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Province of Nova Scotia  
Division No. 01 - Halifax  
Court No. 46192  
Estate No. 51-3277590

IN THE MATTER OF THE BANKRUPTCY OF  
KEL-ANN ENTERPRISES LIMITED  
OF THE COMMUNITY OF WINDSOR JUNCTION  
IN THE PROVINCE OF NOVA SCOTIA

TRUSTEE'S PRELIMINARY REPORT

PURPOSE OF MEETING

Section 102(5) of the *Bankruptcy and Insolvency Act* ("BIA") sets out specifically the purpose of the first meeting of creditors:

- a) to consider the affairs of the bankrupt;
- b) to affirm the appointment of the trustee or substitute another in place thereof;
- c) to appoint inspectors; and
- d) to give such directions to the trustee as the creditors may see fit with reference to the administration of the estate.

DISCLAIMER

The purpose of this preliminary report is to inform all interested parties about the preliminary administration and findings of the Trustee (as defined below). Readers are cautioned that the Trustee has relied upon third parties for information in the preparation of this report and that such information may be incomplete and inaccurate. The Trustee's review of this information as part of the preparation of this report does not constitute an audit, nor has the Trustee extensively verified any of the information provided to it, unless otherwise noted. Therefore, the contents of this report should be considered "for general information purposes only".

SECTION A - BACKGROUND

On September 25, 2025, Kel-Ann Enterprises Limited ("Kel-Ann" or the "Company") filed a voluntary assignment in bankruptcy pursuant to section 49.(1) of the BIA, and BDO Canada Limited ("BDO") was appointed as the trustee of the estate (the "Trustee").

The Company is a corporation incorporated under the *Companies Act* of Nova Scotia on April 21, 1977. The sole director of the Company is Michael Pink (the "Mr. Pink" or "Management").

Operating as Kel-Ann Organics, the Company manufactured organic soils and mulches and processed firewood. The Company additionally retailed stone and gravel products. Products were sold to homeowners and landscapers from the leased business premises at 6-74 Greentree Avenue, Windsor Junction, Nova Scotia (the "Leased Premise"), and the Company delivered products using

owned dump trucks or by hiring independent truckers. Although incorporated in 1977, the Company entered this line of business in the mid-1980's.

## **SECTION B - CAUSES OF INSOLVENCY**

According to Management, the Company's insolvency was attributed to the following:

- a) business relocation from Bedford, Nova Scotia to Windsor Junction, Nova Scotia negatively impacted sales. Although the new location was only approximately five (5) kilometers from the former location, in hindsight the Leased Premise was perceived as being inconvenient due to not having street frontage, being located in the backside of an industrial park without well maintained roadways, and was not perceived as inviting to customers as the former location;
- b) the Covid-19 pandemic, occurring concurrently with the business relocation, resulted in restrictions in the ability to deliver products to certain customer locations;
- c) recent wild fires, floods and droughts in Nova Scotia reduced sales;
- d) decreases in consumer discretionary spending due to high inflation reduced sales;
- e) inflationary pressures also increased Company operating costs, particularly, wages, fuel and repair and maintenance expenses; and
- f) the loss of several trucks and trailers due to accidents were not replaced on a timely basis due to high replacement costs, increased delivery costs and reduced sales.

As a result, the Company significantly reduced operations, terminating all remaining employees in November 2024. Further, a strategic decision was made by Management to pursue a sale of the Company.

### **Agreement of Purchase and Sale**

On June 27, 2025, the Company entered into an agreement of purchase and sale (the "**Sale Agreement**") to sell assets of the Company to 3177572 Nova Scotia Limited (the "**Purchaser**"), on an "as is, where is" basis, for \$800,015, exclusive of Harmonized Sales Tax ("**HST**"). A copy of the Sale Agreement is attached hereto as **Appendix "A"**. The assets subject to the Sale Agreement included:

- a) land and premises municipally known as No. 14 Highway, Upper Rawdon, Nova Scotia and identified as PID 45129152 and 45163540 (the "**Rawdon Property**");
- b) machinery, equipment and ancillary components, parts, tools and other tangible property (the "**Equipment**");
- c) inventory located at the Rawdon Property including but not limited to any extracted gravel, soil, and aggregates (the "**Rawdon Inventory**"); and
- d) goodwill of the Company, the business name "Kel-Ann Organics", together with the right Purchaser to represent itself as carrying on the business in continuation of and in succession to Kel-Ann Organics, and the right to use the name; domain names and URLs, email addresses, logos, telephone and fax numbers (the "**IP**", and collectively with the Rawdon Property, the Equipment, and the Rawdon Inventory, the "**Assets**").

For greater certainty, the Assets sold pursuant to the Sale Agreement did not include cash, accounts receivable, and inventory (gravel, soil, and aggregates) located at the Leased Premise.

Prior to entering into the Sale Agreement, Management hired Kempton Appraisals Limited to appraise the Rawdon Property, and Castle Appraisals Ltd. to appraise the Equipment. Details of the appraisals were as follows:

- a) the Rawdon Property was appraised with a fair market value of \$200,000. A copy of the Rawdon Property appraisal is attached hereto as **Appendix “B”**; and
- b) the Equipment was appraised with a fair market value of \$620,215 and a forced liquidation value of \$500,965. A copy of the Equipment appraisal is attached hereto as **Appendix “C”**.

The purchase price obtained in the Sale Agreement of \$800,015 was equal to approximately 97.5% of the appraised fair market value of the Rawdon Property and Equipment, understood by the Trustee to hold the vast majority of the Assets’ value. Although an appraised forced liquidation value was not obtained for the Rawdon Property, given the discount in the forced liquidation value of the Equipment, the value obtained in the Sale Agreement appears to have been greater than the forced liquidation value of the Assets.

#### **Allocation and Use of Proceeds**

The allocation of the Sale Agreement proceeds, as agreed to by the Purchaser and the Company pursuant to an amendment to the Sale Agreement dated August 21, 2025, was as follows:

- a) \$195,000 to the Rawdon Property; and
- b) \$605,015 to the remaining of the Assets, namely the Equipment, Rawdon Inventory and IP (the **“Personal Property”**).

Following the closing of the Sale Agreement on August 21, 2025, a portion of the sale proceeds allocated to the Personal Property was used to settle the secured claims of the Bank of Montreal (**“BMO”**) and Mr. Pink (discussed in more detail below), a requirement to release the personal property security interest held by each secured party in order to allow for transfer of the Personal Property free and clear of related encumbrances. Post-closing, a distribution of the sale proceeds of \$605,015 allocated to the Personal Property was made as follows:

- a) \$535,974 to BMO to settle its secured non-revolving term loan, operating facility and credit line; and
- b) \$69,041 to Mr. Pink as a partial settlement of a secured shareholder loan.

The remainder of the proceeds of the Sale Agreement, being the \$195,000 allocated to the Rawdon Property, was held in trust with the Company’s counsel for the benefit of the bankrupt estate. The Trustee understands \$174,018 is currently held in trust, following the settlement of legal fees incurred by the Company to negotiate and execute the Sale Agreement.

Following the closing of the Sale Agreement, the Company provided its landlord written notice to terminate its lease of the Leased Premise. Following the official date of bankruptcy on September 25, 2025 but prior to the certificate of appointment being issued by the Office of the Superintendent of Bankruptcy on October 1, 2025, Management sold all remaining soil, gravel and aggregates inventory located at the Leased Premise, effectively liquidating the last of the

Company's physical assets. The Company's lease for the Leased Premise officially expired on September 30, 2025.

Further information on the bankruptcy proceedings, including the Trustee's reports, can be accessed on BDO's website at:

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

### **SECTION C - ASSETS**

The following table summarizes the Company's assets and liabilities pursuant to the statement of affairs dated September 25, 2025 and based on the most recent internal financial statements as at September 12, 2025, with comparison to estimated net realization value of the Company's assets.

<b>Kel-Ann Enterprises Limited Statement of Affairs In CAD (\$)</b>	<b>Net Book Value</b>	<b>Estimated Net Realization</b>
<b>Assets</b>		
Cash	224,893	205,498
Accounts Receivable	23,274	36,263
Inventory	28,340	-
Vehicle	21,500	-
Due from Related Parties	654,211	-
<b>Total Assets</b>	<b>952,218</b>	<b>241,761</b>
<b>Liabilities</b>		
Secured Claims		364,102
Preferred Claims		-
Unsecured Claims		391,345
<b>Total Liabilities</b>		<b>755,447</b>
<b>Deficiency</b>		<b>(513,686)</b>

As at the date of bankruptcy, the Trustee has identified the following assets of the Company:

a) Cash

The Company's statement of affairs reported \$224,893 in cash. The Trustee understands the Company's cash is comprised of the following:

- i. \$31,480 held in the Company's bank account at BMO. Since the date of bankruptcy, the Trustee has requested and received a bank draft from BMO clearing the bank account, with the balance now held in trust; and
- ii. \$174,018, representing the proceeds of the Sale Agreement allocated to the Rawdon Property. Since the date of bankruptcy, the Trustee has requested the funds to be transferred to the Trustee from the Company's counsel. This transfer is in process.

b) Accounts Receivable

The Company's statement of affairs reported \$23,274 in accounts receivable. In the days leading to the expiry of the lease of the Leased Premise, the Company sold all remaining soil, gravel and aggregates inventory located at the Leased Premise to All Outdoors Landscaping Ltd. ("**All Outdoors**"), a company related to the Purchaser. The Trustee understands that as of the date of bankruptcy, accounts receivable amounted to \$48,230. Since the date of bankruptcy:

- i. \$11,233 was collected and deposited in the Company's BMO bank account. This balance was collected by the Trustee as part of the bank draft clearing the BMO bank account;
- ii. \$8,662 was collected from All Outdoors by the Trustee with the assistance of Management; and
- iii. \$28,245 remains outstanding, with collection to be pursued by the Trustee with the assistance of Management.

c) Inventory

As noted above, in the days leading up to the expiry of the lease for the Leased Premise, the Company sold all remaining soil, gravel and aggregates inventory. Therefore, inventory on hand was \$Nil as of the date of bankruptcy.

d) Vehicles

The vehicle asset pertains to a financed 2020 Range Rover Evoque P250SE (VIN SALZP2FX6LH094385) financed by the Bank of Nova Scotia ("**BNS**"). The Trustee understands the vehicle was financed in the Company's name and BNS was owed \$25,939 as of the date of bankruptcy. The Trustee performed a Canadian Black Book search and the average wholesale value of the vehicle is approximately \$21,500.

The Trustee understands that it is the intention of Mr. Pink to request BNS to transfer the vehicle and related financing obligations from the Company to himself personally. Based on a preliminary analysis, the Trustee does not believe there is equity in the vehicle considering costs of seizure and realization at liquidation value.

e) Due from Related Parties

The related party receivables balance primarily consists of \$535,960 owing from 2356863 Nova Scotia Limited ("**235NSL**") and \$169,000 owing from Pryor Construction Limited ("**Pryor Construction**"). Details on each receivable is provided below:

- i. 235NSL is a holding company that owns the shares of Kel-Ann. According to external compiled financials statements as at March 31, 2024, 235NSL's only asset is a \$1.5 million investment in Kel-Ann. 235NSL's liabilities consist of the \$535,000 related party payable to Kel-Ann and a \$145,000 shareholder loan from Mr. Pink. 235NSL has never carried on an active business and does not have a bank account according to Management; and

- ii. According to Management, Pryor Construction does not have any assets and has been inactive for over 20 years. Pursuant a search of the Nova Scotia Joint Stocks database, the status of Pryor Construction is “struck off”. The directors of Pryor Construction include Mr. Pink, and Steven and Gloria Pink, Mr. Pink’s parents. According to Management, Pryor Construction operated as a construction project management consultancy and did not have major asset holdings. Management also informed Pryor Construction does not have a bank account.

Given the only major asset held by the related parties appears to be the shares of Kel-Ann, a bankrupt entity, the Trustee does not anticipate there will be any realizations from the related party receivables.

#### **SECTION D - CONSERVATORY AND PROTECTIVE MEASURES**

a) Conservatory and protective measures

The Trustee requested BMO to freeze the bank account held at the institution by the Company and to provide the Trustee a draft clearing the account. BMO issued a bank draft for \$31,480 to the Trustee which is held in trust.

The Trustee visited the Leased Premises prior to the date of bankruptcy and the closing of the Sale Agreement in order to gain an understanding of Company operations and assets expected to remain in the Company’s possession post-closing of the Sale Agreement.

b) Carrying on business

The Trustee has no plans to operate the business.

c) Books and Records

The Trustee has taken possession of certain Company’s books and records.

d) Property of the bankrupt not divisible among creditors by virtue of section 67(1) of the BIA

Nil.

#### **SECTION E - LEGAL PROCEEDINGS**

On September 11, 2025, Teal Forest Resources Inc. filed a claim with the Small Claims Court of Nova Scotia in the County of Halifax for \$5,692.50, plus interest and costs. A hearing was scheduled for November 6, 2025, however the claim will be subject to the stay of proceedings pursuant to subsection 69.3(1) of the BIA.

The Trustee is not aware of any other ongoing legal proceedings against the Company or any legal proceedings commenced by the Company. No legal proceedings have been commenced by the Trustee.

#### **SECTION F - PROVABLE CLAIMS**

The Trustee will review proof of claims advanced by the Company’s creditors and has not at this time completed an adjudication of claims received to date. The following table summarizes claims filed as at the date of this report as compared to the Company’s statement of affairs:

Kel-Ann Enterprises Limited Summary of Claims In CAD (\$)	Statement of Affairs	Claims as Filed
Secured Claims	364,102	-
Preferred Claims	-	-
Unsecured Claims	391,345	51,829
<b>Total</b>	<b>755,447</b>	<b>51,829</b>

#### SECTION G - SECURED CREDITORS

The Trustee conducted searches under the *Personal Property Security Act* (“PPSA”) and confirmed registration of security interests over the Company’s assets by:

a) Bank of Montreal

Pursuant to a search under the PPSA as at May 29, 2025 (prior to the execution of the Sale Agreement), BMO held a general security agreement (“GSA”) registered on December 23, 1998 against all of the Company’s present and after acquired personal property, in relation to a non-revolving term loan, an operating facility, and a secured credit line, totaling approximately \$535,000.

BMO also held a registered purchase money security interest (“PMSI”) against multiple equipment assets of the Company including:

- i. WG2746759 Powerscreen MKII WG2468161, M60 AWG2746759/1, and AWG2468161/1;
- ii. 2012 Powerscreen Warrior 800 Screener (serial number 132ADGC);
- iii. 2012 Freightliner PX11364ST (serial number 1FUJGBDV8CLBM3519);
- iv. 2013 Bell’s service 4000 Circular Saw 4000C-067;
- v. 24 Feet Double Chain Hydraulic Life Conveyor; and
- vi. 2015 Powerscreen Warrior 800 Screener (serial number 132TDGFC1667).

Post-closing of the Sale Agreement, the Trustee confirmed through a PPSA search conducted on October 15, 2025 that BMO’s GSA and PMSI security has been released and deregistered.

b) Bank of Nova Scotia

BNS holds a registered PMSI in relation to a 2020 Range Rover Evoque P250SE (VIN SALZP2FX6LH094385).

c) Michael Pink

On May 29, 2015, the Company granted a GSA to Mr Pink granting a security interest over the Company’s undertaking and all present and after acquired property as general and continuing security for all obligations owed by the Company to Mr. Pink. Pursuant to a search under the PPSA as at May 29, 2025, Mr. Pink registered the GSA security on February 7, 2025. Pursuant to

the Company's books and records, the Trustee understands the Company's obligations to Mr. Pink amount to approximately \$342,602 in the form of shareholder loans.

As of the date of this report, the Trustee has not undertaken an independent security review regarding the secured parties, however the Trustee undertakes to obtain the security review prior to any distribution from the estate. The Trustee will request approval from estate creditors or inspectors to hire legal counsel to perform an independent security review.

In addition, federal legislation establishes the following priority claims:

- a) Canada Revenue Agency ("CRA") enjoys a super-priority for its deemed trust claim (being monies withheld from employees' wages for income tax, Employment Insurance premiums and Canada Pension Plan premiums but not remitted). The quantum of the deemed trust portion of CRA's claim is estimated to be \$Nil; and
- b) Employees enjoy a super-priority over current assets (cash, accounts receivable and inventory), up to a maximum of \$2,000 per individual, for unpaid wages, salaries, commissions or compensation for services rendered during the period beginning six months before the date of the initial bankruptcy event. The quantum of the super-priority portion of employees claims is estimated to be \$Nil.

#### **SECTION H - ANTICIPATED REALIZATION AND PROJECTED DISTRIBUTION**

The Trustee anticipates a distribution to creditors of the estate. Subject to the results of an independent security review, the Trustee anticipates realizations from personal property such as cash, accounts receivable and inventory will be subject to the GSA security held by Mr. Pink. Further, the Rawdon Property appears to be unencumbered, and the Trustee anticipates associated realizations will be available for distribution to the estate's unsecured creditors.

#### **SECTION I - REVIEWABLE TRANSACTIONS AND PREFERENCES**

As part of its duties, the Trustee will review the books and records of the Company in its possession to determine if there were any potential reviewable transactions or preferential payments to related parties during the one-year period preceding the date of the bankruptcy event, and non-related parties during the three-month period preceding the date of the bankruptcy event.

#### **SECTION J - CONFLICT OF INTEREST AND DEPOSITS**

The Trustee is not aware of any conflict of interest that would prevent it from acting. Prior to the date of bankruptcy, the Trustee assisted the Company in assessing its options which respect to filing a proposal to creditors or voluntarily assigning the Company into bankruptcy, and in obtaining appraisals for Company assets and structuring the Sale Agreement in a fair and equitable manner considering the rights of the Company's creditors.

Dated at Halifax, Nova Scotia, this 15<sup>th</sup> day of October, 2025.

**BDO CANADA LIMITED**

In its capacity as Licensed Insolvency Trustee of  
Kel-Ann Enterprises Limited  
and not in its personal or corporate capacity  
Per:



Neil Jones, CA, CPA, CIRP, LIT  
Senior Vice-President

**THIS AGREEMENT OF PURCHASE AND SALE** dated this 27th day of June 2025.

**BETWEEN:**

**KEL-ANN ENTERPRISES LIMITED**, a body corporate existing under the laws of Nova Scotia

(the “**Vendor**”)

- and -

**3177572 NOVA SCOTIA LIMITED**, a body corporate existing under the laws of Nova Scotia, or its assignee

(the “**Purchaser**”)

- and -

**MICHAEL PINK**, of Halifax, Nova Scotia

(the “**Indemnifier**”)

Each a “**Party**” and collectively the “**Parties**”.

**WHEREAS** the Vendor is the owner of the Assets, as herein defined and has agreed to sell, transfer, and convey the Asset to the Purchaser and the Purchaser has agreed to purchase the Assets from the Vendor on the terms and conditions set forth in this Agreement;

**NOW THEREFORE** in consideration of the mutual covenants and agreements set forth in this Agreement and the sum of \$10 and other good and other valuable consideration (the receipt and sufficiency of which is hereby acknowledged) the parties hereto covenant and agree as follows:

## **ARTICLE 1** **INTERPRETATION**

### **1.1 Definitions**

The terms defined herein shall have, for all purposes of this Agreement, the following meanings, unless the context expressly or by necessary implication otherwise requires:

- (a) “**Adjustments**” means the adjustments to the Purchase Price provided for and determined pursuant to Section 3.3.
- (b) “**Agreement**” means this Agreement of Purchase and Sale and the Schedules attached hereto as amended from time to time in writing by the parties hereto.
- (c) “**Assets**” means:
  - (i) all assets, machines, machinery, equipment and ancillary components, parts, tools and other tangible property used or held by the Vendor primarily in respect of its business including, without

limitation, those assets and equipment listed in **Schedule "A"** (the **"Equipment"**);

- (ii) the goodwill of the Vendor including, the business name "Kel-Ann Organics" registered with the Nova Scotia Registry of Joint Stock pursuant to the *Partnerships and Business Names Registration Act*, telephone and fax numbers, website domain names and URLs, email addresses, logos, together with the right of the Purchaser to represent itself as carrying on the business in continuation of and in succession to the Vendor, and the right to use the name;
  - (iii) the Property, as defined in Section 1.1(v); and
  - (iv) the inventory located at the Property which shall include but not be limited to any extracted gravel, soil, and aggregates. For greater certainty the Assets do not include the raw materials and inventory located at the Leased Premises as of the date of execution of this Agreement.
- (d) **"BIA"** means the *Bankruptcy and Insolvency Act, R.S., 1985, c. B-3, s. 1*.
- (e) **"Business Day(s)"** means any day other than a Saturday, Sunday or a statutory holiday in Halifax, Nova Scotia on which the Halifax County Land Registration office is open for business.
- (f) **"Closing"** means the closing of the transaction contemplated by this Agreement, including without limitation the payment of the balance of the Purchase Price and the delivery of the Closing Documents, on the Closing Date at the offices of the Vendor's Solicitors at 12 o'clock noon (Atlantic Time).
- (g) **"Closing Date"** means on or before August 7, 2025, or, in the event that the Vendor makes a Proposal, the date that is five (5) Business Days following the date on which all of the conditions in Sections 5.1 and 6.1 have been satisfied or waived, except for those conditions that by their nature can only be satisfied on the Closing Date, or such earlier or later date as agreed to by the Parties.
- (h) **"Closing Documents"** means the agreements, instruments and other documents to be delivered by the Vendor to the Purchaser or the Purchaser's Solicitors pursuant to Section 7.1 and the agreements, instruments and other documents to be delivered by the Purchaser to the Vendor or the Vendor's Solicitors pursuant to Section 7.2.
- (i) **"Court"** means the Supreme Court of Nova Scotia in Bankruptcy and Insolvency.
- (j) **"Creditor Approval"** means the approval of the Proposal pursuant to a meeting of creditors held in accordance with section 54(1) of the BIA by the creditors of the Vendor entitled to vote on the Proposal at such meeting.
- (k) **"Documents for Inspection"** is defined in Section 2.5.
- (l) **"Due Diligence Date"** means August 1, 2025.

- (m) **“Due Diligence Expenses”** means the Purchaser’s legal fees, consultant fees, and other costs associated with completing the due diligence investigations contemplated by this Agreement, up to a maximum amount of \$15,000 CAD.
- (n) **“Drop Dead Date”** means October 30, 2025.
- (o) **“Environmental Laws”** means all applicable federal, provincial, municipal and other laws, statutes, ordinances, by-laws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency in respect of environmental matters.
- (p) **“Excluded Assets”** has the meaning set out in Section 2.4.
- (q) **“Hazardous Substances”** means any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substances.
- (r) **“Holdback”** means CAD \$15,000.
- (s) **“HST”** is defined in Section 4.1.
- (t) **“Leased Premises”** means the leased premises of the Seller located at 6-74 Greentree Avenue, Windsor Junction, Nova Scotia.
- (u) **“Notice”** is defined in Section 10.16.
- (v) **“Property”** means the land and premises municipally known as No. 14 Highway, Upper Rawdon, Nova Scotia being PID Numbers 45129152 and 45163540, as further described in **Schedule “B”** of this Agreement.
- (w) **“Proposal”** means a Division I Proposal under the BIA made by the Vendor to its secured and unsecured creditors pursuant to section 50(1) of the BIA.
- (x) **“Proposal Trustee”** means Neil Jones of BDO Canada Limited.
- (y) **“Purchase Price”** means Eight Hundred Thousand Dollars (\$800,000), exclusive of HST.
- (z) **“Purchaser's Solicitors”** means Denny L. Pickup of BOYNECLARKE LLP, Dartmouth, NS.
- (aa) **“Sale Approval”** means the approval by the Court of the Proposal and the transactions contemplated pursuant to this Agreement pursuant to Sections 58 and 65(13) of the BIA.
- (bb) **“Sale Approval Order”** means an Order of the Court approving the Proposal and this Agreement and the transactions contemplated hereby.
- (cc) **“Secured Lenders”** means the Bank of Montreal and Michael Pink.
- (dd) **“Statement of Adjustments”** is defined in Section 7.1(d).

- (ee) **“Trustee’s Certificate”** means the certificate filed with the Court by the Proposal Trustee certifying that it has received written confirmation from the Parties that all conditions of Closing have been satisfied or waived by the applicable Parties.
- (ff) **“Vendor’s Solicitors”** means Colin Boyd of McInnes Cooper.

**ARTICLE 2**  
**AGREEMENT OF PURCHASE AND SALE**

**2.1 Agreement of Purchase and Sale**

The Vendor hereby agrees to sell, transfer and convey the Assets to the Purchaser and the Purchaser hereby agrees to purchase and acquire the Assets from the Vendor at the Purchase Price, at the Closing Date, on and subject to the terms and conditions of this Agreement.

**2.2 As Is, Where Is**

The Purchaser acknowledges that Vendor is selling the Assets on an "as is, where is" basis as they shall exist on the Closing Date, and that:

- (a) It has had a full opportunity to conduct any and all due diligence regarding the Assets;
- (b) It has relied and will rely entirely and solely upon its own inspections and investigations with respect to the Assets including, without limitation, the physical and environmental condition of the Assets;
- (c) Unless otherwise expressly provided in this Agreement there are no agreements, representations, promises, warranties, guarantees or conditions of any kind whatsoever, statutory or otherwise, express or implied, with respect to the Assets;
- (d) If the Purchaser waives the Purchaser’s condition set out at section 5.1, then except as expressly set out in this Agreement, the Assets are being purchased and assumed by the Purchaser “As Is Where Is”. The term “As Is Where Is” means in its condition or state as of the date last inspected by the Purchaser, subject to ordinary wear and tear;
- (e) Unless otherwise expressly provided in this Agreement, there are no agreements, representations, promises, warranties, guarantees, or conditions as to suitability of the Assets for any specific purpose, the existence of latent defects, or the quality of the Assets (including any environmental condition thereof); and
- (f) Unless otherwise expressly provided in this Agreement, the Vendor and Indemnifier shall have no obligation or responsibility to the Purchaser after Closing with respect to the Assets or the condition thereof.

**2.3 Delivery of Assets**

The Purchaser shall remove all Assets located at the Leased Premises, at its sole cost and expense, within twenty-one (21) days of the Closing Date.

## **2.4 Excluded Assets**

Notwithstanding any provision of this Agreement the Vendor shall not convey the assets listed in **Schedule "C"** to the Vendor (the "**Excluded Assets**").

## **2.5 Documentation for Inspection**

The Vendor has or will deliver or make available for inspection to the Purchaser, within 5 days from the date of execution of this Agreement, the following (collectively referred to as "**Documents for Inspection**") to the extent they are in the possession of Vendor:

- (a) any plans of survey or location certificates for the Property; and
- (b) copy of any environmental reports related to the Property;

Prior to the Due Diligence Date, the Vendor agrees to provide access to or make available to the Purchaser any other reasonable information and documents in possession of the Vendor which the Purchaser shall reasonably deem necessary to conduct its due diligence review of the Property.

## **2.6 Access to Property**

From and after the date of this Agreement until the Due Diligence Date, the Purchaser and its agents and employees shall have free access to the Property at any time and from time to time during normal working hours upon reasonable prior notice to the Vendor at the Purchaser's sole risk and expense for the purpose of making any of the Purchaser's inspections, including without limitation physical and structural inspections, tests and environmental audits.

# **ARTICLE 3 PURCHASE PRICE**

## **3.1 Payment of Purchase Price**

The Purchase Price shall be paid by the Purchaser and satisfied as follows:

- (a) The Purchase Price shall be paid by solicitor's trust cheque or wire transfer to the Vendor's Solicitor prior to Closing, subject to the Adjustments.

## **3.2 Purchase Price Allocation**

The Purchase Price shall be allocated as set out in **Schedule "D"**, with such amounts to be negotiated by the Parties in good faith prior to the Closing Date.

## **3.3 Adjustments**

- (a) Adjustments shall be made as of the Closing Date. The Vendor shall be responsible for all expenses and entitled to all revenues accrued from the Assets for that period ending on the day before the Closing Date. From and including the Closing Date, the Purchaser shall be responsible for (except as otherwise provided in this Agreement) all expenses and shall be entitled to all revenues accruing from the Assets.

- (b) Adjustments shall include local improvements, real property taxes and utilities and such other customary adjustments for a purchase and sale transaction of this nature. The Vendor shall arrange for all meters measuring the supply of utilities payable by the Vendor to be read up to and including the day prior to the Closing Date and shall pay the final accounts therefor. The cost of municipal improvements, including, but without limiting the generality of the phrase "municipal improvements", betterment charges and capital charges for utility or municipal services completed as of the date of this Agreement, whether billed or not, are to be paid by the Vendor on or before the closing date unless otherwise stated.

## ARTICLE 4

### 4.1 Harmonized Goods and Services Tax

With respect to harmonized goods and services tax ("HST") payable pursuant to the Excise Tax Act Canada (the "Act"), the parties covenant and agree as follows:

- (a) pursuant to 221(2) of the Act the Vendor shall not collect the HST from the Purchaser in this transaction, as the Purchaser is registered under the Act, and in that event the Purchaser shall file returns and remit such HST to the government when and to the extent required by the Act;
- (b) the Purchaser shall indemnify the Vendor and hold it harmless from any liability under the Act arising because of breach of the obligations of the Purchaser set out in this Section 4.1 or arising under the Act, together with all loss, costs and expenses resulting from such breach; and
- (c) the Purchaser shall provide its HST registration number to the Vendor no later than 5 days before Closing and the Purchaser shall provide a statutory declaration on Closing confirming its HST registration number under the Act and undertaking to indemnify the Vendor with respect to any HST, interest, penalties or costs chargeable to or incurred by the Vendor as a result of or arising from the failure of the Vendor to collect and remit the HST payable in connection with the purchase of the Property and Assets.

## ARTICLE 5

### CONDITIONS PRECEDENT OF THE PURCHASER

#### 5.1 Conditions of Purchaser

The conditions precedent set forth in this Section 5.1 are for the benefit of the Purchaser and may be waived in whole or in part by the Purchaser upon Notice to the Vendor. The obligation of the Purchaser to complete the Agreement shall be subject to the following conditions:

- (a) the Vendor shall migrate title to the Property into the Land Registration System prior to Closing. Upon the migration of title to the Property into the Land Registration System the Purchaser shall have ten (10) Business Days to investigate the title to the Property, which the Purchaser shall do at the Purchaser's expense. If within that time frame any valid objection to title is made, in writing, to the Vendor and which the Vendor is unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall be null and void,

and without liability by the Vendor for any expenses incurred or damages sustained by the Purchaser.

- (b) that by the Due Diligence Date the Purchaser has conducted and obtained whatever searches, reviews, investigations, approvals and inspections the Purchaser, in its sole discretion, deems advisable with respect to the Property including, without limitation, title to the Property, zoning, environmental reports, full appraisal and any other investigations or tests permitted pursuant to the terms of this Agreement and is satisfied, in its sole discretion, with the results of all such searches.
- (c) the Purchaser obtaining approval for financing on terms and conditions satisfactory to the Purchaser on or before the Due Diligence Date.
- (d) the Purchaser obtaining approval for insurance for the Property on terms and conditions satisfactory to the Purchaser on or before the Due Diligence Date.
- (e) the Purchaser shall be an HST registrant on or before the Due Diligence Date, such that it can self-remit any HST payable on this transaction.
- (f) By Closing, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Vendor and the Indemnifier shall have been complied with or performed in all material respects; and
- (g) On Closing, the representations and warranties of the Vendor and the Indemnifier set out in Section 8.1 shall be true and accurate in all material respects.

## **5.2 Non-Satisfaction of Purchaser's Condition Precedent**

If by 5:00 p.m. Atlantic time on the Due Diligence Date, the Purchaser has not given Notice to the Vendor that the conditions precedent set out in Section 5.1 have not been satisfied, such conditions precedent shall be deemed to have been waived. If by such time the Purchaser has given Notice to the Vendor that any of the conditions precedent has not been satisfied then this Agreement shall be terminated, be null and void and of no further force or effect whatsoever.

## **5.3 Drop Dead Date**

If Closing has not occurred prior to the Drop Dead Date, the Purchaser, on written notice to the Vendor, may elect to terminate this Agreement, in which case it will be null and void and of no further force or effect whatsoever.

## **ARTICLE 6 CONDITIONS PRECEDENT OF THE VENDOR**

**6.1** The conditions precedent set forth in this Section 6.1 are for the benefit of the Vendor and may be waived in whole or in part by the Vendor upon Notice to the Purchaser. The obligation of the Vendor to complete the Agreement shall be subject to the following conditions:

- (a) Having obtained Creditor Approval prior to the Closing Date; and

- (b) The Sale Approval Order shall have been issued, and the operation and effect of the Sale Approval Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) as at the Closing Date.

## **6.2 Non-Satisfaction of Vendor's Condition Precedent**

If, at any time prior to Closing, the Vendor determines, in its sole discretion, that it is unable to satisfy, or cause to be satisfied, any of the conditions required for the completion of the transactions contemplated by this Agreement, the Vendor may terminate this Agreement by written notice to the Purchaser. Upon such termination, this Agreement shall be null and void and of no further force or effect, and the Vendor shall have no liability whatsoever to the Purchaser for any costs, expenses, losses or damages incurred or sustained by the Purchaser in connection with this Agreement or the transactions contemplated hereby, except for the setoff of the Holdback, if applicable, as set out in Section 6.3 hereto.

## **6.3 Purchaser Holdback**

- (a) The Purchaser shall have the right to withhold the Holdback from the balances owing to the Vendor for materials purchased from the Vendor, provided that it continues to pay all Vendor invoices for purchased materials, above and beyond the amount of the Holdback, as and when due.
- (b) In the event that the Closing does not occur because the Vendor is in material breach of any of its obligations under this Agreement, or, because the Vendor is unable to satisfy the conditions in Section 6.1 hereto, and a trustee in bankruptcy does not subsequently offer the Purchaser an opportunity to purchase the Assets on substantially similar terms and conditions within thirty (30) days of the termination of this Agreement pursuant to Section 6.2, the Vendor shall be entitled to setoff the Holdback against the amounts owed to the Vendor for materials purchased from the Vendor, and apply it against the Due Diligence Expenses incurred pursuant to this Agreement.
- (c) For greater certainty, the Vendor will have no obligation to reimburse the Purchaser for Due Diligence Expenses incurred in excess of CAD \$15,000.00.
- (d) Upon request, the Purchaser shall provide invoices and other documentation reasonably requested by the Vendor in support of the amounts claimed as Due Diligence Expenses.
- (e) Upon Closing, or the earlier termination of the Agreement for any reason other than as set out in Section 6.3(b), the Purchaser will release the Holdback to the Vendor in full within three (3) Business Days.

## **ARTICLE 7 TRANSFER OF TITLE AND CLOSING DOCUMENTS**

### **7.1 Vendor's Closing Documents**

On or before Closing, subject to the provisions of this Agreement, the Vendor shall execute or cause to be executed and shall deliver or cause to be delivered to the Purchaser's Solicitor's the following:

- (a) a warranty deed for the Property in registrable form whereby good and marketable title to the Property is conveyed by the Vendor to the Purchaser, free and clear of all encumbrances and all debts or mortgages related to the Property shall be paid in full on the Closing Date;
- (b) an agreement and any other documentation required for the transfer of the Assets, which shall be transferred subject only to the registrations of the Secured Lenders pursuant to the *Nova Scotia Personal Property Act* as listed in **Schedule "E"** (the "**PPSA Registrations**"), where such Secured Lenders will have first agreed to release the PPSA Registrations pursuant to the Proposal upon receipt of the proceeds of the sale contemplated by this Agreement that will be distributed to them in accordance with the Proposal on Closing. The Purchaser agrees to accept an undertaking, in substance and form acceptable to the Purchaser's Solicitor, to obtain a discharge of the PPSA Registrations in registerable form and register such discharge, having first provided a payout statement to the Purchaser from the Secured Lenders setting out the balance required to obtain the discharge, together with a direction executed by the Vendor directing payment to the Secured Creditors of the amount required to obtain the discharge from the Purchase Price paid on Closing.
- (c) such evidence as the Purchaser's Solicitor's may reasonably require that the Vendor has corporate capacity and power, which it has properly exercised, to enter into and carry out the provisions of this Agreement;
- (d) a statement of the Adjustments contemplated by Section 3.2 (the "**Statement of Adjustments**");
- (e) a non-competition and non-solicitation agreement between the Indemnifier, the Vendor and Purchaser in a form satisfactory to the Purchaser's Counsel. The non-competition and non-solicitation agreement shall be for a term of three (3) years commencing on the Closing Date and shall cover the province of Nova Scotia. For income tax purposes, the Vendor and the Purchaser confirm that no portion of the Purchase Price is paid by the Purchaser for this "restrictive covenant" as that term is defined for the purposes of Section 56.4 of the *Income Tax Act* (Canada). The Vendor and the Purchasers agree that any "restrictive covenant" granted is to maintain or preserve the fair market value of the Assets and any amounts that can be reasonably be regarded as consideration therefore will be included in computing the Vendor's goodwill amount, as that term is defined for the purposes of section 56.4 of the *Income Tax Act* (Canada). The Vendor and the Purchaser agree to jointly elect pursuant to subsection 56.4(7) of the *Income Tax Act* (Canada) to file an election in prescribed form and within the prescribed time under the *Income Tax Act* (Canada); and
- (f) all other items or documents which are reasonably required and which the Purchaser has reasonably requested on or before the Closing Date to give effect to this transaction.

All documentation shall be in form and substance acceptable to the Purchaser and the Vendor each acting reasonably and in good faith.

## **7.2 Purchaser's Closing Documents**

By the Closing Date, subject to the terms and conditions of this Agreement, the Purchaser shall execute or cause to be executed and shall deliver or cause to be delivered to the Vendor's Solicitor's the following:

- (a) the Purchase Price by solicitor's trust cheque, negotiable bank draft or wire transfer to the trust account of the Vendor's Solicitor's in immediately available funds drawn in accordance with the Vendor's instructions in an amount equal to the balance of the adjusted Purchase Price as evidenced by the Statement of Adjustments;
- (b) such evidence as the Vendor's Solicitor's may reasonably require that the Purchaser has corporate capacity and power, which it has properly exercised, to enter into and carry out the provisions of this Agreement;
- (c) an HST certificate, warranty and indemnity as called for by s. 4.1 of this Agreement; and
- (d) all other documents which are reasonably required and which the Vendor has reasonably requested on or before the Closing Date to give effect to this transaction.

All documentation shall be in form and substance acceptable to the Purchaser and the Vendor each acting reasonably and in good faith.

## **7.3 Trustee's Certificate**

Upon Closing the Purchaser and Vendor will each deliver to the Proposal Trustee written confirmation that the Purchase Price has been paid, the conditions to closing the sale pursuant to this Agreement have been satisfied or waived, and the Closing has occurred to the satisfaction of each Party.

# **ARTICLE 8 REPRESENTATIONS, WARRANTIES AND COVENANTS**

## **8.1 Vendor's Representations**

The Vendor and the Indemnifier hereby represent and warrant to and in favour of the Purchaser that, as of the date of this Agreement;

- (a) The Vendor is a corporation duly existing under the laws of Nova Scotia and has the necessary corporate authority, power and capacity to own the Property and to enter into this Agreement and to carry out this Agreement and the documents and transactions contemplated herein, subject to obtaining Creditor Approval and Sale Approval;
- (b) The Vendor is not a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada);
- (c) There is no leased or rented equipment on the Property. The Vendor and the Indemnifier represents and warrants to the Purchaser that all other fixtures and

equipment located on the Property are owned by the Vendor free and clear of all liens or charges, except those disclosed in **Schedule "E"**;

- (d) The Property is owned and will continue to be owned by the Vendor, until the Closing Date. The Vendor is the sole legal and beneficial owner of the Property and has the absolute and exclusive right to sell the Property to the Purchaser, subject to Creditor Approval and Sale Approval;
- (e) Entering into of this Agreement and the carrying out of the transactions contemplated hereby have been duly authorized by all necessary corporate actions, are binding on the Vendor and will not result in the violation of any of the terms and provisions of the constating documents of the Vendor;
- (f) Upon obtaining Creditor Approval and Sale Approval none of the execution and delivery of this Agreement, the performance of the Vendor's obligations under this Agreement, or the completion of the transactions contemplated by this Agreement (with or without the giving of notice or lapse of time, or both) result in or constitute a breach of any term or provision of, or constitute a default under any agreement, license, contract or undertaking to which the Vendor is a party;
- (g) Other than Creditor Approval and Sale Approval, no authorization, approval, order, consent of, or filing with, any governmental authority is required on the part of the Vendor in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement and there is no requirement to obtain any consent, approval or waiver of any party in order to complete the transactions contemplated by this Agreement.
- (h) Except as disclosed in **Schedule "F"** there are no actions, suits or proceeding pending or threatened against or affecting the Vendors or the Property by any person, firm or corporation or before and federal, provincial, state, county, municipality or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign.
- (i) Other than in the ordinary course of business the Vendor has not used or permitted to be used, except in compliance with all Environmental Laws, any of the Property or any property or facility that it previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any Hazardous Substance;
- (j) The Vendor or the Indemnifier has never received any notice of, nor been prosecuted for any offence alleging, non-compliance with any Environmental Laws, and nor has the Vendor or Indemnifier settled any allegation on non-compliance short of prosecution. There are no orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Property nor has the Vendor or the Indemnifier received notice of any of the same;
- (k) The Vendor or the Indemnifier has not caused nor permitted the release in any manner whatsoever, of any Hazardous Substance on or from the Property. All Hazardous Substances and all other wastes and other materials and substances used in whole or in part on the Property have been disposed of, treated and stored by the Vendor in compliance with all Environmental Laws;

- (l) The Vendor or the Indemnifier has not received any notice that it is potentially responsible for a federal, provincial, municipal or local clean-up site or corrective action under any Environmental Laws. The Vendor has never conducted or had conducted an environmental audit, assessment or study of any of the assets; and
- (m) The Vendor covenants and agrees to pay, when due, all rent and other amounts payable in respect of the Leased Premises for the months of June, July, and August 2025.

## **8.2 Purchaser's Representations**

The Purchaser hereby represents and warrants to and in favour of the Vendor that, as of the date of this Agreement and as of the Closing Date:

- (a) the Purchaser is a corporation existing and governed by the laws of Nova Scotia and will have on Closing the necessary corporate authority, power and capacity to own the Property and to enter into this Agreement and to carry out this Agreement and the documents and transactions contemplated herein on the terms and conditions herein contained; and
- (b) the Purchaser is not a non-Canadian within the meaning of Section 116 of the *Income Tax Act* (Canada).

## **8.3 Survival of Representations**

Unless otherwise indicated, all representations and warranties provided for in this Agreement and all obligations to be fulfilled subsequent to Closing shall not merge but shall survive the Closing for a period of one (1) year.

# **ARTICLE 9 OPERATION UNTIL CLOSING**

## **9.1 Operation Until Closing**

The Property shall be in materially the same condition on Closing as it was on the date of inspection by the Purchaser. For greater certainty, the Vendor shall not remove any soil or aggregates from the Property from the date of this Agreement until the Closing Date.

## **9.2 Damage Before Closing**

The Property shall be and remain at the risk of the Vendor until Closing. Pending completion of the sale, the Vendor will hold all insurance policies and the proceeds thereof in trust for the parties as their interests may appear and in event of material damage to the Property, the Purchaser may either have the proceeds of the insurance and complete the purchase, or may cancel the Agreement.

# **ARTICLE 10 GENERAL**

## **10.1 Confidentiality**

Each of Purchaser and Vendor covenants and agrees that neither it nor its respective affiliates or representatives, will disclose the existence or terms of this Agreement or the fact of its

execution and delivery to any third party without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, except (a) as and to the extent required by applicable laws, (b) in the case of each of Purchaser and Vendor to its directors, officers, employees, agents, managers and professional advisors (c) in the case of Vendor, to the Secured Lenders and, as may be required in connection with filing and obtaining Creditor Approval and Sale Approval, or (d) as otherwise may be required by the Court.

Notwithstanding the foregoing, each of the Purchaser and Vendor acknowledge and agree that this Agreement will need to be provided to the Court and the creditors of the Vendor in connection with the Creditor Approval and Sale Approval, and accordingly will be available to the public in accordance with the procedures of the Court, and hereby specifically authorize such disclosure.

### **10.2 Interpretation**

Words importing the singular include the plural and vice versa. Words importing gender include all genders. The captions and headings contained herein are for reference only and in no way affect this Agreement or its interpretation. When more than one party constitutes the Purchaser hereunder, each of the obligations of the Purchaser shall, except where expressly provided otherwise herein, be the joint and several obligation of each such party.

### **10.3 Obligations as Covenants**

Each agreement and obligation of any of the parties hereto in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.

### **10.4 Applicable Law**

This Agreement shall be construed and enforced in accordance with the laws of the Province of Nova Scotia and the laws of Canada applicable therein.

### **10.5 Currency and Cheques**

All references to currency in the Agreement shall be deemed to be referenced to Canadian dollars. Any cheques tendered shall be drawn on one of the major Canadian Chartered Banks.

### **10.6 Invalidity**

If any immaterial covenant, obligation, agreement or part thereof or the application thereof to any person or circumstance should to any extent be invalid or unenforceable, the remainder of this Agreement (or the application of such covenant, obligation or agreement or part thereof to any person, party or circumstance other than those to which it is held invalid or unenforceable) shall not be affected thereby. Each covenant, obligation and agreement in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

### **10.7 Amendment of Agreement**

No supplement or amendment of the Agreement shall be binding unless executed in writing by the parties hereto in the same manner as the execution of this Agreement.

### **10.8 Time of the Essence**

Time shall be of the essence of this Agreement.

**10.9 Further Assurances**

Each of the parties hereto shall from time to time hereafter and upon any reasonable request of the other party, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.

**10.10 Entire Agreement**

This Agreement and any agreements, instruments and other documents herein contemplated to be entered into between, by or including the parties hereto constitute the entire agreement between the parties hereto pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, with respect thereto, and there are no other warranties or representations and no other agreements between the parties hereto in connection with the agreement of purchase and sale provided for herein except as specifically set forth in this Agreement.

**10.11 Waiver**

No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise expressed or provided.

**10.12 Solicitors as Agents and Tender**

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in the Agreement may be given or delivered and accepted or received by the Purchaser's Solicitor's on behalf of the Purchaser and by the Vendor's Solicitor's on behalf of the Vendor and any tender of Closing Documents and the balance may be made upon the Vendor's Solicitors and the Purchaser's Solicitor's, as the case may be.

**10.13 Expropriation**

If the Property or any material part thereof is appropriated by public or other lawful authority before the Closing the Purchaser shall have the right to (a) elect by notice in writing to take the damages awarded or compensation, as the case may be, and complete or (b) cancel this Agreement by notice in writing. In the event of a lesser condemnation or appropriation the Purchaser shall complete the Closing and shall be entitled to take the damages awarded or compensation, as the case may be.

**10.14 Assignment by Purchaser**

The Purchaser may assign its rights and/or obligations hereunder to an entity related to the Purchaser without the prior written consent of the Vendor.

**10.15 Successors and Assigns**

All of the covenants and agreements in this Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall enure to the benefit of and be enforceable by the parties hereto and their respective successors and their permitted assigns pursuant to the terms and conditions of this Agreement.

**10.16 Notice**

Any notice, demand, approval, consent, information, agreement, offer, payment, request or other communication (hereinafter referred to as a “**Notice**”) to be given under or in connection with this Agreement shall be in writing and shall be given by personal delivery or by telecopier or other electronic communication which results in a written or printed notice being given, addressed or sent as set out below or to such other address or electronic number as may from time to time be the subject of a Notice:

(a) **Vendor:**

5961 Campbell Drive,  
Halifax, NS B3H 1E2  
Attn: Michael Pink

With a copy to Colin Boyd  
via email – [colin.boyd@mcinnescooper.com](mailto:colin.boyd@mcinnescooper.com)

(b) **Purchaser:**

4653 Nova Scotia Trunk 3  
Chester Basin, NS B0J 1K0  
Attn: Chris Gwynne-Timothy

With a copy to Denny L. Pickup  
via email – [dpickup@boyneclarke.ca](mailto:dpickup@boyneclarke.ca)

Any Notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by telecopier or other electronic communication with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the day next following the day it was received.

**10.17 Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

**[Signature Page Follows]**

**IN WITNESS WHEREOF** the Purchaser and Vendor have executed this Agreement as of the date first above written.

**KEL-ANN ENTERPRISES LIMITED**

Per:



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**Michael Pink, President**

**3177572 NOVA SCOTIA LIMITED**

Per:



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**Chris Gwynne-Timothy - President**



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**Michael Pink**

## **Schedule "A"**

### **Equipment and Tools**

#### Trucks & Trailers

Ford F550 1FDAF57R18EA74736 single axle dump truck 2008  
Freightliner FLD120 2FVXFCY99MV377872 tandem axle dump truck 1991  
Freightliner FLD120 2FUFDYBORA611881 tandem axle dump truck 1994  
Freightliner Cascadia 1FUJGBDV8CLBM3519 tandem axle tractor 2012  
Custom End Dump 2L9DA63S031070521 tridem dump trailer 2003

#### Front End Loaders

Hough 540 3520101C003061 Front End Loader 1981  
Hough 540 3520101U004030 Front End Loader 1987  
Caterpillar 938K CREP00827 Front End Loader 2018  
Caterpillar 914K ECD200844 Front End Loader 2015

#### Equipment

Powerescreen Warrior 800 132TDGFC1667 screening plant 2015  
Bell Proceessor 4000 4000C-065 firewood processing plant 2013  
Bell Firewood Stacker 24-025 firewood processing Stacker 2013

#### Tools

All tools, shop equipment, shop supplies, spare parts, office furniture, and office equipment, other than the Excluded Assets, located at the Leased Premises.

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**Schedule "B"**

**Property**

No. 14 Highway, Upper Rawdon, Nova Scotia being PID Numbers:

1. 45129152; and
2. 45163540.

**Schedule "C"**

**Excluded Assets**

1. Lenovo Computer s/n 1S10A8S1560HMJ02UHNZ.
2. Samsung Computer Monitor s/n M319H9NL807342Z.
3. HP Printer s/n CNB9G9VCYC.
4. iPad Mini 4 s/n F9FTG7JZGHMN and stand; and
5. RangeRover 2020 Evoque vin SALZP2FX6LH094385

**Schedule "D"**

**Purchase Price Allocation**

The Purchase Price shall be allocated as follows:

- (a) \$\_\_\_\_\_ to the Inventory;
- (b) \$\_\_\_\_\_ to the Equipment;
- (c) \$\_\_\_\_\_ to the Property; and
- (d) \$\_\_\_\_\_ to good will of the business.

**Schedule "E"**  
**PPSA Registrations**

**Registration Number: 12390373**

<b>Debtors:</b>	KEL-ANN ENTRPRISES LIMITED
<b>Secured Party:</b>	BANK OF MONTREAL
<b>Registration Number:</b>	12390373
<b>Registration Date:</b>	2007-05-07
<b>Expiry Date:</b>	2027-05-07
<b>Collateral Description:</b>	2008 FORD TRUCK Serial Number 1FDAF57R18EA74736, AND ALL ACCESSIONS THERETO; AND ALL PROCEEDS AND OTHER PERSONAL PROPERTY OF THE DEBTOR THAT ARISE THROUGH DEALINGS WITH, REPLACEMENTS OF, ADDITIONS TO, OR SUBSTITUTIONS FOR, THE ABOVE MENTIONED COLLATERAL, GOODS, CHATTEL PAPER, INSTRUMENTS, DOCUMENTS OF TITLE, SECURITIES, INTANGIBLES OR MONEY.
<b>Serial Numbered Collateral</b>	
<b>Serial Number:</b>	1FDAF57R18EA74736
<b>Collateral Type:</b>	Motor Vehicle
<b>Description:</b>	2008 Ford Truck

**Registration Number: 1362153**

<b>Debtors:</b>	Kel Ann Enterprises Limited
<b>Secured Party:</b>	BANK OF MONTREAL
<b>Registration Number:</b>	1362153
<b>Registration Date:</b>	1999-02-09
<b>Expiry Date:</b>	2029-02-09
<b>Collateral Description:</b>	All of the debtor's present and after acquired personal property.
<b>Serial Numbered Collateral</b>	
<b>Serial Number:</b>	132ADGC
<b>Collateral Type:</b>	Motor Vehicle
<b>Description:</b>	2012 POWERSCREEN WARRIOR 800

<b>Serial Numbered Collateral</b>	
<b>Serial Number:</b>	1FUJGBDV8CLBM3519
<b>Collateral Type:</b>	Motor Vehicle
<b>Description:</b>	2012 FREIGHTLINER PX113064ST
<b>Serial Numbered Collateral</b>	
<b>Serial Number:</b>	132TDGFC1667
<b>Collateral Type:</b>	Motor Vehicle
<b>Description:</b>	2015 Powerscreen Warrior 800 Screener
<b>Serial Numbered Collateral</b>	
<b>Serial Number:</b>	2TVDP3730LD000632
<b>Collateral Type:</b>	Trailer
<b>Description:</b>	2020 Titan Tridem Dump Trailer

**Registration Number: 1248199**

<b>Debtors:</b>	Kel-Ann Enterprises Limited
<b>Secured Party:</b>	BANK OF MONTREAL
<b>Registration Number:</b>	1248199
<b>Registration Date:</b>	1998-12-23
<b>Expiry Date:</b>	2028-12-23
<b>Collateral Description:</b>	All of the debtor's present and after acquired personal property.

**Registration Number: 11185477**

<b>Debtors:</b>	KEL-ANN ENTERPRISES LIMITED
<b>Secured Party:</b>	BANK OF MONTREAL
<b>Registration Number:</b>	11185477
<b>Registration Date:</b>	2006-06-20
<b>Expiry Date:</b>	2026-06-20
<b>Collateral Description:</b>	GSA- ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY.

**Registration Number: 11185485**

<b>Debtors:</b>	KEL-ANN ENTERPRISES LIMITED
<b>Secured Party:</b>	BANK OF MONTREAL
<b>Registration Number:</b>	11185485
<b>Registration Date:</b>	2006-06-20
<b>Expiry Date:</b>	2026-06-20
<b>Collateral Description:</b>	WG2746759 POWERSCREEN MKII WG2468161 M60 AWG2746759/1 AWG2468161/1 AND ALL ACCESSIONS THERETO; AND ALL PROCEEDS AND OTHER PERSONAL PROPERTY OF THE DEBTOR THAT ARISE THROUGH DEALINGS WITH, REPLACEMENTS OF, ADDITIONS TO, OR SUBSTITUTIONS FOR, THE ABOVE MENTIONED COLLATERAL, GOODS, CHATTEL PAPER, INSTRUMENTS, DOCUMENTS OF TITLE, SECURITIES, INTANGIBLES OR MONEY.

**Registration Number: 39195318**

<b>Debtors:</b>	KEL-ANN ENTERPRISES LIMITED
<b>Secured Party:</b>	The Bank of Nova Scotia
<b>Registration Number:</b>	39195318
<b>Registration Date:</b>	2024-03-05
<b>Expiry Date:</b>	2029-03-05
<b>Collateral Description:</b>	OUR SECURITY INTEREST IS LIMITED TO THE MOTOR VEHICLES LISTED ABOVE AND THE PROCEEDS OF THOSE VEHICLES
<b>Serial Numbered Collateral</b>	
<b>Serial Number:</b>	SALZP2FX6LH094385
<b>Collateral Type:</b>	Motor Vehicle
<b>Description:</b>	2020 Land Rover Range Rover Evoque

**Registration Number: 40867988**

<b>Debtors:</b>	Kel-Ann Enterprises Limited
<b>Secured Party:</b>	Pink, Michael
<b>Registration Number:</b>	40867988
<b>Registration Date:</b>	2025-02-07

<b>Expiry Date:</b>	2027-02-07
<b>Collateral Description:</b>	A security interest is taken in all of the debtor's present and after-acquired personal property.

**Schedule “F”**  
**Potential Claims**

Legal Proceedings:

1. Eastern Heavy Equipment Ltd. – Small Claims Action – SCT-543380 claim for debt in the amount of \$5,206.09.

Secured Creditors:

Name	Amount Owing
Bank of Montreal (term loan)	\$270,445
Bank of Montreal (operating/overdraft loan)	\$221,818
Bank of Montreal (term loan)	\$34,180
Michael Pink Loan	\$409,983

Unsecured Creditors:

Name	Amount Owing
A.F. MacPhee Holdings Limited	\$12,278
Amex Bank of Canada	\$34,644
Atlantic DocuSHRED Inc.	\$201
Bell Mobility Inc.	\$253
Bluewater Recycling Inc.	\$938
BMO Mastercard	\$42,072
CIBC Visa	\$97,415
CRA- HST	\$13,822
Dale Fabrication Inc.	\$11,500
Dale's Truck Center Ltd.	\$14,701
Eastern Heavy Equipment	\$4,621
Eastlink	\$329
Envirem Organics Inc.	\$10,637
G Veinot Metal Fabrication Limited	\$37,467
Hodgson Trucking Ltd.	\$36,790
Irving Oil Limited (Bulk Tanks)	\$41,166

Lawrence's Auto Salvage Ltd.	\$115
LB Heavy Haul Ltd	\$633
Ledwidge Lumber Co. Limited	\$2,753
Linde Canada Inc. (Praxair)	\$437
Miller Tire Services Ltd.	\$4,852
Nova Enterprises Limited	\$301
Parts For Trucks, Inc.	\$1,060
RE Group	\$72
Rocky Lake Quarry	\$251
Stingray Business	\$376
Teal Forest Resources Inc.	\$5,693
Tom Groves Mechanical Services	\$2,720
Toromont Cat (Maritimes)	\$387
XL Truck & Equipment Services Ltd.	\$390

## AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

**THIS AMENDING AGREEMENT** (this “**Amending Agreement**”) effective as of August 1, 2025 (the “**Effective Date**”).

### BETWEEN:

**KEL-ANN ENTERPRISES LIMITED**, a body corporate existing under the laws of Nova Scotia

(the “**Vendor**”)

- and -

**3177572 NOVA SCOTIA LIMITED**, a body corporate existing under the laws of Nova Scotia, or its assignee

(the “**Purchaser**”)

- and -

**MICHAEL PINK**, of Halifax, Nova Scotia

(Each a “**Party**” and collectively the “**Parties**”).

### WHEREAS:

- A. The Parties have entered an agreement of purchase and sale dated June 27, 2025, (the “**Purchase Agreement**”).
- B. The Parties hereto have agreed to amend the Purchase Agreement as set forth in this Amending Agreement;

**NOW THEREFORE** in consideration of the sum of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Interpretation**. In this Amending Agreement, all capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Purchase Agreement.
2. **Amendments**. The Purchase Agreement is hereby amended, as of the Effective Date, as follows:
  - (a) Section 1.1(g) is deleted and replaced by the following:

“**Closing Date**” means on or before August 22, 2025, or, in the event that the Vendor makes a Proposal, the date that is five (5) Business Days following the date on which all of the conditions in Sections 5.1 and 6.1 have been satisfied or waived, except for those conditions that by their nature can only be satisfied on the Closing Date, or such earlier or later date as agreed to by the Parties.

(b) Section 1.1(l) is deleted and replaced by the following:

**“Due Diligence Date”** means August 15, 2025.

3. **No Other Amendments**. Except as modified by this Amending Agreement, all other terms and conditions of the Purchase Agreement remain the same and unmodified and in full force and effect, and time continues to be of the essence.
4. **Successors and Assigns**. This Amending Agreement shall be binding upon and shall enure to the Parties and their respective permitted assigns.
5. **Counterparts**. This Amending Agreement may be exchanged and executed by the Parties in electronic counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument.
6. **Governing Law**. This Amending Agreement is governed by and construed in accordance with the laws of the Province of Nova Scotia, and the federal laws of Canada applicable in that Province.

*[Signature Page Follows]*

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

**KEL-ANN ENTERPRISES LIMITED**

Per: 

---

**Michael Pink, President**

**3177572 NOVA SCOTIA LIMITED**

Per: 

---

**Chris Gwynne-Timothy - President**



---

**Michael Pink**

## AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

**THIS AMENDING AGREEMENT** (this “**Second Amending Agreement**”) effective as of August 21, 2025 (the “**Effective Date**”).

### BETWEEN:

**KEL-ANN ENTERPRISES LIMITED**, a body corporate existing under the laws of Nova Scotia

(the “**Vendor**”)

- and -

**3177572 NOVA SCOTIA LIMITED**, a body corporate existing under the laws of Nova Scotia, or its assignee

(the “**Purchaser**”)

- and -

**MICHAEL PINK**, of Halifax, Nova Scotia

(Each a “**Party**” and collectively the “**Parties**”.)

### WHEREAS:

- A. The Parties have entered an agreement of purchase and sale dated June 27, 2025, as amended by an amending agreement dated August 1, 2025 (the “**Purchase Agreement**”).
- B. The Parties hereto have agreed to amend the Purchase Agreement as set forth in this Second Amending Agreement;

**NOW THEREFORE** in consideration of the sum of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1. **Interpretation**. In this Amending Agreement, all capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Purchase Agreement.
- 2. **Amendments**. Schedule “D” in the Purchase Agreement is hereby deleted in its entirety and replaced by Appendix “I” hereto.
- 3. **No Other Amendments**. Except as modified by this Second Amending Agreement, all other terms and conditions of the Purchase Agreement remain the same and unmodified and in full force and effect, and time continues to be of the essence.
- 4. **Successors and Assigns**. This Second Amending Agreement shall be binding upon and shall enure to the Parties and their respective permitted assigns.

5. **Counterparts**. This Second Amending Agreement may be exchanged and executed by the Parties in electronic counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument.
6. **Governing Law**. This Second Amending Agreement is governed by and construed in accordance with the laws of the Province of Nova Scotia, and the federal laws of Canada applicable in that Province.

*[Signature Page Follows]*

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

**KEL-ANN ENTERPRISES LIMITED**

Per:



---

**Michael Pink, President**

**3177572 NOVA SCOTIA LIMITED**

Per:

---

**Chris Gwynne-Timothy - President**



---

**Michael Pink**

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

**KEL-ANN ENTERPRISES LIMITED**

Per:

\_\_\_\_\_  
**Michael Pink, President**

**3177572 NOVA SCOTIA LIMITED**

Per: Signed by:  


\_\_\_\_\_  
**Chris Gwynne-Timothy - President**

\_\_\_\_\_  
**Michael Pink**

## Appendix "I"

### Schedule "D"

#### Purchase Price Allocation

The Purchase Price shall be allocated as follows:

			<u>Purchase Price</u>
Land in Rawdon	PID's 45129152 & 45163540		\$ 195,000.00
<u>Front End Loaders</u>			
<b>Year</b>	<b>Make/Model</b>	<b>VIN</b>	
2018	Caterpillar 938K	CREP00827	\$ 160,000.00
2012	caterpillar 914K	ECD200844	\$ 100,000.00
1981	Hough 540	3520101C003061	\$ 1,000.00
1987	Hough 540	3520101U004030	\$ 1,000.00
<u>Trucks and Trailers</u>			
<b>Year</b>	<b>Make/Model</b>	<b>VIN</b>	
2008	Ford F550	1FDAF57R18EA74736	\$ 15,000.00
1991	Freightliner FLD120	2FVXFCY99MV377872	\$ 9,000.00
1994	Freightliner FLD 120	2FUYFDYBORA611881	\$ 9,000.00
2003	Customer end dump trailer	2L9DA63S031070521	\$ 20,000.00
2012	Freightliner Cascadia	1FUJGBDV8CLBM3519	\$ 20,000.00
<u>Equipment</u>			
2015	Powerscreener Warrior 800	132TDGFC1667	\$ 200,000.00
2013	Bell Firewood processor 4000	4000C-065	\$ 60,000.00
2013	Bell Firewood stacker	24-025	\$ 5,000.00
	Small tools		\$ 5,000.00
			\$ 800,000.00

CONCISE  
APPRAISAL REPORT

of the

MARKET VALUE

of

**PID #'S 45163540 & 45129152**  
**HIGHWAY 14**  
**UPPER RAWDON, NOVA SCOTIA**

as of

June 6, 2025

prepared for

Kel-Ann Enterprises Limited  
Michael Pink

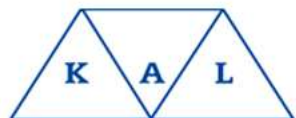
prepared by

Jarett R. Dinn, B.Comm.  
AIC Candidate Member  
NSREAA # 916916

&

Paul R. Young, B.Comm., AACI, P.App.  
Accredited Appraiser Canadian Institute  
Professional Appraiser  
NSREAA # 302147





## Kempton Appraisals Limited

Tel - 902.465.3000  
Email - [Kempton@Kemptonappraisals.com](mailto:Kempton@Kemptonappraisals.com)  
Mailing Address - P.O Box 8153, Halifax ,  
RPO CSC, NS, B3K 5L9



Real Estate Appraisers, Analysts and Consultants - [www.kemptonappraisals.com](http://www.kemptonappraisals.com)

June 11, 2025

Kel-Ann Enterprises Limited

Attention: Michael Pink

**Re: PID #'s 45163540 & 45129152, Highway 14, Upper Rawdon, Nova Scotia, Our File # 25-0212**

In response to your request, I have inspected the subject properties, and I am pleased to submit this concise appraisal report, with my estimate of the subject property's market value, as of June 6, 2025.

This Concise Appraisal Report is intended to comply with the reporting requirements set forth under the Canadian Uniform Standards of Professional Appraisal Practice. As such it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraiser is not responsible for unauthorized use of this report.

### **Authorized Client**

Kel-Ann Enterprises Limited

### **Authorized Use**

Disposition (liquidation of company assets for bankruptcy)

### **Authorized User**

BDO Canada Limited (assisting client in bankruptcy proceedings)

### **Date of Inspection**

June 6, 2025

**Effective Date of Value Estimate**

June 6, 2025

**Completion Date of this Report**

June 11, 2025

**Scope of the Appraisal**

The subject properties were inspected by Jarett R. Dinn, B.Comm., AIC Candidate Member on June 6, 2025. Notes and photographs were taken at the time of inspection.

The market area considered in this valuation is Nova Scotia, with an emphasis on Hants County where the subject properties are located.

Research and report preparation was completed by Jarett R. Dinn, B.Comm., AIC Candidate Member. Paul R. Young, B.Comm., AACI, P. App. has reviewed this report and takes responsibility for its content.

**Hypothetical Conditions**

None.

**Extraordinary Assumptions**

**The appraiser was informed of a sand deposit on the subject properties. As a result, the appraisal is based on the extraordinary assumption that the sand deposit does not add any additional value to the properties. Should a qualified expert determine that the deposit contributes significant value, the appraisal is subject to change.**

**Market History**

The appraiser is unaware of any market activity on the subject properties during the past 3 years.

## **Reasonable Exposure Time**

In estimating the market value of the subject properties, the exposure time was estimated to be up to 6 months. Exposure time is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal, based upon analysis of past events assuming a competitive and open market.

## **Interest Valued**

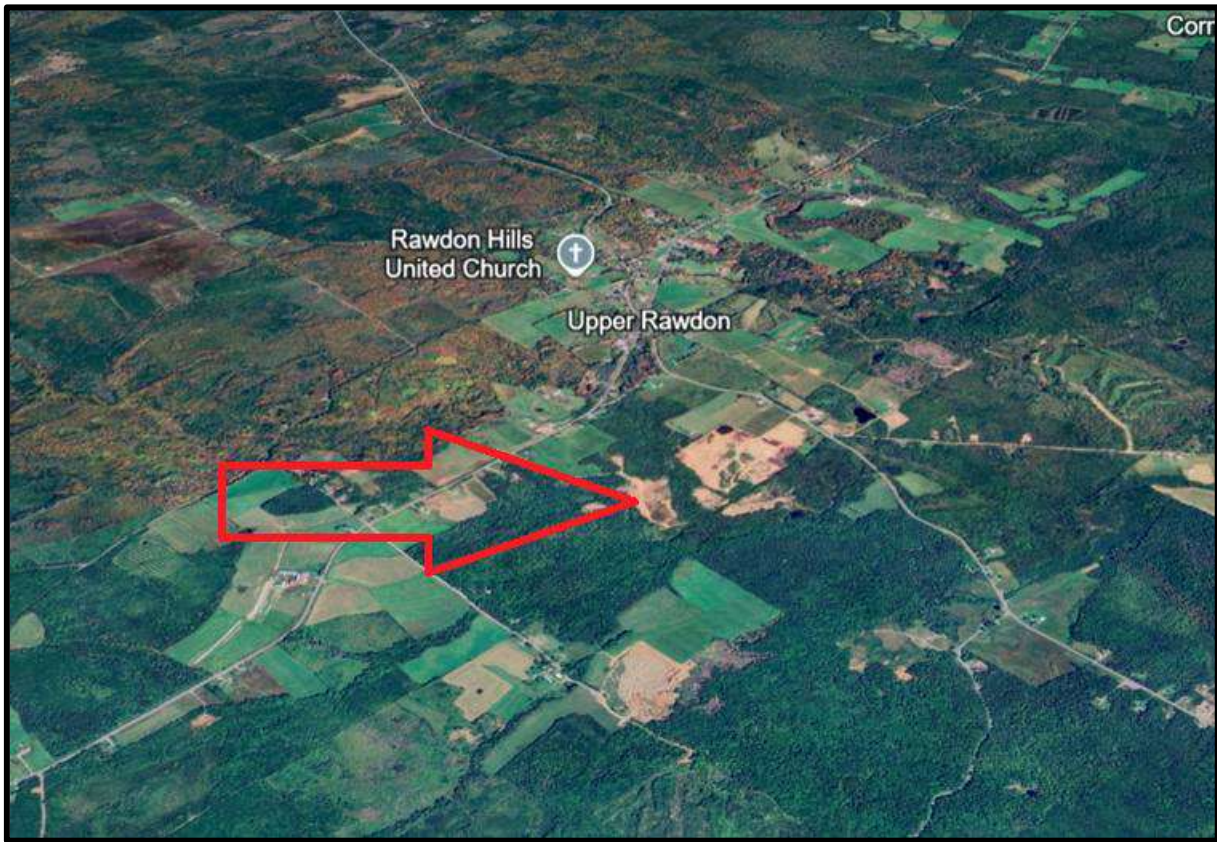
Fee Simple.

A Fee Simple Estate represents an absolute ownership of property unencumbered by any other interest or estate and subject only to the powers of government.

## **Definition of Reported Value (Market Value)**

The most probable price which a property should bring in a competitive market under all condition's requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified 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, with each acting in what he considered his own best interest; 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 terms of financial arrangements comparable thereto; and 5) the price represents the normal consideration of the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

## Neighbourhood Data



The subject properties are located off Highway 14 in the community of Upper Rawdon, Nova Scotia. The immediate area is comprised of a variety of low-density residential, agricultural and forestry-related uses. The community is rural in nature, with dwellings generally situated on large lots and surrounded by wooded and open lands. Forestry operations and small-scale farming are common in the area. Based on the established pattern of rural development and convenient access to nearby service centres such as Windsor and Kennetcook via Highway 14, it is anticipated there will continue to be reasonable demand for residential, agricultural and recreational real estate in the immediate area for the foreseeable future.

<b><u>Distance from Subject Properties</u></b>	
Halifax	55 Kilometers
Windsor	40 Kilometers
Truro	65 Kilometers

## Site Description

The following is a site summary of the subject properties:

Site Summary				
Address	Pid #	Size	Assessment Account #	2025 Assessment
Highway 14, Upper Rawdon	45163540	10 Acres	07908563	\$4,300 Resource Taxable
Highway 14, Upper Rawdon	45129152	67.48 Acres	07861176	\$9,700 Resource Taxable \$53,500 Resource Farm
		<b>77.48 Acres</b>		

Map showing property boundaries and location of PID 45163540 highlighted in yellow. The map includes surrounding properties with their PIDs and Highway 14. A search interface on the right allows for location and property information lookup.

**Search Location**

Location:

[Search](#) [Reset](#)

**Property Information**

**PID:** 45163540 [Details](#)

**AAN:** 07908563

**Value:** \$4,300.00 (2025 RESOURCE TAXABLE)

**Address:** NO 14 HIGHWAY  
UPPER RAWDON

**County:** HANTS COUNTY

**Owner:** KEL-ANN ENTERPRISES LIMITED

**LR:** NOT LAND REGISTRATION

Map showing property boundaries and location of PID 45129152 highlighted in yellow. The map includes surrounding properties with their PIDs and Highway 14. A search interface on the right allows for location and property information lookup.

**Search Location**

Location:

[Search](#) [Reset](#)

**Property Information**

**PID:** 45129152 [Details](#)

**AAN:** 07861176

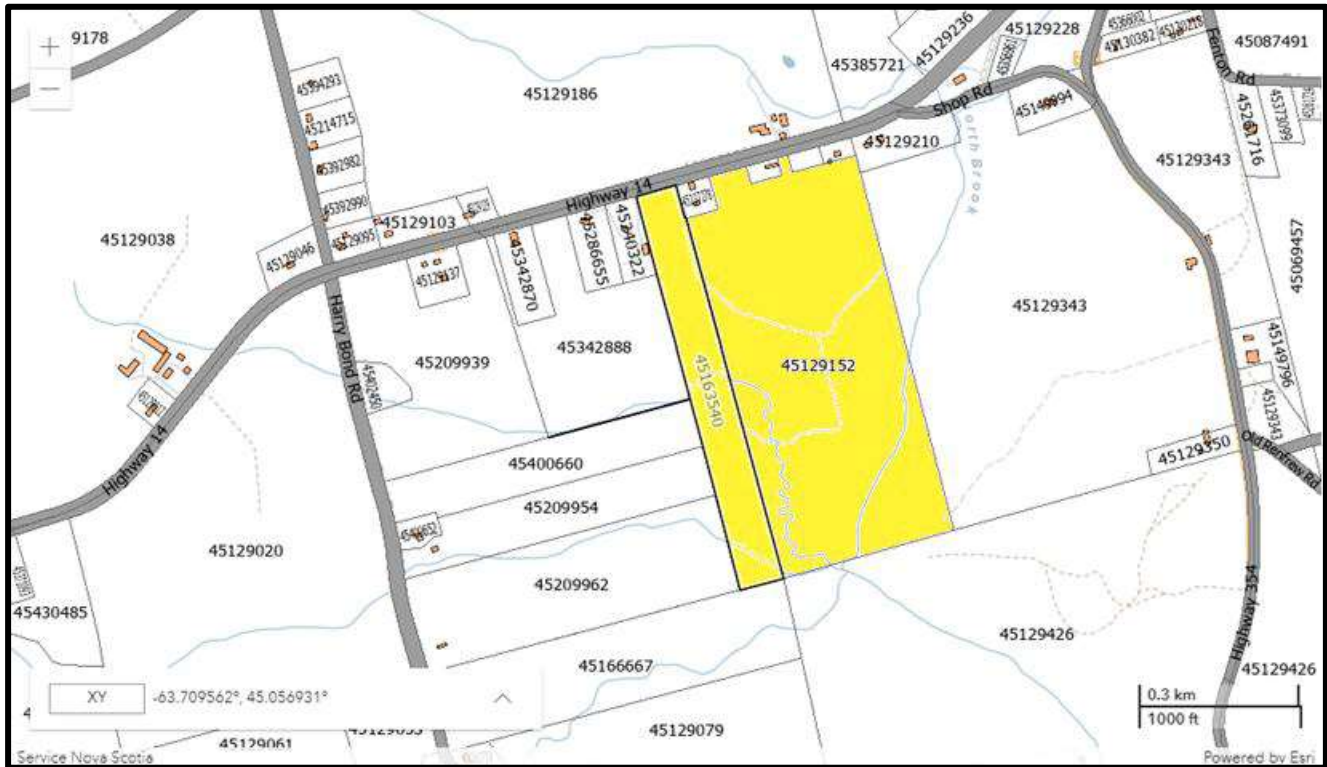
**Value:** \$9,700.00 (2025 RESOURCE TAXABLE)  
\$53,500.00 (2025 RESOURCE FARM)

**Address:** NO 14 HIGHWAY  
UPPER RAWDON

**County:** HANTS COUNTY

**Owner:** KEL-ANN ENTERPRISES LIMITED

**LR:** NOT LAND REGISTRATION

(Site Description Cont'd)

Topography: Generally Level

Site Utility: Average

Encumbrances: The subject property PID#45129152 is subject to a utility easement for the purpose of constructing and maintaining a septic system, sewers and drains.

Comments: **The appraiser was informed of a sand deposit on the subject properties. As a result, the appraisal is based on the extraordinary assumption that the sand deposit does not add any additional value to the properties. Should a qualified expert determine that the deposit contributes significant value, the appraisal is subject to change.**

**(Site Description Cont'd)****Site Improvements**

The subject properties are vacant, unimproved and ready for highest and best use development.

**Services Available to the Site**

The subject properties are unserved with respect to municipal water and sewer services. Other services such as electricity, telephone, and the usual municipal services including police and fire protection, street maintenance and snow clearing in the winter are readily available to the subject properties.

**Assessment (2025)**

The following is an assessment summary of the subject properties:

<b>Assessment Summary</b>				
<b>Address</b>	<b>Pid #</b>	<b>Size</b>	<b>Assessment Account #</b>	<b>2025 Assessment</b>
Highway 14, Upper Rawdon	45163540	10 Acres	07908563	\$4,300 Resource Taxable
Highway 14, Upper Rawdon	45129152	67.48 Acres	07861176	\$9,700 Resource Taxable \$53,500 Resource Farm
		<b>77.48 Acres</b>		

**(Assessment Cont'd)**

<b>PID</b>	45163540	<b>Parcel Type</b>	STANDARD PARCEL
<b>Area</b>	10 ACRE(S) (DEED)	<b>Parcel Access</b>	
<b>Lot</b>		<b>Created</b>	Dec 07, 1979 12:00:00AM
<b>PDCA Status</b>	No Description	<b>Municipal Unit</b>	MUNICIPALITY OF THE DISTRICT OF HANTS EAST
<b>Location</b>	<b>County</b>	<b>Primary Location</b>	
NO 14 HIGHWAY UPPER RAWDON	HANTS COUNTY	Yes	
<b>Comments</b>			
MAP:1045050063700 MAP:11E0454			
<b>Assessment Account</b>	<b>Value</b>		
07908563	\$4,300.00 (2025 RESOURCE TAXABLE)		

<b>PID</b>	45129152	<b>Parcel Type</b>	STANDARD PARCEL
<b>Area</b>	67.48 ACRE(S) (DEED)	<b>Parcel Access</b>	
<b>Lot</b>		<b>Created</b>	Dec 07, 1979 12:00:00AM
<b>PDCA Status</b>	No Description	<b>Municipal Unit</b>	MUNICIPALITY OF THE DISTRICT OF HANTS EAST
<b>Location</b>	<b>County</b>	<b>Primary Location</b>	
NO 14 HIGHWAY UPPER RAWDON	HANTS COUNTY	Yes	
<b>Comments</b>			
MAP:1045050063700 MAP:11E0454			
<b>Assessment Account</b>	<b>Value</b>		
07861176	\$9,700.00 (2025 RESOURCE TAXABLE) \$53,500.00 (2025 RESOURCE FARM)		

**Zoning & Land Use Controls**

The following is a zoning summary of the subject properties:

<b>Zoning Summary</b>			
<b>Address</b>	<b>Pid #</b>	<b>Size</b>	<b>Zoning</b>
Highway 14, Upper Rawdon	45163540	10 Acres	RU-2 (Rural Use North)
Highway 14, Upper Rawdon	45129152	67.48 Acres	
		<b>77.48 Acres</b>	

According to the East Hants interactive zoning map, the subject properties are zoned RU-2 (Rural Use North) which allows for a wide variety of residential, agricultural, resource and commercial uses. A copy of the zoning regulation is included in the appendix of this report.

## **Highest and Best Use - *As if Vacant***

According to the East Hants interactive zoning map, the subject properties are zoned RU-2 (Rural Use North) which allows for a wide variety of residential, agricultural, resource and commercial uses. The subject properties are surrounded by a variety of low-density residential, agricultural and forestry-related uses. Based on the large site size of the combined subject properties, the highest and best use of the subject properties as if vacant would be combined agricultural use.

## **Extent of Inspection**

The subject properties were inspected by Jarett R. Dinn, B.Comm., AIC Candidate Member on June 6, 2025. Notes and photographs were taken at the time of inspection.

## **Appraisal Analysis**

When valuing real property, there are three basic approaches, which can be employed, being the *Cost*, *Income* and *Direct Comparison Approaches*.

The *Cost Approach* to value is used when valuing properties consisting of land and building(s) and is most effective when the building(s) are relatively new and not suffering from any great amount of depreciation.

Utilizing this approach to value, the land value is estimated by the *Direct Comparison Approach* based on sales of comparable properties.

The reproduction/replacement cost new of the building(s) is estimated, based on current construction costs for the local area. Depreciation (loss in value from all causes) is estimated and deducted from the reproduction/replacement cost new. To the depreciated reproduction/replacement cost of the building(s) is added the market value of the site, as if vacant, and the depreciated value of any other site improvements (i.e. landscaping, paving, etc).

The *Income Approach* to value is used to value investment type properties such as industrial buildings, apartment buildings, office buildings and the like. Gross income is estimated based on economic (market) rents and the expenses necessary to maintain the income stream are also calculated.

An appropriate *capitalization rate* is then determined which when applied to the net income would make the income stream sufficiently attractive to induce investors to purchase or build the income property.

## **(Appraisal Analysis Cont'd)**

The *Direct Comparison Approach* is most widely used and generally the most reliable method of valuation, assuming enough market data is available to substantiate the opinion of value. To employ this approach, a search of the market is conducted to find sales of comparable properties.

When properly adjusted, these comparables will yield an indication of market value of the subject property and will reflect the interaction of vendors and purchasers in the open market as they arrive at a price that is considered fair by both parties involved.

### **Steps Taken to Arrive at Value Estimate**

The Cost and Income Approaches were not considered applicable for valuing vacant land, in this case.

The Direct Comparison Approach will be used to value the subject properties.

### **Direct Comparison Approach**

#### **Theory**

The Direct Comparison Approach is a valuation method whereby the property being appraised is compared with similar properties that have recently been sold, offered for sale, rented, or offered for rent. The assumption is, of course, that if the subject property had been exposed to the market, it would have been in competition with the comparable property and appealing to the same type of purchaser, in the same market. Since no two properties are alike, the adjustments must be made to compensate for differences between the comparables and the property. When arriving at a value conclusion by this method, the greatest weight is given to actual sales of truly comparable properties made at or nearest the effective date of this appraisal to reflect comparable economic conditions.

The Direct Comparison Approach is based on the "Principle of Substitution" which maintains that a prudent buyer will not pay more for a property than it would cost to buy an equally desirable substitute property provided there is no undue delay in making the acquisition.

Provided that a sufficient number of valid comparables can be found, the Direct Comparison Approach is an excellent test of value as it reflects the actions of buyers and sellers in the marketplace.

### **(Direct Comparison Approach Cont'd)**

Since all market data is based on transactions that have already occurred and is therefore, historical in nature, this approach requires an assumption that the market will continue to behave in the future as it has in the past.

This approach is the most effective and reliable when there are sufficient quantities of accurate, reliable market data, which may be properly analyzed. The data must be evaluated as through the eyes of a typical purchaser without regard to the appraiser's personal viewpoint.

#### **Steps in the Direct Comparison**

1. Survey the area to locate comparable properties.
  - a) that have sold recently.
  - b) that are offered for sale.
  - c) on which offers have been made.
  - d) that are rented.
  - e) that are offered for rent.
2. Locate and check pertinent information on each.
3. Analyze the data regarding differences both in time of sale and other factors between each comparable and the subject.
4. Compare each sale to the subject property making necessary adjustments.
5. Reconcile the data and make a final estimate of value.

The highest and best use of the subject properties as if vacant is combined agricultural use. Therefore, for the purpose of the appraisal, the subject properties have been combined and valued together. Due to a lack of recent truly comparable land sales in the immediate subject area, the location, site size and date of sale considered had to be expanded. The following comparable land sales have been valued on a price/acre basis and adjusted for dissimilarities to the combined subject property:

**(Direct Comparison Approach Cont'd)**

<b>Direct Comparison Approach - Comparable Land Sales</b>					
	<b>Subject</b>	<b>Sale #1</b>	<b>Sale #2</b>	<b>Sale #3</b>	<b>Sale #4</b>
Address	Highway 14, Upper Rawdon	Lot A & B Highway 14, Upper Rawdon	Highway 14, Greenfield	723 Highway 14, Greenfield	Lot 23-1 Highway 14, Upper Rawdon
Pid#	45163540, 45129152	45131018	45124567	45124310	45430014
Sale Price	Na	\$94,900	\$300,000	\$275,000	\$60,000
Sale Date	Na	Pending	09-Apr-2025	Pending	11-Sept-2023
Site Size Acres	77.48	20.54	134.00	96.00	22.61
Price/Acre	Na	\$4,620	\$2,239	\$2,865	\$2,654
Mun Water/Sewer	No	No	No	No	No
Zoning	RU-2	RU-2	RU-2	RU-2	RU-2
Comments	Vacant rural zoned land	Vacant rural zoned land	Vacant rural zoned land	Vacant rural zoned land	Vacant rural zoned land
Adjustments					
Property Rights					
Financing					
Motivation		-10%		-10%	
Market Conditions					
Location					
Physical Characteristics					
Site Size Economy of Scale		-30%	20%	10%	-30%
<i>Net Physical Adj.</i>	Na	-30%	20%	10%	-30%
<b>Adjusted Price/Acre</b>	<b>Na</b>	<b>\$2,911</b>	<b>\$2,687</b>	<b>\$2,836</b>	<b>\$1,858</b>

*\*No market condition adjustments were considered warranted at this time*



**(Direct Comparison Approach Cont'd)**

A negative 10% motivation adjustment was made to comparable #1 and comparable #3 as the comparables are pending sales and only the listing prices are publicly available.

The adjusted values range from \$1,858/acre to \$2,911/acre. Based on relative values observed, the subject properties have been valued at \$2,600/acre.

$$\begin{aligned} \text{Market Value} &= \text{Land Size Acres} \times \text{Price/Acre} \\ &= 77.48 \text{ Acres} \times \$2,600/\text{Acre} \\ &= \$201,448 \end{aligned}$$

Rounded to: **\$200,000\***

**\*The appraisal is based on the extraordinary assumption that the sand deposit does not add any additional value to the properties. Should a qualified expert determine that the deposit contributes significant value, the appraisal is subject to change.**

**Reconciliation and Final Estimate of Value**

Direct Comparison Approach	\$200,000
----------------------------	-----------

All weight has been placed on the direct comparison approach.

**Conclusion**

After carefully considering all factors affecting value, including size, shape and location of the site; zoning; Highest and Best Use; developments in the area; accessibility; services available and demand for similar properties, it is my opinion that the market value of the subject property, as of June 6, 2025, is:

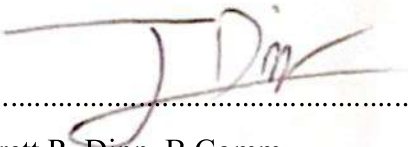
**TWO HUNDRED THOUSAND DOLLARS\***

**(\$200,000)\***

**\*The appraisal is based on the extraordinary assumption that the sand deposit does not add any additional value to the properties. Should a qualified expert determine that the deposit contributes significant value, the appraisal is subject to change.**

Respectfully submitted,

APPRAISER:

  
.....

Jarett R. Dinn, B.Comm.

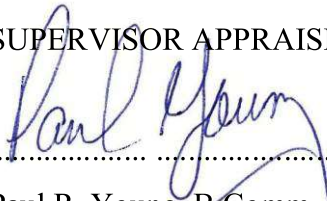
AIC Candidate Member

NSREAA Registration #916916

Date Inspected: June 6, 2025

Date Signed: June 11, 2025

SUPERVISOR APPRAISER:

  
.....

Paul R. Young, B.Comm., AACI, P.App.

Accredited Appraiser Canadian Institute

Professional Appraiser

NSREAA Registration #302147

Date Inspected: Not Inspected

Date Signed: June 11, 2025

## ASSUMPTIONS AND LIMITING CONDITIONS

This concise appraisal has been prepared at the request of Michael Pink of Kel-Ann Enterprises Limited to estimate the market value of the subject properties for disposition. It is not reasonable for anyone other than BDO Canada Limited to rely upon this appraisal without first obtaining written authorization from Kempton Appraisals Limited. There may be qualifications, assumptions or limiting conditions in addition to those set out below relevant to that person's identity or his intended use.

**This report has been prepared on the assumption that the subject property complies with all requirements of the authorities having jurisdiction over environmental matters. The value reported may not reflect the market value of the property should the property be found to be contaminated.**

While expert in appraisal matters, the author is not qualified and does not purport to give legal advice. It is assumed that:

- a) the site information provided by Nova Scotia Property Online is correct.
- b) title to the property is good and marketable.
- c) there are no encroachments, encumbrances, restrictions, leases, or covenants that would in any way affect the valuation, except as expressly noted herein.
- d) rights-of-way, easements, or encroachments over other real property and leases or other covenants noted herein are legally enforceable.

Because these assumptions have been made, no investigation, legal or otherwise, has been undertaken that would verify these assumptions except as expressly noted herein.

Sketches, drawings, diagrams, photographs, etc. are presented in this appraisal for the limited purpose of illustration and are not to be relied upon in themselves.

No investigation has been undertaken with the local zoning office, 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 appraisal. The subject property must comply with such government regulations and, if it does not comply, its non-compliance may affect market value. To be certain of compliance, further investigations may be necessary.

**(Assumptions and Limiting Conditions Cont'd)**

Neither possession of this appraisal nor a copy of it carries with it the right of publication. All copyright is reserved to the author and is considered confidential by the author and his client.

It shall not be disclosed, quoted from or referred to, in whole or in part, or published in any manner, without the express written consent of the appraiser. This is subject only to confidential review by the Appraisal Institute of Canada as provided in the Code of Ethics, Standards of Professional Conduct and Standards of Professional Practice of the Institute.

Market data has been obtained in part as reported by the real estate board. As well as using such documented and generally reliable evidence of market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.

Because market conditions including economic, social and political factors change rapidly and on occasion without warning, the market value expressed as of the date of this appraisal cannot be relied upon to estimate the market value as of any other date except with further advice of the appraiser.

The compensation for services rendered in this appraisal does not include a fee for court preparation or court appearance, which must be negotiated separately.

However, neither this nor any other of these 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 which will decide the use of the report which best serves the administration of justice.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions.

**(Assumptions and Limiting Conditions Cont'd)**

The presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

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 the 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.

When the current United States (US) President took office in early 2025; he announced his intention to change several US trade policies including a 25% tariff on most, if not all, imports from Canada. As of the date of this report, a range of tariffs have been introduced, including 10% on energy exports, 25% on steel and aluminum exports, and 25% on automobile exports. The implementation of these tariffs and the threat of further tariffs may create a negative effect on the Canadian and US economies. Given the current uncertainty, there is no way to accurately estimate the effect on the local market.

## CERTIFICATION

### **PID #'S 45163540 & 45129152, HIGHWAY 14, UPPER RAWDON, NOVA SCOTIA**

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. All factors known to the appraiser (to the extent data permits) that have an impact on value have been taken into consideration to the extent felt necessary in rendering a considered opinion of value. No significant information has been knowingly withheld from the appraisal report and it is believed to the best of my knowledge, that all statements and information in this appraisal report are true and correct.
2. Only my personal, unbiased, and professional analysis, opinion, and conclusions are stated in the appraisal report. Included in this report are all contingent and limiting conditions affecting the analysis, opinions, and conclusions, whether they are imposed by the terms of the assignment or by the appraiser.
3. I have no past, present, or interest in the property that is the subject of this report, and I have no present or prospective personal interest in the property or bias with respect to the parties involved.
4. The opinion of value stated within the report does not result from a requirement to report a predetermined value or direction in value that favours the cause of the client and or related party the attainment of a specific result or the occurrence of a subsequent event in order to receive the compensation and/or employment for performing the appraisal. The reported value is not based on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
5. This appraisal has been performed in conformity with the Canadian Uniform Standards of the Appraisal Institute of Canada.
6. The subject property was personally inspected on the date shown in the attached report. It is hereby certified that any apparent or known adverse conditions have been noted herein, for the subject property or on any properties within the immediate vicinity of the subject which were apparent as of the date of inspection and that adjustments have been made for these adverse conditions in the analysis of the value to the extent that market evidence was available to support them.
7. All conclusions and opinions about the real estate were personally prepared as same are set forth in the appraisal report. If there was reliance on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, such individual(s) have been named herein including the disclosure of specific tasks performed by them. No authorization has been given to anyone to make a change to any items in this report; therefore, if an unauthorized change is made to the appraisal report, no responsibility for such changes is assumed.

**(Certification Cont'd)**

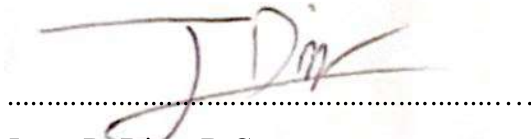
As a result of this appraisal, it is my opinion that the Market Value of the subject property, as of June 6, 2025, is:

**TWO HUNDRED THOUSAND DOLLARS\***  
**(\$200,000)\***

**\*The appraisal is based on the extraordinary assumption that the sand deposit does not add any additional value to the properties. Should a qualified expert determine that the deposit contributes significant value, the appraisal is subject to change.**

Respectfully submitted,

APPRAISER:



Jarett R. Dinn, B.Comm.

AIC Candidate Member

NSREAA Registration #916916

Date Inspected: June 6, 2025

Date Signed: June 11, 2025

SUPERVISOR APPRAISER:



Paul R. Young, B.Comm., AACI, P.App.

Accredited Appraiser Canadian Institute

Professional Appraiser

NSREAA Registration #302147

Date Inspected: Not Inspected

Date Signed: June 11, 2025

**JARETT R. DINN, B. COMM., AIC CANDIDATE MEMBER**  
**QUALIFICATIONS & EXPERIENCE**  
**NSREAA #916916**

**Professional Membership**

Member of Appraisal Institute of Canada  
Member of Nova Scotia Real Estate Appraisers Association

**Business Affiliations**

Candidate Appraiser - Kempton Appraisals Limited

**Scope of Experience**

Residential Real Estate Appraisals  
Commercial Real Estate Appraisals  
Engaged in Real Estate Field Since 2021

**Other Background Education**

2021 - Bachelor of Commerce with Distinction, Dalhousie University

**Work Performed for**

Various Levels of Government  
Major Chartered Banks, Mortgage, Trust and Finance Companies  
Major Insurance Companies  
Real Estate Development Companies  
Major Nova Scotia Law Firms  
Many Private Companies and Individuals  
Major Oil Companies

**PAUL R. YOUNG, B.COMM., AACI, P.App.**  
**QUALIFICATIONS & EXPERIENCE**  
**NSREAA #302147**

**Professional Designations**

AACI - Accredited Appraiser Canadian Institute  
P.App. - Professional Appraiser

**Professional Membership**

Member of Appraisal Institute of Canada  
Member of Nova Scotia Real Estate Appraisers Association

**Business Affiliations**

President - Kempton Appraisals Limited

**Scope of Experience**

Real Estate Appraisals  
Analyst & Consulting for Residential, Commercial and Industrial Properties  
Engaged in Real Estate Field since 1987

**Other Background Education**

1987 - Bachelor of Commerce (Cum Laude), Saint Mary's University  
Sauder – Machinery and Equipment Valuation Course (December 2022)

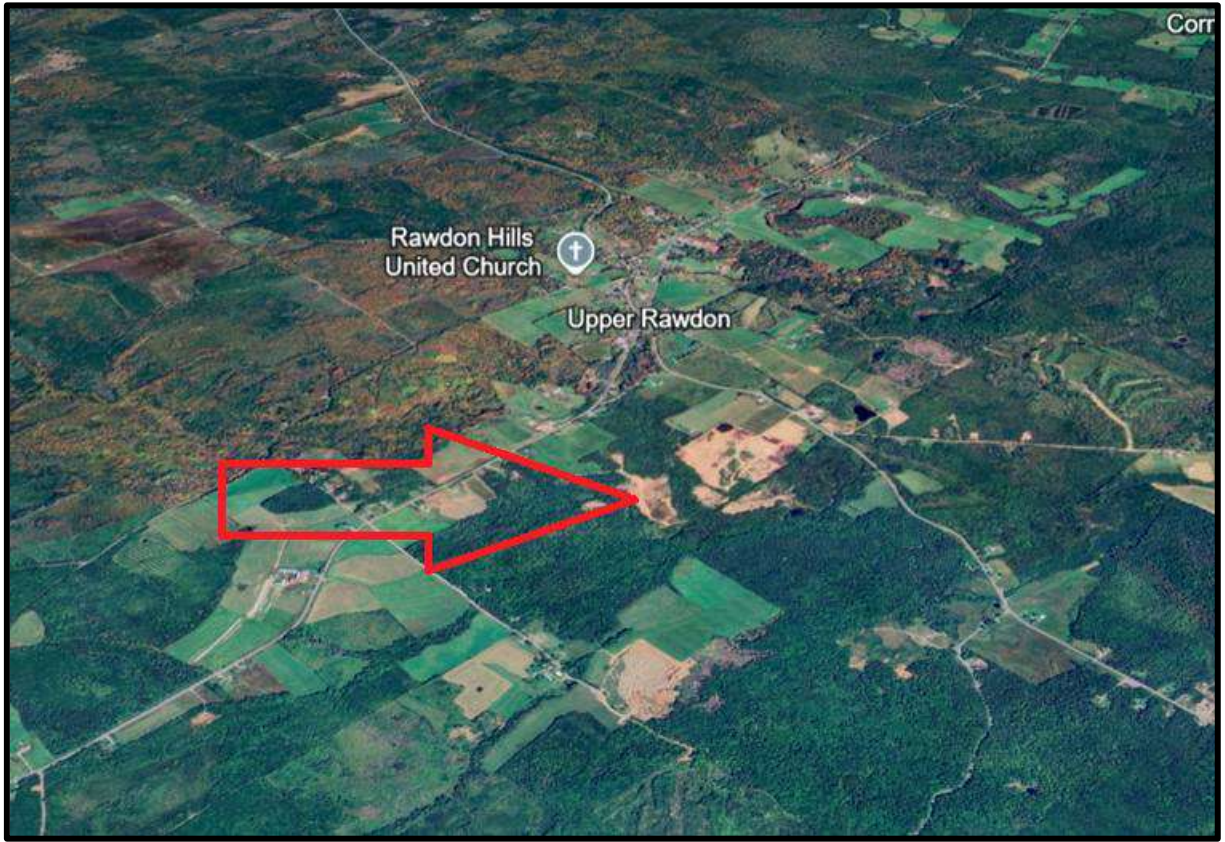
**Expert Testimony**

- Supreme Court of Nova Scotia  
- Supreme Court of Nova Scotia (Family Division)

**Work Performed for**

Various Levels of Government  
All major Chartered Banks, Mortgage, Trust and Finance Companies  
Major Insurance Companies  
Real Estate Development Companies  
Major Nova Scotia Law Firms  
Major Accounting Firms  
Many Private Companies and Individuals  
Major Oil Companies

# NEIGHBOURHOOD MAP



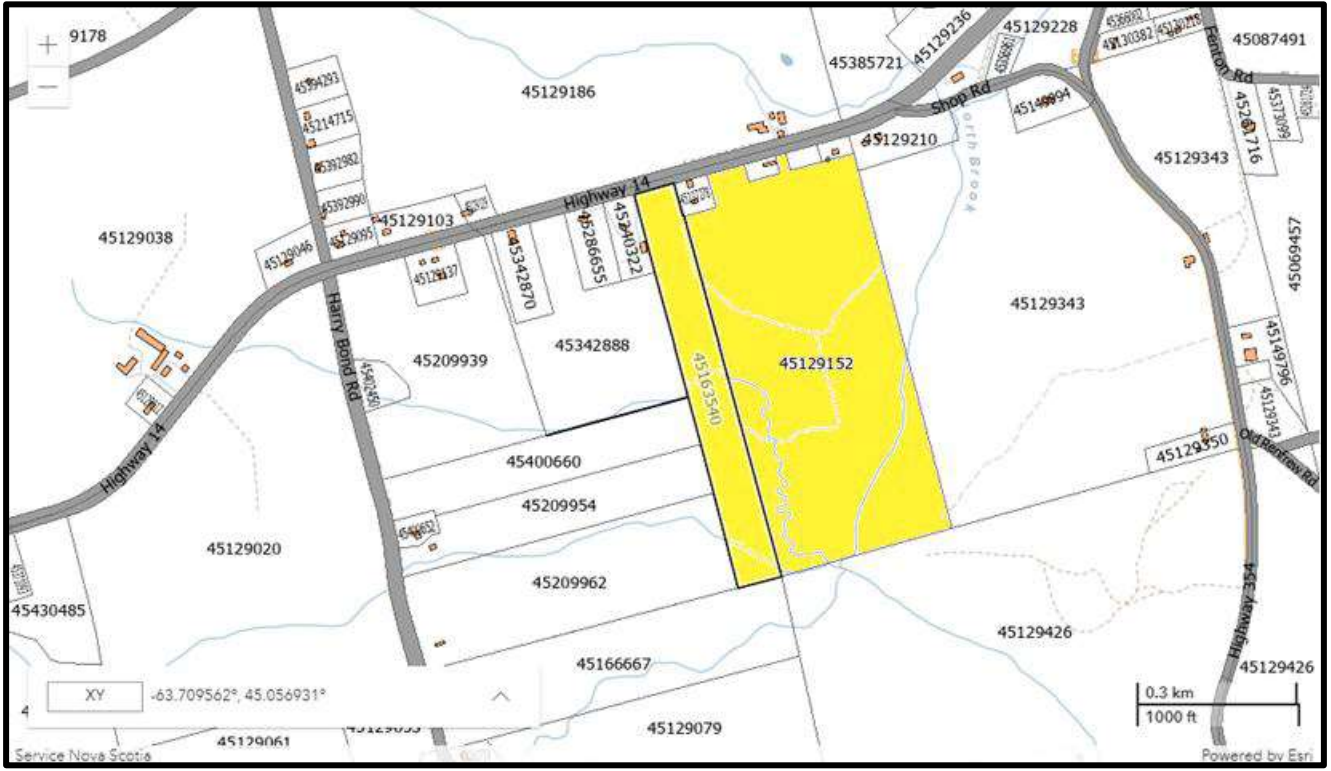
### NSPRD SITE SKETCH

Map showing property 45163540 highlighted in yellow. The map includes surrounding lots, roads like Highway 14 and Shop Rd, and a search interface on the right.

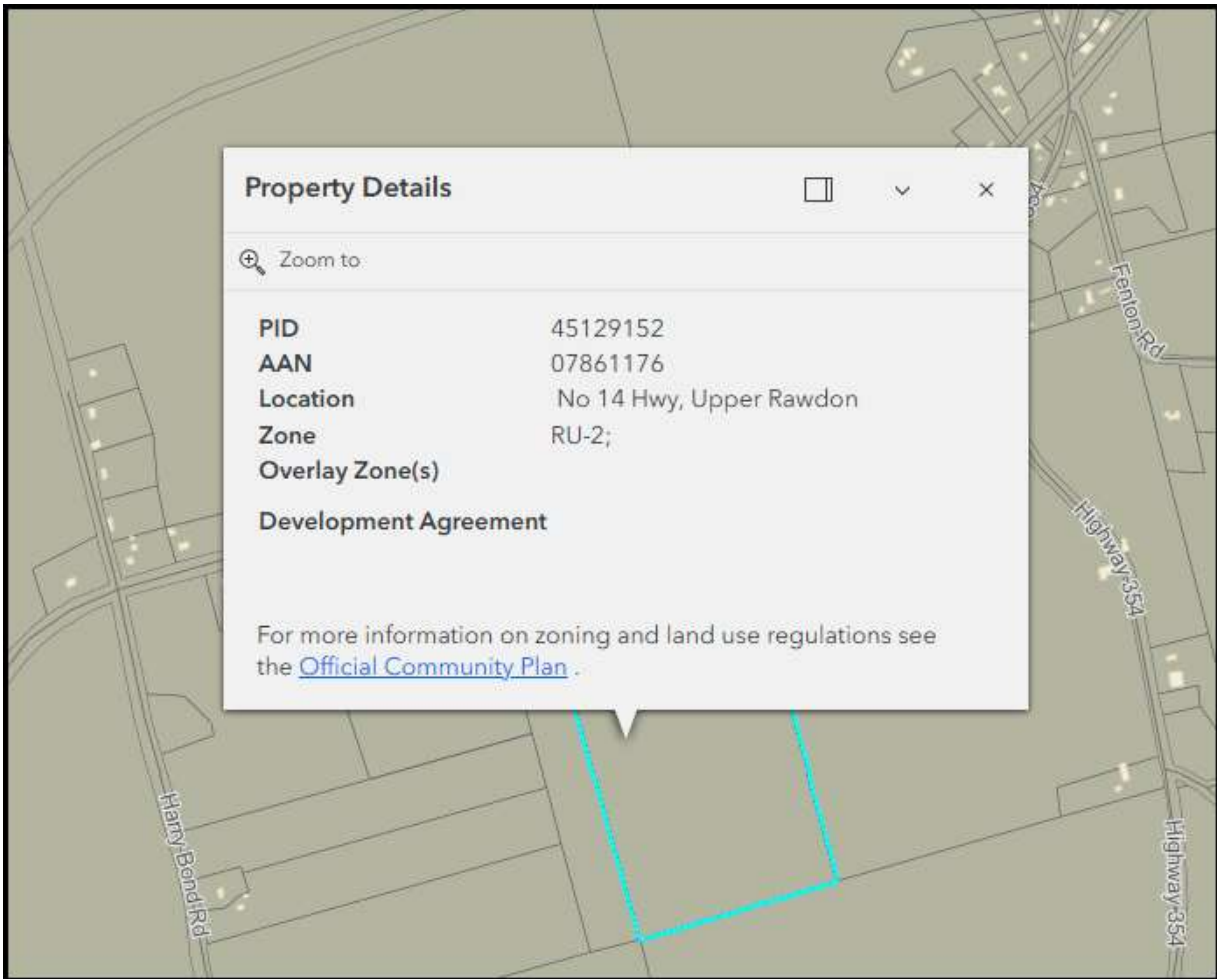
Search Location	
Location	
<input type="button" value="Search"/>	<input type="button" value="Reset"/>
Property Information	
<b>PID:</b>	45163540 <a href="#">Details</a>
<b>AAN:</b>	07908563
<b>Value:</b>	\$4,300.00 (2025 RESOURCE TAXABLE)
<b>Address:</b>	NO 14 HIGHWAY UPPER RAWDON
<b>County:</b>	HANTS COUNTY
<b>Owner:</b>	KEL-ANN ENTERPRISES LIMITED
<b>LR:</b>	NOT LAND REGISTRATION

Map showing property 45129152 highlighted in yellow. The map includes surrounding lots, roads like Highway 14 and Shop Rd, and a search interface on the right.

Search Location	
Location	
<input type="button" value="Search"/>	<input type="button" value="Reset"/>
Property Information	
<b>PID:</b>	45129152 <a href="#">Details</a>
<b>AAN:</b>	07861176
<b>Value:</b>	\$9,700.00 (2025 RESOURCE TAXABLE) \$53,500.00 (2025 RESOURCE FARM)
<b>Address:</b>	NO 14 HIGHWAY UPPER RAWDON
<b>County:</b>	HANTS COUNTY
<b>Owner:</b>	KEL-ANN ENTERPRISES LIMITED
<b>LR:</b>	NOT LAND REGISTRATION



# ZONING



## PART 5: RURAL ZONES

### 5.1. Rural Zones Permitted Uses

The table below summarizes the uses permitted in all Rural Use, Agricultural Reserve and Wind Energy Zones. For conditions associated with the uses, see the specific section referencing that zone.

- RU - Rural Use
- AR - Agricultural Reserve
- RU-2 - Rural Use North
- RCDD - Rural Comprehensive Development District

Uses	RU	RU-2	AR	RCDD
Accessory Dwelling Unit	P	P	P	-
Accommodations, Bed & Breakfast	P	P	P	-
Accommodations, General up to a maximum of 12 units	P	P	-	-
Agriculture, Non-Intensive	P	P	P	-
Agriculture Related Uses	P	P	P	-
Agriculture Uses and Structures, Intensive	P	P	P	-
Agri-tourism Uses	P	P	C	-
Agri-voltaics	P	P	SP	-
Animal Hospitals & Veterinary Offices	P	P	P	-
Any potentially obnoxious commercial developments to include vehicle race tracks and amusement parks	DA	DA	-	-
Automobile Dealer & Rentals	-	P	-	-
Automobile Service Station	-	P	-	-
Automobile Vehicle Repair & Maintenance	-	P	-	-
Biogas Facilities where 50% or more of the biogas substrate comes from off farm sources	P	P	DA	-
Biogas Facilities where 50% or more of the biogas substrate comes from on farm sources	P	P	P	-
Campgrounds	SP	SP	-	-
Couriers & Messengers	P	P	-	-
Daycare, General	P	P	-	-
Dog Daycare and Dog Daycare with more than ten (10) dogs	P	P	P	-
Dog Training Facility	P	P	-	-
Drinking Establishment open after 1 am	-	DA	-	-
Drinking Establishment open until 1 am	-	P	-	-
Dwelling, Farm	P	P	P	-
Dwelling, Farm Secondary	P	P	P	-
Dwelling, Mini-home	P	P	-	-
Dwelling, Multiplex (Small)	DA	C	-	-
Dwelling, Multiplex (Large)	-	C	-	-

## LAND USE BYLAW - EAST HANTS OFFICIAL COMMUNITY PLAN

Dwelling, Non-Farm Single Unit	P	P	DA	-
Dwelling, Tiny Home on Wheels	P	P	<b>P</b>	-
Dwelling, Two Unit	P	P	-	-
Excavating and Construction Services	P	P	-	-
Fabrication and Repair of Farm and Forestry Equipment	P	P	P	-
Forestry Uses & Structures	P	P	P	-
Funeral Services	P	P	-	-
Greenhouses	P	P	P	-
Home-based business uses above 140 m <sup>2</sup> of commercial floor area	DA	P	DA	-
Home-Based Business Uses up to 140 m <sup>2</sup> of commercial floor area	P	P	P	-
Horse Stables, Boarding, and Training Facilities (including race horses)	P	P	P	-
Industrial uses related to the chemical treatment of timber resources	DA	DA	-	-
Kennel, Boarding and Breeding	P	P	P	-
Lawfully Existing Uses	-	P	-	-
Large Scale Special Events	P	P	P	-
Marina	-	P	-	-
Marine Related Industry	-	P	-	-
Office & Professional Services	P	P	-	-
Personal Care Services	P	P	-	-
Private Dog Parks	P	P	-	-
Recreation Facility, Golf	p	P	-	-
Repair & Maintenance	P	P	-	-
Restaurant, Full & Limited Service	P	P	-	-
Retail & Rental Stores	P	P	-	-
Salvage Yard	DA	DA	-	-
Social Enterprise	P	P	-	-
Solar Farms	P	P	-	-
Recreational Vehicles	-	C	-	-
Retail area and showroom for pit and quarry operations	P	P	-	-
Structures related to a pit operation closer than 100 m from the nearest non-resource related structure.	DA	DA	-	-
Structures related to a pit operation not closer than 100 m from the nearest non-resource related structure.	P	P	-	-
Structures related to a quarry of mineral extraction operation closer than 1 km from the nearest non-resource related structure.	DA	DA	-	-

## PART 5 - RURAL ZONES

Structures related to a quarry of mineral extraction operation not closer than 1 km from the nearest non-resource related structure.	P	P	-	-
Tradesperson & Craftsperson Businesses & Offices	P	P	-	-
Wind Farms	SP	SP	SP	-
Wind Turbines, Large Scale	SP	SP	SP	-
Wind Turbines, Micro	P	P	P	-
Wind Turbines, Small Scale	P	P	P	-
Highway Commercial (HC) Zone Uses	DA	DA	-	-
Industrial Commercial (IC) Zone Uses	DA	DA	-	-
Institutional (IU) Zone Uses	P	P	-	-
Open Space (OS) Zone Uses	P	P	P	-
Regional Commercial (RC) Zone Uses	DA	DA	-	-
Any industrial development engaged in the production, wholesale storage, or distribution of dangerous goods	DA	DA	-	-
Aggregate and mineral resource related industries	DA	DA	-	-
A maximum of 12 dwelling units per lot (single unit dwellings, townhouses, or multiplexes)	-	P	-	-

P - Permitted as-of-right through a development permit.

SP - Permitted by site plan approval.

DA - Permitted to apply to Council for a development agreement: note that other restrictions may apply.

C - Conditionally permitted: discretionary approval may apply, view zone requirements.

## 5.5. Rural Use North (RU-2) Zone

- RU-2 Zone: Conditional Uses by Site Plan Approval**
- Campgrounds

### 5.5.1. Zone Requirements

In the Rural Use North (RU-2) Zone, no development permit shall be issued except in conformity with the following requirements:

Minimum Lot Area <sup>^</sup>	3720 m <sup>2</sup>
Minimum Lot Frontage	30 m
Minimum Front Yard	8 m
Minimum Rear Yard	11 m
Minimum Side Yard	2 m
Minimum Flankage Yard	6 m
Maximum Building Height	11 m
Conditions	
<sup>^</sup> Nova Scotia Environment approval for on-site sewage disposal system is required.	

### 5.5.2. Requirements for Bed and Breakfasts

In addition to all other requirements under this Bylaw, the following provisions shall apply to a bed and breakfast in the Rural Use (RU) Zone:

- Parking for a bed and breakfast shall be 1 space per rental room and located in the side or rear yard, or where it is not practicable to do so as a result of the lot configuration, parking may be permitted in the front yard of the property;
- Notwithstanding the Signage provisions of this Bylaw, 1 facial or ground sign, with a maximum sign area of 1.5 m<sup>2</sup> is permitted to advertise the bed and breakfast accommodations.

### 5.5.3. Flag Lots

Where a flag has been created in accordance with the provisions of the Subdivision Bylaw, the Development Officer may issue a development permit for any use permitted in the Rural Use North (RU-2) Zone.

### 5.5.4. Recreational Vehicles

In the Rural Use North (RU-2) Zone recreational vehicles shall be permitted on a lot, provided the following conditions are met:

- A maximum of 1 recreational vehicle shall be permitted on a lot with an area of 6,070 m<sup>2</sup> or less.
- A maximum of 3 recreational vehicles shall be permitted on a lot with an area greater than 6,070 m<sup>2</sup>.

### 5.5.5. Accessory Building as Main Use

In the Rural Use North (RU-2) Zone an accessory building shall be permitted as the main building on a lot,

provide the following conditions are met:

- a) There are no other buildings located on the lot; and
- b) The accessory building setbacks are in accordance with Section 5.5.1 Zone Requirements.

#### **5.5.6. Development Agreements**

The following use shall be considered only by development agreement in the RU-2 Zone.

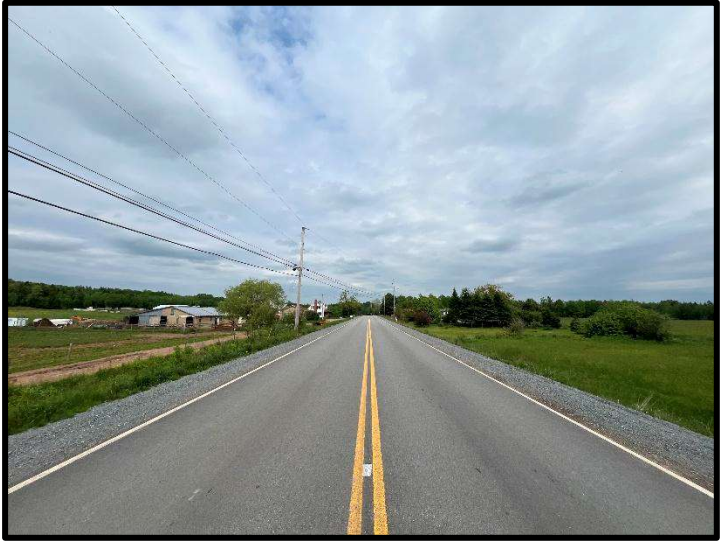
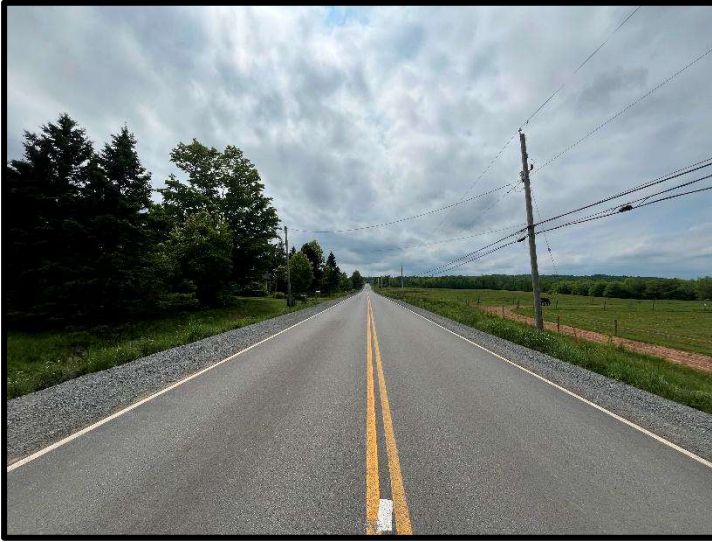
- a) Multiplexes over 12 dwelling units and up to a maximum of 24 dwelling units and cluster townhouse developments over 12 dwelling units and up to a maximum of 24 dwelling units.
- b) Accommodations, General over 12 units.
- c) Drinking establishments open after 1 am.

#### **5.5.7. ROW Easement**

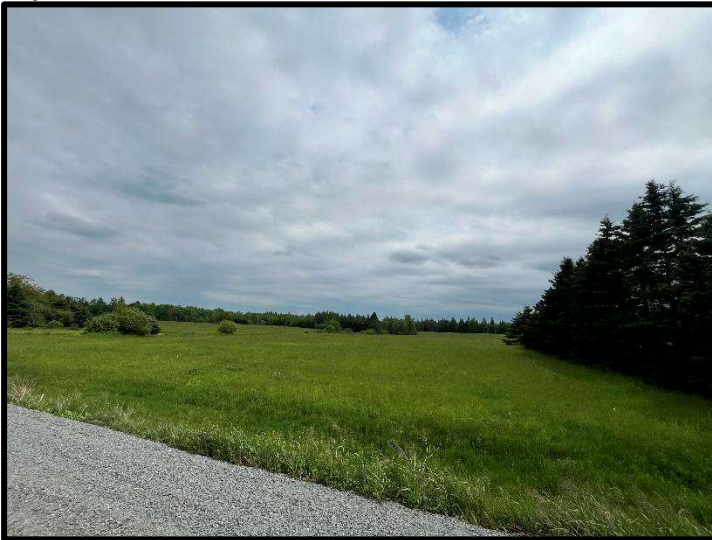
*Where a right-of-way easement has been created in accordance with the 'area of land' provisions of Section 9 of the Subdivision Bylaw, the Development Officer may issue a development permit for any uses permitted in the Rural Use North (RU-2) Zone.*

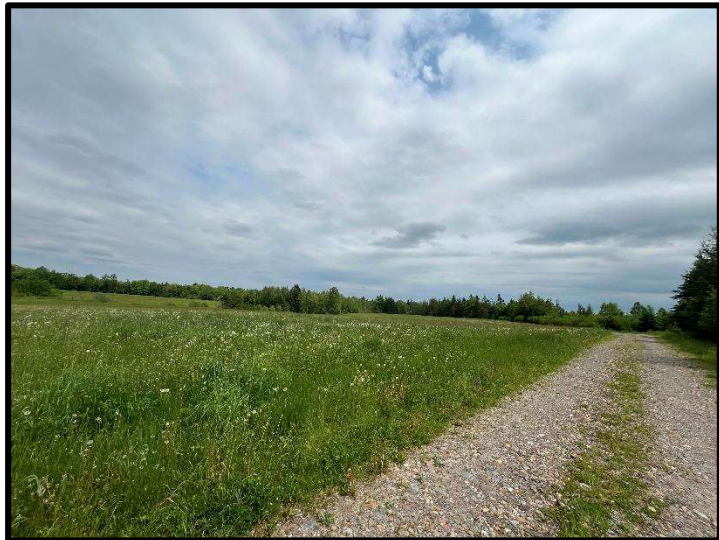
# SUBJECT PHOTOS

## Street Views



## Subject Site Views





# COMPARABLE SITE SKETCHES

Comparable #1: Lot A & B Highway 14, Upper Rawdon

**Search Location**

Location

Search Reset

**Property Information**

**PID:** 45131018 Details

**AAN:**

**Value:** No information found

**Address:** HIGHWAY 14  
UPPER RAWDON  
LOT A&B (PORTION OF)

**County:** HANTS COUNTY

**Owner:** SCOTIAN MEAT MARKET LIMITED

**LR:** LAND REGISTRATION

XY -63.707365°, 45.082859°

0.3 km  
1000 ft

Powered by Esri

4209 Nova Scotia Trunk 14  
Recently viewed

Rawdon Hills United Church

Hwy

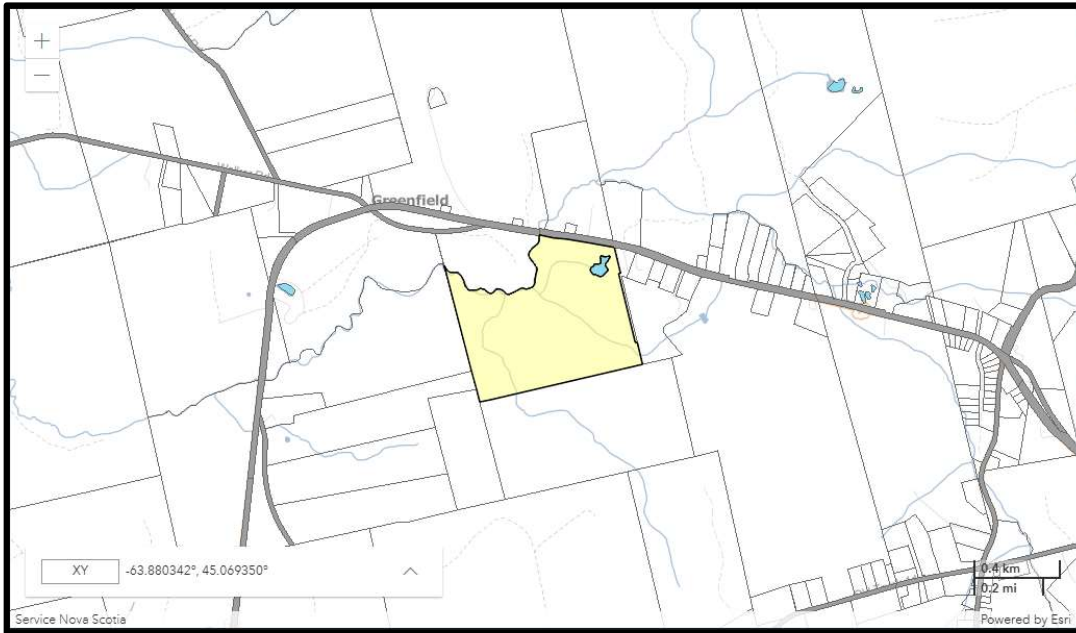
354

2 min  
2.5 km

354

354

### Comparable #2: Highway 14, Greenfield



Search Location

Location

Search Reset

Property Information

**PID:** 45124567 [Details](#)

**AAN:** 03458423

**Value:** \$33,300.00 (2025 RESOURCE FARM)  
\$92,700.00 (2025 RESOURCE FOREST)

**Address:** NO 14 HIGHWAY  
GREENFIELD

**County:** HANTS COUNTY

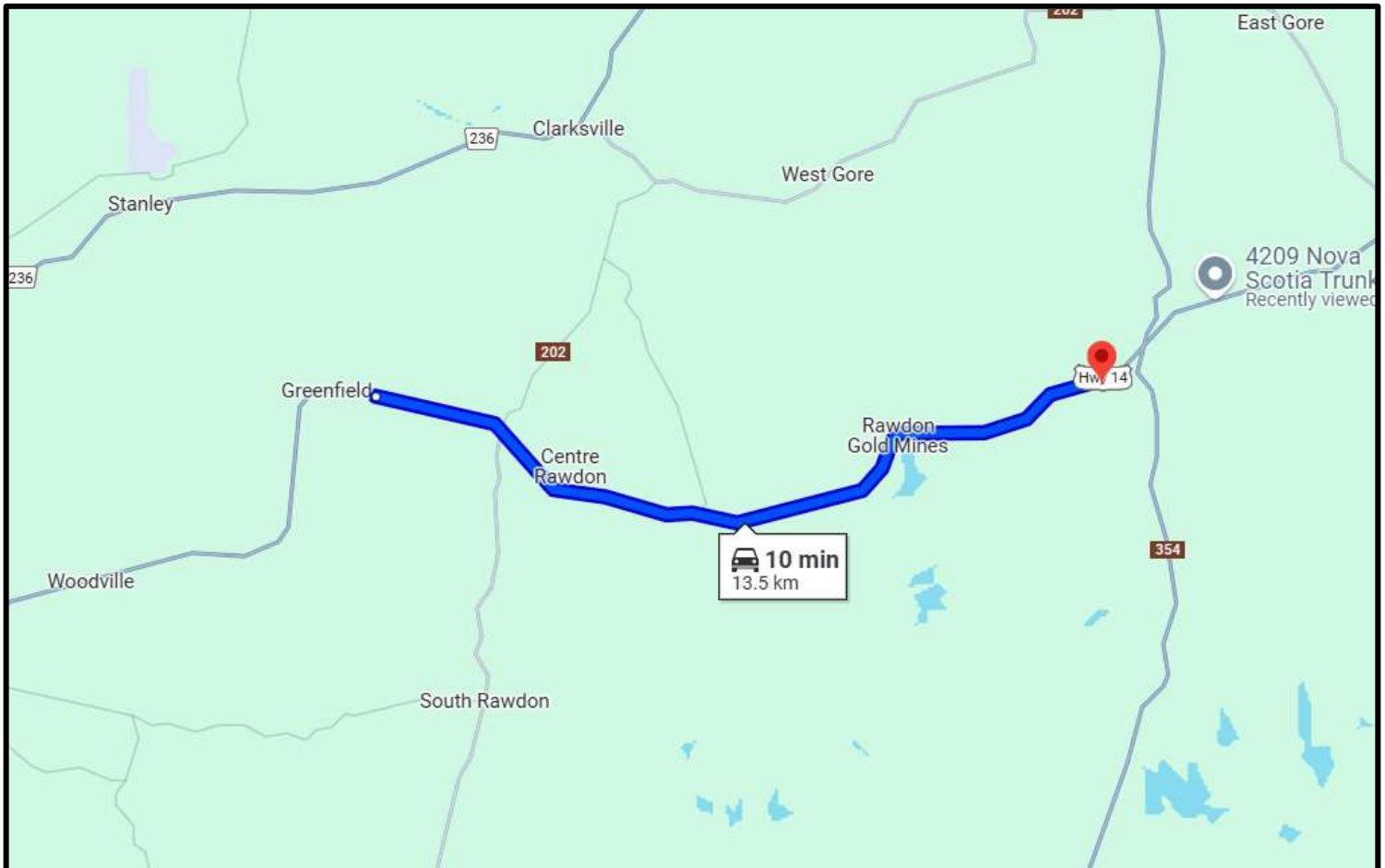
**Owner:** MATTHEW BRIAN DURANT  
TAYLOR ANN MARILYN JOHNS

**LR:** LAND REGISTRATION

XY -63.880342°, 45.069350°

Service Nova Scotia

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East Gore

Clarksville

West Gore

Stanley

Greenfield

Centre Rawdon

Rawdon Gold Mines

Woodville

South Rawdon

4209 Nova Scotia Trunk  
Recently viewed

Hwy 14

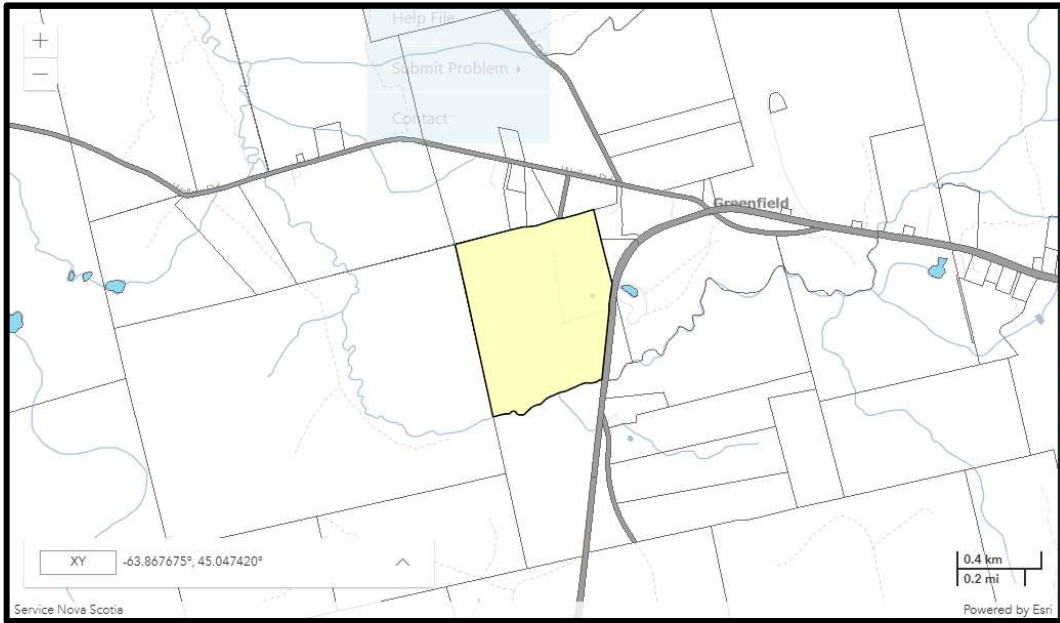
236

202

354

10 min  
13.5 km

### Comparable #3: 723 Highway 14, Greenfield



Service Nova Scotia

Powered by Esri

XY: -63.867675°, 45.047420°

0.4 km  
0.2 mi

Search Location

Location

Search Reset

Property Information

**PID:** 45124310 Details

**AAN:** 03755061

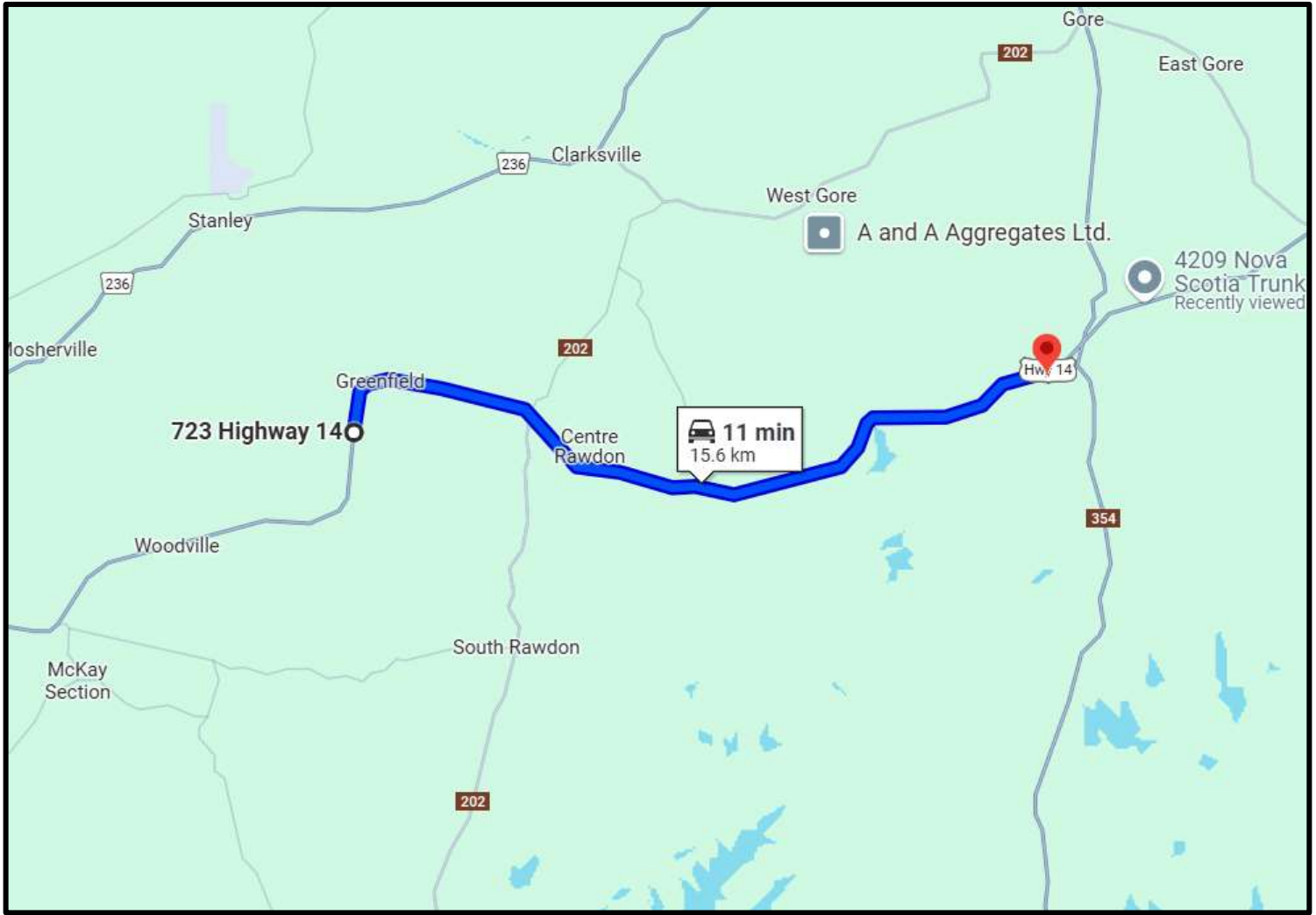
**Value:** \$36,000.00 (2025 RESIDENTIAL TAXABLE)  
\$15,100.00 (2025 RESOURCE TAXABLE)  
\$60,600.00 (2025 RESOURCE FARM)  
\$34,800.00 (2025 RESOURCE FOREST)

**Address:** 723 HIGHWAY 14  
GREENFIELD

**County:** HANTS COUNTY

**Owner:** DEBORAH ELIZABETH PICK  
PAUL ALBERT PICK

**LR:** LAND REGISTRATION



723 Highway 14

Centre Rawdon

11 min  
15.6 km

A and A Aggregates Ltd.

4209 Nova Scotia Trunk  
Recently viewed

Greenfield

Clarksville

West Gore

Gore

East Gore

Stanley

Woodville

South Rawdon

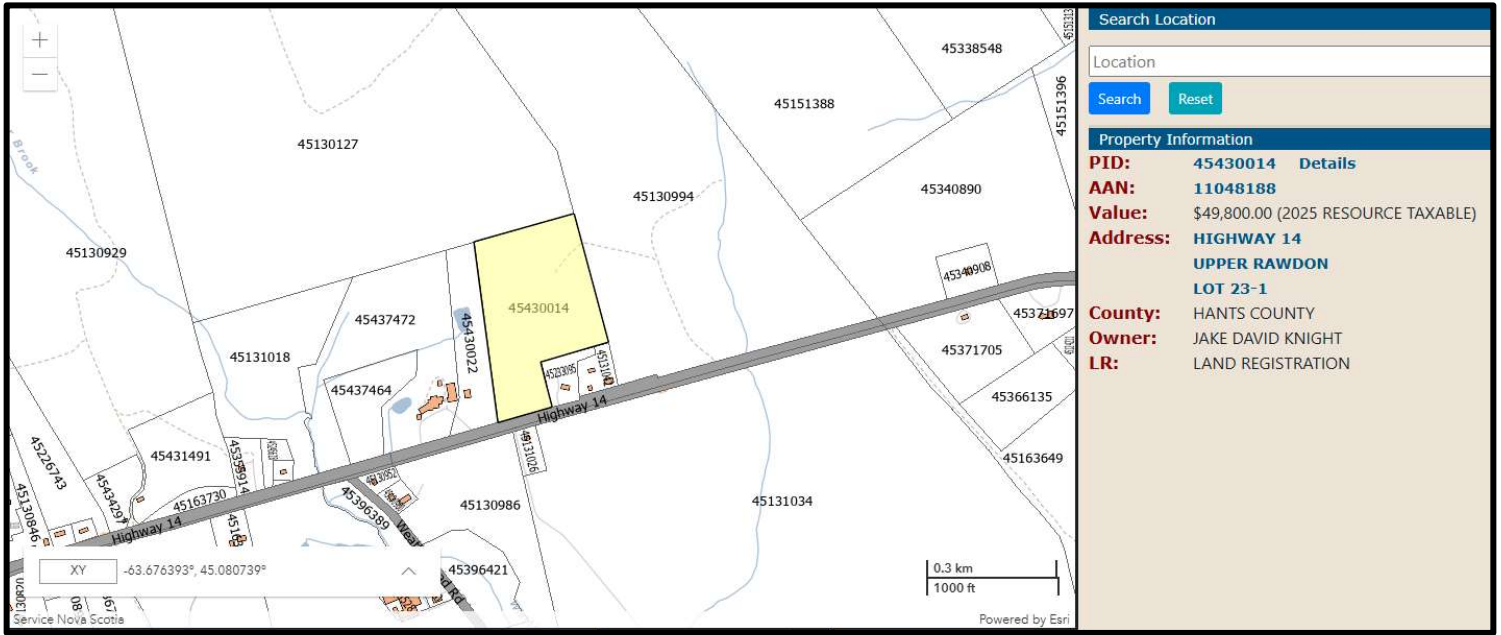
McKay Section

236

202

354

### Comparable #4: Lot 23-1 Highway 14, Upper Rawdon



The top image shows a detailed map of the property 45430014, highlighted in yellow. The map includes surrounding lots with their respective PID numbers, such as 45130127, 45130994, 45338548, 45151388, 45340890, 45130929, 45131018, 45437472, 45437464, 45430022, 45340908, 45371697, 45371705, 45366135, 45130986, 45131034, 45163730, 45131034, 45163649, 45130896, 45226743, 4543259, 45163730, 45131034, 45396389, 45130986, 45131034, 45396421, and 45131034. The map also shows Highway 14 and a scale bar for 0.3 km and 1000 ft. A search panel on the right contains the following information:

Search Location	
Location	<input type="text"/>
Search	Reset

Property Information	
<b>PID:</b>	45430014 <a href="#">Details</a>
<b>AAN:</b>	11048188
<b>Value:</b>	\$49,800.00 (2025 RESOURCE TAXABLE)
<b>Address:</b>	HIGHWAY 14 UPPER RAWDON LOT 23-1
<b>County:</b>	HANTS COUNTY
<b>Owner:</b>	JAKE DAVID KNIGHT
<b>LR:</b>	LAND REGISTRATION

Service Nova Scotia  
Powered by Esri



The bottom image is a regional map showing the location of 4335 Nova Scotia Trunk 14. A blue line indicates a route from a red location pin in Upper Rawdon to the property. A callout box shows a travel time of 2 minutes and a distance of 3.1 km. The map also shows Highway 14, Highway 354, and Highway 202. The area is labeled as Upper Rawdon and Cheese Cor.



# **Equipment Appraisal Report**

**(Forced Liquidation Value)**

**of**

**Kel-Ann Organics**

**74 Greentree Ave., Unit 6, Windsor Junction, NS B2T 1K1**

**Prepared For:**

**Neil Jones  
BDO Canada**

**Prepared By:**

**Josh Offman CPPA  
Castle Appraisals Valuation Services  
June 14, 2025**

**Member:**

**Canadian Personal Property Appraisers Group**





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# CASTLE APPRAISALS LTD.

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To: Neil Jones  
BDO Canada  
255 Lacewood Dr., Suite 201,  
Halifax, NS B3M 4G2

From: Josh Offman

Subject: Kel-Ann Organics  
74 Greentree Ave., Unit 6,  
Windsor Junction, NS B2T 1K1  
Equipment Appraisal

2025-06-14

Dear Mr. Jones:

In response to your request, we have performed an independent estimated “Forced Liquidation Value” appraisal of equipment, in-place, belonging to the above enterprise to assist with an analysis of certain assets for business planning purposes. Subsequent to our inspection of the equipment on Monday, June 9, 2025. We have prepared our report as of that date. Our analysis and conclusions are subject to our Statement of Methodology, Assumptions and Limiting Conditions.

In the course of our valuation, we used and relied upon information obtained from various public and industry sources. Our value conclusion is dependent on such information being complete and accurate in all material respects. However, as is normal in valuations, we can accept no responsibility for the accuracy and completeness of such provided information.

There are three basic methods of valuation used to attain a value. These methods are the cost approach, the sales comparison approach and the income approach. The sales comparison approach is the primary approach used in most appraisals. Where market data was not available the cost approach was utilized. The income approach was not considered.

The scope of this appraisal involves inspection of the assets, collection of detailed information relative to the assets that are the subject of this valuation. Information can include if needed and when available age, manufacturer’s name, model number, serial number, usage in terms of cycles, hours or mileage and any other accessible relevant information as to the history and maintenance of the equipment along with photographs and any other relevant information. The appraisal assumes the assets are in average working condition and maintained within industry standards unless otherwise stated.

Of the several available methods used to determine appraised value, the method most appropriate in this particular instance is what is known as the “Forced Liquidation Value” or the most probable price estimated in Canadian currency, which could typically be realized at a properly advertised and



conducted public auction sale or tender held under forced sale conditions taking place usually within thirty days as of the effective date of this appraisal report. Conclusions taken into consideration are physical location, difficulty of removal, physical condition, adaptability, specialization, marketability, overall appearance and psychological appeal. All items are to be sold "as is, where is" with the purchaser responsible for the removal of the assets at his own risk and expense from the auction site. Any deletions to the total amount appraised would affect the psychological and/or the monetary appeal to gain the price indicated. There are additional costs associated with this method such as advertising and sales commissions or auction fees. However, in order to most accurately determine an appraised value, the following factors have been examined in determining an appraised value: 1) whether and at what cost is equipment available which is a suitable replacement or substitute for that in place 2) whether a market exists given the age and condition of the equipment should it be necessary to liquidate.

Based on the foregoing and the attached Schedule A which contains a complete break-down of all the equipment, we would estimate the total "**Forced Liquidation Value**" at **\$500,965.00**.

#### **Approaches to Values:**

**Comparison Sales Approach:** The primary intent of this approach is to determine the desirability of the asset and recent sales offerings of similar assets currently on the market in order to arrive at an indication of the most probable selling price for the asset being appraised. If the comparable sales are not exactly similar to the assets being appraised, adjustments must be made to bring them as closely in line as possible with the subject property.

**Cost Approach:** This approach is based on the proposition that the informed purchaser would pay no more for an item than the cost of producing a substitute item with the same utility as the subject item. It considers that the maximum value of the item to a knowledgeable buyer would be the amount currently required to construct or purchase a new asset of equal utility. When the subject asset is not new, the current cost must be adjusted for all forms of depreciation as of the effective date of the appraisal.

**Income Approach:** This approach considers the value in relation to the present worth of future benefits derived from ownership and is usually measured by income. This approach is the least common approach used in the valuation of machinery since it is difficult to attribute income to such assets.

**Depreciation:** defines as the actual loss in value or worth of equipment from all causes including those resulting from physical deterioration, functional obsolescence, and economical obsolescence.

**Physical Deterioration:** A form of depreciation where the loss in value or usefulness of an asset is attributed solely to physical causes such as wear and tear and exposure to the elements.

**Functional Obsolescence:** A form of depreciation where the loss in value is due to factors inherent in the equipment itself and due to change in design, or process resulting in inadequacy, over capacity, excess construction, lack of functional utility, or excess operating cost.



**Economical Obsolescence:** A form of depreciation or loss in value, caused by unfavorable external conditions. These can include such things as the economics of the industry, availability of financing, loss of material or labor source, passage of new legislation, and change in ordinances.

### **Comments & Considerations:**

The current state of the economy will have a major impact on the value of many types of used machinery. In recent past years, the manufacturing sector had been significantly affected by poor economic conditions. Many industries had curtailed production and/or closed plants resulting in idle capacity. Investment in capital equipment had slowed dramatically. Original equipment manufacturers have responded to poor sales of new machinery over the past several years by lowering prices and offering favorable financing terms on new purchases. This had negatively affected the value of used machinery. In many segments of the market used machinery was selling at levels significantly lower than before. However, due to the world-wide pandemic, over the last few years, it has become extremely difficult to find values for most types of equipment due to shut downs, lack of materials and delays in production of new equipment. Costs of raw materials, labor and shipping have risen dramatically. This effect has caused a large demand on the used equipment market thus driving prices higher than ever before. Even trying to get replacement parts for equipment new or used is becoming quite difficult. Many equipment retailers will not advertise pricing of new equipment because of rapidly changing costs.

More recently there has been a change in the market. Production is catching up with the demand, but there are still waiting periods for some higher priced industrial equipment or machinery; however, those have become much shorter. Equipment dealers are now carrying more inventory. Higher prices on new equipment, unfortunately have been maintained. Manufacturers are offering lower than bank financing rates on their equipment as an incentive for prospective buyers. Bank financing rates remain high thus negatively affecting the used equipment market causing prices to come down.

The equipment is a mixture of construction a landscaping equipment. It is in below average to average condition. Used auction prices have increased since 2020 but had become quite stable. The market was robust with an upward swing becoming very evident; however, in the last few months with economic turbulence in the global market place many perspective buyers have decided to delay large ticket items until financial normality has returned.

It is important that any seller have reasonable and realistic expectations with regard to the value of their assets if offered sale. Copies of this appraisal will be maintained in our corporate files in complete confidentiality and will be made available only to persons or parties as directed by you.

### **Methodology, Assumptions & Limiting Conditions:**

The values stated in this appraisal report are based on the best judgment of the appraiser given the facts and conditions available at the date of the valuation and are based at the definition of value stated in this report.



In the course of analysis, Castle Appraisals Limited performed the following procedures:

- 1) Physically inspected the Company's machinery and equipment to determine the age and condition of the designated assets with information listings supplied by the company.
- 2) No Company's representative was made available to us for any discussions concerning the assets.
- 3) Analyzed the Company's designated assets to determine the resale market potential.
- 4) Considered physical deterioration, useful life, functional obsolescence and economic obsolescence in our valuation of the designated assets.
- 5) As in most appraisals, the sales comparison approach has been utilized. It is that in which recent auction and private liquidation sales of similar machinery and equipment are analyzed to arrive at an indication of the most probable selling price of the assets being sold. The logic behind the sales comparison approach is the principal of substitution, which addresses the theory that a reasonable and prudent buyer will not pay more for the equipment than the cost of acquiring a similar piece of equipment at a lower price. The market consists of used dealers, auctions, public and private sales. The appraiser gathers data on sales of comparable assets and analyses the nature and condition of each sale, making logical adjustments for dissimilar characteristics. Typically, a common denominator is found such as similar make, model and date of manufacture.

Compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal. Castle Appraisals LTD. has preformed no services as an appraiser or in any other capacity regarding the subject of this report within a three-year period immediately preceding acceptance of this assignment.

The appraiser is not a lawyer. The reader is advised to consult with his/her lawyer on general rules of law they apply to the assets in question including ownership. Castle Appraisals LTD. assumes no legal responsibility as to ownership of the equipment involved. No responsibility is assumed for matters of a legal nature, which might affect the assets that is the subject of this appraisal. In particular, but without limiting the generality of the foregoing, the annexed appraisal assumes that the assets are not subject to any liens, encumbrances, or impediments to its free transferability and that such assets conform to all statutes, regulations and codes that might relate to or affect use, sale, or other disposition of such assets.

The opinions as to the value stated in this report are premised upon the specific methods of sale discussed herein and are based on the best judgment of the appraiser given the facts and conditions available at the date of valuation. They must not be used in any other proposed method of disposition.

The appraisal is based upon the value of the assets as of the date of this report and is subject to change, among other things including changes in the market or the composition of the assets, which could have a significant effect upon the value. Castle Appraisals LTD. assumes no responsibility for economic or physical factors occurring subsequent to the date of this report.



Since conclusions by the appraiser are based upon judgment, isolation of any single element as the sole basis of comparison to the whole appraisal may be inaccurate. All opinions as to the value are presented as the appraiser's considered opinion, based on the facts and data set forth in the report. The values reported herein are an opinion only and not a warranty or a representation of fact.

No responsibility is assumed for any inability to sell the assets at the values projected herein. Other than stated herein, no representation, warrant, or statement is made as to the value or marketability of the assets. Neither all nor any part of the contents of this appraisal shall be conveyed to other parties without written consent of Castle Appraisals LTD.

The principle of change is a fundamental appraisal concept defined as "the cause-and-effect relationship among the forces that influence value." Given these circumstances Castle Appraisal Valuation Services recommends that the client and any other parties with a current or anticipated interest in the subject assets closely monitor both general economic and industry related specific market conditions. This will help to ensure any changes in the market that might have an impact on asset value will be identified in a timely basis

This report shall remain the property of Castle Appraisals LTD. until paid in full. Should the report not be paid for in full, all or any usage of the information herein is strictly prohibited, furthermore this report shall become null and void along with any letter of reliance that has been supplied in connection with this review.

The opinions expressed herein are valid only for the express and stated purpose of providing information and assistance to the parties to whom this report is specifically addressed and to their counsel in connection with the proposed financing and are not in any way, implied or expressed, to be construed, used, circulated, quoted, relied upon, or otherwise referred to for any other purpose.

It should be clearly understood that Castle Appraisals LTD. is not an environmental consulting firm and is not qualified to recognize or test for hazardous substances or conditions. Furthermore, Castle Appraisals LTD. is not qualified to identify or value occupational safety hazards. No allowance or consideration has been given to the impact, if any of environmental issues that would influence the ability to sell or influence the function of the equipment. Any compliance or non compliance with regulatory agencies that may have jurisdiction in this area has not been inquired about or considered.

If any part of the assets were sold independent of the entire business the appraised value may be lessened for both the part sold and the remaining equipment. Compliance with regulatory agencies that may have jurisdiction in this area has not been inquired about or considered. Other limitations or assumptions, if any, are clearly defined and individually set out at that point relating to the subject.

The values stated are valid for 30 days from the date of the appraisal. Values beyond the time frame indicated should be reviewed and updated. As in most appraisals every effort has been made by the appraiser value conclusions that are supportable and representative of the market as it currently exists based on the best information available. However, subjective judgment has been applied in assigning



value estimates that exhibits duplication or that is more specialized. Castle Appraisals LTD. reserves the right to recall all copies of this report to correct any errors or omissions.

In no event shall Castle Appraisals LTD.'s aggregate liability arising out of or related to this agreement, whether arising out of or related to breach of contract, tort, (including negligence), or otherwise, exceed the fees paid or payable to Castle Appraisals LTD. (without taxes) pursuant to this agreement. This limitation shall apply even if the customer's remedies under this agreement fail their essential purpose.

If any party institutes any legal suit, action, or proceeding against Castle Appraisals LTD. arising out of this agreement, and if Castle Appraisals LTD. prevails in the suit, action, or proceeding it is entitled to from the non-prevailing party, in addition to all other remedies and damages to which Castle Appraisals LTD. may be entitled, the costs and expenses incurred by Castle Appraisals LTD. in conducting the suit, action, or proceeding. This shall include reasonable legal fees, disbursements, and all other expenses, even if not recoverable by law, incurred on a full indemnity basis.

The appraiser is not required to give testimony, be present in any court of law, or appear before any commission or board by reason of this appraisal. If the appraiser, is required to attend court under subpoena or otherwise professional fees will be charged for court attendance and preparation.

The fee for this appraisal does not cover attendance at hearings, judicial or otherwise. Any work after this report will be billed at a separate rate, to be determined as applicable. Please do not hesitate to contact us should you require additional information.

Thank you,

A handwritten signature in black ink, appearing to read "J. Offman", written over a light blue horizontal line.

Josh Offman CPPA  
Appraiser  
Castle Appraisals LTD.



## **Certification:**

### **I certify to the best of my knowledge and belief that:**

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 my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest or bias with respect to the subject matter, the machinery and equipment that is the subject of this report and no personal interest with respect to the parties involved in this assignment.

I am not in a conflict of interest to undertake this assignment.

My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate or a conclusion favoring the client.

My analysis, opinions and conclusions were developed, and this appraisal report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice.

I have the knowledge and experience to complete the assignment competently.

No one provided professional assistance or third-party professional assistance to the person signing this report.

The undersigned is an accredited member in good standing with the Canadian Personal Property Appraisers Group and prepared this report in compliance with their standards and practices. This report is subject to review by the Canadian Personal Property Appraisers Group or by their duly authorized committee.

I did personally inspect the subject machinery and equipment on June 9, 2025; the effective date of this appraisal.

Thank you,

A handwritten signature in black ink, appearing to read "J. Offman", is written over a light blue horizontal line.

Josh Offman, CPPA  
Appraiser  
Castle Appraisals LTD.



**Josh Offman B.A.,CPPA**

Appraiser  
Vice President  
Castle Appraisals Limited  
Website: <https://castleappraisal.ca>  
E-mail: [josh@castleappraisal.ca](mailto:josh@castleappraisal.ca)  
Cell: 902-488-3479

**Education & Experience**

B.A. St. Mary's University, Halifax, NS.  
Castle Appraisals VP 13 years



**Photo Gallery:**



Reception Counter Unit



Casio Cash Register



Desk & Office Chair



7ft Wood Desk



4ft Wood Cabinet



8ft Wood Table



6ft Wood Cabinet



7ft x 3ft Metal Shelving



Battery Charger



Portable Compressor



Firewood Wrapper



Shovels, Etc in Lot



27in Metal Tool Box



Carolina 50Ton Press



Lincoln Idealarc 250



Industrial 5HP Compressor



Hotsy Pressure Washer



Mastercraft Tool Box



Custom Metal Work Table



Waste Oil Tank



Metal Slip Tank



3269L Fuel Tank



92in Cat Bucket



Cat Forks Attachment



2008 Ford F550 1 Ton Dump Truck



Bell Firewood Stacker



Bell Wood Processor



2015 Warrior Screener



2003 Custom Dump Trailer



2012 Freightliner



Cat 938K Loader



Cat 914K Loader



1994 Freightliner Dump Truck



1991 Freightliner Dump Truck



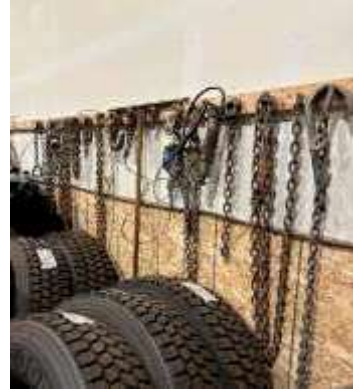
Yard Storage Blocks



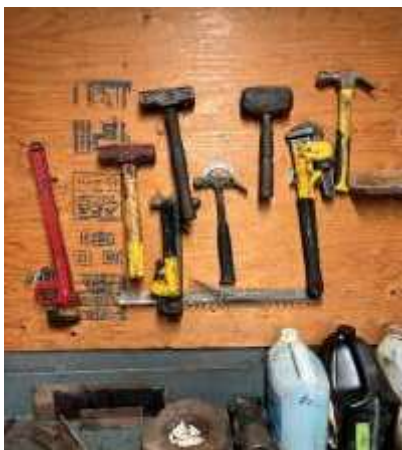
1981 Int. Hough 540 Loader



1986 Int. Hough 540 Loader



Chains, Clamps, Rigging Gear



Hand Tools



Waste Oil Tank



Bolt Bin

**Kel Ann Organics****74 Greentree Ave., Unit#6, Windsor Junction, NS B2T 1K1****Schedule A - Equipment**

<u>Description</u>	<u>Quantity</u>	<u>Forced Liquidation Value</u>
8ft x 28in x 51in Laminate Reception Counter Unit	1	\$300.00
Casio PCR-T2000 Cash Register	1	\$125.00
Norstar DR5 Phone System with (4) Norstar M7208 Phone	1	\$500.00
Kenwood 2-Way Radio System	1	\$250.00
Office Chair	3	\$75.00
PC with 19in Monitor	1	\$150.00
5ft x 30in Wood 5-Drawer Desk	1	\$100.00
4ft x 18in x 29in Wood Single Door Cabinet	1	\$50.00
4-Drawer Filing Cabinet	2	\$80.00
6ft x 18in x 29in Wood 4-Door Cabinet	1	\$75.00
8ft x 30in x 29in Wood Table	1	\$100.00
7ft x 3ft x 29in Wood 4-Drawer Desk	1	\$125.00
4ft x 18in x 67in Wood Cabinet	1	\$50.00
Shovels, Hoes, Landscaping Tools, etc. in Lot	1	\$500.00
Schumacher SF-4022 Battery Charger	1	\$150.00
Maximum 8 Gallon Shop Vac	1	\$40.00
Cosco 2-Wheel Dolly Cart	1	\$50.00
Powerfist 20 Gallon Portable Compressor	1	\$100.00
Hudson Wrapper-M Fire Wood Wrapper (S/N: WRMP290)	1	\$750.00
3ft x 18in x 7ft Metal Pan Shelving Unit	9	\$900.00
2-Step Foldable Ladder	1	\$25.00
Signicode 3ft x 2ft Plastic A-Frame Sidewalk Sign	6	\$150.00
Torin Big Red Creeper	1	\$25.00
Domestic Refrigerator	2	\$200.00
Domestic Microwave	1	\$25.00
Domestic Water Cooler	1	\$20.00
18in x 18in x 6ft Metal Single Locker Unit	1	\$30.00
42in x 35in Metal Bolt Bin	1	\$145.00
27in x 18in x 42in Metal Tool Box with Contents	1	\$350.00
Carolina CBP-1200 50 Ton Press (S/N:06642)	1	\$1,500.00
Lincoln Electric Idealarc 250 Welder	1	\$250.00
Industrial Air C52E800 5HP Compressor (S/N: P1105852)	1	\$1,200.00
Hotsy 2000 PSI Pressure Washer	1	\$1,500.00
Floor Jack	1	\$100.00
Mastercraft 27in x 18in x 5ft Metal Tool Box on Wheels	1	\$500.00
Chains, Clamps, Rigging Gear, etc in Lot	1	\$800.00
Amrox 7500A 8in Bench Grinder	1	\$100.00

Ingersoll Rand 259G 3/4 Air impact Driver	1	\$125.00
Small Hand Tools in Lot	1	\$250.00
6ft x 30in x 37in Alemite Metal Oil Storage Tank	1	\$1,000.00
8ft x 30in x 32in Custom Made Metal Table	1	\$600.00
20in x 15in x 16in Metal 4-Drawer Tool Cabinet	2	\$50.00
3ft x 18in x 64in Metal Shelving Unit	1	\$100.00
Waste Oil Tank	1	\$1,000.00
AFL Manufacturing 3269L Metal Fuel Tank with Fill Rite FR600H Pump	1	\$2,000.00
5ft x 22in x 24in Metal Slip Tank with Tuthill FR152 Hand Pump	1	\$500.00
CAT 92in Bucket Attachment	1	\$3,200.00
CAT Fork Attachment	1	\$2,500.00
2008 Ford F-550 1-Tonne Dump (VIN: 1FDAF57R18EA74736) (365,000 KM)	1	\$8,000.00
1991 Freightliner FLD120 Tandem Axle Dump Truck (VIN: 2FVXFCY99MV377872) (994,787 KM)	1	\$7,750.00
1994 Freightliner FLD120 Tandem Axle Dump Truck (VIN: 2FUFDYB9RA611881) (1,363,634 KM)	1	\$8,500.00
2012 Freightliner Cascadia Tractor (VIN: 1FUJGBDV8CLBM3519) (795,000 KM)	1	\$11,000.00
2003 Custom Air Ride Tridem 37ft Dump Trailer (VIN: 2L9DA63S031070521)	1	\$31,000.00
2018 CAT 938K Loader (S/N: CAT0938KCREP00827) (9800 Hours)	1	\$150,000.00
2015 CAT 914K Loader (S/N: CAT0914KECD200844) (6300 Hours)	1	\$76,000.00
2015 Powerscreen Warrior 800 Screener (S/N: PID00132TDGFC1667)	1	\$120,000.00
2013 Bell 4000 Fire Wood Processor (S/N: 4000C-065) with 24ft Fire Wood Conveyor (S/N:24-025)	1	\$60,000.00
1981 International Hough 540 Loader (S/N: 3520101C003061) (Needs Transmission)	1	parts only
1986 International Hough 540 Loader (S/N: 3520101U004030) (Needs Transmission)	1	parts only
5ft x 2ft Concrete Landscaping Block	120	\$6,000.00
<b>Total</b>		<b>\$500,965.00</b>



# CASTLE APPRAISALS LTD.

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Phone: (902) 209-0057 • Fax: (902) 435-1652 • E-Mail: [castleappraisals@eastlink.ca](mailto:castleappraisals@eastlink.ca)



To: Neil Jones 2025-06-25  
BDO Canada  
255 Lacewood Dr., Suite 201,  
Halifax, NS B3M 4G2

From: Josh Offman

Subject: Kel-Ann Organics  
74 Greentree Ave., Unit 6,  
Windsor Junction, NS B2T 1K1  
Addendum to Equipment Appraisal of June 14, 2025

Dear Mr. Jones:

In response to your request, we have added an addendum containing the "Fair Market Value" of the equipment to our original equipment appraisal report of the assets belonging to the above operation dated June 14, 2025. Please note there has been no noticeable change in the values previously assigned to the non rolling stock equipment. The changes have affected the rolling stock values.

Of the several available methods used to determine appraised value, the method most appropriate in this particular instance, is what is known as the "Fair Market Value." This is not a duress type sale or a must sell situation on the part of the seller. This concept in contrast to any liquidation value, which represents a seller compelled to sell, affords the seller the time required to find a willing buyer. It also gives the seller the option of not selling if the price is not satisfactory. Having more time to locate qualified buyers should help to enhance the sales proceeds realized. However, in order to accurately determine an appraised value; the following factors have been examined: 1) whether and at what cost is equipment available which is a suitable replacement or substitute for that in place 2) whether a market exists given the age and condition of the equipment if necessary to liquidate.

Based on the above and the attached Schedule B, which contains a complete breakdown of the equipment in-place, we would estimate the "**Fair Market Value**" at **\$620,215.00**. This is an addendum to the original report; therefore, our analysis and conclusions that are subject to our statement of "Methodology, Assumptions and Limiting Conditions" remain in effect.

Thank you,

Josh Offman CPPA  
Appraiser  
Castle Appraisals LTD.

**Kel Ann Organics****74 Greentree Ave., Unit#6, Windsor Junction, NS B2T 1K1****Schedule B - Equipment**

<u>Description</u>	<u>Quantity</u>	<u>Fair Market Value</u>
8ft x 28in x 51in Laminate Reception Counter Unit	1	\$300.00
Casio PCR-T2000 Cash Register	1	\$125.00
Norstar DR5 Phone System with (4) Norstar M7208 Phone	1	\$500.00
Kenwood 2-Way Radio System	1	\$250.00
Office Chair	3	\$75.00
PC with 19in Monitor	1	\$150.00
5ft x 30in Wood 5-Drawer Desk	1	\$100.00
4ft x 18in x 29in Wood Single Door Cabinet	1	\$50.00
4-Drawer Filing Cabinet	2	\$80.00
6ft x 18in x 29in Wood 4-Door Cabinet	1	\$75.00
8ft x 30in x 29in Wood Table	1	\$100.00
7ft x 3ft x 29in Wood 4-Drawer Desk	1	\$125.00
4ft x 18in x 67in Wood Cabinet	1	\$50.00
Shovels, Hoes, Landscaping Tools, etc. in Lot	1	\$500.00
Schumacher SF-4022 Battery Charger	1	\$150.00
Maximum 8 Gallon Shop Vac	1	\$40.00
Cosco 2-Wheel Dolly Cart	1	\$50.00
Powerfist 20 Gallon Portable Compressor	1	\$100.00
Hudson Wrapper-M Fire Wood Wrapper (S/N: WRMP290)	1	\$750.00
3ft x 18in x 7ft Metal Pan Shelving Unit	9	\$900.00
2-Step Foldable Ladder	1	\$25.00
Signicode 3ft x 2ft Plastic A-Frame Sidewalk Sign	6	\$150.00
Torin Big Red Creeper	1	\$25.00
Domestic Refrigerator	2	\$200.00
Domestic Microwave	1	\$25.00
Domestic Water Cooler	1	\$20.00
18in x 18in x 6ft Metal Single Locker Unit	1	\$30.00
42in x 35in Metal Bolt Bin	1	\$145.00
27in x 18in x 42in Metal Tool Box with Contents	1	\$350.00
Carolina CBP-1200 50 Ton Press (S/N:06642)	1	\$1,500.00
Lincoln Electric Idealarc 250 Welder	1	\$250.00
Industrial Air C52E800 5HP Compressor (S/N: P1105852)	1	\$1,200.00
Hotsy 2000 PSI Pressure Washer	1	\$1,500.00
Floor Jack	1	\$100.00
Mastercraft 27in x 18in x 5ft Metal Tool Box on Wheels	1	\$500.00
Chains, Clamps, Rigging Gear, etc. in Lot	1	\$800.00
Amrox 7500A 8in Bench Grinder	1	\$100.00

Ingersoll Rand 259G 3/4 Air impact Driver	1	\$125.00
Small Hand Tools in Lot	1	\$250.00
6ft x 30in x 37in Alemite Metal Oil Storage Tank	1	\$1,000.00
8ft x 30in x 32in Custom Made Metal Table	1	\$600.00
20in x 15in x 16in Metal 4-Drawer Tool Cabinet	2	\$50.00
3ft x 18in x 64in Metal Shelving Unit	1	\$100.00
Waste Oil Tank	1	\$1,000.00
AFL Manufacturing 3269L Metal Fuel Tank with Fill Rite FR600H Pump	1	\$2,000.00
5ft x 22in x 24in Metal Slip Tank with Tuthill FR152 Hand Pump	1	\$500.00
CAT 92in Bucket Attachment	1	\$3,200.00
CAT Fork Attachment	1	\$2,500.00
2008 Ford F-550 1-Tonne Dump (VIN: 1FDAF57R18EA74736) (365,000 KM)	1	\$10,750.00
1991 Freightliner FLD120 Tandem Axle Dump Truck (VIN: 2FVXFCY99MV377872) (994,787 KM)	1	\$9,750.00
1994 Freightliner FLD120 Tandem Axle Dump Truck (VIN: 2FUFDYB9RA611881) (1,363,634 KM)	1	\$10,750.00
2012 Freightliner Cascadia Tractor (VIN: 1FUJGBDV8CLBM3519) (795,000 KM)	1	\$14,000.00
2003 Custom Air Ride Tridem 37ft Dump Trailer (VIN: 2L9DA63S031070521)	1	\$38,750.00
2018 CAT 938K Loader (S/N: CAT0938KCREP00827) (9800 Hours)	1	\$187,500.00
2015 CAT 914K Loader (S/N: CAT0914KECD200844) (6300 Hours)	1	\$95,000.00
2015 Powerscreen Warrior 800 Screener (S/N: PID00132TDGFC1667)	1	\$150,000.00
2013 Bell 4000 Fire Wood Processor (S/N: 4000C-065) with 24ft Fire Wood Conveyor (S/N:24-025)	1	\$75,000.00
1981 International Hough 540 Loader (S/N: 3520101C003061) (Needs Transmission)	1	parts only
1986 International Hough 540 Loader (S/N: 3520101U004030) (Needs Transmission)	1	parts only
5ft x 2ft Concrete Landscaping Block	120	\$6,000.00
<b>Total</b>		<b>\$620,215.00</b>