

Clerk's Stamp

COURT FILE NUMBER 2401-15969

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PROCEEDINGS IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985, c. C-
36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF ANGUS
A2A GP INC., ANGUS MANOR PARK A2A GP INC.,
ANGUS MANOR PARK A2A CAPITAL CORP.,
ANGUS MANOR PARK A2A DEVELOPMENTS
INC., HILLS OF WINDRIDGE A2A GP INC.,
WINDRIDGE A2A DEVELOPMENTS, LLC, FOSSIL
CREEK A2A GP INC., FOSSIL CREEK A2A
DEVELOPMENTS, LCC, A2A DEVELOPMENTS
INC., SERENE COUNTRY HOMES (CANADA) INC.
and A2A CAPITAL SERVICES CANADA INC.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

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AFFIDAVIT OF GRAYSON JAMES AMBROSE
Sworn December 13, 2024

I, Grayson James Ambrose, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY
THAT:

1. I am a Director of Angus Manor Park A2A Developments ("A2A Angus Developments").

Responding to some of the allegations set out in Applicant's Affidavit

2. Further to the Affidavits I swore on November 21, 2024, I now make this further Affidavit to clarify the ongoing development and marketing of the Essa Lands and in response to some of the points set out in the applicant's materials, in particular, Michael Edwards' Affidavit sworn on November 12, 2024 ("Edwards Affidavit").
3. With respect to the allegations set out in Paras 57 to 62 of the Edwards' Affidavit, it seems the allegation that there was somehow an under transfer of UFI's stems from a misunderstanding on the applicant's part regarding the two parcels of land comprising of the Essa Lands. I now refer to Exhibit A of my Affidavit sworn on November 21, 2024 ("the First Affidavit") which sets out the two parcels with PINs being 58103-0065 LT and 58103-0059 LT. As can be seen on p.66 and p 125-126 of the First Affidavit, one instrument dealt with the transfer of UFI's in both these parcels of land.
4. Accordingly, where para. 60 of the Edwards' Affidavit implies there was an 'under transfer' of only 212 and 65 UFI's are attributed to Angus A2A Limited Partnership Angus Manor Park A2A Limited Partnership, this was because he had not taken into account these LPs held the same number of UFI's across both parcels comprising the Essa Lands. This is just one of the instances which I believe has been mistakenly emphasized by the Applicants to amplify the urgency and scale of their current application before this honorable court.
5. Furthermore, I note that in establishing the \$5,000,000.00 threshold for the CCAA proceedings presently before this honorable court, the Applicant has claimed that the total value of debt instruments held by the Bond Investors, these being the investors taking part in the bond offering under the Second OM for the Angus Manor Park project ("Angus Manor") to amount to some \$1,300,000.00 as set out in paragraph 36(a) of the Brief of the Applicants. This is a vastly overinflated sum.

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6. The total amount of funds raised from the Second OM amounted to \$836,885.00. There is now shown to me and attached, **Exhibit A**, an excel table showing Clients Services records of funds raised from both the First and Second OM for the Angus Manor Park Project.
7. According to Exhibit 22, the Second OM dated March 23, 2016 found on p.509 of the Edwards Affidavit, “a cursory calculation of the Fixed Interest Rate from the first day in which subscribers could subscribe for the Second OM all the way to September 30, 2021, at which point the Fixed Interest is described as coming due, that would only amount to some \$230,980.26. This is a ways off from the \$1,300,000.00 as alleged by the applicant even in this most basic and liberally constructed interpretation of the interest owed, notwithstanding the other terms within the Second OM which I shall go into further detail below.
8. I begin my third Affidavit raising these issues because I do believe, that this application was prompted by both rushed and rough guesses of the applicants, who I must reiterate includes the dealing representatives from Pinnacle Wealth Brokers Ltd., the party who sold the investments to the Canadian Investors, and not lay persons.

Angus Manor Park project – conceptual background

9. Building on what I had described in para 4 of the First Affidavit, the entire success/profitability of the project depended upon the expansion of the urban boundaries, and the change in the use of the land from agricultural into residentially zoned land. Without this process, in a simple buy and flip of lands which have not undergone the planning approval process and rezoning, the project would never have provided any meaningful returns.
10. The investment structures in both the 1st and 2nd OM for Angus Manor, whilst different to each other, were designed in mind to reduce the barrier of entry for Canadian Investors to take a silent and minority part in the development, appreciation and sale of the Essa Lands. This was an opportunity for the retail investor to take part in investments which have

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traditionally inaccessible to them, and an opportunity for the land development of the Essa Lands to take place without incurring significant amounts of debt or face the risk of fluctuating interest rates from typical financing arrangements such as obtaining a secured loan on the lands.

Angus Manor Park project – 1st OM

11. I will now refer to the relevant parts of the 1st OM (Exhibit 21 Edward's Affidavit) in order to set out the background and context of Angus Manor as would have been clear from the perspective of the Canadian Investors at the time of the subscription. It must be reiterated and emphasized, without the developmental process which Angus Manor went through, it would not have been possible to even have the VTB offer from X-Energy as was set out in George Woodland Chamber's Affidavit sworn on November 20, 2024.
12. After subscribing into the 1st OM, the subscribers acquire LP units in Angus A2A Limited Partnership. The structure of this OM can be found in Exhibit 22 of the Edwards Affidavit which I will not repeat again here.
13. Two key documents set out the role, involvement and rights of the 1st OM subscribers (LP Unitholders in Angus A2A Limited Partnership, "1st OM LP unit holders"). These are the 1st OM itself and the LP Agreement which they are subject to upon becoming a LP unitholder. There is now shown to me and attached, Exhibit B, a copy of the Limited Partnership Agreement dated October 24, 2024 (the "Angus A2A LP Agreement").
14. The following provisions of the 1st OM provide crucial details setting out the rights and responsibilities, duties and risks of the various parties in the Angus Manor project.
15. p. 451, Exhibit 21 of the Edwards Affidavit, states: -

“The success of the Limited Partnership (Angus A2A Limited Partnership) in its objectives and the amount of funds distributed to the Unitholders will depend on the efforts and abilities of the management of the Developer, A2A Angus LP and of the General Partner and on numerous other external factors as, among other things, the development of the residential and commercial real estate markets in the vicinity of the Property, market factors and demand, development costs, interest rates, competition for homebuyers, political environment, working capital requirements, future capital requirements, and the general economic conditions that may prevail from time to time, which factors are out of the control of the management of the A2A Angus LP”.

16. Other relevant provisions of the 1st OM set out the risk factors (p.449 Edwards Affidavit), which would impact on the ability of the LP to make distributions including: -

- a. No review by any securities regulatory authority or regulator,
- b. The illiquidity of the LP units as they are not traded on any exchange or market,
- c. Limited voting rights, in almost all matters, the unitholder must rely principally on the GP and the Administrator with regards to decisions concerning the development of the property (p.450)
- d. There are NO guarantees of success, as this is not a comparable investment to a fixed income security (p.450)
- e. Limited control over AMP development/property (p.452)
- f. The units are not direct investments in real estate, but are LP units in a Limited Partnership which would only even at maximum fundraising levels hold a minority share of the UFI's in the Essa Lands (p.452)
- g. There was also yet another risk statement set out describing the risk levels, and that the units should only be purchased by **persons who can afford to lose all of their investment** (p.455)

17. Furthermore, the 1st OM LP unit holders were informed of the limited control the Angus A2A LP would have over Angus Manor, that even if maximum subscription targets were met, the LP would only indirectly hold 26.09% of the UFI's for the Essa Lands. These

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subscribers also acknowledged from the beginning they would be subject to the decisions of the majority of Co-owners who were offshore investors, and that *“There can be no assurances that Angus A2A LP or the Property will be properly developed, or that the construction of the development will be properly managed, or that decisions made in relations thereto will be made in a manner desirable to the Unitholders”*. p.452, Exhibit 21, Edwards Affidavit is referred.

18. Notwithstanding the above, I do note there was a reporting duty upon the LP to provide 1st OM LP unit holders annual audited financial statements in accordance with the provisions of the Angus A2A LP Agreement. However, to the extent that the applicants are dissatisfied by the reporting by the LP. Their complaint lies with the GP, not with the other entities in these CCAA proceedings. The LP does not conduct any business on its own, and if any dispute arose, the 1st OM LP unit holders should have taken their grievances to the GP which they never did to my knowledge, There was also nothing to report on the part of the LP, as the GP made the decision not to incur expenses to provide the audited financial statements.

19. The General Partner, Angus A2A GP Inc. is vested with authority and power to manage, control and operate the business and affairs of the Partnership, their specific powers and duties can be found under Exhibit 21, p.435 of the Edwards Affidavit: -

- a) *negotiate, execute and perform all agreements which require execution by or on behalf of the Limited Partnership involving matters or transactions with respect to the Limited Partnership's business (and such agreements may limit the liability of the Limited Partnership to the assets of the Limited Partnership, with the other party to have no recourse to the assets of the General Partner, even if the same results in the terms of the agreement being less favourable to the Limited Partnership);*
- b) *open and manage bank accounts in the name of the Limited Partnership and spend the capital of the Limited Partnership in the exercise of any right or power exercisable by the General Partner hereunder;*

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- c) *borrow funds in the name of the Limited Partnership from time to time, from financial institutions or other lenders as the General Partner may determine without limitation with regard to amount, cost or conditions of reimbursement of such loan;*
- d) *guarantee the debts, liabilities and obligations of a third party;*
- e) ***mortgage, charge, assign, hypothecate, pledge or otherwise create a security interest in all or any property of the Limited Partnership now owned or hereafter acquired, to secure any present and future borrowings and related expenses of the Limited Partnership and to sell all or any of such property pursuant to a foreclosure or other realization upon the foregoing encumbrances;***
- f) ***see to the sound management of the Limited Partnership, and to manage, control and develop all the activities of the Limited Partnership and take all measures necessary or appropriate for the business of the Limited Partnership or ancillary thereto;***
- g) ***acquire, maintain, improve, upgrade, expand or dispose of the assets of the Limited Partnership from time to time;***
- h) *incur all costs and expenses in connection with the Limited Partnership;*
- i) *employ, retain, engage or dismiss from employment, personnel, agents, representatives or professionals or other investment participants with the powers and duties upon the terms and for the compensation as in the Discretion of the General Partner may be necessary or advisable in the carrying on of the business of the Limited Partnership;*
- j) *engage agents or subcontract administrative functions, to assist the General Partner to carry out its management obligations to the Limited Partnership;*
- k) *invest cash assets of the Limited Partnership that are not immediately required for the business of the Limited Partnership in investments which the General Partner considers appropriate;*
- l) *act as attorney in fact or agent of the Limited Partnership in disbursing and collecting moneys for the Limited Partnership, paying debts and fulfilling the obligations of the Limited Partnership and handling and settling any claims of the Limited Partnership;*
- m) *commence or defend any action or proceeding in connection with the Limited Partnership;*

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- n) file returns or other documents required by any governmental or like authority;*
- o) retain legal counsel, experts, advisors or consultants as the General Partner considers appropriate and rely upon the advice of such Persons;*
- p) do anything that is in furtherance of or incidental to the business of the Limited Partnership or that is provided for in the Limited Partnership Agreement;*
- q) execute, acknowledge and deliver the documents necessary to effectuate any or all of the foregoing or otherwise in connection with the business of the Limited Partnership;*
- r) obtain any insurance coverage; and*
- s) **generally carry out the objectives, purposes and business of the Limited Partnership.***

20. As can be seen above, the GP has broad powers and full authority to do what they saw fit to further the development of Angus Manor and vote in representation of those UFI units held by the LP. The 1st OM LP unitholders were simply passive participants in this investment.

21. As will be explained later, it is precisely this wide scope of power on the part of the GP which enabled the project to weather the series of unforeseen events which placed tremendous difficulties on the initiation of the Angus Manor project shortly after it had begun. In particular, due to the changes in the fundraising landscape in both Singapore and Hong Kong which curtailed the efficacy of fundraising efforts there.

22. Further to the 1st OM, as subscribers of LP Units in Angus A2A Limited Partnership, the Angus A2A LP Agreement further sets out the rights, responsibilities, duties and obligations of the Limited and General partners. Again, the following were emphasized: -

- a. The partnership was formed to purchase up to 26.09% of the UFIs in the Essa lands and then to earn income by bringing the land to *development ready stage* (p. 2, Exhibit B).
- b. The Limited Partners had no role in the active management of the partnership, and had no right to bring any action for partition or sale or otherwise in connection with

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any interest in any of the property and assets of the partnership (cl. 2.9 – Limitation on Authority of LP, p. 18, Exhibit B).

- c. The Limited Partners were similarly not entitled to take any action that would jeopardize or eliminate the status of the Partnership as a limited partnership.
- d. Each Limited Partner would irrevocably nominate, constitute and appoint the General Partner with full power of substitution as his or her agent and true and lawful attorney to act on his or her behalf with full power and authority in his or her name, place and stead to execute and record or file as and where required (cl. 2.10, p. 18, Exhibit B).
- e. The Limited Partners would also NOT be required to make any further capital contributions for Angus Manor (cl. 4.3, p. 24, Exhibit B).
- f. The specific powers and duties of the General Partners as described in above in this Affidavit were again essentially repeated under the Angus A2A LP Agreement (cl. 8.2, p.29, Exhibit B).
- g. The financial reporting obligations upon the General Partner to provide audited financial statements are set out under cl. 9.2 (p. 36, Exhibit B).

23. Lastly, with reference to the Subscription Agreement for the 1st OM found under Exhibit 25 of the Edwards Affidavit, it was acknowledged by all 1st OM LP unit holders that:-

- a. I acknowledge that this is a risky investment,*
- b. I am investing entirely at my own risk, no securities regulatory authority has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum,*
- c. I will not be able to sell these securities except in very limited circumstances,*
- d. I may never be able to sell these securities,*
- e. I could lose all the money I invest.*

24. From the above, it is clear the 1st OM LP unit holders do not have an involvement in the Angus Manor project other than their initial subscription contributions, and other than the right to audited financial statements at the end of each financial year, are generally not entitled to reporting or accounting. There is nothing in any of these documents which set

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out a right to individual accounting or an avenue to pursue the GP for these documents either. It is inconceivable that any rights as amounting to what has effectively been indirectly granted to this minority group of investors as a result of these CCAA proceedings were set out or contemplated within any of these abovementioned documents.

Angus Manor Park project – 2nd OM

25. The 2nd OM, Exhibit 22, Edward's Affidavit, operates slightly different to the 1st OM.

26. Upon closing of the 2nd offering, subscribers (the "2nd OM Subscribers") would be issued bonds by Angus Manor Park A2A Capital Corp (Limited Partner) ("Capital Corp"). the Capital Corp will then use the proceeds to acquire units in Angus Manor Park A2A Limited Partnership (Alberta).

27. Subsequently, Angus Manor Park A2A Limited Partnership would acquire UFI's to the Essa Lands. The structure of the 2nd OM prima facie is a bond offering, the end goal, is to provide the benefit of the appreciation in value of UFIs in the Essa Lands. 486, Exhibit 22, Edwards Affidavit).

28. The 2nd OM Subscribers are not limited partners. They hold bonds from the Capital Corp who in turn used the subscription proceeds to acquire LP units which are held by Angus Manor Park A2A Limited Partnership.

29. The 2nd OM Subscribers first point of interaction with the Angus Manor project is through the Capital Corp. The Capital Corp's ownership is broken down as follows: -

- a. 60% Class A shares held by Target.
- b. 40% Class A shares held by A2A Capital Management Inc, who also owns all issued and outstanding Class B Shares.

30. Whilst Target is a public traded company on the TSX, their involvement in the 2nd OM bond offering is limited. According to the 2nd OM (p.490 Edwards Affidavit), a release has also been granted by each of the subscribers. Target would not be committing any assets to the activities of the corporation, and would not owe fiduciary duty or care to the subscribers. All subscribers were advised to seek independent legal advice before executing and delivering this release.
31. The reason for this arrangement which differs to the 1st OM is to ensure Bonds issued are a qualified Deferred Plan investment – defined in the 2nd OM (p.480 Edwards Affidavit) as – “means any one of or collectively a RRSP, RRIF, RESP and a TFSA”.
32. As will be explained below, this arrangement was as a result of changes in the fundraising landscape in both Singapore and Hong Kong which curtailed the efficacy of fundraising efforts there.
33. Returning to the issued bonds however, it was contemplated that funds generated, net income and profits after successful development, would be distributed to Angus Manor Park A2A Limited Partnership. And it is these funds, after associated costs have been subtracted, which would be used to satisfy the repayment of the bonds held by the 2nd OM subscribers.
34. The terms of these securities set out that “the Corporation shall redeem 99% of the Principal Amount of the Bonds, and all accrued and unpaid interest thereon, on or before September 30, 2026...the remaining 1%.on the Final Participating Interest Distribution Date...” (2nd OM, p. 509, Edwards Affidavit).
35. More specifically, Each bond would entitle the holder to a simple interest at 5% per annum to be paid on the outstanding principal of the Bonds during the term of the Bond. While that section state the payment of the Fixed interest shall be made on or before September 30, 2021... it also states Additional payments of the Fixed Interest Rate from September 30, 2021 until the earlier of the Bonds being redeemed in full or shall be paid no later than

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6 months from the redemption of the bonds or the Maturity date (end of the bond term – September 30, 2026) (2nd OM, p. 509, Edwards Affidavit).

36. As discussed above in the first section of this Affidavit, even taken at its furthest, the 5% simple fixed interest payment set to be paid out on September 30, 2021 would not amount to the claimed \$1,300,000.00 by the applicants.
37. Moreover, this was not a stable investment, quite in the contrary. The 2nd OM Subscribers were told their investments were unsecured obligations (2nd OM, p.509 Edwards Affidavit).
38. Furthermore, the risk factors for this investment had been clearly set out under Article 8 (2nd OM, p. 514, Edwards Affidavit), wherein the bonds were described as “highly speculative”, and that a potential subscriber “*should buy them only if it is able to bear the risk of the entire loss of its investment and has no need for immediate liquidity. An investment in the Bonds should not constitute a major portion of a Subscriber's portfolio.*”
39. It is clear the decision to make any distribution back to the 2nd OM subscribers was discretionary on the part of the GP. As the project was still undergoing development, there were no profits, and no income. Therefore, there was nothing to distribute to the 2nd OM Subscribers.
40. These current proceedings, effectively brought against Angus Manor, threaten the very investment these 2nd OM subscribers had initially made, to the potential detriment of all the UFI holders in the Angus Manor project.
41. Notwithstanding the differences in the way the investors could participate in Angus Manor in the 1st and 2nd OM, the operations, management of the development, vis a vis the Essa Lands, as set out in both OMs are essentially the same.

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- a. Again, Angus Manor Park A2A Developments Inc. would be responsible for deploying the concept planning fund towards developing the Essa Lands (2nd OM, p.488 Edwards Affidavit).
 - b. Similarly, the General Partner, Angus Manor A2A GP Inc. were granted the same powers to Angus A2A GP Inc. in the 1st OM (2nd OM, p.487 Edwards Affidavit). Including the discretion to decide when to make distributions, and in general to manage, control and operate the business and affairs of the Partnership (Angus Manor Park A2A Limited Partnership for the 2nd OM) (2nd OM, p. 498 Edwards Affidavit)
42. The Limited Partnership agreement governing the relationship between the General Partner and the Limited Partner in the 2nd OM, do not bind the 2nd OM subscribers given they are not limited partners. The Limited Partnership agreement dated March 1, 2016, is now shown before me as Exhibit C (the “Angus Manor Park A2A Limited Partnership Agreement”). The clauses within this Limited Partnership agreement are the same as that of the Angus A2A Limited Partnership Agreement (Exhibit B).
43. This long section detailing the rights and responsibilities, structure and operations of the Angus Manor project with respect to the 1st and 2nd OM has hopefully set out what the Canadian Investors were and weren’t entitled to. It seems to me this CCAA application has effectively enabled the applicants to bootstrap the CCAA to secure rights that they have at no time been entitled to from what was agreed upon by the parties. Given their minority holding in this entire project, and that they had no direct voting rights on the sale of the Essa Lands, their actions in furthering these proceedings have had tremendous detrimental consequences to the Angus Manor project, and to other projects as well. .

Regulatory changes in Singapore and Hong Kong affected Angus Manor development

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44. As I had elaborated on multiple occasions in this Affidavit, the Angus Manor project hit significant fundraising hurdles due to regulatory changes in Singapore and Hong Kong which precluded us from continuing to fundraise in Asia, and ultimately from meeting the fundraising goals.
45. On or around July 21, 2014, discussions began internally in response to the classification of collectively managed investment schemes involving pooled profits and the removal of investors from the daily control of investments by the Monetary Authority of Singapore. The consequence of this was that operators of such schemes, to which land banking would fall under, would have to be licensed, engage in public disclosures and comply with all the other relevant codes under law before being able to market to investors. We expected this policy change to be implemented around July/August 2015. There is now produced and shown before me Exhibit D, a copy of the email correspondences involving the internal discussions on this matter. Also produced and shown before me is Exhibit D1, a copy of the press release from MAS.
46. On September 23, 2015, these changes came into effect. A copy of the relevant article is now produced and shown before me as Exhibit D2.
47. The door to raising funds in Singapore effectively closed after these changes.
48. With respect to fundraising in Hong Kong, pursuant to an undertaking dated November 16, 2016, no further funds were raised for the Angus Manor project, as well as the Hills of Windridge Development Plan, the Trail of Fossil Creek Development Plan and the Sendera Ranch Development Plan. A copy of this undertaking is now produced and shown before me as Exhibit E.
49. On November 28, 2016, a letter of compliance from the Securities and Futures Commission of Hong Kong was issued to A2A Capital Management (Hong Kong) Limited, indicating

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no enforcement action would be taken against that company. A copy of this letter is now produced and shown before me as Exhibit E1.

50. I have no involvement in the Asia side of fundraising, and am only aware of these developments there as they concern the Angus Manor project.

51. As a result of these changes taking place over 2015 and 2016, the decision was made to stop fundraising efforts in Asia. Even with the 1st and 2nd OM, we were far from meeting the fundraising goal of \$20,000,000.00 as described in both OMs.

Moving onward despite the fundraising hurdles

52. Angus Manor's fundraising could only be considered half done. There were still 893 UFIs under Angus Manor Park A2A Developments Inc., the original plan for which was to find investors for.

53. Accounting for both the Offshore Investors and the Canadian 1st and 2nd Offerings, the total funds raised are as follows: -

- a. \$10,100,000.00 from Offshore Investors;
- b. \$1,765,885.00 from 1st and 2nd Offerings in Canada, broken down as follows: -
 - i. \$929,000.00 from the 1st Offering,
 - ii. \$836,885 from the 2nd Offering.

54. The \$11,865,885.00 raised between both the Offshore Investors and Canadian Investors was just slightly over half the fundraising goal of \$20,000,000.00 as set out in the 1st OM (Exhibit 21, Edwards Affidavit). The impact of this was that the Concept Planning Fund was never fully funded to engage in what would end up to be a highly complicated and

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unfortunately delayed development timeline due to the pandemic and its resulting changes to Ontario's real estate development industry.

55. A lot of the development work started even prior to the onboarding of the Canadian Investors, with reports dating back to 2012 and 2013 exploring the viability of rezoning, as well as the challenges/costs and expected timeline of doing so. These documents have been provided to the Monitor. Just to set out a rough overview of what this process was like, I now go into some of the work I did in facilitating the development process in the next section.

Development of Angus Manor Park – Concept Planning Funds

56. From the very beginning of our study into the development viability of the Essa Lands, we were aware this would be a significant effort in time and cost. Weston Consulting's Due Diligence Report dated March 2013 sets out the time frame for the project which could take anywhere between 5 to 13 years to turn the zoning from agricultural to residential lands. A copy of this report is now shown and produced to me marked "Exhibit F".

57. Weston Consulting's involvement in the project continued into mid 2024, and they have been responsible for coordinating the various experts and professionals such as archaeologists, environmental assessors, municipal infrastructure engineers, surveyors, subsurface investigators and the like to produce the required documentation and information as well as lobby the municipal government to extend the urban boundaries to cover the Essa Lands. A copy of my own records detailing Weston Consulting's issued invoices is now shown and produced to me marked "Exhibit F1".

58. As set out in the 1st and 2nd OMs, and to my understanding as applicable to the Concept Planning Fund, all payments for the furtherance of the development of the Essa Lands came out of the Angus Manor Park A2A Developments Inc. O/A Concept Planning Funds Account (BMO – 0317 1997-312) ("the BMO 312 account"). A copy of this account's

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bank statement records are now shown and produced to me marked “Exhibit G”. I am in the process of locating the accounting records detailing each specific transaction to the invoices paid out to the various experts, professionals and consultants along with the property taxes and other associated expenses.

59. The Concept Planning Funds in the BMO 312 account were eventually depleted, as there was nowhere near the expected \$1,150,000.00 set aside as fundraising goals were not met.

60. As a result, the CPF was depleted quite rapidly right from the beginning. As money came in from each individual investor, it would be used to pay for the various development expenses. Over time, the CPF became depleted, and it was not possible to continue development without an injection of further funds. This is why there were payments made from A2A Developments Inc. RBC bank accounts (09987-1029693) to pay for various items, including property taxes and consultants fees. The statements for this account have already been prepared, but because this was money outside of the CPF, only the bank statements and transaction records have been provided to the monitor at this time, and I am unable to point to a ledger setting aside the dedicated expenditures from this account to pay for the Angus Manor project related expenses which would have been paid for by the Concept Planning Fund.

61. It did not help that we encountered various delays during the planning approval process. At some point, planners had indicated they were mandated to decide by July 2022, and a report to that effect had been prepared. However, even though it appeared to us then that the change to extend the urban boundaries were imminent, it did not occur for various reasons. This was the beginning of our warning bells as we were not prepared to continue to bleed money to keep the project afloat not sure of when approvals would come by. To my recollection, it was decided not to continue leaking money and bring the property to market to at least recoup some returns for the Offshore and Canadian Investors. There is

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now produced and shown before me a copy of Weston Consulting's correspondence dated June 4, 2021 marked "Exhibit G1")


62. Without inclusion of the Essa Lands into the urban boundary, its value would not have increased significantly.
63. Nonetheless, we did proceed to facilitate getting the property to market. We were in the process of tallying the votes from the co-owners and a notice was drafted to be circulated to inform everyone of the proposed deal if the special resolution passed. In such arrangements, If we had waived the sellers condition we were still subject to 60 or 90 day buyer due diligence. As we had prior experience with deals falling through even at this stage, we did not want to have the work done only for the deal to fall apart. Unfortunately, it was during this time gap in which the the current CCAA proceedings commenced. Had there been more time for us to verify all the information and waive the sellers condition, a notice would have been circulated informing them of this deal. The draft exit offer notice dated around October 2024 is now produced and shown before me marked "Exhibit H".
64. As the project now stands, there is still some chance salvage the current offer on the property and distributions to the co-owners, and also to the Canadian Investors of sums, while not profitable, of an amount very close to what they put into the project. As I am told now, with the snowballing expenses of the applicant and monitor and the overall costs of these CCAA proceedings, any mitigated consequences from the development process for the Angus Manor project are likely to be reflected unto the Co-Owners anyway.
65. I make this affidavit to the best of my knowledge and belief, in support of a stay of the Initial Order and adjournment of the Monitor's Comeback Application pending an Application to set aside or vary the Initial Order.

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DECLARED BEFORE ME, by audio-visual
communication technology via Zoom on

December 13, 2024

With the commissioner being in the City of
Markham, Province of Ontario during the
video conference with the deponent being in
the City of Calgary in the Province of Alberta
during the video conference

DocuSigned by:

890497CF8D774C7...

Commissioner for Taking Affidavits
(or as may be)

Signed by:

5813B21B92774B5...

(Signature of deponent)

Grayson Ambrose

RCP-E 4D (February 1, 2021)

*Via Video Conferencing

* Executed pursuant to the *Electronic Commerce Act*

This is Exhibit “A” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)

First Name	Corres.Address 1
Jocelyn Hamm	
John Kimber	
Albert Kozel	
Tom McKinnon	
Serge Trepanier	
Martin Trudeau	
JC Daigneault	
Chad Toews	
Claude Dufour	
Frederic Cunche	
Jocelyn Malo	
Pascal Printemps	
Alain Vroye	
Jacques Belanger	
Francois Gilbert	
Yves Labelle	
Alexandre Bilodeau	
Frederic Thivierge	
Francois Longpre	
Sonia Lavoie	
Jean-Gaston Baudart	
Luc Langevin	
Claude Levesque	
Luc Ducharme	
Jason Fernyc	
Serge Charette	
Guy Crispin	
Steve Gingras	
Micheline Charette	
Trevor Buckler	
Cintia Racine	
Derek Kennedy	
Martin Trudeau	
Sandro Bastien	
Isabelle Gagnon	
Rene Tremblay	
Trevor Juneau	
Thuy-Ly Pham	
Catherine Seferovic	
Sylvie Thommeret	
Claudine Provost	
Bruno Chartrand	
Milos Benesh-Kendal Bene	
Shanny Toews	
Marlin Toews	

Guylain Theriault		
Jonathan Ouimet		
Patricia Therrien		
Francois Labelle		
Myriam Guillemette		
Christian Vallieres		
Liette Nolet		
Doris Gratton		
Michel Dionne		
Beatrice Sejourne		
Carey Bingham		
Chantal Barrette		
Denis Tremblay		
Marc Doucet		
Claude Paquette		
Danielle Regner		
PC Info Conseil Inc.		
Eric Thuotte		
Pierre Chartrand		
Michael Gray		
Sylvain Trudeau		
Jocelyn Malo		

Email	Telephone No	Main Consultant	No.of Units
		Zeljko Toic	10000
		Mark McKinnon	10000
		Mark McKinnon	6770
		Mark McKinnon	16750
		Luc Chartrand	10000
		Francois Herbert	30000
		Jean-Christophe Daigneault	10000
		Zeljko Toic	10000
		Claude Dufour	6300
		Marc Ledoux	10000
		Francois Herbert	15000
		Marc Ledoux	25000
		Marc Ledoux	15000
		Marc Ledoux	10000
		Marc Ledoux	7000
		Marc Ledoux	20000
		Marc Ledoux	10000
		Francois Herbert	13000
		Marc Ledoux	10000
		Marc Ledoux	7000
		Marc Ledoux	10000
		Marc Ledoux	15000
		Marc Ledoux	10000
		Marc Ledoux	15000
		Shannon Pineau	10000
		Michelle Martel	17000
		Michel Bernard	8000
		Michelle Martel	20500
		Michelle Martel	16000
		David Scott	25000
		Marc Ledoux	10000
		David Scott	10000
		Francois Herbert	7000
		Francois Herbert	15000
		Francois Herbert	15000
		Luc Chartrand	6300
		David Scott	25000
		Francois Herbert	7000
		Francois Herbert	13000
		Marc Ledoux	6300
		Marc Ledoux	7000
		Luc Chartrand	10500
		Lisa Fomina	15000
		Zeljko Toic	12500
		Zeljko Toic	12500

			Marc Ledoux	50000
			Marc Ledoux	7500
			Luc Chartrand	10000
			Mathieu Parant	10000
			Marc Ledoux	7000
			Marc Ledoux	10000
			Luc Chartrand	10000
			Marc Ledoux	7000
			Marc Ledoux	10000
			Marc Ledoux	10000
			Zeljko Toic	10000
			Luc Chartrand	8995
			Luc Chartrand	10000
			Luc Chartrand	10000
			Luc Chartrand	15000
			David Scott	10000
			Luc Chartrand	10000
			Luc Chartrand	7000
			Luc Chartrand	15670
			Zeljko Toic	6300
			Francois Herbert	17000
			Francois Herbert	15000

AMP Capital Corp

AMP LP

Total Raised

Price in CAD
\$10,000.00
\$10,000.00
\$6,770.00
\$16,750.00
\$10,000.00
\$30,000.00
\$10,000.00
\$10,000.00
\$6,300.00
\$10,000.00
\$15,000.00
\$25,000.00
\$15,000.00
\$10,000.00
\$7,000.00
\$20,000.00
\$10,000.00
\$13,000.00
\$10,000.00
\$7,000.00
\$10,000.00
\$15,000.00
\$10,000.00
\$15,000.00
\$10,000.00
\$17,000.00
\$8,000.00
\$20,500.00
\$16,000.00
\$25,000.00
\$10,000.00
\$10,000.00
\$7,000.00
\$15,000.00
\$15,000.00
\$6,300.00
\$25,000.00
\$7,000.00
\$13,000.00
\$6,300.00
\$7,000.00
\$10,500.00
\$15,000.00
\$12,500.00
\$12,500.00

\$50,000.00
\$7,500.00
\$10,000.00
\$10,000.00
\$7,000.00
\$10,000.00
\$10,000.00
\$7,000.00
\$10,000.00
\$10,000.00
\$10,000.00
\$8,995.00
\$10,000.00
\$10,000.00
\$15,000.00
\$10,000.00
\$10,000.00
\$7,000.00
\$15,670.00
\$6,300.00
\$17,000.00
\$15,000.00

\$836,885
\$929,000.00
\$1,765,885

Client Name	No. of Units
101097992 SK (Pat Sperle)	250
101198448 Saskatchewan Ltd. (Prosper Consulting)	500
9021-7324 Quebec Inc. (Jocelyn)	1000
Allen Hewko	250
Brian & Jacqueline Paul	350
Brockton Point Enterprises Inc. (Walter)	100
Cindy Guina	70
Daniel Vriend	80
David Lingstone	50
Dean Henry	150
Deanna Kit Yu Lee	200
Denis Hounjet	400
DJ Heiland Trucking Inc. (Daryl Heiland)	150
Don Man Young Wong	200
Doug Turnbull	100
Gestion Alain Duclos Inc. (Alain Duclos)	200
Herbert and Adeline Neufeld	240
Isabelle Brousseau	150
Jacques Roy - end	500
Joanne M Edwards	100
John and Catharine Degenhardt	150
Keyworth Farms Ltd. (Gail Forrest)	300
Kramer Agro Inc. (Dale Kramer)	250
Leslie Graham	100
Lois Purser	200
Neil Purser	200
North of the Gully Elk Farm Ltd. (Bruce Schwartz)	250
Ray & Pat Wedlund	150
Richard Schmaltz	50
Ron Guina	750
Sandra Evans	200
Tesia Brooks and Philip Hossack	100
Walter Holmes	80
Wayne Johnston	50
Zane Wispinski	150
Lynn and Rob Anderson	100
Trevor Berggren	120
Michel Martel	600
Hillfire Ranching Ltd. (John Setrakon)	150
Marc Haddad	300

9290

Address

[illegible]

[illegible]

Price	Investment	DR	DR email
\$25,000.00	Cash		
\$50,000.00	Cash		
\$100,000.00	Cash		
\$25,000.00	Cash		
\$35,000.00	Cash		
\$10,000.00	Cash		
\$7,000.00	Cash		
\$8,000.00	Cash		
\$5,000.00	Cash		
\$15,000.00	Cash		
\$20,000.00	Cash		
\$40,000.00	Cash		
\$15,000.00	Cash		
\$20,000.00	Cash		
\$10,000.00	Cash		
\$20,000.00	Cash		
\$24,000.00	Cash		
\$15,000.00	Cash		
\$50,000.00	Cash		
\$10,000.00	Cash		
\$15,000.00	Cash		
\$30,000.00	Cash		
\$25,000.00	Cash		
\$10,000.00	Cash		
\$20,000.00	Cash		
\$20,000.00	Cash		
\$25,000.00	Cash		
\$15,000.00	Cash		
\$5,000.00	Cash		
\$75,000.00	Cash		
\$20,000.00	Cash		
\$10,000.00	Cash		
\$8,000.00	Cash		
\$5,000.00	Cash		
\$15,000.00	Cash		
\$10,000.00	Cash		
\$12,000.00	Cash		
\$60,000.00	Cash		
\$15,000.00	Cash		
\$30,000.00	Cash		
\$929,000.00			

This is Exhibit “B” referred to in the Affidavit of Grayson Ambrose,
sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)

REGISTER LIMITED PARTNERSHIP - Proof of Filing

Alberta Registration Date: 2014/10/24

Registration Number: LP18561696

Service Request Number: 22259564

Limited Partnership Name: ANGUS A2A LIMITED PARTNERSHIP

Home Jurisdiction: ALBERTA

Termination Date: 2024/12/31

General Partner

General Partner Type: Legal Entity

Corporate Access Number: 2018558631

Last Name / Legal Entity Name: ANGUS A2A GP INC.

Street: 900, 744 - 4TH AVENUE SW

City: CALGARY

Province: ALBERTA

Postal Code: T2P 3T4

Attachment

Attachment Type	Microfilm Bar Code	Date Recorded
Certificate of Limited Partnership (AB)	10000407113964761	2014/10/24

Registration Authorized By: DARREN M. SMITS
SOLICITOR



10000407113964761

LP 18561696

CERTIFICATE OF LIMITED PARTNERSHIP**Angus A2A Limited Partnership**

This is a Certificate of Limited Partnership complying with subsection 52(2) of the *Partnership Act* (Alberta) to be filed with the Registrar of Corporations appointed under the *Business Corporations Act* (Alberta) and arising out of the agreement dated October 24, 2014, made among all of the partners of the Limited Partnership (the "**Limited Partnership Agreement**").

The section references herein relate to the corresponding sections of the *Partnership Act*, R.S.A., 2000, c. P-3, as amended.

1. **Firm Name** (section 52(3)(a)):

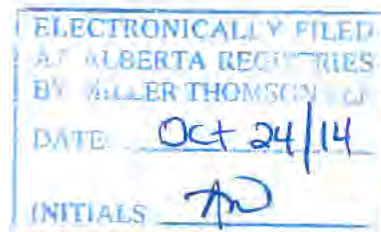
The firm name under which the business of the Limited Partnership is to be conducted is "**Angus A2A Limited Partnership**".

2. **Character of Business** (section 52(3)(b)):

The business of the Limited Partnership shall be or is intended to be carried as follows:

- (a) the Limited Partnership is formed to purchase up to 26.09% undivided financial interest in the lands consisting of approximately 167 acres located in the community of Angus, Essa Township, Simcoe County, Ontario, Canada (the "**Lands**");
- (b) to earn income from Angus Manor Park A2A Developments Inc. (the "**Developer**") enhancing the Lands by taking the Lands to the development ready stage, including without limitation, creating the area structure plan, applying for rezoning, putting in servicing to the property line, creating road access and to conduct any other business or activity incidental, ancillary or related thereto (collectively referred to as the "**Project**");
- (c) entering into any and all contracts and arrangements whatsoever for the purpose of achieving any of the above objects of the Limited Partnership, and in the conduct of the business of the Limited Partnership; and
- (d) carrying on any trade or business whatsoever which, in the opinion of the Limited Partners as determined by a resolution at a general or special meeting of the Limited Partners, can be carried on lawfully and advantageously by the Limited Partnership in connection with or ancillary to any of the above objects of the Limited Partnership.

Together with any other all related activities and ancillary services as determined by the General Partner from time to time in its discretion.



3. **Name and Place of Residence of Partners** (section 52(3)(c)):

- (a) The General Partner of the Limited Partnership is:
 - (i) Angus A2A GP Inc.
900, 744 4th Avenue S.W.
Calgary, Alberta T2P 3T4
- (b) The Initial Limited Partner of the Limited Partnership is:
 - (i) Grayson Ambrose
900, 744 4th Avenue S.W.
Calgary, Alberta T2P 3T4

4. **Term** (section 52(3)(d)):

The Limited Partnership created hereby shall be dissolved upon the outcome of any of the following events or dates:

- (a) expressed written consent of all of the Partners of the Limited Partnership;
- (b) the election of the General Partner, if approved by Special Resolution of the Partners of the Limited Partnership;
- (c) the removal or resignation of the General Partner unless the General Partner is replaced pursuant to the terms of the Limited Partnership Agreement;
- (d) December 31, 2024; or
- (e) any event which causes the dissolution of a limited partnership under the laws of the Province of Alberta.

5. **Capital Contributions** (section 52(3)(e)):

The initial capital contribution of the Limited Partner for the limited partnership units (the "L.P. Units") is the amount of \$100.00 in cash per L.P. Unit, for an aggregate contribution of \$100.00 for the Initial Limited Partner.

6. **Additional Capital Contributions** (section 52(3)(f)):

No Limited Partner will be required to make any additional contributions to the capital of the Limited Partnership in excess of the initial capital contributions.

7. **Return of Capital Contributions** (section 52(3)(g)):

- (a) No Limited Partner shall be entitled to withdraw any part of his/her capital or to receive any distribution, except as provided in the Limited Partnership Agreement and except as permitted by law; and
- (b) No Limited Partner shall be entitled to interest on the amount of his contributed capital to the Partnership.

8. **Allocation of Profits and Losses** (section 52(3)(h)):

Net Income or Net Loss for any Annual Fiscal Period of the Limited Partnership will be allocated as follows:

- (a) firstly, 0.01% to the General Partner; and
- (b) secondly, to the Limited Partners.

9. **Right to Assign Limited Partners' Interest** (section 52(3)(i)):

No Limited Partner shall sell, transfer, assign, pledge, charge, mortgage or otherwise dispose of an L.P. Unit in the Limited Partnership unless made in accordance with the terms and conditions of the Limited Partnership Agreement.

10. **Right to Admit Additional Partners** (section 52(3)(j)):

The General Partner may admit, or distribute, up to 30,000 L.P. Units.

11. **Priority on Return of Capital Contribution** (section 52(3)(k)):

The General Partner shall have the sole discretion to determine the terms upon which any capital contribution shall be returned to the Partners subject to the requirement that the General Partner is required to make such distributions *pro rata* in accordance with the capital contributions then outstanding with respect to all outstanding units (and after giving effect to any prior distributions of capital contributions in respect for such units), unless after giving effect to such proposed distribution the General Partner concludes there are no reasonable grounds for believing that:

- (a) the Limited Partnership would be unable to pay its liabilities as they become due; and
- (b) the realizable value of the Limited Partnership's assets would be less than the aggregate of:
 - (i) its liabilities; and

- (ii) its remaining Capital Contributions of all other Units after giving effect to any prior distributions.

12. **Right to Continue** (section 52(3)(l)):

Not applicable.

13. **Return of Capital by Means of Property Other Than Cash** (section (52(3)(m)):

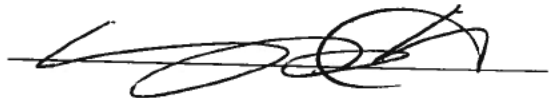
No Partner shall be entitled to demand and receive property other than cash in return for capital contributions.

IN WITNESS WHEREOF the Partners have executed this Certificate of Limited Partnership on the 24th day of October, 2014.


GENERAL PARTNER

ANGUS A2A GP INC.

Per:



INITIAL LIMITED PARTNER


Witness
Grayson Ambrose

ANGUS A2A LIMITED PARTNERSHIP

LIMITED PARTNERSHIP AGREEMENT

BETWEEN:

ANGUS A2A GP INC.

- and -

GRAYSON AMBROSE

**AND EACH PERSON WHO IS ADMITTED TO THE
PARTNERSHIP AS A LIMITED PARTNER IN ACCORDANCE
WITH THE TERMS HEREOF**

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ANGUS A2A LIMITED PARTNERSHIP

LIMITED PARTNERSHIP AGREEMENT

THIS LIMITED PARTNERSHIP AGREEMENT dated as of the 24th day of October, 2014, and made between Angus A2A GP Inc., a corporation incorporated under the laws of the Province of Alberta, as General Partner and Grayson Ambrose of the Province of Alberta, as initial Limited Partner and each person who is admitted to the Partnership as a Limited Partner in accordance with the terms hereof.

IN CONSIDERATION of the covenants and agreements contained in this Agreement, the Partners agree with each other as follows:

ARTICLE 1 - INTERPRETATION

1.1 Definitions

In this Agreement, the following words have the following meanings:

- (a) **"Act"** means the *Partnership Act* (Alberta), as amended;
- (b) **"Affiliate"** where used to indicate a relationship with any Person, has the meaning ascribed thereto in the *Securities Act* (Alberta);
- (c) **"Agreed Value"** means in respect of a Limited Partner, at the time and from time to time, the amount in such Partner's Capital Account as at such date, plus the amount of any Distributable Cash due to such Partner, if any, for the previous full Fiscal Quarter, to the extent such amount has been determined to be payable by the General Partner pursuant to Section 5.3(a) but has not yet been paid, less any amounts of every nature and kind due by the Limited Partner to the Partnership, including reasonable costs of the Partnership or General Partner incurred in connection with the transaction contemplated in Section 2.8. For clarity, the Agreed Value shall not include any amount in respect of Distributable Cash accrued during the Fiscal Quarter in which the calculation of the Agreed Value is made;
- (d) **"Agreement"** or **"Partnership Agreement"** means this Limited Partnership Agreement dated as of the 24th day of October, 2014 and made between Angus A2A GP Inc., a corporation incorporated under the laws of the Province of Alberta, as General Partner and Grayson Ambrose of the Province of Alberta, as initial Limited Partner and those parties referred to as Limited Partners herein, as from time to time amended, supplemented or restated;
- (e) **"Applicable Laws"** means any statute, bylaw, rule or regulation or any judgment, order, writ, injunction or decree of any Governmental Authority to which a specified person or property is subject;
- (f) **"Associate"**, where used to indicate a relationship with any Person, has the meaning ascribed thereto in the *Securities Act* (Alberta);
- (g) **"Auditor"** means a member, in good standing, of the Canadian Institute of Chartered Accountants and who has been appointed as auditor of the Partnership;

- (h) **"Capital Contribution"** has the meaning ascribed thereto in Section 4.3;
- (i) **"Certificate"** means the certificate of limited partnership for the Partnership to be filed under the Act and all amendments thereto and renewals, replacements or restatements thereof;
- (j) **"Current Accounts"** means the accounts established pursuant to Section 4.5;
- (k) **"Discretion"** means the sole, absolute and unfettered discretion without any requirement to be reasonable or to maintain an even hand, to be exercised as, when and however (including retroactively) deemed fit by the General Partner;
- (l) **"Distributable Cash"** means with respect to a particular period, the amount by which the Partnership's cash on hand or to be received in respect of that period (excluding any proceeds from any Financing) exceeds:
 - (i) unpaid administration expenses of the Partnership;
 - (ii) amounts required for the business and operations of the Partnership, including operating expenses and capital expenditures;
 - (iii) amounts required in order to meet all debts, liabilities and obligations in respect of any Financing, including reserves to ensure compliance with agreements to which the Partnership is subject; and
 - (iv) any amounts which the General Partner in its Discretion determines is necessary to satisfy the Partnership's current and anticipated debts, liabilities and obligations and to comply with applicable laws;
- (m) **"Financing"** means any credit facility granted or extended to or for the benefit of, or investment by way of debt in, the Partnership whereby or pursuant to which money, credit or other financial accommodation has been or may be provided, made available or extended to the Partnership by way of borrowed money, the purchase of debt instruments or securities, bankers acceptances, letters of credit, overdraft or other forms of credit and financial accommodation, and includes any and all trust deeds, indentures, mortgages, bonds or debentures (whether issued and delivered as security or sold to a purchaser), security agreements and other deeds, instruments or documents in respect thereof;
- (n) **"Fiscal Year"** has the meaning ascribed thereto in Section 2.5 and **"Fiscal Quarter"** means a quarter of the Fiscal Year;
- (o) **"Force Majeure"** means any act of God, flood, earthquake, lightning or other natural physical disaster, explosion, fire, act of war, act of terrorism, riot, rebellion or civil unrest, and regional strikes or similar labour disputes which prevents the conduct of the business of the Partnership;
- (p) **"GAAP"** means, at any time, accounting principles generally accepted in Canada, including those set out in the Handbook of the Canadian Institute of Chartered Accountants;
- (q) **"General Partner"** means Angus A2A GP Inc., the general partner of the Partnership;

- (r) **"Governmental Authority"** means any applicable court or tribunal in any jurisdiction or any federal, provincial, municipal or other governmental entity, agency, authority, department, commission, stock exchange, board, instrumentality official or tribunal thereof;
- (s) **"Limited Partner"** means any Person who is admitted to the Partnership as a Limited Partner from time to time by subscription for or by succession to or as transferee of LP Unit's as long as they are registered holders of at least one LP Unit;
- (t) **"LP Unit Certificate"** means a certificate for LP Units in such form as approved by the General Partner from time to time;
- (u) **"LP Units"** means the limited partnership units of the Partnership;
- (v) **"Net Income" or "Net Loss"** for a Fiscal Period of the Partnership means the net income or net loss, as the case may be, of the Partnership for that period determined in the financial statements of the Partnership; and for income tax purposes, means the income or loss of the Partnership determined under all applicable income tax statutes and regulations after applying the following principles, subject to a determination by the General Partner that such an application generally would not be in the best interest of the Limited Partners:
 - (i) deductions in arriving at income will be taken at the earliest time and to the maximum extent permitted by applicable income tax statutes and regulations but without creating or increasing a Net Loss for income tax purposes; and
 - (ii) the recognition of income will be deferred to the maximum extent permitted by applicable income tax statutes and regulations;
- (w) **"Ordinary Resolution"** means:
 - (i) a resolution approved through the votes cast in person or by proxy at a duly constituted meeting of Limited Partners holding LP Units or at any adjournment thereof called in accordance with this Agreement and representing more than 50% of the votes attaching to the LP Units cast in person or by proxy in accordance with Section 10.9; or
 - (ii) a written resolution in one or more counterparts signed by the Limited Partners holding in the aggregate more than 50% of the votes attaching to the LP Units in accordance with Section 10.9;
- (x) **"Partners"** means the General Partner and the Limited Partners and **"Partner"** means any one of them;
- (y) **"Partnership"** means Angus A2A Limited Partnership formed under the laws of the Province of Alberta as a limited partnership by the filing of the Certificate under the Act;
- (z) **"Person"** includes any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, limited liability company, unincorporated association, trust (including any

beneficiary thereof), trustee, executor, administrator or other legal personal representative, Governmental Authority, or entity however designated or constituted;

- (aa) **"Property"** means that parcel of land comprising 167 acres (more or less) located in the Community of Angus, Essa Township, Simcoe County, Province of Ontario, Canada;
- (bb) **"Proportionate Share"** of any amount at any time, means a fraction equal to the number of LP Units of which a Limited Partner is the registered holder at that time divided by the total number of issued and outstanding LP Units at that time;
- (cc) **"Register"** means the register indicating the names and addresses of the Limited Partners and the number of LP Units held by them, to be kept by the General Partner;
- (dd) **"Requisitioning Partners"** has the meaning ascribed thereto in Section 10.1;
- (ee) **"Reserves"** means reasonable reserves which the General Partner determines are necessary or desirable to withhold from any advance or distribution to Limited Partners having regard to the current and anticipated cash requirements of the Partnership, including for operating expenses, maintenance expenses, upgrade, renovation and renewal expenditures, payments in respect of any Financing or other commitments, obligations in respect of incentive plans of the Partnership, and reserves to ensure compliance with the agreements to which the Partnership is subject (including any Financing);
- (ff) **"Special Resolution"** means:
 - (i) a resolution approved through the votes cast in person or by proxy at a duly constituted meeting of Limited Partners holding LP Units or at any adjournment thereof called in accordance with this Agreement and representing 66²/3 % or more of the votes attaching to the LP Units cast in person or by proxy in accordance with Section 10.9; or
 - (ii) a written resolution in one or more counterparts signed by Limited Partners holding LP Units representing in the aggregate 66²/3 % or more of the votes attaching to the LP Units in accordance with Section 10.9;
- (gg) **"Subscription Price"** means the amount payable or the value of any consideration paid for an LP Unit. Subscription means a subscription for LP Units made by a Person;
- (hh) **"Tax Act"** means the *Income Tax Act* (Canada);
- (ii) **"Taxable Income"** or **"Tax Loss"**, means in respect of any fiscal period, respectively, the amount of income or loss for tax purposes of the Partnership for such period as determined in accordance with this Agreement and the provisions of the *Tax Act* (including the amount of the taxable capital gain or allowable capital loss from the disposition of capital property of the Partnership);

- (jj) **“Transfer Form”** means a transfer form substantially in the form set out in Exhibit 1 hereto or in any other form or forms as may be approved by the General Partner.

1.2 Headings

In this Agreement, the headings are for convenience of reference only, do not form a part of this Agreement and are not to be considered in the interpretation of this Agreement.

1.3 Expanded Meanings

In this Agreement,

- (a) words importing the masculine gender include the feminine and neuter genders, corporations, partnerships and other Persons, and words in the singular include the plural, and vice versa, wherever the context requires;
- (b) all references to **“Articles”**, **“Sections”** and other subdivisions are references to designated Articles, Sections and other subdivisions of this Agreement;
- (c) all accounting terms not otherwise defined have the meanings assigned to them by, and all computations to be made will be made in accordance with, generally accepted accounting principles in Canada;
- (d) any reference to a statute includes and is deemed to be a reference to the regulations made pursuant to it, and to all amendments made to the statute and regulations in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute referred to or the relevant regulation;
- (e) any reference to a Person includes and is deemed to be a reference to any Person that is a successor to that Person;
- (f) business day is deemed to be a reference to any day which is not a Saturday, Sunday or a day which is generally observed as a holiday in Alberta;
- (g) the words **“include”** or **“including”**, when following any general term or statement, are not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as permitting such general term or statement to refer to all other items or matters that could reasonably fall within its broadest possible scope; and
- (h) **“hereof”**, **“hereto”**, **“herein”**, **“hereby”** and **“hereunder”** mean and refer to this Agreement and not to any particular Article, Section or other subdivision.

1.4 Currency

All references to currency herein are references to lawful money of Canada.

ARTICLE 2 - RELATIONSHIP AMONG PARTNERS

2.1 Formation and Name of Partnership

The General Partner and the Limited Partner agreed to form a limited partnership under the laws of the Province of Alberta and the provisions of this Agreement to carry on business in common with a view to profit under the firm name and style of Angus A2A Limited Partnership or any other name or names as the General Partner may determine from time to time. The Partnership is effective as a limited partnership from the date on which the Certificate is registered in accordance with the Act. The General Partner has the right to change the name of the Partnership and to file an amendment to the Certificate recording the change of name of the Partnership.

2.2 Business of the Partnership

- (a) The Partnership was formed to directly acquire, hold, transfer, dispose of or otherwise deal with undivided interests in the Property, and undertake the business, ownership and development of the Partnership's interest in the Property;
- (b) The Partnership shall have the power to do any and every act and thing necessary, proper, convenient or incidental to the accomplishment of its business and purposes; and
- (c) The purposes of the Partnership set forth in this Section 2.2 are to be construed as both purposes and powers of the Partnership.

2.3 Business in Other Jurisdictions

- (a) The Partnership will not carry on business in any jurisdiction unless the General Partner has taken all steps which may be required by the laws of that jurisdiction for the Limited Partners to benefit from limited liability to the same extent that such Limited Partners enjoy limited liability under the Act. The Partnership will not carry on business in any jurisdiction in which the laws do not recognize the liability of the Limited Partners to be limited unless, in the opinion of the General Partner, the risks associated with the possible absence of limited liability in such jurisdiction are not significant considering the relevant circumstances.
- (b) The Partnership will carry on business in such a manner as to ensure, to the greatest extent possible, the limited liability of the Limited Partners, and the General Partner will register the Partnership in other jurisdictions where the General Partner considers it appropriate to do so.

2.4 Office of the Partnership

The principal place of business of the Partnership is Calgary, Alberta, or such other place as the General Partner may designate in writing from time to time to the Limited Partners.

2.5 Fiscal Year

The first fiscal period for the Partnership shall end on December 31, 2014. The General Partner shall determine the fiscal years thereafter. Each such fiscal period is herein referred to as a "Fiscal Year".

2.6 Status of Partners and Conduct of Partnership Business

- (a) The General Partner represents, warrants, covenants and agrees with each Limited Partner that the General Partner:
 - (i) is a corporation incorporated under the laws of the Province of Alberta and is validly subsisting under such laws;
 - (ii) is not a "non-resident" of Canada for the purposes of the *Tax Act*;
 - (iii) has the capacity and corporate authority to act as a general partner and to perform its obligations under this Agreement, and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
 - (iv) will act in a manner which it believes to be in, or not opposed to, the best interests of the Partnership, subject to the provisions of this Agreement;
 - (v) will, at the necessary times, hold and maintain the registrations necessary for the conduct of its business and has and will continue to have all licences and permits necessary to carry on its business as the general partner of the Partnership in all jurisdictions where the activities of the Partnership require such licensing or other form of registration of the General Partner; and
 - (vi) will devote as much time as is reasonably necessary for the conduct and prudent management of the business and affairs of the Partnership.
- (b) Each of the Limited Partners severally represents, warrants, covenants and agrees with each other Partner that such Limited Partner:
 - (i) if a corporation, is a corporation incorporated under the laws of its incorporating jurisdiction, and is duly registered in all jurisdictions necessary in order to enter into this Agreement and perform its obligations hereunder, has the capacity and corporate authority to enter into this Agreement and perform its obligations hereunder and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
 - (ii) is not acquiring LP Units and will not hold LP Units as a tax shelter investment for the purposes of the *Tax Act*, is not a Person an interest in which would be a tax shelter investment for the purposes of the *Tax Act*, is not a "non-resident" of Canada for the purposes of the *Tax Act*;
 - (iii) meets all requirements under Applicable Laws and of any Governmental Authority, in any way, directly or indirectly, related to the Limited Partner's ownership of LP Units in the Partnership; and
 - (iv) will ensure that its status is not modified with the result that, at any time and from time to time, it would be unable to represent and warrant as set forth in sub-sections (i), (ii) and (iii) above, and such Limited Partner will not transfer its LP Units, or any beneficial interest therein, in whole or in

part to a Person who is not able to make these representations, warranties and covenants.

2.7 Survival of Representations, Warranties and Covenants

- (a) The representations, warranties and covenants made pursuant to Section 2.6 above survive execution of this Agreement and each Partner covenants and agrees to ensure that each representation, warranty and covenant made pursuant to Section 2.6 remains true so long as such Partner remains a Partner, and upon request by the General Partner, provide within five (5) Business Days of the date of such request, written evidence to the General Partner that such representations, warranties and covenants of such Limited Partner are true.
- (b) If at any time any Limited Partner becomes aware that the Limited Partner will be unable to represent and warrant the matters in Section 2.6(b), such Limited Partner covenants, agrees and undertakes that it will: (a) immediately notify the General Partner of that fact (prior to becoming unable to so represent) and (b) comply with the provisions of Section 2.8.

2.8 Sale of Affected LP Units

- (a) If, at any time a Limited Partner:
 - (i) is unable to make the representations and warranties or breaches any of its covenants set out in Section 2.6(b); or
 - (ii) fails to comply with its obligations pursuant to Section 2.7(a) or 2.7(b); or
 - (iii) the General Partner otherwise determines that a Person has become a Limited Partner in contravention of Section 2.6(b)(iv),

the General Partner, by written notice (a **"Sell Notice"**) to such Limited Partner (the **"Affected Partner"**) shall require the Affected Partner to sell to the Partnership on the date set out in the Sell Notice (the **"Transfer Date"**) the Affected Partner's entire interest in all LP Units held by the Affected Partner (the **"Affected LP Units"**) for (A) the Agreed Value as determined by the General Partner, or (B) at the sole Discretion of the General Partner, the amount determined pursuant to Section 2.8(c). On the Transfer Date, the Affected Partner shall deliver to the General Partner the LP Unit Certificate(s) representing the Affected LP Units duly endorsed for transfer to the Partnership. Upon receipt of such LP Unit Certificate(s), the Partnership shall deliver the Agreed Value or the amount set out in Section 2.8(c) to the Affected Partner.

- (b) If, on the Transfer Date, the Affected Partner fails to complete the subject transaction of purchase and sale as contemplated in Section 2.8(a), the General Partner shall have the right to execute and deliver, on behalf of and in the name of the Affected Partner, the LP Unit Certificate(s) and other documents that may be necessary to complete the subject transaction and the Affected Partner hereby irrevocably appoints the General Partner as its attorney in that behalf.
- (c) If the Agreed Value of the Affected LP Units is greater than the fair market value thereof, the General Partner may, at its sole option, pay the Limited Partner the fair market value thereof rather than the Agreed Value. The fair market value shall be determined by an independent valuator selected by the General Partner and such determination shall be final and binding. There shall be no obligation on

the General Partner to conduct any valuation if the General Partner determines to pay the Agreed Value to the Affected Partner.

2.9 Limitation on Authority of Limited Partners

No Limited Partner (except a Limited Partner who is also the General Partner) will or will be entitled to:

- (a) take an active part in the business of the Partnership or take part in the administration, operation, management or control of the business of the Partnership or exercise any power in connection therewith;
- (b) transact any business on behalf of the Partnership or make any commitment on behalf of, or otherwise obligate or bind, the Partnership;
- (c) execute any document which binds or purports to bind the Partnership or any other Partner;
- (d) hold himself, herself or itself out as having the power or authority to bind any other Partner or the Partnership;
- (e) have any authority to act for or undertake any obligation or responsibility on behalf of any other Partner or the Partnership;
- (f) bring any action for partition or sale or otherwise in connection with any interest in any of the property and assets of the Partnership;
- (g) bring any action for partition or sale or otherwise in connection with the Partnership, any interest in any property of the Partnership, whether real or personal, tangible or intangible, or file or register or permit to be filed, registered or remain un-discharged any lien or charge in respect of any property of the Partnership; or
- (h) take any action that will jeopardize or eliminate the status of the Partnership as a limited partnership.

2.10 Power of Attorney

Each Limited Partner hereby irrevocably nominates, constitutes and appoints the General Partner, with full power of substitution, as his or her agent and true and lawful attorney to act on his or her behalf with full power and authority in his or her name, place and stead to execute and record or file as and where required:

- (a) this Agreement, any amendment to this Agreement and any other instruments or documents required to continue and keep in good standing the Partnership as a limited partnership under the Act, or otherwise to comply with the laws of any jurisdiction in which the Partnership may carry on business or own or lease property in any jurisdiction where the General Partner considers it prudent to be registered in order to maintain the limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction (including such amendments to the Register or the Certificate as may be necessary to reflect the admission to the Partnership of subscribers for or transferees of LP Units as contemplated by this Agreement);

- (b) all instruments and any amendments to or renewals, replacements or restatements of the Certificate necessary to reflect any amendment to this Agreement;
- (c) any instrument required in connection with the dissolution and termination of the Partnership in accordance with the provisions of this Agreement, including any elections, determinations or designations under the *Tax Act* and under any similar legislation;
- (d) the documents necessary to be filed with the appropriate Governmental Authority in connection with the business, property, assets and undertaking of the Partnership;
- (e) such documents as may be necessary to give effect to the business of the Partnership as described in Section 2.2;
- (f) such documents as may be necessary to give effect to the provisions of Section 2.8 hereof;
- (g) any election, determination, designation, information return or similar document or instrument as may be required at any time under the *Tax Act* or under any other taxation legislation or laws of like import of Canada or of any province, territory or jurisdiction which relates to the affairs of the Partnership or the interest of any Person in the Partnership; and
- (h) all other instruments and documents on his or her behalf and in his or her name or in the name of the Partnership as may be deemed necessary by the General Partner to carry out fully this Agreement in accordance with its terms.

The power of attorney granted herein is irrevocable, is a power coupled with an interest and survives the transfer or assignment by a Limited Partner, to the extent of the obligations of a Limited Partner hereunder, of the whole or any part of the interest of the Limited Partner in the Partnership, extends to the legal representatives and successors, transferees and assigns of the Limited Partner, and may be exercised by the General Partner on behalf of each Limited Partner in executing any instrument by a facsimile signature or by listing all the Limited Partners and executing such instrument with a single signature as attorney and agent for all of them. Each Limited Partner agrees to be bound by any representations or actions made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under this power of attorney.

This power of attorney continues in respect of the General Partner so long as it is the general partner of the Partnership, and terminates thereafter, but continues in respect of a new General Partner as if the new General Partner were the original attorney.

A transferee of an LP Unit, upon becoming a Limited Partner, is conclusively deemed to have acknowledged and agreed to be bound by the provisions of this Agreement as a Limited Partner, and is conclusively deemed to have provided the General Partner with the power of attorney described in this Section 2.10.

2.11 General Partner May Hold LP Units

The General Partner may subscribe for and acquire LP Units or purchase LP Units by private contract or in the market and is to be shown on the Register as a Limited Partner in respect of the number of LP Units held by the General Partner from time to time.

2.12 Limited Liability of Limited Partners

Subject to the provisions of the Act, the liability of a Limited Partner for the indebtedness, liabilities and obligations of the Partnership will be limited to its Capital Contribution paid or contributed or agreed to be paid or contributed by such Limited Partner in respect of the LP Units plus its share of any undistributed income of the Partnership and a Limited Partner will not be liable for any further claims, assessments or contributions to the Partnership. The Partnership will operate in a manner as to ensure to the greatest extent possible the limited liability of the Limited Partners.

2.13 Indemnity of Limited Partners

The General Partner will indemnify and hold harmless each Limited Partner (including former Limited Partners) for all costs, expenses, damages or liabilities suffered or incurred by the Limited Partner if the limited liability of such Limited Partner is lost for or by reason of the gross negligence or wilful misconduct of the General Partner in performing its duties and obligations hereunder. The foregoing indemnification shall only cover, in respect of each Limited Partner, the amount in excess of such Limited Partner's liability as described in Section 2.12.

ARTICLE 3 - GENERAL PARTNER INTEREST AND LP UNITS

3.1 Interest of Limited Partners

The interests of the Limited Partners will be divided into and represented by 30,000 LP Units having the rights, privileges, restrictions and conditions referred to herein.

3.2 Issuance of LP Units

- (a) The General Partner is authorized to, in its Discretion, cause the Partnership to issue at any time and from time to time LP Units, with each LP Unit having a Capital Contribution amount of \$100 per LP Unit or such other amount as the General Partner may authorize, on such terms and conditions of the offering and sale of LP Units as the General Partner, in its Discretion, may determine including accepting payment of consideration therefore in the form of cash, property and/or past services, and may do all things in that regard, including preparing and filing prospectuses, offering memoranda and other documents.
- (b) The General Partner may do all things necessary or advisable in connection with the issue of LP Units from time to time including determining the requirements for a satisfactory subscription form, preparing and filing prospectuses, offering memoranda and other documents, paying the expenses of issue and entering into agreements with any Person for a commission or fee.
- (c) Upon acceptance by the General Partner of any subscription for LP Units, all Partners are deemed to consent to the admission of the subscriber as a Limited Partner, the General Partner will cause the Register to be amended, and such other documents as may be required by the Act or under legislation similar to the

Act in other provinces or the territories to be filed or amended, specifying the prescribed information and will cause the foregoing information in respect of the new Limited Partner to be included in Partnership books and records.

3.3 LP Unit Certificates

A Limited Partner is entitled, without charge, to an LP Unit Certificate or LP Unit Certificates evidencing the LP Units held by such Limited Partner. Every LP Unit Certificate must be signed by at least one officer or director of the General Partner. If any LP Unit Certificate is lost, mutilated, stolen or destroyed, the General Partner will, upon request by a Limited Partner, issue a replacement LP Unit Certificate to the Limited Partner upon receipt of evidence satisfactory to the General Partner of such loss, mutilation or destruction, and upon receiving such indemnification (including an indemnity bond provided at the expense of the Limited Partner) as it deems appropriate in the circumstances. The General Partner upon request by a transferee will issue a new LP Unit Certificate for any LP Units transferred, as the case may be. In the case of a transfer of less than all of the LP Units represented by an LP Unit Certificate, the General Partner, upon request by the transferor, will issue a new LP Unit Certificate for the balance of the LP Units retained by the transferor.

3.4 Subscription for LP Units

No Person will be admitted to the Partnership as a Limited Partner unless such Person delivered to the General Partner:

- (i) a subscription in such form as may be prescribed or accepted by the General Partner (either in respect of such Person or otherwise) from time to time completed and executed in a manner acceptable to the General Partner;
- (ii) payment by bank draft or certified cheque or in such other form as the General Partner may accept in respect of such subscription of the amount to be contributed to the capital of the Partnership in respect of such LP Units to be acquired; and
- (iii) such other instruments, declarations, assurances and documents as the General Partner may require to effect such subscription.

No subscription may be made or will be accepted for a fraction of an LP Unit. The General Partner will be deemed to have accepted a subscription for LP Units when an LP Unit Certificate in the name of such subscriber representing the number of LP Units for which such subscriber has subscribed is delivered to such subscriber. Upon the acceptance of such subscription by the General Partner, the General Partner will cause the name of the subscriber to be entered on the Register along with the number of LP Units held by such subscriber as a result of such subscription.

3.5 Transfer of LP Units

- (a) No Limited Partner may transfer any of the LP Units owned by it except to Persons under the manner expressly permitted in this Agreement. Any attempted transfer of LP Units made in violation of this Agreement will be null and void and the General Partner will not approve any transfer of LP Units made in contravention of this Agreement.

- (b) An LP Unit is not transferable in part and no transfer of an LP Unit will be accepted by the General Partner unless:
 - (i) a Limited Partner has complied with the provisions of Article 6 in respect of the transfer of its LP Units (other than a transfer by a Limited Partner to an Affiliate that is a corporation);
 - (ii) a Transfer Form, duly completed and signed by the registered holder of the LP Units and the transferee and any LP Unit Certificate held by the registered holder representing the LP Units being transferred have been remitted to the General Partner;
 - (iii) the transferee is able to make the representations and warranties set forth in Section 2.6(b);
 - (iv) the transfer is in compliance with all applicable securities laws;
 - (v) the transferee pays such costs, expenses and disbursements, including legal fees, as they are reasonably incurred by the Partnership by reason of the transfer; and
 - (vi) the General Partner has consented to the transfer.
- (c) Where the transferee complies with all applicable provisions and is entitled to become a Limited Partner pursuant to the provisions of this Agreement, the General Partner is authorized to admit the transferee to the Partnership as a Limited Partner and the Limited Partners hereby consent to the admission of, and will admit, the transferee to the Partnership as a Limited Partner, without further act of the Limited Partners.
- (d) A transferee of LP Units transferred in accordance with this Agreement will automatically become bound by the provisions of this Agreement without execution of further instruments.
- (e) No transfer of LP Units will be accepted by the General Partner after any notice of dissolution of the Partnership has been given to the Limited Partners in accordance with this Agreement.

3.6 Register and Other Records

The General Partner will:

- (a) maintain a registered office for the Partnership;
- (b) maintain and update, either directly or indirectly, the Register;
- (c) maintain and update such other records in respect of the Partnership as may be required by law;
- (d) make on behalf of the Partnership all recordings or filings with any governmental authority that are required to be made by the Partnership; and
- (e) keep a copy of the Certificate and a copy of this Agreement.

The General Partner will be authorized to make such rules and regulations as the General Partner may from time to time consider necessary or desirable in connection with the foregoing, including the form and content of the Register, the times when the Register may be closed, the establishment of record dates and the documentation required to record assignments of LP Units and other matters.

3.7 Amendment of Certificate or Record

The General Partner, on behalf of the Partnership, will from time to time promptly effect filings, recordings, registrations and amendments to the Register and the Certificate and to any other documents and at any places as are necessary or advisable to reflect changes in the membership of the Partnership, transfers of LP Units and to constitute a transferee as a Limited Partner. Subject to the provisions of this Agreement, no change of name or address of a Partner, no transfer of LP Units and no admission of an additional Partner will be effective until all requirements set out in Sections 3.4 and 3.5 (as applicable) have been satisfied and such change, transfer, substitution or addition is duly reflected in the Register and the Certificate.

3.8 Bankruptcy or Insolvency; Renunciation of Interest

Where a Person becomes entitled to LP Units on the insolvency or bankruptcy of a Limited Partner, or otherwise by operation of law, in addition to the requirements of this Article 3, none of the Partnership, the General Partner or any of the Limited Partners will recognize such entitlement and the General Partner will make no entry into the Register or amendment to the Certificate until such Person:

- (a) has produced evidence satisfactory to the General Partner of such entitlement;
- (b) has agreed in writing to be bound by the terms of this Agreement and to assume the obligations of a Limited Partner under this Agreement; and
- (c) has delivered such other evidence, approvals and consents in respect to such entitlement as the General Partner may require, as may be required by law, and as may be required by this Agreement.

ARTICLE 4 - CAPITAL CONTRIBUTIONS AND ACCOUNTS

4.1 Capital

The capital of the Partnership consists of the aggregate of all sums of money or other property contributed by the Limited Partners as Capital Contributions and not withdrawn or returned to them.

4.2 Capital Accounts

The General Partner will establish separate capital accounts on the books of the Partnership for the General Partner and each of the Limited Partners (the "**Capital Accounts**"), to which contributions of capital will be credited and amounts distributed as a return of capital to the General Partner and the Limited Partners will be debited. No Limited Partner is responsible for any losses of any other Limited Partner, nor will it share in the allocation of Net Income or Net Loss attributable to the LP Units of any other Limited Partner.

4.3 Limited Partner Contributions

- (a) The contribution of capital by each Limited Partner is the total amount of money or property paid to the Partnership in respect of LP Units held by such Limited Partner, or a predecessor Limited Partner (the "**Capital Contribution**"), which Capital Contribution may be increased or reduced from time to time pursuant to the provisions of this Agreement.
- (b) The initial Limited Partner has made the following initial Capital Contribution to the capital of the Partnership: Grayson Ambrose - \$100

4.4 Further Capital Contributions

Except as otherwise agreed in an instrument in writing executed by the General Partner and the Limited Partners, no Limited Partner is obligated to make any additional contributions to the capital of the Partnership.

4.5 Current Accounts

The General Partner will establish an account (a "**Current Account**") on the books of the Partnership for each Partner to which Net Income will be credited and to which Net Loss and advances or distributions to Partners will be charged.

4.6 No Right to Withdraw Amounts

No Partner will have any right to withdraw any amount or receive any advance or distribution from the Partnership except as expressly provided for in this Agreement and no advance or distribution to any Partner will be deemed a return or withdrawal of amounts contributed to the capital of the Partnership except as expressly provided in this Agreement, but if any court of competent jurisdiction at any time determines that notwithstanding the provisions of this Agreement a Limited Partner is obligated to pay any amount distributed to such Limited Partner to or for the account of the Partnership or to any creditor of the Partnership such obligation will be the obligation of such Limited Partner.

4.7 No Interest Payable on Capital or Current Accounts

No Partner will have the right to receive interest on any capital or any credit balance in the Capital Account or Current Account of such Partner. No Partner will be liable to pay interest to the Partnership on any capital or Designated Capital returned to such Partner or on any authorized negative balance in the Capital Account or Current Account of such Partner.

4.8 Negative Balance in Capital or Current Accounts

The interest of a Partner in the Partnership will not terminate by reason of the return of amounts contributed to the capital of the Partnership or a negative balance in the Capital Account or Current Account of such Partner.

4.9 Set-Off

The Partnership may set-off against and withhold from any amount that would otherwise be distributed to a Limited Partner, any amount that may be due and owing to the Partnership by such Limited Partner.

ARTICLE 5 - ALLOCATIONS AND ADVANCES OR DISTRIBUTIONS

5.1 Allocation of Net Income or Net Loss

Net Income or Net Loss of the Partnership for accounting purposes will be allocated to each Partner in the same proportion as Taxable Income or Tax Loss of the Partnership as provided in Section 5.2.

5.2 Allocation of Taxable Income or Tax Losses

- (a) In all circumstances Taxable Income or Tax Loss for a given Fiscal Year of the Partnership is to be allocated as follows:
 - (i) firstly, 0.01% thereof, to the General Partner;
 - (ii) secondly, 99.99% to the Limited Partners in accordance with their Proportionate Shares;
- (b) If at any time there are no Limited Partners, then any amount which would have been allocated to the Limited Partners will be allocated to the General Partner.
- (c) The amount of Taxable Income or Tax Loss allocated to a Limited Partner may exceed or be less than the amount of Distributable Cash distributed to such Limited Partner.

5.3 Distributable Cash

- (a) The General Partner may in its Discretion make distributions of Distributable Cash as follows:
 - (i) firstly, 0.01% to the General Partner; and
 - (ii) secondly, to the Limited Partners in accordance with their Proportionate Shares.
- (b) If the General Partner determines to make a distribution of Distributable Cash, the General Partner will distribute Distributable Cash pursuant to Section 5.3(a) above to the Partners whose names appear on the Register on the date on which such distribution is being made. Distributions made under this Agreement will be net of any tax required by law to be withheld by the General Partner on behalf of the Partnership.

5.4 Other Advances or Distributions

Subject to and in the same priority as set forth in Section 5.3, the General Partner may, in addition to the advances or distributions described in Section 5.3 advance or distribute Distributable Cash at any other time and establish a record date for making of such advance or distribution. Notwithstanding the foregoing, the General Partner will not make any such advance or distribution if and to the extent such advance or distribution would be contrary to any provision of any other agreement to which the Partnership is a party, or by which the Partnership is bound (including any loan agreement) or to any applicable law.

5.5 General Partner's Discretion to Return Capital

- (a) The General Partner may, in its Discretion at any time, make return to the Limited Partners their Capital Contribution (less the amount of cash or the agreed value of property which has been previously paid or distributed in respect of such LP Unit on account of capital) in such amounts as the General Partner may determine, pro rata in proportion to the number of LP Units held by each Limited Partner; provided that the General Partner may not make any such advance or distribution if and to the extent:
 - (i) any Partner's share thereof would exceed the Capital Contribution of such Partner (less the amount of cash or the agreed value of property which has been previously paid or distributed in respect of such LP Unit on account of capital); or
 - (ii) such distribution would be contrary to any provision of any agreement to which the Partnership is a party or by which the Partnership is bound (including any financing) or to any applicable law.

5.6 Determination of Taxable Income and Tax Loss

For the purpose of determining Taxable Income or Tax Loss in respect of any fiscal period, the General Partner may claim capital cost allowance in respect of the property of the Partnership and other discretionary deductions and reserves in such amounts as the General Partner may determine.

5.7 Repayment of Excess Distribution

If, as determined by the General Partner, it appears that any Partner has received an amount under this Article 5 which is in excess of that Partner's entitlement, the Partner will, forthwith upon notice from the General Partner, reimburse the Partnership to the extent of the excess, and failing immediate reimbursement, the General Partner may withhold the amount of the excess (with interest at the rate of 12% per annum calculated and compounded monthly) from further distributions otherwise due the Partner.

ARTICLE 6 - SALE, TRANSFER AND ASSIGNMENT OF LP UNITS

6.1 Right of First Refusal

- (a) Except in respect of a transfer to an Affiliate that is a corporation, no Limited Partner holding LP Units may sell, assign, transfer or otherwise dispose of any of its LP Units (the "**Offered LP Units**") unless it (the "**Offeror**") first offers to sell its LP Units to the General Partner by written offer (the "**Offer**") setting out the Offered LP Units offered to be sold, the consideration for the Offered LP Units expressed and payable entirely in lawful money of Canada and the terms and conditions of sale which the Offeror is willing to accept. The Offer shall be sent in accordance with the notice provisions contained herein.
- (b) The General Partner shall be required to notify the Offeror within 20 days of the date of receipt of the Offer of the General Partner's intent to purchase Offered LP Units under the Offer (the "**General Partner Intent to Purchase**").

- (c) The General Partner Intent to Purchase shall indicate the number of Offered LP Units the General Partner wishes to acquire. In the event no General Partner Intent to Purchase is received from the General Partner within such 20 day period, the Offer shall be deemed to have been refused or rejected by the General Partner and the General Partner shall have no further rights to purchase the Offered LP Units under that Offer.

(i) **Unaccepted LP Units**

- (A) If any Offered LP Units still remain unaccepted after the process set out in Section 6.1(a), the Offeror may:

- (I) within 60 days from the expiry of the period set out in Section 6.1(c) sell some or all of the remaining Offered LP Units to the third party purchaser (a "**New Purchaser**") at a price and upon the terms no more favourable than those set out in the Offer subject to the satisfaction by the New Purchaser of the terms relating to a transfer of LP Units contained elsewhere in this Agreement; or
- (II) if it does not wish to sell any of the remaining Offered LP Units, unilaterally revoke any Offers relating to the remaining Offered LP Units, in which case those Offers shall be null and void and the Offeror shall be released from all obligations in respect thereof.

(d) **Closing**

- (i) The closing of any transaction of purchase and sale contemplated by this Section 6.1 shall take place at the offices of the Partnership on the fourteenth (1e) day following the receipt by the Offeror of the General Partner Intent to Purchase for the Offered LP Units (the "**Closing Date**").

- (ii) On the Closing Date:

- (A) the Offeror shall deliver to General Partner and/or the New Purchaser(s) each of the following documents: a duly endorsed transfer in blank of the Offered LP Units acceptable in form and content to the General Partner, which transfer shall contain, among other things, a representation and warranty of the Offeror that it has legal and beneficial title to the Offered LP Units, that it has the power and authority to sell and transfer the Offered LP Units, that it is not insolvent or subject to any insolvency or bankruptcy proceedings and that the Offered LP Units are free and clear of any and all liens, encumbrances, claims, charges and rights of first refusal; and
- (B) the New Purchasers shall provide to the General Partner a certified cheque or money order, payable to the Offeror for the number of Offered LP Units allocated to and to be purchased by the Offeree along with instructions to release such funds to the Offeror against delivery of the Offeror's deliveries set out in this Section 6.1(d)(ii)(A) above.

ARTICLE 7 - REIMBURSEMENT OF EXPENSES AND PAYMENT OF FEES TO THE GENERAL PARTNER AND RELATED PARTIES

7.1 Expenses of the Partnership

The Partnership will reimburse the General Partner for all direct costs and expenses incurred by the General Partner prior to the formation of the Partnership and all direct costs and expenses incurred by the General Partner on behalf of or for the benefit of the Partnership (which costs and expenses are the Partnership's responsibility), excluding any general and administrative costs of the General Partner.

The Partnership will, at the request of the General Partner (which request, in order to be valid, must include a written estimate of all such costs and expenses), compensate the General Partner in advance for such costs and expenses. For greater certainty, such costs and expenses for which the General Partner is to be reimbursed include the Partnership's direct general and administrative expenses, including legal and audit fees, Limited Partner information costs, consulting and advisory fees incurred in connection with the Partnership's business or the evaluation of investment opportunities by the Partnership and expenses associated with the issuance of LP Units.

7.2 Organization of the Partnership

The Partnership will pay all costs, disbursements and other fees and expenses incurred in connection with the organization of the Partnership and the registration of the Partnership under the Act and under similar legislation of other jurisdictions, including without limitation legal, accounting and consulting expenses.

ARTICLE 8 - POWERS, DUTIES AND OBLIGATIONS OF GENERAL PARTNER

8.1 Powers, Duties and Obligations

- (a) The General Partner has:
 - (i) unlimited liability for the debts, liabilities and obligations of the Partnership;
 - (ii) subject to the terms of this Agreement, and to any applicable limitations set forth in the Act and applicable similar legislation, the full and exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership; and
 - (iii) the full and exclusive right, power and authority to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carrying out the business of the Partnership.
- (b) An action taken by the General Partner on behalf of the Partnership is deemed to be the act of the Partnership and binds the Partnership.
- (c) Notwithstanding any other agreement the Partnership or the General Partner may enter into, all material transactions or agreements entered into by the Partnership must be approved by the board of directors of the General Partner.

8.2 Specific Powers and Duties

Without limiting the generality of Section 8.1, the General Partner has full power and authority for and on behalf of and in the name of the Partnership to:

- (a) negotiate, execute and perform all agreements which require execution by or on behalf of the Partnership involving matters or transactions with respect to the Partnership's business (and such agreements may limit the liability of the Partnership to the assets of the Partnership, with the other party to have no recourse to the assets of the General Partner, even if the same results in the terms of the agreement being less favourable to the Partnership);
- (b) open and manage bank accounts in the name of the Partnership and spend the capital of the Partnership in the exercise of any right or power exercisable by the General Partner hereunder;
- (c) borrow funds in the name of the Partnership from time to time, from financial institutions or other lenders as the General Partner may determine without limitation with regard to amount, cost or conditions of reimbursement of such loan;
- (d) guarantee the debts, liabilities and obligations of a third party;
- (e) mortgage, charge, assign, hypothecate, pledge or otherwise create a security interest in all or any property of the Partnership now owned or hereafter acquired, to secure any present and future borrowings and related expenses of the Partnership and to sell all or any of such property pursuant to a foreclosure or other realization upon the foregoing encumbrances;
- (f) see to the sound management of the Partnership, and to manage, control and develop all the activities of the Partnership and take all measures necessary or appropriate for the business of the Partnership or ancillary thereto;
- (g) acquire, maintain, improve, upgrade, expand or dispose of the assets of the Partnership from time to time;
- (h) incur all costs and expenses in connection with the Partnership;
- (i) employ, retain, engage or dismiss from employment, personnel, agents, representatives or professionals or other investment participants with the powers and duties upon the terms and for the compensation as in the Discretion of the General Partner may be necessary or advisable in the carrying on of the business of the Partnership;
- (j) engage agents or subcontract administrative functions, to assist the General Partner to carry out its management obligations to the Partnership;
- (k) invest cash assets of the Partnership that are not immediately required for the business of the Partnership in investments which the General Partner considers appropriate;

- (l) act as attorney in fact or agent of the Partnership in disbursing and collecting moneys for the Partnership, paying debts and fulfilling the obligations of the Partnership and handling and settling any claims of the Partnership;
- (m) commence or defend any action or proceeding in connection with the Partnership;
- (n) file returns or other documents required by any governmental or like authority;
- (o) retain legal counsel, experts, advisors or consultants as the General Partner considers appropriate and rely upon the advice of such Persons;
- (p) do anything that is in furtherance of or incidental to the business of the Partnership or that is provided for in this Agreement;
- (q) execute, acknowledge and deliver the documents necessary to effectuate any or all of the foregoing or otherwise in connection with the business of the Partnership;
- (r) obtain any insurance coverage; and
- (s) generally carry out the objectives, purposes and business of the Partnership.

No Person dealing with the Partnership is required to enquire into the authority of the General Partner to do any act, take any proceeding, make any decision or execute and deliver any instrument, deed, agreement or document for or on behalf of or in the name of the Partnership. The General Partner may insert, and may cause agents of the Partnership to insert, the following clause in any contracts or agreements to which the Partnership is a party or by which it is bound:

“Angus A2A Limited Partnership is a limited partnership formed under the *Partnership Act (Alberta)*, a limited partner of which is only liable for any of its liabilities or any of its losses to the extent of the amount that it has contributed or agreed to contribute to its capital and its pro rata share of any undistributed income.”

8.3 Borrowings

Where the directors of the General Partner, acting in their sole discretion, approve any borrowing by the Partnership as being in the best interests of the Partnership. the General Partner may make a borrowing as approved by the board of directors. Borrowings by the Partnership in accordance with the approval of the directors of the General Partner do not constitute a breach of fiduciary duty by the General Partner to the Partnership.

8.4 Title to Property

The General Partner will hold legal title to any of the assets or property of the Partnership in its name for the benefit of the Partnership.

8.5 Exercise of Duties

The General Partner will exercise its powers and discharge its duties under this Agreement honestly and in the best interests of the Partnership and in connection therewith will exercise

the care, diligence and skill that a reasonably prudent Person would exercise in comparable circumstances.

8.6 Indemnity of Partnership

The General Partner hereby indemnifies and holds harmless the Partnership and each Limited Partner from and against all costs, expenses, damages or liabilities suffered or incurred by the Partnership or such Limited Partners by reason of an act of wilful misconduct or gross negligence by the General Partner or of any act or omission not believed by the General Partner in good faith to be within the scope of the authority conferred on the General Partner by this Agreement.

8.7 Limitation of Liability

- (a) The General Partner is not personally liable for the return of any Capital Contribution made by a Limited Partner to the Partnership.
- (b) Subject to Section 2.13, the General Partner will not be liable to a Limited Partner for any act, omission or error in judgment taken or made hereunder by the General Partner honestly and in good faith in the conduct of the business of the Partnership.
- (c) The General Partner may rely, and is protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.
- (d) The General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted in reliance upon the opinion (including, without limitation, an opinion of counsel) of such Persons as to matters that the General Partner reasonably believes to be within such Person's professional or expert competence will be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.
- (e) The General Partner may exercise any of the powers or authority granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents (as contemplated in Section 8.2(j)), and the General Partner is not responsible for any misconduct or negligence on the part of any such agent appointed by the General Partner in good faith.
- (f) Any standard of care or duty imposed under the Act or any applicable law shall be modified, waived or limited as required to permit the General Partner to act under this Agreement or any other agreement contemplated by this Agreement and to make any decision pursuant to the power or authority prescribed in this Agreement, so long as such action is reasonably believed by the General Partner to be in, or not opposed to, the best interests of the Partnership.

8.8 Indemnity of General Partner

- (a) To the fullest extent permitted by law but subject to the limitations expressly provided in this Agreement, each General Partner, any former General Partner (a

"Departing Partner"), any Person who is or was an Affiliate of the General Partner or any Departing Partner, any Person who is or was an officer, director, employee, partner, agent or trustee of the General Partner or any Departing Partner or any such Affiliate, or any Person who is or was serving at the request of the General Partner or any Departing Partner or any such Affiliate as a director, officer, employee, partner, agent or trustee of another Person (collectively, an **"Indemnitee"**) is indemnified and held harmless by the Partnership from and against any and all losses, claims, damages, liabilities (joint or several), expenses (including, without limitation, legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as:

- (i) the General Partner, a Departing Partner or any of their Affiliates;
- (ii) an officer, director, employee, partner, agent or trustee of the General Partner, any Departing Partner or any of their Affiliates; or
- (iii) a Person serving at the request of the General Partner, any Departing Partner or any of their Affiliates as a director, officer, employee, agent or trustee of another Person: provided, that in each case the Indemnitee acted in good faith, in a manner which such Indemnitee believed to be in, or not opposed to, the best interests of the Partnership and, with respect to any criminal proceeding, had no reasonable cause to believe its conduct was unlawful.

The termination of any action, suit or proceeding by judgment, order, settlement or conviction does not create a presumption that the Indemnitee acted in a manner contrary to that specified above. Any indemnification pursuant to this Section 8.8 is to be made only out of the assets of the Partnership.

- (b) To the fullest extent permitted by law, expenses (including, without limitation, legal fees and expenses) incurred by an Indemnitee in defending any claim, demand, action, suit or proceeding are to be, from time to time, advanced by the Partnership prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Partnership of an undertaking by or on behalf of the Indemnitee to repay such amount if it is determined that the Indemnitee is not entitled to be indemnified as authorized in Section 8.8(a).
- (c) The indemnification provided by Section 8.8(a) is in addition to any other rights to which an Indemnitee may be entitled under any agreement, pursuant to any vote of the Partners, as a matter of law or otherwise, both as to actions in the Indemnitee's capacity as:
 - (i) the General Partner, a Departing Partner or an Affiliate thereof,
 - (ii) an officer, director, employee, partner, agent or trustee of the General Partner, any Departing Partner or an Affiliate thereof, or
 - (iii) a Person serving at the request of the General Partner, any Departing Partner or any of their Affiliates as a director, officer, employee, agent or trustee of another Person, and shall continue as to an Indemnitee who

has ceased to serve in such capacity and as to actions in any other capacity.

- (d) The Partnership may purchase and maintain insurance (or reimburse the General Partner or its Affiliates for the cost of insurance), on behalf of the General Partner and such other Persons as the General Partner determines, against any liability that may be asserted against or expense that may be incurred by such Person in connection with the Partnership's activities, whether or not the Partnership would have the power to indemnify such Person against such liabilities under the provisions of this Agreement.

8.9 Other Activities of General Partner

Affiliates, Associates, directors or officers of the General Partner may engage in businesses, ventures, investments and activities which may be similar to or competitive with those in which the Partnership is or might be engaged and neither the General Partner nor any such Affiliate, Associate, director or officer is required to offer or make available to the Partnership any other business or investment opportunity which any such Person may acquire or be engaged in for its own account. The Partners acknowledge and agree that the General Partner may act as a general partner for one or more other limited partnerships (which may but are not required to be formed under the Act), and the business purpose and powers of such other limited partnerships may or may not be the same as those of the Partnership. In addition, the General Partner may hold any shares, units or other interest in any corporation or partnership which conducts business similar to that of the Partnership which shall not be a conflict of interest.

8.10 Restrictions upon the General Partner

The General Partner's power and authority does not extend to any powers, actions or authority not enumerated in Sections 8.1 and 8.2 or that is otherwise *ultra vices* the powers and purposes of the Partnership as set out in Article 2 of this Agreement, unless and until the requisite Special Resolution is passed by the Partners. Further, the General Partner will not:

- (a) commingle the funds of the Partnership with the funds of the General Partner or any of its Affiliates, Associates or with the funds of any other Person;
- (b) dissolve the affairs of the Partnership except in accordance with the provisions of Article 11 hereof; or
- (c) withdraw as General Partner except in accordance with the provisions of Section 8.13 hereof.

8.11 Employment of an Affiliate or Associate

The General Partner may employ or retain Affiliates or Associates of the General Partner or the Limited Partners on behalf of the Partnership to provide goods or services to the Partnership provided that, if the Partnership is to reimburse the General Partner for the costs and expenses of such goods or services, the costs of such goods or services must be reasonable and competitive with the costs of similar goods and services provided by independent third parties.

8.12 Removal of General Partner

The General Partner may not be removed as general partner of the Partnership, except as follows:

- (a) the occurrence of any of the following events which has not been cured by the General Partner within thirty (30) days of the occurrence thereof:
 - (i) the passing of any resolution of the directors or shareholders of the General Partner requiring or relating to the bankruptcy or the making of any assignment for the benefit of creditors of the General Partner (or the commencement of any act or proceeding in connection with any of the foregoing which is not contested in good faith by the General Partner); or
 - (ii) the appointment of a receiver of all or substantially all of the assets and undertakings of the General Partner; or
- (b) the occurrence of any gross negligence, wilful misconduct or fraud on the part of the General Partner; and
- (c) the passing of a Special Resolution by the Limited Partners for the removal of the General Partner.

Upon the occurrence of any of the preceding events and the passing of a Special Resolution by the Limited Partners for the removal of the General Partner, the General Partner shall be removed as the General Partner of the Partnership effective upon the appointment of a new general partner and acceptance of such appointment. Any such action by the Limited Partners for removal of the General Partner must also provide for the election and succession of a new general partner.

8.13 Voluntary Withdrawal of General Partner

The General Partner has agreed not to voluntarily withdraw as general partner, provided that the General Partner may withdraw if such withdrawal is approved by a Special Resolution, after which time the General Partner may withdraw as such by giving 90 days' notice.

8.14 Transfer of General Partner Interest

The General Partner may transfer all, but not less than all, of its general partner interest in the Partnership:

- (a) without the approval of the Limited Partners:
 - (i) in connection with the General Partner's merger or amalgamation with or into another entity; or
 - (ii) to the purchaser of all or substantially all of its assets; or
- (b) if such transfer is approved by a Special Resolution;

in all cases provided that such transferee assumes the rights and duties of the General Partner and agrees to be bound by the provisions of this Agreement, as general partner.

8.15 Condition Precedent

As a condition precedent to the resignation or removal of the General Partner, the Partnership will pay all amounts payable by the Partnership to the General Partner pursuant to this

Agreement accrued to the date of resignation or removal subject to any claims or liabilities of the General Partner to the Partnership.

8.16 Transfer to New General Partner

On the admission of a new general partner to the Partnership on the resignation or removal of the General Partner, the resigning or retiring General Partner will do all things and take all steps to transfer the administration, management, control and operation of the business of the Partnership and the books, records and accounts of the Partnership to the new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion. In addition, the resigning or retiring General Partner will, at the cost of the Partnership, transfer title to the Partnership's property to such new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion.

8.17 Release by Partnership

On the resignation or removal of the General Partner, the Partnership will release and hold harmless the General Partner resigning or being removed, from any costs, expenses, damages or liabilities suffered or incurred by the General Partner as a result of or arising out of events which occur in relation to the Partnership after such resignation or removal.

8.18 New General Partner

A new general partner is not to be a "non-resident" of Canada within the meaning of the *Tax Act* and will become a party to this Agreement by signing a counterpart hereof and will agree to be bound by all of the provisions hereof and to assume the obligations, duties and liabilities of the General Partner hereunder as from the date the new general partner becomes a party to this Agreement.

ARTICLE 9 - FINANCIAL INFORMATION

9.1 Books and Records

The General Partner will keep or cause to be kept at the principal office of the Partnership appropriate books and records with respect to the Partnership's business. Any books and records maintained by or on behalf of the Partnership in the regular course of its business, including, without limitation, books of account and records of Partnership proceedings, may be kept on, or be in the form of, computer disks, hard disks, magnetic tape, or any other information storage device, provided, that the books and records so maintained are convertible into clearly legible written form within a reasonable period of time. The books of the Partnership are to be maintained, for financial reporting purposes, on an accrual basis in accordance with generally accepted accounting principles.

9.2 Reports

As soon as practicable, but in no event later than 120 days after the end of each Fiscal Year, the General Partner will cause to be mailed to each Limited Partner as of a date selected by the General Partner in its sole Discretion, an annual report containing financial statements of the Partnership in accordance with GAAP or International Financial Reporting Standards.

9.3 Income Tax Information

The General Partner will use reasonable efforts, as determined by the General Partner in its sole Discretion, to distribute to each Person who is a Limited Partner during the previous Fiscal Year, or at the date of dissolution of the Partnership, within 90 days after the end of such previous Fiscal Year or within 90 days of dissolution, as the case may be, or within such other shorter period of time as may be required by applicable law, all information, in suitable form, relating to the Partnership necessary for such Person to prepare his Canadian Federal and Provincial income tax returns. The General Partner will file, on behalf of itself and the Limited Partners, annual Partnership information returns and any other information returns required to be filed under the *Tax Act* and any other applicable tax legislation in respect of the Partnership.

9.4 Right to Inspect Partnership Books and Records

In addition to other rights provided by this Agreement or by applicable law, each Limited Partner has the right, upon reasonable demand and at such Limited Partner's own expense, to have furnished to it copies of this Agreement, the Certificate, and amendments thereto.

9.5 Accounting Policies

The General Partner is authorized to establish from time to time accounting policies with respect to the financial statements of the Partnership and to change from time to time any policy that has been so established so long as such policies are consistent with the provisions of this Agreement and with generally accepted accounting principles in Canada.

9.6 Appointment of Auditor

The General Partner may select an Auditor on behalf of the Partnership to review and report to the Partners upon the financial statements of the Partnership for and as at the end of each Fiscal Year.

ARTICLE 10 - MEETINGS OF THE LIMITED PARTNERS

10.1 Requisitions of Meetings

The General Partner may call a general meeting of Limited Partners at such time and place as it deems appropriate in its absolute Discretion for the purpose of considering any matter set forth in the notice of meeting. In addition, where Limited Partners holding not less than 50% of the outstanding LP Units (the "**Requisitioning Partners**") give notice signed by each of them to the General Partner, requesting a meeting of the Limited Partners and stating the proposed business to be transacted at the meeting in reasonable detail sufficient to give valid notice, the General Partner will, within 45 days of receipt of such notice, convene such meeting, and if it fails to do so, any Requisitioning Partners may convene such meeting by giving notice in accordance with this Agreement. Every meeting of Limited Partners, however convened, must be conducted in accordance with this Agreement.

10.2 Place of Meeting

Every meeting of Limited Partners is to be held in Calgary, Alberta or at such other place in Canada as the General Partner (or Requisitioning Partners, if the General Partner fails to call such meeting in accordance with Section 10.1) may designate.

10.3 Notice of Meeting

Notice of any meeting of Limited Partners is to be given to each Limited Partner not less than seven days (but not more than 45 days) prior to such meeting, and to be valid for the purposes hereof, must state:

- (a) the time, date and place of such meeting; and
- (b) in general terms, the nature of the business to be transacted at the meeting in sufficient detail to permit a Limited Partner to make a reasoned decision thereon.

Notice of an adjourned meeting of Limited Partners need not be given if the adjourned meeting is held within 14 days of the original meeting. Otherwise, but subject to Section 10.8, notice of adjourned meetings is to be given not less than three days in advance of the adjourned meeting and otherwise in accordance with this Section 10.3, except that the notice need not specify the nature of the business to be transacted if unchanged from the original meeting.

10.4 Record Dates

For the purpose of determining the Limited Partners who are entitled to vote or act at any meeting of Limited Partners or any adjournment thereof or for the purpose of any other action, the General Partner may give a date not more than 45 days prior to the date of any meeting of Limited Partners or other action as a record date for the determination of Limited Partners entitled to vote at such meeting or any adjournment thereof or to be treated as Limited Partners of record for purposes of such other action, and any Limited Partner holding LP Units who was a Limited Partner at the time so fixed is to be entitled to vote at such meeting or any adjournment thereof even though he or she has since that date disposed of his or her LP Units, and no Limited Partner becoming such after that date is a Limited Partner of record for purposes of such action. A Person is a Limited Partner of record at the relevant time if the Person's name appears in the Certificate as amended and supplemented at such time. The General Partner will file an amendment to the Certificate required by the Act no later than the close of business on the day immediately preceding the record date established in respect of any meeting of Limited Partners.

10.5 Corporations

A Limited Partner which is a corporation may appoint an officer, director or other authorized person as its representative to attend, vote and act on its behalf at a meeting of Limited Partners.

10.6 Attendance of Others

In addition to the Limited Partners and the General Partner, any officer or director of the General Partner, legal counsel for the General Partner and the Partnership and representatives of the Auditor may attend any meeting of Limited Partners. The General Partner has the right to authorize the presence of any Person at a meeting regardless of whether the Person is a Limited Partner. With the approval of the General Partner, that Person is entitled to address the meeting.

10.7 Chairman

The General Partner may nominate a Person, including, without limitation, an officer or director of the General Partner (who need not be a Limited Partner), to be chairman of a meeting of

Limited Partners and the person nominated by the General Partner is the chairman of such meeting unless the Limited Partners elect another chairman by Special Resolution.

10.8 Quorum

A quorum at any meeting of Limited Partners consists of one or more Limited Partners present in person or by proxy holding greater than 50% of the outstanding LP Units. If, within half an hour after the time fixed for the holding of such meeting, a quorum for the meeting is not present, the meeting:

- (a) if called by, or on the requisition of Limited Partners, is terminated; and
- (b) if called by the General Partner, is to be held at the same time and place on the day which is 14 days later (or if that date is not a business day, the first business day after that date). The General Partner will give three days' notice to all Limited Partners of the date of the reconvening of the adjourned meeting and at such meeting the quorum will consist of the Limited Partners then present.

10.9 Voting Rights attaching to LP Units

In respect of all matters which require a resolution to be passed by the Limited Partners holding LP Units (whether by Special Resolution or Ordinary Resolution), each Limited Partner holding LP Units shall have voting rights proportionate to the number of LP Units held by such Limited Partner as at the record date in relation to the aggregate of the LP Units issued and outstanding as at the record date.

10.10 Voting Procedure

- (a) Every question submitted to a meeting of Limited Partners (whether in respect of a Special Resolution or an Ordinary Resolution) shall be decided by a poll. In the case of an equality of votes, the chairman does not have a casting vote and the resolution is deemed to be defeated. On any vote at a meeting of Limited Partners, a declaration of the chairman concerning the result of the vote is conclusive.
- (b) On a poll, each Limited Partner holding LP Units present or represented by proxy at the meeting shall have voting rights for each LP Unit in respect of which he is shown on the Certificate as the Limited Partner at the record date as provided in Section 10.9. If LP Units are held jointly by two or more persons and only one of them is present or represented by proxy at a meeting of Limited Partners, such Limited Partner may, in the absence of the other or others, vote with respect thereto, but if more than one of them is present or represented by proxy, they shall vote together on the whole LP Units held jointly.
- (c) The General Partner, as such, is not entitled to vote at any meeting of Limited Partners. Any Limited Partner holding LP Units who is in default of payment of the subscription price for its LP Units is not entitled to vote in respect of any of its LP Units.

10.11 Powers of Limited Partners, Resolutions Binding

The Limited Partners have only the powers set forth in this Agreement and any additional powers provided by law. Subject to the foregoing sentence, any resolution passed in

accordance with this Agreement is binding on all the Partners and their respective heirs, executors, administrators, successors and assigns, whether or not any such Partner was present in person or by proxy or voted against any resolution so passed.

10.12 Powers Exercisable by Special Resolution

The following powers are only exercisable by Special Resolution passed by the Limited Partners holding LP Units:

- (a) dissolving the Partnership, except as otherwise provided for under Section 11.2(b);
- (b) removing the General Partner and electing a new general partner as provided for in accordance with the terms of Section 8.12;
- (c) amending, modifying, altering or repealing any Special Resolution previously passed by the Limited Partners;
- (d) amending this Agreement pursuant to Section 12.1; and
- (e) determining to reconstitute the Partnership under Section 11.4.

10.13 Minutes

The General Partner will cause minutes to be kept of all proceedings and resolutions at every meeting and will cause all such minutes and all resolutions of the Limited Partners holding LP Units consented to in writing to be made and entered into books to be kept for that purpose. Any minutes of a meeting signed by the chairman of the meeting are deemed to evidence the matters stated in them and such meeting is deemed to have been duly convened and held and all resolutions and proceedings shown in them are deemed to have been duly passed and taken.

10.14 Additional Rules and Procedures

To the extent that the rules and procedures for the conduct of a meeting of the Limited Partners are not prescribed in this Agreement (including rules pertaining to the right of Limited Partners holding LP Units to vote by proxy and the appointment, validity and revocation of proxies), the rules and procedures will be determined by the General Partner.

ARTICLE 11 TERM, DISSOLUTION AND LIQUIDATION

11.1 Term

Subject to the terms and conditions of Section 11.2 below, the term for which the Partnership shall exist is until December 31, 2024.

11.2 Events of Dissolution

Notwithstanding Section 11.1 above, the Partnership will be dissolved upon the occurrence of any of the following events:

- (a) the Partnership is dissolved or wound-up by the express written mutual agreement of the Partners; or

- (b) upon the occurrence of any of the following events whereupon the Partnership will follow the procedure for dissolution established in Section 11.5:
 - (i) the election of the General Partner to dissolve the Partnership, if approved by a Special Resolution;
 - (ii) the removal or resignation of the General Partner unless the General Partner is replaced as provided in Sections 8.12 or 8.13; or
 - (iii) except as otherwise provided herein, any event which causes the dissolution of a limited partnership under the laws of the Province of Alberta.

11.3 No Dissolution

The Partnership does not come to an end by reason of the death, bankruptcy, assignment of property for the benefit of creditors, insolvency, mental incompetency or other disability of any Limited Partner or upon transfer of any LP Units or upon the issue or conversion of LP Units.

11.4 Continuation After Event of Dissolution

Upon the occurrence of an event described in Section 11.2, if within 90 days thereafter, holders of LP Units by a Special Resolution so elect, the Limited Partners will reconstitute the Partnership and continue its business on the same terms and conditions set forth in this Agreement by forming a new limited partnership on terms identical to those set forth in this Agreement and having as a general partner a Person approved by the holders pursuant to the Special Resolution. Upon any such election by Special Resolution, all Partners are bound thereby and are deemed to have approved thereof. Unless such an election is made within the applicable time period as set forth above, the Partnership will conduct only activities necessary to wind up its affairs. If such an election is so made, then:

- (a) the reconstituted Partnership will continue until the end of the term set forth in Section 11.1 unless earlier dissolved in accordance with this Article 11; and
- (b) all necessary steps shall be taken to cancel this Agreement and the Certificate and to enter into and, as necessary, to file a new partnership agreement and certificate of limited partnership, and the successor general partner may for this purpose exercise the powers of attorney granted the General Partner pursuant to Section 2.10; provided that the right of holders of LP Units by a Special Resolution to approve a successor general partner and to reconstitute and to continue the business of the Partnership shall not exist and may not be exercised unless the Partnership has received an opinion of counsel that the exercise of the right would not result in the loss of limited liability of any Limited Partner.

11.5 Procedure on Dissolution

Upon the occurrence of any of the events set forth in Section 11.2(a) or 11.2(b), the General Partner (or in the event of an occurrence specified in Section 11.2(b)(ii), such other Person as may be appointed by Ordinary Resolution of the Limited Partners) will act as receiver and liquidator of the assets of the Partnership and is empowered hereby to:

- (a) sell or otherwise dispose of such part of the Partnership's assets as the receiver considers appropriate;

- (b) pay or provide for the payment of the debts and liabilities of the Partnership and liquidation expenses;
- (c) if there are any assets of the Partners remaining, distribute such remaining assets 100% to the Limited Partners holding LP Units in accordance with their Proportionate Shares;
- (d) file the notice of dissolution prescribed by the Act and satisfy all applicable formalities in such circumstances as may be prescribed by the laws of other jurisdictions where the Partnership is registered. In addition, the General Partner will give prior notice of the dissolution of the Partnership by mailing to each Limited Partner such notice at least 21 days prior to the filing of the declaration of dissolution prescribed by the Act; and
- (e) file any elections, determinations or designations under the *Tax Act* or under any similar legislation which may be necessary or desirable.

11.6 Dissolution

The Partnership is dissolved upon the completion of all matters set forth in Section 11.5.

11.7 No Right to Dissolve

Except as provided for in Section 11.2, no Limited Partner has the right to ask for the dissolution of the Partnership, the winding-up of its affairs or the distribution of its assets.

11.8 Agreement Continues

Notwithstanding the dissolution of the Partnership, this Agreement does not terminate until the provisions of Section 11.5 have been satisfied.

ARTICLE 12 - AMENDMENT

12.1 Amendment Procedures

Except as provided in Section 12.3, all amendments to this Agreement are to be made in accordance with the following requirements. To be valid for the purposes hereof, each such proposal must contain the text of the proposed amendment. If an amendment is proposed, the General Partner will seek the approval of the Limited Partners by a Special Resolution.

12.2 Amendment Requirements

Notwithstanding the provisions of Sections 12.1 and 12.3, no amendment to this Agreement may:

- (i) reduce the term of the Partnership as provided in Section 11.1;
- (ii) give any Person the right to dissolve the Partnership, other than the General Partner's right to dissolve the Partnership with the approval of the Limited Partners by a Special Resolution; or

- (iii) modify the amendment provisions in this Article 12, without the express prior written consent of the General Partner, which consent may be unreasonably withheld.

12.3 Amendment by General Partner

Each Limited Partner agrees that the General Partner without the approval of any Limited Partner may amend any provision of this Agreement, and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect:

- (a) a change in the name of the Partnership or the location of the principal place of business of the Partnership or the registered office of the Partnership;
- (b) admission, substitution, withdrawal or removal of Limited Partners in accordance with this Agreement;
- (c) a change that, in the sole Discretion of the General Partner, is reasonable and necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership in which the Limited Partners have limited liability under the applicable laws;
- (d) a change that, in the sole Discretion of the General Partner, is reasonable and necessary or appropriate to enable Partners to take advantage of, or not be detrimentally affected by, changes in the *Tax Act* or other taxation laws; and
- (e) a change that, in the sole Discretion of the General Partner, does not materially adversely affect the Limited Partners in any respect.

12.4 Notice of Amendments

The General Partner will notify the Limited Partners in writing of the full details of any amendment to this Agreement within 30 days of the effective date of the amendment.

ARTICLE 13 - NOTICES

13.1 Address

Any notice or other written communication which must be given or sent under this Agreement shall be given by first-class mail, e-mail or personal delivery to the General Partner and to the Limited Partners as follows:

- (a) in the case of the General Partner, to:

Suite 900, 744 - 4 Avenue SW
Calgary, Alberta T2P 3T4
Attention: President
Email: fossilcreektrust@a2acanada.ca
- (b) in the case of Limited Partners, to the postal address inscribed in the Register maintained by the General Partner. or any other new address following a change of address in conformity with Section 13.2.

13.2 Change of Address

A Limited Partner may, at any time, change his address for the purpose of service by written notice to the General Partner. The General Partner may change its address for the purpose of service by written notice to all the Limited Partners.

13.3 Accidental Failure

An accidental omission in the giving of, or failure to give, a notice required by this Agreement will not invalidate or affect in any way the legality of any meeting or other proceeding in respect of which such notice was or was intended to be given.

13.4 Disruption in Mail

In the event of any disruption, strike or interruption in the Canadian postal service after mailing and before receipt or deemed receipt of a document, it will be deemed to have been received on the sixth business day following full resumption of the Canadian postal service.

13.5 Receipt of Notice

Subject to Section 13.4, notices given by first-class mail are deemed to have been received on the fifth business day following the deposit of such notice in the mail, notices given by personal delivery or facsimile shall be deemed to have been received on the date of their delivery or date of facsimile transmission.

13.6 Undelivered Notices

If the General Partner sends a notice or document to a Limited Partner in accordance with Section 13.1 and the notice or document is returned on three consecutive occasions because the Limited Partner cannot be found, the General Partner is not required to send any further notices or documents to the Limited Partner until the Limited Partner informs the General Partner in writing of the Limited Partner's new address.

ARTICLE 14 - MISCELLANEOUS

14.1 Binding Agreement

Subject to the restrictions on assignment and transfer herein contained, this Agreement enures to the benefit of and is binding upon the parties hereto and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

14.2 Time

Time is of the essence hereof.

14.3 Counterparts

This Agreement, or any amendment to it, may be executed in multiple counterparts, each of which is deemed an original agreement. This Agreement may also be executed and adopted in any subscription form, transfer form or similar instrument acceptable to the General Partner and signed by a Limited Partner with the same effect as if such Limited Partner had executed as counterparts of this Agreement. All counterparts and adopting instruments shall be construed together and shall constitute one and the same agreement.

14.4 Governing Law

This Agreement and the Schedules hereto are governed and construed exclusively according to the laws of the Province of Alberta and the laws of Canada applicable thereto and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta.

14.5 Severability

If any part of this Agreement is declared invalid or unenforceable, then such part is deemed to be severable from the Agreement and does not affect the remainder of this Agreement.

14.6 Further Acts

The parties will perform and cause to be performed such further and other acts and things and execute and deliver or cause to be executed and delivered such further and other documents as counsel to the Partnership considers necessary or desirable to carry out the terms and intent of this Agreement.

14.7 Entire Agreement

This Agreement together with the acknowledgements and undertakings of LP Unit transferees, if any, constitutes the entire agreement among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements.

14.8 Limited Partner Not a General Partner

If any provision of this Agreement has the effect of imposing upon any Limited Partner (other than the General Partner) any of the liabilities or obligations of a general partner under the Act, such provision is of no force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date set out above.

GENERAL PARTNER

**ANGUS A2A GP INC., in its capacity as the
General Partner**

Per:



INITIAL LIMITED PARTNER

Witness


Grayson Ambrose

EXHIBIT 1

TRANSFER FORM

ANGUS A2A LIMITED PARTNERSHIP

The undersigned limited partner (the "**Limited Partner**") of Angus A2A Limited Partnership (the "Partnership"), hereby transfers, assigns and sells to:

(Name of Transferee)

(Address)

(the "**Transferee**"),

all of its right, title and interest as a Limited Partner in the Partnership and constitutes the above-named Transferee as a substituted Limited Partner to the extent of _____ LP Units in the Partnership and agrees to execute and deliver to the General Partner any documents required to effect a valid transfer of the said interest in the Partnership (and rights) as necessary or advisable, in the opinion of the General Partner, to preserve the status of the Partnership as a limited partnership. The undersigned Limited Partner agrees that the power of attorney previously granted the General Partner together with the power of attorney granted under the Partnership Agreement continues until all certificates, amendments to certificates or other instruments necessary to give effect to this transfer have been executed and filed as required.

DATED this _____ day of _____, 20____.

Limited Partner:

Name

Per: _____

(Signature of authorized signatory)

The Transferee acknowledges that it has read the limited partnership agreement for Angus A2A Limited Partnership dated October 24, 2014, as amended from time to time, (the "**Partnership Agreement**") and accepts this transfer and agrees to be bound, as a limited partner in the Partnership, by the terms of the Partnership Agreement.

The Transferee represents, warrants, covenants and agrees with each other Partner that such Transferee:

- (i) if the Transferee is a corporation, it is incorporated under the laws of its incorporating jurisdiction, and is duly registered in all jurisdictions necessary in order to enter into this Transfer Form and the Partnership Agreement and perform its obligations hereunder and thereunder;
- (ii) has the capacity and corporate authority to enter into this Transfer Form and the Partnership Agreement and perform its obligations hereunder and thereunder and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
- (iii) is not acquiring LP Units and will not hold LP Units as a tax shelter investment for the purposes of the *Tax Act*, is not a Person an interest in which would be a tax shelter investment for the purposes of the *Tax Act*, is not a "non-resident" of Canada for the purposes of the *Tax Act*;
- (iv) meets all requirements under Applicable Laws and of any Governmental Authority, in any way, directly or indirectly, related to the Transferee's ownership of LP Units in the Partnership; and
- (v) such Transferee will ensure that its status is not modified with the result that, at any time and from time to time, it would be unable to represent and warrant as set forth in subparagraphs (i), (ii) (iii) and (iv) above, and such Transferee will not transfer its LP Units, or any beneficial interest therein, in whole or in part to a Person who is not able to make these representations, warranties and covenants.

Without limiting the application of the Partnership Agreement, the Transferee hereby irrevocably constitutes, nominates and appoints the General Partner, with full power of substitution, as his or her agent and true and lawful attorney to act on his or her behalf with full power and authority in his or her name, place and stead to execute and record or file as and where required:

- (b) the Partnership Agreement, any amendment to the Partnership Agreement and any other instruments or documents required to continue and keep in good standing the Partnership as a limited partnership under the Act, or otherwise to comply with the laws of any jurisdiction in which the Partnership may carry on business or own or lease property in any jurisdiction where the General Partner considers it prudent to be registered in order to maintain the limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction (including such amendments to the Register or the Certificate as may be necessary to reflect the admission to the Partnership of subscribers for or transferees of LP Units as contemplated by the Partnership Agreement);
- (c) all instruments and any amendments to or renewals, replacements or restatements of the Certificate necessary to reflect any amendment to the Partnership Agreement;
- (d) any instrument required in connection with the dissolution and termination of the Partnership in accordance with the provisions of the Partnership Agreement,

including any elections, determinations or designations under the *Tax Act* and under any similar legislation;

- (e) the documents necessary to be filed with the appropriate Governmental Authority in connection with the business, property, assets and undertakings of the Partnership;
- (f) such documents as may be necessary to give effect to the business of the Partnership as described in the Partnership Agreement;
- (g) such documents as may be necessary to give effect to the provisions of Section 2.8 of the Partnership Agreement;
- (h) any election, determination, designation, information return or similar document or instrument as may be required at any time under the *Tax Act* or under any other taxation legislation or laws of like import of Canada or of any province, territory or jurisdiction which relates to the affairs of the Partnership or the interest of any Person in the Partnership; and
- (i) all other instruments and documents on his or her behalf and in his or her name or in the name

of the Partnership as may be deemed necessary by the General Partner to carry out fully the Partnership Agreement in accordance with its terms.

The power of attorney granted herein is irrevocable, is a power coupled with an interest and survives the transfer or assignment by the Transferee, to the extent of the obligations of the Transferee under the Partnership Agreement, of the whole or any part of the interest of the Transferee in the Partnership, extends to the legal representatives and successors, transferees and assigns of the Transferee, and may be exercised by the General Partner on behalf of the Transferee in executing any instrument by a facsimile signature or by listing all the Limited Partners and executing such instrument with a single signature as attorney and agent for all of them. The Transferee agrees to be bound by any representations or actions made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under this power of attorney.

This power of attorney continues in respect of the General Partner so long as it is the general partner of the Partnership, and terminates thereafter, but continues in respect of a new General Partner as if the new General Partner were the original attorney.

The Transferee hereby agrees and acknowledges that, upon acceptance of this transfer and the declaration by the General Partner of the Transferee's status as a Limited Partner (as defined in the Partnership Agreement), it shall become a limited partner of the Partnership on the effective date thereof and that as a Limited Partner, the Transferee is bound by the provisions of the Partnership Agreement and by any representations and actions made or taken by the General Partner and any successor thereto, while acting in good faith pursuant to this power of attorney hereby granted and will make contributions of capital as required pursuant to the Partnership Agreement, all notwithstanding the date of amendment to the Register (as defined in the Partnership Agreement) or amendment of the Certificate (as defined in the Limited Partnership Agreement) reflecting this transfer.

The effective date of this transfer is the day on which the General Partner declares the Transferee's status as a Limited Partner, notwithstanding the date that the Register is updated or the date of amendment of the Certificate to evidence to this transfer, which effective date is the date this transfer is accepted by the General Partner (or such other time as the General Partner may declare), and the undersigned acknowledges and agrees that the General Partner is not be required to recognize the undersigned as a "substituted limited partner" for the purposes of the *Partnership Act* (Alberta) until the effective date of filing the amendment of the Certificate to evidence to this transfer.

All capitalized terms utilized but not otherwise defined in this Transfer Form shall have the meaning ascribed thereto in the Partnership Agreement.

DATED this _____ day of _____, 20____.

Transferee:

{Name of Limited Partner}

Per: _____

(Signature of authorized signatory)

ACCEPTANCE OF TRANSFER BY GENERAL PARTNER

This transfer is accepted by the General Partner in the City of _____, in the Province of _____, on the _____ day of _____, 20____.

Angus A2A GP Inc.
in its capacity as General Partner of
Angus A2A Limited Partnership

Per: _____

This is Exhibit “C” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)

ANGUS MANOR PARK A2A LIMITED PARTNERSHIP

LIMITED PARTNERSHIP AGREEMENT

BETWEEN:

ANGUS MANOR PARK A2A GP INC.

- and -

GRAYSON AMBROSE

**AND EACH PERSON WHO IS ADMITTED TO THE
PARTNERSHIP AS A LIMITED PARTNER IN ACCORDANCE
WITH THE TERMS HEREOF**

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ANGUS MANOR PARK A2A LIMITED PARTNERSHIP

LIMITED PARTNERSHIP AGREEMENT

THIS LIMITED PARTNERSHIP AGREEMENT dated as of the 1st day of March, 2016, and made between Angus Manor Park A2A GP Inc., a corporation incorporated under the laws of the Province of Alberta, as General Partner and Grayson Ambrose of the Province of Alberta, as initial Limited Partner and each person who is admitted to the Partnership as a Limited Partner in accordance with the terms hereof.

IN CONSIDERATION of the covenants and agreements contained in this Agreement, the Partners agree with each other as follows:

ARTICLE 1 - INTERPRETATION

1.1 Definitions

In this Agreement, the following words have the following meanings:

- (a) **"Act"** means the *Partnership Act* (Alberta), as amended;
- (b) **"Affiliate"** where used to indicate a relationship with any Person, has the meaning ascribed thereto in the *Securities Act* (Alberta);
- (c) **"Agreed Value"** means in respect of a Limited Partner, at the time and from time to time, the amount in such Partner's Capital Account as at such date, plus the amount of any Distributable Cash due to such Partner, if any, for the previous full Fiscal Quarter, to the extent such amount has been determined to be payable by the General Partner pursuant to Section 5.3(a) but has not yet been paid, less any amounts of every nature and kind due by the Limited Partner to the Partnership, including reasonable costs of the Partnership or General Partner incurred in connection with the transaction contemplated in Section 2.8. For clarity, the Agreed Value shall not include any amount in respect of Distributable Cash accrued during the Fiscal Quarter in which the calculation of the Agreed Value is made;
- (d) **"Agreement"** or **"Partnership Agreement"** means this Limited Partnership Agreement dated as of the 1st day of March, 2016 and made between Angus Manor Park A2A GP Inc., a corporation incorporated under the laws of the Province of Alberta, as General Partner and Grayson Ambrose of the Province of Alberta, as initial Limited Partner and those parties referred to as Limited Partners herein, as from time to time amended, supplemented or restated;
- (e) **"Applicable Laws"** means any statute, bylaw, rule or regulation or any judgment, order, writ, injunction or decree of any Governmental Authority to which a specified person or property is subject;
- (f) **"Associate"**, where used to indicate a relationship with any Person, has the meaning ascribed thereto in the *Securities Act* (Alberta);
- (g) **"Auditor"** means a member, in good standing, of the Canadian Institute of Chartered Accountants and who has been appointed as auditor of the Partnership;
- (h) **"Capital Contribution"** has the meaning ascribed thereto in Section 4.3;
- (i) **"Certificate"** means the certificate of limited partnership for the Partnership to be filed under the Act and all amendments thereto and renewals, replacements or restatements thereof;

- (j) **"Current Accounts"** means the accounts established pursuant to Section 4.5;
- (k) **"Discretion"** means the sole, absolute and unfettered discretion without any requirement to be reasonable or to maintain an even hand, to be exercised as, when and however (including retroactively) deemed fit by the General Partner;
- (l) **"Distributable Cash"** means with respect to a particular period, the amount by which the Partnership's cash on hand or to be received in respect of that period (excluding any proceeds from any financing) exceeds:
 - (i) unpaid administration expenses of the Partnership;
 - (ii) amounts required for the business and operations of the Partnership, including operating expenses and capital expenditures;
 - (iii) amounts required in order to meet all debts, liabilities and obligations in respect of any financing, including reserves to ensure compliance with agreements to which the Partnership is subject; and
 - (iv) any amounts which the General Partner in its discretion determines is necessary to satisfy the Partnership's current and anticipated debts, liabilities and obligations and to comply with applicable laws;
- (m) **"Financing"** means any credit facility granted or extended to or for the benefit of, or investment by way of debt in, the Partnership whereby or pursuant to which money, credit or other financial accommodation has been or may be provided, made available or extended to the Partnership by way of borrowed money, the purchase of debt instruments or securities, bankers acceptances, letters of credit, overdraft or other forms of credit and financial accommodation, and includes any and all trust deeds, indentures, mortgages, bonds or debentures (whether issued and delivered as security or sold to a purchaser), security agreements and other deeds, instruments or documents in respect thereof;
- (n) **"Fiscal Year"** has the meaning ascribed thereto in Section 2.5 and **"Fiscal Quarter"** means a quarter of the Fiscal Year;
- (o) **"Force Majeure"** means any act of God, flood, earthquake, lightning or other natural physical disaster, explosion, fire, act of war, act of terrorism, riot, rebellion or civil unrest, and regional strikes or similar labour disputes which prevents the conduct of the business of the Partnership;
- (p) **"GAAP"** means, at any time, accounting principles generally accepted in Canada, including those set out in the Handbook of the Canadian Institute of Chartered Accountants;
- (q) **"General Partner"** means Angus Manor Park A2A GP Inc., the general partner of the Partnership;
- (r) **"Governmental Authority"** means any applicable court or tribunal in any jurisdiction or any federal, provincial, municipal or other governmental entity, agency, authority, department, commission, stock exchange, board, instrumentality official or tribunal thereof;
- (s) **"Limited Partner"** means any Person who is admitted to the Partnership as a Limited Partner from time to time by subscription for or by succession to or as transferee of LP Unit's as long as they are registered holders of at least one LP Unit;

- (t) **"LP Unit Certificate"** means a certificate for LP Units in such form as approved by the General Partner from time to time;
- (u) **"LP Units"** means the limited partnership units of the Partnership;
- (v) **"Net Income" or "Net Loss"** for a Fiscal Period of the Partnership means the net income or net loss, as the case may be, of the Partnership for that period determined in the financial statements of the Partnership; and for income tax purposes, means the income or loss of the Partnership determined under all applicable income tax statutes and regulations after applying the following principles, subject to a determination by the General Partner that such an application generally would not be in the best interest of the Limited Partners:
 - (i) deductions in arriving at income will be taken at the earliest time and to the maximum extent permitted by applicable income tax statutes and regulations but without creating or increasing a Net Loss for income tax purposes; and
 - (ii) the recognition of income will be deferred to the maximum extent permitted by applicable income tax statutes and regulations;
- (w) **"Ordinary Resolution"** means:
 - (i) a resolution approved through the votes cast in person or by proxy at a duly constituted meeting of Limited Partners holding LP Units or at any adjournment thereof called in accordance with this Agreement and representing more than 50% of the votes attaching to the LP Units cast in person or by proxy in accordance with Section 10.9; or
 - (ii) a written resolution in one or more counterparts signed by the Limited Partners holding in the aggregate more than 50% of the votes attaching to the LP Units in accordance with Section 10.9;
- (x) **"Partners"** means the General Partner and the Limited Partners and **"Partner"** means any one of them;
- (y) **"Partnership"** means Angus Manor Park A2A Limited Partnership formed under the laws of the Province of Alberta as a limited partnership by the filing of the Certificate under the Act;
- (z) **"Person"** includes any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, limited liability company, unincorporated association, trust (including any beneficiary thereof), trustee, executor, administrator or other legal personal representative, Governmental Authority, or entity however designated or constituted;
- (aa) **"Property"** means that parcel of land comprising 167 acres (more or less) located in the Community of Angus, Essa Township, Simcoe County, Province of Ontario, Canada;
- (bb) **"Proportionate Share"** of any amount at any time, means a fraction equal to the number of LP Units of which a Limited Partner is the registered holder at that time divided by the total number of issued and outstanding LP Units at that time;
- (cc) **"Register"** means the register indicating the names and addresses of the Limited Partners and the number of LP Units held by them, to be kept by the General Partner;
- (dd) **"Requisitioning Partners"** has the meaning ascribed thereto in Section 10.1;

- (ee) **"Reserves"** means reasonable reserves which the General Partner determines are necessary or desirable to withhold from any advance or distribution to Limited Partners having regard to the current and anticipated cash requirements of the Partnership, including for operating expenses, maintenance expenses, upgrade, renovation and renewal expenditures, payments in respect of any Financing or other commitments, obligations in respect of incentive plans of the Partnership, and reserves to ensure compliance with the agreements to which the Partnership is subject (including any Financing);
- (ff) **"Special Resolution"** means:
 - (i) a resolution approved through the votes cast in person or by proxy at a duly constituted meeting of Limited Partners holding LP Units or at any adjournment thereof called in accordance with this Agreement and representing 66²/₃ % or more of the votes attaching to the LP Units cast in person or by proxy in accordance with Section 10.9; or
 - (ii) a written resolution in one or more counterparts signed by Limited Partners holding LP Units representing in the aggregate 66²/₃ % or more of the votes attaching to the LP Units in accordance with Section 10.9;
- (gg) **"Subscription Price"** means the amount payable or the value of any consideration paid for an LP Unit. Subscription means a subscription for LP Units made by a Person;
- (hh) **"Tax Act"** means the *Income Tax Act* (Canada);
- (ii) **"Taxable Income"** or **"Tax Loss"**, means in respect of any fiscal period, respectively, the amount of income or loss for tax purposes of the Partnership for such period as determined in accordance with this Agreement and the provisions of the *Tax Act* (including the amount of the taxable capital gain or allowable capital loss from the disposition of capital property of the Partnership);
- (jj) **"Transfer Form"** means a transfer form substantially in the form set out in Exhibit 1 hereto or in any other form or forms as may be approved by the General Partner.

1.2 Headings

In this Agreement, the headings are for convenience of reference only, do not form a part of this Agreement and are not to be considered in the interpretation of this Agreement.

1.3 Expanded Meanings

In this Agreement,

- (a) words importing the masculine gender include the feminine and neuter genders, corporations, partnerships and other Persons, and words in the singular include the plural, and vice versa, wherever the context requires;
- (b) all references to **"Articles"**, **"Sections"** and other subdivisions are references to designated Articles, Sections and other subdivisions of this Agreement;
- (c) all accounting terms not otherwise defined have the meanings assigned to them by, and all computations to be made will be made in accordance with, generally accepted accounting principles in Canada;
- (d) any reference to a statute includes and is deemed to be a reference to the regulations made pursuant to it, and to all amendments made to the statute and regulations in force

from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute referred to or the relevant regulation;

- (e) any reference to a Person includes and is deemed to be a reference to any Person that is a successor to that Person;
- (f) business day is deemed to be a reference to any day which is not a Saturday, Sunday or a day which is generally observed as a holiday in Alberta;
- (g) the words “**include**” or “**including**”, when following any general term or statement, are not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as permitting such general term or statement to refer to all other items or matters that could reasonably fall within its broadest possible scope; and
- (h) “**hereof**”, “**hereto**”, “**herein**”, “**hereby**” and “**hereunder**” mean and refer to this Agreement and not to any particular Article, Section or other subdivision.

1.4 Currency

All references to currency herein are references to lawful money of Canada.

ARTICLE 2 - RELATIONSHIP AMONG PARTNERS

2.1 Formation and Name of Partnership

The General Partner and the Limited Partner agreed to form a limited partnership under the laws of the Province of Alberta and the provisions of this Agreement to carry on business in common with a view to profit under the firm name and style of Angus Manor Park A2A Limited Partnership or any other name or names as the General Partner may determine from time to time. The Partnership is effective as a limited partnership from the date on which the Certificate is registered in accordance with the Act. The General Partner has the right to change the name of the Partnership and to file an amendment to the Certificate recording the change of name of the Partnership.

2.2 Business of the Partnership

- (a) The Partnership was formed to directly acquire, hold, transfer, dispose of or otherwise deal with undivided interests in the Property, and undertake the business, ownership and development of the Partnership's interest in the Property;
- (b) The Partnership shall have the power to do any and every act and thing necessary, proper, convenient or incidental to the accomplishment of its business and purposes; and
- (c) The purposes of the Partnership set forth in this Section 2.2 are to be construed as both purposes and powers of the Partnership.

2.3 Business in Other Jurisdictions

- (a) The Partnership will not carry on business in any jurisdiction unless the General Partner has taken all steps which may be required by the laws of that jurisdiction for the Limited Partners to benefit from limited liability to the same extent that such Limited Partners enjoy limited liability under the Act. The Partnership will not carry on business in any jurisdiction in which the laws do not recognize the liability of the Limited Partners to be limited unless, in the opinion of the General Partner, the risks associated with the possible absence of limited liability in such jurisdiction are not significant considering the relevant circumstances.

- (b) The Partnership will carry on business in such a manner as to ensure, to the greatest extent possible, the limited liability of the Limited Partners, and the General Partner will register the Partnership in other jurisdictions where the General Partner considers it appropriate to do so.

2.4 Office of the Partnership

The principal place of business of the Partnership is Calgary, Alberta, or such other place as the General Partner may designate in writing from time to time to the Limited Partners.

2.5 Fiscal Year

The first fiscal period for the Partnership shall end on December 31, 2015. The General Partner shall determine the fiscal years thereafter. Each such fiscal period is herein referred to as a "**Fiscal Year**".

2.6 Status of Partners and Conduct of Partnership Business

- (a) The General Partner represents, warrants, covenants and agrees with each Limited Partner that the General Partner:
 - (i) is a corporation incorporated under the laws of the Province of Alberta and is validly subsisting under such laws;
 - (ii) is not a "non-resident" of Canada for the purposes of the *Tax Act*;
 - (iii) has the capacity and corporate authority to act as a general partner and to perform its obligations under this Agreement, and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
 - (iv) will act in a manner which it believes to be in, or not opposed to, the best interests of the Partnership, subject to the provisions of this Agreement;
 - (v) will, at the necessary times, hold and maintain the registrations necessary for the conduct of its business and has and will continue to have all licences and permits necessary to carry on its business as the general partner of the Partnership in all jurisdictions where the activities of the Partnership require such licensing or other form of registration of the General Partner; and
 - (vi) will devote as much time as is reasonably necessary for the conduct and prudent management of the business and affairs of the Partnership.
- (b) Each of the Limited Partners severally represents, warrants, covenants and agrees with each other Partner that such Limited Partner:
 - (i) if a corporation, is a corporation incorporated under the laws of its incorporating jurisdiction, and is duly registered in all jurisdictions necessary in order to enter into this Agreement and perform its obligations hereunder, has the capacity and corporate authority to enter into this Agreement and perform its obligations hereunder and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
 - (ii) is not acquiring LP Units and will not hold LP Units as a tax shelter investment for the purposes of the *Tax Act*, is not a Person an interest in which would be a tax shelter investment for the purposes of the *Tax Act*, is not a "non-resident" of Canada for the purposes of the *Tax Act*;

- (iii) meets all requirements under Applicable Laws and of any Governmental Authority, in any way, directly or indirectly, related to the Limited Partner's ownership of LP Units in the Partnership; and
- (iv) will ensure that its status is not modified with the result that, at any time and from time to time, it would be unable to represent and warrant as set forth in subsections (i), (ii) and (iii) above, and such Limited Partner will not transfer its LP Units, or any beneficial interest therein, in whole or in part to a Person who is not able to make these representations, warranties and covenants.

2.7 Survival of Representations, Warranties and Covenants

- (a) The representations, warranties and covenants made pursuant to Section 2.6 above survive execution of this Agreement and each Partner covenants and agrees to ensure that each representation, warranty and covenant made pursuant to Section 2.6 remains true so long as such Partner remains a Partner, and upon request by the General Partner, provide within five (5) Business Days of the date of such request, written evidence to the General Partner that such representations, warranties and covenants of such Limited Partner are true.
- (b) If at any time any Limited Partner becomes aware that the Limited Partner will be unable to represent and warrant the matters in Section 2.6(b), such Limited Partner covenants, agrees and undertakes that it will: (a) immediately notify the General Partner of that fact (prior to becoming unable to so represent) and (b) comply with the provisions of Section 2.8.

2.8 Sale of Affected LP Units

- (a) If, at any time a Limited Partner:
 - (i) is unable to make the representations and warranties or breaches any of its covenants set out in Section 2.6(b); or
 - (ii) fails to comply with its obligations pursuant to Section 2.7(a) or 2.7(b); or
 - (iii) the General Partner otherwise determines that a Person has become a Limited Partner in contravention of Section 2.6(b)(iv),

the General Partner, by written notice (a **"Sell Notice"**) to such Limited Partner (the **"Affected Partner"**) shall require the Affected Partner to sell to the Partnership on the date set out in the Sell Notice (the **"Transfer Date"**) the Affected Partner's entire interest in all LP Units held by the Affected Partner (the **"Affected LP Units"**) for (A) the Agreed Value as determined by the General Partner, or (B) at the sole Discretion of the General Partner, the amount determined pursuant to Section 2.8(c). On the Transfer Date, the Affected Partner shall deliver to the General Partner the LP Unit Certificate(s) representing the Affected LP Units duly endorsed for transfer to the Partnership. Upon receipt of such LP Unit Certificate(s), the Partnership shall deliver the Agreed Value or the amount set out in Section 2.8(c) to the Affected Partner.

- (b) If, on the Transfer Date, the Affected Partner fails to complete the subject transaction of purchase and sale as contemplated in Section 2.8(a), the General Partner shall have the right to execute and deliver, on behalf of and in the name of the Affected Partner, the LP Unit Certificate(s) and other documents that may be necessary to complete the subject transaction and the Affected Partner hereby irrevocably appoints the General Partner as its attorney in that behalf.
- (c) If the Agreed Value of the Affected LP Units is greater than the fair market value thereof, the General Partner may, at its sole option, pay the Limited Partner the fair market value

thereof rather than the Agreed Value. The fair market value shall be determined by an independent valuator selected by the General Partner and such determination shall be final and binding. There shall be no obligation on the General Partner to conduct any valuation if the General Partner determines to pay the Agreed Value to the Affected Partner.

2.9 Limitation on Authority of Limited Partners

No Limited Partner (except a Limited Partner who is also the General Partner) will or will be entitled to:

- (a) take an active part in the business of the Partnership or take part in the administration, operation, management or control of the business of the Partnership or exercise any power in connection therewith;
- (b) transact any business on behalf of the Partnership or make any commitment on behalf of, or otherwise obligate or bind, the Partnership;
- (c) execute any document which binds or purports to bind the Partnership or any other Partner;
- (d) hold himself, herself or itself out as having the power or authority to bind any other Partner or the Partnership;
- (e) have any authority to act for or undertake any obligation or responsibility on behalf of any other Partner or the Partnership;
- (f) bring any action for partition or sale or otherwise in connection with any interest in any of the property and assets of the Partnership;
- (g) bring any action for partition or sale or otherwise in connection with the Partnership, any interest in any property of the Partnership, whether real or personal, tangible or intangible, or file or register or permit to be filed, registered or remain un-discharged any lien or charge in respect of any property of the Partnership; or
- (h) take any action that will jeopardize or eliminate the status of the Partnership as a limited partnership.

2.10 Power of Attorney

Each Limited Partner hereby irrevocably nominates, constitutes and appoints the General Partner, with full power of substitution, as his or her agent and true and lawful attorney to act on his or her behalf with full power and authority in his or her name, place and stead to execute and record or file as and where required:

- (a) this Agreement, any amendment to this Agreement and any other instruments or documents required to continue and keep in good standing the Partnership as a limited partnership under the Act, or otherwise to comply with the laws of any jurisdiction in which the Partnership may carry on business or own or lease property in any jurisdiction where the General Partner considers it prudent to be registered in order to maintain the limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction (including such amendments to the Register or the Certificate as may be necessary to reflect the admission to the Partnership of subscribers for or transferees of LP Units as contemplated by this Agreement);
- (b) all instruments and any amendments to or renewals, replacements or restatements of the Certificate necessary to reflect any amendment to this Agreement;

- (c) any instrument required in connection with the dissolution and termination of the Partnership in accordance with the provisions of this Agreement, including any elections, determinations or designations under the *Tax Act* and under any similar legislation;
- (d) the documents necessary to be filed with the appropriate Governmental Authority in connection with the business, property, assets and undertaking of the Partnership;
- (e) such documents as may be necessary to give effect to the business of the Partnership as described in Section 2.2;
- (f) such documents as may be necessary to give effect to the provisions of Section 2.8 hereof;
- (g) any election, determination, designation, information return or similar document or instrument as may be required at any time under the *Tax Act* or under any other taxation legislation or laws of like import of Canada or of any province, territory or jurisdiction which relates to the affairs of the Partnership or the interest of any Person in the Partnership; and
- (h) all other instruments and documents on his or her behalf and in his or her name or in the name of the Partnership as may be deemed necessary by the General Partner to carry out fully this Agreement in accordance with its terms.

The power of attorney granted herein is irrevocable, is a power coupled with an interest and survives the transfer or assignment by a Limited Partner, to the extent of the obligations of a Limited Partner hereunder, of the whole or any part of the interest of the Limited Partner in the Partnership, extends to the legal representatives and successors, transferees and assigns of the Limited Partner, and may be exercised by the General Partner on behalf of each Limited Partner in executing any instrument by a facsimile signature or by listing all the Limited Partners and executing such instrument with a single signature as attorney and agent for all of them. Each Limited Partner agrees to be bound by any representations or actions made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under this power of attorney.

This power of attorney continues in respect of the General Partner so long as it is the general partner of the Partnership, and terminates thereafter, but continues in respect of a new General Partner as if the new General Partner were the original attorney.

A transferee of an LP Unit, upon becoming a Limited Partner, is conclusively deemed to have acknowledged and agreed to be bound by the provisions of this Agreement as a Limited Partner, and is conclusively deemed to have provided the General Partner with the power of attorney described in this Section 2.10.

2.11 General Partner May Hold LP Units

The General Partner may subscribe for and acquire LP Units or purchase LP Units by private contract or in the market and is to be shown on the Register as a Limited Partner in respect of the number of LP Units held by the General Partner from time to time.

2.12 Limited Liability of Limited Partners

Subject to the provisions of the Act, the liability of a Limited Partner for the indebtedness, liabilities and obligations of the Partnership will be limited to its Capital Contribution paid or contributed or agreed to be paid or contributed by such Limited Partner in respect of the LP Units plus its share of any undistributed income of the Partnership and a Limited Partner will not be liable for any further claims, assessments or contributions to the Partnership. The Partnership will operate in a manner as to ensure to the greatest extent possible the limited liability of the Limited Partners.

2.13 Indemnity of Limited Partners

The General Partner will indemnify and hold harmless each Limited Partner (including former Limited Partners) for all costs, expenses, damages or liabilities suffered or incurred by the Limited Partner if the limited liability of such Limited Partner is lost for or by reason of the gross negligence or wilful misconduct of the General Partner in performing its duties and obligations hereunder. The foregoing indemnification shall only cover, in respect of each Limited Partner, the amount in excess of such Limited Partner's liability as described in Section 2.12.

ARTICLE 3 - GENERAL PARTNER INTEREST AND LP UNITS

3.1 Interest of Limited Partners

The interests of the Limited Partners will be divided into and represented by 51,000 LP Units having the rights, privileges, restrictions and conditions referred to herein.

3.2 Issuance of LP Units

- (a) The General Partner is authorized to, in its Discretion, cause the Partnership to issue at any time and from time to time LP Units, with each LP Unit having a Capital Contribution amount of \$100 per LP Unit or such other amount as the General Partner may authorize, on such terms and conditions of the offering and sale of LP Units as the General Partner, in its Discretion, may determine including accepting payment of consideration therefore in the form of cash, property and/or past services, and may do all things in that regard, including preparing and filing prospectuses, offering memoranda and other documents.
- (b) The General Partner may do all things necessary or advisable in connection with the issue of LP Units from time to time including determining the requirements for a satisfactory subscription form, preparing and filing prospectuses, offering memoranda and other documents, paying the expenses of issue and entering into agreements with any Person for a commission or fee.
- (c) Upon acceptance by the General Partner of any subscription for LP Units, all Partners are deemed to consent to the admission of the subscriber as a Limited Partner, the General Partner will cause the Register to be amended, and such other documents as may be required by the Act or under legislation similar to the Act in other provinces or the territories to be filed or amended, specifying the prescribed information and will cause the foregoing information in respect of the new Limited Partner to be included in Partnership books and records.

3.3 LP Unit Certificates

A Limited Partner is entitled, without charge, to an LP Unit Certificate or LP Unit Certificates evidencing the LP Units held by such Limited Partner. Every LP Unit Certificate must be signed by at least one officer or director of the General Partner. If any LP Unit Certificate is lost, mutilated, stolen or destroyed, the General Partner will, upon request by a Limited Partner, issue a replacement LP Unit Certificate to the Limited Partner upon receipt of evidence satisfactory to the General Partner of such loss, mutilation or destruction, and upon receiving such indemnification (including an indemnity bond provided at the expense of the Limited Partner) as it deems appropriate in the circumstances. The General Partner upon request by a transferee will issue a new LP Unit Certificate for any LP Units transferred, as the case may be. In the case of a transfer of less than all of the LP Units represented by an LP Unit Certificate, the General Partner, upon request by the transferor, will issue a new LP Unit Certificate for the balance of the LP Units retained by the transferor.

3.4 Subscription for LP Units

No Person will be admitted to the Partnership as a Limited Partner unless such Person delivered to the General Partner:

- (i) a subscription in such form as may be prescribed or accepted by the General Partner (either in respect of such Person or otherwise) from time to time completed and executed in a manner acceptable to the General Partner;
- (ii) payment by bank draft or certified cheque or in such other form as the General Partner may accept in respect of such subscription of the amount to be contributed to the capital of the Partnership in respect of such LP Units to be acquired; and
- (iii) such other instruments, declarations, assurances and documents as the General Partner may require to effect such subscription.

No subscription may be made or will be accepted for a fraction of an LP Unit. The General Partner will be deemed to have accepted a subscription for LP Units when an LP Unit Certificate in the name of such subscriber representing the number of LP Units for which such subscriber has subscribed is delivered to such subscriber. Upon the acceptance of such subscription by the General Partner, the General Partner will cause the name of the subscriber to be entered on the Register along with the number of LP Units held by such subscriber as a result of such subscription.

3.5 Transfer of LP Units

- (a) No Limited Partner may transfer any of the LP Units owned by it except to Persons under the manner expressly permitted in this Agreement. Any attempted transfer of LP Units made in violation of this Agreement will be null and void and the General Partner will not approve any transfer of LP Units made in contravention of this Agreement.
- (b) An LP Unit is not transferable in part and no transfer of an LP Unit will be accepted by the General Partner unless:
 - (i) a Limited Partner has complied with the provisions of Article 6 in respect of the transfer of its LP Units (other than a transfer by a Limited Partner to an Affiliate that is a corporation);
 - (ii) a Transfer Form, duly completed and signed by the registered holder of the LP Units and the transferee and any LP Unit Certificate held by the registered holder representing the LP Units being transferred have been remitted to the General Partner;
 - (iii) the transferee is able to make the representations and warranties set forth in Section 2.6(b);
 - (iv) the transfer is in compliance with all applicable securities laws;
 - (v) the transferee pays such costs, expenses and disbursements, including legal fees, as they are reasonably incurred by the Partnership by reason of the transfer; and
 - (vi) the General Partner has consented to the transfer.
- (c) Where the transferee complies with all applicable provisions and is entitled to become a Limited Partner pursuant to the provisions of this Agreement, the General Partner is authorized to admit the transferee to the Partnership as a Limited Partner and the Limited

Partners hereby consent to the admission of, and will admit, the transferee to the Partnership as a Limited Partner, without further act of the Limited Partners.

- (d) A transferee of LP Units transferred in accordance with this Agreement will automatically become bound by the provisions of this Agreement without execution of further instruments.
- (e) No transfer of LP Units will be accepted by the General Partner after any notice of dissolution of the Partnership has been given to the Limited Partners in accordance with this Agreement.

3.6 Register and Other Records

The General Partner will:

- (a) maintain a registered office for the Partnership;
- (b) maintain and update, either directly or indirectly, the Register;
- (c) maintain and update such other records in respect of the Partnership as may be required by law;
- (d) make on behalf of the Partnership all recordings or filings with any governmental authority that are required to be made by the Partnership; and
- (e) keep a copy of the Certificate and a copy of this Agreement.

The General Partner will be authorized to make such rules and regulations as the General Partner may from time to time consider necessary or desirable in connection with the foregoing, including the form and content of the Register, the times when the Register may be closed, the establishment of record dates and the documentation required to record assignments of LP Units and other matters.

3.7 Amendment of Certificate or Record

The General Partner, on behalf of the Partnership, will from time to time promptly effect filings, recordings, registrations and amendments to the Register and the Certificate and to any other documents and at any places as are necessary or advisable to reflect changes in the membership of the Partnership, transfers of LP Units and to constitute a transferee as a Limited Partner. Subject to the provisions of this Agreement, no change of name or address of a Partner, no transfer of LP Units and no admission of an additional Partner will be effective until all requirements set out in Sections 3.4 and 3.5 (as applicable) have been satisfied and such change, transfer, substitution or addition is duly reflected in the Register and the Certificate.

3.8 Bankruptcy or Insolvency; Renunciation of Interest

Where a Person becomes entitled to LP Units on the insolvency or bankruptcy of a Limited Partner, or otherwise by operation of law, in addition to the requirements of this Article 3, none of the Partnership, the General Partner or any of the Limited Partners will recognize such entitlement and the General Partner will make no entry into the Register or amendment to the Certificate until such Person:

- (a) has produced evidence satisfactory to the General Partner of such entitlement;
- (b) has agreed in writing to be bound by the terms of this Agreement and to assume the obligations of a Limited Partner under this Agreement; and

- (c) has delivered such other evidence, approvals and consents in respect to such entitlement as the General Partner may require, as may be required by law, and as may be required by this Agreement.

ARTICLE 4 - CAPITAL CONTRIBUTIONS AND ACCOUNTS

4.1 Capital

The capital of the Partnership consists of the aggregate of all sums of money or other property contributed by the Limited Partners as Capital Contributions and not withdrawn or returned to them.

4.2 Capital Accounts

The General Partner will establish separate capital accounts on the books of the Partnership for the General Partner and each of the Limited Partners (the "**Capital Accounts**"), to which contributions of capital will be credited and amounts distributed as a return of capital to the General Partner and the Limited Partners will be debited. No Limited Partner is responsible for any losses of any other Limited Partner, nor will it share in the allocation of Net Income or Net Loss attributable to the LP Units of any other Limited Partner.

4.3 Limited Partner Contributions

- (a) The contribution of capital by each Limited Partner is the total amount of money or property paid to the Partnership in respect of LP Units held by such Limited Partner, or a predecessor Limited Partner (the "**Capital Contribution**"), which Capital Contribution may be increased or reduced from time to time pursuant to the provisions of this Agreement.
- (b) The initial Limited Partner has made the following initial Capital Contribution to the capital of the Partnership: Grayson Ambrose - \$100

4.4 Further Capital Contributions

Except as otherwise agreed in an instrument in writing executed by the General Partner and the Limited Partners, no Limited Partner is obligated to make any additional contributions to the capital of the Partnership.

4.5 Current Accounts

The General Partner will establish an account (a "**Current Account**") on the books of the Partnership for each Partner to which Net Income will be credited and to which Net Loss and advances or distributions to Partners will be charged.

4.6 No Right to Withdraw Amounts

No Partner will have any right to withdraw any amount or receive any advance or distribution from the Partnership except as expressly provided for in this Agreement and no advance or distribution to any Partner will be deemed a return or withdrawal of amounts contributed to the capital of the Partnership except as expressly provided in this Agreement, but if any court of competent jurisdiction at any time determines that notwithstanding the provisions of this Agreement a Limited Partner is obligated to pay any amount distributed to such Limited Partner to or for the account of the Partnership or to any creditor of the Partnership such obligation will be the obligation of such Limited Partner.

4.7 No Interest Payable on Capital or Current Accounts

No Partner will have the right to receive interest on any capital or any credit balance in the Capital Account or Current Account of such Partner. No Partner will be liable to pay interest to the Partnership on

any capital or Designated Capital returned to such Partner or on any authorized negative balance in the Capital Account or Current Account of such Partner.

4.8 Negative Balance in Capital or Current Accounts

The interest of a Partner in the Partnership will not terminate by reason of the return of amounts contributed to the capital of the Partnership or a negative balance in the Capital Account or Current Account of such Partner.

4.9 Set-Off

The Partnership may set-off against and withhold from any amount that would otherwise be distributed to a Limited Partner, any amount that may be due and owing to the Partnership by such Limited Partner.

ARTICLE 5 - ALLOCATIONS AND ADVANCES OR DISTRIBUTIONS

5.1 Allocation of Net Income or Net Loss

Net Income or Net Loss of the Partnership for accounting purposes will be allocated to each Partner in the same proportion as Taxable Income or Tax Loss of the Partnership as provided in Section 5.2.

5.2 Allocation of Taxable Income or Tax Losses

- (a) In all circumstances Taxable Income or Tax Loss for a given Fiscal Year of the Partnership is to be allocated as follows:
 - (i) firstly, 0.01% thereof, to the General Partner;
 - (ii) secondly, 99.99% to the Limited Partners in accordance with their Proportionate Shares;
- (b) If at any time there are no Limited Partners, then any amount which would have been allocated to the Limited Partners will be allocated to the General Partner.
- (c) The amount of Taxable Income or Tax Loss allocated to a Limited Partner may exceed or be less than the amount of Distributable Cash distributed to such Limited Partner.

5.3 Distributable Cash

- (a) The General Partner may in its Discretion make distributions of Distributable Cash as follows:
 - (i) firstly, 0.01% to the General Partner; and
 - (ii) secondly, to the Limited Partners in accordance with their Proportionate Shares.
- (b) If the General Partner determines to make a distribution of Distributable Cash, the General Partner will distribute Distributable Cash pursuant to Section 5.3(a) above to the Partners whose names appear on the Register on the date on which such distribution is being made. Distributions made under this Agreement will be net of any tax required by law to be withheld by the General Partner on behalf of the Partnership.

5.4 Other Advances or Distributions

Subject to and in the same priority as set forth in Section 5.3, the General Partner may, in addition to the advances or distributions described in Section 5.3 advance or distribute Distributable Cash at any other time and establish a record date for making of such advance or distribution. Notwithstanding the

foregoing, the General Partner will not make any such advance or distribution if and to the extent such advance or distribution would be contrary to any provision of any other agreement to which the Partnership is a party, or by which the Partnership is bound (including any loan agreement) or to any applicable law.

5.5 General Partner's Discretion to Return Capital

- (a) The General Partner may, in its Discretion at any time, make return to the Limited Partners their Capital Contribution (less the amount of cash or the agreed value of property which has been previously paid or distributed in respect of such LP Unit on account of capital) in such amounts as the General Partner may determine, pro rata in proportion to the number of LP Units held by each Limited Partner; provided that the General Partner may not make any such advance or distribution if and to the extent:
 - (i) any Partner's share thereof would exceed the Capital Contribution of such Partner (less the amount of cash or the agreed value of property which has been previously paid or distributed in respect of such LP Unit on account of capital); or
 - (ii) such distribution would be contrary to any provision of any agreement to which the Partnership is a party or by which the Partnership is bound (including any financing) or to any applicable law.

5.6 Determination of Taxable Income and Tax Loss

For the purpose of determining Taxable Income or Tax Loss in respect of any fiscal period, the General Partner may claim capital cost allowance in respect of the property of the Partnership and other discretionary deductions and reserves in such amounts as the General Partner may determine.

5.7 Repayment of Excess Distribution

If, as determined by the General Partner, it appears that any Partner has received an amount under this Article 5 which is in excess of that Partner's entitlement, the Partner will, forthwith upon notice from the General Partner, reimburse the Partnership to the extent of the excess, and failing immediate reimbursement, the General Partner may withhold the amount of the excess (with interest at the rate of 12% per annum calculated and compounded monthly) from further distributions otherwise due the Partner.

ARTICLE 6 - SALE, TRANSFER AND ASSIGNMENT OF LP UNITS

6.1 Right of First Refusal

- (a) Except in respect of a transfer to an Affiliate that is a corporation, no Limited Partner holding LP Units may sell, assign, transfer or otherwise dispose of any of its LP Units (the **"Offered LP Units"**) unless it (the **"Offeror"**) first offers to sell its LP Units to the General Partner by written offer (the **"Offer"**) setting out the Offered LP Units offered to be sold, the consideration for the Offered LP Units expressed and payable entirely in lawful money of Canada and the terms and conditions of sale which the Offeror is willing to accept. The Offer shall be sent in accordance with the notice provisions contained herein.
- (b) The General Partner shall be required to notify the Offeror within 20 days of the date of receipt of the Offer of the General Partner's intent to purchase Offered LP Units under the Offer (the **"General Partner Intent to Purchase"**).
- (c) The General Partner Intent to Purchase shall indicate the number of Offered LP Units the General Partner wishes to acquire. In the event no General Partner Intent to Purchase is received from the General Partner within such 20 day period, the Offer shall be deemed

to have been refused or rejected by the General Partner and the General Partner shall have no further rights to purchase the Offered LP Units under that Offer.

(i) **Unaccepted LP Units**

- (A) If any Offered LP Units still remain unaccepted after the process set out in Section 6.1(a), the Offeror may:
 - (I) within 60 days from the expiry of the period set out in Section 6.1(c) sell some or all of the remaining Offered LP Units to the third party purchaser (a "**New Purchaser**") at a price and upon the terms no more favourable than those set out in the Offer subject to the satisfaction by the New Purchaser of the terms relating to a transfer of LP Units contained elsewhere in this Agreement; or
 - (II) if it does not wish to sell any of the remaining Offered LP Units, unilaterally revoke any Offers relating to the remaining Offered LP Units, in which case those Offers shall be null and void and the Offeror shall be released from all obligations in respect thereof.

(d) **Closing**

- (i) The closing of any transaction of purchase and sale contemplated by this Section 6.1 shall take place at the offices of the Partnership on the fourteenth (1e) day following the receipt by the Offeror of the General Partner Intent to Purchase for the Offered LP Units (the "**Closing Date**").
- (ii) On the Closing Date:
 - (A) the Offeror shall deliver to General Partner and/or the New Purchaser(s) each of the following documents: a duly endorsed transfer in blank of the Offered LP Units acceptable in form and content to the General Partner, which transfer shall contain, among other things, a representation and warranty of the Offeror that it has legal and beneficial title to the Offered LP Units, that it has the power and authority to sell and transfer the Offered LP Units, that it is not insolvent or subject to any insolvency or bankruptcy proceedings and that the Offered LP Units are free and clear of any and all liens, encumbrances, claims, charges and rights of first refusal; and
 - (B) the New Purchasers shall provide to the General Partner a certified cheque or money order, payable to the Offeror for the number of Offered LP Units allocated to and to be purchased by the Offeree along with instructions to release such funds to the Offeror against delivery of the Offeror's deliveries set out in this Section 6.1(d)(ii)(A) above.

ARTICLE 7 - REIMBURSEMENT OF EXPENSES AND PAYMENT OF FEES TO THE GENERAL PARTNER AND RELATED PARTIES

7.1 Expenses of the Partnership

The Partnership will reimburse the General Partner for all direct costs and expenses incurred by the General Partner prior to the formation of the Partnership and all direct costs and expenses incurred by the General Partner on behalf of or for the benefit of the Partnership (which costs and expenses are the Partnership's responsibility), excluding any general and administrative costs of the General Partner.

The Partnership will, at the request of the General Partner (which request, in order to be valid, must include a written estimate of all such costs and expenses), compensate the General Partner in advance for such costs and expenses. For greater certainty, such costs and expenses for which the General Partner is to be reimbursed include the Partnership's direct general and administrative expenses, including legal and audit fees, Limited Partner information costs, consulting and advisory fees incurred in connection with the Partnership's business or the evaluation of investment opportunities by the Partnership and expenses associated with the issuance of LP Units.

7.2 Organization of the Partnership

The Partnership will pay all costs, disbursements and other fees and expenses incurred in connection with the organization of the Partnership and the registration of the Partnership under the Act and under similar legislation of other jurisdictions, including without limitation legal, accounting and consulting expenses.

ARTICLE 8 - POWERS, DUTIES AND OBLIGATIONS OF GENERAL PARTNER

8.1 Powers, Duties and Obligations

- (a) The General Partner has:
 - (i) unlimited liability for the debts, liabilities and obligations of the Partnership;
 - (ii) subject to the terms of this Agreement, and to any applicable limitations set forth in the Act and applicable similar legislation, the full and exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership; and
 - (iii) the full and exclusive right, power and authority to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carrying out the business of the Partnership.
- (b) An action taken by the General Partner on behalf of the Partnership is deemed to be the act of the Partnership and binds the Partnership.
- (c) Notwithstanding any other agreement the Partnership or the General Partner may enter into, all material transactions or agreements entered into by the Partnership must be approved by the board of directors of the General Partner.

8.2 Specific Powers and Duties

Without limiting the generality of Section 8.1, the General Partner has full power and authority for and on behalf of and in the name of the Partnership to:

- (a) negotiate, execute and perform all agreements which require execution by or on behalf of the Partnership involving matters or transactions with respect to the Partnership's business (and such agreements may limit the liability of the Partnership to the assets of the Partnership, with the other party to have no recourse to the assets of the General Partner, even if the same results in the terms of the agreement being less favourable to the Partnership);
- (b) open and manage bank accounts in the name of the Partnership and spend the capital of the Partnership in the exercise of any right or power exercisable by the General Partner hereunder;

- (c) borrow funds in the name of the Partnership from time to time, from financial institutions or other lenders as the General Partner may determine without limitation with regard to amount, cost or conditions of reimbursement of such loan;
- (d) guarantee the debts, liabilities and obligations of a third party;
- (e) mortgage, charge, assign, hypothecate, pledge or otherwise create a security interest in all or any property of the Partnership now owned or hereafter acquired, to secure any present and future borrowings and related expenses of the Partnership and to sell all or any of such property pursuant to a foreclosure or other realization upon the foregoing encumbrances;
- (f) see to the sound management of the Partnership, and to manage, control and develop all the activities of the Partnership and take all measures necessary or appropriate for the business of the Partnership or ancillary thereto;
- (g) acquire, maintain, improve, upgrade, expand or dispose of the assets of the Partnership from time to time;
- (h) incur all costs and expenses in connection with the Partnership;
- (i) employ, retain, engage or dismiss from employment, personnel, agents, representatives or professionals or other investment participants with the powers and duties upon the terms and for the compensation as in the Discretion of the General Partner may be necessary or advisable in the carrying on of the business of the Partnership;
- (j) engage agents or subcontract administrative functions, to assist the General Partner to carry out its management obligations to the Partnership;
- (k) invest cash assets of the Partnership that are not immediately required for the business of the Partnership in investments which the General Partner considers appropriate;
- (l) act as attorney in fact or agent of the Partnership in disbursing and collecting moneys for the Partnership, paying debts and fulfilling the obligations of the Partnership and handling and settling any claims of the Partnership;
- (m) commence or defend any action or proceeding in connection with the Partnership;
- (n) file returns or other documents required by any governmental or like authority;
- (o) retain legal counsel, experts, advisors or consultants as the General Partner considers appropriate and rely upon the advice of such Persons;
- (p) do anything that is in furtherance of or incidental to the business of the Partnership or that is provided for in this Agreement;
- (q) execute, acknowledge and deliver the documents necessary to effectuate any or all of the foregoing or otherwise in connection with the business of the Partnership;
- (r) obtain any insurance coverage; and
- (s) generally carry out the objectives, purposes and business of the Partnership.

No Person dealing with the Partnership is required to enquire into the authority of the General Partner to do any act, take any proceeding, make any decision or execute and deliver any instrument, deed, agreement or document for or on behalf of or in the name of the Partnership. The General Partner may

insert, and may cause agents of the Partnership to insert, the following clause in any contracts or agreements to which the Partnership is a party or by which it is bound:

"Angus Manor Park A2A Limited Partnership is a limited partnership formed under the *Partnership Act* (Alberta), a limited partner of which is only liable for any of its liabilities or any of its losses to the extent of the amount that it has contributed or agreed to contribute to its capital and its pro rata share of any undistributed income."

8.3 Borrowings

Where the directors of the General Partner, acting in their sole discretion, approve any borrowing by the Partnership as being in the best interests of the Partnership, the General Partner may make a borrowing as approved by the board of directors. Borrowings by the Partnership in accordance with the approval of the directors of the General Partner do not constitute a breach of fiduciary duty by the General Partner to the Partnership.

8.4 Title to Property

The General Partner will hold legal title to any of the assets or property of the Partnership in its name for the benefit of the Partnership.

8.5 Exercise of Duties

The General Partner will exercise its powers and discharge its duties under this Agreement honestly and in the best interests of the Partnership and in connection therewith will exercise the care, diligence and skill that a reasonably prudent Person would exercise in comparable circumstances.

8.6 Indemnity of Partnership

The General Partner hereby indemnifies and holds harmless the Partnership and each Limited Partner from and against all costs, expenses, damages or liabilities suffered or incurred by the Partnership or such Limited Partners by reason of an act of wilful misconduct or gross negligence by the General Partner or of any act or omission not believed by the General Partner in good faith to be within the scope of the authority conferred on the General Partner by this Agreement.

8.7 Limitation of Liability

- (a) The General Partner is not personally liable for the return of any Capital Contribution made by a Limited Partner to the Partnership.
- (b) Subject to Section 2.13, the General Partner will not be liable to a Limited Partner for any act, omission or error in judgment taken or made hereunder by the General Partner honestly and in good faith in the conduct of the business of the Partnership.
- (c) The General Partner may rely, and is protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.
- (d) The General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted in reliance upon the opinion (including, without limitation, an opinion of counsel) of such Persons as to matters that the General Partner reasonably believes to be within such Person's professional or expert competence will be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.

- (e) The General Partner may exercise any of the powers or authority granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents (as contemplated in Section 8.2(j)), and the General Partner is not responsible for any misconduct or negligence on the part of any such agent appointed by the General Partner in good faith.
- (f) Any standard of care or duty imposed under the Act or any applicable law shall be modified, waived or limited as required to permit the General Partner to act under this Agreement or any other agreement contemplated by this Agreement and to make any decision pursuant to the power or authority prescribed in this Agreement, so long as such action is reasonably believed by the General Partner to be in, or not opposed to, the best interests of the Partnership.

8.8 Indemnity of General Partner

- (a) To the fullest extent permitted by law but subject to the limitations expressly provided in this Agreement, each General Partner, any former General Partner (a **"Departing Partner"**), any Person who is or was an Affiliate of the General Partner or any Departing Partner, any Person who is or was an officer, director, employee, partner, agent or trustee of the General Partner or any Departing Partner or any such Affiliate, or any Person who is or was serving at the request of the General Partner or any Departing Partner or any such Affiliate as a director, officer, employee, partner, agent or trustee of another Person (collectively, an **"Indemnatee"**) is indemnified and held harmless by the Partnership from and against any and all losses, claims, damages, liabilities (joint or several), expenses (including, without limitation, legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which any Indemnatee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as:
 - (i) the General Partner, a Departing Partner or any of their Affiliates;
 - (ii) an officer, director, employee, partner, agent or trustee of the General Partner, any Departing Partner or any of their Affiliates; or
 - (iii) a Person serving at the request of the General Partner, any Departing Partner or any of their Affiliates as a director, officer, employee, agent or trustee of another Person: provided, that in each case the Indemnatee acted in good faith, in a manner which such Indemnatee believed to be in, or not opposed to, the best interests of the Partnership and, with respect to any criminal proceeding, had no reasonable cause to believe its conduct was unlawful.

The termination of any action, suit or proceeding by judgment, order, settlement or conviction does not create a presumption that the Indemnatee acted in a manner contrary to that specified above. Any indemnification pursuant to this Section 8.8 is to be made only out of the assets of the Partnership.

- (b) To the fullest extent permitted by law, expenses (including, without limitation, legal fees and expenses) incurred by an Indemnatee in defending any claim, demand, action, suit or proceeding are to be, from time to time, advanced by the Partnership prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Partnership of an undertaking by or on behalf of the Indemnatee to repay such amount if it is determined that the Indemnatee is not entitled to be indemnified as authorized in Section 8.8(a).
- (c) The indemnification provided by Section 8.8(a) is in addition to any other rights to which an Indemnatee may be entitled under any agreement, pursuant to any vote of the

Partners, as a matter of law or otherwise, both as to actions in the Indemnatee's capacity as:

- (i) the General Partner, a Departing Partner or an Affiliate thereof,
 - (ii) an officer, director, employee, partner, agent or trustee of the General Partner, any Departing Partner or an Affiliate thereof, or
 - (iii) a Person serving at the request of the General Partner, any Departing Partner or any of their Affiliates as a director, officer, employee, agent or trustee of another Person, and shall continue as to an Indemnatee who has ceased to serve in such capacity and as to actions in any other capacity.
- (d) The Partnership may purchase and maintain insurance (or reimburse the General Partner or its Affiliates for the cost of insurance), on behalf of the General Partner and such other Persons as the General Partner determines, against any liability that may be asserted against or expense that may be incurred by such Person in connection with the Partnership's activities, whether or not the Partnership would have the power to indemnify such Person against such liabilities under the provisions of this Agreement.

8.9 Other Activities of General Partner

Affiliates, Associates, directors or officers of the General Partner may engage in businesses, ventures, investments and activities which may be similar to or competitive with those in which the Partnership is or might be engaged and neither the General Partner nor any such Affiliate, Associate, director or officer is required to offer or make available to the Partnership any other business or investment opportunity which any such Person may acquire or be engaged in for its own account. The Partners acknowledge and agree that the General Partner may act as a general partner for one or more other limited partnerships (which may but are not required to be formed under the Act), and the business purpose and powers of such other limited partnerships may or may not be the same as those of the Partnership. In addition, the General Partner may hold any shares, units or other interest in any corporation or partnership which conducts business similar to that of the Partnership which shall not be a conflict of interest.

8.10 Restrictions upon the General Partner

The General Partner's power and authority does not extend to any powers, actions or authority not enumerated in Sections 8.1 and 8.2 or that is otherwise *ultra vires* the powers and purposes of the Partnership as set out in Article 2 of this Agreement, unless and until the requisite Special Resolution is passed by the Partners. Further, the General Partner will not:

- (a) commingle the funds of the Partnership with the funds of the General Partner or any of its Affiliates, Associates or with the funds of any other Person;
- (b) dissolve the affairs of the Partnership except in accordance with the provisions of Article 11 hereof; or
- (c) withdraw as General Partner except in accordance with the provisions of Section 8.13 hereof.

8.11 Employment of an Affiliate or Associate

The General Partner may employ or retain Affiliates or Associates of the General Partner or the Limited Partners on behalf of the Partnership to provide goods or services to the Partnership provided that, if the Partnership is to reimburse the General Partner for the costs and expenses of such goods or services, the costs of such goods or services must be reasonable and competitive with the costs of similar goods and services provided by independent third parties.

8.12 Removal of General Partner

The General Partner may not be removed as general partner of the Partnership, except as follows:

- (a) the occurrence of any of the following events which has not been cured by the General Partner within thirty (30) days of the occurrence thereof:
 - (i) the passing of any resolution of the directors or shareholders of the General Partner requiring or relating to the bankruptcy or the making of any assignment for the benefit of creditors of the General Partner (or the commencement of any act or proceeding in connection with any of the foregoing which is not contested in good faith by the General Partner); or
 - (ii) the appointment of a receiver of all or substantially all of the assets and undertakings of the General Partner; or
- (b) the occurrence of any gross negligence, wilful misconduct or fraud on the part of the General Partner; and
- (c) the passing of a Special Resolution by the Limited Partners for the removal of the General Partner.

Upon the occurrence of any of the preceding events and the passing of a Special Resolution by the Limited Partners for the removal of the General Partner, the General Partner shall be removed as the General Partner of the Partnership effective upon the appointment of a new general partner and acceptance of such appointment. Any such action by the Limited Partners for removal of the General Partner must also provide for the election and succession of a new general partner.

8.13 Voluntary Withdrawal of General Partner

The General Partner has agreed not to voluntarily withdraw as general partner, provided that the General Partner may withdraw if such withdrawal is approved by a Special Resolution, after which time the General Partner may withdraw as such by giving 90 days' notice.

8.14 Transfer of General Partner Interest

The General Partner may transfer all, but not less than all, of its general partner interest in the Partnership:

- (a) without the approval of the Limited Partners:
 - (i) in connection with the General Partner's merger or amalgamation with or into another entity; or
 - (ii) to the purchaser of all or substantially all of its assets; or
- (b) if such transfer is approved by a Special Resolution;

in all cases provided that such transferee assumes the rights and duties of the General Partner and agrees to be bound by the provisions of this Agreement, as general partner.

8.15 Condition Precedent

As a condition precedent to the resignation or removal of the General Partner, the Partnership will pay all amounts payable by the Partnership to the General Partner pursuant to this Agreement accrued to the date of resignation or removal subject to any claims or liabilities of the General Partner to the Partnership.

8.16 Transfer to New General Partner

On the admission of a new general partner to the Partnership on the resignation or removal of the General Partner, the resigning or retiring General Partner will do all things and take all steps to transfer the administration, management, control and operation of the business of the Partnership and the books, records and accounts of the Partnership to the new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion. In addition, the resigning or retiring General Partner will, at the cost of the Partnership, transfer title to the Partnership's property to such new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion.

8.17 Release by Partnership

On the resignation or removal of the General Partner, the Partnership will release and hold harmless the General Partner resigning or being removed, from any costs, expenses, damages or liabilities suffered or incurred by the General Partner as a result of or arising out of events which occur in relation to the Partnership after such resignation or removal.

8.18 New General Partner

A new general partner is not to be a "non-resident" of Canada within the meaning of the *Tax Act* and will become a party to this Agreement by signing a counterpart hereof and will agree to be bound by all of the provisions hereof and to assume the obligations, duties and liabilities of the General Partner hereunder as from the date the new general partner becomes a party to this Agreement.

ARTICLE 9 - FINANCIAL INFORMATION

9.1 Books and Records

The General Partner will keep or cause to be kept at the principal office of the Partnership appropriate books and records with respect to the Partnership's business. Any books and records maintained by or on behalf of the Partnership in the regular course of its business, including, without limitation, books of account and records of Partnership proceedings, may be kept on, or be in the form of, computer disks, hard disks, magnetic tape, or any other information storage device, provided, that the books and records so maintained are convertible into clearly legible written form within a reasonable period of time. The books of the Partnership are to be maintained, for financial reporting purposes, on an accrual basis in accordance with generally accepted accounting principles.

9.2 Reports

As soon as practicable, but in no event later than 120 days after the end of each Fiscal Year, the General Partner will cause to be mailed to each Limited Partner as of a date selected by the General Partner in its sole Discretion, an annual report containing financial statements of the Partnership in accordance with GAAP or International Financial Reporting Standards.

9.3 Income Tax Information

The General Partner will use reasonable efforts, as determined by the General Partner in its sole Discretion, to distribute to each Person who is a Limited Partner during the previous Fiscal Year, or at the date of dissolution of the Partnership, within 90 days after the end of such previous Fiscal Year or within 90 days of dissolution, as the case may be, or within such other shorter period of time as may be required by applicable law, all information, in suitable form, relating to the Partnership necessary for such Person to prepare his Canadian Federal and Provincial income tax returns. The General Partner will file, on behalf of itself and the Limited Partners, annual Partnership information returns and any other information returns required to be filed under the *Tax Act* and any other applicable tax legislation in respect of the Partnership.

9.4 Right to Inspect Partnership Books and Records

In addition to other rights provided by this Agreement or by applicable law, each Limited Partner has the right, upon reasonable demand and at such Limited Partner's own expense, to have furnished to it copies of this Agreement, the Certificate, and amendments thereto.

9.5 Accounting Policies

The General Partner is authorized to establish from time to time accounting policies with respect to the financial statements of the Partnership and to change from time to time any policy that has been so established so long as such policies are consistent with the provisions of this Agreement and with generally accepted accounting principles in Canada.

9.6 Appointment of Auditor

The General Partner may select an Auditor on behalf of the Partnership to review and report to the Partners upon the financial statements of the Partnership for and as at the end of each Fiscal Year.

ARTICLE 10 - MEETINGS OF THE LIMITED PARTNERS

10.1 Requisitions of Meetings

The General Partner may call a general meeting of Limited Partners at such time and place as it deems appropriate in its absolute Discretion for the purpose of considering any matter set forth in the notice of meeting. In addition, where Limited Partners holding not less than 50% of the outstanding LP Units (the "**Requisitioning Partners**") give notice signed by each of them to the General Partner, requesting a meeting of the Limited Partners and stating the proposed business to be transacted at the meeting in reasonable detail sufficient to give valid notice, the General Partner will, within 45 days of receipt of such notice, convene such meeting, and if it fails to do so, any Requisitioning Partners may convene such meeting by giving notice in accordance with this Agreement. Every meeting of Limited Partners, however convened, must be conducted in accordance with this Agreement.

10.2 Place of Meeting

Every meeting of Limited Partners is to be held in Calgary, Alberta or Toronto, Ontario or at such other place in Canada as the General Partner (or Requisitioning Partners, if the General Partner fails to call such meeting in accordance with Section 10.1) may designate.

10.3 Notice of Meeting

Notice of any meeting of Limited Partners is to be given to each Limited Partner not less than seven days (but not more than 45 days) prior to such meeting, and to be valid for the purposes hereof, must state:

- (a) the time, date and place of such meeting; and
- (b) in general terms, the nature of the business to be transacted at the meeting in sufficient detail to permit a Limited Partner to make a reasoned decision thereon.

Notice of an adjourned meeting of Limited Partners need not be given if the adjourned meeting is held within 14 days of the original meeting. Otherwise, but subject to Section 10.8, notice of adjourned meetings is to be given not less than three days in advance of the adjourned meeting and otherwise in accordance with this Section 10.3, except that the notice need not specify the nature of the business to be transacted if unchanged from the original meeting.

10.4 Record Dates

For the purpose of determining the Limited Partners who are entitled to vote or act at any meeting of Limited Partners or any adjournment thereof or for the purpose of any other action, the General Partner may give a date not more than 45 days prior to the date of any meeting of Limited Partners or other action as a record date for the determination of Limited Partners entitled to vote at such meeting or any adjournment thereof or to be treated as Limited Partners of record for purposes of such other action, and any Limited Partner holding LP Units who was a Limited Partner at the time so fixed is to be entitled to vote at such meeting or any adjournment thereof even though he or she has since that date disposed of his or her LP Units, and no Limited Partner becoming such after that date is a Limited Partner of record for purposes of such action. A Person is a Limited Partner of record at the relevant time if the Person's name appears in the Certificate as amended and supplemented at such time. The General Partner will file an amendment to the Certificate required by the Act no later than the close of business on the day immediately preceding the record date established in respect of any meeting of Limited Partners.

10.5 Corporations

A Limited Partner which is a corporation may appoint an officer, director or other authorized person as its representative to attend, vote and act on its behalf at a meeting of Limited Partners.

10.6 Attendance of Others

In addition to the Limited Partners and the General Partner, any officer or director of the General Partner, legal counsel for the General Partner and the Partnership and representatives of the Auditor may attend any meeting of Limited Partners. The General Partner has the right to authorize the presence of any Person at a meeting regardless of whether the Person is a Limited Partner. With the approval of the General Partner, that Person is entitled to address the meeting.

10.7 Chairman

The General Partner may nominate a Person, including, without limitation, an officer or director of the General Partner (who need not be a Limited Partner), to be chairman of a meeting of Limited Partners and the person nominated by the General Partner is the chairman of such meeting unless the Limited Partners elect another chairman by Special Resolution.

10.8 Quorum

A quorum at any meeting of Limited Partners consists of one or more Limited Partners present in person or by proxy holding greater than 50% of the outstanding LP Units. If, within half an hour after the time fixed for the holding of such meeting, a quorum for the meeting is not present, the meeting:

- (a) if called by, or on the requisition of Limited Partners, is terminated; and
- (b) if called by the General Partner, is to be held at the same time and place on the day which is 14 days later (or if that date is not a business day, the first business day after that date). The General Partner will give three days' notice to all Limited Partners of the date of the reconvening of the adjourned meeting and at such meeting the quorum will consist of the Limited Partners then present.

10.9 Voting Rights attaching to LP Units

In respect of all matters which require a resolution to be passed by the Limited Partners holding LP Units (whether by Special Resolution or Ordinary Resolution), each Limited Partner holding LP Units shall have voting rights proportionate to the number of LP Units held by such Limited Partner as at the record date in relation to the aggregate of the LP Units issued and outstanding as at the record date.

10.10 Voting Procedure

- (a) Every question submitted to a meeting of Limited Partners (whether in respect of a Special Resolution or an Ordinary Resolution) shall be decided by a poll. In the case of an equality of votes, the chairman does not have a casting vote and the resolution is deemed to be defeated. On any vote at a meeting of Limited Partners, a declaration of the chairman concerning the result of the vote is conclusive.
- (b) On a poll, each Limited Partner holding LP Units present or represented by proxy at the meeting shall have voting rights for each LP Unit in respect of which he is shown on the Certificate as the Limited Partner at the record date as provided in Section 10.9. If LP Units are held jointly by two or more persons and only one of them is present or represented by proxy at a meeting of Limited Partners, such Limited Partner may, in the absence of the other or others, vote with respect thereto, but if more than one of them is present or represented by proxy, they shall vote together on the whole LP Units held jointly.
- (c) The General Partner, as such, is not entitled to vote at any meeting of Limited Partners. Any Limited Partner holding LP Units who is in default of payment of the subscription price for its LP Units is not entitled to vote in respect of any of its LP Units.

10.11 Powers of Limited Partners, Resolutions Binding

The Limited Partners have only the powers set forth in this Agreement and any additional powers provided by law. Subject to the foregoing sentence, any resolution passed in accordance with this Agreement is binding on all the Partners and their respective heirs, executors, administrators, successors and assigns, whether or not any such Partner was present in person or by proxy or voted against any resolution so passed.

10.12 Powers Exercisable by Special Resolution

The following powers are only exercisable by Special Resolution passed by the Limited Partners holding LP Units:

- (a) dissolving the Partnership, except as otherwise provided for under Section 11.2(b);
- (b) removing the General Partner and electing a new general partner as provided for in accordance with the terms of Section 8.12;
- (c) amending, modifying, altering or repealing any Special Resolution previously passed by the Limited Partners;
- (d) amending this Agreement pursuant to Section 12.1; and
- (e) determining to reconstitute the Partnership under Section 11.4.

10.13 Minutes

The General Partner will cause minutes to be kept of all proceedings and resolutions at every meeting and will cause all such minutes and all resolutions of the Limited Partners holding LP Units consented to in writing to be made and entered into books to be kept for that purpose. Any minutes of a meeting signed by the chairman of the meeting are deemed to evidence the matters stated in them and such meeting is deemed to have been duly convened and held and all resolutions and proceedings shown in them are deemed to have been duly passed and taken.

10.14 Additional Rules and Procedures

To the extent that the rules and procedures for the conduct of a meeting of the Limited Partners are not prescribed in this Agreement (including rules pertaining to the right of Limited Partners holding LP Units to vote by proxy and the appointment, validity and revocation of proxies), the rules and procedures will be determined by the General Partner.

ARTICLE 11 TERM, DISSOLUTION AND LIQUIDATION

11.1 Term

Subject to the terms and conditions of Section 11.2 below, the term for which the Partnership shall exist is until December 31, 2026.

11.2 Events of Dissolution

Notwithstanding Section 11.1 above, the Partnership will be dissolved upon the occurrence of any of the following events:

- (a) the Partnership is dissolved or wound-up by the express written mutual agreement of the Partners; or
- (b) upon the occurrence of any of the following events whereupon the Partnership will follow the procedure for dissolution established in Section 11.5:
 - (i) the election of the General Partner to dissolve the Partnership, if approved by a Special Resolution;
 - (ii) the removal or resignation of the General Partner unless the General Partner is replaced as provided in Sections 8.12 or 8.13; or
 - (iii) except as otherwise provided herein, any event which causes the dissolution of a limited partnership under the laws of the Province of Alberta.

11.3 No Dissolution

The Partnership does not come to an end by reason of the death, bankruptcy, assignment of property for the benefit of creditors, insolvency, mental incompetency or other disability of any Limited Partner or upon transfer of any LP Units or upon the issue or conversion of LP Units.

11.4 Continuation After Event of Dissolution

Upon the occurrence of an event described in Section 11.2, if within 90 days thereafter, holders of LP Units by a Special Resolution so elect, the Limited Partners will reconstitute the Partnership and continue its business on the same terms and conditions set forth in this Agreement by forming a new limited partnership on terms identical to those set forth in this Agreement and having as a general partner a Person approved by the holders pursuant to the Special Resolution. Upon any such election by Special Resolution, all Partners are bound thereby and are deemed to have approved thereof. Unless such an election is made within the applicable time period as set forth above, the Partnership will conduct only activities necessary to wind up its affairs. If such an election is so made, then:

- (a) the reconstituted Partnership will continue until the end of the term set forth in Section 11.1 unless earlier dissolved in accordance with this Article 11; and
- (b) all necessary steps shall be taken to cancel this Agreement and the Certificate and to enter into and, as necessary, to file a new partnership agreement and certificate of limited partnership, and the successor general partner may for this purpose exercise the powers

of attorney granted the General Partner pursuant to Section 2.10; provided that the right of holders of LP Units by a Special Resolution to approve a successor general partner and to reconstitute and to continue the business of the Partnership shall not exist and may not be exercised unless the Partnership has received an opinion of counsel that the exercise of the right would not result in the loss of limited liability of any Limited Partner.

11.5 Procedure on Dissolution

Upon the occurrence of any of the events set forth in Section 11.2(a) or 11.2(b), the General Partner (or in the event of an occurrence specified in Section 11.2(b)(ii), such other Person as may be appointed by Ordinary Resolution of the Limited Partners) will act as receiver and liquidator of the assets of the Partnership and is empowered hereby to:

- (a) sell or otherwise dispose of such part of the Partnership's assets as the receiver considers appropriate;
- (b) pay or provide for the payment of the debts and liabilities of the Partnership and liquidation expenses;
- (c) if there are any assets of the Partners remaining, distribute such remaining assets 100% to the Limited Partners holding LP Units in accordance with their Proportionate Shares;
- (d) file the notice of dissolution prescribed by the Act and satisfy all applicable formalities in such circumstances as may be prescribed by the laws of other jurisdictions where the Partnership is registered. In addition, the General Partner will give prior notice of the dissolution of the Partnership by mailing to each Limited Partner such notice at least 21 days prior to the filing of the declaration of dissolution prescribed by the Act; and
- (e) file any elections, determinations or designations under the *Tax Act* or under any similar legislation which may be necessary or desirable.

11.6 Dissolution

The Partnership is dissolved upon the completion of all matters set forth in Section 11.5.

11.7 No Right to Dissolve

Except as provided for in Section 11.2, no Limited Partner has the right to ask for the dissolution of the Partnership, the winding-up of its affairs or the distribution of its assets.

11.8 Agreement Continues

Notwithstanding the dissolution of the Partnership, this Agreement does not terminate until the provisions of Section 11.5 have been satisfied.

ARTICLE 12 - AMENDMENT

12.1 Amendment Procedures

Except as provided in Section 12.3, all amendments to this Agreement are to be made in accordance with the following requirements. To be valid for the purposes hereof, each such proposal must contain the text of the proposed amendment. If an amendment is proposed, the General Partner will seek the approval of the Limited Partners by a Special Resolution.

12.2 Amendment Requirements

Notwithstanding the provisions of Sections 12.1 and 12.3, no amendment to this Agreement may:

- (i) reduce the term of the Partnership as provided in Section 11.1;
- (ii) give any Person the right to dissolve the Partnership, other than the General Partner's right to dissolve the Partnership with the approval of the Limited Partners by a Special Resolution; or
- (iii) modify the amendment provisions in this Article 12, without the express prior written consent of the General Partner, which consent may be unreasonably withheld.

12.3 Amendment by General Partner

Each Limited Partner agrees that the General Partner without the approval of any Limited Partner may amend any provision of this Agreement, and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect:

- (a) a change in the name of the Partnership or the location of the principal place of business of the Partnership or the registered office of the Partnership;
- (b) admission, substitution, withdrawal or removal of Limited Partners in accordance with this Agreement;
- (c) a change that, in the sole Discretion of the General Partner, is reasonable and necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership in which the Limited Partners have limited liability under the applicable laws;
- (d) a change that, in the sole Discretion of the General Partner, is reasonable and necessary or appropriate to enable Partners to take advantage of, or not be detrimentally affected by, changes in the *Tax Act* or other taxation laws; and
- (e) a change that, in the sole Discretion of the General Partner, does not materially adversely affect the Limited Partners in any respect.

12.4 Notice of Amendments

The General Partner will notify the Limited Partners in writing of the full details of any amendment to this Agreement within 30 days of the effective date of the amendment.

ARTICLE 13 - NOTICES

13.1 Address

Any notice or other written communication which must be given or sent under this Agreement shall be given by first-class mail, e-mail or personal delivery to the General Partner and to the Limited Partners as follows:

- (a) in the case of the General Partner, to:

Suite 900, 744 - 4 Avenue SW
Calgary, Alberta T2P 3T4
Attention: President
Email: fossilcreektrust@a2acanada.ca
- (b) in the case of Limited Partners, to the postal address inscribed in the Register maintained by the General Partner, or any other new address following a change of address in conformity with Section 13.2.

13.2 Change of Address

A Limited Partner may, at any time, change his address for the purpose of service by written notice to the General Partner. The General Partner may change its address for the purpose of service by written notice to all the Limited Partners.

13.3 Accidental Failure

An accidental omission in the giving of, or failure to give, a notice required by this Agreement will not invalidate or affect in any way the legality of any meeting or other proceeding in respect of which such notice was or was intended to be given.

13.4 Disruption in Mail

In the event of any disruption, strike or interruption in the Canadian postal service after mailing and before receipt or deemed receipt of a document, it will be deemed to have been received on the sixth business day following full resumption of the Canadian postal service.

13.5 Receipt of Notice

Subject to Section 13.4, notices given by first-class mail are deemed to have been received on the fifth business day following the deposit of such notice in the mail, notices given by personal delivery or facsimile shall be deemed to have been received on the date of their delivery or date of facsimile transmission.

13.6 Undelivered Notices

If the General Partner sends a notice or document to a Limited Partner in accordance with Section 13.1 and the notice or document is returned on three consecutive occasions because the Limited Partner cannot be found, the General Partner is not required to send any further notices or documents to the Limited Partner until the Limited Partner informs the General Partner in writing of the Limited Partner's new address.

ARTICLE 14 - MISCELLANEOUS

14.1 Binding Agreement

Subject to the restrictions on assignment and transfer herein contained, this Agreement enures to the benefit of and is binding upon the parties hereto and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

14.2 Time

Time is of the essence hereof.

14.3 Counterparts

This Agreement, or any amendment to it, may be executed in multiple counterparts, each of which is deemed an original agreement. This Agreement may also be executed and adopted in any subscription form, transfer form or similar instrument acceptable to the General Partner and signed by a Limited Partner with the same effect as if such Limited Partner had executed as counterparts of this Agreement. All counterparts and adopting instruments shall be construed together and shall constitute one and the same agreement.

14.4 Governing Law

This Agreement and the Schedules hereto are governed and construed exclusively according to the laws of the Province of Alberta and the laws of Canada applicable thereto and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta.

14.5 Severability

If any part of this Agreement is declared invalid or unenforceable, then such part is deemed to be severable from the Agreement and does not affect the remainder of this Agreement.

14.6 Further Acts

The parties will perform and cause to be performed such further and other acts and things and execute and deliver or cause to be executed and delivered such further and other documents as counsel to the Partnership considers necessary or desirable to carry out the terms and intent of this Agreement.

14.7 Entire Agreement

This Agreement together with the acknowledgements and undertakings of LP Unit transferees, if any, constitutes the entire agreement among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements.

14.8 Limited Partner Not a General Partner

If any provision of this Agreement has the effect of imposing upon any Limited Partner (other than the General Partner) any of the liabilities or obligations of a general partner under the Act, such provision is of no force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date set out above.

GENERAL PARTNER

**ANGUS MANOR PARK A2A GP INC., in its
capacity as the General Partner**

Per: 

INITIAL LIMITED PARTNER

Witness 


Grayson Ambrose

EXHIBIT 1

TRANSFER FORM

ANGUS MANOR PARK A2A LIMITED PARTNERSHIP

The undersigned limited partner (the "**Limited Partner**") of Angus Manor Park A2A Limited Partnership (the "Partnership"), hereby transfers, assigns and sells to:

(Name of Transferee)

(Address)

(the "**Transferee**"),

all of its right, title and interest as a Limited Partner in the Partnership and constitutes the above-named Transferee as a substituted Limited Partner to the extent of _____ LP Units in the Partnership and agrees to execute and deliver to the General Partner any documents required to effect a valid transfer of the said interest in the Partnership (and rights) as necessary or advisable, in the opinion of the General Partner, to preserve the status of the Partnership as a limited partnership. The undersigned Limited Partner agrees that the power of attorney previously granted the General Partner together with the power of attorney granted under the Partnership Agreement continues until all certificates, amendments to certificates or other instruments necessary to give effect to this transfer have been executed and filed as required.

DATED this 1st day of March, 2016.

Limited Partner:

Name

Per: _____

(Signature of authorized signatory)

The Transferee acknowledges that it has read the limited partnership agreement for Angus Manor Park A2A Limited Partnership dated March 1st, 2016, as amended from time to time, (the "**Partnership Agreement**") and accepts this transfer and agrees to be bound, as a limited partner in the Partnership, by the terms of the Partnership Agreement.

The Transferee represents, warrants, covenants and agrees with each other Partner that such Transferee:

- (i) if the Transferee is a corporation, it is incorporated under the laws of its incorporating jurisdiction, and is duly registered in all jurisdictions necessary in order to enter into this Transfer Form and the Partnership Agreement and perform its obligations hereunder and thereunder;
- (ii) has the capacity and corporate authority to enter into this Transfer Form and the Partnership Agreement and perform its obligations hereunder and thereunder and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
- (iii) is not acquiring LP Units and will not hold LP Units as a tax shelter investment for the purposes of the *Tax Act*, is not a Person an interest in which would be a tax shelter investment for the purposes of the *Tax Act*, is not a "non-resident" of Canada for the purposes of the *Tax Act*;
- (iv) meets all requirements under Applicable Laws and of any Governmental Authority, in any way, directly or indirectly, related to the Transferee's ownership of LP Units in the Partnership; and
- (v) such Transferee will ensure that its status is not modified with the result that, at any time and from time to time, it would be unable to represent and warrant as set forth in subparagraphs (i), (ii) (iii) and (iv) above, and such Transferee will not transfer its LP Units, or any beneficial interest therein, in whole or in part to a Person who is not able to make these representations, warranties and covenants.

Without limiting the application of the Partnership Agreement, the Transferee hereby irrevocably constitutes, nominates and appoints the General Partner, with full power of substitution, as his or her agent and true and lawful attorney to act on his or her behalf with full power and authority in his or her name, place and stead to execute and record or file as and where required:

- (b) the Partnership Agreement, any amendment to the Partnership Agreement and any other instruments or documents required to continue and keep in good standing the Partnership as a limited partnership under the Act, or otherwise to comply with the laws of any jurisdiction in which the Partnership may carry on business or own or lease property in any jurisdiction where the General Partner considers it prudent to be registered in order to maintain the limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction (including such amendments to the Register or the Certificate as may be necessary to reflect the admission to the Partnership of subscribers for or transferees of LP Units as contemplated by the Partnership Agreement);
- (c) all instruments and any amendments to or renewals, replacements or restatements of the Certificate necessary to reflect any amendment to the Partnership Agreement;
- (d) any instrument required in connection with the dissolution and termination of the Partnership in accordance with the provisions of the Partnership Agreement, including any elections, determinations or designations under the *Tax Act* and under any similar legislation;
- (e) the documents necessary to be filed with the appropriate Governmental Authority in connection with the business, property, assets and undertakings of the Partnership;

- (f) such documents as may be necessary to give effect to the business of the Partnership as described in the Partnership Agreement;
- (g) such documents as may be necessary to give effect to the provisions of Section 2.8 of the Partnership Agreement;
- (h) any election, determination, designation, information return or similar document or instrument as may be required at any time under the *Tax Act* or under any other taxation legislation or laws of like import of Canada or of any province, territory or jurisdiction which relates to the affairs of the Partnership or the interest of any Person in the Partnership; and
- (i) all other instruments and documents on his or her behalf and in his or her name or in the name

of the Partnership as may be deemed necessary by the General Partner to carry out fully the Partnership Agreement in accordance with its terms.

The power of attorney granted herein is irrevocable, is a power coupled with an interest and survives the transfer or assignment by the Transferee, to the extent of the obligations of the Transferee under the Partnership Agreement, of the whole or any part of the interest of the Transferee in the Partnership, extends to the legal representatives and successors, transferees and assigns of the Transferee, and may be exercised by the General Partner on behalf of the Transferee in executing any instrument by a facsimile signature or by listing all the Limited Partners and executing such instrument with a single signature as attorney and agent for all of them. The Transferee agrees to be bound by any representations or actions made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under this power of attorney.

This power of attorney continues in respect of the General Partner so long as it is the general partner of the Partnership, and terminates thereafter, but continues in respect of a new General Partner as if the new General Partner were the original attorney.

The Transferee hereby agrees and acknowledges that, upon acceptance of this transfer and the declaration by the General Partner of the Transferee's status as a Limited Partner (as defined in the Partnership Agreement), it shall become a limited partner of the Partnership on the effective date thereof and that as a Limited Partner, the Transferee is bound by the provisions of the Partnership Agreement and by any representations and actions made or taken by the General Partner and any successor thereto, while acting in good faith pursuant to this power of attorney hereby granted and will make contributions of capital as required pursuant to the Partnership Agreement, all notwithstanding the date of amendment to the Register (as defined in the Partnership Agreement) or amendment of the Certificate (as defined in the Limited Partnership Agreement) reflecting this transfer.

The effective date of this transfer is the day on which the General Partner declares the Transferee's status as a Limited Partner, notwithstanding the date that the Register is updated or the date of amendment of the Certificate to evidence to this transfer, which effective date is the date this transfer is accepted by the General Partner (or such other time as the General Partner may declare), and the undersigned acknowledges and agrees that the General Partner is not be required to recognize the undersigned as a "substituted limited partner" for the purposes of the *Partnership Act* (Alberta) until the effective date of filing the amendment of the Certificate to evidence to this transfer.

All capitalized terms utilized but not otherwise defined in this Transfer Form shall have the meaning ascribed thereto in the Partnership Agreement.

DATED this 1st day of March, 2016.

Transferee:

(Name of Limited Partner)

Per:

(Signature of authorized signatory)

ACCEPTANCE OF TRANSFER BY GENERAL PARTNER

This transfer is accepted by the General Partner in the City of Calgary in the Province of Alberta, on the 1st day of March, 2016.

ANGUS MANOR PARK A2A GP INC.,
in its capacity as General Partner of
Angus A2A Limited Partnership

Per: _____

This is Exhibit “D” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)

From: Jason Toh [mailto:jason.toh@a2aglobal.com]

Sent: Tuesday, July 22, 2014 9:32 AM

To: Dirk Foo <dirk.foo@a2aglobal.com>; Glenn Pickard <glenn.pickard@a2aglobal.com>; Allan Lind <allan.lind@a2aglobal.com>; Marie Lind <marie.lind@a2aglobal.com>; Warren Soo <warren.soo@a2aglobal.com>; Jeff Peterson <jeff.peterson@a2aglobal.com>; Elizabeth Chua <elizabeth.chua@a2aglobal.com>; Cielo Escobio <cielo.escobio@a2aglobal.com>

Cc: Annemarie Bergado <annemarie.bergado@a2aglobal.com>

Subject: Good News - New MAS Rules

Importance: High

Dear All,

This first came out last night and then in today's Business Times and Straits Times.

It does not come as a surprise. Dirk has foreseen this and the timing of this could not be better. We have been anticipating this day.

Executives need to convey a consistent corporate viewpoint on this.

Key points from both reports:

1. Yesterday, MAS has proposed a set of regulations and new rules for investments linked to land banks and other products;
2. It is now in a consultation paper stage which means it will invite public and professional feedback on the proposals;
3. It could mean that landbanking may not longer be made available to retail investors;
4. MAS plans to tweak its definition of collectively managed investment schemes (CIS) to include schemes that involve pooled profits and remove investors from the daily control of the investments. This will apply to landbanking which will be classified as a CIS;
5. All CIS must meet standards set out in the CIS Code which ensures that assets are liquid.
6. "Since land cannot be deemed liquid, unlike securities, it would no longer be offered to retail investors." (Note: We have a different view of this and should participate in the public consultation to explain our DP.);
7. If the MAS' proposals come to pass, operators of such schemes would have to be licensed, publish proper disclosures and comply with relevant codes under the law before they can market their products to retail investors;
8. This could mean that retail investors might soon be unable to invest in landbanking schemes, as the existing code on CIS does not allow investing in vacant land that does not generate income (Note: Clearly, our DP can be easily distinguished as it DOES generate income. We should engage MAS.)
9. Following industry feedback, the implementation of these proposals should take about a year i.e. in or about July/August 2015;

Next Steps

1. Dirk, Glenn and I will speak to Jovi and Edison at 10.30 a.m. today and aim to address the sales team today or tomorrow;
2. The Executives will meet to discuss and decide on the official line at 11.30 a.m. today;

3. Glenn and I will speak with our VPs and managers like Matt, Calvin, Chris, Rosemarie, Lusy, Luke, Lucas, Rong Hwai at 2.30 p.m. today.

Beth, I will call Dirk at 10.30 a.m. today for No. 1. Please set up a conference call with all executives at 11.30 a.m.

Cielo, please call for a meeting today with all our Managers and VPs/AVPs/SVPs, etc. at 2.30 p.m. in our meeting room.

Warm regards,

Jason Toh

Executive Vice President, Operations
Head, Legal & Compliance

This is Exhibit “D1” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)



MAS Proposes Stronger Safeguards for Investors

Singapore, 21 July 2014... The Monetary Authority of Singapore (MAS) today released a consultation paper on proposals to enhance its regulatory framework for safeguarding investors' interests. The key changes are as follows:

- extend to investors in non-conventional investment products the current regulatory safeguards available to investors in capital markets;
- require all investment products to be rated for complexity and risks, and for these ratings to be disclosed to investors; and
- provide accredited investors (AI¹) the option to benefit from the full range of capital markets regulatory safeguards that are applicable for retail investors.

Capital markets regulatory safeguards for investors in non-conventional investment products

2 In recent years, there has been an increase in the number of non-conventional products offered to retail investors as alternative investments. Many of these products have features that are similar to regulated capital markets products, but are structured to assign ownership of underlying physical assets to investors, thereby taking them outside the regulatory perimeter of the Securities and Futures Act (SFA²).

3 MAS proposes to extend to investors in these non-conventional products the current regulatory safeguards under the SFA for investors in capital markets. This is to ensure that structures which are in substance capital markets products are regulated as such. The two categories of non-conventional products that are the subject of this consultation are:

- Buy-back arrangements involving the exchange of precious metals.* In economic effect, such arrangements are equivalent to collateralised borrowing and will be regulated as "debentures" under the SFA.
- Schemes which have the elements of a regulated collective investment scheme but do not pool investors' contributions.* The proposal is to regulate such schemes as collective investment scheme under the SFA.

Complexity-risk ratings for investment products

4 An increasing number of investment products with more complex risk-return profiles are being offered to retail investors. Such products pose greater challenges to retail investors in deciding on investments that suit their level of understanding and risk appetite.

5 To help retail investors differentiate between simpler and more complex investment products, as well as gauge their riskiness, MAS proposes to introduce a complexity-risk framework for investment products. Under the proposed framework, all investment products sold to retail investors will be rated along two dimensions – complexity of structure and risk of loss of initial investment principal³. Product issuers will be required to disclose these ratings in product offering documents and marketing materials, along with information on the historical price volatility or credit rating of the product.

Option for accredited investors to benefit from full range of capital markets regulatory safeguards applicable to retail investors

6 MAS differentiates between retail and non-retail investors in its capital markets regulatory framework, with the full range of regulatory safeguards targeted at retail investors. Non-retail investors – accredited, institutional and expert investors – are considered to be better informed and/or better able to access resources to protect their interests, and hence require less regulatory protection. This approach is in line with the practice of other major financial centres.

7 The global financial crisis has led the international regulatory community to examine whether non-retail investors are necessarily better informed or require less regulatory protection than retail investors. In this respect, MAS proposes to provide AIs with a choice to benefit from the full range of capital markets regulatory safeguards that are applicable for retail investors. Under this proposal, AIs will by default be treated as retail investors unless they choose to "opt-in" to AI status. An AI who chooses to "opt-in" to AI status may be one who is willing to forgo the benefits of regulatory safeguards available to retail investors, in return for the ability to access a wider range of complex and risky investment products.

8 Mr Lee Boon Ngiap, Assistant Managing Director, Capital Markets, MAS, said, "Taken together, the three proposals will further safeguard investors' interests and empower them to make better informed investment decisions."

Public Consultation

9 The public is invited to participate in the consultation exercise on the proposed changes over a six-week period from 21 July to 1 September 2014.

10 A copy of the public [consultation paper](#) is available on the MAS website.

¹ Under the SFA, an AI is defined to include the following persons: (a) an individual whose net personal assets exceed S\$2 million, or whose income in the preceding 12 months is not less than S\$300,000; (b) a corporation with net assets exceeding S\$10 million, or whose sole business is to hold investments and the entire share capital of which is owned by one or more persons, each of whom is an accredited investor; (c) the trustee of a trust of which all property and rights of any kind whatsoever held on trust for the beneficiaries of the trust exceed S\$10 million; (d) an entity (other than a corporation) with net assets exceeding S\$10 million; or (e) a partnership (other than a limited liability partnership within the meaning of the Limited Liability Partnerships Act 2005 (Act 5 of 2005) in which each partner is an accredited investor.

² Such products will consequently also fall outside the regulatory perimeter of the Financial Advisers Act.

³ The proposed framework leverages on a framework study report submitted to MAS by the Investment Management Association of Singapore (IMAS). IMAS had engaged and commissioned the Sim Kee Boon Institute for Financial Economics at Singapore Management University to develop a foundation framework to classify investment products according to their complexity and risk.

Key Resources

MAS Proposes Stronger Safeguards for Investors Annex

[Download PDF \(200.20 KB\)](#)

This is Exhibit “D2” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)



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http://www.busesstimes.com.sg/banking-finance/mas-to-tighten-rules-on-gold-buyback-and-landbanking-schemes

MAS to tighten rules on gold buyback and landbanking schemes

The changes aim to make it harder for providers of controversial products to reach out to less sophisticated investors

🕒 Wednesday, September 23, 2015 - 05:50

by

KENNETH LIM

✉ kenlim@sph.com.sg

🐦 @KennethLimBT



The regulatory changes, which will be tabled in parliament next year, will be based on the existing Securities Futures Act, the Monetary Authority of Singapore (MAS) announced on Tuesday. ST PHOTO: KUA CHEE SIONG



Thrown for a loophole

Singapore

SINGAPORE will regulate investment schemes such as gold buybacks and collective landbanking after 2016, making it harder for providers of the controversial products to reach retail investors.

The regulatory changes, which will be tabled in parliament next year, will be based on the existing Securities Futures Act, the Monetary Authority of Singapore (MAS) announced on Tuesday.

Precious metals buyback schemes are essentially a form of collateralised borrowing by the product sellers, MAS said. They will thus be treated as debentures, which will require sellers to register prospectuses if they want to sell to retail participants.

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MAS will also amend the definition of collective investment schemes to close a loophole used by certain landbanking or pooled real estate investment programmes to exclude themselves from regulation. Whether a product is a collective investment scheme will no longer hinge on whether contributions enter a common pool, as long as investors have no day-to-day control of the assets, the investment property is managed as a whole, and the effective purpose of the product is as a collective investment scheme.

SEE ALSO: MAS to stick with current policy stance despite recent stronger data: economists

Collective investment schemes may not be sold to retail investors without MAS authorisation, and will be restricted to investments in securities or other assets that are liquid, such as precious metals, or which have stable income, such as completed real estate.

The new rules will require financial institutions to treat new accredited-eligible investors as retail investors by default; this means that such investors would be deemed unsuitable for certain complex investment products without first having been offered licensed financial advice. Qualifying investors, however, can opt to change their status to "accredited".

An accredited individual investor is a person with net personal assets of at least S\$2 million and whose annual income is at least S\$300,000. The MAS is also planning to limit to S\$1 million the amount that a person's primary residence can contribute to the assessment of his or her net worth.

The changes received largely positive feedback from investor advocates and industry professionals.

Elaine Chan, co-head of financial services regulatory at WongPartnership, said the new rules are timely, given the proliferation of innovative financial products which are structured so as to fall outside the strict definition of capital markets products regulated under the Securities & Futures Act, but which exhibit essentially the same characteristics as these products."

Brian Lan, managing director of gold dealer GoldSilver Central, went further, likening many gold buyback programmes to ponzi schemes that depended on money from new clients to maintain returns that could neither be guaranteed nor sustained.

He pointed out, however, that dishonest purveyors might try to relocate to nearby jurisdictions or look for other ways around the rules.

"It's definitely a good move in terms of limiting what they can do, but I think they'll continue to try to find some loopholes," he said.

Financial adviser Matthew Dabbs, who is also chief executive of AAM Advisory Financial Services, said that clamping down on potentially shady operators would help the financial advisory and fund management industry as a whole.

"It puts the market on an even keel," he said. "We're regulated, so we have to do a lot of things, like we have to pay professional indemnity insurance and so on, and a lot of these guys are just doing a lot of hit-and-runs."

He also welcomed the opting-in framework for investors to be considered accredited.

"It's a wise move. Just because you're wealthy doesn't mean you're knowledgeable about financial services. We do have clients who can be considered as accredited investors, but who say: 'Please treat me as a retail investor because that's exactly my knowledge in this situation'."

Christopher Tan, chief executive of fee-based financial advisory firm Providend, said that the regulations require sellers and advisers to offer financial advice to retail investors who are keen on complex products.

The effectiveness of the regulations thus depends in large part on the professionalism of advisers.

"They'll have to go through a financial adviser, which is the lesser of two evils," he quipped.

"There was a time in which they were selling anything that could make them money. Now that financial advisory is regulated, whenever they prescribe these products, it follows a certain process, so it's better today."

David Gerald, president of the Securities Investors Association of Singapore (Sias), said MAS could go even further and regulate "investor educators" as well.

He said in a statement: "Many foreign so-called educators fly in and attract our citizens through advertisements promising high returns without any liability whatsoever, and with no registered office in Singapore, leaving Singaporeans with no recourse."

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MAS will also amend the definition of collective investment schemes to close a loophole used by certain landbanking or pooled real estate investment programmes to exclude themselves from regulation. Whether a product is a collective investment scheme will no longer hinge on whether contributions enter a common pool, as long as investors have no day-to-day control of the assets, the investment property is managed as a whole, and the effective purpose of the product is as a collective investment scheme.

SEE ALSO: MAS to stick with current policy stance despite recent stronger data: economists

Collective investment schemes may not be sold to retail investors without MAS authorisation, and will be restricted to investments in securities or other assets that are liquid, such as precious metals, or which have stable income, such as completed real estate.

The new rules will require financial institutions to treat new accredited-eligible investors as retail investors by default; this means that such investors would be deemed unsuitable for certain complex investment products without first having been offered licensed financial advice. Qualifying investors, however, can opt to change their status to "accredited".

An accredited individual investor is a person with net personal assets of at least S\$2 million and whose annual income is at least S\$300,000. The MAS is also planning to limit to S\$1 million the amount that a person's primary residence can contribute to the assessment of his or her net worth.

The changes received largely positive feedback from investor advocates and industry professionals.

Elaine Chan, co-head of financial services regulatory at WongPartnership, said the new rules are timely, given the proliferation of innovative financial products which are structured so as to fall outside the strict definition of capital markets products regulated under the Securities & Futures Act, but which exhibit essentially the same characteristics as these products."

Brian Lan, managing director of gold dealer GoldSilver Central, went further, likening many gold buyback programmes to ponzi schemes that depended on money from new clients to maintain returns that could neither be guaranteed nor sustained.

He pointed out, however, that dishonest purveyors might try to relocate to nearby jurisdictions or look for other ways around the rules.

"It's definitely a good move in terms of limiting what they can do, but I think they'll continue to try to find some loopholes," he said.

Financial adviser Matthew Dabbs, who is also chief executive of AAM Advisory Financial Services, said that clamping down on potentially shady operators would help the financial advisory and fund management industry as a whole.

"It puts the market on an even keel," he said. "We're regulated, so we have to do a lot of things, like we have to pay professional indemnity insurance and so on, and a lot of these guys are just doing a lot of hit-and-runs."

He also welcomed the opting-in framework for investors to be considered accredited.

"It's a wise move. Just because you're wealthy doesn't mean you're knowledgeable about financial services. We do have clients who can be considered as accredited investors, but who say: 'Please treat me as a retail investor because that's exactly my knowledge in this situation'."

Christopher Tan, chief executive of fee-based financial advisory firm Providend, said that the regulations require sellers and advisers to offer financial advice to retail investors who are keen on complex products.

The effectiveness of the regulations thus depends in large part on the professionalism of advisers.

"They'll have to go through a financial adviser, which is the lesser of two evils," he quipped.

"There was a time in which they were selling anything that could make them money. Now that financial advisory is regulated, whenever they prescribe these products, it follows a certain process, so it's better today."

David Gerald, president of the Securities Investors Association of Singapore (Sias), said MAS could go even further and regulate "investor educators" as well.

He said in a statement: "Many foreign so-called educators fly in and attract our citizens through advertisements promising high returns without any liability whatsoever, and with no registered office in Singapore, leaving Singaporeans with no recourse."

- [GOLD BUYBACKS](#)
- [MONETARY AUTHORITY OF SINGAPORE](#)
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This is Exhibit “E” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)

CONFIRMATION AND UNDERTAKING

This CONFIRMATION AND UNDERTAKING is made the 16th day of Nov 2016.

BY

A2A Capital Management (Hong Kong) Limited ("**Company**").

WHEREAS:

- (A) During the period from 1 January 2013 to 25 June 2014 ("**relevant period**"), the Company has issued, or has had in its possession for the purposes of issue, whether in Hong Kong or elsewhere, advertisements, invitations or documents (together "**Marketing Materials**") which to its knowledge are or contain an invitation to the public of Hong Kong to acquire an interest in or participate in, or offer to acquire an interest in or participate in four investments, namely the Angus Manor Park Land Sale Plan, the Hills of Windridge Development Plan, the Trails of Fossil Creek Development Plan and the Sendera Ranch Development Plan ("**Schemes**").
- (B) During the relevant period, the Company and persons connected with it have been involved in the marketing and selling of the Scheme to the Hong Kong public.
- (C) The Securities and Futures Commission ("**Commission**") takes the view that each of the Schemes constitutes a collective investment scheme ("**CIS**") as defined in section 1 of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571) ("**SFO**").
- (D) The Commission has investigated into possible contravention of sections 103 and/or 114 of the SFO by the Company and persons connected with it.

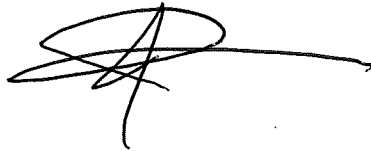
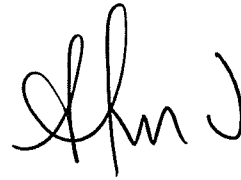
NOW THE COMPANY HEREBY CONFIRMS AND UNDERTAKES TO THE COMMISSION THAT:

(1) Each of the Schemes:

- (a) involves an arrangement in respect of property;
- (b) the participating persons do not have day-to-day control over the management of the property, whether or not they have the right to be consulted or to give directions in respect of the management of the property;
- (c) the property is managed as a whole by or on behalf of the person operating the arrangement, and/or the contributions of the participating persons and the profits or income from which payments are made to them are pooled; and
- (d) the purpose or effect, or pretended purpose or effect, of the arrangement is to enable the participating persons to participate in or receive profits, income or other returns from the acquisition, holding, management or disposal of the property, or any part of the property.

- (2) Each of the Schemes constitutes a CIS as defined in section 1 of Part 1 of Schedule 1 to the SFO.
- (3) The Company and persons connected with it have ceased all marketing of the Schemes on or before 10 June 2015.
- (4) The Company and persons connected with it will not devise, set up, implement or market any scheme that constitutes a CIS as defined in section 1 of Part 1 of Schedule 1 of the SFO, unless in compliance with the relevant requirements under the SFO, in particular sections 103 and 114.

SIGNED by ALLAN WHITEFORD LIND)
for and on behalf of H2A CAPITAL MANAGEMENT)
in the presence of (HONG KONG) LIMITED)
JOSEPH FRANK ATTRUX)



This is Exhibit “E1” referred to in the Affidavit of Grayson James
Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)



SECURITIES AND FUTURES COMMISSION

證券及期貨事務監察委員會

35/F, Cheung Kong Center, 2 Queen's Road Central, Hong Kong
香港皇后大道中二號長江集團中心三十五樓

28 November 2016

Our ref: 503/EN/260

Private and Confidential

A2A Capital Management (Hong Kong) Limited
c/o Deacons
5/F, Alexandra House
18 Chater Road
Central, Hong Kong

By hand

Attention: Mr Richard Hudson

Dear Sirs,

Compliance Advice Letter

Purpose of this letter

1. The Securities and Futures Commission (**SFC**) has completed an investigation under section 182 of the Securities and Futures Ordinance (**SFO**) into possible contravention of sections 103 and/or 114 of the SFO by A2A Capital Pte Ltd, A2A Capital Management (Hong Kong) Limited (collectively, **A2A Group**) and/or persons connected with them.
2. The purpose of this letter is to:
 - (a) inform you that the SFC does not propose to take any further action about this matter against you, any company within the A2A Group of companies, or any officer of any of those companies on the information now known to it;
 - (b) record the fact and basis of the conclusion of this matter; and
 - (c) set out areas of regulatory concern to assist you in planning your compliance programs and/or carrying out your future business activities in compliance with the requirements of the SFO.
3. This letter is a private communication by the SFC to you. It contains no adverse finding or implication against you or any other person by the SFC. It will form part of your compliance history with the SFC. This letter is not intended nor should it be construed as a bar to any enforcement action by the SFC in the future if different facts or circumstances come to the SFC's attention. Nor is this letter a bar to any prosecution by the Department of Justice.

Our concerns

4. The SFC's investigation was concerned with the promotion, via your appointed sub-distributors, of investment arrangement which involved the sale of undivided fractional interests (**UDIs**) in undeveloped land of the Angus Manor Park Land Sale



Our ref: 503/EN/260

Plan, the Hills of Windridge Development Plan, the Trails of Fossil Creek Development Plan and the Sendera Ranch Development Plan (**Schemes**) to the Hong Kong public.

5. Under the "land-sale plans" investments, which included the Angus Manor Park Land Sale Plan, investors would purchase UDIs in undeveloped land. It is expected that steps would be taken to rezone the land. Once the land receives approval for rezoning, the land would be sold to a third party and the net proceeds arising from the sale would be distributed to co-owners of the land, including the investors, in proportion to their UDIs in the land. In particular, the investors would be required to appoint a facilitator, which is authorized to manage the schemes, such as employing persons to carry out actions in respect of rezoning of the land and maintaining a "Concept Planning Fund".
6. Under the "development plan" investments, which include the Hills of Windridge Development Plan, the Trails of Fossil Creek Development Plan and the Sendera Ranch Development Plan, the investors would purchase UDIs in undeveloped land. It is expected that steps would be taken to develop the land, including installation of infrastructure and construction of residential units on the land. Once the development of the land is completed, the residential units would be sold to third parties, and the net proceeds arising from the sale and profits from the installation of the infrastructure would be distributed to the investors in proportion to their UDIs in the land. In particular, the investors would be required to appoint a facilitator, which is authorized to manage the schemes, such as employing persons to carry out actions in respect of developing the land and maintaining a "Development Fund".
7. Under the SFO, any material containing an invitation to the public in Hong Kong to invest in a collective investment scheme (**CIS**) must be authorized by the SFC. We take the view that each of the Schemes promoted by you to the Hong Kong public may constitute a CIS as defined under the SFO but relevant authorization from the SFC had not been obtained.
8. Your sub-distributors were directly responsible for marketing and promotion of the Schemes in Hong Kong, while you provided information to and addressed queries from the sub-distributors during or around the period from 1 January 2013 to 25 June 2014. Some of these sub-distributors were not licensed with the SFC. Around 76 investors in Hong Kong invested in the Schemes via your sub-distributors.
9. Considering that:
 - (a) you are not in a position to unwind or procure the unwinding of any transactions that the 76 purchasers have entered into as you are not a party to the relevant contracts;
 - (b) you confirmed that you have ceased all marketing of the Schemes on or before 10 June 2015; and



Our ref: 503/EN/260

- (c) you undertook you will not devise, set up, implement or market any scheme that constitutes a CIS unless in compliance with the relevant requirements under the SFO,


we do not think any formal enforcement action is necessary.

10. Please be reminded again that it is an offence under section 103 of the SFO to issue any advertisement, invitation or document which contains an invitation to the public in Hong Kong to acquire an interest or participate in a CIS unless the issue has been authorized by the SFC. Any person who carries out activities to promote a CIS may also be considered as carrying on a business in a regulated activity which requires a licence from the SFC, failing of which may lead to an offence under section 114 of the SFO.

Compliance Advice

11. To avoid running the same compliance risk, you are advised to beware of the importance of compliance with section 103 of the SFO in publishing advertisements and/or other documents which may contain an invitation to the public to acquire interests in CIS or other form of securities. You should seek professional advice when in doubt as to whether such publication may require authorization from the SFC before it is disseminated to the public in Hong Kong. You are also advised that you could not carry out or hold yourself out as carrying on a business in regulated activities, unless you are licensed with the SFC to do so.
12. Accordingly, we trust that you will take heed of this letter and take this opportunity to review and improve your future business activities to ensure the SFC's concerns do not arise again.
13. Once again we remind you that you are not obliged to disclose the fact of this letter or its content to anyone unless you wish to do so.
14. Please acknowledge receipt of this letter by signing and returning the enclosed duplicate.

Yours faithfully,



Laurence LEE
Director of Enforcement

Encl.

This is Exhibit “F” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)



**WESTON
CONSULTING**
planning + urban design

Due Diligence Report

8569 Fifth Line & 8512 Sixth Line
Township of Essa



Friedman & Associates
150 Ferrand Drive, Suite #802
Toronto, Ontario
M3C 3E5

March 2013
File 6185

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for double sided printing.



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1 Introduction

The following report provides our preliminary findings with regard to the planning context and development potential associated with the subject properties (Figure 1). The policy summary below does not represent a complete summary of applicable policies; however, is intended to provide an overview of the planning framework as it relates primarily to the expansion of the potential settlement area of Angus. Furthermore, the preparation of this memorandum is based on input from N. Barry Lyon Consultants Limited, Beacon Environmental, Cole Engineering, and Terra Probe Soils Investigation. These consultants have each completed their own due diligence reports that should be read in conjunction with this report. Consultations with County and Municipal planning staff and preliminary discussions with the local area Councillor and the Mayor have also contributed to the information contained in this report.

The key components addressed below, in addition to the general planning overview, include a commentary on growth management matters, absorption, development timing and planning process.



Figure 1 - Subject Property

Please also note that in our opinion, the property municipally known as 8512 6th line is considered to be longer term and based on this consideration, the commentary below with regard to development process and timing is applicable to the 8569 5th Line property. Please refer to the air photo above, which illustrates the two properties.

2 Planning Policy Framework

2.1 Provincial Policy Statement (PPS)

The 2005 PPS governs the subject properties. All decisions in relation to land use planning matters shall be consistent with the PPS. The subject property is currently outside of a "settlement area" and therefore, in order to provide development opportunities on the subject properties for urban uses, an expansion to the existing settlement area of Angus would be required. The relevant policies concerning settlement boundary expansions are provided below in Table 1.

**Table 1: PPS Policy Pertaining to Settlement Area Expansions**

1.1.3.9 A planning authority may identify a *settlement area* or allow the expansion of a *settlement area* boundary only at the time of a *comprehensive review* and only where it has been demonstrated that:

- a) sufficient opportunities for growth are not available through *intensification, redevelopment* and *designated growth areas* to accommodate the projected needs over the identified planning horizon;
- b) the *infrastructure* and *public service facilities* which are planned or available are suitable for the development over the long term and protect public health and safety;
- c) in *prime agricultural areas*:
 - 1. the lands do not comprise *specialty crop areas*;
 - 2. there are no reasonable alternatives which avoid *prime agricultural areas*; and
 - 3. there are no reasonable alternatives on lower priority agricultural lands in *prime agricultural areas*; and
- d) impacts from new or expanding *settlement areas* on agricultural operations which are adjacent or close to the *settlement area* are mitigated to the extent feasible.

In determining the most appropriate direction for expansions to the boundaries of *settlement areas* or the identification of a *settlement area* by a planning authority, a planning authority shall apply the policies of Section 2: Wise Use and Management of Resources and Section 3: Protecting Public Health and Safety.

The identified planning horizon referenced in Section 1.1.3.9(a) above is established through Section 1.1.2 of the PPS which states:

“Sufficient land shall be made available through intensification and redevelopment and, if necessary, designated growth areas, to accommodate an appropriate range and mix of employment opportunities, housing and other land uses to meet projected needs for a time horizon of up to 20 years. However, where an alternate time period has been established for specific areas of the Province as a result of a provincial planning exercise or a provincial plan, that time frame may be used for municipalities within the area (emphasis added).”

The criteria contained in Section 1.1.3.9 would need to be addressed through a comprehensive review, which by definition, is an “official plan review initiated by a planning authority, or an official plan amendment which is initiated or adopted by a planning authority...” There are additional criteria that must be addressed through the comprehensive review, which are further detailed in the PPS (see Attachment 1).

The above considerations for the subject properties require that a comprehensive review and assessment of a Settlement Area expansion be undertaken by the municipality before any urban development opportunities on the properties could be realized. Although a proponent can assist in this process, it must be administered by the municipality. The process needs to be supported



by political will and must demonstrate that there is a need for the settlement expansion as outlined above. In addition, the consideration of the location for a Settlement Area expansion must satisfy the above tests.

There are additional PPS policies applicable to the subject properties, which would include, but are not limited to, natural heritage, infrastructure, agricultural policies, and other matters. Based on our assessment of the municipal planning documents, we expect that the subject properties would be considered a “prime agricultural area” according to the PPS and therefore, the above policies concerning prime agricultural areas would need to be considered through the comprehensive review associated with any settlement area expansion for Angus. As noted above, the consideration of expansions into prime agricultural areas shall include an assessment of no other reasonable alternatives or lower priority soils.

The Province recently released a draft update to the PPS, dated September 2012, which is not yet in force, but has been released for public consultation. This should be monitored relative to the subject properties, as required. The policies that pertain to Settlement Area expansions are slightly different and is provided below in Table 2.

Table 2: Draft Updated PPS Policy Pertaining to Settlement Area Expansions	
1.1.3.8	<p>A planning authority may identify a settlement area or allow the expansion of a settlement area boundary only at the time of a comprehensive review and only where it has been demonstrated that:</p> <ul style="list-style-type: none">a) sufficient opportunities for growth are not available through intensification, redevelopment and designated growth areas to accommodate the projected needs over the identified planning horizon;b) the infrastructure and public service facilities which are planned or available are suitable for the development over the long term, are financially viable over their life cycle, and protect public health and safety and the natural environment;c) in prime agricultural areas:<ul style="list-style-type: none">1. the lands do not comprise specialty crop areas;2. alternative locations have been evaluated, and<ul style="list-style-type: none">i. there are no reasonable alternatives which avoid <i>prime agricultural areas</i>; andii. there are no reasonable alternatives on lower priority agricultural lands in <i>prime agricultural areas</i>;d) the new or expanding <i>settlement area</i> is in compliance with the <i>minimum distance separation formulae</i>; ande) impacts from new or expanding <i>settlement areas</i> on agricultural operations which are adjacent or close to the <i>settlement area</i> are mitigated to the extent feasible. <p>In determining the most appropriate direction for expansions to the boundaries of <i>settlement areas</i> or the identification of a <i>settlement area</i> by a planning authority, a planning authority shall apply the policies of Section 2: Wise Use and Management of Resources and Section 3: Protecting Public Health and Safety.</p>



A significant difference between the current and proposed PPS in relation to Settlement Area expansions is the introduction of a new provision concerning Minimum Distance Separation (MDS) formulae. The objective of MDS formulae are to minimize nuisance complaints due to odour and thereby reduce potential land use conflicts between farmers and their rural neighbours. The MDS Formulae are intended to only deal with odour generated from livestock facilities (e.g. barns and manure storage). It is not intended to address other nuisance issues such as noise, dust, light, smoke, vibration or flies. The MDS Formulae use a number of variables to determine a minimum distance of separation between odour producing facilities and other development. Typically, new development is prohibited from occurring within the calculated minimum distance from each odour producing facility. Depending on the size of the facility, this can range from 100 metres to more than a kilometer. Depending on whether or not this policy is carried forward in the new PPS, it may need to be addressed as part of the settlement area expansion exercise. Based on a desktop review of the air photography, there is evidence of agricultural operations in the area; however, the specific nature of these uses is not known. It is recommended that these matters be further examined, in order to assist in the consideration of these objectives relative to the settlement boundary expansion analysis.

In both the current and new draft PPS, provisions exist that permit Settlement Area expansions within Prime Agriculture Areas where it is demonstrated the lands are not Specialty Crop Areas and alternative locations have been considered.

2.2 Growth Plan for the Greater Golden Horseshoe (2012)

The Growth Plan for the Greater Golden Horseshoe ("Growth Plan") provides direction to municipalities within the Greater Golden Horseshoe on the management of growth within their respective jurisdictions (see Attachment 2). The Growth Plan contains policies that support intensification within existing built-up areas and provides population and employment forecasts to the year 2031. Municipalities must ensure that they have sufficient land to accommodate the growth forecast contained in the Growth Plan. The Province introduced Amendment #1 to the Growth Plan (GPA1) in January 2012, which provides additional details on the management of growth in the Simcoe Sub Area. The population and employment growth allocated to the County and Township is provided in Table 3 below.

Table 3: Growth Plan Distribution of Population and Employment by 2031*

	Population	Employment
County of Simcoe (excluding Barrie and Orillia)	416,000	132,000
Township of Essa	21,500	9,000

* Growth Plan (2012), Schedule 7

Currently the County of Simcoe is updating its Official Plan to reflect this update to the Growth Plan. Once the County has completed its update, the lower tier municipalities will be required to bring their Official Plans into conformity with the County Plan.

Subject to certain other conditions, a Settlement Area boundary expansion may occur as part of a comprehensive review initiated by a municipality in accordance with Section 2.2.8 of the Growth Plan (see Table 4 below).



Table 4: Growth Plan – Settlement Area Expansions

2.2.8 Settlement Area Boundary Expansions

1. The policies in this section apply only to the expansion of a *settlement area* within a municipality.
2. A *settlement area* boundary expansion may only occur as part of a *municipal comprehensive review* where it has been demonstrated that –
 - a. sufficient opportunities to accommodate forecasted growth contained in Schedule 3, through *intensification* and in *designated greenfield areas*, using the *intensification target* and *density targets*, are not available:
 - i. within the *regional market area*, as determined by the upper- or single-tier municipality, and
 - ii. within the applicable lower-tier municipality to accommodate the growth allocated to the municipality pursuant to this Plan
 - b. the expansion makes available sufficient lands for a time horizon not exceeding 20 years, based on the analysis provided for in Policy 2.2.8.2(a)
 - c. the timing of the expansion and the phasing of development within the *designated greenfield area* will not adversely affect the achievement of the *intensification target* and *density targets*, and the other policies of this Plan
 - d. where applicable, the proposed expansion will meet the requirements of the Greenbelt, Niagara Escarpment and Oak Ridges Moraine Conservation Plans
 - e. the existing or planned infrastructure required to accommodate the proposed expansion can be provided in a financially and environmentally sustainable manner
 - f. in *prime agricultural areas*:
 - i. the lands do not comprise *specialty crop areas*
 - ii. there are no reasonable alternatives that avoid *prime agricultural areas*
 - iii. there are no reasonable alternatives on lower priority agricultural lands in *prime agricultural areas*
 - g. impacts from expanding *settlement areas* on agricultural operations which are adjacent or close to the *settlement areas* are mitigated to the extent feasible
 - h. in determining the most appropriate location for expansions to the boundaries of settlement areas, the policies of Sections 2 (Wise Use and Management of Resources) and 3 (Protecting Public Health and Safety) of the PPS, 2005 are applied
 - i. for expansions of small cities and towns within the outer ring, municipalities will plan to maintain or move significantly towards a minimum of one full-time job per three residents within or in the immediate vicinity of the small city or town.

The settlement area expansion policies contained in the Growth Plan are different from the PPS and in instances of conflict between the two policies, the Growth Plan prevails. Specifically, the Growth Plan, through Section 2.2.8.2(a), stipulates that an expansion can occur only when a municipality demonstrates there is insufficient opportunity to accommodate the forecasted growth contained in Schedule 3 of the Growth Plan. In contrast, the PPS refers to the ability to accommodate growth of the 20 year planning horizon.



The Growth Plan was also amended through GPA1 to provide specific policies in relation to the Simcoe County area. Section 6.3.2 of the Growth Plan outlines specific policies pertaining to Simcoe concerning growth within settlement area in excess of forecasted population (see Table 5 below).

Table 5: Growth Plan – Growth within Settlement Area in Excess of Forecast

6.3.2 Settlement Areas

1. Development may be approved in *settlement areas* in excess of what is needed to accommodate the forecasts in Schedule 7, provided the development –
 - a. contributes to the achievement of the intensification targets and density targets identified by the Minister in accordance with policy 6.5.3
 - b. is on *lands for urban uses* as of January 19, 2012
 - c. can be serviced in accordance with applicable provincial plans and provincial policies
 - d. is in accordance with the requirements of the Lake Simcoe Protection Plan, 2009, if applicable.
2. The County may approve adopted official plans or adopted official plan amendments regarding lands within a *settlement area* that redesignate *lands not for urban uses* to *lands for urban uses* that are in excess of what is needed for a time horizon of up to 20 years or to accommodate the forecasts in Schedule 7, whichever is sooner, provided it is demonstrated that this growth –
 - a. can be serviced in accordance with applicable provincial plans and provincial policies
 - b. contributes to the achievement of the intensification target and density target set in accordance with policy 6.5.3
 - c. contributes to the development of a *complete community*
 - d. is subject to phasing policies
 - e. contributes to the achievement of the jobs to residents ratio in Schedule 7 for the lower-tier municipality
 - f. is in accordance with the requirements of the Lake Simcoe Protection Plan, 2009, if applicable
 - g. is supported by appropriate transportation infrastructure and is in accordance with any transportation guidelines and policies developed by the County of Simcoe
 - h. is in accordance with any additional growth management policies specified by the County of Simcoe that do not conflict with the policies in this Plan.
3. The sum of all population growth accommodated on *lands for urban uses* approved pursuant to policy 6.3.2.2 shall not exceed a total population of 20,000 for the County of Simcoe.
4. Municipalities in the County of Simcoe may approve development on *lands for urban uses* approved pursuant to policies 6.3.2.2 and 6.3.2.3.
5. Policies 6.3.2.2 and 6.3.2.3 will apply to the County of Simcoe and its lower-tier municipalities until January 19, 2017.
7. Settlement area boundary expansions are subject to policy 2.2.8 of this Plan, except policies 2.2.8.2(a)(i) and 2.2.8.2(i).

Through the above policies contained in Table 5, the Growth Plan provides additional criteria for the consideration of growth in settlement areas that exceed the population forecasts contained in the Growth Plan. This may provide the opportunity to consider other factors, including absorption rates, when completing land budgets and growth management exercises.



2.3 Growth Plan Amendment #2

The Minister has proposed Growth Plan Amendment #2 (GPA2) as an update to the growth forecasts which extends the horizon of the forecasts and policies (see Attachment 3). If approved, the Growth Plan forecasts would extend ten years beyond the current 2031 projections to 2041. While still being presented as a draft and subject to further change, the County of Simcoe has a projected 2041 population of 497,000 and a projected 152,000 jobs as outlined in Table 6 below.

Table 6: GPA2 (DRAFT) Distribution of Population and Employment by 2041*

	Population	Employment
County of Simcoe (excluding Barrie and Orillia)	497,000	152,000

* Growth Plan (2012), Schedule 7

At this time, the draft GPA2 does not further allocate the County of Simcoe growth to the various lower-tier municipalities within the County; however, based on discussions with County Staff, it is anticipated that the majority of additional population would first be allocated to 'primary settlement areas' and then to secondary settlement areas such as Angus. It is premature to anticipate how the allocation of additional forecasted growth would occur in the County; however, it is important to note that additional population is forecasted to occur in Simcoe County, which will provide the impetus to consider further growth and development in key areas of the County. The current draft version of GPA2 suggests that the province will require municipalities to coordinate the Growth Plan conformity exercise (to incorporate the changes made through GPA2) with the next scheduled review of their Official Plan pursuant to Section 26 of the Planning Act.

2.4 Simcoe County Official Plan (2007)

The consolidated version of the "in-force" County of Simcoe Official Plan currently designates the subject properties "Rural" and "Agricultural" (see Attachment 4). The intent of this designation is to enable the agricultural industry to function in prime agricultural areas by minimizing competing uses. The Rural and Agricultural designations contain prime-agricultural areas, non-prime agricultural areas and rural areas which are regulated by the Canada Land Inventory's Soil Capability for Agricultural rating system and Township policies. There are additional applicable policies that govern the subject properties, which have not been described herein, but should be considered in relation to the applicable planning policies for the properties.

According to the "in-force" County Plan, the subject properties are adjacent to the settlement area of Angus, but are not within the settlement area boundary. The County Plan provides criteria associated with the consideration of settlement area boundary expansions and allocates a certain population growth to the Township of Essa (see Attachment 5).

2.5 Simcoe County Official Plan (DRAFT June 2012)

The current draft version of the Simcoe County Official Plan was approved in October 2012, subject to modifications by the County. The Official Plan is currently under appeal to the Ontario



Municipal Board; however, based on discussions with County staff it is anticipated to be approved by the Board sometime in 2013.

This version of the Official Plan has incorporated the growth forecast from the Growth Plan (2012) and allocates a projected growth of 21,500 people and 9,000 jobs to the Township of Essa by the year 2031 (see Attachment 6 & 7). In accordance with 'Part 3 – Growth Management Strategy', growth is intended to be focused in Settlement Areas with the majority occurring in seven Primary Settlement Areas (Barrie, Orillia, Midland, Collingwood, Alcona, Alliston & Bradford). Once approved, lower-tier municipalities will be required to update their Official Plans to reflect the policies contained within the County Official Plan.

Any expansion of a Settlement Area is subject to a Municipal Comprehensive Review, which is defined as "an official plan review, or an official plan amendment, initiated by a municipality that comprehensively applies the policies and schedules of this Plan." A Municipal Comprehensive Review to expand a settlement area boundary must satisfy certain criteria outlined in Section 3.5.17, which is shown below in Table 7.

Table 7: Simcoe County Official Plan (Draft June 2012)	
Settlement Expansion	
3.5.17	<p><i>Settlement</i> boundary expansions may occur only in accordance with an approved <i>municipal comprehensive review</i> where it has been demonstrated that:</p> <ul style="list-style-type: none">e) Sufficient opportunities to accommodate forecasted growth contained in Table 1, through <i>intensification</i> and in <i>designated Greenfield areas</i>, using the <i>intensification</i> target and <i>density targets</i>, are not available within the applicable <i>local municipality</i> to accommodate the growth allocated to the <i>municipality</i> pursuant to this <i>Plan</i>;f) The expansion makes available sufficient lands for a time horizon not exceeding 20 years, based on the analysis provided for in subsection (a) above;g) The timing of the expansion and the phasing of <i>development</i> within the <i>designated Greenfield area</i> will not adversely affect the achievement of the <i>intensification</i> target and <i>density targets</i>, and the other policies of this <i>Plan</i>;h) Where applicable, the proposed expansion will meet the requirements of the Greenbelt, Niagara Escarpment and Oak Ridges Moraine Conservation Plans;i) The existing or planned <i>infrastructure</i> and services required to accommodate the proposed expansion can be provided in a financially and environmentally sustainable manner;j) In <i>prime agricultural areas</i>:<ul style="list-style-type: none">i. The lands do not comprise <i>specialty crop areas</i>ii. There are no reasonable alternatives that avoid <i>prime agricultural areas</i>iii. There are no reasonable alternatives on lower priority agricultural lands in <i>prime agricultural areas</i>;k) Impacts from expanding <i>settlement areas</i> on agricultural operations which are adjacent or close to the <i>settlement areas</i> are mitigated to the extent feasible;l) Compliance with the <i>minimum distance separation formulae</i>; and



- m) In determining the most appropriate location for expansions to the boundaries of *settlement areas*, the other policies of this *Plan* are applied.

As noted above in Section 3.5.17(l), an expansion is required to comply with Minimum Distance Separation formulae, defined in the draft County OP as: “*the formulae developed by the Province to separate uses so as to reduce incompatibility concerns about odour from livestock facilities.*” This reflects the direction being taken by the new draft PPS. The intensification and density targets referenced in the above provision are set out in Section 3.5.23 and 3.5.24 as follows:

Table 8: Simcoe County Official Plan (Draft June 2012)

3.5.23 The compact *development of settlements* as stated in Section 3.5.2 and 3.5.7 shall be based on specific target densities for *local municipalities* in Simcoe County. Accordingly, it is a policy of this *Plan* that *development on designated Greenfield areas* in the following municipalities will be planned to achieve a minimum *density target* of not less than 50 residents and jobs combined per hectare:

- The Town of New Tecumseth
- The Town of Bradford West Gwillimbury
- The Town of Innisfil
- The Town of Collingwood
- The Town of Penetanguishene
- The Town of Midland

All other municipalities will plan to achieve a combined density target of not less than 32 residents and jobs combined per hectare. The average County-wide density target is 41 residents and jobs combined per hectare.

3.5.24 *Intensification*, or directing of *development* to already built and serviced areas, contributes to a compact *development* form. Accordingly, it is a policy of this *Plan* that 40 per cent of new residential units shall be developed within the *built boundaries of settlement areas* by the year 2015 and for each year thereafter in the following *local municipalities*:

- The Town of New Tecumseth
- The Town of Bradford West Gwillimbury
- The Town of Innisfil
- The Town of Collingwood
- The Town of Penetanguishene
- The Town of Midland

All other municipalities are required to achieve 20 percent intensification by the year 2015. The average County-wide intensification target is 33 percent.

Accordingly, any proposal to expand the Settlement Area of Angus by the Township will need to satisfy the density target of 32 residents and jobs per ha. and an intensification target of 20% of all new residential units being developed within the built boundaries of the Settlement Areas by



the year 2015. These considerations will have to be considered as part of the Township's land budget exercise.

It is recognized that the Township has identified that they do not have sufficient land supply to accommodate a 20 year supply of land, notwithstanding the population forecasts they have been allocated, which are proportionately less than their absorption rate of growth and available land supply. The relationship between land supply, population forecasts and anticipated future growth forecasts as set out in GPA2, and the absorption rate, will need to be considered through the Township's land budget exercise.

2.6 Township of Essa Official Plan (2001)

The Township of Essa Official Plan (2001) designates the subject properties "Agricultural". The basic objective of this designation is the promotion and protection of the agricultural resource base in the Township. Lands with this designation generally exhibit good agricultural capabilities based on the Canada Land Inventory's Soil Capability for Agriculture rating system. Permitted uses include primarily agriculture and farm related uses and buildings accessory to these operations. An Environmental Protection (Flood Prone Area) designation bisects a portion of the westerly half of the property. Development within these areas is subject to further study to delineate the area subject to possible flooding along tributaries.

Based on the Township's Official Plan, the intent is to accommodate the majority of growth within existing settlement areas (i.e. Angus, Thornton and Baxter) that have appropriate municipal services. The Growth Management Strategy outlined in Section 5 (Attachment 8) of the Official Plan states that the Township could accommodate approximately 22,000 people within the lands currently designated for residential use in accordance with 'Schedule A – Land Use Designations' (see Attachment 9). Section 5 further states that:

"Historically, the growth rate of the Township has been constrained by the lack of municipal services in Angus and Thornton. Thus, a clear picture of the Township's potential for growth does not exist. Growth rates will be monitored and the Township will keep this Plan under review to determine whether additional land needs are required."

The subject properties are currently outside of the Township's settlement boundary of Angus (Attachment 9). The boundary currently extends to the subject property's westerly edge but does not include the properties. The plan contemplates limited additional development through "in filling, estate residential development, vacant lot development, and severance activity." Where additional development is proposed that would necessitate an amendment to the Official Plan, including an expansion of the urban area, Council shall have regard for certain conditions as outlined in Section 5 (Attachment 8). These conditions are outdated and do not reflect the conditions for expansion contained in the PPS, Growth Plan and draft Simcoe Official Plan (June 2012). The Township will be required to update its Official Plan to reflect the above noted Provincial and Regional policies.

2.7 Township of Essa Zoning By-law 2003-50

The subject properties are zoned 'A – Agricultural'. A portion of the properties are zoned 'EP – Environmental Protection' (see Attachment 10). The Agricultural zone stipulates permitted uses which include agricultural uses, veterinary clinics, market gardens where farm produce is sold, conservation uses, wayside pits and quarries, a residence accessory to a farm use, and home occupations including bed and breakfasts and nurseries. Permitted uses within the Environmental Protection zone include preservation and conservation uses and flood and erosion control works as approved by the Nottawasaga Valley Conservation Authority.

3 Nottawasaga Valley Conservation Authority

The Nottawasaga Valley Conservation Authority (NVCA) provides watershed management and the regulation of conservation areas within the Nottawasaga River watershed and sub-watershed areas. A portion of the subject property is regulated by the NVCA as illustrated in the Figure 2. Development of land within the regulated area is subject to review and approval by the NVCA and typically requires the preparation of additional detailed analysis to delineate environmentally significant features, as they may exist on the lands.



Figure 2 - NVCA Regulation Area

The areas regulated by the NVCA on the subject properties correspond with the four water courses identified in the due diligence reports prepared by Beacon Environmental, dated January 2013.

4 Prime Agriculture Land

Based on our discussion with Township planning staff, and confirmed through County of Simcoe's online mapping tools (see Figure 3 below), we understand that subject properties consist of Class 1, 2 or 3 soil and are considered to be Prime Agriculture Land.

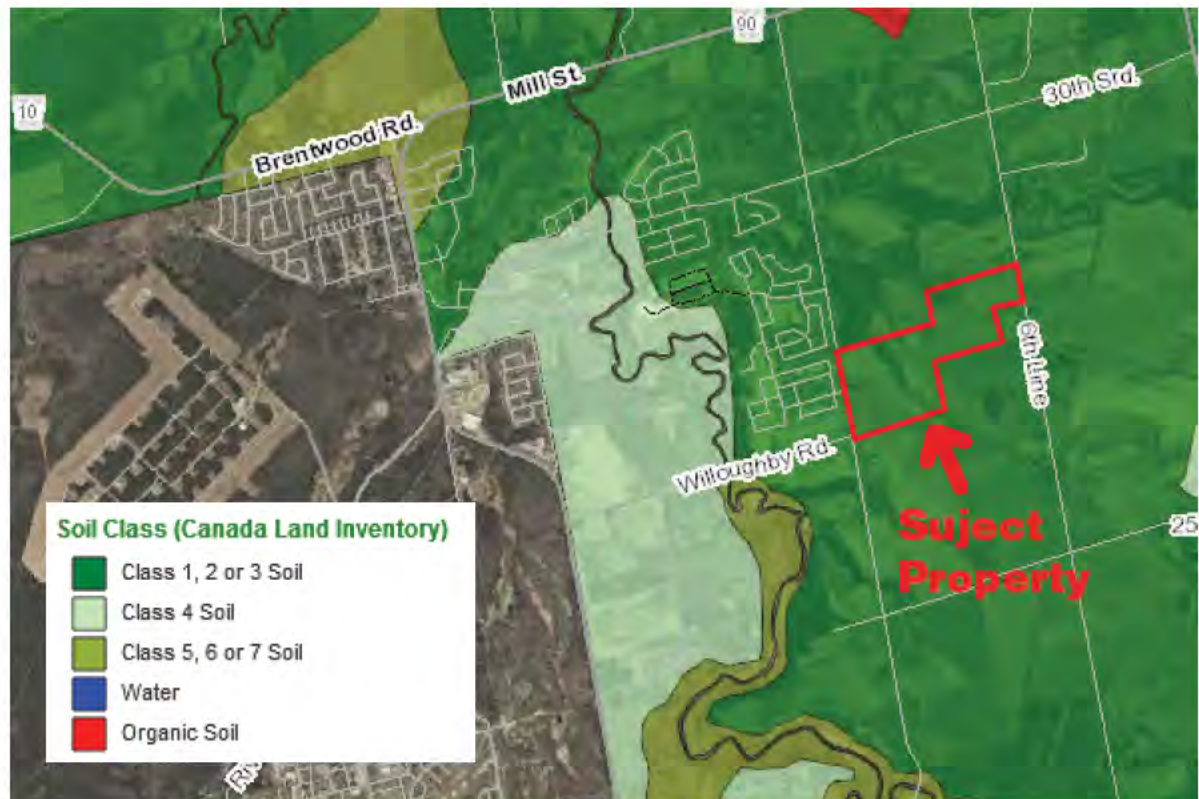


Figure 3 – Soil Class of Subject Properties

(based on County of Simcoe GIS Interactive Map data accessed via www.simcoe.ca/dot/it/ois/index.htm on February 26, 2013)

In accordance with the PPS and Growth Plan, municipalities are permitted to expand a Settlement Area into Prime Agriculture Lands subject to the satisfaction of certain criteria as outlined in Section 2.1 and Table 1 above.

5 Servicing

On March 27, 2012, the County of Simcoe Council adopted a motion supporting in principle the 'County of Simcoe Water and Wastewater Visioning Strategy (Draft – Feb 2012)' and directed County staff work with municipalities and government agencies to promote and facilitate the proposed partnerships, opportunities and recommendations contained within the report. With respect to the Township of Essa, the report found the following:



- “Based on the approved population growth indicated through the Simcoe County’s Official Plan, no future negative water servicing gaps are expected to occur as a result of the proposed development within this Municipality; and
- There is also no net servicing gap for future wastewater flows projected at the Angus Wastewater Treatment Plant, even if all the proposed Township 2031 growth was proposed to occur in Angus.”

While the report does not comment specifically on the Township’s capacity for growth beyond the 2031 timeline, information provided in Table 4.5.9.1 indicates there is a positive servicing gap for both water and wastewater that would permit additional growth. Township Planning Staff confirmed this in discussions related to servicing the settlement area of Angus.

Based on the location of existing servicing being located within the limits of Angus to the west of the subject properties, it is anticipated that development of the subject properties would occur from the westerly property fronting onto 5th Line.

6 Settlement Area Expansion Potential for Angus

The commentary below is a summary of our observations and considerations based on our findings and our assessment of the relevant documents reviewed to date. The consideration of a settlement area boundary expansion is a planning process that is subject to applicable Provincial plans and policies, as well as local municipal planning policies and requires extensive and sound justification. The commentary below should not be considered definitive in relation to the potential for an expansion of Angus, as the realization of this potential is political and requires the completion of a comprehensive review by the municipality based on several planning and engineering considerations. It is further noted, that this commentary is based on the assumption that land supply would be deficient and that an expansion of Angus would be required to accommodate anticipated growth. A detailed lands supply and growth management analysis is recommended to be undertaken to ascertain a better understanding of the land supply and basis for an expansion. However, the N. Barry Lyon Consultants Limited report provides some helpful insights in relation to these matters and should be reviewed in conjunction with the attached commentary.

The following represents a summary of physical or other constraints to the potential expansion of Angus.

West: The Canadian Forces Base Borden (CFB Borden) is located immediately to the west of Angus, which would limit any expansion of Angus to the west.

North: During the preparation of the current Township Official Plan (approved in 2001), the Township attempted to expand the settlement area boundary of Angus to include all land north of County Road 90. The County would not permit the expansion without a more comprehensive review to assess all options for expansion, include the lands to the east and south. The Township did not undertake the necessary comprehensive review



and the expansion never occurred. Landowners with development interests, including Solmar/Tesmar, have appealed the non-decision by County to approve or deny the Township's previous attempt to expand the settlement area. We understand that the landowners are pursuing a limited expansion north of County Road 90 to development lands for employment uses and have hired consultants to complete their own comprehensive review to justify this expansion. It is also noted that the lands to the north are entirely regulated by the NVCA (see Figure 2 above) and there are known ongoing problems associated with flooding in the area.

East and South: Based on our review of air photography, NVCA regulation mapping, and Schedules contained in the Township Official Plan and Zoning By-law, lands to the east and south are generally less constrained by natural heritage features than those lands to the north (See NVCA Regulated Area in Figure 2 above). It is also recognized that the soil classification may provide some consideration with regard to prioritizing areas in the south and east portions of the settlement area as these areas have lower prioritized soils (see Figure 3). However, it is recognized that should an expansion take place in the south, it is anticipated that it may accommodate employment uses given existing designations in the south west portion of Angus.

Utopia: The expansion of Angus towards the east to incorporate the residential enclave of Utopia located at the intersection of Sideroad 30 and 6th Line east would provide greater economies of scale for the Township servicing and infrastructure.

Barrie: Similar to Utopia, the proximity of Barrie to the east of Angus would provide additional support to expanding Angus in this direction where residents would have closer access to commercial and other services not available in Angus.

7 Capacity for Growth within Angus

The Township of Essa is forecasted to reach a population of 21,500 by the year 2031 based on Schedule 7 of the Growth Plan for the Greater Golden Horseshoe (2012). The draft Simcoe County Official Plan has been updated to reflect this forecast and the Township's Official Plan will need to be updated to be consistent with the County Plan, once it is approved at the OMB. Census data from Statistics Canada (<http://www.statcan.gc.ca/>) indicates a population of 18,505 in the Township of Essa for the year 2011, resulting in projected population growth of 2,995 people between the year 2011 and 2031. The Township expects the majority of this growth to occur in Angus; however, it has not yet undertaken the detailed land budgeting exercise needed to determine the actual capacity of Angus to accommodate this growth.

7.1 Township Preliminary Land Budget (Jan 2013)

A preliminary land budget was prepared by staff and presented to Council on January 16th 2013, as part of Staff Report PD004-13 (see Attachment 11). According to this preliminary land budget, the Township has the capacity to accommodate 2,222 units within Essa. This is further broken down in the preliminary land budget as follows:



Land Supply Type	Number of Units
[A] Units Already Approved in Angus:	1,517
[B] Units Proposed and subject to Approval:	112
[C] Potential and subject to future applications:	593
Total:	2,222

In a report prepared by Hemson Consulting for the County of Simcoe, titled “Simcoe County Land Budget: Revised & Expanded Technical Working Document Prepared for Local Municipalities and the County”, dated February 2010, a rate of 2.54 people per unit (ppu)¹ was used for the purpose of estimating household population capacity in the Township of Essa. Using this rate with the above land budget (2.54 * 2,222) the Township of Essa can accommodate an additional growth in population of 5,644 people. This is based on the Township’s assessment above. This results in an exceedance of the population forecast presently identified to 2031. The realization of further growth in relation to the population forecast must be considered through the existing Growth Plan policies for the Simcoe Sub Area or through a further allocation of population through GPA2, which is described above.

7.2 Absorption Rate

Through our discussion with Township staff we understand that there has been a steady historical range of 125 to 150 building permits for new homes being issued per year. The Preliminary Land Budget contained in the above noted staff report (PD004-13) has assumed an absorption rate of 150 units per year. Based on the preliminary land budget of 2,222 units and an absorption rate of 150 units per year, the Township has assumed there is approximately 14 to 15 years worth of land available for residential development.

7.3 Provincial Policy Implications

In accordance with the PPS, municipalities are required to make available sufficient lands to accommodate an appropriate range and mix of employment opportunities, housing, and other land uses to meet the projected needs for a time horizon of up to 20 years (Section 1.1.2). The preliminary land budget prepared by the Township indicates an insufficient supply of lands through intensification, redevelopment and designated growth areas. This forms the basis for completing a more detailed analysis, which may provide the impetus to consider a Settlement Area expansion in accordance with Provincial, Regional and local policies.

7.4 Minimum Distance Separation (MDS) from Livestock Facilities

As noted above, the new draft update of the PPS includes a new provisions stating that any settlement area expansion is in compliance with the Minimum Distance Separation (MDS) formulae (Section 1.1.3.8(d)). Based on a desktop review of satellite imagery and a site visit of the subject property and surrounding area, it would appear there are four to five farms operations in the vicinity that could result in land use compatibility issues result of MDS requirements. The specific nature of these farm operations is not known.

¹ The Hemson (2011) Rate of 2.54 ppu is based on a weighted average of 2.61 ppu for semi and single detached dwellings, 2.25 ppu for rowhouses, and 1.82 ppu for apartment buildings.



7.5 Council Direction to Undertake a Detailed Land Budget Exercise

Based on the preliminary land budget and absorption rate in the above noted staff report (PD004-13), staff recommended to Council a more detailed land budget exercise be initiated. On January 16th, 2013, Council adopted the following recommendation made by staff (Staff Report PD004-13):

“Be it resolved that Staff Report PD004-13 be received for information; and further; that the Township request its Official Plan Consultant to incorporate a review of lands including needs and supply into their on-going work on Essa’s Official Plan”

The Township has already retained the services of Ainley Group to review and update the Township’s Official Plan to bring it into conformity with recent changes to Provincial planning policy and the new County Official Plan. Based on discussion with Township staff, we understand that Ainley Group is delaying the update to the Official Plan until the County’s Official Plan is approved by the Ontario Municipal Board. It is unclear when the Ainley group will initiate or complete the additional work outlined in the above noted recommendation adopted by Council on January 16th, 2013.

7.6 Natural Heritage Constraints

Certain natural heritage constraints exist that may further impact the Township’s ability to accommodate future growth within existing Settlement Areas. First, the Township of Essa has initiated a Class Environmental Assessment (EA) to study the erosion hazard along a portion of the Nottawasaga River within the Settlement Area of Angus. It is our understanding that the erosion of the river bank in the study area (identified in Figure 4 below) is impacting existing homes along the river and preventing future phases of approved development from proceeding pending the completion of the Class EA.

Depending on the outcome of this EA, a portion of the homes accounted for in the Township’s preliminary land budget could be removed due to ongoing hazards associated with the erosion of the Nottawasaga River. Second, portions of the undeveloped land within the Settlement Area of Angus are regulated by the NVCA as illustrated in Figure 2 above. While this does not preclude future development of these lands, additional study will be required to delineate and appropriately protect any environmental features identified. This could reduce the total developable area of land within Angus and further reduce the quantum of land available to accommodate growth.



Figure 4 - Focus area of Class EA for Nottawasaga River Erosion Hazard Study

The detail land budget exercise to be undertaken by Ainley Group will further assess these natural heritage constraints.

8 Steps Required to Secure Planning Approval

Weston has prepared two Development Timeframe Tables (see Table 9 and 10) that should be read in conjunction with the contents of this report and the associated notes and assumptions on the tables. The tables represent a best case (Table 9) and worst case (Table 10) scenario based on an anticipated planning process. As previously noted, it is assumed that the 5th Line property will be developed first and would be subject to a faster timeframe compared to the 6th Line property. It is recognized that the timelines for each property will likely be different with the timeline for the 6th Line property being advanced following the inclusion of the 5th Line property within the settlement area of Angus.

The scenarios further assume that the subject lands are ultimately included in an expansion to the settlement area and are identified for urban land use permissions and assume that there are not any impediments from a policy, engineering, environmental, or growth management perspective.

These scenarios are based on known information at this time and must be considered based on the assumptions noted and described herein. Given the political nature of these processes and the extensive amount of technical, planning, and engineering analysis required to conduct a land budget exercise and settlement boundary expansion, Weston Consulting is not able to provide any certainty with regard to the realization of these timelines.





Table 9: Scenario 1 of 2: Best Case Development Timeframe (see Note 1, see Scenario 2 of 2: Worst Case Development Timeframe)

Process	DRAFT ONLY (For Discussion)	Approximate Duration of Process (years)	Cumulative Time (years)	
			Without GPA2 Exercise (see Note 2)	With GPA2 Exercise (see Note 3)
1	Simcoe Official Plan approved by OMB	1	1	1
2	Township Official Plan Review	2	2	2
a)	Ainley Group Land Budget Exercise (see Note 4)			
b)	Township Settlement Area Boundary Expansion Exercise (see Note 5)			
c)	Township Council adopts recommendation to expand boundary of Angus Settlement Area, seeks County approval and makes application to amend County OP (see Note 6)	2	4	4
3	County approval of Township OPA			
a)	Simcoe County approves Settlement Area expansion adopted by Township Council			
b)	Simcoe County amends County Official Plan to reflect Settlement Area Expansion	-	-	-
4	Township prepares Secondary Plan for Expansion Area (see Note 7)			
a)	Township staff prepare and Council adopts Secondary Plan			
b)	Simcoe approves Secondary Plan	2	0	6
5	Growth Plan Amendment 2 (GPA2) (see Note 8)			
a)	Simcoe County incorporates GPA2 into County OP			
b)	Township incorporates GPA2 into Township OP	1	5	7
6	Zoning By-law Amendment (see Note 9)			
7	Draft Plan of Subdivision (see Note 9)			

Notes & Assumptions:

1 - Assumes no third party appeal to OMB for Items 2, 3, 5, 6, and 7.

2- Assumes sufficient population and land requirement without extended forecast provided in GPA2;

3 - Assumes extended forecast provided in GPA2 is needed to justify Settlement Area expansion, or the County begins the process to incorporate GPA2 into County OP and mandates the Township OP Review address this extended forecast;

4 - Assumes Land Budget completed by Ainley Group adequately addresses requirements of land budgeting practice in Ontario

5 - Assumes proposed expansion satisfies requirements PPS, Growth Plan and Simcoe Official Plan for expanding boundary of Settlement Areas (e.g. Prime Agriculture, Natural Heritage, Intensification, Market Demand, Population Forecast, etc...).

6 - Assumes that Land Budget and OP Review outlined in Item 2(a) and 2(b) concludes population exceedance conforms to Growth Plan.

7 - Assumes no Secondary Plan process is required subsequent to Township OPA being approved by the County of Simcoe, based on an adequate policy framework being set out in the Township OPA.

8 - Assumes this process could be initiated anytime after Item 1 is completed.

9 - This assumes an aggressive processing time with all preparation and technical work completed in advance of Step 7 and assumes both applications (ZBA and Plan of Subdivision) are processed concurrently.





Table 10: Scenario 2 of 2: Worst Case Development Timeframe (see Note 1, see Scenario 1 of 2: Best Case Development Timeframe)

Process	DRAFT ONLY (For Discussion)	Approximate Duration of Process (years)	Cumulative Time (years)	
			Without GPA2 Exercise (see Note 2)	With GPA2 Exercise (see Note 3)
1	Simcoe Official Plan approved by OMB	2	2	2
2	Township Official Plan Review	4	4	4
a)	Ainley Group Land Budget Exercise (see Note 4)			
b)	Township Settlement Area Boundary Expansion Exercise (see Note 5)			
c)	Township Council adopts recommendation to expand boundary of Angus Settlement Area, seeks County approval and makes application to amend County OP (see Note 6)			
3	County approval of Township OPA	2	6	6
a)	Simcoe County approves Settlement Area expansion adopted by Township Council			
b)	Simcoe County amends County Official Plan to reflect Settlement Area Expansion			
4	Township prepares Secondary Plan for Expansion Area (see Note 7)	2	8	8
a)	Township staff prepare and Council adopts Secondary Plan			
b)	Simcoe approves Secondary Plan			
5	Growth Plan Amendment 2 (GPA2) (see Note 8)	3	0	11
a)	Simcoe County incorporates GPA2 into County OP			
b)	Township incorporates GPA2 into Township OP			
6	Zoning By-law Amendment (see Note 9)	2	10	13
7	Draft Plan of Subdivision (see Note 9)			

Notes & Assumptions:

1 - Assumes no third party appeal to OMB for Items 2, 3, 4, 5, 6, and 7.

2- Assumes sufficient population and land requirement without extended forecast provided in GPA2;

3 - Assumes extended forecast provided in GPA2 is needed to justify Settlement Area expansion, or the County begins the process to incorporate GPA2 into County OP and mandates the Township OP Review address this extended forecast;

4 - Assumes Land Budget completed by Ainley Group adequately addresses requirements of land budgeting practice in Ontario

5 - Assumes proposed expansion satisfies requirements PPS, Growth Plan and Simcoe Official Plan for expanding boundary of Settlement Areas (e.g. Prime Agriculture, Natural Heritage, Intensification, Market Demand, Population Forecast, etc...).

6 - Assumes that Land Budget and OP Review outlined in Item 2(a) and 2(b) concludes population exceedance conforms to Growth Plan.

7 - Assumes a Secondary Plan process is required subsequent to Township OPA being approved by the County of Simcoe, based on an adequate policy framework being set out in the Township OPA.

8 - Assumes this process could be initiated anytime after Item 1 is completed.

9 - Assumes preparation of ZBA and Plan of Subdivision applications are initiated in advance and submitted and processed concurrently.





9 Conclusion and Next Steps

A number of interrelated factors will affect the timing to secure planning approvals and develop the subject properties. While this memo has summarized many of the planning related factors, other factors such as the political environment of the Province, County and Township, will also play a pivotal role. The conclusions provided herein should be read in conjunction the qualifications made throughout this memo.

The community of Angus is a key growth area with a strong absorption rate. The subject lands are well serviced and well positioned geographically to be considered for inclusion as part of a future settlement area expansion of Angus. The timelines contained in Tables 9 and 10 provide a high level outline of the planning process to expand the Settlement Area of Angus and assume a further development approval process based on the assumptions noted herein. As previously noted, the settlement boundary expansion exercise is municipally driven process and significant amount of work is required before any expansion occurs.

It is recommended the following tasks be completed as part of further due diligence investigations and to better position the subject lands for future development:

- 1) Undertake additional and ongoing discussions with local Councillors and Mayor of Essa;
- 2) Meet with County, Township and NVCA staff to discuss natural heritage features on the subject properties and the ability to cross them;
- 3) Further investigate servicing and transportation;
- 4) Examine the surrounding farm operations and the implications of the MDS formulae;
- 5) Prepare an overall strategy for development and timelines with consultant team;
- 6) Further investigate implications of the regional market area demand and absorption in adjacent municipalities;
- 7) Monitor development activity and the OMB Appeal matter north of Angus;
- 8) Monitor and investigate implications of new PPS and Growth Plan policies in relation to settlement expansions, growth management, Minimum Distance Separation, and prime agricultural area policies;
- 9) Monitor approval and implementation of the new draft County Official Plan;
- 10) Monitor the working being undertaken to update the Township Official Plan; and
- 11) Monitor the land budget and settlement area expansion exercise currently being undertaken by the Township and undertake further independent analysis.

Attachments

This is Exhibit “F1” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)

Project Number	Invoice	Invoice Date	Total	Fees	Reimb.	Taxes
06185W-00 Angus	43700	1/1/2013	6,639.91	5,584.50	291.52	763.89
06185W-00 Angus	43921	2/1/2013	2,369.75	1,981.50	115.62	272.63
06185W-00 Angus	44107	3/1/2013	7,758.11	6,626.50	239.08	892.53
06185W-00 Angus	44294	4/1/2013	3,217.99	2,732.25	115.53	370.21
06185W-00 Angus	44492	5/1/2013	1,679.64	1,385.25	101.16	193.23
06185W-00 Angus	44679	6/1/2013	1,829.77	1,595.75	23.51	210.51
06185W-00 Angus	44890	7/1/2013	499.11	427.00	14.69	57.42
06185W-00 Angus	45062	8/1/2013	368.74	287.00	39.32	42.42
06185W-00 Angus	45255	9/1/2013	1,197.62	886.50	173.34	137.78
06185W-00 Angus	45464	10/1/2013	4,376.10	3,783.50	89.15	503.45
06185W-00 Angus	45647	11/1/2013	7,069.12	5,947.25	308.61	813.26
06185W-00 Angus	45851	12/1/2013	1,710.73	1,427.75	86.17	196.81
06185W-00 Angus	46053	1/1/2014	910.15	784.50	20.94	104.71
06185W-00 Angus	46303	2/1/2014	4,045.50	3,492.00	88.09	465.41
06185W-00 Angus	46451	3/1/2014	2,130.48	1,748.50	136.88	245.10
06185W-00 Angus	46699	4/1/2014	3,290.97	2,758.00	154.36	378.61
06185W-00 Angus	46939	5/1/2014	853.91	660.75	94.92	98.24
06185W-00 Angus	47177	6/1/2014	1,882.18	1,563.25	102.40	216.53
06185W-00 Angus	47332	7/1/2014	1,667.11	1,389.25	86.07	191.79
06185W-00 Angus	47648	8/1/2014	735.91	651.25	-	84.66
06185W-00 Angus	47850	9/1/2014	5,034.44	4,442.75	12.50	579.19
06185W-00 Angus	48120	10/15/2014	5,700.68	4,876.25	168.60	655.83
06185W-00 Angus	48316	11/1/2014	2,662.98	2,269.00	87.62	306.36
06185W-00 Angus	48582	12/1/2014	1,333.12	1,165.25	14.50	153.37
06185W-00 Angus	48793	1/15/2015	1,060.25	913.00	25.27	121.98
06185W-00 Angus	48977	2/1/2015	7,369.05	6,322.00	199.28	847.77
06185W-00 Angus	49143	3/1/2015	3,046.20	2,637.75	58.00	350.45
06185W-00 Angus	49397	4/1/2015	2,639.43	2,264.00	71.78	303.65
06185W-00 Angus	49601	5/1/2015	2,615.85	2,132.00	182.91	300.94
06185W-00 Angus	49814	6/1/2015	1,689.07	1,475.25	19.50	194.32
06185W-00 Angus	50080	7/15/2015	2,935.22	2,464.00	133.54	337.68
06185W-00 Angus	50519	9/10/2015	433.73	352.25	31.58	49.90
06185W-00 Angus	50640	10/1/2015	167.27	132.75	15.27	19.25
06185W-00 Angus	50942	11/1/2015	241.54	213.75	-	27.79
06185W-00 Angus	51144	12/1/2015	780.83	691.00	-	89.83
06185W-00 Angus	51601	2/1/2016	1,707.48	1,340.25	170.80	196.43
06185W-00 Angus	51838	3/10/2016	519.80	435.00	25.00	59.80
06185W-00 Angus	52156	4/15/2016	1,431.94	1,050.50	216.70	164.74
06185W-00 Angus	52337	5/1/2016	4,724.38	4,052.25	128.62	543.51
06185W-00 Angus	52606	6/1/2016	505.26	445.50	1.63	58.13
06185W-00 Angus	52962	7/1/2016	719.25	618.50	18.00	82.75
06185W-00 Angus	53183	8/1/2016	2,045.28	1,776.50	33.48	235.30
06185W-00 Angus	53368	9/1/2016	721.92	619.50	19.36	83.06
06185W-00 Angus	53788	10/1/2016	2,320.10	2,044.25	8.94	266.91
06185W-00 Angus	54019	11/1/2016	9,501.74	7,846.00	562.62	1,093.12
06185W-00 Angus	54294	12/1/2016	170.73	133.00	18.09	19.64
06185W-00 Angus	54551	1/1/2017	136.17	120.50	-	15.67
06185W-00 Angus	54898	2/1/2017	164.98	146.00	-	18.98
06185W-00 Angus	55177	3/1/2017	329.96	292.00	-	37.96
06185W-00 Angus	55459	4/1/2017	133.34	117.00	1.00	15.34
06185W-00 Angus	55705	5/1/2017	485.34	410.50	19.00	55.84

06185W-00 Angus	56113	6/1/2017	391.38	344.25	2.11	45.02
06185W-00 Angus	56535	7/1/2017	1,395.83	1,210.00	25.25	160.58
06185W-00 Angus	57203	9/25/2017	142.95	126.50	-	16.45
06185W-00 Angus	57555	10/5/2017	1,185.94	1,046.50	3.00	136.44
06185W-00 Angus	57856	11/15/2017	1,990.96	1,732.50	29.41	229.05
06185W-00 Angus	58750	2/15/2018	321.43	261.25	23.20	36.98
06185W-00 Angus	59030	3/15/2018	481.84	406.25	20.16	55.43
06185W-00 Angus	59314	4/2/2018	2,089.23	1,741.00	107.88	240.35
06185W-00 Angus	59669	5/1/2018	707.66	626.25	-	81.41
06185W-00 Angus	60094	6/15/2018	129.03	103.00	11.19	14.84
06185W-00 Angus	60481	7/3/2018	501.44	443.75	-	57.69
06185W-00 Angus	61099	9/3/2018	615.44	495.50	49.14	70.80
06185W-00 Angus	61350	10/1/2018	319.80	240.25	42.76	36.79
06185W-00 Angus	62242	12/3/2018	123.90	106.50	3.15	14.25
06185W-00 Angus	62525	1/15/2019	127.43	110.00	2.77	14.66
06185W-00 Angus	63180	3/1/2019	728.40	642.50	2.10	83.80
06185W-00 Angus	63792	5/1/2019	67.35	57.50	2.10	7.75
06185W-00 Angus	64118	6/1/2019	130.52	115.50	-	15.02
06185W-00 Angus	64439	7/1/2019	149.73	132.50	-	17.23
06185W-00 Angus	65222	9/1/2019	79.10	70.00	-	9.10
06185W-00 Angus	71030	12/1/2020	278.26	246.25	-	32.01
06185W-00 Angus	71598	2/1/2021	135.60	120.00	-	15.60
06185W-00 Angus	72015	3/1/2021	168.09	148.75	-	19.34
06185W-00 Angus	72978	5/3/2021	990.16	876.25	-	113.91
06185W-00 Angus	73457	6/1/2021	1,650.83	1,460.00	0.91	189.92
06185W-00 Angus	73799	7/2/2021	1,274.08	1,127.50	-	146.58
06185W-00 Angus	74207	8/1/2021	406.80	360.00	-	46.80
06185W-00 Angus	75005	9/1/2021	423.75	375.00	-	48.75
06185W-00 Angus	75478	10/1/2021	305.10	270.00	-	35.10
06185W-00 Angus	75906	11/1/2021	1,155.43	1,022.50	-	132.93
06185W-00 Angus	76140	12/1/2021	649.75	575.00	-	74.75
06185W-00 Angus	76815	1/4/2022	1,121.46	977.50	14.94	129.02
06185W-00 Angus	78423	4/5/2022	370.36	327.75	-	42.61
06185W-00 Angus	78923	5/3/2022	553.14	489.50	-	63.64
06185W-00 Angus	79925	7/5/2022	543.81	481.25	-	62.56
06185W-00 Angus	80978	9/7/2022	256.51	227.00	-	29.51
06185W-00 Angus	82629	12/6/2022	148.31	131.25	-	17.06
06185W-00 Angus	83165	1/4/2023	108.20	95.75	-	12.45
06185W-00 Angus	83694	2/7/2023	768.17	660.00	19.80	88.37
06185W-00 Angus	84420	3/7/2023	1,465.06	1,258.75	37.76	168.55
06185W-00 Angus	85785	6/6/2023	865.65	743.75	22.31	99.59
06185W-00 Angus	87017	8/8/2023	442.28	380.00	11.40	50.88
06185W-00 Angus	89044	12/4/2023	398.64	342.50	10.28	45.86
06185W-00 Angus	90194	3/1/2024	152.76	131.25	3.94	17.57
06185W-00 Angus	91213	5/6/2024	541.21	465.00	13.95	62.26
06185W-00 Angus	92186	7/3/2024	1,057.69	908.75	27.26	121.68
06185W-00 Angus	92922	8/7/2024	560.13	481.25	14.44	64.44
Total			146,030.72	124,204.50	5,026.16	16,800.06

This is Exhibit “G” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)

Exhibit G is 400 MB and has been removed for efficiency. Please contact the Monitor at A2A@alvarezandmarsal.com if you would like to receive a link to a shared drive to access.

This is Exhibit “G1” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)



WESTON CONSULTING

planning + urban design

Memo

To: Grayson Ambrose

From: Weston Consulting

File: 6185

Date: June 4, 2021

Re: *Fee for Due Diligence Report Update (2013)*

The following memorandum has been prepared to provide estimated planning fees and a timeline for your request for an update to the Due Diligence Report dated March 2013 prepared by Weston Consulting. Of particular importance to this Report update is the current County of Simcoe Municipal Comprehensive Review (MCR) and Township of Essa Official Plan Review (OPR) processes that are taking place and are required to be completed by July 2022. It is anticipated that the County of Simcoe and Township of Essa will release relevant documents that may impact future policies applicable to the subject lands.

Update Due Diligence Report

The following tasks are to be undertaken to update the Due Diligence Report:

- Review of all planning policy information pertaining to the site including the Provincial Policy Statement, the Growth Plan, the County of Simcoe Official Plan, the Township of Essa Official Plan and the Township of Essa Zoning By-law. Most of these policy documents have been updated since the Report was prepared;
- Review and update all Report sections, as needed, to provide updated and new information and include additional sections if needed;
- Monitor the County of Simcoe Municipal Comprehensive Review and Township of Essa Official Plan Review processes;
- Review the new/updated policy documents and background reports released as part of the County's MCR process and the Township's OPR process;
- Review updated information regarding servicing and land needs. The Township of Essa is currently preparing an Infrastructure Master Plan and the County is undertaking a Land Needs Assessment as part of their MCR process;
- Conduct discussions with County and Township Staff to discuss servicing, environmental constraints, land budget, recent development applications, etc.; and,
- Update the Development Timeframe Tables, which assume the lands are included in an expansion, provided in the Report.

Additional Considerations

The 2013 Due Diligence Report relied upon materials from other consultants including a Servicing Feasibility Study by Cole Engineering, an Environmental Constraints Analysis prepared by Beacon Environmental, a Soils Investigation by Terra Probe Environmental and

a Residential Market Assessment by N. Barry Lyon Consultants. It is anticipated that these reports may need to be updated subject to the information released by the County of Simcoe and Township of Essa in the coming months. We can assist with the coordination of quotes from sub-consultants and the review of sub-consultant's materials, if required.

Estimated Planning Fees

Due Diligence Report Update	\$8,000 – \$10,000
Monitoring	\$500 - \$1,000 per month
Additional Considerations	Fee Estimate to be provided if needed.

Timeline

We anticipate that the update to the Due Diligence Report will take approximately 4 – 6 months as it will rely on information from the County MCR and Township OPR processes, which we are actively monitoring, and the potential requirement to retain and work with sub-consultants.

This is Exhibit “H” referred to in the Affidavit of Grayson James Ambrose, sworn on December 13, 2024

Commissioner for Taking Affidavits (or as may be)



DA: 16 OCTOBER 2024

TO: ALL CO-OWNERS OF ANGUS MANOR PARK (the "PROPERTY")

RE: EXIT OFFER FOR THE PROPERTY

This is to officially inform all Co-owners of Angus Manor Park A2A Developments Inc. that an offer to purchase the property was received. **The details of the offer have been verified and are now ready to be presented to the Co-owners.**

As provided for in the Deed, all Co-owners of the property are required to pass a special resolution to accept this offer. A "Special Resolution" means a resolution approved by 66.6% or more of votes cast in person or proxy at a duly constituted meeting of Co-owners or any written resolution signed in one or more counterparts by Co-owners holding in the aggregate 66.6% or more of the UDIs in the Property.

The Facilitator calls for a Special Resolution to be passed through a written resolution to accept or reject this exit offer. The following documents are included in this correspondence to expedite the vote on the resolution:

1. **Overview of the Exit Offer** - this document provides the details of the offer received by the Facilitator for the consideration of all Co-owners.
2. **Form of Proxy** - Co-owners who wish to participate in the vote to pass the Special Resolution to accept or reject this offer are REQUIRED to fill in and sign this form and return it to the Facilitator via e-mail on or before the deadline.
3. **Direction to Pay** - should the Special Resolution to accept the offer pass, Co-owners are required to fill and sign this form to enable the Facilitator to send the sale proceeds to the correct bank account of each Co-owner at the appropriate time. This will hasten the disbursement process by cutting away the need for multiple correspondences.

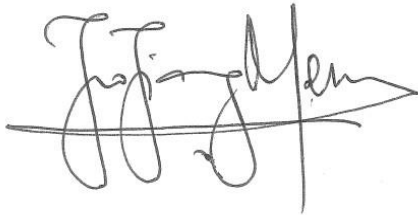
Please read the documents thoroughly as you consider the Exit Offer for the property. Once you have made a decision, fill in your vote and sign in the attached FORM OF PROXY.

You will be required to return the following documents to the FACILITATOR via e-mail to <PROVIDE RETURN EMAIL> on or before 12 NOVEMBER 2024:

- (1) **EXECUTED AND SIGNED FORM OF PROXY; AND**
- (2) **DIRECTION TO PAY**

Please ensure to return your Proxy Form before the set date of 12 November 2024 to ensure that your vote will count towards the Resolution.

Yours sincerely
Angus Manor Park A2A Developments Inc.

A handwritten signature in black ink, appearing to read 'Dirk Foo', with a long horizontal stroke extending to the right.

Dirk Foo
Facilitator

OVERVIEW OF THE EXIT OFFER

Exit Offer Received

The Facilitator of Angus Manor Park A2A Developments Inc. received an offer to purchase the property known as “ANGUS MANOR PARK”. **The offer is for the purchase of the property with an approximate size of 167 acres located in Essa Township, Ontario for the sum of CAD 14,000,000 over 4 years through a Vendor Take Back acquisition.**

Vendor Take Back, also known as VTB, is a type of financing arrangement in Canada that involves the seller of a property lending money to the buyer to help them purchase the property. In a vendor take back mortgage, the seller acts as the lender and accepts payments from the buyer over a specified period (source: Re/Max Canada). The project is represented by a total of 2,300 undivided fractional units also referred to as “UFIs” held by Co-owners.

After initial payments totaling CAD 3,000,000 (see schedule of deposit and payments below), the buyer proposes the final CAD11,000,000 payment be made after 48 months (4 years) from the closing date. The buyer also agrees to pay a 3% interest per annum payable yearly (in arrears) from closing date.

Offer to Purchase: CAD 14,000,000

Schedule of Deposit/Payments:

- Deposit 1: CAD150,000 (within 3 business days after acceptance via Special Resolution)
- Deposit 2: CAD350,000 (Upon completion of 60-day Due Diligence period, which starts on payment of the first deposit)
- Payment 1: CAD2,500,000 (Upon closing)
- Final Payment (2029): CAD 11,000,000

Interest Income: CAD 1,320,000

Year 1 (2026): CAD330,000
Year 2 (2027): CAD330,000
Year 3 (2028): CAD330,000
Year 4 (2029): CAD330,000

Less:

Costs related to the Sale

and disbursement costs: (CAD 2,922,688)

- Sales Commissions: (CAD 700,000)
- Legal Fees: (CAD 300,000)
- Admin/Distribution/Tax Filing Costs: (CAD 1,922,688)

Carrying Costs¹ (CAD 118,858)

Net Sale Proceed for

Disbursement to co-owners: CAD 12,278,454

¹ Includes Concept Planning and Legal Expenses; a Concept Planning Fund was initially set-up to cover the cost of the rezoning process, property taxes, etc. However, the actual incurred costs have exceeded the fund.

Upon acceptance and completion of the sale, you are entitled to receive a portion of the proceeds as an Undivided Fractional Interest owner. For every 1 UFI unit you own, you will receive CAD 5,338.46. Please note that this amount is subject to taxes that may be imposed by the Canadian government (see tax liability notes below). All amounts reflected are in Canadian Dollars (CAD).

Acceptance of the Offer

The Facilitator can only accept the Exit Offer after a Special Resolution is passed by the Co-owners to accept the offer. A “Special Resolution” means, a resolution approved by more than 66.6% of votes cast by email or by proxy or any written resolution signed in one or more counterparts by Co-owners holding more than 66.6% of the UFI’s in the property. **If you wish to accept the offer as a Co-owner, please ensure to return the completed Form of Proxy attached on or before 12 November 2024 via e-mail to <return email address>:**

Projected Timetable of Sale

Inclusive Dates	Activity
16 October – 12 November 2024	Voting by proxy/written resolution to obtain a Special Resolution to accept or reject the Exit Offer
12 November 2024	Submission Deadline for: Form of Proxy Direction to Pay
13 November – 15 November 2024	Verification, Audit and Tallying of votes received
15 November 2024	Passing of the Special Resolution based on votes (If a resolution is passed to accept the offer, the Facilitator will inform the buyer that the offer has been accepted by the Co-owners and to proceed with the 1 st deposit within 3 business days)
Commences from the receipt of first deposit and ends sixty days (60) days after	Due Diligence Period

Zoning Status of the Property

While other parties have shown interest in the property, this is the first and only bona fide offer the Facilitator received. Please note that the Concept Planning Fund held by Angus Manor Park A2A Developments Inc. has already been depleted. Hence, there is very limited resource to complete the rezoning process.

Tax Liabilities for Each Individual Co-owner

The Facilitator will take care of each Co-owner’s tax filing in Canada upon full payment by the buyer in 2029. The Co-owner may be required to pay 15% non-resident withholding tax on

real estate income levied in Canada. This 15% is calculated on the gain over the initial investment. Upon full payment in 2029, the Facilitator will also engage a Canadian tax professional to look at the possibility of withholding tax exemption and a quicker process to clear the sale proceeds. While there is no guarantee that a tax-free payment can be achieved but the Facilitator will exert its best effort to seek a tax professional to carefully assess the Co-owners' case.

Note: The above-mentioned taxation system is effective as of December 2023 and it may be subject to change in the future. However, since each Co-owner's tax profile is different, until a tax return is filed with the Canada Revenue Agency (CRA), tax rates cannot be confirmed.

Note: This Exit Offer, including the VTB arrangement, is subject to the final terms and conditions as may be stated in the Sale and Purchase Agreement and other relevant Closing documents.

FORM OF PROXY

Written Resolution of Co-owners of Angus Manor Park Property
October 2024

This Form of Proxy is solicited by, or on behalf, of Angus Manor Park A2A Developments Inc., in its capacity as the Facilitator of the property under the Co-owners Agreement ("Agreement") made between Angus Manor Park A2A Developments Inc., and each of the Co-owners of Angus Manor Park ("Property"). This Form of Proxy will be used to direct the course of action that the Facilitator will undertake in connection with the Exit Offer for the Property.

This Form of Proxy must be received no later than 12 November 2024. The Instructions accompanying this Form of Proxy are incorporated into and form part of this Form of Proxy.

The undersigned Co-owner hereby revokes any proxy previously given and appoints the Facilitator, as representative for each of such Co-owner's interest with full power of substitution, to act and vote for and on behalf of the undersigned in respect of passing a Special Resolution to accept/reject the Exit Offer.

FOR AGAINST

SALE OF THE PROPERTY
To approve by a special resolution the exit and sale of the property known as Angus Manor Park for the sale price of CAD 14,000,000 under a Vendor Take Back acquisition over 4 years.



Name of Registered Co-owner	No. of Units	Signature	Date

INSTRUCTIONS FOR COMPLETION OF FORM OF PROXY

1. This Form of Proxy should be read in conjunction with the accompanying information dated 16 October 2024 provided by the Facilitator.
2. This Form of Proxy must be signed and dated by the registered Co-owner, or by your attorney authorised in writing. A copy of such authorisation should accompany this Form of Proxy.
3. Where the undivided fractional interest(s) of the Property are held in the name of two or more persons, each person must sign and date.
4. If this Form of Proxy is not dated, it shall be deemed to bear the date on which it was received by the Operator.
5. The Undivided Fractional interest(s) in the Property and represented by this Form of Proxy will be voted FOR or AGAINST, as the case may be, in accordance with the instructions of the Co-owner specified in the Form of Proxy with respect to the matters referred to as SALE OF THE PROPERTY, therefore the Undivided Fractional Interest(s) will be voted accordingly. When a proxy is duly signed and dated but no choice is specified in the proxy, then the nominees named in the accompanying Form of Proxy will vote FOR the approval of such matter.
6. This Form of Proxy is valid only in respect of the Special Resolution proposed for the Exit Offer sent by the Facilitator dated 16 October 2024.
7. Please complete this Form of Proxy and return it to The Facilitator no later than 12 November 2024 by email to <return email address>.

DIRECTION TO PAY

To: The Facilitator of Angus Manor Park A2A Developments Inc.

Re: Distribution of Proceeds from the Sale of property known
as Angus Manor Park

Sale ID: _____

No. of Units: _____

Reference is made to your letter of 16 October 2024 regarding the distributions due to me from my Undivided Fractional Interests in Angus Manor Park A2A Developments Inc.

I, _____, hereby irrevocably authorise and direct the Facilitator to pay the full amount in Canadian Dollars into my bank account.

Details of my bank account are herewith provided below:

Name as in Bank Account	
Client Address as in Bank Account	
Bank Account No.	
Bank Name	
Bank Address	
Bank SWIFT Code	

Name of Registered Co-owner	Signature	Identification Number	Date

MICHAEL EDWARDS et al.

-and-

A2A CAPITAL SERVICES CANADA INC. et al.

Court File No. 2401-15969

COURT OF KING'S BENCH OF ALBERTA

CALGARY

AFFIDAVIT

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Angus Manor Park A2A GP Inc.

Angus Manor Park A2A Capital Corp.

Angus Manor Park A2A Developments Inc.

A2A Developments Inc.

RCP-F 4C (September 1, 2020)