

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into as of this ____ day of _____, 2006, by and between First National Broadcasting Corp. ("Seller") and Wyomedia Corporation ("Buyer").

RECITALS:

WHEREAS, Seller is the licensee of full power broadcast satellite station KFNR(TV), Rawlins, Wyoming, operating on Channel 11 ("KFNR") (KFNR may be referred to as a "Station" for the purposes of this Agreement);

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, on the terms and conditions set forth herein, all of Seller's assets used or usable in connection with the operation of the Station, including the licenses, permits, and authorizations issued to Seller for the operation of the Station; and

WHEREAS, in order to consummate the purchase of the station the consent of the Federal Communications Commission ("FCC") must be first obtained;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants, representations, warranties, and agreements contained herein, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE 1. – SALE AND PURCHASE OF ASSETS

1.1. Assets. On the Closing Date, subject to the terms and conditions set forth herein, Seller shall sell, assign, transfer, and deliver to Buyer, and Buyer shall purchase from Seller, the Authorizations and the following Assets, all such assets to be conveyed to Buyer free and clear of any liens, encumbrances and security interests of any nature whatsoever.

1.1.1. The Station licenses, permits, and rights related thereto, including any and all rights to the call letters "KFNR" (collectively, the "FCC Authorizations").

1.1.2. All other assets used in the operation of the Station, including logs, reports, the public inspection files, books records, databases, lists, tapes, recordings, music libraries, and supplies on hand.

1.1.3 All of Seller's right to the use of the transmitter site for the operation of the Station.

1.2. **Conveyance.** On the Closing Date, Seller shall cause to be executed and delivered to Buyer all documents and instruments set forth in Section 5.4 of this Agreement.

ARTICLE 2. - CONSIDERATION

2.1. **Consideration.** As consideration for the conveyance of the Assets to Buyer, Buyer shall forgive certain debt owed by Seller to Buyer in an amount equal to FIFTEEN THOUSAND DOLLARS (\$15,000.00).

ARTICLE 3. - REPRESENTATIONS AND WARRANTIES

3.1. **Buyer.** Buyer agrees and represents and warrants to Seller as follows:

3.1.1. **Binding Obligation.** This Agreement constitutes the legal, valid, and binding obligation of Buyer enforceable in accordance with this Agreement's terms, subject to applicable bankruptcy, reorganization, insolvency, or similar laws affecting creditors' rights generally, and subject to the application of equitable principles in any proceeding involving the enforcement of any of the provisions of this Agreement and the discretion of the court before which any such proceedings may be brought.

3.1.2. **Authority.** Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of _____, and has full corporate power and authority to make and perform this Agreement. Neither the making nor the performance of this Agreement by Buyer nor the consummation of the transactions contemplated hereunder conflicts with or is prohibited by Buyer's Articles of Incorporation or Bylaws, or has constituted or shall constitute a default under any contract or commitment to which Buyer is a party or by which Buyer is bound.

3.1.3. **No Conflict.** The execution, delivery, and performance of this Agreement by Buyer shall not cause any breach of any of the terms, conditions, or provisions of, or constitute a default under, any indenture, mortgage, agreement, or other instrument to which Buyer is a party or by which Buyer is bound, and shall not violate any Laws or any injunction, order, or decree of any governmental body by which Buyer is bound.

3.1.4. **Absence of Litigation.** Buyer is aware of no proceeding pending against Buyer before any governmental body that would prevent Buyer from performing this Agreement in accordance with its terms.

3.1.5. **Qualifications.** Buyer is legally, financially, and otherwise qualified under the Communications Act of 1934, as amended, to be the assignee of the FCC Authorizations and the owner of the Station.

3.2. **Seller.** Seller agrees and represents and warrants to Buyer as follows:

3.2.1. **Binding Obligation.** This Agreement constitutes the legal, valid, and binding obligation of Seller enforceable in accordance with this Agreement's terms, subject to applicable bankruptcy, reorganization, insolvency, or similar laws affecting creditors' rights generally, and subject to the application of equitable principles in any proceeding involving the enforcement of any of the provisions of this Agreement and the discretion of the court before which any such proceedings may be brought.

3.2.2. **Authority.** Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of _____, and has full corporate power and authority to make and perform this Agreement. Neither the making nor the performance of this Agreement by Seller nor the consummation of the transactions contemplated hereunder conflicts with or is prohibited by Seller's Articles of Incorporation or Bylaws, or has constituted or shall constitute a default under any contract or commitment to which Seller is a party or by which Seller is bound.

3.2.3. **No Conflict.** The execution, delivery, and performance of this Agreement by Seller shall not cause any breach of any of the terms, conditions, or provisions of, or constitute a default under, any indenture, mortgage, agreement, or other instrument to which Seller is a party or by which Seller is bound, and shall not violate any Laws or any injunction, order, or decree of any governmental body by which Seller is bound.

3.2.4. **Absence of Litigation.** Seller is aware of no proceeding pending against Seller before any governmental body that would prevent Seller from performing this Agreement in accordance with its terms.

3.2.5. **Contracts.** Except as set forth in Schedule 3.2.5 attached hereto, Seller is not a party to any written or oral agreement of any kind relating to either Station.

3.2.6. **Intellectual Property.** Neither the Station operations nor any of the Assets infringes upon or misappropriates any copyrights, trademarks, patent rights, or other rights of any person or entity. Seller has no knowledge of any infringement or unlawful or unauthorized use of any of Seller's copyrights, trademarks, patent rights, or other rights relating to either Station, including the use of any call sign, slogan, or logo by any broadcast station.

3.2.7. **Real Property.** Seller is not a party to any lease for real property, nor does it own any real property relating to the Station that will be assigned under this Agreement.

3.2.8. **Litigation.** There is no litigation, proceeding, complaint, or investigation pending, or to the best of Seller's knowledge threatened, before or by any governmental body, against or relating to the Station or the Assets, nor does Seller know of any basis for such

litigation, proceeding, complaint, or investigation. The execution, delivery, and performance of this Agreement by Seller shall not result in the violation or default by Seller with respect to any laws or judgment, order, writ, injunction, ruling, or decree of any governmental body. Seller is not the subject of any unresolved FCC or other governmental investigation or any order, decree, or ruling or any complaint, letter of inquiry, objection, petition to deny, or opposition issued by or filed with the FCC or any other governmental body in connection with any of the FCC Authorizations or the Station.

ARTICLE 4. - REGULATORY MATTERS

4.1. **FCC Consent to Assignment.** Notwithstanding anything herein to the contrary, the consummation of the purchase and sale of the Assets and Authorizations contemplated under this Agreement is subject to and conditioned upon the prior consent of the FCC ("FCC Consent")j

4.2. **Application for Consent.** As promptly as practicable, but within five (5) business days of the date of this Agreement, Buyer and Seller shall file with the FCC an application seeking FCC consent to assignment of the FCC Authorizations to Buyer without conditions materially adverse to Buyer or Seller (the "Application"). The parties shall promptly and diligently file and expeditiously prosecute all necessary amendments, briefs, pleadings, documents, and supporting data to the Application, and take such actions and give such notices as may be required or requested by the FCC or as may be appropriate, all in an effort to expedite the approval by the FCC of the Application with no conditions materially adverse to Buyer or Seller, and shall promptly supply to each other such information as may be reasonably requested by Buyer or Seller to expedite such approval.

ARTICLE 5. - CLOSING DATE

5.1. **Closing Date.** The Closing shall be held at such location as the parties may mutually specify, and shall be held on a mutually agreeable date within ten (10) days following the date on which the FCC grants the Application, provided that Buyer shall have the option to delay the closing until the FCC Consent becomes a Final Order. As used herein, a Final Order means a written action or order issued by the FCC setting forth the FCC grant (a) which has not been reversed, stayed, enjoined, set aside, annulled or suspended, and (b) with respect to which (i) no requests have been filed for administrative or judicial review, reconsideration, appeal or stay, and the time for filing any such requests and for the FCC to set aside the action on its own motion (whether upon reconsideration or otherwise) has expired, or (ii) in the event of review,

5.2. **Conditions to Obligations of Seller.** The following are conditions precedent to Seller's obligation to close hereunder, any or all of which may be waived in whole or in part in writing by Seller to the extent permitted by applicable laws:

5.2.1. **Representations and Warranties to be True and Obligations Performed.** The representations and warranties of Buyer contained herein shall be true in all material respects as of and on the Closing Date as though made on such date. Buyer shall have performed and complied with in all material respects all obligations and covenants required under this Agreement to be performed or complied with by Buyer on or prior to the Closing Date.

5.2.2. **Closing Documents.** Buyer shall have delivered to Seller or caused the delivery to Seller of the Closing documents and items described in Section 5.5 of this Agreement.

5.2.3. **FCC Consent.** The FCC Consent shall be in full force and effect, and shall contain no conditions that are materially adverse to Seller.

5.2.4. **Litigation.** Neither Seller or the Station shall be subject to any order or injunction of any governmental body restraining or prohibiting the consummation of the transactions contemplated hereunder, and no action or proceeding shall have been instituted by any third party and remain pending before any governmental body to prohibit such transactions, nor shall any governmental body have notified any party to this Agreement that the consummation of the transactions contemplated hereunder may constitute a violation of applicable laws, which notification remains outstanding.

5.2.5. **Certificate and General Release.** Buyer shall have delivered to Seller (i) a certificate, dated as of the Closing Date, signed by Buyer stating that the representations and warranties of Buyer set forth in this Agreement and in the instruments delivered by Buyer to Seller in connection with this Agreement are true and correct as of the Closing Date in all material respects as though made on such date, and (ii) a General Release in the form of *Exhibit A* hereto.

5.3. **Conditions to Obligations of Buyer.** The following are conditions precedent to Buyer's obligation to close hereunder, any or all of which may be waived in whole or in part in writing by Buyer to the extent permitted by applicable Laws:

5.3.1. **Representations and Warranties to be True and Obligations Performed.** The representations and warranties of Seller contained herein shall be true in all material respects as of and on the Closing Date as though made on such date. Seller shall have performed and complied with in all material respects all obligations and covenants required under this Agreement to be performed or complied with by Seller on or prior to the Closing Date.

5.3.2. **Closing Documents.** Seller shall have delivered to Buyer or caused the delivery to Buyer of the Closing documents and items described in Section 5.4 of this Agreement.

5.3.3. **FCC Consent.** The FCC Consent shall have been issued, shall be in

full force and effect, shall be a Final Order, and shall contain no conditions that are materially adverse to Buyer.

5.3.4. **Litigation.** Buyer shall not be subject to any order or injunction of any governmental body restraining or prohibiting the consummation of the transactions contemplated hereunder, and no action or proceeding shall have been instituted by any third party and remain pending before any governmental body to prohibit such transactions, nor shall any governmental body have notified any party to this Agreement that the consummation of the transactions contemplated hereunder may constitute a violation of applicable Laws, which notification remains outstanding.

5.3.5. **Certificate and General Release.** Seller shall have delivered to Buyer (i) a certificate, dated as of the Closing Date, signed by Seller stating that the representations and warranties of Seller set forth in this Agreement and in the instruments delivered by Seller to Buyer in connection with this Agreement are true and correct as of the Closing Date in all material respects as though made on such date, and (ii) a General Release in the form of *Exhibit A* hereto.

5.4. **Closing Documents Delivered by Seller.** On the Closing Date, Seller shall deliver or cause the delivery of the following instruments or items to Buyer:

5.4.1. Bills of sale and assignments in form reasonably satisfactory to Buyer, dated the Closing Date, executed by Seller, conveying to Buyer all of Seller's right, title, and interest in and to all the Assets and all the FCC Authorizations, pursuant to the terms of this Agreement.

5.4.2. Corporate resolutions authorizing the execution, delivery, and performance of this Agreement by Seller.

5.4.3. Certificate of General Release.

5.5. **Closing Documents Delivered by Buyer.** On the Closing Date, Buyer shall deliver or cause the delivery of the following instruments or items to Seller:

5.5.1. A General Release, Discharge and Forgiveness of Seller's Debt to Buyer in the amount of \$10,000.

5.5.2. Buyer's corporate resolutions authorizing the execution, delivery, and performance of this Agreement by Buyer.

5.5.3. Certificate of General Release

ARTICLE 6. - MISCELLANEOUS

6.1. **Final Deadline for Closing.** If the Closing Date has not occurred on or before

the date that is twelve months after the date of this Agreement, then this Agreement may be terminated by either Buyer or Seller by the giving of thirty (30) days prior written notice to the other party so long as the terminating party is not then in material breach hereunder. Except as otherwise expressly permitted under this Agreement, this Agreement shall not be terminated.

6.2. **Seller's Right to Terminate.** In the event of a material breach hereunder by Buyer prior to the Closing Date of any Buyer agreement, covenant, representation, or warranty hereunder, and the continuation of such breach without cure for a period of thirty (30) consecutive days following the date on which Seller shall have given to Buyer written notice of such breach, then Seller may in its discretion, without releasing Buyer from any liability for such breach, terminate this Agreement by giving written notice of termination to Buyer so long as Seller is not then in material breach hereunder. The rights conferred by the foregoing sentence shall not be exercised unless Seller has given Buyer fifteen (15) days written notice of the specific nature of such Buyer breach and Buyer has failed to correct such breach within that period.

6.3. **Buyer's Right to Terminate.** In the event of a material breach hereunder by Seller prior to the Closing Date of any Seller agreement, covenant, representation, or warranty hereunder, and the continuation of such breach without cure for a period of thirty (30) consecutive days following the date on which Buyer shall have given to Seller written notice of such breach, then Buyer may in its discretion, by giving written notice of termination to Seller, so long as Buyer is not then in material breach hereunder, terminate this Agreement without cost, penalty, or liability on Buyer's part of any kind and without releasing Seller from any liability for such Seller breach, whereupon Buyer shall be entitled to all legal and equitable relief that Buyer may have available against Seller. The rights conferred by the foregoing sentence shall not be exercised unless Buyer has given Seller fifteen (15) days written notice of the specific nature of such breach and Seller has failed to correct such breach within that period.

6.4. **Notices.** Any and all notices or other communications required or desired to be given hereunder by any party shall be in writing. A notice shall be validly given or made to another party if delivered either personally or if deposited in the United States mail, certified or registered, postage prepaid, or if transmitted by telegraph, teletype or other electronic written transmission device or if sent by overnight courier service, and if addressed to the applicable party as set forth below.

If to Seller, to:

If to Buyer, to:

6.5. **Assignment.** This Agreement and Seller's or Buyer's rights or obligations hereunder shall not be assigned without the prior written consent of the non-assigning party. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

6.6. **Entire Agreement.** This Agreement sets forth the entire understanding of the parties at the time of execution and delivery hereof regarding the subject matter hereof, and all prior agreements among them with respect to the subject matter hereof shall be of no further force or effect. This Agreement may be amended only by an instrument in writing executed by all parties.

6.7. **Waiver.** The waiver by any party of any matter provided for herein shall be in writing in order to be effective and shall not be deemed to be a waiver of (i) any such matter on any other occasion or (ii) any other matter.

6.8. **Governing Law.** Except to the extent governed by federal law, this Agreement shall be construed in accordance with and governed by the laws of the State of Wyoming, without regard to its choice of law rules.

6.9. **Severability.** In the event that any term or provision of this Agreement is determined to be void, unenforceable, or contrary to law, the remainder of this Agreement shall continue in full force and effect provided that such continuation would not materially diminish the benefits of this Agreement for any party.

6.10. **Counterparts and Facsimile Signatures.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement shall be effective and legally binding upon delivery of signatures by facsimile transmissions.

6.11. **Authority of Signatory.** Each individual signing this Agreement represents and warrants that such individual has full power and authority to execute and deliver this Agreement on behalf of the party whose name appears directly above the signature of such individual in such signature block.

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

SELLER:

FIRST NATIONAL BROADCASTING CORP.

By: *Allen J. ...*
Name:
Title:

BUYER:

WYOMEDIA CORP.

By: *Toni Lattea*
Name: *Toni Lattea*
Title: *Sec/Treas*