

**PATENT ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	ASSIGNMENT
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
CAE MACHINERY LTD	12/15/2004
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	CARMANAH DESIGN AND MANUFACTURING, INC.
<b>Street Address:</b>	3550 Lougheed Highway
<b>City:</b>	Vancouver
<b>State/Country:</b>	CANADA
<b>Postal Code:</b>	V5M 2A3
<b>PROPERTY NUMBERS Total: 1</b>	
<b>Property Type</b>	<b>Number</b>
Application Number:	10194696
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	(310)824-9696
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
<b>Phone:</b>	310 824-5555
<b>Email:</b>	docketla@fulpat.com
<b>Correspondent Name:</b>	Samuel L. Alberstadt
<b>Address Line 1:</b>	6060 Center Drive, Tenth Floor
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<b>NAME OF SUBMITTER:</b>	Samuel L. Alberstadt
<b>Total Attachments: 4</b>	
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## PATENTS ASSIGNMENT AGREEMENT

This Patents Assignment Agreement is dated as of December 15, 2004

BETWEEN:

CAE MACHINERY LTD., having its principal place of business at 8585 Côte-de-Liesse Road, St-Laurent, Quebec, H4T 1G6;

(hereinafter referred to as "Assignor")

AND:

CARMANAH DESIGN AND MANUFACTURING INC., having its principal place of business at 3550 Lougheed Highway, Vancouver, BC, V5M 2A3;

(hereinafter referred to as "Assignee")

WHEREAS, on April 1, 2002, the Assignor has entered into an Asset Transfer Agreement with CAE Wood Products G.P. (the "Partnership") pursuant to which the Assignor has agreed, *inter alia*, to assign and transfer to the Partnership, all of its assets and liabilities relating to the business relating to the production and supply of stranders, flakers and panel MSR machines, being the equipment used in the production of oriented strand board (OSB) and other wood-based composites, the production and supply of chippers and debarking equipment, the supply of related equipment, parts and the servicing and repair of such equipment, and the repairing and servicing of machinery used in the pulp manufacturing process (the "Business");

WHEREAS CAE Inc., the Partnership and the Assignee have entered into an Asset Purchase Agreement dated May 2, 2003 pursuant to which the Partnership has agreed to assign and transfer to the Assignee, all of its assets and liabilities relating to the Business.

In consideration of ONE DOLLAR (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties agree as follows:

1. **Assignment:** The Assignor hereby sells, conveys, transfers, assigns and delivers to the Assignee Assignor's rights, title and interest in and to the Patent and Patent applications described in Schedule 1 (the "Patents").
2. **Registration:** The Assignor hereby authorizes the issuance of any and all registrations for the Patents to the Assignee.
3. **Execution of documents:** The Assignor hereby covenants and agrees, without further consideration, to do all such lawful acts and things and to execute such further lawful assignments, documents, assurances, applications and other instruments as reasonably may be required by the Assignee to obtain any and all registrations for the Patents and to vest the same in the Assignee.

4. **Further Assurances:** The parties agree (a) to furnish upon request to each other such further information, (b) to execute and deliver to each other such other documents, and (c) to do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to thereto.
5. **Counterparts:** This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

CAE MACHINERY LTD.

CARMANAH DESIGN AND  
MANUFACTURING INC.

By: *Heutland Paterson*  
Name: HARTLAND PATERSON  
Title: SECRETARY

By: *Pat Amel*  
Name:  
Title

SCHEDULE 1

PATENTS

Patent Name	Country	Application/Registered Number	Registered Owner
Apparatus and Method for Loading of Logs	Canada	2143582	CAEL
Apparatus/Method Loading Logs	USA	5392829	CAEL
Brown Patent-Wood Press	USA	4976905	CAEL
CAE 37/118 Strap Clamp	USA	5240236	CAEL
CAE 37/118 Strap Clamp	UK	2249752	CAEL
Knife Clamping System	Canada	2196564	CAEL
Knife Projection Sensing System	USA	6142046	CAEL
Knife Projection Sensing System	USA	6237455	CAEL
Knife Projection Sensing System	Canada	2211332	CAEL
Long log Waferizer may be invalidated based on prior art.	USA	4865094	CAEL
Method and Apparatus for Removing Blade ring in a Ring Flaker	Canada	2110867	CAEL
Panel MSR	Canada	2303458	CAEL
Panel MSR	European	303032.7/1046895	CAEL
Panel MSR	Austria	303032.7/1046895	CAEL
Panel MSR	Belgium	303032.7/1046895	CAEL
Panel MSR	Czech Rep.	PV2000-1364	CAEL
Panel MSR	Finland	303032.7/1046895	CAEL
Panel MSR	France	303032.7/1046895	CAEL
Panel MSR	Germany	303032.7/1046895	CAEL
Panel MSR	Italy	303032.7/1046895	CAEL
Panel MSR	Portugal	303032.7/1046895	CAEL
Panel MSR	Poland	P339642	CAEL
Panel MSR	Spain	303032.7/1046895	CAEL
Panel MSR	Turkey	2000/01034	CAEL
Panel MSR	USA	09/296939	CAEL
Panel Testing Apparatus and Method	Canada	2303458	CAEL
Pivoting Knife Clamp	Canada	2255427	CAEL
Pivoting Knife Clamp	USA	5996655	CAEL
Method And Apparatus for Removing Blade Ring in a Ring Flaker	USA	5313696	CAEL
Strap Clamp	Canada	2051526	CAEL
Uniform Knife Clamping System	Austria	ATE164543 II	CAEL
Uniform Knife Clamping System	Australia	684213	CAEL
Uniform Knife Clamping System	Brazil	9508536-0	CAEL
Uniform Knife Clamping System	China	68240	CAEL

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Patent Name	Country	Applicant's Registration Number	Registered Owner
Uniform Knife Clamping System	Czech	287331	CAEL
Uniform Knife Clamping System	Europe	EP 0 775043 B1	CAEL
Uniform Knife Clamping System	Finland	106002	CAEL
Uniform Knife Clamping System	France	95963609	CAEL
Uniform Knife Clamping System	Germany	695 01 961.9-08	CAEL
Uniform Knife Clamping System	Japan	3180913	CAEL
Uniform Knife Clamping System	New Zealand	290100	CAEL
Uniform Knife Clamping System	Poland	179501	CAEL
Uniform Knife Clamping System	Romania	97/00258	CAEL
Uniform Knife Clamping System	Russia	P2118253	CAEL
Uniform Knife Clamping System	Slovak Rep.	280,547	CAEL
Uniform Knife Clamping System	UK	95926360.9	CAEL
Uniform Knife Clamping System	Ukraine	32599	CAEL
Uniform Knife Clamping System	USA	5485873	CAEL
Uniform Knife Clamping System	Canada	2198564	CAEL
Wood Aligning and Orienting Conveyor	Canada	2318676	CAEL
Wood Aligning/Conveyor	USA	09/514239	CAEL
Wood Flaking Apparatus	Canada	1286955	CAEL
Wood Flaking Apparatus	USA	4685497	CAEL
Wood Flaking Apparatus	Germany	F31-23-722.3	CAEL
Retractable Debarking Apparatus	Canada	2427408	CAE Wood Products G.P.
Retractable Debarking Apparatus	USA	10/241358	CAE Wood Products G.P.
Apparatus for Debarking Logs With Movable Debarking Surface for Varying Rate of Debarking	Canada	2427050	CAE Wood Products G.P.
Apparatus for debarking Logs with moveable debarking surface for Varying Rate of Debarking	USA	10/194599	CAE Wood Products G.P.
Apparatus for Debarking Logs with Reversible Rotation for Varying the Rate of Debarking	Canada	2427187	CAE Wood Products G.P.
Apparatus for Debarking Logs with Reversible Rotation for Varying the Rate of Debarking	United States	10/194696	CAE Wood Products G.P.

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