

**Pasqua TLE Holdings Inc.  
Financial Statements  
December 31, 2010**

**Pasqua TLE Holdings Inc.**  
**Financial Statements**  
**December 31, 2010**

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Pasqua TLE Holdings Inc.  
December 31, 2010

**Management's Responsibility for Financial Reporting**

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safe guarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The board of directors is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The board of directors fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

Chalupiak & Associates, an independent auditing firm, is appointed to audit the financial statements and their report follows. The auditors have full and free access to management and the board of directors.

March 10, 2011

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Management

**Chalupiak & Associates**  
**Certified Management Accountants**  
**3261 Saskatchewan Drive, Regina, SK S4T 6S4**  
**Phone (306) 359-3711 Fax (306) 569-3030**

**Auditor's Report**

To the Shareholders of **Pasqua TLE Holdings Inc.**

We have audited the balance sheet of **Pasqua TLE Holdings Inc.** as at December 31, 2010 and the statements of income and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2010 and the results of its operations and the changes in cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan  
March 8, 2010

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Edwin Chalupiak, CMA

**Pasqua TLE Holdings Inc.**  
**Balance Sheet**  
**December 31, 2010**

	2010	2009
<b><u>Assets</u></b>		
	<u>\$ 0</u>	<u>\$ 0</u>

**Liabilities and Shareholders' Equity**

	<u>\$ 0</u>	<u>\$ 0</u>
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Approved on behalf of the board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**Pasqua TLE Holdings Inc.**  
**Statement of Income and Retained Earnings (Deficit)**  
**For the Year December 31, 2010**

	<u>2010</u>	<u>2009</u>
Revenue	\$ 0	\$ 0
Expenses	<u>0</u>	<u>0</u>
Net income	0	0
Retained earnings - beginning of period	<u>0</u>	<u>0</u>
Retained earnings - end of period	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

**Pasqua TLE Holdings Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2010**

	<u>2010</u>	<u>2009</u>
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ 0	\$ 0
Changes in non-cash working capital items:	<u>0</u>	<u>0</u>
<b>Increase (decrease) in cash</b>	0	0
<b>Cash position (deficit) - beginning of period</b>	<u>0</u>	<u>0</u>
<b>Cash position (deficit) - end of period</b>	<u>\$ 0</u>	<u>\$ 0</u>

**Pasqua TLE Holdings Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2010**

**1. General**

Pasqua TLE Holdings Inc. is wholly owned by Pasqua First Nation. The purpose of establishing the company was to provide a vehicle to hold title to properties purchased by the Pasqua First Nation Treaty Land Entitlement Trust Fund until such time as the properties become reserve status and ownership is transferred to Pasqua First Nation. The corporation will collect rental revenue and pay expenses related to the land until it is converted to reserve status.

**2. Significant Accounting Policies**

These financial statements have been prepared according to generally accepted accounting principles with the following exception:

(a) Land value

No amount has been recorded on the balance sheet for land held in trust for the Pasqua First Nation.

**3. Due to (from) Related Parties**

Amounts due to (from) related parties are unsecured, non-interest bearing and have no fixed repayment schedules.

**4. Related Party Transactions**

Transactions with related parties are in the normal course of business and are for fair consideration that is mutually agreed upon by the related parties.

**5. Share Capital**

The company is authorized to issue one Class "A" share which is held in trust for the Pasqua First Nation by the Chief, or other authorized representative of the Band Council.

**6. Land held in trust for the Pasqua First Nation**

The corporation holds 1,630 acres of land in trust for the Pasqua First Nation. The land was purchased at a cost of \$1,340,000.