

THIS ASSET AND REAL ESTATE PURCHASE AGREEMENT is made effective as of this ____ day of _____, 2021.

BETWEEN:

The Bowra Group Inc. in its capacity as court-appointed receiver of Kalco Investments Ltd., Kalco Farms Ltd. and certain lands owned by Michael Kalisvaart and Karen Jansen (collectively called the “Debtor”), and not in its personal capacity

(collectively, the “**Vendor**”)

- and -

(the “**Purchaser**”)

(each a “**Party**”, collectively the “**Parties**”)

ASSET AND REAL ESTATE PURCHASE AGREEMENT

WHEREAS:

- A. The Bowra Group Inc. was appointed as the receiver (the “**Receiver**”) of certain of the assets, undertakings and properties of the Debtor, pursuant to an order made by the Court of Queen’s Bench of Alberta on January 14, 2021, (the “**Receivership Order**”) in Court File Number 2003 15829 (the “**Receivership Proceedings**”), which order remains in full force and effect;
- B. The Receivership Order authorizes the Receiver to market any or all of the property and business of the Debtor and negotiate such terms as the Receiver deems appropriate;
- C. The assets, undertakings and properties of the Debtor of which the Vendor is the Receiver includes the entire right, title and interest of the Debtor in and to the Purchased Assets;
- D. The Parties desire that the Vendor sell, assign, transfer, convey and deliver to the Purchaser all of the right, title and interest of Vendor in and to the Purchased Assets and that the Purchaser pay to the Vendor the Purchase Price upon the terms and subject to the conditions of this Agreement; and
- E. The transaction contemplated by this Agreement is subject to the approval of the Court and will be completed in accordance with the Approval and Vesting Order to be granted by the Court in the Receivership Proceedings.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties agree as follows:

ARTICLE 1 – INTERPRETATION

1.1 Defined Terms

As used in this Agreement, the following terms have the following meanings:

"Agreement" means this Asset and Real Estate Purchase Agreement and all schedules and instruments in amendment or confirmation of it.

"Ancillary Agreements" means all agreements, Auction Terms, assignments, bills of sale, certificates and other instruments delivered or given pursuant to or otherwise in connection with this Agreement.

"Approved Tenancies" means those current tenancies in relation to the Purchased Assets, if any, which the Purchaser agrees to assume.

"Auctioneer" means GD Auctions & Appraisals and all of its employees, agents and representatives.

"Authorization" means any order, permit, notice, approval, waiver, license, consent or similar authorization of any Governmental Entity having jurisdiction over or any other Person or pursuant to any Laws or pursuant to any contract, lease or agreement.

"Business Day" means any day of the year, other than a Saturday, Sunday or statutory holiday in the Province of Alberta.

"Chattels" means all of the chattels, furniture and equipment located on the Lands as set out in Schedule "B" hereto.

"Closing" means the completion of the transaction of purchase and sale contemplated in this Agreement and the delivery by the Vendor to the Purchaser of the Receiver's Certificate, certifying completion of the aforementioned transaction to the satisfaction of the Vendor.

"Closing Date" means the day that is twenty (20) Business Days following the day which the Court Order is issued by the Court, or such other date that the Parties may mutually agree upon in writing.

"Court" means the Court of Queen's Bench of Alberta.

"Court Order" means a Sale Approval and Vesting Order granted by the Court in the Receivership Proceedings approving the sale of the Purchased Assets pursuant to this Agreement, substantially in the form attached as Schedule "C" hereto.

"En Bloc Terms and Conditions" means the terms and conditions attached to this Agreement as Schedule "E".

"Government Entity" means any federal, provincial, state, municipal, local or other government or public department, court, commission, board, bureau, agency or instrumentality, domestic or foreign, any subdivision or authority of any of the foregoing, or any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

"GST" means all goods and services taxed applicable on the sale of assets contemplated in this Agreement imposed by the *Excise Tax Act*, RSC 1985, C-15.

"Kalco Unreserved Auction Terms and Conditions" means the terms and conditions attached to this Agreement as Schedule "D".

"Lands" means those lands described in Schedule "A" hereto, together with all buildings and improvements thereon.

"Laws" means any and all applicable laws including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or ministerial or departmental or regulatory judgments, orders, decisions, ruling or awards and general principles of common and civil law and equity, binding on or affecting the Person referred to in the context in which the word is used in such laws.

“Lien” means any security interest, lien (statutory or otherwise) or other encumbrance of any kind or nature whatsoever, mortgage, deed of trust, trust or deemed trust, security agreement, pledge, hypothecation, assignment, deposit arrangement, claim, charge, rights of others, financing statement or preferential arrangement of any kind or nature whatsoever, including any conditional sale or other title retention agreement, or any other arrangement or condition which, in substance, secures payment or performance of an obligation.

“Losses” means in respect of any matter, all claims, demands, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including, without limitation, all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) arising directly or indirectly as a consequence of such matter.

“Permitted Encumbrances” means:

- (a) any Liens set out in Schedule “A” hereto;
- (b) any Liens implied by law; and
- (c) any non-financial obligations currently registered on the title to the Lands, such as easements, subdivision agreements, site plan control agreements, utility rights-of-way, covenants and conditions that are commonly found registered against lands of this nature.

“Person” means a natural person, partnership, limited partnership, corporation, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning, as the context may require.

“Purchased Assets” means collectively the entire right title and interest of the Debtor in and to the Lands and the Chattels (if any).

“Purchase Price” has the meaning specified in Article 3.1.

“Realtor” means Colliers Macaulay Nicolls Inc. and all of its employees, agents and representatives.

“Receiver’s Certificate” means the certificate, substantially in the form attached as Schedule “A” to the Sale Approval and Vesting Order which is attached as Schedule “C” to this Agreement, to be delivered by the Vendor to the Purchaser on Closing and thereafter filed by the Vendor with the Court certifying that the conditions of Closing have been satisfied and/or waived by the Vendor and the Purchasers (as applicable) and that the transaction has been completed to the satisfaction of the Vendor.

1.2 Gender and Number

Any reference in this Agreement or any Ancillary Agreement to gender includes all genders and words importing the singular number only shall include the plural and vice versa, as the context may require.

1.3 Headings

The division of this Agreement into Articles and the insertion of headings are for convenience of reference only, will not be deemed to be a part of this Agreement, and will not be referred to in connection with the construction and interpretation of this Agreement.

1.4 Currency

All references in this Agreement or any Ancillary Agreement to dollars, unless otherwise specifically indicated, are expressed in Canadian currency.

1.5 Certain Phrases

In this Agreement and any Ancillary Agreement:

- (a) the words "including" and "includes" mean "including (or includes) without limitation";
- (b) the phrase "the aggregate of, "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum)", without duplication of; and
- (c) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

1.6 Incorporation of Schedules

The following Schedules shall, for all purposes of this Agreement, form an integral part of it:

<u>Schedule</u>	<u>Description</u>
Schedule "A"	Lands and Permitted Encumbrances
Schedule "B"	Chattels
Schedule "C"	Court Order
Schedule "D"	Kalco Unreserved Auction Terms and Conditions
Schedule "E"	En Bloc Terms and Conditions

ARTICLE 2 – PURCHASED ASSETS

2.1 Purchased Assets

Subject to the terms and conditions of this Agreement, effective as of the Closing Date, the Vendor agrees to sell, assign and transfer to the Purchaser, free from any and all Liens, excepting Permitted Encumbrances, and the Purchaser agrees to purchase from the Vendor as of the Closing Date, all of the Vendor's right, title and interest in and to the Purchased Assets subject to the Permitted Encumbrances.

ARTICLE 3 - PURCHASE PRICE

3.1 Purchase Price and Allocation

As consideration for the Purchased Assets, the Purchaser will pay to the Vendor the sum of \$_____ plus GST as set out in Article 3.4 hereof.

3.2 Deposit

The Purchaser shall pay to the Vendor, or its legal representative, a non-refundable deposit in the amount of 25% of the Purchase Price (the "**Deposit**"), to be satisfied by delivery of a certified cheque, bank draft or wire transfer.

The Deposit shall be held in trust by either the Vendor or its counsel, for both the Vendor and the Purchaser, and:

- (a) shall be forthwith refunded to the Purchaser if any condition precedent in favour of the Purchaser, as set out in Article 7.1 is not satisfied or waived by the date specified in the respective Article or the Vendor fails to perform its obligations under this Agreement.
- (b) shall be forfeited to the Vendor if the conditions precedent in favour of the Purchaser, as set out in Article 7.1 and the conditions precedent in favour of the Vendor as set out in Article 7.2 have been satisfied or waived by the date specified in the respective Articles and Closing does not occur as a result of the Purchaser failing to perform its obligations under this Agreement, as liquidated damages and a genuine pre-estimate of damages by the Vendor in connection with Closing not occurring, and not as a penalty.

3.3 Adjustments

Adjustments shall be made as of the Closing Date and shall be paid on the Closing Date pursuant to this Article 3.3.

The Vendor shall be responsible for all expenses and entitled to all revenue accrued from the Purchased Assets for that period ending on 11:59 pm (MDT) on the day prior to the Closing Date. The Purchaser shall receive all of the revenue and be responsible for all of the expenses in respect of the Purchased Assets from the Closing Date and all time thereafter. A statement of adjustments (including post-Closing adjustments, if any) shall be delivered to the Purchaser by the Vendor at least five (5) Business Days prior to the Closing Date.

The adjustments shall include utilities (to the extent such meters have not been read on Closing as aforesaid), and utilities deposits, taxes (including realty and business taxes) and other adjustments established by the usual practice in Alberta. In addition, the adjustments shall include the other matters referred to in this Agreement, which are stated to be the subject of adjustments and shall exclude other matters in this Agreement, which are stated not to be the subject of an adjustment. Without limiting the foregoing, the Vendor and Purchaser agree that:

- (a) The Vendor shall be responsible and shall pay (and same shall be shown as an adjustment in favour of the Purchaser on the statement of adjustments if unpaid by Closing), realty and business taxes accrued in respect of or for the period prior to the Closing Date, and the Parties agree as follows:
 - (i) at the Closing Date, to adjust the realty and business taxes on the basis of the 2020 property assessment issued by the County of Sturgeon; and
- (b) any amounts adjusted in favour of the Purchaser shall be and become the responsibility of the Purchaser to pay and the Purchaser covenants and agrees to do and to fully, finally, and absolutely indemnify and save the Vendor harmless therefrom. It is agreed that no adjustments shall be made with respect to insurance premiums for any period after the Closing. The Purchaser shall not assume the Vendor's insurance policies. Until the Closing Date, the Vendor shall maintain insurance on the Purchased Assets in such amounts as a careful and prudent owner of similar property and premises would maintain.

3.4 Payment of Sales Tax and Registration Charges on Transfer

The Purchaser shall be liable for and shall pay all federal and provincial sales taxes and all other taxes, duties, registration charges or other like charges properly payable by a buyer upon and in connection with the conveyance and transfer of the Purchased Assets by the Vendor to the Purchaser.

The Purchaser and the Vendor agree that if GST is exigible on this transaction then, subject as is herein provided, it is the Vendor's obligation to collect the GST or other sales taxes, and the Purchaser's obligation to pay the GST and other sales taxes on Closing. The Purchaser and the Vendor acknowledge and agree that the Purchase Price and all other amounts referenced herein are exclusive of GST and other applicable sales taxes.

The Purchaser covenants and agrees that on Closing it shall either:

- (a) provide to the Vendor a GST declaration and indemnity executed by the Purchaser named herein; or
- (b) pay, in addition to the Purchase Price concurrently with the Purchase Price, by wire transfer, payable to the Vendor, or as otherwise directed by the Vendor, the amount of the GST exigible on this transaction.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES OF THE VENDOR

4.1 Representations and Warranties.

The Vendor represents and warrants as follows to the Purchaser and acknowledges and confirms that the Purchaser is relying upon the representations and warranties in connection with the purchase by the Purchaser of the Purchased Assets:

- (a) Residence. The Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act (Canada)*.
- (b) No Other Agreements to Sell the Purchased Assets. Except for the Purchaser under this Agreement, no Person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase from the Vendor of any of the Purchased Assets.
- (c) Receivership Order. The Receivership Order is in full force and effect.

ARTICLE 5 - REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

5.1 Representations and Warranties of the Purchaser

The Purchaser represents and warrants as follows to the Vendor and acknowledges and confirms that the Vendor is relying upon the representations and warranties in connection with the sale by the Vendor of the Purchased Assets:

- (a) Kalco Unreserved Auction Terms and Conditions and En Bloc Terms and Conditions. The Purchaser has read the Kalco Unreserved Auction Terms and Conditions attached to this Agreement as Schedule "D" and the En Bloc Terms and Conditions attached to this Agreement as Schedule "E", understands them, and covenants and agrees to be bound by them.
- (b) Due Incorporation and Corporate Power. The Purchaser is a corporation incorporated and existing under the laws of the jurisdiction of its incorporation and has the corporate power and authority to enter into and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is a Party.

- (c) Foreign Ownership of Land Regulations (Alberta). The Purchaser is legally eligible to purchase the Purchased Assets if they are "controlled land" as defined in the Foreign Ownership of Land Regulations (Alberta).
- (d) Investment Canada Act. The Purchaser is not a non-Canadian within the meaning of the Investment Canada Act.
- (e) GST Registrant. The Purchaser is registered pursuant to the *Excise Tax Act* (Canada) for GST purposes and shall provide to the Vendor on or before Closing the GST registration number of the Purchaser and a GST declaration and indemnity as required by Article 3.4. The Purchaser is GST registrant # _____.
- (f) Validity of Agreement. The execution, delivery and performance by the Purchaser of this Agreement and each of the Ancillary Agreements to which it is a Party:
 - (i) have been duly authorized by all necessary corporate or limited liability company, as applicable, action on the part of the Purchaser;
 - (ii) do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a breach or a violation of, or conflict with, any of the terms or provisions of its constating documents or by-laws or any material contracts or material instruments to which it is a Party or pursuant to which any of its assets or property may be affected; and
 - (iii) will not result in the violation of any Laws with the result that it would adversely affect the transactions contemplated hereby.
- (g) Required Purchaser Authorizations. There is no requirement on the part of the Purchaser to make any filing with, give any notice to, or to obtain any Authorization of, any Governmental Entity as a condition to the lawful completion by the Purchaser of the transactions contemplated by this Agreement, except for those filings, notifications and Authorizations that relate solely to the identity of the Purchaser.

ARTICLE 6 -COVENANTS OF THE PARTIES

6.1 Transfer of the Purchased Assets

Subject to satisfaction or waiver of the conditions contained in Article 7.1 and Article 7.2 by the respective dates set out in those Articles, the Vendor and the Purchaser will use commercially reasonable efforts to obtain the Court Order.

6.2 "As is, Where Is"

The Purchaser acknowledges, agrees and confirms that:

- (a) subject only to the representations and warranties of the Vendor set out in this Agreement, it is entering into this Agreement and acquiring the Purchased Assets on an "as is, where is" basis as existing as of the Closing Date and will accept the Purchased Assets in their state, condition, and location as of the Closing Date and the sale of the Purchased Assets is made without legal warranty;
- (b) The term "as is where is" shall include, without limitation:
 - (i) the condition, as at the Closing Date, of the Purchased Assets;

- (ii) title to the Purchased Assets and to any improvements on the Purchased Assets;
 - (iii) the status of any outstanding work orders, deficiency notices and compliance requests; and
 - (iv) the status and nature of any Permitted Encumbrances and any outstanding requirements which have been or may in the future be issued by any Governmental Entity;
- (c) it has conducted to its satisfaction such independent searches, investigations and inspections of the Purchased Assets as it deemed appropriate, and based solely thereon, has determined to proceed with the transaction contemplated by this Agreement;
- (d) except as expressly stated in Article 4.1 of this Agreement, neither the Vendor, the Realtor, the Auctioneer or any of their respective representatives, have made any representations, warranties, statements or promises, express or implied, statutory or otherwise, concerning the Purchased Assets, the right, title or interest of the Vendor in or to the Purchased Assets, including with respect to merchantability, physical or financial condition, description, zoning, environmental or geotechnical condition, soil and sub-soil types, existence of latent defects, quality, quantity or any other thing affecting any of the Purchased Assets or in respect of any other matter or thing whatsoever, including any and all conditions, warranties or representations expressed or implied pursuant to any Law in any jurisdiction, which the Purchaser confirms do not apply to this Agreement and are hereby waived in their entirety by such Purchaser;
- (e) without limiting the generality of the foregoing, except as expressly stated in Article 4.1 of this Agreement, the Vendor, the Realtor, the Auctioneer, any of their respective representatives, and any other Person has not made any representations or warranty as to any regulatory approvals, licenses, permits, consents or authorizations that may be needed to complete the transactions contemplated by this Agreement and the Purchaser is relying entirely on its own investigation, due diligence and inquiries in connection with such matters;
- (f) all written and oral information obtained from the Vendor, the Realtor, the Auctioneer, any of their respective representatives, and any other Person, including marketing material, asset listings, reports, plans, surveys, agreements, confidential information memorandum or other documents made available to the Purchaser with respect to the Purchased Assets have been obtained for the convenience of such Purchaser only, and the Vendor, the Realtor and the Auctioneer and any of their respective representatives have made no representation or warranty, express or implied, statutory or otherwise as to the accuracy or completeness of any such information;
- (g) except in respect of a breach by the Vendor of any of its covenants or obligations under this Agreement, the Purchaser hereby agrees to and shall discharge and release each of the Vendor, The Bowra Group Inc. in its capacity as court appointed receiver of the Debtor, the Realtor and the Auctioneer, and their respective affiliates, shareholders, officers, directors, employees and agents from any action, liabilities, demands, claims, remediation cost recovery claims, losses, damages, orders, fines, penalties, costs and expenses (including without limitation, legal fees and disbursements on a solicitor and own client full indemnity basis) whenever occurring or caused which the Purchaser has, may have or will have arising from or in any way related to: (i) any warranty, express or implied, legal or conventional, of any kind, type, including warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability claims of every kind and type, including claims regarding defects, whether or not

discoverable or latent, product liability claims or similar claims or (ii) anything contained in or omitted from any marketing material, reports, plans, surveys, agreements, certificates or any other documents prepared by third parties and provided to the Purchaser by the Vendor in connection with this Agreement or the Purchased Assets.

The Parties acknowledge and agree that this Article 6.2 shall survive Closing, shall not merge on the Closing Date and is deemed incorporated by reference in all closing documents and deliveries.

6.3 Contracts

Except for the Permitted Encumbrances, the Purchaser shall not be obligated to assume any existing contracts and agreements in respect of the ownership, maintenance, repair, operation, servicing, construction, remediation, management or any other aspect of the Purchased Assets and the Vendor shall terminate any such contracts as of the Closing Date to the extent that they are applicable to the Purchased Assets.

6.4 Actions to Satisfy Closing Conditions

- (a) The Purchaser agrees to take all such actions as are within its power to control and use commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Article 7.1 for the benefit of the Purchaser.
- (b) The Vendor agrees to take all such actions as are within its power to control and use commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Article 7.2 for the benefit of the Vendor.

6.5 Registration

The Purchaser covenants and agrees that it shall not at any time prior to the conveyance of the Purchased Assets to the Purchaser, register or permit or cause to be registered on the title to the Lands, this Agreement or a notice, transfer, or assignment thereof, or a caveat.

6.6 Vacant Possession and Risk

- (a) Vacant Possession. The Vendor covenants that, on Closing, vacant possession of the Purchased Assets shall be given to the Purchaser, subject only to any Approved Tenancies, if any, and the Permitted Encumbrances.
- (b) Risk. The Purchased Assets shall remain the risk of the Vendor until the date of actual possession and Closing of this transaction. If the Purchased Assets are damaged substantially on or prior to the Closing Date, then by notice to the Vendor to be given within five (5) days from the date of such damage, the Purchaser may either:
 - (i) elect to terminate this Agreement; or
 - (ii) elect to take the insurance proceeds which are available to the Vendor and to then complete the transaction.

If the Purchaser elects to terminate this Agreement, the Deposit, together with any interest thereon shall be returned to the Purchaser on demand.

ARTICLE 7 -CONDITIONS OF CLOSING

7.1 Conditions for the Benefit of the Purchaser

The purchase and sale of the Purchased Assets is subject to the following conditions to be fulfilled or performed by the Purchaser on the dates set out below, which conditions are for the exclusive benefit of the Purchaser and may be waived, in whole or in part, by the Purchaser in its sole discretion:

- (a) Truth of Representations and Warranties. The representations and warranties of the Vendor contained in this Agreement or in any Ancillary Agreement shall be true and correct as at the Closing Date.
- (b) Performance of Covenants. The Vendor shall have fulfilled or complied with, in all material respects, all covenants contained in this Agreement and in any Ancillary Agreement to be fulfilled or complied with by the Vendor at or prior to the Closing.
- (c) Deliveries. The Purchaser shall have received the following in form and substance satisfactory to the Purchaser, acting reasonably at or prior to Closing:
 - (i) any court orders, deeds, bills of sale, conveyances, certificates of title, assurances, transfers and assignments and any other instruments that may be reasonably required to transfer the Purchased Assets to the Purchaser, including the Receiver's Certificate.

7.2 Conditions for the Benefit of the Vendor

The purchase and sale of the Purchased Assets is subject to the following conditions to be fulfilled or performed at or prior to the Closing, which conditions are for the exclusive benefit of the Vendor and may be waived, in whole or in part, by the Vendor in its sole discretion:

- (a) Court Approval. On or before _____, 2021, the Court Order required to give effect to the terms of this Agreement including the transfer of the Purchased Assets to the Purchaser (or its nominee) free and clear of all Liens, excepting Permitted Encumbrances, shall have been granted by the Court and no stay of proceedings in respect of the Court Order, or filed appeal thereto shall be in effect as of the Closing Date.
- (b) Truth of Representation and Warranties. The representations and warranties of the Purchaser contained in this Agreement or in any Ancillary Agreement shall be true and correct as at the Closing Date and the Purchaser shall have delivered a certificate signed by a senior officer on its behalf to that effect.
- (c) Performance of Covenants. The Purchaser shall have fulfilled or complied with in all material respects all covenants contained in this Agreement and in any Ancillary Agreement to be fulfilled or complied with by it at or prior to Closing and the Purchaser shall have delivered a certificate signed by a senior officer on its behalf to that effect.
- (d) Deliveries. The Vendor shall have received the following in form and substance satisfactory to the Vendor, acting reasonably:
 - (i) certified copies of all resolutions of the board of directors of the Purchaser approving the entering into and completion of the transactions contemplated by this Agreement and the Ancillary Agreements;

- (ii) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by appropriate government official of the jurisdiction of its incorporation;
- (iii) the certificates referred to in Article 7.2(b) and Article 7.2(c); and
- (iv) such other documents, instruments and certificates as the Vendor may reasonably request in connection with the transactions contemplated by this Agreement.

ARTICLE 8 -CLOSING

8.1 Date, Time and Place of Closing

The completion of the transaction of purchase and sale contemplated by this Agreement shall take place at the offices of Miller Thomson LLP at 2700, 10155 – 102 Street, Edmonton, Alberta, at 12:00 p.m. (MDT) on the Closing Date or at such other place, on such other date and at such other time as may be agreed upon in writing between the Vendor and the Purchaser.

8.2 Closing Procedures and Deliverables

Subject to satisfaction or waiver by the relevant Party of the conditions of closing, at the Closing, the Vendor shall deliver actual possession of the Purchased Assets and the instruments of conveyance described in Article 7.1 and a statement of adjustments to the Purchaser and upon such deliveries the Purchaser shall pay the balance of the Purchase Price in accordance with Article 3.1 and deliver to the Vendor those documents described in Article 7.2. Upon Closing, the transfer of possession of the Purchased Assets shall be deemed to take effect at the Closing Date.

It is understood and agreed that the Purchaser shall take title subject to the Permitted Encumbrances, as contemplated by the Court Order and any further Order or amendment by the Court or an Appeal Court.

The Purchaser shall be responsible for the cost of registering all conveyances necessary to convey the Lands to the Purchaser.

8.3 Discharges

Except as otherwise expressly provided for in this Agreement, the Purchaser shall not call for the production of any title deed, abstract or other evidence of title to the Lands except to the extent that such are in the possession and control of the Vendor.

ARTICLE 9 -SURVIVAL

9.1 Survival of Representations and Warranties

The representations and warranties contained in this Agreement and in all Ancillary Agreements shall survive the Closing, notwithstanding the Closing nor any investigation made by or on behalf of the Party entitled to the benefit thereof or any knowledge of such Party.

ARTICLE 10 -POST-CLOSING COVENANTS

10.1 Further Assurances

From time to time after the Closing Date, each Party shall at the request of any other Party execute and deliver such additional conveyances, transfers and other assurances, and do any and all things, as may be reasonably required to effectively transfer the Purchased Assets to the Purchaser and carry out the intent of this Agreement and any Ancillary Agreement.

ARTICLE 11 -MISCELLANEOUS

11.1 Termination

This Agreement may be terminated and abandoned at any time prior to the Closing Date:

- (a) by mutual written consent of the Parties;
- (b) by the Purchaser, if any of the conditions set forth in Article 7.1 have not been satisfied, complied with or performed and such nonsatisfaction, noncompliance or non-performance has not been cured or eliminated (or by its nature cannot be cured or eliminated) on or before the respective date specified in the Article; or
- (c) by the Vendor, if:
 - (i) the conditions set forth in Article 7.2 have not been satisfied, complied with or performed and such nonsatisfaction, noncompliance or non-performance has not been cured or eliminated (or by its nature cannot be cured or eliminated) on or before the respective date specified in the Article ; or
 - (ii) the Purchaser has not tendered the Deposit in accordance with Article 3.2 of this Agreement and the Auction Terms.

In the event of termination of this Agreement by either the Purchaser or the Vendor as set out herein, the terminating Party must give prompt written notice thereof to the non-terminating Party.

In the event of the termination or abandonment of this Agreement pursuant to the provisions of Article 11.1 (a) or by the Purchaser pursuant to the provisions of Article 11.1 (b) or by the Vendor pursuant to the provisions of Article 11.1 (c), this Agreement thereafter shall become void and have no effect (other than those provisions which specifically survive the termination of this Agreement); provided, however, that: (i) if this Agreement is terminated by the Purchaser pursuant to the provisions of Article 11.1(b) and the failure of any such condition set out in Article 7.1 to be satisfied, complied with or performed results from a breach by the Vendor of any of its covenants, agreements or obligations hereunder, then the Vendor shall be liable to the Purchaser for all Losses suffered or incurred by the Purchaser as a result thereof; and (ii) if this Agreement is terminated by the Vendor pursuant to the provisions of Article 11.1(c) and the failure of any such condition set out in Article 7.2, Article 3.2 or the Auction Terms to be satisfied, complied with or performed results from a breach by the Purchaser of its covenants, agreements or obligations hereunder, then the Purchaser shall be liable to the Vendor for all Losses suffered or incurred by the Vendor as a result thereof.

11.2 Notices

Any notice, direction or other communication given under this Agreement or any Ancillary Agreement shall be in writing and given by delivering it or sending it by facsimile, email or other similar form of recorded communication addressed:

11.2.1 to the Vendor at:

The Bowra Group Inc.

1411 TD Tower
10088 – 102 Avenue
Edmonton, Alberta, T5J 2Z1

Attention: Kristin Gray
Fax: 780-705-1946
Email: kgray@bowragroup.com

with a copy to:

Miller Thomson LLP
2700, 10155 – 102 Street
Edmonton, Alberta T5J 4G8

Attention: Ms. Susy Trace
Fax: 780-424-5866
Email: strace@millerthomson.com

11.2.2 to the Purchaser at:

Attention: _____
Fax: _____
Email: _____

with a copy to:

Attention: _____
Fax: _____
Email: _____

Any such communications shall be deemed to have been validly and effectively given:

- (a) if personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (MDT) and otherwise on the next Business Day, or
- (b) if transmitted by facsimile, email or similar means of recorded communication, immediately upon being transmitted. Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

11.3 Time of the Essence

Time shall be of the essence of this Agreement.

11.4 Counsel

The Purchaser and Vendor agree that this Agreement and all of the transactions occurring or potentially occurring thereby are the product of an arm's length negotiation between sophisticated businesspeople represented by counsel.

11.5 Brokers

The Vendor shall indemnify and save harmless the Purchaser from and against any and all claims, losses and costs whatsoever for any commission or other remuneration payable or alleged to be payable to the Realtor. The Purchaser shall indemnify and save harmless the Vendor from and against any and all claims, losses and costs whatsoever for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Purchaser.

11.6 Third Party Beneficiaries

The Vendor and the Purchaser intend that this Agreement shall not benefit or create any right or cause of action in, or on behalf of, any Person, other than the Parties to this Agreement or a nominee of the Purchaser, and no Person, other than the Parties to this Agreement, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

11.7 Expenses

Except as otherwise expressly provided in this Agreement, all costs and expenses (including the fees and disbursements of legal counsel on a solicitor / own client full indemnity basis, and those of any accountants) incurred in connection with this Agreement, the Ancillary Agreements and the transactions contemplated herein and therein shall be paid by the Party incurring such expenses.

11.8 Amendments

This Agreement may only be amended or otherwise modified by written agreement executed by the Vendor and the Purchaser.

11.9 Waiver

No waiver of any of the provisions of this Agreement or any Ancillary Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall such waiver be binding unless executed in writing by the Party to be bound by the waiver.

No failure on the part of the Vendor or the Purchaser to exercise, and no delay in exercising any right under this Agreement shall operate as a waiver of such right, nor shall any single or partial exercise of any such right preclude any other or further exercise of such right or the exercise of any other right.

11.10 Non-Merger

Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive the Closing and, notwithstanding such Closing and any investigation made by or on behalf of any Party, shall continue in full force and effect. Closing shall not prejudice any right of one Party against any other Party in respect of anything done or omitted under this Agreement or in respect of any right to damages or other remedies.

11.11 Entire Agreement

This Agreement together with the Ancillary Agreements constitutes the entire agreement between the Parties with respect to the transactions contemplated in this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied,

collateral, or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth herein and therein and the Vendor and the Purchaser have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement and the Ancillary Agreements. If there is any conflict or inconsistency between the provisions of this Agreement and the provisions of any Ancillary Agreement, the provisions of this Agreement shall govern.

11.12 Successors and Assigns

This Agreement shall become effective when executed by the Vendor and the Purchaser and after that time, shall be binding upon and enure to the benefit of the Vendor and the Purchaser and their respective successors and permitted assigns. All of the covenants and all of the obligations of the Vendor under this Agreement are given in its legal capacity as Court appointed Receiver of the Debtor and not in its personal capacity, and Bowra Group Inc. shall not be individually liable for any breach of any term or condition of this Agreement. Neither this Agreement nor any of the rights or obligations under this Agreement shall be assignable or transferable by any Party without the prior written consent of the other Party, which shall not be unreasonably withheld. Notwithstanding the above, the Purchaser may at any time assign any of its rights or obligations arising under this Agreement to a nominee of the Purchaser but, upon such assignment and completion of the transactions contemplated by this Agreement, the Purchaser shall not be released and discharged from any obligations hereunder.

11.13 Severability

If any provision of this Agreement shall be determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect.

11.14 Governing Law and Attornment

This Agreement shall be governed by, interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. Each of the Vendor and the Purchaser irrevocably and unconditionally attorn to the jurisdiction of the Court of Queen's Bench of Alberta with respect to any matter arising under or related to the Agreement or any Ancillary Agreement.

11.15 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. It shall not be necessary that any single counterpart hereof be executed by all Parties so long as at least one counterpart is executed by each Party. This Agreement or counterparts hereof may be delivered by portable document format (PDF) or other electronic means, and the Parties hereto adopt any signatures provided or received by PDF or other electronic means as an original signature of the applicable Party.

11.16 Confidentiality

The Purchaser acknowledges, covenants and agrees that this Agreement and documentation made available by the Vendor and all copies thereof together with any analyses, compilations, studies or other documents prepared by the Purchaser or its agents, representatives or employees which contain or otherwise reflect such information or documentation (collectively the "**Confidential Information**") is confidential and as such:

- (a) will (except where such disclosure is required by law or court or where such information is otherwise public, including where such information was available in the data room created by Colliers for this transaction, or where such information may be required to be disclosed by the Purchaser to enforce any of its rights and/or remedies under this

Agreement, at law, in equity or by statute, and provided that in any such event Purchaser uses all reasonable commercial efforts to retain such information confidential to the extent possible in the circumstances and to only disclose such information as deemed necessary by its legal counsel for the action being taken) be kept confidential, and will not be:

- (i) disclosed, without the prior written consent of the Vendor, by the Purchaser or by any of its agents, representatives or employees, in any manner whatsoever, in whole or in part; or
 - (ii) used by the Purchaser, or any of its agents, representatives or employees other than in connection with the transaction described herein for the purpose of evaluating the transaction described herein; and
- (b) if this Agreement is terminated pursuant to the provisions hereof or if the transaction herein is not completed on the Closing Date for any reason whatsoever, the Confidential Information provided by the Vendor shall be returned to the Vendor immediately upon request in the original state and condition delivered or provided to the Purchaser.

The Purchaser undertakes and agrees (which undertaking and agreement shall survive the termination of this Agreement and the completion of the transaction of purchase and sale and shall not merge on the Closing or the Closing Date) to fully, finally and absolutely indemnify the Vendor and its directors and officers, both present and future, and to save the Vendor and each of such persons harmless from any and all Claims that any of them may sustain and all liability to which any of them may be subject by reason that disclosure of Confidential Information has been made by the Purchaser, or its agents, representatives, or employees (other than Confidential Information that the Purchaser has been legally compelled to disclose or where such information has otherwise become public through no act or default of Purchaser or any Person having access to such information through the Purchaser, or where such information may be required to be disclosed by the Purchaser to enforce any of its rights and/or remedies under this Agreement, at law, in equity or by statute and provided that in any such event Purchaser uses all reasonable commercial efforts to keep such information confidential to the extent possible in the circumstances and to only disclose such information as deemed necessary by its legal counsel for the action being taken), or that the Purchaser or a Person having access through the Purchaser to such Confidential Information has made any other use of such information that is contrary to the provisions of this Article. Without limiting the obligations hereunder, the Purchaser may disclose the Confidential Information to the Purchaser s nominee, joint venture partners, agents, consultants and advisors as required for the purposes of the acquisition, due diligence review and financing of the acquisition of the Purchased Assets on the basis that such agents, consultants and advisors keep same in strict confidence and shall not use, deal with, exploit or disclose same other than as permitted herein. Purchaser shall be liable for any breach of this Article by any of such agents, consultants, advisors and officials, in the same manner if such breach was made by the Purchaser.

Neither Party will issue any public announcement concerning the transaction contemplated under this Agreement without the written approval of the other Party, except as may be required by law.

IN WITNESS WHEREOF the Purchaser has executed this Agreement as of the ____ day of _____, 2021.

Per: _____
Name:
Title:

ACCEPTED by the Vendor the ____ day of _____, 2021.

THE BOWRA GROUP INC. in its capacity as Court-appointed Receiver of Kalco Investments Ltd., Kalco Farms Ltd. and certain lands owned by Michael Kalisvaart and Karen Jansen

Per: _____
Name: Kristin Gray
Title: Senior Vice President

SCHEDULE "A"

DESCRIPTION OF THE LANDS AND PERMITTED ENCUMBRANCES

Regarding the lands legally described as _____

1.

SCHEDULE "B"

CHATELS

SCHEDULE "C"

COURT ORDER

SCHEDULE "D"

KALCO UNRESERVED AUCTION TERMS AND CONDITIONS

SCHEDULE "E"

EN BLOC TERMS AND CONDITIONS