

TRANSFER AGENCY AND REGISTRARSHIP AGREEMENT

THIS AGREEMENT made as of the 16th day of August, 2007.

BETWEEN:

Highground Capital Corp.
(the "Corporation") a company incorporated under the laws of the Province of Ontario, having its registered office in the City of Oakville

OF THE FIRST PART

and

OLYMPIA TRANSFER SERVICES INC.,
("Olympia Transfer") a company duly incorporated under the laws of Ontario, having an office in the City of Toronto, Ontario

OF THE SECOND PART

NOW THEREFORE, this Agreement witnesses that, in consideration of the mutual premises and agreements contained herein, the parties hereto covenant and agree as follows:

1. APPOINTMENT OF REGISTRAR

The Corporation hereby appoints Olympia Transfer as of the date of this Agreement (the "effective date") Registrar to keep the register(s) of holders at its principal office in the City of Toronto for the Common shares (the "shares") in the capital of the Corporation. Olympia Transfer hereby accepts such appointment upon the terms and conditions contained herein.

2. APPOINTMENT OF DIVIDEND DISBURSING AGENT

The Corporation hereby appoints Olympia Transfer as Dividend Disbursing Agent to disburse dividends to shareholders of the Corporation, which may be declared from time to time on the shares of the Corporation after receipt by Olympia Transfer of the certified copy of the resolution of the Board of Directors of the Corporation declaring such dividends. The Corporation hereby agrees to deliver to Olympia Transfer, at least one business day before each dividend disbursement date, funds in an amount sufficient for the payment of such dividend. Olympia Transfer hereby accepts such appointment upon the terms and conditions contained herein.

3. REGISTER OF HOLDERS

Subject to any laws and government regulations in force from time to time and to any general or particular written instruction that the Board of Directors of the Corporation may from time to time give Olympia Transfer, Olympia Transfer shall:

- a) maintain the Corporation's register(s) of holders and unissued share certificates;
- b) make such entries from time to time in the register(s) as may be necessary in order that the accounts of each holder be properly and accurately kept;

- c) upon the request of the Corporation and at the Corporation's expense, provide lists, statements, entries, information, material or other reasonable documents concerning transfers and other matters prepared by Olympia Transfer as Registrar of the Corporation;
- d) The Corporation represents and warrants that all shares issued and outstanding as the date of this Agreement are issued as fully paid and non-assessable and that with respect to future allotments and issuances of shares, Olympia Transfer shall issue and regard such shares as fully paid and non-assessable;
- e) In the case of loss, theft or destruction of a share certificate, the holder of such certificate must deliver to Olympia Transfer: (a) evidence satisfactory to Olympia Transfer and the Corporation of the loss, theft or destruction of such certificate; and (b) an indemnity bond satisfactory to Olympia Transfer and the Corporation.

4. SIGNATORIES

The Corporation shall deliver any appointment of signatories and specimen signatures of the Directors and/or Officers authorized to sign share certificates and other documents which may be required from time to time by Olympia Transfer. Until notified in writing by the Corporation, Olympia Transfer may assume the signatures of the Officers of the Corporation on share certificates delivered to Olympia Transfer by or on behalf of the Corporation are the signatures of Officers authorized to sign certificates for shares.

The Corporation undertakes to provide Olympia Transfer with all possible assistance in identifying the signatures of shareholders so that Olympia Transfer may be in a position to guard against illegal transfers.

Olympia Transfer may act upon any signature, certificate or other document believed by it to be genuine and to have been signed by the proper person or person(s) and in so doing Olympia Transfer shall be held harmless by the Corporation from all liability and expense if Olympia Transfer acted in good faith.

5. ADVICE OF COUNSEL AND ADVISORS

Olympia Transfer is hereby authorized, at its discretion and at the expense of the Corporation:

- a) to refer all documents or requests relating to any transfers to the Corporation's legal department and at its discretion to either the Corporation's solicitors or to the solicitors for Olympia Transfer for direction and advice and Olympia Transfer, in so doing, shall be held harmless from any liability for any action taken by it in accordance with such instructions or advice. Olympia Transfer may however, pass on any documents which appear to it to be in order, and in such cases shall be held harmless by the Corporation from any liability and expense if Olympia Transfer acted in good faith; and
- b) to employ such counsel, consultants, experts, advisors or agents as it may reasonably require for the purpose of discharging its duties hereunder and shall not be responsible for the negligent actions or misconduct of such parties.

6. SUB-AGENTS

The Corporation acknowledges and agrees that Olympia may, notwithstanding any other provision of this Agreement, appoint one or more agents ("sub-agents") to maintain branch register(s).

7. LIMIT OF LIABILITY

The transfer of any shares in respect of a share certificate presented to Olympia Transfer may be refused by it until such time as it is satisfied that such share certificate is valid, that the endorsement thereon is genuine and that the transfer requested is properly and legally authorized. Olympia Transfer shall not incur any liability in refusing in good faith to effect any transfer which in its judgment is improper or unauthorized, or in carrying out in good faith any transfer which in its judgment is proper or authorized. Olympia Transfer shall be entitled to treat as valid any certificate for shares purporting to have been issued by or on behalf of the Corporation prior to the date of this Agreement.

Olympia Transfer shall be fully protected and held harmless by the Corporation in all cases where Olympia Transfer has acted in accordance with the Corporation's instructions.

Provided Olympia Transfer has acted in good faith and without negligence, the Corporation shall and does hereby indemnify and save harmless Olympia Transfer, its directors, officers, employees, agents and assigns (the "Indemnified Parties") from and against any and all liabilities, losses, claims, damages, penalties, actions, suits, demands, costs, expenses and disbursements including legal and advisor fees and disbursements of whatever kind and nature which may at any time be imposed on, incurred by or asserted against Olympia Transfer howsoever arising from or out of any act or omission of Olympia Transfer pursuant to or in relation to this Agreement whether or not such act or omission arises from the exercise of the judgement of Olympia Transfer, any applicable legislation, regulation or order, or the reliance by Olympia Transfer or instructions or advice given to Olympia Transfer by the Corporation or instructions or advice of counsel for the Corporation or its own independent legal counsel or other advisor. The indemnity shall survive removal or resignation of Olympia Transfer and termination of this Agreement.

The Corporation agrees that its liability hereunder shall be absolute and unconditional regardless of the correctness of any representations of any third parties and regardless of any liability of third parties to the Indemnified Parties, and shall accrue and become enforceable without prior demand or any other precedent action or proceeding.

Olympia Transfer shall be under no obligation to prosecute or defend any action or suit in respect of its agency relationship under this Agreement, but will do so at the request of the Corporation provided that the Corporation furnishes indemnity satisfactory to Olympia Transfer against any liability, cost or expense which might be incurred.

Olympia Transfer shall not be liable for any error in judgment or for any act done or step taken or omitted by it in good faith or for any mistake, of fact or law, or for anything which it may do or refrain from doing in connection herewith except arising out of its bad faith or willful misconduct.

In the event Olympia Transfer is in breach of this Agreement or its duties hereunder or any agreement or duties relating to any other services that Olympia Transfer may provide to the Corporation in connection with or in any way relating to this Agreement or Olympia Transfer's duties hereunder, Olympia Transfer shall not be liable for any claims or damages of any kind or nature whatsoever, even in the event of Olympia Transfer's negligence, except to the extent that Olympia Transfer has acted in bad faith or willful misconduct.

8. PROTECTION OF REGISTRAR

Olympia Transfer shall:

- a) retain the right not to act and shall not be liable for refusing to act unless it has received clear documentation. Such documentation must not require the exercise of any discretion or independent judgment;

- b) if any funds are received by it in the form of uncertified cheques, be entitled to delay the time for release of such funds until such uncertified cheques shall be determined to have cleared the financial institution upon which the same are drawn;
- c) incur no liability with respect to the delivery or non-delivery of any share certificate whether delivered by hand, mail or other means; and

9. DOCUMENTS

The Corporation agrees that it will promptly furnish to Olympia Transfer from time to time:

- a) copies of all constating documents and by-laws of the Corporation;
- b) copies of all resolutions of the Board of Directors of the Corporation allotting or providing for the issue of shares;
- c) that number of unissued share certificates as are reasonably requested;
- d) any and all documents and proceedings relating to increases and reductions in the Corporation's capital, the reorganization of or change in its capital or the bankruptcy or winding-up of the Corporation or the surrender of its charter; and
- e) any and all documents relating to the Corporation's business affairs.

10. CUSTODY

All share certificates surrendered to Olympia Transfer for cancellation shall be held by it for a period of ten years. Olympia Transfer shall not be required to hold such share certificates after the expiry of such period and the Corporation agrees to instruct Olympia Transfer from time to time as to the disposal to be made of them.

11. ASSIGNMENT

This Agreement may be assigned by Olympia Transfer without notice to another registrar if the latter is either a related party of Olympia Transfer or a successor in title to Olympia Transfer. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their successors and assigns.

12. NOTICES

Any notice or notification to be given by one party to this Agreement to the other party to this Agreement shall be in writing and delivered by hand or sent by first class mail, courier, or by facsimile transmission and shall be delivered to the following address:

If to the Corporation:

Highground Capital Corp.
2020 Winston Park Drive, Suite 100
Oakville, Ontario
L6H 6X7.
Attention: Mr. Greg Owttrim
Facsimile: 905 287-5599

and to the following address if to Olympia Transfer:

Olympia Transfer Services Inc.
Suite 920, 120 Adelaide Street West
Toronto, Ontario
M5H 1T1
Attention: Vice-President, Eastern Operations
Facsimile: 416-364-1827

or to such other address as the party to whom such notice or communication is to be given shall have last designated to the party giving the same in the manner specified herein. Any such notice or communication shall be deemed to have been given and received on the business day after it is so delivered or sent.

13. FEES AND EXPENSES

The Corporation shall pay Olympia Transfer for its services in accordance with the existing tariff or schedule of fees, which fees are subject to revision from time to time during the term of this Agreement and shall reimburse Olympia Transfer for all costs and expenses, including the fees, disbursements and expenses of any sub-agents, advisors and legal counsel, if applicable, incurred for the carrying out of its duties hereunder. The current rates are shown on the accompanying Schedule "A". Without limiting the generality of the foregoing and notwithstanding any other provision of this Agreement or of any tariff or schedule of fees, the Corporation agrees to pay Olympia Transfer such additional compensation, costs and expenses as are agreed between the parties to be warranted by any additional time, effort and/or responsibility incurred or expended by Olympia Transfer in order to comply with any laws it may be subject to as Registrar.

Any amount due under this section and unpaid 30 days after request for such payment will bear interest from the expiration of such period at a rate per annum equal to the then current rate charged by Olympia Transfer, payable on demand. All amounts so payable and the interest thereon will be payable out of any assets in the possession of Olympia Transfer in priority to amounts owing to any other persons.

The Corporation shall consider the fees of Olympia Transfer to be confidential information to the extent that such fees are not represented by a published schedule, and shall not disclose such fees to a third party without Olympia Transfer's consent.

14. FURTHER ASSURANCES AND CO-OPERATION

The parties hereto shall with reasonable diligence do all such things and provide all such reasonable assurances and execute all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement. The parties further acknowledge that the implementation of this Agreement will require the co-operation and assistance of each of them.

15. TERMINATION

Olympia Transfer shall deliver over to the Corporation the said books and shareholders records and any documents and papers connected therewith or with the business of the Corporation transacted hereunder, upon termination of this Agreement and after full execution by the Corporation of all its obligations in accordance with the terms and conditions of this Agreement, including the payment of all fees owed. A receipt signed by the President or Vice President or Secretary of the Corporation shall be a valid discharge to Olympia Transfer.

In the event the Corporation defaults in its payment obligations to Olympia Transfer in accordance with the fees set out in Schedule "A", as amended from time to time, within forty-five (45) days following the end of each month, Olympia Transfer shall have the right to immediately terminate this Agreement, subject to Olympia Transfer's rights and recourses under the Agreement.


Olympia Transfer shall be entitled in addition to the above remedies to any other rights and recourses it may have against the Corporation.

This Agreement may be terminated by either the Corporation or Olympia Transfer upon three months' notice, in writing, being given to the other.

This Agreement shall be governed by the laws of the Province of Ontario.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the effective date.

HIGHGROUND CAPITAL CORP.

per: 
Signature

Jeff Norman, President
Name & Title

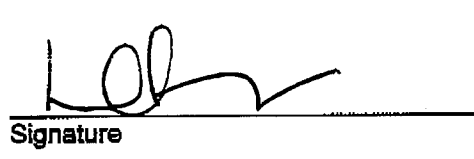
per: 
Signature

Greg Owtrim, Executive Vice President
Name & Title

OLYMPIA TRANSFER SERVICES INC.

per: 
Signature

Richard Barnowski, Vice President
Name & Title

per: 
Signature

Lisa Clarkin, Account Manager
Name & Title