ARRANGEMENT AGREEMENT

BETWEEN

SIERRA SYSTEMS GROUP INC.

- and -

TRINITY INTERNATIONAL HOLDINGS LTD.

Dated as of October 13, 2006

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is made as of the 13th day of October, 2006.

BETWEEN:

> **SIERRA SYSTEMS GROUP INC.**, a company existing under the laws of the Province of British Columbia
>
> ("Sierra")

AND:

> **TRINITY INTERNATIONAL HOLDINGS LTD.**, a company existing under the laws of the Province of British Colombia
>
> ("Trinity")

THIS AGREEMENT WITNESSES that in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby mutually acknowledged), the parties hereto do hereby covenant and agree as follows:

PART 1

INTERPRETATION

Definitions

1.1 Wherever used in this Agreement, unless there is something inconsistent in the subject matter or context, the following words and terms will have the meanings set out below and in addition certain other words and terms are defined in the Plan of Arrangement:

"**Acquisition Proposal**" has the meaning ascribed to it in §5.5;

"**Affiliate**" has the meaning ascribed to it in the *Securities Act* (British Columbia), as amended;

"**Arrangement**" means the arrangement under Part 9, Division 5 of the BCA on the terms set forth in the Plan of Arrangement which is attached hereto as Schedule A;

"**Arrangement Agreement**" or "**Agreement**" means this arrangement agreement and any amendment or variation hereto made in accordance with Part 8, including all Schedules hereto and any instrument or agreement supplementary or ancillary hereto;

"**BCA**" means the *Business Corporations Act* (British Columbia), as now enacted, as amended, and the regulations thereto;

“**BCSC**” means the British Columbia Securities Commission;

“**Business Day**” means a day that is not a Saturday, Sunday or civic or statutory holiday, in British Columbia;

“**Canadian Securities Laws**” means the Securities Act and the equivalent legislation in the other Provinces and in the Territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any of such statutes, and the published policies, bulletins and notices of the regulatory authorities administering such statutes;

“**Circular**” means the notice of the Sierra Meeting and accompanying management proxy circular, including all schedules thereto, to be sent to holders of Sierra Shares in connection with the Sierra Meeting and includes any amendments thereto;

“**Claims**” means any claim, demand, action, cause of action, damage, loss, cost, liability or expense, including reasonable professional fees and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;

“**Commitment Letter”** has the meaning ascribed to it in paragraph (e) of Schedule 3;

“**Competition Act**” means the *Competition Act* (Canada), R.S.C. 1985, c.C-34, as amended, and the regulations thereto;

“**Confidentiality Agreement**” means the agreement entered into by Sierra and an Affiliate of Trinity dated January 4, 2006;

“**Contracts**” means all contracts, licences, leases, agreements, commitments, entitlements, engagements, warranties or guarantees to which a Person or any Subsidiary of the Person is a party or pursuant to which the Person or any Subsidiary of the Person is obligated to provide a benefit to, or is entitled to receive a benefit from, any other Person;

“**Court**” means the Supreme Court of British Columbia;

“**Depositary**” means CIBC Mellon Trust Company;

“**Dissenting Shareholder**” means a holder of Dissenting Shares;

“**Dissenting Shares**” has the meaning ascribed to it in §2.14;

“**Effective Date**” has the meaning ascribed to it in §2.7;

“**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date;

“**Encumbrance**” means any encumbrance including any mortgage, pledge, assignment, charge, lien, security interest, adverse interest in property, other third party interest or encumbrance of any kind whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

"**Environment**" means the environment or natural environment as defined in any Environmental Law and includes, without limitation, air, surface, water, ground water, land surface, soil, subsurface strata, a sewer system and the environment in the workplace;

"**Environmental Approvals**" means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by Governmental Entities pursuant to Environmental Laws with respect to the operation of a Person or its Subsidiaries or its businesses, including the control or ownership of leased property or Real Property;

"**Environmental Laws**" means all applicable Laws, including applicable civil or common law, relating to the protection or enhancement of the Environment and employee and public health and safety;

"**Expenses**" means all out-of-pocket expenses (including all fees and expenses of counsel, accountants, investment bankers, financing sources, hedging counterparties, experts and consultants to a Party hereto and its Affiliates) incurred by a Party or on its behalf in connection with or related to the authorization, preparation, negotiation, execution and performance of this Agreement, the preparation, printing, filing and mailing of the Circular, the solicitation of the approval of the Sierra Arrangement Resolution, regulatory filings and notices and all other matters related to the closing of the transactions contemplated by this Agreement.

"**Final Order**" means the order of the Court approving the Arrangement, as such order may be amended at any time before the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed or as amended on appeal;

"**Freely Available Cash**" means unrestricted cash on hand of Sierra and the Sierra Subsidiaries, which will exclude any cash which cannot be distributed, contributed or otherwise delivered to or by Sierra and the Sierra Subsidiaries (i) without breaching applicable Laws, including those relating to solvency, adequate surplus and similar capital adequacy tests or (ii) without causing Sierra or either of the Sierra Subsidiaries to incur any Tax obligation in respect of such distribution, contribution or other delivery.

"**Governmental Entity**" means any domestic or foreign legislative, executive, judicial or administrative body or Person, including the TSX and the Securities Regulators, having or purporting to have jurisdiction in the relevant circumstances;

"**HSR Act**" means the United States *Hart-Scott-Rodino Antitrust Improvements Act of 1976*, as amended;

"**Identified Company Representations**" means the representations and warranties of Sierra set forth in Sections 2.12(d) and 2.15 and paragraphs (b) (other than with respect to changes in the number of outstanding Shares described therein as a result of the exercise or cancellation of rights disclosed in the attachment to Schedule 4 pursuant to the terms of the Sierra Share Incentive Plans), (c), (d), (o), (r), (w), (y), (z), (aa) and (bb) of Schedule 2;

"**Intellectual Property Rights**" has the meaning ascribed to it in paragraph (k) of Schedule 2 to this Agreement;

"**Interim Order**" means the interim order of the Court providing for, among other things, the calling and holding of the Sierra Meeting, as the same may be amended;

"**Laws**" means all laws, statutes, codes, ordinances, decrees, rules, regulations, by-laws, statutory rules, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, statutory body or self-regulatory authority, and the term "applicable" with respect to such Laws and in the context that refers to one or more Persons, means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities;

"**Material**" means, when used in respect to the affairs of a Person, an event, occurrence or fact concerning the business, operations, capital, assets, liabilities or condition (financial or otherwise) of the Person, on a consolidated basis, that would reasonably be expected to have a significant effect on the market price or value of the securities of the Person;

"**Material Adverse Change**" means, (a) any changes, effects, events or occurrences that, individually or in the aggregate, are, or would reasonably be expected to be, material and adverse to the validity or enforceability of this Agreement, or (b) with respect to a Person, any changes, effects, events or occurrences that, individually or in the aggregate, are, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, condition (financial or otherwise), assets or liabilities (contingent or otherwise) of such Person and its subsidiaries, taken as a whole, other than in the case of clause (b) any change, effect, event or occurrence resulting from (i) general political, economic or financial conditions, including in Canada and the United States, (ii) the state of securities markets in general, including any reduction in market indices, (iii) factors affecting the industries in which such Person operates in general, (iv) any failure, in and of itself, by a Person to meet any of its published estimates of revenues or earnings for any period ending on or after the date of this Agreement and prior to the Effective Date, (v) the announcement of this Agreement, (vi) the trading price of the Sierra Shares, or (vii) changes in generally accepted accounting principles or regulatory accounting requirements; provided, that nothing in clauses (i), (ii) or (iii) will include any changes, effects, events or occurrences which disproportionately affects that Person or its Subsidiaries;

“**Material Adverse Effect**” means, (a) any effect of a Material Adverse Change on the validity or enforceability of this Agreement or (b) with respect to a Person, any effect of a Material Adverse Change on such Person;

“**material change**” has the meaning ascribed thereto in the Securities Act;

“**Material Contract**” in respect of a Person means:

(a) any Contract involving aggregate payments to or by the Person or any of its Subsidiaries in excess of $500,000**;**

(b) any Contract with annual payments to or by the Person or any of its Subsidiaries in excess of $500,000 with a term or commitment to or by the Person or any of its Subsidiaries that may reasonably extend beyond one year and which cannot be terminated without penalty on less than 30 days notice or which is outside the ordinary course of business; and

(c) any other Contract which is material to the Person or any of its Subsidiaries;

“**material fact**” has the meaning ascribed thereto in the Securities Act;

“**Parties**” means Sierra and Trinity and “**Party**” means any one of them;

“**Person**” means any individual, sole proprietorship, partnership, unlimited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Entity, and a natural person in such person’s capacity as trustee, executor, administrator or other legal representative and, when the context requires it, means either Sierra or Trinity;

“**Plan of Arrangement**” means the plan of arrangement as set forth in Schedule 1 to this Agreement and any amendments thereto;

“**Purchase Price**” will have the meaning ascribed to it in the Plan of Arrangement;

“**Real Property**” means all lands owned, or purported to be owned, by a Person and its Subsidiaries and all plants, buildings, structures, erections, improvements, appurtenances and fixtures (other than tenant’s fixtures) situate on or forming part of such lands;

“**Registrar**” means the Registrar under the BCA;

“**Regulatory Approval**” means any approval, consent, waiver, permit, order or exemption from any Governmental Entity that is required or advisable to be obtained in order to permit the Arrangement to be effected;

“**Securities Act**” means the *Securities Act* (British Columbia), as amended;

"**Securities Laws**" means, collectively, all applicable Canadian provincial and territorial securities Laws, United States securities Laws, the "blue sky" or securities Laws of the states of the United States, and any other applicable securities Laws;

"**Securities Regulators**" means the BCSC and the securities regulatory authorities in each of the other Provinces of Canada;

"**Sierra**" means Sierra Systems Group Inc., a company existing under the laws of the Province of British Columbia together with, unless the context implies otherwise, all of its Subsidiaries and Affiliates;

"**Sierra Arrangement Resolution**" means the special resolution approving this Agreement and the Plan of Arrangement to be considered at the Sierra Meeting;

"**Sierra Board of Directors**" means the board of directors of Sierra, as constituted from time to time;

"**Sierra Deductions**" means the sum of (a) the Expenses of the Transaction incurred by Sierra, (b) change of control payments made or required to be made by Sierra, (c) costs of the directors' and officers' liability insurance secured by Sierra pursuant to §5.8(c), (d) an amount required to cover outstanding cheques of Sierra and the Sierra Subsidiaries and (e) Sierra's and the Sierra Subsidiaries' indebtedness for borrowed money or debt securities, in each case as incurred or outstanding as of the Effective Date, and as confirmed by a certificate of Sierra addressed to Trinity and signed on behalf of Sierra by a senior executive officer of Sierra in his or her capacity as such and without personal liability;

"**Sierra Disclosure Documents**" means, collectively, all documents published or filed by Sierra with the securities regulatory authorities in Canada in during the three years prior to the date of this Agreement regardless of whether or not such document is required to be published or filed under Canadian Securities Laws;

"**Sierra Disclosure Letter**" means that certain letter dated as of even date herewith and delivered to Trinity by Sierra;

"**Sierra Employees**" means all persons employed or retained by Sierra or its Subsidiaries, including, for greater certainty, those employees on long term disability leave or any other leaves of absence;

"**Sierra Exchange Account**" means the account maintained with the Depositary into which Sierra and Trinity will deposit cash on or before the Effective Date;

"**Sierra Financial Statements**" means the audited financial statements of Sierra for the fiscal periods ended September 30, 2003, September 30, 2004 and September 30, 2005 consisting of the consolidated balance sheet of Sierra and the consolidated statements of earnings, retained earnings and cash flow for such fiscal periods and the unaudited consolidated balance sheet and related consolidated statements of earnings, retained earnings and cash flows for the nine month period ended June 30, 2006, and all notes thereto;

"**Sierra Meeting**" means the special meeting of Sierra Shareholders to be held to consider the Sierra Arrangement Resolution and any adjournment thereof;

"**Sierra Option Shares**" means Sierra Shares that may be acquired upon the exercise of rights under any of the Sierra Share Incentive Plans;

"**Sierra Shareholder Approval**" means the approval of Sierra Shareholders of the Sierra Arrangement Resolution at the Sierra Meeting in accordance with the Interim Order;

"**Sierra Shareholders**" means the registered holders of Sierra Shares;

"**Sierra Share Incentive Plan Participants**" means those Persons validly participating in one or more of the Sierra Share Incentive Plans;

"**Sierra Share Incentive Plans**" means the Sierra Share Option Plan, Sierra's Employee Share Benefit Plan, Employee Market Share Purchase Plan and Amended Employee Share Ownership Plan, all as amended;

"**Sierra Share Option Plan**" means Sierra's 1998 Share Option Plan which permits grants of stock options to directors, officers and employees of Sierra;

"**Sierra Shares**" means the common shares without par value in the capital of Sierra;

"**Sierra Stock Option**" means an option that is outstanding immediately prior to the Effective Date, to acquire Sierra Shares pursuant to an option granted under the Sierra Share Option Plan;

"**Sierra Subsidiaries**" means Sierra Systems Consultants Inc. and Sierra Systems Inc.;

"**Subsidiary**" means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and will include any body corporate, partnership, joint venture or other entity over which it exercises direction or control or which is in a like relation to a Subsidiary;

"**Superior Proposal**" has the meaning ascribed to it in §5.5;

"**Taxes**" means all taxes, duties, levies, imposts and charges however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any Governmental Entity, including all income or profits taxes (including federal income taxes and provincial and state income taxes), capital taxes, payroll and employee withholding taxes, employment insurance, social insurance taxes (including Canada Pension Plan payments), sales and use taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, business license taxes, goods and services taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation, pension assessment and other obligations of the same or of a similar nature to any of the foregoing;

"**Tax Returns**" includes, without limitation, all returns, reports, declarations, elections, notices, filings, information returns and statements in respect of Taxes;

"**Technology"** has the meaning ascribed to it in paragraph (k) of Schedule 2 to this Agreement;

"**Termination Date**" means the date that is five (5) months following the date hereof;

"**Transaction**" means collectively, the transactions contemplated herein and in the Plan of Arrangement as such may be amended from time to time;

"**Transaction Documents**" means collectively, this Agreement and the Plan of Arrangement and any Schedules attached hereto and thereto;

"**Transmittal Letter**" means the letter of transmittal to be sent by Sierra to holders of Sierra Shares for use in connection with the Arrangement;

"**Trinity**" means Trinity Company, a company existing under the laws of the Province of British Colombia together with, unless the context implies otherwise, all of its Subsidiaries and Affiliates; and

"**TSX**" means the Toronto Stock Exchange.

Interpretation

1.2 In this Agreement, unless otherwise expressly stated or the context otherwise requires:

(a) the division of this Agreement and the Plan of Arrangement into Articles and Sections and the further division thereof and the insertion of headings and a table of contents are for convenience of reference only and will not affect the construction or interpretation of this Agreement or the Arrangement. Unless otherwise indicated, any reference in this Agreement and the Plan of Arrangement to an Article, Section or the symbol §, or Schedule refers to the specified Article or Section of or Schedule to this Agreement;

(b) the terms "Arrangement Agreement", "this Agreement", "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and not to any particular section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto and, unless otherwise indicated, a reference herein to a section is to the appropriate section of this Agreement;

(c) words importing the singular number only will include the plural and vice versa, words importing the use of any gender will include all genders and words importing persons will include firms and corporations and vice versa;

(d) if any date on which any action is required to be taken hereunder by any of the parties is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day;

(e) the word “including” means “including, without limiting the generality of the foregoing”;

(f) a reference to a statute is to that statute as now enacted or as the statute may from time to time be amended, re-enacted or replaced and includes any regulation, rule or policy made thereunder; and

(g) a reference to the knowledge of a Party means to the best of the knowledge of any of the officers set forth in §1.7 of such Party after due enquiry.

Entire Agreement

1.3 The Transaction Documents and the Confidentiality Agreement constitute the entire agreement between Sierra and Trinity pertaining to the subject matter hereof and supersede all prior arrangements, understandings, negotiations and discussions, whether oral or written, among them with respect to the subject matter hereof.

Currency

1.4 All references to cash or currency in this Agreement are to Canadian dollars unless otherwise indicated.

Time

1.5 Unless otherwise indicated, all times expressed herein are local time, Vancouver, British Columbia.

Schedules

1.6 The following Schedules are attached hereto and form part of this Agreement:

Schedule	Description
Schedule 1	- Form of Plan of Arrangement
Schedule 2	- Representations and Warranties of Sierra
Schedule 3	- Representations and Warranties of Trinity
Schedule 4	- Outstanding Rights to Acquire Sierra Shares under Sierra Share Incentive Plans
Schedule 5	- Form of Sierra Arrangement Resolution

Knowledge

1.7 Any reference to the knowledge of Sierra will mean to the best of the knowledge, information and belief of the Chief Executive Officer and Chief Financial Officer of Sierra. Any reference to the knowledge of Trinity will mean to the best of the knowledge, information and belief of the Chief Executive Officer (or equivalent) of Trinity.

Accounting Principles

1.8 All references to generally accepted accounting principles, unless otherwise stated, are to the principles recommended, from time to time, in the *Handbook of the Canadian Institute of Chartered Accountants* and all accounting terms used but not otherwise defined in this Agreement have the meanings assigned to them in accordance with Canadian generally accepted accounting principles.

PART 2

THE ARRANGEMENT

The Arrangement

2.1 At the Effective Time, the steps of the Plan of Arrangement will become effective in the order set out in the Plan of Arrangement, with the result that Trinity will acquire all of the Sierra Shares and Sierra will become a wholly-owned Subsidiary of Trinity.

Implementation Steps by Sierra

2.2 Sierra covenants in favor of Trinity that Sierra will:

(a) as soon as reasonably practicable, apply to the Court in a manner acceptable to Trinity, acting reasonably, under Part 9, Section 5 of the BCA for the Interim Order, and thereafter proceed with and diligently pursue the Interim Order;

(b) as soon as reasonably practicable after the receipt of the Interim Order, convene and hold the Sierra Meeting, with the present intention that such meeting be held on or about December 12, 2006, in compliance with the Interim Order and applicable law for the purpose of considering the Sierra Arrangement Resolution (and for any other proper purpose as may be set out in the notice for such meeting and agreed to by Trinity acting reasonably), and will allow representatives of Trinity to attend the Sierra Meeting;

(c) except as required for quorum purposes or otherwise permitted under this Agreement, Sierra will not adjourn (except as required by Laws or by valid Sierra Shareholder action), and Sierra will not postpone or cancel (or propose for adjournment, postponement or cancellation) the Sierra Meeting without Trinity's prior written consent, such consent not to be unreasonably withheld or delayed;

(d) Sierra will use commercially reasonable efforts to solicit from Sierra Shareholders proxies in favour of the Sierra Arrangement Resolution, using the services of dealers and proxy solicitation services, and take all other action that is necessary or desirable to secure the approval of the Arrangement Resolution by Sierra Shareholders;

(e) Sierra will through Sierra's Board of Directors, recommend that Sierra Shareholders vote in favour of the Sierra Arrangement Resolution and include such recommendation in the Circular;

(f) subject to obtaining such shareholder approval as is required by the Interim Order, as soon as reasonably practicable after the Sierra Meeting, apply to the Court under Part 9, Division 5 of the BCA for the Final Order approving the Arrangement, and thereafter proceed with and diligently pursue, the obtaining of the Final Order;

(g) subject to obtaining the Final Order and to each party confirming to the other that all conditions have been satisfied or waived, as soon as reasonably practicable deliver and file such documents as may be required in connection with the Transaction to give effect to the Arrangement and, if necessary, the Final Order to the Registrar;

(h) instruct counsel acting for it to bring the applications referred to in §2.2(a) and (f) in co-operation with counsel to Trinity; and

(i) permit Trinity and its counsel to review and comment upon drafts of all materials to be filed by Sierra with the Court in connection with the Transaction and provide counsel to Trinity on a timely basis with copies of any notice of appearance and evidence served on Sierra or its counsel in respect of the application for the Final Order or any appeal therefrom and of any notice (written or oral) received by Sierra indicating any intention to oppose the granting of the Final Order or to appeal the Final Order.

Interim Order

2.3 The petition for the application referred to in §2.2(a) will request that the Interim Order provide:

(a) that the Sierra Shareholders will be the only class of Persons to whom notice is to be provided in respect of the Arrangement and the Sierra Meeting and for the manner in which such notice is to be provided;

(b) that the Sierra Meeting may be adjourned from time to time by management of Sierra without the need for additional approval of the Court;

(c) that the record date for Sierra Shareholders entitled to notice of and to vote at, the Sierra Meeting will not change in respect of adjournments of the Sierra Meeting;

(d) that the requisite shareholder approval for the Sierra Arrangement Resolution will be not less than two-thirds of the votes cast on the Sierra Arrangement Resolution by holders of Sierra Shares present in person or represented by proxy at the Sierra Meeting and entitled to vote thereat;

(e) that, in all other respects, the terms, restrictions and conditions of the notice of articles and articles of Sierra, including quorum requirements and all other matters, will apply in respect of the Sierra Meeting; and

(f) for the grant of the dissent rights referred to in §2.14.

Sierra Stock Options

2.4 On or before the Effective Time, Sierra will take all necessary steps to have exercised, acquired or cancelled all rights to acquire Sierra Option Shares.

Deliveries to the Depositary

2.5 In order to facilitate the Arrangement and the deposit of securities thereunder, all securities and cash to be deposited as part of the Arrangement will be delivered to the Depositary and the Depositary will hold and deal with such in accordance with the terms of the Arrangement described in the Plan of Arrangement.

Transmittal Letters

2.6 By the Effective Date, Sierra will cause the Depositary to send (by first class mail) to each Person who was a Sierra Shareholder immediately before the Effective Date at his address shown on Sierra's register of shareholders, a Transmittal Letter specifying the consideration the Person is entitled to receive pursuant to the Arrangement and will request the Person to surrender for cancellation the certificates representing his, her or its Sierra Shares. The Depositary will, upon receipt of properly completed Transmittal Letters, give notice of such to Trinity and Trinity will cause the Depositary to mail (by first class mail) a cheque consideration due to the holder thereof as aforesaid.

Closing

2.7 Subject to §2.18, unless this Agreement is terminated earlier pursuant to the provisions hereof, Sierra and Trinity will meet at the offices of Lang Michener LLP in Vancouver, British Columbia at 6:00 a.m. on the later of January 5, 2007 and the twelfth day after the conditions to closing set forth in §§7.1(a), (b), (c) and (f) have been satisfied or waived (provided, that on the twelfth day after such conditions have been satisfied or waived all conditions to closing set forth in §7.1, §7.2 and §7.3 shall have been satisfied or waived) (or at such other time or on such other date as they may agree) (the "Effective Date") and each of them will deliver to the other:

(a) the documents, including the legal opinions, required to be delivered by it hereunder to complete the transactions contemplated hereby; and

(b) written confirmation as to the satisfaction or waiver by it of the conditions in its favour set out herein.

Filing of Final Order

2.8 As soon as possible after receipt of the Final Order and prior to the completion of the deliveries set forth in §2.7 above, Sierra will file with the Registrar, if necessary, a certified copy of the Final Order and such other records and documentation as the Registrar may require pursuant to section 292 of the BCA in respect of the Arrangement.

2.9 [Intentionally Omitted]

Sierra Information Circular and Related Materials

2.10 Sierra will, in consultation with Trinity, expeditiously prepare the Circular, together with any other documents required by applicable Canadian Securities Laws or other applicable Laws in connection with the Arrangement, and Sierra will use reasonable commercial efforts to cause the Circular and other documentation required in connection with the Sierra Meeting to be sent to each Sierra Shareholder and filed as required by the Interim Order or applicable Laws as soon as reasonably practicable. In any event, Sierra will prepare all materials necessary for filing the application for the Interim Order with the Court within 30 days after the date of execution of this Agreement, except to the extent any delay beyond such period is due to Trinity's failure to comply on a timely basis with its obligations under §2.12 in respect of the Circular.

Securities and Corporate Compliance

2.11 Sierra will (in consultation with Trinity and Trinity's counsel) diligently do all such acts and things as may be necessary to comply, in all material respects, with the Interim Order and with National Instrument 54-101 of the Canadian Securities Administrators in relation to the Sierra Meeting and, without limiting the generality of the foregoing, will, in consultation with Trinity, use all reasonable efforts to benefit from the abridged timing contemplated by such policy (it being understood that such efforts will not include the making of an application for a waiver of or exemption from such policy).

Preparation of Filings

2.12 (a) Sierra and Trinity will co-operate in the preparation of the applications for the Interim Order and Final Order and any necessary Regulatory Approvals and the preparation of any other documents reasonably considered by Sierra or Trinity to be necessary to discharge their respective obligations under applicable Laws in connection with the Transaction, and

(b) Each of Sierra and Trinity will furnish to the other all such information concerning it, its Affiliates and its shareholders and, in the case of Sierra, the Sierra Shareholders, as may be reasonably required to effect the actions described in §2.10 and §2.11 and the foregoing provisions of this §2.12, and each covenants that no information furnished by it in connection with such actions or otherwise in connection with the consummation of the Transaction, will contain any untrue statement of a material fact or omit to state a material fact required to be stated or which is necessary in order to make any information so furnished not misleading in the light of the circumstances in which it is furnished or to be used.

(c) Sierra and Trinity will each promptly notify the other if at any time before the Effective Time it becomes aware that the Circular or an application for an order described in §2.1 or §2.3 or any application filed with a Governmental Entity, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein with respect to the information provided by it or which is necessary to make the statements contained therein not misleading in light of the circumstances in which they were made, or that otherwise requires an amendment or supplement to the Circular or such application. In any such event, Sierra and Trinity will cooperate in the preparation of a supplement or amendment to the Circular or such other application, as required and as the case may be, and, if required, will cause the same to be distributed to the Sierra Shareholders and filed with the applicable Governmental Entities.

(d) Sierra will ensure that the Circular complies with all applicable Laws and, without limiting the generality of the foregoing, that the Circular does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they were made (other than with respect to any information relating to and provided by Trinity to Sierra in writing). Without limiting the generality of the foregoing, Sierra will ensure that the Circular provides Sierra Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters to be placed before them at the Sierra Meeting.

Approval

2.13 The requisite majority for the approval of the Arrangement by the Sierra Shareholders at the Sierra Meeting will be not less than two thirds of the votes cast by holders of Sierra Shares present in person or represented by proxy at the Sierra Meeting as specified in the Interim Order.

Dissenting Shares

2.14 Sierra Shareholders may exercise rights of dissent with respect to their Sierra Shares in connection with the Arrangement pursuant to and in the manner set forth in the Plan of Arrangement (shares held by such holders referred to as “Dissenting Shares”). Sierra will give Trinity (i) prompt notice of any written notice of a dissent, withdrawal of such notice, and any other instruments served pursuant to such rights of dissent and received by Sierra and (ii) the opportunity to participate in and direct all negotiations and proceedings with respect to any such demand, notice or instrument. Sierra will not make any payment or settlement offer before the Effective Time with respect to any such demand, notice or instrument unless Trinity has given its written consent to such payment or settlement offer.

Sierra Approval

2.15 (a) Sierra represents as of the date hereof that the Directors of Sierra entitled to vote have unanimously

(i) determined that the Transaction is fair to Sierra Shareholders as a whole and is in the best interests of Sierra,

(ii) resolved to recommend that the Sierra Shareholders vote in favour of the Sierra Arrangement Resolution,

(iii) resolved to authorize Sierra to consummate the Transaction on the terms set forth herein and in the Plan of Arrangement, and

(iv) resolved to authorize Sierra to execute and deliver this Agreement; and

(b) Sierra represents as of the date hereof that the Sierra Board of Directors has received an opinion from TD Securities Inc., financial advisors to Sierra, that the Purchase Price payable under the Arrangement is fair from a financial point of view to the Sierra Shareholders subject to the assumptions and limitations described in such opinion.

Trinity Approval

2.16 Trinity represents as of the date hereof that its board of directors, after considering the Transaction, has determined

(a) to authorize Trinity to consummate the Transaction on the terms set forth herein and in the Plan of Arrangement, and

(b) to authorize Trinity to execute and deliver this Agreement.

Sierra Loan

2.17 Immediately before the Plan of Arrangement becomes effective, Sierra will loan not less than $6,000,000 (less any amount required to be paid by Sierra if holders of Sierra Stock Options elect to receive a cash payment to terminate their options as part of the Arrangement and as contemplated by the Sierra Share Option Plan) to Trinity, and Trinity will deliver to Sierra a duly issued and executed promissory note (the "**Note**") in form and substance satisfactory to Sierra and Trinity to evidence such loan and the full amount of such loan will be immediately deposited by Trinity with the Depositary to be held in a segregated account by the Depositary for the exclusive purpose of paying the Purchase Price for the Sierra Shares pursuant to the Plan of Arrangement.

Extension of Closing Date

2.18 If:

(a) the certification provided by Trinity under §5.3(d) discloses that the Canadian assets and revenues of Trinity and its affiliates would, when added to those of Sierra, result in the acquisition of Sierra being notificable under the Competition Act (Canada), or

(b) before the Effective Date set out in §2.7, Trinity or any of its affiliates acquires a business, enters into an agreement to acquire a business, or re-evaluates the value of its assets such that the acquisition of Sierra would be notificable under the Competition Act (Canada),

then, subject to Part 9, the Effective Date will be extended until all required approvals have been obtained to complete the Arrangement, and (provided that the condition set forth in §7.1(b) shall have been satisfied) Sierra shall be required to deliver as of January 5, 2007 (and will not be updated to the date of the actual closing date, other than an update with respect to the Identified Company Representations) the certificate under §2.7(b) with respect to the closing condition set forth in §7.2(b), and Sierra will remain subject to its obligations set forth in this Agreement.

PART 3

REPRESENTATIONS AND WARRANTIES

Representations and Warranties of Sierra

3.1 Sierra hereby represents and warrants to Trinity as set forth in Schedule 2. For the purposes of Sierra's representations and warranties, each disclosure contained in the Sierra Disclosure Letter constitutes an exception or inclusion, as applicable, to the specified section or sections of the Agreement, as well as to any other related representations or warranties in the Agreement to the extent such relationship is clear on the face of any such exception or inclusion.

Representations and Warranties of Trinity

3.2 Trinity hereby represents and warrants to Sierra as set forth in Schedule 3.

PART 4

NON-WAIVER; SURVIVAL

Non-Waiver

4.1 No investigations made by or on behalf of either Sierra or Trinity, at any time, will have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made by either of them in or pursuant to this Agreement. No waiver of any condition or other provision in whole or in part, will constitute a waiver of any other condition or provision (whether or not similar) nor will such waiver constitute a continuing waiver unless otherwise expressly provided. No waiver by Sierra or Trinity will be effective unless it is in writing.

Nature and Survival

4.2 All representations and warranties contained in this Agreement on the part of each of Sierra and Trinity will terminate on the Effective Date.

PART 5

COVENANTS

Covenants of Sierra Regarding the Conduct of Business

5.1 Sierra covenants and agrees, except as contemplated in the Transaction Documents, that from the date hereof until the earlier of (i) the Effective Date, and (ii) the time this Agreement is terminated, Sierra will not, and will not permit any of the Sierra Subsidiaries to:

(a) except as contemplated in §2.4, repurchase, redeem or otherwise acquire any of its securities or any securities of the Sierra Subsidiaries,

(b) (i) issue any Sierra Shares or Securities of the Sierra Subsidiaries, or (ii) to issue or grant an option, warrant, call, conversion or exchange privilege or right of any kind to subscribe for, any of the Sierra Shares or any securities of the Sierra Subsidiaries, or (iii) renew any of the Share Incentive Plans beyond December 31, 2006, or (iv) agree to do any of the foregoing, except any issuance of Sierra Shares made pursuant to the exercise of options or rights outstanding as of the date immediately prior to the date of this Agreement under the Sierra Share Incentive Plans,

(c) except as set out in the Sierra Disclosure Letter other than transactions between Sierra and a Sierra Subsidiary, purchase or otherwise acquire or sell, transfer, lease, exchange, pledge or encumber or otherwise dispose of any interest in or right to any asset or property having a value in excess of $200,000 for any single asset or property or $1,000,000 in the aggregate for Sierra and the Sierra Subsidiaries taken as a whole for all such assets or properties,

(d) enter into, modify, amend or terminate any agreement (other than in the ordinary course of business) or licence (other than non-exclusive licenses to customers in the ordinary course of business) of Sierra or any Sierra Subsidiary or, except as set out in the Sierra Disclosure Letter, implement any other change in its business,

(e) except pursuant to existing credit facilities or debt instruments (or the agreements, indentures or guarantees governing or relating to such facilities or instruments) or renewal or replacement credit facilities or debt instruments for a principal amount approximately the same as the principal amount of the facilities or instruments renewed or replaced, incur or commit to incur or assume any indebtedness for borrowed money or issue any debt securities, or guarantee, endorse or otherwise become liable or responsible for the obligations of any other Person, or make any loans or advances,

(f) satisfy any material Claims or liabilities except such as have been reserved against in the Sierra Financial Statements, relinquish any material contractual rights or enter into any interest rate, currency or commodity swaps, hedges or other similar financial derivative instruments, except in the ordinary course of business consistent with past practice,

(g) mortgage, pledge, lease, encumber or charge any property of Sierra or a Sierra Subsidiary,

(h) except for transactions between Sierra and a Sierra Subsidiary, amalgamate or merge or agree to amalgamate or merge with any other person or resolve that it be wound up,

(i) acquire or agree to acquire any Person, corporation, partnership, joint venture or other business organization or division thereof or agree to acquire any assets (other than inventory or supplies incurred in the ordinary course of business consistent with past practice),

(j) appoint or permit the appointment of a liquidator, receiver or trustee in bankruptcy for Sierra or a Sierra Subsidiary or in respect of the assets of Sierra or a Sierra Subsidiary,

(k) permit the making of an order by a court for the winding-up or dissolution of Sierra or a Sierra Subsidiary,

(l) declare, set aside or pay any dividends, including for the purpose of effecting a share subdivision, or make declare, set aside or make any payment or distribution (in cash, stock, property or otherwise) with respect to the Sierra Shares,

(m) except (i) as contemplated in §2.4, or (ii) for bonuses paid to employees, directors and officers in an aggregate amount not greater than as set out in the Sierra Disclosure Letter, establish, adopt, enter into, make or amend any collective bargaining, bonus, profit sharing, compensation, stock option, stock ownership, stock compensation, pension, retirement, deferred compensation, employment, termination, severance or other plan, agreement, trust, fund, policy or arrangement for the benefit of any director, officer or employee of Sierra or a Sierra Subsidiary, or increase any compensation or make any award or payment (whether by way of bonus, salary increase, stock option, pension benefit, profit sharing, retirement allowance, deferred compensation, incentive compensation, severance or termination pay or any other form of compensation or profit sharing) to any director, officer or employee of Sierra or a Sierra Subsidiary other than pursuant to agreements, plans, arrangements or policies in effect (without amendment) on the date hereof and disclosed in the Sierra Disclosure Letter or pursuant to §2.4 and, notwithstanding the foregoing, neither Sierra nor a Sierra Subsidiary will make or amend, or become obligated to make or amend, any discretionary payment to or for the benefit of any director (other than payments approved by the Sierra Board of Directors to members of the special committee formed to consider the Transaction or to officers related to special duties related to the Transaction), officer or employee of Sierra or a Sierra Subsidiary without the prior written consent of Trinity; provided, however, that Sierra and the Sierra Subsidiaries will not be restricted from obtaining the insurance coverage described in §5.8(c),

(n) implement any other material change in the present business or affairs, capitalization or financial condition of Sierra and the Sierra Subsidiaries,

(o) settle or abandon any claim, litigation, action, suit, cause of action or other proceeding by or before any Governmental Entity, except in the ordinary course of business consistent with past practice,

(p) make or permit to be made any change to any accounting method, policy or principle used by Sierra and the Sierra Subsidiaries, except as may be prescribed by the Canadian Institute of Chartered Accountants or the Financial Accounting Standards Board including any prescribed changes to GAAP,

(q) increase by more than 2% the number of persons employed by Sierra and the Sierra Subsidiaries as of the date of this Agreement; provided, that the aggregate increase in compensation related to such increase shall not exceed $2,000,000, and

(r) bind itself to take any of the actions set forth in §(a) through §(q) hereof.

Covenants of Sierra Regarding the Performance of Obligations

5.2 Sierra covenants and agrees, except as contemplated in the Transaction Documents, that from the date hereof until the earlier of (i) the Effective Date, and (ii) the time this Agreement is terminated, Sierra will and will cause the Sierra Subsidiaries to:

(a) co-operate with Trinity and take commercially reasonable efforts to support the Transaction, except to the extent that other provisions of this Agreement apply a particular standard to certain other obligations of Sierra hereunder, in which case, such other standard will apply to such other obligations,

(b) carry on its business and cause the Sierra Subsidiaries to carry on their business only in, and not take any action except in, the ordinary course of business consistent with past practice and will not otherwise authorize or incur any capital expenditures in excess of $250,000 for any item or series of items constituting parts of a single item or $1,000,000 in the aggregate for Sierra and the Sierra Subsidiaries taken as a whole for all such items; provided that Sierra and the Sierra Subsidiaries will be authorized to make all capital expenditures pursuant to capital budgets of Sierra and the Sierra Subsidiaries approved by the Sierra Board of Directors on or before the date hereof as disclosed in the Sierra Disclosure Letter; provided, however, that Sierra and the Sierra Subsidiaries will not be restricted from making the payment described in §5.8(c),

(c) promptly advise Trinity, orally and then promptly in writing, of any Material Adverse Change in respect of Sierra and of any material governmental or third party complaints, investigations, or hearings (or communications indicating that the same may be contemplated),

(d) maintain the current insurance (or re-insurance) policies of it and its Subsidiary and not allow the same to be cancelled or terminated or any other coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect,

(e) use, and cause each Sierra Subsidiary to use, its commercially reasonable efforts to preserve intact its business organizations, assets and goodwill, to maintain its leases, licenses and permits or other property or proprietary interests or rights in good standing, to keep available the services of its officers and employees as a group and to maintain satisfactory relationships with governmental entities, suppliers, distributors, customers and others with whom it has business relationships and inform Trinity orally and then promptly in writing if any officer submits a resignation,

(f) not take any action or omit to take any action, or not permit a Sierra Subsidiary to take any action or omit to take any action, which would render, or which reasonably would be expected to render, any representation or warranty made by it in this Agreement untrue in any Material respect at any time before the Effective Date if then made;

(g) continue to file all documents or information required to be filed by Sierra under applicable Securities Laws, in accordance with timelines prescribed under applicable Securities Laws and all such documents or information, when filed, will comply as to form in all Material respects with the requirements of applicable Securities Laws,

(h) make or co-operate as necessary in the preparation of any exemption applications or orders and any other documents deemed reasonably necessary by Sierra or Trinity, acting reasonably, to discharge their respective obligations under applicable Laws in connection with the Transaction or as required under applicable Securities Laws in order to permit the making or consummation of the Transaction,

(i) facilitate as necessary the acceleration of the vesting of any unvested rights under the Sierra Share Incentive Plans, including obtaining any required approval of the TSX and any Regulatory Approvals, but will not otherwise amend, vary or modify the Sierra Share Incentive Plans and shall take all actions to permit the Sierra Share Incentive Plans to expire or be terminated as of 11:59 p.m. on December 31, 2006; notwithstanding this clause, Sierra will use commercially reasonable efforts to encourage, in the context of the Arrangement, the exercise of the rights under the Sierra Share Incentive Plans to acquire Sierra Shares to permit the acquisition of these shares pursuant to the Arrangement,

(j) furnish Trinity with a copy of all financial reports and statements prepared by Sierra and the Sierra Subsidiaries and provided to the Sierra Board of Directors after the date of this Agreement,

(k) carry out the terms of the Interim Order and the Final Order applicable to it and use commercially reasonable efforts to comply promptly with all requirements which applicable Laws may impose on Sierra or the Sierra Subsidiaries with respect to the Arrangement,

(l) use commercially reasonable efforts to assist in effecting the resignations of the directors of Sierra and cause them to be replaced as of the Effective Date by persons nominated by Trinity.

(m) use commercially reasonable efforts to obtain all waivers or approvals under Material Contracts required as a result of the Arrangement; provided that Sierra and the Sierra Subsidiaries will not, without the prior written consent of Trinity (not to be unreasonably withheld), pay or commit to pay any money or issue or commit to issue any guarantee of any obligations in connection with Sierra or the Sierra Subsidiaries obtaining such consents, waivers or approvals, and

(n) apply for and use commercially reasonable efforts to obtain all Regulatory Approvals relating to Sierra or the Sierra Subsidiaries which are required in order to consummate the Arrangement and, in doing so, keep Trinity reasonably informed as to the status of the proceedings related to obtaining the Regulatory Approvals, including providing Trinity with copies of all related applications and notifications excluding any part thereof constituting confidential information, in draft form, in order for Trinity to provide its reasonable comments thereon.

Covenants of Trinity Regarding the Performance of Obligations

5.3 Trinity will, and will cause its Subsidiaries to:

(a) co-operate with Sierra and take commercially reasonable efforts to support the Transaction, except to the extent that other provisions of this Agreement apply a particular standard to certain other obligations of Trinity hereunder, in which case such other standard will apply to such other obligations,

(b) apply for and use commercially reasonable efforts to obtain all Regulatory Approvals relating to Trinity or any of its Subsidiaries which are required in order to consummate the Arrangement and, in doing so, keep Sierra reasonably informed as to the status of the proceedings related to obtaining the Regulatory Approvals, including providing Sierra with copies of all related applications and notifications excluding any part thereof constituting confidential information, in draft form, in order for Sierra to provide its reasonable comments thereon; provided that, for greater certainty, nothing contained in this Agreement will restrict or limit Trinity from making such commitments or providing such undertakings or assuming such obligations as it considers, in its sole discretion, necessary or desirable in order to obtain the Regulatory Approvals or any other sanctions, rulings, consents, orders, exemptions, permits and other approvals required by applicable antitrust or competition Law; provided further that nothing in this Agreement will require Trinity to make any such commitments, provide any such undertakings or assume any such obligations that are not commercially reasonable (it being agreed that it will not be commercially reasonable for Trinity or any of its Affiliates to be required to divest, hold separate or agree to any material limitation on the conduct of their current or future business operations),

(c) furnish promptly to Sierra a copy of each notice, report, schedule or other document or communication delivered or filed by Trinity in connection with the Arrangement or the Interim Order or the Meeting with any Governmental Entity in connection with, or in any way affecting, the transactions contemplated herein,

(d) on the Effective Date, certify to Sierra

(i) that the aggregate Canadian assets and annual revenues of Trinity and all its affiliates as at a date not more than four months before the Effective Date (the "Reference Date") is less than the amount set forth in the Sierra Disclosure Letter, and

(ii) confirm that the amount of Canadian assets acquired or proposed to be acquired (if any), and Canadian revenues from any business acquired or proposed to be acquired (if any), after the Reference Date is, in each case, less than the amount set forth in the Sierra Disclosure Letter, and

(e) at or contemporaneously with the Effective Time deposit into the Sierra Exchange Account (or similar account established with the Depository) an amount, which will be sufficient to pay the Purchase Price for each Sierra Share acquired and at the Effective Time, acquire all of the Sierra Shares.

Mutual Covenants

5.4 Each of Sierra and Trinity covenants and agrees that, except as contemplated in the Transaction Documents, from the date hereof until the Effective Date or the day upon which this Agreement is terminated, whichever is earlier

(a) it will

(i) consult with the other in issuing any press release or otherwise making public statements with respect to the Transaction and in making any filing with any Governmental Entity with respect thereto. Each of Sierra and Trinity will use all reasonable commercial efforts to enable the other to review and comment on all such press releases before the release thereof and will enable the other, to review and comment on such filings before the filing thereof, provided that the obligations herein will not prevent any party from making such disclosure as its counsel advises is required by applicable Laws or the rules and policies of the reporting jurisdictions of the party. Each of Sierra and Trinity agree not to make any public statement that is inconsistent with any such press release or this Agreement, and

(ii) not take any action that would cause any representation or warranty made by it in this Agreement untrue in any Material respect at any time prior to the Effective Date,

(b) it will use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in Part 7 to the extent that such is within its control and to use its commercially reasonable efforts to,

(i) obtain or co-operate in obtaining all necessary waivers, consents and approvals (including Regulatory Approvals) required to be obtained by it to consummate the Transaction,

(ii) effect or co-operate in effecting all necessary registrations and filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the Transaction and participate and appear in any required proceedings before Governmental Entities in connection therewith,

(iii) oppose, lift or rescind or co-operate in opposing, lifting or rescinding any injunction or restraining order or other order or action seeking to stop, or otherwise adversely affecting the ability of Sierra or Trinity to consummate, the Transaction,

(iv) fulfill all conditions and satisfy all provisions of the Transaction Documents on its part, including, where applicable, delivery of the certificates of its officers contemplated by §7.2(b) in the case of Sierra and §7.3(b) in the case of Trinity, and

(v) otherwise cooperate with the other in connection with the performance by it of its obligations under the Transaction Document,

(c) it will, in all Material respects, conduct itself so as to keep the other fully informed as to the Material decisions or actions required to be made or undertaken with respect to the operation of its business, provided that such disclosure is not otherwise prohibited by operation of applicable Laws or by reason of a confidentiality obligation owed to a third party for which a waiver could not be obtained, and

(d) it will vigorously defend or cause to be defended any Claim or other legal proceedings brought against it challenging the Transaction.

Non-Solicitation

5.5 (a) On and after the date hereof until the earlier of (i) the Effective Date, and (ii) the time this Agreement is terminated, except as contemplated in the Transaction Documents, Sierra will not, and will cause the Sierra Subsidiaries not to, directly or indirectly, through any director, officer, employee, investment banker, legal advisor, representative or agent of Sierra or the Sierra Subsidiaries

(i) solicit, initiate, knowingly encourage or facilitate (including by way of furnishing any confidential, non-public information or entering into any form of agreement, arrangement or understanding) the submission or initiation of any inquiries, proposals or offers regarding any merger, amalgamation, reorganization, consolidation, arrangement, business combination, recapitalization, take over bid, sale of all or a material portion of the assets of Sierra or the Sierra Subsidiaries on a consolidated basis (or any lease, long term supply agreement, license or other transaction having the same economic effect as a sale of such assets), liquidation, issue or sale of greater than 20% of the outstanding shares or rights or interests therein or thereto or similar transactions involving Sierra or the Sierra Subsidiaries from any Person other than Trinity (any of the foregoing inquiries or proposals being referred to herein as an "Acquisition Proposal"),

(ii) engage in any negotiations concerning, or provide any confidential information to, or have any discussions with or otherwise cooperate with, any person relating to an Acquisition Proposal, or otherwise knowingly facilitate any effort or attempt to make or implement an Acquisition Proposal,

(iii) withdraw the Sierra Board of Directors' recommendation of the Transaction or change such recommendation in a manner adverse to Trinity, or

(iv) approve or recommend any Acquisition Proposal or enter into any agreement related to any Acquisition Proposal,

provided that, subject to §5.5(e) and §5.6, nothing contained in this §5.5 or other provisions of this Agreement will prevent Sierra from considering, engaging in discussions or negotiations with a third party or providing information in respect of, or otherwise responding to, or negotiating, approving and recommending to the Sierra Shareholders, an unsolicited bona fide written Acquisition Proposal received after the date of this Agreement for more than 50% of the outstanding Sierra shares or consolidated assets of Sierra that did not result from a breach of this Agreement or solicitation or initiation by Sierra or any of its related parties or representatives that the Sierra Board of Directors has determined, in good faith, after consultation with its outside legal and financial advisors, is reasonably capable of being completed and is more favourable to the Sierra Shareholders, taking into account all terms and conditions thereof and all other financial, legal, regulatory, financing and approval requirement aspects of such proposal, than the Transaction or, if applicable, any amended or new Transaction with Trinity (any such Acquisition Proposal being referred to herein as a "Superior Proposal") and the Sierra Board of Directors, after consultation with outside legal advisors, determines in good faith that the failure to take such action would be inconsistent with its fiduciary duties.

(b) Except as permitted under §5.5(e) with respect to any Acquisition Proposal received after the date of this Agreement that would be a Superior Proposal, on and after the date hereof until the earlier of (i) the Effective Date, and (ii) the time this Agreement is terminated, Sierra will immediately cease and cause to be terminated any existing solicitations, encouragements, activities, discussions or negotiations with any parties (other than Trinity) with respect to any Acquisition Proposal and Sierra will not allow or permit access to any data or information rooms regarding Sierra except to Trinity and its representatives and advisors. Sierra agrees to enforce and not to release or permit the release of any third party from or waive any confidentiality or standstill agreement to which Sierra and such third party are a party, except as to allow such third party to make an unsolicited Acquisition Proposal to Sierra that Sierra is permitted to consider pursuant to §5.5.

(c) Sierra will immediately cease to provide any party, other than Trinity, with access to material non-public information concerning Sierra and the Sierra Subsidiaries with respect to any Acquisition Proposal.

(d) Sierra will notify Trinity promptly (but in no event later than the earlier to occur of (i) one Business Day and (ii) 48 hours) after receipt by Sierra of any Acquisition Proposal or any request for non-public information relating to Sierra or the Sierra Subsidiaries known by Sierra to be in connection with any Acquisition Proposal or for access to the properties, books or records of Sierra or the Sierra Subsidiaries by any Person that may be considering making, or that has made, an Acquisition Proposal. Such notice to Trinity will be made at first orally and then promptly in writing, and will indicate the identity of the Person making such proposal, inquiry or contact and all material terms thereof and such other details of the proposal, inquiry or contact as Trinity may reasonably request and which is in the possession of, or under the control of, Sierra or its representatives or advisors. Sierra will keep Trinity promptly and fully informed of the status, including any change to the material terms, of any such proposal, inquiry, offer or request, or any amendment to the foregoing, and will respond promptly to all reasonable inquiries by Trinity with respect thereto.

(e) If the Sierra Board of Directors receives a request for material non-public information from a party in connection with a possible or actual unsolicited bona fide Acquisition Proposal to Sierra and the Sierra Board of Directors determines in good faith after consultation with its outside financial advisors and legal advisors that such proposal would be a Superior Proposal and the Sierra Board of Directors, after consultation with its outside legal advisors, determines in good faith that the failure to provide such party with access to such information would be inconsistent with its fiduciary duties, then, and only in such case, Sierra may, subject to the execution of a confidentiality agreement that is no less onerous to the other party than the confidentiality agreement then in effect between Sierra and Trinity, provide such party with access to any information regarding Sierra and the Sierra Subsidiaries. Trinity will be provided with any information related to the business of Sierra provided to such person that was not previously provided to Trinity.

(f) Sierra will ensure that the directors and officers of Sierra and the Sierra Subsidiaries and any investment bankers or other advisors, representatives or agents retained by Sierra in connection with the transactions contemplated hereunder are aware of the provisions of this §5.5 and directed to abide by them, and Sierra will be responsible for any breach of this §5.5 by any of such parties.

(g) Information provided under §5.5(d) will constitute information which is subject to the Confidentiality Agreement.

(h) Sierra will, if it has not already done so, promptly request, to the extent it has a contractual right to do so, that each Person, if any, that has heretofore executed a confidentiality agreement within the twelve months prior to the date of this Agreement in connection with its consideration of any Acquisition Proposal return or destroy all confidential information or data heretofore furnished to it by or on behalf of Sierra.

Right to Match Superior Proposal

5.6 (a) If, prior to the Effective Date the Sierra Board of Directors determines that an Acquisition Proposal is a Superior Proposal, Sierra will immediately notify Trinity in writing thereof and provide to Trinity a complete copy of the document evidencing such Superior Proposal and all related documentation (including any proposed contracts or commitments) from the party making such Superior Proposal.

(b) Until the expiration of the three Business Day period after Trinity is notified in writing as provided for in §5.6(c), Sierra will not take any action to withdraw, modify or change its recommendation with respect to Trinity or to approve or implement or enter into any agreement to approve or implement such Superior Proposal.

(c) Sierra acknowledges and agrees that during the period ending three Business Days after the later of the date of the notification referred to in §5.6(a) and the date Trinity receives a copy of the document evidencing such Superior Proposal referred to in §5.6(a), Trinity will have the opportunity, but not the obligation, to offer to amend the terms of the Transaction and this Agreement. The Sierra Board of Directors will review any proposal by Trinity to amend the terms of Transaction and this Agreement in order to determine, in good faith and in accordance with its fiduciary duties, whether Trinity's proposal to amend Transaction and this Agreement would result in the Acquisition Proposal not being a Superior Proposal compared to the proposed amendment to the Transaction and this Agreement. If the Sierra Board of Directors so determines, Sierra and Trinity will amend this Agreement to reflect such proposal and Sierra will not take any action to withdraw, modify or change its recommendation with respect to the Transaction, as amended, or to approve or implement or enter into any agreement to approve or implement such Acquisition Proposal. If Trinity does not propose to amend the terms of the Transaction and this Agreement or the Sierra Board of Directors does not make the determination referred to herein, Sierra will be entitled to terminate this Agreement and enter into an agreement in respect of the Superior Proposal or the Sierra Board of Directors may withdraw, modify or change its recommendation concerning the Transaction and recommend the Superior Proposal, as applicable, subject to §9.3.

(d) The Sierra Board of Directors will promptly reaffirm its recommendation of the Transaction by press release after: (i) any Acquisition Proposal (which is determined not to be a Superior Proposal) is publicly announced or made; or (ii) the Sierra Board of Directors determines that a proposed amendment to the terms of the Transaction would result in the Acquisition Proposal not being a Superior Proposal, and Trinity has so amended the terms of the Transaction.

(e) Each successive amendment to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the holders of Sierra Shares will constitute a new Acquisition Proposal for the purposes of this §5.6 and Trinity will be afforded the ability to respond to each such Acquisition Proposal in accordance with this §5.6.

Access to Information

5.7 (a) From the date hereof until the earlier of (i) the Effective Date, and (ii) the time this Agreement is terminated, and subject to the Confidentiality Agreement, Sierra will (and will cause the Sierra Subsidiaries to) afford Trinity's officers, employees, counsel, accountants, lenders and other authorized representatives and advisors of Trinity ("Representatives") access to information, confidential or otherwise, with respect to Sierra and the Sierra Subsidiaries and their respective business, assets and properties, including books, contracts and records as well as access to management personnel and employees, subject to such access not interfering with the ordinary conduct of the business of Sierra and the Sierra Subsidiaries, and reasonably cooperate with Trinity in obtaining the proceeds of the financing contemplated by the Commitment Letter. Trinity and its Representatives will not contact any Governmental Entity (other than entities with registries or information available by request from members of the public), any employees of Sierra or the Sierra Subsidiaries, any customer or supplier of Sierra or the Sierra Subsidiaries, or any third party who is a party to any agreement, arrangement or understanding under which Sierra or the Sierra Subsidiaries (or any of their assets) is bound or affected, without the prior written consent of Sierra, which will not be unreasonably withheld, and Sierra will (and will cause the Sierra Subsidiaries to) furnish promptly to Trinity all information concerning its business, assets, properties and personnel as Trinity may reasonably request.

(b) Notwithstanding §5.7(a) and subject to §5.5(e), except as expressly provided for herein, Sierra will not be obligated to make available to Trinity any of Sierra's management or Sierra Board of Directors' materials relating to the assessment or evaluation of the Transaction or any alternative transaction (including any Acquisition Proposal proposed by any other person), nor any correspondence sent by the Sierra Board of Directors to such other person presenting an Acquisition Proposal.

(c) Without limiting the generality of the provisions of the Confidentiality Agreement, the parties acknowledge that all information provided under §5.8(a), or otherwise pursuant to this Agreement or in connection with the Transaction, is subject to the Confidentiality Agreement, which will remain in full force and effect notwithstanding any other provision of this Agreement or any termination of this Agreement. If any provision of this Agreement conflicts or is inconsistent with any provision of the Confidentiality Agreement, the provisions of this Agreement will supersede those of the Confidentiality Agreement but only to the extent of the conflict or inconsistency and all other provisions of the Confidentiality Agreement will remain in full force and effect.

(d) Nothing in this §5.7 will require Sierra or the Sierra Subsidiaries to disclose information subject to a written confidentiality agreement with a third party or customer specific or supplier specific or competitively sensitive information. For greater certainty, until the Effective Dates, access to and exchange of customer specific or supplier specific and competitively sensitive information ("Confidential Data") as between the parties will be limited to what is reasonably necessary for the purposes of securing all necessary regulatory approvals, the preparation and settlement of definitive documents and the consummation of the Transaction and will be limited such that the dissemination of Confidential Data will be confined to the representatives of the parties and their counsel who have a need to know such information for such purposes and who agree to respect such confidentiality in their dealings with Confidential Data. In particular, with reference to access to and the sharing of Confidential Data of one party with representatives of the other party for purposes of preparing any filings or submissions in respect of any required regulatory approvals, the general principle which will be applied is that such information will be made available to, exchanged or shared with counsel to the parties rather than the parties or their representatives.

Directors' and Officers' Indemnification

5.8 (a) Trinity covenants and agrees that after the Effective Time it will ensure that (i) the Articles of Sierra, and the constating documents of any successor to Sierra, and (ii) the constating documents of each Sierra Subsidiary (or any successor to any such Sierra Subsidiary), will contain provisions with respect to indemnification now set forth in the Articles of Sierra and the constating documents of such Sierra Subsidiary (or equivalent provisions), such that all rights to indemnification existing in favour of the present and former directors (including alternate directors) and officers of Sierra or of any Sierra Subsidiary and present and former directors (including alternate directors) and officers of Sierra or of any Sierra Subsidiary serving or who served at the request of Sierra or of any Sierra Subsidiary as a director (including alternate directors), officer, employee, agent or representative of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise (each such present or former director or officer of Sierra or of any Sierra Subsidiary being herein referred to as an "Indemnified Party" and such persons collectively being referred to as the "Indemnified Parties") as provided in the Articles of Sierra or constating documents of any Sierra Subsidiary, or equivalent rights, will survive and continue in full force and effect and without modification, with respect to actions or omissions of the Indemnified Parties occurring before the Effective Time, for a period of not less than the limitation period (not to exceed six years) applicable under the statute of limitations applicable to such matters.

(b) Sierra and Trinity agree that all rights to indemnification existing in favour of the Indemnified Parties as provided by contracts or agreements between the Indemnified Parties and Sierra or any Sierra Subsidiary and in effect as of the date of this Agreement, will survive and will continue in full force and effect and without modification, and Trinity will cause Sierra, and any successor to Sierra, and the Sierra Subsidiaries (including any successors thereto) to honour such rights of indemnification and indemnify the Indemnified Parties pursuant thereto, with respect to acts or omissions of the Indemnified Parties occurring before the Effective Time, for a period of not less than the limitation period applicable under the statute of limitations applicable to such matters.

(c) Trinity agrees that, notwithstanding any other provision of this Agreement, Sierra will secure directors' and officers' liability insurance covering the Indemnified Parties on a six year "trailing" or "run-off" basis from the Expiry Time, to the extent permitted by Law and to the extent that the cost of which does not exceed [redacted] of the current annual premium of such insurance.

(d) The provisions of this §5.8 are (i) intended to be for the benefit of, and will be enforceable by, each Indemnified Party, his or her heirs, executors, administrators and other legal representatives, and (ii) are in addition to, and not in substitution for, any other rights to indemnification or contribution that any such person may have by contract or otherwise, and such rights will be held by Sierra, and any successor to Sierra, in trust for such persons.

Amended Employee Share Ownership Plan

5.9 Sierra will honour all existing commitments under the Sierra Amended Employee Share Ownership Plan first arising prior to September 30, 2006 and will not create, grant or authorize any new subscription rights thereunder and will take such other actions as are necessary to assure that there are no further issuances of Sierra Shares by Sierra pursuant thereto other than in respect of the current Plan Year under such Plan.

Tax Planning

5.10 Sierra shall cooperate with Trinity to take such steps as may be reasonably requested by Trinity to amend the Plan of Arrangement to accommodate the tax planning requirements of Trinity and its affiliates, including obtaining Sierra Shareholder approvals and Court approvals as may be necessary, provided that Trinity shall provide written notice in reasonable detail to Sierra of any such proposed amendment at least seven business days prior to the date of the Sierra Meeting. Notwithstanding the foregoing, Sierra shall not be obligated to effect any amendment which, in the reasonable opinion of Sierra, (i) would prejudice it, any Sierra Subsidiary or the Sierra Shareholders, or (ii) would impede or materially delay the completion of the transactions contemplated hereby.

PART 6

REMEDIES

Availability of Equitable Remedies

6.1 Each of Sierra and Trinity acknowledges that the other will be irreparably harmed and that there will be no adequate remedy at law for a violation of any of its covenants and agreements contained in this Agreement. In addition to any other remedies that may be available to each of Sierra and Trinity upon the breach by the other of its covenants and agreements hereunder, each of Sierra and Trinity will have the right to seek injunctive relief to restrain any breach or threatened breach of those covenants or agreements or obtain specific performance of any of those covenants or agreements.

PART 7

CONDITIONS

Mutual Conditions

7.1 The obligations of the Parties to complete the transactions contemplated hereby are subject to fulfillment of the following conditions on or before the Termination Date or such earlier time as is specified below:

(a) the Interim Order will have been granted in form and substance satisfactory to Sierra and Trinity, acting reasonably, and will not have been set aside or modified in a manner unacceptable to such Parties, acting reasonably, on appeal or otherwise;

(b) the Sierra Arrangement Resolution will have been passed at the Sierra Meeting in accordance with the Interim Order;

(c) the Final Order will have been granted in form and substance satisfactory to Sierra and Trinity, acting reasonably, and will not have been set aside or modified in a manner unacceptable to such Parties, acting reasonably, on appeal or otherwise;

(d) the Effective Date will occur prior to the Termination Date;

(e) there will be no action taken under any Laws or by any Governmental Entity, that:

(i) makes it illegal or, directly or indirectly, restrains, enjoins or prohibits the Transaction or any other transactions or agreements contemplated herein, or

(ii) results in a judgment or assessment of damages, directly or indirectly, relating to the transactions or agreements contemplated in the Transaction Documents which would have a Material Adverse Effect on Sierra taking into account the Transaction;

(f) all required material consents, waivers, permits, orders and approvals of any Governmental Entity or other Persons and the TSX and the expiry of any waiting periods, in connection with, or required to permit, the consummation of the Transaction, will have been obtained;

(g) no Law will have been proposed, enacted, promulgated or applied and no legal action or proceeding will have been commenced by any Person which, if the Transaction were completed, could reasonably be expected to have a Material Adverse Effect on

Trinity (or Sierra after the Effective Date) except to the extent found acceptable by Trinity; and

(h) this Agreement will not have been terminated pursuant to Part 9.

The foregoing conditions are for the mutual benefit of Sierra and Trinity and may be waived, in whole or in part, at any time if waived by both Sierra and Trinity.

Trinity may not rely on the failure to satisfy any of the above conditions precedent as a basis for non-compliance by Trinity with its obligations under this Agreement if the condition precedent would have been satisfied but for a material default by Trinity in complying with its obligations hereunder. Sierra may not rely on the failure to satisfy any of the above conditions precedent as a basis for non-compliance by Sierra with its obligations under this Agreement if the condition precedent would have been satisfied but for a material default by Sierra in complying with its obligations hereunder.

Conditions Precedent to the Obligations of Trinity

7.2 The obligations of Trinity to complete the Transaction will also be subject to the fulfillment of each of the following conditions precedent (each of which is for the exclusive benefit of Trinity and may be waived by Trinity in its sole discretion and any one or more of which, if not satisfied or waived, will relieve Trinity of any obligation under this Agreement), on or before the Termination Date or such earlier time as is specified below:

(a) all covenants of Sierra under this Agreement (other than the covenants in §2.12(d)) to be performed on or before the Effective Date will have been duly performed by Sierra in all material respects and, with respect to the covenants of Sierra in §2.12(d), will have been duly performed by Sierra in all respects;

(b) all representations and warranties of Sierra under this Agreement will be true and correct in all material respects (except for any Identified Company Representations and any representations and warranties of Sierra under this Agreement qualified by materiality or Material Adverse Effect (taking into account such qualifiers), each of which will be true and correct in all respects) as of the Effective Date, as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, in which event such representations and warranties will be true and correct or true and correct in all Material respects, as the case may be, as of such earlier date, or except as affected by transactions contemplated or permitted by this Agreement), and Trinity will have received a certificate of Sierra addressed to Trinity and dated on each of such dates, signed on behalf of Sierra by two senior executive officers of Sierra in their capacity as such and without personal liability, confirming the same;

(c) Trinity being satisfied acting reasonably that, after the date hereof, there has not occurred a Material Adverse Change with respect to Sierra, and Trinity has not become aware of any previously undisclosed material fact which could reasonably be expected to have a Material Adverse Effect on Sierra;

(d) the Sierra Board of Directors will have adopted prior to the date of this Agreement all necessary resolutions, and all other necessary corporate action will have been taken by Sierra, to permit the consummation of the Transaction;

(e) no Law will have been proposed, enacted, promulgated or applied and no legal action or proceeding will have been commenced by any Person to cease trade, enjoin, prohibit or impose material limitations or conditions on the completion of the Arrangement or the right of Trinity to own or exercise full rights of ownership of all of the outstanding Sierra Shares and all of the outstanding shares of the Sierra Subsidiaries owned by Sierra;

(f) not later than the day prior to the Effective Date, the Sierra Subsidiaries will have transferred or paid to Sierra (in a manner reasonably satisfactory to Trinity) such amount as necessary to permit Sierra to have Freely Available Cash in an amount equal to $6,000,000 (prior to making the option payments and the loan described in §2.17) plus sufficient Freely Available Cash to pay the Sierra Deductions in full;

(g) as of immediately prior to the Effective Time, Sierra shall have Freely Available Cash in an amount equal to $6,000,000 (prior to making the option payments and the loan described in §2.17) plus sufficient Freely Available Cash to pay the Sierra Deductions in full;

(h) Sierra will have made the loan required by §2.17 to Trinity for deposit into the Sierra Exchange Account and have sufficient Freely Available Cash remaining outside of the Sierra Exchange Account to pay the Sierra Deductions in full;

(i) holders of no more than 16% of the issued and outstanding Sierra Shares will have exercised their dissent rights (and not withdrawn such exercise) in respect of the Arrangement;

(j) Trinity will have received resignations and releases in favor of Sierra and the Sierra Subsidiaries from those directors and officers of Sierra and of the Sierra Subsidiaries as are specified by Trinity; and

(k) Trinity will have received all such other documents and certificates as may reasonably be required by Trinity in connection with completion of the Arrangement, including, without limitation, an opinion pertaining to various corporate and regulatory matters relating to Sierra of Lang Michener LLP dated the Effective Date, satisfactory in form and substance in all Material respects to Trinity and its counsel, acting reasonably, and addressed to Trinity.

Trinity may not rely on the failure to satisfy any of the above conditions precedent as a basis for non-compliance by Trinity with its obligations under this Agreement if the condition precedent would have been satisfied but for a Material default by Trinity in complying with its obligations hereunder.

Conditions Precedent to the Obligations of Sierra

7.3 The obligations of Sierra to complete the transactions contemplated by this Agreement will also be subject to the following conditions precedent (each of which is for the exclusive benefit of Sierra and may be waived by Sierra in its sole discretion and any one or more of which, if not satisfied or waived, will relieve Sierra of any obligation under this Agreement), on or before the Termination Date or such earlier time as is specified below:

(a) all covenants of Trinity under this Agreement to be performed on or before the Effective Date will have been duly performed by Trinity in all Material respects;

(b) all representations and warranties of Trinity under this Agreement will be true and correct in all Material respects as of the date on which the Final Order and other documentation giving effect to the Arrangement are sent to the Registrar for filing and as of the Effective Date, in either case as if made on and as of each of such dates (except to the extent such representations and warranties speak as of an earlier date, in which event such representations and warranties will be true and correct or true and correct in all Material respects, as the case may be, as of such earlier date, or except as affected by transactions contemplated or permitted by this Agreement) and Sierra will have received a certificate of Trinity addressed to Sierra and dated on each such dates, signed on behalf of Trinity by two senior executive officers of Trinity in their capacity as such and without personal liability, confirming the same; and

(c) the board of directors of Trinity will have adopted prior to the date of this Agreement all necessary resolutions, and all other necessary corporate action will have been taken by Trinity to permit the consummation of the Transaction.

Sierra may not rely on the failure to satisfy any of the above conditions precedent as a basis for non-compliance by Sierra with its obligations under this Agreement if the condition precedent would have been satisfied but for a Material default by Sierra in complying with its obligations hereunder.

Notice and Cure Provisions

7.4 (a) Sierra will give prompt notice to Trinity of the occurrence, or failure to occur, at any time from the date hereof until the Effective Date, of any event or state of facts that would likely:

(i) cause any of the representations or warranties of Sierra contained herein to be untrue or inaccurate in any material respect as of the date hereof or at the Effective Date; or

(ii) result in the failure of Sierra to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it under this Agreement prior to the Effective Date.

In the event that any such event or state of facts has occurred, Trinity may elect to not complete the Transaction contemplated hereby and may terminate this Agreement pursuant to §9.1, only if forthwith and in any event prior to the filing of the Final Order and other documentation with the Registrar, Trinity has delivered a written notice to Sierra specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which Trinity is asserting as the basis for the non-fulfillment of the applicable condition precedent or the exercise of the termination right, as the case may be. If any such notice is delivered, provided that Sierra is proceeding diligently to cure such matter, if such matter is susceptible to being cured, Trinity may not terminate this Agreement until the expiration of a period of 30 days from such notice has elapsed and there has been no cure of such matter (provided, that there will be no cure period for any breach of the terms of §5.5 or §5.6 above). If such notice has been given prior to the making of the application for the Final Order and other documentation with the Registrar, such application or such filing will be postponed until the expiry of such period. For greater certainty, (i) in the event that such matter is cured within the time period referred to herein, this Agreement may not be terminated as a result of such matter and (ii) in the event that such matter is not susceptible to being cured, this Agreement may be terminated immediately upon delivery of the notice described above as a result of such matter.

(b) Trinity will give prompt notice to Sierra of the occurrence, or failure to occur, at any time from the date hereof until the Effective Date, of any event or state of facts that would likely:

(i) cause any of the representations or warranties of Trinity contained herein to be untrue or inaccurate in any material respect as of the date hereof or at the Effective Date; or

(ii) result in the failure of Trinity to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it under this Agreement prior to the Effective Date.

In the event that any such event or state of facts has occurred, Sierra may elect to not complete the Transaction contemplated hereby and may terminate this Agreement, only if forthwith and in any event prior to the filing of the Final Order and other documentation with the Registrar, Sierra has delivered a written notice to Trinity specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which Sierra is asserting as the basis for the non-fulfillment of the applicable condition precedent or the exercise of the termination right, as the case may be. If any such notice is delivered, provided that Trinity is proceeding diligently to cure such matter, if such matter is susceptible to being cured, Sierra may not terminate this Agreement until the expiration of a period of 30 days from such notice has elapsed and there has been no cure of such matter. If such notice has been given prior to the making of the application for the Final Order and other documentation with the Registrar, such application or such filing will be postponed until the expiry of such period. For greater certainty, (i) in the event that such matter is cured within the time period referred to herein, this Agreement may not be terminated as a result of such matter and (ii) in the event that such matter is no susceptible to being cured, this Agreement may be terminated immediately upon delivery of the notice described above as a result of such matter.

Satisfaction of Conditions

7.5 The conditions precedent set out in §7.1, §7.2 and §7.3 will be conclusively deemed to have been satisfied, waived or released when, with the agreement of Sierra and Trinity, the Final Order and other documentation giving effect to the Arrangement are sent to the Registrar for filing.

PART 8

AMENDMENT

Amendment

8.1 This Agreement may, at any time and from time to time before or after the holding of the Sierra Meeting, but not later than the date on which the Final Order and other documentation giving effect to the Arrangement are delivered to the Registrar for filing, be amended by mutual written agreement of the parties hereto, and any such amendment may, without limitation:

(a) change the time for performance of any of the obligations or acts of the parties;

(b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

(c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the parties; and

(d) waive compliance with or modify any conditions precedent herein contained;

provided that, notwithstanding the foregoing, except as otherwise provided in this Agreement, the terms of this Agreement and the Plan of Arrangement will not be amended in a manner materially prejudicial to the Sierra Shareholders without the approval of the Court and of the Sierra Shareholders given by an affirmative vote of two-thirds of the votes cast by the Sierra Shareholders at a duly convened meeting of Sierra Shareholders or as may be ordered by the Court.

PART 9

TERMINATION AND COMPENSATION

Termination

9.1 This Agreement may be terminated at any time prior to the Effective Date, whether before or after Sierra Shareholder Approval:

(a) by mutual written consent of Sierra and Trinity;

(b) by either Sierra or Trinity after the Termination Date;

(c) by Trinity pursuant to the exercise of its rights set forth in §7.4(a) (except with respect to a breach by Sierra of §5.5 or §5.6);

(d) by Sierra pursuant to the exercise of its rights set forth in §7.4(b);

(e) by either Sierra or Trinity if the Sierra Shareholders fail to approve the Sierra Arrangement Resolution by the earlier to occur of (i) the Sierra Meeting at which a vote on such approval was taken or (ii) the date that is 10 days prior to the Termination Date;

(f) by Sierra, following receipt of, and in order to accept or recommend, a Superior Proposal, but only in compliance with §5.6 and §9.3(b) and payment of the amount specified in §9.3(b) is paid concurrently with such termination;

(g) by Trinity if the Sierra Board of Directors withdraws or modifies in a manner adverse to Trinity its approval or recommendation of the Transaction (whether in accordance with §5.6(c) or not); or

(h) by Trinity in the event that §5.5 or §5.6 has been breached by Sierra,

in each case, other than §9.1(a), by written notice from the Party terminating the Agreement to the other Party.

Where action is taken to terminate this Agreement pursuant to this §9.1, it will be sufficient for such action to be authorized by the Board of Directors of the Person taking such action.

Effect of Termination

9.2 In the event of termination of this Agreement by either Sierra or Trinity as provided in §9.1, this Agreement will forthwith become void and have no further effect, and there will be no liability or further obligation on the part of Sierra or Trinity or their respective directors or officers hereunder, except that:

(a) the provisions of §9.3 (Expenses and Termination Fees), this §9.2 and Part 10 (other than §10.3) will remain in full force and effect and will survive any such termination;

(b) neither Sierra nor Trinity will be released or relieved from any liability arising from their breach of any of their representations, warranties, covenants, or agreements as set forth in the Transaction Documents before the termination of this Agreement, except as provided in §9.3(e); and

(c) the covenant of Sierra and Trinity with respect to confidentiality set forth in the Confidentiality Agreement will survive the termination of this Agreement or completion of the Transaction and continue in full force and effect for a period of two years thereafter.

Expenses and Termination Fees

9.3 (a) Whether or not the Transaction is consummated, except as otherwise provided herein, all Expenses incurred in connection with this Agreement and the Transaction (including the fees and expenses of advisors, accountants and legal counsel) will be paid by the Person incurring such expense.

(b) If this Agreement is terminated pursuant to

(i) §9.1(h) as a result of any breach of §5.5(a) or any material breach of the remainder of §5.5 or §5.6 by Sierra,

(ii) §9.1(e), 9.1(c) or 9.1(b) in circumstances where: (A) a bona fide Acquisition Proposal has or will have been publicly announced or made by any Person or any Person will have publicly announced an intention (whether or not conditional) to make a bona fide Acquisition Proposal other than Trinity prior to the Sierra Meeting, and (B) either (I) any Acquisition Proposal (whether or not the Acquisition Proposal described in clause (A)) is consummated before the expiration of 270 days following the date of such termination of this Agreement, (II) any Acquisition Proposal (whether or not the Acquisition Proposal described in clause (A)) involving more than 25% of the shares of Sierra is consummated before the expiration of 270 days following the date of such termination of this Agreement or (III) Sierra enters into a definitive agreement with respect to an Acquisition Proposal (whether or not the Acquisition Proposal described in clause (A)) before the expiration of 270 days following the date of such termination of this Agreement, and thereafter consummates such Acquisition Proposal,

(iii) §9.1(f), or

(iv) §9.1(g),

Sierra will pay to Trinity an amount equal to $2,673,000, less any amounts paid pursuant to §9.3(c). Sierra will not be obligated to make more than one payment pursuant to this §9.3(b).

(c) If this Agreement is terminated pursuant to

(i) §9.1(e),

(ii) §9.1(c) where Trinity terminates this Agreement pursuant to the exercise of its rights to terminate this Agreement due to a failure of any condition set forth in §7.2(a) or §7.2(b),

(iii) §9.1(h) where Trinity terminates this Agreement due to a non-material breach of §5.5(b), (c), (d), (e), (f), (g) or (h) or §5.6 or

(iv) by Sierra (other than pursuant to §9.1(d) or pursuant to §9.1(b) if, at the time of such termination by Sierra, Trinity is in material breach of this Agreement), then

Sierra will pay to Trinity concurrently with any such termination Trinity's reasonable costs and expenses incurred in connection with the Transaction, such payment not to exceed $1,000,000. Sierra will not be obligated to make more than one payment pursuant to this §9.3(c).

(d) The fees and expenses payable to Trinity pursuant to §9.3(b) and §9.3(c) will be payable in immediately available funds by way of bank draft or wire transfer

(i) in the case of termination pursuant to §9.3(b)(i), §9.3(b)(iv), §9.3(c)(i) or §9.3(c)(ii), within three Business Days of termination,

(ii) in the case of a termination pursuant to §9.3(b)(ii), within three Business Days of consummation of an Acquisition Proposal with such Person referred to in §9.3(b)(ii), and

(iii) in the case of termination pursuant to §9.3(b)(iii), concurrently with such termination.

(e) Each Party acknowledges and agrees that if any amount is paid to Trinity by Sierra pursuant to §9.3(b) or §9.3(c), the amount so paid and received is in lieu of any damages or any other payment or remedy which the Party receiving the funds may be entitled to (it being understood that Trinity will be entitled to receive payments under both §9.3(b) and §9.3(c) if the conditions in both sections have been satisfied) and will constitute payment of liquidated damages which are a genuine estimate of the damages which the Party receiving the funds will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement and are not penalties. The Party paying the funds irrevocably waives any right it may have to raise as a defense that any such liquidated damages are excessive or punitive. For greater certainty, each Party agrees that the payment of any amount pursuant to §9.3(b) and/or §9.3(c) is the sole monetary remedy available and Trinity will not have any alternative right or remedy against Sierra for damages, whether for consequential damages or otherwise. Additionally, each Party agrees that the payment of any amounts funded into Trinity pursuant to the terms of the Commitment Letter is the sole monetary remedy available against Trinity and Sierra will not have any alternative right or remedy against Trinity or any of its Affiliates for damages, whether for consequential damages or otherwise.

PART 10

GENERAL

Notices

10.1 Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Person to any other Person will be in writing and may be given by delivering same or sending same by facsimile transmission or by delivery addressed to the Person to which the notice is to be given at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid will, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day, if not, the next succeeding Business Day) and if sent by facsimile transmission be deemed to have been given and received at the time of receipt unless actually received after 4:00 p.m. at the point of delivery in which case it will be deemed to have been given and received on the next Business Day.

The address for service of each of the parties hereto will be as follows:

(a) if to Sierra:

Sierra Systems Group Inc.
Suite 2500
1177 West Hastings
Vancouver, B.C.
V6E 2K3

Attention: Iraj Pourian
President & Chief Executive Officer
Fax: (604) 688-6482

with a copy to:

Lang Michener LLP
1500 Royal Centre
1055 West Georgia Street
P.O. Box 11117
Vancouver, BC V6E 4N7

Attention: Karl Gustafson, Q.C.

Fax: (604) 685-7084

(b) if to Trinity:

Trinity International Holdings Ltd.
c/o Golden Gate Private Equity, Inc.
One Embarcadero Center, 33rd Floor
San Francisco, California 94111

Attention: David Dominik
Prescott Ashe

Fax: (415) 627-4501

with a copy to:

Kirkland & Ellis LLP
555 California Street, 27th Floor
San Francisco, CA 94104

Attention: Stephen D. Oetgen
Fax: (415) 439-1500

Time of Essence

10.2 Time will be of the essence in this Agreement.

Governing Law

10.3 This Agreement will be governed by, and be construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each Person hereby irrevocably attorns to the non-exclusive jurisdiction of the Courts of the Province of British Columbia in respect of all matters arising under or in relation to this Agreement.

Enurement and Assignment

10.4 This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by any Person hereto without the prior written consent of the other Person hereto; provided, that Trinity may, without the prior written consent of Sierra, assign all or any part of its rights under this Agreement (i) to, and its obligations under this Agreement may be assumed by, a wholly-owned subsidiary of Trinity, or (ii) for collateral security purposes, to any lender providing financing to Trinity or any of its Affiliates; provided, further that Trinity will not be relieved of its obligations under this Agreement as a result of such assignment.

Execution in Counterparts

10.5 This Agreement may be executed in identical counterparts, each of which is and is hereby conclusively deemed to be an original and the counterparts collectively are to be conclusively deemed to be one instrument and receipt of a facsimile version of an executed signature page by a Person will constitute satisfactory evidence of execution of this Agreement by such Person.

No Third Party Beneficiaries

10.6 Other than §5.8, nothing in this Agreement, express or implied, is intended to or will confer upon any person other than Sierra and Trinity and their respective successors and permitted assigns any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

SIERRA SYSTEMS GROUP INC.

Per: ______________________________
Name: Peter F. Webb
Title: Chairman

Per: ______________________________
Name: Iraj Pourian
Title: President and Chief Executive Officer

TRINITY INTERNATIONAL HOLDINGS LTD.

Per: ______________________________
Name: David Dominik
Title: Director

Per: ______________________________
Name: Prescott Ashe
Title: Director

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

SIERRA SYSTEMS GROUP INC.

Per: ______________________________
Name: Peter F. Webb
Title: Chairman

Per: ______________________________
Name: Iraj Pourian
Title: President and Chief Executive Officer

TRINITY INTERNATIONAL HOLDINGS LTD.

Per: ______________________________
Name: David Dominik
Title: Director

Per: ______________________________
Name: Prescott Ashe
Title: Director

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SIERRA SYSTEMS GROUP INC.

Per: ____________________________
Name: Peter F. Webb
Title: Chairman

Per: ____________________________
Name: Iraj Pourian
Title: President and Chief Executive Officer

TRINITY INTERNATIONAL HOLDINGS LTD.

Per: ____________________________
Name: David Dominik
Title: Director

Per: ____________________________
Name: Prescott Ashe
Title: Director

SCHEDULE 1

PLAN OF ARRANGEMENT

UNDER THE PROVISIONS OF DIVISION 5 OF PART 9 OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1

INTERPRETATION

1.1 In this Plan of Arrangement, unless the context otherwise requires, the following words and phrases will have the meanings hereinafter set out (and capitalized terms used and not otherwise defined in this Plan of Arrangement will have the respective meanings ascribed to such terms in the Arrangement Agreement (as defined below)):

"Arrangement" means the arrangement pursuant to Part 9, Division 5 of the BCA set forth in this Plan of Arrangement, subject to any amendment or variation hereto made in accordance with the Arrangement Agreement, Article 6 hereof or at the discretion of the Court in the Final Order in accordance with the terms hereof;

"**Arrangement Agreement**" means the agreement made as of October 13, 2006 between Sierra and Trinity entered into for the purpose of effecting this Arrangement;

"**BCA**" means the *Business Corporations Act* (British Columbia), as now enacted, as amended, and the regulations thereto;

"**Business Day**" means a day that is not a Saturday, Sunday or civic or statutory holiday in British Columbia;

"**Court**" means the Supreme Court of British Columbia;

"**Depositary**" means CIBC Mellon Trust Company, or any other trust company, bank or equivalent financial institution agreed to in writing by Trinity and Sierra and appointed to carry out the duties of the Depositary hereunder;

"**Dissenting Holder**" means a Sierra Shareholder who has exercised a Dissent Right in respect of the Arrangement in strict compliance with Article 5;

"**Dissent Right**" has the meaning set out in §5.1;

"**Effective Date**" means the date designated by Sierra and Trinity by delivery of notice in writing as the effective date of the Arrangement after the date on which all of the conditions precedent to the completion of the Arrangement, including receipt of the Final Order, have been either fulfilled or waived;

“**Effective Time**” means 12.01 a.m. (Vancouver time) on the Effective Date;

“**Final Order**” means the order of the Court approving the Arrangement, as such order may be amended at any time before the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed or as amended on appeal;

“**Interim Order**” means the interim order of the Court providing for, among other things, the calling and holding of the Sierra Meeting, as the same may be amended;

“**ITA**” means the *Income Tax Act* (Canada), as amended;

“**Plan of Arrangement**” means this plan of arrangement as amended or supplemented from time to time;

“**Purchase Price**” means the sum of $9.25 per Sierra Share, payable in cash;

“**Registrar**” means the Registrar under the BCA;

“**Shareholder Rights Plan**” means the Shareholder Rights Plan Agreement dated as of November 24, 2004 between the Company and CIBC Mellon Trust Company;

“**Sierra**” means Sierra Systems Group Inc., a corporation existing under the laws of the Province of British Columbia;

“**Sierra Meeting**” means the special meeting of Sierra Shareholders to be held to consider the Sierra Arrangement Resolution and any adjournment thereof;

“**Sierra Shareholders**” means the holders of Sierra Shares reflected on the central securities register of Sierra;

“**Sierra Shares**” means the common shares without par value in the capital of Sierra;

“**Transmittal Letter**” mean the letter of transmittal forwarded by Sierra to holders of Sierra Shares in connection with the Arrangement, in the form accompanying the Circular;

“**Trinity**” means Trinity International Holdings Ltd., a corporation existing under the laws of the Province of British Columbia; and

“**TSX**” means the Toronto Stock Exchange.

1.2 In this Plan of Arrangement, unless otherwise expressly stated or the context otherwise requires:

(a) the division of this Plan of Arrangement into Articles and Sections and the further division thereof and the insertion of headings and a table of contents are for convenience of reference only and will not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise indicated, any reference in this Plan of Arrangement to an Article, Section or the symbol §, or Schedule refers to the specified Article or Section of or Schedule to this Plan of Arrangement;

(b) the terms “hereof”, “herein”, “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto;

(c) words importing the singular number only will include the plural and vice versa, words importing the use of any gender will include all genders and words importing persons will include firms and corporations and vice versa;

(d) if any date on which any action is required to be taken hereunder by any of the parties is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day;

(e) the word “including” means “including, without limiting the generality of the foregoing”; and

(f) a reference to a statute is to that statute as now enacted or as the statute may from time to time be amended, re-enacted or replaced and includes any regulation, rule or policy made thereunder.

1.3 All references to cash or currency in this Plan of Arrangement are to Canadian dollars unless otherwise indicated.

ARTICLE 2

ARRANGEMENT AGREEMENT

2.1 This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement.

2.2 The Arrangement will become effective on the Effective Date and will be binding without any further authorization, act or formality on the part of the Court, the Registrar, Sierra, Trinity and the Sierra Shareholders, from and after the Effective Time.

ARTICLE 3

ARRANGEMENT

3.1 Commencing at the Effective Time, subject to the provisions of Article 5 hereof, the following will occur and will be deemed to occur consecutively in the following order and at the times set forth below without any further act or formality.

(a) the Shareholder Rights Plan will be deemed to have been terminated (and all rights thereunder will expire) and will be of no further force or effect;

(b) each issued Sierra Share will be, and be deemed to be, transferred to Trinity in exchange for the Purchase Price;

(c) Trinity will become the holder of all Sierra Shares and the central securities register of Sierra will be revised accordingly; and

(d) the transfers, registrations and cancellations provided for in this §3.1 will be deemed to occur in the order set out above at the Effective Time, notwithstanding that certain of the procedures related thereto will not be completed until after the Effective Time.

ARTICLE 4

CERTIFICATES AND PAYMENTS

4.1 At or before the Effective Time, Trinity will deposit with the Depositary the aggregate Purchase Price to be delivered to Sierra Shareholders, which amount will be held in trust for the benefit of Trinity until the Effective Time, and after the Effective Time will be held by the Depositary as agent and nominee for former Sierra Shareholders and will be distributed to such former Sierra Shareholders in accordance with the provisions of Article 4 hereof.

4.2 After the Effective Time certificates formerly representing Sierra Shares will represent solely the right to receive the Purchase Price (or in the case of Dissenting Holders, the right to receive the amount determined to be the fair value of such shares), less any amounts withheld pursuant to §4.4, all in accordance with the terms of the Arrangement and this Plan of Arrangement.

4.3 As soon as practicable after the Effective Date, upon the former Sierra Shareholder depositing with the Depositary share certificates accompanied by a duly completed Letter of Transmittal and such other documents and instruments as the Depositary may reasonably require, the Depositary will, on behalf of Trinity, deliver to the former Sierra Shareholders or otherwise in accordance with the Letter of Transmittal a cheque in payment of the cash consideration to which such holder is entitled in accordance with the terms of the Arrangement.

4.4 Sierra, Trinity and the Depositary will be entitled to deduct and withhold from any consideration payable to any former Sierra Shareholder, such amounts as Sierra, Trinity or the Depositary is required or permitted to deduct and withhold with respect to such payment under the ITA, the United States Internal Revenue Code of 1986, as amended, or any provision of provincial, state, local or foreign tax laws, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts will be treated for all purposes hereof as having been paid to the holder of the shares in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

4.5 Any cash consideration owing to a former Sierra Shareholder will be rounded up to the next whole cent.

4.6 No dividends or other distributions declared or made after the Effective Time with respect to the Sierra Shares with a record date after the Effective Time will be payable or paid to the holder of any certificate or certificates which, immediately prior to the Effective Time, represented outstanding Sierra Shares.

4.7 Any certificate which immediately before the Effective Time represented outstanding Sierra Shares which has not been surrendered, with all other instruments required by this Article 4, on or prior to the sixth anniversary of the Effective Date, will cease to represent any claim against, or interest of any kind or nature in, Sierra, Trinity or the Depositary and will deemed to have been surrendered to Trinity for no consideration.

4.8 In the event any certificate, which immediately prior to the Effective Time represented one or more outstanding Sierra Shares that were exchanged pursuant to §3.1, is lost, stolen or destroyed, upon the making of an affidavit of that fact (and bond or indemnity) by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Purchase Price, deliverable in accordance with such holder's Transmittal Letter. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom the cash consideration is to be delivered will, as a condition precedent to the issuance or payment thereof, give a bond satisfactory to Sierra and Trinity and their respective transfer agents in such sum as Sierra and Trinity may direct or otherwise indemnify Sierra and Trinity in a manner satisfactory to them against any claim that may be made against one or both of them with respect to the certificate alleged to have been lost, stolen or destroyed.

ARTICLE 5

RIGHTS OF DISSENT AND APPRAISAL

5.1 Each Sierra Shareholder shown on the central securities register of Sierra may exercise rights of dissent in connection with this Plan of Arrangement (the "Dissent Right") in the manner set forth in Sections 237 to 247 of the BCA, as modified by this Article 6, by the Interim Order and the Final Order. Dissenting Holders who:

(a) are ultimately entitled to be paid fair value for their Sierra Shares will be deemed to have transferred their Sierra Shares to Trinity at the same time as the events described in Section 3.1(c) occur and thereafter such Dissenting Holders will be entitled to receive an amount equal to the fair value for their Sierra Shares from Trinity upon delivery of certificates representing Sierra Shares formerly held by them; or

(b) for any reason are ultimately not entitled to be paid fair value by Sierra for Sierra Shares, will be deemed to have participated in the Arrangement on the same basis as a Sierra Shareholder who is not a Dissenting Holder and will receive the Purchase Price for their Sierra Shares;

but in no case will Sierra, Trinity or any other Person be required to recognize such Dissenting Holders as holding Sierra Shares on or after the Effective Time, and the names of such Sierra

Shareholders will be deleted from the central securities register of Sierra on the Effective Time at the same time as the event described in §3.1(c) occurs.

5.2 In addition to any other rights and restrictions in Sections 237 to 247 of the BCA (as modified by this Article 5 and the Interim Order), (i) Sierra Shareholders intending to dissent in respect of the Sierra Arrangement Resolution must send written notice of dissent to Sierra at least two days prior to the Sierra Meeting or any date to which the Sierra Meeting may be postponed or adjourned, (ii) the fair value of the Sierra Shares will be determined as at the point and time immediately prior to approval of the Sierra Arrangement Resolution and (iii) no Person who has voted in favour of the Sierra Arrangement Resolution will be entitled to dissent in respect to the Arrangement.

ARTICLE 6

AMENDMENTS

6.1 Sierra and Trinity reserve the right to amend, modify and/or supplement this Plan of Arrangement upon their mutual written agreement from time to time at any time prior to the Effective Date, provided that any such amendment, modification or supplement must be (a) set out in writing, (b) agreed to in writing by Sierra and Trinity, (c) filed with the Court and, if made following the Sierra Meeting, approved by the Court, and (d) communicated to Sierra Shareholders if and as required by the Court.

6.2 Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Sierra Meeting will only be effective if consented to by Sierra and Trinity in writing and, if required by the Court, consented to in accordance with applicable law by Sierra Shareholders.

6.3 Save and except as may be otherwise provided in the Interim Order, any amendment, modification or supplement to this Plan of Arrangement may be proposed by both Sierra and Trinity at any time prior to or at the Sierra Meeting with or without any other prior notice or communication, and if so proposed and accepted by Sierra Shareholders voting at the Sierra Meeting, will become part of the Plan of Arrangement for all purposes.

6.4 Notwithstanding the foregoing, any amendment, modification or supplement to this Plan of Arrangement may be made by mutual written agreement of Sierra and Trinity without approval of the Sierra Shareholders provided that it concerns a matter which, in the reasonable opinion of Sierra and Trinity, is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of Arrangement and is not materially adverse to the financial or economic interests of any of the Sierra Shareholders.

ARTICLE 7

TERMINATION

This Plan of Arrangement may be withdrawn prior to the occurrence of any of the events in §3.1 in accordance with the terms of the Arrangement Agreement.

SCHEDULE 2

REPRESENTATIONS AND WARRANTIES OF SIERRA

Sierra hereby represents and warrants to Trinity (and acknowledges that Trinity is relying upon such representations and warranties in connection with entering into this Agreement) as set forth below (it being understood that, as used in this Schedule 2, "Sierra" will unless the context requires otherwise include Sierra and the Sierra Subsidiaries, collectively):

(a) Organization and Qualification. Sierra is validly existing as a company under the *Business Corporations Act* (British Columbia) and has full corporate power and authority to own its property and conduct its businesses as currently owned and conducted. Sierra and the Sierra Subsidiaries are duly qualified to carry on business, and are in good-standing, in each jurisdiction in which the character of their properties, owned or leased, or the nature of their activities makes such qualification necessary, except where the failure to be so qualified or in good standing will not have a Material Adverse Effect on Sierra.

(b) Capitalization. The authorized capital of Sierra consists of an unlimited number of Sierra Shares, an unlimited number of Preferred shares and 100,000 Series 1 Preferred shares and as at 5:00 p.m., Vancouver Time, on October 13, 2006: (i) only 9,517,147 Sierra Shares and no Series 1 Preferred shares are issued and outstanding as fully paid and non-assessable shares in the capital of Sierra; and (ii) there are outstanding options or other rights granted (or that will be granted in an amount not to exceed 20,000 Shares under Sierra's Amended Employee Share Ownership Plan) under Sierra's Share Incentive Plans (at the prices and to the persons (and subject to the vesting schedules) set out in Schedule 4 to this Agreement), providing for the issuance or acquisition of not more than 713,800 Shares upon the exercise thereof. Except for the rights of the Parties and the securityholders of Sierra under this Agreement and the transactions contemplated herein, the Sierra Option Shares described in Schedule 4 and except as disclosed in the Sierra Disclosure Letter, there are no options, warrants, conversion privileges, calls or other rights, agreements, arrangements, commitments or obligations of Sierra to issue, sell or acquire any securities of Sierra or securities or obligations of any kind convertible into or exchangeable for any securities of Sierra or any other person, nor are there outstanding any stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments based upon the share price, book value, income or any other attribute of Sierra. No registration rights involving the Sierra Shares will survive consummation of the Arrangement.

(c) Subsidiaries. The Sierra Subsidiaries have been duly formed and organized and are validly existing under applicable law and have full power to own their property and conduct their businesses as currently owned and conducted. All of the outstanding shares and other ownership interests of the Sierra Subsidiaries are validly issued, fully paid and non-assessable and all securities and other ownership interests owned directly or indirectly by Sierra are owned free and clear of all Encumbrances, except as set out in the Sierra Disclosure Letter. There are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments obligating Sierra or the Sierra Subsidiaries to issue, sell or acquire any securities of a Sierra Subsidiary or securities or obligations of any kind convertible into or exchangeable for securities or other ownership interests of a Sierra Subsidiary. There are no outstanding stock appreciation rights, equity or similar rights, agreements, arrangements or commitments based on the book value, income or any other attribute of the Sierra Subsidiaries.

(d) Authority Relative to this Agreement. Sierra has the requisite corporate power and authority to enter into this Agreement and all documents and agreements contemplated herein to which it is or will be a party and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement by Sierra has been duly authorized by the Sierra Board of Directors and no other corporate proceedings on the part of Sierra are necessary to authorize this Agreement and the transactions contemplated hereunder. This agreement has been duly executed and delivered by Sierra and constitutes a legal, valid and binding obligation of Sierra enforceable by Trinity against Sierra in accordance with its terms, subject to the availability of equitable remedies and the enforcement of creditors' rights generally. Except as disclosed in the Sierra Disclosure Letter, the execution and delivery by Sierra of this Agreement and performance by it of its obligations hereunder and the transactions contemplated hereby, including, but not limited to, the payment for Sierra Shares, will not (by itself or in conjunction with any other action) result in:

(i) a violation or breach of any provision of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, shot-gun, acceleration or cancellation of or under,

(1) its constating documents or any resolution of its directors or shareholders or those of the Sierra Subsidiaries;

(2) any applicable Law or, to its knowledge, any regulation, order, judgment or decree (subject to obtaining the authorizations, consents and approvals referred to in §(e) herein); or

(3) any agreement, arrangement or understanding to which it or the Sierra Subsidiaries are a party or by which any of them or their properties is bound or affected that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect on Sierra;

(ii) the imposition of any Encumbrance upon any of its assets or the assets of the Sierra Subsidiaries that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect on Sierra; or

(iii) the obligation on Sierra to make any "change of control" or retention payment or other similar obligation.

(e) Approvals. No authorization, consent or approval of, or filing with, any public body, court or authority is necessary for the consummation by Sierra of its obligations under this Agreement, except for such authorizations, consents, approvals and filings the failure by any party to obtain or make which would not, individually or in the aggregate, prevent or materially delay the consummation of the transactions contemplated hereunder.

(f) Financial Statements and Disclosure Documents. The audited financial statements of Sierra prepared on a consolidated basis, for and as at the year ended September 30, 2005, the year ended September 30, 2004 and the year ended September 30, 2003, have been prepared in accordance with generally accepted accounting principles including those recommended in the handbook of the Canadian Institute of Chartered Accountants applied on a consistent basis and fairly present the consolidated financial position of Sierra and the Sierra Subsidiaries as at the respective dates thereof and the consolidated results of their operations and the changes in their financial position for the periods indicated therein. Sierra has filed with the appropriate Government Entity true and complete copies of all material forms, reports, schedules, statements and other documents required to be filed by it under applicable Laws. The Sierra Disclosure Documents were, as of their respective dates, in compliance in all material respects with applicable Laws and did not, when filed, contain a "misrepresentation" within the meaning of applicable Laws and complied in all material respects with the requirements of applicable Laws and make full disclosure of and provision for all material actual and contingent liabilities.

(g) Absence of Certain Changes or Events. Since September 30, 2005, except as contemplated by this Agreement and except as has been disclosed in the Sierra Disclosure Letter:

(i) each of Sierra and the Sierra Subsidiaries has conducted its business only in the ordinary course of business consistent with past practice;

(ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Sierra and the Sierra Subsidiaries, taken as a whole, has been incurred other than in the ordinary course of business consistent with past practice;

(iii) there has not been any Material Adverse Change with respect to Sierra; and

(iv) as of the date of this Agreement, there are no material change reports filed on a confidential basis with any Securities Regulator which remain confidential.

(h) Disclosure. Sierra has not failed to disclose in the Sierra Disclosure Letter or to Trinity in writing on or before the date of this Agreement, any information regarding any event, circumstance or action taken or failed to be taken since September 30, 2005 within the knowledge of Sierra and not within the knowledge of Trinity as at the date of this Agreement which could reasonably be expected to have a Material Adverse Effect on Sierra. Without limitation, except as disclosed in writing to Trinity on or before the date of this Agreement and except as set forth in the Sierra Disclosure Letter that have been filed before the date of this Agreement pursuant to applicable Laws:

(i) except as contemplated pursuant to this Agreement, none of Sierra nor any of the Sierra Subsidiaries has incurred any liabilities or obligations of any nature (whether absolute, accrued, contingent or otherwise) that, either individually or in the aggregate, are material to Sierra and the Sierra Subsidiaries, taken as a whole, except those incurred in the ordinary course of business and consistent with past practices;

(ii) there have been no Claims, actions, proceedings, suits, investigations or reviews and, to the best of Sierra's knowledge, no facts or conditions have arisen which may reasonably be expected, individually or in the aggregate, to be a proper basis for Claims, actions, proceedings, suits, investigations or reviews, commenced or, to the best of the knowledge of Sierra, threatened against Sierra or the Sierra Subsidiaries or any of their properties by or before any Governmental Entity that, either individually or in the aggregate, if adversely determined would have a Material Adverse Effect on Sierra nor is Sierra aware of any basis for any such claim, action, proceeding, suit, investigation or review; and

(iii) none of Sierra nor the Sierra Subsidiaries nor any of their properties have been the subject of a judgment, order, writ, injunction or decree that has had, or could reasonably be expected to have, a Material Adverse Effect on Sierra.

(i) Compliance. Except, with respect to clause (ii) or (iii) below, for any conflicts, defaults or violations that could not, individually or in the aggregate (taking into account the impact of any cross defaults), reasonably be expected to have a Material Adverse Effect on Sierra, none of Sierra nor the Sierra Subsidiaries is or has been in conflict with, or in default (including cross defaults) under or in violation of:

(i) its constating documents or any resolutions of its directors or shareholders;

(ii) any law, rule, regulation, order, permit, judgement or decree applicable to it or by which any of its properties is bound or affected; or

(iii) any agreement, arrangement or understanding to which it is a party or by which any of its properties is bound or affected.

(j) Property. Each of Sierra and the Sierra Subsidiaries has good and sufficient right and title to or is entitled to the benefits of all of its properties and assets (real and personal, tangible and intangible, including leasehold interests) including all the properties and assets reflected in the balance sheet forming part of the financial statements referred to above, except as indicated in the notes thereto, together with all additions thereto and less all dispositions thereof in the ordinary course of business consistent with past practice, and such properties and assets are not subject to any Encumbrance or defect in title of any kind except those Encumbrances expressly permitted by the terms of any financing or security agreement to which Sierra or the Sierra Subsidiaries is a party or as is reflected in the balance sheets forming part of such financial statements and in the notes thereto and except where the failure to have such title, or the existence of such Encumbrance or defects in title, individually or in the aggregate, would not have a Material Adverse Effect on Sierra. Each of Sierra and the Sierra Subsidiaries may enter into and upon and hold and enjoy the properties owned or leased by them for the residue of such properties' respective terms for their own use and benefit without any lawful interruption of or by any other person.

(k) Intellectual Property. Except as disclosed in the Sierra Disclosure Letter, or except as would not, individually or in the aggregate, be reasonably expected to result in a Material Adverse Effect on Sierra,

(i) Sierra and the Sierra Subsidiaries own and possess all right, title and interest, or are validly licensed or have retained the rights to use (and are not in material breach of such licenses) all Proprietary Rights that are necessary to the conduct of the business, as currently conducted, of Sierra and the Sierra Subsidiaries taken as a whole;

(ii) all Proprietary Rights are sufficient for conducting the business, as currently conducted, of Sierra and the Sierra Subsidiaries taken as a whole;

(iii) section (iii) of the Sierra Disclosure Letter sets forth a list complete and correct list of all of the following owned by Sierra: (i) patented or registered Proprietary Rights, including Internet domain name registrations; (ii) pending patent applications or other applications for registration of Proprietary Rights; (iii) trade names and corporate names; and (iv) all computer software owned by and distributed or maintained by Sierra (excluding any computer software developed by or on behalf of Sierra to be transferred to a Sierra client, pursuant to the terms of an agreement with such client) (collectively, "Company Software"), listed by major point release;

(iv) section (iv) of the Sierra Disclosure Letter sets forth a list complete and correct in all material respects, but excluding computer software licenses that are available off the shelf on commercial terms, of all of the following: (A) computer software licenses or similar agreements or arrangements between Sierra and third parties through which Sierra embeds, integrates, bundles, redistributes, resells or otherwise sublicenses such software (“Third Party Software”), including a description of the relationship of such Third Party Software to the Company Software and the percentage of Company Software license and support fees paid to the licensor of such Third Party Software; (B) all computer software licenses or similar agreements or arrangements used by Sierra to support the development of Computer Software (“Development Software”); (C) all computer software licenses or similar agreements or arrangements relating to information technology used in the operations of the Company (“IT Software”) for which the Company paid more than $25,000 in the aggregate in license fees or pays more than $10,000 in annual support fees; (D) all other licenses or similar agreements or arrangements, in effect as of the date hereof, in which Sierra is a licensee of Proprietary Rights that are necessary to conduct the business of Sierra and the Sierra Subsidiaries as currently conducted; (E) other than customer contracts entered into in the ordinary course of business and standard “affiliate” agreements wherein such affiliates have no right to directly license Computer Software to customers, all licenses or similar agreements or arrangements in which Sierra is a licensor of Proprietary Rights; and (F) all other agreements or similar arrangements, in effect as of the date hereof, relating to the use of Proprietary Rights by Sierra that are necessary to conduct the business of Sierra and the Sierra Subsidiaries as currently conducted;

(v) (A) Sierra has a valid and enforceable right to use pursuant to the agreements set forth in section (iv) of the Sierra Disclosure Letter or otherwise owns and possesses all right, title and interest in and to all, or has the lawful right to use, other Proprietary Rights necessary for the operation of the business as currently conducted, of Sierra and the Sierra Subsidiaries, free and clear of all Liens (collectively, the "Company Proprietary Rights"); and (B) Sierra has not licensed any Company Proprietary Rights to any third party on an exclusive basis.

(vi) (A) to the best of Sierra’s knowledge, the operation of Sierra’s business as currently conducted does not infringe, misappropriate or otherwise conflict with, any Proprietary Rights of any third party; (B) Sierra is not aware of any facts which indicate a likelihood of the foregoing; (C) Sierra has not received any notices regarding any of the foregoing (including any demands or offers to license) or any requests for indemnification from customers); and (D) Sierra has neither requested nor received any opinions of counsel related to the foregoing.

(vii) (A) to the best of Sierra’s knowledge, and except for rights that have been granted or created for a specific term, no loss or expiration of any of the Company Proprietary Rights is threatened, pending or reasonably foreseeable; (B) to the best of Sierra’s knowledge, all of the Company Proprietary Rights are valid and enforceable and none of the Company Proprietary Rights has been misused; (C) no claim by any third party contesting the validity, enforceability, use or ownership of any of the Company Proprietary Rights has been made, is currently outstanding and to the best of Sierra’s knowledge no claim is threatened, and there are no grounds for the same; (D) the Company has taken all commercially reasonable action, consistent with commonly accepted industry practices, to maintain and protect all of the Company Proprietary Rights that are necessary for the conduct of the business of Sierra and the Sierra Subsidiaries as currently conducted; and (E) Sierra has not disclosed or allowed to be disclosed any of its trade secrets or confidential information to any third party other than pursuant to a written confidentiality agreement or otherwise in a manner that is materially prejudicial to the business of Sierra and the Sierra Subsidiaries as currently conducted;

(viii) to the best of Sierra's knowledge, no third party has infringed, misappropriated or otherwise conflicted with any of the Company Proprietary Rights and Sierra is not aware of any facts that indicate a likelihood of the foregoing;

(ix) the Company Software, including any embedded or integrated Third Party Software, does not contain any open source or freeware and the sale or licensing of the Company Software in the ordinary course of business is not governed, in whole or in part, by the terms of the GNU General Public License or any other license requiring Sierra to disclose source code to any of the Company Software and any other software for which a reasonably prudent Person would hold in confidence;

(x) (A) only the object code relating to any Company Software has been disclosed to any Person (except to a source code escrow agent for the benefit of customers in the ordinary course of business); (B) no Person has asserted any right to access any source code for any Company Software, including pursuant to any source code escrow agreement; and (D) no source code licensed to Persons as disclosed in the Company Disclosure Letter is material to the business of Sierra and the Sierra Subsidiaries as currently conducted;

(xi) all Proprietary Rights, that are necessary for the conduct of business of Sierra and the Sierra Subsidiaries as currently conducted, including Company Software, owned by Sierra or the Sierra Subsidiaries, were: (i) developed or acquired by employees of the Company working within the scope of their employment; (ii) developed or acquired by officers, directors, agents, consultants, contractors, subcontractors or others who have executed appropriate instruments of assignment in favour of Sierra as assignee that have conveyed to Sierra ownership of all of such Person's rights in the Proprietary Rights relating to such developments; or (iii) acquired in connection with any purchase or other acquisition in which Sierra or a Sierra Subsidiary obtained appropriate representations, warranties and indemnities from the transferring party relating to the title to such Proprietary Rights;

(xii) to the best of Sierra's knowledge, (A) there are no defects in any of the Company Software that would prevent the same from performing substantially in accordance with its user specifications and (B) there are no viruses, worms, Trojan horses or similar programs in any of the Company Software. Sierra is in possession of the source code and object code for all Company Software, Third Party Software, Development Software and IT Software, to the extent necessary for the conduct of the business, as currently conducted, of Sierra and the Sierra Subsidiaries;

(xiii) the computer software, computer firmware, computer hardware (whether general purpose or special purpose), and other similar or related items of automated, computerized and/or software system(s) that are used or relied on by Sierra and the Sierra Subsidiaries in the conduct of its business is sufficient in all material respects for the current needs of such business;

(xiv) Sierra has collected, used, imported, exported and protected all personally identifiable information, and other information relating to individuals that is protected by law, in accordance with the privacy policies of Sierra and in accordance with applicable law, including by entering into agreements, where applicable, governing the flow of such information across national borders;

(xv) all hardware, software and firmware, processed data, technology infrastructure and other computer systems used in connection with the conduct of the business, as currently conducted, of Sierra and the Sierra Subsidiaries taken as a whole (collectively, the "Technology"), are sufficient for conducting the business, as currently conducted, of Sierra and its subsidiaries taken as a whole;

(xvi) Sierra and the Sierra Subsidiaries own or have validly licensed (and are not in material breach of such licenses) the Technology and have commercially reasonable virus protection and security measures in place in relation to the Technology;

(xvii) Sierra and the Sierra Subsidiaries have commercially reasonable back-up systems and a disaster recovery plan for the continuing availability of functionality provided by the Technology to the extent such functionality is required, and have ownership of or a valid license to the intellectual property rights necessary to allow them to continue to provide adequate functionality provided by the Technology where such continuing availability and functionality is required, in the event of any malfunction of the Technology or other form of disaster affecting the Technology;

(xviii) to the extent that any Intellectual Property Rights are confidential, the employees and contractors of Sierra and the Sierra Subsidiaries who have access to such Intellectual Property Rights are subject to legal obligations to maintain the confidentiality of the Intellectual Property Rights;

(xix) for purposes of this Schedule 2, "Proprietary Rights" means all of the following in any jurisdiction throughout the world: (i) patents, patent applications and patent disclosures; (ii) trademarks, service marks, trade dress, trade names, corporate names, logos and slogans (and all translations, adaptations, derivations and combinations of the foregoing) and Internet domain names, together with all goodwill associated with each of the foregoing; (iii) copyrights and copyrightable works; (iv) registrations and applications for any of the foregoing; (v) trade secrets and confidential information (including inventions, ideas, formulae, compositions, know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, financial, business and marketing plans, and customer and supplier lists and related information); (vi) computer software and software systems (including data, source code and object code, databases and related documentation); and (vi) all other intellectual property.

(l) Tax Matters. Each of Sierra and the Sierra Subsidiaries has filed all Tax Returns required to be filed by it (and such returns are true, complete and correct in all material respects), has paid in full on a timely basis all Taxes that are imposed under any laws or by any relevant taxing authority that are due and payable including those shown to be payable in such Tax Returns and has made adequate provision in the financial statements referred to above for the payment of all Taxes not then due and payable or on subsequent assessments with respect thereto and no other Taxes are payable by Sierra or the Sierra Subsidiaries with respect to the items or time periods covered by the returns. Each of Sierra and the Sierra Subsidiaries has made adequate and timely payment of instalments of the Taxes for the taxation period ending on or immediately before the Effective Date. With respect to any taxation period up to and including the Effective Date for which Tax Returns have not yet been filed or for which Taxes or instalments of Taxes are not yet due and payable, each of Sierra and the Sierra Subsidiaries has only incurred liabilities for Taxes in the ordinary course of its business consistent with past practice. Each of Sierra and the Sierra Subsidiaries has withheld and collected all Taxes required to have been collected by it, and has duly and timely remitted to the appropriate authority all amounts in respect of such Taxes required to be remitted by it. Except as disclosed in the Sierra Disclosure Letter, there are no outstanding waivers of any limitation periods or agreements providing for an extension of time for the filing of any tax return or the payment of any Taxes. No deficiencies exist or have, to the best of Sierra's knowledge, been asserted by any taxation authority with respect to Taxes of Sierra or the Sierra Subsidiaries, neither Sierra nor any of the Sierra Subsidiaries is a party to any action or proceeding or assessment or collection of Taxes, nor has any such event been, to the best of Sierra's knowledge, asserted or threatened against Sierra nor any of the Sierra Subsidiaries or any of their respective assets and, to the best of Sierra's knowledge, as of the date of this Agreement none of Sierra or the Sierra Subsidiaries is subject to any assessments, penalties or levies with respect to Taxes that will result in any liability on its part in respect of any period ending on or before the Effective Date in excess of the amount provided for in the financial statements referred to above. Except as disclosed in the Sierra Disclosure Letter, to the knowledge of Sierra and the Sierra Subsidiaries, no audit, investigation, assessment or reassessment of Taxes is reasonably anticipated or imminent. Each of Sierra and the Sierra Subsidiaries has prepared and maintains all books, records and documentation required by applicable Tax laws, including documentation in respect of transfer pricing. Neither Sierra nor any Sierra Subsidiary has entered into any arrangement pursuant to which it has assumed liability for the payment of Taxes owing by any Person.

(m) Environmental Laws. Except as disclosed in the Sierra Disclosure Letter, Sierra and the Sierra Subsidiaries (and their respective businesses and operations):

(i) are in compliance with all applicable Environmental Laws and Environmental Approvals in Canada and in other applicable foreign jurisdictions with environmental regulatory jurisdiction over Sierra or the Sierra Subsidiaries; and

(ii) have obtained all Environmental Approvals that are required to carry on their respective businesses and operations under all applicable Environmental Laws;

except where non-compliance with such Environmental Laws or Environmental Approvals or failure to obtain those Environmental Approvals could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Sierra.

(n) Environmental Compliance. Except as disclosed in the Sierra Disclosure Letter, before the date of this Agreement none of Sierra nor any of the Sierra Subsidiaries has, with respect to its businesses and operations, at any time received any written notice, written notice of default, order, summons, or notice of judgment or commencement of proceedings of any nature related to any material breach, liability or remedial action (or alleged material breach, liability or remedial action) arising under the Environmental Laws and Environmental Approvals that could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Sierra, and neither of Sierra nor any of the Sierra Subsidiaries have (with respect to such businesses and operations) at any time given any written undertakings with respect to remedying any breach of, or liability under, Environmental Laws that have not been duly performed, which breach or liability could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Sierra.

(o) Subsidiaries. Sierra is, and, at the Effective Time, will be, the owner of all of the issued and outstanding shares in the capital of the Sierra Subsidiaries, as the sole legal and beneficial owner, free and clear of all Encumbrances, except as set out in the Sierra Disclosure Letter.

(p) Books and Records. The corporate records and minute books of Sierra and the Sierra Subsidiaries have been maintained substantially in accordance with all applicable Laws and are complete and accurate in all material respects.

(q) Insurance. Based on the claims of history of Sierra and the Sierra Subsidiaries, the policies of insurance in force as of the date hereof naming Sierra and the Sierra Subsidiaries as insureds adequately cover all risk reasonably and prudently foreseeable in the operation and conduct of their respective businesses for which, having regard to the nature of such risk and the relative cost of obtaining insurance, it is in the opinion of Sierra, acting reasonably, prudent to seek insurance rather than provide for self insurance. All such policies of insurance will remain in force and effect and will not be cancelled or otherwise terminated as a result of the transactions contemplated hereby.

(r) Employment Agreements. Except as disclosed in the Sierra Disclosure Letter, (a) neither Sierra nor any Sierra Subsidiary has any written or oral employment, service or consulting agreement relating to any one or more individuals, which are not terminable upon reasonable notice as required by applicable Law, and (b) there are no special arrangements or commitments with respect to the continuation of employment or payment of any particular amount upon termination of employment or change of control of Sierra.

(s) Pension and Employee Benefits. Except as disclosed in the Sierra Disclosure Letter, neither Sierra nor any Sierra Subsidiary has, or is subject to, any present or future obligation or liability under, any pension plan, deferred compensation plan, retirement income plan, stock option or stock purchase plan, profit sharing plan, bonus plan or policy, employee group insurance plan, program policy or practice, formal or informal, with respect to its employees.

(t) Material Agreements. Other than as referred to in the Sierra Disclosure Letter there are (i) no agreements to which Sierra or the Sierra Subsidiaries are bound or (ii) licences, leases, permits, authorities and permissions held by Sierra or the Sierra Subsidiaries, which are material to the conduct of Sierra's business or the business of the Sierra Subsidiaries that are not disclosed to Trinity in the Sierra Disclosure Letter. Except as disclosed in the Sierra Disclosure Letter, no approval or consent of any person is needed in order that any material agreements or licences of Sierra continue in full force and effect following consummation of the transactions contemplated hereby. All Contracts constitute valid and binding obligations of Sierra or the Sierra Subsidiaries and the other parties to those contracts and licences enforceable by Sierra or the Sierra Subsidiaries against those other parties in accordance with their respective terms (subject to bankruptcy, insolvency, fraudulent transfer and similar laws of general applicability relating to or affecting creditor's rights and to general equity principles) and are in full force and effect. There is no pending or, to the knowledge of Sierra or the Sierra Subsidiaries, any threatened cancellation or termination, existing default, or event, condition or occurrence which, after notice or lapse of time, or both, would constitute a default of or under any Contract to which Sierra or the Sierra Subsidiaries is a party or otherwise bound, including all agreements and licences of Sierra, which would have a Material Adverse Effect on Sierra.

(u) Compliance with Applicable Laws. To the best of its knowledge, Sierra has complied with all applicable Laws in connection with this Agreement and the transactions contemplated hereby.

(v) Non-Arm's Length Agreements. Other than:

(i) as referred to in the Sierra Disclosure Letter; or

(ii) as set forth in a list provided to Trinity in writing, and copies of which were provided to Trinity,

there are no agreements entered into by Sierra or the Sierra Subsidiaries with any person (other than Sierra or the Sierra Subsidiaries) that is not at "arm's length" with Sierra (within the meaning of that expression in the *Income Tax Act* (Canada).

(w) Brokers and Finders; Advisory Fees. No broker, investment banker, financial advisor or other person, other than TD Securities Inc. and Capital West Partners, the fees and expenses of which will be paid by Sierra, is entitled to any broker's, finder's or financial advisor's fee based upon arrangements made by or on behalf of Sierra in respect of the Transaction. The Sierra Disclosure Letter contains true and complete copies of all agreements under which any the fees and expenses to TD Securities Inc. and Capital West Partners are payable and all indemnification and other agreement related to the engagement of the persons to who such fees are payable.

(x) Transaction Expenses. The Sierra Disclosure Letter sets forth the aggregate estimated amount of costs, fees and expenses incurred or which may be incurred by Sierra or on their behalf in connection with or related to the authorization, preparation, negotiation, execution or performance of this Agreement and the Transactions contemplated hereby at any time prior to or at the Effective Time, including, but not limited to, those of the financial advisor(s) and counsel to Sierra and the amount of any compensation or remuneration of any kind or nature which is or may become payable to any current or former employee, officer or director of Sierra, in whole or in part, by reason of the execution and delivery of this Agreement or the consummation of the Transactions.

(y) Investment Canada Act. Neither Sierra nor any of the Sierra Subsidiaries is engaged in an activity described in the definition of "cultural business" included in subsection 14.1(5) of the Investment Canada Act.

(z) Shareholder Rights Plan. The Board of Directors of Sierra has, in connection with its approval of this Agreement and to the extent that this Agreement or any action to be taken pursuant hereto may be considered to be an "Offer to Acquire", as defined in the Shareholder Rights Plan Agreement dated November 24, 2004 between Sierra and CIBC Mellon Trust Company (the "Shareholder Rights Plan"), taken all action necessary to fix the "Separation Date", as defined in the Shareholder Rights Plan, as the date 10 days after the Effective Date and will have taken, as at the Effective Time, all such other actions as may be necessary or desirable to delay the right to exercise any rights under the Shareholder Rights Plan until 10 days after the Effective Date.

(aa) No "Collateral Benefit" Under OSC Rule. To the knowledge of Sierra, no related party of Sierra (within the meaning of OSC Rule 61-501 – Insider Bids, IssuerBids, Going Private Transactions and Related Party Transactions) together with its associated entities, beneficially owns or exercises control or direction over 1% or more of the outstanding Sierra Shares, except for related parties who will not receive a "collateral benefit" (within the meaning of such Rule) as a consequence of the Transactions.

(bb) Reporting Status; Securities Laws Matters; Circular. Sierra is a reporting issuer under applicable Canadian provincial and territorial Securities Laws and is not on the list of reporting issuers in default under such Securities Laws and is a foreign private issuer under United States federal Securities Laws and is not in material default of any material requirements of any Securities Laws. No delisting, suspension of trading in or cease trading order with respect to any securities of Sierra, and, to the knowledge of Sierra, no inquiry, review or investigation (formal or informal) of any Securities Regulator or Exchange, is in effect or ongoing or, to the knowledge of Sierra, expected to be implemented or undertaken. The Circular on the date mailed to the Sierra Shareholders and at the time of any meeting of the Sierra Shareholders to be held in connection with the Arrangement, will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading, except that no representation is made by Sierra with respect to statements made therein based on information supplied by Trinity in writing expressly for inclusion in the Circular. The Circular will comply as to form in all material respects with the provisions of the Securities Laws.

(cc) Litigation. Except as set forth in the Sierra Disclosure Letter, there are no claims, actions, suits or proceedings pending or, to the knowledge of Sierra, threatened affecting Sierra or the Sierra Subsidiaries or affecting any of their respective property or assets at law or in equity before or by any Governmental Entity, including matters arising under Environmental Laws, which claim, action, suit or proceeding involves a possibility of any judgement against or liability of Sierra or the Sierra Subsidiaries which would reasonably be expected to have a Material Adverse Effect on Sierra. Neither Sierra nor the Sierra Subsidiaries nor their respective assets or properties is subject to any outstanding judgement, order, writ, injunction or decree that has had or is reasonably likely to have a Material Adverse Effect on Sierra.

(dd) Employee Plans.

(i) The Sierra Disclosure Letter identifies each non-salary plan, program or arrangement including deferred compensation, bonus compensation, incentive or other compensation, share option or purchase, severance, termination pay, hospitalization or other medical benefit, life or other insurance, vision, dental, drug, sick leave, disability, salary continuation, vacation, supplemental unemployment benefits, profit sharing, mortgage assistance, pension or supplemental pension, retirement compensation, group registered retirement savings, deferred profit sharing, employee profit sharing, savings, retirement or supplemental retirement, and any other similar plan, program or arrangement, whether funded or unfunded, formal or informal, that is maintained, contributed to, or required to be maintained or contributed to, by Sierra or any Sierra Subsidiary, or to which Sierra or any Sierra Subsidiary is a party, or bound by, or under which Sierra or any Sierra Subsidiary has any liability or contingent liability for the benefit of directors, officers, shareholders, consultants, independent contractors and employees or former employees of Sierra or any Sierra Subsidiary and their dependents (the "Employee Plans").

(ii) Within five Business Days following the date of the Agreement, a true, accurate and complete copy of each Employee Plan (as amended to date) shall have been provided to Trinity together with true, accurate and complete copies of all documents relating to each Employee Plan, including, as applicable:

(A) all documents establishing, creating or amending each Employee Plan;

(B) all trust agreements and funding agreements;

(C) all Contracts, including all insurance Contracts, investment management agreements, subscription agreements and participation agreements;

(D) all statements of investment policies and procedures;

(E) all financial statements, accounting statements and reports, annual returns and investment reports for each of the last three years and the three most recent actuarial reports and cost certificates prepared by Sierra;

(F) all reports, returns, filings (including Tax Returns and filings) and material correspondence with any Governmental Entity, relating to contribution or premium holidays and withdrawal of surplus, in the last three years;

(G) all literature, booklets, summaries, notices or manuals prepared for or circulated to employees generally concerning each Employee Plan; and

(H) all employee data and personnel books and records relating to the Employee Plans.

Sierra represents that the above-described materials will not include or relate to (i) any material liability of Sierra or any Sierra Subsidiary and (ii) any matter which would have a Material Adverse Effect on Sierra.

(iii) Each of the Employee Plans is, and has been, established, maintained, registered, qualified, administered and invested in compliance with the terms thereof, all applicable Laws, and the administrative practices of any relevant tax authority; and neither Sierra nor any Sierra Subsidiary has received any notice from any Person questioning or challenging that compliance.

(iv) None of Sierra or any Sierra Subsidiary or its agents is in breach of its fiduciary duty with respect to the Employee Plans.

(v) All obligations due prior to the Effective Time under the Employee Plans (whether pursuant to the terms thereof or any applicable Laws) have been satisfied, and there are no outstanding defaults or violations thereunder by Sierra or any Sierra Subsidiary

(vi) Except as set forth in the Sierra Disclosure Letter, there are no improvements, increases or changes promised to the benefits provided under the Employee Plans nor is there any pattern of ad hoc benefit increases and the Employee Plans do not provide for benefit increases or the acceleration of funding obligations that are contingent or will be triggered by the entering into of the Plan of Arrangement.

(vii) All employer and employee payments, contributions and premiums required to be remitted or paid to or in respect of the Employee Plans have been remitted or paid, in a timely fashion to or in respect of the Employee Plans in accordance with the terms thereof and all applicable Laws, and no Taxes, interest, penalties or fees are owing or exigible under any of the Employee Plans.

(viii) There is no Claim by any applicable Governmental Entity, including any relevant tax authority, or by any Person (other than routine Claims for payment of benefits) pending or, to the knowledge of Sierra, threatened in respect of any of the Employee Plans or their assets, and, to the knowledge of Sierra, no facts exist which could reasonably be expected to give rise to any such Claim (other than routine Claims for payment of benefits).

(ix) With respect to any Employee Plan which is registered under any applicable Law, no event has occurred respecting that Employee Plan which could result in the revocation of that registration or entitle any Person (without the consent of Sierra) to wind up or terminate that Employee Plan in whole or in part, or which could otherwise reasonably be expected to adversely affect the tax-favoured status thereof.

(x) Sierra and the Sierra Subsidiaries do not participate in, and have never participated in, any pension plans, other than the participation by Sierra and the Sierra Subsidiaries in a 401(k) Plan.

(xi) No material changes have occurred in respect of each of the Employee Plans since the date of its most recent financial, accounting, actuarial or other report, as applicable, filed with the relevant tax authorities and any other applicable Governmental Entity (where applicable) in connection with that Employee Plan, nor have there been any events occurring prior to the most recent financial, accounting, actuarial or other report which are not disclosed in that report which could reasonably be expected to adversely affect the relevant report (including rendering it misleading in any material respect) or to have materially affected the financial status of that Employee Plan. No Employee Plan is subject to any retroactive adjustment which may negatively affect Sierra or any Sierra Subsidiary.

(xii) Sierra may at any time terminate or wind up any of the Employee Plans, in whole or in part, according to the valid terms thereof and the applicable Laws without incurring any liabilities, costs or expenses other than ordinary administrative costs or expenses.

(xiii) All employee data necessary to administer the Employee Plans is in the possession of Sierra and is complete, correct, accurate and in a form which is sufficient for the proper administration of the Employee Plans.

(xiv) Each of the Employee Plans which has or purports to have tax-favoured treatment meets all requirements for tax-favoured treatment in effect and has complied with provisions of the applicable Laws and the administrative practices of the relevant tax authority to the extent it purports to qualify for that treatment.

(xv) Each of the Employee Plans which purports to qualify as a particular type of plan under the Income Tax Act (Canada) or under the Internal Revenue Code (U.S.) meets all requirements for that qualification in effect and has complied with the provisions thereof and the administrative practices of the relevant tax authority applicable to that plan.

(xvi) Sierra does not maintain, sponsor, contribute to or have any liability with respect to (i) an Employee Plan that is subject to Title IV of ERISA or any other defined benefit pension plan or (ii) any “multiemployer plan” (as such term is defined under Section 3(37) of ERISA).

(xvii) Except with respect to the provision of benefits during the severance period for an employee, Sierra has no current or potential obligation to provide post-employment health, life or other welfare benefits other than as required under Section 4980B of the Internal Revenue Code (U.S) or any similar applicable law.

SCHEDULE 3

REPRESENTATIONS AND WARRANTIES OF TRINITY

Trinity hereby represents and warrants to Sierra (and acknowledges that Sierra is relying upon such representations and warranties in connection with entering into this Agreement) as set forth below:

(a) Organization and Qualification. Trinity has been duly incorporated and is validly existing as a company under the laws of the Province of British Columbia and has full corporate power and authority to own its assets and conduct its business as now owned and conducted.

(b) Authority Relative to this Agreement. Trinity has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by Trinity and the consummation by Trinity of the transactions contemplated by this Agreement, including, without limitation, the payment for Sierra Shares thereunder, have been duly authorized by all requisite corporate action on the part of Trinity and no other corporate proceedings on the part of Trinity are necessary to authorize this Agreement and the transactions contemplated hereby, including, without limitation, the payment for Sierra Shares thereunder. This Agreement has been duly executed and delivered by Trinity and constitutes a legal, valid and binding obligation of Trinity, enforceable against Trinity in accordance with its terms, subject to the availability of equitable remedies and the enforcement of creditors' rights generally. The execution and delivery by Trinity of this Agreement and the performance by it of its obligations hereunder, including, without limitation, the payment for Sierra Shares thereunder, will not result in a violation or breach of any provision of its constating documents or any resolutions of its directors and shareholders or a material violation or breach of any applicable Law, or, to its knowledge, any regulation, order, judgment or decree (subject to obtaining the consents referred to below) or any agreement, arrangement or understanding to which Trinity is a party or by which any of Trinity's properties are bound.

(c) Approvals. Other than in connection with a post-closing notice in compliance with the provisions of the Investment Canada Act, no authorization, consent or approval of, or filing with, any public body, court or authority is necessary for the consummation by Trinity of its obligations under this Agreement, including, without limitation, the payment for Sierra Shares thereunder, except for such authorizations, consents, approvals and filings the failure to obtain or make which would not, individually or in the aggregate, prevent or materially delay the consummation of the transactions contemplated by this Agreement.

(d) Actions. There are no Claims, actions, proceedings, suits, investigations or reviews pending or, to the best of the knowledge of Trinity, threatened against Trinity or any of Trinity's properties or assets by or before any domestic or foreign government, court or tribunal or government department, agency or other regulatory authority or administrative agency or commission or any elected or appointed public official or existing facts or conditions which may reasonably be expected, individually or in the aggregate, to be a proper basis for Claims, actions, proceedings, suits, investigations or reviews that, either individually or in the aggregate, could prevent or hinder the consummation of the transactions contemplated hereby, including, without limitation, the payment for Sierra Shares thereunder.

(e) Financing. Trinity has delivered to Sierra true and complete copies of Commitment Letter, dated as of the date hereof (the "Commitment Letter"), pursuant to which the parties thereto have committed, subject to the terms and conditions set forth therein, to provide financing to Trinity in connection with the transactions contemplated hereby. As of the date of this Agreement, the commitments contained in the Commitment Letter have not been withdrawn or rescinded in any respect and the Commitment Letter are in full force and effect.

(f) Compliance with Applicable Laws. To the best of its knowledge, Trinity has complied with all applicable Laws in connection with this Agreement and the transactions contemplated hereby.

SCHEDULE 4

OUTSTANDING RIGHTS TO ACQUIRE SIERRA SHARES UNDER SIERRA SHARE INCENTIVE PLANS

1998 Share Option Plan

See attachment.

Employee Share Benefit Plan

See attachment.

Amended Employee Share Purchase Plan

See attachment.

Amended Employee Share Ownership Plan

See attachment.

ADDITIONAL DETAILS RELATED TO
SIERRA SHARE INCENTIVE PLANS

(ATTACHMENTS REDACTED)

SCHEDULE 5

FORM OF SIERRA ARRANGEMENT RESOLUTION

1. the Arrangement under Section 288 of the *Business Corporations Act* (British Columbia) set forth in the Plan of Arrangement attached as an Appendix to the Information Circular of Sierra Systems Group Inc. ("Sierra") accompanying the Notice of Meeting is authorized and approved;

2. the arrangement agreement between Sierra and Trinity dated October 13, 2006 (the "Arrangement Agreement"), the actions of the directors of Sierra in approving the Arrangement Agreement and the actions of the officers of Sierra in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved;

3. notwithstanding that this resolution has been passed (and the Arrangement adopted) by the shareholders of Sierra or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Sierra are hereby authorized and empowered without further approval of the shareholders of Sierra (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, and (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement; and

4. any one or more of the directors and officers of Sierra are authorized and directed to perform all such acts, deeds and things, and to execute, under the seal of Sierra or otherwise, all such documents and writings, including articles of amalgamation, as may be necessary or desirable to give effect to the Arrangement Agreement, the Plan of Arrangement or this resolution.