

ASSET PURCHASE AGREEMENT

This Agreement made effective the ____ day of June, 2024 (the “**Effective Date**”),

Between:

ELK RIDGE UTILITY LTD., a non-profit corporation incorporated under the laws of the Province of Saskatchewan (the “**Vendor**”)

And:

RESORT VILLAGE OF ELK RIDGE, a resort village established pursuant to section 51 of *The Municipalities Act*, SS 2005, c M-36.1 (the “**Purchaser**”)

WHEREAS:

- A. the Vendor is non-profit corporation that carries on business providing waterworks and sewage works to customers in the Resort Village of Elk Ridge, Saskatchewan (the “**Business**”);
- B. the Vendor is the legal and beneficial owner of the Purchased Assets; and
- C. the Purchaser wishes to assume the Business from the Vendor and, and connection therewith, is desirous of purchasing the Purchased Assets from the Vendor and the Vendor is desirous of selling the Purchased Assets to the Purchaser for the Purchase Price and upon and subject to the other terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the sum of One (\$1.00) Dollar and other good and valuable consideration now paid by the Purchaser to the Vendor, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

1.01 Definitions. The terms defined in this Section 1.01 will have, for all purposes of this Agreement, the following meanings, unless the context otherwise expressly or by necessary implication requires:

- (a) “**Agreement**” means this Asset Purchase Agreement as the same may be amended or supplemented from time to time and the expressions “herein”, “hereof”, “hereto”, “above”, “below” and similar expressions if used in any article, section or paragraph of this Agreement refer to this Agreement including the Schedules hereto and do not refer solely to a particular article, section or paragraph unless specifically stated herein;
- (b) “**Assumed Liabilities and Obligations**” has the meaning ascribed to it in Schedule “D” hereto;
- (c) “**Books and Records**” means books and records relating to the Business and the Purchased Assets up to the Closing Time, including financial, accounting, operations and maintenance books, customer lists, services records, and all other documents, survey plans, files,

records, correspondence and other data and information relating to the Business and the Purchased Assets;

- (d) **“Closing”** means the completion of the sale to and purchase by the Purchaser of the Purchased Assets under this Agreement which has effect as of the Closing Time;
- (e) **“Closing Time”** means 00:00 hours Saskatchewan time, on the 1st day of November 2024 or such other date and/or time as the parties may agree in writing as the time at which the Closing will take place;
- (f) **“Excluded Assets”** means (i) all constating documents, minute books and shareholder records of the Vendor; and (ii) all Licences, contracts and agreements that are not assignable or transferable or a component of Purchased Assets;
- (g) **“Licences”** means the licences and permits listed in Schedule “C”;
- (h) **“Purchase Price”** means the sum of \$1.00;
- (i) **“Purchased Assets”** means all of the Vendor’s right, title and interest in and to all of the Vendor’s property, plant, equipment, interests, rights, and assets, including:
 - (i) the Rights of Way;
 - (ii) the Works;
 - (iii) the Licences;
 - (iv) the Real Property;
 - (v) the Books and Records;
 - (vi) the Assumed Liabilities and Obligations;
 - (vii) all contracts, leases, licences, instruments, notes, commitments, undertakings, indentures, and all other agreements, commitments and legally binding arrangements, whether written or oral;
 - (viii) all cash, cash equivalents and investments on hand or in banks or other depositories;
 - (ix) all accounts receivable, trade accounts, notes receivable, book debts and other debts due or accruing due to the Vendor as at the Closing Time, including all interest accrued or accruing thereon, and the benefit of all security for such accounts, notes and debts; and
 - (x) all intellectual property associated with the Business including without limitation, any patents, patent applications, licenses, copyrights, trade marks, trade mark

registrations, trade names, logos, industrial designs and other intellectual property used in or relating to the Business,

- (j) “**Real Property**” means all of the real property owned by the Vendor including all of the buildings, structures, improvements and fixtures situated thereon and thereunder, which real property is more particularly described in Schedule “B”;
- (k) “**Rights of Way**” means the entire right, title and interest of the Vendor in and to all easements, interests, rights to use the surface of lands, roads and access to such lands, associated rights of way and all rights and interests ancillary thereto described in Schedule “B”; and
- (l) “**Works**” means the property, plant, equipment, interests, rights, assets, inventory, equipment, agreements, and works described in Schedule “A” hereto.

1.02 Preamble and Schedules Incorporation. The parties hereby confirm and ratify the matters contained and referred to in the recitals and in the various Schedules to this Agreement and agree that the same are expressly incorporated into and form part of this Agreement.

ARTICLE II

2.01 Purchase and Sale. Subject to the provisions of this Agreement, with effect as of the Closing Time, the Vendor agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Vendor, free and clear of any and all claims, liens, encumbrances, charges or security interests whatsoever, the Purchased Assets at and for the Purchase Price exclusive of all applicable sales taxes.

2.02 Closing. The Closing will take place effective as of the Closing Time in such manner and at such place as may be agreed upon by the parties. At the Closing:

- (a) the Purchaser will pay the Purchase Price; and
- (b) the Vendor will deliver up possession of the Purchased Assets and will execute and deliver to the Purchaser all such bills of sale, assignments, instruments of transfer and other documents, including the documents listed in Section 6.01(i) herein, as will be necessary to effectively transfer to the Purchaser the Purchased Assets.

2.03 GST. The Purchaser will be liable for and will pay all federal and provincial sales, goods and services taxes and all other taxes, fees or like charges of any jurisdiction properly payable in connection with the transfer of the Purchased Assets by the Vendor to the Purchaser. If applicable, and provided that the Purchaser is properly registered under the *Excise Tax Act* for the purposes of GST, and confirmation of such registration reasonably satisfactory to the Vendor has been provided by the Purchaser, the parties will execute and deliver on Closing two (2) copies of the prescribed GST election form in order for Section 167 of the *Excise Tax Act* to apply to the supply of the Purchased Assets contemplated within this Agreement. The Purchaser will be responsible for the filing of such joint election form with the Purchaser’s GST return for the first reporting period in which the GST applicable to the supply of the Purchased Assets was payable.

ARTICLE III

3.01 Covenants of the Vendor. The Vendor covenants and agrees that:

- (a) the Vendor will, from and after the Effective Date, cooperate fully with the Purchaser in the Purchaser's investigation of the Business and the Purchased Assets and, for such purpose, will afford to the Purchaser and its representatives (including, but not limited to, the solicitors and accountants of the Purchaser), full access to all of the properties, books, contracts, documents, files, correspondence and records of the Vendor and to furnish to the Purchaser and its representatives such information, including copies of pertinent records and documents, as the Purchaser or its representatives may reasonably require to enable the Purchaser and its representatives to make a full and complete investigation of the Purchased Assets. The Vendor will also instruct its solicitors, accountants and other advisors to cooperate fully with and assist the Purchaser in such investigation;
- (b) to the extent that any water and sewer mains or other property that forms part of the Works are located on, in, or under real property owned third parties, the Vendor will use commercially reasonable efforts to obtain easement agreements or other rights or interests from such third parties prior to Closing, provided that obtaining such easement agreements will not be a condition of Closing;
- (c) the Vendor will have obtained prior to the Closing Time all consents to the assignment and transfer of the Purchased Assets for which consent is required and will provide evidence of such consents in a form satisfactory to the Purchaser, in its sole discretion;
- (d) upon Closing, the Vendor will co-operate with the Purchaser to ensure that the Purchaser is placed in actual possession and operating control of the Purchased Assets;
- (e) the Purchased Assets will be and remain at the risk of the Vendor until the Closing Time; and
- (f) during the period from the Effective Date to and through the Closing Time, except as the Purchaser may otherwise consent in writing, the Vendor will maintain and operate the Purchased Assets in the ordinary course of business consistent with past practice and use commercially reasonable efforts to:
 - (i) maintain the Purchased Assets in a good state of repair; and
 - (ii) preserve its rights, franchises, goodwill and relationships with any applicable governmental authority and its customers, suppliers and others with whom it does business relating to the Purchased Assets.

3.02 Covenants of the Purchaser. The Purchaser covenants and agrees that:

- (a) on Closing, the Purchaser will assume and agrees to pay, perform and discharge when due any and all Assumed Liabilities and Obligations;

- (b) the Purchaser will have obtained prior to the Closing Time all consents to the assignment and transfer of the Purchased Assets for which consent is required and will provide evidence of such consents in a form satisfactory to the Vendor, in its sole discretion; and
- (c) to the extent that any water and sewer mains or other property that forms part of the Works are located on, in, or under real property owned third parties for which there is no easement or similar rights in favour of the Vendor or the Purchaser on Closing, the Purchaser may at its sole cost if it elects to do so, seek such easements, agreements or similar rights or interests on or following the Closing Time and the Vendor will have no obligation or liability therefor or any liability to the Purchaser arising directly or indirectly as a result of any absence of or deficiencies in such easements or similar rights or interests.

ARTICLE IV

4.01 Vendor's Representations and Warranties. The Vendor represents and warrants with and to the Purchaser the matters set out below and acknowledges that the Purchaser is relying upon such representations and warranties in connection with the completion of the transactions contemplated in this Agreement. No investigation made by or on behalf of the Purchaser at any time will have the effect of waiving, diminishing the scope of, or otherwise affecting any representation or warranty made by the Vendor in this Agreement:

- (a) The Vendor has been incorporated and organized under the laws of the Province of Saskatchewan and is a valid and subsisting non-profit corporation.
- (b) The Vendor has all requisite power and authority and all necessary licences, permits and authorizations to carry on the Business as it has been and is now being conducted and to own and operate the Purchased Assets used in connection therewith.
- (c) The Vendor has the full power and authority and all necessary corporate actions have been taken and all necessary approvals have been obtained to allow the Vendor to enter into, deliver and perform this Agreement and to complete the transactions contemplated hereby. At the Closing Time, each of the documents required by this Agreement to be delivered by the Vendor will be duly executed and delivered by the Vendor and will be valid and binding obligations of the Vendor enforceable in accordance with their respective terms.
- (d) No person other than the Purchaser has any written or oral agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase or acquisition of the Purchased Assets, in whole or in part. Without limiting the generality of the foregoing, the Vendor has not assigned any interest in the Purchased Assets other than to the Purchaser pursuant to the provisions herein.
- (e) The Purchased Assets include all of the assets required by the Purchaser in connection with the supply of public utility services to consumers in accordance with the Licences.
- (f) The Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).

- (g) This Agreement is not in conflict with any other agreement or transaction to which the Vendor is a party or is bound, and the Vendor shall obtain all required consents and approvals from third parties that are necessary to enable it to conclude the transactions contemplated herein prior to the Closing Time.
- (h) No one is entitled to any finder's fees in connection with this purchase and sale transaction.
- (i) The Vendor has good and valid title to all tangible personal property and all Real Property included in the Purchased Assets, free and clear of any lien, charge, security interest or other similar encumbrance except for liens for taxes and other statutory encumbrances which are not due or delinquent.
- (j) The Purchaser will be entitled to quiet enjoyment of the Purchased Assets after the Closing Time subject to the Purchaser being bound by the Assumed Liabilities and Obligations.

The Vendor will indemnify and save harmless the Purchaser on a full indemnity basis, from and against any and all losses sustained, paid, or incurred by the Purchaser arising from any of the representations and warranties of the Vendor being inaccurate or untrue.

4.02 Purchaser's Representations and Warranties. The Purchaser represents and warrants with and to the Vendor the matters set out below and acknowledges that the Vendor is relying upon such representations and warranties in connection with the completion of the transactions contemplated in this Agreement. No investigation made by or on behalf of the Vendor at any time will have the effect of waiving, diminishing the scope of, or otherwise affecting any representation or warranty made by the Purchaser in this Agreement:

- (a) The Purchaser is a subsisting municipality as defined in *The Municipalities Act* (Saskatchewan).
- (b) The Purchaser has the full power and authority and all necessary actions have been taken and all necessary approvals have been obtained to allow the Purchaser to enter into, deliver and perform this Agreement and to complete the transactions contemplated hereby. At the Closing Time, each of the documents required by this Agreement to be delivered by the Purchaser will be duly executed and delivered by the Purchaser and will be valid and binding obligations of the Purchaser enforceable in accordance with their respective terms.
- (c) No approval, order, consent of or filing with any governmental authority is required on the part of the Purchaser, in connection with the execution, delivery and performance of this Agreement or the performance by the Purchaser of its obligations hereunder or any other documents to be delivered under this Agreement.
- (d) This Agreement is not in conflict with any other agreement or transaction to which the Purchaser is a party or is bound, and the Purchaser has obtained all required consents and approvals from third parties that are necessary to enable it to conclude the transactions contemplated herein.
- (e) The Purchaser has conducted its own independent investigation, review and analysis of the Business and the Purchased Assets, and acknowledges that it has been provided adequate

access to the personnel, properties, assets, premises, books and records, and other documents and data of Vendor for such purpose. The Purchaser acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, the Purchaser has relied solely upon its own investigation and the express representations and warranties of Vendor set forth in Section 4.01; and (b) neither Vendor nor any other person has made any representation or warranty as to Vendor, the Business, the Purchased Assets or this Agreement, except as expressly set forth in this Agreement.

4.03 Survival. All representations, warranties, covenants and agreements made by the Vendor and the Purchaser in this Agreement or in any certificate, schedule, statement, document or instrument furnished hereunder or in connection with the negotiation, execution and performance of this Agreement will survive for a period of two (2) years following the Closing.

4.04 Condition and Quality of Assets. Notwithstanding anything herein contained to the contrary, the Purchaser acknowledges and agrees, that:

- (a) except as specifically set forth in Section 4.01, it is purchasing the Purchased Assets from the Vendor on a strictly “as is, where is” basis relying solely on its own inspections and investigations and without any warranty or representation from the Vendor whatsoever;
- (b) there are no representations or warranties given by the Vendor, express or implied, as to any matter, cause or thing including with respect to the Business and the Purchased Assets, other than as specifically given in Section 4.01; and
- (c) the terms of this Agreement grant to the Purchaser an opportunity to conduct a full and complete investigation of the Business and all of the Purchased Assets and it is the obligation of the Purchaser to satisfy itself (at its sole cost and expense) on all matters relating to or affecting the Business and the Purchased Assets.

ARTICLE V

5.01 Risk. Notwithstanding Section 6.01, in the event of any loss or destruction to any of the Works prior to Closing, the proceeds, if any, of any insurance policies maintained by the Vendor will form part of the Purchased Assets and the Purchaser will have no right to terminate this Agreement or to otherwise cancel the transaction of purchase and sale as a result of such loss or destruction, and the parties will conclude the transactions contemplated herein without any abatement or adjustment of the Purchase Price. The Vendor will keep such of its insurance as existed prior to the Closing Time in place until all of the Purchase Price is paid to or to the credit of the Vendor on Closing.

5.02 Assumption Documents. The Purchaser will, before or after Closing, execute such reasonable assumption documents as may be required by a third party under any of the Assumed Liabilities and Obligations.

5.03 Cost of Publicity and Notices. All notices to third parties and all other publicity concerning the transactions contemplated by this Agreement will be prepared and released by the Purchaser and will be paid for by the Purchaser.

- 5.04 Costs. The Vendor and the Purchaser will each be responsible to pay for their own respective costs and expenses incidental to the preparation and carrying out of this Agreement and the completion of the transactions contemplated hereby.

ARTICLE VI

- 6.01 Conditions Precedent to Purchaser's Obligations. All obligations of the Purchaser under this Agreement are subject to the fulfillment or satisfaction, prior to or at the Closing, of each of the following conditions precedent:

- (a) the Vendor has performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing;
- (b) all representations and warranties of the Vendor made in or pursuant to this Agreement will be true and correct at the Closing Time and with the same effect as if made at and as of the Closing Time;
- (c) all actions, proceedings, resolutions, instruments and documents required to carry out this Agreement or incidental hereto and all other related legal matters will have been approved at the Closing Time by counsel for the Purchaser, in the exercise of their reasonable judgment;
- (d) the Purchaser will be satisfied, in its sole discretion, with all matters of a legal, business and financial nature, as well as with all other information disclosed to or discovered by it in respect of the Vendor and the Purchased Assets, in connection with its due diligence examinations and investigations or otherwise, including a physical inspection of the Works;
- (e) no material adverse change in, or change in material fact in respect of, the Vendor or the Purchased Assets will have occurred prior to the Closing and the Purchaser will not have determined that there existed on the date hereof any such adverse material change or change in material fact which had not been disclosed in writing to the Purchaser;
- (f) at Closing the Vendor will have executed and delivered or caused to be delivered to the Purchaser the following documents:
 - (i) evidence, in a form satisfactory to the Purchaser, in its sole discretion, of:
 - A. the approval of the Vendor's membership, if required by applicable law; and
 - B. all third-party consents required in connection with the transfer or assignment, as applicable, of the Purchased Assets by the Vendor;
 - (ii) registerable transfers of the Real Property and all interest registrations regarding the Rights of Way, duly executed by the Vendor;

- (iii) registerable transfers of the Licences, to the extent they are transferrable and to the extent such transfers are requested by the Purchaser;
- (iv) a general conveyance for the Works, duly executed by the Vendor;
- (v) an assignment of the Rights of Way, duly executed by the Vendor together with all original Rights of Way documents in the Vendor's possession, and
- (g) the Purchaser will have received copies from the Vendor of all such documentation or other evidence as it may reasonably request, including the Books and Records, in order to establish the consummation of the transactions contemplated by this Agreement and the taking of all corporate proceedings in connection with such transactions in compliance with these conditions.

In the event that any of the foregoing conditions are not performed or fulfilled at or before the Closing Time the Purchaser may terminate this Agreement in which event the Purchaser will be released from all obligations under this Agreement, and the Vendor will also be so released unless it has breached any of its covenants or obligations in or under this Agreement. The foregoing conditions are for the benefit of the Purchaser only and accordingly the Purchaser will be entitled to waive compliance with any such conditions if it sees fit to do so, without prejudice to its rights and remedies at law and in equity and also without prejudice to any of its rights of termination in the event of non-performance of any other conditions in whole or in part.

6.02 Conditions Precedent to Vendor's Obligations. All obligations of the Vendor under this Agreement are subject to the fulfillment or satisfaction, prior to or at the Closing, of each of the following conditions precedent:

- (a) the Purchaser has performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by each of them prior to or at the Closing; and
- (b) all actions, proceedings, resolutions, instruments and documents required to carry out this Agreement or incidental hereto and all other related legal matters will have been approved at the Closing Time by counsel for the Vendor, in the exercise of their reasonable judgment.

In the event that any of the foregoing conditions are not performed or fulfilled at or before the Closing Time the Vendor may terminate this Agreement in which event the Vendor will be released from all obligations under this Agreement, and the Purchaser will also be so released unless it has breached any of its covenants or obligations in or under this Agreement. The foregoing conditions are for the benefit of the Vendor only and accordingly the Vendor will be entitled to waive compliance with any such conditions if it sees fit to do so, without prejudice to its rights and remedies at law and in equity and also without prejudice to any of its rights of termination in the event of non-performance of any other conditions in whole or in part.

ARTICLE VII

7.01 Licences. The Purchaser will do what is necessary to assume all of the right, title and interest of the Vendor under the Licences either before or as soon as practicably possible following Closing.

The Vendor represents that it is not aware of any issues with respect to the Licences that would prevent the conclusion of the transactions contemplated herein, provided that the assumption by the Purchaser of the Licences or the issuance of new licences and permits to the Purchaser may be subject to the discretion or requirements of the grantor of such Licences. The Vendor will take such steps as the Purchaser may request, acting reasonably, to assist in such assignment of the Licences to the Purchaser or in connection with the issuance of a new licences and operating permits to the Purchaser.

ARTICLE VIII

8.01 Notices. Any notice required to be given hereunder by any party will be deemed to have been well and sufficiently given if:

(a) delivered to the party to whom it is intended or mailed by prepaid registered mail to the party to whom it is intended, as the case may be, at the addressee hereinafter set forth:

(i) to the Vendor:

Elk Ridge Utility Ltd.
PO Box 182
Waskesiu Lake, SK S0J 2Y0
Email: office@elkridgeutility.ca
Telephone: (306) 663-1239
Attn: Darcy Simoneau, President

(ii) to the Purchaser:

Resort Village of Elk Ridge
211 Arne Petersen Way
Elk Ridge, SK
PO Box 171
Waskesiu Lake, SK S0J 2Y0
Email: infoelkridge@sasktel.net
Telephone: (306) 940-9052
Attn: Michele Bonneau, Chief Administrative Officer

Any notice delivered as aforesaid will be deemed to have been received on the date of delivery, any notice mailed will be deemed to have been received five (5) days after the date it is postmarked and any notice sent via fax will be deemed to have been received on the date that the transmitting fax machine confirms transmission. If normal mail service is interrupted by strike, slow-down, force majeure or other cause after the notice has been sent, the notice will not be deemed to be received until actually received. In the event normal mail service is impaired at the time of sending the notice, then delivery or sending via fax only will be effective.

8.02 Payment of Monies. The parties acknowledge and agree that any payment of monies required to be made hereunder will be made in Canadian funds and that any tender of monies or documents

hereunder may be made upon the solicitors acting for the party upon whom the tender is desired and it will be sufficient that a cheque is tendered instead of cash.

- 8.03 Survival. Subject to the provisions of Section 4.03, the covenants, agreements and provisions of this Agreement which, by their context are meant to survive the Closing will survive such Closing and will not be merged therein or therewith.
- 8.04 Further Assurances. The parties hereto and each of them do hereby covenant and agree to do such things and execute such further documents, agreements and assurances as may be necessary or advisable from time to time in order to carry out the terms and conditions of this Agreement in accordance with their true intent.
- 8.05 Unenforceable Terms. If any term, covenant or condition of this Agreement or the application thereof to any party or circumstance is invalid or unenforceable to any extent the remainder of this Agreement or application of such term, covenant or condition to a party or circumstance other than those to which it is held invalid or unenforceable will not be affected thereby and each remaining term, covenant or condition of this Agreement will be valid and will be enforceable to the fullest extent permitted by law.
- 8.06 Amendments. This Agreement may be altered or amended in any of its provisions when any such changes are reduced to writing and signed by the parties hereto but not otherwise.
- 8.07 Assignment. This Agreement is not assignable by any of the parties hereto without the prior written consent of the other party hereto.
- 8.08 Time of Essence. Time is of the essence of this Agreement and of every part hereof.
- 8.09 Headings. The headings in this Agreement have been inserted for reference and as a matter of convenience only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision hereof.
- 8.10 Singular, Plural and Gender. Wherever the singular, plural, masculine, feminine or neuter is used throughout this Agreement the same will be construed as meaning the singular, plural, masculine, feminine, neuter, body politic or body corporate where the fact or context so requires.
- 8.11 Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto relating to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no general or specific warranties, representations or other agreements by or among the parties in connection with the entering into of this Agreement or the subject matter hereof except as specifically set forth herein.
- 8.12 No Waiver. No consent or waiver, express or implied, by either party to or of any breach or default by the other party in the performance by the other party of its obligations hereunder will be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of obligations hereunder by the other party hereunder. Failure on the part of either party to complain of any act or failure to act of the other party or to declare the other party in default, irrespective of

how long such failure continues will not constitute a waiver by such first party of its rights hereunder.

- 8.13 Governing Law and Submission to Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the Province of Saskatchewan and the laws of Canada applicable therein, and the parties hereto hereby submit to the jurisdiction of the courts in the Province of Saskatchewan.
- 8.14 Enurement. This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
- 8.15 Business Day. Whenever any payment to be made or action to be taken under this Agreement is required to be made or taken on a day other than a business day, the payment is to be made or action is to be taken on the next business day.
- 8.16 Execution in Counterpart. This Agreement and all Closing documents, agreements, instruments and other documents to be delivered hereunder may be executed in any number of counterparts and by electronic means (including by way of AdobeSign or similar electronic signature technology) and may be delivered in any number of counterparts and by fax transmission, email, or other means of electronic transmission, and each such executed signature page will constitute an original and all such counterparts taken together will constitute one and the same Agreement, and will be deemed to have the same legal effect as a paper copy bearing the parties' original signatures.

[Balance of the page intentionally left blank. Execution pages to follow.]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the Effective Date first above written.

ELK RIDGE UTILITY LTD.

Per: _____
Authorized signatory

Per: _____
Authorized signatory

I/We have authority to bind the corporation.

RESORT VILLAGE OF ELK RIDGE

Per: _____
Authorized signatory

Per: _____
Authorized signatory

I/We have authority to bind the Resort Village.

SCHEDULE "A"
Works

Water and Sewer Mains:

Item	Description
1.	Water & Sewer mains and related pipes, structures, equipment and apparatus located on the following lands currently owned by Routes2SK Inc.: Surface Parcel #166153675 Reference Land Description: Blk/Par J Plan No 99PA19052 Extension 5 These water and sewer mains are located, more or less, within the areas depicted on the plan of survey registered in the Saskatchewan Land Titles Registry as Registered Plan No. 01PA06245.
2.	Water & Sewer mains and related pipes, structures, equipment and apparatus that are located, more or less, within the areas depicted on the plan of survey registered in the Saskatchewan Land Titles Registry as Registered Plan No. 102352025.

Buildings, Office Equipment and Furnishings

Item	Description
1.	Utility Office and Workshop (Parcel EU)
2.	Office Computer, Printer
3.	Lenovo Computer
4.	Officer Computer
5.	Dell Computer Laptop
6.	Office Desk (1), Chairs (3)
7.	Filing Cabinet (2)
8.	Keurig Coffee Machine
9.	Security Camera System
10.	Sasktel Wireless Router

Tools and Equipment

Item	Description
1.	Gas Detector (Safety Equipment)
2.	Respirator (Safety Equipment)
3.	Chlorometer
4.	Turbimeter
5.	Well Depth Gauge
6.	First Aid Kit (Safety Equipment)
7.	Misc Hand Tools

Water Supply, Water Treatment and Distribution

Item	Description
1.	Observation Well
2.	Raw Water Supply Well No. 1 – PW6-2011
3.	Raw Water Supply Well No. 2 – PW7-2014
4.	Water Treatment Plant and Reservoirs
5.	Distribution Supply Lines “mains” (various sizes) approximately 5000m
6.	Fire Hydrants (Qty 10)

Item	Description
7.	Service Connections (Qty 195 approximate)
8.	Installed 5/8-inch Residential Meter (Qty 203)
9.	Installed 3-inch Meter Mult-Res Dorm, Hotel, RV Park#2 (Qty 3)
10.	Installed 2-inch Meter Modulares (Qty 5)

Sewage Collection and Treatment

Item	Description
1.	Facultative Lagoon (Parcell CC)
2.	Sewage Lift Station No. 1 (Parcel EU)
3.	Sewage Lift Station No. 2 (Gravel Road)
4.	Sewage Collection Lines "mains" (various sizes) approximately 5500 m
5.	24-inch Sewer Access Covers (manhole Covers) Qty 14 approximately
6.	Service Connections (Qty 194 approximately)

Capital Projects

Item	Description
1.	Bio Filter Project and Prototype
2.	Lagoon Expansion and Renewal Project

Inventory

Item	Description
1.	E-One Grinder Pumps Kit (Qty 5)
2.	E-One Grinder Pumps Kit (Qty 3)
3.	5/8 inch Residential Meter (Qty 2)

Operating Supplies (Consumable Materials)

Item	Description
1.	3-inch Meter Mult-Res Dorm, Hotel, RV Park#2 (Qty 0)
2.	2-inch Meter Modulares, Firehall, Clubhouse, Maintenance Shop, RV Park #1 (Qty 5)
3.	1.0-inch HDPE Pipe (x meters) 100 ft roll
4.	1.25-inch HDPE Pipe (300 ft roll)
5.	1.0-inch Curb Stop Valve (Qty 2)
6.	1.25-inch Curb Stop Valve (Qty 2)
7.	Chemical Potassium Pomegranate (Qty 1 x 75 lb pail) approximate
8.	Chemical Chlorine (Qty 2 x 114 l, 2 x 20 l) approximate
9.	Chemical Filter Cleaning Fluid (Qty 1 x 20 l pail) approximate

Customer Lists and Agreements

Item	Description
1.	All supplier and customer lists, files, data and information relating to suppliers and customers of the Business
2.	John Brooks Consignment Inventory for Supply of E-One Grinder Pumps

SCHEDULE "B"
Real Property and Rights of Way

Real Property:

Item	Description
1.	Surface Parcel #203768545 Reference Land Description: Blk/Par EU Plan No 102323944 Extension 0 (Water Plant, Office, Well Pad)
2.	Surface Parcel #135813528 Reference Land Description: Blk/Par CC Plan No 01PA06245 Extension 1 (Lagoon)

Rights of Way:

Item	Description
1.	Grant of Utility Easement dated May 14, 2001 registered in the Saskatchewan Land Titles Registry as Int. Register #103930668 (Converted Instrument #01PA08786)
2.	Plan of Survey registered in the Saskatchewan Land Titles Registry as Plan No. 102352025 for right of way for water & sewer mains**
3.	Plan of Survey registered in the Saskatchewan Land Titles Registry as Plan No. 01PA06245 for right of way for road access and water and sewer mains**
4.	Water & Sewer implied easements on: Condo Plan No. 00PA03157 (the Villas) Condo Plan No. 01PA09047 (the Townhouses) Condo Plan No. 99PA21324 (the Estates) Condo Plan No. 102093241 (the Cottages) To the extent implied pursuant to <i>The Condominium Property Act, 1993</i> (Saskatchewan).

**Although these plans have been registered, the associated Easement Agreements are not yet in place. The Vendor will make reasonable efforts to obtain Easement Agreements prior to Closing. However, if such Easement Agreements are not executed prior to Closing, then it will be the Purchaser's responsibility to obtain such Easement Agreements.

SCHEDULE "C"
Licences

The Licences include all of the Vendor's right, title and interest in the following water rights licences and operating permits:

Water Rights Licences and Operating Permits

Item	Description
1	Water Right License E3/4966
2	Water Right License E3/4591
3	Water Treatment and Distribution Permits 00002164-05-00
4	Sewage Collection and Treatment Permits 00051136-03-00

SCHEDULE "D"
Assumed Liabilities and Obligations

The Assumed Liabilities and Obligations include all liabilities, defects, deficiencies, warranties, work orders, maintenance requests, non-compliance, obligations and commitments of any nature whatsoever whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, of the Vendor arising out of or related to the Business or the Purchased Assets before, on or after Closing, including, but not limited to:

- (a) all trade accounts payable by the Vendor to third parties in connection with the Business that remain unpaid as of the Closing Time; and
- (b) all other liabilities arising out of or relating to Purchaser's ownership or operation of the Business and the Purchased Assets before, on or after the Closing.

For greater certainty, the Assumed Liabilities and Obligations exclude the following:

- (a) any liability for taxes upon the income or capital of the Vendor; and
- (b) any liability of the Vendor arising or incurred in connection with the negotiation, preparation and performance of this Agreement.