Clerk's Stamp

COURT FILE NUMBER	2401-01216
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ATB FINANCIAL
RESPONDENTS	APEX NUTRI-SOLUTIONS INC., 2175551 ALBERTA LTD., STEVEN HERBERT, DAVID HERBERT, MURRAY HERBERT AND CAROLYN HERBERT
DOCUMENT	**FIRST REPORT OF THE RECEIVER** **BDO CANADA LIMITED** **APRIL 14, 2025**

RECEIVER
BDO Canada Limited
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FIRST REPORT OF THE RECEIVER
BDO CANADA LIMITED
APRIL 14, 2025

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INTRODUCTION

1. On February 20, 2025, upon application by ATB financial ("**ATB**"), BDO Canada Limited ("**BDO**") was appointed as the interim receiver (the "**Interim Receiver**") in respect of Apex Nutri-Solutions Inc. ("**Apex**") pursuant to an order (the **"IR Order**") granted by the Court of King's Bench of Alberta (the "**Court**"). Furthermore, the Court granted a subsequent order (the "**IR Extension Order**") on March 14, 2025, following an *ex-parte* application by ATB, which extended the Termination Date as defined in the IR Order to April 2, 2025.

2. On February 20, 2025, BDO was also appointed as the receiver and manager (hereafter, in any such capacity over the entities/property, the "**Receiver**") over all of the assets, undertakings and property of 2175551 Alberta Ltd. ("**217 AB**") pursuant to an order (the "**217 AB Receivership Order**").

3. On March 25, 2025, BDO as the Interim Receiver of Apex, filed a report (dated March 24, 2025) (the "**Interim Receiver's Report**"), in advance of an application made by ATB at which the Court granted the following relief:

   (a) An order (the "**Apex Receivership Order**") appointing BDO as Receiver over all of the assets, undertakings and property of Apex. Accordingly, pursuant to the IR Order and IR Extension Order, the Interim Receivership terminated on this same date;

   (b) An order (the "**Herbert Receivership Order**") appointing BDO as Receiver over certain property of Murray and Carolyn Herbert (hereafter the "**Herberts**"), legally described as:

   MERIDIAN 4 RANGE 20
   TOWNSHIP 43 SECTION 24 QUARTER
   NORTH EAST EXCEPTING THEREOUT
   ALL MINES AND MINERALS AERA:
   64.7 HECTARES (160 ACRES) MORE OR LESS
   ("**Parcel #1**)"

   MERIDIAN 4 RANGE 20
   TOWNSHIP 43 SECTION 26 QUARTER
   SOUTH EAST CONTAINING 64.7 HECTARES (160 ACRES)
   MORE OR LESS EXCEPTING THEREOUT:
   2.53 HECTARES (6.25 ACRES) MORE OR
   LESS AS SHOWN ON RAILWAY PLAN 1983AJ AND BEING
   TAKEN FOR RIGHT OF WAY OF THE CANADIAN NORTHERN RAILWAY
   COMPANY
   ("**Parcel #2**")

   MERIDIAN 4 RANGE 20
   TOWNSHIP 43 SECTION 25 QUARTER
   SOUTH EAST EXCEPTING THEREOUT

ALL MINES AND MINERALS AREA:
64.7 HECTARES (160 ACRES) MORE OR LESS
("**Parcel #3**")

(the "**Herbert Lands**"), plus all of the Herbert's equipment, inventory, crops, fixtures and other property produced from, found upon or used by the Debtors in connection with the Herbert Lands wherever situate, including all proceeds thereof (collectively, the "**Herbert Property**").

4. The Receiver and its counsel have each opened up separate charge codes such that time applicable to each individual matter can be charged to the applicable mandate.

5. The purpose of this report (the "**Receiver's First Report**") is to provide the Court with information in respect of:

   (a) background information on Apex and 217 AB, as well as the property subject to these receivership proceedings;

   (b) a summary of the material activities of the Receiver subsequent to its appointment;

   (c) details of the Receiver's proposed sales process for which it is seeking the approval of this Honourable Court in respect of Parcel #1 and Parcel #2 (collectively, the "I**nitial Herbert Lands**"); and

   (d) the Receiver's recommendations thereon.

6. Unless otherwise indicated, capitalized terms not defined in this Receiver's First Report are as defined in the Affidavit of Mr. Rehman Mulji of ATB sworn on January 5, 2025 (the "**Initial Mulji Affidavit**"), the Interim Receiver's Report, the 217 AB Receivership Order, the Apex Receivership Order, and the Herbert Receivership Order, as applicable. All references to currency are in Canadian dollars unless otherwise noted.

7. This Receiver's First Report, together with other information and filings regarding these proceedings, will be posted on the Receiver's website at: http://www.bdo.ca/Apex

TERMS OF REFERENCE

8. In preparing this Receiver's First Report, the Receiver has relied upon unaudited financial or other information provided by the stakeholders and/or its discussions with stakeholders and CLHbid (as defined herein), among other sources of information (the "**Information**").

9. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Handbook. Accordingly, the Receiver expresses no opinion or any other form of assurance in respect of the Information referred to or used in the Receiver's First Report.

BACKGROUND INFORMATION

10. As set out in the Initial Mulji Affidavit, ATB advanced various lending facilities to Apex and 217 AB, and as of January 2, 2025, is owed approximately $3,530,160 plus accruing interest and costs. To secure this indebtedness, ATB was granted various security interests over the assets of Apex and 217 AB and was also provided, *inter alia*, limited guarantees from the Herberts and security over certain personal property of the Herberts, which is further outlined in the discussion below.

11. As a result of various defaults by Apex and 217 AB under the ATB credit facilities, ATB sought and obtained the Apex Receivership Order, the 217 AB Receivership Order and the Herbert Receivership Order.

12. Background information on Apex and 217 AB, as well as the property subject to these receivership proceedings is provided below.

Apex

13. Based on a corporate registry search dated February 3, 2025, Apex was incorporated in the Province of Alberta on November 20, 2003, and its directors are David Herbert, Steven Herbert and Murray Herbert, and its sole shareholder is 217 AB.

14. Apex previously carried on business operations which included crushing canola to make canola oil and meal, extruding to make a component of animal products, roasting soybean meal for animal feed, and raising broiler chickens. However, operations ceased prior to the Apex Receivership Order, as more fully set out in the Interim Receiver's Report.

15. Apex's material asset is the real property located near Edberg Alberta where the business previously operated, which property encompasses 21 acres of land and includes an approximate 3,620 square foot feed mill facility, 14,520 square foot poultry barn, two dwellings, and a storage shed (collectively, the "**Apex Lands**"). Apex's material other assets include various equipment previously used in operations.

217 AB

16. Based on a corporate registry search dated February 3, 2025, 217 AB was incorporated on February 26, 2019. Its directors are David Herbert, Steven Herbert and Murray Herbert, and its shareholders are Murray Herbert, Kaylin Herbert, Tammy Herbert, Steven Herbert, David Herbert and Carolyn Herbert (collectively, the "**Herbert Family**").

17. 217 AB was established for the sole purpose of purchasing and holding the shares of Apex by the Herbert Family. Accordingly, 217 AB's only material asset is the shares of Apex.

Herbert Property and Herbert Limited Guarantee

18. Based on the Initial Mulji Affidavit, the Herberts extended the following guarantees to secure the indebtedness owed to ATB concerning both Apex and 217 AB:

    (a) A joint and several limited guarantee of up to $1.1 million, plus interest and costs, in respect of Apex; and

    (b) A joint and several limited guarantee of up to $413,425 plus interest and costs, in respect of 217 AB.

19. Based on the foregoing, the total amount of the limited guarantee provided by the Herberts to ATB amounts to $1,513,425, in addition to applicable interest and costs (hereinafter referred to as the "**Herbert Limited Guarantee**").

20. The Initial Mulji Affidavit also details that to secure the obligations under the Herbert Limited Guarantee, the Herberts granted the following security interests to ATB:

    (a) a collateral mortgage, dated March 2, 2018, in the principal amount of $450,000 and a second collateral mortgage, dated June 19, 2019, in the amount of $1,100,000, charging the lands legally described earlier and defined collectively as the Herbert Lands or individually by quarter section as Parcel #1, Parcel #2, and Parcel #3;

    (b) a general security agreement, dated March 2, 2018, charging the personal property of the Herberts; and

(c) a pledge of security pursuant to two Deposit of Security Agreements from Murray and Carolyn Herbert, each dated June 26, 2019.

21. The Herbert Lands comprise Parcel #1, Parcel #2, and Parcel #3, which is undeveloped farmland located near Edberg, Alberta. Parcel #1 and Parcel #3 are 160 acres each, whereas Parcel #2 is 153.75 acres, and are currently farmed by the Herberts for a variety of crops, including grain, canola, barley and alfalfa.

22. The Receiver understands that the Herberts own an additional quarter section of land situated near the Herbert Lands. This particular parcel, however, was not pledged as collateral to ATB and is not encompassed within the Herbert Receivership Order. The Receiver understands that this fourth quarter section includes their personal residence and various other buildings and structures.

23. The Herbert Property also includes various equipment and machinery used in the Herberts' farming operation and crop inventories.

ACTIVITIES OF THE RECEIVER

24. The Receiver's activities have included, among other things:

(a) Requesting and reviewing various information related to Apex, 217 AB, and the Herbert Property;

(b) Engaging in discussions with CLHbid (defined below) in respect of a sales process for the Herbert Lands, and entering into the Tender-Sale Agreement (defined below), which is subject to Court approval, as described below;

(c) Notifying the various insurance providers concerning Apex and requesting that the Receiver be added as a loss payee and additional insured on the policies. It is noted that one policy is set to lapse in May 2025, and the Receiver is currently reviewing options to ensure continued coverage;

(d) Requesting information regarding insurance on the Herbert Property to assess adequacy of same, which, as of this date, the Herberts have advised that they are making efforts to satisfy the Receiver's request to be added to their commercial general liability policy concerning the Herbert Lands;

(e) Terminating the employment of the two shareholder employees of Apex. The Receiver has also held initial discussions regarding the continued and temporary tenancy of these individuals (and their families) at the Apex Lands in the circumstances and to assist the Receiver in complying with insurance requirements while it formulates and completes a sales process respecting the assets of Apex;

(f) Issuing the statutory Notice and Statement of Receiver with respect to Apex, 217 AB, and the Herbert Property;

(g) Corresponding with key stakeholders and/or their respective legal counsel; and

(h) Engaging MLT Aikins LLP as legal counsel to the Receiver.

APPRAISED VALUE

25. The Receiver is aware of the following appraisals obtained and filed with the Court in advance of the subject receivership proceedings:

(a) An appraisal report of Colliers International, with an effective date of May 10, 2024 (the "**Colliers' Appraisal**"), commissioned by the Herberts (through legal counsel). Based on the Colliers' Appraisal, the Herbert Lands had an estimated market value of approximately $3.33 million and a forced liquidation value of approximately $2.99 million, segregated as follows:

i. Parcel #1: market value of approximately $1.28 million and forced liquidation value of approximately $1.15 million at Colliers estimated discount of 10%;

ii. Parcel #2: market value of approximately $925,000 and forced liquidation value of approximately $833,000 at Colliers estimated discount at 10%; and

iii. Parcel #3: market value of approximately $1.12 million and forced liquidation value of approximately $1.01 million at Colliers estimated discount of 10%.

(b) An appraisal report of Frost Valuations with an effective date of December 5, 2023 (the "**Frost Appraisal**"), commissioned by ATB (through legal counsel). Based on the Frost Appraisal, the Herbert Lands had an estimated market value of approximately $2.2 million (with no forced liquidation value estimate included):

i. Parcel #1: market value of approximately $722,000;

ii. Parcel #2: market value of approximately $721,000; and

iii. Parcel #3: market value of approximately $768,000.

PROPOSED SALES PROCESS FOR THE INITIAL HERBERT LANDS

26. The timing of farmland sales is of paramount importance due to the agricultural growing season in Alberta. Farmers generally commence seeding in May and harvest their crops between August and October. Consequently, the most advantageous periods to sell farmland are either prior to the seeding season or following the harvest.

27. Moreover, the Receiver's understands that it is essential that the land remains actively cultivated rather than left fallow, as this enhances its appeal and value to prospective buyers. Continued agricultural activity helps to prevent the proliferation of weeds, which can otherwise reduce the land's value. The Receiver has enquired with the Herberts as to whether they would be interested in entering into an arrangement with the Receiver to farm the lands, or alternatively, the Receiver would attempt to find an alternative party to enter into a lease agreement to farm the lands. Through counsel, the Herberts advised that they intend on responding to this enquiry in writing, which has not been received as of the date of this Receiver's First Report.

Herbert's Proposed Sales Process

28. As described in the Affidavit of Murray Herbert affirmed on March 26, 2025 ("**March 26 Herbert Affidavit")** and filed with the Court in advance of the April 2, 2025 application, Mr. Murry Herbert proposes to sell the Initial Herbert Lands through a timed tender platform administered by CLHBid.com, for a combined starting/reserve bid price of $1.5 million and a contemplated sale in the fall of 2025 following harvest. A copy of the March 26 Herbert Affidavit is attached as **Appendix "A"**.

29. CLHBid.com is a division of CLH law (hereafter "**CLHbid**" or the "**Sales Agent**") that specializes in the tender sales of farmland across British Columbia, Alberta, Saskatchewan, and Manitoba and has been in operation for approximately nine years.

CLHBid Background

Receiver's activities as it relates to developing the sales process

30. Following the pronouncement of the Herbert Receivership Order, the Receiver held discussions regarding the Herbert Lands whereby the Herberts communicated a sales process similar to the above during discussions concerning potential liquidation strategies. Accordingly, the Receiver has engaged in numerous discussions with CLHbid regarding the Herbert Lands and a potential sales process, involving certain, or all, of the parcels constituting the Herbert Lands as discussed below.

31. CLHbid confirmed to the Receiver that, although they had previously engaged in discussions with the Herberts, CLHbid does not have any personal connections with the Herberts that would present a conflict of interest in serving as the Receiver's agent for the Herbert Lands.

32. CLHbid provided the following insights concerning the quarter parcels, based on its review of and attendance at the Herbert Lands:

    (a) Parcel #1 is considered the most valuable quarter section within the Herbert Lands and is likely to achieve the highest sale value. It is cultivated with a mix of crops and alfalfa;

    (b) Parcel #2 is the smallest parcel within the Herbert Lands, however, is still situated in a favourable location. The presence of a railway running through it is a less favourable feature; however, the parcel is exclusively used for crop cultivation and benefits from good soil composition, which is advantageous; and

    (c) Parcel #3 remains in a favourable location but may have certain accessibility issues for potential purchasers; however, its primary use for wheat cultivation last season is advantageous.

33. CLHbid advises that a comparable quarter section, located approximately six miles from the Herbert Lands, sold for $1,390,000 in September 2023, which had an initial starting bid of $690,000, although this particular parcel would be considered somewhat superior to any of the Herbert Lands as it included more cultivated acres and better drainage than the Herbert Lands.

Proposed Sales Process and Proposed Transaction(s)

34. Based on the foregoing, the Receiver has entered into a tender-sale agreement (the "**Tender-Sale Agreement**") with CLHbid for the marketing of the Initial Herbert Lands, which is subject to Court approval. A copy of the Tender-Sale Agreement is attached hereto as **Appendix "B"** and its salient terms are as follows (the "**Proposed Sales Process**"):

    (a) CLHbid will immediately commence marketing of the Initial Herbert Lands through a variety of channels, including CLHbid.com and other social media platforms, newspaper advertisements, direct marketing and notice/flyers to local farmers. Included as **Appendix "C"** is a summary marketing process as prepared by CLHbid;

    (b) The Initial Herbert Lands will be marketed with a sale date of May 6, 2025, commencing at 9:00am Mountain Time (the "**Sale Date**");

    (c) The sale will be conducted through a timed online tender process through CLHbid's bidding platform (CLHbid.com) on the Sale Date;

(d) Parcel #1 will have a starting/reserve bid price of $840,000 and Parcel #2 will have a starting/reserve bid price of $710,000, for a combined starting price of $1.55 million for both quarters. Bids for each will thereafter increase in increments of $10,000;

(e) Any sale will be strictly on an "as is, where is" basis, with no representations or warranties of any nature, and the successful bidder (the "**Purchaser**") will be required to execute, by no later than May 7, 2025, the Receiver's proposed form of Purchase and Sale Agreement (the "**Proposed PSA**"), a copy which is appended to the Tender-Sale Agreement as Schedule "D". The Proposed PSA includes the following material terms (with the transaction(s) contemplated therein, hereafter referred to as the "**Proposed Transaction(s)**"):

i. Purchase price: to be determined based on the highest successful bid. However, as outlined above, the starting/reserve bid prices are as set out above;

ii. Purchaser: the highest / successful bidder, which is yet to be determined pursuant to the Proposed Sales Process;

iii. Deposit: a 20% non-refundable cash deposit payable upon execution of the Proposed PSA;

iv. Closing: within 30 days following execution of the Proposed PSA, or such other date as may be agreed to in writing by the parties, however, in any event not more than 65 days from execution;

v. Interim lease agreement: concurrent with the execution of the Proposed PSA, the Purchaser will be required to enter into a lease agreement with the Receiver to facilitate the Purchaser's access to and use of the Lands for planting and harvesting crops for the 2025 growing season, the proposed form which is appended as Schedule "C" to the Proposed PSA (the "**Lease Agreement**"). The Lease Agreement contemplates a lease rate payable to the Receiver in the amount of $1 and will terminate on closing or if closing does not occur, on November 1, 2025. As outlined above, the Purchaser is required to provide a 20% non-refundable deposit to the Receiver upon execution of the Proposed PSA, which would be forfeited if the Purchaser does not close pursuant to the Proposed PSA; and

vi. CLHbid will be entitled to commission of 7.5% (plus GST) of the final sales price, upon successful completion of the Proposed Transaction(s) plus a 1.5% transaction fee (plus GST) payable by the Purchaser:

35. Depending on the final sale price of the Initial Herbert Lands and the net recoveries required to satisfy the Herbert Limited Guarantee, Parcel #3 may be listed for sale, with the transaction closing scheduled for after the harvest.

36. The Receiver recommends that this Honourable Court approve the Proposed Sales Process and Proposed Transaction(s):

(a) the Proposed Sales Process is viewed as robust, and will be conducted efficiently, with integrity and provide sufficient exposure of the Initial Herbert Lands to the market;

(b) the purchase price will be the highest offer submitted on the Sale Date, as outlined. Further, the purchase price will be supported by a starting/reserve bid of an aggregate of $1.55 million for the Initial Herbert Lands;

(c) CLHbid has advised that it is their professional opinion that there is sufficient time to market the Initial Herbert Lands in advance of the Sale Date and that it is unlikely that delaying the marketing and sale date to the summer would yield a more favourable outcome. Further, an earlier sale mitigates ongoing holding costs, including but not limited to receivership professional costs;

(d) CLHbid, the Receiver's proposed Sales Agent, is experienced in the tender sale of farmland and has been consulted in the development of the Proposed Sales Process;

(e) the Receiver understands that ATB is supportive of the Proposed Sales Process and the Proposed Transaction(s) and while the Receiver has proposed same to the Herberts, it was advised that they have not had the opportunity to connect with counsel as of the date of the Receiver's First Report although the Receiver notes that the Proposed Sales Process is largely consistent with the process outlined in the March 16 Herbert Affidavit, with the exception of the Intital Herbert Lands being marketed in the spring and not the fall, and the ultimate sale date;

(f) The Proposed Sales Process is competitive and ensures fairness; and

(g) Based on the Proposed Sales Process, the Receiver submits that the Proposed Transaction(s) will be commercially fair and reasonable in the circumstances.

RECOMMEDATIONS

37. The Receiver respectfully recommends that this Honourable Court approve:

(a) The activities of the Receiver as currently before the Court;

(b) The Proposed Sales Process; and

(c) The vesting of the Initial Herbert Lands to the Purchaser(s) determined through the Proposed Sales Process.

All of which is respectfully submitted this 14th day of April 2025.

BDO Canada Limited
In its capacity as Receiver of 2175551 Alberta Ltd., Apex Nutri-Solutions Inc. and certain property of Murray and Carolyn Herbert and not in its personal or corporate capacity.

Per:

Kevin Meyler, CPA, CIRP, LIT
Senior Vice President

Breanne Scott, CPA, CIRP, LIT
Vice President

APPENDIX “A”

Form 49
[Rule 13.19]

COURT FILE NUMBER	2401-01216
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	APEX NUTRI-SOLUTIONS INC., 2175551 ALBERTA LTD., STEVEN HERBERT, DAVID HERBERT, MURRAY HERBERT AND CAROLYN HERBERT
DEFENDANT/PLAINTIFF BY COUNTERCLAIM	ATB FINANCIAL
DOCUMENT	**AFFIDAVIT OF MURRAY PAUL HERBERT**

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Mar 27, 2025
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CLERK OF THE COURT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Snyder & Associates LLP
#3500, 10180 –101 Street
Edmonton, Alberta T5J 3S4
Phone: (780) 426-4133 ext. 244
Facsimile: (780) 424-1588

Attention: Stephen C. Snyder
File: 118974/SCS

AFFIDAVIT OF MURRAY PAUL HERBERT

Affirm on this 26TH day of March, 2025

I, MURRAY PAUL HERBERT, of the Village of Edberg, in the Province of Alberta, AFFIRM AND SAY THAT:

1. I am one of the Plaintiffs and Defendants by Counterclaim in this action and as such have personal knowledge of the matters hereinafter deposed to, except where stated to be based on information and belief, and where so stated, I verily believe the same to be true. I make this affidavit in opposition to the application by ATB Financial ("ATB") for the appointment of a receiver over lands owned by myself and my wife, Carolyn Herbert (collectively, the "Herbert Lands"), and in support of our proposed alternative sale process.

Background

2. As this Honourable Court will recall, the receivership application was adjourned to April 2, 2025, recognizing that:

    a. The Herbert Lands are immovable and not at serious risk of being devalued if a receiver is not appointed;

    b. We are on the verge of the 2025 growing season; and

    c. Appointing a receiver could erode our equity and impact our livelihoods and those of our employees.

3. Rather than appointing a receiver, Carolyn and I propose to sell two parcels of the Herbert Lands in accordance with the Proposed Form of Order (the "Proposed Order"). Attached hereto and marked as **Exhibit "A"** is the Proposed Form of Order.

4. We have obtained an appraisal from Archer Appraisal, dated June 10, 2024, which values three parcels of our land at $2,290,000.00 for a forced sale value. This appraisal demonstrates that the sale of two parcels will be more than sufficient to satisfy ATB's claim. Attached hereto and marked as **Exhibit "B"** is a true copey of the Archer Appraisal.

5. The Proposed Order outlines a structured sale process that includes:

    a. Specific crop planting plans for each parcel;

    b. A timeline for harvest and sale of crops;

    c. A marketing and sale process for the lands through CLHBid.com;

    d. A starting bid of approximately $1.5 million for the two quarters of land.

6. This proposed sale process will maximize the value of the Herbert Lands while eliminating costs associated with a receivership.

7. There is no risk to ATB, recognizing the following:

    a. The Herbert Lands are immovable assets that cannot be dissipated;

    b. ATB already holds charges on the land, as evidenced by the title certificates. Attached hereto and marked as **Exhibit "C"** is a true copy of the title certificates;

    c. The appraised value of the lands significantly exceeds ATB's claim.

8. I believe that our plan is a reasonable one and does not prejudice ATB.

Wastefulness of Receivership

9. The appointment of a receiver would incur significant fees, which would be prioritized over ATB's claim, directly reducing the amount available to satisfy ATB's claim.

10. A receivership would necessitate ongoing legal representation for the receiver, adding substantial legal fees to the over all cost. The contemplated receiver accounts, including fees for counsel, ranges up to $150,000.00 as per Paragraph 21 of the Interim Receivership Order.

11. A receiver results in time inefficiency. Receivership proceedings often extend the time required to sell assets. In the agricultural sector, timing is crucial. A delay in selling the lands could result in missing optimal market conditions or the entire growing season, reducing the realizable value of the assets.

12. As this Honourable Court rightly held during our last appearance, properties sold through receiver often fetch lower prices due to the perception of distressed sales. This could result in a 10-15% reduction in the sale price compared to our proposed orderly sale process.

13. As long-time operators of these lands, Carolyn and I possess unique local knowledge about soil conditions, drainage, and optimal crop selection. A receiver would lack this knowledge, leading to suboptimal decisions that could reduce the value of the crops and, consequently, the land.

14. Our intimate knowledge of the land ensures proper environmental stewardship. A receiver may not be aware of specifical environmental conditions.

Lack of Benefit in Appointing a Receiver

15. While this Honourable Court held it would be just and convenient to appoint a receiver, I respectfully submit that such an appointment would not benefit ATB in this specific situation, for the following reasons:

    a. Secured Position of ATB: ATB already holds charges on the Herbert Lands, as evidenced by the title certificates. Specifically:

        i. Title Number 092 110 162 shows a mortgage in favour of ATB Financial registered on June 24, 2019, with an original principal amount of $1,100.000.

        ii. Title Number 092 124 299 also shows a mortgage in favour of ATB Financial registered on June 24, 2019, with an original principal amount of $1,100,000.00.

    b. These charges provide ATB with all protection they require, without the appointment of a receiver.

    c. Immovable Nature of Assets: The Herbert Lands are immovable assets that cannot be dissipated or hidden. There is no risk of the assets being removed or devalued through our actions.

    d. Sufficient Equity: The appraised value of the Herbert Lands ($2,290,000.00 assuming a forced sale value) significantly exceeds what ATB has calculated their claim to be, namely $1,516,530.19 plus interest from January 3, 2025. This substantial equity cushion ensures that ATB's interests are adequately protected without the need for a receiver.

    e. Proposed Orderly Sale Process: Our proposed sale process, as outlined in the Proposed Order, provides a structured and transparent method for realizing the value of the Herbert Lands. This process including:

i. Professional marketing through CLHBid.com, a reputable agricultural land auction platform;

ii. A starting bid that closely aligns with ATB's claim;

iii. A timeline that takes advantage of the upcoming growing season to maximize land value; and

iv. Regular reporting to ATB so they are kept advised of all aspects of the of the sales process.

f. Preservation of a Going Concern Value: By allowing us to manage the 2025 growing season, our proposal preserves the going concern value of the farm operation. This is likely to result in a higher realized value for the land compared to a receiver-managed sale of bare land.

g. Cost Efficiency: Our proposed process eliminates the substantial costs associated with a receivership, as detailed above. This cost efficiency directly benefits ATB by maximizing the net proceeds available to satisfy their claim.

h. Time Efficiency: Our intimate knowledge of the Herbert Lands and existing relationships with potential buyers in the local farming community can facilitate a quicker sale process compared to a receiver-managed sale.

i. Alignment of Interests: Under our proposed process, we are incentivized to maximize the sale price of the Herbert Lands to preserve any remaining equity. This aligns our interests with those of ATB in achieving the highest possible recovery.

j. Minimal Court Intervention: Our proposed process reduces the need for ongoing court supervision, saving judicial resources and associated costs.

k. Flexibility: Our proposal allows for adjustments to the sale process if market conditions change, without the need for formal court applications that would be required in a receivership.

16. I would respectfully submit to this Honourable Court that:

a. The appointment of a receiver over the Herbert Lands would be wasteful, costly, and detrimental to all parties involved;

b. Our proposed sale process, as outlined in the Proposed Order, provides a reasonable, cost-effective and efficient alternative that will satisfy ATB's claim while preserving the value of our assets and farming operations; and

c. There is no risk to ATB in proceeding with our prosed sale process, given the immovable nature of the assets, ATB's existing security interests, and the substantial equity cushion in the Herbert Lands.

SWORN BEFORE ME at Edmonton, Alberta, this 26th day of March, 2025.

(Commissioner for Oaths in and for the Province of Alberta)

JARRETT TILLEY
Barrister & Solicitor
A Commissioner for Oaths and Notary Public
in and for the Province of Alberta

MURRAY PAUL HERBERT

Murray P Herbert
(Print Name)

EXHIBIT	DESCRIPTION	PAGE NUMBER
A	Proposed Form of Order	7
B	Archer Appraisal	11
C	Certificates of Title showing ATB Charge upon Land	125

This is Exhibit " A " referred to in the
Affidavit of
Murray Paul Herbert
Sworn before me this 25th day
of March, A.D., 20 25

A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta

JARRETT TILLEY
Barrister & Solicitor
A Commissioner for Oaths and Notary Public
in and for the Province of Alberta

COURT FILE NUMBER:	2401-01216
COURT:	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE:	CALGARY
PLAINTIFFS	APEX NUTRI-SOLUTIONS INC., 2175551 ALBERTA LTD., STEVEN HERBERT, DAVID HERBERT, MURRAY HERBERT AND CAROLYN HERBERT
DEFENDANT/PLAINTIFF BY COUNTERCLAIM	ATB FINANCIAL
DOCUMENT:	**ORDER**

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:

SNYDER & ASSOCIATES LLP
#3500 Manulife Place
10180-101 St. NW
Edmonton, Alberta T5J 3S4
Telephone: 780.426.4133
Facsimile: 780.424.1588

Attention: Stephen C. Snyder
Our File No.: 118974/SCS

DATE ON WHICH ORDER WAS PRONOUNCED:	April 02, 2025
NAME OF JUSTICE WHO MADE THIS ORDER:	The Honourable Justice C. D. Simard
LOCATION OF HEARING:	Edmonton, Alberta

UPON the amended application of ATB Financial ("ATB") in respect of Apex Nutri-Solutions Inc. ("Apex") and 2175551 Alberta Ltd. ("217 AB"), and in respect of Steven Herbert ("Steven"), David Herbert ("David"), Murray Herbert ("Murray") and Carolyn Herbert ("Carolyn"), filed February 13, 2025;

AND UPON THE COURT hearing that application on February 20, 2025, and adjourning the issue of appointing a receiver for the Herbert Lands to April 02, 2025;

AND UPON having read the Application of ATB and their supporting materials filed March 24, 2025 seeking receivership over Apex and 217 AB;

AND UPON having read the First Report of the Interim Receiver, BDO Canada Ltd. filed March 25, 2025;

AND UPON hearing submissions from counsel for the Applicant and counsel for the Respondents;

IT IS HEREBY ORDERED THAT:

1. The application for the appointment of a receiver over the Herbert Lands, as defined in their amended application filed February 13, 2025, is dismissed.

2. The application for receivership of Apex Nutri-Solutions Inc. and 217551 Alberta Ltd. is dismissed.

3. The Herbert Lands, specifically NE-24-43-20 W4 and SE-26-43-20 W4 shall be sold in accordance with the following milestones:

    (a) Crops to be grown as follows:

        a. NE-24-43-20 W4: HRS wheat on one side, with the existing perennial hay stand to be harvested on the other side.

        b. SE-26-43-20 W4: Feed barley on one side and canola on the East side.

    (b) Seeds to be sourced from Simco Seeds for barley and wheat, and from Crop Management Network for canola. All seed shall be cleaned, certified and treated.

    (c) Anticipated harvest to occur in September or October 2025, subject to growing conditions.

    (d) The first portion of the harvest to be sold before the end of 2025, with the balance to be sold in the first six months of 2026.

    (e) The lands shall be sold through CLHBid.com, a timed online tender process, with advertising to begin immediately.

    (f) The sale shall be scheduled for late July or Early August 2025, with a closing date by early September 2025, and possession for the buyer(s) after the crop is harvested.

    (g) The starting bid for the two quarters of land shall be approximately $1.5 million.

4. The Respondents shall provide monthly reports to ATB and the Court on the progress of the sale process and compliance with the milestones set out in Paragraph 3.

5. The interim receivership of Apex is hereby terminated effective immediately.

6. The Respondents shall have until June 15, 2025, to present a viable refinancing or sale option for the Apex Lands, failing which ATB may reapply for the appointment of a receiver over Apex.

7. ATB shall pay to the Plaintiffs costs forthwith.

_____

The Honourable Justice C. D. Simard
of the Court of King's Bench of Alberta

Approval of Form and Content of Order

SNYDER & ASSOCIATES LLP
PER:

_____

STEPHEN C. SNYDER
Counsel for the Plaintiff

DENTONS CANADA LLP
PER:

_____

DEREK PONTIN
Counsel for the Defendant / Plaintiff by Counterclaim

This is Exhibit " B " referred to in the
Affidavit of
Murray Paul Herbert
Sworn before me this 25th day
of March, A.D., 2025

A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta

JARRETT TILLEY
Barrister & Solicitor
A Commissioner for Oaths and Notary Public
in and for the Province of Alberta

NARRATIVE APPRAISAL

Apex Nutri-Solutions

19543 Twp Rd 440, Edberg, Alberta

May 2024

PREPARED BY:
Ryan Archer, AACI, P. App., BComm
Director, Expropriation & Litigation
Valuation & Advisory Services

PREPARED FOR:
James Hanley,
MacDonald Hanley LLP

Our File: EDM230248

June 10, 2024

MacDonald Hanley LLP
2050, 736 – 6 Ave SW
Calgary, Alberta
T2P 3T7

Attn: James Hanley

Dear Mr. Hanley:

RE: Market Value Appraisal of Apex Nutri-Solutions Facility and Vacant Agricultural Lands Municipally Located at 19543 Twp Rd 440, Edberg, Alberta (Main Site)

In accordance with your request, we have inspected the properties described above and have carried out an appraisal in order to estimate the market value of the subject lands and improvements. This involves a "value in use" as well as conventional "market value" scenario, subject to the Extraordinary Assumptions, General Assumptions and Limiting Conditions stated herein.

Based on our analysis, the market value "In Use" and the "Forced Sale Value) for the Feed Mill and Poultry Production Facility and the market value for the additional vacant agricultural land holdings, as at May 10, 2024 are estimated to be:

Apex Nutri-Solutions Site ("As-Is"):	**$4,520,000.00 (Value In Use)**
Apex Nutri-Solutions Site ("As-Is"):	**$1,700,000.00 (Forced Sale Value)**
Apex Nutri-Solutions Site ("As-Upgraded"):	**$5,320,000.00 (Value In Use)**
Vacant Agricultural Lands:	**$3,325,000.00 ($7,018/acre - Average)**
Vacant Agricultural Lands:	**$2,990,000.00 (Forced Sale Value)**

These value estimates are based on an exposure time of six to twelve months and in conjunction with the Assumptions and Limiting Conditions stated within the report. In particular, the Extraordinary Assumption and Hypothetical Condition that the proposed upgrades are complete as of the Effective Date of Appraisal. The property rights appraised are those of the fee simple estate. It has been appraised as if free of all outstanding debt.

Your attention is directed to the following report that contains the data, analysis, and supporting conclusions upon which these estimates were based.

Yours very truly,

COLLIERS INTERNATIONAL REALTY ADVISORS INC.
Valuation & Advisory Services Division

Ryan Archer, B.Comm, AACI
Director, Litigation & Expropriation, Western Canada

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Executive Summary

APEX NUTRI-SOLUTIONS
19543 TWP RD 440
EDBERG, ALBERTA

EFFECTIVE DATE OF VALUATION	• May 10, 2024
PROPERTY TYPE	• Feed Mill & Poultry Production Facility . • Vacant Agricultural Land Holdings
RIGHTS APPRAISED	• Fee Simple Estate.
PURPOSE AND INTENDED USE	• To determine the market value “In Use” and the “Forced Sale Value” of the subject property and the market value of vacant agricultural lands for litigation support. Opinions of value under 2 scenarios will be completed, including “As-Is” and “As-Repaired”/“As-Upgraded”
LEGAL DESCRIPTIONS	• Plan 1820044, Block 1, Lot 1 (21.08 Acres) • SE-25-20-43-W4 (160 Acres) • SE-26-20-43-W4 (153.75 Acres) • NE-24-20-43-W4 (160 Acres)

SITE AREAS	• Main Site: 21.08 Acres • SE-25: 160.00 Acres • SE-26: 153.75 Acres • NE-24 160.00 Acres
LAND USE DESIGNATION	• AG – Agriculture District
CONFORMITY TO LAND USE	• The existing structures and the current use as a feed mill and poultry production facility appear to be a permitted/discretionary and conforming uses under the current land use. • The agricultural use of the vacant lands represents an obvious conforming use.

IMPROVEMENT DESCRIPTION

- The subject parcel currently contains a 3,620 SF feed mill, 14,234 SF chicken broiler barn, a 2,610 SF bungalow style residence, a second 1,948 SF bungalow style residence, a 2,960 SF arch-ribbed machine shed, a 1,645 SF livestock barn, a 1,020 SF shop and an 832 SF 2 car garage.
- In support of the feed mill and poultry production facility are 40 grain bins ranging from 2,000 bbl to 6,000 bbl, 51 overhead bins ranging from 7 tonnes to 40 tonnes, 3 underground tanks ranging from 20,000L to 40,000L, 2 above ground tanks ranging from 15,000 L to 20,000L and an assortment of mills, presses, dryers, dust collection, scales and extruders.
- Site improvements include on site servicing (wells, septic, natural gas and power), a compacted gravel driveway and parking area, a landscaped yard-site and perimeter fencing.
- In place of repairing the soybean roasting process and its associated dust collection, the intention of the owner is to mitigate future fire risk by using the proceeds of their insurance claim for the upgrading of their canola pressing processes.

PROPERTY CHARACTERISTICS

Positive Features

- Located in Camrose County, Alberta, a primary agricultural area that exhibits a steady demand for poultry and poultry feed products.

Negative Features

- Special use improvements can exhibit prolonged marketing times and limited demand.

VALUE ASSUMPTIONS

- See Contingent and Limiting Conditions in the Appendices of this report for standard assumptions.
- It is assumed herein that the site is free of any environmental contamination. However, no applicable inspection reports have been provided to us, and we are not qualified to conduct any technical evaluations or draw any conclusions in this regard. Accordingly, for greater certainty, an environmental inspection report would be required.
- The value estimated herein is therefore the market value “In Use”. This implies that if the property were to be sold that the property would be marketed as a going concern and the sale would include the ongoing business operation, or alternatively that the owner would remain. It is noted that the property value as vacant could be significantly less than

the “In Use” value, particularly if the vacancy resulted from a failure of the existing seed and poultry operation.

- A current site improvement and equipment breakdown was provided to the writer of this report. It is an Extraordinary Assumption that these improvement itemizations are accurate and reflective of the subject property it its entirety.
- We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are no contaminants affecting the site. However, a full environmental assessment would be required for certainty and any cost of remedy could potentially impact the reported value conclusion. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support the existing development.

HIGHEST AND BEST USE

- MAIN SITE: As improved for use as a poultry and feed production facility and its accompanying warehouses and on-site living quarters.
- VACANT AGRICULTURAL LAND: Agricultural Use development site

---

FINAL VALUE CONCLUSIONS

Apex Nutri-Solutions Site (As-Is)	**$4,000,000 (VALUE IN USE)**
Apex Nutri-Solutions Site (As-Complete)	**$5,000,000 (VALUE IN USE)**
Apex Nutri-Solutions Site (As-Is)	**$1,700,000 (FORCED SALE VALUE)**
Vacant Agricultural Land	**$3,325,000 ($7,018/acre - Average)**
Vacant Agricultural Land	**$2,990,000 (FORCED SALE VALUE)**
Exposure Time	12 to 24 months (Apex Nutri-Solutions Site).
	Under 6 months (Agricultural Lands)

Terms of Reference

Purpose and Intended Use of Report

The purpose of this report is to estimate the market value of the subject property referred to herein as the Apex Nutri-Solutions located at 19543 Twp Rd 440 in Camrose County (vicinity of Edberg, Alberta) as well as 3 parcels of agricultural land in close proximity to the Apex Nutri-Solutions site. James Hanley has requested this report for foreclosure and insurable replacement cost purposes This report has been prepared only for this party and for only the specific uses stated. Use of this report by any other party or for any other purpose than stated herein is completely unauthorized.

Property Rights

The property rights appraised are that of the fee simple estate. The fee simple estate is the most complete form of ownership in Canada and is limited only by the powers of government (i.e. taxation, expropriation, police, and escheat).

Effective Date

The effective date of this valuation is May 10, 2024.

Inspection Date

The property was inspected by Ryan Archer on December 6, 2023, which included a full walk-through of the existing facility as well as an interview with the owner, which was further complemented by a review of all plans and specifications relating to the facility. Research and fieldwork for this assignment was completed between December of 2023 and May of 2024.

Market Value Definition

For the purposes of this valuation, market value is defined as:

> "The most probable price which a property should bring in a competitive and open market as of the specific date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus."

Implicit in this definition is the consummation of a sale as of the specific date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in Canadian Dollars or in financial arrangements comparable thereto; and

5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2024 ed., p.6)

Exposure Time

An estimate of market value is related to the concept of reasonable exposure time. Exposure time is the property's estimated marketing time prior to a hypothetical sale at market value on the effective date of the appraisal. It is a retrospective function of asking price, property type, and past market conditions and encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Reasonable exposure time is a necessary element of a market value definition but is not a prediction of a specific date of sale.

In appraisal theory and practice, there is a distinction relating to the perspective between exposure time and marketing time. Exposure time is presumed to precede the effective date of appraisal whereas marketing time is presumed to succeed the effective date. Marketing time is a prospective function of asking price, property type, and anticipated market conditions. The exposure period assumes the following:

- The property was extensively marketed. Potential purchasers could inspect the property at will.
- The owner provided interested agents with any and all relevant property information.
- Negotiations of any offers to purchase were performed in a timely manner.
- The property was maintained at a physical status equivalent to its present condition.
- Market level financing was readily available.
- The seller was not under duress.

Ongoing discussions with agents familiar with the agri-business and rural land market have indicated that properties such as the subject typically require a marketing period of:

Poultry and Feed Production Facility:	12 to 24 months
Rural Land:	6 months or less

Each of these exposure periods would be dependent on a number of factors including leasing status, location, condition of the improvements, and motivation of the vendor/purchaser.

Therefore, it is concluded that for the Apex Nutri-Solutions Facility to sell at the market value estimated herein as of the effective date of this report, an exposure period of approximately 12 to 24 months would be required. In contemplating a forced sale value for this facility, a 90-day marketing period would be certain to impose a considerable “motivational” discount (a Forced Sale discount in the order of 30% to 50% is likely).

With respect to the three agricultural land holdings under review, an exposure period of approximately 6 months would be required. In this instance, a forced sale scenario would not significantly impose a “motivational” discount (a Forced Sale discount in the order of 10% to 15% is likely).

Scope of the Valuation

Ryan Archer personally visited and walked through the main site along with both the property owner. All existing buildings were personally measured at the time of inspection. Ryan Archer also personally visited the three agricultural holdings under review.

All building and equipment details were confirmed by the property owner and are assumed to be correct. The building area estimates are based on information provided by the owner of the property as well as confirmed with on-site measurements. The improvement area estimates provided are therefore assumed to be correct but should be confirmed with a site survey if greater accuracy is required.

Ryan Archer has completed numerous appraisals on special use properties similar to the subject. He therefore affirms that he has the experience and knowledge necessary to complete this valuation assignment.

Municipal and neighbourhood information, including tax information, were provided by Camrose County and verified where appropriate and possible. Site area and dimensions are from information obtained from the North Alberta Land Titles Office.

Comparable market information was obtained from our information database and local real estate professionals knowledgeable in the rural industrial/commercial market. It was confirmed, when appropriate, with public information at the Land Titles Office or the parties involved when there was reason to doubt its accuracy.

Contingent and Limiting Conditions

This report is subject to the Contingent and Limiting Conditions set forth within the Appendices to this report in addition to any specific assumptions that may be stated in the body of the report. **These conditions are critical to the value stated herein and should be thoroughly read and understood before any reliance on this report is considered.** The following Assumptions and Limiting Conditions are worthy of particular note.

- The titles to the property were encumbered with a variety of documents. Since the appraiser of this report does not have the legal training to interpret these documents with certainty, legal counsel should be solicited for a full explanation of these encumbrances. For the purposes of this report, these instruments are assumed to have no significant effect on the marketability or market value of the subject property. Should they have any significant effect on value, such an influence has not been measured within this appraisal. Readers therefore need to investigate these encumbrances independently and determine for themselves the effect that they may have on market value.

Extraordinary Assumptions

An Extraordinary Assumption is an assumption, which if not true, could alter the appraiser's opinions and conclusions. They are required when a Hypothetical Condition is necessary due to circumstances that are not self-evident regarding the appraised property. Hypothetical Conditions include retrospective appraisals, significant renovations to the improvements, completion of proposed improvements, etc. The following Extraordinary Assumptions were invoked within this report.

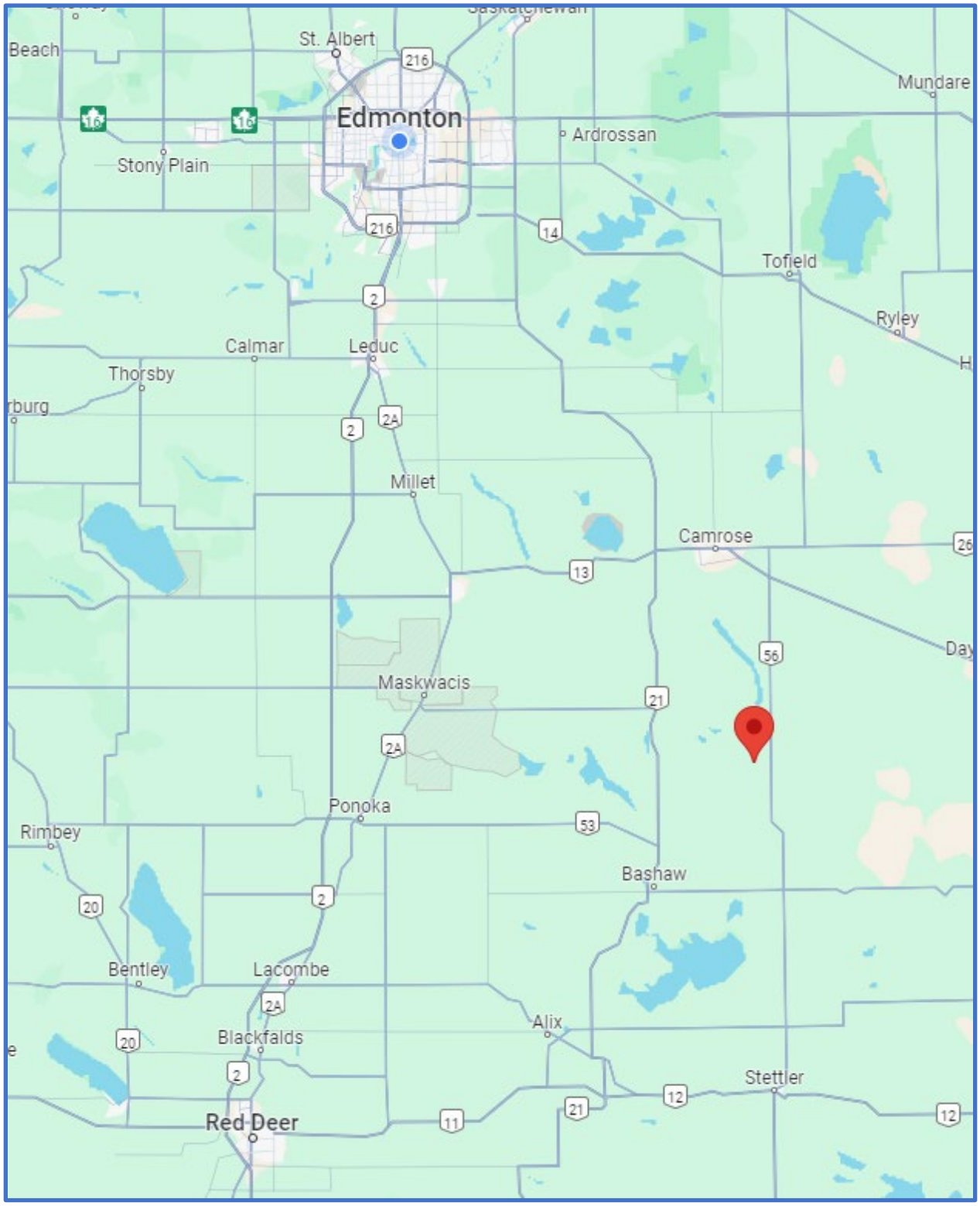
1. The Subject Property was subject to a fire which damaged a minor component of the overall seed production facility, which has effectively sterilized the use of a component of the facility. The "As-Complete" value estimate provided herein reflects the scenario where this damaged portion of the property is remediated. It is assumed that the property will be upgraded as per the plans and specifications that were provided by the client.

2. The value estimated herein is therefore the market value "In Use". This implies that if the property were to be sold that the property would be marketed as a going concern and the sale would include the ongoing business operation. It is noted that the property value as vacant could be significantly less than the "In Use" value, particularly if the vacancy resulted from a failure of the existing seed cleaning facility operation.

3. We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are no contaminants affecting the site. However, a full environmental assessment would be required for certainty and any cost of remedy could potentially impact the reported value conclusion. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support the existing development.

Extraordinary Limiting Conditions

An Extraordinary Limiting Condition refers to a necessary modification or exclusion of an Appraisal Institute Standard Rule. Such special circumstances include the inability to complete a property inspection, the purposeful exclusion of a relevant valuation technique, etc. No Extraordinary Limiting Conditions were invoked within this report.



General Location Map

Property Data

Municipal Addresses

The Apex Nutri-Solutions facility is located in Camrose County, Alberta, in the vicinity of the Hamlet of Edberg, Alberta. The subject parcel is municipally referred to as 19543 Twp Rd 440, Camrose County (Edberg), Alberta. The 3 vacant agricultural land holdings are similarly located within Camrose County, Alberta.

Legal Descriptions

APEX NUTRI-SOLUTIONS FACILITY
PLAN 1820044
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 8.53 HECTARES (21.08 ACRES) MORE OR LESS

VACANT AGRICULTURAL LANDS
FIRSTLY
MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 24
QUARTER NORTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

SECONDLY
MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 25
QUARTER SOUTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

THIRDLY
MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 26
QUARTER SOUTH EAST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
2.53 HECTARES (6.25 ACRES) MORE OR LESS AS SHOWN ON
RAILWAY PLAN 1983AJ AND BEING TAKEN FOR RIGHT OF WAY
OF THE CANADIAN NORTHERN RAILWAY COMPANY
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

Copies of the Certificates of Title are included within the Addenda to this report.

Ownership History and Encumbrances

Current Ownership

The properties under review involve two ownership groups that are effectively tied to the financing that drives the current foreclosure proceedings.

A search of Certificate of Title No. 192108950 on April 16, 2024, indicated that the Apex Nutri-Solutions site is registered to Apex Nutri-Solutions Inc., of PO Box 173, Edberg, Alberta.

A search of Certificate of Title Nos. 092110162, 092110165 and 092124299 on August 29, 2023 (titles provided by client), indicated that all three properties are registered to Murray and Carolyn Herbert of PO Box 88, Edberg, Alberta.

Ownership History

The Appraisal Institute of Canada requires the analysis of any sales that have occurred within the past three years prior to the effective date of the appraisal.

The main Apex Nutri-Solutions site was acquired by Apex Nutri-Solutions Inc. on May 16, 2019, via a purchase that included the real estate, business and equipment for the overall seed and poultry processing facility. Although the Transfer Document indicates a value of $730,870, inclusive of share transfers, mortgage assumptions, etc, a total amount of over $4M was exchanged for the property.

The three vacant agricultural holdings have been held for an extended period of time, and no further discussion is therefore required.

Current Contracts

Canadian Uniform Standards of Professional Appraisal Practice require the consideration and analysis of any current agreement for sale, option, or listing of the property being appraised, if such information is available in the normal course of business. No contracts are known to exist.

Encumbrances

As of the date of title searches (April 16, 2024), the following encumbrances were registered against each of 3 titles for the respective properties under review:

Apex Nutri-Solutions Facility (Title No. 192 108 950)

Registration No.	Encumbrance	Registered By	Comments
752 154 279	Utility Right of Way	Battle River Natural Gas Co-Op Ltd.	Natural gas services ROW
752 155 157	Utility Right of Way	Battle River Natural Gas Co-Op Ltd.	Natural gas services ROW

772 048 002	Utility Right of Way	Battle River Natural Gas Co-Op Ltd.	Natural gas services ROW
112 289 724	Caveat	Battle River Rural Electrification Association Limited	Agreement charging land. Power service to the property
192 140 366	Mortgage	ATB Financial	Principal amount of $2,200,000
192 151 770	Caveat	ATB Financial	Assignment of Rents and Leases
192 238 947	Caveat: Utility ROW	Battle River Cooperative REA Ltd.	Power service to the site
202 234 450	Amending Agreement	ATB Financial	Affects Instrument No. 192140366; Principal amount of $2,400,000. .

Vacant Agricultural Land: NE-24-43-20-W4M (Title No. 092 110 162)

Registration No.	Encumbrance	Registered By	Comments
092 110 163	Mortgage	Doug Herbert	Principal amount of $260,000
192 140 364	Mortgage	ATB Financial	Principal amount of $1,100,000
192 140 365	Caveat	ATB Financial	Assignment of Rents and Leases
192 152 934	Postponement	Various.	Affects 092110163 & 192140365

Vacant Agricultural Land: SE-25-43-20-W4M (Title No. 092 110 165)

Registration No.	Encumbrance	Registered By	Comments
762 084 507	Utility Right of Way	Battle River Natural Gas Co-Op Ltd.	Natural gas services ROW
092 110 163	Mortgage	David Herbert	Principal amount of $316,000
192 140 364	Mortgage	ATB Financial	Principal amount of $1,100,000
192 140 365	Caveat	ATB Financial	Assignment of Rents and Leases
192 152 933	Postponement	Various.	Affects 092110163 & 192140365

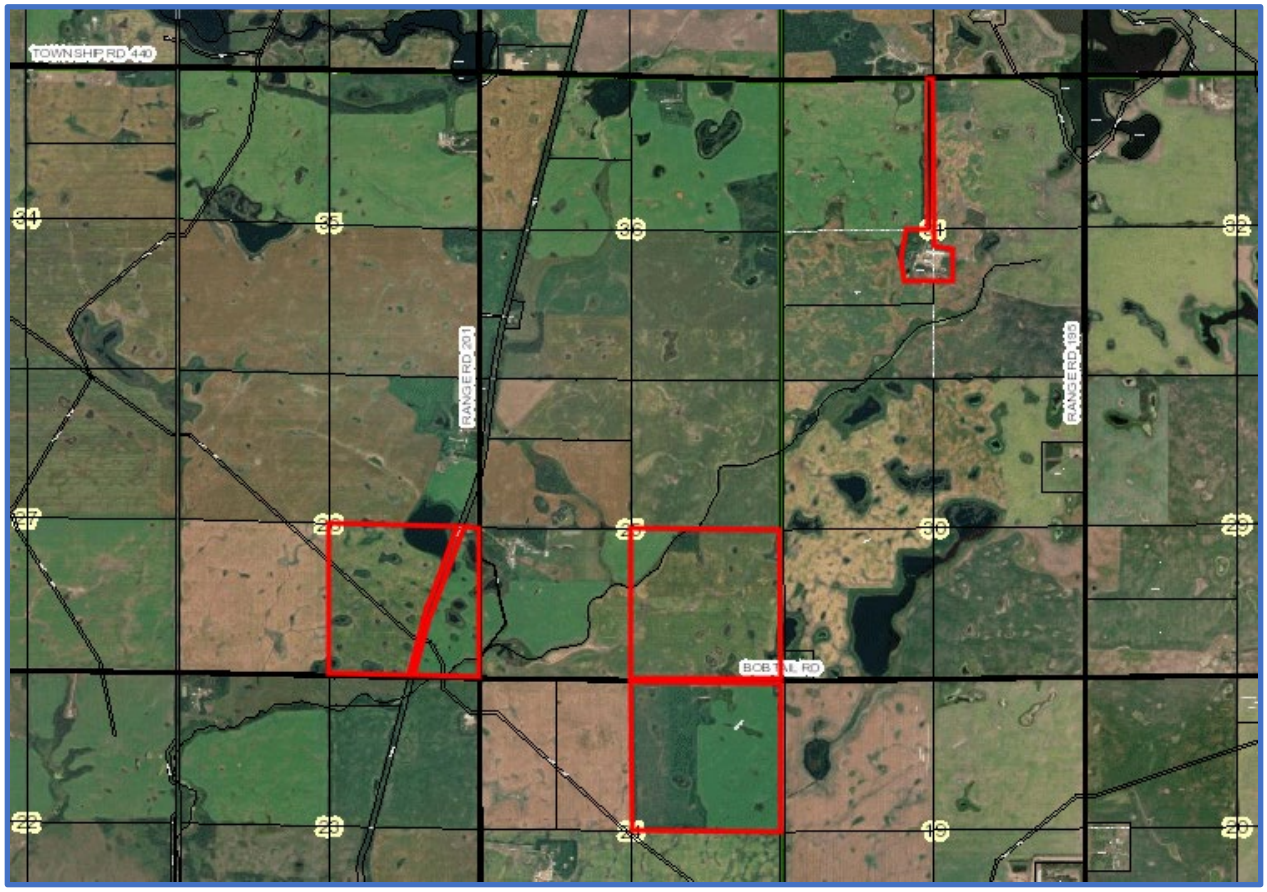
Vacant Agricultural Land: NE-24-43-20-W4M (Title No. 092 110 162)

Registration No.	Encumbrance	Registered By	Comments
752 158 005	Utility Right of Way	Battle River Natural Gas Co-Op Ltd.	Natural gas services ROW
902 243 866	Caveat: ROW	Shackleton Exploration Ltd.	ROW agreement
182 064 642	Mortgage	ATB Financial	Principal amount of $450,000

192 140 364	Mortgage	ATB Financial	Principal amount of $1,100,000
192 140 365	Caveat	ATB Financial	Assignment of Rents and Leases

The encumbrances appear to be typical for these property types and are not considered to impact value. Notwithstanding this review, since the appraiser of this report does not have the legal training to interpret these documents with certainty, legal council should be solicited for a full explanation of the effects of these encumbrances. For the purposes of this report, these instruments are assumed to have no significant effect on the marketability or market value of the subject property. Furthermore, the property is being appraised as if free and clear of all outstanding property related financing. Copies of the property titles have been inserted in the Appendices to this report for further inspection.

Site Descriptions



The Apex Nutri-Solutions site and the three vacant agricultural holdings under review are located within Camrose County, Alberta, and in the vicinity of the Hamlet of Edberg, Alberta. More specifically, the main site is located approximately 5 km SE of Edberg, Alberta, with the 3 vacant agricultural holdings located approximately 2 km SW of the main site. All properties exhibit accessibility and allow for good flexibility for agricultural and agro-industrial use. Further details regarding the sites are listed below:

DIMENSIONS

- The Apex Nutri-Solutions site has a panhandle shape with a long access road. The +/- 85 ft wide access road extends approximately +/- 2,640 ft south of Township Road 440, with the main building site exhibiting dimensions of approximately +/- 980 ft x +/- 875 ft.
- The 3 vacant agricultural holdings exhibit a shape that is generally rectangular. As full quarter sections, each of these holdings exhibits dimensions of approximately +/- 2640 ft x +/- 2640 ft, noting that there are a number of minor ROW's subdivided from each property. Most notably, the SE-26 is bisected by an old railway right of way that traverses the property in a northeasterly direction.

- Please refer to the site plans included in this report for further inspection.

AREA

- Based on the site dimensions and a review of the Certificates of Title, the respective property areas are as follows:
- ***Apex Nutri-Solutions Main Site:*** 21.08 Acres
- ***NE-24-43-20-W4:*** 160.0 Acres
- ***SE-25-43-20-W4:*** 160.0 Acres.
- ***SE-26-43-20-W4:*** 153.75 Acres.
- Copies of the Certificate of Titles have been included within the Addenda.

CONFIGURATION

- Again, please refer to the site plans included in this report.

SERVICES

- The main site and the 3 vacant agricultural holdings have access to the rural service standard (power, natural gas and telephone). On-site water and sewer have been established within the main site as well as having natural gas and heavy power being brought into the site.

ADJACENT USES

- The subject properties are all surrounded by similar agricultural developments, which include a combination of agricultural lands and developed farmstead sites.

ADJACENT ROADS/ACCESS

- ***Main Site:*** located along Township Road 440 and in between Range Road 193 and 194, each of which extend north towards Edberg, Alberta.
- ***Agricultural Lands:*** located approximately +/- 2 km SW of the Main Site, all the agricultural lands are located off of Bobtail Road (Township Road 435), with access to Edberg provided by Range Road 201, which forms the east boundary of the SE-26.

TOPOGRAPHY

- The topography of all the parcels is all generally at grade with the surrounding lands, with rolling topography. No significant development constraints were noted, other than minor wetland areas throughout each of the agricultural holdings.

SOIL CONDITIONS

- The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present

or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues, then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

- According to the Canada Land Inventory for Agricultural lands, the three agricultural holdings exhibit a combination of Class 2(T) and 3(T) soils, with minor components of Class 6(W) soils. As shown in the aerial photography, the main limitations within these properties relate to excess water and topography.

Land Use Information

LAND USE CLASSIFICATION	• ***A – General Agricultural District***
GENERAL PURPOSE	• The purpose of the A – General Agricultural District is to provide for a wide range of agricultural land uses that have regard for the agricultural character and rural identity of the area, and which can be carried on without interference by other incompatible land uses. • The Subdivision Authority, the Development Authority and, on appeal, the Subdivision and Development Appeal Board must refuse to approve any subdivision or issue a permit for any land use which may limit or restrict agricultural operations in the vicinity.
ALLOWABLE USES	• For a complete list of permitted and discretionary uses, please refer to the Appendices to this report where a copy of the A – General Agricultural District from the Land Use Bylaw is located.
DEVELOPMENT REGULATIONS	• For a complete list of development regulations, please refer to the Appendices to this report where a copy of the respective district from the Land Use Bylaw is located.
COMPLIANCE	• The improvements within the main site appear to be in conformance with this land use. • Notwithstanding this review, the writer of this report is not a lawyer and therefore this observation is not warranted. For greater certainty, written enquiries should be made with Mackenzie County or consultation with a lawyer should be sought.

Assessment and Property Tax Information

The following information details assessment and taxation for the subject parcels as reported by Camrose County.

Main Site

Roll Number:	126000
Total 2024 Assessment:	$1,033,740
2024 Tax Levy:	$11,136.22

NE-24-43-20-W4

Roll Number:	139100
Total 2022 Assessment:	$30,700
2024 Tax Levy:	$549.23

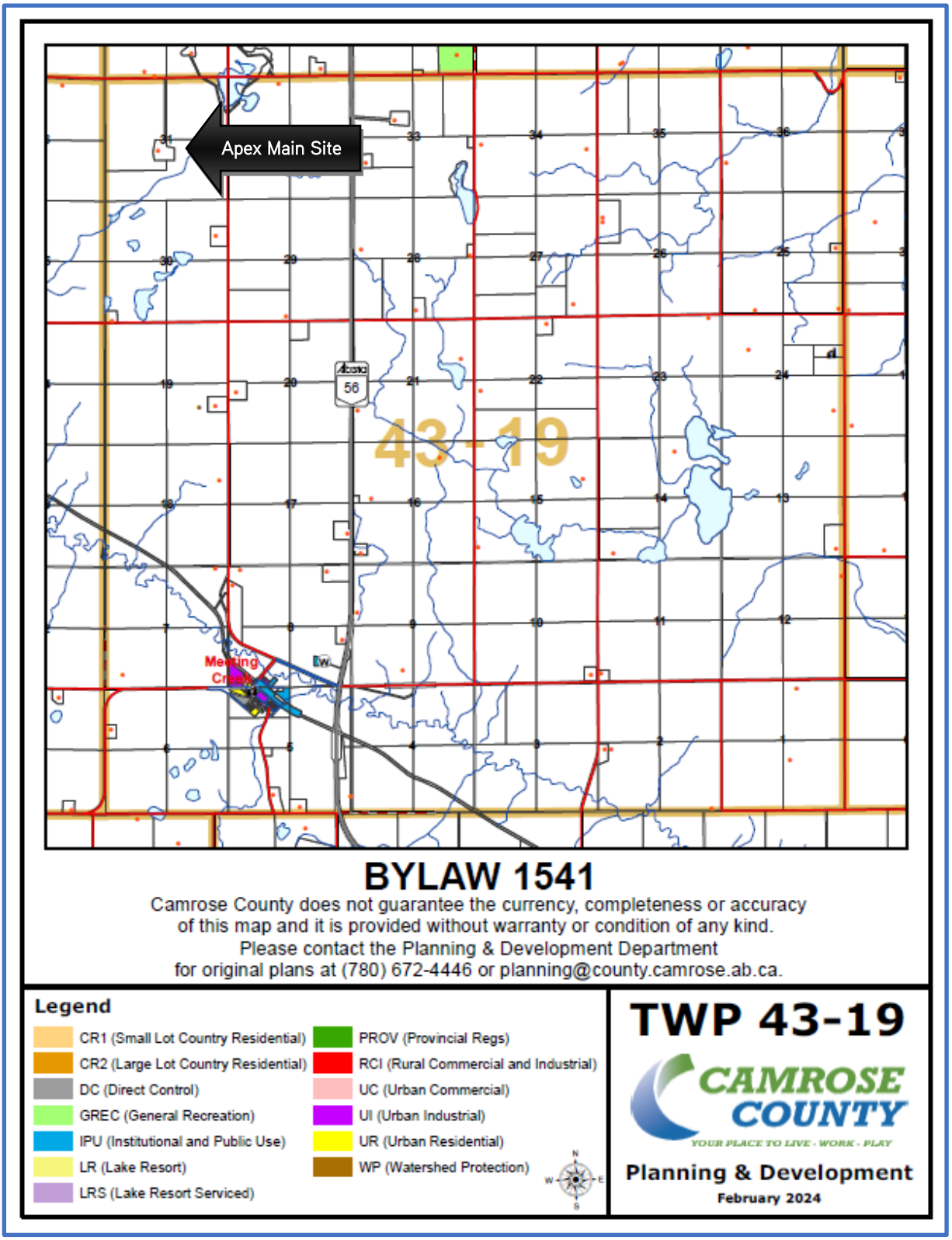
SE-25-43-20-W4

Roll Number:	139900
Total 2022 Assessment:	$31,570
2024 Tax Levy:	$564.79

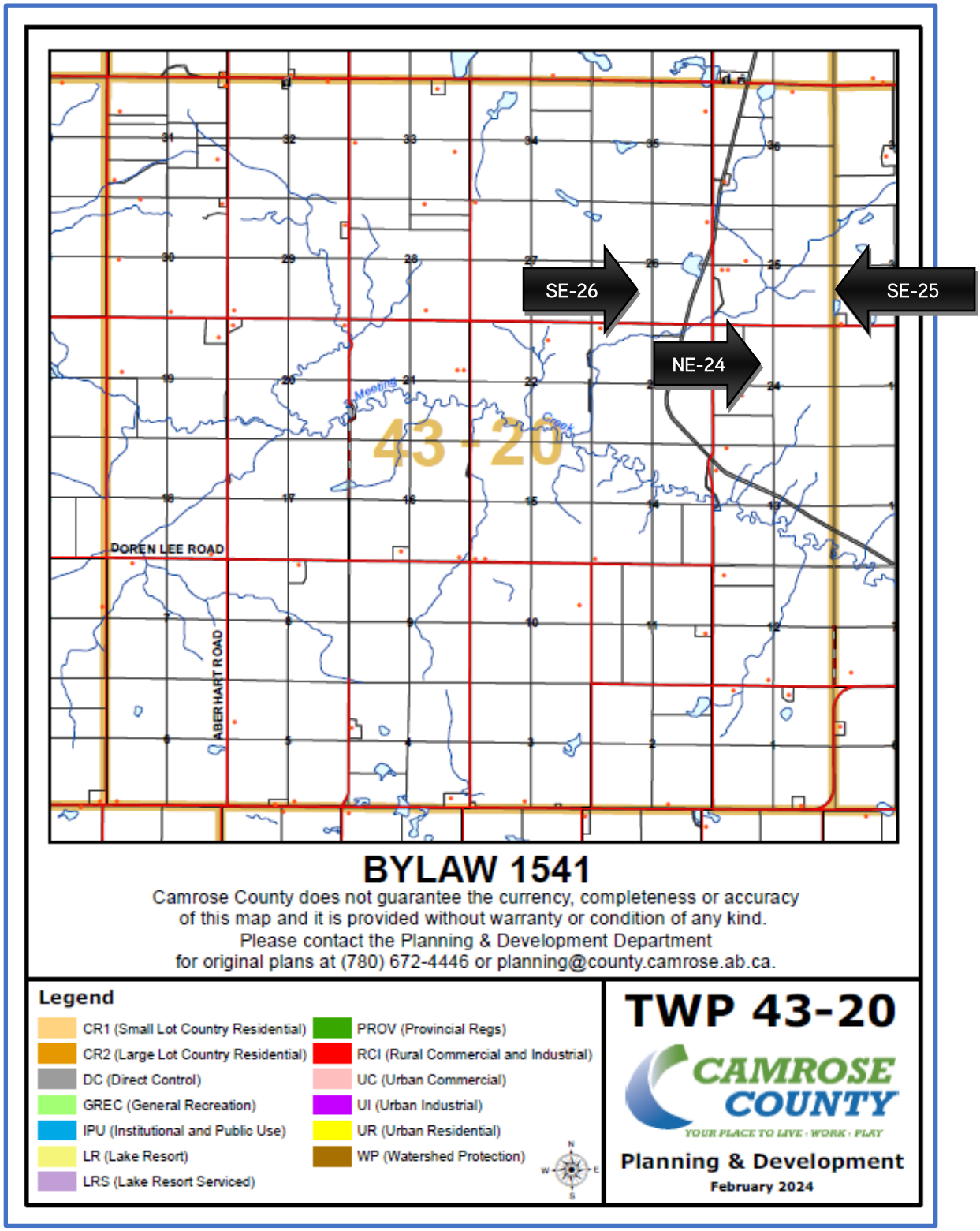
SE-26-43-20-W4

Roll Number:	140300
Total 2022 Assessment:	$23,470
2024 Tax Levy:	$419.88

The preceding property tax assessments were provided by the client as well as by a review of County records for assessed value and a review of the Tax Rate Bylaw. It is to be noted that the 2024 tax assessment was not available for the 3 vacant agricultural holdings.



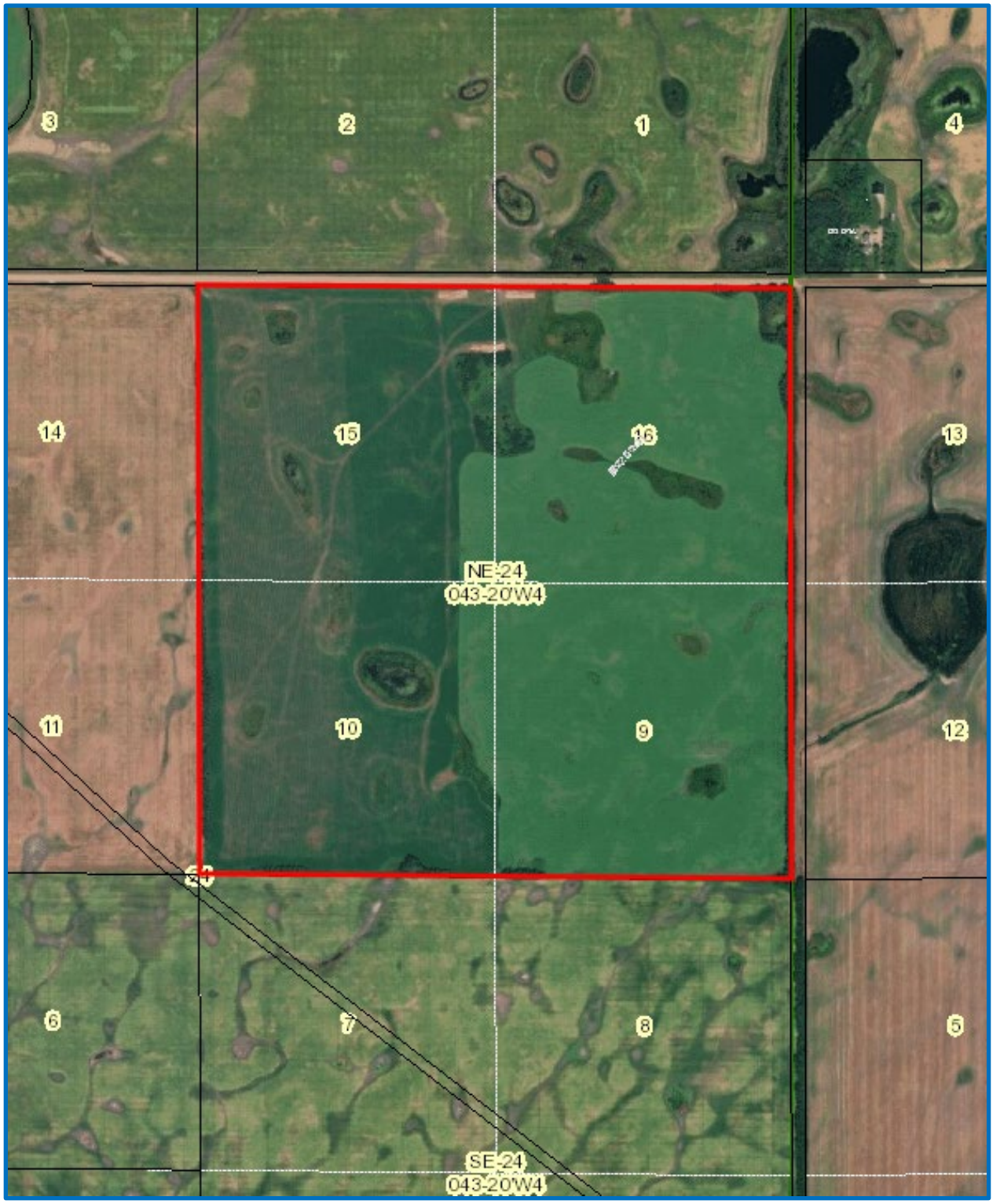
Land Use Map (Main Site)



Land Use Map (Agricultural Lands)

Apex Nutri-Solutions Aerial Photo (Plan 1830044, Block 1, Lot 1)

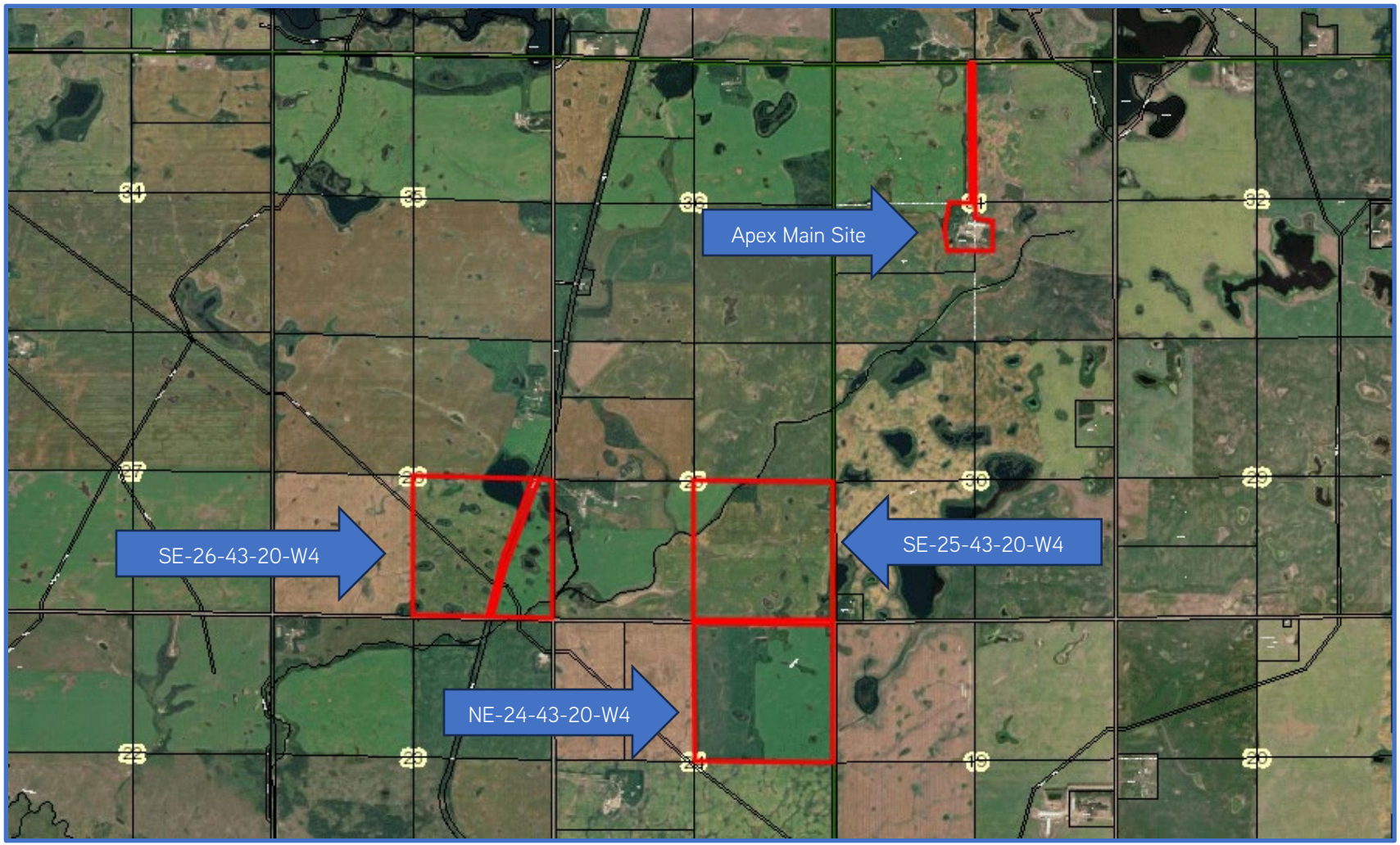
Apex Nutri-Solutions Aerial Photo (Improvements)



Aerial Photo (NE-24-43-20-W4)

Aerial Photo (SE-25-43-20-W4)

Aerial Photo (SE-26-43-20-W4)



Aerial Photo of All Holdings

Description of Improvements

Description/Layout

The subject property is representative of a feed mill and poultry broiler facility that is equipped with extensive feed/commodity storage, support structures and two residences developed on a 21.08 acres site. Each of the key improvements will be detailed as follows:

Feed Mill Facility

Feed mill facility exhibits a total ground floor area of 3,620 SF and consists primarily of a structural steel superstructure with exterior metal cladding. Facility was developed in 2006, with additions made between 2010 and 2012, with remaining economic life estimated at 30 years. Minor additions to the main level exhibit a wood frame. The superstructure is supported by poured concrete pilings and there is 105 ft long truck lane for loading/unloading various commodities, with a basement level below and bin chutes above to allow for materials to be unloaded.

The main level includes the main mechanical room and operations control room. Upper levels include specialized processing equipment (extruders, hammer mills and presses) that are connected to a series of elevators and chutes to move raw and processed materials through the facility, with the ceiling having maximum heights of between 47’ – 53’. To the exterior of the facility are an array of grain/feed bins on

elevated legs, with elevators/conveyers/chutes moving the raw and processed materials to/from these storage bins.

It is again to be noted that a portion of the facility that was dedicated to soybean roasting was victim to a fire, comprising the soybean roasting process as well as the related dust collector. The lack of the dust collector has also since compromised the extrusion process which was located in the same portion of the facility and relied on the same dust collection system. Canola pressing and conventional feed milling can continue in the facility under its current condition, however, the dust collector would need to be replaced to allow for extrusion to recommence. The repairs to the facility will primarily address the structure and restoring the walls and roof to protect equipment in this portion of the facility from the weather for future use and will serve to expand the preexisting canola crushing processes within another portion of the facility. It is my understanding that soybean roasting will no longer be pursued by the operator.

Facility includes a basement level for materials intake, four sub-surface storage tanks (canola oil, septic, and grey water capture), heavy power (800A, 480V, 3ph), and heavy natural gas servicing. The 105 ft long truck lane also includes a 90 Tonne scale. Although this facility includes process-specific equipment relating to poultry feed, it can easily be adapted to a wide variety of basic feed milling applications. The interior of the facility exhibits a maximum storage capacity of 480 tonnes of product. Exterior bins adjacent to the feed mill provide total storage capacity of between 125,000 and 130,000 bushels of product.

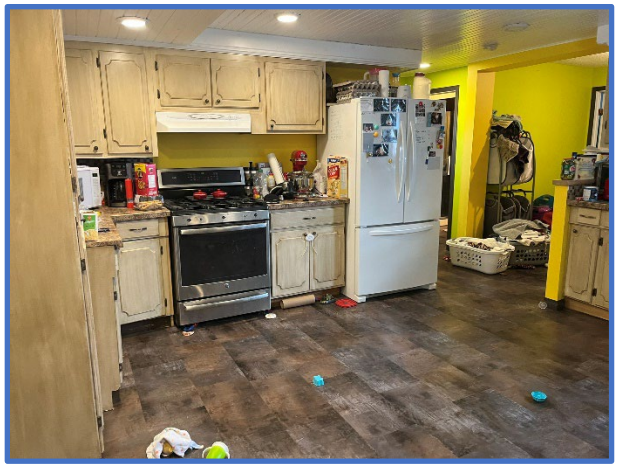
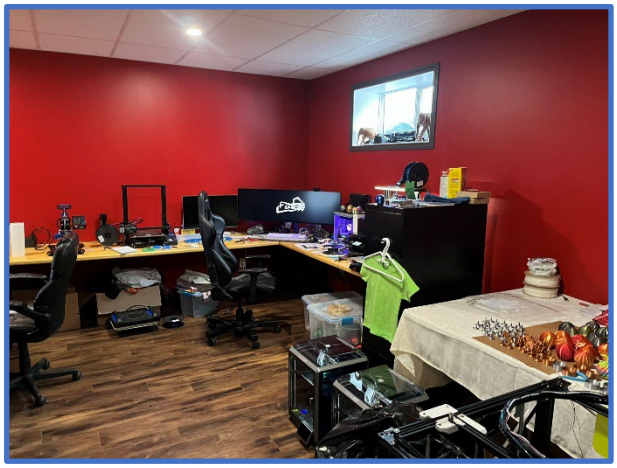
Poultry Broiler Barn

Facility measures 330 ft x 44 ft, with an overall area of 14,520 SF. This facility is a wood frame superstructure with exterior and interior metal cladding, good ventilation and overhead radiant heating. The west end of the structure houses a small utility and control room that controls the water, feeding and ventilation for the facility. Facility was originally constructed in 1996, with remaining economic life for this facility estimated at 30 years. Structure allows for a maximum of 14,300 quota units, which typically turn over on an 8-week cycle. Adjacent to the broiler barn are a series of 3 hopper bottom steel storage bins (Wheatland) with concrete pads and auger units that feed to an interior feed-mixer unit.

Bungalow Residence #1

The first dwelling is located within the west-central portions of the building site and exhibits an above ground area of 2,610 SF and was developed as part of the original farmstead site, with numerous additions and recent upgrades. The +/- 1,200 SF basement level is representative of the original structure (est at 1950), with a considerable 2 storey addition being completed in approximately 2010. At that time, the exterior (vinyl siding, cultured stone trim, covered deck, asphalt shingles, covered front veranda) and the main floor were also upgraded. The above grade renovated portions of the home include 2 full bathrooms, 1 half bathroom, 3 bedrooms, kitchen, dining room, living room with wood fireplace, mud room and finished laundry area. Flooring consists of a carpeting and sheet vinyl. All plumbing and lighting fixtures were also modernized at the time of renovation/addition. The basement level is partially finished and included a large living room and a partially finished bathroom. Construction consists of a typical wood frame and roof truss supported by a poured concrete foundation. This dwelling is utilized for housing of on-site staff (extended family).

Bungalow Residence #2

The second dwelling is located within the southwest portions of the building site and exhibits an above ground area of 1,948 SF along with a single car (325 SF) attached garage. Construction was recently completed between 2020 and 2022 and house exhibits an estimated remaining economic life of 60 years. Construction consists of an ICF structure with wood truss and corrugated steel exterior siding and asphalt shingle roofing. The main level consists of a large master bedroom with 5 pc ensuite, large living room with fireplace, dining room, kitchen, finished laundry area, additional bedrooms and 4 pc bathroom. The basement level consists of 3 good sized bedrooms, large living/recreation room, 4 pc bathroom and the mechanical room. Access to the attached single car garage is provided off of the dining room. Flooring throughout consists of a combination of carpeting, vinyl tiles, wood laminate and ceramic tiling. Ceilings are finished with a combination of painted/stippled drywall and ceiling tiles (basement). This residence is utilized by the property owners as their personal residence. Property is heated by a combination of in-floor and forced air (fan coil) via a hot water boiler, which also heats the attached garage. The house also includes an A/C unit that is tied into the heating system.

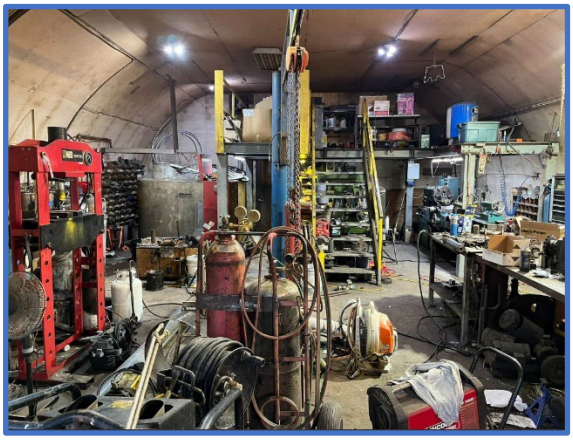
Two Car Detached Garage

Located within the northwest portions of the building site is a 832 SF two car detached garage. This structure consists of a typical wood frame with poured concrete perimeter grade beam and interior slab. This structure is primarily utilized for equipment storage and is fully insulated. Exterior consists of corrugated steel siding and roofing. Access provided by two overhead doors and a man door.

Livestock Barn and Arch Rib Machine Shed

Livestock barn is located to the north of the Broiler Barn and measures 1,645 SF. This wood frame and steel sided exterior building had previously been utilized for expanded poultry productions and has a poured concrete floor. Located to the southwest of the Feed Mill is a 2,960 SF arched rib machine shed with a gravel/dirt floor. Each of these structures are dated, but still functional in their original intended use.

Shop



To the north of the Feed Mill facility is the 1,120 SF shop structure. Shop has an arch-rib wood frame that is insulated and sheeted on the interior and is heated with an overhead forced air furnace. Facility has as 10’ x 6’ well pit in the centre of the poured concrete floor. Access is provided by an overhead door and a man door. Structure is estimated to have an original construction date of +/- 1960, but still remains functional in its original intended use.

Storage Bins & Conveyors

In support of the feed mill and poultry production facility are 40 grain bins ranging from 2,000 bbl to 6,000 bbl, 51 overhead bins ranging from 7 tonnes to 40 tonnes, 3 underground tanks ranging from 20,000L to 40,000L, 2 above ground tanks ranging from 15,000 L to 20,000L.

Summary

The facility is well-equipped to function as an efficient poultry and poultry feed processing facility and includes two on-site residences and a compliment of commodity storage and support structures for this purpose. Services include heavy power, heavy natural gas and on-site water and sewer handling.

Conclusions

ENVIRONMENTAL

- The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues, then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

CONDITION REPORT

- We are not qualified to comment on environmental issues, structural systems, or mechanical systems. Should these issues need to be addressed, we recommend that qualified consultants prepare these specific reports.

CONCLUSION

- The subject property is built-out as a feed mill and poultry broiler facility. The improvements in place are specific to this use. Prior to the fire that damaged the soybean roasting component of the facility as well as the dust collector, the improvements had been functioning as per their intended use and it is assumed within this report that, upon completion of the intended repairs, this use will continue to be economic over the remaining physical life of the improvements in place. NOTE: A formal study of the profitability of the facility is outside the scope of this report.

- However, it should be noted that there is limited competition, yet a consistent demand for poultry feed services.

- In assessing the subject property's economic viability, it is worthwhile to note that since its original development in the early 1980's, there have been several upgrades to the facility to meet continued growth in capacity and efficiency. Prior to the fire which directly damaged the soybean roasting and the dust collector (which indirectly impacted the extrusion process), the facility had been economic and working at its capacity to meet ongoing demand. It is again noted that, in the absence of the soybean and extrusion processes, canola crushing, and basic feed milling can take place within the facility. Furthermore, the poultry broiler component of the overall facility was not impacted by this fire. Upon remediation of those areas impacted by the fire, it is reasonably assumed that production to full capacity will resume immediately to meet ongoing demand.

PHOTOGRAPHS

LOOKING EAST AT THE FEED MILL FACILITY

LOOKING NORTH AT THE POULTRY BROILER BARN AND LIVESTOCK BARN FROM ATOP THE FEED MILL

PHOTOGRAPHS

LOOKING EAST TOWARDS MACHINE SHED, FEED MILL AND SECOND RESIDENCE

LOOKING SOUTH AT SUBJECT PROPERTY ENTRANCE OFF OF TOWNSHIP ROAD 440

PHOTOGRAPHS

LOOKING EAST ALONG TOWNSHIP ROAD 440

LOOKING WEST ALONG TOWNSHIP ROAD 440

Market Overviews

Canadian Economic Overview

Population

The population of Canada was reported to be 36,991,981 by the 2021 Canadian Census. This represents a 5.2% increase compared to the population count of 35,151,728 reported in the 2016 Canadian Census. Population statistics for the country over the past five census periods are detailed in the following table.

Canadian Population - Statistics Canada

	2001	2006	2011	2016	2021
Population Count	30,007,094	31,612,897	33,476,688	35,151,728	36,991,981
% Increase	4.0%	5.4%	5.9%	5.0%	5.2%

There were 16,284,235 private dwellings in Canada according to the 2021 Census. Similar to most developed countries, Canada is becoming increasingly urban. Rural Canadians now make up 17.8% of the population compared to 18.7% five years earlier. The population update from Statistics Canada in October 2023 reported that the national population rose to 40,528,396. The Third Quarter 2023 population increase of 430,635 was the largest on record and the highest quarterly rate of increase (1.1%) since 1957.

Economic Growth

The Canadian economy has recorded uneven growth over the past decade. The following table details actual economic growth from 2019 to 2022 plus the forecasted growth for 2023 and 2024 according to the Bank of Montreal's most recent economic update.

Canadian Economic Growth – Bank of Montreal

	Actual 2019	Actual 2020	Actual 2021	Actual 2022	Forecast 2023	Forecast 2024
GDP Growth	1.6%	-4.3%	5.0%	3.4%	1.0%	0.5%

The forecasts for calendars 2023 and 2024 were recently lowered. Although the economic effects of the COVID-19 pandemic have disappeared, interest rate increases, the war in Ukraine, and labour shortages are impacting the economy negatively. If commodity prices remain high and interest rates taper off, greater growth can be expected in the future. However, as of the writing of this report significant uncertainty with major economic variables makes accurate predictions for 2024 difficult.

Labour Force

Employment growth in the nation over the past six years is detailed within the following table.

Canadian Labour Force Growth – Statistics Canada

	2017	2018	2019	2020	2021	2022
Net Job Gain	422,500	163,300	320,300	-571,600	886,000	448,400

The unemployment rate at the end of 2022 was 4.6%. This is a mild decrease from the unemployment rate of 5.7% at the end of 2021. Although there was a net gain of 448,400 jobs last year, the labour force increased by 246,100 and thus muted a more significant decrease in the unemployment rate. The net job gain during 2022 included an increase of 472,500 full time positions and a decrease of 24,100 part time positions. There was also 202,300 fewer unemployed persons in Canada last year. In November 2023, the unemployment rate was 5.3%. This marks an increase from the 4.7% unemployment rate as recorded in November 2022. Elevated interest rates in the nation will continue to cool the economy in 2024 and therefore national job gains may stall in 2024.

Manufacturing

Canadian manufacturing shipments moved significantly downward during 2020 but elevated to record highs in 2021 and 2022. The following table details seasonally adjusted manufacturing shipments for the nation over the past six years.

Canadian Sales of Manufactured Goods – Statistics Canada - Millions CDN$

	2017	2018	2019	2020	2021	2022
Dollar Volume	$651,482	$685,227	$687,952	$611,217	$719,192	$850,880

For the month of October 2023, seasonally adjusted manufacturing sales were $70.96 billion. This represents a 2.8% decrease compared to the prior month and a 1.5% decrease from October 2022. On a year-over-year basis, Motor Vehicles (up 60.4%) and Transportation Equipment (up 30.5%) sectors experienced the largest increases. Wood Product (down 24.4%) witnessed the largest decrease over this time frame. Inventories increased by 1.2% on a year-over-year basis for October 2023 to $123.85 billion. Unfilled orders decreased by 7.2% on a year-over-year basis to $102.36 billion.

Retail Sales

Canadian retail sales were steadily increasing from 2010 onward. They dipped slightly in 2020 but increased significantly since that time years due to the resolution of the COVID-19 pandemic and healthy economic conditions. Seasonally adjusted retail sales in the nation over the past six years are detailed on the following table.

Canadian Retail Sales – Statistics Canada - Millions CDN$

	2017	2018	2019	2020	2021	2022
Dollar Volume	$588,828	$605,934	$615,575	$603,533	$673,718	$735,792

Seasonally adjusted retail sales during 2022 were $735.8 billion. This is a 9.2% increase compared to the prior year and marked a new record high. E-commerce sales comprised 6.5% of the 2022 total. For the month of September 2023, seasonally adjusted retail sales were $66.46 billion. This is up by 0.6% from the prior month and an increase of 2.7% compared to September 2022. Electronics and appliance retailers posted the largest gains (up 13.4%) on a year-over-year basis while floor covering, window treatment, and other home furnishing retailers (down 14.3%) posted the largest decrease in sales. Retail sales will most likely taper in 2024 due to a cooling national economy.

Trade

The historical trade balances in Canada over the past six years are detailed in the following table. They relate to seasonally adjusted balance of payments statistics.

International Trade – Statistics Canada - Millions CDN$

	2017	2018	2019	2020	2021	2022
Exports	$549,476	$585,419	$595,349	$524,357	$636,196	$777,099
Imports	$574,120	$607,080	$613,457	$560,515	$631,329	$757,037
Trade Balance	**-$24,644**	**-$21,661**	**-$18,109**	**-$36,158**	**$4,867**	**$20,062**

Canada ran a trade surplus of over $20 billion during 2022. This is the second consecutive surplus and was primarily due to rising commodity prices. For the month of October 2023, Canada's trade surplus was approximately $2.97 billion. Exports reached $65.98 billion (up 0.1% year-over-year) during October 2023 while imports were $63.01 billion (down 4.3% year-over-year). Exports to the Netherlands recorded the largest year-over-year increase (up 55.0%) while Japan (down 29.4%) decreased the most.

Federal Budget

The Federal Liberal Government ran on a platform of balanced budgets but have run deficits since elected in 2015. The last pre-pandemic budget (2019/2020) recorded a deficit of $19.8 billion. For Fiscal 2020/21, the budget deficit ballooned to a record $354.2 billion due to a decline in revenue and increases in pandemic-related spending. According to budget documents, the federal budget deficit was $113.8 billion for 2021/22 and $43.0 billion for 2022/23. The Liberal Government has opted to continue elevated deficits for the foreseeable future including shortfalls of $40.1 billion during 2023/24 and $35.0 billion during 2024/25. The most recent budget includes some minor tax changes, significant spending on green energy subsidies, free dental care, and a 2% tax on the net value of share repurchases.

Alberta Economic Overview

Population

The population of Alberta was 4,262,635 according to the 2021 Canadian Census. This represents a 4.8% increase compared to the population count of 4,067,175 reported in the 2016 Canadian Census. Population statistics for the province over the past five census periods are detailed below.

Alberta Population - Statistics Canada

	2001	2006	2011	2016	2021
Population Count	2,974,807	3,290,350	3,645,257	4,067,175	4,262,635
% Increase	10.3%	10.6%	10.8%	11.6%	4.8%

According to the most recent update by Statistics Canada, the population of Alberta was 4,756,408 as of October 2023. Net population growth over the prior twelve months was 4.3%, which was the highest of all provinces by a wide margin. Net inter-provincial migration into Alberta was positive from every province and totaled 17,094 during the Third Quarter of 2023. This is the second highest number on record and was particularly profound from Ontario (6,262) and BC (5,269). The only other province with positive inter-provincial migration was New Brunswick at 21. Net international migration was 39,212 in the Third Quarter of 2023, which is the second month in a row with a record high.

Economic Growth

The economy in Alberta was set to grow rather strongly in 2020 until the COVID-19 pandemic shut down businesses and caused significant declines to energy prices. The following table details actual and forecasted economic growth within the Province of Alberta as reported by the Bank of Montreal within their most recent provincial update.

Alberta Economic Growth – Bank of Montreal

	Actual 2019	Actual 2020	Actual 2021	Actual 2022	Forecast 2023	Forecast 2024
GDP Growth	0.1%	-7.7%	4.8%	5.1%	1.6%	1.1%

The province has benefitted significantly from high commodity prices, especially from the oil and gas sectors. GDP growth of 5.1% for Alberta in 2022 would be second to only Saskatchewan. This has a cascading effect in regard to migration into the province, government surpluses, new business startups, and diversification. Although elevated interest rates have injected doubt about the strength of the economic acceleration, most analysts consider the province to be in a good position in 2023. A tight labour market, which is becoming increasingly acute in Alberta, may play a larger role than financing costs when it comes to GDP growth in the coming years.

Labour Force

The employment situation in the province turned sharply negative in 2020 due to the COVID-19 pandemic but rebounded during 2021 and 2022. The net employment change on an annual basis in Alberta over the past six years is detailed within the following table.

Alberta Labour Force Growth – Statistics Canada

	2017	2018	2019	2020	2021	2022
Net Job Gain	54,900	21,600	-4,200	-132,700	129,800	92,700

The unemployment rate in Alberta at the end of 2022 was 5.2%. That is a marked decrease from the unemployment rate of 6.8% at the end of 2021. The province gained 92,700 jobs during 2022 including an increase of 74,300 full time positions and an increase of 18,400 part time positions. The unemployment rate for Alberta during November 2023 was 5.3%. This is an increase from the unemployment rate of 5.1% as recorded in November 2022. There have been 81,600 net new jobs created in the province over the past twelve months, but the labour force expanded by 93,000 in that same time frame. Job growth during 2024 should continue to be strong but high migration will balance the unemployment rate.

Manufacturing

Manufacturing in the province declined sharply in 2020 due to pandemic-related conditions. The industry recovered strongly in 2021 and reached a new record high in 2022 due to positive economic growth and markedly higher energy prices. According to Statistics Canada, historical Alberta manufacturing shipments are detailed in the following table.

Alberta Sales of Manufactured Goods – Statistics Canada - Millions CDN$

	2017	2018	2019	2020	2021	2022
Dollar Volume	$70,949	$76,833	$76,294	$64,983	$84,758	$108,095

For the month of October 2023, the seasonally adjusted volume of manufactured goods in Alberta totaled $8.76 billion. This is a 4.6% decrease compared to the prior month and an 8.3% decrease compared to October 2022. The year over year strength in manufacturing was most evident within the petroleum and wood products sectors although almost all sectors increased. Despite elevated interest rates, manufacturing shipments should continue to rebound during 2024 due to healthy economic conditions.

Retail Sales

Retail sales in the Province of Alberta were stagnant from 2017 to 2020 but increased significantly in 2021 to a new record high due to the relaxation of economic lockdowns associated with the COVID-19 pandemic. Sales figures continued to climb throughout 2022 and surpassed the record from the prior year. This trend has continued into this year.

Alberta Retail Sales – Statistics Canada - Millions CDN$

	2017	2018	2019	2020	2021	2022
Dollar Volume	$80,318	$81,911	$81,307	$79,220	$89,400	$95,074

Retail sales during 2022 were $95.07 billion, which is a 6.3% increase compared to the prior year. For the month of September 2023, retail sales in Alberta were $8.56 billion. This is up by 0.9% compared to the prior month with a year-over-year increase of 4.3%. As expected, gasoline stations recorded the largest increase in sales. Further increases in retail spending are expected for the remainder of this year and for the First Half of 2024.

Building Permits

Building permits for the Province of Alberta increased to $15.44 billion during 2022. This was the highest level of building permits in the province since 2015. Building permits in Alberta from the past six years are detailed on the following table.

Seasonally Adjusted Alberta Building Permits – Statistics Canada - Thousands CDN$

	2017	2018	2019	2020	2021	2022
Residential Permits	$8,400,006	$7,882,051	$6,999,040	$6,788,620	$9,526,644	$10,439,250
Non-Residential Permits	$5,844,884	$5,655,631	$4,639,248	$3,845,848	$4,788,443	$4,997,874
Total Permits	**$14,244,886**	**$13,537,684**	**$11,638,288**	**$10,634,468**	**$14,315,087**	**$15,437,124**

Residential permits increased by 9.5% to $10.44 billion during 2022. Non-residential permits increased by 4.4%. Building permits in the province totaled $1.20 billion during September 2023, which is a 5.7% decrease compared to the prior month and a 1.5% increase compared to September 2022. Residential permits increased by 4.9% on a year-over-year basis while non-residential permits decreased by 5.6%. Building permits are expected to increase throughout the remainder of this year due to positive economic growth in the province.

Provincial Budget

The Government of Alberta recorded a budget surplus of $11.6 billion for the 2022/23 fiscal year. This is slightly higher than the surplus of $10.4 billion which was projected in the March 2022 update. The higher

number is due to buoyant energy prices, population increases, and positive economic growth. The province retired over $13.4 billion in debt in the last fiscal period and received two credit rating increases. It also added $2.5 billion to the "rainy day" Heritage Fund, which now totals roughly $21.2 billion. The debt to GDP ratio for Alberta is now 10.2%, which is the lowest of all provinces in Canada. The Government of Alberta projects a surplus of $5.5 billion for 2023/24, $2.0 billion for 2024/25, and $1.4 billion for 2024/25. Over the next three years, the province anticipates spending of $23 billion on capital projects, increased education spending, and increased health spending. No new taxes are anticipated.

Camrose Economic Overview

Location

The City of Camrose is located at the crossroads of multiple highways in East-Central Alberta. Highway 13 bisects the community and extends west through Wetaskiwin and southeast through to the Saskatchewan border via Hardisty and Provost. Highway 26 also extends east from Camrose to the Saskatchewan Border via Highway 14 and Wainwright. Highway 21 links the community with the City of Edmonton 100 kilometers to the northwest and the Town of Strathmore near Calgary to the south. Lastly Highway 56 connects the city to the communities of Stettler and Drumheller to the south. The city also has rail access and an asphalt paved 24-hour airport.

Population

The most recent population estimate for the City of Camrose (2021 Canadian Census) is 18,772 persons. This represents a five-year increase of 0.2% over the 2016 population count of 18,742 persons and a ten-year increase of 8.6% over the 2011 population count of 17,286. Based upon a town area of 41.67 kilometers, Camrose has a relatively high population density of 450.5 persons per square kilometer. The census also reports that there are 8,747 private dwellings within the community and that the median age of the population was 43.2 compared to an average median age of 38.4 for the province overall.

Labour Force

As of November 2023, the seasonally adjusted unemployment rate for the Camrose/Drumheller region was 2.5%. This is the lowest rate in the province and a decrease from the rate of 3.8% as recorded in November 2022. During the past twelve months, there are 7,200 less employed persons and 1,700 fewer unemployed persons in the region. The labour participation rate in the Camrose/Drumheller region was 58.4% as of November 2023, which is relatively low for Alberta.

Economy

The economy of Camrose has several major influences. East-Central Alberta is a high-producing agricultural area and Camrose serves as one of the primary service centres for this industry. It includes a wide variety of cereal crops, livestock, and specialty farming. Also of significant importance is oil/gas exploration and extraction. Camrose serves as service centre for a wide variety of energy companies. Several manufacturing companies also have made Camrose their base of operations including Meridian, Plasmatrax, Hoyme, Camrose Machine & Welding, Quicksilver, OSM Tubular, and several concrete companies. Camrose also has a particularly wide range of retail amenities and numerous government agencies as well.

Building Permits

Building permits for 2021 within the City of Camrose totaled $50.57 million. This represents a significant increase over the prior year and above the ten-year average. The following table tracks building permit values over the past five years.

City of Camrose - Building Permit Statistics

	2018	2019	2020	2021	2022
Commercial	$5,421,526	$13,457,266	$3,513,480	$7,298,428	$11,615,461
Industrial	$1,626,450	$15,000	$20,932	$18,103,635	$407,000
Institutional	$16,486,050	$260,094	$15,434,658	$11,312,611	$4,643,677
Residential	$12,107,441	$14,776,326	$9,374,460	$13,852,204	$17,306,894
Total	**$35,641,467**	**$28,508,686**	**$28,343,530**	**$50,566,878**	**$33,973,032**

Building permits decreased by 32% during the past calendar year. Residential and commercial permits increased while institutional and industrial permits experienced a decrease. For the first eleven months of 2023, building permits have totaled $69.5 million, which is a 132% increase compared to the same period in 2022. Further strength in permitting should occur in the community throughout 2024.

Valuation

Highest and Best Use

The principle of highest and best use is fundamental to the concept of value in real estate. Highest and best use, in general, is defined as follows:

> "The reasonably probable and legal use of vacant land or an improved property; which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."

The highest and best use for properties already improved is usually set by those improvements. For all properties (improved or unimproved), the highest and best use is also determined for the land as if vacant. Highest and best use of a site as though *vacant* is defined as:

> "Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital and co-ordination. The use of a property based on the assumption that the parcel of land is vacant or can be vacant by demolishing any improvements."

The definition of the highest and best use for properties *already improved*, is as follows:

> "The use that should be made of a property as it exists. An existing property should be renovated as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building[s] and constructing a new one."
> *(Source: The Dictionary Of Real Estate Appraisal, Third Edition, Copyright 1993, p 171)*

Existing Use of the Subject Properties

Canadian Uniform Standards of Professional Appraisal Practice requires an appraisal to state the existing use of the subject property. The Apex Nutri-Solutions Facility as of the effective date of this appraisal is a special use industrial development that provides an essential seed processing service for the region. The vacant industrial land holdings are well-located sites that support a wide spectrum of potential industrial utilizations.

Highest and Best Use as Vacant

The legal permissibility, physical possibility, financial feasibility, and maximum profitability must be analyzed for the subject property as if not improved with any buildings.

- In terms of ***legal permissibility***, legal restrictions that apply to a site may include public and private restrictions. Leases, covenants, easements, subdivision controls, etc. may affect use of the land. If

private restrictions conflict with public restrictions, the most restrictive guidelines usually prevail. With respect to public restrictions, there are a wide variety of permitted and discretionary agricultural uses within the Agricultural General District outlined in the discussion of Planning and Land Use (see copies of Land Use Bylaw excerpts in Appendix).

- In terms of ***physical possibility***, the size and configuration of the subject properties are conducive to agricultural development. Access and roadways to the subject parcels are deemed average to good (gravel roads). The sites all have access to the rural servicing standard (power and natural gas) and the lands are of sufficient size to allow considerable flexibility in development.

- In terms of ***financial feasibility***, Demand for developed agricultural holdings within Central Alberta is steady, with current demand being strong due to rising costs of construction for new facilities. Traditionally, developed agricultural holdings have exhibited high levels of external depreciation relative to their high costs of construction, however, the gap between replacement cost and resale values for developed facilities has closed considerably within the past 5 years.

- Demand for agricultural lands has been strong over the past 15 years, and this demand has seen another sharp upward spike in the last year with the emergence of demand from institutional investors.

- In terms of ***maximum productivity***, a continued agricultural use is considered to maximize the productivity of all 4 properties under review.

The Highest and Best Use of the properties, as vacant, is therefore similarly judged to be as holding properties for agricultural use. However, as vacant the Main Site could also exhibit appeal for rural residential use. As three of the properties under review involve vacant land, no further discussion of Highest and Best Use is required for the three agricultural land holdings.

Highest and Best Use as Improved

In general, the Highest and Best Use of a property as improved is the use that will generate the highest sale price if offered on the open market. This is usually its value as currently improved but could be its value as vacant if such a value exceeds its value as improved. The legal permissibility, physical possibility, financial feasibility, and maximum profitability for the subject as improved are as follows.

- In terms of ***legal permissibility***, the Apex Nutri-Solutions Site (existing and as assumed completed) is considered to be representative of a permitted/conforming use and does not appear to be in conflict with any private restrictions (see Extraordinary Assumption invoked herein).
- In terms of ***physical possibility***, the improvements are serviced to a municipal standard and are deemed functional for their intended use. Aside from components of the facility that were damaged by the fire (soybean roasting component and corresponding dust collection – soybean roasting and extrusion is no longer functional), the balance of the facility remains functional in its intended use. As is, the property still performs its canola pressing and feed mill function. Upon the proposed

remediation of the areas damaged by the soybean roasting fire, extrusion processes will recommence and canola pressing capacity will be increased.

- The improvements are subject to a sufficient amount of remaining economic life, which is estimated at approximately 25 to 40 years. The main site has heavy power and heavy natural gas brought into the site as well as having on-site water and sewer that support both the agro-industrial and residential components of the property.

- In terms of ***financial feasibility***, the subject site and the improvements in place provide utility to the current owner/occupant and is expected to continue to do so for the indefinite future. The facility is comprised of both typical and special use buildings, however, the fixtures that are specific to the operation of a feed mill and poultry production facility are purpose-built and it is assumed that their continued use will be supported by the business operations connected with them.

- Demand for developed agricultural holdings within Central Alberta is steady, with current demand being strong due to rising costs of construction for new facilities. Traditionally, developed agricultural holdings have exhibited high levels of external depreciation relative to their high costs of construction, however, the gap between replacement cost and resale values for developed facilities has closed considerably within the past 5 years. Functional special-use agricultural facilities tend to be valued primarily on a cost basis.

- In terms of ***maximum productivity***, the existing use produces a return to the operator that is less than the removal of the existing buildings to an alternate use or demolition and construction of an alternate use.

Highest and Best Use Conclusion

In consideration of the foregoing discussion, the Highest and Best Use of the Apex Nutri-Solutions Facility is for the continued use of the facility, both on an “as-is” and “as-completed” basis, noting that the proposed upgrades/repairs will serve to enhance capacity for canola pressing. The improvements are substantive in nature that they represent an obvious contributory value to the underlying land. It is assumed that our client (or subsidiaries) will continue to operate this facility for as long as these improvements continue to have a remaining economic life. The property will therefore be valued on this basis as a “value in use”. To further validate the contributory value of the existing structures is that a new facility of similar scope is estimated to be in the range of $6M to $8M, as opposed to the estimated $1.5M that is proposed to be invested into the property (most of which is to be derived from an on-going insurance claim connected to the fire within the soybean roasting portion of the facility)..

Again, as vacant agricultural holdings, continued agricultural use (crop production) is the obvious Highest and Best Use for these vacant land holdings, and this is supported by a recent surge in both market values and volume of agricultural lands sales within Camrose County.

Valuation Methodology

Traditionally, there are three accepted methods of valuing real property:

- Cost Approach
- Direct Comparison Approach
- Income Approach

The selection of a relevant methodology depends upon the nature and characteristics of the real estate under consideration.

1) The **Cost Approach** to value is based upon the economic principle of substitution, which holds that the value of a property should not be more than the amount by which one can obtain, by purchase of a site and construction of a building without undue delay, a property of equal desirability and utility.
2) The **Direct Comparison Approach** examines the cost of acquiring equally desirable and valuable substitute properties, indicated by transactions of comparable properties, within the market area. Most commonly, a unit of comparison (i.e. price per square foot, price per suite, etc.) is utilized to facilitate the analysis.
3) The **Income Approach** recognizes that for many market participants, the primary purchase criteria is the property's ability to generate income. In this approach, the potential income the property is capable of generating is analyzed and then converted into an expression of market value by the application of an appropriate technique. There are two main Income Approaches used by market participants.

    - The Income Approach via ***Overall Income Capitalization*** method is based solely upon the conversion of current earnings directly into an expression of market value in much the same way that stocks are valued through the use of a price-to-earnings multiplier. In this method, the net operating income for the forthcoming year is capitalized by an overall capitalization rate which represents a typical investor's expectations as witnessed in the sales and listings of similar properties.
    - The Income Approach via ***Discounted Cash Flow Analysis*** involves forecasting the future earnings for a prescribed time period and then discounting these annual amounts and the reversionary value of the asset to arrive at an expression of current market value. This technique is predicated upon a number of assumptions with respect to lease renewals and inflation, etc., and thus is considered somewhat less objective than the traditional Overall Income Capitalization method.

Selection of Relevant Methodology

Real estate investors purchase the majority of leased industrial properties in Canada. Such investors are most concerned with the property's income generating abilities rather than its particular physical and locational characteristics. We have excluded the income approach due to the specialized nature of the property.

Market participants for industrial properties tend to use depreciated replacement cost as a supporting approach in order to determine market value. However, the Apex Nutri-Solutions facility is subject to an underlying land component with a significant portion of the improvements described as being specialized structures with considerable remaining economic life. In the context of a sale scenario, the property is likely to be sold as part of an operating business and under that scenario depreciated cost tends to be the basis for valuing the assets of the operating company. Therefore, the Cost Approach is considered to be a strong indicator of market value in this instance. As such, the Cost Approach will be employed herein for the valuation of the subject property.

The Direct Comparison Approach, which values physical units of comparison, is most often referenced as a primary measure of value for industrial properties. However, the subject is relatively unique with respect to its location, site improvements and special use structures. As such there is a lack of sales considered similar enough to provide a reasonable estimate of value for the subject improvements based on a Direct Comparison Approach. Therefore, completing a formal Direct Comparison Approach on the property "as improved" is not believed to be reasonable. Notwithstanding, as a secondary sanity check in support of the Cost Approach, an abbreviated Direct Comparison Approach will be developed, which will illustrate the cost and scope of other agro-industrial facilities within Alberta.

It should also be noted that the Direct Comparison Approach is considered to be the most reliable method of determining agricultural land values and will be utilized in the first step of the Cost Approach as described in the previous paragraph. As vacant land, the Direct Comparison Approach will therefore form the sole approach to value for the three agricultural land holdings.

We now commence with the Cost Approach to value, which will again be the lone approach to value for the feed mill and poultry production facility.

Cost Approach

Methodology

The Cost Approach is based upon the Principle of Substitution that states that when a property is replaceable, its value tends to be established by the cost of developing an equally desirable substitute, assuming no costly or unnecessary delay is encountered when making such a substitution. The steps involved in the preparation of a typical Cost Approach to value are summarized below.

1. Estimate the value of the site as if vacant.
2. Estimate the current reproduction cost new of the existing improvements.
3. Estimate the accrued depreciation from all sources.
4. Deduct the estimate of depreciation from the current reproduction cost new of the existing improvements to determine the depreciated cost of the improvements.
5. Add the depreciated cost of the improvements to the estimated value to provide a final estimate of value.

Site Valuation

In carrying out the Cost Approach to value, the first requirement is to establish an appropriate value for the site as if vacant and available for sale. In this regard, the site value is most appropriately established through an analysis of recent sales transactions and/or current listings on other vacant industrial orientated sites which are deemed to be comparable to the subject site in terms of such factors as location, site size, servicing, land use classification, and other development constraints or restrictions. Through the analysis of such comparable transactions, and comparison with the subject sites on the basis of a unit price per acre, an appropriate unit value is then established for the three properties under review.

The most reliable approach to valuing vacant acreage (there tends to be a cross-over between rural residential and agro-industrial sites) and larger agricultural land holdings sites is the Direct Comparison Approach. This approach involves direct comparison with similar properties that have recently sold or are available for sale and is typically utilized by the purchasers of such parcels. Accordingly, it has been exclusively utilized within this analysis in determining the value of the subject lands as vacant.

Two sets of comparable sales data will be presented. Initially, sales of small to medium sized rural acreage holdings will be presented, with this group of sales being applicable to the Apex Nutri-Solutions main site. The second set of sales will relate to conventional agricultural land holdings, which will of course support the opinions of value for the three vacant agricultural land holdings under review. Full sales sheets relating to the sales that are summarized in this section are presented within the Addenda to this report. The analysis of the respective land values (‘as-vacant”) commences with a review of small to medium rural acreage land holdings.

Summary of Comparable Market Data

Index	Address	Land Use	Sale/List Price	Size (Acres)	Unit Value ($/Acre)	Sale Date
			Rural Acreages (Camrose County, Alberta)			
1	Pt. NE-28-46-21-W4	A	$290,000	54.26	$5,345	Sept-23
2	Pt. NE-4-44-21-W4	A	$200,000	15.81	$12,650	Sept-23
3	Pt. NW-14-47-20-W4	A	$315,000	12.45	$25,301	Jun-23
4	Pt. NW-14-46-19-W4	A	$210,000	20.35	$10,319	May-23
5	Pt. NE-25-44-22-W4	A	$225,000	14.00	$16,071	Oct-22
6	Pt. SW-35-46-19-W4	A	$225,000	14.53	$15,485	May-22
			Agricultural Lands (Camrose County, Alberta)			
7	SW-28-44-20-W4	A	$1,030,000	167	$6,168	Dec-23
8	S-34 & S-26-44-20-W4	A	$4,100,000	647.63	$6,331	Dec-23
9	NW-22-44-20-W4	A	$1,390,000	158	$8,797	Dec-23
10	S-25-44-20-W4	A	$1,810,000	262.77	$6,888	Nov-23
11	SW-24-44-20-W4	A	$1,280,000	157.01	$8,152	Nov-23
12	SW-17-45-20-W4	A	$966,450	141.15	$6,847	May-23
13	SW-17-43-19-W4	A	815,000	160	$5,094	Apr-23
14	S-8-44-20-W4	A	$1,800,000	305	$5,902	Apr-23

Property Characteristics

In selecting a unit value/overall value appropriate for the properties, as if vacant, consideration must be given to the particular strengths and weaknesses of the property, as a prospective purchaser would regard these. In this respect, the following are noted:

Apex Nutri-Solutions Main Site:

- Apex's main site is located within an agricultural area and exhibits a panhandle shape due to the long driveway that extends north from the building towards Township Road 440. A minor downward shape adjustment would therefore be appropriate. Minor size adjustments would also be applicable. A value at the mid-point of the overall value range is appropriate for this site, as vacant.

NE-24-43-20-W4:

- Property is located within an agricultural area, with good access, above average soil characteristics and minor topographical constraints. A value at the mid to upper end of the agricultural land value range is appropriate for this site, as vacant.

SE-25-43-20-W4:

- Property is located within an agricultural area, with good access, above average soil characteristics and moderate topographical constraints. A value at the mid-point of the agricultural land value range is appropriate for this site, as vacant.

SE-26-43-20-W4:

- Property is located within an agricultural area, with good access, above average soil characteristics and more pronounced topographical constraints. Property is also bisected by a former railway right of way. A value at the low to mid portions of the agricultural land value range is appropriate for this site, as vacant.

Selection of Appropriate Unit Values

In determining a value for vacant agricultural and rural acreage land, several factors are to be considered including location, size, configuration, access, proximity to existing development/services, adjacent property uses/densities, zoning, traffic exposure, topography and overall demand.

The summarized sales represent the most recent agricultural and rural acreage land sales within Camrose County and in close proximity to the respective Subject Properties. Full details relating each of these market indicators are included within the Addenda to this report.

Acreage Sales

The first grouping of sales intended to primarily guide the land valuation of the main feed mill and poultry production site. These sales took place between May of 2022 and the current date and exhibit an overall value range of between $200,000 and $315,000, with a corresponding unit value range of between $5,345/acre to $25,301/acre. While size does influence value, this appears to be a secondary driver of value within this category. As such, overall values tend to be a better basis for comparison for this sales grouping. It is worth noting that Sale 1 exhibits a considerably larger site size relative to the overall sales grouping, and this sale exhibits a considerably lower corresponding unit value ($5,345/acre). The balance of the sales, which exhibit a much tighter size range of between 12.45 acres and 20.35 acres, also exhibit a much tighter corresponding unit value range, ranging from a low of $10,319/acre to a high of $25,301/acre.

Agricultural Land Holding Sales

The second grouping of sales exhibit a unit value range of between $5,094/Acre and $8,797/Acre with their sizes ranging from 141.15 acres to 647.63 acres and these sales being completed since April of 2023. The low end of this range is represented by the most dated sales, which corresponds to the sharp uptick in demand for agricultural lands that began in Fall of 2023. The upper end of the range involved recent sales that involved premier agricultural land, containing high quality soil and minimal topographical/shape constraints. Unit values tend to be the best basis of comparison for agricultural lands.

Analysis

We now commence with a more refined analysis specific to each of the properties under review, commencing with the Apex Nutri-Solutions site and followed by the vacant agricultural lands.

Apex Nutri-Solutions Site (Plan 182 0044, Block 1, Lot 1)

This site compares well with the low to mid end of the overall value range, noting that although this property has a relatively large site size in comparison with the sales indicators, it also exhibits an irregular shape. With these factors effectively offsetting each other, a value of $225,000 is concluded relative to Apex's main site, as if vacant. With a site size of 21.08 acres, the concluded value of $225,000 corresponds with a unit value of $10,674/acre, with corresponds with the low end of the range exhibited by Sales 2 though to 6, thereby validating this concluded opinion of value, "As-Vacant".

Apex Nutri-Solutions Main Site: **$225,000 (10,674/Acre)**

NE-24-43-20-W4

This land holding is representative of some of the better agricultural lands in the region, noting that along with having primarily Class 2 soils (90% Class 2t and 10% Class 6w), there do not appear to be any major significant topographical constraints. A value within the mid to upper end of the overall value range is considered appropriate for this property, with an overall unit value of $7,500/acre being concluded.

Applying the above unit value estimate to the site size results in a value estimate as follows.

160 acres @ $8,000 per acre	**=**	**$1,280,000**
ROUNDED	**=**	**$1,280,000**

SE-25-43-20-W4

This land holding is representative of the average agricultural lands in the region, noting that along with having a blend of Class 2 and Class 3 soils (65% Class 3t, 15% Class 2t and 10% Class 6w), there are a number of minor topographical constraints interspersed throughout property (low-lying areas, native trees, etc). A value within the mid-portion of the overall value range is considered appropriate for this property, with an overall unit value of $7,000/acre being concluded.

Applying the above unit value estimate to the site size results in a value estimate as follows.

160 acres @ $7,000 per acre	**=**	**$1,120,000**
ROUNDED	**=**	**$1,120,000**

SE-26-43-20-W4

This land holding is representative of some of the below average to average quality agricultural lands in the region, noting that along with having primarily Class 3 soils (80% Class 3t, 10% Class 2t and 10% Class 6w), the property is bisected by a former rail right of way and there are a number of minor topographical constraints interspersed throughout property (low-lying areas, native trees, etc). A value within the low to mid-portions of the overall value range is considered appropriate for this property, with an overall unit value of $6,000/acre being concluded.

Applying the above unit value estimate to the site size results in a value estimate as follows.

153.75 acres @ $6,000 per acre	**=**	**$922,500**
ROUNDED	**=**	**$925,000**

Final Value Conclusions

Main Site (21.08 Acres – as if vacant)	$225,000
NE-24-43-20-W4 (160 Acres)	$1,280,000
SE-24-43-20-W4 (160 Acres)	$1,120,000
SE-26-43-20-W4 (153.75 Acres)	$925,000

This concludes the valuation of the three vacant agricultural land holdings. With respect to the Apex Nutri-Solutions facility, the foregoing concluded land value will form a component of the Cost Approach, which continues in the following section.

Valuation of the Improvements

The next step in completing the Cost Approach to value requires the estimation of the depreciated reproduction or replacement cost new of the improvements. “Reproduction cost is the estimated cost to construct, as of the effective appraisal date, an exact duplicate or replica of the buildings and site improvements being appraised, insofar as possible using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building.”

“Replacement cost is the estimated cost to construct, as of the effective appraisal date, a building with utility equivalent to the building being appraised, using contemporary materials, standards, design, and layout. When this cost basis is used, some existing obsolescence in the property is assumed to be cured.”

Source: The Appraisal of Real Estate – 2nd Canadian Edition, page 14.8

Which method to use is usually determined by the purpose of the appraisal, the age of the structure, its uniqueness, and any difference between its intended use at the time of construction, and its current highest and best use. The terms reproduction or replacement will be somewhat synonymous for newer structures.

The subject property represents a agro-industrial development that is within a predominantly agricultural area that includes interspersed rural residential acreage developments. The property would therefore be in alignment with and compete directly with other agro-indutrial holdings. This would suggest that this type of user is not likely to impose excessive amounts of external depreciation (economic, functional) in this instance. Notwithstanding, minor external depreciation, typically in the order of 20% would be applicable to these types of developments.

Cost Estimating Methods

Cost estimating methods generally include the following:

1. Contractor quotes
2. Cost Index Trending
3. Comparative Unit Method
4. Unit in Place Method
5. Quantity Survey Method
6. Cost Manuals

The reproduction cost new of the improvements can be estimated in a number of ways. The most detailed of these is the Quantity Survey Method in which the exact quantities of all materials and classes of labour are measured and the totals in each case are multiplied by appropriate unit rates to determine the cost of each item. The total of all these costs is then summarized in conjunction with allowances for fees, contingencies, overhead and profit, resulting in an estimate of the overall reproduction cost. This approach arrives at a very detailed cost estimate.

Depreciation Analysis

Depreciation may be defined as a loss in value due to any cause. Further, accrued depreciation may be defined as the actual depreciation existing within a property as at a given date. A general discussion of the various forms of depreciation considered applicable to the subject improvements will follow.

Physical Deterioration

Physical deterioration, curable and incurable, refers to a loss in value due to wear and tear, decay or structural defects. The rate or degree of physical deterioration inherent within a property will depend largely upon the quality of a given structure, the workmanship and materials, the use or abuse of a property and the general level of maintenance.

The analysis will focus strictly on physical deterioration incurable. Within the Central Alberta agricultural area, the most appropriate means for quantifying physical deterioration incurable represents a simple “age/life” analysis. In utilizing this approach, a rate of depreciation is derived by contrasting the estimated effective age of the improvement to the economic life span. For example, for the new residence on site, no physical depreciation was considered applicable. In contrast, for the older residence on site, physical depreciation of 30% was applied. A similar approach was applied for all other buildings.

The site improvements and outbuilding were analyzed on a depreciated basis. Again, the contributory value of these improvements was based upon our experience in the market.

Functional Depreciation

Functional depreciation, curable and incurable, refers to a loss in value due to the inability of a structure to perform its proper function efficiently, arising from various physical characteristics. Factors which could cause a loss in value due to functional depreciation would relate to inadequate floor plans, inefficient styles, inadequate equipment, etc. In this instance, the facility would appeal to a much smaller market than more conventional agricultural properties and would be subject to additional functional depreciation. However, as the facility still remains functional in its intended use, functional depreciation in the order of 20% is considered appropriate. With respect to the site improvements and much of the special use equipment, the total depreciation estimates that were applied to these improvements have also already accounted for functional depreciation.

External Depreciation

External depreciation is caused by changes external to a property such as economic or environmental forces which shift supply/demand relationships in the market. Factors which could cause a loss in value due to external depreciation would relate to inharmonious or incompatible land uses in the surrounding area, pollution caused by nearby heavy industry, etc. No other forms of depreciation are considered appliable.

Cost Approach Summary Table

As summarized within the following page, the Cost Approach indicates an estimated value of $4,520,000 (rounded) as of the effective date of this valuation. The following summary outlines the individual components’ respective Replacement Cost New and its corresponding depreciation from all forms. With respect to the site improvements and much of the process-specific equipment, the estimated depreciated value has simply been stated. In the instances where total depreciated value has simply been stated, these estimates have been derived via market extraction and/or reference to the auction values for these components, while also recognizing the additional value of these items being in-place.

The Cost Approach is summarized as follows:

Summary of Cost Approach					
Item	Size	RCN/unit	Total RCN	Depreciation (All Forms)	Depreciated Value
Feed Mill	3620 SF	$250 /SF	$905,000	30%	$633,500
Poultry Broiler Barn	14234 SF	$75 /SF	$1,067,550	50%	$533,775
Residence Number 1	2610 SF	225 /SF	$587,250	50%	$293,625
Res 1 Basement	1200 SF	50 /SF	$60,000	50%	$30,000
Residence Number 2	1948 SF	250 /SF	$487,000	20%	$389,600
Res 2 Basement	1948 SF	100 /SF	$194,800	20%	$155,840
Res 2 Attached Garage	338 SF	75	$25,350	20%	$20,280
Machine Shed	2960 SF	25 /SF	$74,000	80%	$14,800
Livestock Barn	1645 SF	75 /SF	$123,375	80%	$24,675
Shop	1020 SF	150 /SF	$153,000	80%	$30,600
2 Car Detached Garage	832 SF	75 /SF	$62,400	80%	$12,480
Truck Scale (90000 Kg)	1	$100,000 /Scale	$100,000	50%	$50,000
Upright Grain Legs	13 legs	$35,000 /leg	$455,000	50%	$227,500
MCC (Feed Mill)	1 MCC	$300,000 /MCC	$300,000	50%	$150,000
Hammer Mill	N/A				$25,000
Canola Press (2 x)	N/A				$330,000
Roller Mill	N/A				$25,000
Grain Dryer & Screener	N/A				$100,000
Canola Extruder	N/A				$150,000
Feed Mixer	N/A				$15,000
Dust Collection	N/A				$150,000
Grain Scalper	N/A				$30,000
7 Tonne hopper/bin	23	$20,000 /bin	$460,000	50%	$230,000
21 Tonne hopper/bin	7	$30,000 /bin	$210,000	50%	$105,000
30 Tonne hopper/bin	6	$40,000 /bin	$240,000	50%	$120,000
40 Tonne hopper/bin	5	$50,000 /bin	$250,000	50%	$125,000
4000 bu metal bin	24	$12,000 /bin	$288,000	50%	$144,000
5000 bu metal bin	1	$14,000 /bin	$14,000	50%	$7,000
6000 bu metal bin	2	$15,000 /bin	$30,000	50%	$15,000
2400 bu metal bin	6	$8,000 /bin	$48,000	50%	$24,000
2650 bu metal bin	3	$9,000 /bin	$27,000	50%	$13,500
2550 bu metal bin	4	$8,500 /bin	$34,000	50%	$17,000
Depreciated Value of Site Improvements (Services, Gravel, Landscaping, etc)					$100,000
Total Depreciated Value of Improvements					$4,292,175
Land Value					$225,000
Opinion of Market Value - Cost Approach					$4,517,175

Summary – Cost Approach (As-Is)

The foregoing analysis has provided estimates of the land value and contributory value of the existing improvements. The sum of these parts provides an indication of the "value in use" as per the Cost Approach, summarized as follows:

Value of Existing Improvements	$4,292,175
Land Value	$ 225,000
Total	**$4,517,172**
Rounded	**$4,520,000**

In conclusion, the "Value in Use" of the Apex Nutri-Solutions Facility as of May 10, 2024, is estimated via the Cost Approach to be $4,520,000 (Value In Use).

Cost Approach – Value as Upgraded

As a result of the fire that damaged the soybean roasting process and its associated dust collection, components of the original facility are now inoperable. It is our understanding that the owner does not wish to reinstitute this process due to the enhanced risk posed by a similar fire event in the future. It is the intention of the owner to utilize the insurance claim proceeds to expand upon the canola pressing process, thereby enhancing the efficiency and corresponding margins for this process while mitigating future fire risk.

More specifically, this facility upgrade would involve the replacement of an existing canola extruder and a new flaking machine. It should also be noted that the new extruder has already been purchased ($300,000) and a deposit of $50,000 has been made for the associated canola flaker ($50,000 still owing). With raw materials totaling $400,000, it is roughly estimated that total cost to implement these processes would come at a total cost of approximately $800,000.

Adding the cost of these upgrades to the “As-Is” valuation completed prior would indicate a total “As-Complete” value of $5,320,000, again on a “Value in Use” basis.

Apex Nutri-Solutions (“As-Complete”)	$5,320,000 (Value in Use)

This estimate is based on the Hypothetical Condition and Extraordinary Assumption that the proposed upgrades were completed as of the Effective Date of Appraisal. If the proposed upgrades are not materially developed as per the specifications provided in this report, this opinion is invalidated.

Furthermore, the foregoing value estimate has assumed that the insurance funds associated with the soybean roasting fire would be utilized to implement a different process than what was in place. This new process (expansion of canola crushing) not only mitigates future fire risk but is also projected to result in additional profitability for the facility. Notwithstanding, if the owner was to utilize the proceeds from insurance to reinstate the soybean roasting and extrusion processes as they were prior to the fire, it is my opinion that a similar “Value-In-Use” would also apply.

Abbreviated Direct Comparison Approach

It is again to be noted that this opinion of value reflects a “value in use” and does not necessarily reflect the value of the property if offered in the local market. The reality is that this type of property does not tend sell in the open market based solely on the real estate alone. The tendency for properties such as the subject property is to be sold in tandem with the operating business, and on that basis, depreciated cost tends to be what is allocated to the real estate portion of the operating business, and this sale scenario closely mimics the valuation methodology applied herein, which valued the property on a depreciated cost basis.

As there are no known instances where seed cleaning facilities have transferred in the open market, a brief review of newly built/upgraded facilities will be presented, which illustrates the costs associated with similar facilities that have recently been built new or redeveloped/upgraded, such as with the subject property.

Enchant Seed Cleaning Co-Op

Approximately $4M in upgrades were made to the existing Enchant facility in 2016/17, which was originally developed in 1969.

Bashaw Seed Cleaning Co-Op

Approximately $6M to $7M was invested into upgrading/redeveloping the Bashaw facility in 2018, which was originally developed in 1959.

Westlock Seed Cleaning Co-Op

Approximately $20M was invested into redeveloping the Westlock facility in 2020. The original facility was developed in 1949. This is representative of the cost associated with developing a new seed cleaning facility.

Camrose Seed Cleaning Plant

Approximately $4M to $5M was invested into the Camrose County facility in 2010, which was originally developed in 1947.

Conclusions

These four examples are illustrative of seed plant upgrades and/or new builds, each of which exhibited between $4M and $7M to update, and up to $20M to totally rebuild a seed cleaning/milling plant, which suggests that the “As-Is” and “As-Upgraded” values opined herein are not only reasonable, but that this facility is also financially feasible.

Forced Sale Values

In January of 1985, the Alberta Association of the Appraisal Institute of Canada officially adopted a definition for forced sale values, which is highlighted as follows:

“The highest price which a property can reasonably be expected to bring, if offered for sale without the consent or concurrence of the owner, by virtue of judicial process, in what may be a restricted marketplace, in a restricted time frame, to a prudent, willing and able purchaser who may have limited knowledge about the property, its uses and capability.”

Typically, two forced sale value estimates are provided, including a forced sale with terms and forced sale cash. The above noted definition governs how these values are estimated. A decision rendered by the Court of Appeal of Alberta, referred to as “Yorkshire Trust Company vs. Armwest Developments Ltd., et al” basically indicates that the sale to the plaintiff by the Court must be at market value. This in turn has necessitated that a different set of criteria be given consideration in ascertaining forced sale values. As the “forced sale cash value” and “forced sale with terms” are effectively the same, one “Forced Sale Value” will be provided in this report.

The preceding analysis has indicated that the market values of the subject properties, effective May 10, 2024. These value estimates would be based on a cash sale or obtaining conventional mortgage financing. On the basis of conditions prevalent within the local marketplace, the probable sale period for the agricultural lands is anticipated to be under 6 months, and a sale period of between 12 to 24 months would be anticipated for the Apex Nutri-Solutions facility, with the upper limit of this exposure period being of relevance for the purposes of these calculations.

In terms of ascertaining applicable forced sale values for the subject properties, emphasis will be placed on arriving at a “net value”, which would accrue to the owner through the sale of the property. This would take into consideration variables such as the probable sale period, and the sale, holding costs which would be incurred to facilitate the sale and an allowance for entrepreneurial incentive. A separate discussion relative to the two property categories follows:

Apex Nutri-Solutions Main Site:
A forced sale scenario relating to the Apex main site would also need to assume that the business operation within the facility is no longer in place. Furthermore, a forced sale scenario would require a significantly shorter sales period that what was assumed within the foregoing analysis (12 to 24 months verses 90 days under forced sale scenario). Together, these two factors would be projected to result in a significant discount relative to the foregoing “value in use” opinion of value. Based on my professional experience and a review of relevant market data, a discount in the order of 50% to 75% would be applicable in a forced sale scenario, thereby suggesting a Forced Sale value in the order of +/- $1,150,000 to +/-$2,250,000. A Forced Sale Value within the mid-point of this range is considered reasonable.

Apex Nutri-Solutions (Forced Sale Value: $1,700,000

Agricultural Lands:

Given the current demand for agricultural land holdings and the relatively quick marketing period associated with these types of properties, a much less pronounced Forced Sale discount would be applicable to the vacant agricultural land holdings. In my opinion, a discount of 10% is considered appropriate for the agricultural land holdings relative to the opinions of market value previously concluded ($3,325,000), thereby indicating a total Force Sale Value for the 473.75 acres of $2,992,500 ($2,290,000 ROUNDED).

Agricultural Land Holdings (473.75 Acres): **$2,290,000.00 (Forced Sale Value)**

Reconciliation and Final Value Estimates

The purpose of this report is to estimate the market value of the subject parcel referred to herein as the Apex Nutri-Solutions Facility located at 19543 Twp Rd 440, Edberg, Alberta as well as vacant agricultural land within Camrose County, Alberta, just to the south of Edberg, Alberta.

The property rights appraised are those of the fee simple. The effective date of this valuation is May 10, 2024. According to the information provided, the function of this valuation is to assist in litigation connected to both financing and an ongoing insurance claim.

With respect to the Seed Mill and Poultry production facility, the Cost Approach is considered a viable method of valuation due to the relatively specialized nature of this subject property. Furthermore, accurate site improvement costs were provided herein with recent cost comparable data reflecting current market conditions. As such, the Cost Approach has been provided with weighting within this appraisal.

With respect to the three agricultural land holdings, the Direct Comparison Approach was utilized exclusively. This Approach was also utilized to estimate the land value, “as vacant”, of the Apex Nutri-Solutions main site. An Abbreviated version of this approach was also applied to test the overall reasonableness of the current facility and its proposed upgrades.

Based upon the foregoing, the market value of the Apex Nutri-Solutions facility and agricultural land holdings, subject to the Extraordinary and General Assumptions and Limiting Conditions set forth herein, as of July 18, 2023, are estimated to be:

Apex Nutri-Solutions Site (“As-Is”):	**$4,520,000.00 (Value In Use)**
Apex Nutri-Solutions Site (“As-Is”):	**$1,700,000.00 (Forced Sale Value)**
Apex Nutri-Solutions Site (“As-Upgraded”):	**$5,320,000.00 (Value In Use)**
Vacant Agricultural Lands:	**$3,325,000.00 ($7,018/acre - Average)**
Vacant Agricultural Lands:	**$2,990,000.00 (Forced Sale Value)**

These value estimates are predicated on an exposure period of up to six months for the agricultural land holdings and between 12 to 24 months for the feed mill and poultry production facility and assumes a hypothetical sale on a cash to mortgage basis.

Appendices

Appendix A	Contingent and Limiting Conditions
Appendix B	Title Documents
Appendix C	Land Use Information
Appendix D	Permanent Equipment List
Appendix E	Facility Dimensions
Appendix F	Land Sale Detail Sheets
Appendix G	Appraiser Qualifications
Appendix H	Certification

APPENDIX A

CONTINGENT AND LIMITING CONDITIONS

CONTINGENT AND LIMITING CONDITIONS

An Extraordinary Assumption is an assumption, which if not true, could alter the appraiser's opinions and conclusions. They are required when a Hypothetical Condition is necessary due to circumstances that are not self-evident regarding the appraised property. Hypothetical Conditions include retrospective appraisals, significant renovations to the improvements, completion of proposed improvements, etc. The following Extraordinary Assumptions were invoked within this report.

1. The value estimated herein is therefore the market value "In Use". This implies that if the property were to be sold that the property would be marketed as a going concern and the sale would include the ongoing business operation. It is noted that the property value as vacant could be significantly less than the "In Use" value, particularly if the vacancy resulted from a failure of the existing feed mill and poultry production facility operation.

2. We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are no contaminants affecting the site. However, a full environmental assessment would be required for certainty and any cost of remedy could potentially impact the reported value conclusion. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support the existing development.

Contingent and Limiting Conditions stipulate typical guidelines and restrictions pertaining to the valuation of the subject property. This report was prepared with the following Contingent and Limiting Conditions:

1. It is a term of this agreement that no person or entity other than Apex Nutri-Solutions Ltd. may rely upon this report for any purpose, including lending, without first obtaining written permission from the appraiser. Without the written permission as described, the appraiser shall not be held liable for any loss or damage that may occur to any person other than the client by reason of their reliance on this report, and the appraiser expressly disclaims legal liability.

2. This report has been prepared for the exclusive (and confidential) use of MacDonald Hanley LLP and their client, Apex Nutri-Solutions Ltd. All copyright is reserved to the author and this report is considered confidential by the author, MacDonald Hanley LLP and Apex Nutri-Solutions Ltd. Possession of this report, or a copy thereof, does not carry with it the right to reproduction or publication in any manner, in whole or in part, nor may it be disclosed, quoted from or referred to in any manner, in whole or in part, without the prior written consent and approval of the author as to the purpose, form and content of any such disclosure, quotation or reference. Without limiting the generality of the foregoing, neither all nor any part of the contents of this report shall be disseminated or otherwise conveyed to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum of the client, or in any documents filed with any governmental agency without the prior written consent and approval of the author as to the purpose, form and content of such dissemination, disclosure, quotation or reference.

3. As of the date of title search (April 16, 2024), numerous encumbrances were registered against the subject property titles including Caveats, Mortgages, Restrictive Covenants, Easements, Utility Right of Ways, and other such documents. Since the appraiser of this report does not have the legal training to interpret these documents with certainty, legal counsel should be solicited for a full explanation of these encumbrances. For the purposes of this report, these instruments are assumed to have no significant effect on the marketability or market value of the subject property. Should they have any significant effect on value, such an influence has not been measured within this appraisal. Readers therefore need to investigate these encumbrances independently and determine for themselves the effect that they may have on market value. It is also noted that the subject has been appraised as if free and clear of all property-related financing.

4. The estimated market value of the real estate that is the object of this report pertains to the value of the leased fee estate. The property rights appraised herein exclude mineral rights, if any.

5. The concept of market value presumes reasonable exposure. The exposure period is the estimated length of time the asset being valued would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of valuation. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. The reasonable exposure period is a function not only of time and effort, but will depend on the type of asset being valued, the state of the market at the date of valuation and the level at which the asset is priced. The estimated length of the exposure period needed to achieve the estimated market value is set forth in the Letter of Transmittal that prefaces this report.

6. The estimate of value contained in this report is founded upon a thorough and diligent examination and analysis of information gathered and obtained from numerous sources. Certain information has been accepted at face value, especially if there was no reason to doubt its accuracy. Other empirical data required interpretative analysis pursuant to the objective of this report. Certain inquiries were outside the scope of this mandate. For these reasons, the analyses, opinions and conclusions contained in this report are subject to the following Contingent and Limiting conditions.

7. The property has been valued on the basis that title to the real estate herein appraised is good and marketable.

8. The author of this report cannot accept responsibility for legal matters, questions of survey, opinions of title, hidden or unapparent conditions of the property, toxic wastes or contaminated materials, soil or sub-soil conditions, environmental, engineering or other technical matters that might render this property more or less valuable than as stated herein. If it came to our attention as the result of our investigation and analysis that certain problems may exist, a cautionary note has been entered in the body of the report.

9. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements,

government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

10. The legal description of the property and the area of the site were obtained from the North Alberta Land Titles Office. Further, the plans and sketches contained in this report are included solely to aid the recipient in visualizing the location of the property, the configuration and boundaries of the site and the relative position of the improvements on the said lands.

11. The property has been valued on the basis that the real estate is free and clear of all value influencing encumbrances, encroachments, restrictions or covenants except as may be noted in this report and that there are no pledges, charges, liens or special assessments outstanding against the property other than as stated and described herein.

12. The property has been valued on the basis that there are no outstanding liabilities except as expressly noted herein, pursuant to any agreement with a municipal or other government authority, pursuant to any contract or agreement pertaining to the ownership and operation of the real estate or pursuant to any lease or agreement to lease, which may affect the stated value or saleability of the subject property or any portion thereof.

13. The interpretation of the leases and other contractual agreements, pertaining to the operation and ownership of the property, as expressed herein, is solely the opinion of the author and should not be construed as a legal interpretation. Further, the summaries of these contractual agreements are presented for the sole purpose of giving the reader an overview of the salient facts thereof.

14. The property has been valued on the basis that the real estate complies in all material respects with any restrictive covenants affecting the site and has been built and is occupied and being operated, in all material respects, in full compliance with all requirements of law, including all zoning, land use classification, building, planning, fire and health by-laws, rules, regulations, orders and codes of all federal, provincial, regional and municipal governmental authorities having jurisdiction with respect thereto. It is recognized there may be work orders or other notices of violation of law outstanding with respect to the real estate and that there may be certain requirements of law preventing occupancy of the real estate as described in this report. However, such circumstances have not been accounted for in the reporting process.

15. Investigations have been undertaken in respect of matters that regulate the use of land. However, no inquiries have been placed with the fire department, the building inspector, the health department or any other government regulatory agency, unless such investigations are expressly represented to have been made in this report. The subject property must comply with such regulations and, if it does not comply, its non-compliance may affect the market value of this property. To be certain of such compliance, further investigations may be necessary.

16. The property has been valued on the basis that there is no action, suit, proceeding or investigation pending or threatened against the real estate or affecting the titular owners of the property, at law

or in equity or before or by any federal, provincial or municipal department, commission, board, bureau, agency or instrumentality which may adversely influence the value of the real estate herein appraised.

17. The data and statistical information contained herein were gathered from reliable sources and are believed to be correct. However, these data are not guaranteed for accuracy, even though every attempt has been made to verify the authenticity of this information as much as possible.

18. The estimated market value of the property does not necessarily represent the value of the underlying shares, if the asset is so held, as the value of the share could be affected by other considerations. Further, the estimated market value does not include consideration of any extraordinary financing, rental or income guarantees, special tax considerations or any other atypical benefits which may influence the ordinary market value of the property, unless the effects of such special conditions, and the extent of any special value that may arise therefrom, have been described and measured in this report.

19. Should title to the real estate presently be held (or changed to a holding) by a partnership, in a joint venture, through a co-tenancy arrangement or by any other form of divisional ownership, the value of any fractional interest associated therewith may be more or less than the percentage of ownership appearing in the contractual agreement pertaining to the structure of such divisional ownership. For the purposes of our valuation, we have not made any adjustment for the value of a fractional interest.

20. In the event of syndication, the aggregate value of the limited partnership interests may be greater than the value of the freehold or fee simple interest in the real estate, by reason of the possible contributory value of non-realty interests or benefits such as provision for tax shelter, potential for capital appreciation, special investment privileges, particular occupancy and income guarantees, special financing or extraordinary agreements for management services.

21. Unless otherwise noted, the estimated market value of the property referred to herein is predicated upon the condition that it would be sold on a cash basis to the vendor subject to any contractual agreements and encumbrances as noted in this report “as is” and “where is”, without any contingent agreements or caveats. Other financial arrangements, good or cumbersome, may affect the price at which this property might sell in the open market.

22. Should the author of this report be required to give testimony or appear in court or at any administrative proceeding relating to this report, prior arrangements shall be made beforehand, including provisions for additional compensation to permit adequate time for preparation and for any appearances which may be required. The appraiser reserves the right to refuse such participation. However, neither this nor any other of these assumptions and limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body that will decide the use of this report that best serves the administration of justice.

23. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed herein, as of the

effective date of this report, cannot necessarily be relied upon as of any other date without subsequent advice of the author of this report.

24. The value expressed herein is in Canadian dollars.

25. This report is only valid if it bears the signature(s) of the author(s).

APPENDIX B

TITLE DOCUMENTS

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0037 818 879	1820044;1;1	192 108 950

LEGAL DESCRIPTION
PLAN 1820044
BLOCK 1
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 8.53 HECTARES (21.08 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE
ATS REFERENCE: 4;19;43;31;SE
ATS REFERENCE: 4;19;43;31;SW
ATS REFERENCE: 4;19;43;31;NW

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 182 003 232

REGISTERED OWNER(S)

REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
192 108 950	16/05/2019	TRANSFER OF LAND	$730,870	SEE INSTRUMENT

OWNERS

APEX NUTRI-SOLUTIONS INC.
OF BOX 173
EDBERG
ALBERTA T0B 1J0

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
752 154 279	29/10/1975	UTILITY RIGHT OF WAY GRANTEE - BATTLE RIVER NATURAL GAS CO-OP LTD. " AFFECTS PART OF THIS TITLE "
752 155 157	29/10/1975	UTILITY RIGHT OF WAY GRANTEE - BATTLE RIVER NATURAL GAS CO-OP LTD.

(CONTINUED)

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
		" AFFECTS PART OF THIS TITLE "
772 048 002	21/03/1977	UTILITY RIGHT OF WAY GRANTEE - BATTLE RIVER NATURAL GAS CO-OP LTD. " AFFECTS PART OF THIS TITLE "
112 289 724	14/09/2011	CAVEAT RE : AGREEMENT CHARGING LAND CAVEATOR - BATTLE RIVER RURAL ELECTRIFICATION ASSOCIATION LIMITED. BOX 1420 CAMROSE ALBERTA T4V1X3 AGENT - SEAL. " AFFECTS PART OF THIS TITLE "
192 140 366	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $2,200,000
192 151 770	02/07/2019	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 AGENT - JON STOLEE
192 238 947	02/10/2019	CAVEAT RE : UTILITY RIGHT OF WAY CAVEATOR - BATTLE RIVER COOPERATIVE REA LTD. BOX 1420 CAMROSE ALBERTA T4V1X3
202 234 450	24/10/2020	AMENDING AGREEMENT AMOUNT: $2,400,000 AFFECTS INSTRUMENT: 192140366

TOTAL INSTRUMENTS: 008

(CONTINUED)

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 16 DAY OF APRIL, 2024 AT 10:41 A.M.

ORDER NUMBER: 50247527

CUSTOMER FILE NUMBER: EDM230248

END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0023 416 282	4;20;43;24;NE	092 110 162

LEGAL DESCRIPTION
MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 24
QUARTER NORTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 092 110 161

REGISTERED OWNER(S)

REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
092 110 162	14/04/2009	TRANSFER OF LAND	$288,000	SEE INSTRUMENT

OWNERS

MURRAY HERBERT

AND
CAROLYN HERBERT
BOTH OF:
BOX 88
EDBERG
ALBERTA T0B 1J0
AS JOINT TENANTS

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
092 110 163	14/04/2009	MORTGAGE MORTGAGEE - DOUG HERBERT 7232 33 AVE EDMONTON

(CONTINUED)

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
		ALBERTA T6K1K3 ORIGINAL PRINCIPAL AMOUNT: $260,000
192 140 364	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 140 365	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 152 934	03/07/2019	POSTPONEMENT OF MORT 092110163 TO MORT 192140365

TOTAL INSTRUMENTS: 004

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 29 DAY OF AUGUST, 2023 AT 03:19 P.M.

ORDER NUMBER: 48198454

CUSTOMER FILE NUMBER:

END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0019 675 512	4;20;43;25;SE	092 110 165

LEGAL DESCRIPTION
MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 25
QUARTER SOUTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 092 110 164

REGISTERED OWNER(S)

REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
092 110 165	14/04/2009	TRANSFER OF LAND	$288,000	SEE INSTRUMENT

OWNERS

MURRAY HERBERT

AND
CAROLYN HERBERT
BOTH OF:
BOX 88
EDBERG
ALBERTA T0B 1J0
AS JOINT TENANTS

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
762 084 507	18/05/1976	UTILITY RIGHT OF WAY GRANTEE - BATTLE RIVER NATURAL GAS CO-OP LTD.
092 110 166	14/04/2009	MORTGAGE

(CONTINUED)

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
		MORTGAGEE - DAVID HERBERT 37 ROSSMERE BAY SE MEDICINE HAT ALBERTA T1B2L7 ORIGINAL PRINCIPAL AMOUNT: $316,000
192 140 364	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 140 365	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 152 933	03/07/2019	POSTPONEMENT OF MORT 092110166 TO MORT 192140365

TOTAL INSTRUMENTS: 005

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 29 DAY OF AUGUST, 2023 AT 03:20 P.M.

ORDER NUMBER: 48198489

CUSTOMER FILE NUMBER:

END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0014 738 603	4;20;43;26;SE	092 124 299

LEGAL DESCRIPTION

MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 26
QUARTER SOUTH EAST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
2.53 HECTARES (6.25 ACRES) MORE OR LESS AS SHOWN ON
RAILWAY PLAN 1983AJ AND BEING TAKEN FOR RIGHT OF WAY
OF THE CANADIAN NORTHERN RAILWAY COMPANY
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 200Q192

REGISTERED OWNER(S)				
REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
092 124 299	23/04/2009	TRANSFER OF LAND	$277,200	SEE INSTRUMENT

OWNERS

MURRAY HERBERT

AND
CAROLYN HERBERT
BOTH OF:
BOX 88
EDBERG
ALBERTA T0B 1J0
AS JOINT TENANTS

(CONTINUED)

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
752 158 005	03/11/1975	UTILITY RIGHT OF WAY GRANTEE - BATTLE RIVER NATURAL GAS CO-OP LTD.
902 243 866	17/08/1990	CAVEAT RE : RIGHT OF WAY AGREEMENT CAVEATOR - SHACKLETON EXPLORATION LTD. ATTN: LAND DEPARTMENT 2400, 520-5 AVE SW CALGARY ALBERTA T2P3R7 (DATA UPDATED BY: CHANGE OF ADDRESS 982153657) (DATA UPDATED BY: TRANSFER OF CAVEAT 192186642)
182 064 642	16/03/2018	MORTGAGE MORTGAGEE - ATB FINANCIAL. 100, 2018 SHERWOOD DRIVE SHERWOOD PARK ALBERTA T8A5V3 ORIGINAL PRINCIPAL AMOUNT: $450,000
192 140 364	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 140 365	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000

TOTAL INSTRUMENTS: 005

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 29 DAY OF AUGUST, 2023 AT 03:16 P.M.

ORDER NUMBER: 48198382

CUSTOMER FILE NUMBER: 534416001

END OF CERTIFICATE

(CONTINUED)

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

APPENDIX C

LAND USE INFORMATION

702 General Agricultural (A) District

702.1 Purpose

To provide for a wide range of agricultural land uses that have regard for the agricultural character and rural identity of the area, and which can be carried on without interference by other incompatible land uses.

The Subdivision Authority, the Development Authority and, on appeal, the Subdivision and Development Appeal Board must refuse to approve any subdivision or issue a permit for any land use which may limit or restrict agricultural operations in the vicinity.

702.2 Permitted and Discretionary Uses

Permitted	Discretionary
• Accessory Buildings • Agriculture • Campground, Minor • Forestry and Tree Farming • Home Business, Minor • Home Office • Intensive Agricultural Operations • Intensive Livestock Operation • Public Parks, Playgrounds & Recreational Facilities • Public Utilities • Recreational Vehicle • Residence, Manufactured • Residence, Modular • Residence, Ready to move • Residence, Site Built • Secondary Suites • Shipping Containers • Small WECS • Solar Energy Systems • Water Storage and Treatment Sites	• Agricultural Industrial Uses • Agri-Tourism • Airstrips • Bed and Breakfast Operations • Cemeteries • Community Halls • Confined Feeding Operation • Data Processing Centre • Educational Facilities • Fertilizer storage, blending and sales • Green Energy Facilities • Guest Ranch Operations • Hangars, control tower, terminal building, maintenance shops • Home Business, Major • Horse Riding, training & boarding stables • Industrial, commercial, and storage uses which benefit from or contribute to airport operations • Kennels • Landfill • Moved-In Buildings (non-residential) • Natural Resource Extraction • Public or Quasi-Public Uses • Religious Institutions • Residence, Pre-existing moved onto site • Rodeo Grounds • Runways & Taxiways • Second Residence • Sewage Treatment Lagoons • Transfer Stations • Veterinary Clinics • Workcamps

702.3 General Agricultural Regulations

Zone Standard	Requirements
Max. Dwelling Units per Site (1)	1
Min. Site Area – Agricultural (2)	approx. 30.35 ha (75 acres)
Max. Residential Area	4.04 ha (10 acres)
Min. Residential Lot Area	1.21 ha (3 acres)
Min. Setbacks	

From a County Road (greater than 50 km/h)	40 m (132 ft)
From a County Road (equal to or less than 50 km/h)	10 m (33 ft)
From any other lot line	10 m (33 ft)

(1) Unless a Development Permit has been issued under Section 638 Second Residences or 639 Secondary Suites of this Bylaw.

(2) Smaller lots may be created for agricultural purposes subject to the regulations outlined below.

702.4 An agricultural parcel where the primary use is residential shall be subject to the County's Nuisance Bylaw as if zoned CR1 or CR2.

702.5 A complete quarter section may be subdivided into two parts. This may be a division of the land into two approximately equal parts, or subject to Section 702.11, a residential site and an agricultural remainder.

702.6 Additional lots may be subdivided out of a quarter section:

a. for public and quasi-public uses;
b. for intensive agricultural and intensive livestock operations;
c. to create a lot which is physically separated from the balance of the quarter section by a barrier to agriculture such as a road diversion, creek, or ravine; and
d. a second residential parcel may be permitted where the existing yardsite has been established for at least ten years, providing it is outside the Bashaw and Camrose IDP Boundaries.

702.7 For the purposes of subdivision, a quarter section is deemed to be complete if the only previous subdivisions were for school, church, public, or mineral extraction purposes, or for a use exempted from municipal control by the Act.

702.8 A lot created for residential purposes should not include any cultivated land or high capability farmland (with a rating of 40% or higher).

702.9 A lot created for agricultural purposes shall be a size and shape which can reasonably be farmed, and shall be:

a. approximately 31 ha (75 acres) in size, varied by existing patterns of cultivation;
b. if less than 31 ha (75 acres) in size, a business plan is required to demonstration that the smaller size is feasible for agricultural purposes;
c. defined by a physical barrier to cultivation such as a road diversion, creek, or ravine; or
d. of a suitable size for a proposed or existing intensive agricultural, intensive livestock, or confined feeding operation.

702.10 A lot created for any other purpose shall be of a size and shape acceptable to the Development Authority bearing in mind the need to avoid interference with nearby agricultural operations.

702.11 A lot subdivided for residential purposes shall:

a. be safe and suitable as defined in Section 637 Safety and Suitability of Building Sites of this Bylaw;
b. not conflict with nearby farm operations, the logical and economical expansion of nearby urban areas, or municipal or Provincial plans for road improvements;
c. have access to a maintained road, with an approach that meets the standards of the road authority; and
d. contain at least two (2) of the following improvements:
    i. a habitable dwelling;
    ii. a water well;
    iii. electrical service; and/or
    iv. a natural or planted shelterbelt.

702.12 A fragmented parcel may be considered for subdivision if it meets the following criteria:

a. a suitable building site exists;
b. legal access meets the needs of the proposed use, year round;
c. the proposed use of the parcel does not negatively impact surrounding agricultural land;
d. the application clearly outlines that the parcel can be serviced on site as per Provincial regulations; and
e. a maximum of three (3) lots per quarter section has not been exceeded.

702.13 Pursuant to the AOPA Standards and Administration Regulation, if the Development Authority is asked to issue a Development Permit for a residence, and the residence is closer to an intensive livestock

operation or confined feeding operation than the minimum distance separation set out in Section 624 Intensive Livestock Operations, they may:

a. refuse to issue a permit; or
b. issue a Development Permit subject to the applicant, who shall be the owner of the proposed residence, signing a Declaration in a form accepted by the Development Authority; or
c. The proposed residence will be owned or controlled by the owner of the livestock operation.

702.14 Unless otherwise specified in an approved IDP, the following regulations apply within 3.2 km (2 miles) of the boundary of the City of Camrose and 1.6km (1 mile) of the boundaries of other municipalities ("the referral area"), and are designed to meet the County's commitment to work with its neighbours,

a. despite Section 303 Development Not Requiring a Development Permit of this Bylaw, all agricultural buildings within the referral area require Development Permits;
b. proposals for subdivision or development within the referral area will be referred to the urban municipality for comments and recommendations;
c. if no reply is received within twenty-one (21) days, the urban or rural municipality is deemed to have no objection, and the application will be processed in the normal way; and
d. despite Regulations 702.1 to 702.4, the Development Authority and/or Subdivision Authority may refuse an application which will negatively impact the urban place.

702.15 An Accessory Building cannot include living accommodations of any kind.

702.16 Accessory Buildings, including detached garages, shall be located at least 2m (6.6ft) from any dwelling.

702.17 In addition to the regulations stated above, any relevant Sections of Part 6: General Regulations shall also apply.

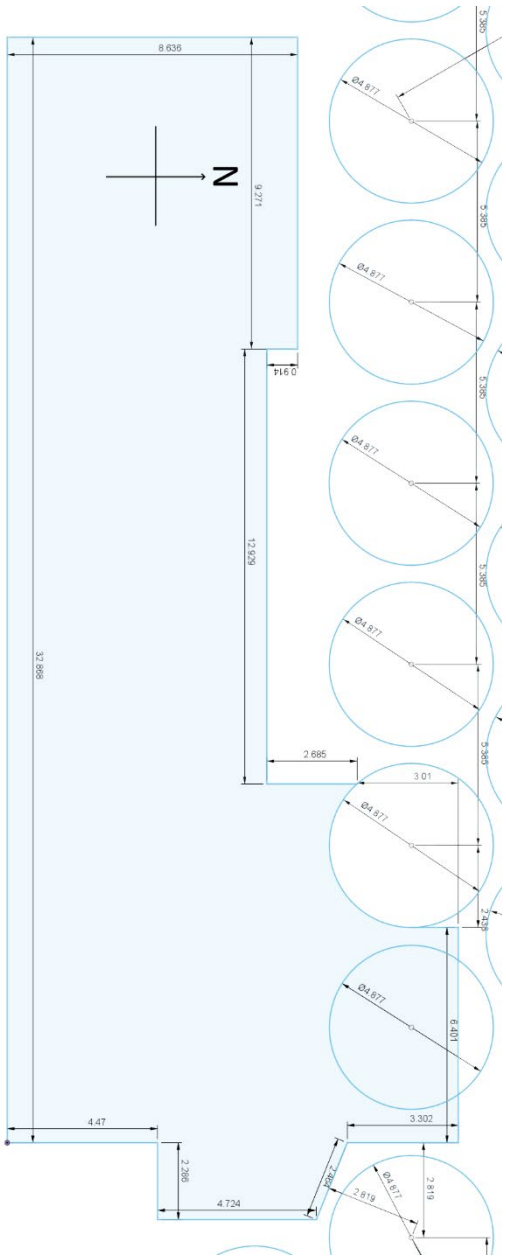
APPENDIX D

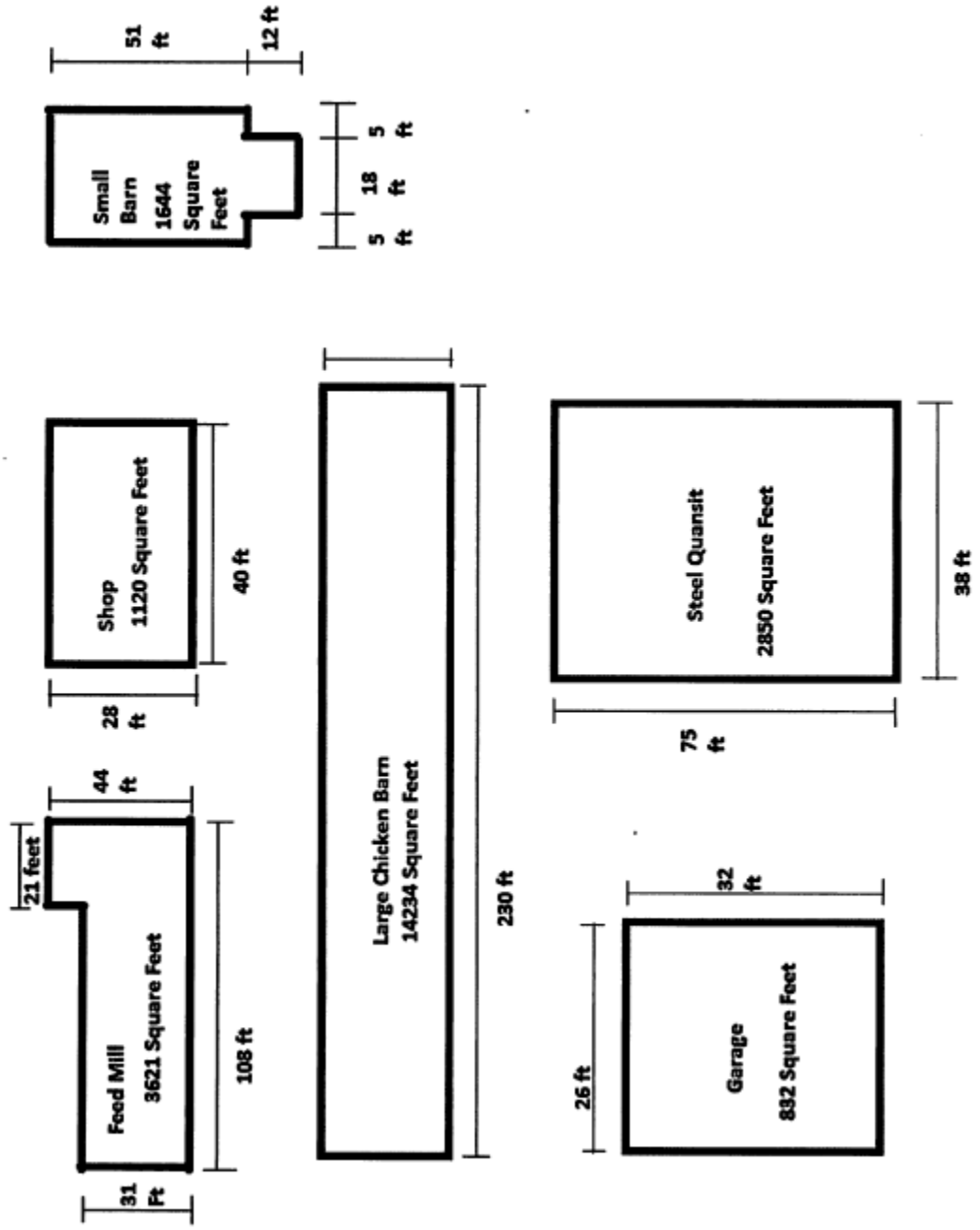
PERMANENT EQUIPMENT LIST

Permanent Equipment	
Upright Grain Legs (13, assorted sizes)	Largest legs are about 2000 bushel per hour. Two legs are stainless trunking.
In-ground Truck Scale	About 100' long
Grain Dryer & Accessories	Small Ibec dryer, unknown model.
Grain Screener & Accessories	Damas Uniseed
Soybean Roaster/Cooler & Accessories	Roast-A-Matic model 50.
Anderson Duo 55 Oilseed Press (2)	
Wenger X155 Extruder (3)	
Product Conditioners (3)	Unknown models
Canola Oil Screeners & Filter Press	Filter press unknown model, One screener unknown model, one screener built in-house.
Roast-A-Matic Dryer/Cooler (2)	Unknown models, about 20 foot long rotary.
Steam Boiler & Accessories	Miura LX-50 Boiler
Primary Hammer Mill	Made by Bliss Industries, I believe it is 22" diameter with 10" wide screens.
Renn Roller Mill	RMC12S (I believe - it is the electic model)
Feed Mixer/Main & Micro Weighing Systems	1 tonne horizontal rotary mixer. 14 micro ingredients. 1 tonne weigh hopper for main ingredients.
Mill Electrical Service/MCC Panels	800 Amp 480V Three Phase service.
Mill Bins, Conveyors, Hoppers, Accessories	7 tonne x 23 21 tonne x 7 30 tonne x 6 40 tonne x 5
Exterior/Site Storage Metal Bins	4000 bu x 24 5000 bu x 1 6000 bu x 2 2400 bu x 6 2650 bu Flat Bottom x 3 2550 bu Flat Bottom x 4
Oil Storage Tanks/Pumps/Accessories	Underground: 40'000L x 1, 20'000L x2; Above ground: 15'000L x 1, 20'000L x 1

APPENDIX E

FACILITY DIMENSIONS


8.636
N
9.271
0.914
12.929
32.868
2.685
3.01
Ø4.877
5.385
6.401
4.47
2.286
4.724
3.302
2.819


Small Barn 1644 Square Feet
51 ft
12 ft
18 ft
5 ft
5 ft
Shop 1120 Square Feet
40 ft
28 ft
Large Chicken Barn 14234 Square Feet
230 ft
Steel Quansit 2850 Square Feet
38 ft
75 ft
Feed Mill 3621 Square Feet
44 ft
21 feet
108 ft
31 Ft
Garage 832 Square Feet
32 ft
26 ft

APPENDIX F

LAND SALE DETAIL SHEETS

Index No. 1 – Acreage Sale

On Range Road 213 Rural Camrose County, AB T0C 0L0

Land | **Sold** | **A2054923**

W:4 R:21 T:46 S:28 Q:NE

DOM:	116	**LP:**	$329,000.00
CDOM:	116	**OP:**	$379,000.00
SD:	09/29/2023	**SP:**	$290,000.00

Class:	Residential Land	**LP/Acre:**	$6,063.40
County:	Camrose County	**SP/Acre:**	$5,344.64
City:	Rural Camrose County	**Type:**	
Levels:		**District:**	
Subdivision:	McNary Hills Estates	**Tax Amt/Yr:**	$187.00/2023
Possession:	Immediate		
LINC#:	0037990645		
Outbuildings:	See Remarks/		
Rd Frontage:			
Zoning:	AG	**Lot Size:**	54.26 Ac
Legal Pln:	**Blk:**	**Lot:**	
Title to Lnd:	Fee Simple	**Ownership:**	
Exclusion:	No	**SRR:**	No
Sewer/Septic:		**Condo:**	No
Disclosure:			
Reports:	Crop Leases, None		
Restrictions:	See Remarks		

Public Remarks: 54 ACRES OF ENDLESS POTENTIAL! A mere 10 minutes west of Camrose you will find the highly desirable McNary Hills Estates subdivision. This parcel is accessible through the NE corner of NE-28-46-21 with a dedicated laneway that leads you to the building site & open pasture. Large building already on site, great potential for a big shop or for those who like horses This site was originally planned for a golf course. Build your dream acreage & have lots of room for recreational activities. Power & gas to property line and access to water well on additional lot.

Directions: From Highway 13 take a south on Range Road 213. Hang a right just after the north subdivision.

Property Information

Fencing:	Partial	**Water Supply:**	
911 Addr:		**# Parcels:**	
Dist to Trans:		**Dist to School:**	
Irrigation Eqp:		**Farm Eqp Inc:**	
Road Access:		**Front Length:**	
Lot Dim:		**Lot Depth:**	M '
Front Exp:		**Local Imprv:**	
Water GPM:		**Acres Cleared:**	
Depth of Well:		**Acres Irrigat:**	
Reg Wtr Rgt:		**Acres Fenced:**	
Bus Service:		**Acres Cultivtd:**	
Elem School:		**Acres Pasture:**	
Jr/Mid Schl:		**Acres Lsehld:**	
High School:		**Acres Treed:**	
Amenities:		**Total Acres:**	54.26
Exterior Feat:			
Utilities:			
Access Feat:			
Goods Include:	N/A		
Goods Exclude:	N/A		

Agent & Office Information

List REALTOR®:	Trevor Vinet trevorv@vincocorp.com	**Phone:**	780-878-1734
List Firm:	RE/MAX Real Estate (Edmonton) Ltd.	**Phone:**	780-672-7474
Firm Address:	6006 - 48 Avenue, Camrose, T4V 0K3	**Firm Fax:**	780-672-4048
CoList REALTOR®:	Michelle (Mary) Majeski mmajeski@xplornet.ca	**Phone:**	780-678-5945
CoList Firm:	RE/MAX Real Estate (Edmonton) Ltd.	**Phone:**	780-672-7474
Appt:	Vacant - go direct		
Showing Contact:	Trevor 780-878-1734	**List Date:**	06/01/2023
Comm:	3.5% / 1.5%	**Expiry Dt:**	
LB Type/Info:	/	**With Dt:**	
Owner Name:	**Ownership:** Private		
Occupancy:	**Exclusion:** No	**SRR:**	No
Member Rmks:			

Selling Information

Sell REALTOR®:	Trevor Vinet	**Sell Firm:**	RE/MAX Real Estate (Edmonton) Ltd.
Cosell REALTOR®:	Michelle (Mary) Majeski	**Adjust Dt:**	11/01/2023
Pend Dt:	**Sold Date:** 09/29/2023	**Sold Price:**	$290,000.00

Index No. 2 – Acreage Sale

138 Beaver Drive Rural Camrose County, AB T0B1M0

Land	**W:4 R:21 T:44 S:4 Q:NE**	**DOM:**	39	**LP:**	$225,000.00
Sold A2068976		**CDOM:**	39	**OP:**	$225,000.00
	SD: 09/16/2023			**SP:**	$200,000.00

Class:	Residential Land	**LP/Acre:**	$14,231.50
County:	Camrose County	**SP/Acre:**	$12,650.22
City:	Rural Camrose County	**Type:**	
Levels:		**District:**	
Subdivision:	Little Beaver Lake Estates	**Tax Amt/Yr:**	$40.89/2023
Possession:	30 Days / Neg		
LINC#:	0032547029		
Outbuildings:	Other/Horse shelter		
Rd Frontage:	Municipal Road		
Zoning:	Farmland	**Lot Size:**	15.81 Ac
Legal Pln:	0726557 **Blk:** 5	**Lot:**	7
Title to Lnd:	Fee Simple	**Ownership:**	
Exclusion:	No	**SRR:**	No
Sewer/Septic:		**Condo:**	No
Disclosure:			
Reports:	Land Survey		
Restrictions:	Utility Right Of Way		

Public Remarks: Beautiful Private treed acreage within steps to little beaver lake. This fenced 15.81 acre piece of land is ideal for nature lovers. Ever thought about having chickens? Maybe a few horses or cows? Not only would this land be perfect for building on, but would make the perfect homestead as well. There is the possibility to subdivide. All utilities are at the road, and most residents use well water. Kids are bussed to New Norway K-12 school within the Battle River School division.

Directions: West on Hwy 13 for 8.5 km, South at round about to Hwy 21 for 23 Km, West on Hwy 611 for 3.2 km, South on RR 214 for 4.8 km, East on Muskrat Ave- 1 km. Right turn at Beaver Drive, Lot will be on the right/west side of road

Property Information

Fencing:	Fenced	**Water Supply:**	
911 Addr:		**# Parcels:**	
Dist to Trans:		**Dist to School:**	
Irrigation Eqp:		**Farm Eqp Inc:**	
Road Access:	Gravel, See Remarks	**Front Length:**	
Lot Dim:		**Lot Depth:**	M '
Front Exp:		**Local Imprv:**	
Water GPM:		**Acres Cleared:**	
Depth of Well:		**Acres Irrigat:**	
Reg Wtr Rgt:		**Acres Fenced:**	
Bus Service:	Yes	**Acres Cultivtd:**	
Elem School:	Battle River Regional Division No. 31	**Acres Pasture:**	
Jr/Mid Schl:	Battle River Regional Division No. 31	**Acres Lsehld:**	
High School:	Battle River Regional Division No. 31	**Acres Treed:**	
Amenities:		**Total Acres:**	15.81
Exterior Feat:	None		
Utilities:	Electricity Available, Natural Gas Available, Phone Available, Satellite Internet Available		
Access Feat:			
Goods Include:	Campsite fire pit		
Goods Exclude:	none		

Agent & Office Information

List REALTOR®:	Nicole Jensen nicole@teambrr.ca	**Phone:**	780-678-0442
List Firm:	Coldwell Banker Battle River Realty	**Phone:**	780-672-7761
Firm Address:	4802 - 49 Street, Camrose, T4V 1M9	**Firm Fax:**	780-672-7764
Appt:	Text listing agent		
Showing Contact:	Nicole Jensen 780-678-0442	**List Date:**	08/07/2023
Comm:	3.5% on first $100,000 1.5% on remainder	**Expiry Dt:**	
LB Type/Info:	/	**With Dt:**	
Owner Name:	**Ownership:** Private		
Occupancy:	**Exclusion:** No	**SRR:**	No
Member Rmks:	There are horses/miniature donkey on site, please close the gate after yourself. Seller is related to listing agent.		

Selling Information

Sell REALTOR®:	Nicole Jensen	**Sell Firm:**	Coldwell Banker Battle River Realty
Cosell REALTOR®:		**Adjust Dt:**	11/03/2023
Pend Dt:	**Sold Date:** 09/16/2023	**Sold Price:**	$200,000.00

Index No. 3 – Acreage Sale

Range Road 20 Rural Camrose County, AB T4V 2N1

Land
Sold A2027392

W:4 **R:**20 **T:**47 **S:**14 **Q:**NW

DOM: 125 **CDOM:** 1,504 **SD:** 06/29/2023

LP: $349,900.00
OP: $395,000.00
SP: $315,000.00

Class:	Residential Land	**LP/Acre:**	$28,104.42
County:	Camrose County	**SP/Acre:**	$25,301.20
City:	Rural Camrose County	**Type:**	
Levels:		**District:**	
Subdivision:	NONE	**Tax Amt/Yr:**	$0.00/2023
Possession:	Negotiable, Other/See Remarks/Pending Subdivision Approval		
LINC#:	PT20220471		
Outbuildings:			
Rd Frontage:			
Zoning:	A	**Lot Size:**	12.45 Ac
Legal Pln:	**Blk:** 1	**Lot:**	1
Title to Lnd:	Fee Simple	**Ownership:**	
Exclusion:	No	**SRR:**	No
Sewer/Septic:		**Condo:**	No
Disclosure:			
Reports:	Land Survey		
Restrictions:	None Known		

Public Remarks: This RARE acreage land with 12.45 acres offers a unique opportunity to build your dream home in a stunning rural setting just 3 minutes from Camrose on pavement. With its large size and ample space, this property is perfect for those seeking peace, privacy, and serenity. The land is mostly flat and cleared, making it easy to build on, while a mixture of trees provides natural beauty and shade. The location is ideal, with easy access to amenities in Camrose and the surrounding area. Whether you're looking to build a family home or a vacation retreat, this rare acreage land is sure to exceed your expectations. Some buildings already on site including a barn. Power to the property and currently has a well. Access to City water and City SCHOOL BUSING!

Directions: North on highway 833, right across from Whistle Stop - Contact Tylor for details

Property Information

Fencing:	Fenced	**Water Supply:**	
911 Addr:		**# Parcels:**	
Dist to Trans:		**Dist to School:**	
Irrigation Eqp:		**Farm Eqp Inc:**	
Road Access:		**Front Length:**	
Lot Dim:		**Lot Depth:**	M '
Front Exp:		**Local Imprv:**	
Water GPM:		**Acres Cleared:**	
Depth of Well:		**Acres Irrigat:**	
Reg Wtr Rgt:		**Acres Fenced:**	
Bus Service:		**Acres Cultivtd:**	
Elem School:		**Acres Pasture:**	
Jr/Mid Schl:		**Acres Lsehld:**	
High School:		**Acres Treed:**	
Amenities:		**Total Acres:**	12.45
Exterior Feat:			
Utilities:			
Access Feat:			
Goods Include:	N/A		
Goods Exclude:	N/A		

Agent & Office Information

List REALTOR®:	Tylor Keller tkcamrose@gmail.com	**Phone:**	780-281-0016
List Firm:	CIR Realty	**Phone:**	403-358-3883
Firm Address:	2, 4405 - 52 Avenue, Red Deer, T4N 6S4	**Firm Fax:**	403-250-3226
CoList REALTOR®:	Cole Walker colewrealty@gmail.com	**Phone:**	780-679-5544
CoList Firm:	CIR Realty	**Phone:**	403-358-3883
Appt:	Contact Tylor Keller		
Showing Contact:	Tylor Keller 780-281-0016	**List Date:**	02/24/2023
Comm:	3.5%.1.5%	**Expiry Dt:**	
LB Type/Info:	/	**With Dt:**	
Owner Name:	**Ownership:** Private		
Occupancy:	**Exclusion:** No	**SRR:**	No
Member Rmks:	Pending approval from Camrose County, conditional approval is in place, taxes TBD		

Selling Information

Sell REALTOR®:	Tylor Keller	**Sell Firm:**	CIR Realty
Cosell REALTOR®:	Cole Walker	**Adjust Dt:**	07/24/2023
Pend Dt:	**Sold Date:** 06/29/2023	**Sold Price:**	$315,000.00

Index No. 4 – Acreage Sale

1001 Taylor Street N Ohaton, AB T0B 3P0

Land | **Sold** | **A1213914**

W:4 R:19 T:46 S:14 Q:NW | **SD:** 06/05/2023

DOM: 391 | **CDOM:** 391 | **LP:** $269,900.00 | **OP:** $269,900.00 | **SP:** $210,000.00

Class:	Residential Land	**LP/Acre:**	$13,262.90
County:	Camrose County	**SP/Acre:**	$10,319.41
City:	Ohaton	**Type:**	
Levels:		**District:**	
Subdivision:	NONE	**Tax Amt/Yr:**	$581.00/2022
Possession:	15 Days / Neg		
LINC#:	0034518101		
Outbuildings:	Shed, Other, Shop/		
Rd Frontage:	Municipal Road		
Zoning:	UR	**Lot Size:**	20.35 Ac
Legal Pln:	1025703 **Blk:** 2	**Lot:**	9

Title to Lnd:	Fee Simple	**Ownership:**	
Exclusion:	No	**SRR:**	No
Sewer/Septic:	None	**Condo:**	No
Disclosure:	See Attached document		
Reports:	Land Survey, Property Disclosure, Subdivision Plans, Title		
Restrictions:	Phone Listing Broker		

Public Remarks: 20.35 acres zoned Urban Residential bordering the east side of Ohaton AB. See Camrose County by-laws (copy in file) or speak with Camrose County regarding development opportunities or further sub-division potential of this property. Power and gas are adjacent to the property on the west property line. Municipal sewer line runs down Taylor Street. No municipal services are presently serving the subject property. Property is presently seeded to tame hay and taxed as agricultural except for 3 acres. Hay field yields between 15 to 30 round bales depending on rainfall. Note : Fence line on north side of property is outside the actual property line. Planted spruce trees are approximately on property line on north side. There is a former root cellar with access from the old greenhouse that is approximately 8 by 8 by 20 feet in size. It is not functional and has not been used for several years as water will access it in the Springtime. Single garage and former barn are good for storage and other old buildings are of no value. Beautiful mature spruce trees along south and half of east boundary. Note: Listing Realtor is related to the Seller.

Property Information

Fencing:	Partial	**Water Supply:**	None
911 Addr:		**# Parcels:**	
Dist to Trans:		**Dist to School:**	7 miles
Irrigation Eqp:		**Farm Eqp Inc:**	
Road Access:	Gravel	**Front Length:**	
Lot Dim:		**Lot Depth:**	M '
Front Exp:		**Local Imprv:**	
Water GPM:		**Acres Cleared:**	18.00
Depth of Well:		**Acres Irrigat:**	
Reg Wtr Rgt:		**Acres Fenced:**	
Bus Service:	Yes	**Acres Cultivtd:**	
Elem School:		**Acres Pasture:**	
Jr/Mid Schl:		**Acres Lsehld:**	
High School:		**Acres Treed:**	
Amenities:		**Total Acres:**	20.35
Exterior Feat:			
Utilities:	Electricity at Lot Line, Water At Lot Line, Phone Available, Natural Gas at Lot Line, Sewer Available		
Access Feat:			
Goods Include:	None		
Goods Exclude:	None		

Agent & Office Information

List REALTOR®:	Dennis Johnson johnsons@cable-lynx.net	**Phone:**	780-672-7761
List Firm:	Coldwell Banker Battle River Realty	**Phone:**	780-672-7761
Firm Address:	4802 - 49 Street, Camrose, T4V 1M9	**Firm Fax:**	780-672-7764
Appt:	Call or text listing realtor.		
Showing Contact:	Dennis Johnson 780-679-7911	**List Date:**	05/09/2022
Comm:	3.5 on 100000, 1.5 on balance	**Expiry Dt:**	
LB Type/Info:	/	**With Dt:**	
Owner Name:	**Ownership:** Private		
Occupancy:	**Exclusion:** No	**SRR:**	No
Member Rmks:	. A nice area to develop. Lots of evergreen trees. Possibly has potential for a tree nursery or many other uses. County of Camrose would need to approve any development.		

Selling Information

Sell REALTOR®:	Out of Board RealtorÂ®	**Sell Firm:**	OUT OF BOARD
Cosell REALTOR®:		**Adjust Dt:**	06/15/2023
Pend Dt:	**Sold Date:** 06/05/2023	**Sold Price:**	$210,000.00

Index No. 5 – Acreage Sale

On Range Road 220 South Bittern Lake Road Rural Camrose County, AB T0C 0L0

Land
Sold A1227301

W:4 R:22 T:46 S:25 Q:NE
SD: 10/18/2022

DOM: 131 **LP:** $299,000.00
CDOM: 131 **OP:** $299,000.00
SP: $225,000.00

Class:	Residential Land	**LP/Acre:**	$21,357.14
County:	Camrose County	**SP/Acre:**	$16,071.43
City:	Rural Camrose County	**Type:**	
Levels:		**District:**	
Subdivision:	NONE	**Tax Amt/Yr:**	$0.00/2022
Possession:	Upon Completion/Subdivision has been pre-approved		
LINC#:	N202262800		
Outbuildings:			
Rd Frontage:			
Zoning:	CR1	**Lot Size:**	14.00 Ac
Legal Pln:	**Blk:**	**Lot:**	
Title to Lnd:	Fee Simple	**Ownership:**	
Exclusion:	No	**SRR:**	No
Sewer/Septic:		**Condo:**	No
Disclosure:			
Reports:	Aerial Photos		
Restrictions:	None Known		

Public Remarks: This parcel is +/- 14 acres. Located on South Bittern Lake Road just minutes from Bittern Lake, Camrose, and Wetaskiwin. Build your dream home, nurture a garden, or even keep a few critters. Power and Gas are on the east side of Range Road 220.

Directions: Travel west from Camrose on Hwy 13, turn south on Bittern Lake Road and you're right there.

Property Information

Fencing:	None	**Water Supply:**	
911 Addr:		**# Parcels:**	
Dist to Trans:		**Dist to School:**	
Irrigation Eqp:		**Farm Eqp Inc:**	
Road Access:		**Front Length:**	
Lot Dim:		**Lot Depth:**	M '
Front Exp:		**Local Imprv:**	
Water GPM:		**Acres Cleared:**	
Depth of Well:		**Acres Irrigat:**	
Reg Wtr Rgt:		**Acres Fenced:**	
Bus Service:		**Acres Cultivtd:**	
Elem School:		**Acres Pasture:**	
Jr/Mid Schl:		**Acres Lsehld:**	
High School:		**Acres Treed:**	
Amenities:		**Total Acres:**	14.00
Exterior Feat:			
Utilities:			
Access Feat:			
Goods Include:	N/A		
Goods Exclude:	N/A		

Agent & Office Information

List REALTOR®:	Michelle (Marv) Majeski mmajeski@xplornet.ca	**Phone:**	780-678-5945
List Firm:	RE/MAX Real Estate (Edmonton) Ltd.	**Phone:**	780-672-7474
Firm Address:	6006 - 48 Avenue, Camrose, T4V 0K3	**Firm Fax:**	780-672-4048
CoList REALTOR®:	Trevor Vinet trevorv@vincocorp.com	**Phone:**	780-878-1734
CoList Firm:	RE/MAX Real Estate (Edmonton) Ltd.	**Phone:**	780-672-7474
Appt:	Notify Michelle (780)678-5945 or Trevor (780)878-1734 of viewings		
Showing Contact:	Michelle Majeski 780-678-5945	**List Date:**	06/09/2022
Comm:	3.5%/1st $100,000 + 1.5%/Balance	**Expiry Dt:**	
LB Type/Info:	/	**With Dt:**	
Owner Name:	**Ownership:** Private		
Occupancy:	**Exclusion:** No	**SRR:**	No
Member Rmks:	This was previously approved for an 8 lot subdivision I believe there are 2 possibilities for power supply from the NW or NE with Battle River REA Taxes to be struck once subdivision is registered Linc number is temporary provided by Pillarnine		

Selling Information

Sell REALTOR®:	Cole Walker	**Sell Firm:**	CIR Realty
Cosell REALTOR®:		**Adjust Dt:**	01/15/2023
Pend Dt:	**Sold Date:** 10/18/2022	**Sold Price:**	$225,000.00

46501 Range Road 192 Rural Camrose County, AB T0B 3P0

Land
Sold A1219969

W:4 R:19 T:46 S:35 Q:SW
SD: 05/27/2022

DOM: 8
CDOM: 8

LP: $229,000.00
OP: $229,000.00
SP: $225,000.00

Class:	Residential Land	**LP/Acre:**	$15,760.50
County:	Camrose County	**SP/Acre:**	$15,485.20
City:	Rural Camrose County	**Type:**	
Levels:		**District:**	
Subdivision:	NONE	**Tax Amt/Yr:**	$1,193.93/2022
Possession:	Immediate		
LINC#:	0031414477		
Outbuildings:			
Rd Frontage:	Municipal Road		
Zoning:	Gen Agricultural	**Lot Size:**	14.53 Ac
Legal Desc:	14.53 Acres		
Legal Pln:	0526173 **Blk:** 1	**Lot:**	1

Title to Lnd:		**Ownership:**	
Exclusion:	No	**SRR:**	No
Sewer/Septic:		**Condo:**	No
Disclosure:	No Disclosure		
Reports:	Land Survey		
Restrictions:	None Known		

Public Remarks: Wow! 14.53 Acres! Secluded Setting, Beautiful Tree Grove and Natural Trees! Perfect Building Site! Amazing Opportunity! You'll absolutely love this 14.53 Acre parcel that is located 7 minutes from the City of Camrose and only 1 mile from pavement. This is an Excellent property for Recreational, Building Your New Home, Hobby Farm or Just Retreating to your own Private Getaway! Create your own private getaway or just a place where you can enjoy the peaceful country lifestyle. There is an older well and garage that are located next to the Perfect building site that's surrounded by a beautiful grove of trees. It's an Amazing Opportunity to Enjoy the Country Lifestyle!

Directions: From the City of Camrose go East 5 miles on Hwy 26, turn south on RGE RD 192 go 1 mile located on East side of road.

Property Information

Fencing:	None	**Water Supply:**	
911 Addr:		**# Parcels:**	
Dist to Trans:		**Dist to School:**	
Irrigation Eqp:		**Farm Eqp Inc:**	
Road Access:		**Front Length:**	79.85M 262' 0"
Lot Dim:	262x1736x567x450x198x1088	**Lot Depth:**	529.11 M 1736'
Front Exp:		**Local Imprv:**	
Water GPM:		**Acres Cleared:**	
Depth of Well:		**Acres Irrigat:**	
Reg Wtr Rgt:		**Acres Fenced:**	
Bus Service:		**Acres Cultivtd:**	
Elem School:		**Acres Pasture:**	
Jr/Mid Schl:		**Acres Lsehld:**	
High School:		**Acres Treed:**	
Amenities:		**Total Acres:**	14.53
Exterior Feat:			
Utilities:			
Access Feat:			
Goods Include:	N/A		
Goods Exclude:	N/A		

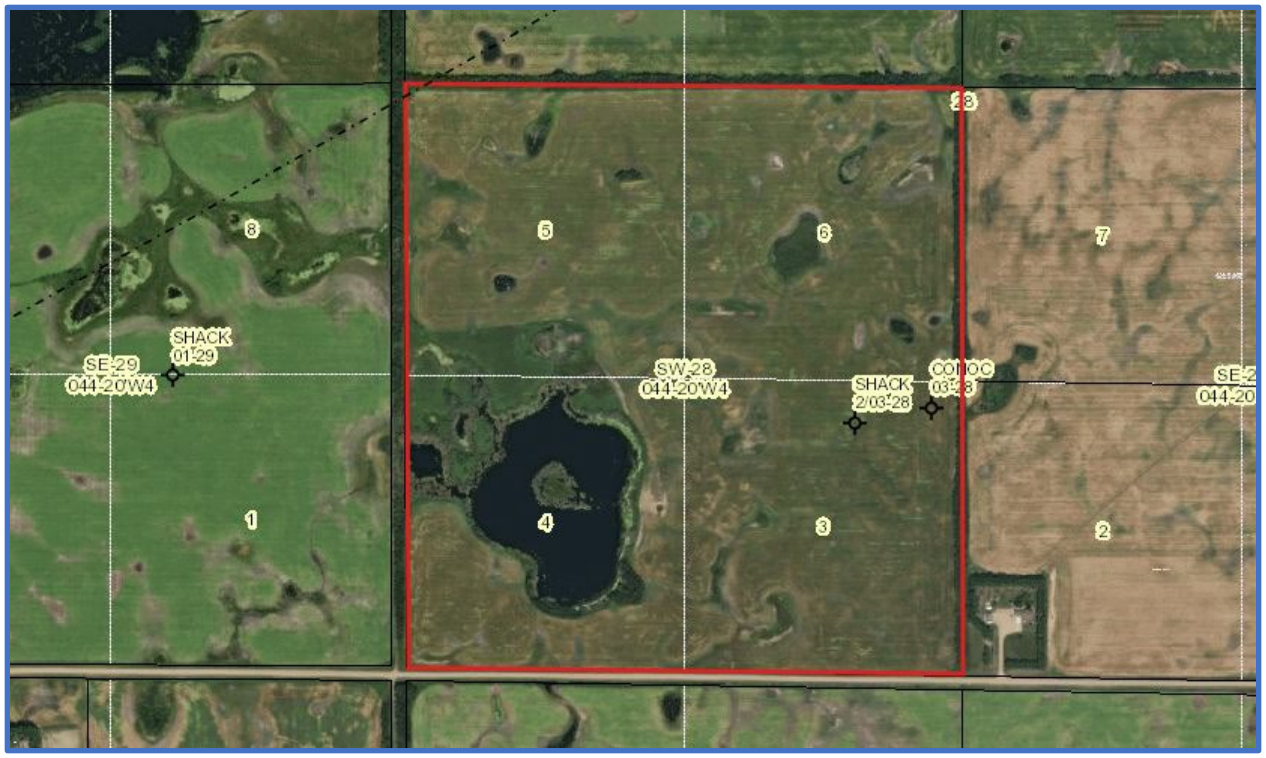
Agent & Office Information

List REALTOR®:	Graham Wideman gwideman@telusplanet.net	**Phone:**	780-679-8384
List Firm:	Central Agencies Realty Inc.	**Phone:**	780-672-4495
Firm Address:	4870 - 51 Street, Camrose, T4V 1S1	**Firm Fax:**	780-672-5950
Appt:	Please advise when going to view property. Office 780-672-4495 or text Graham Wideman at 780-679-8384		
Showing Contact:	Graham Wideman 780-679-8384	**List Date:**	05/19/2022
Comm:	3.5% $100/1.5% bal	**Expiry Dt:**	
LB Type/Info:	/	**With Dt:**	
Owner Name:	**Ownership:** Private		
Occupancy:	**Exclusion:** No	**SRR:**	No
Member Rmks:	Please call to view property. Purchase Price plus applicable GST.		

Selling Information

Sell REALTOR®:	Tylor Keller	**Sell Firm:**	CIR Realty
Cosell REALTOR®:	Cole Walker	**Adjust Dt:**	06/15/2022
Pend Dt:	**Sold Date:** 05/27/2022	**Sold Price:**	$225,000.00

Index No. 7



Property Information	
Property Address	Range Road 203 & Township Road 444, Camrose County, Ab
Legal Description	SW-28-44-20-W4
Transfer Number	232 383 589
Site Size	167 acres
Configuration	Rectangular – Full Quarter Section
Land Use	A (Agricultural General District)
Improvements	None – utilized for cash cropping
Sale Details	
Registration Date	December 15, 2023
Sale Price	$1,030,000.00
Vendor	Bar None Enterprises Ltd.
Purchaser	K & I Farms Ltd.
Unit Price	$6,168 per acre
Unit Value Comparability to Subject Property	
According to the Canada Land Inventory for Agricultural Soils, contains approximately 70% Class 3(T), 20% Class 2(T) and 10% Class 6(W). Topography and excess water are the primary soil limiting factors. Approximately +/- 30 acres are low-lying wetland areas while the balance is utilized for agricultural production of field crops. Access provided off of Township Road 444 along the south boundary as well as an unimproved road allowance along the west boundary. 2 well sites within east portions of property.	

Index No. 8

Property Information	
Property Address	Range Road 202 & Township Road 444, Camrose County, Ab
Legal Description	S1/2-34-44-20-W4 & S1/26-28-44-20-W4
Transfer Number	232 383 585
Site Size	647.63 Acres (SE26: 174 Acres; SE34: 148.46 Acres; SW26:167.17 Acres; SW34: 160 Acres)
Configuration	Rectangular – 2 full Quarter Sections; 2 Quarter Sections with farmstead subdivision
Land Use	A (Agricultural General District)
Improvements	None – utilized for cash cropping
Sale Details	
Registration Date	December 15, 2023
Sale Price	$4,100,000.00
Vendor	Ivy & Kevin Birch
Purchaser	K & I Farms Ltd.
Unit Price	$6,331 per acre
Unit Value Comparability to Subject Property	
4 parcels of agricultural land. According to the Canada Land Inventory for Agricultural Soils, contains approximately 90% Class 2(T), 5% Class 2(T) and 5% Class 6(W). Topography and excess water are the primary soil limiting factors. Approximately +/- 40 acres are low-lying wetland areas while the balance is utilized for agricultural production of field crops. Access provided off of Range Road 202, which represents the centre of the overall 4 parcel holding as well as Range Roads 201 and 203, which represents the west and east boundaries of the overall land holding. Minor pipelines and old rail right of ways traverse the overall holding.	

Index No. 9

Property Information	
Property Address	Range Road 203 & Township Road 444, Camrose County, Ab
Legal Description	NW-22-44-20-W4
Transfer Number	232 375 342
Site Size	158 acres
Configuration	Rectangular – Full Quarter Section
Land Use	A (Agricultural General District)
Improvements	None – utilized for cash cropping
Sale Details	
Registration Date	December 7, 2023
Sale Price	$1,390,000.00
Vendor	Jay Nelson Brockhoff
Purchaser	Willowdale Poultry Ltd.
Unit Price	$8,797 per acre
Unit Value Comparability to Subject Property	
According to the Canada Land Inventory for Agricultural Soils, contains approximately 60% Class 2(T), 30% Class 3(T), and 10% Class 6(W). Topography and excess water are the primary soil limiting factors. Entire parcel is utilized for agricultural production of field crops. Access provided off of Range Road 203 along the west boundary and Township Road 444 along the north boundary. Representative of some of the best agricultural land in the region.	

Index No. 10

Property Information	
Property Address	Range Road 201 & Township Road 444, Camrose County, Ab
Legal Description	Plan 942254, Lot 1 (S1/2-25-44-20-W4)
Transfer Number	232 365 729
Site Size	262.77 acres
Configuration	Rectangular
Land Use	A (Agricultural General District)
Improvements	None – utilized for cash cropping
Sale Details	
Registration Date	November 28, 2023
Sale Price	$1,810,000.00
Vendor	Bar None Enterprises Ltd.
Purchaser	Hidden Rock Aggregates Ltd.
Unit Price	$6,888 per acre
Unit Value Comparability to Subject Property	
According to the Canada Land Inventory for Agricultural Soils, contains approximately 90% Class 2(T) and 10% Class 6(W). Topography and excess water are the primary soil limiting factors. Approximately 20 acres is comprised of a low-lying area, with the balance of the property being utilized for agricultural production of field crops. Access provided off of Range Road 201 on the west boundary and Township Road 444 on the south boundary.	

Index No. 11

Property Information	
Property Address	Range Road 201 & Township Road 444, Camrose County, Ab
Legal Description	SW-24-44-20-W4
Transfer Number	232 358 847
Site Size	157.01 acres
Configuration	Rectangular – Quarter Section with a farmstead subdivision
Land Use	A (Agricultural General District)
Improvements	None – utilized for cash cropping
Sale Details	
Registration Date	November 11, 2023
Sale Price	$1,280,000.00
Vendor	Bar None Enterprises Ltd.
Purchaser	Neal & Shannon Brockhoff
Unit Price	$8,152 per acre
Unit Value Comparability to Subject Property	
According to the Canada Land Inventory for Agricultural Soils, contains 100% Class 2(T). Topography is the primary soil limiting factors. Aside from a dugout located within the southwest portions of the property, property is utilized for agricultural production of field crops. Access provided off of Range Road 201 along the west boundary. Minor pipelines traverse the property.	

Index No. 12

Property Information	
Property Address	Range Road 201 & Township Road 444, Camrose County, Ab
Legal Description	SW-17-45-20-W4
Transfer Number	232 169 978
Site Size	141.15 acres
Configuration	Rectangular – Quarter Section with a farmstead subdivision
Land Use	A (Agricultural General District)
Improvements	None – utilized for cash cropping
Sale Details	
Registration Date	May 29, 2023
Sale Price	$966,450.00
Vendor	Todd Snider
Purchaser	Keller Farms Ltd.
Unit Price	$6,847 per acre
Unit Value Comparability to Subject Property	
According to the Canada Land Inventory for Agricultural Soils, contains 100% Class 2(T). Topography is the primary soil limiting factors. Aside from a dugout located within the southwest portions of the property, property is utilized for agricultural production of field crops. Access provided off of Range Road 201 along the west boundary. Minor pipelines traverse the property.	

Index No. 13

Property Information	
Property Address	Range Road 195 & Township Road 434, Camrose County, Ab
Legal Description	NW-17-43-19-W4
Transfer Number	232 129 623
Site Size	160 acres
Configuration	Rectangular – Full Quarter Section
Land Use	A (Agricultural General District)
Improvements	None – utilized for cash cropping
Sale Details	
Registration Date	April 25, 2023
Sale Price	$815,000.00
Vendor	Phyllis Fast
Purchaser	Vern & Rhonda Siemens Farms Inc.
Unit Price	$5,094 per acre
Unit Value Comparability to Subject Property	
According to the Canada Land Inventory for Agricultural Soils, contains approximately 95% Class 2(T) and 5% Class 6(W). Topography and excess water are the primary soil limiting factors. Approximately +/- 15 acres are low-lying wetland areas and native trees, while the balance is utilized for agricultural production of field crops. Access provided off of Range Road 195 along the west boundary. Pipelines traverse the property.	

Index No. 14

Property Information	
Property Address	Range Road 202 & Township Road 444, Camrose County, Ab
Legal Description	S1/2-8-44-20-W4
Transfer Number	232 122 318
Site Size	305.0 Acres (SW8: 158 Acres; SE8: 147 Acres)
Configuration	Rectangular – 2 full Quarter Sections; 2 Quarter Sections with farmstead subdivision
Land Use	A (Agricultural General District)
Improvements	None – utilized for cash cropping
Sale Details	
Registration Date	April 19, 2023
Sale Price	$1,800,000.00
Vendor	Miller Creek Ranches Ltd.
Purchaser	Seth & William Hallmand
Unit Price	$5,902 per acre
Unit Value Comparability to Subject Property	
2 parcels of agricultural land. According to the Canada Land Inventory for Agricultural Soils, contains approximately 90% Class 2(T), 5% Class 2(T) and 5% Class 6(W). Topography and excess water are the primary soil limiting factors. Approximately +/- 40 acres are low-lying wetland areas while the balance is utilized for agricultural production of field crops. Access provided off of Range Road 202, which represents the centre of the overall 4 parcel holding as well as Range Roads 201 and 203, which represents the west and east boundaries of the overall land holding. Minor pipelines and old rail right of ways traverse the overall holding.	

APPENDIX G

APPRAISER QUALIFICATIONS

Ryan Archer BComm., AACI, P.App

DIRECTOR – EXPORPRIATION & LITIGATION
WESTERN CANADA

Ryan.archer@colliers.com

EDUCATION AND QUALIFICATIONS

Bachelor of Commerce (Finance)

University of Alberta

Post-Graduate Certificate in Real Property Valuation

University of British Columbia

AACI – Appraisal Institute of Canada

AFFILIATIONS AND MEMBERSHIPS

Appraisal Institute of Canada

Real Estate Council of Alberta

Alberta Expropriation Association (AEA)

International Right of Way Association (IRWA)

CONTACT DETAILS

DIR +1 (780) 969-2987
FAX +1 (780) 424-7830

Colliers International
2210 Manulife Place
10180-101 Street
Edmonton, Alberta
T5J 3S4

www.colliers.com/canada

CAREER EXPERTISE

2017 to Present – Director, Expropriation & Litigation, Western Canada, Colliers International., involved in real estate appraisal, market analyses, and litigation support.

2011 to 2017 – Appraiser/Consultant, Gettel Appraisals Ltd., involved in real estate appraisal, market analyses, and litigation support.

2010 – 2011 – Appraiser/Consultant, Canadian Resource Valuation Group Inc. involved in real estate appraisal, market analyses, and litigation support.

2008 – 2013 – Principal/Appraiser, Archer Appraisals. Provided commercial and residential real estate appraisal services for financing and litigation support.

2006 – 2008 – Appraiser, Frank Bowen & Associates Ltd. Provided commercial real estate appraisal services, primarily for financing purposes.

2005 – 2009 – Appraiser, Archer Property Appraisals and Land Services. Provided residential real estate services, primarily for financing.

PROFESSIONAL ACCOMPLISHMENTS

- Served on the Executive of the Alberta Expropriation Association for the past 3 years, acting as Vice President from 2015 to 2016 and President in 2017.

BUSINESS AND EDUCATIONAL BACKGROUND

Graduated from University of Alberta with a Bachelor of Commerce degree majoring in Finance.

Completed the Post-Graduate Certificate in Real Property Valuation at the University of British Colombia.

Achieved the Accredited Appraiser of the Canadian Institute (AACI) designation from the Appraisal Institute of Canada.

Licensed to appraise and consult in Alberta by the Real Estate Council of Alberta.

COMMUNITY INVOLVEMENT

- Coaching hockey for the past 15 years, serving on the Mill Woods Hockey Association Board of Directors and assisting with the Little Oilers learn to play program.
- Coaching soccer with EMSA for the past 5 years at the U5 to U10 levels.

Accelerating success.

Ryan Archer BComm., AACI, P.App

DIRECTOR – EXPORPRIATION & LITIGATION
WESTERN CANADA

Ryan.archer@colliers.com

REPRESENTATIVE APPRAISAL ASSIGNMENTS

Real property appraisals of various partial interests involving pipeline and powerline rights of way; estimating market value, loss of use and adverse effect compensation assessments under provincial and federal legislation
Compensation assessments relating to well sites.
Real property appraisals involving expropriated interests including market value, severance damage, injurious affection and incidental damages
Appearance as an Expert Witness before the Court of Alberta, Surface Rights Board, Alberta Utilities Commission and Metis Land Access Panel.
Market rent analyses and their corresponding lease arbitration proceedings.
Appraisals of multi-family, commercial and industrial properties including retail stores, office towers, medical clinics, condominium complexes and medium & heavy industrial properties including lands containing gravel and going concern gravel pits.
Appraisals of improved and vacant parcels of residential, commercial, recreational and industrial use.
Appraisals of residential, commercial and industrial subdivisions.
Appraisals of urban fringe properties with varying timelines to development.
Appraisals of vacant agricultural land and improved agricultural holdings.
Appraisals for mortgage and foreclosure purposes.
Market lease analyses of airport lands
Current market value, replacement cost new and retrospective historical valuation appraisals.
Appraisals estimating fee simple, leasehold and life estate interests.

APPENDIX F

CERTIFICATION

CERTIFICATION

Re: Apex Nutri-Solutions Facility & Vacant Industrial Lands

19543 Twp Rd 440, Edberg, Alberta (Main Site)

I certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. The appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with Canadian Uniform Appraisal Standards of the Appraisal Institute of Canada, which reserves the right to review the report and the files on which it is based.
- Ryan Archer personally viewed the properties on December 6, 2023. Ryan Archer confirms that he has the knowledge and experience to complete the assignment competently.
- No other person provided significant professional assistance in the preparation of this report.
- The Real Estate Council of Alberta (RECA) has a Mandatory Certification Program for designated members. As of the date of this appraisal, Ryan Archer, B.COMM., AACI, is licensed in Alberta.
- The Appraisal Institute of Canada has a Mandatory Recertification Program for designated members. As of the date of this report, Ryan Archer, B.COMM., AACI, has fulfilled the requirements of the program.

Final Estimate of Value

Based upon the data, analyses, and conclusions contained herein, the following opinions of Market Value and Forced Sale Values, as at May 10, 2024 are presented. All opinions are subject to the Extraordinary Assumptions and Contingent and Limiting Conditions detailed within this report.

Apex Nutri-Solutions Site ("As-Is"):	**$4,520,000.00 (Value In Use)**
Apex Nutri-Solutions Site ("As-Is"):	**$1,700,000.00 (Forced Sale Value)**
Apex Nutri-Solutions Site ("As-Upgraded"):	**$5,320,000.00 (Value In Use)**
Vacant Agricultural Lands:	**$3,325,000.00 ($7,018/acre - Average)**
Vacant Agricultural Lands:	**$2,990,000.00 (Forced Sale Value)**

Ryan Archer, B.COMM., AACI (AIC #902175)
Director, Litigation & Expropriation, Western Canada
Date: June 10, 2024

This is Exhibit "C" referred to in the Affidavit of

Murray Paul Herbert

Sworn before me this 25th day of March, A.D., 2025.

A Notary Public, A Commissioner for Oaths in and for the Province of Alberta

JARRETT TILLEY
Barrister & Solicitor
A Commissioner for Oaths and Notary Public
in and for the Province of Alberta

I

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0014 738 603	4;20;43;26;SE	092 124 299

LEGAL DESCRIPTION

MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 26
QUARTER SOUTH EAST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
2.53 HECTARES (6.25 ACRES) MORE OR LESS AS SHOWN ON
RAILWAY PLAN 1983AJ AND BEING TAKEN FOR RIGHT OF WAY
OF THE CANADIAN NORTHERN RAILWAY COMPANY
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 200Q192

REGISTERED OWNER(S)

REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
092 124 299	23/04/2009	TRANSFER OF LAND	$277,200	SEE INSTRUMENT

OWNERS

MURRAY HERBERT

AND
CAROLYN HERBERT
BOTH OF:
BOX 88
EDBERG
ALBERTA T0B 1J0
AS JOINT TENANTS

(CONTINUED)

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
752 158 005	03/11/1975	UTILITY RIGHT OF WAY GRANTEE - BATTLE RIVER NATURAL GAS CO-OP LTD.
902 243 866	17/08/1990	CAVEAT RE : RIGHT OF WAY AGREEMENT CAVEATOR - SHACKLETON EXPLORATION LTD. ATTN: LAND DEPARTMENT 2400, 520-5 AVE SW CALGARY ALBERTA T2P3R7 (DATA UPDATED BY: CHANGE OF ADDRESS 982153657) (DATA UPDATED BY: TRANSFER OF CAVEAT 192186642)
182 064 642	16/03/2018	MORTGAGE MORTGAGEE - ATB FINANCIAL. 100, 2018 SHERWOOD DRIVE SHERWOOD PARK ALBERTA T8A5V3 ORIGINAL PRINCIPAL AMOUNT: $450,000
192 140 364	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 140 365	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000

TOTAL INSTRUMENTS: 005

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 13 DAY OF MARCH, 2025 AT 03:08 P.M.

ORDER NUMBER: 53132642

CUSTOMER FILE NUMBER: APEX

END OF CERTIFICATE

(CONTINUED)

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0023 416 282	4;20;43;24;NE	092 110 162

LEGAL DESCRIPTION
MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 24
QUARTER NORTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 092 110 161

REGISTERED OWNER(S)

REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
092 110 162	14/04/2009	TRANSFER OF LAND	$288,000	SEE INSTRUMENT

OWNERS

MURRAY HERBERT

AND
CAROLYN HERBERT
BOTH OF:
BOX 88
EDBERG
ALBERTA T0B 1J0
AS JOINT TENANTS

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
092 110 163	14/04/2009	MORTGAGE MORTGAGEE - DOUG HERBERT 7232 33 AVE EDMONTON

(CONTINUED)

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
		ALBERTA T6K1K3 ORIGINAL PRINCIPAL AMOUNT: $260,000
192 140 364	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 140 365	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 152 934	03/07/2019	POSTPONEMENT OF MORT 092110163 TO MORT 192140365

TOTAL INSTRUMENTS: 004

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 26 DAY OF MARCH, 2025 AT 04:03 P.M.

ORDER NUMBER: 53252198

CUSTOMER FILE NUMBER: 118974/SCS

END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

APPENDIX “B”

clhbid.com
OFFICE 780 532 5931
TOLL FREE 1 866 263 7480
info@clhbid.com

THIS TENDER-SALE AGREEMENT ("**AGREEMENT**") DATED THIS 14TH DAY OF APRIL, 2025.

BETWEEN:

CLH LAW
(hereinafter referred to under the tradename '**CLHbid**')

and

BDO CANADA LIMITED ("Receiver"), solely in its capacity as court-appointed receiver of certain real property of MURRAY HERBERT and CAROLYN HERBERT, and not in its personal or corporate capacity

Whereas the Receiver has been appointed pursuant to a receivership order (the "**Receivership Order**") granted by the Court of King's Bench of Alberta on April 2, 2025 as receiver over certain real property located in Camrose County and registered in the name of Murray Herbert and Carolyn Herbert (the "**Debtors**"), as set out in the Land Title Certificates attached hereto as Schedule "A" (the "**Land**");

And Whereas the Receiver wishes to retain CLHbid for marketing and placing the Land up for sale by way of online electronic tender, subject to the terms and conditions hereof;

Now Therefore in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Receiver and CLHbid covenant and agree with each other to carry out their respective obligations under this Agreement.

2. The Land will be marketed on www.CLHbid.com with a sale date of May 6th, 2025, commencing at 9:00 AM MDT (the "Sale Date").

3. The Starting Bid and packaging of sale for each Parcel will be as set out in Schedule "B". The Parcels will be sold using Universal closing such that the time is reset for each Parcel if a bid is received on any Parcel. The Land shall be advertised on an 'as is, where is' basis and the form and content of any advertisement shall be approved by the Receiver, such approval not to be unreasonably withheld. Neither the Receiver, the Debtors, nor CLHbid shall make any representations, conditions or warranties about the Land to anyone, and there are no representations, conditions or warranties associated with the condition of the Land. The parties agree there are no terms or conditions whatsoever, whether

expressed, implied, statutory or otherwise (including, without limitation, those under the Sale of Goods Act (Alberta) and the International Sale of Goods Contracts Convention Act (Canada)) with respect to the Land or any Parcel or any other matters whatsoever in any way related to the subject matter of this Agreement.

4. The bidding increments will be by $10,000.00.

5. It is agreed that the strike price for each Parcel shall be the Starting Bid for that respective Parcel, as set out on Schedule "B" (the "**Strike Price**"). It is agreed that each Parcel shall not be sold for an amount that is less than its Strike Price.

6. The Closing Date for the sales shall be as calculated under the form of Purchase and Sale Agreement attached hereto as Schedule "D". All bidders will be put on notice that if their bid is successful, the completion of any sale will be completed on the terms and conditions set forth in the form of Purchase and Sale Agreement as posted, without negotiation or amendment.

7. Possession of the Land will be subject to the high bidder (the "**Purchaser**") entering into a Purchase and Sale Agreement on the form attached hereto as Schedule "D" (the "**Successful PSA**"), paying the deposit of 20% of the bid on or before May 7th, 2025 upon execution of the Successful PSA, and entering into a short-term lease agreement in the form attached to the Successful PSA.

8. CLHbid.com will not be required to disclose bidders names to the Receiver, other than the Purchaser.

9. Commission payable to CLHbid shall be 7.5% of the high bid for each Parcel of the Land, plus Goods and Services Tax ("**GST**"), payable upon closing of the transaction under the Successful PSA.

10. In the event the Purchaser does not complete the transaction under the Successful PSA, the Successful PSA shall terminate and CLHbid shall, upon written notice from the Receiver, re-market the Land, or any Parcel, on the same terms and conditions contained herein, with such amendments as CLHbid and the Receiver, acting reasonably, may mutually determine are necessary, including without limitation amendments to the dates and prices listed herein.

11. CLHbid shall bear all marketing costs.

12. CLHbid agrees to use state of the art marketing including on-line, paper, social media and target marketing of specific candidates.

13. This Agreement shall be subject to the condition precedent of approval by the Court of King's Bench of Alberta ("**Court**") of (i) the Receiver entering into this Agreement and (ii)

the granting of a Sale Approval and Vesting Order (the "**Approval Order**") authorizing this Agreement and approving the transactions and processes contemplated in this Agreement.

14. CLHbid will not, and has no authority to, incur any liability or obligation on behalf of the Receiver or Debtors, unless otherwise specifically authorized and approved by the Receiver.

15. Subject to the approval of the Court as stated in Section 13, the Receiver represents and warrants to CLHbid that it has sufficient power and authority to enter into this Agreement and to complete the transactions contemplated hereby.

16. CLHbid represents and warrants to the Receiver that:

    a. CLHbid has good and sufficient power and authority to enter into this Agreement and to complete the transactions contemplated by this Agreement;
    b. this Agreement constitutes a valid and legally binding obligation of CLHbid, enforceable against it in accordance with its terms; and
    c. CLHbid holds all required permits and licenses required to perform its obligations under this Agreement.

17. This Agreement and the attached schedules constitute the entire agreement between the parties relating to the subject matter hereof and supersedes all prior proposals, communications and agreements, whether written or oral.

18. This Agreement may be amended or modified only by an instrument in writing executed and delivered by the parties hereto subsequent to the date hereof.

19. The parties covenant to execute such further documents and do such further acts as may be required to implement the terms of this Agreement.

20. This Agreement may be executed in counterparts by the parties hereto and executed counterparts may be delivered by electronic mail and such execution and delivery shall be valid for all intents and purposes and the executed counterparts shall together form one document.

21. This Agreement shall be governed by the laws in effect in the Province of Alberta and the parties hereby attorn to the jurisdiction of the Courts of that Province.

22. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE TO FOLLOW

SIGNATURE PAGE TO TENDER-SALE AGREEMENT DATED THE 14TH DAY OF APRIL, 2025.

BDO CANADA LIMITED, solely in its capacity as court-appointed receiver of certain real property of MURRAY HERBERT and CAROLYN HERBERT, and not in its personal or corporate capacity

Per: Kevin Meyler
Senior Vice President

CLH LAW

Per:

CLHbid.com

REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE TO FOLLOW

SIGNATURE PAGE TO TENDER-SALE AGREEMENT DATED THE 14TH DAY OF APRIL, 2025.

BDO CANADA LIMITED, solely in its capacity as court-appointed receiver of certain real property of MURRAY HERBERT and CAROLYN HERBERT, and not in its personal or corporate capacity

Per: Kevin Meyler
Senior Vice President

CLH LAW

Per: M. [illegible], K.C.
BARRISTER & SOLICITOR
#200, 9803 - 101 AVENUE
GRANDE PRAIRIE, AB
780-532-8350

SCHEDULE "A"
THE LAND

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0023 416 282	4;20;43;24;NE	092 110 162

LEGAL DESCRIPTION
MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 24
QUARTER NORTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 092 110 161

REGISTERED OWNER(S)

REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
092 110 162	14/04/2009	TRANSFER OF LAND	$288,000	SEE INSTRUMENT

OWNERS

MURRAY HERBERT

AND
CAROLYN HERBERT
BOTH OF:
BOX 88
EDBERG
ALBERTA T0B 1J0
AS JOINT TENANTS

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
092 110 163	14/04/2009	MORTGAGE MORTGAGEE - DOUG HERBERT 7232 33 AVE EDMONTON

(CONTINUED)

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
		ALBERTA T6K1K3 ORIGINAL PRINCIPAL AMOUNT: $260,000
192 140 364	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 140 365	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 152 934	03/07/2019	POSTPONEMENT OF MORT 092110163 TO MORT 192140365

TOTAL INSTRUMENTS: 004

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 11 DAY OF APRIL, 2025 AT 04:29 P.M.

ORDER NUMBER: 53409373

CUSTOMER FILE NUMBER: 0128056.9NH

END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER, SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION, APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0014 738 603	4;20;43;26;SE	092 124 299

LEGAL DESCRIPTION

MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 26
QUARTER SOUTH EAST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
2.53 HECTARES (6.25 ACRES) MORE OR LESS AS SHOWN ON
RAILWAY PLAN 1983AJ AND BEING TAKEN FOR RIGHT OF WAY
OF THE CANADIAN NORTHERN RAILWAY COMPANY
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ESTATE: FEE SIMPLE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 200Q192

REGISTERED OWNER(S)

REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
092 124 299	23/04/2009	TRANSFER OF LAND	$277,200	SEE INSTRUMENT

OWNERS

MURRAY HERBERT

AND
CAROLYN HERBERT
BOTH OF:
BOX 88
EDBERG
ALBERTA T0B 1J0
AS JOINT TENANTS

(CONTINUED)

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
752 158 005	03/11/1975	UTILITY RIGHT OF WAY GRANTEE - BATTLE RIVER NATURAL GAS CO-OP LTD.
902 243 866	17/08/1990	CAVEAT RE : RIGHT OF WAY AGREEMENT CAVEATOR - SHACKLETON EXPLORATION LTD. ATTN: LAND DEPARTMENT 2400, 520-5 AVE SW CALGARY ALBERTA T2P3R7 (DATA UPDATED BY: CHANGE OF ADDRESS 982153657) (DATA UPDATED BY: TRANSFER OF CAVEAT 192186642)
182 064 642	16/03/2018	MORTGAGE MORTGAGEE - ATB FINANCIAL. 100, 2018 SHERWOOD DRIVE SHERWOOD PARK ALBERTA T8A5V3 ORIGINAL PRINCIPAL AMOUNT: $450,000
192 140 364	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000
192 140 365	24/06/2019	MORTGAGE MORTGAGEE - ATB FINANCIAL. 8008-104 ST EDMONTON ALBERTA T6E4E2 ORIGINAL PRINCIPAL AMOUNT: $1,100,000

TOTAL INSTRUMENTS: 005

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 11 DAY OF APRIL, 2025 AT 04:29 P.M.

ORDER NUMBER: 53409373

CUSTOMER FILE NUMBER: 0128056.9NH

END OF CERTIFICATE

(CONTINUED)

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SCHEDULE "B"
STARTING BID AND PACKAGING OF SALE

SHORT LEGAL DESCRIPTION	PARCEL NUMBER	AUCTION END TIME	STARTING BID
NE 24-43-20-W4TH	1	10:00 AM MDT	$840,000.00
SE 26-43-20-W4TH	2	10:00 AM MDT	$710,000.00

SCHEDULE "C"
MAP AERIAL

SCHEDULE "D"
Form of Purchase and Sale Agreement

PURCHASE AND SALE AGREEMENT (the "**Agreement**") dated the _____ day of _____, 2025 (the "**Execution Date**").

BETWEEN:

BDO CANADA LIMITED ("Receiver"), solely in its capacity as court-appointed receiver of certain property of **MURRAY HERBERT & CAROLYN HERBERT (the "Debtors"), and not in its personal or corporate capacity**

(the "**Vendor**")

- and -

[High Bidder]

(the "**Purchaser**")

(each a "**Party**", collectively the "**Parties**")

WHEREAS:

A. Pursuant to an order of the Honourable Justice C. D. Simard of the Court of King's Bench of Alberta ("**Court**") in the proceedings bearing Action No. 2401-01216 (the "**Receivership Proceedings**") issued on April 2, 2025 (the "**Receivership Order**"), the Receiver was appointed receiver over the real property legally described in Schedule "A" attached hereto (the "**Lands**");

B. The Purchaser is the high bidder in the tender process carried out by CLHbid.com completed on May 6, 2025 for the Lands, and hereby unconditionally offers to purchase the Lands, subject to the terms and conditions contained in this Agreement;

C. Pursuant to the Sale Approval and Vesting Order granted April 17, 2025 (the "**Sale Approval and Vesting Order**"), the Court has approved and authorized the Receiver to enter into the within Agreement with the Purchaser and to complete the sale of the Lands to the Purchaser, on the terms and subject to the conditions contained herein;

IN CONSIDERATION of the mutual covenants and promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties agree as follows:

ARTICLE 1 - PURCHASE PRICE & DEPOSITS

1.1 The total purchase price for the Lands, exclusive of any applicable GST (as defined herein), shall be **$[◆]**, in lawful money of Canada (the "**Purchase Price**") to be paid in the following manner:

a. The sum of **$[◆]**, representing 20% of the Purchase Price, as a deposit (the "**Deposit**"), payable by wire transfer, certified cheque, solicitor's trust cheque, or bank draft to the Vendor's solicitors, MLT Aikins LLP, pursuant to the incoming trust wire instructions attached as Appendix I attached hereto, to be held in trust, concurrent with the execution of this Agreement by the Purchaser. If closing of the transaction occurs, the Deposit shall be credited against the Purchase Price, in partial satisfaction of the Purchaser's obligation to pay the Purchase Price on the Closing Date. If the Agreement is terminated:

i. pursuant to Sections 9.1 or 10.1(b), the Deposit shall be returned to the Purchaser; or

ii. for any other reason, the Deposit shall be forfeited by the Purchaser and retained by the Vendor; and

iii. if this Agreement is terminated under Section 10.1 pursuant to which the Vendor shall be entitled to retain the Deposit, the Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's losses and liabilities as a result of closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

b. The sum of **$[◆]**, representing the balance of the Purchase Price (the "**Closing Payment**"), as adjusted pursuant to Article 4, by bank draft, certified cheque, solicitor's trust cheque or wire transfer on the Closing Date (as defined herein).

ARTICLE 2 - CLOSING DATE

2.1 The closing date for this transaction of purchase and sale of the Lands shall be 30 days after the Execution Date, or such other date as may be agreed to in writing by the Parties (the "**Closing Date**"); however, in any event, the Closing Date shall not be more than 65 days after the Execution Date (the "**Outside Date**"). At 12:00 o'clock noon (Calgary Time) on the Closing Date (the "**Closing Time**"), subject to the terms and conditions of this Agreement, the Vendor shall sell to the Purchaser, and the Purchaser shall purchase from the Vendor, the Lands.

ARTICLE 3 - ENCUMBRANCES

3.1 The Lands shall be transferred to the Purchaser on the Closing Date free and clear of any and all financial liens, mortgages, floating charges, claims, security interests, restrictive covenants, licenses, leases, rights of first refusal, rights of first offer, judgments, warrants, writs, charges, adverse claims or other encumbrances of every nature and kind ("**Encumbrances**"), except for those encumbrances specifically set out at Schedule "B" attached hereto (the "**Permitted Encumbrances**").

ARTICLE 4 - ADJUSTMENTS

4.1 All adjustments to the Purchase Price shall be made as at 12:01 a.m. on the Closing Date and except as otherwise provided in this Agreement, the Vendor will be responsible for all expenses and will be entitled to all revenues accrued with respect to the Lands for the period ending on the day before the Closing Date and, for the period from and including the Closing Date, the Purchaser will be responsible for all expenses and will be entitled to all revenues accruing with respect to the Lands. Without limitation, the Purchase Price shall be adjusted for items such as property taxes, interest and such other customary adjustments made in real estate transactions in Alberta as well as those required given the nature of this transaction, including those adjustments determined necessary by the Receiver in its sole discretion.

4.2 The Purchaser and Vendor both agree to comply with their respective obligations with respect to federal and provincial sales tax legislation and in particular, in the event any goods and services taxes (hereinafter called "**GST**") are applicable to the purchase and sale of the Lands, then the Purchaser is responsible to pay such taxes and in such manner as is consistent with legislation and regulations of the Government of Canada concerning GST, provided however, the Parties acknowledge and agree that the Purchase Price is exclusive of any applicable GST.

4.3 If GST is applicable on this transaction and the Purchaser is not a registrant under Subdivision (d) of Part 9 of the *Excise Tax Act*, the Purchaser shall pay to the Vendor all applicable GST on the Purchase Price on the Closing Date. If the Purchaser is a GST registrant, the Purchaser warrants that its GST registration number will be provided on closing and that its registration shall be valid and in force on the Closing Date. In the event that the Purchaser is obligated to pay GST with respect to this transaction, but fails to pay the same, and Canada Revenue Agency makes a demand upon the Vendor to remit the GST, the Purchaser will indemnify and save harmless the Vendor from and against all liability with respect to the GST payable and all actions, claims, and demands on account thereof.

ARTICLE 5 - INTERIM PERIOD

5.1 Concurrent with the execution of this Agreement, the Purchaser shall enter into a short term lease agreement with the Vendor to facilitate the Purchaser's access to and use of the Lands for planting and harvesting crops for the 2025 growing season, in the form attached hereto as Schedule "C" (the "**Lease**"). The Lease shall survive any termination of this Agreement pursuant to Section 10.1 on the terms and conditions contained in the Lease.

5.2 Until closing, the Vendor shall use commercially reasonable efforts to keep in full force and effect all existing insurance policies, if any, and give any notice or present any claim under any such insurance policies consistent with past practice of the Vendor in the ordinary course of business.

5.3 The Lands shall be at the risk of the Vendor until closing. If, between the Execution Date and the Closing Date, the Lands are destroyed, lost or materially damaged (each a "**Casualty**"), the Purchaser shall still complete the purchase of the Lands on an "as is, where is" basis without any adjustment to the Purchase Price payable hereunder and take an assignment from the Vendor of all insurance proceeds payable to the Vendor in respect of the Casualty. For greater certainty, in no event shall the aggregate total of the insurance proceeds assigned to the Purchaser in accordance with this section and the fair market value of Lands exceed the Purchase Price.

ARTICLE 6 - REPRESENTATIONS & WARRANTIES

6.1 The Vendor hereby represents and warrants to and in favour of the Purchaser as of the date hereof and as of the Closing Time, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

(a) Pursuant to the Sale Approval and Vesting Order, it has the authority to sell the Lands to the Purchaser on the terms and conditions of this Agreement;

(b) The Vendor is not a non resident of Canada within the meaning of section 116 of the *Income Tax Act* (Canada).

6.2 The Purchaser hereby represents and warrants to and in favour of the Vendor as of the date hereof and as of the Closing Time, and acknowledges that the Vendor is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

(a) The Purchaser has the power and authority to enter into, deliver and perform its obligations under this Agreement;

(b) If the Purchaser is a corporation, the execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser;

(c) If the Purchaser is a corporation, the execution, delivery and performance by the Purchaser of this Agreement do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the organizational documents of the Purchaser;

(d) This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject only to the Sale Approval and Vesting Order;

(e) There are no legal proceedings pending, or to the knowledge of the Purchaser, threatened against the Purchaser, before any governmental authority, which prohibit or seek to enjoin, delay, restrict or prohibit the closing of the transaction contemplated hereunder, as contemplated by this Agreement, or which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement;

(f) The Purchaser has available sufficient funding to enable the Purchaser to complete the transaction contemplated hereunder on the terms set forth herein and otherwise to perform all of the Purchaser's

obligations under this Agreement. For certainty, such funding shall not be conditional on either: (i) title to the Lands being transferred to the Purchaser or other third party prior to the Purchase Price being advanced to the Vendor and the Receiver's Certificate being issued; and (ii) security being registered against the Lands prior to the closing of the transaction;

(g) If applicable, the Purchaser is registered under Part IX of the *Excise Tax Act* (Canada) with registration number [◆];

(h) The Purchaser is not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada within the meaning of section 116 of the *Income Tax Act* (Canada); and

(i) None of the Purchaser, any of its subsidiaries or, to the knowledge of the Purchaser, any director, officer, agent, employee, affiliate or representative of the Purchaser or any of its subsidiaries is, or is controlled or 50% or more owned by or is acting on behalf of, an individual or entity (a "**Sanctioned Person**") currently the subject of applicable economic sanctions including those administered or enforced by the government of Canada, the United States of America, or the United Kingdom (collectively, "**Sanctions**"). None of the Purchaser or any of its subsidiaries is located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions. To the Purchaser's knowledge, neither it nor any of its subsidiaries has engaged in any dealings or transactions with or for the benefit of a Sanctioned Person. The Purchaser has procedures and policies in place designed to ensure compliance with Sanctions.

ARTICLE 7 - AS IS, WHERE IS; ENVIRONMENTAL OBLIGATIONS

7.1 Except as contemplated in Section 6.1, the Purchaser acknowledges and agrees that it is purchasing the Lands on an "as is, where is" basis and on the basis that the Purchaser has conducted to its satisfaction an independent inspection, investigation and verification of the Lands and all other relevant matters and has determined to proceed with the transaction contemplated herein and will accept the same at the Closing Time in their then current state, condition, location, and amounts, subject to all Permitted Encumbrances.

7.2 Except as otherwise expressly provided in Section 6.1, no representation, warranty or condition whether statutory (including under *The Sale of Goods Act* (Alberta), *The International Conventions Implementation Act* (Alberta), the *International Sale of Goods Contracts Convention Act* (Canada) or any other Canadian (including federal, provincial or municipal) or international acts which may be applicable to the subject matter pursuant to the provisions of this Agreement, including but not limited to the United Nations Convention on Contracts for the International Sale of Goods), or express or implied, oral or written, legal, equitable, conventional, collateral, arising by custom or usage of trade, or otherwise is or will be given by the Vendor or the Receiver including as to title, outstanding liens or encumbrances, description, fitness for purpose, merchantability, merchantable quality, quantity, condition (including physical, financial and environmental condition), use or zoning, occupancy or habitability, suitability for development, permitting, eligibility for permitting, existence of any parts or components, latent or known defects, state of repair or lack of repair, any regulatory approvals or authorizations needed to complete the purchase of the Lands, suitability, durability, assignability, or marketability thereof or any other matter or thing whatsoever, and all of the same are expressly excluded and disclaimed and any rights pursuant to such statutes have been waived by the Purchaser. The Purchaser acknowledges and agrees that it has relied entirely and solely on its own investigations as to the matters set out above and in determining to purchase the Lands.

7.3 For the purpose of this Section, the following terms shall have the following meanings:

"**Assumed Environmental Liabilities**" means all Environmental Liabilities arising or accruing before, on or after the Closing Date and related to or in connection with the Lands;

"**Environmental Laws**" means all statutes, regulations, ordinances, by-laws, and codes, now or hereafter in existence in Canada (whether federal, provincial or municipal) relating to the protection and preservation of the environment, occupational health and safety, transportation of dangerous

goods or hazardous substances, including, without limitation, the *Environmental Protection and Enhancement Act* (Alberta), as amended, replaced, or restated from time to time;

"**Environmental Liabilities**" means all claim, losses, liabilities, damages or expenses (whether accrued, actual, contingent, latent or otherwise), whenever arising, which relate to the Lands, or arise from or in connection with past, present or future operations in respect thereof or which relate to or are associated with the environment, including, without limitation, all losses and liabilities related to or arising from:

(i) the non-compliance with, the breach of, or any liability under the applicable Environmental Laws;

(ii) presence, transportation, storage, use or disposal of toxic or hazardous substances;

(iii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; and

(iv) removal, assessment, monitoring, sampling, response, abatement, clean-up, investigation, reporting of pollution or contamination of, or damage or other adverse effects to the environment,

including, without limitation, liabilities to compensate third parties for damages, losses and liabilities resulting from the items described in items (i) through (iv) above and, for purposes of this Agreement, "the environment" includes, without limitation, the air, the surface and subsurface of the earth, bodies of water (including, without limitation, rivers, streams, lakes, aquifers, groundwater) and plant and animal life (including humans).

The Purchaser acknowledges that insofar as the environmental condition of the Lands is concerned, and without limiting the generality of Sections 7.1 and 7.2, it will acquire the Lands on an "as is, where is" and "without recourse" basis. The Purchaser acknowledges that it has had the opportunity to inspect and assess the environmental condition of the Lands and that it is not relying upon any representation or warranty of the Vendor, its affiliates or their representatives as to the environmental condition of the Lands or Environmental Liabilities. The Purchaser further agrees that it shall be solely liable and responsible for any and all claims, liabilities, demands, losses, rights, damages, causes of action, actions, obligations, suits, proceedings, fines, penalties and expenses, costs, solicitors fees and disbursements (on a solicitor and own client, full indemnity, basis) which the Vendor, its affiliates or their respective representatives may suffer, sustain, pay or incur, as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Assumed Environmental Liabilities, and once closing of the transaction has occurred, shall indemnify and save harmless the Vendor from same including any claims related thereto, and without limiting the foregoing, the Purchaser shall be solely responsible for all Assumed Environmental Liabilities and hereby releases the Vendor from any claims the Purchaser may have against the Vendor with respect to all such Assumed Environmental Liabilities. The Purchaser and the Vendor acknowledge and agree that the Environmental Liabilities are future costs and obligations associated with ownership of the Lands that are tied and connected to the ownership of the Lands such that they are embedded with the Lands. The Purchaser acknowledges and agrees that these covenants shall survive the closing of this transaction.

ARTICLE 8 - CLOSING AND CONVEYANCING

8.1 At a reasonable time before the Closing Date, the Vendor shall deliver or cause to be delivered to the Purchaser the following:

(a) A Statement of Adjustments;

(b) A filed copy of the Sale Approval and Vesting Order, as issued and entered by the Court; and

(c) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the transaction contemplated hereunder, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

8.2 On or before the Closing Time on the Closing Date, the Purchaser shall deliver to the Vendor the following, duly executed by the Purchaser where required:

(a) The Closing Payment required to be paid in accordance with this Agreement;

(b) A Purchaser's GST indemnity certificate, in form satisfactory to the Vendor;

(c) Proof the Purchaser is a GST Registrant under the *Excise Tax Act* as of the Closing Date;

(d) proof of commitment of title insurance;

(e) bring-down certificate executed by the Purchaser (if an individual) or a senior officer of the Purchaser (without personal liability) dated as of the Closing Date, in form and substance satisfactory to the Vendor, acting reasonably, certifying that: (i) all of the representations and warranties of the Purchaser hereunder remain true and correct in all material respects as of the Closing Date as if made on and as of such date or, if made as of a date specified therein, as of such date; and (ii) all of the terms and conditions set out in this Agreement to be complied with or performed by the Purchaser at or prior to Closing have been complied with or performed by the Purchaser in all material respects; and

(f) such other agreements, documents and instruments as may be reasonably required by the Vendor to complete the transaction contemplated hereunder, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

8.3 The Purchaser shall obtain title insurance coverage with a reputable title insurance provider in order to allow for the unconditional release of the Purchase Price on the Closing Date, notwithstanding that the Sale Approval and Vesting Order and Receiver's Certificate may not be registered against title to the Lands as at such date. The Vendor shall use commercially reasonable efforts to assist the Purchaser in obtaining such title insurance coverage. The cost of obtaining any title insurance in connection with the purchase of the Lands shall be at the sole cost of the Purchaser.

8.4 The Purchaser agrees to pay a transaction fee to CLHbid.com equal to 1.25% of the Purchase Price plus GST (the "**Transaction Fee**"). The Transaction Fee will appear on the Statement of Adjustments.

ARTICLE 9 - CLOSING CONDITIONS

9.1 **Mutual Closing Conditions**. The obligation of the Parties to complete the transaction contemplated hereunder is subject to the following joint conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

(a) No Order. No applicable law and no judgment, injunction, order or decree shall have been issued by a governmental authority (other than the Court or other court with standing) or otherwise in effect that restrains or prohibits the completion of the transaction contemplated hereunder.

(b) No Restraint. No motion, action or proceedings shall be pending by or before a governmental authority (other than the Court or other court with standing) to restrain or prohibit the completion of the transaction contemplated by this Agreement.

(c) Receiver's Certificate. The Receiver shall have provided an executed certificate of the Receiver substantially in the form attached to the Sale Approval and Vesting Order (the "**Receiver's Certificate**") confirming that all other conditions to closing have either been satisfied or waived by both the Purchaser and the Vendor.

The foregoing conditions are for the mutual benefit of the Parties. If any condition set out in this Section 9.1 is not satisfied, performed or mutually waived on or prior to the Closing Date, any Party may elect on written notice to the other Parties to terminate this Agreement.

9.2 **Purchaser's Closing Conditions**. The obligation of the Purchaser to complete the transaction contemplated hereunder is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

(a) Vendor's Deliverables. The Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 8.1.

(b) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Section 6.1 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.

(c) No Breach of Covenants. The Vendor shall have performed, in all material respects, all covenants, obligations and agreements contained in this Agreement required to be performed by the Vendor on or before the Closing Date.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 9.2 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. In the event any condition set out in this Section 9.2 is not satisfied or performed by the Closing Date, the Purchaser may elect on written notice to the Vendor to terminate the Agreement.

9.3 **Vendor's Closing Conditions**. The obligation of the Vendor to complete the transaction contemplated hereunder is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

(a) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Receiver at the Closing all the documents and payments contemplated in Section 8.2.

(b) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 6.2 shall be true and correct in all material respects (i) as of the Closing Date as if made on and as of such date, or (ii) if made as of a date specified therein, as of such date.

(c) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.

The foregoing conditions are for the exclusive benefit of the Vendor. Any condition in this Section 9.3 may be waived by the Vendor in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing. If any condition set forth in this Section 9.3 is not satisfied or performed by the Closing Date, the Vendor may elect on written notice to the Purchaser to terminate the Agreement.

9.4 **Receiver's Certificate**. The Parties acknowledge and agree that the Receiver shall be entitled to deliver to the Purchaser, and file with the Court, the executed Receiver's Certificate without independent investigation, upon receiving written confirmation from both Parties (or the applicable Party's counsel) that all conditions of Closing in favour of such Party have been satisfied or waived, and the Receiver shall have no liability to the Parties in connection therewith. The Parties further acknowledge and agree that upon written confirmation from both Parties that all conditions of Closing in favour of such Party have been satisfied or waived, the Receiver may deliver the executed Receiver's Certificate to the Purchaser's solicitors in escrow, with the sole condition of its release from escrow being the Receiver's written confirmation that all such funds have been received, the Receiver's Certificate will be released from escrow to the Purchaser, and the closing of the within transaction shall be deemed to have occurred.

ARTICLE 10 - TERMINATION

10.1 This Agreement may be terminated prior to the Closing Date:

(a) by the Vendor upon written notice to the Purchaser:

(i) if the closing has not occurred by the Outside Date; or

(ii) if the Purchaser has breached its obligations under this Agreement and has not cured such breach within five (5) days of receiving notice thereof from Vendor;

provided in each case that the failure to close, as applicable, is not caused by a breach of this Agreement by the Vendor; or

(b) by the Purchaser upon written notice to the Vendor if: (i) the Closing has not occurred by the Outside Date; or (ii) the Vendor has breached its obligations under this Agreement and has not cured such breach within seven (7) days of receiving notice thereof from Purchaser; provided in each case that the failure to close, as applicable, is not caused by a breach of this Agreement by the Purchaser.

10.2 If this Agreement is terminated pursuant to Section 10.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any liability or further obligations hereunder, except for those provisions of this Agreement that by their express terms state they will survive the termination of this Agreement.

ARTICLE 11 - GENERAL PROVISIONS

11.1 Any notice or other communication under this Agreement shall be in writing and may be delivered by read-receipted email, addressed:

1. in the case of the Purchaser, as follows:

[◆]
Attention: [◆]

Email: [◆]

with a copy (which shall not constitute notice) to:

[◆]
Attention: [◆]
Email: [◆]

2. in the case of the Vendor, as follows:

BDO Canada Limited
110, 5800 – 2nd Street SW
Calgary, Alberta T2H 0H2
Attention: Kevin Meyler
Email: kmeyler@bdo.ca

with a copy (which shall not constitute notice) to:

MLT Aikins LLP
2100, 222 3rd Ave SW
Calgary, AB T2P 0B4
Attention: Ryan Zahara/ Natasha Hepp
Email: rzahara@mltaikins.com / nhepp@mltaikins.com

Any such notice or other communication, if transmitted by email before 5:00 p.m. (Calgary time) on a day other than a Saturday, Sunday or statutory holiday in Alberta ("**Business Day**"), will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Calgary time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission. In the case of a communication by email or other electronic means, if an autoreply is received indicating that the email is no longer monitored or in use, delivery must be followed by the dispatch of a copy of such communication pursuant to one of the other methods described above; provided however that any communication originally delivered by electronic means shall be deemed to have been given on the date stipulated above for electronic delivery.

Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party. A party may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such person at its changed address.

11.2 The Vendor and Receiver shall be entitled to disclose this Agreement to the Court and Parties in interest in the Receivership Proceedings and this Agreement may be posted on the Receiver's website maintained in connection with the Receivership Proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein), the Parties shall not issue (prior to or after the closing) any press release or make any public statement or public communication with respect to this Agreement or the transactions contemplated hereby without the prior consent of the other Parties, which shall not be unreasonably withheld or delayed.

11.3 If closing of the transaction herein does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Lands shall be construed as having been contingent upon the closing having occurred.

11.4 In this Agreement, words importing the singular include the plural and vice versa and words importing gender include all genders. The term "including" means "including, without limitation," and such terms as "includes" have similar meanings and the term "third party" means any other person other than the Vendor, Receiver or the Purchaser, or any affiliates thereof.

11.5 Each of the Parties shall do all such acts and things and provide all such further assurances as may reasonably be necessary in order to complete the purchase and sale transaction contemplated herein.

11.6 This Agreement may be assigned by the Purchaser prior to the Closing Date, in whole or in part, without the prior written consent of the Vendor or the Receiver, provided that: (a) such assignee is a related party or subsidiary of the Purchaser; (b) the Purchaser provides prior notice of such assignment to the Vendor and Receiver; and (c) such assignee agrees to be bound by the terms of this Agreement to the extent of the

assignment; provided, however, that any such assignment shall not relieve the Purchaser of its obligations hereunder.

11.7 This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

11.8 Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Parties. If the date for making payment or doing any act hereunder is a day other than a Business Day, then such date shall be extended to the first Business Day following such date.

11.9 This Agreement, together with all schedules, recitals and attachments hereto, constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements. This Agreement may not be amended or modified in any respect except by written instrument executed by the Receiver and the Purchaser.

11.10 All representations, warranties and covenants of Vendor contained in this Agreement shall merge and terminate on closing. Notwithstanding the foregoing, the representations, warranties and covenants of the Purchaser contained herein shall not merge on closing and shall survive and remain in full force and effect.

11.11 This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and each of the Parties irrevocably attorn to the exclusive jurisdiction of the Court in the Receivership Proceedings, and any appellate courts of the Province of Alberta therefrom.

11.12 In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with this transaction contemplated herein or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

11.13 Notwithstanding any provision herein, if a condition to complete the transaction herein, or a covenant or an agreement herein is prohibited or unenforceable pursuant to applicable law, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

11.14 No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and made in accordance with the Agreement. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

11.15 Each of the Parties acknowledges that it has read and understands the terms and conditions of this Agreement and acknowledges and agrees that it has had the opportunity to seek, and was not prevented or discouraged by any other party to this Agreement from seeking, any independent legal advice which it considered necessary before the execution and delivery of this Agreement and that, if it did not avail itself of that opportunity before signing this Agreement, it did so voluntarily without any undue pressure, and agreed that its failure to obtain independent legal advice will not be used by it as a defense to the enforcement of its obligations under this Agreement.

11.16 In addition to all of the protections granted to the Receiver under the Receivership Order or any other order of the Court in these Receivership Proceedings, the Purchaser acknowledges and agrees that the Receiver, acting in its capacity as court-appointed receiver and not in its corporate or personal capacity, will have no liability to the Purchaser in connection with this Agreement or the transaction contemplated herein.

11.17 Notwithstanding any other provision of this Agreement, nothing in this Agreement shall operate to restrict in any way the rights of the Receiver to distribute any of the assets or otherwise wind up the Receivership Proceedings as it may determine in its sole discretion after the closing of the transaction hereunder, even if doing so may impair the Vendor's ability to provide or perform any further cooperation, assistance or further assurances as may otherwise be provided under this Agreement.

11.18 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

11.19 Each Party agrees that the electronic signatures, whether digital or encrypted, of the Parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the Execution Date.

[Purchaser]

Per: _____

Name:

[Vendor Signature block to be inserted]

SCHEDULE "A"

Lands

[Schedule to be finalized when Agreement is executed]

MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 24
QUARTER NORTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

OR

MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 26
QUARTER SOUTH EAST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
2.53 HECTARES (6.25 ACRES) MORE OR LESS AS SHOWN ON
RAILWAY PLAN 1983AJ AND BEING TAKEN FOR RIGHT OF WAY
OF THE CANADIAN NORTHERN RAILWAY COMPANY
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

SCHEDULE "B"

Permitted Encumbrances

Specific Permitted Encumbrances:

[To be updated to reflect the respective Lands to be purchased]

Parcel: NE 24-43-20-W4

Registration Number	Date	Particulars
Nil.	Nil.	Nil.

OR

Parcel: SE 26-43-20-W4

Registration Number	Date	Particulars
752 158 005	03/11/1975	UTILITY RIGHT OF WAY GRANTEE - BATTLE RIVER NATURAL GAS CO-OP LTD.
902 243 866	17/08/1990	CAVEAT RE : RIGHT OF WAY AGREEMENT CAVEATOR - SHACKLETON EXPLORATION LTD. ATTN: LAND DEPARTMENT 2400, 520-5 AVE SW CALGARY ALBERTA T2P3R7

General Permitted Encumbrances (all parcels):

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other Person and any implied conditions set out in the *Land Titles Act* (Alberta) as amended, replaced or restated from time to time or any other similar applicable law;

2. Encumbrances given as security to a public utility or any governmental authority when required in the ordinary course of business;

3. All rights reserved to or vested in any governmental authority pursuant to applicable law to control or regulate the Lands in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any other governmental authority;

4. Rights of expropriation, access or use or any similar right conferred or reserved by any applicable law;

5. Applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing or industrial agreements, utility agreements, cost sharing reciprocal agreements and building and zoning restrictions and other similar agreements;

6. Any easements, servitudes, rights-of-way, licences, agreements, restrictions that run with the land (including, without limitation, easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);

7. Encumbrances which will be vested out or discharged at closing pursuant to the Sale Approval and Vesting Order of the Court;

8. Encumbrances permitted or created pursuant to the terms of this Agreement, including the Lease between the Vendor and Purchaser; and

9. Any informal lease agreements or use arrangements as may exist on the Closing Date between the Vendor and any third parties, including without limitation the use of the Lands for keeping beehives.

SCHEDULE "C"

Lease Agreement

See attached.

Schedule "C"

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "**Lease**") dated _____, 2025.

BETWEEN:

BDO CANADA LIMITED ("Receiver"), solely in its capacity as court-appointed receiver of certain property of **MURRAY HERBERT & CAROLYN HERBERT (the "Debtors"), and not in its personal or corporate capacity**
(collectively, the "**Vendor**")

- and -

[High Bidder],
(the "**Tenant**")

(each a "**Party**", collectively the "**Parties**")

WHEREAS:

A. Pursuant to an order of the Honourable Justice C. D. Simard of the Court of King's Bench of Alberta ("**Court**") in the proceedings bearing Action No. 2401-01216 (the "**Receivership Proceedings**") issued on April 2, 2025 (the "**Receivership Order**"), the Receiver was appointed receiver over certain real property legally described in Schedule "A" attached hereto (the "**Lands)**;

B. The Tenant is the high bidder in the tender process carried out by CLHbid.com completed on May 6, 2025 for the Lands, and has entered into an agreement to purchase the Lands from the Vendor, pursuant to a Purchase and Sale Agreement dated [May 7], 2025 entered into between the Vendor and the Tenant (the "**Purchase Agreement**");

C. The Tenant is engaged in farming operations and, prior to the closing of the purchase and sale transaction under the Purchase and Sale Agreement, desires to lease the Lands from the Vendor, and the Vendor agrees to lease the Lands to the Tenant, in each case subject to and in accordance with the terms and conditions hereinafter set forth;

D. Pursuant to Section 5.1 of the Purchase Agreement, the Tenant and the Vendor have entered into this Lease to govern the terms and conditions upon which the Tenant shall lease the Lands;

NOW, THEREFORE, in consideration of the rents, covenants, terms and conditions hereinafter set forth, the Parties agree as follows:

1. **Defined Terms:** Capitalized terms used herein and which are not otherwise defined shall have the meanings given to them in the Purchase Agreement.

2. **Lease:** The Vendor hereby leases the Lands to the Tenant on the terms and subject to the conditions set out in this Lease.

3. **Term:** The Lease will be in force from:

(a) the Execution Date of the Purchase Agreement to the Closing Date; or
(b) in the event the Purchase Agreement is terminated, from the Execution Date until November 1, 2025
(the "**Term**")
unless otherwise terminated earlier under the provisions of this Lease.

4. **Rent:** The Tenant will pay to the Vendor rent in the amount of $1.00 plus GST (the "**Rent**"), which shall be paid by the Tenant to the Vendor upon the execution and delivery of this Lease by the Parties. If the purchase and sale transaction under the Purchase Agreement closes, the Rent shall be credited towards the Purchase Price on the Closing Date.

5. **Payments:** All payments from the Tenant to the Vendor of whatever nature required or contemplated by this Lease shall be:

(a) deemed to be Rent;

(b) paid to the Vendor by the Tenant in lawful currency of Canada;

(c) made when due, without the Vendor having to demand payment. The Tenant will make its payments at the address of the Vendor set out in this Lease or at such other address as the Vendor may specify from time to time;

(d) applied towards amounts owing by the Tenant to the Vendor under this Lease. If, at any time during the term of this Lease, the Vendor accepts any payment from the Tenant which is less than the full amount owing to the Vendor, such acceptance by the Vendor will not be considered to forgive the Tenant of its obligation to pay the remainder of the amount owing; and

(e) paid by the Tenant promptly when due, and if not so paid, shall bear interest from their respective due dates at a rate of five percent (5%) per annum, both before and after default, demand and judgment, all without prejudice to any other right or remedy of the Vendor.

6. **Use of the Lands:** The Tenant will use the Lands only for the purpose of growing crops or forage. Further, during the Term the Tenant will:

(a) cultivate seeds, control weeds, insects and disease and harvest crops on the Lands in a prudent and sustainable manner;

(b) use pesticides and herbicides only in accordance with labels and directions and Applicable Laws (as defined herein), including applicable Environmental Laws (as defined herein) and regulations hereunder;

(c) apply fertilizers and other crop enhancement and crop yield inputs in a prudent manner consistent with good farming practices;

(d) minimize soil loss from erosion with the use of generally accepted conservation practices; and

(e) comply at all times with all Applicable Laws (as defined herein) of any governmental authority having jurisdiction pertaining to the occupation and use of the Lands.

7. **Repair of Fences:** The Tenant will, at its sole cost and expense, maintain and make all repairs to any fences on the Lands and will keep all such fences in a good and tenantable state of repair.

8. **Restrictions on Use:** The Tenant shall not, without the prior written consent of the Vendor, which consent may be unreasonably withheld:

(a) make major improvements, other than what is considered normal repair and maintenance, to the Lands, fences or any other assets identified in this Lease without the prior written permission of the Vendor. Major improvements, without restricting the generality of the term, include water development, erosion control, fencing and building construction, and clearing breakage in seeding to pasture and hay land;

(b) construct, excavate, drill, install, erect or permit to be constructed, excavated, drilled, installed or erected within, upon, under or across the Lands any pit, well, foundation, pavement or other structure or installation without the prior and express written consent of the Vendor;

(c) overload the nutrient level on the Lands or adjacent water bodies;

(d) allow pesticide, herbicide, fertilizer, or crop enhancement and crop yield inputs to drift onto other lands, including adjacent crops, shelter belts, yard sites, and adjacent water bodies;

(e) accumulate, permit or allow the accumulation of any waste material, debris, refuse or garbage on the Lands;

(f) cause any site contamination as a result of but not limited to, chemical spills or oil spills, to occur on the Lands or adjacent lands;

(g) change the natural course of any waterways on the Lands;

(h) carry on any unlawful activity on or in relation to the Lands;

(i) cut down trees growing upon the Lands, or permit any other person to do so;

(j) allow the entry of any persons onto the Lands for the purpose of hunting, outfitting, eco-tourism, picking of berries or flowers or any such plants; or

(k) remove any sand, gravel, clay, stone, minerals, petroleum products or other such substances existing on, or under the surface of the Lands.

9. **No Quiet Enjoyment:** It is understood and agreed that there is no covenant for quiet enjoyment and any implied covenant for quiet enjoyment is hereby expressly negatived.

10. **Farming Decisions:** The Tenant shall make all decisions with respect to growing crops on the Lands, unless stated otherwise in this Lease, but all decisions made by the Tenant shall be in

accordance with good farming practices and in accordance with the provisions of this Lease.

11. **Farming Costs:** The Tenant shall be responsible for all costs of farming the Lands, including without limitation, seed, fertilizer, herbicides, equipment, storage, fuel costs and expenses, all rates, charges, costs and expenses as may be assessed or levied by all suppliers of utilities to the Lands. The Tenant may, at its discretion, participate in any private or government crop insurance program or government support payment or subsidy program, and if the Tenant chooses to participate in such program, the Tenant shall be solely responsible for all fees, premiums, and charges associated with such program and shall be entitled to the proceeds or payments received from such program.

12. **Property Taxes:** The Vendor shall pay all real property taxes assessed and levied against the Lands during the Term of this Lease. All real property taxes paid or payable shall remain subject to adjustment on the Closing Date pursuant to Section 4.1 of the Purchase Agreement.

13. **Vendor may Perform:** If the Tenant fails to observe, perform, or keep any of the provisions of this Lease to be observed, performed and kept by the Tenant, the Vendor may, but is not obligated to, at its discretion and without prejudice to any other right, claim or action it may have, rectify the default of the Tenant, whether or not performance by the Vendor on behalf of the Tenant is otherwise expressly referred to in this Lease. For such purpose, the Vendor may make any payment or do or cause to be done such things as may be required including, without limiting the generality of the foregoing, entry upon the Lands. Any such performance by or at the behest of the Vendor will be at the expense of the Tenant and the Tenant will pay to the Vendor the cost thereof upon demand.

14. **Termination by the Vendor:**

(a) The Vendor shall have the right to terminate this Lease immediately by written notice to the Tenant and enter upon the Lands or any part thereof, and to have again, repossess and enjoy the Lands, if:

(i) the Tenant makes, or begins to make, a major improvement to the Lands without the prior consent of the Vendor;

(ii) the Tenant fails to comply with a remedial order, environmental protection order, or other order issued by a government department or agency relating to the Lands;

(iii) the Tenant fails to pay Rent or any part thereof when required by this Lease;

(iv) the Tenant fails to observe, perform, and keep any one of the covenants, agreements, stipulations, obligations, conditions and other provisions of this Lease to be observed, performed, and kept by the Tenant, and persists in such default after 5 days following written notice from the Vendor requiring that the Tenant remedy, correct or comply or, in the case of any such default which would reasonably require more than 5 days to rectify unless the Tenant shall commence rectification within the said 5 day notice period and thereafter promptly and diligently and continuously proceed with the rectification of any such default;

(v) the Tenant shall make any assignment for the benefit of creditors or becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, or if a corporation, shall take any steps or suffer any order to be made for its winding-up or other termination of its corporate existence; or

(vi) a trustee, receiver or receiver-manager or agent or other like person shall be appointed of any of the assets of the Tenant.

(b) If this Lease is terminated pursuant to this Section 14, any unpaid Rent shall become immediately due and payable, together with such reasonable expenses as the Vendor may incur or has incurred in connection with re-entering, terminating, collecting sums due or payable by the Tenant, realizing upon assets seized, including without limitation brokerage, legal fees and disbursements on an indemnification basis as between a solicitor and his own client.

(c) No remedy conferred upon or reserved to the Vendor under this Lease, by statute or otherwise, will be considered exclusive of any other remedy, but the remedy will be cumulative and in addition to every other remedy available to the Vendor and all such remedies and powers of the Vendor may be exercised concurrently and from time to time and as often as the Vendor deems expedient.

15. Compensation for Termination. At the end of the Term as defined in Section 3(b) only (which, for certainty, means the termination of this Lease on November 1, 2025 following the termination of the Purchase Agreement), then unless the Tenant has already removed the crop from the Lands, the Vendor shall pay the Tenant $20,000.00 Dollars in lawful currency of Canada as full compensation for the cost of any lost crop, crop inputs, seed, fertilizers, herbicides, pesticides, and crop insurance premiums. For certainty, the Tenant shall not receive any other compensation for costs associated with labour, property insurance, equipment or other like costs that are incidental to crop production.

16. Indemnification of the Vendor: The Tenant hereby indemnifies and saves harmless the Vendor, the Receiver (including in its personal and corporate capacity), and their respective representatives from and against any and all claims, liabilities, demands, losses, rights, damages, causes of action, actions, obligations, suits, proceedings, fines, penalties and expenses, costs, solicitors fees and disbursements (on a solicitor and own client, full indemnity, basis), whatever made or asserted by anyone arising out of, relating to, in consequence of, incidental to, or in any way connected to this Lease or the Tenant's use or occupancy of the Lands (including the use or occupancy by the Tenant's employees, the Tenant's contractors, any other person for whom the Tenant is responsible for in law or any individuals, person or other entity invited or allowed on the Lands by the Tenant) including, but not limited to, the Receiver and Vendor's legal fees and disbursements on a solicitor and own client, full indemnity, basis. This indemnification by the Tenant shall survive the termination of this Lease.

17. Tenant's Insurance: The Tenant shall maintain comprehensive general liability insurance applying to all operations of the Tenant and against claims for bodily injury, including death, and property damage or loss arising out of the use or occupation of the Lands and against any liability to third parties and damage to property arising from or in relation to the Tenant's use or occupancy of the Lands, in an amount not less than **$1,000,000**. This policy of insurance shall contain the provision that it shall not be cancelled without the insurer providing the Vendor 30 days written notice stating when such cancellation shall be effective. Evidence satisfactory to the Vendor of such policy of insurance shall be provided to the Vendor upon request.

18. Environmental Covenants and Indemnity:

(a) In this Lease, the following terms and expressions have the following meanings:

"**Applicable Laws**" means, in respect of any person, property, transaction or event, all applicable federal, provincial or municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, judgments, decisions, directives, rulings, permits, licences, authorizations, approvals, certificates, registrations and all applicable common law or equitable principles in force and effect during the Term.

"**Environmental Event**" means

(i) any release of any Hazardous Substance or any other occurrence or condition at the Lands or any adjacent property that could contaminate or constrain the use of the Lands or any adjacent property contrary to any Environmental Laws or subject the Tenant, the Vendor, or the Lands to any fines, penalties, orders, investigations or proceedings under Environmental Laws;

(ii) any administrative or judicial charge, order, investigation or notice of violation or non-compliance under any Environmental Laws issued by an appropriate government authority against the Tenant relating to operations at the Lands or requiring the Tenant to perform any remedial work;

(iii) any notice, claim, action or other proceeding by any third party against the Tenant or in respect of the Lands concerning the release or alleged release of Hazardous Substances at or from the Lands or the environmental condition of the Lands or the compliance with Environmental Laws of the operations of the Tenant at the Lands.

"**Environmental Laws**" means all present and future Applicable Laws, standards and requirements relating to environmental or occupational health and safety matters, including those relating to the manufacture, distribution, treatment, transport, handling, presence, release, reporting, licensing, permitting, investigation, disposal, storage, use, remediation and clean-up or any other aspect of a Hazardous Substance.

"**Environmental Proceeding**" means any investigation, action, proceeding, charge, conviction, penalty, fine, judgement, notice, order, claim, directive, agreement or lien of any nature or kind arising under or relating to Environmental Laws.

"**Hazardous Substance**" means any substance or material that is prohibited, controlled, otherwise regulated by any governmental authority or is otherwise hazardous in fact, including without limitation contaminants, pollutants, asbestos, lead, urea-formaldehyde foam insulation, polychlorinated by-phenyls or hydrocarbon products, any materials containing same or derivates thereof, explosives, radioactive substances, petroleum and associated products, underground storage tanks, dangerous or toxic substances or materials, controlled products, and hazardous wastes.

(b) The Tenant shall promptly notify the Vendor in writing of any Environmental Event of which the Tenant may become aware.

(c) The Tenant shall notify the appropriate regulatory authorities of any release of any Hazardous Substances at or from the Lands in accordance with Environmental Laws, and failure by the Tenant to do so shall authorize, but not obligate, the Vendor to so notify the

appropriate authorities.

(d) If the Environmental Event is caused by the Tenant or by those for whom the Tenant is responsible at law, the Tenant shall, at its own expense:

(i) as soon as practicable, give or cause to be given to the Vendor notice to that effect and thereafter from time to time, give or cause to be given to the Vendor, written notice of the extent and nature of the Tenant's compliance with the following provisions;

(ii) as soon as practicable, prepare all necessary studies, plans and proposals and submit the same to the Vendor for approval, provide all bonds and other security required by governmental authorities and, in accordance with Environmental Laws, remediate or cause to be remediated to an amount, concentration or level in compliance with Environmental Laws any contamination of the Lands or any adjacent property resulting from the Environmental Event, and shall keep the Vendor fully informed and provide to the Vendor full information with respect to proposed plans and comply with the Vendor's reasonable requirements with respect to such plans;

(iii) if requested by the Vendor, obtain or cause to be obtained a certificate from an independent consultant designated or approved by the Vendor, verifying the complete and proper compliance with the requirements of Environmental Laws or, if such is not the case, reporting as to the extent and nature of any failure to comply with Environmental Laws;

(iv) as soon as practicable, cease or cause to be ceased any activity which constitutes an Environmental Event and which causes or permits any Hazardous Substances to be released in, on, below or above the Lands or any adjacent land, air or water or results in any Hazardous Substances being released into the environment, and where requested by the Vendor, obtain or cause to be obtained a certificate from an independent consultant designated or approved by the Vendor, as the case may be, verifying that any activity referred to in this subsection has ceased; and

(v) the Tenant shall, except to the extent that the presence of the Hazardous Substance is naturally occurring, or was caused by the Vendor or by those for whom the Vendor is responsible at law, at its own cost and expense promptly and before the expiry of the Term or as soon as possible after expiry or earlier termination of this Lease, remove any Hazardous Substances that may have come onto, into or under the Lands or migrated thereunder or therefrom during the Term of this Lease.

(e) Notwithstanding any other provision of this Lease, if at any time or upon the expiry or earlier termination of this Lease, in the Vendor's reasonable opinion, the Lands or any adjacent property is contaminated by Hazardous Substances in an amount, concentration or level which exceeds that permitted under Environmental Laws as a result of the acts or omissions of the Tenant or by those for whom the Tenant is responsible at law, then notwithstanding that no governmental authority has required any remedial action to be taken, the Tenant shall upon request from the Vendor and at its own expense, promptly take the measures set forth in Section 18(d).

(f) The Tenant shall provide or cause to be provided to the Vendor full information with

respect to any remedial work performed pursuant to this Section 18 and shall comply with the Vendor's reasonable requirements with respect to such work.

(g) The Tenant agrees that if the Vendor reasonably determines that the Vendor, its property or the Lands is placed in any jeopardy by the requirement for any such remedial work, the Vendor may, but shall be under no obligation to, undertake such work or any part thereof at the cost of the Tenant either before or after the expiry or earlier termination of this Lease. The Vendor shall be entitled to recover from the Tenant the cost of any such remedial work, whether incurred before or after the expiry or earlier termination of this Lease plus an administrative fee equal to **fifteen (15%) percent** of the costs incurred by the Vendor with respect thereto.

(h) Notwithstanding any rule of law to the contrary, any Hazardous Substances or improvements or goods containing Hazardous Substances brought onto, used at or released from the Lands by the Tenant, or any person for whom the Tenant is in law responsible, shall be and remain the sole and exclusive property of the Tenant and shall not become the property of the Vendor, notwithstanding the degree of their affixation to the Lands and the expiry or earlier termination of this Lease. This clause supersedes any other provision of this Lease to the contrary.

(i) The obligations of the Tenant under this Section 18 including the Tenant's obligation to remove and remediate Hazardous Substances, shall survive the expiry or early termination of this Lease. If, after the expiry or early termination of this Lease, the performance of those obligations by the Tenant requires access to the Lands, the Tenant shall have such access and entry at such times and upon such terms and conditions as the Vendor may, from time to time, specify, acting reasonably.

19. Environmental Indemnity: Without limiting any other provision of this Lease, the Tenant shall indemnify, pay, protect, defend and save harmless the Vendor from and against all actions, proceedings, losses, damages, liabilities, claims, demands, judgments, orders, costs, fines, penalties, expenses, (including, without limitation, legal fees and disbursements on a solicitor and his own client basis and consulting fees), imposed on, made against or incurred by the Vendor arising from or relating to, directly or indirectly (and whether or not caused by the Tenant or within their control):

(a) any actual or alleged breach of or liability under Environmental Laws by the Tenant;

(b) the actual or alleged presence, release, discharge or disposition of any Hazardous Substance in, on, over, under, from or affecting all or part of the Lands or surrounding lands, including any personal injury or property damage arising therefrom, unless the presence, release or discharge of such Hazardous Substances was caused by the Vendor;

(c) any actual or threatened Environmental Proceeding;

(d) any assessment, investigation, containment, monitoring, remediation or removal of Hazardous Substances from all or part of the Lands or surrounding areas or any other lands where such Hazardous Substances are (or are alleged to be); or

(e) any breach by the Tenant of any representation or obligation hereunder or under any document collateral hereto or any obligation under Environmental Laws.

This indemnity shall survive the expiration or sooner termination of the Lease.

20. **Liens:** The Tenant shall, immediately upon demand by the Vendor, remove or cause to be removed, and thereafter institute and diligently prosecute any action pertinent thereto, any builders' or other lien or claim of lien noted or filed against or otherwise constituting an encumbrance on the Lands. Without limiting the foregoing obligations of the Tenant, the Vendor may cause the same to be removed in any manner it sees fit, in which case the Tenant shall pay to the Vendor forthwith, the cost thereof, including the Vendor's complete legal costs on a solicitor and own client full indemnity basis.

21. **Surveying and Third Party Activities:** The Vendor reserves the right to enter upon the Lands, or grant to any third parties the right to enter upon the Lands, for the purpose of one or more of the following activities:

(a) Surveying, inspecting, viewing or conducting any related activities on the Lands, as the Vendor, in its sole discretion, deems necessary to market the property for sale, or

(b) such further and other activities as the Vendor may from time to time determine in its sole discretion are necessary to market and complete a sale of the Lands.

If the Vendor exercises such right this Lease shall not be affected in any manner but shall continue in full force and effect. Neither the Vendor nor the Receiver shall be liable for compensation to the Tenant for damage to standing crop as a result of such activities.

22. **Right to Sand, Gravel, etc.:** The Tenant acknowledges and agrees that it has no rights to sand, gravel, or clay, except for its own use, and it has no rights whatsoever to valuable stones, minerals or such other substances existing on, or under the surface of the Lands.

23. **As Is, Where Is:** The Tenant hereby accepts the Lands in their "as is, where is" and "with all faults" condition, subject to the terms of Section 7.1 and 7.2 of the Purchase Agreement, and without any obligation on the part of the Vendor to make any alterations, changes, improvements, repairs or replacements of any kind whatsoever. For certainty, and without limiting the foregoing, the Vendor makes no covenants, representations or warranties whatsoever with respect to the Lands, including without limitation as to the quantity, quality or condition of the Lands, or their value or fitness for any specific purpose, and no such covenants, representations or warranties shall be implied.

24. **Damage by the Tenant:** The Tenant will pay to the Vendor compensation for any and all damage to the Lands including any fences, buildings, improvements, fixtures or chattels located thereon, by reason of any negligent act or omission or any willful misconduct on the part of the Tenant, its employees, its contractors or any other person for whom the Tenant is responsible for in law, in farming the Lands as provided for under this Lease or in its use or occupation of the Lands.

25. **Assignment and Sublease:** The Tenant shall not assign or sublet this Lease in whole or in part, without obtaining the prior written consent of the Vendor, which consent may be arbitrarily withheld. The Vendor retains the right to assign this Lease, in whole or in part, in its sole unfettered discretion.

26. **No renewal, extension or amendment:** Notwithstanding an assignment of this Lease by the Vendor, there shall be no extensions, amendments or renewal of this Lease upon the expiration or termination hereof.

27. **Peaceful Surrender:** Upon the expiration or sooner termination of this Lease, the Tenant will peacefully and quietly surrender and deliver the Lands to the Vendor in as good a condition as the same is presently, excepting reasonable wear and tear. Personal property, fixtures, and improvements and alterations which are supplied and used by the Tenant in the conduct of its business will be the property of the Tenant and will be removed by the Tenant, so as not to cause damage to the Lands at any time before termination of this Lease. Any such fixtures remaining on the Lands for 30 days after the expiration of the Term will be deemed abandoned by the Tenant. In the event the Tenant elects not to remove any personal property, title to such personal property will vest immediately in the Vendor, without further instrument of conveyance whatsoever and the Vendor may dispose of such personal property in any manner it sees fit and the Tenant shall pay to the Vendor, on demand, any and all costs and expenses incurred by the Vendor in any such disposal.

28. **Entire Agreement; Paramountcy:** This Lease constitutes the sole and entire agreement between the parties with respect to the subject matter hereof. This Lease supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to the subject matter hereof. Notwithstanding the foregoing, this Lease is made pursuant to the Purchase Agreement and is not in derogation of any of the rights that the Vendor or Tenant may have under the Purchase Agreement. In the event of any conflict or inconsistency between the provisions of this Lease and the Purchase Agreement, the provisions of the Purchase Agreement shall prevail to the extent of such conflict or inconsistency.

29. **Interpretation:** Words importing the singular include the plural and vice versa and words importing gender include all genders. The term "including" means "including, without limitation," and such terms as "includes" have similar meanings and the term "third party" means any other person other than the Vendor, Receiver or the Tenant, or any affiliates thereof.

30. **Enurement:** The terms "Vendor" and "Tenant" shall include their heirs, executors, administrators, successors and permitted assigns in the singular or plural number and feminine and masculine gender when the context or the parties so require, and all the covenants shall be construed as being joint and several.

31. **Waiver:** No condoning, excusing, or overlooking by the Vendor or Tenant of any default, breach, or non-observance by the Tenant or the Vendor at any time or times in respect of any covenant, proviso, or condition in this Lease will operate as a waiver of the Vendor's or the Tenant's rights under this Lease in respect of any continuing or subsequent default, breach, or non-observance or so as to defeat or affect in any way the rights of the Vendor or the Tenant in this Lease in respect of any such continuing or subsequent default or breach, no acceptance of rent by the Vendor after a default by the Tenant (whether or not the Vendor knows of the default) will operate as a waiver by the Vendor, and no waiver will be inferred from or implied by anything done or omitted by the Vendor or the Tenant except only express waiver in writing under the authority of that Party and made in accordance with this Lease.

32. **Joint and Several:** Each covenant, agreement, or obligation of the Tenant in this Lease shall be the joint and several covenant and agreement of each party comprising the Tenant.

33. **Notices:** Any notices required to be made by this Lease shall be made pursuant to Section 11.1 of the Purchase Agreement.

34. **Governing Law:** This Lease shall be governed by and construed in accordance with the laws of the Province of Alberta.

35. **Time of the Essence:** Time shall be of the essence of this Lease and of every part hereof.

36. **Severability:** Should any provision or provisions of this Lease be illegal or not enforceable, it or they shall be considered separate and severable from the Lease and its remaining provisions shall remain in force and be binding upon the Parties hereto as though the said provision or provisions had never been included.

37. **Receiver's Capacity.** In addition to all of the protections granted to the Receiver under the Receivership Order or any other order of the Court in these Receivership Proceedings, the Tenant acknowledges and agrees that the Receiver, acting in its capacity as court-appointed receiver and not in its corporate or personal capacity, will have no liability to the Tenant in connection with this Agreement or the lease of the Lands contemplated herein.

38. **Amendments:** No alteration or amendment of this Lease shall be effective unless it is in writing and signed by each of the Parties.

39. **Independent Legal Advice:** Each of the Parties hereby acknowledge that it has been afforded the opportunity to obtain independent legal advice and confirms by the execution and delivery of this Lease that they have either done so or waived their right to do so in connection with the entering into of this Lease.

40. **Counterparts:** This Lease may be executed in several counterparts, including by means of facsimile or electronic transmission in portable document format (.pdf) and further including any electronic signature, each of which when so executed shall be deemed to be an original, and such counterparts shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to be dated as of the date of this Lease. This Lease shall be considered properly executed by any party if executed and transmitted by electronic means, including by email and facsimile transmission, to the other.

[Signature page follows.]

IN WITNESS WHEREOF the Vendor and Tenant have executed this Lease as of the date written above.

[Vendor Signature block to be inserted]

_____

[HIGH BIDDER]

SCHEDULE "A"

Lands

[Schedule to be finalized to reflect Lands purchased under Purchase Agreement]

MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 24
QUARTER NORTH EAST
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 64.7 HECTARES (160 ACRES) MORE OR LESS

OR

MERIDIAN 4 RANGE 20 TOWNSHIP 43
SECTION 26
QUARTER SOUTH EAST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
2.53 HECTARES (6.25 ACRES) MORE OR LESS AS SHOWN ON
RAILWAY PLAN 1983AJ AND BEING TAKEN FOR RIGHT OF WAY
OF THE CANADIAN NORTHERN RAILWAY COMPANY
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

APPENDIX I

MLT AIKINS

Incoming Trust Wire Instructions

CIBC – Canadian Dollar Trust Account – CALGARY

Beneficiary:	MLT Aikins LLP
Beneficiary Address:	2100 Livingston Place 222 – 3rd Avenue SW Calgary AB, T2P 0B4
Bank Number:	010
Branch Transit #:	08009
Account #:	1161113
Bank Address:	Canadian Imperial Bank of Commerce Bow Valley Square 2 110-205 5th Avenue SW Calgary, AB, T2P 2V7
SWIFT Code:	CIBCCATT

NOTE: *In the normal course, MLT Aikins LLP will not communicate changes in banking information via email. If you receive a communication indicating these instructions have changed, please contact your lawyer or their legal assistant to confirm that the change is valid.*

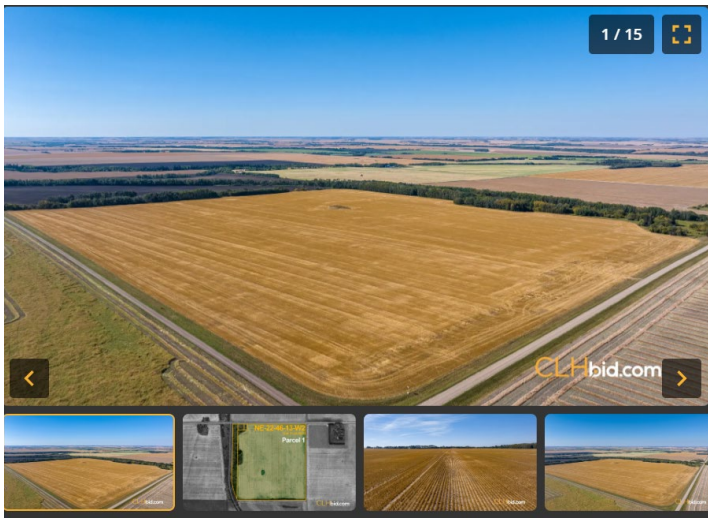
APPENDIX “C”

MARKETING CLHBID.COM

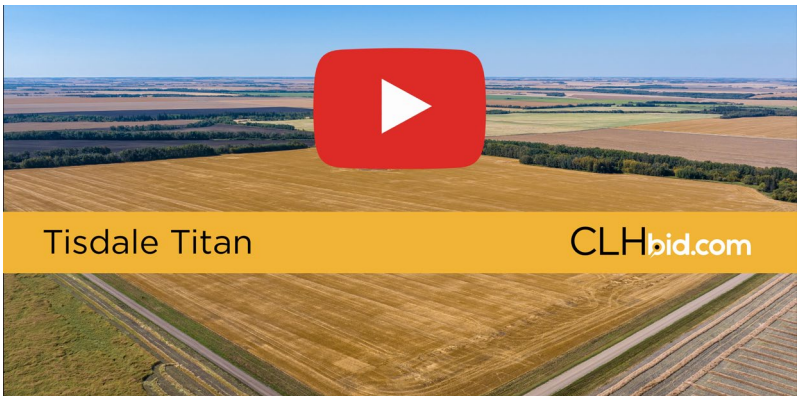
Please Note: The mailer would include a portion of the script etc.

1. Showcase the land on the CLHbid.com website with video, images, script, land titles, lease/ purchase agreements, SLR details, aerial map along with link for bidding and registration on sale day

2. Drone images of entire property



3. For each sale, a professional drone video is produced to showcase the land along with highlighting possible opportunities. After drone work is completed, a script is sent to an international voice actor. The final product is a professional video that gives potential bidders a detailed view and aerial tour of the property. The video below is from Tisdale Titan. The video would be hosted on YouTube and linked from the CLHbid.com website:



4. Weekly email notifications of the sale to extensive database of CLHbid.com Registrants and potential bidders. These email subscribers have been following CLHbid.com for 9 years and appreciate we only sell farm land

5. CLHbid.com representatives to directly source potential bidders based on our wealth of knowledge of farmers and investors in this area

6. 13’ cement-based signs

7. Newspaper Advertisements in Local and Western Canadian newspapers

8. Double-sided, 5x7 mailer postcard sent to thousands farms and houses in sale area

9. Mailer postcard addressed to owners based on land title searches and sent to direct neighbors

10. Online advertising – ads will be posted and boosted with paid advertisements reaching thousands of people on Social Media and Online Platforms

EACH OF THE ICONS BELOW WILL LINK TO OUR PROFILES ON THE VARIOUS ONLINE SITES:

11. 52’ Generic Advertising Vans to advertise CLHbid.com