvan Lake Marina Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	36,882	69,880
Accounts receivable	26,776	21,541
Inventory	4,558,398	4,144,224
Future income taxes recoverable	18,300	-
	4,640,356	4,235,645
Property and equipment	1,821,213	1,836,125
Receivable from shareholder	100	100
Future income taxes recoverable	4,600	32,152
	6,466,269	6,104,022
Liabilities		
Current		
Bank indebtedness	5,000,483	5,213,652
Accounts payable and accruals	142,480	192,502
	5,142,963	5,406,154
Due to related parties	1,383,263	755,537
	6,526,226	6,161,691
Shareholder's Deficit		
Share capital	100	100
Deficit	(60,057)	(57,769)
	(59,957)	(57,669)
	6,466,269	6,104,022

Sylvan Lake Marina Developments Ltd.
Statement of Earnings (Loss) and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Sales	636,779	566,669
Cost of sales	249,364	192,029
Gross margin	387,415	374,640
Expenses		
Salaries, wages and benefits	159,908	114,268
Office	80,875	72,486
Amortization	55,819	49,643
Repairs and maintenance	38,280	42,651
Advertising and promotion	13,716	21,473
Insurance	12,614	12,066
Travel	9,740	33,737
Professional fees	5,047	10,865
Interest and bank charges	3,393	9,331
Automotive	1,059	1,200
	380,451	367,720
Earnings from operations	6,964	6,920
Other income		
Interest income	-	518
Earnings before income taxes	6,964	7,438
Recovery of income taxes		
Future	9,252	-
Net earnings (loss)	(2,288)	7,438
Deficit, beginning of year	(57,769)	(65,207)
Deficit, end of year	(60,057)	(57,769)

Sonata Ridge (Kelowna) Developments Ltd.
Financial Statements

March 31, 2009
(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Sonata Ridge (Kelowna) Developments Ltd. as at March 31, 2009 and the statement of earnings (loss) and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Sonata Ridge (Kelowna) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	320	205
Accounts receivable	-	950
Inventory	9,600,783	8,379,474
Future income taxes receivable	700	-
	9,601,803	8,380,629
Receivable from shareholder	100	100
Advance to joint venture participant	-	6,415,939
	9,601,903	14,796,668
Liabilities		
Current		
Bank indebtedness	6,663,625	6,416,037
Accounts payable and accruals	20,630	39,710
Due to joint venture participant	907,358	7,575,374
	7,591,613	14,031,121
Due to related parties	2,011,672	767,141
	9,603,285	14,798,262
Shareholder's Deficit		
Share capital	100	100
Deficit	(1,482)	(1,694)
	(1,382)	(1,594)
	9,601,903	14,796,668

Sonata Ridge (Kelowna) Developments Ltd.
Statement of Earnings (Loss) and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Expenses		
Professional fees	422	1,656
Interest and bank charges (recovery)	66	(60)
Loss from operations	(488)	(1,596)
Recovery of income taxes		
Future	(700)	-
Net earnings (loss)	212	(1,596)
Deficit, beginning of year	(1,694)	(98)
Deficit, end of year	(1,482)	(1,694)

Sanderson of Fish Creek (Calgary) Developments Ltd.
Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Sanderson of Fish Creek (Calgary) Developments Ltd. as at March 31, 2009 and the statement of earnings (loss) and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Sanderson of Fish Creek (Calgary) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	2,312,791	2,090,014
Accounts receivable	387,134	45,766
Inventory	47,571,105	16,635,907
Future income taxes receivable	1,500	-
	50,272,530	18,771,687
Receivable from shareholder	100	100
	50,272,630	18,771,787
Liabilities		
Current		
Bank indebtedness	39,372,354	12,793,133
Accounts payable and accruals	231,964	120,398
Customer deposits	4,913,274	4,506,251
	44,517,592	17,419,782
Advances from related parties	5,758,629	1,356,560
	50,276,221	18,776,342
Shareholder's Deficit		
Share capital	100	100
Deficit	(3,691)	(4,655)
	(3,591)	(4,555)
	50,272,630	18,771,787

Sanderson of Fish Creek (Calgary) Developments Ltd.
Statement of Earnings (Loss) and Deficit

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

	2009	2008
Cost of sales	-	2,500
Expenses		
Interest and bank charges	536	117
Professional fees	-	1,995
Loss before income taxes	(536)	(4,612)
Recovery of income taxes		
Future	(1,500)	-
Net earnings (loss)	964	(4,612)
Deficit, beginning of year	(4,655)	(43)
Deficit, end of year	(3,691)	(4,655)

Riverstone (Medicine Hat) Developments Ltd.
Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Riverstone (Medicine Hat), Developments Ltd. as at March 31, 2009 and the statements of earnings (loss) and retained earnings (deficit) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Riverstone (Medicine Hat) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	112,950	147,254
Accounts receivable	-	848,635
Income taxes recoverable	15,027	-
Inventory	4,709,297	2,971,337
	4,837,274	3,967,226
Receivable from shareholder	100	100
	4,837,374	3,967,326
Liabilities		
Current		
Bank indebtedness	665,965	640,124
Accounts payable and accruals	9,901	177,475
Income taxes payable	-	106,820
Due to related parties	-	232,000
Customer deposits	97,560	27,635
	773,426	1,184,054
Due to related parties	4,186,373	2,782,846
	4,959,799	3,966,900
Shareholder's Equity (Deficit)		
Share capital	100	100
Retained earnings (deficit)	(122,525)	326
	(122,425)	426
	4,837,374	3,967,326

Riverstone (Medicine Hat) Developments Ltd.
Statement of Earnings (Loss) and Retained Earnings (Deficit)

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

	2009	2008
Sales	740,585	5,829,854
Cost of sales	819,323	5,493,847
Gross margin	(78,738)	336,007
Expenses		
Condo fees	39,033	-
Interest and bank charges	38,212	(1,267)
Professional fees	2,560	3,745
	79,805	2,478
Earnings (loss) from operations	(158,543)	333,529
Other income		
Interest income	71	6,158
Earnings (loss) before income taxes	(158,472)	339,687
Provision for (recovery of) income taxes		
Current	(35,621)	106,820
Net earnings (loss)	(122,851)	232,867
Retained earnings (deficit), beginning of year	326	(541)
Dividends	-	(232,000)
Retained earnings (deficit), end of year	(122,525)	326

R7 Investments Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of R7 Investments Ltd. as at March 31, 2009 and the statement of earnings and retained earnings for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

R7 Investments Ltd.
Balance Sheet

As at March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	1,083,864	9,066
Accounts receivable	48,951	135,109
Income taxes recoverable	2,244	2,244
Inventory	1,734,095	1,685,394
Prepaid expenses and deposits	765	765
Future income taxes receivable	23,000	15,400
	2,892,919	1,847,978
Property and equipment	5,604,638	5,034,116
Investments	248,680	248,680
Receivable from shareholders	156	58,275
Due from related party	4,164,980	207,500
Note receivable	126,436	124,158
Future income taxes recoverable	69,500	34,400
	13,107,309	7,555,107
Liabilities		
Current		
Bank indebtedness	4,659,733	2,082,665
Accounts payable and accruals	65,338	96,353
Customer deposits	31,522	28,857
	4,756,593	2,207,875
Long-term debt	4,850,481	3,777,189
Due to related parties	1,786,810	92,082
	11,393,884	6,077,146
Shareholders' Equity		
Share capital	301	301
Retained earnings	1,713,124	1,477,660
	1,713,425	1,477,961
	13,107,309	7,555,107

R7 Investments Ltd.
Statement of Earnings and Retained Earnings
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Sales	717,309	576,764
Cost of sales	28,799	25,630
Gross profit	688,510	551,134
Expenses		
Interest on long-term debt	393,829	295,955
Interest and bank charges	147,067	57,384
Amortization	127,354	47,548
Insurance	83,854	91,247
Office	81,164	82,834
Professional fees	31,620	24,366
Condo fees	28,366	25,914
Repairs and maintenance	19,170	46,124
Advertising and promotion	322	-
	912,746	671,372
Loss from operations	(224,236)	(120,238)
Other income		
Investment income	417,000	207,500
Interest income	-	5,225
Gain on disposal of property and equipment	-	98,960
	417,000	311,685
Earnings before income taxes	192,764	191,447
Recovery of income taxes		
Future	(42,700)	(13,800)
Net earnings	235,464	205,247
Retained earnings, beginning of year	1,477,660	1,272,413
Retained earnings, end of year	1,713,124	1,477,660

Medican (Westbank) Development Ltd.
Financial Statements

*For the year ended March 31, 2009
(Unaudited - see Notice to Reader)*

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican (Westbank) Development Ltd. as at March 31, 2009 and the statement of loss and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Medican (Westbank) Development Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	245,482	159,498
Accounts receivable	270,793	137,471
Inventory	25,217,916	15,432,746
Future income taxes receivable	76,100	-
	25,810,291	15,729,715
Receivable from shareholder	100	100
	25,810,391	15,729,815
Liabilities		
Current		
Bank indebtedness	18,654,736	13,210,512
Accounts payable and accruals	297,754	98,783
Customer deposits	626,335	1,046,791
	19,578,825	14,356,086
Due to related parties	6,417,802	1,374,963
	25,996,627	15,731,049
Shareholder's Deficit		
Share capital	100	100
Deficit	(186,336)	(1,334)
	25,810,391	15,729,815

Medican (Westbank) Development Ltd.
Statement of Loss and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Revenue	6,145,369	-
Cost of sales	6,303,806	-
Gross margin	(158,437)	-
Expenses		
Condo fees	99,162	-
Rental unit expenses	2,707	-
Professional fees	2,102	8,433
Interest and bank charges	1,341	36
	105,312	8,469
Loss from operations	(263,749)	(8,469)
Other income		
Interest income	2,647	7,176
Loss before income taxes	(261,102)	(1,293)
Recovery of income taxes		
Future	(76,100)	-
Net loss	(185,002)	(1,293)
Deficit, beginning of year	(1,334)	(41)
Deficit, end of year	(186,336)	(1,334)

**Medican (Sylvan Lake)
Developments Ltd.
Financial Statements**
March 31, 2009
(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican (Sylvan Lake) Developments Ltd. as at March 31, 2009 and the statement of earnings (loss) and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyus Norris Penny LLP

Chartered Accountants

**Medican (Sylvan Lake)
Developments Ltd.
Balance Sheet**
As at March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	200	250
Inventory	5,120,143	4,939,721
Future income taxes receivable	1,000	-
	5,121,343	4,939,971
Receivable from shareholder	100	100
Due from related parties	-	80,249
Future income taxes	400	-
	5,121,843	5,020,320
Liabilities		
Current		
Bank indebtedness	4,724,151	5,023,037
Accounts payable and accruals	40,944	2,352
	4,765,095	5,025,389
Due to related parties	360,472	-
	5,125,567	5,025,389
Shareholder's Deficit		
Share capital	100	100
Deficit	(3,824)	(5,169)
	(3,724)	(5,069)
	5,121,843	5,020,320

**Medican (Sylvan Lake)
Developments Ltd.**
Statement of Earnings (Loss) and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Expenses		
Interest and bank charges	55	60
Professional fees	-	2,815
Loss from operations	(55)	(2,875)
Recovery of income taxes		
Future	(1,400)	-
Net earnings (loss)	1,345	(2,875)
Deficit, beginning of year	(5,169)	(2,294)
Deficit, end of year	(3,824)	(5,169)

Medican (Westbank) Land Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican (Westbank) Land Ltd. as at March 31, 2009 and the statement of earnings (loss) and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Medican (Westbank) Land Ltd.
Balance Sheet
As at March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	215,300	2,868,155
Inventory	8,429,709	8,419,263
Future income taxes receivable	1,000	-
	8,646,009	11,287,418
Receivable from shareholder	100	100
	8,646,109	11,287,518
Liabilities		
Current		
Bank indebtedness	5,985,417	8,199,218
Due to related parties	2,662,959	3,091,021
	8,648,376	11,290,239
Shareholder's Deficit		
Share capital	100	100
Deficit	(2,367)	(2,821)
	(2,267)	(2,721)
	8,646,109	11,287,518

Medican (Westbank) Land Ltd.
Statement of Earnings (Loss) and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Expenses		
Professional fees	483	2,815
Interest and bank charges	63	6
Loss from operations	(546)	(2,821)
Recovery of income taxes		
Future	(1,000)	-
Net earnings (loss)	454	(2,821)
Deficit, beginning of year	(2,821)	-
Deficit, end of year	(2,367)	(2,821)

Medican (Red Deer - Michener Hill) Developments Ltd.
Financial Statements

March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican (Red Deer - Michener Hill) Developments Ltd. as at March 31, 2009 and the statement of loss and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyer Norris Penny LLP

Chartered Accountants

Medican (Red Deer - Michener Hill) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current	200	186
Cash	-	153
Accounts receivable	3,689,888	2,556
Inventory	100	-
Future income taxes receivable		
	3,690,188	2,895
Receivable from shareholder	100	100
	3,690,288	2,995
Liabilities		
Current	2,515,419	-
Bank indebtedness		
	1,175,061	2,910
Due to related parties		
	3,690,480	2,910
Shareholder's Equity (Deficit)		
Share capital	100	100
Deficit	(292)	(15)
	(192)	85
	3,690,288	2,995

Medican (Red Deer - Michener Hill) Developments Ltd.
Statement of Loss and Deficit
For the period ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Cost of sales	702	-
Expenses	439	-
Professional fees	68	15
Interest and bank charges		
Loss from operations	(1,209)	(15)
Other income	832	-
Interest income		
Earnings before income taxes	(377)	(15)
Provision for income taxes	(100)	-
Future		
Net loss	(277)	(15)
Deficit, beginning of year	(15)	-
Deficit, end of year	(292)	(15)

Medican (Lethbridge - Fairmont Park) Developments Ltd.

Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican (Lethbridge - Fairmont Park) Developments Ltd. as at March 31, 2009 and the statement of loss and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Medican (Lethbridge - Fairmont Park) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	340	195
Accounts receivable	-	346
Inventory	52,316	6,091
Future income taxes receivable	100	-
	52,756	6,632
Receivable from shareholder	100	100
	52,856	6,732
Liabilities		
Current		
Accounts payable and accruals	210	6,437
Due to related parties	52,720	200
	52,930	6,637
Shareholder's Equity (Deficit)		
Share capital	100	100
Deficit	(174)	(5)
	(74)	95
	52,856	6,732

Medican (Lethbridge - Fairmont Park) Developments Ltd.
Statement of Loss and Deficit
For the March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Expenses		
Professional fees	200	-
Interest and bank charges	69	5
Loss from operations	(269)	(5)
Provision for income taxes		
Future	(100)	-
Net loss	(169)	(5)
Deficit, beginning of year	(5)	-
Deficit, end of year	(174)	(5)

Medican (Kelowna MOVE) Developments Ltd.
Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican (Kelowna MOVE) Developments Ltd. as at March 31, 2009 and the statement of earnings (loss) and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Medican (Kelowna MOVE) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	306	170
Inventory	565,658	475,236
Future income taxes receivable	-	1,300
	565,964	476,706
Property and equipment	1,728,681	1,791,543
Receivable from shareholder	100	100
Future income taxes	8,500	9,000
	2,303,245	2,277,349
Liabilities		
Current		
Bank indebtedness	-	1,300,000
Accounts payable and accruals	361	10,729
Income taxes payable	5,532	-
	5,893	1,310,729
Due to related parties	2,307,652	993,294
	2,313,545	2,304,023
Shareholder's Deficit		
Share capital	100	100
Deficit	(10,400)	(26,774)
	(10,300)	(26,674)
	2,303,245	2,277,349

Medican (Kelowna MOVE) Developments Ltd.
Statement of Earnings (Loss) and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Revenue	126,000	99,000
Expenses		
Amortization	62,862	65,481
Interest and bank charges	39,063	68,598
Professional fees	369	1,995
	102,294	136,074
Earnings (loss) from operations	23,706	(37,074)
Provision for (recovery of) income taxes		
Current	5,532	-
Future	1,800	(10,300)
	7,332	(10,300)
Net earnings (loss)	16,374	(26,774)
Deficit, beginning of year	(26,774)	-
Deficit, end of year	(10,400)	(26,774)

Canvas (Calgary) Developments Ltd.
Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Canvas (Calgary) Developments Ltd. as at March 31, 2009 and the statement of earnings (loss) and retained earnings for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Canvas (Calgary) Developments Ltd.

Balance Sheet

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	235,721	1,126,698
Accounts receivable	3,329,879	203,538
Inventory	26,039,358	26,336,107
	29,604,958	27,666,343
Receivable from shareholder	100	100
Due from related parties	4,114,173	1,431,659
	33,719,231	29,098,102
Liabilities		
Current		
Bank indebtedness	21,705,594	25,165,975
Accounts payable and accruals	863,537	216,030
Income taxes payable	853,005	-
Due to related parties	-	33,500
Customer deposits	1,248,300	3,682,470
	24,670,436	29,097,975
Due to related parties	2,048,000	-
Executive compensation payable	7,000,000	-
	33,718,436	29,097,975
Shareholder's Equity		
Share capital	100	100
Retained earnings	695	27
	795	127
	33,719,231	29,098,102

Canvas (Calgary) Developments Ltd.
Statement of Earnings (Loss) and Retained Earnings
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Sales	43,993,222	-
Cost of sales	33,968,098	-
Gross margin	10,025,124	-
Expenses		
Rental expenses	65,667	-
Professional fees	52,585	1,995
Condo fees	21,691	-
Interest and bank charges	19,500	1,149
	159,443	3,144
Earnings (loss) from operations	9,865,681	(3,144)
Other income (expense)		
Interest income	35,158	-
Employee profit sharing plan	(7,000,000)	-
	(6,964,842)	-
Earnings (loss) before income taxes	2,900,839	(3,144)
Provision for income taxes		
Current	852,171	-
Net earnings (loss)	2,048,668	(3,144)
Retained earnings, beginning of year	27	36,671
Dividends	(2,048,000)	(33,500)
Retained earnings, end of year	695	27

Medican Holdings Ltd.
Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican Holdings Ltd. as at March 31, 2009 and the statement of earnings and retained earnings for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyus Norris Penny LLP

Chartered Accountants

Medican Holdings Ltd.**Balance Sheet**

As at March 31, 2009

(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	386	-
Accounts receivable	66	398
Income taxes recoverable	191	-
Future income taxes receivable	41,700	-
	42,343	398
Investments	1,570	1,570
Receivable from shareholders	-	100
Advances to related parties	12,374,923	5,715,500
	12,418,836	5,717,568
Liabilities		
Current		
Accounts payable and accruals	494	-
Payable to shareholders	1,700,734	-
Advances from related parties	1,214,542	7,098
	2,915,770	7,098
Shareholder's Equity		
Share capital	1,670	1,670
Retained earnings	9,501,396	5,708,800
	9,503,066	5,710,470
	12,418,836	5,717,568

Medican Holdings Ltd.
Statement of Earnings and Retained Earnings

For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Expenses		
Salaries, wages and benefits	97,917	-
Automotive	29,506	-
Advertising and promotion	8,864	-
Professional fees	743	6,700
Interest and bank charges	74	-
	137,104	6,700
Other income		
Dividend income	3,888,000	5,715,500
Earnings before income taxes	3,750,896	5,708,800
Recovery of income taxes		
Future	(41,700)	-
Net earnings	3,792,596	5,708,800
Retained earnings, beginning of year	5,708,800	-
Retained earnings, end of year	9,501,396	5,708,800

Medican Framing Ltd.
Financial Statements

March 31, 2009

(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Medican Framing Ltd. as at March 31, 2009 and the statement of earnings and retained earnings for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyers Norris Penny LLP

Chartered Accountants

Medican Framing Ltd.
Balance Sheet
As at March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Assets		
Current		
Cash	35,236	343
Accounts receivable	419	40,889
Inventory	241,090	-
	276,745	41,232
Receivable from shareholder	100	100
Due from related parties	33,498	52,142
	310,343	93,474
Liabilities		
Current		
Accounts payable and accruals	67,201	27,973
Income taxes payable	12,151	20,580
Due to related parties	-	44,500
	79,352	93,053
Due to related parties	230,666	-
	310,018	93,053
Shareholder's Equity		
Share capital	100	100
Retained earnings	225	321
	325	421
	310,343	93,474

Medican Framing Ltd.
Statement of Earnings and Retained Earnings
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

	2009	2008
Sales	930,635	298,487
Cost of sales	864,669	233,028
Gross margin	65,966	65,459
Expenses		
Interest and bank charges	2,305	35
Professional fees	405	-
Office	352	-
Salaries, wages and benefits	-	23
	3,062	58
Earnings from operations	62,904	65,401
Provision for income taxes		
Current	19,000	20,580
Net earnings	43,904	44,821
Retained earnings, beginning of year	321	-
Dividends	(44,000)	(44,500)
Retained earnings, end of year	225	321

Medican Equipment Ltd.
Financial Statements
March 31, 2009
(Unaudited - see Notice to Reader)



Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of as at March 31, 2009 and the statement of loss and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

October 25, 2009

Meyer Norris Penny LLP

Chartered Accountants

Medican Equipment Ltd.
Balance Sheet
As at March 31, 2009
(Unaudited - see Notice to Reader)

Assets

Current

Cash 400
Accounts receivable 1,412

1,812

Equipment

140,730

Receivable from shareholders

100

142,642

Liabilities

Long-term debt

131,835

Advances from related parties

18,035

149,870

Shareholder's Deficit

Share capital

100

Deficit

(7,328)

(7,228)

142,642

Medican Equipment Ltd.
Statement of Loss and Deficit
For the year ended March 31, 2009
(Unaudited - see Notice to Reader)

Rental revenue	21,800
<hr/>	
Expenses	22,535
Amortization	5,034
Interest on long-term debt	987
Professional fees	631
Office	(59)
Interest and bank charges	
	29,128
<hr/>	
Net loss	(7,328)
<hr/>	
Deficit, beginning of year	-
<hr/>	
Deficit, end of year	(7,328)
<hr/>	

Medican Group of Companies
 13 week cash flow to the week ending August 20, 2010
 Unaudited, C\$

Notes	28-May	04-Jun	11-Jun	18-Jun	25-Jun	02-Jul	09-Jul	16-Jul	23-Jul	30-Jul	06-Aug	13-Aug	20-Aug	Total
Receipts														
Income from Medican Concrete Ltd.	-	100,000	-	-	-	-	150,000	-	-	-	-	200,000	-	450,000
Milrise	-	50,000	-	-	-	-	100,000	-	-	-	-	150,000	-	300,000
Haven	-	30,000	-	-	-	-	60,000	-	-	-	-	90,000	-	180,000
Profits from Extendicare projects	-	-	-	-	-	-	-	-	-	-	-	-	300,000	300,000
Total receipts	-	180,000	-	-	-	-	310,000	-	-	-	-	440,000	300,000	1,230,000
Disbursements														
Utilities	-	-	50,000	50,000	-	-	-	50,000	50,000	-	-	-	50,000	250,000
Preauthorized payments	15,000	650	47,000	7,000	-	-	1,000	47,000	7,000	37,000	15,000	1,000	47,000	276,650
Payroll - Hourly	0	50,000	-	50,000	37,000	15,000	50,000	50,000	50,000	50,000	50,000	50,000	-	300,000
Payroll - Salary	-	130,000	-	130,000	-	50,000	-	125,000	-	125,000	-	125,000	-	760,000
Payroll - Quebec	-	3,560	-	3,500	-	125,000	-	-	-	3,500	-	3,500	-	14,060
Payroll - Concrete	-	40,000	-	40,000	-	40,000	-	40,000	-	40,000	-	40,000	-	240,000
Payroll - Subcontractors	-	90,000	-	45,000	-	90,000	-	45,000	-	80,000	-	70,000	-	420,000
Payroll - Remittances	-	62,900	42,000	2,100	102,900	800	107,900	2,100	107,900	800	107,900	-	107,900	645,200
WCB	-	-	5,780	-	-	34,200	-	-	513	-	5,780	-	-	46,273
Benefits - GWLALL	-	-	-	32,000	-	-	-	32,000	-	-	-	32,000	-	96,000
GST	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional fees	300,000	-	-	200,000	-	50,000	-	50,000	-	50,000	0	50,000	-	700,000
Contingency	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	130,000
Total disbursements	325,000	387,110	154,780	569,600	149,900	415,000	118,900	451,100	175,413	396,300	138,680	381,500	214,900	3,878,183
Total cash in/(out)	(325,000)	(207,110)	(154,780)	(569,600)	(149,900)	(415,000)	(118,900)	(451,100)	(175,413)	(396,300)	(138,680)	(381,500)	(214,900)	(2,648,183)
Opening position	0	(325,000)	(532,110)	(686,890)	(1,256,490)	(1,406,390)	(1,821,390)	(1,630,290)	(2,081,390)	(2,256,803)	(2,653,103)	(2,791,783)	(2,733,283)	0
Closing position	(325,000)	(532,110)	(686,890)	(1,256,490)	(1,406,390)	(1,821,390)	(1,630,290)	(2,081,390)	(2,256,803)	(2,653,103)	(2,791,783)	(2,733,283)	(2,648,183)	(2,648,183)

THIS IS EXHIBIT " E " referred to in the Affidavit of Wesley Reinbeller Sworn before me this 25 Day of May A.D. 2010
 A COMMISSIONER FOR OATHS
 IN AND FOR THE PROVINCE OF ALBERTA

Rebecca Lewis
 Barrister & Solicitor

Medican Group of Companies
13 week cash flow to the week ending August 20, 2010
Unaudited, C\$

- 1 Estimated.
- 2 Estimated first draw on Millrise reconstruction.
- 3 Estimated first draw on Haven project.
- 4 Extendicare and Medican have entered into an oral agreement whereby profits due to Medican in May, June and July 2010 will first be applied against unpaid trades on the Extendicare projects. It is anticipated that August's profits will be available to Medican.
- 5 Estimated utilities during the period.
- 6 Preauthorized payments include insurance, vehicle leases and equipment leases.
- 7 Estimated payroll based on current employee/subcontractor compliment.
- 8 Ongoing monthly employee benefit payments to Great Western Life and London Life.
- 9 GST will be paid directly by the appropriate development companies.
- 10 The fees of the Company's legal counsel, the Monitor and it's legal Counsel. The initial professional fees relate to the significant costs incurred by the proposed Monitor and the Company's legal counsel in assisting the Company in preparation of the CCAA filing. Further fees relate to costs incurred in the initial 30 day period after the initial application, and then additional fees during the course of this cashflow period.
- 11 Estimated.

COMMITMENT LETTER

This Commitment Letter dated as of May 25, 2010.

Rebecca Lewis
Barrister & Solicitor

THIS IS EXHIBIT " F " referred to in the Affidavit of Wesley Reinhalter Sworn before me this 25 Day of May AD. 2010
A COMMISSIONER FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA

WHEREAS PARAGON CAPITAL CORPORATION LTD. ("Lender") has agreed to provide to MEDICAN HOLDINGS LTD. together with each of the corporations that are party to the Initial Order (as hereinafter defined), jointly and severally, (the "Debtor" or "Medican") funding in order to assist with certain anticipated capital and operating expenditures of Medican in the context of its proceedings (the "CCAA Proceedings") under the *Companies' Creditors Arrangement Act* (the "CCAA") and in accordance with the terms set out herein.

NOW THEREFORE the parties, in consideration of the foregoing and the mutual covenants herein contained, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

1. DIP Facility

Lender shall make available to Medican a credit facility to a maximum amount of \$2,500,000.00, to provide funds for the capital and expenditure program proposed by Medican (the "Funding Program") during the continuance of the CCAA Proceedings (the "DIP Facility"). Medican agrees that at no time shall the amount owing under the DIP Facility exceed \$2,500,000.00 and that Lender shall have no obligation to honor any request for funds which would have the effect of making the amount owing exceed such limit.

2. Maturity Date

The DIP Facility shall be due and payable on the earlier of:

- i. June 30, 2010;
- ii. the date of the termination of the Stay Period as that term is defined in the Initial Order (as those terms are hereafter defined) as may be extended by subsequent Court Order in the CCAA Proceedings; and
- iii. such date upon which there occurs an Event of Default as that term is defined below,

(such earlier date being the "Maturity Date").

The Maturity Date may be extended at the request of Medican with the consent of the Lender for such period and on such terms as Medican and Lender may agree and as the Court in Medican's CCAA Proceedings may approve.

The commitment in respect of the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be repaid in full no later than the Maturity Date without Lender being required to make demand upon Medican therefor or to give notice to Medican that the DIP Facility has expired and that the obligations are due and payable.

3. Cash Flow Projections

Prior to the granting of the Initial Order, Medican shall provide to Lender cash flow projections in form and substance satisfactory to the Monitor appointed in Medican's CCAA Proceedings (the "Monitor") reflecting the projected cash requirements of Medican for six weeks from the date of the granting of the Initial Order (the "Initial Cash Flow Projections"). The Initial Cash Flow Projections may be amended by Medican from time to time, on the written consent of Lender.

4. Interest

Medican agrees to pay interest ("Interest") on amounts drawn under the DIP Facility, both before and after the Maturity Date, at a rate per annum of 12%.

Interest on amounts drawn under the DIP Facility shall be payable monthly in arrears on the last business day of each month. Such Interest shall constitute an advance under the DIP Facility, to the extent that a payment is not made. Interest shall be calculated and compounded monthly for the actual number of days elapsed in the period during which it accrues based on a year of 365 days. For the purposes of the *Interest Act*, (Canada) the yearly rate of interest to which the rate is equivalent is the rate multiplied by the number of days in the year for which the calculation is made and divided by 365.

Notwithstanding paragraph 1 hereof, if at any time amounts advanced or outstanding under the DIP Facility exceed such limit, and such excess is permitted by Lender in its sole discretion, such excess shall bear Interest at a rate of interest equal to all other funds advanced.

5. Use of Funds

The DIP Facility shall be used solely for the purpose of carrying out operations during the continuance of the CCAA Proceedings and solely in accordance with the Initial Cash Flow Projections.

6. Structuring Fees

[deleted intentionally]

7. Commitment Fee

Medican shall pay to the Lender an amount equal to 2% of the total of the DIP Facility to be deducted from the first advance.

8. **Costs**

Medican shall pay to Lender all reasonable fees and disbursements of Lender and its legal and financial advisors engaged by it in connection with the preparation, negotiation, execution, delivery, administration, interpretation or enforcement of this Commitment Letter and the DIP Charge (as hereafter defined) and in the case of legal costs, such costs shall be charged by Lender to Medican on a solicitor and his own client basis. Such costs may be deducted by the Lender on the first and subsequent advances.

9. **DIP Security**

All obligations of Medican under or in connection with the DIP Facility shall be secured by a Court ordered first charge, over all present and after acquired property, assets and undertakings of Medican on substantially the terms set out in the draft Initial Order attached hereto as Schedule "A" (the "Initial Order") and subject only to the security in favour of CIBC and TD Bank (the "DIP Charge").

10. **Repayments**

All monies received by Lender in repayment of amounts owing under the DIP Facility, whether by way of debt as aforesaid or otherwise, may be applied and allocated by Lender to such parts of the outstanding DIP Facility, whether by principal, interest, fees or other costs, as the Lender may determine in its sole discretion.

11. **Conditions Precedent**

The DIP Facility shall be made available by Lender to Medican upon:

- i.. Medican filing for protection under the CCAA, and
- ii. the Court granting the Initial Order substantially on the terms set out in the form of Initial Order attached hereto and marked as Schedule "A".

Notwithstanding the foregoing, the DIP Facility shall not be made available to Medican or may be cancelled by Lender if previously made available to Medican, if:

- i. the Initial Order is vacated, stayed or otherwise caused to become ineffective or is amended in an manner not acceptable to Lender, or
- ii. an Event of Default has occurred and is continuing.

12. **Additional Conditions Precedent**

Prior to the making of any advance under the DIP Facility:

- a. Lender shall be satisfied that Medican has complied with and is continuing to comply in all material respects with all applicable laws, regulations and policies in relation to its

business; and

- b. Lender shall be satisfied that there are no liens, charges or encumbrances ranking in priority to the DIP Charge, unless expressly agreed to by Lender.

13. Representations and Warranties

Medican represents and warrants to Lender that the transactions contemplated by this Commitment Letter and the DIP Facility, including the DIP Charge:

- a. Are within the powers of Medican;
- b. Have been duly authorized by all necessary corporate approval;
- c. Have been duly executed and delivered by or on behalf of Medican;
- d. Upon the granting of the Initial Order, constitute legal, valid and binding obligations of Medican, enforceable in accordance with their terms; and
- e. Upon the granting of the Initial Order, do not require the consent or approval of, or registration or filing with, or any other action by, any governmental authority, other than filings which may be made to register or otherwise record the DIP Charge.

14. Affirmative Covenants

Medican covenants and agrees to do the following:

- a. Allow Lender full access to the books and records of Medican and cause management thereof to fully cooperate with Lender;
- b. Use reasonable efforts to keep Lender apprised on a timely basis of all material developments with respect to the business and affairs of Medican;
- c. Deliver to the Lender the reporting and other information from time to time reasonably requested by Lender, including cash flow projections, summaries of sales and accounts receivable and any information pertaining to the business and affairs of Medican reasonably requested by Lender;
- d. Use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in the Initial Cash Flow Projections;
- e. Comply with the provisions of the Initial Order as may be subsequently amended, provided that if any such order contravenes this Commitment Letter in a manner detrimental to Lender, the same shall be an Event of Default hereunder;
- f. Preserve, renew and keep in full force its corporate existence with all material licenses;
- g. Maintain at all times adequate insurance coverage of such type, in such amounts and against such risks as is prudent for a business of an established reputation with financially sound and reputable insurers in coverage and scope acceptable to Lender;
- h. Operate its business in the ordinary course subject always to the Initial Cash Flow Projections and such subsequent cash flow projections to which Lender may agree, and within the credit limits established for the DIP Facility as set out herein;
- i. Duly and punctually pay or cause to be paid to the Lender all principal, interest, fees and other amounts payable by it under this Commitment Letter on the dates, at the places and in the amounts set forth herein;
- j. Forthwith notify the Lender of the occurrence of any Event of Default or of any event or

- circumstance which may constitute a material adverse change to the Initial Cash Flow Projections and such subsequent cash flow projections as to which Lender may agree;
- k. Comply in all material respects with all applicable laws, rules and regulations applicable to its business, including environmental laws; and
 - l. Authorize and direct the Monitor to provide regular reports to Lender with respect to Medican's compliance with the foregoing affirmative covenants and the following negative covenants.

15. Negative Covenants

Medican covenants and agrees not to do the following:

- a. Transfer, lease or otherwise dispose of all or any of its property, assets or undertakings except in compliance with the Initial Order as may be subsequently amended;
- b. Make any payment of principal or interest in respect of obligations owed by Medican to parties other than the Lender as at the date of the Initial Order, except in accordance with the Initial Order and the Initial Cash Flow Projections, unless agreed to in writing by the Lender;
- c. Create or permit to exist indebtedness for borrowed money secured by a charge upon any of its assets ranking or potentially ranking in priority to the DIP Charge, without the prior approval of Lender;
- d. Enter into any transaction with any affiliate (as that term is defined in the Alberta Business Corporations Act) or any of its senior officers or employees, except in the ordinary course of business and upon fair and reasonable terms comparable to arm's length transactions of a similar type;
- e. Increase the compensation for any director, officer or employee of Medican or otherwise directly or indirectly provide additional compensation for any such person or his or her affiliates (as that term is defined in the Alberta Business Corporations Act) to a level materially higher than the level at which such persons were compensated prior to the date of filing;
- f. Make any investments or acquisitions of any kind, direct or indirect, in any business or otherwise where to do so would be inconsistent with the Initial Cash Flow Projections and such subsequent cash flow projections as to which Lender may agree;
- g. Make any payment outside of the ordinary course of business, subject always to the Initial Cash Flow Projections and such subsequent cash flow projections as to which Lender may agree, and the maximum availability under the DIP Facility,
- h. Make any payments on amount of bonuses or retainers, other than reasonable retainers relating to Medican's legal counsel, Lender's counsel, the Monitor appointed pursuant to the Initial Order and the Monitor's counsel; or
- i. Amalgamate, consolidate with or merge into or enter into any similar transaction with any other entity.

16. Indemnity and Release

Medican agrees to indemnify and hold harmless Lender and each of its directors, officers,

employees, agents, attorneys, advisors and affiliates (all of such persons and entities being referred to hereafter as "Indemnified Persons") from and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever which may be incurred by or asserted against or involve any Indemnified Person as a result of or arising out of or in any way related to or resulting from any bankruptcy or insolvency proceedings or the CCAA Proceedings or this Commitment Letter, and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal costs on a solicitor and his own client basis or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim whether or not any Indemnified Person is a party to any action or proceeding out of which any such expenses arise; provided, however, Medican shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability to the extent it resulted from the gross negligence or willful misconduct of such Indemnified Person as finally determined by a court of competent jurisdiction.

The indemnities granted under this Commitment Letter shall survive any termination of the DIP Facility.

17. Events of Default

The occurrence of any one or more of the following events shall constitute an event of default ("Event of Default") under this Commitment Letter:

- a. The entry of an order dismissing the CCAA Proceedings or lifting the stay in the CCAA Proceedings to permit the enforcement of any security against Medican or the appointment of a Receiver, Interim Receiver or similar official or the making of a receiving order against Medican;
- b. The entry of an order granting any other claim super priority status or a lieu equal or superior to the DIP Charge, without Lender's prior consent;
- c. The entry of an order staying, reversing, vacating or otherwise modifying the DIP Facility or the Initial Order or the entry of an order by the Court having the equivalent effect, without the prior written consent of Lender,
- d. Failure of Medican to pay (a) interest or fees when due under the Commitment Letter, (b) principal when due under the DIP Facility, or (c) legal and advisor fees of Lender in five (5) business days of being invoiced therefor;
- e. Failure of Medican to comply with any positive or negative covenants in this Commitment Letter; provided that where such failure is capable of being cured, such failure has continued for more than five (5) business days after written notice thereof from Lender to Medican;
- f. Failure of Medican to perform or comply with any term or covenant under this Commitment Letter (other than as set out in subparagraph (d) and (e) above) and such default shall continue unremedied for a period of five (5) days;
- g. Medican ceases or threatens to cease to carry on business in the ordinary course, except where such cessation occurs in connection with a sale of all or substantially all of the assets of Medican consented to by Lender;

- h. Any representation or warranty by Medican is incorrect or misleading in any material respect when made; and
- i. The filing of any pleading by Medican seeking any of the matters set forth in paragraph (a) through (c).

18. Remedies

Upon the occurrence of an Event of Default, Lender may:

- a. declare the obligations in respect of the DIP Facility to be immediately due and payable,
- b. apply to a court for the appointment of an Interim Receiver or a Receiver and. Manager of the undertaking, property and assets of Medican or for the appointment of a Trustee in. Bankruptcy of Medican,
- c. exercise the powers and rights of a secured creditor under the *Personal Property Security Act (Alta)* or similar legislation in other jurisdictions or any legislation of similar effect applicable to the DIP Security, and
- d. exercise all such other rights and remedies under the DIP Facility and the CCAA orders.

19. Waiver

Notwithstanding any provision herein contained, any condition precedent, Event of Default or covenant of Medican, may be waived in whole or in part, by the Lender in the sole and absolute discretion.

[continued on Page 8]

[continued from Page 7]

20. Counterparts/Facsimile

This Agreement may be executed in any number of counterparts and delivered by facsimile transmission or email (the originally executed Agreement being scanned and transmitted in PDF format) and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS HEREOF, the parties hereby execute this Commitment Letter as of the date first above mentioned.

PARAGON CAPITAL CORPORATION LTD.
(LENDER)

Per: _____



MEDICAN HOLDINGS LTD., MEDICAN DEVELOPMENTS INC., R7 INVESTMENTS LTD., MEDICAN CONSTRUCTION LTD., MEDICAN CONCRETE INC., 1090772 ALBERTA LTD., 1144233 ALBERTA LTD., 1344241 ALBERTA LTD., 9150-3755 QUEBEC INC., AXCESS (GRANDE PRAIRIE) DEVELOPMENTS LTD., AXCESS (SYLVAN LAKE) DEVELOPMENTS LTD., CANVAS (CALGARY) DEVELOPMENTS LTD., ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD., HOMES BY KINGSLAND LTD., LAKE COUNTRY (SITARA) DEVELOPMENTS LTD., MEDICAN (EDMONTON TERWILLEGAR) DEVELOPMENTS LTD., MEDICAN (GRANDE PRAIRIE) HOLDINGS LTD., MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD., MEDICAN (LETHBRIDGE – FAIRMONT PARK) DEVELOPMENTS LTD., MEDICAN (RED DEER – MICHENER HILL) DEVELOPMENTS LTD., MEDICAN (SYLVAN LAKE) DEVELOPMENTS LTD., MEDICAN (WESTBANK) DEVELOPMENT LTD., MEDICAN (WESTBANK) LAND LTD., MEDICAN CONCRETE FORMING LTD., MEDICAN DEVELOPMENTS (MEDICINE HAT SOUTHWEST) INC., MEDICAN ENTERPRISES INC. / LES ENTREPRISES MEDICAN INC., MEDICAN EQUIPMENT LTD., MEDICAN FRAMING LTD., MEDICAN GENERAL CONTRACTORS LTD., MEDICAN GENERAL CONTRACTORS 2010 LTD., RIVERSTONE (MEDICINE HAT) DEVELOPMENTS LTD., SANDERSON OF FISH CREEK (CALGARY) DEVELOPMENTS LTD., SIERRAS OF EAUX CLAIRES (EDMONTON) DEVELOPMENTS LTD., SONATA RIDGE (KELOWNA) DEVELOPMENTS LTD., SYLVAN LAKE MARINA DEVELOPMENTS LTD., THE ESTATES OF VALLEYDALE DEVELOPMENTS LTD., THE LEGEND (WINNIPEG) DEVELOPMENTS LTD., and WATERCREST (SYLVAN LAKE) DEVELOPMENTS LTD.

Per: _____


Wesley Reinheller
Authorized Signatory

MEDICAN HOLDINGS LTD., MEDICAN DEVELOPMENTS INC., R7 INVESTMENTS LTD., MEDICAN CONSTRUCTION LTD., MEDICAN CONCRETE INC., 1090772 ALBERTA LTD., 1144233 ALBERTA LTD., 1344241 ALBERTA LTD., 9150-3755 QUEBEC INC., AXXESS (GRANDE PRAIRIE) DEVELOPMENTS LTD., AXXESS (SYLVAN LAKE) DEVELOPMENTS LTD., CANVAS (CALGARY) DEVELOPMENTS LTD., ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD., HOMES BY KINGSLAND LTD., LAKE COUNTRY (SITARA) DEVELOPMENTS LTD., MEDICAN (EDMONTON TERWILLEGAR) DEVELOPMENTS LTD., MEDICAN (GRANDE PRAIRIE) HOLDINGS LTD., MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD., MEDICAN (LETHBRIDGE – FAIRMONT PARK) DEVELOPMENTS LTD., MEDICAN (RED DEER – MICHENER HILL) DEVELOPMENTS LTD., MEDICAN (SYLVAN LAKE) DEVELOPMENTS LTD., MEDICAN (WESTBANK) DEVELOPMENT LTD., MEDICAN (WESTBANK) LAND LTD., MEDICAN CONCRETE FORMING LTD., MEDICAN DEVELOPMENTS (MEDICINE HAT SOUTHWEST) INC., MEDICAN ENTERPRISES INC. / LES ENTREPRISES MEDICAN INC., MEDICAN EQUIPMENT LTD., MEDICAN FRAMING LTD., MEDICAN GENERAL CONTRACTORS LTD., MEDICAN GENERAL CONTRACTORS 2010 LTD., RIVERSTONE (MEDICINE HAT) DEVELOPMENTS LTD., SANDERSON OF FISH CREEK (CALGARY) DEVELOPMENTS LTD., SIERRAS OF EAUX CLAIRES (EDMONTON) DEVELOPMENTS LTD., SONATA RIDGE (KELOWNA) DEVELOPMENTS LTD., SYLVAN LAKE MARINA DEVELOPMENTS LTD., THE ESTATES OF VALLEYDALE DEVELOPMENTS LTD., THE LEGEND (WINNIPEG) DEVELOPMENTS LTD., and WATERCREST (SYLVAN LAKE) DEVELOPMENTS LTD.

Per: _____

Wesley Reinheller
Authorized Signatory

MEDICAN HOLDINGS LTD., MEDICAN DEVELOPMENTS INC., R7 INVESTMENTS LTD., MEDICAN CONSTRUCTION LTD., MEDICAN CONCRETE INC., 1090772 ALBERTA LTD., 1144233 ALBERTA LTD., 1344241 ALBERTA LTD., 9150-3755 QUEBEC INC., AXXESS (GRANDE PRAIRIE) DEVELOPMENTS LTD., AXXESS (SYLVAN LAKE) DEVELOPMENTS LTD., CANVAS (CALGARY) DEVELOPMENTS LTD., ELEMENTS (GRANDE PRAIRIE) DEVELOPMENTS LTD., HOMES BY KINGSLAND LTD., LAKE COUNTRY (SITARA) DEVELOPMENTS LTD., MEDICAN (EDMONTON TERWILLEGAR) DEVELOPMENTS LTD., MEDICAN (GRANDE PRAIRIE) HOLDINGS LTD., MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD., MEDICAN (LETHBRIDGE – FAIRMONT PARK) DEVELOPMENTS LTD., MEDICAN (RED DEER – MICHENER HILL) DEVELOPMENTS LTD., MEDICAN (SYLVAN LAKE) DEVELOPMENTS LTD., MEDICAN (WESTBANK) DEVELOPMENT LTD., MEDICAN (WESTBANK) LAND LTD., MEDICAN CONCRETE FORMING LTD., MEDICAN DEVELOPMENTS (MEDICINE HAT SOUTHWEST) INC., MEDICAN ENTERPRISES INC. / LES ENTREPRISES MEDICAN INC., MEDICAN EQUIPMENT LTD., MEDICAN FRAMING LTD., MEDICAN GENERAL CONTRACTORS LTD., MEDICAN GENERAL CONTRACTORS 2010 LTD., RIVERSTONE (MEDICINE HAT) DEVELOPMENTS LTD., SANDERSON OF FISH CREEK (CALGARY) DEVELOPMENTS LTD., SIERRAS OF EAUX CLAIRES (EDMONTON) DEVELOPMENTS LTD., SONATA RIDGE (KELOWNA) DEVELOPMENTS LTD., SYLVAN LAKE MARINA DEVELOPMENTS LTD., THE ESTATES OF VALLEYDALE DEVELOPMENTS LTD., THE LEGEND (WINNIPEG) DEVELOPMENTS LTD., and WATERCREST (SYLVAN LAKE) DEVELOPMENTS LTD.

Per: 

Wesley Reinheller
Authorized Signatory

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

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED AND *THE JUDICATURE ACT*, R.S.A. 2000,
c. J-2, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF MEDICAN HOLDINGS LTD., MEDICAN DEVELOPMENTS INC., R7
INVESTMENTS LTD., MEDICAN CONSTRUCTION LTD., MEDICAN
CONCRETE INC., 1090772 ALBERTA LTD., 1144233 ALBERTA LTD., 1344241
ALBERTA LTD., 9150-3755 QUEBEC INC., AXCESS (GRANDE PRAIRIE)
DEVELOPMENTS LTD., AXCESS (SYLVAN LAKE) DEVELOPMENTS LTD.,
CANVAS (CALGARY) DEVELOPMENTS LTD., ELEMENTS (GRANDE
PRAIRIE) DEVELOPMENTS LTD., HOMES BY KINGSLAND LTD., LAKE
COUNTRY (SITARA) DEVELOPMENTS LTD., MEDICAN (EDMONTON
TERWILLEGAR) DEVELOPMENTS LTD., MEDICAN (GRANDE PRAIRIE)
HOLDINGS LTD., MEDICAN (KELOWNA MOVE) DEVELOPMENTS LTD.,
MEDICAN (LETHBRIDGE – FAIRMONT PARK) DEVELOPMENTS LTD.,
MEDICAN (RED DEER – MICHENER HILL) DEVELOPMENTS LTD.,
MEDICAN (SYLVAN LAKE) DEVELOPMENTS LTD., MEDICAN
(WESTBANK) DEVELOPMENT LTD., MEDICAN (WESTBANK) LAND LTD.,
MEDICAN CONCRETE FORMING LTD., MEDICAN DEVELOPMENTS
(MEDICINE HAT SOUTHWEST) INC., MEDICAN ENTERPRISES INC. / LES
ENTREPRISES MEDICAN INC., MEDICAN EQUIPMENT LTD., MEDICAN
FRAMING LTD., MEDICAN GENERAL CONTRACTORS LTD., MEDICAN
GENERAL CONTRACTORS 2010 LTD., RIVERSTONE (MEDICINE HAT)
DEVELOPMENTS LTD., SANDERSON OF FISH CREEK (CALGARY)
DEVELOPMENTS LTD., SIERRAS OF EAUX CLAIRES (EDMONTON)
DEVELOPMENTS LTD., SONATA RIDGE (KELOWNA) DEVELOPMENTS
LTD., SYLVAN LAKE MARINA DEVELOPMENTS LTD., THE ESTATES OF
VALLEYDALE DEVELOPMENTS LTD., THE LEGEND (WINNIPEG)
DEVELOPMENTS LTD., and WATERCREST (SYLVAN LAKE)
DEVELOPMENTS LTD.

The Petitioners

AFFIDAVIT

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