

PROPERTY VALUATION SUMMARY

Aggregate-Bearing Land — NW 17-26-05-W2

RM of Orkney No. 244 • approx. 15 km west of Yorkton, Saskatchewan

Prepared by the Owner | July 2026 | All figures in CAD

1. Executive Summary and Valuation Conclusion

This summary presents the estimated market value of NW 17-26-05-W2 (the "Property"), a full quarter section (approx. 160 acres) of pasture land containing an independently assessed sand-and-gravel (aggregate) resource of more than 323,000 cubic yards. The valuation combines the agricultural land value with the in-ground value of the proven aggregate resource.

Component	Basis	Estimated Value (CAD)
Agricultural land (approx. 160 ac pasture)	Owner estimate, local pasture values	\$250,000
Aggregate resource (>323,000 yd ³ proven)	In-ground value of \$2.50-\$3.00 / yd ³	\$807,000 – \$969,000
Total estimated market value		\$1,050,000 – \$1,220,000

The aggregate volume is a minimum: none of the six test pits within the resource areas reached the bottom of the sand-and-gravel layer, so the actual recoverable volume is likely higher than the engineered estimate.

2. Property Description

- **Legal location:** NW 17-26-05-W2, RM of Orkney No. 244, Saskatchewan (Orcadia/Vanstone area).
- **Size and use:** Approximately 160 acres (full quarter section); current use is pasture.
- **Location:** Approximately 15 km west of Yorkton, with practical access toward Highways 16, 10, 9 and 52. Yorkton is the principal aggregate market of east-central Saskatchewan.
- **Offering:** Sold outright — land together with all aggregate resource rights (fee simple).

3. Aggregate Resource — Independent Engineering Assessment

The aggregate resource was assessed by J.D. Mollard and Associates (2010) Limited (JDMA), Consulting Engineers and Geoscientists, Regina, SK. The work comprised an EM31 geophysical survey (January 2024) followed by a 36-test-pit backhoe exploration program with laboratory sieve analysis, reported July 2024 and reviewed by a licensed P.Eng./P.Geo. Two marketable aggregate areas were delineated on this quarter:

Area	Location on Quarter	Size	Avg. Thickness	Overburden	Estimated Volume
Area 2	Northwest corner	~13 ac (51,415 m ²)	> 3.4 m	0.3 m avg.	> 174,811 m ³
Area 3	Southwest area	~6 ac (23,287 m ²)	> 3.1 m	0.5 m avg.	> 72,190 m ³
Total		~19 ac			> 247,000 m ³ (> 323,000 yd ³)

- **Material:** Material in both areas is sand with gravel (sample gravel content approx. 28–41% in these areas).
- **Overburden:** Exceptionally shallow overburden (0.3–0.5 m average, including topsoil) means low stripping cost and a high recoverable ratio.
- **Upside:** Test pits within the resource areas were terminated at backhoe reach without reaching the bottom of the deposit — reported volumes are minimums.
- **Disclosure:** Groundwater was encountered in one test pit (Area 2) at approximately 3.5 m; extraction planning should account for the local water table.

4. Material Quality and Specification Suitability

JDMA compared average grain-size curves against Saskatchewan Ministry of Highways specifications and concluded:

- **Area 3:** With proper processing, meets the specification for Type 109 Traffic Gravel — the standard surfacing gravel purchased by RMs and the Ministry of Highways.
- **Areas 2 and 3:** Meet the specification for Subbase Type 8, suitable for road base, subdivision and commercial/industrial site development, and general fill.

Complete test-pit logs, photographs and laboratory grain-size curves are available in the JDMA report, which will be provided to qualified purchasers on request.

5. Location Advantages and Regional Demand

- Aggregate is a haul-cost-dominated commodity; a proven deposit 15 km from Yorkton enjoys a structural freight advantage over more distant supply for city, RM and highway work.
- Regional demand is anchored by ongoing Saskatchewan Ministry of Highways programs in the Yorkton area (including recent Highway 10/16 resurfacing and the Grain Millers Drive industrial-corridor upgrade north of the city), continuing RM road-gravelling programs, and industrial growth such as the expanded Richardson canola crush facility.
- Quality sand and gravel is an increasingly scarce, depleting resource across east-central Saskatchewan; municipalities in some districts already haul gravel from outside their boundaries. Landowner royalties in the province have risen materially over the past decade.

6. Valuation Basis

Agricultural land — \$250,000. Owner estimate for the approx. 160-acre pasture quarter, consistent with pasture values in the East Central Saskatchewan region.

Aggregate resource — \$807,000 to \$969,000. Current Saskatchewan pit-run sand-and-gravel royalties paid to landowners are commonly in the \$2.00–\$3.00 per cubic yard range and trending upward, and industry commentary projects continued increases as the resource depletes. Applying an in-ground value of \$2.50–\$3.00 per cubic yard to the engineered minimum volume of 323,000 yd³ yields the stated range. Because the JDMA volumes are minimums, this basis is considered conservative relative to the full recoverable resource.

Total estimated market value: \$1,050,000 – \$1,220,000.

Value is further supported by: an independent, professionally sealed engineering report already in hand (materially reducing purchaser due-diligence cost and risk); shallow overburden; two separately workable pit areas; and proximity to the Yorkton market and provincial highways.

7. Assumptions and Limiting Conditions

- This document is a valuation summary prepared by the owner on the basis of the JDMA engineering report and publicly available market information. It is not a formal appraisal under CUSPAP and has not been prepared by a licensed (AACI) appraiser.
- Aggregate volumes are engineering estimates from test-pit exploration; JDMA notes there can be no assurance of quality or quantity of material between test holes.
- Development of a pit is subject to normal municipal (RM of Orkney No. 244) development permitting and applicable provincial environmental and reclamation requirements; purchasers should complete their own due diligence.
- All figures are in Canadian dollars. GST and any applicable taxes are in addition to the purchase price. Information is believed accurate but is not warranted; purchasers should verify all material facts.

Supporting document available on request: J.D. Mollard and Associates (2010) Ltd., "Aggregate Resource Assessment — Amend Quarter Sections," July 3, 2024 (incl. EM31 Geophysical Survey Results, January 26, 2024).