EXHIBIT A

KEG FRANCHISE U.S., INC. FRANCHISE OFFERING CIRCULAR

DEVELOPMENT AGREEMENT

KEG FRANCHISE U.S., INC.

RESTAURANT DEVELOPMENT AGREEMENT

THIS AGRE	EMENT is made as of
BETWEEN:	
	KEG FRANCHISE U.S., INC., a Nevada corporation
	(the "Franchisor")
AND:	
	(the "Developer")
AND:	
	(each, a "Developer Principal")
franchised r	the Developer desires to acquire the right to develop and operate a Keg estaurant in and the Franchisor has agreed to grant such right, to the terms of this Agreement.
covenants h	REFORE, in consideration of the premises and of the mutual promises and serein expressed and for other good and valuable consideration, the receipt acy of which is hereby acknowledged, the parties hereby agree as follows:
	ARTICLE I
	INTERPRETATION
1.1 Defin	nitions
For purpose	es of this Agreement:
"Deposit"	nas the meaning set out in Section 3.1;
"Developm	ent Term" has the meaning set out in Section 5.1;

"Franchise Agreement" means a franchise agreement in the form attached as

Schedule "A" to this Agreement with such amendments as the Franchisor may require

in connection with the operation of the Franchised Restaurant at the Franchised Location;

"Franchised Location" means those premises legally described as _____;

"Franchised Restaurant" means the restaurant at the Franchised Location to be owned and operated by the Developer pursuant to a Franchise Agreement;

"Franchisor's Expenses" means:

- (a) All expenses incurred by the Franchisor in connection with conceptual drawings for the Franchised Restaurant described in Section 4.2(a) and the review of the Developer's plans as described in Section 4.2(c), including the cost of the architect, designer and other persons employed by or engaged by the Franchisor to prepare the conceptual drawings;
- (b) All expenses incurred by the Franchisor in connection with the inspection of the Franchised Restaurant by a representative of the Franchisor during construction to ensure that construction is in accordance with the conceptual drawings;
- (c) All expenses incurred by the Franchisor in connection with the training of the Developer's Franchised Restaurant staff prior to opening of the Franchised Restaurant to the public;
- (d) All legal expenses and disbursements incurred by the Franchisor in connection with the preparation of this Development Agreement, the Franchise Agreement and other documents contemplated by this Agreement and otherwise in connection with the grant of the Franchise Agreement and development of the Franchised Restaurant; and
- (f) All other expenses incurred by the Franchisor in connection with the development and opening to the public of the Franchised Restaurant;

PROVIDED that the term "expenses" as used in this definition includes salaries, wages and benefits of the Franchisor's employees (but excluding senior management of the Franchisor) who provide assistance on behalf of the Franchisor pursuant to this Agreement or otherwise in connection with the development and opening of the Franchised Restaurant, the expenses incurred by the Franchisor to engage other persons to provide such assistance, and the out-of-pocket expenses incurred by the Franchisor or such other persons;

"Keg Franchise" means a franchise granted by the Franchisor for the operation of a restaurant using the System and the Trade Marks and Trade Names and selling Keg Food Products to the public;

"L	andlord"	means	•	and

"Person" includes an individual, executor, administrator, partnership, unincorporated association, firm, trustee, organization, syndication, corporation or other legal person or personal representative.

1.2 General

- (1) The division of this Agreement into Articles, Sections, Subsections and paragraphs and the insertion of headings is for the convenience of reference only and will not affect the construction or interpretation of this Agreement.
- (2) In this Agreement, all reference to the singular will be construed to include the plural, the masculine to include the feminine and neuter gender, and where necessary a body corporate, when the context so admits.
- (3) Capitalized terms not otherwise defined will have the meaning set out in the Franchise Agreement.

ARTICLE II

GRANT OF FRANCHISE DEVELOPMENT RIGHTS

2.1 Grant of Rights

The Franchisor hereby grants to the Developer, subject to the terms of this Agreement, the right, and the Developer undertakes the obligation, under the terms and conditions of this Agreement, to develop and construct a Franchised Restaurant at the Franchised Location. The Developer acknowledges and agrees that nothing in this Agreement constitutes a right of the Developer to use the Trade Marks and Trade Names or the System in connection with the operation of a restaurant selling Keg Food Products to the public and that such right will be contained in the Franchise Agreement if a Franchise Agreement is entered into pursuant to this Agreement.

ARTICLE III

PAYMENTS

3.1 Deposit

The Developer will pay to the Franchisor, upon execution of this Agreement by the Parties, the sum of Fifty Thousand Dollars (US\$50,000) plus applicable taxes (the "Deposit"). The Deposit will be held by the Franchisor and applied as follows:

- (a) upon execution of the Franchise Agreement by the parties thereto the Deposit will be applied to the Initial Franchise Fee and any applicable taxes with respect thereto; or
- (b) upon termination of this Agreement pursuant to Section 5.1(b) the Franchisor will refund the Deposit to the Developer, less the Franchisor's

Expenses (up to but not exceeding Twenty-five Thousand Dollars (US\$25,000)) and the Franchisor will be entitled to retain the amount so withheld in respect of the Franchisor's Expenses.

ARTICLE IV

FRANCHISED LOCATION

4.1 Selection of Franchised Location

The Developer acknowledges that it is solely responsible for selecting the Franchised Location as the location for the Franchised Restaurant, and that the Franchisor has not made any representation, warranty or claim concerning the Franchised Location as a location for the Franchised Restaurant.

4.2 Franchised Restaurant

The Franchised Restaurant will be constructed in the following manner:

- (a) Within ten (10) days of the date of this Agreement, the Franchisor will provide to the Developer:
 - (i) one set of the current plans and specifications for an example of a restaurant licensed to use the System, the Trade Marks and Trade Names, including all requirements for dimensions, design, interior layout, building materials, equipment, signs, and colour scheme; and
 - (ii) (ii) one set of the current plans and specifications for an example of the design, manufacture, layout and installation of the equipment required for a restaurant licensed to use the System, the Trade Marks and Trade Names.
- (b) Within ten (10) days of the date of this Agreement, the Developer will submit to the Franchisor such plans, specifications, information and materials as the Franchisor may reasonably require regarding the building to be erected at the Franchised Location which will house the Franchised Restaurant.
- (c) Within ten (10) days of the exchange of documents and materials pursuant to Section 4.2(a) and (b), the Franchisor and the Developer will review the documents submitted to the other and agree in writing upon the location of the Franchised Restaurant at the Franchised Location.
- (d) Within thirty (30) days after the exchange of documents and materials pursuant to Section 4.2(a) and (b), the Developer will engage a reputable architect, engineer and contractor who have each been approved in writing by the Franchisor, and who will be instructed to adapt and modify the materials delivered pursuant to Section 4.2(a) and (b) in order to create a set of

specifications, plans, and working drawings for the Franchised Restaurant which the Developer will submit to the Franchisor for the Franchisor's written approval.

- (e) Following approval by the Franchisor of the specifications, plans and working drawings pursuant to Section 4.2(d) the Developer will at its sole cost and expense:
 - (i) complete the development, outfitting and decoration of the Franchised Restaurant in compliance with the plans, specifications and working drawings approved in writing by the Franchisor;
 - obtain restaurant, building, utility, signage, health, sanitation, business and other required permits, licences and authorizations including, without limitation, a licence issued under the relevant provincial liquor control legislation entitling the Developer to sell from the Franchised Restaurant all alcoholic beverages which are permitted under the terms of such legislation to be sold for human consumption;
 - (iii) identify for the Franchisor's approval the principal suppliers for the furniture, fixtures, equipment and supplies for the Franchised Restaurant;
 - (iv) purchase such opening inventory and hire such employees as the Franchisor determines to be necessary to commence operation of the Franchised Restaurant;
 - (v) employ a General Manager for the Franchised Restaurant, subject to the Franchisor's prior written approval; and
 - (vi) cause the Franchisor's General Manager, chef and other management personnel to attend, at the Developer's expense, the Franchisor's training program at a location to be mutually agreed upon by the Franchisor and the Developer; and
 - (vii) in connection with the opening of the Franchised Restaurant, conduct such grand opening advertising, promotional, publicity and public relations activities as the Franchisor may reasonably require.
- (f) The Developer acknowledges and agrees that:
 - (i) it will contract only with suppliers first approved in writing by the Franchisor for the furniture, fixtures, equipment and supplies necessary for the operation of the Franchised Restaurant;
 - (ii) all copies of plans and specifications delivered to the Developer pursuant to this Section 4.2 will be and remain the property of the Franchisor; and
 - (iii) any plans and specifications prepared by the Developer and submitted to the Franchisor may be distributed by the Franchisor to other franchisees

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(present or future) of the Franchisor, or may be used by the Franchisor in connection with the Franchisor's restaurants.

(g) The Franchisor will at all times have the right to enter upon the premises of the Franchised Restaurant to inspect the development thereof. The Franchisor will make itself available at reasonable times to provide approvals and discuss the development, outfitting and decoration of the Franchised Restaurant. The Franchisor will provide guidance with respect to the grand opening of the Franchised Restaurant and may, at the sole cost and expense of the Franchisee, obtain the appropriate services and purchase the necessary materials to assist the Franchisee in planning and conducting grand opening advertising, promotional, publicity and public relations activities. The Franchisee shall bear all out-of-pocket costs in connection with the Franchisor's representatives or employees attending the Franchised Restaurant in connection with such services including, without limiting the generality of the foregoing, transportation, food and lodging expenses of such representatives or employees.

4.3 Lease of Premises

The Developer will lease the Franchised Restaurant premises from the Landlord pursuant to the terms of a lease to be entered into prior to or coincidentally with the execution of the Franchise Agreement by the Franchisor and the Developer. The Developer will not enter into any lease of the Franchised Restaurant premises, nor will the Developer modify or terminate the lease, unless it has first submitted the proposed lease, modification or termination to the Franchisor and the Franchisor has given its written approval of the terms and conditions thereof. Without limiting the discretion of the Franchisor with respect to its approval, the Franchisor may at its option require the following terms to apply to the lease:

- (a) The Franchisor, or such other person as named by the Franchisor, may, at the option of the Franchisor, enter into the lease and the Developer will, with the consent, if required, of the landlord, sub-lease the premises from the Franchisor or other such person;
- (b) The lease (or, at the option of the Franchisor, a form of agreement among the Developer, the Franchisor and the Landlord) will expressly provide that in the event the Landlord claims any breach or default by the Developer thereunder the Landlord will notify the Franchisor, or such other person as may be named by the Franchisor, in writing and the Franchisor or such other person as may be named by the Franchisor will thereafter have thirty (30) days within which to correct such breach or default and the Landlord will not during such time take any action to terminate the lease or re-enter the premises or seize any property of the Developer and the Landlord will accept performance by the Franchisor, or such other person as may be named by the Franchisor, of any covenant, condition or agreement on the Developer's part to be performed under the terms of the lease as if performed by the Developer;

- (c) The lease (or such other form of agreement) will expressly permit the assignment of the lease by the Developer to the Franchisor, or such other person as may be named by the Franchisor, and in this connection the Developer will irrevocably appoint the Franchisor its attorney in fact to execute and deliver an assignment of the lease to the Franchisor or to such other person as may be named by the Franchisor upon termination of the Franchise Agreement together with such other documents and instruments necessary or appropriate in connection therewith and such assignment and such other documents and instruments will be in such form as the Franchisor or its solicitors may require; and
- (d) The lease (or such other form of agreement) will expressly provide that in the event there is any default by the Developer which in the opinion of the Franchisor is not by its nature capable of being cured by the Franchisor, the Landlord will grant to the Franchisor, or to such other person as may be named by the Franchisor, at its request a new lease of the premises on the same terms and conditions as those contained in the original lease for the balance of the stated term and any renewal periods.

4.4 Consultation, Training and Assistance

In addition to the services provided by the Franchisor under Section 4.2, during the term of this Agreement the Franchisor shall provide to the Franchisee the following services:

- (a) subject to Section 4.1, assistance in selecting a site for the Franchised Location;
- (b) assistance in recruiting and training initial personnel;
- (c) assistance in lease negotiation for the Franchised Location; assistance in lease negotiation for the Franchised Location;
- (d) assistance in initial advertising;
- (e) an opening crew consisting of at least twelve (12) employees of the Franchisor for at least a period of one (1) week prior to opening and one (1) week after opening the Franchised Restaurant to the public (being a minimum total of fourteen (14) days), provided however that the Franchisor may, in its sole discretion, increase the number of employees in the opening crew or the number of days of assistance, taking into consideration various factors including, without limitation, the market area and the experience of the Franchisee and its employees;

provided that the Franchisee shall reimburse the Franchisor for all out-of-pocket costs incurred by the Franchisor in connection with the Franchisor's representatives or employees attending the Franchised Restaurant in connection with the provision of such services including, without limiting the generality of the foregoing, transportation, food and lodging expenses of such representatives or employees. The Franchisee shall reimburse the Franchisor for any such costs within three (3) days of presentation by the Franchisor to the Franchisee of an invoice in respect of such costs. If the parties enter

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into the Franchise Agreement pursuant to Section 4.6, the obligation of the Franchisor to provide an opening crew to the Franchisee for a period of at least one (1) week following the opening the Franchised Restaurant to the public pursuant to Paragraph 4.4 (e) shall survive the expiration of this Agreement.

4.5 Non-Disturbance Agreements

Prior to or coincidentally with the execution of the Franchise Agreement by the Franchisor and the Developer, the Developer will obtain from any mortgagees of the Landlord whose mortgages include the Franchised Location, non-disturbance or priority agreements in favour of the Developer and the Franchisor, in such form as is reasonably required by the Franchisor.

4.6 The Franchise Agreement

The Franchisor will enter into a Franchise Agreement with the Developer immediately prior to the opening of the Franchised Restaurant to the public, subject to:

- (a) The Franchisor notifying the Developer in writing that the Franchisor approves the design and specifications for the Franchised Restaurant pursuant to Section 4.2(d);
- (b) The General Manager, chef and management personnel of the Franchisee satisfactorily completing Keg's training program pursuant to Section 4.2(e)(vi);
- (c) The Franchisor approving in writing the General Manager of the Franchised Restaurant pursuant to Section 4.2(e)(v);
- (d) The Franchisor approving in writing the principal suppliers to the Franchised Restaurant pursuant to Section 4.2(e)(iii);
- (e) The Developer performing all of its obligations under this Agreement; and
- (f) The Developer entering into the Franchise Agreement as Franchisee and each Developer Principal entering into the agreement as a joint and several guarantor.

ARTICLE V

TERM AND TERMINATION

5.1 Term

The term of this Agreement (the "Development Term") will commence on the date of this Agreement (the "Effective Date") and will expire, unless earlier terminated pursuant to the provisions hereof, on the earlier of:

(a) The date upon which the Franchisor and the Developer enter into a Franchise Agreement pursuant to the provisions of Section 4.6; and

(b) _____, in the event that the Franchisor and the Developer have not, for any reason whatsoever, entered into a Franchise Agreement by such date.

5.2 Developer's Obligations

Upon expiry of this Agreement pursuant to Section 5.1(b) or upon earlier termination of this Agreement for any reason, then within thirty (30) days after the date of such expiration or early termination, the Developer will, at its expense:

- (a) alter, modify and change both the exterior and interior appearance of the building and the Franchised Location so that it will be clearly distinguished from the standard appearance of a Franchised Restaurant; at a minimum, such changes and modifications to the Franchised Location will include: repainting and, where applicable, recovering both the exterior and interior walls of the Franchised Location with totally different colors, including removing any distinctive trade dress, the Trade Marks and Trade Names, colors, designs and panelling from the walls; removing all furniture, fixtures and decor items associated with a Franchised Restaurant and replacing them with other decor items not of the general type and appearance customarily used in a Franchised Restaurant; removing all exterior and interior signs; and immediately discontinuing use of the approved wall decor items and window decals, and refraining from using any items which may be confusingly similar to those used in a Franchised Restaurant; and
- (b) return to the Franchisor all copies of operating manuals, marketing and advertising materials and any other documents that bear any of the Trade Marks and Trade Names described in the Franchise Agreement or which otherwise are unique to the operation of a restaurant as a Franchised Restaurant.

ARTICLE VI

ASSIGNMENT

6.1 Assignment by Franchisor

The Franchisor may assign, transfer, mortgage, pledge, charge or otherwise encumber this Agreement or any or all of its rights or obligations under this Agreement, and in any such event the Franchisor will be released from any liability under this Agreement for the obligations assigned or transferred, except to the extent such obligations relate to periods prior to such transfer.

6.2 Assignment by Developer

This Agreement, and the rights and obligations of the Developer hereunder, may not be assigned by the Developer without the prior written consent of the Franchisor, which consent may be withheld by the Franchisor for any reason whatsoever.

ARTICLE VII

GENERAL

7.1 Confidentiality and Non-Disclosure

The Developer and each Developer Principal represents and warrants to the Franchisor that the Developer Principals are the only officers, directors and owners, directly or indirectly, of the Developer, and the Developer and each Developer Principal agrees to be bound by the provisions of Section 12.1 of the Franchise Agreement (as though the Developer and the Developer Principals were named as Franchisee therein) and the provisions of Section 12.1 and related definitions are incorporated by reference in this Agreement. For greater certainty, any references in Section 12.1 of the Franchise Agreement to "this Agreement" shall be construed to mean "this Restaurant Development Agreement" and any references therein to "the Term" or "the Restaurant" shall be construed to mean the Development Term and the Franchised Restaurant respectively. The provisions of this Section 7.1 will survive the termination of this Agreement.

7.2 Independent Contractor

. The Franchisee acknowledges and agrees that the Franchisee is not an agent or employee of the Franchisor but is an independent contractor completely separate from the Franchisor and that it has no authority to bind or attempt to bind the Franchisor in any way or to assume or incur any obligations or responsibility, express, implied or collateral, for or on behalf of, or in the name of the Franchisor. This Agreement will not be construed so as to constitute the Franchisee a partner, joint venturer, agent, employee or representative of the Franchisor for any purpose whatsoever nor shall the relationship between the Franchisor and the Franchisee be construed as or constitute one of a trust or fiduciary nature. The Franchisee shall use its own name in obtaining or executing contracts or making purchases so that the transaction shall clearly indicate that the Franchisee is acting on its own behalf and not for the Franchisor.

7.3 No Liability

Developer understands and agrees that nothing in this Agreement authorizes the Developer to make any contract, agreement, warranty or representation on the Franchisor's behalf, or to incur any debt or other obligation in the Franchisor's name; and that the Franchisor will in no event assume liability for, or be deemed liable as a result of, any such action, or by reason of any act or omission of the Developer or any claim or judgment arising therefrom.

7.4 Indemnification

The Developer will indemnify and hold the Franchisor and the Franchisor's Affiliates, and their respective officers, directors, shareholders, agents, and employees harmless against any and all such claims arising directly or indirectly from, as a result of, or in connection with the Developer's activities hereunder. In the event that the Franchisor or

any of the Franchisor's Affiliates or any of such other persons is made or becomes a party to any suit by reason of or as a result of any act or omission by the Developer or its employees or agents, the Developer will pay all costs and expenses, including legal fees, and assume all liability incurred by or imposed on the Franchisor, the Franchisor's Affiliates or any of such other persons by or in connection with such litigation. The provisions of this Section 7.4 will survive the termination of this Agreement.

7.5 No Waiver

- (a) No waiver by any party hereto of any breach or series of breaches of any of the terms, covenants or conditions of this Agreement will constitute a waiver of any subsequent or continuing breach of such terms, covenants, or conditions. The failure of any party hereto to assert any claim in timely fashion for any of its rights or remedies under this Agreement shall not be construed as a waiver of any subsequent breach and will not serve to modify, alter or restrict any such party's right to assert any claim for a subsequent breach at any time thereafter.
- (b) No waiver by the Franchisor of any breach or series of breaches of any provision under an agreement with any other franchisee of the Franchisor, will constitute a waiver of any breach of any provision by the Franchisee under this Agreement. The failure of the Franchisor to assert any claim in timely fashion for any of its rights or remedies under an agreement with any other franchisee of the Franchisor, will not be construed as a waiver of any breach of any provision under this Agreement and will not serve to modify, alter or restrict any right of the Franchisor to assert any claim for a breach under this Agreement at any time thereafter.

7.6 Notices

Any notice, consent, approval or other communication (a "Notice") required or permitted to be given hereunder shall only be duly and properly given if given in writing, and if delivered by hand, sent by registered mail postage prepaid, or transmitted by telex, telecopier (facsimile) or telegram, addressed as set out below, or such other address as any party shall specify by written Notice so given, and shall be deemed to have been received as of the date delivered by hand, or if sent by telex, telecopier or telegram then twenty-four (24) hours after such transmittal, or if mailed then on the close of business of the Business Day next following the mailing thereof. In the event of disruptions in the postal system, all communications shall be given by one of the other methods described in this Section 7.6.

Notices will be delivered to the following addresses:

To the Franchisor: Keg Franchise U.S., Inc. 10100 Shellbridge Way Richmond, British Columbia V6W 2X7

Facsimile: (604) 276-0138

Attention: Director of Franchising

To the Developer:				
Facsimile: Attention: The President				

7.7 Severable

Except as expressly provided to the contrary herein, each portion, section, part, term, and/or provision of this Agreement will be considered severable; and if, for any reason, any portion, section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such determination will not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions of this Agreement as may remain otherwise intelligible. The latter will continue to be given full force and effect and bind the parties hereto, and the invalid portions, sections, parts, terms, and/or provisions will be deemed not to be a part of this Agreement.

7.8 Survival

All covenants, obligations, and agreements hereunder that by their terms or by reasonable implication are to be performed, in whole or in part, after the termination or expiration of this Agreement, will survive such termination or expiration.

7.9 Entire Agreement

This Agreement and the documents referred to herein constitute the entire agreement between the Franchisor, the Developer Principals and the Developer concerning the subject matter hereof and supersede any and all prior agreements and understandings between the parties in any way relaing to the same subject matter hereof, including any direct or indirect representations, inducements, warranties or provisions made by the Franchisor whether express, implied, collateral, oral, written or oterhwise, concerning

this Agreement, the matters herein, the business licensed hereunder or concerning any other matter, which are not contained herein. Except for those permitted to be made unilaterally by the Franchisor hereunder, no amendment, change, or variance from this Agreement will be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

7.10 Acknowledgment

- (1) The Developer acknowledges that it has conducted an independent investigation of the business that is the subject of this Agreement and recognizes that the business involves risks and that its success will be dependent upon the ability of the Developer. The Franchisor expressly disclaims the making of, and the Developer acknowledges that it has not received any representations, warranty or guarantee, express or implied, as to the potential volume, profits or success of the business.
- (2) The Developer acknowledges that it has received, has had ample time to read and has read this Agreement and fully understands its provisions. The Developer further acknowledges that it has been advised by legal and financial advisors of its own choosing regarding all pertinent aspects of this Agreement and the relationship created hereby.
- (3) It is expressly acknowledged that the Franchisor may conduct investigations and make inquiries of such person or persons as the Franchisor, in its reasonable judgment, deems appropriate (including bankers and credit guarantors) concerning the credit standing, character and qualifications of the Developer, and the Developer, by its execution hereof, consents and agrees to the conduct of such investigations and the making of such inquiries by the Franchisor. The Franchisor agrees to comply with the requirements of any applicable laws with respect to such investigations and inquiries.

7.11 Applicable Law

This Agreement is valid when executed and accepted by Franchisor, and except to the extent governed by the United States Trademark Act, this Agreement is governed by the laws of the State of Washington. This choice of laws will not affect the scope of state franchise, business opportunity or related laws, and nothing in this Agreement will be considered to extend the scope of application of those laws. The courts of King County, Washington will have jurisdiction (but not exclusive jurisdiction) to entertain and determine all disputes and claims arising out of or in any way connected with this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Agreement in duplicate, by their duly authorized representatives, on the day and year first above written.

KEG FRANCHISE U.S., INC.

SCHEDULE "A" FRANCHISE AGREEMENT ATTACHED