

**INFORMATION PACKAGE RE
INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
ELITE FARMS LIMITED
IN BANKRUPTCY
BY
BDO DUNWOODY GOODMAN ROSEN INC.
TRUSTEE**

JUNE, 2008

**INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
ELITE FARMS LIMITED
IN BANKRUPTCY**

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**INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
ELITE FARMS LIMITED
IN BANKRUPTCY**

1. NOTICE TO READER

**INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
ELITE FARMS LIMITED
IN BANKRUPTCY**

NOTICE TO READER

BDO Dunwoody Goodman Rosen Inc., in its capacity as Trustee, has been authorized to invite offers for the purchase of certain of the assets of Elite Farms Limited and, in this regard, we have prepared the accompanying information package to assist prospective purchasers. This package includes detailed information with respect to the real property available for sale.


The information contained herein has been obtained from various sources. This package has been compiled solely for the convenience of prospective purchasers for the purpose of assisting them in their determination of whether they wish to acquire the assets of Elite Farms Limited.

The information is presented herein without audit or verification of any kind, and the Trustee makes no expressed or implied representation or warranty with respect to its accuracy or completeness. Nothing contained in the information package is, or should be relied upon as, a representation as to the future prospects for the facility. The Trustee expressly advises, and the prospective purchaser acknowledges, that the prospective purchaser is not relying upon, and could not reasonably rely upon, this information in arriving at its decision. Each prospective purchaser must rely upon his own inspection and investigation in order to satisfy himself as to the title, liens, encumbrances, description, fitness for purpose, quantity, condition, quality, value or any other matter or thing whatsoever.

Dated at Halifax, Nova Scotia this 23rd day of June, 2008.

BDO DUNWOODY GOODMAN ROSEN INC.
Trustee for the Estate of Elite Farms Limited in Bankruptcy

Per


Paul G. Goodman, FCA, FCIRP, FIIC
President

**INVITATION FOR OFFERS TO PURCHASE
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IN BANKRUPTCY**

2. TRUSTEE'S COMMENTS

**INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
ELITE FARMS LIMITED
IN BANKRUPTCY**

TRUSTEE'S COMMENTS

On April 14, 2008, BDO Dunwoody Goodman Rosen Inc. became Trustee in respect of the property of Elite Farms Limited that is generally described below:

- real property at 53 Rocco Point Road, Ste. Anne du Ruisseau, Nova Scotia, including land and building and lots, currently subject to a lease and used as a mink pelting plant and office space and being PID Numbers 90107772, 90241076 and 90299132.

BDO Dunwoody Goodman Rosen Inc. became Trustee in respect of the property described above by virtue of being appointed as a result of a Receiving Order granted by the Supreme Court of Nova Scotia in Bankruptcy.

Elite Farms Limited owns the mink pelting plant which is the subject matter of our invitation for offers and which is located at 53 Rocco Point Road, Ste. Anne du Ruisseau, Nova Scotia. The building is located on approximately 10.63 acres of land and includes a paved parking area. There are also two additional lots of 3.53 acres and 29,185 square feet respectively. The total property is subject to a tenant lease


This invitation package contains details and descriptions of the assets which are the subject of this invitation for offers, as well as the mandatory Terms and Conditions of the invitation. We advise that all of the information contained in this information package is subject to the disclaimer which forms part of this information package.

Please note that the time for the closing of the receipt of offers for the purchase of certain assets of Elite Farms Limited, is 12:00 noon, ADT, on Tuesday, July 15, 2008.

Should the reader be interested in viewing the facility at Ste. Anne du Ruisseau, Nova Scotia, you must contact the Trustee to arrange an appointment for inspection.

Dated at Halifax, Nova Scotia, this 23rd day of June, 2008

BDO DUNWOODY GOODMAN ROSEN INC.
Trustee for the Estate of Elite Farms Limited in Bankruptcy


Paul G. Goodman, FCA, FCIRP, FIC
President

**INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
ELITE FARMS LIMITED
IN BANKRUPTCY**

- 3. ADVERTISEMENT FOR INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF ELITE FARMS LIMITED IN BANKRUPTCY**

**INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
ELITE FARMS LIMITED
IN BANKRUPTCY**

Offers for the purchase of the Trustee's interest in certain assets of Elite Farms Limited ("Elite") are invited for receipt at the Halifax offices of BDO Dunwoody Goodman Rosen Inc., the Trustee of certain assets of Elite, Suite 620, 1718 Argyle Street, Halifax, Nova Scotia, B3J 3N6, until 12:00 p.m., ADT, on Tuesday, the 15th day of July, 2008.

ASSETS FOR SALE

The subject matter of this invitation for offers is the real property (land and building) as located at 53 Rocco Point Road, Ste. Anne du Ruisseau, Nova Scotia. The real property consists of a lot of approximately 10.63 acres on which is situated a large building (formerly a school) and two other adjacent lots of approximately 3.53 acres and 29,195 square feet respectively.

TERMS AND CONDITIONS

The highest or any offer shall not necessarily be accepted. Any sale will be subject to the mandatory Terms and Conditions as set out by the Trustee and any accepted offer may be subject to Court approval. A ten percent (10%) deposit by way of certified funds or bank draft must accompany any offer submitted.

INSPECTION OF ASSETS

Those parties wishing to submit an offer can make an appointment to view the assets or obtain any additional information, including the mandatory list of Terms and Conditions, by contacting Mr. Paul G. Goodman, FCA, FCIRP, FIIC at (902) 425-3100.



BDO DUNWOODY GOODMAN ROSEN INC.
Trustee for the Estate of Elite Farms Limited in Bankruptcy
Suite 620, 1718 Argyle Street
Halifax, Nova Scotia B3J 3N6
Telephone (902) 425-3100 Fax (902) 425-3777
Email insol-halifax@bdo.ca

**INVITATION FOR OFFERS TO PURCHASE
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IN BANKRUPTCY**

4. TERMS AND CONDITIONS

**INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
ELITE FARMS LIMITED
IN BANKRUPTCY**

TERMS AND CONDITIONS

1. The vendor of the assets described in the material attached hereto which is the subject matter of this invitation for offers is BDO Dunwoody Goodman Rosen Inc. in its capacity as Trustee ("Trustee") of the assets of Elite Farms Limited ("the company"). The assets ("Assets") subject to this sale generally consist of:
 - (a) Real property consisting of land and building comprising approximately 10.63 acres and two lots of land of 3.53 acres and 29,185 square feet respectively at 53 Rocco Point Road, Ste. Anne du Ruisseau, Nova Scotia and being PID Numbers 90107772, 90241076 and 90299132.
2. Each offer must be marked "**CONFIDENTIAL**" and addressed to:

**BDO Dunwoody Goodman Rosen Inc.
As Trustee for the Estate of Elite Farms Limited in Bankruptcy
Suite 620, 1718 Argyle Street
Halifax, Nova Scotia B3J 3N6
Attention: Mr. Paul G. Goodman, FCA, FCIRP, FIIC**

All offers **must be submitted by no later than 12:00 noon, ADT, on Tuesday, July 15, 2008**, at which time the offers will be opened in private by the Trustee and such other persons as the Trustee may designate. The information contained in the offers shall not be confidential after they are opened and may be revealed by the Trustee, at its discretion, to any person, including, without limitation, the Trustee's principals.

3. All offers must be accompanied by a certified cheque or bank draft payable to BDO Dunwoody Goodman Rosen Inc., in Trust, for ten percent (10%) of the offered purchase price. Offer deposits may also be submitted by bank transfer provided the funds are received prior to the time of the closing of the offer. Bank transfer information may be obtained from the office of the Trustee. If the offer is accepted and approved by the Court (if necessary), then this payment will be deemed to be a cash deposit and any interest thereon shall be to the credit of the Trustee and such interest is in addition to and does not form part of the purchase price. The successful offeror shall pay the balance of the purchase price to the Trustee at the closing. Any deposit will be forfeited as liquidated damages by the offeror to the Trustee if the offer is withdrawn at any time before notification of acceptance of the successful offer has been given. Deposits, excluding interest, shall be returned to each

person whose offer is not accepted. The deposit of any successful offeror shall be forfeited to the Trustee as liquidated damages if the sale is not completed by the successful offeror by reason of his default.

4. The highest or any offer shall not necessarily be accepted. Any offer accepted by the Trustee and the contemplated resultant sale may be subject to approval by the Supreme Court of Nova Scotia.
5. Deposit funds accompanying unsuccessful offers will be returned no later than July 25, 2008, by hand or by registered mail, addressed to the offeror at the address stated on the form submitted. Any interest earned on the deposit funds of either successful or unsuccessful offerors shall be to the credit of the Trustee.
6. All Assets will be sold on an "as is, where is" basis with the presumption that the offeror has inspected the assets described. No representation, warranty or condition is expressed or shall be implied as to title, description, fitness for purpose of intended use, quantity, condition or quality thereof in respect of any other matter or thing whatsoever, and each offeror shall be deemed to have relied entirely upon his inspection and investigation. Without limiting the generality of the foregoing, the assets are specifically offered as they will exist on the closing date. If, on or before closing, it is found that there are encumbrances or charges against any of the property being offered for sale which the offeror has not agreed to assume in addition to, or as part of, his purchase price, the Trustee may rescind the agreement to sell the assets in question and the offeror shall be entitled to the return of his deposit without interest and without any other compensation of any kind or nature whatsoever for any loss, damages or other costs. If the Trustee does not rescind, it shall have until closing to remove any such encumbrances or charges, failing which the purchaser may terminate the agreement and shall be entitled to a refund of its deposit. The purchaser shall have no other rights or remedies against the Trustee.
7. There is a lease in place for the real property with a tenant, which must be assumed by the purchaser or otherwise dealt with by the purchaser.
8. The obligation of the Trustee to sell and the offeror to purchase the Assets shall terminate in the event that prior to the closing date of the sale, such assets are substantially destroyed by fire, flood, the elements, government action, civil commotion, or any other external cause beyond the control of the Trustee, unless it is agreed between the parties that the Trustee repair the property and complete the sale or assign any insurance proceeds to the purchaser and complete the sale.
9. The Trustee, at its sole discretion, reserves the right to withdraw any or all of the Assets from the invitation for offers prior to the date set for the closing of the receipt of offers and further reserves the right to cancel the invitation for offers at any time or alter, add, or waive the terms and conditions, in whole or in part, as it deems appropriate and any purchaser shall be bound by such waiver.

10. The Trustee may refuse to accept any offer received from a potential purchaser. Offers received by the Trustee that do not strictly comply with the Terms and Conditions or which contain proposals to vary, amend or supplement the Terms and Conditions of Sale may, in the absolute discretion of the Trustee, be rejected. Before accepting an offer the Trustee may, in its sole discretion, negotiate with any potential purchaser for changes to that person's offer. The Trustee shall not be obligated to negotiate with any potential purchaser or to give any potential purchaser an opportunity to resubmit an offer, whether or not the Trustee negotiates with any potential purchaser. Upon receipt by the Trustee of an offer, the potential purchaser submitting the offer shall not be entitled to retract, withdraw, revoke, vary or countermand the offer and such offer shall be irrevocable prior to acceptance or rejection thereof by the Trustee.
11. The advertisement of the invitation for the offers, the offer, the acceptance by the Trustee, and these Terms and Conditions of Sale, which shall be deemed to form part of such offer, shall constitute a binding "Agreement of Purchase and Sale" and time shall be of the essence of such agreement. There are no other terms or conditions of sale and there are no verbal or written collateral agreements.
12. The offeror whose offer is accepted (now the "Purchaser") acknowledges that the Trustee has no personal or corporate liability under these Terms and Conditions of Sale or any Agreement of Purchase and Sale. The Agreement of Purchase and Sale shall be terminated, at the option of the Trustee without any penalty or liability whatsoever to the Trustee or purchaser in each of the following events (in addition to the other events stipulated in these Terms and Conditions of Sale):
 - a. an Order being issued on or prior to the time of closing preventing the sale from proceeding;
 - b. the Assets subject to a sale are substantially destroyed or removed from the control of the Trustee by any means or process; and
 - c. a redemption of the Assets subject to a sale by a party entitled thereto at law.
13. The details of the Assets which are the subject matter of the invitation for offers are included with these Terms and Conditions of Sale. The details have been prepared solely for the convenience of prospective purchasers and are not warranted to be complete or accurate and are subject to the other qualifications referred to in Condition 6 above. The information contained in the Trustee's invitation package has not been audited or reviewed in any way and is subject to Condition 6 above.
14. All offers shall be submitted on the form which is attached to these Terms and Conditions. Offers received by the undersigned that are not on the required form may be rejected by the Trustee.

15. If any offer is accepted by the Trustee (acceptance shall be done so in writing, signed by the Trustee), then the successful offeror (Purchaser) shall be notified in writing by the Trustee of such acceptance within ten (10) business days of the acceptance thereof. Such notice of acceptance shall be deemed to be properly given when deposited in the post office, sent by fax, email, or personally delivered, as the case may be.
16. The Purchaser shall pay, or be responsible for, in addition to the purchase price, all applicable federal, provincial, and municipal taxes at closing, unless exemption certificates are supplied. The terms and conditions in this paragraph shall not merge on the closing of this transaction, but shall remain in full force and effect. Real estate taxes will be adjusted at closing. Other adjustments at closing shall include deposits made by the Trustee, as well as other like adjustments as the Trustee deems appropriate.
17. The balance of the purchase price shall be due and payable on closing, which closing shall occur within thirty (30) days next after acceptance of an offer by the Trustee provided that where Court approval may be sought by the Trustee and has not been obtained within 30 days of the date of acceptance, the closing date shall be extended for a further 30 days, or to such other date as may be mutually agreed between the Trustee and purchaser.
18. The sale may be subject to the approval of the Supreme Court of Nova Scotia. Conveyance of real property will be by Trustee's Deed, without warranty of any kind. The successful purchaser of the Assets will be required to make his own arrangements with respect to any licenses as these rights may not be transferable without the consent of the third party.
19. If the Purchaser fails to comply with the terms and conditions of the Agreement of Purchase and Sale, the deposit and all other payments thereon shall be forfeited and the assets may be sold and the deficiency, if any, by such resale, together with all charges attending to the same or occasioned by such default, shall be paid forthwith by the defaulting purchasers.
20. The Trustee shall not be required to furnish or produce any abstracts, deeds, declarations, or other documents as evidence of title except those in his possession. It is the responsibility of the Purchaser to satisfy himself as to title at his own expense within ten (10) days of receipt of notice of acceptance of offer.

21. The Trustee (or its designate) shall remain in possession of the assets until the purchase is complete and title to the assets shall not pass to the Purchaser nor shall he be entitled to possession of same until the purchase price has been paid in full, unless otherwise agreed between the parties.
23. If, prior to the closing date, legal proceedings are either threatened or commenced by any person against the Trustee or its principals concerning the security, the Agreement of Purchase and Sale, or the Assets to be purchased, the Trustee may elect, in its sole discretion and upon notice to the Purchaser, to terminate the Agreement of Purchase and Sale.
24. The obligation of the Trustee to perform the Agreement of Purchase and Sale is conditional upon receipt of all necessary governmental or other approvals, waivers or releases as may be required to enable the Trustee to comply with its obligations thereunder.
25. All stipulations herein as to time shall be of the essence.
26. Any notices, requests, demands, acceptances, elections, waivers or other communications required or permitted to be given under this invitation (herein referred to as "Notice") shall be in writing and shall be deemed to be sufficiently given if personally delivered to an officer of the Trustee or the purchaser, faxed, emailed, or mailed by registered mail, postage prepaid, to the address of the recipient noted below:

As to the Purchaser: at the address or fax number or email address set forth in its offer.

As to the Trustee:

BDO Dunwoody Goodman Rosen Inc.
Trustee for the Estate of Elite Farms Limited in Bankruptcy
Suite 620, 1718 Argyle Street
Halifax, Nova Scotia B3J 3N6
Fax (902) 425-3777
Attention: Mr. Paul G. Goodman, FCA, FCIRP, FIIC
Email: pgoodman@bdo.ca

Any such Notice shall be deemed to be given on the date on which it was personally delivered or telecopied or emailed and any Notice served by registered mail shall be deemed to have been given on the fifth business day following the date on which it was mailed. During the existence of any interpretation or threatened interruption in the Canadian Postal Services, any Notice by the Trustee or Purchaser shall be personally delivered or faxed or emailed.

If Notice is received after 5:00 p.m., ADT, on a business day, or on a Saturday, Sunday, or statutory holiday, Notice shall be deemed to be delivered at 9:00 a.m., ADT, on the next business day.

27. It shall be the responsibility of the Purchaser, at the Purchaser's own expense, to obtain any and all government approvals necessary to utilize the Assets subject to an Agreement of Purchase and Sale. In particular, and without limiting the foregoing, the Purchaser is obligated to obtain all necessary approvals, licenses, permits, authorizations, permissions or other items (collectively the "approvals") whether required locally, provincially or federally to use and enjoy any items being purchased and/or to carry on business with or from any Asset being purchased and the obtaining of such approvals shall not, in any manner whatsoever, be a precondition to completion of or limit the purchaser's obligation to complete an Agreement of Purchase and Sale.
28. Where the agreement includes or relates to land, the purchaser shall accept title thereto subject to:
 - a. any registered restrictions or covenants that run with the land;
 - b. any registered municipal agreement and registered agreements with publicly regulated utilities;
 - c. any easements for the supply of domestic utility or telephone services;
 - d. any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the present use of the land;
 - e. overriding incidents as set out in the Land Registrations Act (Nova Scotia); and
 - f. any oil and gas lease.
 - g. any lease by tenants
29. By submitting an offer, the Purchaser acknowledges that the Purchaser has had an opportunity to obtain independent advice including, without limitation, independent business, accounting and legal advice prior to the execution and delivery of the offer in respect of all issues including, without limitation, these Terms and Conditions of Sale.
30. The Trustee represents that it is now, and will be at the time of closing, a resident of Canada within the interpretation of the Income Tax Act (Canada). Where the Trustee deems appropriate and at the specific request of the Trustee, the purchaser shall warrant that it is, or is not, a non-eligible person as defined by the Investment Canada Act.
31. The validity and interpretation of the Agreement of Purchase and Sale will be governed by the laws of the Province of Nova Scotia.

32. The Assets may be inspected at 53 Rocco Point Road, Ste. Anne du Ruisseau, Nova Scotia. Arrangements for inspection must be made, and detailed descriptions and Terms and Conditions of Sale must be obtained by contacting Mr. Paul G. Goodman, FCA, FCIRP, FIIC or Ms. Kim Burke at BDO Dunwoody Goodman Rosen Inc., Halifax, telephone (902) 425-3100, fax (902) 425-3777, or email at insol-halifax@bdo.ca.

BDO DUNWOODY GOODMAN ROSEN INC.
Trustee for the Estate of Elite Farms Limited in Bankruptcy
Suite 620, 1718 Argyle Street
Halifax, Nova Scotia B3J 3N6
Telephone (902) 425-3100
Fax (902) 425-3777
Email: insol-halifax@bdo.ca

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5. FORM OF OFFER

**INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
ELITE FARMS LIMITED
IN BANKRUPTCY**

TO: BDO DUNWOODY GOODMAN ROSEN INC.
Trustee for the Estate of Elite Farms Limited in Bankruptcy
Suite 620, 1718 Argyle Street
Halifax, Nova Scotia B3J 3N6
Attention: Paul G. Goodman, FCA, FCIRP, FIIC, President

(Name of Offeror)

(Address)

(Phone Number)

(Fax Number)

(Email Address)

1. I (we) hereby submit this offer for the purchase of the real property owned by Elite Farms Limited as described in the information package provided to me (us) by the Trustee.

TOTAL AMOUNT HEREBY OFFERED FOR
THE TRUSTEE'S INTEREST IN THE SUBJECT ASSETS \$ _____

2. Enclosed is my (our) certified cheque or draft payable to BDO Dunwoody Goodman Rosen Inc. in Trust in the amount of \$ _____, representing ten percent (10%) of the total amount of the offer submitted herein.
3. I (we) offer to purchase these assets on the Terms and Conditions of Sale issued by the Trustee and included in the information package.

DATED at _____, in the province of _____, this _____ day of _____, 2008.

PRINT NAME OF OFFEROR

Per: _____
(Signature)

**INVITATION FOR OFFERS TO PURCHASE
CERTAIN ASSETS OF
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IN BANKRUPTCY**

6. DETAILS OF REAL ESTATE (LAND AND BUILDINGS)

- **Legal Description of Lands**
 - **All Lots being PID Numbers, 90107772, 90241076 and 90299132 (3 pages)**

- **Description of Buildings**
 - **Floor Plan (2 pages)**
 - **Certain Facts (1 page)**

- **Lease Agreement**
 - **A Copy of lease between Elite Farms Limited as Landlord and Nova Elite Farm Services Limited as Tenant as registered at the Registry of Deeds for Yarmouth County as Document Number 86684280 (5 pages)**

SCHEDULE "A"

ALL that certain lot, piece or parcel of land and premises situate, lying and being at Eel Brook, aforesaid, on the Eastern side of the Rocco Point Road, so called, and bounded and described as follows:

BEGINNING at a point where the common boundary line between lands formerly of N. Louis Babin and Mrs. Maggie Surette and Lawrence Doucette meets the East Right-of-way line of the Rocco Point Road;

THENCE North seventy-seven (77) degrees East along said common boundary line, a distance of three hundred and seventy-two (372) feet more or less to the edge of the marsh;

THENCE generally North three (3) degrees West along the edge of the marsh, a distance of seven hundred and thirty (730) feet more or less to a large flat topped spruce tree;

THENCE North sixty-five (65) degrees West, a distance of six hundred and forty-two (642) feet, more or less to meet the East Right-of-way line of the Rocco Point Road aforementioned;

THENCE Southwardly along said East Right-of-way line of the Rocco Point Road a distance of eleven hundred and seventy-eight (1178) feet, more or less, and to the point of beginning, the whole area being twelve and one tenth (12.1) acres more or less;

BEING a portion of the lands and premises as were conveyed to Louis Babin and Louis Surette from R.W.E. Landry and wife, by Deed, dated the 15th day of October A.D. 1934, and duly recorded in the Registry of Deeds for Yarmouth, on the 6th day of November, A.D. 1934, in Book E.G., Page 309, Louis Surette's interest in said lands having been conveyed to Maggie Surette, his wife, by Paul Surette et ux, heirs-at-law of the said Louis Surette, by Deed, dated the 8th day of September, A.D. 1939, and duly recorded in the Registry of Deeds for Yarmouth, on the 30th day of September, A.D. 1939, in Book E.O. Page 665.

AND ALL that certain lot, piece or parcel of land and premises situate lying and being at Eel Brook, aforesaid, on the Eastern side of the Rocco Point Road, so-called, and bounded and described as follows:

BEGINNING on the Eastern side of the right-of-way of the said Rocco Point Road at the north west corner bound of the land of the Municipality of the District of Argyle used as the Ste. Anne du Ruisseau Consolidated School site and running in northerly along the east side of the said Rocco Point Road one hundred and forty-six (146) feet, more or less to the land of Dr. Flavien Melanson;

THENCE running easterly along said land of Dr. Flavien Melanson two hundred and twenty-four (224) feet;

THENCE running southerly one hundred and eighty-four (184) feet more or less to the said land of the Municipality of the District of Argyle;

THENCE running Westerly along said land of the Municipality of the District of Argyle two hundred and twelve (212) feet to the north-west corner bound of the land said Municipality of the District of Argyle and place of beginning.

BEING a portion of the lands and premises as were conveyed to Louis Babin and Louis Surette from R.W.E. Landry and wife, by Deed, dated the 15th day of October, A.D. 1934, and duly recorded in the Registry of Deeds for Yarmouth, on the 6th day of November, A.D. 1934, in Book E.G., Page 309, Louis Surette's interest in said lands having been conveyed to Maggie Surette, his wife, by Paul Surette et ux, heirs-at-law of the said Louis Surette, by Deed, dated the 8th day of September, A.D. 1939, and duly recorded in the Registry of Deeds for Yarmouth, on the 30th day of September, A.D. 1939, in Book E.O. Page 665

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- Lot 2

SCHEDULE "A"

ALL and singular that certain lot, piece, parcel, or tract of land situate, lying and being at Eel Brook in the County of Yarmouth and Province of Nova Scotia shown on plan of survey numbered GPD131072 signed by Gerald A. Pottier, Nova Scotia Land Surveyor dated the 31st. day of October 1972 and being more particularly described as follows:

BEGINNING at an iron pin situated at the intersection of the easterly boundary of lands of Dr. Flavien Melanson with the southwesterly boundary of the Old Post Road so-called;

THENCE by magnetic bearings in the year 1972 along the easterly boundary of lands of Dr. Flavien Melanson south nine degrees forty-one minutes west two hundred thirty-nine decimal thirty-one feet to an iron pin;

THENCE along the easterly boundary of other lands of the Municipality of Argyle south zero degrees twenty-one minutes west one hundred ninety-seven decimal twenty-eight feet to a stake;

THENCE along the northerly boundary of other lands of the Municipality of Argyle south sixty-six degrees forty-six minutes east four hundred fifty-nine decimal fifty-three feet to a stake set at the edge of the marshlands;

THENCE in a northerly direction following the several courses of the westerly boundary of the marshlands to an iron pin, said iron pin being north zero degrees forty-two minutes west three hundred eighty decimal sixty-one feet from the last previously mentioned stake;

THENCE in a westerly direction along the southerly boundary of the Old Post Road so-called to an iron pin and the PLACE OF BEGINNING;

CONTAINING an area of three decimal fifty-three acres more or less.

Being a portion of the lands and premises as were conveyed to Louis Ebin and Louis Surette from R.W.E. Landry and wife, by Deed, dated the 15th day of October, A.D. 1934, and duly recorded in the Registry of Deeds for Yarmouth on the 6th, day of November, A.D. 1934, in Book E.G. Page 309.

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SCHEDULE "A"

- Lot 3

ALL of the interest of the Municipality of the District of Argyle in all that certain lot, piece or parcel of land and premises situate, lying and being at Ste. Anne du Ruisseau in the County of Yarmouth and Province of Nova Scotia on the Western side of the road leading from Highway No. 3 to Rocco Point (so-called), in the County of Yarmouth and Province of Nova Scotia, and described as follows:

BEGINNING at a point, marked by a pipe on the Western side of said road leading to Rocco Point, said point being the Northeastern corner bound of the land now or formerly of Jeremiah Surette;

THENCE running Northwardly along the Western side of said road one Hundred Fifty-Seven point One Feet (157.1') to another pipe and land of the Municipality of the District of Argyle known as the school property;

THENCE running North Eighty-Four Degrees West (N 84° W) along said school property Three Hundred Eight point Seven Feet (308.7') to a stake on the shore of the Abram's River;

THENCE following the said Abram's River in a Southerly direction Ninety Feet (90') to a pipe and land now or formerly of said Jeremiah Surette;

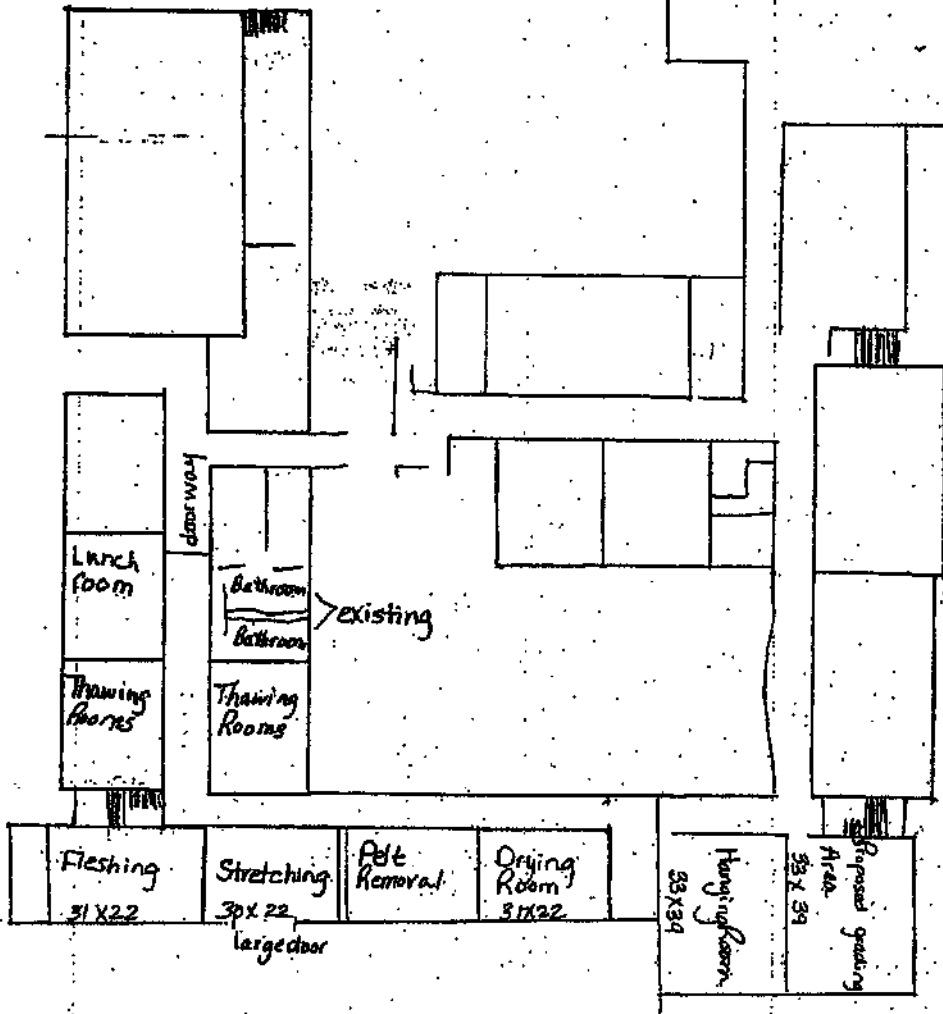
THENCE running South Seventy-Two Degrees East (S 72° E) along said fence and land now or formerly of Jeremiah Surette Three Hundred Forty-Eight Feet (348') to the Western side of said road leading to Rocco Point and place of beginning;

CONTAINING 39,600 square feet or 0.91 acre.

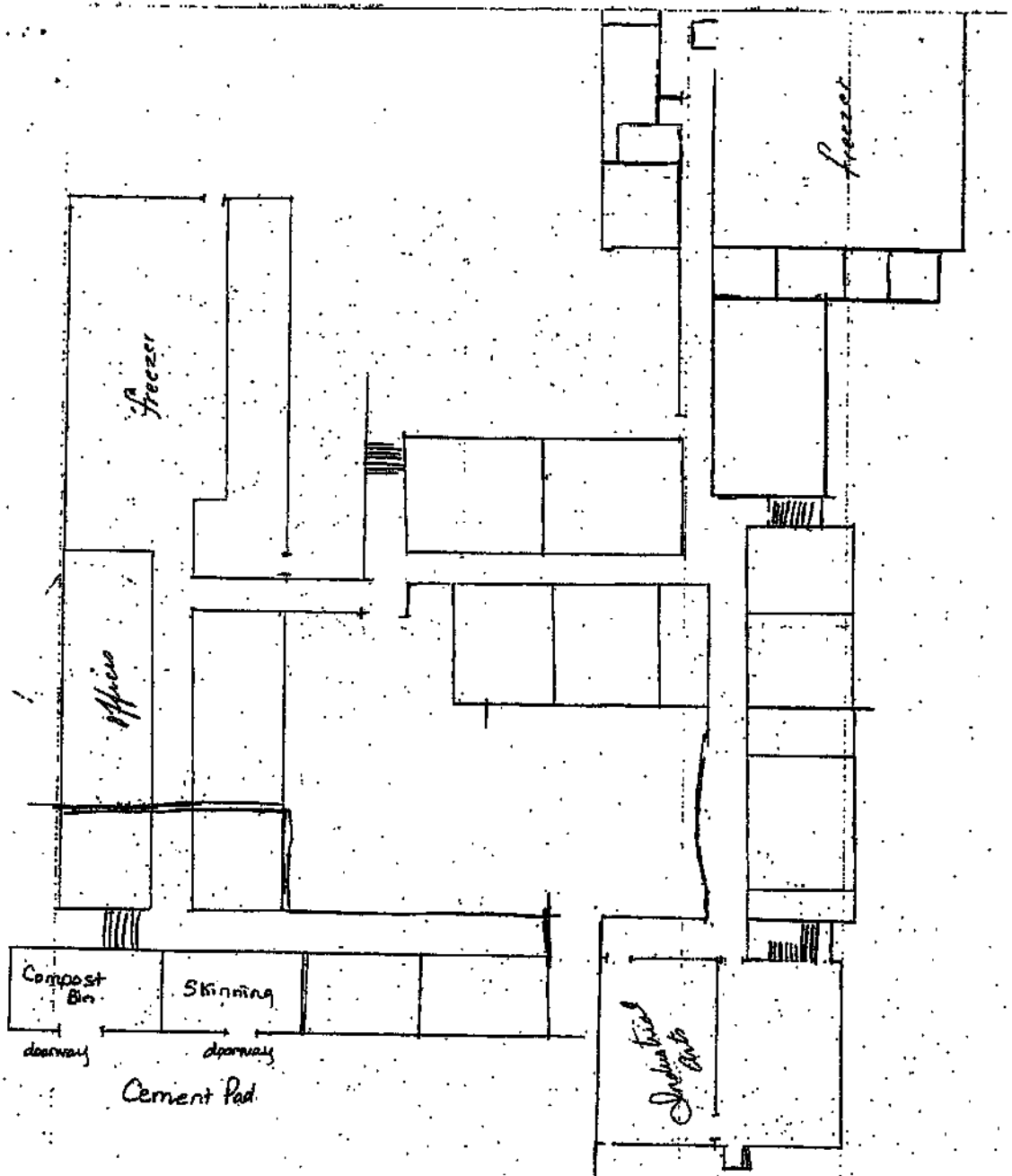
THE INTEREST of the Municipality of the District of Argyle herein is an easement by prescription for the purpose of installing and using a septic system and field bed as well as for the erection and use of a storage building.

SCHEDULE "A"

P.D. 90107772



UPSTAIRS
Occupied by TENANT



DOWNSTAIRS

ELITE FARMS LIMITED

Building Located on PID#90107772

The building, built over 60 years ago is a two storey building which was once used as a school and is approximately 86,000 square feet.

Walls: Wood

Roof: Asphalt Shingle

Floors: Concrete, wood

Heating: Electric

The building is not sprinklered

THIS LEASE is made this 1 day of November, A. D., 2005.

BETWEEN:

ELITE FARMS LIMITED of Yarmouth, in the County of Yarmouth and Province of Nova Scotia;

(hereinafter called the "Landlord")

- and -

NOVA ELITE FARM SERVICES LIMITED of Yarmouth, in the County of Yarmouth and Province of Nova Scotia;

(hereinafter called the "Tenant")

WITNESSETH:

In consideration of the rents reserved hereby and the covenants herein contained on the part of the tenant, the landlord hereby leases to the tenant the premises known as 53 ROCCO POINT ROAD, Nova Scotia (as per attached Schedule "A"), for a term of fifteen (15) years, commencing November 1st, 2005 and ending October 31st, 2020. *PID # 90107772*

The rent for the premises shall be as set out in a side Agreement between the parties hereto signed on even date herewith.

TENANT'S COVENANTS

The tenant covenants with the landlord as follows:

(a) **RENT, BUSINESS TAXES AND UTILITIES** – to pay rent and the tenant's business occupancy taxes and licence fees in respect of the premises and all hydro electric rates, water charges and similar public utility charges incurred in respect of the lighting and heating in respect of the premises. Cost of electrical charges for the freezer and offices shall be paid by the landlord. Split for electrical account shall be calculated based on pro rata share using previous calendar year accounts.

(b) **MAINTAIN PREMISES AND EQUIPMENT** – to maintain the interior of the premises at all times in a proper state of repair, to provide garbage removal, and to maintain portable fire extinguishers on the premises as required by the fire marshal, excepting reasonable wear and tear, damage by fire, lightning and tempest.

(c) **ENTRY TO VIEW STATE OF REPAIR** – to permit the landlord to enter and view the state of repair, upon reasonable notice.

(d) **TO LEAVE IN REPAIR** – when giving up possession of the premises, to leave the premises and all interior improvements in good repair, reasonable wear and tear always excepted, and excepting damage by fire, lightning and tempest.

(e) **ASSIGNMENT OR SUBLETTING** – the tenant does have the right to assign or sublet the premises, with the consent of the landlord which consent shall not be unreasonably withheld.

(h) **ALTERATIONS** – not to make any alterations or renovations of the premises without the consent of the landlord, which consent shall not be unreasonably withheld. All alterations, shall comply with all applicable statutes regulations or by-laws of any government authority.

(i) **IMPROVEMENTS** - upon the tenant vacating the premises the leasehold improvements shall remain and become the absolute property of the landlord without any payment or indemnity to the tenant by the landlord.

(j) **LIABILITY INSURANCE** - the Tenant shall take out and maintain third party liability insurance in the amount of Two million dollars. The Tenant will provide the Landlord with copies of the insurance policy, in effect from time to time upon issuance of said policy(ies). The said policy shall insure both the Landlord and Tenant with respect to third party liability.

(k) **GARBAGE** - not to dump or dispose of any material on the premises. Also, not to engage in burning of any material whatsoever on the premises.

LANDLORD'S COVENANTS

The landlord hereby covenants with the tenant as follows:

(a) **QUIET ENJOYMENT** - to allow the tenant quiet enjoyment of the lease premises when he is not in default of any of the terms of this agreement.

(b) **PROPERTY TAXES** - to pay municipal property taxes in respect of the premises.

(c) **FIRE INSURANCE** - the landlord shall take out and maintain fire insurance.

(d) **UPKEEP OF PREMISES** - upkeep the exterior of the building and grounds, snow removal, Keep the grounds in good condition and appearance, maintain proper septic systems and water supply.

PROVISOR'S

Provided always, and it is hereby agreed between the parties as follows:

(a) - **PERMITS** - The tenant shall obtain any permits for the business it carries out on the premises at its expense.

(c) - **DEFAULT OF TENANT** - If the rent reserved or any part thereof shall not be paid on the day appointed for payment, whether lawfully demanded or not, or in case of breach or non-observance or non-performance of any of the covenants or agreements or rules or regulations herein contained or referred to on the part of the tenant to be observed and performed, or in case the term shall be taken in execution or attachment for any cause whatever, then in every such case the landlord shall be entitled thereafter to enter into and upon the premises and the same to repossess and enjoy the premises.

(d) - **BACKRUPTCY OF TENANT** - In case without the written consent of the landlord the premises shall remain vacant or not used for the period of fifteen days or be used by any other person than the tenant or for any other purpose than that for which they were let or in case the term or any of the goods and chattels of the tenant shall at any time be seized in execution or attachment by any creditor of the tenant or if the tenant shall make any assignment for the benefit of creditors or any bulk sale or become bankrupt or insolvent or take the benefit of any act now or here after in force for bankruptcy or insolvent debtors then in any such case this lease shall at the option of the landlord cease and determine and the term shall immediately become forfeited and void and the then current month's rent and the next ensuing three months' rent shall immediately become due and payable and the landlord may re-enter and take possession of the premises as though the tenant or other occupant (or occupants) of the premises was (or were) holding over after the expiration of the term without any right whatever.

(e) - **RIGHT OF RE-ENTRY** - On the landlord's becoming entitled to re-enter the premises under any of the provisions of this lease, the landlord in addition to all other rights may do so as the agent of the tenant, using force if necessary, without being liable for any prosecution therefor, and may relet the premises as agent of the tenant and receive the rent therefor, and as agent of the tenant may take possession of any furniture or other property on the premises and sell the same at public or private sale and apply the proceeds of such sale and any rent derived from reletting the premises upon account of the rent under this lease, and the tenant shall be liable to the landlord for any deficiency.

(f) - **RIGHT OF TERMINATION** - On the landlord's becoming entitled to re-enter the premises under any of the provisions of this lease, the landlord, in addition to all other rights, shall have the right to determine this lease forthwith by leaving upon the premises notice in writing of his intention, and thereupon rent and any other payments for which the tenant is liable under this lease shall be computed, apportioned and paid in full to the date of such determination, and the tenant shall immediately deliver up possession of the premises to the landlord, and the landlord may re-enter and take possession of the premises.

(g) - **NON-WAIVER** - Any condoning, excusing or overlooking by the landlord of any default, breach or non-observance by the tenant at any time in respect of any covenant, proviso or condition herein contained shall not operate as a waiver of the landlord's rights hereunder in respect of any subsequent default, breach or non-observance, and shall not defeat or affect in any way the rights of the landlord herein in respect of any subsequent default or breach.

(h) - **OVERHOLDING** - If the tenant shall continue to occupy the premises after the expiration of this lease with or without the consent of the landlord, and without any further written agreement, the tenant shall be a monthly tenant at the monthly rental herein mentioned and on the terms and conditions herein set out except as to length of tenancy.

(i) - **LANDLORD MAY PAY AND CHARGE AS RENT** - If the tenant shall neglect or omit to pay any taxes, rates and assessments, water, gas and electric light rates, or maintain the premises as required by this Agreement, the landlord may, at his option, pay them or any of them and charge such payments to the tenant, who hereby covenants to pay and reimburse the landlord forthwith. The landlord shall have the same remedies and may take the same steps for the recovery of such payments as he would have for the recovery of rent in arrears.

(j) - **DESTRUCTION OR DAMAGE TO PREMISES -**


(i) If, during the continuance of this lease the premises are totally destroyed by fire or the elements, or are partially destroyed so as to render them wholly unfit for occupancy, or if they shall be so badly damaged that they cannot be repaired with reasonable diligence within sixty (60) days of the happening of such damage, then the tenant may at its option terminate the lease from the date of such damage or destruction, and the tenant shall immediately surrender the premises and all interest therein to the landlord, and the tenant shall pay rent until the time of such damages or destruction and the landlord may re-enter or repossess the premises discharged of this lease, and may remove all persons therefrom.


(ii) If the premises are partially destroyed by fire or the elements, and can be repaired with reasonable diligence within sixty (60) days from the happening of the said damage, but if the damage is such as meanwhile to render the premises wholly unfit for the carrying on therein of the tenant's business, then the landlord shall repair the premises with all reasonable speed and rent shall not accrue while the repairs are being made, and if the landlord shall not have completed the said repairs so as to make the premises available for resumption of the tenant's business within sixty (60) days from the date when the premises were made available by the tenant to the landlord to proceed with such repairs, the tenant may, if he chooses, surrender the premises to the landlord and this lease shall terminate from the date of such surrender.


(B) If the tenant vacates the premises due to damage or destruction then he may at his option require the landlord to reimburse him for the pre-paid rent for the months after the damage or destruction.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and affixed their seals the _____ year first above written.

SIGNED, SEALED AND DELIVERED
In the presence:


Witness to NOVA ELITE FARM
SERVICES LIMITED


Witness to ELITE FARMS LIMITED

) per: 
NOVA ELITE FARM SERVICES LIMITED

) per: 
ELITE FARMS LIMITED



PROVINCE OF NOVA SCOTIA)
COUNTY OF YARMOUTH SS)

ON THIS 1 day of Nov, A.D., 2005, before me, the subscriber personally came and appeared Richard M. Munn, a subscribing witness to the foregoing indenture, who having been by me duly sworn, made oath and said that NOVA ELITE FARM SERVICES LIMITED, one of the parties thereto, signed, sealed and delivered the same in h/c presence.

Dianne M. Landry
A Commissioner of the Supreme Court
of Nova Scotia

Dianne M. Landry
A Commissioner Of The
Supreme Court of Nova Scotia

PROVINCE OF NOVA SCOTIA)
COUNTY OF YARMOUTH SS)

ON THIS 1 day of Nov, A.D., 2005; before me, the subscriber personally came and appeared Richard M. Munn subscribing witness to the foregoing indenture, who having been by me duly sworn, made oath and said that ELITE FARMS LIMITED, one of the parties thereto, signed, sealed and delivered the same in h/c presence.

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