

EXHIBIT "J"

TERMS OF INSTRUMENT – PART TWO

RIGHT OF FIRST REFUSAL

THIS AGREEMENT made the ____ day of _____, 200__.

BETWEEN :

(herein called "Grantor")

AND :

(herein called "Grantee")

WHEREAS:

A. The Grantor is the registered owner of lands in the East Kootenay Assessment Area, in the Province of British Columbia, described as:

PID: _____
Strata Lot _____
District Lots 348, 353 & 7569
Kootenay District
Plan NES _____

(herein called "the Property").

B. The Grantor has agreed to grant to the Grantee a right of first refusal to purchase the Property.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of \$10.00, the receipt and sufficiency of which is hereby acknowledged and of the mutual covenants, agreements, representations and warranties and of the consideration hereinafter contained the parties agree as follow:

**ARTICLE 1
RIGHT OF FIRST REFUSAL**

1.01 RIGHT OF FIRST REFUSAL

If the Grantor desires or proposes to sell, assign or dispose of the Property the Grantor shall, before selling the Property to any other person (which shall include a firm or corporation) advise the Grantee in writing (herein called the "Notice"):

- (a) of the price and terms of payment for the Property stated entirely in lawful money of Canada; and

- (b) whether or not the Grantor has had a bona fide arms-length offer to purchase the Property or proposes to sell the Property to any particular person or persons and, if so, provide a copy of such offer and the information with respect to such person specified in Section 1.07.

1.02 NOTICE OF OFFER

The Notice shall be deemed to constitute an offer by the Grantor to sell the Property to the Grantee at the price and upon the terms stipulated in the Notice, which offer shall not be withdrawn by the Grantor until after the expiration of the 10 business days referred to in Section 1.03, unless prior thereto, such offer is rejected by the Grantee in writing.

1.03 EXERCISE

The Grantee shall have the right, at the Grantee's option, for a period of 10 business days after the receipt of the Notice by the Grantee in which to notify the Grantor in writing that the Grantee wishes to purchase the Property at the price and upon the terms as are contained in the Notice and deliver to the Grantee a certified cheque or cash in the amount of the deposit to be paid, if any, as set forth in the Notice. Upon receipt of such written notice by the Grantee, a binding contract of purchase and sale for the Property shall be deemed to be formed between the Grantor and the Grantee, which contract shall be completed in the manner provided in Section 1.04 and in accordance with the terms set forth in the Notice.

1.04 COMPLETION OF SALE

If the Grantor elects to purchase the Property as provided in Section 1.03, then the transfer of the Property and the closing of the contract or contract of purchase and sale shall take place within 30 days after the exercise of the election to purchase the Property or at the time provided for closing in the Notice, whichever date is later. At such closing, the Purchase Price shall be paid in accordance with the terms and provisions of the Notice and the necessary instruments of transfer and all other requisite documents shall be duly executed and delivered.

1.05 PERMITTED TRANSFERS

If the Grantor has not received an election to purchase the Property so offered for sale from the Grantee within the period of time and in the manner specified in Section 1.03, then the Grantor shall be entitled, within a period of 180 days after the last date upon which the Grantee could have elected, to sell the Property to a person making a bona fide arms-length offer therefor. If, however, a sale to a person making a bona fide arms-length offer therefor is not completed within the said period of 180 days, then any subsequent offer or sale to any person may be made only if all the requirements of this Agreement are again complied with and this Agreement shall survive and continue in full force and effect and the Grantor shall become once again bound by its provisions.

1.06 NO SALE FOR LOWER PRICE OR BETTER TERMS

The Grantor shall not offer for sale, transfer or assign the Property to any person at a price lower or upon terms more favorable than the price and terms contained in the Notice and if the Grantor receives a bona fide arms-length offer at a price or upon terms more favorable than the price or terms contained in the Notice, the Grantor shall give notice thereof to the Grantee as provided in Section 1.02 and the provisions of Section 1.01 and 1.03 shall be applicable to such bona fide arms-length offer.

1.07 INFORMATION

Before accepting any bona fide arms-length offer pursuant to Section 1.05, the Grantor shall notify the Grantee in writing stipulating the price and terms of such bona fide arms-length offer and the name, home address, business address and business or occupation of the person making the bona fide arms-length offer or if the bona fide arms-length offer is made by a corporation, the names of all shareholders owning ten percent (10%) or more of the capital stock of the corporation (if known to the Grantor) and the names of the directors of such corporation.

1.08 DEFINITIONS

In order to be deemed a bona fide arms-length offer within the meaning of this Agreement, an offer must be in writing signed by the outside offeror, in a form legally enforceable against the outside offeror. The term "arms-length" shall have the same meaning as the meaning of that term in the Income Tax Act of Canada (as amended from time to time).

ARTICLE 2 MISCELLANEOUS

2.01 TERMINATION

This Agreement shall terminate upon the occurrence of any one of the following events:

- (a) the written agreement of the Grantor and Grantee;
- (b) the purchase of the Property by the Grantee in accordance with Article 1 hereof; and
- (c) the Grantee ceasing to own any strata lot in the four phases of the development known as Valley's Edge Park and legally described as The Owners, Strata Plan NES _____,

2.02 ENUREMENT

This Agreement and the contract arising therefrom shall be binding not only upon the parties individually but also upon their respective heirs, executors, administrators, successors and assigns. The parties agree for themselves and their heirs, executors, administrators, successors and assigns to execute any instruments and to perform any acts which may be necessary or proper to carry out the purposes of this Agreement.

2.03 TIME OF ESSENCE

Time shall be of the essence of this Agreement and the contract constituted thereby.

2.04 ASSIGNABLE BY GRANTEE

The rights hereby granted may be assigned by the Grantee to any other party.

2.05 NOTICES

All notices and other communications required or permitted to be given hereunder shall be in writing and shall be delivered, addressed to the party for *whom* it is intended at the address for such party as set forth in this Agreement, or to such other address as any Party may provide in writing to the other.

IN WITNESS WHEREOF the Parties have executed this Agreement under seal by signing the Form C – General Instrument to which this Agreement is attached.