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BDO Canada Ltd.
360 Oakville Place Drive, Suite 500
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February 26, 2026

To: Unit purchasers ("Unit Buyers") of the residential townhouse development by 11517945 Canada Inc., known as "Mewburn Towns"

Re: 11517945 Canada Inc., in *receivership*
Update No. 1 to Unit Buyers

As you may be aware, pursuant to an order (the "Receivership Order") issued by the Ontario Superior Court of Justice on February 12, 2026, BDO Canada Limited was appointed receiver and manager (the "Receiver") of all of the assets, undertakings and properties of 11517945 Canada Inc. (the "Company"), including the real property located at 2700 Mewburn Rd., Niagara Falls, Ontario (the "Real Property").

Copies of the Receivership Order and other materials filed in the receivership proceeding can be found on the Receiver's case website at:

<https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/11517945>

Project Status

The purpose of this notice is to provide Unit Buyers with information regarding the Company and the townhome project it was marketing under the name "Mewburn Towns" (the "Project").

The Receiver understands that:

- The Company holds title to the Real Property;
- Alpha Capital Management Inc. ("ACMI") was retained by the Company to be its consultant and construction manager for the Project;
- the Project comprises 28 townhome units, which are at various stages of completion;
- construction of the Project has been suspended for some time; and
- 27 units located on the Real Property are subject to agreements of purchase and sale (each, a "Purchase Agreement") between ACMI and the various Unit Buyers.

The Receiver is currently reviewing the status of the Project. At present, no action has been taken by the Receiver with respect to the Project completion or any of the Purchaser Agreements.

Status of Agreements of Purchase and Sale

At this time no action has been taken by the Receiver with respect to the Purchase Agreements. The Purchase Agreements continue to be governed by their terms, and subject to the Receivership Order (as applicable).

Deposits

The Receiver understands that in connection with the Purchase Agreements, Unit Buyers would have advanced deposits to the Company. The Receiver is currently investigating the status of the deposits.



Tarion Warranty Corporation ("Tarion") provides, among other things, home buyers with deposit protection in the event that the sale is not completed, including if the builder has gone bankrupt, or the purchase agreement is fundamentally breached.

Information about Tarion and its deposit protection coverage, including if and how to make a deposit claim, is available on Tarion's website at <https://www.tarion.com/homeowners/pre-possession-coverage> or by contacting Tarion at 1-877-9-TARION (1-877-982-7466) or customerservice@tarion.com.

Conclusion

As noted above, at this time, no determinations have been made with respect to the Unit Buyers' Purchase Agreements, and they remain in full force and effect, subject to the terms of the Receivership Order.

Notwithstanding the above, there are no steps that you need to take at this time. The Receiver will provide further updates as soon as possible.

Should you have any questions with respect to the above, please contact Stephanie Burrowes at 416-369-3063 or sburrowes@bdo.ca.

Yours truly,
BDO CANADA LIMITED
in its capacity as Court Appointed Receiver
of 11517945 Canada Inc. and without personal
or corporate liability
Per:

A handwritten signature in black ink, appearing to read 'Stephanie Burrowes', written in a cursive style.

Stephanie Burrowes, CPA, CIRP, LIT
Vice President