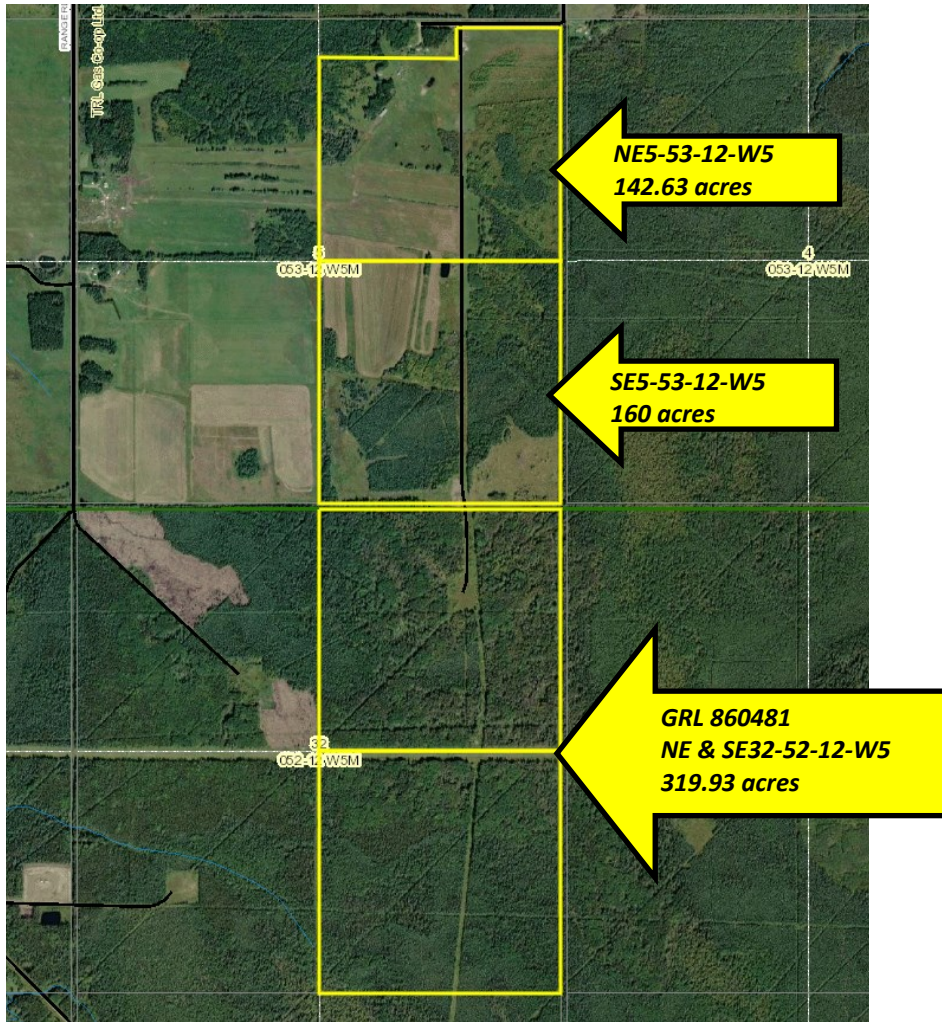


BIDDING OPENS: Sat April 22, 2023

BIDDING CLOSES: Tues April 25, 2023

UPDATED:
21-Mar-23
Surface Lease Revenue
on Grazing Lease Added



SELLING AS ONE PACKAGE!

302.63 deeded acres & adjoining 319.93 acres of long term grazing lease

Sale Managed by:



Head Office - Drayton Valley, AB
780-542-4337
780-834-6888 - Fairview Office

Real Estate Services by:

Moore's Agri-Trade Ltd
Breton, AB
780-696-2249



Highlights of Real Estate Auction Terms

1. **UNRESERVED:** The seller has agreed to accept the highest bid regardless of price. Property will sell to the highest bidder without minimum or reserve.
2. **AGENT OF THE SELLER:** Real Estate Brokerage (Moore's Agri-Trade Ltd) acts only as agent of the seller and not as agent of the Buyer. They will provide prospective buyers with all facts known to the agent that will or may affect the marketability or value of the property.
3. **NO WARRANTY:** The Buyer shall accept the Property as-is where-is and specifically agrees that neither the Seller, Auctioneer or Realtor makes any representations or warranties of any kind as to the condition or fitness of the Property, environmental or otherwise, or any improvements thereon.
4. It is the **RESPONSIBILITY OF ALL BIDDERS** to review all information provided, including "Property Information Package" from the Real Estate Brokerage and the terms of this auction. All information provided is meant as a guide only. Bidders shall have satisfied themselves as to the descriptions, location and condition of the property prior to bidding. If clarification is required, it is the bidder's responsibility to obtain clarification from Real Estate Brokerage **prior to bidding**.
5. **GST:** Bid price does not include any applicable GST unless announced otherwise by auctioneer.
6. **DEPOSIT:** Immediately at the close of bidding the successful bidder will make a **NON REFUNDABLE** deposit payable to the real estate brokerage (as listed in the Property Information Package) in the form of a bank draft or other approved payment. Amount is listed in Property Info Package/or as announced by auctioneer.
7. **PURCHASE CONTRACT:** The Real Estate Purchase Contract that applies to each property will be available for inspection prior to the auction. Title(s) will be clear of encumbrances except those which are to remain on the title. All bidders agree that, should their bid be accepted, they will complete and be bound by the terms of the purchase contract. Buyer will pay the balance of the purchase price to their lawyer on or before Completion Day. Possession will be in accordance with the terms of the Purchase Contracts. **Note: These contracts will not be subject to any buyer's conditions.**

****TEAM SEKURA AUCTION MAIN SALE TERMS ALSO APPLY.**

NOTE TO BIDDERS

- When registering to bid you will be required to have a Letter of Confirmation of Funds from your bank. Letter of Confirmation must be on Bank Letterhead with your name & or company name & amount of funds you have access to that you wish to spend up to. This letter of confirmation will have to be emailed to TEAM Auctions.
- Internet Bidding Fees: 10% up to a max of \$5,000 per item
- If you are the successful bidder, to meet the obligations set by the federal government, you will be asked to verify your identification. You will also need to provide us with your lawyer info to complete the real estate transaction.

HIGHLIGHTS OF PURCHASE CONTRACT – SEE NEXT PAGE

Highlights of Purchase Contract

HIGHLIGHTS OF PURCHASE CONTRACT

Completion Day **May 15, 2023**

Deposit **\$40,000 (non-refundable)** bank draft or approved payment payable to Moore's Agri-Trade Ltd **due from successful bidder upon close of bidding / signing of purchase contract.** Cash and virtual currency will not be accepted.

Included Goods

Excluded Goods all equipment, the cabin and light plant

Conditions There are no Buyer Conditions.

Additional Terms

Buyer acknowledges and accepts:

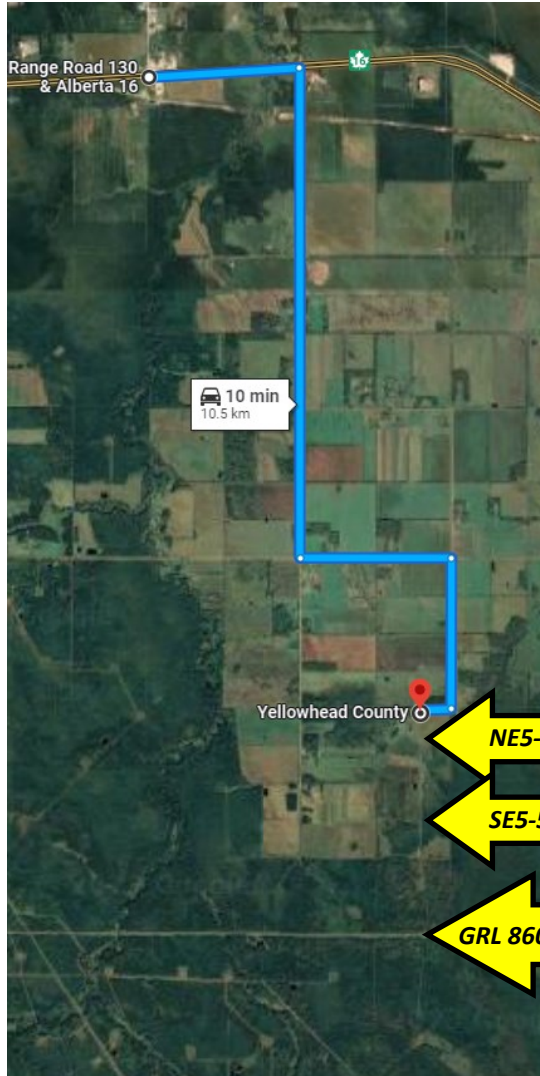
- ⇒ The Property sells as-is with no warranties of any kind whatsoever & specifically agrees that neither the Seller, Auctioneer or Realtor makes any representations or warranties of any kind as to the condition or fitness of the Property, environmental or otherwise, or any improvements thereon.
- ⇒ The Seller has the legal right to sell the property.
- ⇒ The Seller is not a non-resident of Canada for purposes of Income Tax Act (Canada)
- ⇒ A Real Property Report will not be provided.
- ⇒ The water well located on NE5-53-12-W5 supplies the acreage that is subdivided out of NE5-53-12-W5. The power to this water well is supplied from the acreage. Both buyer and seller agree that this will remain as-is until October 31, 2023 at which time the Buyer, at Buyer's expense, can disconnect the water well from the acreage and the Seller, at Seller's expense, can disconnect the power from the water well.
- ⇒ The Seller has until May 31, 2023 to remove any & all equipment, the cabin and light plant from the land. The Buyer and Seller agree that any items left after May 31, 2023 become the sole responsibility of the buyer.
- ⇒ The boundary fences may or may not be on property boundaries and may be in need of repair.
- ⇒ Buyer is aware the subdivided acreage is not fully fenced and that the Seller will complete the acreage perimeter fence by May 31, 2023 at Seller's expense.
- ⇒ To ensure that the NE & SE 5-53-12-W5 closes in timely manner, the seller agrees to contribute up to \$500.00 towards a title insurance policy. Possession May 15, 2023 - Seller is willing to close earlier if buyer is able to.
- ⇒ Assignment of Grazing Lease to Buyer may take one year +/- to complete. Buyer cannot put livestock onto lease until assignment is complete but if all assignment paperwork & fees are submitted and lease is in good standing the Assignor may request approval from the department to allow the assignee to graze the lease with assignee's livestock. New leaseholders must be Canadian citizens over 18 years and must use the land to graze their own cattle or horses. They cannot re-assign the lease to another party for at least 3 years.
- ⇒ Surface Lease revenue annual payments for New North Resources Ltd surface lease have not been paid in several years. Payment of delinquent payments due prior to closing are to be paid to the Seller.

Copy of Purchase Contract is available - call 780-898-0729

Contract must be signed by successful bidder upon bidding closing

Location & Information

DIRECTIONS: From Niton Junction at intersection of Hwy 16 (Yellowhead Hwy) and Range Road 13, go east on Hwy 16 1.6 km to Range Road 125. Turn Right (south) onto RR125& continue 53 km to Twp Rd 532. Turn left (east) onto Twp Rd 532 & go 1.6 km to RR 124. Turn right onto RR124 and go 1.6 km to Twp Rd 530A (531) Turn right & continue 0.35 km to approach on your left.
This is the only access to the properties.



The total package selling as one parcel has 302.63 deeded acres and 319.93 acre of long term grazing lease. Access to all land is through the north end of the NE5-53-12-W5.

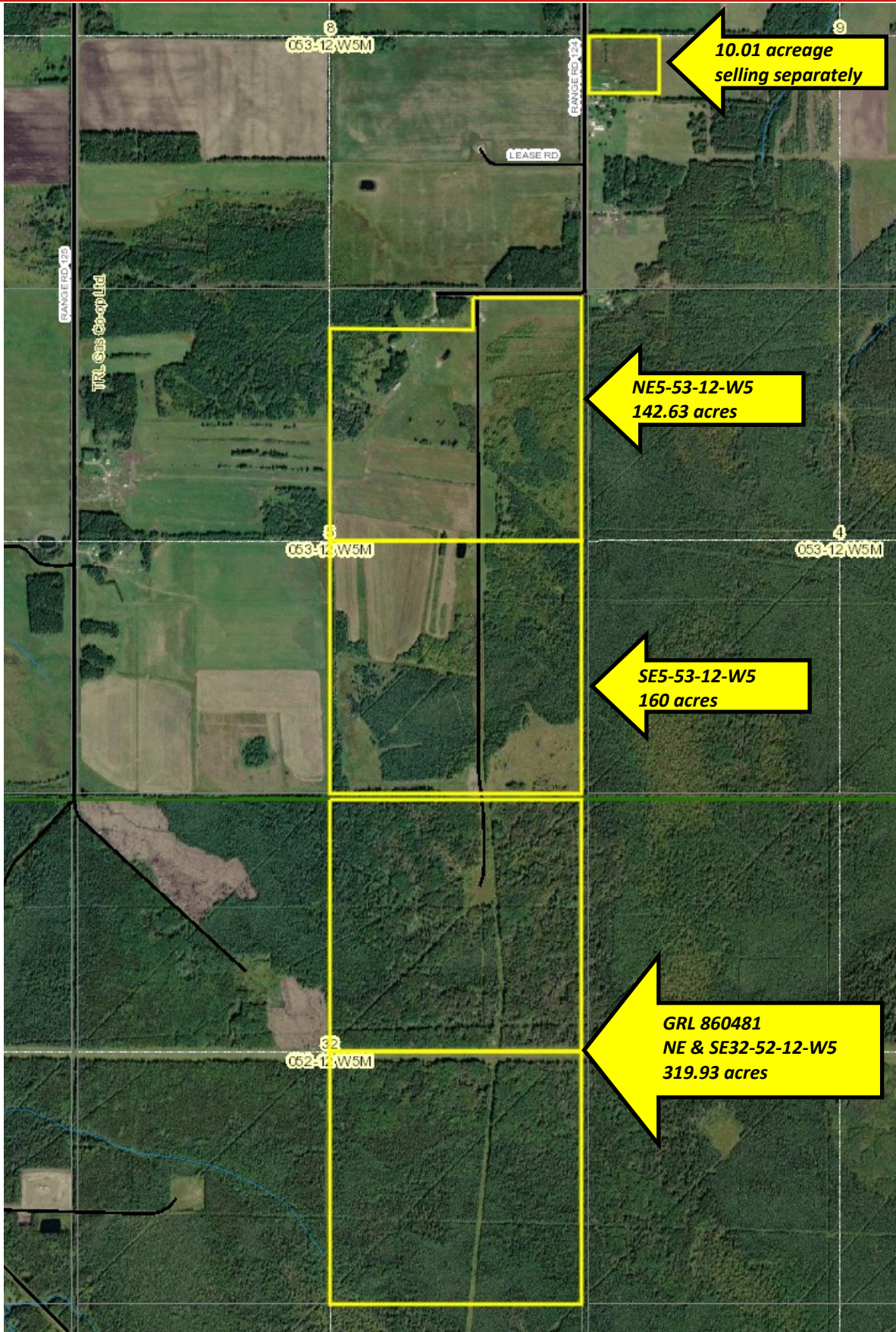
On the deeded land there are approximately 200+/- acres of hay land/pasture. All perimeter & cross fences on the deeded land are 3 wire. There is a large dugout (approx. 60'x150'x25' deep) at the center of the deeded land. This is the main source of water for pastures on both the deeded land and the long term grazing lease.

Surface Lease revenue - See Pipelines and Surface Lease Well Info towards end of this pdf.

Grazing lease is perimeter fenced. There are no cross fences between the 2 quarters (NE32 & SE32). Info on Grazing lease included in this pdf file.

	Deeded land	Deeded Land	GRL 860481	GRL 860481
Municipality	Yellowhead County	Yellowhead County	Yellowhead County	Yellowhead County
Legal Description	NE5-53-12-W5	NE5-53-12-W5	NE32-52-12-W5	SE32-52-12-W5
Land Size	142.63 acres	160 acres	160 acres	159.93 acres
Land Use Zoning	Rural District	Rural District	Grazing Lease	Grazing Lease
Property Taxes	\$54.47	\$32.27	\$25.00	\$25.00
Deposit	Deposit on this package of 2 deeded quarters & 1 Grazing lease is \$40,000			
Possession	To ensure that the NE & SE 5-53-12-W5 closes in timely manner, the seller agrees to contribute up to \$500.00 towards a title insurance policy. Possession May 15, 2023 but Seller is willing to close earlier if buyer is able to. Assignment of Grazing Lease to Buyer may take one year +/- to complete. Buyer cannot put livestock onto lease until assignment is complete but if all assignment paperwork & fees are submitted and lease is in good standing the Assignor may request approval from the department to allow the assignee to graze the lease with assignee's livestock. New leaseholders must be Canadian citizens over 18 years and must use the land to graze their own cattle or horses. They cannot re-assign the lease to another party for at least 3 years.			

AERIAL



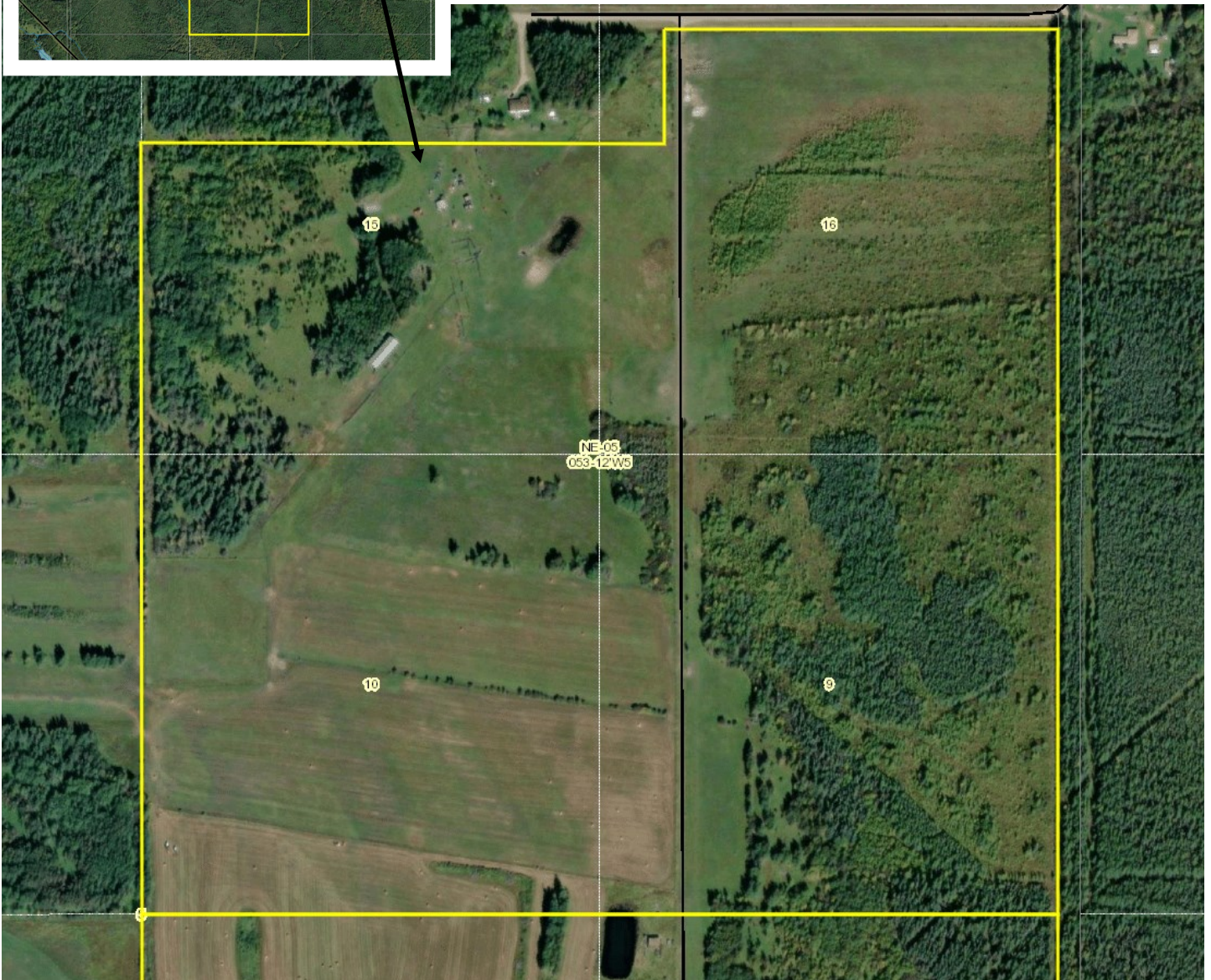
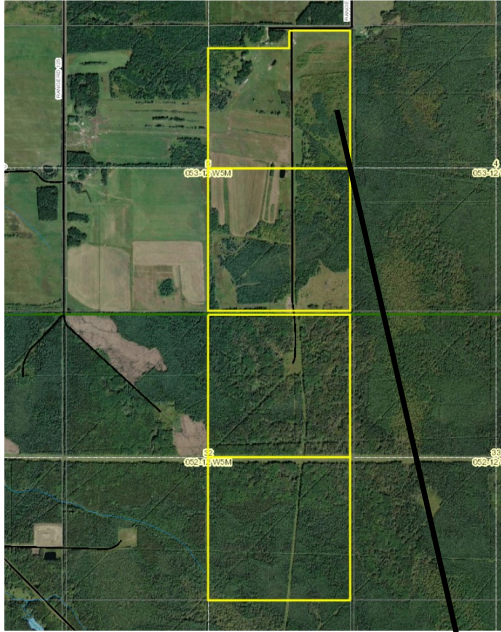
AERIAL - NE5-53-12-W5

NE5-53-12-W5 142.63 acres

The subdivided acreage is not fully fenced and that the Seller will complete the acreage perimeter fence by May 31, 2023 at Seller's expense.

The water well located on NE5-53-12-W5 is currently used by the acreage and the power to the water well is supplied from the acreage. This arrangement will continue until October 31, 2023 at which time the Buyer, at Buyer's expense, can disconnect the water well from the acreage and the Seller, at Seller's expense, can disconnect the power from the water well.

See info on page 4—Location & Information page.



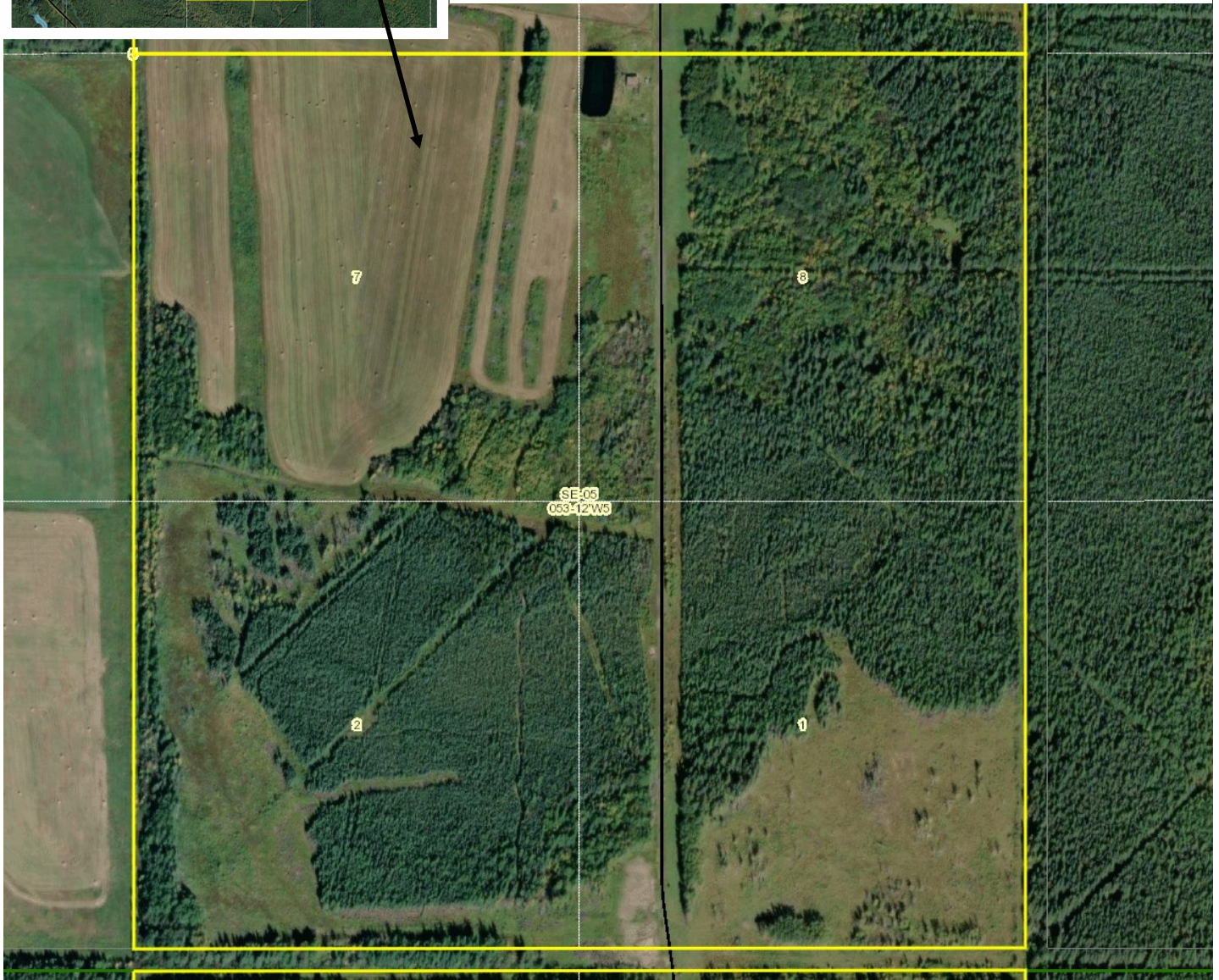
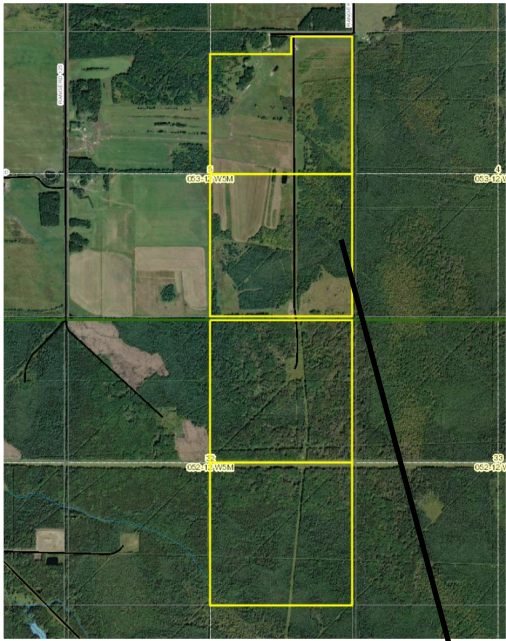
Property Photos - NE5 (Deeded)



AERIAL - SE5-53-12-W5

SE5-53-12-W5 160 acres

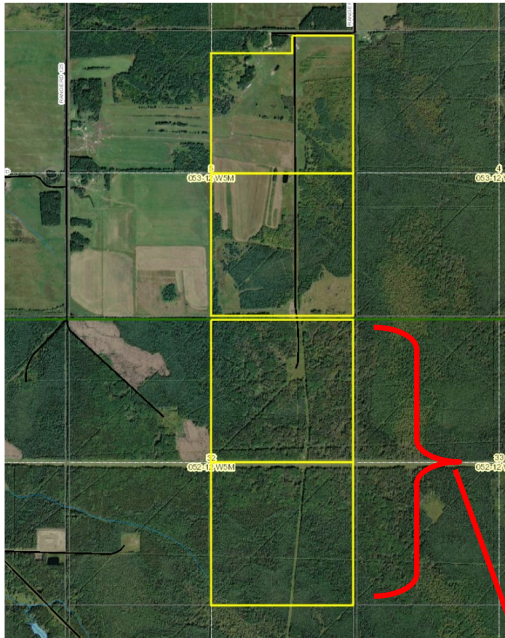
See info on page 4—Location & Information page.



Property Photos - SE5 (Deeded)



AERIAL GRL 860481 (Long Term Grazing Lease)



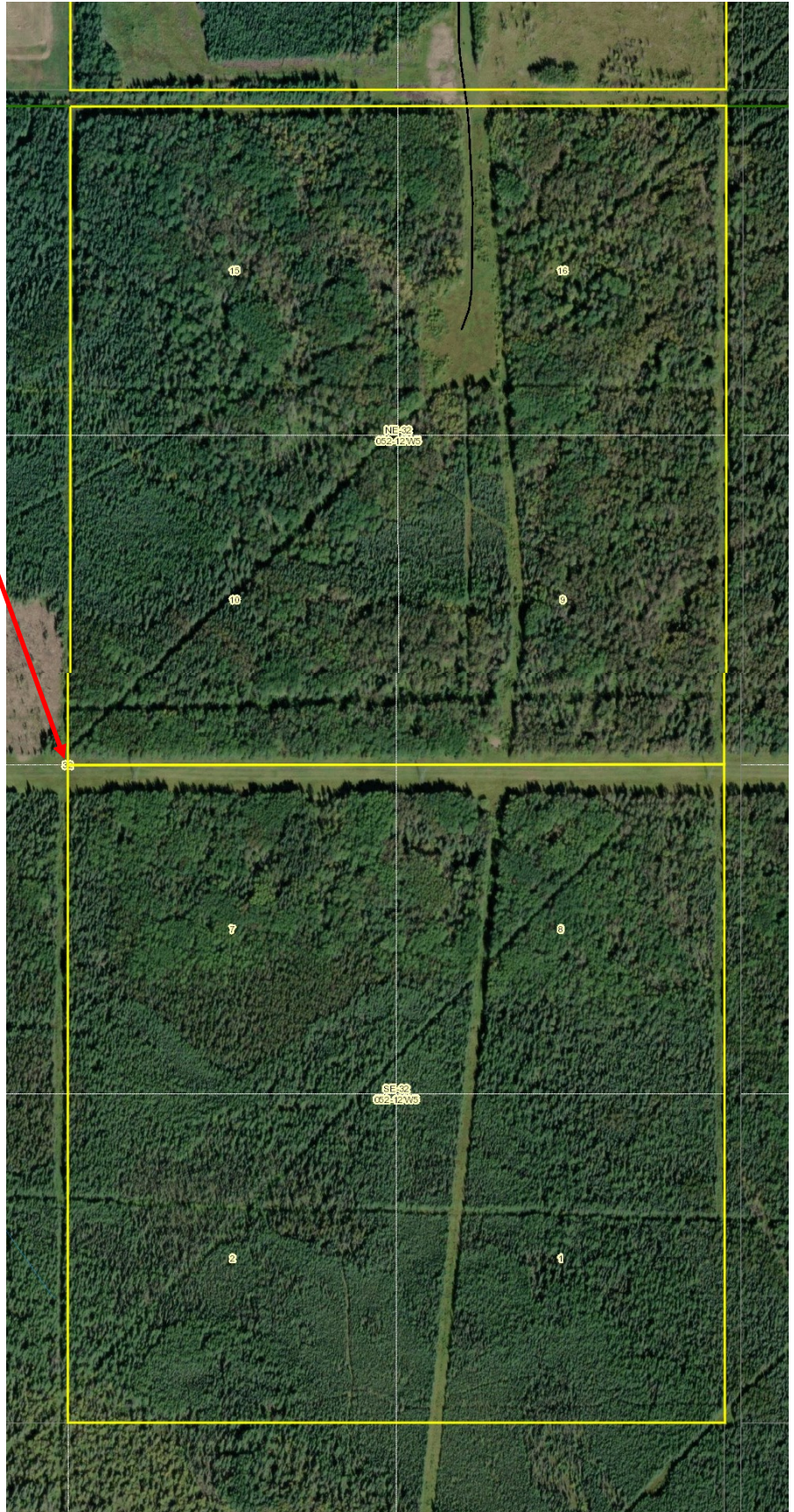
GRL 860481 (Long Term Grazing Lease)

NE & SE32-52-12-W5 - 319.93 acres
44 AUMs
Expiry Date: 31-Mar-2030
10 Year Term

Transfer fee of \$3,150 is payable by the buyer.

See Grazing Lease form that is part of the Purchase Contract in this pdf file.

Grazing lease is perimeter fenced.
There are no cross fences between the 2 quarters (NE32 & SE32).



Highlights of Long Term Grazing Leases

- Grazing leases are **assigned to individuals for the purpose of grazing their own livestock**. You cannot build a home, or cultivate the land or log off the timber. Leases are generally renewed for 10 year terms provided the leaseholder is in compliance with regulations. Many have been in the same family for generations.
- All improvements done by the leaseholder are the property of the leaseholder.
- When lands within the lease are used by registered trap line license holder, the leaseholder must cooperate with that trapper.
- Leaseholders may sell (assign) their rights to another person or company provided they comply with assignment regulations. **New leaseholders must be Canadian citizens over 18 years and must use the land to graze their own cattle or horses. They cannot re-assign the lease to another party for at least 3 years.**
- When a lease is transferred an “assignment fee” is payable to the government. (Standard fee across Alberta: \$3150)
- Grazing Leases are governed by the Public Lands Act and administered by Alberta Environment & Parks.
 - <https://www.alberta.ca/assets/documents/ep-grazing-disposition-standards-fact-sheet-2019.pdf>*only leases and licenses are assignable
 - <https://www.alberta.ca/grazing-and-range-management.aspx>
 - <https://www.alberta.ca/environment-and-parks.aspx>
 - <https://www.alberta.ca/public-land-grazing-rent-and-assignment-fee.aspx>
 - <https://www.alberta.ca/recreation-on-agricultural-public-land.aspx>
- Assignment of Grazing Lease to Buyer may take one year +/- to complete. Buyer cannot put livestock onto lease until assignment is complete but the Assignor may request approval from the department to allow the assignee graze their lease with their livestock. All assignment paperwork and fees need to be submitted and lease needs to be in good standing. Assignee still holds all responsibility of the lease till the assignment is completed.
- Grazing Leases (GRL)
 - Term of lease: Grazing leases can be up 20 year term but are usually 10 year terms
 - Can Grazing User Control Recreational Access: GRL leaseholders can within regulatory parameters (Dispute resolution through Local Settlement Officer)

Grazing Leases are governed by the Public Lands Act (PLA) and Public Lands Administration Regulations (PLAR)

Public Lands Act (PLA): <https://www.qp.alberta.ca/documents/Acts/P40.pdf>

Public Lands Administration Regulations (PLAR): https://www.qp.alberta.ca/documents/Regs/2011_187.pdf

For further general info on Grazing Leases contact Alberta Environment & Parks
Rangeland Agrologist Tennille Kupsh (780) 723-8517

Note due to privacy laws: the Agrologist will only be able to discuss general facts about grazing leases. If you have a question about this grazing lease specifically, please contact Trent(780-202-0140) and hey can forward your question to the Agrologist.

GRAZING LEASES AND PERMITS FORM

This Schedule is attached to and forms part of the Agricultural Real Estate Purchase Contract # _____

1. GRL # _____

2. Legal description:

W of	RANGE	TOWNSHIP	SECTION	PART	ACRES

3. Total number of Acres _____

4. Total Animal Units _____

5. Term of Lease _____

6. Date of Lease Expiry _____

7. Annual Lease Rate _____

8. Assignment Fee _____

9. Assignment Fee will be paid to the Provincial Government by

- Seller
- Buyer
- Shared between Seller & Buyer

10. Annual Property Taxes _____

11. List of any deficiencies (eg fencing, reseeding, weeds, etc)

12. **BUYER WARRANTY:** The Buyer warrants that, prior to leasing, it is NOT and ~~is~~ eligible person+ or a ~~foreign~~ controlled corporation+and is eligible to lease ~~controlled land+~~as those terms are defined in the Foreign Ownership of Land Regulations.

13. **SELLER AGREES** to provide to Buyer a copy of Grazing Lease Agreement, Renewal Agreements & any notices that the seller has received regarding this grazing lease & will provide verification that the grazing lease is assignable.

Seller

Buyer

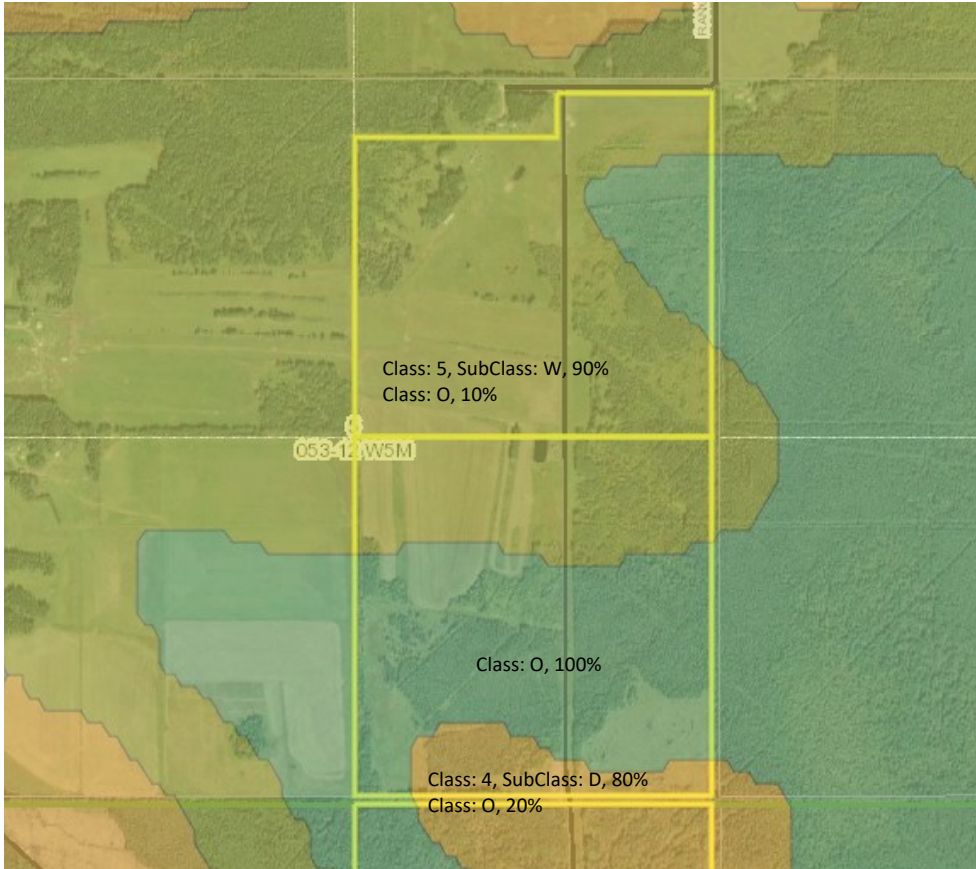
Seller

Buyer

Property Photos - GRL860481



Soil Map - NE & SE5-53-12-W5



AGRICULTURAL SOIL CLASSIFICATION:

The Agriculture layer shows the varying potential of a specific area for agricultural production. It indicates the classes and subclasses according to the Soil Capability Classification of Agriculture, which is based on characteristics of the soil as determined by soil surveys. The mineral soils are grouped into 7 classes and 13 subclasses according to the potential of each soil for the production of field crops. Organic soils are not a part of the classification and are shown as a single separate unit (0).

1.2 AGRICULTURAL SOIL CLASSES

CLASS DESCRIPTION

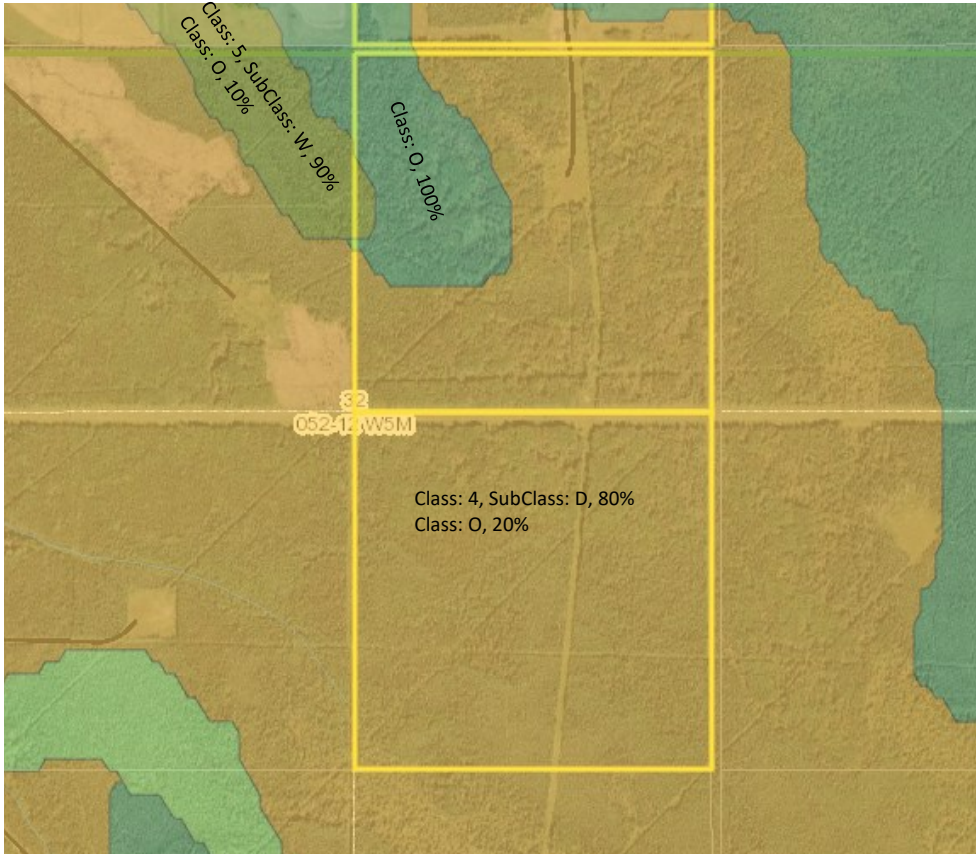
1	No significant limitations in use for crops
2	Moderate limitations that restrict the range of crops or require moderate conservation practices.
3	Moderately severe limitations that restrict the range of crops or require special conservation practices
4	Severe limitations that restrict the range of crops or require special conservation practices
5	Very severe limitations that restrict capability in producing perennial forage crops. Improvement practices are feasible.
6	Capable only of producing perennial forage crops and improvement practices are not feasible
7	No capacity for arable culture or permanent pasture
0	Organic Soils (not placed in capability classes)

1.3 Agricultural Subclasses

Subclass Description

C	Adverse Climate
D	Undesirable soil structure and/or low permeability
E	Erosion
F	Low Fertility
I	Inundation by streams or lakes
M	Moisture limitations
N	Salinity
P	Stoniness
R	Consolidated bedrock
S	Combinations of subclasses
T	Topography
W	Excess Water
X	Soils having limitations resulting from the cumulative effect of two or more adverse characteristics

Soil Map - GRL 860481



AGRICULTURAL SOIL CLASSIFICATION:

The Agriculture layer shows the varying potential of a specific area for agricultural production. It indicates the classes and subclasses according to the Soil Capability Classification of Agriculture, which is based on characteristics of the soil as determined by soil surveys. The mineral soils are grouped into 7 classes and 13 subclasses according to the potential of each soil for the production of field crops. Organic soils are not a part of the classification and are shown as a single separate unit (0).

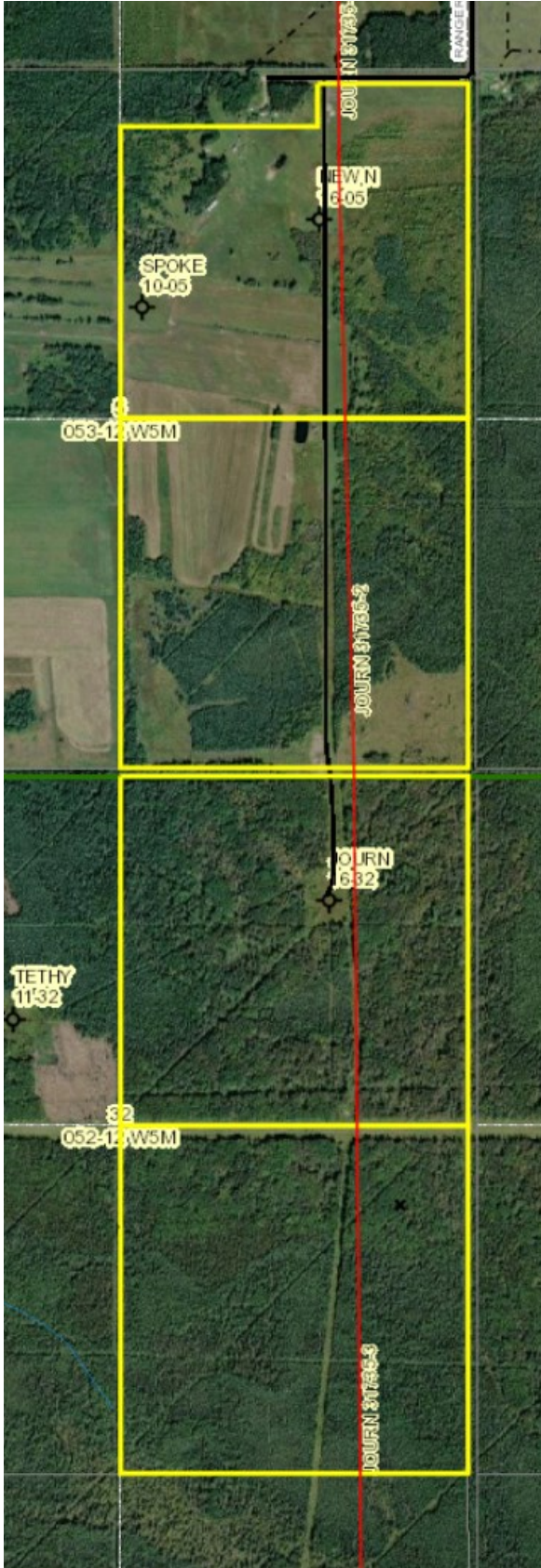
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T	Topography
W	Excess Water
X	Soils having limitations resulting from the cumulative effect of two or more adverse characteristics

Pipelines and Surface Lease Well Info



REVENUE FROM SURFACE LEASES -

Land Description	NE5-53-12-W5
Annual Payment	\$2,628
Lease Date	07-Jan 2005
File #	S03647
Next Review	07-Jan-24
Company	Spoke Resources Ltd (possibly surface lease on title- Taqa)
Land Description	NE5-53-12-W5
Annual Payment	To be verified
Lease Date	
File #	
Next Review	
Company	New North Resources Ltd (possibly surface lease on title – Canadian Blackhawk Energy) Delinquent on payments see terms.
Land Description	NE5 & SE5-53-12-W5
Annual Payment	\$2,800
Lease Date	4-Aug-1999
File #	S205052
Next Review	04-Aug-24
Company	Journey Energy Ltd ((possibly surface lease on title - Tahoe Energy)
Land Description	NE5 & SE5-53-12-W5
Annual Payment	To be verified to determine if there is payment rec'd
Lease Date	
File #	
Next Review	
Company	Hawthorne Energy (Utility Rof W on title - Tangle Creek Ltd)
Land Description	NE32-52-12-W5
Annual Payment	\$1,200
Lease Date	4-August
File #	
Next Review	4-Aug-24
Company	Journey Energy Ltd

****Pipeline locations are approximate only and do not show actual locations of pipelines****

Revenue from above sources will Be assigned to the buyer and adjusted as of completion day for any rents paid in advance

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