

EXCHANGE AGREEMENT

THIS AGREEMENT made effective the 1st day of July, 2012.

BETWEEN:

PINEHOUSE BUSINESS NORTH DEVELOPMENT INC., a corporation duly incorporated under the laws of the Province of Saskatchewan (hereinafter the "Corporation")

AND:

NORTHERN VILLAGE OF PINEHOUSE, as represented by its Mayor and Councillors (hereinafter "Pinchouse")

WHEREAS:

1. The Corporation holds the Partnership Units; and
2. The Corporation wishes to sell the Partnership Units to Pinchouse in exchange for the shares held by Pinchouse and Pinchouse agrees to this exchange on the terms and conditions contained herein.

NOW THEREFORE in consideration of the promises given in this Agreement, the parties covenant and agree as follows:

ARTICLE 1

DEFINITIONS AND PRINCIPLES OF INTERPRETATION

Section 1.1 Definitions

In this Agreement, the following words and phrases shall have the meanings hereinafter set out, namely:

- a) **"Agreement"** means this agreement and all certificates or other documentation in amendment or confirmation of this Agreement;
- b) **"Effective Date"** means July 1, 2012;
- c) **"Parties"** means the Corporation and Pinchouse, collectively, and **"Party"** means any one of them;
- d) **"Partnership"** means the limited partnership formed between the Corporation, as general partner, and Pinchouse, as limited partner, pursuant to the Pinchouse Business North

Limited Partnership Agreement made as of the Effective Date;

- e) **"Partnership Units"** means 9,998 Partnership Units of the Partnership held by the Corporation;
- f) **"Reorganization"** means the completion of all the related transactions and agreement required to be carried out, entered into and completed on the Effective Date for the transfer to the Partnership of the assets and all the businesses and undertakings owned and operated by the Corporation prior to the Effective Date, the sale by the Corporation to Pinehouse of the Partnership Units pursuant to this Agreement and for the purchase by the Corporation from Pinehouse of the Shares;
- g) **"Shares"** means 9,998 Class "A" Common Shares held by Pinehouse in the Corporation.

Section 1.2 Currency

Unless otherwise indicated, all dollar amounts referred to in this Agreement are in lawful money of Canada.

Section 1.3 Choice of Law

The Agreement herein shall, in all respects, be subject to and be interpreted, construed and enforced in accordance with the laws in effect in the Province of Saskatchewan.

ARTICLE 2

PURCHASE AND SALE

Section 2.1 Purchase and Sale

As at the Effective Date, the Corporation agrees to sell, assign, deliver and transfer the Partnership Units to Pinehouse and Pinehouse agrees to purchase the Partnership Units from the Corporation free and clear of all encumbrances in accordance with the terms and conditions set forth in this Agreement.

Section 2.2 Purchase Price and Payment

Consideration for the transfer of the Partnership Units from the Corporation to Pinehouse shall be satisfied by way of a transfer from Pinehouse back to the Corporation of the Shares for cancellation by the Corporation.

ARTICLE 3

EXCHANGE OF SHARES FOR PARTNERSHIP UNITS

Section 3.1 Exchange of Shares for Partnership Units

Upon receipt by the Corporation of a Share Certificate evidencing the Shares from Pinehouse, the

Corporation shall cause the Partnership to cancel Certificate No. 1 which it holds evidencing the Partnership Units and to issue new Certificate No. 2 in the name of Pinchouse for the Partnership Units and shall take steps to have the Shares cancelled on the records of the Corporation and a new Share Certificate issued to Pinchouse for its remaining 1 Class A Common Share.

ARTICLE 4

GENERAL

Section 4.1 Further Assurances

The Parties hereto shall with reasonable diligence do all such things (or cause to be done all such things) and provide all such reasonable assurances as may be required to complete (or cause the completion of) the transactions contemplated hereby, and each Party hereto shall provide such further documents or instruments required by any other party as may be reasonably necessary or desirable to give effect to this Agreement and carry out its provisions, whether prior to, on or after Closing.

IN WITNESS WHEREOF Pinehouse Business North Development Inc. has executed this Agreement duly attested to by the hands of its proper signing officers in that behalf as of the date first above written.

**PINEHOUSE BUSINESS NORTH
DEVELOPMENT INC.**


Per:  _____

Per:  _____

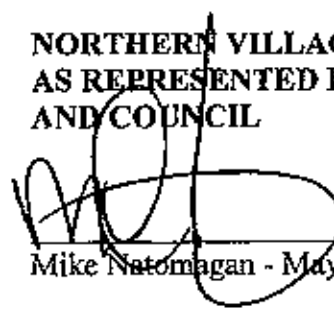
IN WITNESS WHEREOF Northern Village of Pinchouse has executed this Agreement duly attested to by the hands of its proper representatives in that behalf as of the date first above written.

**NORTHERN VILLAGE OF PINEHOUSE
AS REPRESENTED BY ITS MAYOR
AND COUNCIL**

In the presence of:



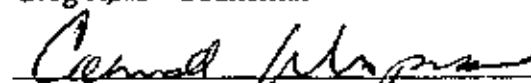
Witness as to all the signatures of
the Mayor and all Councillors



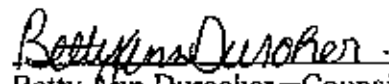
Mike Natomagan - Mayor




Greg Ross - Councillor



Conrad Misponas - Councillor



Betty Ann Durocher - Councillor



Ida Ratt - Councillor