

MT Draft
January 21, 2015

FORM OF IRREVOCABLE OFFER TO PURCHASE

THIS IRREVOCABLE OFFER TO PURCHASE made this 2nd day of February, 2015

BETWEEN:

Hill (94) GP Inc. ("Vendor")

- and -

Telsec Property Corporation ("Offeror")

WHEREAS by virtue of an order of the Superior Court of Quebec (Commercial Division) (the "Court") supervising the restructuring proceedings under the *Companies' Creditors Arrangement Act*, as amended and supplemented from time to time (the "CCAA") of Homburg Invest Inc. and related entities dated September 9, 2011 (the "CCAA Order"), Vendor is under court protection pursuant to the CCAA and Samson Bélair/Deloitte & Touche Inc. (the "Monitor") is the court-appointed monitor to Vendor as per the CCAA and the CCAA Order;

WHEREAS Vendor is the registered owner of the lands more fully described in Schedule 1 hereto (the "Lands");

WHEREAS if this Offer is accepted by the Responsible Parties (as defined hereunder), Vendor will petition the Court to authorize the sale of the Lands in accordance with the terms set out herein and the CCAA and to grant the Vesting Order (as defined hereunder);

AND WHEREAS Offeror hereby submits this irrevocable offer to purchase all of Vendor's right, title and interest in the Lands, on and subject to the terms set out hereinafter below.

1. Irrevocable Offer to Purchase

Offeror hereby irrevocably offers to purchase from Vendor all of Vendor's right, title and interest in and to the Lands at the purchase price of \$5,560,000 (approximately \$40,000 per acre), plus all applicable taxes and fees and subject to the Adjustments (as defined below) (the "Purchase Price"), upon and subject to the terms hereof.

This Offer shall remain open for acceptance for 10 Business Days (as defined hereunder) from the date hereof.

2. Definitions

In this Offer, the following terms have the following meanings:

"Acceptance Date" means the date upon which this Offer is executed and delivered by the Responsible Parties.

"Adjustments" means the adjustments to the Purchase Price as of the Closing Date, which shall include all items normally adjusted between a vendor and purchaser in respect of the sale of lands similar to the Lands in the municipality in which the Lands are located.

"Affiliate" means, with respect to any person, any other person that controls or is controlled by or is under common control with the referent person.

"Business Day" means a day other than Saturday, Sunday or a statutory holiday in Quebec or Alberta.

"CCAA" has the meaning ascribed thereto in the Preamble.

"CCAA Order" has the meaning ascribed thereto in the Preamble.

"Closing" or **"Closing Date"** has the meaning ascribed thereto in Section 14.

"Confidential Information" has the meaning ascribed thereto in Section 36.

"Court" has the meaning ascribed thereto in the Preamble.

"Deposit" means collectively, the First Deposit and the Second Deposit.

"Environmental Laws" means all applicable federal, provincial, municipal and local laws, statutes, ordinances, by-laws and regulations and all orders, directives and decisions rendered by, and policies, standards, guidelines and similar guidance of, any Governmental Authority, ministry, department or administrative or regulatory agency or court having jurisdiction over the Lands (which, for further certainty, in each case shall be deemed to have the force of law), including any obligations or requirements arising at law, relating to the protection of the environment, human and other animal health and safety or the release, manufacture, processing, distribution, use, treatment, storage, presence, disposal, packaging, labelling, recycling, transport, handling, containment, clean-up or other remediation or corrective action of or in respect of any Hazardous Substances.

"First Deposit" means the sum of ONE HUNDRED THOUSAND DOLLARS (\$100,000) payable to the Monitor, in trust by certified cheque, bank draft, or wire transfer.

"GST" has the meaning ascribed thereto in Section 12.

"Governmental Authority" means any government, parliament, legislature, or any governmental, quasi-governmental or regulatory authority, agency, commission, department or board, or any political subdivision thereof, or any court or any other law, regulation or rule-making entity, having jurisdiction in the relevant circumstances, or any person acting under the authority of any of the foregoing (including any court or any arbitrator with the authority to bind the Parties at law) or any other authority charged with the administration or enforcement of legal requirements.

"Hazardous Substances" means any contaminant, pollutant, dangerous substance, potentially dangerous substances, noxious substance, toxic substance, hazardous waste, flammable material, explosive material, radioactive material, urea-formaldehyde foam insulation, asbestos, PCBs radiation and any other substance, material, effect, or thing declared or defined to be hazardous, toxic, a contaminant, or pollutant, in or pursuant to any Environmental Laws.

"Lands" has the meaning ascribed thereto in the Preamble.

"Monitor" has the meaning ascribed thereto in the Preamble.

"Offer" means this Irrevocable Offer to Purchase.

"Offeror" has the meaning ascribed thereto in the Preamble.

"Offeror's Conditions" has the meaning ascribed thereto in Section 7.

"Parties" means collectively, Vendor and Offeror.

"Permitted Encumbrances" means with respect to the Lands those encumbrances described in Schedule 3 attached hereto.

"Purchase Price" has the meaning ascribed thereto in Section 1.

"Related Entity" means an entity that is or has been an Affiliate of Vendor or Homburg Invest Inc.

"Related Person" means a person who (a) is or has been a director or officer of Vendor or a Related Entity, (b) is or has had direct or indirect control in fact, of Vendor or a Related Entity, or (c) is related to a person described in paragraph (a) or (b).

"Responsible Parties" means collectively, the Monitor and Vendor.

"Second Deposit" means the sum equal to ten percent (10%) of the Purchase Price payable to the Monitor, in trust by certified cheque, bank draft, or wire transfer.

"Transfer of Land" means the transfer of land in registrable form substantially in accordance with the form set out in Schedule 2 together with all applicable conveyancing documents normally expected in a commercial transaction of this nature.

"Vendor" has the meaning ascribed thereto in the Preamble.

"Vesting Order" means a final and executory order of the Court, or, as the case may be, of an appellate Court, approving the transaction sought by this Offer.

3. Schedules

The Schedules to this Offer are as follows:

Schedule 1	Legal Description of the Lands
Schedule 2	Form of Transfer of Land
Schedule 3	Permitted Encumbrances
Schedule 4	Vendor's Deliveries

All Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Offer as if set out in full herein.

4. Deposit

The First Deposit shall be due and payable by Offeror to the Monitor, in trust on or before the second Business Day following the Acceptance Date. The Second Deposit shall be paid and satisfied by Offeror to the Monitor, in trust on or prior to 5:00 pm (Calgary time) on the first Business Day following the satisfaction or waiver of the Offeror's Conditions. The Deposit may be invested by the Monitor in an interest bearing account or term deposit or guaranteed investment certificate with one of the six largest Canadian banks (with interest for the account of Offeror prior to the Closing Date and interest to the account of the Vendor as of the Closing Date) unless forfeited to Vendor as set out below. The Deposit shall be credited against the Purchase Price on Closing. If the transaction contemplated by this Offer is not completed for any reason other than the default of Offeror, the Deposit together with any interest accrued thereon shall be returned to Offeror forthwith. If the transaction is not completed by reason of a default by Offeror, the Deposit together with any interest accrued thereon, will be forfeited to Vendor without prejudice to any right or remedy which Vendor may have against Offeror in the circumstances.

5. Payment of Purchase Price and Adjustments

If this Offer is accepted, the balance of the Purchase Price shall be payable by Offeror to Vendor, in consideration for the sale, assignment, conveyance and transfer of the Lands, at Closing by certified cheque, bank draft, or wire transfer payable to the Monitor, in trust.

Vendor and Offeror shall adjust the Purchase Price as of the Closing Date in respect of property taxes and any rents actually received by Vendor for the month in which the Closing Date occurs (including GST, where applicable), insofar as such items are applicable to the Lands, with the intent that Vendor shall be responsible for all expenses and entitled to all revenues derived from the Lands for the period prior to the Closing Date and Offeror shall be responsible for all expenses and shall be entitled to all revenues in respect of the Lands on and after the Closing Date. Vendor shall provide Offeror with a draft statement of Adjustments at least two (2) Business Days prior to the Closing Date.

6. Vendor's Conditions Precedent

Vendor and Offeror hereby agree to the following:

- (a) the Offer and the transactions contemplated herein are subject to and conditional upon the approval of the Monitor on or before February 15, 2015; and
- (b) the Offer and the transactions contemplated herein are subject to and conditional upon the Responsible Parties obtaining the Vesting Order. Vendor shall use commercially reasonable efforts to timely file and properly serve a motion, which shall seek the Vesting Order. In the event leave to appeal is sought, an appeal is taken or a stay pending appeal is requested with respect to the Vesting Order, Vendor shall promptly notify Offeror of such leave to appeal, appeal or stay request and shall promptly provide a copy of the related notice(s) or order(s). Vendor shall also provide Offeror with written notice of any motion or application filed in connection with any leave to appeal or appeal from such orders.

If any of the above conditions are not satisfied, this Offer shall automatically be terminated and of no force and effect and the Deposit shall be returned to Offeror and, subject to Section 37, the parties shall be released from all covenants and obligations under this Offer.

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7. Offeror's Conditions Precedent

Vendor and Offeror hereby agree that the obligations of Offeror hereunder are subject to the following conditions precedent ("**Offeror's Conditions**") being satisfied or waived on or before the 75th day following the Acceptance Date:

- (a) Offeror being satisfied in its sole discretion with the results of all physical investigations it undertakes or causes to be undertaken with respect to the Lands;
- (b) Offeror being satisfied in its sole discretion with its review of title to the Lands; and
- (c) Offeror being satisfied in its sole discretion with any other due diligence searches and investigations which it may have carried out with respect to the Lands.

Offeror's Conditions are for the sole benefit of Offeror and may be unilaterally waived in writing in whole or in part by Offeror. Subject to Section 37, if the Offeror notifies the Vendor that any of Offeror's Conditions is not satisfied or waived by Offeror within the time provided, this Offer shall automatically be terminated and of no force and effect and the Deposit and accrued interest shall be returned to Offeror and Offeror and Vendor shall each be released from all covenants and obligations under this Offer.

8. Vendor's Deliveries

Forthwith after the Acceptance Date, Vendor will provide Offeror with access to a virtual data room containing the information and materials related to the Lands contemplated at Schedule 4 in the Vendor's actual possession.

9. Offeror's Acknowledgements and Covenants

Offeror hereby acknowledges, covenants and agrees to the following:

- (a) Vendor makes no representation or warranty of any kind that the present use or future intended use by Offeror of the Lands is or will be lawful or permitted;
- (b) upon waiver of Offeror's Conditions, it is satisfied with the Lands and all matters and things connected therewith or in any way related thereto;
- (c) it is offering to purchase the Lands on an "as is, where is" basis and without recourse whatsoever, including, without limitation, defaults under outstanding work orders, deficiency notices, compliance, requests, development fees, imposts, lot levies, sewer charges, zoning and building code violations and any outstanding requirements which have been or may be issued by any Governmental Authority having jurisdiction over the Lands;
- (d) Vendor makes no representations, warranties or conditions with respect to or in any way related to the Lands, including without limitation, the following: (i) the title, quality, quantity, marketability, zoning, fitness for any purpose, state, condition, encumbrances, description, present or future use, value, location or any other matter or thing whatsoever related to the Lands, either stated or implied; and (ii) the environmental state of the Lands, the existence, nature, kind, state or identity of any Hazardous Substances on, under, or about the Lands, the existence, state, nature,

kind, identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under the *Environmental Protection and Enhancement Act* (Alberta), or any other statute, regulation, rule or provision of law now in force, the existence, state, nature, kind, identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Substances whether on, under or about the Lands or elsewhere;

- (e) it relies entirely on its own judgment, inspection and investigation of Lands and any documentation or information (written or oral) relating to the Lands obtained from the Responsible Parties or its consultants, agents, advisors or solicitors (collectively, the "Reports") has been prepared or collected solely for the convenience of prospective purchasers and is not warranted to be complete or accurate, shall not be deemed to be warranties, representations or guarantees made by Vendor, is not part of this Offer, and shall not be relied upon as such by Offeror;
- (f) any defects, mistakes, misrepresentations, omissions or errors contained in any of the Reports shall not form the basis of or be used by Offeror in any lawsuit, cause of action or any other similar action brought by Offeror against the Responsible Parties or its consultants, agents, advisors or solicitors, or the author of any such Report with respect to this Agreement or any aspect thereof; and
- (g) without limiting the generality of the foregoing, the financial information and pro formas included in the Reports or otherwise provided by the Responsible Parties or its mandataries to Offeror do not constitute representations or warranties made by Vendor or its mandataries to Offeror in connection with the Lands and they shall not be relied upon as such by Offeror.
- (h) It has provided Vendor with all requisite information and materials requested by Vendor, including proof respecting source or funds, concurrently with this Offer so that Vendor may determine the creditworthiness of Offeror and agrees to forthwith provide any other information and materials Vendor reasonably requests in respect of the creditworthiness of Offeror;
- (i) it shall indemnify Vendor for all losses, damages and costs caused by Offeror or for those it is in law responsible during any inspections of the Lands, which shall be subject to Vendor's approval; and
- (j) no broker, finder or investment banker is entitled to any brokerage, finder's or similar fee or commission in connection with the transaction contemplated by this Offer, except to CBRE Limited, for which Vendor will be responsible in its entirety.
- (k) In the event that this agreement is terminated, Offeror shall forthwith provide the Responsible Parties with all reports or other documentation commissioned by Offeror (including but not limited to architectural drawings, traffic reports, surveys, geotechnical reports, environmental reports, architectural drawings, and engineering drawings) in its possession or control relating to the Lands.

10. Title to the Lands

The Vesting Order shall provide that title to the Lands will be subject only to the Permitted Encumbrances.

11. Authorizations

Offeror shall assume, at its cost, complete responsibility for compliance with all municipal, provincial and federal laws insofar as the same apply to the Lands and the use thereof by Offeror. It shall be Offeror's sole responsibility to obtain and pay the cost of obtaining any consents, permits, licenses or other authorizations necessary or desirable for the transfer to Offeror of Vendor's right, title and interest in the Lands.

12. Goods and Services Tax

Offeror hereby represents and warrants to Vendor that it is or will become registered for the purposes of Part IX of the *Excise Tax Act* (Canada) in accordance with the requirements of Subdivision (d) of Division V thereof and it will continue to be so registered as of the Closing Date. Offeror covenants to deliver to Vendor drafts not less than five (5) days before the Closing Date and originals upon Closing of: (i) a true copy of the certificate evidencing its registration for purposes of the goods and services tax ("**GST**"), including the registration number assigned to it; and (ii) a declaration and indemnity of Offeror confirming the accuracy, as at Closing, of the representations and warranties set out herein and agreeing to indemnify Vendor for any amounts for which Vendor may become liable as a result of any failure by Offeror to pay the GST payable in respect of the sale of the Lands under Part IX of the *Excise Tax Act* (Canada) and that Offeror is buying for its own account and not as trustee or agent for any other party. Provided that Offeror delivers a true copy of the certificate and the declaration and indemnity as set out above, in a form satisfactory to Vendor, Offeror shall not be required to pay to Vendor, nor shall Vendor be required to collect from Offeror, the GST in respect of the Lands. In the event that Offeror shall fail to deliver the true copy of the certificate and the declaration and indemnity as set out above, then Offeror shall pay to Vendor, in addition to the Purchase Price, in pursuance of Offeror's obligation to pay and Vendor's obligation to collect GST under the provisions of the *Excise Tax Act* (Canada), an amount equal to five (5%) percent of the Purchase Price, or such other rate due and owing at the time of Closing.

13. Transfer Taxes

The Parties agree that the Purchase Price is exclusive of any transfer taxes. Offeror shall promptly pay directly to the appropriate tax authority all applicable transfer taxes that are properly payable by Offeror under applicable law in connection with this Offer and all other transactions contemplated herein.

14. Closing

If this Offer to Purchase is accepted by the Responsible Parties,

- (a) Closing shall take place at the offices of the solicitors for Vendor in Calgary, Alberta at 11:00 a.m. (Calgary time) within five (5) Business Days following the date of the Vesting Order and all appeal periods having expired or such other date as the Parties may agree upon in writing (the "**Closing Date**" or "**Closing**"). The Parties agree that Closing shall take place in accordance with such usual customary trust

conditions agreed to between the solicitors for the Responsible Parties and the solicitors for Offeror as are applicable to similar transactions in Calgary, Alberta;

- (b) the Closing Date may be extended for a period of thirty (30) days at the option of the Offeror, to be exercised by providing the Vendor with notice in writing a minimum of five (5) days prior to the Closing Date; and
- (c) Vendor shall be responsible for registration fees payable in connection with the registration of discharges of any mortgages, liens, charges, encumbrances, restrictions, or other claims or interests which Vendor is required to discharge hereunder. Offeror shall be responsible for all registration fees and costs payable in connection with registration of the Vesting Order. Subject to the foregoing, each party shall pay its own legal costs with respect to the transactions contemplated by this Offer.

15. Termination

This Offer may be terminated without penalty at any time prior to Closing:

- (a) by unanimous written consent of Vendor, Offeror and the Monitor;
- (b) if Vendor is restrained or enjoined from completing the transaction contemplated herein by a court of competent jurisdiction or the registration of any document preventing Vendor from giving title to Offeror; or
- (c) upon the entry of a final and executory order of the Court, or as the case may be, of an appellate Court that prevents, for any reason whatsoever, the sale of the Lands in accordance with the terms set out herein including, without limitation, the dismissal of a motion seeking to obtain the Vesting Order.

Subject to Section 37 thereafter, (i) the Offer shall be of no force and effect, (ii) the Deposit and accrued interest shall be returned to Offeror, and (iii) Vendor shall be released from all covenants and obligations under this Offer.

16. Vendor's Closing Deliveries

If the present offer is accepted by the Responsible Parties and the Vesting Order has been granted, Vendor shall execute and deliver or cause to be executed and delivered to Offeror on the Closing Date, against payment of the Purchase Price, the following:

- (a) the Transfer of Land;
- (b) a copy of the Vesting Order;
- (c) a statement of Adjustments;
- (d) a direction for the payment of the balance of the Purchase Price due on Closing;
- (e) a bill of sale for chattels, if any;
- (f) assignment of contracts and warranties, if any, to the extent assignable without consent;

- (g) a certificate of Vendor to the effect that it is not at the Closing Date a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada); and
- (h) any other documents relative to the completion of this Offer as may reasonably be required by Offeror or its solicitors,

provided that none of such documents shall contain covenants, representations or warranties, which are in addition to or more onerous upon either Vendor or Offeror than those expressly set forth in this Offer.

17. Offeror's Closing Deliveries

If the present Offer is accepted by the Responsible Parties, Offeror shall execute and deliver to Vendor on the Closing Date the following:

- (a) certified cheque, bank draft or wire transfer for the balance of the Purchase Price and any other monies required to be paid by Offeror pursuant to this Offer including all applicable federal and provincial taxes, duties and registration fees unless the applicable exemption certificates in a form acceptable to Vendor are presented to Vendor on or before the Closing Date to exempt Offeror therefrom;
- (b) an assumption of those Permitted Encumbrances which, by their terms, are required in connection with the transfer of the Lands or in connection with providing a release of Vendor;
- (c) assumption agreements or other agreements, notices, undertakings or other instruments required to be delivered by Offeror in favour of any other person with an interest in the Lands;
- (d) assignment of contracts and warranties, if any, to the extent assignable without consent;
- (e) a true copy of its GST registration and GST certificate and indemnity as required pursuant to this Offer; and
- (f) any other documents relative to the completion of this Offer as may reasonably be required by Vendor or its solicitors,

provided that none of such documents shall contain covenants, representations or warranties, which are in addition to or more onerous upon either Vendor or Offeror than those expressly set forth in this Offer.

18. Offeror's Representations and Warranties

Offeror hereby represents and warrants to and in favour of Vendor that as of the Closing Date:

- (a) Offeror is not a Related Person;
- (b) Offeror is an entity duly existing and governed by the laws of its jurisdiction and has the necessary corporate authority, power and capacity to own the Lands and to

carry out the transactions contemplated by this Offer in the manner contemplated by this Offer;

- (c) the obligations of Offeror hereunder and the documents and transactions contemplated herein shall be duly and validly authorized by all requisite corporate proceedings on or before the Closing Date;
- (d) neither the execution of this Offer nor its performance by Offeror will result in a breach of any term or provision or constitute a default under any of the constating documents or by-laws of Offeror or any other agreement to which Offeror is a party;
- (e) Offeror:
 - (i) is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act (Canada)* or the *Winding-up and Restructuring Act (Canada)*;
 - (ii) has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof;
 - (iii) has not had any bankruptcy petition or receiving order presented in respect of it; or
 - (iv) has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding-up, liquidation or dissolution;
- (f) this Offer has been validly executed and delivered by Offeror and is a valid and legally binding obligation of Offeror, enforceable against Offeror in accordance with its terms, subject to the limitations with respect to enforcement imposed by applicable laws in connection with bankruptcy, insolvency, liquidation, reorganization or other similar laws affecting the enforcement of creditors rights generally and subject to the availability of equitable remedies such as specific performance and injunction which are only available in the discretion of the court from which they are sought;
- (g) Offeror is not a non-Canadian within the meaning of the *Investment Canada Act (Canada)*; and
- (h) Offeror is or will be on the Closing Date a GST registrant under the *Excise Tax Act (Canada)*.

19. Release

Offeror agrees to release and discharge the Responsible Parties together with their officers, employees, agents and representatives from every claim of any kind that Offeror may make, suffer, sustain or incur in regard to any Hazardous Substance relating to the Lands. Offeror further agrees that it will not, directly or indirectly, attempt to compel Vendor to clean up or remove or pay for the cleanup or removal of any Hazardous Substance, remediate any condition or matter in, on, under or in the vicinity of the Lands or seek an abatement in the Purchase Price or damages in connection with any Hazardous Substance.

20. Non-Registration

Offeror hereby covenants and agrees not to register this Offer or notice of this Offer or a caution, certificate of pending litigation, or any other document providing evidence of this Offer against title to the Lands.

21. Notices

Any notice or communications required to be given by the Parties shall be given by courier, facsimile or email, or if mailed, by registered letter, prepaid to the Parties as follows:

(a) in the case of Vendor:

Samson Bélair/Deloitte & Touche Inc. in its capacity as court-appointed
monitor of Homco 105:
1 Place Ville-Marie
Suite 3000
Montréal, Quebec H3B 4T9

Attention: Mr. Jean-François Nadon and Mr. Liam Brunner
Facsimile: 514-390-4103 and 587-774-5398
Email: jnadon@deloitte.ca and lbrunner@deloitte.ca

- and -

McCarthy Tétrault LLP
1000 De La Gauchetière Street West
Suite 2500
Montréal, Quebec H3B 0A2

Attention: Jocelyn T. Perreault and Charles Flicker
Facsimile: 514-875-6246
Email: jperreault@mccarthy.ca and cflicker@mccarthy.ca

(b) in the case of Offeror:

Telsec Property Corporation
3150-114 Ave S.E.
Calgary, Alberta
T2Z 3V6

Attention: Dick Van Grieken
Email: dick@telsec.ca
Facsimile: 403-252-9022

or such other address as may be furnished from time to time by either Party. Any notice, if delivered by courier or facsimile, shall be deemed to have been given or made on the date delivered or transmitted or the date that a confirmation of receipt of the facsimile was recorded by the sender and if mailed correctly, shall be deemed to have been received on the third Business Day after mailing. In the event of actual or imminent disruption or postal service, any notice shall be delivered, by courier or facsimile.

22. Time of Essence

Time shall be of the essence in this Offer in all respects and any waiver of any time provision shall not be effective unless in writing and signed by both Parties.

23. Governing Law

This Offer shall be construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and the Parties shall attorn to the exclusive jurisdiction of the courts of Quebec, located in the judicial district of Montreal.

24. Gender, Interpretive Matters

This Offer shall be read with all changes of gender or number required by the context. The titles to provisions do not form part of this Offer and are inserted for reference purposes only. Preparation and submission of the form of this Offer or any other material by Vendor shall not constitute an offer to sell.

25. Entire Offer

It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Offer, or the Land other than as expressly provided herein in writing. This Offer embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, whether made by Vendor, Offeror or any agent of either party, are merged into this Offer. Neither this Offer nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modifications, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

26. Survival

The representations and warranties of Offeror pursuant to this Offer shall survive Closing.

27. Severability

Any provision of this Offer which is determined to be void, prohibited or unenforceable shall be severable to the extent of such avoidance, prohibition or unenforceability without invalidating or otherwise limiting or impairing the other provisions of this Offer.

28. Assignment

Offeror shall not assign its rights and/or obligations hereunder or direct title to the Lands to any other person without the prior written consent of Vendor, which consent may be unreasonably

withheld. Notwithstanding the foregoing, Offeror shall be permitted to assign this agreement after the Acceptance Date to any Affiliate of Offeror provided that: (i) at least two days' prior written notice is given to the Responsible Parties; (ii) evidence satisfactory to the Responsible Parties, acting reasonably, is provided to substantiate that Offeror and its assignee are Affiliates; and (iii) the assignee enters into Vendor's form of assignment and assumption agreement pursuant to which the assignee assumes all of Offeror's obligations under this agreement and Offeror acknowledges its continued liability notwithstanding such assignment.

29. Further Assurances

Each of the Parties shall from time to time hereafter and upon any reasonable request and at the cost of the other Party, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Offer.

30. Business Day

If the date for the performance of any act or thing falls on a day which is not a Business Day, then the date for the performance of such act or thing will be extended to the next Business Day.

31. Counterparts

This Offer may be executed in any number of counterparts and delivered via facsimile or email in PDF format, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, provided that a Party delivering this Offer via facsimile or email in PDF format shall deliver an originally executed copy of this Offer forthwith thereafter to the other Party.

32. The Monitor

Samson Bélair/Deloitte & Touche Inc. is acting solely in its capacity as Monitor and shall have no personal or corporate liability hereunder or from any agreement contemplated hereby or as a result of any contemplated sale.

33. Solicitors as Agents

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated by this Offer may be given or delivered and accepted or received by Offeror's solicitors on behalf of Offeror and by Vendor's solicitors on behalf of Vendor and any tender of closing documents and the balance of the Purchase Price and/or any other payment hereunder may be made upon Offeror's solicitors and Vendor's solicitors, as the case may be.

34. Currency

All references to currency shall be Canadian currency.

35. Letters of Credit and Security Deposits

Offeror covenants and agrees with Vendor that, on Closing, it will issue replacement letters of credit and/or security deposits, for letters of credit and deposits, if any, made by Vendor with any Governmental Authority or utility authority in respect of the Lands.

36. Confidentiality

Until Closing (and in the event this agreement is terminated for any reason other than its completion, then also from and after such termination), the Offeror and its consultants, agents, advisors and solicitors shall keep confidential all information, documentation and records obtained from the Responsible Parties or its consultants, agents, advisors or solicitors with respect to the Lands, including the Reports, as well as any information arising out of the Offeror's access to Vendor's records and the Lands and its due diligence with respect thereto (collectively, the "**Confidential Information**"). Offeror shall not use any Confidential Information for any purposes not related to this transaction or in any way detrimental to Vendor.

Nothing herein contained shall restrict or prohibit Offeror from disclosing the Confidential Information to its consultants, agents, advisors and solicitors as long as such parties provide a letter addressed to Vendor agreeing to keep such information confidential or Vendor receives such other assurances as are acceptable to it.

The Confidential Information referred to in this Section shall not include:

- (i) public information or information in the public domain at the time of receipt by Offeror or by its consultants, agents, advisors and solicitors;
- (ii) information which becomes public through no fault or act of Offeror or its consultants, agents, advisors and solicitors;
- (iii) information in the possession of Offeror not provided by Vendor or its consultants, agents, advisors or solicitors; or
- (iv) information required to be disclosed by law.

If this agreement is terminated for any reason, Offeror shall promptly return to Vendor all Confidential Information (other than Offeror's notes) and similar material including all copies, and shall destroy all of Offeror's notes and due diligence materials containing Confidential Information related to this transaction.

37. Effect of Termination of Agreement

Notwithstanding the termination of this agreement for any reason, Section 36 as well as Subsections 9(i) and 9(k) shall survive termination and shall remain in full force and effect thereafter.

38. Operation and Condition of the Lands

Until the Closing Date, the Lands remain at the risk of the Vendor. The Vendor shall not enter into any contracts with respect to the Lands after the Offeror has waived Offeror's Conditions without first obtaining the consent of the Offeror, which consent may be withheld in the Offeror's sole and unfettered discretion, provided that in the event the Offeror does not respond within ten (10) business days of a request by the Vendor consent shall be deemed to have been withheld.

39. No Concurrent Negotiations

So long as this Agreement has not been terminated, the Vendor agrees that for a period commencing upon execution of this Agreement by all parties and ending on the day that is ~~forty-five~~ ^{sixty} (75) days later, the Vendor will not enter into any offer or expression of interest in respect of any interest in all or any part of the Lands.

[Handwritten signature]
60 PVG

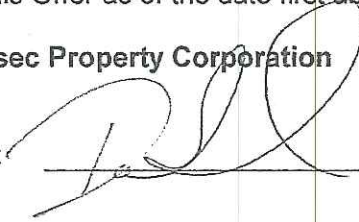
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SIGNATURE PAGE FOLLOWS]**

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60 PVG

IN WITNESS WHEREOF Offeror has executed this Offer as of the date first above written.

Telsec Property Corporation

Per: _____



Subject to the approval of the Court, Vendor has accepted this Offer as of this _____ day of _____, 2015.

HII (94) GP Inc.

Per: _____


*Samson Bélaire / Deloitte & Touche Inc
In its capacity as court appointed monitor and as
authorized by the HII / Shareholders and the HII / Share
Executive & Vesting order RE. dated by the Court on June 3rd 2013*

INTERVENTION OF THE MONITOR

The Monitor hereby intervenes in the present Offer solely for the purpose of awareness as to its contents. By intervening in the present Offer, the Monitor assumes no obligations hereunder to any of the Parties.

**SAMSON BÉLAIRE/DELOITTE & TOUCHE INC.,
in its capacity as court-appointed monitor to
Vendor**

Per: _____


Jean-François Nadon

SCHEDULE 1

LEGAL DESCRIPTION OF THE LANDS

Meridian 5 Range 1 Township 26 Section 10 Quarter North West

Containing 64.7 Hectares (160 Acres) More or Less

Excepting Thereout:

Plan	Number	Hectares	Acres (More or Less)
Road Widening	8210192	.415	1.03
Subdivision	1011386	.809	2
Condominium	1011388	7.292	18.02

Excepting thereout all mines and Minerals

SCHEDULE 2

FORM OF TRANSFER OF LAND

FORM 8

**Land Titles Act
(Section 64)**

TRANSFER

VENDOR., being the registered owner of an estate in fee simple, subject to registered encumbrances, liens and interests, if any, in the parcel of land legally described in the attached Schedule "A" does hereby, in consideration of the sum of • (\$•) DOLLARS, transfer to:

•

all of its estate and interest in that piece of land.

IN WITNESS WHEREOF the transferor has affixed its corporate seal attested to by its duly authorized officer(s) in that behalf this _____ day of _____, 2015.

VENDOR

Per: _____

Name: _____

Title: _____

SCHEDULE "A"

THE LANDS

FORM 32

**LAND TITLES ACT
(Section 164)**

AFFIDAVIT RE VALUE OF LAND

I, _____, of _____ make oath and say:

I am the transferee (or agent of the transferee) named in the within or annexed transfer and I know the land therein described;

I know the circumstances of the transfer and true consideration paid by the transferee is as follows:

(Give full details: cash, assumption of mortgage, exchange or other consideration with cash value of same.)

The current value* of the land**, in my opinion is \$_____

* "value" means the dollar amount that the land might be expected to realize if it were sold on the open market by a willing seller to a willing buyer.

** "land" includes buildings and all other improvements affixed to the land.

SWORN BEFORE ME at the City of _____)
_____, in the Province of _____)
Alberta, this ____ day of _____, 2015.)
_____)
_____)
_____)
A COMMISSIONER FOR OATHS)
in and for the Province of Alberta)

(Signature)

[VENDOR]

TO

[•]

TRANSFER OF LAND

SCHEDULE 3

PERMITTED ENCUMBRANCES

General Encumbrances:

1. the exceptions and qualifications contained in Section 61(1) of the *Land Titles Act* (Alberta);
2. any subsisting reservations, limitations, provisos, conditions or exceptions, including royalties, contained in the original grant from the Crown of any land or interests therein;
3. minor encroachments onto or from neighbouring lands which do not materially impact the marketability of the Land;
4. encumbrances for real property taxes (which term includes charges, rates and assessments, and other governmental charges or levies) or charges for electricity, power, gas, water and other services and utilities in connection with the Lands;
5. registered easements, rights-of-way, restrictive covenants and servitudes and other similar rights in land granted to, reserved or taken by any Governmental Authority or public utility; or any registered subdivision, development, servicing, site plan or other similar agreement with any Governmental Authority or public utility;
6. facility sharing, cost sharing, tunnel, pedway, servicing, parking, reciprocal and other similar agreements with neighbouring landowners and/or Governmental Authorities;
7. restrictive covenants, private deed restrictions, and other similar land use controls or agreements;
8. any rights of expropriation, access, use or any other right conferred or reserved by or in any statute of Canada or the Province of Alberta;
9. the provisions of applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning; and
10. any title defects, irregularities, easements, reservations, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Lands

Specific Encumbrances:

1. Utility right of way registered as instrument number 194HG;
2. Caveat registered as instrument number 821 137 004; and
3. Caveat re: roadway registered as instrument number 091 198 417.

SCHEDULE 4

VENDOR'S DELIVERIES

- (a) Certified true copies of any leases or other rights of occupancy in respect of the Lands and any agreements, correspondence or other documentation which relate to, modify or amend any of the foregoing;
- (b) all current surveys, easement and right-of-way plans and other plans relating to the Lands and copies of all as-built building plans and specifications for the Lands, all site plan agreements and all development approvals, architectural drawings and permits for the Lands and all improvements located thereon;
- (c) all instruments registered against title that relate to the Lands;
- (d) copies of any applications and submissions (including draft documents) for zoning, site plan, subdivision, building permit or other applications submitted by the Vendor and any planning, zoning or engineering reports, studies or analyses in connection therewith;
- (e) all current permits, licenses and agreements relating to the Lands issued by, or with, any governmental authority having jurisdiction over the Lands;
- (f) copies of all contracts, warranties, guarantees, operating manuals, reciprocal and other agreements relating to the operation, maintenance or management of the Lands or the improvements thereon;
- (g) at the written request of the Offeror authorizations by the Vendor to all relevant governmental authorities having jurisdiction over the Lands allowing the release of any information on file with such governmental authorities to the Offeror or its solicitors, provided that such authorizations shall not request, require or otherwise warrant physical inspection of either of the Lands;
- (h) any current governmental notices received by the Vendor relating to the Lands, including, without limitation, realty tax bills and assessments, work order or deficiency notices, any notices relating to the zoning of the Lands and expropriation notices;
- (i) copies of any outstanding work orders, notices, directives, letters of non-compliance issued by any governmental or other authority affecting the Lands;
- (k) a list of all litigation affecting the Lands as of the date of the Agreement and of all threatened litigation affecting the Lands of which the Vendor has received notice; and

Transmission of the Delivery Materials may be in writing or by electronic format including email, PDF, or facsimile.