ANNUAL INFORMATION FORM

For the Year Ended December 31, 2010

Genesis Land Development Corp.
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(403) 265-8079

March 21, 2011

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DEFINITIONS

In this Annual Information Form, the capitalized terms set forth below have the following meanings:

"**ABCA**" means the *Business Corporations Act*, S.A. 1981, c. B-15 or the *Business Corporations Act,* R.S.A. 2000, c. B-9, as the context requires, together with any amendments thereto and all regulations promulgated there under;

"Area Structure Plan" means statutory plan that outlines land uses and establishes the general planning framework for turning undeveloped areas into new subdivisions and usually has several land owners within it;

"**Common Shares**" means the common shares in the share capital of Genesis;

"**Corporation**" or "**Genesis**" means Genesis Land Development Corp. and the subsidiaries through which it conducts all of its land development and homebuilding operations;

"Cushman" means Cushman & Wakefield Ltd.;

"**Board**" means the board of directors of the Corporation;

"**Breeze**" means The Breeze Inc.;

"GBG" means Genesis Builders Group Inc.;

"Generations" means Generations Group of Companies Inc.;

"Genpol" means Genpol Limited Partnership;

"GLP#4" means Genesis Limited Partnership #4;

"GLP#5" means Genesis Limited Partnership #5;

"GLP#6" means Genesis Limited Partnership #6;

"GLP#7" means Genesis Limited Partnership #7;

"GLP#8" means Genesis Limited Partnership #8;

"GSMP" means Genesis Sage Meadows Partnership;

"ICOFR" means Internal Controls Over Financial Reporting;

"IFRS" means International Financial Reporting Standards;

"Kinwood" means Kinwood Communities Inc.;

"LPLP 2007" means Limited Partnership Land Pool 2007;

"LPLP RRSP#1" means Limited Partnership Land Pool RRSP #1;

"LPLP RRSP#2" means Limited Partnership Land Pool RRSP #2;

"NAV" means After-tax Net Assets Value;

"NE Calgary Lands" means Northeast Calgary lands;

"**NI 51-102**" means Canadian Securities Administrators' National Instrument 51-102 - *Continuous Disclosure Obligations*;

"**NI 52-110**" means Canadian Securities Administrators' National Instrument 52-110 - *Audit Committees*;

"Outline Plan" means a plan for a portion of the Area Structure Plan that provides additional details such as zoning for lots, street types, school sites etc. It is passed by the council as a bye law;

"MD&A" means Management's Discussion and Analysis;

"PHT" means Polar Hedge Enhanced Income Trust;

"**Preferred Shares**" means preferred shares of Genesis;

"**SEDAR**" means the computer system for the transmission, receipt, acceptance, review and dissemination of information filed in electronic format known as the System for Electronic Document and Retrieval maintained by CDS Inc. and available at www.sedar.com;

"TSX" means the Toronto Stock Exchange; and

"VTB" means vendor take back mortgage.

CURRENCY

In this Annual Information Form, unless otherwise noted, all dollar amounts are expressed in thousands of Canadian dollars except per share amounts or unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This Annual Information Form contains forward-looking statements and forward-looking information (collectively, "**forward-looking statements**"). These forward-looking statements relate to future events or the Corporation's future performance. All forward-looking statements contained herein that are not clearly historical in nature constitute forward-looking statements, and the words "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "propose", "predict", "potential", "continue", or the negative of these terms or other comparable terminology are generally intended to identify forward-looking statements. Such statements represent the Corporation's internal projections, estimates or beliefs concerning, among other things, an outlook on the estimated amounts and timing of capital expenditures, anticipated future revenues or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements. In addition, this Annual Information Form may contain forward-looking statements attributed to third party industry sources. Genesis believes that the expectations reflected in these forward-looking statements are reasonable; however, undue reliance should not be placed on these forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.

Forward-looking statements in this Annual Information Form include, but are not limited to statements with respect to real estate development, including the completion and closing dates of development, acquisitions and dispositions and the number and type of units; corporate strategy; real estate opportunities; timing of projects; timing of sales; plans for development; litigation; census estimates; financings; and project economies.

Some of the risks and other factors which could cause actual results to differ materially from those expressed in the forward-looking statements contained in this Annual Information Form include, but are not limited to:

- general economic and business conditions in Canada, the United States and globally;
- the ability of management to execute its business plan;
- current and expected future expense levels being more than what is forecast;
- actions taken by governmental authorities, including increases in taxes and changes in government regulations and incentive programs;
- risks inherent in marketing operations, including credit risk;
- the possibility that government policies or laws, including laws and regulations related to the environment, may change or governmental approvals may be delayed or withheld;
- failure to obtain industry partner and other third party consents and approvals, as and when required;
- stock market volatility and market valuations; and
- mortgage rate and availability changes;

- availability of suitable undeveloped land at acceptable prices;
- availability of labour or materials;
- confidence levels of consumers;
- ability to raise capital on favourable terms;
- Corporation's debt and leverage;
- adverse weather conditions and natural disasters;
- relations with the residents of Corporation's communities;
- risks associated with increased insurance costs or unavailability of adequate coverage;
- ability to obtain surety bonds;
- competitive conditions in the homebuilding industry, including product and pricing pressures;
- ability to retain Corporation's executive officers;
- other factors considered under "Risk Factors" in this Annual Information Form and other filings by Genesis with Canadian securities authorities.

Forward-looking statements contained in this Annual Information Form are based on the key assumptions. The reader is cautioned that such information, although considered reasonable by the Corporation may prove to be incorrect. Actual results achieved during the forecast period will vary from the forward-looking statements provided in this Annual Information Form as a result of numerous known and unknown risks and uncertainties and other factors. With respect to forward-looking statements contained in this Annual Information Form, the Corporation has made assumptions regarding: the impact of increasing competition; the general stability of the economic and political environment in which the Corporation operates; the timely receipt of any required regulatory approvals; the ability of the Corporation to obtain qualified staff and services in a timely and cost efficient manner; the ability of the Corporation to obtain financing on acceptable terms; interest rates; and the ability of the Corporation to successfully market its projects. Readers are cautioned that this information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this Annual Information Form are expressly qualified by this cautionary statement.

These forward-looking statements are made as of the date of this Annual Information Form and the Corporation disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable Canadian securities laws.

NAME, ADDRESS AND INCORPORATION

The Corporation was incorporated as Genesis Capital Corp. under the ABCA on December 2, 1997. The Corporation amended its Articles of Incorporation by Certificate of Amendment dated January 30, 1998 to remove the private company restrictions. The Corporation further amended its articles by a Certificate of Amendment dated October 29, 1998 whereby the name of the Corporation was changed from "Genesis Capital Corp." to "Genesis Land Development Corp." On January 2, 2002, the Corporation and its then wholly owned subsidiary, Genesis Land Developers Ltd., amalgamated pursuant to the ABCA and continued under the name "Genesis Land Development Corp."

The Corporation is a reporting issuer under the applicable securities legislation in the provinces of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Nova Scotia and Prince Edward Island. The Common Shares are listed and posted on the TSX under the trading symbol "GDC".

The head office of the Corporation is located at 200, 3115 - 12th Street N.E., Calgary, Alberta T2E 7J2. The registered and records office of the Corporation is located at Centennial Place, East Tower, 1900, 520 – 3rd Avenue S.W., Calgary, AB T2P 0R3.

INTERCORPORATE RELATIONSHIPS

The percentage of votes attaching to all voting securities of the Corporation's material subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by Genesis, as well as the jurisdiction where the material subsidiary was incorporated, continued, formed or organized, as the case may be, is set forth below. All subsidiaries listed below are incorporated in the province of Alberta unless otherwise indicated.

1) GLP#4 and GLP#5 were formed in 2005 to acquire the NE Calgary Lands, comprising of 610 acres of land adjacent to the eastern boundary of the City of Calgary. GLP#4 and GLP#5 collectively raised a total of $9,000 and acquired a 48.8% interest in the NE Calgary Lands with Genesis retaining a 51.2% ownership of the NE Calgary Lands which it continues to retain.

2) Genesis also formed GLP#6 on December 31, 2005 and GLP#7 on April 7, 2006 to obtain further cash liquidity on seven zoned and developed properties already owned by the Corporation, valued at approximately $31,000. Combined, GLP #6 and GLP #7 raised $25,053 in cash and intended to conduct joint ventures to construct multi-family dwellings, single-family homes, and commercial centres on these seven properties. Genesis retains an interest of 11.65% in these limited partnerships.

3) On December 20, 2006, Genesis formed GLP#8 and GLP#9 to raise capital for the purchase of 1,140 acres of land near Radium, British Columbia. These limited partnerships raised $10,850 in 2007 to complete the land purchase. The Corporation beneficially owns 53.53% of the units in GLP#8.

4) On July 1, 2007, Genesis formed LPLP 2007, LPLP RRSP#1 and LPLP RRSP#2 to raise capital for the purchase of 319 acres of land in Airdrie, Alberta and 618 acres of land in the hamlet of Delacour (10 minutes east of Calgary International Airport). The goal was to raise $70,000 to complete the land purchases. Combined LPLP 2007 and LPLP RRSP have raised $44,119. The Corporation beneficially owns 0.02% of the units in LPLP 2007.

5) PHT was wholly acquired by the Corporation on October 9, 2003 for an aggregate consideration of $6,562. PHT is a wholly owned income trust which has provided the Corporation with tax loss opportunities to lower annual taxes payable. These losses have been used by the Corporation so PHT is currently inactive.

6) GBG is a wholly owned subsidiary of the Corporation. The Corporation purchased the assets of Point Grey Homes Ltd. in June 2006 and created the subsidiary as a result of the purchase.

7) Generations is a wholly owned subsidiary of Genesis, and was formed in 2008 to construct multi-family projects.

8) Breeze is a wholly owned subsidiary of GBG. It was formed as Bayside Phase 2 Multi-family Inc., and renamed as The Breeze Inc., to construct the Breeze project in Airdrie in partnership with GLP#6.

9) Genpol was formed on August 3, 2004 to hold and develop certain lands in northeast Calgary transferred from the Corporation. The Corporation subscribed for 19.88% of the units in Genpol with PHT obtaining the remaining 80.12%. The Corporation had acquired PHT in order to gain access to substantial non-capital losses that had accumulated in PHT. Genpol was formed to make efficient use of these losses from an income tax perspective.

10) Kinwood was formed on April 30, 2010. Genesis entered into a joint venture agreement with another real estate development corporation to form a joint venture corporation for the purpose of conducting residential development of certain real estate holdings. Genesis contributed 75 acres (net of JV interests) and has a 50% interest in Kinwood.

11) GSMP is a registered partnership that was formed on March 31, 2010. The partnership was created to hold the Evansridge land parcel in Symons Valley; the land was sold during the year for $35,000.

GENERAL DEVELOPMENT OF THE BUSINESS

Three-Year History of Genesis

The significant events during last three financial years and to the date of this AIF are as follows:

<u>2008</u>

In September of 2008, the Corporation terminated the equity investment division which then re-formed as an independent private equity investment entity. The structure change was completed to allow Genesis to focus on its operational strengths of land development and home building while still having access to private equity markets.

In November 2008, Genesis announced that it had entered into a loan agreement for up to approximately $49,500 for its Sage Hill Crossing mixed-use development.

<u>2009</u>

During the year, the Corporation received final land use approval for an additional 97.57 hectares within the city of Airdrie which provides additional development of up to 2,295 residential units consisting of single-family and multi-family units as well as mixed-use commercial/residential development.

In 2009, Corporation's conceptual scheme for 307 acres of land at Delacour in the Calgary area was approved by the County of Rocky View. The conceptual scheme guides the subsequent development of a comprehensively planned, mixed-use community comprised of country homes, single-family detached dwellings, multi-family dwellings as well as commercial and institutional land uses. The approved parcel of land is expected to yield a total of approximately 850 residential lots to Genesis and is part of the Corporation's approximately 70% owned base of 2,093 acres of land in the Delacour area (LPLP 2007 owns approximately 30%).

In 2009 two land acquisitions were closed. The Corporation closed the $30,258 purchase of 1,476 acres of residential land at Delacour in County of Rocky View, northeast of Calgary. Additionally, through LPLP 2007 the Corporation closed the $20,733 purchase of 319 acres of residential land bordering the City of Airdrie.

During the year, the Corporation terminated the employment of Mr. Frank Devcich, Chief Financial Officer and Mr. Gobi Singh, Chief Executive Officer. The Corporation appointed Messrs Dale P. Kearns, Brent Ling and John Latimer to act as Interim Chief Financial Officer, Interim Chief Operating Officer and Interim Chief Executive Officer, respectively. These interim officers resigned during the year and Mr. Gobi Singh was subsequently re-appointed as Chief Executive Officer of the Corporation. Messrs Jeff Blair, Simon Fletcher and Frank Devcich were appointed as Chief Operating Officer, Chief Financial Officer and Senior Financial Advisor, respectively.

In 2009, Mr. Dan Teows and Gerald Albert resigned from the Board. The new Board appointments included Keith Ferrel, Akhil K. Manro and Kevin Reed.

2010

The year 2010 was the most profitable year in the history of the Corporation with a net profit of $0.82 per share and total revenue of $137.9 million.

During the year, ended December 31, 2010, the Corporation completed sales of four development land parcels for a total amount of $42,512. From the total proceeds $35,000 was applied to the Corporation's land debt.

During the year, ended December 31, 2010, the Corporation brought on two new projects, the communities of Saddlestone and Sage Meadows, in the city of Calgary. The servicing of the first two phases of both communities was substantially completed during 2010 which added 363 single-family lots and 2 multi-family sites to the Corporation's land inventory.

In February 2010, Genesis entered into an agreement to effectively cancel the sale transaction of 107 fully serviced lots previously contractually sold to a variable interest entity ("VIE") while retaining the sale contract of a 207 unit multi-family site to this same entity for $6,650. In March 2010, Genesis used these 107 lots as security for a $10,000 financing which was partially used to pay out the remaining $4,000 balance of the loan that was obtained by the VIE to finance the initial deposit of the original sales contract. These lots are presently being marketed to external builders which will include participation from the Corporation's internal single-family builder.

During the year, Messrs Elias Foscolos, Mark W. Mitchell, Yazdi Bharucha, Doug N. Baker and Steven Glover were appointed to the Board. Mr. Kevin Reed and Mr. Keith Ferrel resigned from the Board and Mr. Doug N. Baker was appointed as the Chairman of the Board to replace Mr. Reed.

2011

On January 5, 2011, the Corporation announced that it has entered into a conditional purchase and sale agreement with a real estate development company to sell an approximate 27.5 acre parcel of zoned commercial land within Genesis' Sage Hill Crossing project for approximately $25.6 million. The Agreement is subject to purchaser's completing due diligence and Genesis completing servicing and subdivision of the site.

NARRATIVE DESCRIPTION OF THE BUSINESS

General Description

The Corporation is a real estate development company that has carried on business since 1992. The operations of the Corporation include land development and home building. The Corporation currently has four distinct operating divisions: (1) Land Development (the "Land Division"); (2) Single-Family Home Building; (3) Multi-Family Home Building; and (4) commercial development (the "Commercial Division").

The Corporation, through the activities of its operating subsidiaries, entitles and develops land for its own communities and sells lots to third parties. The Corporation also designs, constructs and markets single-family and multi-family homes primarily to move-up homebuyers. Currently, the operations of Corporation are focused primarily in the Calgary, Alberta and Airdrie, Alberta market. There remains, held for future development, over 7,035 acres of land in provinces of Alberta and British Columbia.

Divisional Operations

The Corporation operates with four separate divisions: Land Division; Single-Family Home Building; Multi-Family Home Building; and Commercial Division.

In 2010, total revenues, net of interest and other income, were as follows:

$'s	Year ended December 31, 2010	2009
Residential lot revenue	35,569	23,138
Development Land Sales	42,512	-
Residential home sales	58,569	62,713
	136,650	85,851

The Corporation uses project specific credit facilities to fund land development costs and a construction operating line for home construction purposes. It is the intention of the Corporation to avoid the use of debt to finance acquisitions of raw lands, although this has occurred in the past when other sources of financing were not available.

Land Division

The Land Division principally develops residential lots in the cities of Calgary and Airdrie, Alberta. Development in Prince George, British Columbia was commenced in 2007 due to improvements in the local economy, however developments in Kamloops and Dawson Creek, British Columbia are being held primarily pending zoning improvements in those areas. Genesis develops land to address all market segments, from entry into the market through multi-family lands to the estate market where customers can build custom homes.

The Land Division will continue to pursue subdivision opportunities in its core development area of Calgary and surrounding communities, and will consider, on a selected basis, development opportunities elsewhere. Seasonality affects the land development segment as construction activities during freezing temperatures limit the construction of underground and surface work. Within home building, construction in winter months may be limited to situations where concrete foundations are in place. While the real estate market in the Calgary area took a downward trend during the last half of 2008 and first part of 2009, conditions began to improve in the latter part of 2009, and continued to improve in 2010.

The following is a brief summary of the land projects (developed and undeveloped) that the Corporation owns as at the date of this Annual Information Form. Detailed descriptions of projects currently being developed by Genesis follows the tables:

Development Projects - Lot Summary

Alberta

Project	Location	Acreage Remaining Gross[2]	Acreage Remaining Net[2]	Scheduled Start Date	Scheduled Completion Date	# of Residential Lots/Acres[1] Lots	# of Residential Lots/Acres[1] Acres
Saddlestone	NE Calgary	147	141	2010	2016	1,036	19
Sage Medows	NW Calgary	80	80	2002	2015	322	42
Kinwood	NW Calgary	75	75	2002	2015	325	13
Kincora	NW Calgary	5	5	2002	2015	-	5
Sherwood	NW Calgary	6	6	2002	2015	-	6
Sage Hill Crossing	NW Calgary	106	106	2002	2015	-	106
Mountain View Village	East Calgary	144	144	2012	2017	400	-
Canals/Bayside	Airdrie	408	392	1997	2018	1,774	52
Mitford Crossing	Cochrane	156	156	2013	2020	585	15
LP 4/5 Northeast Calgary Lands[3]	Calgary	610	312	2012	2019	-	312
LPLP 2007	Airdrie	319	-	2013	2020	-	-
LPLP 2007	Delacour	617	-	2012	2025	-	-
Delacour	County of Rocky View	1,476	1,476	2014	2025	8,116	135
Acheson	Parkland County	122	122	2012	2015	-	122
Alberta Totals		**4,271**	**3,015**			**12,558**	**827**

Notes:
(1) Lots refer to single-family lots and acres refer to multi-family, commercial retail and office development acres.
(2) Gross refers to total acreage; net refers to Genesis % ownership of total.
(3) This project is being participated in as a limited partnership.

British Columbia

Project	Location	Acreage Remaining Gross[2]	Acreage Remaining Net[2]	Scheduled Start Date	Scheduled Completion Date	# of Residential Lots/Acres[1] Lots	# of Residential Lots/Acres[1] Acres
Buena Vista/Ranches	Kamloops	1,653	1,653	2013	2020	4,280	-
Woodlands[3]	Prince George	114	114	1995	2012	343	14
Dawson Creek	Dawson Creek	4	4	2012	2015	7	4
Spur Valley	Radium	32	32	2012	2018	91	10
LP 8/9	Radium	1,140	1,040	2012	2018	278	143
British Columbia Totals		**2,943**	**2,843**			**4,999**	**171**
Company Totals		**7,214**	**5,858**			**17,557**	**998**

Notes:
(1) Lots refer to single-family lots and acres refer to multi-family, commercial retail and office development acres.
(2) Gross refers to total acreage; net refers to Genesis % ownership of total.
(3) This project is being participated in as a joint venture.

Current Projects

The Corporation specializes in the development of residential subdivisions in Western Canada.

Airdrie, Alberta

The Canals and Bayside (100% interest)

The Corporation commenced development of this 720-acre parcel located in the City of Airdrie in 1997. All lands comprised within the 720 acres have an Area Structure Plan and land use. The project is located 25 minutes north of downtown Calgary and incorporates a unique canal system through the property. The concept plan provides for a linear park system running parallel to the canal system, consisting of a fresh water lake and canal system that provides year round recreation facilities for canoeing and ice skating. The concept plan also provides for more schools, multi-family and commercial sites within the property.

The Canals consists of nine (9) phases, of which six (6) are fully developed and sold out. There are only 24 lots remaining in phase 5 and 7B. Canals Phase 6 is the final phase in the community and development is anticipated to commence on 149 lots and a 3.50 acre multi-family site in 2012.

Bayside consists of fifteen (15) phases, with six (6) phases developed and with an additional nine (9) phases in the future. Three phases of Bayside are completely developed and sold out. Bayside Phase 4 (203 lots) was serviced in 2007 and 148 lots have been sold as at December 31, 2010. The remaining lots are expected to be sold in 2011. Bayside Phase 6 (7 lots and a multi-family site) is complete and sold. Bayside Phase 9 (107 lots) was developed and all but one was sold to the VIE in 2008. The transaction was effectively cancelled in 2010 and the lots were recovered into inventory by Genesis. The Corporation will continue sales of these lots in 2011. The development of Bayside Phase 7 (150 lots) was completed in late 2010.

Future lands to the west of the existing Bayside community are in the planning stage.

Calgary, Alberta

Taravista/Taralake/Saddlestone (approx.100% interest)

This 480-acre parcel of land in northeast Calgary consists of the communities of Taravista, Taralake and Saddlestone. The project is approximately 20 minutes from downtown Calgary and is a comprehensive community package of affordable housing, adult and senior living with convenient amenities. The development comprises of a variety of single-family houses with prices ranging from $250 to in excess of $800, and an interconnected parks system, 3 storm water retention lakes, 8 acre shopping centre along with several school and multi-family sites.

Taravista (Phases 1-8) and Taralake (Phases 9 to 17) are completely developed and sold out, with the exception of a 4.7 acre, 164 unit multi-family site.

Saddlestone consists of 166 acres which has received Outline Plan and land use approval and will be developed in twelve (12) phases. Development on the first two phases with 163 single-family lots and 2 multi-family sites is substantially complete. The Corporation sold 98 lots in 2010. The remaining 65 lots are anticipated to be sold in 2011.

Symons Valley (100% interest)

This development has several topographical features including West Nose Creek, valley escarpments, ravines and coulees, providing the Corporation with development opportunities including Symons Valley's system of natural areas and parks connected to Nose Hill Regional Park to the south. This project has been designed to include an interconnected pedestrian pathway system, which will provide walking, jogging and cycling facilities surrounded by scenic views of the natural topography. The area is directly north of the new Stoney Trail Ring Road which greatly improves access to the area. Housing prices to date have exceeded $500 on average. The Symons Valley Community Plan (Area Structure Plan) received the approval of Calgary's City Council in April 2001, paving the way for submission of detailed development and rezoning plans. Genesis has a 136-acre mixed-use/Regional commercial project under the Area Structure Plan called Sage Hill Crossing. Sage Hill Crossing commenced development in 2007. See Narrative Description of Business - Commercial Division, herein.

Outline Plan and land use approval has now been completed on all the Corporation's lands in Symons Valley.

The Corporation commenced development of this 775-acre parcel in northwest Calgary in the fall of 2002. The entire project comprises approximately 4,200 lots, plus multi-family parcels, mixed-use sites and a 136-acre regional commercial lot. The area consists of the communities of Sherwood, Kincora, Sage Meadows and Evansridge along with the Sage Hill Crossing commercial site.

Sherwood consists of seven (7) phases, which are completely developed and sold out except for 13 lots and a 6.27 acre multi-family site.

Kincora consists of only one phase (152 lots and a 5.02 acre multi-family site), which is completely sold out except for the multi-family site.

Sage Meadows consists of six (6) phases adjacent to Symons Valley Road and West Nose Creek. This project will take advantage of the excellent access off Symons Valley Road and the natural area amenity along West Nose Creek. Development is complete on the first two residential phases (200 lots). The sales are anticipated in 2011 and thereafter. Genesis Builders Group is also participating as a builder in the development. Planning has commenced on the third phase, a 9.32 acre mixed-use (residential/office/retail) site in 2010. Design has started on the concept plan for the site including an 80,000 square feet office building. A total of 323 single-family units, a maximum 2,264 multi-family units, 75,000 square feet of retail and 100,000 square feet of office space are anticipated at the completion of the project. The community also includes a 2 acre site for the new Symons Valley Fire Hall which has been sold to the City of Calgary.

Kinwood consists of approximately 150 acres of land including 26.9 acres of multi-family parcels of which Genesis has 50% interest. The first phase of development is scheduled for completion in 2011 and is scheduled to consist of 188 lots for sale. Genesis is involved in a joint venture arrangement in this community and is entitled to 50% of all lots and multi-family parcels as per the agreement with its other partner.

The Evansridge property which is situated on the top of the escarpment overlooking West Nose Creek Valley formed part of the Sage Meadow, Evansridge Outline Plan and land Use approval area. By way of a purchase and sale agreement the Evansridge property consisting of +/-147 acres was sold in 2010 for $35,000.

Mountain View Village (100% interest)

The Corporation has commenced development planning of this 144-acre parcel located 4 minutes east of Calgary city limits on Glenmore Trail and a short 20 minute drive to downtown Calgary. The community is proposed to consist of single-family homes on larger lots providing country living for workers in the nearby Foothills and Blackfoot Industrial Parks.

NE Calgary Lands - LP 4/5 (approx. 51.2% interest)

This 610 acre parcel of raw land borders the Calgary city limits in Northeast Calgary (80th Ave. and 84th St.). Genesis raised $9,000 via limited partnerships to finance the land acquisition. The Corporation retains 51.2% of the lands. The planning process has begun and the Corporation is evaluating various development opportunities for this site including mixed-use commercial, industrial and residential development. The location of this property adjacent to the completed east freeway provides exceptional access and exposure to this property.

Delacour (100% interest)

These 1,476 acres of raw land are adjacent to the hamlet of Delacour and the Delacour LPLP 2007 lands (617 acres) and thus provide opportunities to incorporate utility infrastructure which will support the LPLP 2007 development lands. This property will also provide for future growth and expansion upon completion of the initial development within the Delacour area. Planning has commenced with the initial phase projected to be ready for sale in 2013. The concept is to develop the lands as a self sustaining community with on site water and sewage treatment facilities, along with employment and recreational opportunities.

Cochrane, Alberta

Mitford Crossing (100% interest)

This 156-acre parcel is located west and adjacent to the town of Cochrane on the banks of the Bow River. The Corporation proposes to investigate the merit of working on an integrated plan with the adjacent landowners. The Corporation intends to develop the property with an equestrian theme taking advantage of the lands natural topography and proximity to the Bow River. The lands are located approximately 30 minutes from downtown Calgary. The plan proposes a wide variety of single-family houses in different price ranges.

Prince George, British Columbia

Woodlands (100% interest)

The development, located in the Prince George city limits, is in close proximity to existing residential developments, schools and shopping centres. The Prince George city centre and the University of Northern British Columbia are approximately 15 minutes from the project.

This project consists of 114 acres, of which Phase 1 is completely developed and sold out. Phase 2 (58 lots) is completed and sales are anticipated in 2011. The Corporation anticipates developing a minimum of 50 lots per year thereafter, depending on the local market conditions. The project is expected to comprise 384 residential dwellings and 14 acres of multi-family land.

Dawson Creek, British Columbia

The Dawson Creek Property consists of 4.34 acres of land with 3 serviced lots and the potential for up to an additional 36 lots.

Kamloops, British Columbia

Buena Vista Ranches (100% interest)

The Corporation has initiated the planning on the development of this 1,653-acre parcel, located approximately two miles west of the City of Kamloops in British Columbia. The project is expected to be comprised of approximately 4,280 lots with the first phase consisting of approximately 141 single-family and 69 multi-family dwellings. The project is proposed to be a comprehensive community package that will consist of hotel, time-share, multi-family, single-family, adult housing, cottages and equestrian themes. The property is comprised of a series of small hills that are separated by many valleys. The undulating ground form, rock outcroppings and clusters of mixed tree cover provide a unique and wide range of land use for development. Extensive use of the 53% open space throughout the property will be utilized by total interconnected open space systems for pedestrian, cycle and equestrian trail uses as well as a golf course. Residential development plots have been identified to occupy approximately 763 acres.

Radium, British Columbia

LP 8/9 (approx. 53.53% interest)

During 2006, Genesis acquired 1,139 acres of raw land near the resort town of Radium, British Columbia at a cost of $5,700. The Corporation raised gross proceeds of approximately $10,742 through the facility of a limited partnership offering memorandum, the proceeds of which were used to pay the purchase price of the Radium land acquisition. Genesis had a purchase right to acquire all limited partnership units within the first two years. The purchase price at February 28, 2008 was $12,044 less any return of capital distributed back to the limited partnership unit holders. After February 28, 2008 and on or before February 28, 2009, the purchase price was prorated between $12,044 and $13,237 less any return of capital distributed back to the limited partnership unit holders. The purchase right was not exercised by Genesis as of February 28, 2009 and, therefore, all limited partnership unit holders will be entitled to share in the profits of the initial approved development. First phase development is expected to commence in near future subject to the improvement of market conditions for recreational properties in the area.

Home Building Division

Single-Family

The Single-Family Home Building division of Genesis was started in 2005 as Reliant Homes Inc. now GBG. In its first year of operation, the Corporation realized and closed one housing unit. In 2006, the Corporation purchased an established home building company, Point Grey Homes Ltd., to provide itself with established market presence and integration within the home building market. The vision of the Single-Family Home Building Division has evolved since its inception and now operates as GBG that builds single-family product in the starter, move-up and estate markets, respectively.

Multi-Family

In 2007, the Corporation started a Multi-Family Building Home division called Generations. The division has substantially completed its first project, The Breeze, in Genesis' community of Bayside in 2009. The project, a joint venture between Breeze and GLP#6, consists of 36 town homes and an 89-unit apartment complex for a total of 125 units. The Corporation sold 49 and 72 units in 2010 and 2009, respectively with 4 units remaining in the inventory as at December 31, 2010.

The multi-family home building division has a number of projects in the planning stage, including projects in Saddlestone, Taralake, Kincora, Sage Meadows and Sherwood. Construction of these projects was put on hold due to over-supply of multi-family units in the market. Management is currently evaluating the opportunities to develop or divest itself of certain of these project sites.

Commercial Division

In 2006, the Corporation created a Commercial Division that is responsible for servicing and sales or leasing and developing of all commercial properties within the land holdings of the Corporation. The division aims to develop innovative mixed-use centers, community shopping centres and industrial developments in high growth urban areas of Alberta. Genesis' next generation mixed-use centers will include a mix of leisure shopping, theatre, restaurants and residential living all synthesized within an attractive village environment.

The long range planning that goes into the Corporation's new communities provides a gateway to commercial and mixed-use opportunities within residential projects. The Corporation has also acquired land holdings exclusively for commercial or mixed-use developments.

With the knowledge and understanding of the communities Genesis develops, the Corporation can target retailers that will fit with the consumer needs of that neighbourhood.

Genesis currently has six commercial developments underway including Bayside Village in Airdrie, Taralake Plaza and Saddlestone Commercial in northeast Calgary, Sage Hill Crossing Town Centre and Sage Meadows mixed-use in Symons Valley, NE Industrial lands in the County of Rocky View and Acheson Industrial in Parkland County west of Edmonton.

Bayside Village (20.49% interest)

The latest census estimates have the City of Airdrie's population breaching 40,000 by next year. Bayside Village shopping centre expects to capture 50,000 square feet of neighbourhood retail and commercial convenience within an attractive maritime theme.

Taralake Plaza (11.65% interest)

With a shortage of high grade retail sites in Calgary's booming northeast communities of Saddleridge and Taradale, Genesis is well positioned to target stores and services such as pharmaceutical, banking, medical, dental and convenience all within 50,000 square feet when fully built. Genesis entered into a Purchase and Sale Agreement to sell this site in 2010. The sale was completed in January 2011.

Saddlestone Commercial (100% interest)

This 1.56 acre commercial site is located in the centre of one of Genesis' two new communities. Genesis entered into a purchase and sale agreement to sell this site in 2010. The agreement is unconditional and expected to close mid 2011.

Sage Hill Crossing Town Centre (100% interest)

This well-positioned 116-acre mixed-use site located in Calgary's northwest was approved for land use in October of 2005. Revised land-use was approved in 2008 providing for 130 acres of mixed-use development of 1.2 million square feet of retail, approximately 1 million square feet of office, 4,450 residential units, cinemas, hotel, a community recreation center and an integrated transit hub.

In 2010 Genesis executed a Purchase and Sale Agreement to sell 27.5 acres in Stage I of the project to a Real Estate Income Trust. This Agreement is conditional on satisfaction of the Purchasers Due Diligence conditions. Genesis will be required to complete servicing of Stage I prior to closing. Stage I servicing is anticipated to be completed in 2012.

Sage Hill Crossing is attracting interest from a list of stores that will anchor this pedestrian-oriented lifestyle centre. Sage Hill Crossing Town Centre will use technology in environmental design, which lowers the operating cost for tenants while providing a comfortable shopping experience for the customer.

In addition to its landmark Village Centre, Sage Hill Crossing will be the home of larger format retailers that bring a broader range of products and price points. This strategy goes towards offering a balance of everyday consumables with specialty retail.

With an abundance of green space, connections to the Calgary regional path system and a recreational amenity, Sage Hill Crossing offers broad appeal in this affluent high growth area of Calgary.

Sage Meadows Mixed-use

This 9.52 acre mixed-use site is located in Genesis' new community of Sage Meadows, ideally located adjacent to Symons Valley Road. It will include a combination of multi-family residential, office and retail uses.

NE Industrial (51.2% interest)

This land holding is comprised of 610 acres directly adjacent to the City of Calgary within the county of Rocky View. Located directly east of the recently constructed interchange at Stoney Trail and Airport Trail, Genesis is planning on developing an industrial park on these lands. A Land-use re-designation is required for these lands.

South Acheson Industrial (100% interest)

The Acheson Industrial Area is located west of the City of Edmonton in Parkland County between Edmonton and Spruce grove. This project has 122 acres with highway frontage onto Highway 16A. The lands are zoned for commercial/industrial uses and have now been stripped and graded. A tentative plan has been approved creating 55 lots.

Canals Commercial (20.49% interest)

This 0.75 acre commercial parcel was sold in 2010.

Employees

The Corporation currently employs 62 employees in its Calgary head office.

Corporate Objective and Strategy

Genesis corporate objective is to maximize shareholder returns through strategic acquisitions, development, sale and leasing of its properties.

Strategic elements that help achieve these objectives:

Focus on core business activity

Implement innovative planning to develop the present approved lands and maximize market share through creative marketing and packaging of the developed product to include single-family homes, multi-family homes and commercial and industrial development. A significant component of our growth is anticipated through development of existing and approved land inventory.

Acquisition strategy

Acquire strategically located land in areas where there is an expectation of a significant market upturn, where development can commence between 2 - 10 years and with expectation to capture a significant market share. This is accomplished by creating communities that include recreational amenities such as parks, biking and walking trails, efficient traffic flows, schools and public service facilities. Integrate land planning and development with housing product design in order to deliver lifestyle, comfort and value. The Corporation has strong land reserves and does not intend to make cash purchases for land but rather would participate as a joint venture partner while earning ownership in lands through the use of its development expertise.

Development Strategy

The Corporation takes the property acquired through the rezoning process, in an attempt to increase property values by at least a factor of three to ten, and further process the property by servicing the land and sell serviced lots to the Corporation's single and multi-family home construction divisions, and to external builders. The Corporation will also look at market conditions and sell the "approved" but undeveloped subdivision or developed property to another party if this is economically attractive. The Corporation is working towards developing residential, commercial and mixed-used properties with a long-term revenue generating potential.

Asset Management

The management team reviews the portfolio and optimizes it by identifying non-core properties and divesting such properties; the funds generated are used to strengthen its core property base or to pay down existing debt.

Management of business segments

The Corporation operates through four business divisions, structured to create vertical integration; Land Division develops and sells lots; Single-Family Home Building under GBG constructs single-family homes; Multi-Family Home Building under Generations constructs multi-family units and Commercial Division develops and constructs retail, office and industrial properties.

Sales Strategy

The Corporation has a strong sales and marketing team in place which uses innovative and effective sales techniques and competitive pricing to attract new customers and strategies to ensure satisfaction of customers as well as consistent and sustainable increase of market share.

Cost Reduction

While quality of development is of prime importance, Genesis monitors its operating costs to ensure that operations are efficient and cost effective. Budgets are used to monitor costs on projects. The Corporation uses its relationships with trades and service providers to obtain best pricing while maintaining acceptable quality standards.

Personnel and Employee Strategy

The Corporation strives to establish good working relationships by (a) promoting team work, open communication and professional standards to all participants (b) enhancing employee productivity through flexible work environment and (c) increasing employee satisfaction by offering benefits and compensation in line with the market and providing a respectful environment for working.

Corporate Identity

The Corporation strives to develop a solid corporate identity in our targeted market areas by producing consistent results of highest quality standards while providing exceptional customer service.

Ethics and Compliance

The Corporation continues to build and sustain an ethical and honest culture, promote strong compliance environment and the integration of effective controls within the Corporation. The Corporation maintains a comprehensive system that communicates behaviour expectations, training and coaching on ethics and compliance issues, and professional accountability.

Financial Management

The Corporation uses a balanced approach to using debt financing to fund its operations. Genesis strives to use debt financing mainly for projects and to reduce any non-project related financing and at the same time maintain conservative liquidity position. Management monitors accounts receivable and ensure timely collection from debtors.

Diversification

The Corporation reviews various diversification options such as spreading the activities across various regions, cities, and across communities as well as across various types of properties including development land, single-family, multi-family, commercial and industrial.

Project Economics

The Corporation maintains certain equity, revenue, profit margin and yield criteria for its projects, which criteria are applied in respect of all of its divisions. These criteria have been established from a combination of industry norms and corporate experience and are summarized as follows:

In general, gross profit (revenue less direct project costs and selling costs), as a percentage of revenue, should meet or exceed 30%. The Corporation has reported a gross margin as a percent of revenue as follows:

47% in the year ended December 31, 2010
29% in the year ended December 31, 2009
48% in the year ended December 31, 2008

Margins are blended and include land development, single- and multi-family (2009 onwards) home building.

In general, non-recourse, project-specific debt financing is utilized to pay for project development costs, including construction, engineering, marketing and interest expenses. Subject to project specific situations and housing market conditions, the typical required equity contribution (as a percentage of total project costs) is anticipated to be 30% to 40%. This equity contribution normally takes the form of land owned by the Corporation and utilized in the project.

The Corporation's strategic focus in residential land development is on fairly immediately developable lands, being those lands that are anticipated to be capable of generating lots for sale within approximately two to three years, with a three to ten year completion horizon.

RISK FACTORS

Credit and Liquidity Risk

This arises from the possibility that builders that acquire lots from Genesis may experience financial difficulty and be unable to fulfill their lot payout commitments. The corporation does sell to a variety of builders to alleviate this risk. As well, thorough credit assessments are conducted with respect to all new builders and the Corporation also obtains a non-refundable deposit and maintains title to lots that are sold until payment is received in full.

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Corporation.

General

In the normal course of business, the Corporation is exposed to certain risks and uncertainties inherent in the real estate development industry. Real estate development is a cyclical business; as a result, the profitability of the Corporation could be adversely affected by external factors beyond the control of management. Currently, the Corporation is seeing gradual market stabilization from the general downturn of 2008 and 2009 in the national and local economies. Although Genesis had experienced a slowdown in lot sales, it is using this economic correction to strongly position itself when the market turns around. With a diversified land base, the Corporation is well positioned to focus on the real estate projects offering the best return in the market place going forward.

Industry Risk

Real estate investments are generally subject to varying degrees of risk, depending on the nature of the property. These risks include (i) changes in general economic conditions, (ii) changes in local conditions (such as an oversupply of land or a reduction in demand for real estate in the area), (iii) changes to government regulations (such as new or revised building codes) and (iv) competition from other developers or builders. Raw land is relatively illiquid. Such illiquidity will tend to limit Genesis' ability to rebalance its portfolio promptly in response to changing economic or investment conditions. In addition, financial difficulties of other developers and landowners, resulting in distress sales, may depress real estate values in the markets in which the Corporation operates.

Environmental Risk

As an owner of real estate, Genesis is subject to federal, provincial and municipal environmental regulations. These regulations may require the Corporation to fund the costs of removal and remediation of certain hazardous substances on its properties or releases from its properties. The failure to remediate such properties, if any, could adversely affect the Corporation's ability to borrow using the property as collateral or sell the real estate. Genesis is not aware of any material noncompliance with environmental laws at any of its properties. The Corporation has made, and will continue to make, the necessary capital expenditures to comply with environmental laws and regulations. Environmental laws and regulations can change rapidly, and the Corporation may become subject to more stringent environmental laws and regulations in the future.

Supply and Demand

The Corporation's performance would be affected by the supply and demand for land, single-family housing, multi-family housing and commercial properties in its geographic areas of ownership. Key drivers of demand include employment levels, population growth, demographic trends and consumer confidence. The potential for reduced sales revenue exists in the event that demand diminishes or supply becomes over abundant thereby driving down prices for the Corporation's properties.

Competition

Each segment of the real estate business is competitive. Numerous other residential developers and builders compete for potential customers. Although it is Genesis' strategy to be the premier land developer or builder in the marketplaces in which it operates, some of the Corporation's competitors may provide a better product or may be better located or better capitalized. The existence of alternative lots, housing or commercial properties could have a material adverse effect on Genesis' ability to sell lots, single and multi-family homes or commercial properties and thus could adversely affect Genesis' revenues and ability to meet its obligations.

General Uninsured Losses

Genesis carries comprehensive insurance with policy specifications, limits and deductibles customarily carried for similar companies. There are, however, certain types of risks (generally of a catastrophic nature) that are either uninsurable or not economically insurable.

Interest Rates

This is the combined risk that the Corporation would experience a loss as the result of its exposure to a higher interest rate environment (Interest Rate Risk) and the possibility that at the time of maturity of a mortgage the Corporation would be unable to renew the maturing debt either with the existing lender or with a new lender (Renewal Risk). The Corporation structures its debt so as to stagger the maturity dates, thus reducing exposure to any short-term fluctuations in rates. To mitigate against renewal risk, the Corporation has established relationships with a number of different lenders. The Corporation has historically been successful in obtaining refinancing on maturing debt where it has sought it. In addition, Genesis has been able to finance at loan-to-fair values of 50% to 60%, as applicable.

Development and Construction Costs

The Corporation may experience loss due to higher prices of labour & consulting fees and costs of materials. Genesis closely monitors the costs of services and materials and looks for long-term commitments for those prices wherever possible. Costs of development and building have fluctuated over the past several years and are typically passed on to the customer through higher pricing by Genesis. Any significant increase that the Corporation can't pass on to the customer may have a negative material impact on Genesis.

Management Risk

Relates to the continuity of management. The success of Corporation is largely dependent on the quality of its management and personnel. Loss of such personnel or the inability to attract personnel of equivalent ability could materially affect the operations and prospects of the Corporation. The Corporation continuously provides coaching, training and educational opportunities to its employees, as well as periodically evaluates a need to attract human resources of high professional quality and appropriate experience.

Other factors which effect Genesis' ability to operate successfully include:

- Shifts in population patterns;
- Delays in regulatory approvals;
- Availability of land; and
- Availability of labour;

To generally mitigate risks, Genesis has taken the following steps:

- Constant monitoring of market trends and conditions.
- Substantial pre-sales are in place before commencing a project where prudent to do so.
- Raw land acquisitions generally financed with equity and development costs funded with short-term financing. All regulatory requirements are met on time.
- Adequate financing is established prior to commencement of project development.
- Strategic planning of current and future land development projects.

DESCRIPTION OF SHARE CAPITAL

General Description of Share Capital

Genesis is authorized to issue an unlimited number of Common Shares without nominal or par value, of which, as at the date hereof, 44,441,511 Common Shares are issued and outstanding as fully paid and non-assessable. In addition, 2,100,622 Common Shares are reserved for issuance pursuant to options granted to directors, officers, employees and consultants of Genesis. Genesis is also authorized to issue an unlimited number of Preferred Shares without nominal or par value. To date, no Preferred Shares have been issued.

Common Shares

The holders of Common Shares are entitled to dividends as and when declared by the Board, to one vote per share at meetings of shareholders of Genesis and, upon liquidation, to receive such assets of Genesis as are distributable to the holders of the Common Shares.

Preferred Shares

The Preferred Shares may be issued from time to time in one or more series, each series consisting of the number of Preferred Shares as determined by the Board who may also fix the designations, rights, privileges, restrictions and conditions attaching to the shares of each series of Preferred Shares.

The Preferred Shares of each series shall, with respect to payment of dividends and distributions of assets in the event of liquidation, dissolution or winding-up of Genesis, whether voluntary, or involuntary, or any other distribution of the assets of Genesis among its shareholders for the purpose of winding-up its affairs, rank equally with the Preferred Shares of every other series and shall be entitled to preference over the Common Shares, and the shares of any other class ranking junior to the Preferred Shares.

DIVIDENDS OR DISTRIBUTIONS

Since incorporation, other than distributions made to unit holders of the limited partnerships (see below), neither Genesis nor any of its subsidiaries have declared any cash dividends or made any distributions on any of their securities. Dividends (or distributions) on securities of Genesis or its subsidiaries will be paid (or made) solely at the discretion of the Board after taking into account the financial condition of Genesis and the economic environment in which it is operating. Certain of the Corporation's financing agreements presently do not allow for dividend payments. It is the intention of the Corporation to make dividend payments in a future period as the financing agreements and cash flow stream allows.

The Corporation paid cash distributions to unit holders of the limited partnerships in the amount of $2,886, $1,316, and $4,419 during the years ended December 31, 2010, 2009, and 2008, respectively.

MARKET FOR SECURITIES

The following table sets forth the reported price ranges and the trading volumes for the Common Shares on the TSX, trading under the symbol "GDC", as reported by sources Genesis believes to be reliable for the periods indicated. The closing price represents the price on the final day of the month during 2010:

	Price Range ($)			
Date	**High**	**Low**	**Close**	**Monthly Trading Volume**
January	3.25	1.97	2.90	3,435,300
February	3.29	2.90	3.10	1,003,500
March	4.20	3.01	3.82	1,668,500
April	5.39	3.60	4.13	1,930,000
May	4.40	3.52	4.25	947,200
June	4.50	3.57	3.71	834,700
July	3.86	3.61	3.72	310,200
August	3.93	3.50	3.67	417,500
September	3.79	3.02	3.10	1,398,900

Date	Price Range ($) High	Low	Close	Monthly Trading Volume
October	3.36	3.11	3.11	746,200
November	3.40	2.85	3.30	410,100
December	3.44	3.09	3.35	312,000
Summary for 2010	**5.39**	**1.97**	**3.35**	**13,414,100**

PRIOR SALES

The following table sets forth, for each class of securities of the Corporation that is outstanding but not listed or quoted on a marketplace, the price at which securities of the class have been issued during the financial year ended December 31, 2010, and the number of securities of the class issued at that price and the date on which the securities were issued.

Class of securities	Issue price or Exercise price	Number of securities issued	Date of Issue
Options	3.62	450,000	August 18, 2010
Options	3.68	30,000	October 18, 2010
Options	3.26	388,500	November 18, 2010

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As of the date hereof, and to the knowledge of the officers and directors of Genesis, there are no securities that are pooled, subject to escrow, held under a voting trust agreement or other similar agreement or subject to a contractual restriction on transfer.

DIRECTORS AND OFFICERS

The following table sets forth the name, municipality of residence, respective office and position held with the Corporation, and principal occupation for the past five years of each of the directors and executive officers of Genesis. The note to the table discloses the members of each committee of the Board. The term of office of each director will expire at the end of the next annual meeting of shareholders of Genesis.

Name, province and country of Residence	Office	Present Occupation and Positions Held During the Last Five Years
Gobi Singh(4) Alberta Canada	President and Chief Executive Officer and Director since December 2, 1997	President and Chief Executive Officer of Genesis from December 2, 1997 to April 24, 2009, and from May 22, 2009, to present.
Jeff Blair Alberta Canada	Chief Operating Officer	Mr. Blair has been the Chief Operating Officer of Genesis since December 9, 2009, and prior to that he was Manager of Acquisitions and Planning of Genesis.
Simon Fletcher Calgary, Alberta Canada(5)	Chief Financial Officer	Mr. Fletcher has been the Chief Financial Officer of Genesis since October 2, 2009. He has also held the positions of Corporate Controller and Manager of Financial Reporting since he joined Genesis in May 2007. Prior to joining Genesis he served as a co-controller of a private real estate company. Mr. Fletcher also has over 7 years of public practice experience.
Akhil K. Manro(1)(3) Alberta Canada	Director since May 22, 2009	Mr. Manro is a realtor in the province of Alberta and registered with Discover Real Estate. Mr. Manro currently serves as a commercial mortgage associate with Westcor Mortgages.
Douglas N. Baker(3)(5) Alberta Canada	Director since May 27, 2010, and Chairman of the Board of Directors since October 15, 2010	Mr. Baker is an independent businessman. He was Vice-President and Chief Financial Officer of Valiant Energy Inc. prior to its takeover by Peerless Energy Inc. in September 2006. He served as President and Chief Financial Officer of Forte Resources and its predecessors since August 2001.

Name, province and country of Residence	Office	Present Occupation and Positions Held During the Last Five Years
Elias Foscolos[2][4] Alberta Canada	Director since June 29, 2010	Mr. Foscolos is an independent businessman. Mr. Foscolos currently serves as the president of Amalgamated General Partner Ltd., the general partner of Amalgamated Income Limited Partnership.
Mark W. Mitchell[1][3] British Columbia, Canada	Director since June 29, 2010	Mr. Mitchell serves as President of Reliant Capital Limited, Chairman of the Canadian Constitution Foundation, Vice-Chairman of the Fraser Institute, Trustee of The W. Garfield Weston Foundation and Trustee of the Free Market Research Foundation.
Steven J. Glover[1][2] Alberta Canada	Director since November 23, 2010	Mr. Glover is a Fellow of the Chartered Accountants, currently serving as financial consultant to oil and gas companies including contract Chief Financial Officer to Western Plains Petroleum Ltd. and other oil and gas companies. He is currently a member of the board of directors, and Chair of the Audit Committee of an Alberta crown corporation, Travel Alberta. Prior to that Mr. Glover was CFO of Eagle Rock Exploration Ltd. From 2006 to 2009, VP Finance of Valiant Energy from 2005 to 2006. Mr. Glover also served as the Executive Director of the Institute of Chartered Accountants of Alberta from 1984 to 2005.
Yazdi J. Bharucha[2][3][4] Ontario Canada	Director since November 23, 2010	Mr. Bharucha was Chief Financial Officer of Canadian Apartment Properties Real Estate Investment Trust (CAPREIT) since 1997 until September 2009.

Note:
(1) Member of the Governance Committee, Compensation Committee and Nominating Committee
(2) Member of the Audit Committee
(3) Member of the Special Committee
(4) Member of the Executive Committee
(5) Member of the Disclosure Committee

As at the date hereof, the directors and officers of Genesis, as a group, beneficially own, directly or indirectly, or control or direct, 7,380,713 Common Shares or approximately 16.62% of the issued and outstanding Common Shares. The information as to the Common Shares, not being within the knowledge of Genesis, has been furnished by the respective directors and officers of Genesis individually.

Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, to the best of Genesis's knowledge, no director or executive officer is, or within the ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any corporation (including the Corporation) that: (a) while that person was acting in that capacity, was subject to a cease trade or similar order or an order that denied such corporation access to any exemptions under securities legislation, that was in effect for a period of more than 30 consecutive days; or (b) was subject to a cease trade or similar order or an order that denied such corporation access to any exemptions under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after that person ceased to act in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

Gobi Singh consented to a Management Cease Trade Order ("**MCTO**") dated April 7, 2006 with the Alberta Securities Commission ("**ASC**") as a result of the Corporation's failure to file its December 31, 2005 year-end financial statements (the "**2005 Financial Statements**") by the required deadline under securities legislation. Subsequently, on June 6, 2006, the ASC issued an Interim Cease Trade Order (the "**2006 CTO**") against the Corporation, which replaced the MCTO, as a result of the Corporation still not having completed its 2005 Financial Statements and having failed to file its March 31, 2006 first quarter financial statements by the required regulatory deadline. The 2006 CTO was revoked on June 21, 2006. Gobi Singh was a director and officer of the Corporation during the time the foregoing cease trade orders were in effect.

Elias Foscolos, who is a director of Banff Rocky Mountain Resort Ltd., the general partner of Banff Rocky Mountain Resort Limited Partnership, which limited partnership was, from May 12, 2008, subject to cease trade orders of the Alberta Securities Commission and the Ontario Securities Commission for failing to file audited financial statements for the year ended December 31, 2007, such cease trade orders being revoked on November 28, 2008.

Bankruptcies

To the best of Genesis's knowledge, no director or executive officer of the Corporation, or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation: (a) is, as at the date of this Annual Information Form, or has been within the past 10 years, a director or executive officer of any corporation (including the Corporation) that while the person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the past 10 years before the date of this Annual Information Form become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

To the best of Genesis's knowledge, no director or executive officer of the Corporation, or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to:

(i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

PROMOTER

No person is or has been within the two most recent completed financial years or during the current financial year, a promoter of Genesis or a subsidiary of Genesis.

CONFLICTS OF INTEREST

There are potential conflicts of interest to which the directors and officers of Genesis will be subject in connection with the operations of Genesis. In particular, certain of the directors and officers of Genesis and its subsidiaries are involved in managerial or director positions with other companies whose operations may, from time to time, provide financing to, or make equity investments in, competitors of Genesis. Conflicts, if any, will be subject to the procedures and remedies available under the ABCA. The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the ABCA.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the knowledge of the Corporation, there are no legal proceedings material to the Corporation to which the Corporation is or was a party to or of which any of its properties is or was the subject of, during the financial year ended December 31, 2010, nor are there any such proceedings known to the Corporation to be contemplated.

Other than as set forth below, to the knowledge of the Corporation, there were no: (i) penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by a securities regulatory authority during the Corporation's last financial year, (ii) penalties or sanctions imposed by a court or regulatory body against the Corporation that would likely be considered important to a reasonable investor in making an investment decision; or (iii) settlement agreements the Corporation entered into before a court relating to securities legislation or with a securities regulatory authority during the last financial year.

The ASC issued a cease trade order against the Corporation on April 9, 2009, for its failure to file the annual audited financial statements, annual management discussion and analysis and certification of annual filings for the year ended December 31, 2008 (the "**2008 Filings**"). The British Columbia Securities Commission, the Manitoba Securities Commission and the Ontario Securities Commission also issued cease trade orders in April 2009, against the Corporation for its failure to file the 2008 Filings. During the time the foregoing cease trade orders were in effect, the TSX halted trading of the Common Shares on the TSX. The 2008 Filings were subsequently filed, and the cease trade orders with respect to the 2008 Filings have since been revoked effective May 14, 2009. Gobi Singh was a director and officer of the Corporation during the time the foregoing cease trade orders were in effect.

The ASC has issued an amended notice of hearing alleging the Corporation's President and Chief Executive Officer and director Gobi Singh and former Chief Financial Officer Frank Devcich breached Alberta securities laws by allowing Genesis to file consolidated financial statements for the three and nine months ended September 30, 2008 and 2007 (the "Financial Statements") that were not prepared in accordance with Canadian Generally Accepted Accounting Principles, and by falsely certifying that the Financial Statements were fairly presented. The ASC staff also alleges that the Corporation's current Chief Financial Officer Simon Fletcher acted contrary to the public interest by failing to correct a misrepresentation made by Mr. Devcich to the Genesis auditors. Genesis filed restated Financial Statements on February 4, 2009. The Corporation was not named as a respondent in the Notice of Hearing. A copy of the Notice of Hearing is available on the ASC website at www.albertasecurities.com.

AUDIT COMMITTEE

Under NI 52-110 the Corporation is required to include in its Annual Information Form the disclosure required under Form 52-110F1 with respect to its audit committee, including the text of its audit committee charter, the composition of the audit committee and the fees paid to the external auditor. This information is provided in Appendix A attached hereto.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The management of the Corporation is not aware (except as stated below) of any material interest, direct or indirect, of any of the following persons or companies in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect Genesis or a subsidiary of Genesis:

(i) a director or executive officer of Genesis;

(ii) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of the issued and outstanding Common Shares; and

(iii) an associate or affiliate of any of the persons or companies referred to in paragraphs (i) or (ii).

As at December 31, 2009, financing in the amount of $5,100 was provided by a syndicate with which one of the Corporation's directors is affiliated. The financing was provided prior to the director joining the Corporation's board of directors. The loan was repaid on September 20, 2010.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Computershare Trust Company of Canada at its principal offices in Calgary, Alberta and Toronto, Ontario.

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, the Corporation has not entered into any contracts within the most recently completed financial year or before the most recently completed financial year, but still in effect, which can reasonably be regarded as presently material.

INTEREST OF EXPERTS

There is no person or company who is named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under NI 51-102 by Genesis during, or relating to the Corporation's most recently completed financial year, and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company, other than Meyers Norris Penny LLP, the independent auditor of Genesis.

Meyers Norris Penny LLP, Chartered Accountants, has prepared an opinion with respect to the consolidated financial statements as at and for the fiscal year ended December 31, 2010. Meyers Norris Penny LLP, is independent in accordance with the Rules of Professional Conduct as outlined by the Institute of Chartered Accountants of Alberta.

No director, officer or employee of Meyers Norris Penny LLP, is or is expected to be elected, appointed or employed as a director, officer or employee of Genesis, as the case may be, or of any associate or affiliate of Genesis.

ADDITIONAL INFORMATION

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities, options to purchase securities and securities authorized for issuance under equity compensation plans will be contained in the Corporation's management information circular relating to its most recent annual meeting of shareholders held on June 29, 2010. Additional financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the year ended December 31, 2010. Additional information relating to the Corporation may be found on SEDAR at www.sedar.com.

APPENDIX A
INFORMATION CONCERNING AUDIT COMMITTEE

I. The Audit Committee's Mandate

The following is the text of the Audit Committee's Mandate and Terms of Reference:

Purpose

1. The purpose of the Audit Committee (the "Committee") is to:

   (a) provide oversight of the accounting and financial reporting functions, and procedures, practices and policies of the Corporation and the Limited Partnership Land Pool (2007) related thereto:

   (b) review and recommend to the Board for acceptance, prior to their public release, all material financial information required to be gathered and disclosed by the Corporation;

   (c) oversee management designed and implemented accounting and financial reporting systems and internal controls; and

   (d) recommend, engage, supervise, arrange for the compensation and monitor and enhance the independence of the external auditor to the Corporation.

Composition

2. The Committee will be comprised of at least three members of the Board each of whom will at all times be independent and financially literate as those terms are defined in National Instrument 52-110 and possess:

   (a) an understanding of the accounting principles used by the Corporation to prepare its financial statements;

   (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;

   (c) experience with preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more individuals engaged in such activities; and

   (d) an understanding of internal controls and procedures for financial reporting.

3. Committee members and the Chair of the Committee will be appointed by the Board of Directors (the "Board") following the annual meeting of the Corporation or from time to time, as necessary and shall serve at the pleasure of the Board until the immediately following annual meeting, unless their office is earlier vacated.

Meetings

4. The Committee is required to meet in person, or by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Committee.

5. The Chair of the Committee appointed by the Board will, in consultation with the members, determine the schedule, time and place of meetings, and after consultation with management and the external auditor, establish the agenda for meetings.

6. A quorum for a meeting of the Committee shall be a majority of members of the Committee present in person or by telephone conference call.

7. Notice of the time and place of every meeting shall be given in writing, by email or facsimile to each member of the Committee at least 48 hours prior to the time fixed for such meeting, provided that a member may in any manner waive a notice of meeting. Notice of the time and place of every meeting shall be given in writing, by email or facsimile to all members of the Board not appointed members of the Committee at least 48 hours prior to the time fixed for such meeting. All members of the Board not appointed members of the Committee shall be entitled to attend and participate as non voting members of the Committee at all meetings of the Committee.

8. Members of the Committee shall be entitled to reasonable compensation for the services performed by them in discharging their duties and to be reimbursed for all out of pocket expenses incurred by them in performance of these services. All members of the Board not appointed members of the Committee will not be entitled to any compensation or reimbursement for expenses for attending a meeting of the Committee.

Responsibilities

9. The Committee is responsible to:

   (a) independently or together with the Board, investigate any identified fraud, illegal acts and conflicts of interest;

   (b) discuss issues of its choosing with the external auditor, management and corporate counsel including but not limited to potential claims, assessments, contingent liabilities, and legal and regulatory matters that may have a material impact on the financial statements of the Corporation ;

   (c) establish procedures for the confidential anonymous submission by employees of the Corporation of concerns or complaints regarding questionable accounting, internal accounting controls or auditing matters;

   (d) establish procedures for the retention (for at least 7 years) of copies of complaints or concerns expressed and evidence of investigations;

   (e) review the annual and interim financial statements of the Corporation and related management's discussion and analysis ("MD&A") prior to their submission to the Board for their approval; and

   (f) review prospectuses, offering memoranda and other fund raising activities of the Corporation prior to their filing.

External Auditors

10. To preserve the independence of the external auditor responsible for preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, the Committee is responsible to:

   (a) recommend to the Board the external auditor to be nominated;

   (b) review and approve the external auditor's compensation and pre approve all audit services;

   (c) evaluate the external auditor's qualifications, performance and independence including by reviewing:

      (i) reports of the auditor describing its internal quality-control procedures;

      (ii) any material issues raised by its most recent internal quality-control review; and

      (iii) the results of any inquiry or investigation by government or professional authorities of the auditor within the last five years;

   (d) review the experience and qualifications of the senior members of the external auditors, ensure that the lead audit partner is replaced periodically in accordance with applicable law, and that the audit firm continues to be independent;

(e) review and pre-approve any engagements for non-audit services to be provided by the external auditor and its affiliates in light of the estimated fees and impact on the external auditor's independence;

(f) review with management and with the external auditor:

(i) any proposed changes in major accounting policies;

(ii) the presentation and impact of significant risks and uncertainties; and

(iii) key estimates and judgments of management that may be material to financial reporting; and

(g) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and most recent former external auditor of the Corporation in compliance with the requirements set out in section 2.4 of National Instrument 52-110.

11. The Committee is required to:

(a) maintain direct communications and discuss and review specific issues, as appropriate, with the internal and external auditors;

(b) oversee the work of the external auditor, meet at least annually with the external auditor in camera, and resolve disagreements between management and the external auditor;

(c) ensure that the external auditor is answerable to the Committee, as representatives of the shareholders, rather than to the executive officers and management;

(d) meet with the external auditor prior to the audit to review the scope and general extent of the external auditor's annual audit including planning and staffing the audit and the factors considered in determining the audit scope, including risk factors;

(e) Prior to public disclosure of annual or quarterly financial statements, review the following:

(i) financial statements, footnotes and management discussion and analysis of financial condition and results of operations;

(ii) significant accounting judgments and reporting principles, practices and procedures applied in preparing the financial statements, including newly adopted accounting policies and the reasons for their adoption;

(iii) results of any audit or independent review of the financial statements or internal controls over financial reporting;

(iv) significant changes to the audit plan, if any, and any disputes or difficulties with management encountered during the audit, including any disagreements which, if not resolved, would have caused the external auditor to issue a non-standard report on the Corporation's financial statements; and

(v) the level of co-operation received by the external auditor during its audit including access to all requested records, data and information.

Accounting Systems, Internal Controls and Procedures

12. The Committee will:

(a) obtain reasonable assurances from management and the external auditors that:

(i) accounting systems are reliable;

(ii) internal controls are effective; and

(iii) adequate procedures are in place for the review of the preparation and disclosure of financial information extracted or derived from the Corporation's financial statements;

(b) periodically assess the adequacy of accounting systems, internal controls and procedures for the review of disclosure of financial information;

(c) direct the external auditor’s examinations to particular issues;

(d) review control weaknesses identified by the external auditor and management's response; and

(e) review with the external auditor its view of the qualifications and performance of the key financial and accounting executives.

Reporting

13. The Committee is responsible, following each meeting, to report to the Board regarding its activities, findings, recommendations, any issues that arise with respect to the quality or integrity of the Corporation’s financial statements, compliance with applicable law, the performance and independence of the external auditor and the effectiveness of the internal audit function.

14. The Committee is responsible for reviewing and recommending their approval to the Board, prior to their distribution, of all:

(a) interim and annual financial statements and notes thereto;

(b) managements’ discussion and analysis of financial condition and results of operations;

(c) relevant sections of the annual report, annual information form and management information circular containing financial information;

(d) forecasted financial information and forward looking statements;

(e) press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed; and

(f) disclosure of the selection of accounting policies (and changes thereto), major accounting judgments, accruals and estimates.

15. The Committee will annually, prior to public disclosure of its annual financial statements, ensure that the external auditor has current participant status with, and is in compliance with any restriction or sanction imposed by the Canadian Public Accountability Board.

16. The Committee will prepare any reports required to be prepared by the Committee under applicable law including reports regarding ongoing investigations made pursuant to the Corporation’s Whistleblower Policy.

Governance

17. The Committee is responsible to annually review and in its discretion make recommendations to the Board regarding changes to its Mandate and the position description of its Chair.

Materials

18. The Committee has access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties.

Advisors

19. The Committee has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Committee in the discharge of its duties.

Duties of the Committee Chair

20. In addition to fulfilling his or her duties as an individual director, the duties of the Committee Chair are to:

(a) serve as the Committee's role model for responsible, ethical and effective decision making;

(b) lead the Committee in discharging all duties set out in the Committee Mandate and as are delegated to the authority of the Committee by the Board;

(c) take reasonable steps to ensure that the Committee members execute their duties pursuant to their Mandate;

(d) manage the affairs of the Committee to ensure that the Committee is organized properly and functions effectively;

(e) ensure that notice of all meetings of the Committee are provided to the external auditor;

(f) preside at, and together with the members of the Committee, management, external auditors and advisors, as appropriate, call, schedule and prepare the agenda for each meeting of the Committee;

(g) ensure that the Committee meets in closed sessions with the external auditors;

(h) coordinate with the CFO, Corporate Secretary, management and the external auditors to ensure that:

(i) documents are delivered to members in sufficient time in advance of Committee meetings for a thorough review;

(ii) matters are properly presented for the member's consideration at meetings;

(iii) the members have an appropriate opportunity to discuss issues at each meeting;

(iv) the members have an appropriate opportunity to question management, employees and the external auditors regarding financial results, internal controls, the collection of financial information and all other matters of importance to the Committee; and

(v) the members work constructively towards their recommendations to the Board;

(i) communicate with each Committee member to ensure that:

(i) each member has the opportunity to be heard and participate in decision making; and

(ii) each member is accountable to the Committee;

(j) arrange for the preparation, accuracy and distribution of all minutes of the Committee to:

(i) members of the Committee;

(ii) each member of the Board;

(iii) the external auditor; and

(iv) the CEO and CFO;

(k) ensure that the Committee, following each meeting:

(i) reports to the Board regarding its activities, findings and recommendations; and

(ii) makes Committee information available to any director upon request; and

(l) assist in maintaining effective working relationships between Committee members, the

Board, the CEO and CFO, external auditors, advisors, executive officers and management.

II. Composition of the Audit Committee

The Audit Committee of the Corporation is composed of the following individuals:

Elias Foscolos	Independent(1)	Financially literate(2)
Yazdi J. Bharucha	Independent(1)	Financially literate(2)
Steven J. Glover	Independent(1)	Financially literate(2)

Notes:

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Corporation which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

III. Relevant Education and Experience

The Board assesses overall business experience and financial literacy as they relate to the Corporation's primary business segment, real estate, in its selection of Audit Committee members.

Mr. Foscolos holds a M.S. from the Carnegie Mellon University and B.S. from University of Calgary. He is currently the president of Amalgamated General Partner Ltd., the general partner of Amalgamated Income Limited Partnership. Also, currently he is serving as director of Banff Rocky Mountain and Seaway Energy Services Inc. In the past he has been on the board of directors for Madison Energy Corp. and Western Plains Petroleum Ltd. During his career he has worked with investment firms including Merrill Lynch Canada and Yorkton Securities Ltd. He has also worked as a financial analyst with Nexen Inc. and UNOCAL Corp. in Los Angeles, California.

Yazdi Bharucha is a Chartered Accountant. He is a former CFO of Canadian Apartment Properties Real Estate Investment Trust (CAPREIT). Mr. Bharucha's previous experience includes, Vice President and Controller of MPI Group Inc, a real estate investment and development company. He has also held the position of Controller of MICC Properties Inc., a real estate investment and development company and was previously responsible for financial planning, accounting, reporting and management of real estate operations with Guaranty Properties Limited, a subsidiary of Guaranty Trust Company of Canada.

Steven Glover is a Fellow of the Chartered Accountants, currently serving as Vice-President, Finance and Chief Financial Officer of Western Plains Petroleum and KDC Energy Ltd., both listed on the TSX Venture Exchange. He is currently a member of the board of directors, and Chair of the Audit Committee of an Alberta crown corporation, Travel Alberta. Mr. Glover also served as the Executive Director of the Institute of Chartered Accountants of Alberta from 1984 to 2005. His extensive board and governance experience includes chairing the Audit Committees for the Caritas Health Group and the Edmonton Community Foundation and is a past member of the board of the Edmonton Concert Hall Foundation. From 1998-99, he served as President of the Edmonton Downtown Rotary Club.

IV. Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on any exemption from NI 52-110 other than in Section 2.4 of NI 52-110 (De Minimus Non-audit Services) and the exemption provided by section 3.2(2) of NI 52-110 from the requirement that every Audit Committee member must be independent.

V. Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

VI. Pre-Approved Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

VII. External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years are as follows:

Financial Period Ending December 31	Audit Fees[1]	Audit Related Fees[2]	Tax Fees[3]	All Other Fees[4]
2010	$275	$194	$Nil	$205
2009[5]	$415	$154	$Nil	$201

Notes:

(1) The aggregate audit fees billed or accrued by the Corporation's external auditor for audit services.

(2) The aggregate fees billed or accrued by the Corporation's external auditor for assurance and related services that are reasonably related to the performance of the quarterly reviews of the Corporation's financial statements that are not reported under 'Audit Fees'.

(3) The aggregate fees billed or accrued by the Corporation's external auditor for professional services rendered for tax compliance, tax advice and tax planning.

(4) The aggregate fees billed or accrued by the Corporation's external auditor for all other services provided such as but not limited to IFRS conversion, procedures relating to ICOFR as defined in NI 52-109 and other misc. services.

(5) The fees for the year 2009 include fees paid to KPMG LLP for the assurance and related services rendered for the review of first quarter of 2009. KPMG LLP resigned as the auditor of the Corporation on its own initiative in 2009.