Court File No.: SJM-44-2024

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF SAINT JOHN

IN THE MATTER OF THE RECEIVERSHIP OF ROYAL OAKS GOLF CLUB INC.

\- and -

PURSUANT TO Section 33 of the *Judicature Act*, R.S.N.B. 1973, c. J-2, Rule 41, Rules of Court, New Brunswick and Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3

BETWEEN: **CWB MAXIUM FINANCIAL INC.**

APPLICANT

\- and -

ROYAL OAKS GOLF CLUB INC.

RESPONDENT

AFFIDAVIT

I, **ESMOND CLOUTHIER**, of King Township in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I was a director of Royal Oaks Golf Club Inc. ("**ROGC**") from 2018 until the appointment of Deloitte Restructuring Inc. as a Receiver on February 23, 2024. I am also a director of TW1 Oaks Inc. ("**TW1**"), which has been a shareholder of ROGC since January 1, 2018. As such, I have personal knowledge of the matters deposed to in this affidavit except where stated.

2. Following the issuance of the Receiver's Fourth Report, TW1 requested a copy of the documents upon which the Receiver relied to allow an unsecured debt claim of Stephen Lunn ("**Lunn**") in the amount of $629,856 ("**the Lunn Claim**"). Attached as **Exhibit "A"** is a copy of the Proof of Claim provided by the Receiver in response to TW1's inquiry, along with the email exchange with the Receiver's counsel through which this documentation was provided.

3. TW1 opposes the Receiver's proposal to allow the Lunn Claim and to distribute $629,856 to Lunn as an "unrelated creditor". I make this affidavit to provide the factual basis upon which TW1 relies to oppose the allowance of the Lunn Claim.

Purchase of shares by Lunn in ROGC

4. Lunn became a shareholder of ROGC as part of a reorganization of ROGC in March of 2019. Attached and marked as exhibits are the following agreements executed at the time of the 2019 reorganization:

Exhibit	Date	Document
"B"	March 28, 2019	Share Purchase Amendment Agreement
"C"	March 29, 2019	Share Purchase Agreement ("**SPA**")
"D"	March 29, 2019	Shareholders' Agreement

5. Lunn purchased his common shares for $500,000 pursuant to the terms of the SPA. Section 2.4 of the SPA gave Lunn the right, but not the obligation, to require the other shareholders and/or ROGC to purchase his shares for $540,000.00 within 10 business days following March 29, 2020 (the "**Put Option**"). Sections 2.5 and 2.6 also provided Lunn with the right to cancel the Put Option and specified that Lunn did not have voting rights under the Shareholders' Agreement unless or until the Put Option was cancelled.

6. Following the 2019 reorganization, the directors of ROGC were myself and Ronald Hrynyk ("**Hrynyk**"). The shareholders of ROGC were:

(a) Patrick and Aline Miniutti ("**Miniutti**"): 100,000 Class C Preferred shares.

(b) TW1: 218,000 common shares

(c) HR Corporate Strategies Ltd. ("**HR**"): 159,000 common shares

(d) Lunn: 125,667 common shares.

7. In 2020, the Put Option was extended for one year due to uncertainty arising from the COVID-19 pandemic. Copies of email correspondence evidencing the terms of the extension are attached as **Exhibit "E"**.

Exercise and Cancellation of Put Option

8. On March 29, 2021, Lunn exercised his Put Option against the shareholders by delivery of a notice to TW1 and HR. Lunn did not exercise his Put Option against ROGC or deliver any notice to ROGC. HR refused to recognize the Put Option and contested its validity. As the Put Option was not honoured, Lunn took the position that he could exercise his rights as a voting shareholder and be appointed as a director to ROGC. Lunn was elected as a director of ROGC at a shareholders' meeting of June 2, 2021. He attended his first directors' meeting on June 10, 2021.

9. Attached and marked as Exhibits are:

Exhibit	Date	Document
"F"	July 16, 2021	Notice issued by Lunn to all directors and shareholders of ROGC stating that the Put Option was cancelled and that he would exercise his voting rights as a shareholder of ROGC.
"G"	July 28, 2021	Affidavit of Lunn setting out the facts relating to his exercise and cancellation of the Put Option ("**First Lunn Affidavit**").

10. I have reviewed the First Lunn Affidavit and confirm that the facts set out therein are true.

11. The First Lunn Affidavit was filed in response to a motion by Miniutti in separate proceedings in which Miniutti challenged Lunn's appointment as a director of ROGC. By decision reported as ***TW1 Oaks Inc. v. Miniutti***, 2021 NBQB 219, the Court confirmed Lunn's status as a shareholder and his appointment as a director of ROGC, and also gave effect to a call notice that TW1 had issued in respect of the Class C Preferred Shares. A copy of the judgment issued by the Court is attached as **Exhibit "H"**.

12. TW1 purchased the Class C Preferred Shares pursuant to the judgment. As a result, the shareholdings and directors of ROGC were:

Shareholders	Directors
TW1: 100,000 preferred shares TW1: 218,000 common shares HR: 159,000 common shares Lunn: 125,667 common shares	Esmond Clouthier (TW1 nominee) Lunn (Lunn nominee) Hrynyk (HR nominee)

13. Attached and marked as **Exhibit "I"** are the Directors', Shareholders' and Officers' Registers from the ROGC Minute Book as they existed at the time the Receiver was appointed.

14. Attached and marked as **Exhibit "J"** are the Articles of Incorporation of ROGC, as amended, which were in place at the time the Receiver was appointed.

Lunn's Role as Shareholder & Director

15. From June 2, 2021 until the appointment of the Receiver in February of 2024, Lunn actively participated in the governance of ROGC as a director and voting shareholder. Meetings attended by Lunn personally or by proxy included:

June 2, 2021	Shareholders' Meeting
June 10, 2021	Directors' Meeting
October 29, 2021	Directors' Meeting
November 17, 2022	Directors' Meeting
December 13, 2022	Shareholders' Meeting
May 4, 2023	Directors' Meeting

16. As a director and voting shareholder, Lunn voted to approve the ROGC financial statements for the years ended December 31, 2020, 2021 and 2022. The financial statements, which were prepared with the assistance of Grant Thornton, are attached as the following exhibits:

Exhibit	**Document**
"K"	2020 Financial Statements
"L"	2021 Financial Statements
"M"	2022 Financial Statements

17. The financial statements did not record any debt owing by ROGC to Lunn arising from his purchase of common shares or his attempt to exercise the Put Option. To the contrary, the 125,667 common shares held by Lunn form part of the 502,667 issued share capital as recorded in the financial statements.

18. The ROGC financial statements are consistent with the ROGC internal financial records, including balance sheets and shareholder ledgers. These internal financial records were prepared and maintained by the ROGC bookkeeper in the normal course of business and were posted monthly to a shared dropbox accessible by all directors, including Lunn. Copies of the ROGC annual balance sheets recording the liabilities of ROGC, posted by the bookkeeper for the years ended 2020, 2021, 2022 and 2023, as well as the shareholder ledgers for ROGC for the same periods, are attached as **Exhibit "N"**.

19. The financial records record a debt of $6,645.80 owing to Lunn, arising from an exchange rate adjustment at the time Lunn purchased his shares. No other debts owing to Lunn are recorded.

20. Lunn did not, at any time, assert that the internal financial records or financial statements of ROGC were in error because they failed to record a debt owing to him by ROGC arising from his share purchase or attempt to exercise a Put Option.

Second Lunn Affidavit

21. On December 4, 2023, an application was filed with the Court under Court File Number MM-286-2023 seeking relief to resolve a shareholders' deadlock and avoid receivership proceedings.

22. Attached as **Exhibit "O"** is an affidavit sworn by Lunn on November 17, 2023 ("**Second Lunn Affidavit**") in support of the relief sought on that application in which he references his role as a shareholder and director of ROGC. The Second Lunn Affidavit is attached without its exhibit to avoid duplication as its only exhibit is the First Lunn Affidavit.

Proceedings in Court File No. MC-314-2021

23. In May of 2021, ROGC's TD Bank account was frozen, preventing ROGC from transacting business during opening weekend. This caused TW1 to file a Notice of Action and Statement of Claim against HR under Court File Number MC-314-2021 (the "**Shareholders' Proceedings**"), along with a motion for an urgent injunction to unfreeze the ROGC bank account, which was unfrozen following a Court Order issued on May 19, 2021.

24. The pleadings filed in the Shareholders' Proceedings in 2021 and 2022, which were attached by Lunn to the affidavit he filed in support of his Proof of Claim (see Exhibit A), were as follows:

Date	Pleading
May 12, 2021	Notice of Action and Statement of Claim Attached filed by **TW1** against **HR** and **Hrynyk** Note: The Notice of Action and Statement of Claim were amended on July 19, 2021 to correct typographical errors in the names of the Defendants.
June 30, 2021	Statement of Defence and Counterclaim filed by **HR** and **Hrynyk.** The Counterclaim added **Lunn**, **Esmond Clouthier**, and Twelve12 Investments and Consultancy Inc. ("**Twelve12**") as Defendants to the HR & Hrynyk Counterclaim.
July 19, 2021	Amended Notice of Action and Statement of Claim filed by **TW1** to correct typographical errors in the names of the Defendants.
July 19, 2021	Defence to Counterclaim filed by **TW1, Esmond Clouthier** and **Twelve12.**
June 13, 2022	Defence to Counterclaim filed by **Lunn** with Counterclaim against **Hrynyk**.

25. ROGC was not a party to the Shareholders' Proceedings.

Post-Receivership Claim advanced by Lunn

26. On February 23, 2024, Deloitte was appointed as a private receiver over ROGC.

27. On March 26, 2024, Deloitte initiated this proceeding by filing a Notice of Application to have its appointment as a receiver confirmed by this Court.

28. On April 5, 2024, Lunn filed a "Notice of Counterclaim" in the Shareholders' Proceedings, a copy of which is attached as **Exhibit "P"**. This Notice of Counterclaim purported to add ROGC as a party to the Shareholders' Proceedings and assert a claim against ROGC for $500,000 plus interest arising from the Put Option.

29. Prior to the post-receivership filing of this Notice of Counterclaim, Lunn had not:

(a) requested that ROGC purchase his shares pursuant to the Put Option; or

(b) asserted that he was owed money by ROGC in relation to his attempt to exercise the Put Option.

30. TW1 and HR filed defences to the Counterclaim filed by Lunn, copies of which are attached, respectively, as **Exhibit "Q"** and **Exhibit "R"**.

31. As ROGC is in receivership, no defence has been filed by ROGC.

Lunn's Claim

32. Paragraph 5 of the affidavit filed by Lunn in support of his Proof of Claim (see Exhibit A) asserts that Lunn "received from Royal Oaks $83,230.00 in respect of a partial payment of the Put Option but the balance of $500,000 remains outstanding". I disagree with this assertion.

33. ROGC did pay approximately $83,200 to Lunn, but not "in partial payment of the Put Option" as alleged.

34. In consideration of the one-year extension of the Put Option in March of 2020, ROGC agreed to acknowledge a debt of $83,200 owing to Lunn, due in March 2021 and, as set out in Exhibit E, comprised of:

(a) $40,000 return on investment that Lunn would have earned if the Put Option had been exercised in March of 2020, plus interest at 8% for one year; and

(b) a further $40,000 that would become due in 12 months.

35. Upon cancellation of the Put Option, ROGC discharged its debt obligation to Lunn by paying the amount it had agreed to pay.

36. Lunn did not assert, and ROGC did not at any time accept, that the $500,000 Lunn paid for his shares would be characterized as a debt obligation rather than an equity investment, or that this amount would accrue interest as alleged in the Lunn Claim.

SWORN TO before me at the City of BARRIE, Province of Ontario, on this 13 day of July, 2026. Eric O. Gionet Commissioner of Oaths, being a lawyer Law Society of Ontario No. 40204P	)	**Esmond Clouthier**

This is Exhibit "A" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

BANKRUPTCY AND INSOLVENCY ACT

PROOF OF CLAIM FORM

Sections 50.1, subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2) and 128(1), and paragraphs 51(1)(e) and 66.14(b) of the Act

All notices or correspondence regarding this claim are to be forwarded to the following address:

Brenton Kean,75 Prince William Street, Saint John, NB E2L 2B2 Att'n: William Kean (wck@brentonkean.com)

In the matter of the receivership of Royal Oaks Golf Club Inc., of the City of Moncton, in the Province of New Brunswick and the claim of **WALTER STEVEN LUNN** residing in the City of Tucson, in the State of Arizona do hereby certify that:

1. I am a creditor of the above-selected debtor.

2. I have knowledge of all circumstances connected with the claim referred to below

3. The debtor was, at the date of the receivership, namely the 15th **day of April, 2024,** and still is indebted to the above-named creditor in the sum of $ 629,856.00 as specified in the statement of account (or affidavit) attached and marked **Schedule "A"** after deducting any counterclaims to which the debtor is entitled. *(The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)*

4. Complete appropriate category.

A. UNSECURED CLAIM of $ 629,856.00

That in respect of this debt, I do not hold any assets of the debtor as security and:

- Regarding the amount of $629,856.00 I do not claim a right to a priority.
- Regarding the amount of $ ____________, I claim a right to a priority under Section 136 of the Act.

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE $ _______

That I hereby make a claim under Subsection 65.2(4) of the Act, particulars of which are as follows: *(Attach full particulars of the claim, including calculations upon which the claim is based.)*

C. SECURED CLAIM of $_________

That in respect of this debt, I hold assets of the debtor valued at $ _______________ as security, particulars of which are as follows: *(Attach full particulars of the security, including the date on which the security was given and the value at which you assess the security and attach a copy of the security document)*

D. CLAIM BY FARMER, FISHERMAN or AQUACULTURIST of $ _______

That I hereby make a claim under Subsection 81.2(1) of the Act for the unpaid amount of $__________________ *(Attach a copy of the sales agreement and delivery receipts.)*

E. CLAIM BY WAGE EARNER OF $ _______

- That I hereby make a claim under subsection 81.3(8) of the Act in the amount of $__________
- That I hereby make a claim under subsection 81.4(8) of the Act in the amount of $__________ *(Give full particulars of the claim, including the calculations upon which the claim is based.)*

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not] dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2(1) of the Act: *(Provide details of payment, credits and transfers at undervalue.)*

None

Dated at Tucson, Arizona, this 14th day of January, 2025.
(CITY & PROVINCE)

(SIGNATURE OF INDIVIDUAL COMPLETING THIS FORM)

(SIGNATURE OF WITNESS)
William C. Kean - virtually witnessed while in Saint John, NB

+1 520 245 8708
(CREDITOR'S PHONE NUMBER)

(CREDITOR'S FACSIMILE NUMBER)

stevelunn60@gmail.com
(CREDITOR'S E-MAIL ADDRESS)

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits or solemn declarations.

WARNINGS: A Trustee may, pursuant to Subsection 128(3) of the Act redeem a security on payment to the secured creditor of the debtor the value of the security as assessed in a proof of security by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

Must be signed and witnessed

IN THE MATTER OF THE RECEIVERSHIP OF **ROYAL OAKS GOLF CLUB INC.** (“**Royal Oaks**”)

SCHEDULE “A”
AFFIDAVIT
TO PROOF OF CLAIM

I, **WALTER STEVEN LUNN**, of the City of Tucson, State of Arizona, **MAKE OATH AND SAY:**

1. I entered into a Share Purchase Agreement (“**SPA**”) on March 29, 2019 with Royal Oaks and others pursuant to which I purchased 125,667 common shares in Royal Oaks for Five Hundred Thousand Dollars ($500,000.00). Attached as Exhibit “A” is a copy of the SPA.

2. Section 2.4 of the SPA provided me with a “put option” whereby I was entitled to have my shares repurchased by Royal Oaks and others for the sum of Five Hundred and Forty Thousand Dollars ($540,000.00) after one year. Section 2.4 states:

   Section 2.4. Put Option: The Seller [being Royal Oaks] shall do all acts and execute all such documents to give effect to a put option in respect of the Purchased Shares in favour of the Purchaser [Lunn] as follows:

   (a) On the first anniversary of the Closing Date and within a period of ten (10) Business Days of such anniversary date (the “Put Option Date”), the Purchaser [Lunn] shall have the right, but not the obligation, to put the Purchased Shares to each the Seller [Royal Oaks] and the Shareholders by written notice (the “Put Option”); and

   (b) The Seller [Royal Oaks] and/or the Shareholders either separately or collectively shall purchase the Purchased Shares from the Purchaser at the value of five hundred and forty thousand Canadian dollars (C$540,000) and shall cause the closing of such purchase to be effected within thirty (30) days after the end of the Put Option period set out in section 2.4(a) above.

3. I negotiated the Put Option because I had originally intended my investment to be for a short term. Prior to the first anniversary of the Closing Date, being March 29, 2020, Royal Oaks requested me to defer the exercise of my Put Option for a year because of the uncertainty at that time caused by COVID. Although Royal Oaks was in a good financial situation, I agreed to defer my Put Option for one year because of the extraordinary circumstances regarding COVID. In exchange for my extension, Royal Oaks agreed to pay me an additional “coupon” amount of $43,230. Attached as Exhibit “B” is an email from Nicole Clouthier on behalf of Royal Oaks on March 31, 2020, my reply on April 1, 2020, and Ron Hrynk’s subsequent confirmation on April 10, 2020.

4. On March 29, 2021, I exercised my Put Option. Attached as Exhibit "C" is my email exercising my option and receipt from Nicole Clouthier and Ron Hrynyk.

5. I received from Royal Oaks $83,230.00 in respect of a partial payment of the Put Option but the balance of $500,000.00 remains outstanding. Royal Oaks failed to fully honour the Put Option as it had agreed without any valid justification of which I am aware.

6. The primary shareholders of Royal Oaks became embroiled in a dispute which remains unresolved. I have made a claim to have the Put option honoured as part of this litigation. Attached as Exhibit "D" are the pleadings in respect of this dispute.

7. The valid exercise of my Put Option, and the failure by Royal Oaks to honour the Put Option without any justification for doing so, created a debt owing to me by Royal Oaks as an unsecured creditor.

8. The interest rate agreed to be paid in accordance with the SPA and the subsequent postponement agreement described in paragraph 3 above eight percent (8%) per annum. The principal of Five Hundred Thousand Dollars ($500,000.00) remains unpaid, and I have not received any further interest since the $83,230.00 interest payment made to me by Royal Oaks on March 29, 2021 through to the date of judgment. Three years' unpaid interest calculated to the date of receivership is the amount of $129,856.00 (calculated as $40,000 + $43,200 + $46,656).

9. I make this Affidavit in support of my Proof of Claim as an unsecured creditor of Royal Oaks, and for no improper purpose.

SWORN TO before me at the City of Saint John, Province of New Brunswick, while the deponent was present in the City of Tuscon in the State of Arizona and appeared before me by way of videoconference technology, this 14th day of January, 2025

BEFORE ME:

William C. Kean, K.C.
A COMMISSIONER OF OATHS
BEING A SOLICITOR

Walter Steven Lunn

This is Exhibit "A"
referred to in the Affidavit of
Walter Steven Lunn
sworn before me at the City
of Saint John, New Brunswick (virtually)
the 14th day of January 20 25

Commissioner of oaths being a Solicitor

SHARE PURCHASE AGREEMENT

THIS AGREEMENT dated as of the 29th day of March, 2019;

BETWEEN:

Royal Oaks Golf Club Inc., a limited liability partnership organized under the laws of the Province of New Brunswick ("**Seller**")

- and -

Walter Steven Lunn, of PO Box 42369, Abu Dhabi, United Arab Emirates ("**Purchaser**")

- and -

HR Corporate Strategies Ltd, a body corporate organized under the laws of the Province of Ontario ("**HR Corporate**")

- and -

TW1 Oaks Inc., a body corporate organized under the laws of the Province of Ontario ("**TW1 Oaks**")"

Ron, Jacquie and TW1 Oaks collectively, the "**Shareholders**"; and

each of the above being a "**Party**" and collectively, the "**Parties**".

WHEREAS the Seller is the registered and beneficial owner of the Purchased Shares;

AND WHEREAS the Purchaser desires to purchase the Purchased Shares from the Seller;

AND WHEREAS the Parties wish to confirm certain matters relating to the Purchased Shares;

NOW THEREFORE in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which each of the Parties hereto hereby acknowledges, the Parties hereto hereby covenant and agree as follows:

ARTICLE ONE
INTERPRETATION

Section 1.1. Definitions: In this Agreement, unless the subject matter or context is inconsistent therewith, the following words shall have the following meanings:

(a) "**Closing Date**" means on or before 29th March, 2019;

(b) "**Corporation**" means Royal Oaks Golf Club Inc., a body corporate incorporated under the laws of the Province of New Brunswick;

(c) "**Purchased Shares**" means, 125,667 common shares in the capital of the Corporation; and

(d) "**Purchase Price**" means the five hundred thousand Canadian dollars (C$500,000.00) in respect of the Purchased Shares.

ARTICLE TWO
PURCHASE AND SALE

Section 2.1. Purchase of Shares: Subject to the terms and conditions hereinafter contained, the Seller hereby sells the Purchased Shares to the Purchaser for the Purchase Price on the Closing Date, and the Purchaser hereby purchases the Purchased Shares from the Seller for the Purchase Price on the Closing Date.

Section 2.2. Payment of Purchase Price: The Purchaser hereby agrees to pay the Purchase Price on the Closing Date to the Seller in freely accessible funds, to such bank account as may be notified to the Purchaser.

Section 2.3. Transfer of Purchased Shares: The Seller shall deliver to the Purchaser all necessary conveyances, bills of sale, assurances, transfers, assignments and consents and any other documents necessary or reasonably required to effectively transfer the Purchased Shares to the Purchaser, free and clear of all liens, charges or other encumbrances whatsoever, including, without limitation, certificates representing the Purchased Shares, duly endorsed in blank for transfer, or accompanied by a stock transfer form, and resolutions of the directors (and if applicable, the shareholders) of the Corporation consenting to and approving the transfer of the Purchased Shares from the Seller to the Purchaser, other than as disclosed to, and accepted by, the Purchaser.

Section 2.4. Put Option: The Seller shall do all such acts and execute all such documents to give effect to a put option in respect of the Purchased Shares in favour of the Purchaser as follows:

(a) On the fist anniversary of the Closing Date and within a period of ten (10) Business Days of such anniversary date (the "**Put Option Date**"), the Purchaser shall have the right, but not the obligation, to put the Purchased Shares to each of the Seller and the Shareholders by written notice (the "**Put Option**"); and

(b) The Seller and/or the Shareholders either separately or collectively shall purchase the Purchased Shares from the Purchaser at the value of five hundred and forty thousand Canadian dollars (C$540,000.00) and shall cause the closing of such purchase to be effected within thirty (30) days after the end of the Put Option period set out in Section 2.4(a) above.

(c) Where the Put Option is not exercised under Section 2.4(a) and (b) above, the Parties acknowledge and agree that the Put Option shall be cancelled and that the terms and conditions of Section 2.5 shall then apply to the Purchased Shares.

Section 2.5. Cancellation of the Put Option: The Purchaser shall have right but not the obligation to cancel the put option at any time prior to the Put Option Date in relation to all but not less than all of the Purchase Shares upon reasonable notice to the Shareholders and the

Parties agree that they shall do all such acts and execute all such documents as may be required to cancel the put option and recognise the Purchased Shares as common shares in the capital of the Corporation with full voting rights, including but not limited to the entry into of the shareholders agreement substantially in the form attached hereto at Exhibit A (the "**Shareholders Agreement**").

Section 2.6. Put Option Terns: Unless and until the Put Option is cancelled pursuant to Section 2.5 above, the Purchaser acknowledges and agrees that the Purchased Shares shall be deemed to be non-voting shares and that it shall not have the benefit of any voting rights under the Shareholders Agreement. Each of the Parties hereby agrees that the certificate representing the Purchased Shares shall be endorsed with a legend in substantially the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS SET FORTH IN A SHARE PURCHASE AGREEMENT BETWEEN THE HOLDER OF THIS CERTIFICATE AND CERTAIN OTHER PARTIES. TRANSFER OF THE SHARES IS SUBJECT TO THE RESTRICTIONS CONTAINED IN SUCH AGREEMENT.

ARTICLE THREE
CLOSING

Section 3.1. Closing Deliveries: On the Closing Date, the Seller shall deliver, or cause to be delivered, to Purchaser the share certificates representing the Purchased Shares duly endorsed in blank for transfer or stock transfer forms and such other documents as are contemplated by Section 2.3 hereof.

Section 3.2. Conditions: The obligations of the Seller and Purchaser under this Agreement are subject to the fulfilment at or prior to the Closing Date of the following conditions, with each of paragraphs (a) and (b) being for the sole benefit of the Seller and being subject to being waived in writing in whole or in part by the Seller and with each of paragraphs (c) and (d) being for the sole benefit of Purchaser and being subject to being waived in writing in whole or in part by Purchaser:

(a) all the representations and warranties herein of Purchaser shall be true at and as of the Closing Date with the same effect as though they had been made at and as of the Closing Date;

(b) Purchaser shall have complied with all covenants to be complied with by Purchaser at or prior to the Closing Date as set forth herein;

(c) all the representations and warranties herein of the Seller shall be true at and as of the Closing Date with the same effect as though they had been made at and as of the Closing Date; and

(d) The Seller shall have complied with all covenants to be complied with by the Seller at or prior to the Closing Date as set forth herein.

ARTICLE FOUR
REPRESENTATIONS AND WARRANTIES

Section 4.1. Representations and Warranties of the Seller: The Seller represents and warrants to Purchaser that:

(a) each of the Purchased Shares has been duly and validly issued by the Corporation and is a fully-paid and non-assessable share in the capital stock of the Corporation;

(b) The Seller is the registered and beneficial owner of the Purchased Shares free and clear of all liens, charges or other encumbrances, and has good and marketable title thereto and that, upon completion of the transactions contemplated herein, Purchaser shall hold [*insert number of shares*] of the issued and outstanding shares of the Corporation, and no person (including the Seller) shall have any agreement, option, or right in respect of the issuance of any additional equity or equity-like interest in the capital of the Corporation other than as expressly disclosed to the Purchaser;

(c) The Seller has all necessary corporate power and capacity and is otherwise legally entitled to enter into this Agreement and to transfer the Purchased Shares to Purchaser on the terms and conditions set out in this Agreement; and

(d) The Seller is not a non-resident of Canada for purposes of Section 116 of the *Income Tax Act* (Canada).

Section 4.2. Representations and Warranties of Purchaser: Purchaser hereby represents and warrants to the Seller that:

(a) the fulfilment of the obligations of Purchaser hereunder will not be in contravention of any of the provisions of the constating documents of Purchaser; and

(b) it has reviewed the Shareholders Agreement as attached hereto in Annex A and acknowledges and agrees to the terms and conditions as set out therein; and

(c) it has reviewed the Voting Agreement as attached hereto in Annex B and acknowledges and agrees to the terms and conditions set out therein.

ARTICLE FIVE
COVENANTS

Section 5.1. Covenants of the Seller: The Seller hereby covenants with Purchaser as follows:

(a) to cause all necessary steps and corporate proceedings to be taken to effectively and validly carry out the transactions contemplated herein;

(b) to cause the share certificates representing the Purchased Shares to be delivered to Purchaser on or before the Closing Date, duly endorsed in blank for transfer, or accompanied by a stock transfer form transferring the Purchased

Shares to Purchaser duly executed in blank, and to cause the transfer of the Purchased Shares to be duly recorded on the books and records of the Corporation.

Section 5.2. Covenants of Purchaser: Purchaser hereby covenants with the Seller to cause all necessary steps and corporate proceedings to be taken to effectively and validly carry out the transactions contemplated herein.

ARTICLE SIX
MISCELLANEOUS

Section 6.1. Applicable Law: This Agreement shall be construed and interpreted in accordance with the laws of the Province of New Brunswick and the federal laws of Canada applicable therein and the parties hereby attorn to the non-exclusive jurisdiction of the courts of such Province.

Section 6.2. Further Assurances: The parties hereto agree to sign or execute all such other deeds and documents and do such other things as may be necessary or desirable for more completely and effectually carrying out the terms and intention of this Agreement (including, without limitation, delivering or causing to be delivered any such documents as Purchaser may reasonably request to evidence the existence of the debt described in Section 4.1(d) hereof).

Section 6.3. Binding Effect: This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns, and shall enure to the benefit of the parties hereto, their respective successors and permitted assigns.

Section 6.4. No Assignment: This Agreement may not be assigned by either party without the express prior written consent of the other party hereto.

Section 6.5. Time: Time is in all respects of the essence of this Agreement.

Section 6.6. Obligations Surviving Closing: The parties agree that the representations and warranties set out in Sections 4.1 and 4.2 hereof shall survive closing.

Section 6.7. Counterpart and Electronic Transmission: This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original and all such counterparts taken together shall constitute one and the same Agreement. To evidence the fact that it has executed this Agreement, a party may send a copy of its executed counterpart to the other parties by facsimile transmission or other form of electronic transmission and such party shall be deemed to have executed this Agreement on the date it sent such transmission. In such event, such party shall forthwith deliver to the other party the counterpart of this Agreement executed by such party.

[remainder of page intentionally left blank - signature page to follow]

IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement as of the day and year first above written.

ROYAL OAKS GOLF CLUB INC.

Per: ______________________________
Name:
Title:

WALTER STEVEN LUNN

Per: ______________________________
Name: WALTER STEVEN LUNN
Title: MR.

HR CORPORATE STRATEGIES LTD.

Per: ______________________________
Name:
Title:

TW1 OAKS INC.

Per: ______________________________
Name:
Title:

IN WITNESS WHEREOF [illegible]

[illegible]

ROYAL OAKS GOLF [illegible] INC.

By: ______________________

Name: Ron Hrynyk

Title: Director

WALTER STEVEN LUNN

By: ______________________

Name: [illegible]

Title: [illegible]

[illegible] STRATEGIES LTD.

By: ______________________

Name: Ron Hrynyk

Title: President

[illegible] INC.

By: ______________________

Name: [illegible]

Title: [illegible]

This is Exhibit.....B.........
referred to in the Affidavit of
Walter Steven Lunn
sworn before me at the City
of Saint John, New Brunswick
the 14th day of Jan.......20 25
....
Commissioner of oaths being a Solicitor

From: "nicoleclouthier@rocketmail.com" <nicoleclouthier@rocketmail.com>
Subject: Royal Oaks Golf Club Catch-Up
Date: March 31, 2020 at 5:05:20 PM EDT
To: Steve Lunn <stevelunn60@gmail.com>

Hi Steve,

Wow, what a time to be emailing you. Since last we corresponded, the world certainly has changed and the impacts are widely and globally felt and changing hour by hour.

I do hope this email finds you and your loved ones well and healthy!

The family and I returned March 19th and have been in self-isolation ever since. We finally get to do our own grocery shopping this Friday!

In respect of the golf course, before I get into a fuller update, I would need to ask for a signature on our TD bank account please. We recently paid off a Line of Credit and as such TD requires that we are moved from a commercial account to a small business account. This will allow us to save on fees and during covid-19 will make applying for financial support easier. Attached is the form to move our visa to small business account. Would you be able to sign and return the attached document to me at your earliest convenience?

In respect of the golf course then: Well, we are getting the financials completed and overall it is positive. Even with a 20% loss in our golf season - we did not open until June 7th - we only lost out on golf revenue by 7.1% from 2018. F&B performed well, even with the loss of our Director of F&B at end of August and our new Executive Chef not starting until November, and overall was down only 2.7% against 2018! (The fact that F&B is not trending same or worse than golf revenue also shows that the restaurant as a standalone business centre is growing on its own and more and more independent from golf!)

Overall we were able to improve profitability by 9.2% from 2018 and it shows that the focus on costs had the right impact and provides a solid basis to keep growing the business. Instrumental in growing the business is the hire of our new GM, Chris Medford, who started March 1st. With what he has been able to achieve just in the first month and especially given covid-19 impacts, we are extremely excited to see the growth he will be able to bring to the business, for our 20th anniversary and the seasons ahead!

Unfortunately, covid-19 did hit us at the golf course at a particularly vulnerable time. We have had to close the restaurant, had all our events cancel for March and have had to let most of our staff go. We are still hopeful to have a golf season this year and have therefore kept the minimal team of Superintendent and Assistant Superintendent to focus on the course and internally our new GM and Office Manager/Executive Assistant to focus on updating policies and more importantly sale of memberships. Our bookkeeper is down to minimum hours as we try to strike the right balance between being able to get ready for the season ahead whilst having no revenue coming in since March 1st and adapting to a daily new normal.

With your investment, as you know, you have a right to put the shares back to the golf club including being paid out on the dividend. You are also able to continue your investment and we would be able to offer an extension of the dividend terms for another year if that would be of interest to you. As for paying out the dividend for 2019-2020 in the most tax efficient manner, I have not landed on a best course of action and it would really depend on what you wanted to do. We could treat it as re-invested and thereby delay the tax impact or potentially structure it as an option, again deferring the tax impact. Let me know what you would like to do on this, however. Payment out I understand would be a taxable event.

Our medium to long-term vision for the golf course has slightly changed direction as we feel a hotel would not be the best next phase just yet. Investors are hesitant as soon as you utter the words 'hotel' and for more immediate capital injection into the golf club, developing certain lands on the golf club would probably be best use of money and provide more certain dividend from both a timing and IRR perspective. We are actively looking at zoning, construction and ultimately structuring best investment for equity of the around 2.7acres on the golf course that would lend itself well to development. I have attached some zoning of the land areas for your information.

Esmond and I are still committed to the golf course and our team on the ground. We are excited for our 20th anniversary season this year and the years ahead as we see operations improve and go from strength to strength - we very much appreciate your support in this endeavour! We are happy to discuss openly the challenges and successes of the golf course, and would certainly be open to discussing your preferred options with regard to your investment.

Anytime you have chance for a call, let us know - would love to catch up more properly over the phone.

Best wishes for now and stay healthy!

Nicole

From: Walter Steven Lunn <stevelunn60@gmail.com>
Subject: Re: Royal Oaks Golf Club Catch-Up
Date: April 1, 2020 at 3:11:48 AM EDT
To: nicoleclouthier@rocketmail.com

Hello Nicole

Glad to see you all back safe and well - hope you have enough food in the house to see you through until Friday! As requested I attach the signed TD account.

At this time of global uncertainty I believe the right thing to do would be to continue my investment and to reinvest the dividend, I'm not sure how this would change any shareholding, if at all, but rest assured I look at this as a long term investment. When the books are closed for 2019, can you please send a copy.

Donna officially retired yesterday and now enjoys her new title of "housewife" - I don't think! As for myself look to finish in August, well that's the plan for the time being.

The land photos you sent should be fairly straightforward to develop, not like our Tucson plot half way up a mountain.

Would love to talk - perhaps once I have seen last years numbers.

If this virus lasts a summer in Abu Dhabi - then we really will be worried! Stay well, Best wishes Steve

Begin forwarded message:

From: Ron Hrynyk <ronhrynyk1@gmail.com>
Subject: Re: Steve Lunn ROGC Participation
Date: April 10, 2020 at 10:49:26 AM EDT
To: Nicole Clouthier <Nicole.Clouthier@royaloaks.nb.ca>
Cc: Jacqueline Boddaert <Jboddaert1@gmail.com>, Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>

Sounds fair Nicole & Es,

Proceed

Ron Hrynyk
Chairman
HR Corporate Strategies
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3
(416) 301-2564

Email : ron@hrcorpstrategies.com

is unauthorized. If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Ce courriel est confidentiel et protégé. L'expéditeur ne renonce pas aux droits et obligations qui s'y rapportent. Toute diffusion, utilisation ou copie de ce courriel ou des renseignements qu'il
contient par une personne autre que le (les) destinataire(s) désigné(s) est interdite. Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel
ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de reference future.

On Apr 10, 2020, at 10:35 AM, Nicole Clouthier
<Nicole.Clouthier@royaloaks.nb.ca> wrote:

Morning Ron,

Just to confirm our discussions in respect of Steve's investment in the golf course.

Steve's investment as 25% non-voting common shareholder to be extended by another year, i.e. with the same option to convert or put back the shares AND with coupon of 8%, until end March 2021.

Coupon of 8% earned end March 2019 to end March 2020 not to be paid out at this time but to be re-invested. Believe we cannot add to his shares as will throw out equity so proposal is that the $40k earnt end March 2020 is reflected as a promissory note with repayment of $40k + 8% interest to be paid out end March 2021.

Please can you confirm your agreement with the above and we will reach out to Steve as well as counsel to paper the changes and reflect in corporate books.

Thanks,

Best,

Nicole

<image001.jpg>

Nicole Clouthier

401 Royal Oaks Boulevard
Moncton, NB, Canada
E1H 0A2
royaloaks.ca

This is Exhibit..........C..........
referred to in the Affidavit of
Walter Steven Lunn
sworn before me at the City
of Saint John, New Brunswick
the 14th day of Jan. 20 25

Commissioner of oaths being a Solicitor

On Apr 1, 2021, at 9:23 AM, Ron Hrynyk <ronhrynyk1@gmail.com> wrote:

Steve

Thank you for your email. Just want tp confirm receipt of the notice.

We are reviewing the agreement and will confirm appropriate dates accordingly.

Best Regards,
Ron Hrynyk
Chairman
HR Corporate Strategies
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3
(416) 301-2564

Email : ron@hrcorpstrategies.com

This email may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this email or the information it contains by other than an intended recipient is unauthorized. If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Ce courriel est confidentiel et protégé. L'expéditeur ne renonce pas aux droits et obligations qui s'y rapportent. Toute diffusion, utilisation ou copie de ce courriel ou des renseignements qu'il contient par une personne autre que le (les) destinataire(s) désigné(s) est interdite. Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel
ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de reference future.

On Mar 30, 2021, at 4:04 PM, Nicole Clouthier <twelve12invest@gmail.com> wrote:

Dear Steve,

On behalf of TW1 Oaks Inc., we hereby confirm receipt of your email notice below.

We are of course saddened to have received your notice but appreciate you sticking with us, especially through the Covid year, and renewing your option to 2021.

As per the terms of the SPA, I believe that we will need to conclude this transaction by May 12th, unless an extension is otherwise agreed.

Please can all parties hereto confirm collective understanding of time periods pursuant to the agreement.

Much appreciated.

Kind regards,

Nicole and Esmond

Twelve12 Investment & Consultancy Inc
twelve12.ca
Cell: 289-383-5585

> On Mar 29, 2021, at 11:50 AM, Walter Steven Lunn <stevelunn60@gmail.com> wrote:
>
> CAUTION: This email originated from outside of Royal Oaks Golf Club. Do not click links or open attachments unless you recognize the sender and know the content is safe.
>
> Dear Shareholders
>
> Please accept this email as formal notice to exercise my Put Option.
>
> As you may be aware I have now retired, and having done so am reliant on income from Investments, without any coupon from my Investment in ROGC for two years I now, somewhat reluctantly exercise the Put Option.
>
> I of course wish ROGC and its shareholders a successful future.
>
> Sincerely, Steve Lunn

This is Exhibit........D........
referred to in the Affidavit of
Walter Steven Lunn
sworn before me at the City
of Saint John, New Brunswick
the 15th day of Jan 2025

Commissioner of oaths being a Solicitor

Court File No: MC 314-2021 Numéro de cause: ____________

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

COUR DU BANC DE LA REINE DU NOUVEAU-BRUNSWICK

TRIAL DIVISION

DIVISION DE PREMIÈRE INSTANCE

JUDICIAL DISTRICT OF MONCTON

CIRCONSCRIPTION JUDICIAIRE DE MONCTON

BETWEEN:

ENTRE:

TW1 OAKS INC.,

Plaintiff, Demandeur

- and - - et -

COURT OF QUEENS BENCH TRIAL DIVISION MONCTON, N.B. FILED/REGISTERED

MAY 12 2021

COUR DU BANC DE LA REINE DIV DE PREMIÈRE INSTANCE MONCTON, N.-B. DÉPOSÉ/ENREGISTRÉ

RONONALD HRYNYK and HR CORPORATE STRATEGIES INC.

Defendants. Défendeur

NOTICE OF ACTION WITH STATEMENT OF CLAIM ATTACHED (FORM 16A)

AVIS DE POURSUITE ACCOMPAGNÉ D'UN EXPOSÉ DE LA DEMANDE (FORMULE 16A)

To: Ronald Hrynyk
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3

And to: HR Corporate Strategies
c/o Ronald Hrynyk
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3

DESTINATAIRE:

LEGAL PROCEEDINGS HAVE BEEN COMMENCED AGAINST YOU BY FILING THIS NOTICE OF ACTION WITH STATEMENT OF CLAIM ATTACHED.

PAR LE DÉPÔT DU PRÉSENT AVIS DE POURSUITE ACCOMPAGNÉ D'UN EXPOSÉ DE LA DEMANDE, UNE POURSUITE JUDICIAIRE A ÉTÉ ENGAGÉE CONTRE VOUS.

If you wish to defend these proceedings, either you or a New Brunswick lawyer acting on your behalf must prepare your Statement of Defence in the form prescribed by the *Rules of Court* and serve it on the Plaintiff or the Plaintiff's lawyer at the address shown below and, with proof of such service, file it in this Court Office together with the filing fee of $50.

Si vous désirez présenter une défense dans cette instance, vous-même ou un avocat du Nouveau-Brunswick chargé de vous représenter devrez rédiger un exposé de votre défense en la forme prescrite par les Règles de procédure, le signifier au demandeur ou à son avocat à l'adresse indiquée ci-dessous et le déposer au greffe de cette Cour avec un droit de dépôt de $50 et une preuve de sa signification:

(a) if you are served in New Brunswick, WITHIN 20 DAYS after service on you of this Notice of Action with Statement of Claim Attached, or

(a) DANS LES 20 JOURS de la signification qui vous sera faite du présent avis de poursuite accompagné d'un exposé de la demande, si elle vous est faite au Nouveau-Brunswick ou

(b) if you are served elsewhere in Canada or in the United States of America, WITHIN 40 DAYS after such service, or

(b) DANS LES 40 JOURS de la signification, si elle vous est faite dans une autre région du Canada ou dans les États-Unis d'Amérique ou

(c) if you are served anywhere else, WITHIN 60 DAYS after such service.

(c) DANS LES 60 JOURS de la signification, si elle vous est faite ailleurs.

If you fail to do so, you may be deemed to have admitted any claim made against you, and without further notice to you, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE.

Si vous omettez de le faire, vous pourrez être réputé avoir admis toute demande formulée contre vous et, sans autre avis, JUGEMENT POURRA ÊTRE RENDU CONTRE VOUS EN VOTRE ABSENCE.

You are advised that:

(a) you are entitled to issue documents and present evidence in the proceeding in English or French or both;

(b) the Plaintiff intends to proceed in the English language; and

(c) your Statement of Defence must indicate the language in which you intend to proceed.

Sachez que:

(a) vous avez le droit dans la présente instance, d'émettre des documents et de présenter votre preuve en français, en anglais ou dans les deux langues;

(b) le Demandeur a l'intention d'utiliser la langue anglais; et

(c) l'exposé de votre défense doit indiquer la langue que vous avez l'intention d'utiliser.

If you pay to the Plaintiff or the Plaintiff's lawyer the amount of the Plaintiff's claim, together with the sum of $100 for the Plaintiff's costs, within the time you are required to serve and file your Statement of Defence, further proceedings will be stayed or you may apply to the court to have the action dismissed.

Si, dans le délai accordé pour la signification et le dépôt de l'exposé de votre défense, vous payez au demandeur ou à son avocat le montant qu'il réclame, plus $100 pour couvrir ses frais, il y aura suspension de l'instance ou vous pourrez demander à la cour de rejeter l'action.

THIS NOTICE is signed and sealed for the Court of Queen's Bench by Chantal Morneau, Clerk of the Court at Moncton, New Brunswick, on the 12th day of May 2021.

Chantal Moreau

Chantal Moreau, Clerk

Address:

Court of Queen's Bench of New Brunswick,
Moncton Law Courts
145 Assomption Blvd.
Moncton, NB E1C 0R2

CET AVIS est signé et scellé au nom de la Cour du Banc de la Reine par __________, greffière de la Cour à _______, ce ______ jour de mai 2021.

Adresse:

4158-2405-1245 v2

STATEMENT OF CLAIM

1. The Plaintiff, TW1 Oaks Inc. ("**TW1**") is a corporation incorporated pursuant to the laws of the Province of Ontario with a registered office at 167 Brule Trail, King, Ontario.

2. The Defendant, HR Corporate Strategies Inc. ("**HR**") is a corporation incorporated pursuant to the laws of the Province of Ontario with a registered office at 2495 Lloydtown Aurora Side Road, King, Ontario.

3. TW1 and HR are the voting shareholders of the Royal Oaks Golf Club Inc. ("**Royal Oaks**" or "**the Corporation**"), a New Brunswick corporation that owns and operates the Royal Oaks Golf Club in Moncton, New Brunswick.

4. The Defendant, Ronald Hrynyk ("**Hrynyk**") resides at 2495 Lloydtown Aurora Side Road in King City, Ontario. Hrynyk is a director and officer of Royal Oaks and a shareholder, director and officer of HR.

Shareholders and Directors of Royal Oaks

5. TW1 became a shareholder of Royal Oaks in January of 2018.

6. At that time, its only other shareholder was a limited liability partnership, Sunset CRE Investments I LPP, organised under the laws of British Columbia, and whose sole members were Hrynyk (50%) and Patrick Miniutti ("**Miniutti**") (50%). TW1 purchased one third of the shares in the Corporation and acquired a proportionate share of its existing debt.

7. In March of 2019, a corporate reorganization agreed to by all shareholders provided TW1 with a majority of the voting shares of the Corporation; removed Miniutti from the exercise of any voting rights or involvement in business operations; and added a new investor, Walter Stephen Lunn ("**Lunn**") who provided capital in exchange for non-voting common shares with a put option.

8. The shareholdings of the Corporation from March 29, 2019 and to the present date are as follows:

   (a) TW1: 218,000 voting common shares;

   (b) HR: 159,000 voting common shares;

(c) Lunn: 125,677 non-voting common shares; and

(d) Miniutti: 100,000 non-voting class "C" preferred shares.

9. HR and TW1, as voting shareholders, are parties to a Shareholders' Agreement dated March 29, 2019 ("**the Shareholders' Agreement**").

10. Section 3 of the Shareholders' Agreement states that the Board of Directors of the Corporation shall be composed of three (3) directors. It further confirms the appointment of Esmond Clouthier ("**Clouthier**"), who is a principal of TW1, and Hrynyk as the initial directors to manage the affairs by unanimous decision until appointment of a third director.

11. As of the present date, Clouthier (President) and Hrynyk (Secretary-Treasurer) are the only directors of the Corporation.

Shareholders and Directors of the Ontario Corporation

12. 2246329 Ontario Inc. ("**the Ontario Corporation**") is an Ontario corporation that owns vacant land for development at 195 Royal Oaks Boulevard in Moncton, New Brunswick, which is adjacent to Royal Oaks.

13. The shareholders of the Ontario Corporation are TW1 (54%) and HR (46%). Its directors are Hrynyk (President) and Clouthier (Vice-President).

Representations & Reasonable Expectations

14. Hyrnyk induced TW1 to purchase shares in the Ontario Corporation and Royal Oaks and to acquire a significant portion of its existing debt on the representation, among others, that Royal Oaks was a long term investment with the opportunity to grow and develop a golf course that would not only generate investment return over time, but also become a significant source of pride and enjoyment for its owners, members and the community. Although it faced challenges at the time, the golf course itself had tremendous potential, which was further enhanced by the vacant land for development held by the Ontario Corporation.

15. The prospect of a long term development was particularly enticing to TW1. Its principals have significant experience in golf course operations and real property development and identified Royal Oaks as a "passion project" which they and their family could build and develop, with pride, over time.

16. At the time of its initial acquisition of shares in Royal Oaks in 2018 and the 2019 reorganization and execution of the Shareholder's Agreement, it was the reasonable expectation of TW1 that:

    (a) the directors would act honestly and in good faith, with a view to establishing and maintaining a positive reputation for Royal Oaks in the community;

    (b) the directors would act in compliance with the Corporation's constituting documents, including its articles of incorporation as amended;

    (c) the directors would act in the best interests of the Corporation at all times and not seek to use their power as directors to advance interests as shareholders that conflict with those of the Corporation;

    (d) the investment presented an opportunity for long term growth and development, rather than investment in an asset for liquidation or sale;

    (e) when required, capital contributions would be made by all voting shareholders in proportion to their shareholdings;

    (f) TW1 would lead day-to-day operations and management of the Corporation; and

    (g) Miniutti would cease having any active involvement in day-to-day operations or management of the business.

    all of which are referred to herein as "**the Reasonable Expectations**".

17. In furtherance of and consistent with these representations and Reasonable Expectations, TW1 and its principals invested significant resources, both financial and otherwise, in Royal Oaks. These investments include not only significant capital contributions, but also thousands of hours of time and expertise to overhaul all aspects of operations, including:

    (a) investment in golf course maintenance and repair;

    (b) painstaking rebuild of relationships with employees, suppliers, members, sponsors and the community;

    (c) creation of professional systems to manage finances, budgets, human resources, food and beverage inventory;

    (d) implementation of a strategy for cost reduction and management of the vendor aged list;

    (e) introduction of marketing, corporate partnerships and sponsorship initiatives; and

(f) improvement of golf programming, overall growing of the game of golf in Moncton, and individual and corporate membership offerings.

18. These efforts and investments of TW1 were made in reliance upon the Reasonable Expectations and representations set out herein and have had significant positive results to date. The value and long term viability of Royal Oaks has significantly improved over a short period of time.

Breach of Representations & Reasonable Expectations

19. Beginning in or around 2020 and escalating as of March of 2021, Hrynyk and HR have breached these Reasonable Expectations.

20. HR is unable or unwilling to make capital contributions in proportion to its shareholding in either Royal Oaks or the Ontario Corporation. HR is openly seeking to sell the asset as quickly as possible, rather than making contributions to its growth and development.

21. Since March of 2021, Hrynyk has been using his powers as a director in a manner contrary to the best interests of the Corporation and the Reasonable Expectations of TW1. The particulars of this improper behaviour include:

(a) attempting to unilaterally recognize conversion of the Miniutti preferred shares to voting common shares, contrary to the share terms contained in the articles of incorporation;

(b) attempting to appoint Hrynyk's wife, Jacqueline Boddaert to the board of directors, without authority to do so, to gain majority control of the board to pursue interests of HR as a shareholder;

(c) making disparaging and untrue comments about TW1 and its principals to employees, its bank and its professional service providers, which damages the Corporation's reputation and relationship with these individuals and the broader community;

(d) refusing to approve the 2020 financial statements without valid basis for doing so, which damages the Corporation's relationship with its principal lender;

(e) failing to distinguish between HR's interests as a shareholder and Hrynyk's role as a director at the board level, which prevents the Corporation from making decisions required to move forward with its business, including to address important financial and operational obligations;

(f) threatening to freeze and causing the Corporation's bank account to be frozen in an effort to use the financial crisis caused by inability to pay employees and suppliers as leverage in a shareholders' dispute.

22. As a result of the conduct of HR and Hrynyk, substantial gains made by the Corporation since 2018 have been placed in jeopardy, with damage to the Corporation's reputation, to its relationships with employees, creditors, suppliers and members, and to the value of its shares. Further, the Corporation faces a deadlock in which decisions cannot be made expeditiously or at all, which with the potential for negative short and long term consequences on Royal Oaks.

23. Pursuant to section 166(3) of the *Business Corporations Act* ("**the BCA**"), the Plaintiff seeks the following relief:

  (a) an order removing Hrynyk as a director and officer of the Corporation;

  (b) an order that all voting shareholders attend a shareholders' meeting to appoint directors to replace Hrynyk and to fill the third (currently vacant) Board seat;

  (c) an interim and permanent injunction to enjoin Hrynyk from:

    (i) communicating directly with employees, service providers or sponsors of the Corporation;

    (ii) freezing the Corporation's bank account;

    (iii) making public statements or representations to third parties with respect to the Corporation, TW1 or its principals;

    (iv) negotiating or attempting to negotiate an asset sale of the business on behalf of the Corporation; and

    (v) taking any steps to effect conversion of the Miniutti preferred shares to voting common shares absent order of the Court;

  (d) an order requiring HR to "true up" its obligations to TW1 in proportion to its shareholdings, currently being an amount of $134,041 or, alternatively, diluting HR's shareholding by a proportionate amount with the discount set out in the Shareholders' Agreement for a defaulting shareholder pursuant to section 7.01(1)(e) of the Shareholders' Agreement;

  (e) damages for costs and expenses incurred to address Hrynyk's oppressive conduct in an amount to be determined;

  (f) interest, solicitor-and-client costs, and disbursements; and

  (g) such other or further relief as this honourable Court deems just.

24. The Plaintiff pleads and relies upon the BCA in its entirety and, in particular, sections 79, 97, 166 thereof.

The Plaintiff intends to proceed in the English language.

DATED at Moncton, New Brunswick, this 12th day of May 2021.

STEWART McKELVEY
Solicitors for the Plaintiff,
TW1 Oaks Inc.

Per: ______________________
Josie H. Marks

STEWART McKELVEY
Solicitors for the Plaintiffs
Blue Cross Centre
601-644 Main Street
P.O. Box 28051
Moncton, NB E1C 9N4

Tel: (506) 853-1970
Fax: (506) 858-8454
Email: jmarks@stewartmckelvey.com

Court File # MC 314 2021

Dossier No.

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

COUR DU BANC DE LA REINE DU NOUVEAU BRUNSWICK

TRIAL DIVISION

DIVISION DE PROCÈS

JUDICIAL DISTRICT OF MONCTON

CIRCONSCRIPTION JUDICIAIRE DE SAINT JEAN

BETWEEN: **TW1 OAKS INC.,**

ENTRE:

Plaintiff;

Demandeur,

-and-

-et-

RONALD HRYNYK and HR CORPORATE STRATEGIES INC.

Defendants;

Défendeurs,

-and-

-et-

ESMOND CLOUTHIER, STEPHEN LUNN and TWELVE12 INVESTMENTS AND CONSULTANCY INC.

Parties Added by Counterclaim.

Partie ajoutée par reconvention

COURT OF QUEEN'S BENCH
TRIAL DIVISION
MONCTON, N.B.
FILED/REGISTERED

JUN 30 2021

COUR DU BANC DE LA REINE
DIV. DE PREMIERE INSTANSE
MONCTON, N.-B.
DÉPOSÉ/ENREGISTRE

NOTICE OF COUNTERCLAIM
(Form 27C-2)

AVIS DE DEMANDE RECONVENTIONNELLE
(Formule 27C-2)

To: **ESMOND CLOUTHIER**
167 Brule Trail
King, Ontario L7B 0C7

Destinataire:

And: **STEPHEN LUNN**
PO Box # 42369
Abu Dhabi, United Arab Emirates

And: **TWELVE12 INVESTMENTS AND CONSULTANCY INC.**
167 Brule Trail
King, Ontario L7B 0C7

THE DEFENDANTS IN THIS ACTION HAVE FILED THE WITHIN COUNTER-CLAIM AGAINST THE PLAINTIFF AND YOU;

If you wish to defend the Counterclaim, either you or a New Brunswick lawyer acting on your behalf must prepare your Defence to Counterclaim in the form prescribed by the Rules of Court and

(a) serve it on the Defendants or their lawyer at the address shown herein, and

(b) with proof of such service, file it in this Court office WITHIN 20 DAYS after service on you of the Statement of Claim and this Statement of Defence and Counterclaim.

If you fail to do so, you may be deemed to have admitted the counterclaim and, without further notice to you, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE.

You are advised that:

(a) you are entitled to issue documents and present evidence in the proceeding in English or French or both;

(b) the Plaintiff intends to proceed in the English language and the Defendants intend to proceed in the English language;

LE DÉFENDEUR DANS CETTE ACTION A DÉPOSÉ LA DEMANDE RECONVEN-TIONNELLE CI-INCLUSE CONTRE LE DEMANDEUR ET VOUS-MÊME;

Si vous désirez présenter une défense à la demande reconventionnelle, vous-même ou un avocat du Nouveau-Brunswick chargé de vous représenter devrez rédiger votre défense reconventionnelle en la forme prescrite par les Règles de procédure, puis

(a) la signifier au défendeur ou à son avocat à l'adresse ci-indiquée et

(b) la déposer au greffe de cette Cour avec une prevue de sa signification DANS LES 20 JOURS de la signification qui vous sera faite de l'exposé de la demande et du présent exposé de la défense et demande reconventionnelle;

Si vous omettez de le faire, vous pourrez être réputé avoir admis la demande reconventionnelle et, sans autre avis, JUGEMENT POURRA ÊTRE RENDU CONTRE VOUS EN VOTRE ABSENCE.

Sachez que:

(a) vous avez le droit dans la présente instance, d'émettre des documents et de présenter votre prevue en français, en anglais ou dans les deux langues;

(b) le demandeur a l'intention d'utiliser la langue ____ et le défendeur, la langue _____;

(c) you must indicate in your Defence to Counterclaim the language in which you intend to proceed; and

(d) if you require the services of an interpreter at the trial you must advise the Clerk at least 7 days before the trial.

(c) vous devez indiquer dans votre défense reconventionnelle la langue que vous avez l'intention d'utiliser; et

(d) si vous avez besoin des services d'un interprète au procès, vous devrez en aviser le greffier au moins 7 jours avant le procès.

THIS NOTICE is signed and sealed for the Court of Queen's Bench by Chantal Moreau, Clerk of the Court at Moncton, New Brunswick, on the 30th day of June, 2021.

CET AVIS est signé et scellé au nom de la Cour du Banc de la Reine par greffier de la Cour à ______________ ce ______ jour de ______, 20__.

Chantal Moreau

Chantal Moreau
Clerk of the Court

Court Seal

____
Greffier

Sceau de la Cour

Court of Queen's Bench of New Brunswick
Trial Division
145 Assumption Blvd.
Moncton NB E1C 0R2
Tel (506) 856-2307

Cour du Banc de la Reine du Nouveau-Brunswick
145 boul. Assomption
Moncton N.B. E1C 0R2
Tel (506) 856-2307

STATEMENT OF DEFENCE

1. The Defendants, Ronald Hrynyk and HR Corporate Strategies Ltd. (respectively and individually "**Hrynyk**" and "**HR**" and collectively the "Defendants") admit the statements of fact contained in paragraphs 1, 3, 4, 5, 7, 9, 10, 11 and 13 of the Plaintiff's Statement of Claim dated May 12, 2021.

2. The Defendants admit the statements of fact contained in paragraph 2 of the Statement of Claim, save and except to clarify that the proper name of the corporate Defendant is "HR Corporate Strategies Ltd." and not "HR Corporate Strategies Inc.".

3. The Defendants also admit the statements of fact contained in paragraph 12 of the Statement of Claim, save and except to clarify that the proper name of "2246329 Ontario Inc." is "2246329 Ontario Limited", and the vacant development land held by 2246329 Ontario Limited is adjacent to the golf course property owned by Royal Oaks Golf Club Inc. (hereinafter "**ROGC**" or the "**Corporation**"), which is doing business as the "Royal Oaks Golf Club".

4. The Defendants have no knowledge of the allegations made in paragraph 15 of the Statement of Claim and put the Plaintiff to the strict proof thereof.

5. The Defendants deny the allegations made in paragraphs 6, 8, 14, 16, 17, 18, 19, 20, 21 and 22 of the Statement of Claim, and all other allegations made in the Statement of Claim, except to the extent expressly hereinafter admitted.

6. As to the entirety of the Plaintiff's Statement of Claim, the Defendants say, and the facts are, as follows:

(a) The Defendant, Hrynyk, is the sole director and sole shareholder of HR, and is commonly referred to as "Ron";

(b) Hrynyk's wife is Jacqueline Boddaert who is commonly referred to as "Jacquie";

(c) Esmond Clouthier and his wife, Nicole Clouthier (individually and respectively "**Esmond**" and "**Nicole**" and collectively the "**Clouthiers**") are the only directors and shareholders of the Plaintiff, TW1 Oaks Inc. (hereinafter "**TW1**");

(d) HR and TW1 are voting shareholders of ROGC and until recent events, as hereinafter described, they were the only directors and officers of ROGC;

(e) ROGC operates the Royal Oaks Golf Club from lands and facilities (the "**Golf Club Property**") situate in the City of Moncton, New Brunswick;

(f) ROGC has mortgaged the Golf Club Property to CWB Maxium Financial Inc. ("**Maxium**") which indebtedness is in part personally guaranteed (the "**Guarantee**") by Hrynyk;

(g) In or about October, 2016, Hrynyk and HR became aware that the Clouthiers were interested in a business opportunity which led, over the following ten (10) months, to them investing in ROGC and 2264329 Ontario Limited through the Plaintiff, TW1;

(h) Prior to this investment by the Clouthiers, ROGC was wholly owned by Sunset CRE Investments I LLP ("**Sunset**") which, in turn, was owned equally by Hrynyk and Patrick Miniutti ("**Miniutti**");

(i) From January 2018, Esmond and Nicole, through a related entity, Twelve12 Investments and Consultancy Inc. ("**Twelve12**"), were responsible for the day to day operations management of ROGC pursuant to a management consultancy agreement (the "**Twelve12 Agreement**") in a co-management arrangement with Miniutti, but this arrangement terminated in July 2018, when Miniutti stepped back from operational issues at ROGC;

(j) Despite the termination of this management arrangement, day to day operations management of ROGC was continued by Nicole and Esmond and the employed staff of ROGC pursuant to the Twelve12 Agreement;

(k) Several other agreements were executed and delivered during 2017, 2018 and 2019, including a ROGC shareholders agreement (the "**Shareholders Agreement**"), a share purchase agreement (the "**SPA**"), and a share purchase amendment agreement (the "**SPAA**"), which were made concurrently and as collateral contracts during a significant re-organization of ROGC effective as of March 29, 2019 (the "**Re-organization**");

(l) The Shareholders Agreement entered into by TW1, HR, and ROGC, provided, *inter alia*, for the following:

i) that HR and TW1 vote their shares in ROGC to elect Esmond and Hrynyk as the only directors to manage the affairs of the Corporation by unanimous decision;

ii) that Esmond was to be designated as the President of ROGC and Hrynyk as the Secretary-Treasurer; and

iii) that Esmond and Hrynyk, signing together, were to execute "all banking instruments";

(m) The SPA, entered into by ROGC, a new shareholder Stephen Lunn ("**Lunn**"), HR and TW1, provided, *inter alia*, for:

i) the acquisition, by Lunn of 125,667 non-voting common shares (the "**Lunn Shares**") in ROGC;

ii) the option for Lunn (the "**Put Option**") to put the Lunn Shares, at a predetermined price and within a predetermined time frame, to ROGC, TW1 and to "Jacquie and Ron"; and

iii) the option to convert the Lunn Shares to common shares with voting rights, provided reasonable prior notice to cancel the Put Option was delivered by Lunn;

(n) The SPAA, entered into between ROGC, TW1, HR, Patrick and Aline Miniutti (the "**Miniuttis**"), and Sunset, a former shareholder:

i) caused ROGC to issue 100,000 non-voting class C preferred shares (the "**Miniutti Preferred Shares**') to Patrick and Aline Miniutti (the "**Miniuttis**");

ii) entitled the Miniuttis a right to convert (the "**Conversion Right**") the Miniutti Preferred Shares into voting common shares of ROGC pursuant to ROGC's constating documents, and in accordance with the provisions of the SPAA; and

iii) granted to HR, TW1, and ROGC collectively the right (the "**Call Option**") to call and purchase the Miniutti Preferred Shares, in the event the Miniuttis did not convert them in accordance with their Conversion Right;

o) In 2018, 2019, and 2020, during the continuance of day to day operations management of ROGC by Twelve12 and others, ROGC recorded an increasingly negative financial performance, accumulating aggregate operating deficits approaching one million ($1,000,000.00) dollars; ROGC was also required to enter into a forbearance agreement with Maxium due to its failure to perform loan covenants;

p) In early March, 2021, Hrynyk received a draft of ROGC's 2020 financial statements from Nicole and Esmond, which omitted disclosure of a large payable owing for the years 2018, 2019 and 2020, and created deceptively false impressions for Maxium;

q) As a result, Hrynyk proceeded with a secondary review of the 2020 financial statements, including certain non-arms length transactions and payments to TW1, Esmond, Nicole, and Twelve12;

r) Hrynyk sought disclosure of information and documentation from Esmond, Nicole and ROGC's external accountants to substantiate the entries on the financial statements;

s) After several failed attempts to obtain the banking documentation, Hrynyk, in his capacity as a director and officer of ROGC, requested the information directly from representatives of the Toronto Dominion Bank (the "**TD**"), and the TD provided several certified copies of banking resolutions that had been lodged with it for the operation of ROGC's bank account;

t) To Hrynyk's dismay, three of those certified copies (the "**Impugned Resolutions**") purported to have been passed by the board of directors of ROGC subsequent in time to the execution of the Shareholders Agreement requiring all banking documentation to be signed by Esmond and by him;

u) None of the Impugned Resolutions were authorized by Hrynyk but each was certified by Esmond and Nicole to be a "true copy of a resolution duly passed by the board of directors of the Corporation… now in full force and effect and unamended";

v) In contravention of the Shareholders Agreement, none of the Impugned Resolutions had Hrynyk listed as a signing officer;

w) None of the three Impugned Resolutions were ever adopted by the directors of ROGC, but were deceptively delivered to the TD and falsely represented to the TD to be true;

x) After numerous failed efforts by Hrynyk to obtain rectification of such matters and Esmond's future compliance with the provisions of the Shareholders Agreement, Hrynyk advised Esmond that he would be obliged to contact the TD and restrict any further unauthorized access to the bank account, pending a proper resolution of the ROGC signing authorities;

y) Upon realizing the reality of the situation, the TD placed a hold on the bank account pending the filing of properly authorized banking resolutions;

z) Subsequently, the Plaintiff initiated these proceedings in this Court; after consensual banking arrangements were agreed to, a Consent Order (the "**Consent Order**") was issued by this Court enabling the continued operation of ROGC's bank account at the TD, subject however to agreed limitations and restrictions;

aa) In the result, the Consent Order:

i) removed Nicole as a signing officer;

ii) facilitated ordinary operating expense payments;

iii) mandated that all expenditures in excess of $20,000.00 be approved by the two directors, Hrynyk and Esmond;

bb) On March 19, 2021, the Miniuttis gave notice to ROGC, Esmond, and Hrynyk (the "**Conversion Notice**") of their desire to exercise their Conversion Right in respect of the Miniutti Preferred Shares;

cc) The Conversion Notice provided by the Miniuttis was accompanied, as required, by an attornment to the Shareholders Agreement and further advised of the Miniuttis' appointment of

Jacquie as a director of ROGC, pursuant to the Miniutti's right to appoint a director to the board of directors of ROGC;

dd) Notwithstanding receipt of the Conversion Notice by ROGC, TW1 immediately purported, by notice to the Miniuttis (the "**Call Notice**"), to purchase for its own behalf the Miniutti Preferred Shares, ostensibly pursuant to the SPAA;

ee) Concurrently with delivery of the Call Notice, TW1 unlawfully and without authority from ROGC or from its directors or other shareholder, HR, advised the Miniuttis that the Conversion Notice was allegedly not effective, contending that it supposedly lacked "reasonable notice", and that it required a prior attornment to the Shareholders Agreement;

ff) At a board of directors meeting of ROGC, duly called and held on April 26, 2016, approval was given by ROGC for the conversion of the Miniutti Preferred Shares in accordance with the Conversion Notice, and despite the Call Notice delivered by TW1; Esmond's conflict of interest as a director was raised as a *bona fides* issue disqualifying him from voting;

gg) The shares to which the Miniuttis were entitled pursuant to the Conversion Notice given by them, although duly approved for issuance, were not thereafter issued and delivered by ROGC;

hh) Instead, at a meeting (the "**Impugned Shareholders' Meeting**") called by TW1 and conducted outside of the Province of New

Brunswick in violation of section 84(1) of the *Business Corporations Act* S.NB. 1981, c. B-9.1 (the "**BCA**") by telephone conference on June 2, 2021, TW1 purported to hold a shareholders meeting in the absence of HR's proxy and the Miniuttis;

ii) At the Impugned Shareholders' Meeting, Lunn, purporting to have voting rights even though such rights did not accrue to Lunn pursuant to the Put Option, and TW1, represented by Esmond, unlawfully purported to adopt a resolution appointing Lunn as a director of ROGC;

jj) Approximately one week later, on June 10, 2021, Esmond purported to hold a directors' meeting of ROGC (the "**Impugned Directors' Meeting**"), although objected to in writing by Hrynyk, and at that meeting Esmond and Lunn colluded to effect:

i) the removal of Hrynyk as Secretary-Treasurer;

ii) the replacement of Hrynyk with Nicole as Secretary-Treasurer;

iii) the approval of ROGC's 2020 false and deceptive financial statements for presentation to Maxium; and

iv) an amendment to the signing authorities at the TD;

all in violation of rules of governance, the BCA, the Shareholders Agreement, and the Consent Order.

7. As a result of the aforegoing wrongful acts, omissions, breaches of contract, violation of statutory authority, and breach of fiduciary duty, the

Plaintiff, TW1, and its principal, Esmond, acted in contempt of the Consent Order and contrary to the Defendants' Reasonable Expectations (as defined hereinafter).

8. The Defendants expressly deny the claim in the Plaintiff's Statement of Claim to the effect that it has been adversely affected by the matters complained of. In the alternative, the Defendants say that if TW1 has been affected (which is denied), TW1 and its principal come before this Court with 'unclean hands' and are disentitled to equitable or statutory oppression remedies.

9. The Defendants admit the statements of fact contained in paragraph 8(a), (b) and (c) of the Plaintiff's Statement of Claim, subject to the aforegoing, but deny the inference contained in paragraph 8(d) to the effect that the Miniuttis are not the holders of common shares pursuant to the Conversion Notice duly given and accepted by ROGC.

10. The Defendants admit the statements of fact contained in paragraphs 16(a), (b), (c), and (d) of the Statement of Claim, subject to the aforegoing, but deny the allegations contained in paragraphs 16(e), (f) and (g) thereof with respect to the requirements of the Shareholders Agreement, the role of TW1 in the management of ROGC, and the entitlement of the Miniuttis to participate.

11. As to paragraph 8(d) of the Statement of Claim, the Defendants state and the fact is that the Miniutti Preferred Shares have been lawfully converted into 100,000 voting common shares in the capital of ROGC, validly held by the Miniuttis, and that ROGC is required by law to issue a certificate accordingly.

12. As to paragraph 14 of the Statement of Claim, the Defendants acknowledge that they originally introduced TW1 to the business opportunity of

participating in the ownership of ROGC, however all subsequent discussions with and decisions of TW1, Esmond, Nicole or Twelve12, were agreed upon without improper inducement or representation of any kind by the Defendants.

13. As to paragraph 16(e) of the Statement of Claim, the Defendants say that there was no discussion in 2018 about any capital contributions to be made by shareholders to ROGC, and when it was subsequently discussed, a mechanism was agreed upon and incorporated in the Shareholders Agreement that speaks for itself.

14. As to paragraphs 16(f) and (g) of the Statement of Claim, the Defendants say that the day to day operations of ROGC were to be co-managed by Twelve12 and Miniutti pursuant to the Twelve12 Agreement and a similar agreement with Miniutti which terminated in July, 2018, since which time any management by Esmond and Nicole or by Twelve12 has been at the will and pleasure of the directors; at no time did Hrynyk relinquish his authority or responsibility as a director of ROGC during the existence of the Twelve12 Agreement.

15. As to paragraph 17 of the Statement of Claim, the Defendants repeat that any management activities carried out by Twelve12, Esmond or Nicole, were conducted pursuant to the terms of the Twelve12 Agreement, and not by TW1; the Defendants have sought and will continue to seek documentation from ROGC and TW1 to validate and reconcile any capital contributions by TW1 to ROGC in excess of the contributions made to ROGC by HR, and to account for any non-arms length payments by ROGC.

16. As to paragraph 18 of the Statement of Claim, the Defendants again repeat that the referenced efforts at management of day to day operations of ROGC were made by Twelve12, not by TW1, and were made pursuant to the Twelve12

Agreement, not in reliance upon any alleged expectations or representations; as the financial statements of ROGC, when properly constituted, will further demonstrate, the management efforts and investments that TW1 or Twelve12 have made or expended towards ROGC have had a negative financial impact upon the Corporation's undertaking.

17. As to paragraph 20 of the Statement of Claim, while it is acknowledged that HR has been unwilling to make additional capital contributions in the absence of suitable disclosures and proper financial accounting, Hrynyk, with the full knowledge and support of TW1, has been openly seeking funding and support from third parties.

18. As to paragraph 21(a) of the Statement of Claim, Hrynyk says that an appropriate recognition of the Conversion Notice for the Miniutti Preferred Shares was made by him in the exercise of his fiduciary duties and in his capacity as a director of ROGC, at all times in keeping with the legal obligations of ROGC.

19. As to paragraph 21(b) of the Statement of Claim, Hrynyk says that, to the best of his knowledge, any desire by the Miniuttis to have Jacquie appointed as a director of ROGC was taken in good faith in accordance with the provisions of the Shareholders Agreement, and the SPAA, and was not in violation of any reasonable expectations of the parties or of ROGC's constating documents.

20. As to paragraph 21(c) of the Statement of Claim, Hrynyk says that any statements at any time made by him to employees of ROGC, its bank, or its professional service providers, were at all times true when made, and continue to be true.

21. As to paragraph 21(d) of the Statement of Claim, Hrynyk repeats that he had and continues to have a valid basis for refusing as a director to approve deceptively inaccurate and misleading financial statements of ROGC, knowing that they are intended to be represented to and to be relied upon by Maxium in support of credit arrangements for ROGC.

22. As to paragraph 21(e) of the Statement of Claim, HR and Hrynyk say that they have, at all times, respected and will continue to respect their distinct roles and responsibilities as a shareholder and director respectively of ROGC.

23. As to paragraph 21(f) of the Statement of Claim, the Defendants repeat that any discussion regarding ROGC's bank account at TD was undertaken pursuant to the provisions of the Shareholders Agreement, for the reasons stipulated; any decision of ROGC's bank, the TD, to restrict Esmond and Nicole from acting without lawful authority, was that of the TD, and was ultimately affirmed by the Consent Order.

24. As to paragraph 22 of the Statement of Claim, the Defendants repeat that ROGC has suffered extensive financial losses and experienced negative performance since the involvement of TW1 and its principals in the management and operations of ROGC through Twelve12, a fact which will be confirmed by the Corporation's financial statements, and by the evidence adduced in this proceeding.

25. The Defendants deny that the Plaintiff, TW1, is entitled to all or any of the relief sought by paragraph 23 of the Statement of Claim, or that it is entitled to any of the oppression remedies recited therein.

26. The Defendants further assert that if the Plaintiff TW1 has been adversely affected (which is denied) by any actions or omissions other than its own, it has by its own negligence caused or contributed to such damages, or has mitigated any losses it may have suffered.

27. The Defendants respectfully request that the Plaintiff's action be dismissed by this Court with costs on a solicitor-client basis.

COUNTERCLAIM

28. The Defendants by this Counterclaim repeat and rely upon the facts pleaded in paragraphs 1 through 27 of the Statement of Defence as if set forth fully herein.

29. The Defendants counterclaim against the Plaintiff TW1, and against Esmond, Twelve12, and Lunn as Parties Added by Counterclaim.

30. Esmond resides at 67 Brule Trail, King, Ontario.

31. Lunn resides in Abu Dhabi, in the United Arab Emirates.

32. Twelve12 is a corporation incorporated pursuant to the laws of the Province of Ontario with its registered office at 167 Brule Trail, King, Ontario.

33. The Defendants, HR and Hrynyk, assert that at the time of the Re-organization of ROGC and at all material times thereafter it was their reasonable expectation that:

(a) Esmond would act in compliance with his obligatory statutory duty of care as a director as set forth in section 79 of the BCA;

(b) Esmond would not use his power as a director, or conspire with Lunn, to advance his own personal interests or those of TW1 as a shareholder that conflicted with those of ROGC;

(c) TW1, with Esmond's direction as its principal, and Lunn, would comply with all of the provisions of the Shareholders Agreement, the SPA and the SPAA;

(d) Esmond, Lunn and TW1 would comply with the provisions of the BCA, the Articles of ROGC, and rules of corporate governance;

(e) Esmond and TW1 would provide all financial information pertaining to ROGC to the Defendants as requested and as required by section 18 of the BCA;

(f) Hrynyk and HR would not be excluded by Twelve12, Esmond, Lunn, or TW1 from decision making;

(g) Esmond, Lunn and TW1 would fully disclose to Hrynyk and HR any non-arms' length transactions; and

(h) TW1, with Esmond's direction as its principal, would comply with the provisions of the Consent Order;

all of which are referred to hereinafter as the **"Defendants' Reasonable Expectations"**.

34. The Defendants state that TW1, Twelve12, Esmond, Lunn, or some one of more of them acting together, have violated the Defendants' Reasonable Expectations by:

i) knowingly presenting or allowing to be presented for approval deceptively false and misleading 2020 financial statements for ROGC and for Maxium to sustain credit;

ii) providing deceptively false and misleading banking resolutions to the TD, for the operation of ROGC's bank account,;

iii) wrongfully interfering with the Miniuttis' Conversion Right in violation of the duty to act honestly and in good faith;

iv) wrongfully purporting to exercise the Call Option for their own personal enrichment;

v) wrongfully holding and purporting to adopt resolutions at the Impugned Shareholders' Meeting in violation of section 84(1) of the BCA;

vi) wrongfully holding and purporting to adopt resolutions at the Impugned Directors' Meeting, including one to remove Hrynyk as the Secretary-Treasurer of ROGC, and replace him with Nicole;

vii) wrongfully changing the signing authorities at the TD in conflict with and in contempt of the Consent Order; and

viii) by such further or other improper acts or omissions as may be disclosed by the evidence in this proceeding.

35. The Defendants claim that they have been adversely affected by the oppressive, unfairly prejudicial, and wanton disregard of their interests by Esmond, Lunn, and TW1, or some one or more of them acting together, in violation of the Defendants' Reasonable Expectations. The Defendant Hrynyk has also suffered financial damages and continues to be in financial jeopardy from this oppressive behavior by virtue of his financial exposure under his Guarantee of certain obligations of ROGC to Maxium.

36. The Defendants plead and rely upon sections 18, 79, 84(1), 155, 156, 163, 164 and 166 of the BCA, and other sections of the BCA *in pari materia.*

37. The Defendants accordingly claim by this Counterclaim the following relief, jointly and severally as against Twelve12, TW1, Esmond, and Lunn:

(a) an Order enforcing the provisions of the Shareholders Agreement and rectifying the directors and officers registers of ROGC by reappointing Hrynyk as the Secretary-Treasurer and removing Nicole from that position;

(b) an Order directing an investigation under Part XIV of the BCA, and pursuant to section 166(3)(m) of the BCA, which would entail the following relief:

i) the appointment of an inspector of ROGC;

ii) authorizing the inspector to investigate ROGC for the purposes of verifying and reconciling entries in the financial statements of ROGC;

iii) authorizing the inspector to reconcile and provide an accounting of the shareholder loan accounts of its shareholders, all payments to Twelve12, or other non-arms length expenditures;

iv) authorizing an inspector to enter any premises where the books and records of ROGC are kept, and to examine anything and make copies of any document or record found on the premises;

v) requiring Esmond and any other person to produce any and all documents or records to an inspector as may be requested;

vi) requiring an inspector to make an interim and final report to the Court;

(c) in the alternative to the relief claimed in subparagraph (b), an Order for the reconciliation and accounting of the shareholder loans of the shareholders of ROGC, the payments to Twelve12, Esmond or Nicole, and a verification and reconciliation of the entries in the financial statements of ROGC, all by an external accountant appointed pursuant to rules 56 or 57 of the New Brunswick Rules of Court;

(d) an Order setting aside the Call Notice and disgorging any benefits improperly attained by TW1 or Esmond as a result of their attempt to convert the Miniutti Preferred Shares for their own benefit;

(e) a Declaration that the Impugned Shareholders' Meeting was not properly held, that all resolutions adopted thereat are void, and that Lunn was not properly appointed as a director of ROGC;

(f) a Declaration that the Lunn Shares are non-voting;

(g) an Order removing Lunn as a director and officer of ROGC, and facilitating the appointment of a director by the Miniuttis pursuant to the Conversion Right under the SPAA;

(h) a Declaration that the Impugned Directors' Meeting was not properly held, and that all resolutions adopted thereat by Esmond and Lunn are void;

(i) an Order compelling compliance with the Shareholders Agreement, and the Consent Order, in respect of Hrynyk's signing authority as a director;

(j) an Order rescinding the Twelve12 Agreement;

(k) an Order suspending Esmond's appointment as a director and officer of ROGC pending the aforegoing investigations;

(l) damages as against Lunn and Esmond for conspiring to defeat the Defendants' Reasonable Expectations;

(m) in the alternative to the relief requested in subparagraphs (b) and (c), an Order appointing a receiver of ROGC for purposes of determining and making a recommendation to this Court as to whether ROGC should be liquidated;

(n) full indemnity from TW1, Esmond, and Lunn, for any loss suffered by Hrynyk on his Guarantee to Maxium;

(o) costs on a solicitor-client basis; and

(p) such further and other relief as this Honourable Court deems just.

DATED at Moncton, New Brunswick, this 30th day of June, 2021.

G. Scott Ellsworth, Q.C.
Ellsworth Johnson & Partners
Solicitor for the Defendants

G. Scott Ellsworth, Q.C.
Ellsworth Johnson & Partners
828 Main Street
PO Box 626
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Tel (506) 857-8228
Fax (506) 589-4219
Email: sellsworth@ejp.ca
Solicitor for the Defendants

Court File No: MC-314-2021

Numéro de cause: MC 314-2021

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

COUR DU BANC DE LA REINE DU NOUVEAU-BRUNSWICK

TRIAL DIVISION

DIVISION DE PREMIÈRE INSTANCE

JUDICIAL DISTRICT OF MONCTON

CIRCONSCRIPTION JUDICIAIRE DE MONCTON

BETWEEN:

ENTRE:

TW1 OAKS INC.,

Plaintiff,

Demandeur

COURT OF QUEENS BENCH
TRIAL DIVISION
MONCTON, N.B.
FILED/REGISTERED
JUL 19 2021
COUR DU BANC DE LA REINE
DIV DE PREMIÈRE INSTANCE
MONCTON, N.-B.
DÉPOSÉ/ENREGISTRÉ

- and -

- et -

RONALD HRYNYK and HR CORPORATE STRATEGIES LTD.

Defendants.

Défendeur

AMENDED NOTICE OF ACTION WITH AMENDED STATEMENT OF CLAIM ATTACHED (FORM 16A)

AVIS DE POURSUITE ACCOMPAGNÉ D'UN EXPOSÉ DE LA DEMANDE (FORMULE 16A)

To: Ronald Hrynyk
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3

And to: HR Corporate Strategies Ltd.
c/o Ronald Hrynyk
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3

DESTINATAIRE:

LEGAL PROCEEDINGS HAVE BEEN COMMENCED AGAINST YOU BY FILING THIS NOTICE OF ACTION WITH STATEMENT OF CLAIM ATTACHED.

PAR LE DÉPÔT DU PRÉSENT AVIS DE POURSUITE ACCOMPAGNÉ D'UN EXPOSÉ DE LA DEMANDE, UNE POURSUITE JUDICIAIRE A ÉTÉ ENGAGÉE CONTRE VOUS.

If you wish to defend these proceedings, either you or a New Brunswick lawyer acting on your behalf must prepare your Statement of Defence in the form prescribed by the *Rules of Court* and serve it on the Plaintiff or the Plaintiff's lawyer at the address shown below and, with proof of

Si vous désirez présenter une défense dans cette instance, vous-même ou un avocat du Nouveau-Brunswick chargé de vous représenter devrez rédiger un exposé de votre défense en la forme prescrite par les Règles de procédure, le signifier au demandeur ou à son avocat à such service, file it in this Court Office together with the filing fee of $50.

(a) if you are served in New Brunswick, WITHIN 20 DAYS after service on you of this Notice of Action with Statement of Claim Attached, or

(b) if you are served elsewhere in Canada or in the United States of America, WITHIN 40 DAYS after such service, or

(c) if you are served anywhere else, WITHIN 60 DAYS after such service.

If you fail to do so, you may be deemed to have admitted any claim made against you, and without further notice to you, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE.

You are advised that:

(a) you are entitled to issue documents and present evidence in the proceeding in English or French or both;

(b) the Plaintiff intends to proceed in the English language; and

(c) your Statement of Defence must indicate the language in which you intend to proceed.

If you pay to the Plaintiff or the Plaintiff's lawyer the amount of the Plaintiff's claim, together with the sum of $100 for the Plaintiff's costs, within the time you are required to serve and file your Statement of Defence, further proceedings will be stayed or you may apply to the court to have the action dismissed.

l'adresse indiquée ci-dessous et le déposer au greffe de cette Cour avec un droit de dépôt de $50 et une preuve de sa signification:

(a) DANS LES 20 JOURS de la signification qui vous sera faite du présent avis de poursuite accompagné d'un exposé de la demande, si elle vous est faite au Nouveau-Brunswick ou

(b) DANS LES 40 JOURS de la signification, si elle vous est faite dans une autre région du Canada ou dans les États-Unis d'Amérique ou

(c) DANS LES 60 JOURS de la signification, si elle vous est faite ailleurs.

Si vous omettez de le faire, vous pourrez être réputé avoir admis toute demande formulée contre vous et, sans autre avis, JUGEMENT POURRA ÊTRE RENDU CONTRE VOUS EN VOTRE ABSENCE.

Sachez que:

(a) vous avez le droit dans la présente instance, d'émettre des documents et de présenter votre preuve en français, en anglais ou dans les deux langues;

(b) le Demandeur a l'intention d'utiliser la langue anglais; et

(c) l'exposé de votre défense doit indiquer la langue que vous avez l'intention d'utiliser.

Si, dans le délai accordé pour la signification et le dépôt de l'exposé de votre défense, vous payez au demandeur ou à son avocat le montant qu'il réclame, plus $100 pour couvrir ses frais, il y aura suspension de l'instance ou vous pourrez demander à la cour de rejeter l'action.

THIS NOTICE is signed and sealed for the Court of Queen's Bench by Chantal Morneau, Clerk of the Court at Moncton, New Brunswick, on the 19th day of July 2021.

Chantal Moreau

Chantal Moreau, Clerk

COURT OF QUEEN'S BENCH NEW BRUNSWICK ... NOUVEAU-BRUNSWICK COUR DU BANC DE LA REINE

Address:

Court of Queen's Bench of New Brunswick,
Moncton Law Courts
145 Assomption Blvd.
Moncton, NB E1C 0R2

CET AVIS est signé et scellé au nom de la Cour du Banc de la Reine par ________, greffière de la Cour à ______, ce ______ jour de juillet 2021.

Adresse:

4127-4230-9167

AMENDED STATEMENT OF CLAIM

1. The Plaintiff, TW1 Oaks Inc. ("**TW1**") is a corporation incorporated pursuant to the laws of the Province of Ontario with a registered office at 167 Brule Trail, King, Ontario.

2. The Defendant, HR Corporate Strategies ~~Inc.~~ Ltd. ("**HR**") is a corporation incorporated pursuant to the laws of the Province of Ontario with a registered office at 2495 Lloydtown Aurora Side Road, King, Ontario.

3. TW1 and HR are the voting shareholders of the Royal Oaks Golf Club Inc. ("**Royal Oaks**" or "**the Corporation**"), a New Brunswick corporation that owns and operates the Royal Oaks Golf Club in Moncton, New Brunswick.

4. The Defendant, Ronald Hrynyk ("**Hrynyk**") resides at 2495 Lloydtown Aurora Side Road in King City, Ontario. Hrynyk is a director and officer of Royal Oaks and a shareholder, director and officer of HR.

Shareholders and Directors of Royal Oaks

5. TW1 became a shareholder of Royal Oaks in January of 2018.

6. At that time, its only other shareholder was a limited liability partnership, Sunset CRE Investments I LPP, organised under the laws of British Columbia, and whose sole members were Hrynyk (50%) and Patrick Miniutti ("**Miniutti**") (50%). TW1 purchased one third of the shares in the Corporation and acquired a proportionate share of its existing debt.

7. In March of 2019, a corporate reorganization agreed to by all shareholders provided TW1 with a majority of the voting shares of the Corporation; removed Miniutti from the exercise of any voting rights or involvement in business operations; and added a new investor, Walter Stephen Lunn ("**Lunn**") who provided capital in exchange for non-voting common shares with a put option.

8. The shareholdings of the Corporation from March 29, 2019 and to the present date are as follows:

   (a) TW1: 218,000 voting common shares;

   (b) HR: 159,000 voting common shares;

   (c) Lunn: 125,677 non-voting common shares; and

(d) Miniutti: 100,000 non-voting class "C" preferred shares.

9. HR and TW1, as voting shareholders, are parties to a Shareholders' Agreement dated March 29, 2019 ("**the Shareholders' Agreement**").

10. Section 3 of the Shareholders' Agreement states that the Board of Directors of the Corporation shall be composed of three (3) directors. It further confirms the appointment of Esmond Clouthier ("**Clouthier**"), who is a principal of TW1, and Hrynyk as the initial directors to manage the affairs by unanimous decision until appointment of a third director.

11. As of the present date, Clouthier (President) and Hrynyk (Secretary-Treasurer) are the only directors of the Corporation.

Shareholders and Directors of the Ontario Corporation

12. 2246329 Ontario Inc. ("**the Ontario Corporation**") is an Ontario corporation that owns vacant land for development at 195 Royal Oaks Boulevard in Moncton, New Brunswick, which is adjacent to Royal Oaks.

13. The shareholders of the Ontario Corporation are TW1 (54%) and HR (46%). Its directors are Hrynyk (President) and Clouthier (Vice-President).

Representations & Reasonable Expectations

14. Hyrnyk induced TW1 to purchase shares in the Ontario Corporation and Royal Oaks and to acquire a significant portion of its existing debt on the representation, among others, that Royal Oaks was a long term investment with the opportunity to grow and develop a golf course that would not only generate investment return over time, but also become a significant source of pride and enjoyment for its owners, members and the community. Although it faced challenges at the time, the golf course itself had tremendous potential, which was further enhanced by the vacant land for development held by the Ontario Corporation.

15. The prospect of a long term development was particularly enticing to TW1. Its principals have significant experience in golf course operations and real property development and identified Royal Oaks as a "passion project" which they and their family could build and develop, with pride, over time.

16. At the time of its initial acquisition of shares in Royal Oaks in 2018 and the 2019 reorganization and execution of the Shareholder's Agreement, it was the reasonable expectation of TW1 that:

    (a) the directors would act honestly and in good faith, with a view to establishing and maintaining a positive reputation for Royal Oaks in the community;

    (b) the directors would act in compliance with the Corporation's constituting documents, including its articles of incorporation as amended;

    (c) the directors would act in the best interests of the Corporation at all times and not seek to use their power as directors to advance interests as shareholders that conflict with those of Corporation;

    (d) the investment presented an opportunity for long term growth and development, rather than investment in an asset for liquidation or sale;

    (e) when required, capital contributions would be made by all voting shareholders in proportion to their shareholdings;

    (f) TW1 would lead day-to-day operations and management of the Corporation; and

    (g) Miniutti would cease having any active involvement in day-to-day operations or management of the business.

    all of which are referred to herein as "**the Reasonable Expectations**".

17. In furtherance of and consistent with these representations and Reasonable Expectations, TW1 and its principals invested significant resources, both financial and otherwise, in Royal Oaks. These investments include not only significant capital contributions, but also thousands of hours of time and expertise to overhaul all aspects of operations, including:

    (a) investment in golf course maintenance and repair;

    (b) painstaking rebuild of relationships with employees, suppliers, members, sponsors and the community;

    (c) creation of professional systems to manage finances, budgets, human resources, food and beverage inventory;

    (d) implementation of a strategy for cost reduction and management of the vendor aged list;

    (e) introduction of marketing, corporate partnerships and sponsorship initiatives; and

(f) improvement of golf programming, overall growing of the game of golf in Moncton, and individual and corporate membership offerings.

18. These efforts and investments of TW1 were made in reliance upon the Reasonable Expectations and representations set out herein and have had significant positive results to date. The value and long term viability of Royal Oaks has significantly improved over a short period of time.

Breach of Representations & Reasonable Expectations

19. Beginning in or around 2020 and escalating as of March of 2021, Hrynyk and HR have breached these Reasonable Expectations.

20. HR is unable or unwilling to make capital contributions in proportion to its shareholding in either Royal Oaks or the Ontario Corporation. HR is openly seeking to sell the asset as quickly as possible, rather than making contributions to its growth and development.

21. Since March of 2021, Hrynyk has been using his powers as a director in a manner contrary to the best interests of the Corporation and the Reasonable Expectations of TW1. The particulars of this improper behaviour include:

(a) attempting to unilaterally recognize conversion of the Miniutti preferred shares to voting common shares, contrary to the share terms contained in the articles of incorporation;

(b) attempting to appoint Hrynyk's wife, Jacqueline Boddaert to the board of directors, without authority to do so, to gain majority control of the board to pursue interests of HR as a shareholder;

(c) making disparaging and untrue comments about TW1 and its principals to employees, its bank and its professional service providers, which damages the Corporation's reputation and relationship with these individuals and the broader community;

(d) refusing to approve the 2020 financial statements without valid basis for doing so, which damages the Corporation's relationship with its principal lender;

(e) failing to distinguish between HR's interests as a shareholder and Hrynyk's role as a director at the board level, which prevents the Corporation from making decisions required to move forward with its business, including to address important financial and operational obligations;

(f) threatening to freeze and causing the Corporation's bank account to be frozen in an effort to use the financial crisis caused by inability to pay employees and suppliers as leverage in a shareholders' dispute.

22. As a result of the conduct of HR and Hrynyk, substantial gains made by the Corporation since 2018 have been placed in jeopardy, with damage to the Corporation's reputation, to its relationships with employees, creditors, suppliers and members, and to the value of its shares. Further, the Corporation faces a deadlock in which decisions cannot be made expeditiously or at all, which with the potential for negative short and long term consequences on Royal Oaks.

23. Pursuant to section 166(3) of the *Business Corporations Act* ("**the BCA**"), the Plaintiff seeks the following relief:

(a) an order removing Hrynyk as a director and officer of the Corporation;

(b) an order that all voting shareholders attend a shareholders' meeting to appoint directors to replace Hrynyk and to fill the third (currently vacant) Board seat;

(c) an interim and permanent injunction to enjoin Hrynyk from:

(i) communicating directly with employees, service providers or sponsors of the Corporation;

(ii) freezing the Corporation's bank account;

(iii) making public statements or representations to third parties with respect to the Corporation, TW1 or its principals;

(iv) negotiating or attempting to negotiate an asset sale on behalf of the Corporation; and

(v) taking any steps to effect conversion of the Miniutti preferred shares to voting common shares absent order of the Court;

(d) an order requiring HR to "true up" its obligations to TW1 in proportion to its shareholdings, currently being an amount of $134,041 or, alternatively, diluting HR's shareholding by a proportionate amount with the discount set out in the Shareholders' Agreement for a defaulting shareholder pursuant to section 7.01(1)(e) of the Shareholders' Agreement;

(e) damages for costs and expenses incurred to address Hrynyk's oppressive conduct in an amount to be determined;

(f) interest, solicitor-and-client costs, and disbursements; and

(g) such other or further relief as this honourable Court deems just.

24. The Plaintiff pleads and relies upon the BCA in its entirety and, in particular, sections 79, 97, 166 thereof.

25. The Plaintiff intends to proceed in the English language.

DATED at Moncton, New Brunswick, this 19th day of July, 2021.

STEWART McKELVEY
Solicitors for the Plaintiff,
TW1 Oaks Inc.

Per: ______________________
Josie H. Marks

STEWART McKELVEY
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Court File No.: MC-314-2021

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

B E T W E E N:

TW1 OAKS INC.,

Plaintiff,

- and -

COURT OF QUEENS BENCH
TRIAL DIVISION
MONCTON, N.B.
FILED/REGISTERED
JUL 19 2021
COUR DU BANC DE LA REINE
DIV DE PREMIÈRE INSTANCE
MONCTON, N.-B.
DÉPOSÉ/ENREGISTRÉ

RONALD HRYNYK and HR CORPORATE STRATEGIES LTD.,

Defendants.

- and –

ESMOND CLOUTHIER, STEPHEN LUNN and TWELVE12 INVESTMENTS AND CONSULTANCY INC.

Parties added by Counterclaim.

DEFENCE TO COUNTERCLAIM
(FORM 27D)

1. The Plaintiff, TW1 Oaks Inc, and the Parties added by Counterclaim, Twelve12 Investments and Consultancy Inc. ("**Twelve12**") and Esmond Clouthier (all of which are referred to collectively herein as the "**Counterclaim Defendants**") admit the allegations at paragraphs 6(a), 6(b), 6(c), 6(e) and 6(f) of the Statement of Defence and paragraphs 30 and 32 of the Counterclaim.

2. The Counterclaim Defendants further accept the admissions made by the Defendants at paragraphs 1, 2 and 3 of the Statement of Defence, as well as the admission at paragraph 17 of the Statement of Defence that the Defendant, HR

Corporate Strategies Ltd. ("**HR**") has been unwilling to make additional capital contributions to the Royal Oaks Golf Club Inc. ("**ROGC**").

3. The Counterclaim Defendants deny all other allegations in the Statement of Defence and Counterclaim and put the Defendants to the strict proof thereof.

4. With respect to the whole of the Statement of Defence and Counterclaim, the Counterclaim Defendants state that the Defendants' pleadings are replete with allegations that are inaccurate, false and/or deliberately misleading, the inaccuracy, falsity and misleading nature of which are or ought to be known to the Defendants. The inaccurate, false and misleading statements include but are not limited to:

(a) the allegations at paragraphs 6(i), 6(j) and 14 of the Statement of Defence that the management agreement by which Esmond Clouthier, as a principal of Twelve12, manages the day-to-day operations of ROGC was terminated in July of 2018 when such statement is false, and the Defendants acknowledged the continued liability of ROGC pursuant to such agreement as recently as May of 2021;

(b) the allegations at paragraphs 6(p), 6(q), 6(r) and 6(s) of the Statement of Defence and at paragraph 34 of the Counterclaim that the financial statements were "deceptive" and that information has not been disclosed to HR, when the fact is that HR, Hrynyk and Boddaert:

(i) have had full access to all financial information of ROGC since well before TW1 became a shareholder of ROGC to the present date;

(ii) reviewed, actively commented upon, and approved the financial statements each and every year since TW1 became a shareholder of ROGC, including:

(A) taking the lead with respect to preparation of the financial statements for the 2018 and 2019 fiscal years; and

(B) reviewing, actively commenting upon and approving the 2020 financial statements in February of 2021; and

(iii) are or ought to be aware that the financial statements are not deceptively false or misleading and no "false" or "deceptive" financial statements were presented to Maxium as alleged;

(c) the allegations at paragraphs 6(s) to 6(x) of the Statement of Defence and at paragraph 34(ii) and 34(vii) of the Counterclaim that TW1 or its principals presented improper information to TD bank and that Hrynyk had no knowledge of the signing officers on the ROGC TD bank account, when Hrynyk and Boddaert had been copied on communications relating to such account from the moment signatories were initially established and repeatedly thereafter;

(d) the allegations made throughout the Statement of Defence and Counterclaim that Patrick Miniutti ("**Miniutti**") has converted his preferred shares to common shares with the approval of ROGC when the Defendants know such statement is false and that the matter is presently pending before the Court in a separate proceeding;

(e) the allegations made throughout the Statement of Defence and Counterclaim that Walter Steven Lunn ("**Lunn**") does not have voting rights, when the Defendants know or ought to know that voting rights accrue to all common shareholders equally, and that Lunn's contractual agreement to refrain for voting in exchange for a Put Option expired when the Defendants refused to honour the Put Option;

(f) the presentation of the Consent Order at paragraphs 6(z), 6(aa), 6(jj) and 7 of the Statement of Defence as precluding any prospective change in signing authorities, when the Consent Order itself explicitly states that the signing officers may be prospectively altered by validly executed corporate resolution, which corporate resolution was pending at the time the Consent Order was agreed to and issued in June of 2021;

(g) the allegation at paragraph 17 of the Statement of Defence that HR has been unwilling to make additional capital contributions "in the absence of suitable disclosures and proper financial accounting", when the Defendants know and the fact is that HR's refusal to make further capital contributions is due to its own financial challenges and its desire to sell its interest in ROGC, and not as a result of any problems of "disclosure or accounting" as alleged;

(h) the allegation at paragraph 24 that ROGC has suffered extensive financial losses and negative performance since involvement of TW1 and its principals, when the fact is that ROGC faced significant financial difficulty when TW1 became a shareholder in January of 2018 (although the Defendants withheld the extent of this difficulty from TW1 to induce its investment), and the financial situation of ROGC has significantly improved since Miniutti ceded control of financial and operational matters in the summer of 2018; and

(i) the allegation that TW1 or its principals committed actionable wrongs by calling and participating in shareholders' and directors' meetings when the exercise of such rights were at all times lawful and in accordance with their rights as shareholders and directors, as applicable.

5. With respect to the allegations in the Statement of Defence and Counterclaim relating to the existing shareholders of ROGC, the Defendants by Counterclaim state that, as of the present date, the shareholders of the Corporation are as follows:

(a) TW1: 218,000 voting common shares;

(b) HR: 159,000 voting common shares;

(c) Lunn: 125,677 voting common shares;

(d) Miniutti: 100,000 non-voting class "C" preferred shares.

6. The Counterclaim Defendants state that there are no facts pleaded which, if true, could ground a claim against Twelve12, and state that the claim against Twelve12 should be struck out in its entirety for failure to disclose a cause of action.

7. The Counterclaim Defendants asks that the Counterclaim be dismissed with solicitor and client costs.

DATED at Moncton, New Brunswick, this 19th day of July 2021.

STEWART McKELVEY
Solicitors for the Plaintiff and Defendants by Counterclaim, Esmond Clouthier and Twelve12 Investments and Consultancy Inc.

Per: Josie H. Marks

Stewart McKelvey
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Court File No.: MC ~~315~~ 314 2021

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

COURT OF QUEEN'S BENCH
TRIAL DIVISION
MONCTON, N.B.
FILED/REGISTERED

JUN 13 2022

COUR DU BANC DE LA REINE
DIV. DE PREMIÈRE INSTANCE
MONCTON, N.-B.
DÉPOSÉ/ENREGISTRE

Re: Court File # MC 315 2021
TW1 Oaks Inc v Ronald Hrynyk and HR Corporate Strategies Inc v Esmond Clouthier Steven Lunn and Twelve12 Investments and Consultancy Inc.

Statement of Defence of Counterclaim – In English

Ronald Hrynyk, in his Statement of Defence, makes a number of conflicting, misleading and untrue statements. If anyone has been wronged in this whole sorry episode it is myself. I give a detailed statement of my involvement below. In summary, I invested C$500,000 in Royal Oaks Golf Course in March 2019 and had a Put Option set to expire at the end of March 2020, as things turned out Covid struck and, when asked, I agreed to extend the Put Option for another year until end March 2021. Having not received a penny from my investment for two years, I exercised my Put Option on 29 March 2021. Despite asking Hrynyk by email on several occasions, as to his intent to honour my Put Option I have to date, received no positive communication of his intent to do so.

In his Statement of Defence Hrynyk at 6 ii) 'even though such rights did not accrue to Lunn pursuant to the Put Option'. This seems to be Hrynyk wishing to have his cake and wishing to eat it! It is due to his own deceitful actions that I find myself as a shareholder in Royal Oaks Golf Club, a position I did not seek, nor do I want.

I ask the Court to dismiss Hrynyk's Counterclaim and to instruct him to honour my Put Option without further delay.

I estimate that at this time I am owed C$ 261,485 from Hrynyk. This being 42% (his shareholding) of C$ 500,000 (C$ 210,875) and 3 years of interest at the agreed 8% (C$ 50,610).

Click or tap here to enter text.

I, **WALTER STEVEN LUNN**, of Tucson, Arizona, **SAY AS FOLLOWS:**

1. I own 125,667 common shares in Royal Oaks Golf Club Inc. ("**ROGC**"). As such, I have personal knowledge of the matters referred to herein except where otherwise stated.

2. I am a Chartered Civil Engineer and hold a Master's Degree in Construction Management. I have more than 40 years experiencing leading high profile building and infrastructure projects in many countries, including the United Kingdom, the United Arab Emirates, Malaysia, Saudi Arabia and Jordan.

3. From 2008 to 2015 and from 2018 to 2020, I held senior executive roles with Mubadala Real Estate & Infrastructure ("**MREI**") and its affiliated companies, before retiring at the end of 2020. MREI is a real estate and business development company based in Abu Dhabi, United Arab Emirates that has investment projects in more than 50 countries.

4. Through MREI, I met Nicole Clouthier ("**Nicole**"). We worked together at MREI from around 2008 to 2014, during which period Nicole was General Counsel to MREI. In 2014, Nicole resigned her position to relocate with her family to Canada, but we remained in contact.

Investment in ROGC

5. Around late February or early March of 2019, I was approached by Nicole with an opportunity to invest in ROGC.

6. Having worked with Nicole on numerous real estate and business development projects, I trust her as a person who sees a project through and remains loyal to the "double bottom line" that underscored MREI's investment focus: the project must provide both strong financial and social-economic returns. Her vision for ROGC was to grow and develop the Royal Oaks golf gourse and facilities to meet that double bottom line.

7. Nicole disclosed the troubled past of ROGC which pre-dated her involvement, including poor financial management during the time in which Patrick Miniutti had managed operations. I was advised that a re-organization of the company would occur in conjunction with my investment by which Mr. Miniutti would relinquish his rights as a common shareholder and

be removed from day-to-day operations and management. I felt confident making an investment based upon:

(a) my first-hand knowledge of Nicole's expertise in supporting and managing large, high profile projects;

(b) the expertise of the Nicole's spouse, Esmond Clouthier in the golf industry;

(c) the support of the two other common shareholders, TW1 Oaks Inc. ("**TW1**") and HR Corporate Strategies Ltd. ("**HR**") for the long-term growth of ROGC; and

(d) the proposed re-organization to exclude Mr. Miniutti from day-to-day operations and management.

8. On March 29, 2019, I entered a Share Purchase Agreement with ROGC, HR and TW1 ("**the SPA**"), a copy of which is attached as **Exhibit "A"**.

9. Pursuant to the SPA, I purchased 125,667 common shares (25% stake) for $500,000 CDN. The other 75% of common shares were held by TW1 (218,000) and HR (159,000).

10. Section 2.4 of the SPA provided me with a put option, the exercise of which would require TW1, HR and/or ROGC to purchase my shares for $540,000 (my initial investment plus 8%) after one year.

11. Section 2.6 provided that, so long as the put option was valid, I would not exercise the voting rights attached to my common shares.

Renewal of Put Option in March 2020

12. During the first year of my investment in ROGC, I received periodic updates from Nicole. I was pleased by material improvements in food & beverage operations of ROGC as demonstrated in increase in profit margins and a material reduction in cost base, as well as the increase in weddings, banquets, golf tournaments and corporate sponsorships. The hands-on management of both Nicole and Mr. Clouthier were key drivers of these improvements.

13. As the deadline to exercise the put option approached in March of 2020, ROGC faced challenges as a result of the COVID-19 pandemic. I was advised by Nicole and verily believe that ROGC was in discussions for a forbearance agreement with its senior lender, while also

actively exploring further government and other support to manage the effects of the pandemic.

14. I agreed to refrain from exercising of my put option on the one year anniversary of the SPA in exchange for an extension of the put option, on the same terms and conditions, for a further year, along with deferral of payment of my 8% coupon, with interest, until March of 2021.

15. Attached as **Exhibit "B"** is a copy of my email exchanges with Nicole with respect to this arrangement. Attached as **Exhibit "C"** is a copy of an email exchange provided to me by Nicole in which Ronald Hrynyk, on behalf of HR, agreed to this extension.

Exercise and Cancellation of Put Option – March-May, 2021

16. On March 29, 2021, I provided notice to TW1 and HR of my intent to exercise my put option. Receipt of this Notice was acknowledged by TW1 (through Nicole) on March 30, 2021 and by HR (through Mr. Hyrnyk) on April 1, 2021. A copy of the email chain with my notice and the acknowledgements of receipt is attached as **Exhibit "D"**.

17. On April 12, 2021, having received no further communication, I sent a follow-up email to all parties asking for an update. A copy of this email is attached as **Exhibit "E"**.

18. On May 5, 2021, only one week away from the date the put option was supposed to close and having still not received any substantive response, I followed up again. A copy of this email is attached as **Exhibit "F"**.

19. On May 7, 2021, I was copied into email exchanges between the principles of HR and TW1, in which HR appeared to be question the validity of my put option. A copy of this email exchange is attached as **Exhibit "G"**.

20. By emails dated May 12, 2021 (a copy of which is attached as **Exhibit "H"**) and May 13, 2021 (a copy of which is attached as **Exhibit "I"**), Mr. Hrynyk set out various arguments, many of which are conflicting and make little sense. However, I nonetheless understood these emails to confirm that HR did not intend to honour the put option.

21. As conveyed by my response on May 15, 2021 (a copy of which is attached as **Exhibit "J"**) I was extremely upset with the approach taken by Mr. Hrynyk and HR.

22. On May 21-22, 2021 and May 28, 2021, I communicated further with Mr. Hrynyk, a copy of which email exchanges are attached as Exhibit **"K" and Exhibit "L"** respectively.

23. This flurry of emails from Mr. Hrynyk throughout May of 2021 left me quite taken aback. At no time prior to May of 2021 had anyone ever questioned the validity of my put option. My $500,000 investment had been readily accepted in 2019 in exchange for a SPA executed by Mr. Hyrnyk, as President of HR. When ROGC faced significant challenges due to the pandemic, I had agreed to extend my Put Option, again with the concurrence of Mr. Hrynyk on behalf of HR. Now, when it came time for me to exercise my contractual right pursuant to the SPA, Mr. Hrynyk was suddenly questioning the validity of the contractual agreements previously agreed to by him and HR without any objection.

24. The 30-day time frame to purchase my shares under the SPA, as extended, lapsed without any purchase and HR had made it clear that it did not even recognize the existence of a put option. There being no effective put option, I am not aware of any basis upon which I can be denied my voting rights as the holder of 125,667 common shares of ROGC.

Appointment as Director

25. In the meantime, on or around May 9, 2021 (following the email exchanges at Exhibit G), I was asked by Nicole, on behalf of TW1, whether I would be willing to act as a director of ROGC. As it appeared clear by that time that the put option transaction would not close within the 30 days as stipulated by the SPA such that I would remain a shareholder after that date, I agreed to act as a director if elected.

26. The shareholders meeting to elect me as a director was ultimately scheduled for June 2, 2021.

27. On May 27, 2021, I received companion notices from Mr. Hrynyk on behalf of HR and Patrick and Aline Miniutti objecting to my appointment as a director of ROGC. Copies of these notices are attached respectively as **Exhibits "M" and "N"**.

28. I understand that Mr. and Mrs. Miniutti also sought urgent intervention from the Court in Moncton, New Brunswick to prevent the shareholders' meeting from proceeding as scheduled on June 2, 2021, but the Court refused their request for an urgent hearing.

29. At this stage, I was very concerned about the future of ROGC and, consequently, my investment. Mr. Hrynyk's refusal to acknowledge HR's contractual agreements under the SPA, combined with the lack of coherence of his objections to these agreements, left me seriously concerned about his integrity and business judgment as a director. He appeared to be acting in concert with Mr. Miniutti in an effort to take control of the Corporation, when

Mr. Miniutti's poor financial management had already led to difficulties requiring my investment in the first place.

30. On May 31, 2021, I appointed Nicole as my proxy to attend the shareholders' meeting of June 2, 2021.

31. The shareholders' meeting occurred on June 2, 2021 and I was elected as a director of the Corporation. A copy of the minutes of such shareholders' meeting, along with my proxy form, is attached as **Exhibit "O"**.

32. I attended a subsequent board meeting on June 10, 2021, at which Mr. Hrynyk, Mr. Clouthier and I were present. A copy of the minutes of that meeting is attached as **Exhibit "P"**.

33. I have 40+ years of working with large, high profile projects in various countries. I have served as a board director for various companies, including Mubadala, one of the world's largest. I understand the fiduciary responsibilities and duties of a director which, in this case, require acting in the best interests of ROGC. I have and will continue to discharge my duties as a director in accordance with these fiduciary duties

Walter Steven Lunn

23 May 2022

Josie Marks

From: Kingston, Stephen <stephen.kingston@mcinnescooper.com>
Sent: Tuesday, June 16, 2026 6:16 PM
To: Josie Marks
Cc: Michael Brenton; jforan
Subject: RE: Royal Oaks Golf Club Inc. (in Receivership)
Attachments: Steve Lunn Claim

This is an external email.

Hi Josie:

Thanks for your message.

I attach a copy of materials provided by the Receiver in response to your request.

Stephen Kingston.

Stephen Kingston
Partner
McInnes Cooper

tel +1 (902) 444 8569 | fax +1 (902) 425 6350

From: Josie Marks <jmarks@stewartmckelvey.com>
Sent: Monday, June 15, 2026 9:29 AM
To: Kingston, Stephen <stephen.kingston@mcinnescooper.com>
Cc: Michael Brenton <mdb@brentonkean.com>
Subject: [EXTERNAL] RE: Royal Oaks Golf Club Inc. (in Receivership)

Good morning Stephen,

I hope you had a nice weekend.

I am hoping you can please disclose the documentation referenced at paragraph 24 of the Fourth Report that the Receiver relied upon to allow the unsecured claim of Stephen Lunn in the amount of $629,856.

TW1 Oaks Inc. does not agree with the Receiver's recommendation in relation to this claim and will be providing submissions to the Court accordingly. A copy of the documentation provided to the Receiver by Mr. Lunn would assist our client to identify and address any gaps in the factual record, so as to ensure the Court has a full and complete record upon which to assess the Receiver's recommendation.

I am copying Mike Brenton whom I understand may have assisted Mr. Lunn in submitting his claim.

Thank you for your assistance.

Sincerely,

Josie H. Marks, K.C.
Partner / Associée

Stewart McKelvey
D: 506.383.2304

This is Exhibit "B" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Presence of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

SHARE PURCHASE AMENDMENT AGREEMENT

THIS AGREEMENT dated as of the 28th day of March, 2019;

BETWEEN:

SUNSET CRE INVESTMENTS I LLP, a limited liability partnership organized under the laws of the Province of British Columbia

(the "**Sunset**")

- and -

TW1 OAKS INC., a body corporate incorporated under the laws of the Province of Ontario

(**"TW1"**)

- and -

HR CORPORATE STRATEGIES LTD. a body corporate incorporated under the laws of the Province of Ontario;

("HR")

- and -

PATRICK MINIUTTI and **ALINE MINIUTTI**, of 55 Oakcroft Crescent, Moncton, NB, E1H 3L6

("**Miniutti**")

- and -

ROYAL OAKS GOLF CLUB INC., a body corporate incorporated under the laws of the Province of New Brunswick

("**Corporation**")

(each of the above individually a "**Party**" and collectively, the "**Parties**")

WHEREAS the Sunset and TW1 are party to an agreement dated as of September 1, 2017 respecting the purchase and sale of certain shares of 2246329 Ontario Limited, as amended by an agreement between the Sunset and TW1 dated as of September 26, 2017 respecting the acquisition by TW1 of certain amounts owing by the Corporation (such agreements being, together, the "**Prior Agreements**");

AND WHEREAS the Parties wish to confirm certain matters relating to the Prior Agreements;

AND WHEREAS the Parties have subsequently agreed to certain reissuance of shares and reorganisation of the capital of the Corporation;

NOW THEREFORE in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which each of the Parties hereto hereby acknowledges, the Parties hereto hereby covenant and agree as follows:

ARTICLE ONE
INTERPRETATION

Section 1.1. Definitions: In this Agreement, unless the subject matter or context is inconsistent therewith, the following words shall have the following meanings:

(a) "**Closing Date**" means the date first above written;

(b) "**Corporation**" means Royal Oaks Golf Club Inc., a body corporate incorporated under the laws of the Province of New Brunswick;

(c) "**House Debt**" means the debt owed by Miniutti to the shareholders of TW1 Oaks Inc. in respect of a shared residential property located at 55 Oakcroft Crescent, Moncton as follows:

(i) deposit, legal, transfer and realtor fees in the amount of thirty-three thousand two hundred and ninety-three Canadian dollars and 0.1 cents (C$33,293.01); and

(ii) forward payment of expenses relating to the above real property in the amount of two thousand one hundred and forty-one dollars and eighty-three cents (C$2,141,83);

(d) "**Numbered Company**" means 2246329 Ontario Limited, a body corporate incorporated under the laws of the Province of Ontario and the owner of the real property set out and described in the Prior Agreements;

(e) "**Preferred Shares**" means the one hundred thousand (100,000) preferred shares to be issued pursuant to the terms of this Agreement to Miniutti and which shall carry a value of two Canadian dollars and to 0.013 cents (C$2.013) per share;

(f) "**Prior Agreements**" has the meaning ascribed thereto in the recitals above;

(g) "**Purchase Price**" means the aggregate of five hundred thirty three thousand three hundred thirty-three Canadian dollars (C$533,333.00) in respect of the Purchased Shares;

(h) "**TW1 Purchased Shares**" means, one hundred and fifty nine thousand (159,000) common shares in the capital of the Corporation; and

(i) “**Repurchased Shares**” means seven hundred forty-six (746) common shares in the capital of the Corporation registered in the name of TW1 and to be re-purchased by the Corporation for cancellation as contemplated herein.

ARTICLE TWO
TRANSFER, DISTRIBUTION, CONVERSION AND REPURCHASE OF SHARES

Section 2.1. TW1 Purchase of Shares: Subject to the terms and conditions of the Prior Agreements and as amended hereby by agreement between each of the Parties, TW1 shall be issued the TW1 Purchased Shares for the Purchase Price.

Section 2.2. Share Conversions and Distributions: The Parties hereby agree that as part of a reorganisation of the Corporation, the following shall be effected:

(a) Two hundred thousand (200,000) of the preferred shares previously issued by the Corporation be converted into common shares;

(b) One hundred thousand (100,000) of the preferred shares shall be distributed to Miniutti subject to the terms and conditions set out in Section 2.5 and shall be ascribed a value of two Canadian dollars and 0.013 cents (C$2.013) (the “**Miniutti Preferred Shares**”);

(c) One hundred and thirty-eight thousand and five hundred (138,500) of the common shares previously issued by the Corporation shall be distributed to Miniutti;

(d) Two hundred and thirty-eight thousand and five hundred (238,500) of the common shares previously issued by the Corporation shall be distributed to HR;

(e) The TW1 Purchased Shares shall be transferred to TW1 equally from HR and Miniutti;

(f) The Corporation shareholder mortgage total amount of fifteen thousand Canadian dollars (C$15,000) shall be distributed equally between each of Miniutti, HR and TW1; and

(g) The Corporation shall purchase from TW1 the Repurchased Shares at a price of C$5.00 per Repurchased Share.

Section 2.3. Purchase Price Paid, Sunset Debt and House Debt:

(a) Each of HR, Miniutti, Sunset and TW1 hereby acknowledges and agrees that TW1 is owed one hundred and sixty-six thousand and six hundred and sixty-seven Canadian dollars (C$166,667) (the “**Sunset Debt**”) to reflect the re-negotiated purchase price for the TW1 Purchased Shares.

(b) Each of HR and Miniutti hereby acknowledge and agree that the Debt obligations shall be assigned to and shared and paid equally by them on behalf of Sunset and that they shall make good on such Sunset Debt as follows:

(i) HR in extinguishment of its share of the Sunset Debt shall transfer to TW1 such proportion of common share in the Numbered Company as shall reflect the value of fifty percent (50%) of the Sunset Debt;

(ii) Miniutti in extinguishment of its share of the Sunset Debt and the House Debt shall transfer to TW1 fifty nine thousand (59,000) common shares in the Corporation at a value of two Canadian dollars and to 0.013 cents (C$2.013) per share.

Section 2.4. Distribution of Shares: The Parties shall deliver or acting reasonably cause to be delivered to the relevant beneficiary under Section 2.2. above all necessary conveyances, bills of sale, assurances, transfers, assignments and consents and any other documents necessary or reasonably required to effect the transfer, distribution, repurchase and conversion as anticipate under Section 2.2, free and clear of all liens, charges or other encumbrances whatsoever other than as agreed in this Agreement or as previously known to each of the Parties, including, without limitation, certificates representing the shares, duly endorsed in blank for transfer, or accompanied by stock transfer forms, and resolutions of the directors (and if applicable, the shareholders) of the Corporation consenting to and approving the transfer, conversion or distribution of the capital stock of the Corporation as anticipated herein.

Section 2.5. Preferred Shares: The Parties agree in respect of the Miniutti Preferred Shares the following terms and conditions:

(a) The Miniutti Preferred Shares shall be non-voting shares;

(b) The Miniutti Preferred Shares shall carry a value of two Canadian dollars and 0.13 cents (C$2.013) per share;

(c) HR, TW1, the Corporation or any future shareholder shall have the right to call the Miniutti Preferred Shares at the value prescribed above at any time upon giving Miniutti reasonable notice;

(d) Miniutti shall have the right to convert the Preferred Shares to common shares in the Corporation provided that the shareholders agreement is executed substantially in the form attached hereto as Exhibit A and upon giving each other Party hereto reasonable notice of its intent to do so.

ARTICLE THREE
COVENANTS

Section 3.1. Covenants of each Party: Each Party hereby covenants for the benefit of each other Party as follows:

(a) to cause all necessary steps and corporate proceedings to be taken to effectively and validly carry out the transactions contemplated herein;

(b) to cause the share certificates representing the shares to be delivered to the beneficiary of such shares as contemplated herein on or before the Closing Date, duly endorsed in blank for transfer, or accompanied by stock transfer forms transferring the relevant shares to the beneficiary of such shares duly executed in blank, and to cause the conversion, distribution and transfer as set out in Article 2 hereof of to be duly recorded on the books and records of the Corporation.

Section 3.2. Covenants of Miniutti: Miniutti hereby covenants to each of the other Parties as follows:

(a) In respect of the Miniutti Preferred Shares, Miniutti shall remain a guarantor pursuant to the mortgage between Maxium and the Corporation unless one of the following events occur:

(i) for so long as Miniutti is a holder of the Miniutti Preferred Shares, where there is a new common shareholder holding at least twenty-five percent (25%) of voting common shares;

(ii) where the Miniutti Preferred Shares are converted into voting common shares and subsequently sold;

(iii) unless otherwise agreed by HR, TW1 and Miniutti subsequent to this Agreement;

(iv) where the Miniutti Preferred Shares are sold; or

(v) if Maxium no longer requires guarantors.

(b) In respect of the Numbered Company, that it shall continue to be liable for one third (1/3) of any costs, expenses, taxes, legal fees and other amounts that have been incurred by the Numbered Company in respect of it or its ownership of the lands that are further described in the Prior Agreements and relating to (i) prior to the date of this Agreement; and (ii) effecting the terms and conditions of this Agreement;

(c) In respect of the Corporation, that it shall not claim expenses that are agreed to amount in total to fifty-five thousand two hundred and sixty-three Canadian dollars (C$55,263) ("**Miniutti Expenses**") up to and including the date of this Agreement that are payable to Miniutti, until and unless at least eighty-thousand Canadian dollars (C$80,000) of certain insurance proceeds claimed are paid to the Corporation in relation to that certain Claim (as set out and described below);

(d) In respect of the Corporation, that it shall only be entitled to claim Miniutti Expenses up to value of fifty-five percent (55%) of the actual Claim paid out by the insurance company where such insurance proceeds are less than eighty-thousand Canadian dollars (C$80,000);

(e) In respect of the Corporation, Miniutti shall continue to reasonably and diligently pursue a claim with the Corporation's insurance company in respect of reimbursement of certain amounts found to have been misappropriated by previous management, namely Jamie Van Wart (the "**Claim**");

(f) In respect of the Corporation, Miniutti shall continue to reasonably and diligently defend a claim against it in the courts of New Brunswick which was brought by Three Under Par Inc., a company previously holding shares in the Corporation.

Section 3.3. Covenants of HR and TW1: HR and TW1 hereby covenants to Miniutti as follows:

(a) In respect of the Numbered Company, to cause payment of a receivable owed to Miniutti in the amount of six thousand four hundred Canadian dollars (C$6,400) shall be payable within six (6) months of the date of this Agreement.

ARTICLE FOUR
MISCELLANEOUS

Section 4.1. Applicable Law: This Agreement shall be construed and interpreted in accordance with the laws of the Province of New Brunswick and the federal laws of Canada applicable therein and the parties hereby attorn to the non-exclusive jurisdiction of the courts of such Province.

Section 4.2. Further Assurances: The parties hereto agree to sign or execute all such other deeds and documents and do such other things as may be necessary or desirable for more completely and effectually carrying out the terms and intention of this Agreement.

Section 4.3. Binding Effect: This Agreement shall be binding upon the Parties hereto and their respective successors and permitted assigns, and shall enure to the benefit of the Parties hereto, their respective successors and permitted assigns.

Section 4.4. No Assignment: This Agreement may not be assigned by a party without the express prior written consent of the other parties hereto.

Section 4.5. Time: Time is in all respects of the essence of this Agreement.

Section 4.6. Obligations Surviving Closing: The parties agree that the representations and warranties set out in Sections 4.1 and 4.2 hereof shall survive closing.

Section 4.7. Counterpart and Electronic Transmission: This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original and all such counterparts taken together shall constitute one and the same Agreement. To evidence the fact that it has executed this Agreement, a party may send a copy of its executed counterpart to the other parties by facsimile transmission or other form of electronic transmission and such party shall be deemed to have executed this Agreement on the date it sent such transmission. In such event, such party shall forthwith deliver to the other parties the counterpart of this Agreement executed by such party.

IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement as of the day and year first above written.

SunSet Investments 1 LLP

Ron Hrynyk

Director

SUNSET CRE INVESTMENTS I LLP

Per: ______________________________
Name:
Title:

TW1 OAKS INC.

Per: ______________________________
Name:
Title:

HR CORPORATE STRATEGIES INC.

Per: ______________________________
Name: Ron Hrynyk
Title: President

PATRICK MINIUTTI

Per: ______________________________
Name:
Title:

ALINE MINIUTTI

Per: ______________________________
Name:
Title:

ROYAL OAKS GOLF CLUB INC.

Per: ______________________________
Name:
Title:

This is Exhibit "C" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

SHARE PURCHASE AGREEMENT

THIS AGREEMENT dated as of the 29th day of March, 2019;

BETWEEN:

Royal Oaks Golf Club Inc., a limited liability partnership organized under the laws of the Province of New Brunswick ("**Seller**")

- and -

Walter Steven Lunn, of PO Box 42369, Abu Dhabi, United Arab Emirates ("**Purchaser**")

- and -

HR Corporate Strategies Ltd, a body corporate organized under the laws of the Province of Ontario ("**HR Corporate**")

- and -

TW1 Oaks Inc., a body corporate organized under the laws of the Province of Ontario ("**TW1 Oaks**")"

Ron, Jacquie and TW1 Oaks collectively, the "**Shareholders**"; and

each of the above being a "**Party**" and collectively, the "**Parties**".

WHEREAS the Seller is the registered and beneficial owner of the Purchased Shares;

AND WHEREAS the Purchaser desires to purchase the Purchased Shares from the Seller;

AND WHEREAS the Parties wish to confirm certain matters relating to the Purchased Shares;

NOW THEREFORE in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which each of the Parties hereto hereby acknowledges, the Parties hereto hereby covenant and agree as follows:

ARTICLE ONE
INTERPRETATION

Section 1.1. Definitions: In this Agreement, unless the subject matter or context is inconsistent therewith, the following words shall have the following meanings:

(a) "**Closing Date**" means on or before 29th March, 2019;

(b) "**Corporation**" means Royal Oaks Golf Club Inc., a body corporate incorporated under the laws of the Province of New Brunswick;

(c) "**Purchased Shares**" means, 125,667 common shares in the capital of the Corporation; and

(d) "**Purchase Price**" means the five hundred thousand Canadian dollars (C$500,000.00) in respect of the Purchased Shares.

ARTICLE TWO
PURCHASE AND SALE

Section 2.1. Purchase of Shares: Subject to the terms and conditions hereinafter contained, the Seller hereby sells the Purchased Shares to the Purchaser for the Purchase Price on the Closing Date, and the Purchaser hereby purchases the Purchased Shares from the Seller for the Purchase Price on the Closing Date.

Section 2.2. Payment of Purchase Price: The Purchaser hereby agrees to pay the Purchase Price on the Closing Date to the Seller in freely accessible funds to such bank account as may be notified to the Purchaser.

Section 2.3. Transfer of Purchased Shares: The Seller shall deliver to the Purchaser all necessary conveyances, bills of sale, assurances, transfers, assignments and consents and any other documents necessary or reasonably required to effectively transfer the Purchased Shares to the Purchaser, free and clear of all liens, charges or other encumbrances whatsoever, including, without limitation, certificates representing the Purchased Shares, duly endorsed in blank for transfer, or accompanied by a stock transfer form, and resolutions of the directors (and if applicable, the shareholders) of the Corporation consenting to and approving the transfer of the Purchased Shares from the Seller to the Purchaser, other than as disclosed to, and accepted by, the Purchaser.

Section 2.4. Put Option: The Seller shall do all such acts and execute all such documents to give effect to a put option in respect of the Purchased Shares in favour of the Purchaser as follows:

(a) On the fist anniversary of the Closing Date and within a period of ten (10) Business Days of such anniversary date (the "**Put Option Date**"), the Purchaser shall have the right, but not the obligation, to put the Purchased Shares to each of the Seller and the Shareholders by written notice (the "**Put Option**"); and

(b) The Seller and/or the Shareholders either separately or collectively shall purchase the Purchased Shares from the Purchaser at the value of five hundred and forty thousand Canadian dollars (C$540,000.00) and shall cause the closing of such purchase to be effected within thirty (30) days after the end of the Put Option period set out in Section 2.4(a) above.

(c) Where the Put Option is not exercised under Section 2.4(a) and (b) above, the Parties acknowledge and agree that the Put Option shall be cancelled and that the terms and conditions of Section 2.5 shall then apply to the Purchased Shares.

Section 2.5. Cancellation of the Put Option: The Purchaser shall have right but not the obligation to cancel the put option at any time prior to the Put Option Date in relation to all but not less than all of the Purchase Shares upon reasonable notice to the Shareholders and the

Parties agree that they shall do all such acts and execute all such documents as may be required to cancel the put option and recognise the Purchased Shares as common shares in the capital of the Corporation with full voting rights, including but not limited to the entry into of the shareholders agreement substantially in the form attached hereto at Exhibit A (the "**Shareholders Agreement**").

Section 2.6. Put Option Terns: Unless and until the Put Option is cancelled pursuant to Section 2.5 above, the Purchaser acknowledges and agrees that the Purchased Shares shall be deemed to be non-voting shares and that it shall not have the benefit of any voting rights under the Shareholders Agreement. Each of the Parties hereby agrees that the certificate representing the Purchased Shares shall be endorsed with a legend in substantially the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS SET FORTH IN A SHARE PURCHASE AGREEMENT BETWEEN THE HOLDER OF THIS CERTIFICATE AND CERTAIN OTHER PARTIES. TRANSFER OF THE SHARES IS SUBJECT TO THE RESTRICTIONS CONTAINED IN SUCH AGREEMENT.

ARTICLE THREE
CLOSING

Section 3.1. Closing Deliveries: On the Closing Date, the Seller shall deliver, or cause to be delivered, to Purchaser the share certificates representing the Purchased Shares duly endorsed in blank for transfer or stock transfer forms and such other documents as are contemplated by Section 2.3 hereof.

Section 3.2. Conditions: The obligations of the Seller and Purchaser under this Agreement are subject to the fulfilment at or prior to the Closing Date of the following conditions, with each of paragraphs (a) and (b) being for the sole benefit of the Seller and being subject to being waived in writing in whole or in part by the Seller and with each of paragraphs (c) and (d) being for the sole benefit of Purchaser and being subject to being waived in writing in whole or in part by Purchaser:

(a) all the representations and warranties herein of Purchaser shall be true at and as of the Closing Date with the same effect as though they had been made at and as of the Closing Date;

(b) Purchaser shall have complied with all covenants to be complied with by Purchaser at or prior to the Closing Date as set forth herein;

(c) all the representations and warranties herein of the Seller shall be true at and as of the Closing Date with the same effect as though they had been made at and as of the Closing Date; and

(d) The Seller shall have complied with all covenants to be complied with by the Seller at or prior to the Closing Date as set forth herein.

ARTICLE FOUR
REPRESENTATIONS AND WARRANTIES

Section 4.1. Representations and Warranties of the Seller: The Seller represents and warrants to Purchaser that:

(a) each of the Purchased Shares has been duly and validly issued by the Corporation and is a fully-paid and non-assessable share in the capital stock of the Corporation;

(b) The Seller is the registered and beneficial owner of the Purchased Shares free and clear of all liens, charges or other encumbrances, and has good and marketable title thereto and that, upon completion of the transactions contemplated herein, Purchaser shall hold [*insert number of shares*] of the issued and outstanding shares of the Corporation, and no person (including the Seller) shall have any agreement, option, or right in respect of the issuance of any additional equity or equity-like interest in the capital of the Corporation other than as expressly disclosed to the Purchaser;

(c) The Seller has all necessary corporate power and capacity and is otherwise legally entitled to enter into this Agreement and to transfer the Purchased Shares to Purchaser on the terms and conditions set out in this Agreement; and

(d) The Seller is not a non-resident of Canada for purposes of Section 116 of the *Income Tax Act* (Canada).

Section 4.2. Representations and Warranties of Purchaser: Purchaser hereby represents and warrants to the Seller that:

(a) the fulfilment of the obligations of Purchaser hereunder will not be in contravention of any of the provisions of the constating documents of Purchaser; and

(b) it has reviewed the Shareholders Agreement as attached hereto in Annex A and acknowledges and agrees to the terms and conditions as set out therein; and

(c) it has reviewed the Voting Agreement as attached hereto in Annex B and acknowledges and agrees to the terms and conditions set out therein.

ARTICLE FIVE
COVENANTS

Section 5.1. Covenants of the Seller: The Seller hereby covenants with Purchaser as follows:

(a) to cause all necessary steps and corporate proceedings to be taken to effectively and validly carry out the transactions contemplated herein;

(b) to cause the share certificates representing the Purchased Shares to be delivered to Purchaser on or before the Closing Date, duly endorsed in blank for transfer, or accompanied by a stock transfer form transferring the Purchased

Shares to Purchaser duly executed in blank, and to cause the transfer of the Purchased Shares to be duly recorded on the books and records of the Corporation.

Section 5.2. Covenants of Purchaser: Purchaser hereby covenants with the Seller to cause all necessary steps and corporate proceedings to be taken to effectively and validly carry out the transactions contemplated herein.

ARTICLE SIX
MISCELLANEOUS

Section 6.1. Applicable Law: This Agreement shall be construed and interpreted in accordance with the laws of the Province of New Brunswick and the federal laws of Canada applicable therein and the parties hereby attorn to the non-exclusive jurisdiction of the courts of such Province.

Section 6.2. Further Assurances: The parties hereto agree to sign or execute all such other deeds and documents and do such other things as may be necessary or desirable for more completely and effectually carrying out the terms and intention of this Agreement (including, without limitation, delivering or causing to be delivered any such documents as Purchaser may reasonably request to evidence the existence of the debt described in Section 4.1(d) hereof).

Section 6.3. Binding Effect: This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns, and shall enure to the benefit of the parties hereto, their respective successors and permitted assigns.

Section 6.4. No Assignment: This Agreement may not be assigned by either party without the express prior written consent of the other party hereto.

Section 6.5. Time: Time is in all respects of the essence of this Agreement.

Section 6.6. Obligations Surviving Closing: The parties agree that the representations and warranties set out in Sections 4.1 and 4.2 hereof shall survive closing.

Section 6.7. Counterpart and Electronic Transmission: This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original and all such counterparts taken together shall constitute one and the same Agreement. To evidence the fact that it has executed this Agreement, a party may send a copy of its executed counterpart to the other parties by facsimile transmission or other form of electronic transmission and such party shall be deemed to have executed this Agreement on the date it sent such transmission. In such event, such party shall forthwith deliver to the other party the counterpart of this Agreement executed by such party.

[remainder of page intentionally left blank - signature page to follow]

IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement as of the day and year first above written.

ROYAL OAKS GOLF CLUB INC.

Per: ______________________________
Name:
Title:

WALTER STEVEN LUNN

Per: ______________________________
Name: WALTER STEVEN LUNN
Title: MR.

HR CORPORATE STRATEGIES LTD.

Per: ______________________________
Name:
Title:

TW1 OAKS INC.

Per: ______________________________
Name:
Title:

This is Exhibit "D" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

-

SHAREHOLDERS' AGREEMENT

This Shareholders' Agreement (the "**Agreement**") is made this 29th day of March, 2019

BETWEEN:

(1) **TW1 OAKS INC.**, a body corporate (hereinafter referred to as "**TW1 Oaks**"); and

(2) **HR CORPORATE STRATEGIES LTD**, a body corporate (hereinafter referred to as "**HR**")

(TW1 Oaks and HR are hereinafter sometimes referred to as a "**Shareholder**" and collectively referred to as the "**Shareholders**");

(Esmond, Nicole and Ron are hereinafter sometimes referred to as a "**Principal**" and collectively referred to as "**Principals**"); and

(3) **ROYAL OAKS GOLF CLUB INC.**, a body corporate, duly incorporated under the laws of the Province of New Brunswick (hereinafter referred to as the "**Corporation**")

WHEREAS the Corporation is a body corporate that was incorporated under the provisions of the Business Corporations Act of New Brunswick, by Articles of Incorporation dated 2007-07-18;

AND WHEREAS the Corporation carries on the business of a Golf Club located at 401 Royal Oaks Blvd., in the City of Moncton, in the Province of New Brunswick (the "**Business**");

AND WHEREAS the authorized capital of the Corporation consists of an unlimited number of voting Common Shares and an unlimited number of non-voting First Preferred Shares;

AND WHEREAS the Shareholders hold the issued and outstanding shares in the capital stock of the Corporation (the "**Shares**"), as follows:

TW1 Oaks	218,000 Common Shares
HR	159,000 Common Shares

AND WHEREAS Esmond Clouthier ("**Esmond**") and Nicole Clouthier ("**Nicole**") control all of the issued and outstanding voting shares in the capital stock of TW1 Oaks;

AND WHEREAS Ron Hrynyk ("**Ron**") controls all of the issued and outstanding voting shares in the capital stock of HR;

AND WHEREAS the parties hereto have entered into this Agreement to provide for the harmonious operation of the Corporation, the Business, and their obligations with respect to same and to each other in respect of their shareholdings therein;

NOW THEREFORE THIS INDENTURE WITNESSETH THAT in consideration of the mutual covenants contained herein, the parties covenant and agree with each other as follows:

1.00 ACKNOWLEDGEMENTS & EFFECTIVE DATE

1.01 This Agreement shall be deemed to be a unanimous shareholders' agreement within the meaning of the Business Corporations Act of the Province of New Brunswick as amended from time to time (the "**Act**") and the power of the directors to manage or supervise the management of the business and affairs of the Corporation is restricted in accordance with the terms of this Agreement.

1.02 This Agreement shall be effective from the date of execution hereof by all of the shareholders and shall remain in effect unless altered or terminated in accordance with the terms of this Agreement.

1.03 The Shareholders acknowledge that the Corporation has issued the following shares in the capital stock of the Corporation:

- (a) 100,000 non-voting preferred shares in the name of Patrick Miniutti and Aline Miniutti ("**Preferred Shares**"); and
- (b) 125,667 non-voting common shares with a put option in the name of Walter Steven Lunn ("**Put Option Shares**"); and
- (c) 218,000 common shares in the name of TW1; and
- (d) 159,000 common shares in the name of HR, and

the Shareholders further acknowledge and agree that this Shareholder Agreement shall be entered into and shall apply to each of the Preferred Shares and the Put Option Shares upon certain trigger events and on the terms and conditions as set out in the respective share purchase agreements between the relevant parties, the Corporation and the Shareholders.

2.00 COMPLIANCE

2.01 Each of the Principals and the Shareholders hereby agree that they shall act and vote, to the extent voting rights are conferred, as shareholders in compliance with this Agreement, as the case may be, and in all other respects use their best efforts and take all such steps and actions as may reasonably be within their power so as to cause the Corporation to comply with and act in a manner contemplated by the provisions of this Agreement, so as to implement, to their full extent, the provisions of this Agreement.

2.02 Nothing contained in this Agreement shall be deemed in any way or for any purpose to constitute any shareholder a partner, or agent or legal representative of the other shareholders in the conduct of any business or otherwise or a member of a joint venture or joint enterprise with the other or to create any fiduciary relationship between or among them.

3.00 MANAGEMENT OF THE CORPORATION

3.01 **Directors.** The Board of Directors of the Corporation shall be composed of 3 Directors, provided that the Shareholders hereby agree to the appointment of Esmond Clouthier and Ron Hrynyk as the initial Directors who shall manage the affairs by *unanimous* decision. Each Shareholder shall be entitled to nominate one (1) Director and the Shareholders hereby undertake to cause the nominee of each Shareholder to be elected Director of the Corporation who shall manage the affairs of the Corporation by majority decision of the Directors in office, except as otherwise provided by law or in the present Agreement.

3.02 Each Shareholder may remove the nominee director appointed or elected by him or her pursuant hereto, by giving written notice to the President of the Corporation along with the name of any replacement director appointed or elected by the said Shareholder pursuant to hereto.

3.03 Vacancies on the Board of Directors shall be filled by the Shareholder whose nominee has vacated his or her position on the Board of Directors. Provided always, if the said Shareholder no longer holds any shares in the capital stock of the Corporation, such vacancy shall be filled by appointment made by the other Shareholder(s).

3.04 **Meeting of Directors.** The quorum required for all meetings of the Board of Directors shall be all Directors then on the Board of Directors. If any director shall withdraw from any meeting with the result that a quorum is no longer present, no business may be validly transacted at such meeting for so long as such a quorum is not present. In the event any director fails to attend two (2) consecutive properly called meetings of the Board of Directors, or withdraws from two (2) consecutive properly called meetings of the Board of Directors, such that a quorum is not attained or maintained at them, then for the next properly called meeting of the Board of Directors the quorum shall be reduced by that number of directors who fail to attend as aforesaid until such time as a quorum is attained, and so on as may be required until a quorum is attained. For those meetings of directors at which there will be a reduced quorum as aforesaid, the notice to directors of the meeting shall state that the reduced quorum is to be in effect.

3.05 **Fiscal Year.** The fiscal year of the Corporation shall be December 31 of each year or as may be decided otherwise by the Board of Directors of the Corporation.

3.06 **Director Resolutions.** Unless otherwise stated in this Agreement, all matters are to be decided by approval of a majority of the Directors then on the Board of Directors.

3.07 Indemnity of Directors. The Corporation shall indemnify the Directors of the Corporation and former Directors thereof, and his/her heirs and legal representatives, against all costs, charges and expenses including an amount paid to settle an action or satisfy a judgment reasonably incurred by him/her in respect of any civil, criminal or administrative action or proceeding to which he has been made a party by reason of being or having been a Director of the Corporation if:

(i) he/she acted honestly and in good faith with a view to the best interest of the Corporation; and

(ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he/she had reasonable grounds for believing that his conduct was lawful.

3.08 The Corporation shall also indemnify such directors who have been substantially successful in the defense of any civil, criminal or administrative action or proceeding to which he/she is made a party by reason of having been a Director of the Corporation against all costs, charges and expenses reasonably incurred by him/her in respect of such action or proceeding, if such director is fairly and reasonably entitled to indemnity

3.09 Officers. Until decided otherwise by the Board of Directors, Esmond Clouthier shall occupy the office of President and Ron Hrynyk shall occupy the office of Secretary-Treasurer.

3.10 Signing Officers. The signing officers of the Corporation for the purposes of all banking instruments shall be the President and the Secretary-Treasurer, signing together, unless as designated otherwise by a resolution of the Board of Directors, from time to time.

4.00 SHAREHOLDERS

4.01 Inspection of Corporate Books. Each Shareholder and Principal shall have the right to review all corporate records of the Corporation at the Corporation's place of business during business hours and upon reasonable notice.

4.02 Major Decisions of the Shareholders. No act, decision, by law or resolution of the Board of Directors which relates to any of the following matters may be acted upon by the Corporation without the prior written consent of all of the Shareholders:

1. The sale, lease or disposition of substantial assets of the Corporation not in the ordinary course of business.
2. Incurring of debt other than trade debt in the ordinary course of business (including but not limited to leases).
3. Acquisition of substantial assets or shares of another business or corporation (except the acquisition of assets in the ordinary course of business).

4. Any capital or corporate restructuring of the equity of the Corporation.
5. Issuance of shares or entering any agreement which may result in the issuance of shares in the Corporation and when required as part of a dilution of share provisions.
6. Changes in articles or by-laws or the making of new articles or by-laws of the Corporation.
7. Commencement of proceedings to dissolve or wind up the Corporation;
8. Creation of any subsidiaries of the Corporation.
9. Entering any partnership, joint venture or any similar agreement.
10. Expansion or reduction of the scope of the Corporation's business.
11. Granting any security interest in the assets of the Corporation other than in the ordinary course of business (including but not limited to leases).
12. Issuance of any guarantees, indemnities, bonds or similar obligations or making any loans.
13. Entering into any transaction with any person or entity affiliated or associated with any Shareholder.
14. Appointment of the Corporation's auditors or external accountants
15. Any increase or decrease in the number of Directors.
16. Wind up or otherwise liquidate the Corporation's assets;
17. Make any capital expenditure for a single item in excess of $250,000.00, other than as contemplated in the operating budget;
18. Make any payment of dividends, distribution of surplus earnings, return of capital, redemption or repurchase or other acquisition of shares;

4.03 Carrying on the Business

In the event the Corporation requires funds beyond that which it readily has available from operations, the Shareholders shall in the first instance seek external financing and where such financing is not available agree to inject funds in the Corporation on a pro rata basis in proportion to their shareholdings in the Corporation, at a rate of interest mutually agreeable to the Shareholders. If all Shareholders inject funds on a pro rata basis, reimbursement of such contribution shall be made on a pro rata basis.

If one or more Shareholders have injected at the time of this Agreement or after the date of this Agreement inject more than their pro rata share, such extra contribution shall bear annual interest equal to 14% per annum, calculated from the date of this Agreement or the date the contribution is injected, whichever occurs later. Reimbursement of such contribution shall be made on the principle of first contributed, first reimbursed, until pro rata proportion is attained.

If one or more Shareholders do not inject funds on a pro rata basis within one hundred and twenty (120) days of the Shareholders decision to inject such funds, the remaining Shareholders shall have the option to inject their funds by way of a Shareholders' loan or dilute the Shareholders not contributing on a pro rata basis accordingly.

5.00 CONFLICT OF INTEREST, CONFIDENTIALITY, NON-SOLICITATION

5.01 Conflict of Interest. Any director or Shareholder who is in a conflict of interest as defined in the Act shall comply with the provisions of the said Act. Without limiting the generality of the foregoing, any director or Shareholder who is in such a conflict of interest shall make the declarations required by the Act, but shall not be disqualified from voting due to a conflict of interest.

5.02 Confidentiality. Neither the Shareholders nor the Principals shall disclose to a third party, or use for their own benefit or the benefit of a third party, confidential information of the Corporation, for so long as they hold one or more shares in the capital stock of the Corporation or hold a position in the Corporation as an employee, officer, or director, nor anytime thereafter irrespective of the reasons why they no longer hold shares in the capital stock of the Corporation or are no longer an officer, director or employee of the Corporation.

5.03 Non-competition, non-solicitation. Each Shareholder and each Principal acknowledge and agree that, subject to article 6.04 they shall not, during the term of this agreement and for a period of three (3) years immediately after they or the Shareholder which they control, ceases to hold shares in the capital stock of the Corporation, either directly or indirectly:

a. participate in a business in any capacity whatsoever that carries on a similar business competitive with the Business located in the Greater Moncton Area of Riverview, Moncton, or Dieppe;
b. solicit a customer or supplier of the Corporation to reduce or terminate its business with the Corporation; or,
c. solicit or cause any employee of the Corporation to terminate his/her employment with the Corporation.

5.04 Reasonableness. The Shareholders and the Principals acknowledge that the foregoing restrictive covenant is reasonable in order to protect the legitimate business interests of the Corporation; however, in the event that a court of law determines that it is unreasonable in respect to either its duration, territory and/or subject-matter, the Shareholders and the Principals agree to be bound by such lesser restriction(s) as such court may determine to be reasonable;

6.00 GENERAL RESTRICTIONS ON DISPOSAL AND TRANSFER OF SHARES

6.01 No Shares in the capital stock of the Corporation shall be sold, assigned, transferred, disposed of, donated, mortgaged, pledged, charged, hypothecated or otherwise encumbered in any manner whatsoever unless carried out in accordance with this agreement.

6.02 During the currency of this Agreement, the Shareholders and the Principals agree that, except as otherwise specifically permitted by the terms of this Agreement, they shall not transfer, assign, sell, gift, mortgage, hypothecate, pledge or otherwise dispose of or charge any shares in the capital stock of the Corporation, unless the beneficiary of such pledge, hypothecation or encumbrance agrees in writing to be subordinated to this Agreement, in particular Article 7.00.

6.03 Notwithstanding the provisions of Article 6.02 above, the Shareholders and the Principals, may transfer shares in the capital stock of the Corporation held by each of them to affiliates, trusts or third parties controlled directly or indirectly by the Shareholders and the Principals provided that such transfer does not cause or permit the control of the affiliates, trusts or third parties to change such that the affiliates, trusts or third parties cease to be controlled directly or indirectly by one or more of the Shareholders and the Principals.

6.04 All share certificates representing shares in the capital stock of the Corporation are to bear the following endorsement, or words similar in effect, thereon:

> The shares represented by this certificate are subject to one or more shareholders agreements and are not transferable except in compliance with the terms and conditions of such agreements.

6.05 Any further issuance of shares in the capital stock of the Corporation will be made in proportion to the existing shareholdings of the Shareholders, at the time of such issuance, having regard to the type of shareholdings and the class of shareholdings of each Shareholder, unless the Shareholders agree otherwise in writing.

6.06 Drag Along. In the event that any of the Shareholders or Principals receives a bona fide offer from a third party or parties, dealing at arm's length with such party, to purchase all, but not less than all, of the shares in the capital stock of the Corporation, the provisions contained in Schedule "A" shall apply.

6.07 Right of First Refusal. In the event that any of the Shareholders or Principals receives a bona fide offer from a third party or parties, dealing at arm's length with such party, to purchase shares in the capital stock of the Corporation beneficially owned or controlled by such Shareholder or by the Shareholder controlled by such Principal (as the case may be), the provisions contained in Schedule "B" shall apply.

6.08 Tag Along. In the event that any of the Shareholders or Principals receives a bona fide offer from a third party or parties, dealing at arm's length with such party, to purchase all, but not less than all, of the shares in the capital stock of the Corporation beneficially owned or controlled by such Shareholder or by the Shareholder controlled by such Principal (as the case may be), the provisions contained in Schedule "C" shall apply.

6.09 Subject to Article 6.10, a Shareholder is entitled to transfer its Shares to a corporation controlled by it or by the same Principal which controls the Shareholder who is desirous of transferring its Shares ("**Corporate Shareholder**"). The said Principal and Shareholder which is desirous of transferring the Shares shall continue to be bound by all the terms and conditions of this Agreement. Thereafter, any transaction whereby the Corporate Shareholder ceases to be controlled by the said Principal or Shareholder, as the case may be, without the prior written consent of the Corporation, shall be deemed to be a transfer of Shares contrary to the terms of this Agreement and shall be null and void.

6.10 Notwithstanding anything else to the contrary contained in this Agreement, any person proposing to acquire Shares in the capital stock of the Corporation shall first have agreed to become a party to this Shareholders' Agreement and covenant and agree to be bound by this Agreement, as the same may be amended from time to time in accordance with the provisions hereof, as a holder of Shares in the same manner and to the same extent as if the person had been an original party to this Agreement.

7.00 BANKRUPTCY, DISABILITY, DEPARTURE

7.01 For the purposes of the provisions of this Article, the following definitions shall apply:

(1) "**Departing Shareholder**" means:

(a) a Shareholder that has been adjudged a bankrupt or made an assignment in bankruptcy or for the general benefit of its creditors; or

(b) a Shareholder who has taken steps to voluntarily dissolve or wind-up, or a court of competent jurisdiction requires it to be wound-up;

(c) the Shareholder who is controlled by a Principal who has been adjudged a bankrupt or made an assignment in bankruptcy or for the general benefit of his or her creditors;

(d) the Shareholder who is controlled by a Principal who has suffered a permanent physical or mental disability which is evidenced by the written opinion of two medical doctors and which has caused the Principal to be unable to perform his or her duties as a director, officer, or employee of the Corporation for a period of at least one hundred and eighty (180) consecutive days;

(e) if any of Shareholders is in breach of any terms of this Agreement other than a default of a non-material nature, and other than a default of a nature that can be cured and is cured within 30 days following receipt by the said Shareholder of notice from another of the Shareholders specifying the nature of the default and requiring that the default be cured;

(f) the Shareholder who is controlled by a Principal that has died;

(g) the Shareholder who is controlled by a Principal who becomes subject to an order under the Family Services Act (New Brunswick) and/or the Marital Property Act (New Brunswick) or any successor legislation thereto or under the matrimonial laws of any jurisdiction requiring the Shareholder's Shares be transferred, charged, encumbered, attached, seized or sold; or is required, pursuant to a co-habitation agreement or marriage contract, to transfer, change, encumber, attach or sell its Shares in the capital stock of the Corporation;

(2) "**Remaining Shareholders**" means the Shareholders who are not the Departing Shareholder.

7.02 In the event there is a Departing Shareholder, then the Remaining Shareholders shall, at any time within six (6) months after the first to occur of any such aforementioned events causing there to be a Departing Shareholder (the "**Triggering Event**"), have the irrevocable option (the "**Option**") to purchase all, but not less than all, of the shares in the capital stock of the Corporation owned or controlled by the Departing Shareholder (hereinafter in this Article referred to as the "**Optioned Shares**") in exchange for the Market Value thereof at the time of the Triggering Event, as hereinafter determined (the "**Purchase Price**"). Provided always, in the event of a Triggering Event described in 7.01(1)(a), (b), (c) or (e) the Purchase Price shall be reduced by twenty percent (20%) on account of the loss of goodwill and embarrassment to the Corporation caused by the said Triggering Event.

7.03 The Option shall be exercised by the Remaining Shareholders giving notice in writing to the Departing Shareholder indicating the Remaining Shareholders' intention to exercise the Option.

7.04 The Remaining Shareholders shall, in their absolute discretion, have the right to assign the Option or any and all of the rights pursuant to the Option to the Corporation such that the Corporation shall have the right to exercise the Option or repurchase the Optioned Shares in the place and stead of the Remaining Shareholders.

7.05 The Closing Date of the purchase and sale transaction resulting from the exercise of the Option shall be thirty (30) days from the date on which the Purchase Price is determined.

7.06 The Corporation's capital dividend account shall be used in connection with the aforesaid purchase of the Optioned Shares. In the event the Corporation purchases any of the Optioned Shares pursuant hereto, the parties shall cause the Corporation to use the balance of the subject Insurance Proceeds to the extent that they have been collected and are available to be applied towards the portion of the Purchase Price which the Corporation is required to pay pursuant to this Article. In the event the Insurance Proceeds received by the Corporation are insufficient to permit the Purchase Price to be paid in full, or no Insurance Proceeds are paid to the Corporation, then the Corporation shall pay the entire amount of the Insurance Proceeds it did receive, if any, and shall issue a promissory note in an amount equal to the balance of the portion of the unpaid Purchase Price for which it is responsible. In the event the Remaining Shareholder purchases any of the Optioned Shares, the Insurance Proceeds which remain in the possession of the Corporation shall be used by the Corporation to pay a capital dividend and, if necessary, a taxable dividend to each of the Remaining Shareholder and the Remaining Shareholder shall use the funds received by it from the said capital dividend and, if necessary, the said taxable dividend (net of income taxes payable with respect to the taxable dividend, if any) to pay, to the greatest extent possible, that portion of the Purchase Price which is proportional to the proportion of the Optioned Shares to be purchased by it, pursuant to the exercise of the Option. In the event that the said dividends received by the Remaining Shareholder are insufficient to permit the Purchase Price to be paid in full, or no such dividends are paid to the Remaining Shareholder, then the Remaining Shareholder shall pay the entire amount of the said dividends they did receive, if any, and shall issue a promissory note in an amount equal to the balance of the portion of the unpaid Purchase Price for which they are responsible.

7.07 If the Insurance Proceeds exceed the amount required by the Corporation to purchase such of the Optioned Shares as the Corporation is purchasing (as hereinbefore set out) and the amount of the Dividends required to be paid to the Remaining Shareholder as aforesaid, then the Corporation shall be entitled to retain such excess Insurance Proceeds and shall be entitled thereto free from any claim by any other party, provided, that the parties hereto shall cause the Corporation to use the excess Insurance Proceeds to extinguish, to the greatest extent possible, obligations and liabilities of the Corporation for which the Departing Shareholder (or any related party to him as defined in the Income Tax Act (Canada)) is in any way directly or contingently liable by way of contract, indemnity, guarantee or otherwise.

7.08 In the event any dividends have been declared by the Corporation prior to the Closing Date which remain unpaid, in whole or in part, as of the Closing Date, the amount of such unpaid dividends shall be paid by the Corporation in full on the Closing Date immediately prior to the closing of the purchase and sale of shares contemplated herein, and such dividend amount shall not form part of, nor be considered as partial or whole payment of the Purchase Price.

7.09 The portion of the Purchase Price payable pursuant to a promissory note as set out in this Article 7.00, shall be payable in 12 equal consecutive monthly installments of the principal amount, payable on the first of the month commencing on the first day of the month following the month in which the Closing Date occurs. The outstanding balance of the Purchase Price shall bear interest at the prime rate of the Corporation's bank, as same may fluctuate from time to time, calculated, compounded and payable monthly at the same time as payments of the principal are payable. So long as all amounts due and payable have been paid, the issuer of the Promissory Note shall have the right to prepay any amount on account of the Purchase Price.

8.00 VALUATION

8.01 "**Accredited Appraiser**" means a Person dealing at arm s length with each Shareholder or Principal who enjoys a fully accredited membership in the Appraisal Institute of Canada (or its successor organization or, failing either, another equivalent national Canadian real estate appraisal organization).

8.02 The purchase price per share for the issued and outstanding shares in the capital stock of the Corporation shall be the Fair Market Value of the shares which shall, unless determined in writing by the Seller and Purchaser(s) within fifteen (15) days of the applicable date, be determined by appraisal as follows:

(i) the Purchaser(s) and the Seller shall appoint a single Accredited Appraiser satisfactory to both (or all, as the case may be) such parties for the purpose of determining the Fair Market Value of the shares;

(ii) if the Seller and the Purchaser(s) fail to agree upon an Accredited Appraiser within such fifteen (15) day period, an Accredited Appraiser shall be appointed by a Judge of the Court of Queen's Bench of New Brunswick upon the application of any of the Purchaser(s) or the Seller;

(iii) within thirty (30) days after the date that the appraiser is appointed, the appraiser shall prepare and submit to the Seller and the Purchaser(s) a written report setting forth the Fair Market value of the shares on the applicable date in his opinion.

(iv) In preparing its reports, the appraiser shall have access to all books of account and records and all vouchers, cheques, papers and documents of the Corporation. The Shareholders shall co-operate with the appraiser for such purpose and shall provide all information and documents requested by him or her.

(v) for the purposes hereof, the Fair Market Value of the shares shall be the amount set forth in the appraisal.

(vi) the determination of the Fair Market Value of the shares pursuant to this Article shall, in the absence of fraud or clerical error, be final and binding on the Seller and the Purchaser(s) and on all other persons affected thereby and there shall be no appeal therefrom;

(vii) the Seller shall bear the fees and expenses of the appraiser.

9.00 INSURANCE POLICY AND PROCEEDS

9.01 The Shareholders, at their discretion and as they may determine is reasonable in the circumstances and from time to time, may cause the Corporation, as owner and beneficiary, to acquire, maintain in good standing, and pay all premiums as they become due in relation thereto, policies of insurance on the lives of such Principals as they deem reasonable (collectively referred to as the "**Insurance Policies**").

9.02 The parties agree that they will review the Insurance Policies on a yearly basis or as more or less often as the parties shall unanimously agree in writing, in conjunction with the accountants of the Corporation in order to determine whether the parties are sufficiently insured under the terms of the Insurance Policies. If, following a review of the Insurance Policies, it is determined by the parties that the coverage under the Insurance Policies is insufficient, the Insurance Policies shall be increased to an amount the parties deem sufficient.

9.03 The provisions of this Article shall continue in force and effect until the first of one of the following events shall occur, namely:

(a) bankruptcy, winding-up or dissolution of the Corporation; or
(b) the execution of an agreement to terminate the provisions of this Article 10.00 by the parties hereto.

9.04 After this Article ceases to have any force and effect as set out in Article 8.03 above, for a period of ninety (90) days thereafter, the Principal in respect of whose life the subject insurance policy pertains to (the "Insured Principal") shall have the option to purchase the subject insurance policy, for the cash surrender value thereof, if any, and the amount, if any, of the premiums prepaid by the Corporation on the subject insurance policy, as of the time of said purchase by the Insured Principal. This Article shall survive the termination of this Article 10.00 and shall, accordingly, bind the parties following termination.

9.05 While the provisions of this Article 10.00 continue in force, if the Shareholder controlled by the Insured Principal, shall dispose of all of its shares in the capital stock of the Corporation then the Insured Principal shall have, at his or her option, at the closing of the transaction whereby the said Shareholder ceases to own shares in the capital stock of the Corporation, the right to purchase the subject insurance policy, for the cash surrender value thereof, if any, and/or the amount, if any, of the premiums prepaid by the Corporation thereon as of the time of said purchase by the Insured Principal.

9.06 Any insurance company by which the Insurance Policies is issued is hereby authorized and directed to supply the parties hereto upon their request, with all information with respect to the status of the Insurance Policies. The parties shall cause the Corporation to provide such written authorization from time to time as may be required by any such insurance company in order for the insurance company to release any such information.

9.07 The parties agree not to use the Insurance Policies or any proceeds thereof for any purpose other than as required or permitted under the terms of this Agreement.

9.08 The parties hereto shall ensure that the Corporation does not hypothecate, charge, encumber, assign or dispose of the Insurance Policies or any part thereof, change any beneficiary thereunder or terms thereof, or borrow on the security of the insurance at any time without the unanimous prior written consent of the parties hereto.

9.09 Upon the death of the Insured Shareholder, the Corporation shall collect, in a timely manner, all of the proceeds from the applicable insurance policies (the "**Insurance Proceeds**") and shall, upon receipt thereof, increase its capital dividend account by the maximum extent permitted under the provisions of the Income Tax Act (Canada).

9.10 The Corporation's capital dividend account shall be used in connection with the purchase of the Optioned Shares as contemplated in Article 9.00 of this Agreement.

9.11 The Corporation shall not declare any capital dividends on the capital stock of the Corporation from that portion of the capital dividend account derived from the Insurance Proceeds for a period of 8 months from the date of the death of the Insured Principal except as otherwise prescribed in this Agreement.

10.00 GENERAL SALE PROVISIONS

10.01 In the event of any purchase and sale of shares of the capital stock of the Corporation as permitted and contemplated by this Agreement, a party selling shall in this Article be referred to as the "**Seller**" and a party purchasing shall in this Article be referred to as the "**Purchaser**", and the following additional provisions shall apply:

(a) if TW1 Oaks is the party selling, Esmond and Nicole shall be included with TW1 Oaks in the definition of "Seller" and if HR is the part selling, Ron shall be included with HR in the definition of "Seller";

(b) if TW1 Oaks is the party purchasing, Esmond and Nicole shall each be included with TW1 Oaks in the definition of "Purchaser" and if HR is the party purchasing, Ron shall be included in the definition of "Purchaser";

(c) the Closing Date may be at any earlier or later date agreed to and fixed by the parties hereto and if a closing date prescribed by this Agreement should fall on a Saturday, Sunday, statutory holiday or banking holiday, then the closing date shall be the next following business day;

(d) any amount payable as contemplated by this Agreement shall be paid by way of certified cheque or by bank draft payable at par in the City of Moncton in Canadian currency;

(e) the Seller shall deliver, on closing, to the Purchaser share certificates representing the shares being sold duly endorsed in blank for purposes of transfer by the Seller;

(f) on the closing, the Seller and any nominees of the Seller shall resign from the Board of Directors of the Corporation and from any office or employment with the Corporation (if applicable), unless otherwise agreed;

(g) if upon the Closing Date the Corporation shall be indebted to the Seller in an amount recorded on the books of the Corporation and verified by the external accountant of the Corporation, the Corporation shall pay the amount of the said indebtedness to the Seller on or before the Closing Date, or the Purchaser may notify the Seller and the Corporation that the Purchaser will pay the amount of the said indebtedness to the Seller in addition to the Purchase Price and the Seller shall assign the said indebtedness to the Purchaser;

(h) if, upon the Closing Date, the Seller shall be indebted to the Corporation in an amount recorded on the books of the Corporation and verified by the external accountant of the Corporation, the Seller shall pay, satisfy and discharge all such indebtedness on or before the Closing date or the Purchaser may notify the Seller and the Corporation that the Purchaser shall pay, satisfy and discharge all or any portion of such indebtedness and shall receive and take credit against the Purchase Price the amount or amounts so paid on account of such indebtedness;

(i) if, on the Closing Date, the Seller is responsible on any covenant or guarantee in respect of the liabilities of the Corporation, the Purchaser and the Corporation shall use their best efforts to procure for the Seller and deliver to him at the time of closing a full and complete release from any such covenants or guarantees. In the event the Purchaser and the Corporation are unable to do so, they shall execute all such documents as may reasonably be required in order to indemnify and save harmless the Seller in respect of such covenants or guarantees, and notwithstanding the giving of such indemnity, the Purchaser and the Corporation shall continue to use their best efforts after closing to deliver the release or releases as herein contemplated;

(j) if, on the Closing Date, the Seller shall have any securities lodged with any person, including, without limitation, the Corporation's bankers, to secure any indebtedness of the Corporation, then the Purchaser, and the Corporation in the event the Corporation is not the Purchaser, shall use their best efforts to deliver the same to him at the time of closing, free and clear of any claims in connection with such indebtedness. In the event that the Purchaser and the Corporation are unable to do so, they shall execute all such documents as may be reasonably required in order to indemnify and save harmless the Seller in relation thereto, and they shall continue after closing to use their best efforts to deliver all of said security to the Seller free and clear of any claims;

(k) A party hereto may tender on any other party by tendering on the solicitor for that party; and

(l) if, on the Closing Date, the Seller of shares being sold fails to complete the subject transaction of purchase and sale, the Purchaser shall have the right, if not in default under this Agreement, without prejudice to any other rights which the Purchaser may have, upon tender of that part of the Purchase Price payable to the Seller on the Closing Date, to execute and deliver, on behalf of and in the name of the Seller, such deeds, transfers, share certificates, resignations, or other documents that may be necessary to complete the subject transaction and the Seller irrevocably appoints the Purchaser as his or her attorney in that behalf.

11.00 PROVISIONS APPLICABLE TO CORPORATION WHILE PURCHASE PRICE IS UNPAID

11.01 As long as any money is owing by any party hereto who is the Seller, in respect of the unpaid balance of the purchase price in respect of any sale effected pursuant to the terms of this Agreement, the Shareholders and the Principals who are not the Seller, shall use their best efforts to cause the Corporation to be operated in the normal course and in the manner in which it has been customarily operated and managed and shall not knowingly do anything or fail to do anything that would materially affect the ability of the Corporation to remain viable and profitable or knowingly do anything not in the best interests of the Corporation.

11.02 The said Shareholders and Principals shall provide the Seller with a complete set of annual financial statements, including a Balance Sheet, a Statement of Income and Retained Earnings and a Statement of Changes in Financial Position within one hundred and twenty (120) days after the fiscal year-end of the Corporation, and shall also provide to the Seller monthly, internal, unaudited financial statements for the Corporation which are the same as or similar to the financial statements which have been customarily prepared by the Corporation, and same shall be delivered to the Seller within thirty (30) days after the termination of each month.

11.03 The said Shareholders and the Principals shall also prevent the Corporation from doing any of the following acts or things without the consent of the Seller which consent shall not be unreasonably withheld, namely:

(a) committing any act of bankruptcy as defined in the Bankruptcy and Insolvency Act (Canada) or going into liquidation, voluntarily or otherwise, or making any assignment for the benefit of its creditors generally, or any class of its creditors;

(b) disposing of or encumbering any of its property except in the ordinary course of business, or except where such disposition is made in good faith on the basis that the property so disposed of is obsolete, or no longer required for the purposes of the Corporation's business or is to be replaced forthwith by other properties performing the same or similar functions;

(c) the Corporation shall not sell, lease or otherwise dispose of all or substantially all of its undertaking, property or assets to any other person, firm or Corporation;

(d) the Corporation shall not be the guarantor for, and none of the assets of the Corporation shall be pledged or otherwise hypothecated or encumbered to secure any obligations of any other person, firm or Corporation, unless the beneficiary of such pledge, hypothecation or encumbrance agrees in writing to be subordinated to this Agreement, in particular Article 7.00;

(e) no proceedings will be taken or instituted for the winding-up, re-organization or dissolution of the Corporation;

(f) the Corporation shall not enter into any partnership or any arrangement for sharing the profits, union of interests, co-operation, joint venture, or reciprocal concession with any persons, firm or Corporation other than in the normal course of business;

(g) the Corporation shall not charge, hypothecate, mortgage, pledge or otherwise encumber its assets or any of them other than in the ordinary course of business; and

(h) the Corporation shall not take, hold, subscribe for, or agree to purchase or acquire shares in the capital stock of another Corporation unless that Corporation conducts business similar to that of the Corporation.

12. 00 ARBITRATION

12.01 In the event of any dispute, claim, question or difference relating to any alleged breach of any representation, warranty, covenant, commitment or agreement or the interpretation of or calculation of any amount under this Agreement the parties involved in the dispute, claim, question or difference shall use their best endeavours to settle such dispute, claim, question, difference, interpretation or calculation. To this effect, they shall consult and negotiate with each other in good faith and understanding each others mutual interests, to reach a just and equitable solution satisfactory to all parties;

12.02 In the event that within a period of 30 days notice of the dispute the parties have not been able to, in good faith, resolve their differences, then if any of the Shareholders so elect the matter can be submitted to arbitration. The shareholders shall provide the parties to the dispute with written notice that the dispute, claim, question or difference shall be finally settled by arbitration in accordance with the provisions of the Arbitration Act of New Brunswick;

12.03 In the event that any of the parties to the arbitration are not satisfied with the result of the arbitration, then any shareholder to the dispute may indicate in writing their desire to terminate their association with the Corporation. The party wishing to terminate such arrangements (hereinafter called the "**Offering Party**") shall notify the other parties (the "**Notified Party**") in writing that the Offering Party is prepared to acquire at a designated price per share set out in the notice all, but not less than all of the shares of the Notified Party and in addition thereto shall repay any shareholders loans owed to the Notified Party by the Corporation;

12.04 Within sixty (60) days after the receipt of the notice, the Notified Party shall inform the Offering Party in writing that the Notified Party either elects to purchase the offered securities owned by the Offering Party at the same designated price per share and under the same terms and conditions, or in the alternative elects to sell their shares to the Offering Party;

12.05 If the Notified Party fails to inform the Offering Party within the sixty (60) day period of its election, the Notified Party shall be conclusively deemed to have elected to sell to the Offering Party and the closing shall occur not later than ninety (90) days thereafter;

13.00 GENERAL PROVISIONS

13.01 Certificate legend. All certificates representing the Shares in the capital of the Corporation held by any present or future party to this Agreement shall bear a notation that they are subject to a Shareholders' Agreement.

13.02 Notice. Any notices required or permitted to be given hereunder shall be in writing and given by personal delivery or by certified or registered mail, to the parties at their addresses as shown in the Corporate record book. Any such notice given by certified or registered mail shall be deemed to have been received by the addressee one week following the day on which the notice was so sent. Any party to this Agreement may change its address for services from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to the party at its changed address.

13.03 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. There are not and shall not be any verbal statements, representation, warranties, undertakings or agreements between the parties. This Agreement may not be amended or modified in any respect except by written instrument signed by both parties.

13.04 Governing Law. This Agreement shall be deemed to have been made in and shall be construed in accordance with the laws of the Province of New-Brunswick

13.05 Assignment. This Agreement and the rights of any party hereunder shall not be transferred or assigned without the prior written approval of the other parties, which approval shall not be withheld unreasonably, and any transfer or assignment without such approval shall be and be deemed to be null and void.

13.06 Successors. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

13.07 Waiver, Discharge. No waiver by either party with respect to any breach or default or of any right or remedy, and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver be expressed in writing signed by the party to be bound. Failure of a party to exercise any right shall not be deemed a waiver of such rights in the future.

13.08 Headings. The headings appearing in this Agreement are inserted only as a matter of convenience and as a reference and in no way define, limit or describe the scope or intent of this Agreement or any of the provisions hereof.

13.09 Interpretation. In this Agreement words importing the singular number only shall include the plural and vice versa, and words importing the masculine gender shall include the feminine and neutral genders.

13.10 Severability. If any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, such holding or action shall be strictly constructed and shall not affect the validity or effect of any other provision hereof.

13.11 Specific Performance. The parties hereto shall be entitled, without prejudice to the rights and remedies otherwise available to them, to specific performance of each of the other party's obligations hereunder.

13.12 Termination.

(a) Except as otherwise provided, this Agreement shall terminate as to each Shareholder and the Principal controlling that Shareholder, at such time as that Shareholder ceases to be a Shareholder of the Corporation, provided that such termination shall not relieve such party(ies) of any liability which it may have to any third party or for any default in the performance by such party(ies) if any of its covenants, obligations and agreements hereunder while it was a Shareholder of the Corporation; and provided further that such termination shall not release such party(ies) from any liability, obligation, or agreement which, pursuant to any provisions of this Agreement, is to survive or be performed after such termination.

(b) The termination of this Agreement shall not be deemed a waiver or release of, or otherwise prejudice or affect, any rights, remedies, or claims, whether for damages or otherwise, which any party may then possess under this Agreement or which arise as a result of such termination, all of which rights, remedies, and claims shall survive such termination.

13.13 Further deed and acts. Each party to the present Agreement undertakes to sign any and all further deeds or documents, and to do any and all further acts necessary and/or useful to give full effect to the present Agreement.

13.14 Priority of agreements. The provisions of the present agreement shall override, as far as the Shareholders and the Principals are concerned, the articles of the Corporation and the by-laws of the Corporation which are not compatible as well as all other previous agreements entered into between them and the Shareholders expressly renounce to invoke the application of such provisions of the articles of the Corporation or by-laws of the Corporation.

13.15 Language. The parties have specifically requested that the present Agreement be drafted in English. Les parties ont expressément demandé que la présente convention soit rédigée en anglais.

13.16 Corporation a Party. The Corporation executes the within Agreement with the intent and for the purposes of being bound by all the provisions herein that affect the Corporation in any way or require the Corporation to do any act or omit to do any act required by this Agreement.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE TO FOLLOW IMMEDIATELY

IN WITNESS WHEREOF the parties have executed this agreement at the City of ___________, this 29th day of March, 2019.

SHAREHOLDERS:

TW1 OAKS INC.

____

PER: Esmond Clouthier

HR CORPORATE STRATEGIES LTD

____

PER: Ron Hrynyk

PRINCIPALS:

Esmond Clouthier	Nicole Clouthier
Ron Hrynyk	

CORPORATION:

____

Per: [ ]

____

SCHEDULE "A"
DRAG ALONG RIGHTS
(PARAGRAPH 1.04)

1.04(1) If any person (including any Shareholder) the "**Proposed Purchaser**" makes a bona fide offer to the Corporation and its Shareholders (the "**Offer**"):

(i) to purchase all, but not less than all, of the shares of the Corporation (the "**Subject Shares**"); or

(ii) that involves a consolidation, merger, amalgamation, plan of arrangement or other business combination of the Corporation into or with any other entity or entities (collectively, in this Schedule A a "**Reorganisation**),

that is acceptable to one or more Shareholders holding more than 50% of the shares of the Corporation (the "**Selling Shareholder**"), then the Selling Shareholder shall have the right, exercisable by (the "**Drag-Along Notice**") given to the other Shareholders (the "**Recipient Shareholders**") to require the Recipient Shareholders, subject to paragraph 1.04(2) below, to either sell their Shares pursuant to the Offer or consent to and approve the Reorganization and execute and deliver all documents and to do and cause to be done such things as are necessary to give effect to the Reorganization (including, without limitation, to the extent permitted by applicable law, causing its respective nominees on the Board, if any, to approve any applicable transaction).

1.04(2) **Right of First Refusal.** Following receipt of the Drag-Along Notice, the Selling Shareholder and/or each Recipient Shareholder shall have the right of first refusal in respect of all, but not less than, all of the remaining shares in the Corporation and the provisions set out in Schedule B shall apply mutatis mutandis to such Subject Shares. Where a right of first refusal is not exercised within the time period set out in Schedule B, paragraph 2.04(3), the Selling Shareholder and each Recipient Shareholder shall be required to sell their Shares pursuant to the Offer or consent to and approve the Reorganization to the Proposed Purchaser in accordance with the Drag-Along Notice and the terms and conditions set out in this Schedule A.

1.04(3) Each Shareholder hereby appoints, in the event of a receipt of a Drag-Along Notice, the President of the Corporation (or such other person as may be designated by the Corporation), as the Shareholder's attorney, with full power of substitution, in the name of the Shareholder to accept the Offer and to execute and deliver all deeds, transfers, assignments and assurances necessary to give effect to such acceptance and to establish a binding contract of purchase and sale between the Shareholder and the Proposed Purchaser with respect to all Shares held by the Shareholder and to effectively transfer such Shares to the Proposed Purchaser or its nominees. The appointment, being coupled with an interest, is irrevocable by each Shareholder and will not be revoked by the insolvency, bankruptcy, death, marriage, mental incapacity, dissolution, liquidation or other termination of the existence of the Shareholder and each Shareholder agrees to ratify and confirm all that its attorney may do or cause to be done pursuant to the foregoing. Each Shareholder consents to any transfer of Shares made pursuant to the foregoing. The power of attorney granted in this Paragraph is intended to be an irrevocable and enduring power of attorney granted for valuable consideration within the meaning of and governed by the New Brunswick Property Act. The Shareholder hereby agrees not to take any action that results in the termination of this power of attorney.

1.04(4) The purchase and sale of the shares of the Corporation pursuant to this Schedule A shall not be subject to the provisions of Article 6.10.

1.04(5) For the purposes of this Schedule A, the term "**bona fide offer**" means a written unconditional and irrevocable offer received in good faith by the Corporation or its Shareholders from a third party or parties dealing at arm's length, to purchase all, but not less than all, of the shares in the capital stock of the Corporation. The "**bona fide offer**" shall have a closing date between 90 and 120 days from the date of the offer.

1.04(6) The Offer shall also be subject to the following terms and conditions:

(i) the Offer shall not be conditional or revocable;
(ii) the Subject Shares shall be sold to the Proposed Purchaser at the Selling Price and on the Conditions set out in the Offer;
(iii) any purported acceptance of the Offer for less than all of the Subject Shares shall be null and void;
(iv) in the event the Selling Price includes non-cash consideration, the Proposed Purchaser and the Selling Shareholder must, within thirty (30) days of the receipt of the Offer and prior to issuance of a Drag Along Notice, agree as to the fair market value of the non-cash consideration and the Selling Price shall be the combined fair market value of the non-cash consideration and the cash consideration. In the event that the Selling Shareholder and the Proposed Purchaser cannot agree upon the same within the said thirty (30) day period, then the matter shall be referred to the external accountant of the Corporation for his opinion on the same and, provided the external accountant acts in good faith and without bias or negligence, his opinion on the same shall be final and binding on the parties. In the event an opinion as contemplated herein is sought from the external accountant, then the closing date period shall only begin to run from the date the opinion of the external accountant is received by the Selling Shareholder and the Proposed Purchaser.

SCHEDULE "B"
RIGHT OF FIRST REFUSAL
(PARAGRAPH 2.04)

2.04(1) For the purposes of this Paragraph 2.04, the term "**bona fide offer**" means a written unconditional and irrevocable offer received in good faith by either of the Shareholders or by a Principal which controls a Shareholder (hereinafter in this Paragraph collectively referred to as "the **Seller**") from a third party or parties dealing at arms length with such Seller, to purchase all, but not less than all, of the shares in the capital stock of the Corporation beneficially owned or controlled by the Seller. The "**bona fide offer**" shall have a closing date between 90 and 120 days from the date of the offer.

2.04(2) **Delivery of Sale Notice.** In the event the Seller receives a bona fide offer from a third party or parties (hereinafter in this Paragraph referred to as the "**Proposed Purchaser**") to purchase all of the shares (hereinafter in this Schedule B referred to as the "**Subject Shares**") of the Corporation beneficially owned or controlled by the Seller, which the Seller desires to accept, then the Seller shall forthwith give notice in writing (hereinafter in this Paragraph referred to as the "**Notice of Sale**") to the Shareholder and the Principal who are not the Seller (hereinafter in this Paragraph collectively referred to as the "**Offeree**") specifying therein the particulars of the bona fide offer received by the Seller, the name of the Proposed Purchaser from whom the Seller has received the bona fide offer, the selling price for the Subject Shares (hereinafter in this Paragraph referred to as the "**Selling Price**") and the terms and conditions relating to the proposed sale to the Proposed Purchaser, such as the right to pay the Selling Price over a period of time (hereinafter in this Paragraph referred to as the "**Conditions**") and offering to sell all but not less than all of the Subject Shares to the Offeree at the Selling Price and on the Conditions (hereinafter in this Paragraph referred to as the "**Offer**").

2.04(3) The Offeree shall have the right to purchase all, but not less than all, of the Subject Shares by indicating in writing to the Seller, within thirty (30) days of receipt of the Notice of Sale by the Offeree, that the Offeree will accept the Offer.

2.04(4) After the expiration of the said period of thirty (30) days, if the Offeree has not accepted the Offer in the manner provided for in Paragraph 2.04(3), the Offer shall be deemed to have been declined by the Offeree.

2.04(5) The Offer shall also be subject to the following terms and conditions:

(v) the Offer shall not be conditional or revocable;
(vi) the Seller shall be bound to sell the Subject Shares to the Offeree at the Selling Price and on the Conditions if the Offeree indicates in writing that he accepts the Offer;
(vii) any purported acceptance of the Offer by the Offeree for less than all of the Subject Shares shall be null and void;
(viii) in the event the Selling Price includes non-cash consideration, the Seller and the Offeree must, within seven (7) days of the receipt by the Offeree of the Notice of Sale, agree as to the fair market value of the non-cash consideration and the Selling Price

shall be the combined fair market value of the non-cash consideration and the cash consideration. In the event that the Seller and the Offeree cannot agree upon the same within the said seven (7) day period, then the matter shall be referred to the external accountant of the Corporation for his opinion on the same and, provided the external accountant acts in good faith and without bias or negligence, his opinion on the same shall be final and binding on the parties. In the event an opinion as contemplated herein is sought from the external accountant, then the thirty (60) day period for the acceptance or rejection by the Offeree of the Offer referred to in this Paragraph 2.04(3) shall only begin to run from the date the opinion of the external accountant is received by the Offeree.

2.04(6) If the Offeree indicates in writing to the Seller the desire to accept the Offer, the resulting transaction of purchase and sale shall be closed in accordance with the Conditions specified in the Notice of Sale and in accordance with the terms and conditions of this Paragraph 2.04, 7.03, 8.05, and Article 11.00. In the event there is a conflict between the Conditions and Article 11.00, the terms and conditions more favorable to the Offeree shall prevail.

2.04(7) The Offeree may decline the Offer at any time prior to the expiration of the aforesaid thirty (30) day period referred to in Paragraph 2.04(3) by notice in writing (the "**Declining Notice**") to the Seller.

2.04(8) If the Offeree declines the Offer or is deemed to decline the Offer, then the Seller may only sell the Subject Shares at any time during the period of ninety (90) days immediately following the earliest of the Seller's receipt of the Declining Notice and the expiry of the time for acceptance of the Offer by the Offeree, at a price which is not less than the Selling Price and on terms and conditions not less favourable to the Seller than the Conditions. If the Seller:

(i) does not complete a sale to the Proposed Purchaser of the Subject Shares during the said period of ninety (90) days, then the provisions of this Paragraph 2.04 shall again apply and shall continue to apply from time to time with respect to any bona fide offer whether from the Proposed Purchaser or from another third party;

(ii) does complete a sale to the Proposed Purchaser of the Subject Shares, the Offeree shall have the right to obtain, upon demand, evidence of the date on which the sale was concluded, the price at which the Seller has sold the Subject Shares and that the sale was completed upon the terms and conditions contained in the Offer

2.04(9) A Seller shall not deliver a Notice of Sale unless the offer contained in any previous Notice of Sale has been fully dealt with as contemplated in this Paragraph 2.04.

SCHEDULE "C"
TAG ALONG
(PARAGRAPH 3.04)

3.04(1) For the purposes of this Paragraph 3.04, the term "**bona fide offer**" means a written unconditional and irrevocable offer received in good faith by either of the Shareholders or by a Principal which controls a Shareholder (hereinafter in this Paragraph collectively referred to as "the **Seller**") from a third party or parties dealing at arm's length with such Seller, to purchase at least 50% of the shares in the capital stock of the Corporation beneficially owned or controlled by the Seller. The "**bona fide offer**" shall have a closing date between 90 and 120 days from the date of the offer.

3.04(2) In the event the Seller receives a bona fide offer from a third party or parties (hereinafter in this Paragraph referred to as the "**Proposed Purchaser**") to purchase at least 50% of the shares of the Corporation beneficially owned or controlled by the Seller, which the Seller desires to accept (hereinafter in this Schedule C referred to as the "**Subject Shares**"), then the Seller shall forthwith give notice in writing (hereinafter in this Paragraph referred to as the "**Notice of Sale**") to the Shareholder and the Principal who are not the Seller specifying therein the particulars of the bona fide offer received by the Seller, (hereinafter in this Paragraph referred to as the "**Offer**"), including the name of the Proposed Purchaser from whom the Seller has received the bona fide offer, the selling price for the Subject Shares (hereinafter in this Paragraph referred to as the "**Selling Price**") and the terms and conditions relating to the proposed sale to the Proposed Purchaser, such as the right to pay the Selling Price over a period of time (hereinafter in this Paragraph referred to as the "**Conditions**").

3.04(3) Within thirty (30) days after the date of receipt of the Notice of Sale, the Shareholder and the Principal who are not the Seller shall give notice (a "**Tag-Along Notice**") to the Seller and the other Shareholders of its election to sell upon the terms of the Offer and such Shareholder and Principal who are not the Seller shall be obligated to sell its Shares upon the terms specified in the Offer to the Proposed Purchaser, conditional upon the closing of the Offer.

3.04(4) Each Shareholder hereby appoints, in the event of a receipt of a Tag-Along Notice, the President of the Corporation (or such other person as may be designated by the Corporation), as the Shareholder's attorney, with full power of substitution, in the name of the Shareholder to accept the Offer and to execute and deliver all deeds, transfers, assignments and assurances necessary to give effect to such acceptance and to establish a binding contract of purchase and sale between the Shareholder and the Proposed Purchaser with respect to the Subject Shares. The appointment, being coupled with an interest, is irrevocable by each Shareholder and will not be revoked by the insolvency, bankruptcy, death, marriage, mental incapacity, dissolution, liquidation or other termination of the existence of the Shareholder and each Shareholder agrees to ratify and confirm all that its attorney may do or cause to be done pursuant to the foregoing. Each Shareholder consents to any transfer of Shares made pursuant to the foregoing. The power of attorney granted in this Paragraph is intended to be an irrevocable and enduring power of attorney granted for valuable consideration within the meaning of and governed by the New Brunswick Property Act. The Shareholder hereby agrees not to take any action that results in the termination of this power of attorney.

3.04(5) The purchase and sale of the shares of the Corporation pursuant to this Schedule C shall not be subject to the provisions of Article 6.10.

3.04(6) The Offer shall also be subject to the following terms and conditions:

(ix) the Offer shall not be conditional or revocable;
(x) the Subject Shares shall be sold to the Proposed Purchaser at the Selling Price and on the Conditions set out in the Offer;
(xi) any purported acceptance of the Offer for less than all of the Subject Shares shall be null and void;
(xii) in the event the Selling Price includes non-cash consideration, the Proposed Purchaser and the Selling Shareholder must, within thirty (30) days of the receipt of the Offer and prior to issuance of a Notice, agree as to the fair market value of the non-cash consideration and the Selling Price shall be the combined fair market value of the non-cash consideration and the cash consideration. In the event that the Selling Shareholder and the Proposed Purchaser cannot agree upon the same within the said thirty (30) day period, then the matter shall be referred to the external accountant of the Corporation for his opinion on the same and, provided the external accountant acts in good faith and without bias or negligence, his opinion on the same shall be final and binding on the parties. In the event an opinion as contemplated herein is sought from the external accountant, then the closing date period shall only begin to run from the date the opinion of the external accountant is received by the Selling Shareholder and the Proposed Purchaser.

This is Exhibit "E" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

From: "nicoleclouthier@rocketmail.com" <nicoleclouthier@rocketmail.com>
Subject: Royal Oaks Golf Club Catch-Up
Date: March 31, 2020 at 5:05:20 PM EDT
To: Steve Lunn <stevelunn60@gmail.com>

Hi Steve,

Wow, what a time to be emailing you. Since last we corresponded, the world certainly has changed and the impacts are widely and globally felt and changing hour by hour.

I do hope this email finds you and your loved ones well and healthy!

The family and I returned March 19th and have been in self-isolation ever since. We finally get to do our own grocery shopping this Friday!

In respect of the golf course, before I get into a fuller update, I would need to ask for a signature on our TD bank account please. We recently paid off a Line of Credit and as such TD requires that we are moved from a commercial account to a small business account. This will allow us to save on fees and during covid-19 will make applying for financial support easier. Attached is the form to move our visa to small business account. Would you be able to sign and return the attached document to me at your earliest convenience?

In respect of the golf course then: Well, we are getting the financials completed and overall it is positive. Even with a 20% loss in our golf season - we did not open until June 7th - we only lost out on golf revenue by 7.1% from 2018. F&B performed well, even with the loss of our Director of F&B at end of August and our new Executive Chef not starting until November, and overall was down only 2.7% against 2018! (The fact that F&B is not trending same or worse than golf revenue also shows that the restaurant as a standalone business centre is growing on its own and more and more independent from golf!)

Overall we were able to improve profitability by 9.2% from 2018 and it shows that the focus on costs had the right impact and provides a solid basis to keep growing the business. Instrumental in growing the business is the hire of our new GM, Chris Medford, who started March 1st. With what he has been able to achieve just in the first month and especially given covid-19 impacts, we are extremely excited to see the growth he will be able to bring to the business, for our 20th anniversary and the seasons ahead!

Unfortunately, covid-19 did hit us at the golf course at a particularly vulnerable time. We have had to close the restaurant, had all our events cancel for March and have had to let most of our staff go. We are still hopeful to have a golf season this year and have therefore kept the minimal team of Superintendent and Assistant Superintendent to focus on the course and internally our new GM and Office Manager/Executive Assistant to focus on updating policies and more importantly sale of memberships. Our bookkeeper is down to minimum hours as we try to strike the right balance between being able to get ready for the season ahead whilst having no revenue coming in since March 1st and adapting to a daily new normal.

With your investment, as you know, you have a right to put the shares back to the golf club including being paid out on the dividend. You are also able to continue your investment and we would be able to offer an extension of the dividend terms for another year if that would be of interest to you. As for paying out the dividend for 2019-2020 in the most tax efficient manner, I have not landed on a best course of action and it would really depend on what you wanted to do. We could treat it as re-invested and thereby delay the tax impact or potentially structure it as an option, again deferring the tax impact. Let me know what you would like to do on this, however. Payment out I understand would be a taxable event.

Our medium to long-term vision for the golf course has slightly changed direction as we feel a hotel would not be the best next phase just yet. Investors are hesitant as soon as you utter the words 'hotel' and for more immediate capital injection into the golf club, developing certain lands on the golf club would probably be best use of money and provide more certain dividend from both a timing and IRR perspective. We are actively looking at zoning, construction and ultimately structuring best investment for equity of the around 2.7acres on the golf course that would lend itself well to development. I have attached some zoning of the land areas for your information.

Esmond and I are still committed to the golf course and our team on the ground. We are excited for our 20th anniversary season this year and the years ahead as we see operations improve and go from strength to strength - we very much appreciate your support in this endeavour! We are happy to discuss openly the challenges and successes of the golf course, and would certainly be open to discussing your preferred options with regard to your investment.

Anytime you have chance for a call, let us know - would love to catch up more properly over the phone.

Best wishes for now and stay healthy!

Nicole

From: Walter Steven Lunn <stevelunn60@gmail.com>
Subject: Re: Royal Oaks Golf Club Catch-Up
Date: April 1, 2020 at 3:11:48 AM EDT
To: nicoleclouthier@rocketmail.com

Hello Nicole

Glad to see you all back safe and well - hope you have enough food in the house to see you through until Friday! As requested I attach the signed TD account.

At this time of global uncertainty I believe the right thing to do would be to continue my investment and to reinvest the dividend, I'm not sure how this would change any shareholding, if at all, but rest assured I look at this as a long term investment. When the books are closed for 2019, can you please send a copy.

Donna officially retired yesterday and now enjoys her new title of "housewife" - I don't think! As for myself look to finish in August, well that's the plan for the time being.

The land photos you sent should be fairly straightforward to develop, not like our Tucson plot half way up a mountain.

Would love to talk - perhaps once I have seen last years numbers.

If this virus lasts a summer in Abu Dhabi - then we really will be worried! Stay well, Best wishes Steve

Begin forwarded message:

From: Ron Hrynyk <ronhrynyk1@gmail.com>
Subject: Re: Steve Lunn ROGC Participation
Date: April 10, 2020 at 10:49:26 AM EDT
To: Nicole Clouthier <Nicole.Clouthier@royaloaks.nb.ca>
Cc: Jacqueline Boddaert <Jboddaert1@gmail.com>, Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>

Sounds fair Nicole & Es,

Proceed

Ron Hrynyk
Chairman
HR Corporate Strategies
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3
(416) 301-2564

Email : ron@hrcorpstrategies.com

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On Apr 10, 2020, at 10:35 AM, Nicole Clouthier
<Nicole.Clouthier@royaloaks.nb.ca> wrote:

Morning Ron,

Just to confirm our discussions in respect of Steve's investment in the golf course.

Steve's investment as 25% non-voting common shareholder to be extended by another year, i.e. with the same option to convert or put back the shares AND with coupon of 8%, until end March 2021.

Coupon of 8% earned end March 2019 to end March 2020 not to be paid out at this time but to be re-invested. Believe we cannot add to his shares as will throw out equity so proposal is that the $40k earnt end March 2020 is reflected as a promissory note with repayment of $40k + 8% interest to be paid out end March 2021.

Please can you confirm your agreement with the above and we will reach out to Steve as well as counsel to paper the changes and reflect in corporate books.

Thanks.

Best,

Nicole

<image001.jpg>

This is Exhibit "F" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

From: Walter Steven Lunn <stevelunn60@gmail.com>
Subject: Note to ROGC Shareholders
Date: July 16, 2021 at 2:01:24 PM EDT
To: Nicole Clouthier <Nicole.Clouthier@royaloaks.nb.ca>, Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>, Ron Hrynyk <ron@hrcorpstrategies.com>, Jacquie Boddaert <jboddaert1@gmail.com>, Ron Hrynyk <ronhrynyk1@gmail.com>

CAUTION: This email originated from outside of Royal Oaks Golf Club. Do not click links or open attachments unless you recognize the sender and know the content is safe.

All Shareholders in Royal Oaks Golf Club

Please see attached letter confirming my current position in Royal Oaks Golf Club Inc.

Regards W S Lunn

To : ALL DIRECTORS AND SHAREHOLDERS OF ROYAL OAKS GOLF CLUB INC.

I am writing in respect of my shareholding in Royal Oaks Golf Club Inc. ("Royal Oaks").

I have been made aware of various issues and disputes between certain of the shareholders of Royal Oaks, including a motion filed by Patrick Miniutti in Court in Moncton, New Brunswick, in which he apparently seeks to appoint Jacqueline Boddaert, being the spouse of Ron Hyrnyk, as a director of Royal Oaks, and to invalidate my appointment as a director which occurred on June 2, 2021.

Given the ongoing disputes between certain of the shareholders, I hereby confirm my position as follows:

1. I purchased 25% of common shares in Royal Oaks on March 29, 2019.

2. At the time of purchase, I signed a Share Purchase Agreement ("SPA") by which I agreed to effectively be a "silent" shareholder in exchange for a Put Option with respect to my shares that was exercisable within 12 months. My contractual agreement under the SPA was to refrain from voting so long as I had an effective Put Option. If my Put Option was cancelled or terminated, I could fully exercise my voting privileges.

3. My investment was originally anticipated to be a 1-year arrangement, however, at the request of HR and TW1 Oaks Inc. and following Covid-19 impact on Royal Oaks, I agreed to extend my investment for a further year, i.e. to 29th March 2021.

4. I exercised my Put Option on 29 March 2021 and have since requested on several occasions that a proposal is made to me as to the closing of the transaction following my exercise of my Put Option and in line with the SPA ("Put Option Transaction").

5. I did not receive any proposal. Instead I received several emails from HR which suggest that HR does not stand behind its commitment made under the SPA with respect to the Put Option.

6. The Put Option transaction did not close due to HR's refusal to honour its obligations, and my Put Option is cancelled.

7. I have and will continue to exercise my voting rights as a shareholder. I am not aware of any basis upon which the company can deny me my voting rights.

8. A shareholders' meeting was held on June 2, 2021. I attended such meeting by proxy which I duly served with the President of Royal Oaks in the form and in line with the by-laws of Royal Oaks and relevant articles of the Business Corporations Act of New Brunswick.

9. Pursuant to the shareholders' meeting of June 2, 2021, I was appointed as a Director of Royal Oaks by majority vote of the common shareholders present at such meeting.

I trust the above clarifies and confirms my position as a common voting shareholder of Royal Oaks and as a Director of Royal Oaks.

W S LUNN

C

Court File No.: MM/69/2021

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

BETWEEN:

This is Exhibit "G" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

TW1 OAKS INC.,

Applicant,

COURT OF QUEEN'S BENCH TRIAL DIVISION MONCTON, N.B. FILED/REGISTERED AUG 05 2021 COUR DU BANC DE LA REINE DIV. DE PREMIERE INSTANSE MONCTON, N.-B. DÉPOSÉ/ENREGISTRE

- and -

PATRICK MINIUTTI and ALINE MINIUTTI

Respondents.

AFFIDAVIT

I, **WALTER STEVEN LUNN**, of Tucson, Arizona, **MAKE OATH AND SAY AS FOLLOWS:**

1. I own 125,667 common shares in Royal Oaks Golf Club Inc. ("**ROGC**"). As such, I have personal knowledge of the matters referred to herein except where otherwise stated.

2. I am a Chartered Civil Engineer and hold a Master's Degree in Construction Management. I have more than 30 years experiencing leading high profile building and infrastructure projects in many countries, including the United Kingdom, the United Arab Emirates, Malaysia, Saudi Arabia and Jordan.

3. From 2008 to 2015 and from 2018 to 2020, I held senior executive roles with Mubadala Real Estate & Infrastructure ("**MREI**") and its affiliated companies, before retiring at the end of 2020. MREI is a real estate and business development company based in Abu Dhabi, United Arab Emirates that has investment projects in more than 50 countries.

4. Through MREI, I met Nicole Clouthier ("**Nicole**"). We worked together at MREI from around 2008 to 2014, during which period Nicole was General Counsel to MREI. In 2014, Nicole resigned her position to relocate with her family to Canada, but we remained in contact.

Investment in ROGC

5. Around late February or early March of 2019, I was approached by Nicole with an opportunity to invest in ROGC.

6. Having worked with Nicole on numerous real estate and business development projects, I trust her as a person who sees a project through and remains loyal to the "double bottom line" that underscored MREI's investment focus: the project must provide both strong financial and social-economic returns. Her vision for ROGC was to grow and develop the Royal Oaks golf gourse and facilities to meet that double bottom line.

7. Nicole disclosed the troubled past of ROGC which pre-dated her involvement, including poor financial management during the time in which Patrick Miniutti had managed operations. I was advised that a re-organization of the company would occur in conjunction with my investment by which Mr. Miniutti would relinquish his rights as a common shareholder and be removed from day-to-day operations and management. I felt confident making an investment based upon:

(a) my first-hand knowledge of Nicole's expertise in supporting and managing large, high profile projects;

(b) the expertise of the Nicole's spouse, Esmond Clouthier in the golf industry;

(c) the support of the two other common shareholders, TW1 Oaks Inc. ("**TW1**") and HR Corporate Strategies Ltd. ("**HR**") for the long-term growth of ROGC; and

(d) the proposed re-organization to exclude Mr. Miniutti from day-to-day operations and management.

8. On March 29, 2019, I entered a Share Purchase Agreement with ROGC, HR and TW1 ("**the SPA**"), a copy of which is attached as **Exhibit "A"**.

9. Pursuant to the SPA, I purchased 125,667 common shares (25% stake) for $500,000 CDN. The other 75% of common shares were held by TW1 (218,000) and HR (159,000).

10. Section 2.4 of the SPA provided me with a put option, the exercise of which would require TW1, HR and/or ROGC to purchase my shares for $540,000 (my initial investment plus 8%) after one year.

11. Section 2.6 provided that, so long as the put option was valid, I would not exercise the voting rights attached to my common shares.

Renewal of Put Option in March 2020

12. During the first year of my investment in ROGC, I received periodic updates from Nicole. I was pleased by material improvements in food & beverage operations of ROGC as demonstrated in increase in profit margins and a material reduction in cost base, as well as the increase in weddings, banquets, golf tournaments and corporate sponsorships. The hands-on management of both Nicole and Mr. Clouthier were key drivers of these improvements.

13. As the deadline to exercise the put option approached in March of 2020, ROGC faced challenges as a result of the COVID-19 pandemic. I was advised by Nicole and verily believe that ROGC was in discussions for a forbearance agreement with its senior lender, while also actively exploring further government and other support to manage the effects of the pandemic.

14. I agreed to refrain from exercising of my put option on the one year anniversary of the SPA in exchange for an extension of the put option, on the same terms and conditions, for a further year, along with deferral of payment of my 8% coupon, with interest, until March of 2021.

15. Attached as **Exhibit "B"** is a copy of my email exchanges with Nicole with respect to this arrangement. Attached as **Exhibit "C"** is a copy of an email exchange provided to me by Nicole in which Ronald Hrynyk, on behalf of HR, agreed to this extension.

Exercise and Cancellation of Put Option – March-May, 2021

16. On March 29, 2021, I provided notice to TW1 and HR of my intent to exercise my put option. Receipt of this Notice was acknowledged by TW1 (through Nicole) on March 30, 2021 and by HR (through Mr. Hyrnyk) on April 1, 2021. A copy of the email chain with my notice and the acknowledgements of receipt is attached as **Exhibit "D"**.

17. On April 12, 2021, having received no further communication, I sent a follow-up email to all parties asking for an update. A copy of this email is attached as **Exhibit "E"**.

18. On May 5, 2021, only one week away from the date the put option was supposed to close and having still not received any substantive response, I followed up again. A copy of this email is attached as **Exhibit "F"**.

19. On May 7, 2021, I was copied into email exchanges between the principles of HR and TW1, in which HR appeared to be question the validity of my put option. A copy of this email exchange is attached as **Exhibit "G"**.

20. By emails dated May 12, 2021 (a copy of which is attached as **Exhibit "H"**) and May 13, 2021 (a copy of which is attached as **Exhibit "I"**), Mr. Hrynyk set out various arguments, many of which are conflicting and make little sense. However, I nonetheless understood these emails to confirm that HR did not intend to honour the put option.

21. As conveyed by my response on May 15, 2021 (a copy of which is attached as **Exhibit "J"**) I was extremely upset with the approach taken by Mr. Hrynyk and HR.

22. On May 21-22, 2021 and May 28, 2021, I communicated further with Mr. Hrynyk, a copy of which email exchanges are attached as Exhibit **"K" and Exhibit "L"** respectively.

23. This flurry of emails from Mr. Hrynyk throughout May of 2021 left me quite taken aback. At no time prior to May of 2021 had anyone ever questioned the validity of my put option. My $500,000 investment had been readily accepted in 2019 in exchange for a SPA executed by Mr. Hyrnyk, as President of HR. When ROGC faced significant challenges due to the pandemic, I had agreed to extend my Put Option, again with the concurrence of Mr. Hrynyk on behalf of HR. Now, when it came time for me to exercise my contractual right pursuant to the SPA, Mr. Hrynyk was suddenly questioning the validity of the contractual agreements previously agreed to by him and HR without any objection.

24. The 30-day time frame to purchase my shares under the SPA, as extended, lapsed without any purchase and HR had made it clear that it did not even recognize the existence of a put option. There being no effective put option, I am not aware of any basis upon which I can be denied my voting rights as the holder of 125,667 common shares of ROGC.

Appointment as Director

25. In the meantime, on or around May 9, 2021 (following the email exchanges at Exhibit G), I was asked by Nicole, on behalf of TW1, whether I would be willing to act as a director of ROGC. As it appeared clear by that time that the put option transaction would not close

within the 30 days as stipulated by the SPA such that I would remain a shareholder after that date, I agreed to act as a director if elected.

26. The shareholders meeting to elect me as a director was ultimately scheduled for June 2, 2021.

27. On May 27, 2021, I received companion notices from Mr. Hrynyk on behalf of HR and Patrick and Aline Miniutti objecting to my appointment as a director of ROGC. Copies of these notices are attached respectively as **Exhibits "M" and "N"**.

28. I understand that Mr. and Mrs. Miniutti also sought urgent intervention from the Court in Moncton, New Brunswick to prevent the shareholders' meeting from proceeding as scheduled on June 2, 2021, but the Court refused their request for an urgent hearing.

29. At this stage, I was very concerned about the future of ROGC and, consequently, my investment. Mr. Hrynyk's refusal to acknowledge HR's contractual agreements under the SPA, combined with the lack of coherence of his objections to these agreements, left me seriously concerned about his integrity and business judgment as a director. He appeared to be acting in concert with Mr. Miniutti in an effort to take control of the Corporation, when Mr. Miniutti's poor financial management had already led to difficulties requiring my investment in the first place.

30. On May 31, 2021, I appointed Nicole as my proxy to attend the shareholders' meeting of June 2, 2021.

31. The shareholders' meeting occurred on June 2, 2021 and I was elected as a director of the Corporation. A copy of the minutes of such shareholders' meeting, along with my proxy form, is attached as **Exhibit "O"**.

32. I attended a subsequent board meeting on June 10, 2021, at which Mr. Hrynyk, Mr. Clouthier and I were present. A copy of the minutes of that meeting is attached as **Exhibit "P"**.

33. I understand that Mr. and Mrs. Miniutti have filed a motion in Court in Moncton, New Brunswick seeking to invalidate all meetings since March 19, 2021, including the meetings held on June 2 and 8, 2021. I further understand that they seek to appoint Mr. Hrynyk's wife, Jacqueline Boddaert, to the board in my stead. I make this affidavit in opposition to the relief sought by Mr. and Mrs. Miniutti on their motion.

34. I have 30+ years of working with large, high profile projects in various countries. I have served as a board director for various companies, including Mubadala, one of the world's largest. I understand the fiduciary responsibilities and duties of a director which, in this case, require acting in the best interests of ROGC. I have and will continue to discharge my duties as a director in accordance with these fiduciary duties

SWORN TO at Tuscan, Arizona, this 28 day of July, 2021.

ANDREA RAY
Notary Public - Arizona
Pima County
My Commission Expires
June 4, 2022

Commissioner of Oaths

Walter Steven Lunn

This is **Exhibit "A"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28[nd] day of July 2021.

SHARE PURCHASE AGREEMENT

THIS AGREEMENT dated as of the 29th day of March 2019

BETWEEN

Royal Oaks Golf Club Inc., a limited liability partnership organized under the laws of the Province of New Brunswick ("Seller")

- and -

Walter Steven Lunn, of PO Box 42869, Abu Dhabi, United Arab Emirates ("Purchaser")

- and -

BR Corporate Strategies Ltd. a body corporate organized under the laws of the Province of Ontario ("BR Corporate")

- and -

TW1 Oaks Inc., a body corporate organized under the laws of the Province of Ontario ("TW1 Oaks")

Ron, Jacquie and TW1 Oaks collectively the "Shareholders" and

each of the above being a "Party" and collectively, the "Parties".

WHEREAS the Seller is the registered and beneficial owner of the Purchased Shares

AND WHEREAS the Purchaser desires to purchase the Purchased Shares from the Seller

AND WHEREAS the Parties wish to confirm certain matters relating to the Purchased Shares

NOW THEREFORE in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which each of the Parties hereto hereby acknowledges, the Parties hereto hereby covenant and agree as follows:

ARTICLE ONE
INTERPRETATION

Section 1.1 Definitions. In this Agreement, unless the subject matter or context is inconsistent therewith, the following words shall have the following meanings:

(a) "**Closing Date**" means on or before 29th March, 2019.

(b) "**Corporation**" means Royal Oaks Golf Club Inc., a body corporate incorporated under the laws of the Province of New Brunswick.

(c) "**Purchased Shares**" means 125,667 common shares in the capital of the Corporation; and

(d) "Purchase Price" means the five hundred thousand Canadian dollars (C$500,000.00) in respect of the Purchased Shares.

ARTICLE TWO
PURCHASE AND SALE

Section 2.1 Purchase of Shares. Subject to the terms and conditions hereinafter contained, the Seller hereby sells the Purchased Shares to the Purchaser for the Purchase Price on the Closing Date and the Purchaser hereby purchases the Purchased Shares from the Seller for the Purchase Price on the Closing Date.

Section 2.2 Payment of Purchase Price. The Purchaser hereby agrees to pay the Purchase Price on the Closing Date to the Seller in freely disposable funds to such bank account as may be notified to the Purchaser.

Section 2.3 Transfer of Purchased Shares. The Seller shall deliver to the Purchaser all necessary conveyances, bills of sale, assurances, transfers, assignments and consents and any other documents necessary or reasonably required to effectively transfer the Purchased Shares to the Purchaser, free and clear of all liens, charges or other encumbrances whatsoever, including, without limitation, certificates representing the Purchased Shares duly endorsed in blank for transfer or accompanied by a stock transfer form, and resolutions of the directors (and if applicable, the shareholder(s)) of the Corporation consenting to and approving the transfer of the Purchased Shares from the Seller to the Purchaser, each [illegible] as [illegible] to and accepted by the Purchaser.

Section 2.4 Put Option. The Seller shall do all such acts and execute all such documents to give effect to a put option in respect of the Purchased Shares in favour of the Purchaser as follows:

(a) On the first anniversary of the Closing Date and within a period of ten (10) Business Days of such anniversary date (the "Put Option Date"), the Purchaser shall have the right, but not the obligation, to put the Purchased Shares to each of the Seller and the Shareholders by written notice (the "Put Option"); and

(b) The Seller and/or the Shareholders, either separately or collectively, shall purchase the Purchased Shares from the Purchaser at the value of five hundred and forty thousand Canadian dollars (C$540,000.00) and shall cause the closing of such purchase to be effected within thirty (30) days after the end of the Put Option period set out in Section 2.4(a) above.

(c) Where the Put Option is not exercised under Section 2.4(a) and (b) above, the Parties acknowledge and agree that the Put Option shall be cancelled and that the terms and conditions of Section 2.5 shall then apply to the Purchased Shares.

Section 2.5 Cancellation of the Put Option. The Purchaser shall have right but not the obligation to cancel the put option at any time prior to the Put Option Date in relation to all but not less than all of the Purchase Shares upon reasonable notice to the Shareholders and the

Parties agree that they shall do all such acts and execute all such documents as may be required to cancel the put option and recognize the Purchased Shares as common shares in the capital of the Corporation with full voting rights, including but not limited to the entry into of the shareholders agreement substantially in the form attached hereto as Exhibit A (the "Shareholders Agreement").

Section 2.6 Put Option Terms. Unless and until the Put Option is cancelled pursuant to Section 2.5 above, the Purchaser acknowledges and agrees that the Purchased Shares shall be deemed to be non-voting shares and that it shall not have the benefit of any voting rights under the Shareholders Agreement. Each of the Parties hereby agrees that the certificate representing the Purchased Shares shall be endorsed with a legend in substantially the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS SET FORTH IN A SHARE PURCHASE AGREEMENT BETWEEN THE HOLDER OF THIS CERTIFICATE AND CERTAIN OTHER PARTIES. TRANSFER OF THE SHARES IS SUBJECT TO THE RESTRICTIONS CONTAINED IN SUCH AGREEMENT.

ARTICLE THREE
CLOSING

Section 3.1 Closing Deliveries. On the Closing Date, the Seller shall deliver, or cause to be delivered, to Purchaser the share certificates representing the Purchased Shares duly endorsed in blank for transfer or stock transfer forms and such other documents as are contemplated by Section 2.3 hereof.

Section 3.2 Conditions. The obligations of the Seller and Purchaser under this Agreement are subject to the fulfilment at or prior to the Closing Date of the following conditions, with each of paragraphs (a) and (b) being for the sole benefit of the Seller and being subject to being waived in writing in whole or in part by the Seller and with each of paragraphs (c) and (d) being for the sole benefit of Purchaser and being subject to being waived in writing in whole or in part by Purchaser:

(a) all the representations and warranties herein of Purchaser shall be true at and as of the Closing Date with the same effect as though they had been made at and as of the Closing Date;

(b) Purchaser shall have complied with all covenants to be complied with by Purchaser at or prior to the Closing Date as set forth herein;

(c) all the representations and warranties herein of the Seller shall be true at and as of the Closing Date with the same effect as though they had been made at and as of the Closing Date; and

(d) the Seller shall have complied with all covenants to be complied with by the Seller at or prior to the Closing Date as set forth herein.

ARTICLE FOUR
REPRESENTATIONS AND WARRANTIES

Section 4.1 Representations and Warranties of the Seller. The Seller represents and warrants to Purchaser that:

(a) each of the Purchased Shares has been duly and validly issued by the Corporation and is a fully-paid and non-assessable share in the capital stock of the Corporation;

(b) The Seller is the registered and beneficial owner of the Purchased Shares free and clear of all liens, charges or other encumbrances, and has good and marketable title thereto, and that upon completion of the transactions contemplated herein, Purchaser shall hold [insert number of shares] of the issued and outstanding shares of the Corporation, and no person (including the Seller) shall have any agreement, option, or right in respect of the issuance of any additional equity or equity-like interest in the capital of the Corporation other than as expressly disclosed to the Purchaser;

(c) The Seller has all necessary corporate power and capacity and is otherwise legally entitled to enter into this Agreement and to transfer the Purchased Shares to Purchaser on the terms and conditions set out in this Agreement; and

(d) The Seller is not a non-resident of Canada for purposes of Section 116 of the *Income Tax Act* (Canada).

Section 4.2 Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to the Seller that:

(a) the fulfilment of the obligations of Purchaser hereunder will not be in contravention of any of the provisions of the constating documents of Purchaser; and

(b) it has reviewed the Shareholders Agreement as attached hereto in Annex A and acknowledges and agrees to the terms and conditions as set out therein; and

(c) it has reviewed the Voting Agreement as attached hereto in Annex B and acknowledges and agrees to the terms and conditions set out therein.

ARTICLE FIVE
COVENANTS

Section 5.1 Covenants of the Seller. The Seller hereby covenants with Purchaser as follows:

(a) to cause all necessary steps and corporate proceedings to be taken to effectively and validly carry out the transactions contemplated herein;

(b) to cause the share certificates representing the Purchased Shares to be delivered to Purchaser on or before the Closing Date, duly endorsed in blank for transfer, or accompanied by a stock transfer form transferring the Purchased

Shares to Purchaser duly executed in blank, and to cause the transfer of the Purchased Shares to be duly recorded on the books and records of the Corporation.

Section 5.2 Covenants of Purchaser. Purchaser hereby covenants with the Seller to cause all necessary steps and corporate proceedings to be taken to effectively and validly carry out the transactions contemplated hereby.

ARTICLE SIX
MISCELLANEOUS

Section 6.1 Applicable Law. This Agreement shall be construed and interpreted in accordance with the laws of the Province of New Brunswick and the federal laws of Canada applicable therein and the parties hereby attorn to the non-exclusive jurisdiction of the courts of such Province.

Section 6.2 Further Assurances. The parties hereto agree to sign or execute all such other deeds and documents and do such other things as may be necessary or desirable for more completely and effectually carrying out the terms and intention of this Agreement (including, without limitation, delivering or causing to be delivered any such documents as Purchaser may reasonably request to evidence the conditions of the debt described in Section [illegible] hereof).

Section 6.3 Binding Effect. This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns, and shall enure to the benefit of the parties hereto, their respective successors and permitted assigns.

Section 6.4 No Assignment. This Agreement may not be assigned by either party without the express prior written consent of the other party hereto.

Section 6.5 Time. Time is in all respects of the essence of this Agreement.

Section 6.6 Obligations Surviving Closing. The parties agree that the representations and warranties as set out in Sections 4.1 and 4.2 hereof shall survive closing.

Section 6.7 Counterpart and Electronic Transmission. This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original and all such counterparts taken together shall constitute one and the same Agreement. To evidence the fact that it has executed this Agreement, a party may send a copy of its executed counterpart to the other parties by facsimile transmission or other form of electronic transmission and such party shall be deemed to have executed this Agreement on the date it sent such transmission. In such event, such party shall forthwith deliver to the other party the counterpart of this Agreement executed by such party.

[remainder of page intentionally left blank - signature page to follow]

IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement as of the day and year first above written.

ROYAL OAKS GOLF CLUB INC.

Per: ______________________

Name: Ron Hrynyk

Title: Director

WALTER STEVEN LUNN

Per: ______________________

Name: WALTER STEVEN LUNN

Title: ATT.

HR CORPORATE STRATEGIES LTD.

Per: ______________________

Name: Ron Hrynyk

Title: President

TWI OAKS INC.

Per: ______________________

Name: DIRECTOR CLOUTHIER

Title: DIRECTOR

EDMOND CLOUTHIER

DIRECTOR

This is **Exhibit "B"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28nd day of July 2021.

From: "nicoleclouthier@rocketmail.com" <nicoleclouthier@rocketmail.com>
Subject: Royal Oaks Golf Club Catch-Up
Date: March 31, 2020 at 5:05:20 PM EDT
To: Steve Lunn <stevelunn60@gmail.com>

Hi Steve,

Wow, what a time to be emailing you. Since last we corresponded, the world certainly has changed and the impacts are widely and globally felt and changing hour by hour.

I do hope this email finds you and your loved ones well and healthy!

The family and I returned March 19th and have been in self-isolation ever since. We finally get to do our own grocery shopping this Friday!

In respect of the golf course, before I get into a fuller update, I would need to ask for a signature on our TD bank account please. We recently paid off a Line of Credit and as such TD requires that we are moved from a commercial account to a small business account. This will allow us to save on fees and during covid-19 will make applying for financial support easier. Attached is the form to move our visa to small business account. Would you be able to sign and return the attached document to me at your earliest convenience?

In respect of the golf course then: Well, we are getting the financials completed and overall it is positive. Even with a 20% loss in our golf season - we did not open until June 7th - we only lost out on golf revenue by 7.1% from 2018. F&B performed well, even with the loss of our Director of F&B at end of August and our new Executive Chef not starting until November, and overall was down only 2.7% against 2018! (The fact that F&B is not trending same or worse than golf revenue also shows that the restaurant as a standalone business centre is growing on its own and more and more independent from golf!)

Overall we were able to improve profitability by 9.2% from 2018 and it shows that the focus on costs had the right impact and provides a solid basis to keep growing the business. Instrumental in growing the business is the hire of our new GM, Chris Medford, who started March 1st. With what he has been able to achieve just in the first month and especially given covid-19 impacts, we are extremely excited to see the growth he will be able to bring to the business, for our 20th anniversary and the seasons ahead!

Unfortunately, covid-19 did hit us at the golf course at a particularly vulnerable time. We have had to close the restaurant, had all our events cancel for March and have had to let most of our staff go. We are still hopeful to have a golf season this year and have therefore kept the minimal team of Superintendent and Assistant Superintendent to focus on the course and internally our new GM and Office Manager/Executive Assistant to focus on updating policies and more importantly sale of memberships. Our bookkeeper is down to minimum hours as we try to strike the right balance between being able to get ready for the season ahead whilst having no revenue coming in since March 1st and adapting to a daily new normal.

With your investment, as you know, you have a right to put the shares back to the golf club including being paid out on the dividend. You are also able to continue your investment and we would be able to offer an extension of the dividend terms for another year if that would be of interest to you. As for paying out the dividend for 2019-2020 in the most tax efficient manner, I have not landed on a best course of action and it would really depend on what you wanted to do. We could treat it as re-invested and thereby delay the tax impact or potentially structure it as an option, again deferring the tax impact. Let me know what you would like to do on this, however. Payment out I understand would be a taxable event.

Our medium to long-term vision for the golf course has slightly changed direction as we feel a hotel would not be the best next phase just yet. Investors are hesitant as soon as you utter the words 'hotel' and for more immediate capital injection into the golf club, developing certain lands on the golf club would probably be best use of money and provide more certain dividend from both a timing and IRR perspective. We are actively looking at zoning, construction and ultimately structuring best investment for equity of the around 2.7acres on the golf course that would lend itself well to development. I have attached some zoning of the land areas for your information.

Esmond and I are still committed to the golf course and our team on the ground. We are excited for our 20th anniversary season this year and the years ahead as we see operations improve and go from strength to strength - we very much appreciate your support in this endeavour! We are happy to discuss openly the challenges and successes of the golf course, and would certainly be open to discussing your preferred options with regard to your investment.

Anytime you have chance for a call, let us know - would love to catch up more properly over the phone.

Best wishes for now and stay healthy!

Nicole

From: Walter Steven Lunn <stevelunn60@gmail.com>
Subject: Re: Royal Oaks Golf Club Catch-Up
Date: April 1, 2020 at 3:11:48 AM EDT
To: nicoleclouthier@rocketmail.com

Hello Nicole

Glad to see you all back safe and well - hope you have enough food in the house to see you through until Friday! As requested I attach the signed TD account.

At this time of global uncertainty I believe the right thing to do would be to continue my investment and to reinvest the dividend, I'm not sure how this would change any shareholding, if at all, but rest assured I look at this as a long term investment. When the books are closed for 2019, can you please send a copy.

Donna officially retired yesterday and now enjoys her new title of "housewife" - I don't think! As for myself look to finish in August, well that's the plan for the time being.

The land photos you sent should be fairly straightforward to develop, not like our Tucson plot half way up a mountain.

Would love to talk - perhaps once I have seen last years numbers.

If this virus lasts a summer in Abu Dhabi - then we really will be worried! Stay well, Best wishes Steve

This is **Exhibit "C"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28nd day of July 2021.

Begin forwarded message:

From: Ron Hrynyk <ronhrynyk1@gmail.com>
Subject: Re: Steve Lunn ROGC Participation
Date: April 10, 2020 at 10:49:26 AM EDT
To: Nicole Clouthier <Nicole.Clouthier@royaloaks.nb.ca>
Cc: Jacqueline Boddaert <Jboddaert1@gmail.com>, Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>

Sounds fair Nicole & Es,

Proceed

Ron Hrynyk
Chairman
HR Corporate Strategies
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3
(416) 301-2564

Email : ron@hrcorpstrategies.com

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is unauthorized. If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

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ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de reference future.

On Apr 10, 2020, at 10:35 AM, Nicole Clouthier <Nicole.Clouthier@royaloaks.nb.ca> wrote:

Morning Ron,

Just to confirm our discussions in respect of Steve's investment in the golf course.

Steve's investment as 25% non-voting common shareholder to be extended by another year, i.e. with the same option to convert or put back the shares AND with coupon of 8%, until end March 2021.

Coupon of 8% earned end March 2019 to end March 2020 not to be paid out at this time but to be re-invested. Believe we cannot add to his shares as will throw out equity so proposal is that the $40k earnt end March 2020 is reflected as a promissory note with repayment of $40k + 8% interest to be paid out end March 2021.

Please can you confirm your agreement with the above and we will reach out to Steve as well as counsel to paper the changes and reflect in corporate books.

Thanks.

Best,

Nicole

<image001.jpg>

Nicole Clouthier

401 Royal Oaks Boulevard
Moncton, NB, Canada
E1H 0A2
royaloaks.ca

This is **Exhibit "D"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28nd day of JULY 2021.

On Apr 1, 2021, at 9:23 AM, Ron Hrynyk <ronhrynyk1@gmail.com> wrote:

Steve

Thank you for your email. Just want tp confirm receipt of the notice.

We are reviewing the agreement and will confirm appropriate dates accordingly.

Best Regards,

Ron Hrynyk
Chairman
HR Corporate Strategies
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3
(416) 301-2564

Email : ron@hrcorpstrategies.com

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ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de reference future.

On Mar 30, 2021, at 4:04 PM, Nicole Clouthier <twelve12invest@gmail.com> wrote:

Dear Steve,

On behalf of TW1 Oaks Inc., we hereby confirm receipt of your email notice below.

We are of course saddened to have received your notice but appreciate you sticking with us, especially through the Covid year, and renewing your option to 2021.

As per the terms of the SPA, I believe that we will need to conclude this transaction by May 12th, unless an extension is otherwise agreed.

Please can all parties hereto confirm collective understanding of time periods pursuant to the agreement.

Much appreciated.

Kind regards,

Nicole and Esmond

Twelve12 Investment & Consultancy Inc
twelve12.ca
Cell: 289-383-5585

> On Mar 29, 2021, at 11:50 AM, Walter Steven Lunn <stevelunn60@gmail.com> wrote:
>
> CAUTION: This email originated from outside of Royal Oaks Golf Club. Do not click links or open attachments unless you recognize the sender and know the content is safe.
>
> Dear Shareholders
>
> Please accept this email as formal notice to exercise my Put Option.
>
> As you may be aware I have now retired, and having done so am reliant on income from investments, without any coupon from my investment in ROGC for two years I now, somewhat reluctantly exercise the Put Option.
>
> I of course wish ROGC and its shareholders a successful future.
>
> Sincerely, Steve Lunn

This is **Exhibit "E"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28nd day of July 2021

From: Walter Steven Lunn <stevelunn60@gmail.com>
Subject: Re: ROGC - Put Option
Date: April 12, 2021 at 12:41:12 PM EDT
To: Ron Hrynyk <ronhrynyk1@gmail.com>
Cc: Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>, Jacquie Boddaert <Jboddaert1@gmail.com>, Esmond Clouthier <twelve12invest@gmail.com>

Good afternoon All,

Having exercised my Put Option a couple of weeks ago, I would appreciate if you could update on the latest position.

Best S

> On Apr 1, 2021, at 9:23 AM, Ron Hrynyk <ronhrynyk1@gmail.com> wrote:
>
> Steve
>
> Thank you for your email. Just want tp confirm receipt of the notice.
>
> We are reviewing the agreement and will confirm appropriate dates accordingly.
>
> Best Regards,
> **Ron Hrynyk**
> **Chairman**
> **HR Corporate Strategies**
> 2495 Lloydtown Aurora Side Road
> King City, ON L7B 1A3
> (416) 301-2564

Email : ron@hrcorpstrategies.com

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ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de reference future.

On Mar 30, 2021, at 4:04 PM, Nicole Clouthier <twelve12invest@gmail.com> wrote:

Dear Steve,

On behalf of TW1 Oaks Inc., we hereby confirm receipt of your email notice below.

We are of course saddened to have received your notice but appreciate you sticking with us, especially through the Covid year, and renewing your option to 2021.

As per the terms of the SPA, I believe that we will need to conclude this transaction by May 12th, unless an extension is otherwise agreed.

Please can all parties hereto confirm collective understanding of time periods pursuant to the agreement.

Much appreciated.

Kind regards,

Nicole and Esmond

Twelve12 Investment & Consultancy Inc
twelve12.ca
Cell: 289-383-5585

> On Mar 29, 2021, at 11:50 AM, Walter Steven Lunn <stevelunn60@gmail.com> wrote:
>
> CAUTION: This email originated from outside of Royal Oaks Golf Club. Do not click links or open attachments unless you recognize the sender and know the content is safe.
>
> Dear Shareholders
>
> Please accept this email as formal notice to exercise my Put Option.
>
> As you may be aware I have now retired, and having done so am reliant on income from investments, without any coupon from my investment in ROGC for two years I now, somewhat reluctantly exercise the Put Option.
>
> I of course wish ROGC and its shareholders a successful future.
>
> Sincerely, Steve Lunn

This is **Exhibit "F"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28 nd day of July 2021.

From: Steve Lunn <stevelunn60@gmail.com>
Subject: Re: ROGC - Put Option
Date: May 5, 2021 at 3:25:36 PM EDT
To: Ron Hrynyk <ronhrynyk1@gmail.com>
Cc: Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>, Jacqueline Boddaert <Jboddaert1@gmail.com>, Esmond Clouthier <twelve12invest@gmail.com>

Hello Ron/Esmond

With the 12 May approaching, can you please advise on the arrangements for settlement of the Put Option.

Appreciated, best Steve

Sent from my iPhone

On Apr 1, 2021, at 9:23 AM, Ron Hrynyk <ronhrynyk1@gmail.com> wrote:

Steve

Thank you for your email. Just want tp confirm receipt of the notice.

We are reviewing the agreement and will confirm appropriate dates accordingly.

Best Regards,

Ron Hrynyk
Chairman
HR Corporate Strategies
2495 Lloydtown Aurora Side Road
King City, ON L7B 1A3
(416) 301-2564

Email : ron@hrcorpstrategies.com

> On Mar 30, 2021, at 4:04 PM, Nicole Clouthier <twelve12invest@gmail.com> wrote:
>
> Dear Steve,
>
> On behalf of TW1 Oaks Inc., we hereby confirm receipt of your email notice below.

We are of course saddened to have received your notice but appreciate you sticking with us, especially through the Covid year, and renewing your option to 2021.

As per the terms of the SPA, I believe that we will need to conclude this transaction by May 12th, unless an extension is otherwise agreed.

Please can all parties hereto confirm collective understanding of time periods pursuant to the agreement.

Much appreciated.

Kind regards,

Nicole and Esmond

Twelve12 Investment & Consultancy Inc
twelve12.ca
Cell: 289-383-5585

> On Mar 29, 2021, at 11:50 AM, Walter Steven Lunn <stevelunn60@gmail.com> wrote:
>
> CAUTION: This email originated from outside of Royal Oaks Golf Club. Do not click links or open attachments unless you recognize the sender and know the content is safe.
>
> Dear Shareholders
>
> Please accept this email as formal notice to exercise my Put Option.
>
> As you may be aware I have now retired, and having done so am reliant on income from investments, without any coupon from my investment in ROGC for two years I now, somewhat reluctantly exercise the Put Option.
>
> I of course wish ROGC and its shareholders a successful future.
>
> Sincerely, Steve Lunn

This is Exhibit "G" to the Affidavit of Walter Stephen Lunn, sworn to on the 28nd day of JULY 2021.

From: Nicole Clouthier <nicoleclouthier@rocketmail.com>
Subject: Re: Response required Please
Date: May 7, 2021 at 5:08:53 PM EDT
To: Ron Hrynyk <ron@hrcorpstrategies.com>
Cc: Walter Steven Lunn <stevelunn60@gmail.com>, Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>

Ron,

Questions below were previously asked and answered. As I have said in my emails before you have been party to the discussions and correspondence in respect of the extension of the Put Option and as Secretary to the Company and Shareholder would have knowledge of documents that you would have signed.

I reiterate that I don't believe it is helpful to go over this again and am not entirely clear as to what you are looking to achieve by your line of questions, unless you are looking to challenge or renege on your previous agreement.

I have asked you repeatedly for your proposal so that we may action Steve's Put Option and have not received a response to this.

It would be helpful if you could set out your intentions so that we may move forward given Steve has not yet had any confirmation from you on timing for conclusion of the transaction.

Nicole

On May 7, 2021, at 3:48 PM, Ron Hrynyk <ron@hrcorpstrategies.com> wrote:

Steve, Nicole, Esmond:

I have been awaiting a response to questions put forth to Esmond & Nicole on this Put Option agreement for some time now.

By copy of this email I would ask Nicole to please clearly answer the questions below so that I can move this issue forward.

Email sent May 6th, 2021 to Esmond & Nicole:

Esmond and Nicole

As I set forth in my email to you on April 30th pertaining to the forgoing, I would like to know if Nicole reached out to counsel and papered the changes to the referenced "extension" document that she contemplated? Your response would suggest that there was nothing documented in respect to that matter. Am I correct in assuming that? Please confirm as you did not respond to that question.

I had additionally asked you if there was any notice of cancellation of the Put Option contained in that documentation and did not receive any response to that question. Am I to assume that there was no such cancellation? Please confirm as you did not respond to that question.

I also had asked you to provide me with a copy of the Voting Agreement referred to in section 4.2(c) of the Share Purchase Agreement. Based upon your response it would appear that no such agreement was attached to the Share Purchase Agreement? Please confirm.

I wait for your response.

Email sent March 29th, 2021, to Esmond & Nicole:

Re: Share Purchase Agreement dated March 29, 2019 and the Put Option contained therein

Esmond and Nicole

I have been reviewing my records in respect to the Share Purchase Agreement dated March 29, 2019 and the Put Option granted to Steve Lunn contained therein on his 125,667 common shares. I note that the Put Option provisions contained within the Share Purchase Agreement expired on April 9, 2020. I further notice that on the following day (April 10, 2020) there were email exchanges between Nicole and I in which we discussed the "extension" of the Put Option. Nicole advised that she would "reach out to Steve as well as counsel to paper the changes and reflect in corporate books" should I be in agreement. I thereafter, on April 10, 2020, advised that "It sounds fair ....".

I have not been able to locate a copy of that "extension" document which Nicole advised would be papered. Is there such a document and if so can you provide me with a copy?

I have also not been able to locate any notice of cancellation of the Put Option by Steve Lunn and assume that there never was any such notice. Would you please confirm?

Additionally, there is reference in Section 4.2(c) of the Share Purchase Agreement to a "Voting Agreement" attached as Annex B. I do not seem to have a copy of the Voting Agreement. Would you provide me with a copy?

Waiting for your early response.

Regards

Ron Hrynyk
ron@hrcorpstrategies.com

Cell # 416 301 2564

This is **Exhibit "H"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28[nd] day of July 2021.

From: Ron Hrynyk <ron@hrcorpstrategies.com>
Date: May 12, 2021 at 9:11:22 PM EDT
To: Nicole Clouthier <nicoleclouthier@rocketmail.com>, Esmond Clouthier <twelve12invest@gmail.com>, Walter Steven Lunn <stevelunn60@gmail.com>
Subject: Put Option Documentation for ROGC

Steve, Esmond and Nicole

Steve, thank you for your email the other day. I see a new email from Nicole this evening which I shall respond to separately.

To confirm I take it from the various correspondence and emails that Nicole did not reach out to counsel to paper the changes to the referenced "extension" document that she contemplated, and nothing has been documented in respect to that matter. We relied on her representations that she was in contact with Corporate Counsel on these documents and are disappointed that this did not occur.

I understand from the responses that there was no notice of cancellation of the Put Option.

I also had asked Nicole to provide me with a copy of the Voting Agreement referred to in section 4.2(c) of the Share Purchase Agreement. Based upon your response I confirm that you have indicated that there is no such Voting Agreement was attached to the Share Purchase Agreement.

I also understand that Nicole did all the drafting of the legal agreements. Given that Corporate counsel has indicated they are unaware of these documents I will assume that Corporate counsel was never consulted on the matter and has not seen any of the documents prepared therein. This is very concerning as I relied on her statements that she was consulting Corporate counsel. I do not believe that Nicole is currently licensed to practise law in Canada (you can correct me if I am wrong).

In addition, there was no Shareholders Agreement attached to the Share Purchase Agreement dated the 29th of March.

I would like to find a solution to moving this issue forward; however, we have a number of items of concern that I will need some time to have this reviewed by counsel before anyone takes a position on the issues herein. In order to move forward with this. I have a number of serious concerns about the documentation and drafting which creates issues for all of us and may disadvantage certain Shareholders. This is a very big legal mess.

I note too that Jacquie Boddaert and Ron Hrynyk are named along with Tw1 Oaks as Shareholders but were never added as signatories to the agreement. Certainly, they never received notices and generally have been disadvantaged as a result. I am not sure if this was purposeful or not as Nicole is a shareholder in TW1 and certainly one could interpret the drafting in this manner could be biased. Clearly there is a potential conflict of interest in the drafting of this document by a Shareholder , not properly including other Shareholders and the lack of inclusion of corporate Counsel.

I have set out below the various points and concerns. Based on the below I think that the position would prevail is that Royal Oaks was the beneficiary of the funds and the shares are non-voting shares; however, I will need some time to consult yet again with legal counsel.

I would caution any party from taking precipitous actions before we hear back from counsel which is expected in a reasonably short timeframe.

Please see a summary of clauses and concerns below.

In the Agreement	Concerns
• The parties to the Agreement appear to be : Royal Oaks Golf Club Inc (Seller) , Walter Steve Lunn (Purchaser) , HR Corporate Strategies Ltd (HR Corporate), TW1 Oaks Inc (TW1 Oaks). • Then we have "Ron" and "Jacquie" and TW1 Oaks who are collectively the "Shareholders".	• We can assume that Ron is Ron Hrynyk and Jacquie is Jacquie Boddaert but they are also not signatories to the Agreement which is very concerning and problematic. • Very concerning that Ron and Jacquie were not a signatory to the agreement but were made individually a party to the agreement with some rights and obligations as may or may not be interpreted and may or may not have been disadvantaged as a result.
• Royal Oaks is the "Seller" and the beneficiary of the $500,000.00 in funds	
• 2.4 a) On the first anniversary of closing The "Purchaser" Walter Steve Lunn has the right (but not the obligation) to Put the shares to each of the Sellers and the Shareholders by written notice within a period of 10 days of the anniversary date ("the Put Option date") which appears to be March 29 2019.	• There was no written notice provided to the Shareholders under the agreement in 2019 • An email was sent indicating that paperwork would follow on an extension but no paperwork ever followed. • Legally the Put Option was not exercised and therefore was cancelled under 2.4 c) and theoretically 2.5 applies

• 2.4 b) The Seller and/or Shareholders either separately or collectively shall purchase the Purchased Shares... and shall cause the closing to be within thirty (30) days after the end of the Put Option period set out in Section 2.4 (a) above.	• It appears that the Seller and/or the Shareholders either separately or collectively shall purchase the shares from the Purchaser. Very concerning about the ambiguity in this statement as to the obligations or how much each of these parties may or may not purchase or have a legal obligation or right to purchase?
• Where the Put option is not exercised under Section 2.4a) and b) the parties acknowledge that the Put Option shall be cancelled and that the terms and conditions of Section 2.5 shall apply to the Purchased Shares	• We note that there is no notice of exercise of the Put Option Agreement to the Shareholders, therefore under the agreement (Section 2.4 c) the Put Option should be cancelled and conditions of 2.5 apply to the Purchased Shares which would see the shares have full voting rights with entry into SHA under certain conditions.. • Further to the various emails we note that there was no notice of cancellation of the Put Option Agreement and therefore under this clause section 2.5 applies but this is in direct conflict with section 2.6
In Section 2.6 the Agreement indicates that unless and Until the Put Option is cancelled pursuant to Section 2.5 above, the Purchaser acknowledges and agrees that the Purchased shares shall be deemed to be non-voting shares and that it shall not have the benefit of any rights under the Shareholder Agreement. ...*with further clarification of the legend to be put on the shares*	• The Put Option has not been cancelled and therefore we can determine from this section that the shares are deemed to be non-voting shares and that it shall not have the benefit of any rights under the Shareholder Agreement. • Furthermore, there was no form of Shareholders Agreement attached as Exhibit A provide to the Shareholders

Kindly govern yourselves accordingly,

Regards

Ron Hrynyk
ron@hrcorpstrategies.com

Cell # 416 301 2564

This is **Exhibit "I"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28 nd day of JULY 2021.

From: Ron Hrynyk <ron@hrcorpstrategies.com>
Subject: Put Option - Steve Lund Assessment and understanding May 13, 2021 -
Date: May 13, 2021 at 8:45:32 AM EDT
To: Walter Steven Lunn <stevelunn60@gmail.com>, Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>, Esmond Clouthier <twelve12invest@gmail.com>, Nicole Clouthier <nicoleclouthier@rocketmail.com>

Steve, Esmond & Nicole

Given the fury of emails sent yesterday, please READ this response as my email sent last evening was the wrong one:

Steve, Esmond and Nicole

Thank you Steve for your email.

To confirm I take it from the various correspondence and emails that Nicole did not reach out to counsel to paper the changes to the referenced "extension" document that she contemplated, and nothing has been documented in respect to that matter.

I understand from the responses that there was no notice of cancellation of the Put Option.

I also had asked Nicole to provide me with a copy of the Voting Agreement referred to in section 4.2(c) of the Share Purchase Agreement. Based upon your response I confirm that you have indicated that no such Voting Agreement was attached to the Share Purchase Agreement.

I also understand that Nicole did all the drafting of the legal agreements. Given that Corporate counsel has indicated they are unaware of these documents I will assume that Corporate counsel was never consulted on the matter and has not seen any of the documents prepared therein. This is concerning as I relied on her statements that she was consulting Corporate counsel.

In addition, there was no Shareholders Agreement attached to the Share Purchase Agreement dated the 29th of March.

I would like to find a solution to moving this issue forward; however, we have a number of items of concern that I will need to have reviewed by counsel in order to move forward with this. I have a number of serious concerns about the documentation and drafting which creates issues for all of us and may disadvantage certain Shareholders. This is a very big legal mess.

I note too that Jacquie Boddaert and Ron Hrynyk are named along with Tw1 Oaks as Shareholders but were never signatories to the agreement. Certainly, they have been disadvantaged as a result.

I have set out below the various points and concerns:

In the Agreement	Concerns
• The parties to the Agreement appear to be : Royal Oaks Golf Club Inc (Seller) , Walter Steve Lunn (Purchaser) , HR Corporate Strategies Ltd (HR Corporate), TW1 Oaks Inc (TW1 Oaks). • Then we have "Ron" and "Jacquie" and TW1 Oaks who are collectively the "Shareholders".	
• We can assume that Ron is Ron Hrynyk and Jacquie is Jacquie Boddaert but they are also not signatories to the Agreement which is very concerning and problematic. • Very concerning that Ron and Jacquie were not a signatory to the agreement but were made individually a party to the agreement with some rights and obligations as may or may not be interpreted and may or may not have been disadvantaged as a result.	

• Royal Oaks is the "Seller" and the beneficiary of the $500,000.00 in funds

- 2.4 a) On the first anniversary of the Closing Date plus 10 Business days (the "Put Option Date") the "Purchaser", Walter Steve Lunn, had the right (but not the obligation) to Put the shares to each of the Seller and/or the Shareholders by written notice.
- "Closing Date" was defined to be March 29, 2019 and therefore the Put Option Date expired on April 9, 2020, being 10 business days after the first anniversary date of March 29, 2020.
- 2.4(c). If put option not exercised, then the provisions of Section 2.5 shall then apply to the 125,667 common shares owned by Steve Lunn
- Section 2.5 requires Lunn to give "reasonable notice" of the cancellation of the put option, in which case the 125,667 common shares would be recognized as having full voting shares.
- There was no written notice to exercise the put option provided to anyone prior to its expiration on April 9, 2020
- An email was sent by Nicole Clouthier to Ron Hrynyk on April 10, 2020 (one day after the Put option rights expired) asking Ron if he would confirm a so called "extension" of the put option to Steve Lunn and advising Ron if he agreed she would have legal counsel paper the transaction. Steve Lunn was not a party to that email.
- You can't extend something that has expired and there was nothing papered by legal counsel to reflect this so called "extension".
- Section 2.4(c) states that the provisions of Section 2.5 shall apply if the put option was not exercised. No "reasonable notice" or any notice of cancellation of the put option was given, as required by Section 2.5, and therefore the 125,667 common shares did not acquire voting rights under section 2.5.
- In the event that the put option was renewed by a new agreement or otherwise, a scenario that we do not accept or reject (still reviewing documentation), then Section 2.4 b) enabled Lunn to "put" the 125,667 common shares to ROGC and/or the Shareholders either separately or collectively... and shall cause the closing to be within thirty (30) days after the end of the Put Option period set out in Section 2.4 (a).
- It appears that ROGC and/or the Shareholders (as defined therein) either separately or collectively were potentially obligated to purchase the shares from Lunn should there have been a valid exercise of the put option. Regardless of that issue, and assuming for argument that the put option was valid in 2021 (a position which we do not accept or reject), the "put" was given on March 29, 2021. There is therefore a question on whether the put option was valid in 2021.
- The "put" notice on March 29, 2021, (valid or not) was only given to the "Shareholders", presumably as defined in the agreement. i.e. Ron, Jacquie and TW1 Oaks. See email of March 29, 2021 from Steve. It commences with "Dear Shareholders" and then continues and purports to exercise the put option. Nothing "put" to ROGC.
- Very concerning about the validity and ambiguity in this agreement as to the obligations, if any, or how much each of these parties may or may not purchase or have a legal obligation or right to purchase, in the event that the put option was still effective on March 29, 2021.

- Where the Put option is not exercised under Section 2.4a) and b) the parties acknowledged (2.4(c)) that the put option shall be cancelled and that the terms and conditions of Section 2.5 shall apply to the Purchased Shares.
- Section 2.5 requires "reasonable notice' of the cancellation of the Put Option for the 125,667 common shares to have voting rights.
- We note that there is no notice (reasonable or otherwise) of cancellation of the put option to ROGC or to the Shareholders in 2020.
- If the Put Option expired in 2020, Section 2.4(c) states that that the put option was therefore cancelled and the provisions of section 2.5 apply which require "reasonable notice" of cancellation.
- Because the put option not cancelled by "reasonable notice" the remaining provisions of Section 2.5 cannot apply, and therefore we question how the 125,667 common shares could have voting rights

In Section 2.6 the Agreement indicates that **unless and until the Put Option is cancelled pursuant to Section 2.5 above**, the Purchaser acknowledges and agrees that the Purchased shares shall be deemed to be non-voting shares and that it shall not have the benefit of any voting rights under the Shareholders Agreement. ...*with further clarification of the legend to be put on the shares*

- The Put Option has not been cancelled pursuant to Section 2.5 (requires reasonable notice) and therefore we can determine from this section that the shares are deemed to be non-voting shares and that they shall not have the benefit of any voting rights under the Shareholders Agreement.
- All very confusing,

Regards

Ron Hrynyk
ron@hrcorpstrategies.com

Cell # 416 301 2564

This is **Exhibit "J"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28 nd day of July 2021.

On May 15, 2021, at 10:40 AM, Walter Steven Lunn <stevelunn60@gmail.com> wrote:

Ron

I am a surprised and disappointed by the contents of your rather disingenuous email. Whilst it is somewhat wordy the only question that needs answering is: is the Put Option valid - the answer is a clear Yes. Particularly given the fact that you have been acting on the basis that it had been extended, and only now question its validity. The rest of your email is mere noise, I question your intent to honor the Put Option. If this your attempt to weasel out of your obligations please be decent enough to let me know, I will then take appropriate actions.

Regards,

Steve Lunn

> On May 13, 2021, at 5:45 AM, Ron Hrynyk <ron@hrcorpstrategies.com> wrote:
>
> Steve, Esmond & Nicole
>
> Given the fury of emails sent yesterday, please READ this response as my email sent last evening was the wrong one:
>
> Steve, Esmond and Nicole
>
> Thank you Steve for your email.
>
> To confirm I take it from the various correspondence and emails that Nicole did not reach out to counsel to paper the changes to the referenced "extension" document that she contemplated, and nothing has been documented in respect to that matter.
>
> I understand from the responses that there was no notice of cancellation of the Put Option.

This is **Exhibit "K"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28nd day of July 2021.

From: Steve Lunn <stevelunn60@gmail.com>
Subject: Re: Hello Steve- Re ROGC put option discussion
Date: May 22, 2021 at 10:40:37 AM EDT
To: Ron Hrynyk <ron@hrcorpstrategies.com>
Cc: Nicole Clouthier <twelve12invest@gmail.com>, Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>, Jacquie Boddaert <jboddaert1@gmail.com>

Ron
This is becoming tiresome. The agreement is not a legal mess as you continue to argue. Can you please be honest enough to give me your proposal as to how you will settle my Put Option.
Thank you Steve

Sent from my iPhone

> On May 21, 2021, at 2:00 PM, Ron Hrynyk <ron@hrcorpstrategies.com> wrote:
>
> Hello Steve,

I am in receipt of your request for communication. I had indicated in my previous email that I wanted to move these issues forward and needed just a little time to review the issues presented in my last email as the agreements are a legal mess. It took months to gain clarity on the few questions i was asking and I am looking for just a little time to sort through the issues.

I will be back to you next week with clarity.

Regards

Ron Hrynyk
ron@hrcorpstrategies.com

Cell # 416 301 2564

This is **Exhibit "L"** to the Affidavit of Walter Stephen Lunn, sworn to on the 23rd day of Feby 2021.

From: Ron Hrynyk <ron@hrcorpstrategies.com>
Subject: Re: "Special Shareholders Meeting Royal Oaks Golf Club Inc."
Date: May 28, 2021 at 2:37:09 PM EDT
To: Walter Steven Lunn <stevelunn60@gmail.com>
Cc: Esmond Clouthier <twelve12invest@gmail.com>, Nicole Clouthier <Nicole.Clouthier@royaloaks.nb.ca>, Bruce Johnson <bjohnson@ejp.ca>, Josie Marks <jmarks@stewartmckelvey.com>, Robert Basque <grbasque@forbesrothbasque.nb.ca>, Jacquie Boddaert <jboddaert1@gmail.com>

Steve,

I am in receipt of your email below and advise as follows:

1. I attempted to point out to you my concerns about the provisions of the Put Option contained in the Share Purchase Agreement dated March 29, 2019 (the "**Agreement**") and the events subsequent thereto in my email to you dated and sent on May 13, 2021.
2. As mentioned, should you have the right to put your 125,667 common shares, a position about which we do not take any stance, then it is a question of who it is that they were put.

3. Your email purporting to exercise the put on March 29th was addressed to the "Shareholders" who were defined in the Agreement as Ron, Jacquie and TW1 Oaks Inc.

4. As previously mentioned, Jacquie and I are not signatories to the Agreement. Therefore we are perplexed about who the put was made and in what proportion.

As a director of one of the world's largest companies I am sure that you are fully familiar with legal issues and the need to have them clarified before proceeding.

Accordingly, would you mind clarifying to me to whom you allege you exercised the put and in what proportion?

I await your early response.

Regards

Ron Hrynyk
ron@hrcorpstrategies.com

Cell # 416 301 2564

On May 28, 2021, at 10:18 AM, Steve Lunn <stevelunn60@gmail.com> wrote:

Ron

Having been a director of one of the world's largest companies I had no interest in becoming a director in ROGC, however as it may be in the best interest of the business then I would be happy to help.

All this legal advice must be costing you a tidy sum but it doesn't disguise the fact that I exercised my Put Opinion in accordance with our agreement - under which you are obligated to honor the Put Option.

Since exercising the option on 29 March you have failed, despite my repeated requests, to provide your proposal(s) as to how you will honor your part. Unless you provide your proposal(s) within one week it is likely to cost you a great deal more.

Regards

Steve Lunn

Sent from my iPhone

> On May 27, 2021, at 2:00 PM, Ron Hrynyk <ron@hrcorpstrategies.com> wrote:
>
> Please see Notice of Special Shareholders Meeting , Royal Oaks Golf Club Inc. sent again including correct email for Mr. Robert Basque who was CC.
>
>> Begin forwarded message:
>>
>> **From:** Ron Hrynyk <ron@hrcorpstrategies.com>
>> **Subject: "Special Shareholders Meeting Royal Oaks Golf Club Inc."**
>> **Date:** May 27, 2021 at 4:49:34 PM EDT
>> **To:** Esmond Clouthier <twelve12invest@gmail.com>, Nicole Clouthier <nicole.clouthier@royaloaks.nb.ca>, Esmond Clouthier <esmond.clouthier@royaloaks.nb.ca>, Walter Steven Lunn <stevelunn60@gmail.com>
>> **Cc:** Bruce Johnson <bjohnson@ejp.ca>, Josie Marks <jmarks@stewartmckelvey.com>, grbasque@forbesrothbasque.ca
>
> <Notice May 27, 2021.pdf>
>
>> All
>>
>> Please see notice attached, Notice
>>
>> Regards
>>
>> Ron Hrynyk

ron@hrcorpstrategies.com

Cell # 416 301 2564

This is **Exhibit "M"** to the Affidavit of Walter Stephen Lunn, sworn to on the 3rd day of July 2021.

From:	Ron Hrynyk <ron@hrcorpstrategies.com>
Sent:	Thursday, May 27, 2021 5:50 PM
To:	Esmond Clouthier; Nicole Clouthier; Esmond Clouthier; Walter Steven Lunn
Cc:	Bruce Johnson; Josie Marks; grbasque@forbesrothbasque.ca
Subject:	"Special Shareholders Meeting Royal Oaks Golf Club Inc."
Attachments:	Notice May 27, 2021.pdf

Tesslan Warning

Take care, the email's sending domain **"@hrcorpstrategies.com"** has never been seen on your company's network before today.

This warning message will be removed if you reply to or forward this email to a recipient outside of your organization.

This is an external email.

All

Please see notice attached, Notice

Regards

Ron Hrynyk
ron@hrcorpstrategies.com

Cell # 416 301 2564

NOTICE

DATE: May 27, 2021

VIA EMAIL TO:

HR Corporate Strategies Inc.

TW1 Oaks Inc. c/o Nicole Clouthier

Nicole Clouthier

Royal Oaks Golf Club

Walter Stephen Lunn

Esmond Clouthier

COPIED BY EMAIL TO:

R. Bruce Johnson

Josie Marks, Esqe.

G. Robert Basque, Q.C.

The undersigned is in receipt of a "**Notice of Special Meeting of Shareholders**" dated and received on May 20, 2021 of Royal Oaks Golf Club Inc. ("**ROGC**") to be held on Wednesday, June 2, 2021 at 3:00 pm, Atlantic Time.

I understand the purpose of this meeting is to consider and, if thought fit, pass a resolution appointing Walter Stephen Lunn ("**Lunn**") as a director of ROGC.

The undersigned, HR Corporate Strategies Inc., objects to the appointment of Lunn for the following reasons:

1. **THAT** Patrick and Aline Miniutti delivered a notice (the "**Conversion Notice**") to convert 100,000 Class C Preferred Shares (the "**Miniutti Shares**") in the capital of ROGC on March 19, 2021;

2. **THAT** the Conversion Notice had attached to it an attornment to a Shareholders Agreement (the "**Shareholders' Agreement**") dated March 29, 2019 between ROGC, TW1 Oaks Inc., and the undersigned;

3. **THAT** solicitor Ehrhardt was directed to cause the conversion (the "**Conversion**") of the Minutti Shares into 100,000 common shares of ROGC;

4. **THAT** TW1 Oaks, Lamond and Nicole Clouthier prevented the Conversion by wrongfully interfering;

5. **THAT** Patrick and Aline Minutti nominated a director of ROGC pursuant to Section 3.01 of the Shareholders' Agreement, as at March 19, 2021;

6. **THAT** Section 3.01 of the Shareholders' Agreement limits the number of directors of ROGC to 3, all of which have been filled;

7. **THAT** the election of Lunn as a director is in violation of Section 3.01 of the Shareholders' Agreement;

8. **THAT** the remaining director of ROGC, after a conflict of interest was declared, passed a Resolution on April 26, 2021 authorizing and directing ROGC to convert the Minutti Shares into 100,000 common shares of ROGC;

9. **THAT** a hearing into the validity of the Conversion Notice is pending; and

10. **THAT** the undersigned will hold any director personally liable for all damages sustained by it from their wrongful actions as a director of ROGC, including decisions made from being in a conflict of interest.

HR CORPORATE STRATEGIES INC.

Per: .... c/s
Ronald Hrynyk,
President

{7436 16209 02540022 DOCX}

This is **Exhibit "N"** to the Affidavit of Walter Stephen Lunn, sworn to on the 23rd day of July 2021.

From:	G. Robert Basque <grbasque@forbesrothbasque.nb.ca>
Sent:	Thursday, May 27, 2021 3:16 PM
To:	Ron@hrcorporatestrategies.com; Twelve12invest@gmail.com; Nicole.Clouthier@royaloaks.nb.ca; esmond.clouthier@royaloaks.nb.ca; Stevelunn60 @gmail.com
Cc:	Josie Marks; Bruce Johnson; G. Robert Basque
Subject:	Royal Oaks Notice - 5.26.21.pdf
Attachments:	Royal Oaks Notice - 5.26.21.pdf

This is an external email.

I am sending this on behalf of Patrick and Aline Miniutti.

NOTICE

May 26, 2021

VIA EMAIL TO:

HR Corporate Strategies	Ron@hrcorpstrategies.com
TW1 Oaks Inc.	twelve12invest@gmail.com and
Nicole Clouthier	nicoleclouthier@rocketmail.com,
Royal Oaks Golf Club	esmond.clouthier@royaloaks.nb.ca
Esmond Clouthier	esmond.clouthier@royaloaks.nb.ca
Walter Stephen Lunn	Stevelunn60@gmail.com

COPIED BY EMAIL TO

R. Bruce Johnson, Esq.	bruce.johnson@ejp.ca
Josie Marks, Esqe.	jmarks@stewartmckelvey.com
G. Robert Basque, Q.C.	grbasque@forbesrothbaque.nb.ca

WHEREAS it has been brought to the attention of the undersigned that a purported Special Meeting of shareholders has been called for the alleged purpose of appointing Walter Stephen Lunn as a director of Royal Oaks Golf Club Inc. (the "Corporation");

AND WHEREAS the undersigned have converted their 100,000 preferred shares in the Corporation into 100,000 common shares in the Corporation (the "conversion");

AND WHEREAS no notice of meeting has been served on the undersigned;

AND WHEREAS the undersigned are signatories to the Unanimous Shareholder Agreement ("USA") between the shareholders in the Corporation;

AND WHEREAS a hearing into the issue of the conversion is pending (the "Application"):

TAKE NOTICE THAT the undersigned:

1) Consider themselves to be the holders of 100,000 common shares in the Corporation;
2) Are required to receive 21-days notice of any meeting of shareholders in accordance with article 40 of By-law No. One of the Corporation;

3) Object to the holding of any Special Meeting without having received proper notice;
4) Pursuant to section 3.01 of the USA, claim the right to nominate a director of the Corporation, which they have done;
5) Demand delay of any meeting to appoint further directors until the hearing into the Application has been concluded;
6) Will hold personally liable any person purporting to act as a director of the Corporation before the hearing into the Application.

Patrick Miniutti

Aline Miniutti

This is **Exhibit "O"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28th day of June 2021.

Royal Oaks Golf Club Inc. (the "**Company**")

Shareholders' Meeting

Held June 2nd, 2021 at 3pm Atlantic time (2pm EST)

By video conference

Minutes of Meeting

A Special Meeting of the Shareholders of Royal Oaks Golf Club Inc., was held on June 2, 2021, at 3pm Atlantic time, 2pm EST by teleconference / virtual meeting (the "**Meeting**").

1. Present was:

TW1 Oaks Inc., by its principal, Nicole Clouthier

Walter Steven Lunn, by his proxy, Nicole Clouthier

Also present:

Esmond Clouthier, President, Royal Oaks Golf Club

2. The Meeting was called to order and it was determined by the Chairman that:
   (a) Notice of the Meeting had been properly given in accordance with the bylaws and the New Brunswick Business Corporations Act.
   (b) The Meeting was recorded for purposes of the minutes and a copy may be obtained by request in writing to the President of the Company.
   (c) The Company had elected under its bylaws that Esmond Clouthier, as acting President, take the role of chairman at the Meeting.
   (d) Nicole Clouthier is appointed as temporary secretary for the Meeting only in order to transcribe the minutes.
   (e) A proxy was deposited with the President and Chairman on May 31st, 2021 at 12.38pm EST and signed by Mr Walter Steven Lunn, appointing Nicole Clouthier to attend and act for and on behalf of Mr Walter Steven Lunn at the Meeting and any adjournment thereof. Such proxy was prepared in accordance with section 44 of the company's by-laws and deposited in accordance with section 91(5) of the New Brunswick Business Corporations Act.
3. Shareholders in attendance at the Meeting were:
   (a) TW1 Oaks Inc. holding 218,000 common shares
   (b) By proxy, Mr Walter Steven Lunn, holding 125,667 common shares.

E C.
N.C.

4. Chairman confirmed that a quorum was present.

5. There was only one item on the agenda at the Meeting which was to consider and approve the Shareholders' Resolution which accompanied the notice of the Meeting and which was read in full and is attached hereto for ease of reference (the "**Resolution**").

6. The Chairman recorded the vote of each of the Shareholders present in person or by proxy on the Resolution presented.

7. It being recorded that Shareholders representing together 343,667 common voting shares, and in accordance with the Company's by-laws, section 10, a majority of the recorded common shares carried the vote and that Mr Walter Steven Lunn is therefore hereby elected and appointed as Director of the Company effective as at June 2, 2021.

8. There being no further business, and upon the motion made and carried by majority, it was RESOLVED, that the Resolution was approved and adopted.

9. There being no further business the Meeting was adjourned.

Dated: June 3, 2021

Signed by Esmond Clouthier in his capacity as Chairman

Signed by Nicole Clouthier in her capacity as temporary Secretary for the Meeting

PROXY FORM

The undersigned shareholder of Royal Oaks Golf Club Inc. hereby appoints **<u>Nicole Clouthier</u>** of 167 Brule Trail, King, Ontario or failing her, **<u>Esmond Clouthier</u>** of 167 Brule Trail, King, Ontario as the nominee of the undersigned to attend and act for and on behalf of the undersigned at the Special Meeting of the shareholders of said Corporation to be held on the 2nd day of June, 2021, and at any adjournment thereof to the same extent and with the same power as if the undersigned were personally present at the said meeting or such adjournment thereof.

Dated the 31 day of May 2021

Signature of Shareholder

ROYAL OAKS GOLF CLUB INC.

Notice of Special Meeting of Shareholders

NOTICE IS HEREBY GIVEN that a Special Meeting of the Shareholders (the "Meeting") of Royal Oaks Golf Club Inc. (the "Corporation") will be held at 401 Royal Oaks Boulevard in Moncton, New Brunswick on **Wednesday, June 2nd, 2021 at 3:00 p.m.** (Atlantic time) for the following purposes:

1. to consider and, if thought fit, pass a resolution appointing Walter Stephen Lunn as a director of the Corporation

The full text of the special resolution to be submitted to the Meeting is attached as Appendix "A" (the "Special Resolution").

Due to COVID-19 restrictions, telephone participation is anticipated. Shareholders not attending in person may participate by telephone in accordance with the details below:

Telephone/Video dial in
(copy of which is circulated by email to Shareholders for ease of access):

https://meet.google.com/htj-czir-nmf

DATED May 20, 2021.

Esmond Clouthier
President

APPENDIX A

ROYAL OAKS GOLF CLUB INC.
(the "Company")

SHAREHOLDERS' RESOLUTION

WHEREAS the Shareholders of the Company are party to a shareholders agreement dated March 29, 2019 (the "**Shareholders Agreement**");

AND WHEREAS section 3 of the Shareholders Agreement provides that the Board of Directors of the Company shall be composed of 3 directors;

AND WHEREAS there are currently only 2 directors of the Company;

AND WHEREAS the vacancy on the Board causes decision-making deadlock when the 2 directors cannot agree:

BE IT RESOLVED THAT:

1. Walter Steven Lunn is hereby elected and appointed as a director of the Company effective June 2, 2021.

2. After giving effect to the foregoing, the directors of the Company are, and shall, until the next annual or ordinary meeting of the Company or until their successors are elected and appointed, continue to be:

   Esmond Clouthier
   Ronald Hrynyk
   Walter Stephen Lunn

This is **Exhibit "P"** to the Affidavit of Walter Stephen Lunn, sworn to on the 28nd day of July 2021.

Royal Oaks Golf Club Inc.

Minutes of Meeting of the Board of Directors

Thursday, June 10th, 2021 @ 2pm EST by Tele/Video Conference

MINUTES OF A MEETING OF DIRECTORS (the "Minutes") of Royal Oaks Golf Club Inc. (the "Corporation"), held via video/tele conference on this 10th day of June, 2021 at 2pm (EST)

1. The Chairperson called the meeting to order.
2. Attendees: The following members were present, constituting the entire board of the Corporation (the "Board"):
   i) Ronald Hrynyk ("RH")
   ii) Esmond Clouthier ("EC")
   iii) Walter Steven Lunn ("WSL")
3. Chairperson - EC, in his capacity as President, acted as "Chairperson" in accordance with the by-laws of the Corporation
4. Chairperson agreed that the Minutes record RH's objections in line with a notice circulated by RH on June 8th, 2021, a copy of which is appended hereto. Chairman noted that the Board is not here to adjudicate matters between the shareholders.
5. Chairperson noted that a quorum was present.
6. Re: Item IV of the Agenda: Approval of Minutes of Meeting held April 26th, 2021 - approval of the minutes of meeting held April 26th, 2021 was not obtained on the basis that the referenced minutes had not been re-circulated for the benefit of WSL as previously requested by EC in preparation for the Meeting and that the Board had not received corrections requested previously by EC from RH. RH to re-circulate the minutes of meeting held April 26, 2021 to the Board for approval.

IT WAS RESOLVED THAT:

7. Item V of the Agenda: Business Items -
   (1) Removal of Ronald Hrynyk as Secretary and Treasurer of Royal Oaks Golf Club Inc. - Motion being carried by majority votes of the Board, RH is removed as

Secretary and Treasurer of the Corporation effective immediately. (Votes recorded: RH - not approved; WSL - approved; EC - approved.)

(2) Appointment of Nicole Clouthier ("NC") as Secretary and Treasurer of Royal Oaks Golf Club Inc. - Motion being carried by majority votes of the Board, NC is appointed as Secretary and Treasurer of the Corporation effective immediately. (Votes recorded: RH - not approved; WSL - approved; EC - approved.)

(3) Approval of the 2020 Financial Statements subject to item (4) below - Motion being carried by majority votes of the Board, the 2020 Financial Statements are approved and to be issued subject to the below ongoing review. (Votes recorded: RH - not approved; WSL - approved; EC - approved.)

(4) Authorization to continue to review certain items of the 2020 Financial Statements and, if resolved and agreed in line with the Corporation's corporate authorizations and requirements, to issue a restatement of previous year's/ years' financial statements as may be required, in particular on items as to whether:

   a. Capital contributions made in 2020 in total amount of $205,032.52 recorded as shareholder loans in the ledgers of HR Corporate Strategies Inc. and TW1 Oaks Inc. is to be recorded as a loan extended by 2246329 Ontario Inc. to the Corporation;

   b. Capital contribution made in 2019 in an amount of $250,000 recorded as shareholder loan in the ledger of TW1 Oaks Inc. is to be recorded as a third party loan and/or whether interest payments are to be made from the Corporation direct to Chris Long; and

   c. Reconciliation of Shareholder ledgers in line with invoices received and previous agreements.

   It being acknowledged by the Board that certain of the above items may require shareholder approval and/or third party input and/or consent, such as for example CWB Maxium Financial Inc and/or Grant Thornton, and that the Board may make such recommendations to the shareholders following agreement on above as the Board may deem appropriate.

   Motion being carried by majority votes of the Board that the above items continue to be reviewed and actions necessary are taken following such review. (Votes recorded: RH - not approved; WSL - approved; EC - approved.)

(5) Motion being carried by majority votes of the Board, the following changes to TD Bank Account signing authorities are made effectively immediately:

a. Chris Medford, as General Manager, is authorized and appointed a (B) signatory to the Corporation's TD Bank Account;

b. Nicole Clouthier, is authorized and appointed to be an (A) signatory to the Corporation's TD Bank Account; and

c. All other remaining signing authorities are to remain in place.

(Votes recorded: RH - not approved; WSL - approved; EC - approved.)

(6) Motion being carried unanimously by the Board, Bingham Law, in particular, Edwin (Ted) Ehrhardt, is appointed as Corporate Counsel to the Corporation on an 'as and when needed' basis with immediate effect and as may be instructed from time to time by the Corporation, and with an initial retainer being paid to Bingham Law, such retainer anticipated to be around $10,000.

8. There being no new business or any other matters raised before the Meeting, the Meeting was adjourned.

Signed: ________________ (Chairperson) Date: June 14, 2021.

Signed: ________________ (Secretary) Date: 14/6/21

NOTICE

DATE: June 9, 2021

VIA EMAIL TO:

HR Corporate Strategies Inc.	[illegible]
TW1 Oaks Inc. c/o Nicole Clouthier	[illegible]
Nicole Clouthier	[illegible]
Royal Oaks Golf Club	[illegible]
Walter Stephen Lunn	[illegible]
Esmond Clouthier	[illegible]

COPIED BY EMAIL TO:

R. Bruce Johnson	[illegible]
Josie Marks, Esqe.	[illegible]
G. Robert Basque, Q.C.	[illegible]

The undersigned, Ronald Hrynyk, is in receipt of a "Notice of Meeting of Board of Directors" dated and received on June 7, 2021 of Royal Oaks Golf Club Inc. ("**ROGC**") to be held on Thursday, June 10, 2021 at 2:00 pm (EST) (the "**Directors' Meeting**").

I am also in receipt of documentation entitled "Minutes of Meeting" (the "**Impugned Meeting**") of ROGC "Held on June 2nd, 2021 at 3 pm *Atlantic Time* (2 pm EST) By Video Conference" with an attached Appendix A purporting to elect Walter Steven Lunn as a director of ROGC.

HR Corporate Strategies Inc. previously objected to the Impugned Meeting by notice dated and sent on May 27, 2021.

The undersigned and HR Corporate Strategies Inc. hereby give further notice of objection to the Impugned Meeting on the basis that it did not comply with section 84(1) of the *Business Corporations Act* (NB). The notice of the Impugned Meeting dated May 20, 2021 gave notice of a meeting to be held at 401 Royal Oaks Boulevard in Moncton, New Brunswick; however, no such meeting was convened at that location. We understand that the Impugned Meeting was held solely by video conference from Ontario. Section 84(1) requires meetings of the shareholders of a corporation to be held within the province of New Brunswick. As you are aware, HR Corporate Strategies Inc. was not represented at the Impugned Meeting and therefore advise that the Impugned Meeting was unlawful and all business that the shareholders who attended and purported to pass, was also unlawful. That would include the appointment of Walter Steven Lunn as a director of ROGC.

Be advised that the undersigned director, Ronald Hrynyk, and the undersigned shareholder, HR Corporate Strategies Inc., object to the following business contemplated for the Directors' Meeting:

1. to the attendance of Walter Steven Lunn on the basis that Mr. Lunn was unlawfully appointed a director at the Impugned Meeting;

2. to the removal of Ronald Hrynyk as Secretary and Treasurer of ROGC on the basis that such removal is in direct conflict with Article 3.09 of a Shareholders' Agreement (the "Shareholders' Agreement") between TW1 Oaks Inc., HR Corporate Strategies Inc. and ROGC dated March 29, 2019;

3. to the appointment of Nicole Clouthier, as Secretary-Treasurer of ROGC on the basis that such an appointment conflicts with the provisions of Article 3.09 of the Shareholders Agreement;

4. to the approval of the 2020 Financial Statements on the basis that they have not been provided with copies of documentation requested to support the statements;

5. to the appointment of Chris Medford as a signatory to ROGC's TD Bank Account on the basis that it conflicts with Article 3.10 of the Shareholders' Agreement; and

6. to the appointment of Nicole Clouthier as a signatory to ROGC's TD Bank Account on the basis that it conflicts with Article 3.10 of the Shareholders' Agreement.

Ronald Hrynyk, in his individual capacity

HR Corporate Strategies Inc.

Ronald Hrynyk,
President

This is Exhibit "H" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

Court File Number: MM-69-2021

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

BETWEEN :

I certify that this document, each page of which has been initialed by me, is a true copy of the original on file in the office of the Court for the Judicial District of Moncton. Issued under the seal of the Court this 13 day of October 2021

Matthieu Léger

Under written authorization of the Registrar dated the 14th day of May 2019.

TW1 OAKS INC.,

Applicant,

- and -

PATRICK MINIUTTI and ALINE MINIUTTI,

Respondents.

JUDGMENT FOLLOWING HEARING
(FORM 60A)

The hearing of this matter having been concluded before the Honourable Justice Jean-Paul Ouellette on August 25, 2021.

In accordance with his written decision dated October 12, 2021, it is ordered that:

1. the Call Notice is valid and enforceable;
2. the relief sought by TW1 is granted;
3. the sale of the Respondents' Class "C" preferred shares to the Applicant for the purchase price of $201,300 ("**the Call Notice Purchase Price**") should be completed within 30 days;
4. Jacqueline Boddaert is not a director of the Royal Oaks Golf Club Inc. ("**the Corporation**");
5. the current directors of the Corporation are Walter Stephen Lunn, Ronald Hrynyk and Esmond Clouthier from their relevant dates of appointment;
6. upon the Corporation and Walter Stephen Lunn receiving notice of this decision, either may address it by filing their own motion with the Court within 10 days;
7. costs in an amount of $5,000 all-inclusive shall be paid jointly and severely by the Respondents to the Applicant, which amount can be set off against the Call Notice Purchase Price.

The records of this Court show the address of the Respondents to be:

Patrick Miniutti and Aline Miniutti
4 Scadlock Mill Road
Biddleford, ME 04005

DATED at Moncton, New Brunswick, this 12th day of October 2021.

Chantal Moreau
Chantal Moreau
Clerk of the Court of Queen's
Bench of New Brunswick

Address of the Court:
Court of Queen's Bench of New Brunswick
Moncton Law Courts
145 Assomption Boulevard
Moncton, NB E1C 8R3

4130-6214-0210

This is Exhibit "I" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

Royal Oaks Golf Club Inc.
DIRECTORS' REGISTER

Name	Address for Service	Date became a Director			Date ceased to be a Director		
		DA	MO	YR	DA	MO	YR
Paul Stehelin	2 Pleasant Ave. Quispamsis, NB E2E 1A7	18	07	07	15	07	10
Ann C. Poirier	2 Pleasant Ave. Quispamsis, NB E2E 1A7	18	07	07	15	07	10
Michael Lovett	130 King St., Suite 1150 Toronto, ON M5C 2C5	15	07	10	12	05	11
James David Van Wart	155 Royal Oaks Blvd. Moncton, NB E1H 2P7	05	08	10	18	10	15
Jacqueline Boddaert	130 King St., Suite 1150 Toronto, ON M5C 2C5	12	05	11	01	02	12
Patrick Miniutti	2 Antonini Court Vaughan, ON L6A 4R2	01	02	12	26	03	19
James Lee Van Wart	163 Callaghan Roadway Moncton, NB E1B 4W1	18	10	15	12	01	18
Ron Hyrnyk	2495 Lloytown Aurora Side Rd. King City, ON L7B 1A3	27	07	16	12	09	23
Esmond Clouthier	55 Oakcroft Crescent Moncton, NB E1H 3L6	12	01	18			
Walter Steven Lunn	6575 N Thimble Pass Road N General Delivery Tucson AZ USA 85750	02	06	21			
Jacqueline Boddaert	2495 Lloydtown-Aurora Road King City, ON L7B 1A3	12	09	23			

DM 631912

Royal Oaks Golf Club Inc.
SHAREHOLDERS' REGISTER

Date DA	MO	YR	Name	Preferred Shares Held Number	Preferred Class	Common Shares Held Number	Common Class
~~18~~	~~07~~	~~07~~	~~Paul Stehelin~~			~~100~~	~~Common~~
~~18~~	~~07~~	~~07~~	~~Ann C. Poirier~~			~~100~~	~~Common~~
~~15~~	~~07~~	~~10~~	~~2246329 Ontario Limited~~			~~100~~	~~Common~~
~~15~~	~~07~~	~~10~~	~~2246329 Ontario Limited~~			~~100~~	~~Common~~
~~05~~	~~08~~	~~10~~	~~Three Under Par Inc.~~			~~50~~	~~Common~~
~~05~~	~~08~~	~~10~~	~~2246329 Ontario Limited~~			~~50~~	~~Common~~
~~11~~	~~07~~	~~14~~	~~League Holdings Corp.~~			~~150~~	~~Common~~
~~22~~	~~09~~	~~14~~	~~Sunset CRE Investments I LLP~~			~~150~~	~~Common~~
~~22~~	~~09~~	~~14~~	~~Three Under Par Inc.~~			~~150~~	~~Common~~
~~22~~	~~09~~	~~14~~	~~Sunset CRE Investments I LLP~~			~~200~~	~~Common~~
~~15~~	~~04~~	~~15~~	~~Sunset CRE Investments I LLP~~			~~300~~	~~Common~~
~~15~~	~~04~~	~~15~~	~~Three Under Par Inc.~~			~~300~~	~~Common~~
~~27~~	~~07~~	~~16~~	~~Sunset CRE Investments I LLP~~			~~146~~	~~Common~~
~~12~~	~~01~~	~~18~~	~~TW1 Oaks Inc.~~ (redeemed)			~~746~~	~~Common~~
~~27~~	~~04~~	~~18~~	~~Sunset CRE Investments I LLP~~			~~127,000~~	~~Common~~
~~27~~	~~04~~	~~18~~	~~Sunset CRE Investments I LLP~~			~~50,000~~	~~Common~~
~~27~~	~~04~~	~~18~~	~~Sunset CRE Investments I LLP~~	~~300,000~~	~~Class "C" Preferred~~		
~~27~~	~~03~~	~~19~~	~~Sunset CRE Investments I LLP~~ (share conversion)			~~200,000~~	~~Common~~
~~27~~	~~03~~	~~19~~	~~Sunset CRE Investments I LLP~~ (share conversion)	~~100,000~~	~~Class "C" Preferred~~		
~~28~~	~~03~~	~~19~~	~~Patrick Miniutti~~			~~138,500~~	~~Common~~
~~28~~	~~03~~	~~19~~	~~HR Corporate Strategies Ltd.~~			~~238,500~~	~~Common~~
~~28~~	~~03~~	~~19~~	~~Patrick Miniutti and Aline Miniutti~~	~~100,000~~	~~Class "C" Preferred~~		
28	03	19	TW1 Oaks Inc.			79,500	Common
28	03	19	TW1 Oaks Inc.			59,000	Common
28	03	19	TW1 Oaks Inc.			79,500	
28	03	19	HR Corporate Strategies Ltd.			159,000	Common
29	03	19	Walter Steven Lunn			125,667	Common
29	10	21	TW1 Oaks Inc.	100,000	Class "C" Preferred		

DM 632047

Royal Oaks Golf Club Inc.
OFFICERS' REGISTER

Name	Office Held	Date became an Officer			Date ceased to be an Officer		
		DA	MO	YR	DA	MO	YR
Paul Stehelin	President	18	07	07	15	07	10
Michael Lovett	President	15	07	10	12	05	11
James Lee Van Wart	General Manager	05	08	10	12	01	18
Jacqueline Boddaert	President	12	05	11	01	02	12
Patrick Miniutti	President	01	02	12	31	12	18
James David Van Wart	Secretary-Treasurer	12	04	15	12	01	18
Esmond Clouthier	Secretary-Treasurer	12	01	18	03	29	19
Esmond Clouthier	President	31	12	18			
Ron Hrynyk	Secretary-Treasurer	03	29	19	10	06	21
Nicole Clouthier	Secretary-Treasurer	10	06	21			

This is Exhibit "J" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

New Nouveau Brunswick

CANADA
PROVINCE OF NEW BRUNSWICK
BUSINESS CORPORATIONS ACT

CANADA
PROVINCE DU NOUVEAU-BRUNSWICK
LOI SUR LES CORPORATIONS COMMERCIALES

CERTIFICATE OF AMENDMENT

CERTIFICAT DE MODIFICATION

Royal Oaks Golf Club Inc.

Name of Corporation / Raison sociale de la corporation

633003

Corporation Number / Numéro de la corporation

I HEREBY CERTIFY that the Articles of the above-mentioned corporation were amended under the relevant section(s) of the Act, as applicable:

JE CERTIFIE que les statuts de la corporation mentionnée ci-dessus ont été modifiés en vertu des articles pertinents de la Loi, selon le cas :

(a) Section 11 of the Business Corporations Act in accordance with the attached notice;
Article 11 de la Loi sur les corporations commerciales conformément à l'avis ci-joint;

(b) Section 26 of the Business Corporations Act as set out in the attached Articles of Amendment designating a series of shares;
Article 26 de la Loi sur les corporations commerciales de la façon indiquée dans les statuts de modification ci-joints décrivant les actions d'une série;

(c) Section 117 of the Business Corporations Act as set out in the attached Articles of Amendment;
Article 117 de la Loi sur les corporations commerciales de la façon indiquée dans les statuts de modification ci-joints;

(d) Section 132 of the Business Corporations Act as set out in the attached Articles of Reorganization.
Article 132 de la Loi sur les corporations commerciales de la façon indiquée dans les statuts de réorganisation ci-joints.

April 27, 2018 - le 27 avril 2018

Director - Directeur

Date of Amendment - Date de modification

NEW BRUNSWICK BUSINESS CORPORATIONS ACT FORM 3 ARTICLES OF AMENDMENT (SECTION 26, 116)	NOUVEAU-BRUNSWICK LOI SUR LES CORPORATIONS COMMERCIALES FORMULE 3 STATUTS DE MODIFICATION (ARTICLE 26, 116)

1 - Name of Corporation - Raison sociale de la corporation
Royal Oaks Golf Club Inc.

2 - Corporation No. - Numéro de la corporation
633003

3 - The articles of the above - mentioned corporation are amended as follows:

Les statuts de la corporation mentionnée ici sont modifiés comme suit :

The share structure of the corporation is amended as follows: - L'organisation du capital social est modifiée comme suit :
See Schedule - Share Structure / Voir annexe - Organisation du capital social

The restrictions on share transfers are amended as follows: - Les restrictions de transfert d'actions sont modifiées comme suit :
See Schedule - Restrictions on Share Transfer / Voir annexe - Restrictions au transfert d'actions

Date	Signature	Description of Office - Description du bureau
2018-04-27	**Patrick Miniutti**	**President**

FOR DEPARTMENT USE ONLY
RÉSERVÉ À L'USAGE DU MINISTRÈRE
Corporation No. - No. de Corporation **633003**
TN# **3993460**

Filed - Déposé
2018-04-27

SN0250/45-5031 (6/01)
SN0307

Royal Oaks Golf Club Inc.

Schedule - Share Structure / Annexe - Organisation du capital social

1.0 COMMON SHARES

1.1 All attributes associated with the existing Common Shares, both issued and unissued, shall remain the same as before the filing of these Articles of Amendment. For the sake of clarity, but without limiting the generality of the foregoing, the Common Shares shall have attached to them the following rights, privileges, restrictions and conditions:

DIVIDENDS

1.2 Subject to the prior rights of the holders of all classes of Preferred Shares and to any other shares ranking senior to the Common Shares with respect to priority in the payment of dividends, the holders of the Common Shares shall be entitled to receive dividends and the Corporation shall pay dividends thereon, as and when declared by the Board of Directors of the Corporation out of moneys properly applicable to the payment of dividends, in such amount and in such form as the Board of Directors may from time to time determine and all dividends which the Directors may declare on the Common Shares shall be declared and paid in equal amounts per share on all Common Shares at the time outstanding.

DISSOLUTION

1.3 In the event of dissolution, liquidation or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, subject to the prior rights of the holders of all classes of Preferred Shares and to any other shares ranking senior to the Common Shares with respect to priority in the distribution of assets upon dissolution, liquidation or winding-up, the holders of the Common Shares shall be entitled to receive the remaining property and assets of the Corporation.

VOTING RIGHTS

1.4 The holders of the Common Shares shall be entitled to receive notice of and to attend all meetings of the Shareholders of the Corporation and shall have one vote for each Common Share held at all meetings of the Shareholders of the Corporation, except for meetings at which only holders of another specified class of shares of the Corporation are entitled to vote separately as a class.

2.0 CLASS "A" PREFERRED SHARES

The existing "First Preferred Shares" shall be renamed Class "A" Preferred Shares. All attributes associated with the existing First Preferred Shares, both issued and unissued, shall remain the same as before the filing of these Articles of Amendment.

3.0 CLASS "B" PREFERRED SHARES

The existing "Second Preferred Shares" shall be renamed Class "B" Preferred Shares. All attributes associated with the existing Second Preferred Shares, both issued and unissued, shall remain the same as before the filing of these Articles of Amendment.

4.0 CLASS "C" PREFERRED SHARES

4.1 There shall be created a class of shares to be called the Class "C" Preferred Shares, consisting of an unlimited number of shares without par value and without limit as to aggregate amount and which shall have attached to them the rights, preferences, conditions, restrictions, limitations, priorities and privileges set out below.

4.2 The Class "C" Preferred Shares shall rank junior to the Class "A" Preferred Shares and the Class "B" Preferred Shares and shall be subject in all respects to the rights, privileges, restrictions and limitations attaching to the Class "A" Preferred Shares and to the Class "B" Preferred Shares.

DIVIDENDS

4.3 The holders of the Class "C" Preferred Shares shall in each fiscal year in the discretion of the Directors, but always in preference and priority to any payment of dividends on the Common Shares for such fiscal year, be entitled, out of any or all profits or surplus available for dividends, to non-cumulative dividends per share based on the Redemption Price of the Class "C"

Preferred Shares, at a rate as the Directors may, from time to time, determine in their discretion. If in any fiscal year, after providing for the full dividend on the Class "C" Preferred Shares, there shall remain any profits or surplus available for dividends, such profits or surplus thereof may, in the discretion of the Directors, be applied to dividends on the subordinate ranking shares. The holders of the Class "C" Preferred Shares shall not be entitled to any dividends other than or in excess of non-cumulative dividends hereinabove provided.

PRIORITY

4.4 The Class "C" Preferred Shares shall rank, both as regards dividends and return of capital, in priority to the Common Shares of the Corporation but shall not confer any further right to participate in profits or assets of the Corporation.

REDEMPTION

4.5 Subject to the New Brunswick Business Corporations Act, the Corporation may with the consent (which consent shall be evidenced by a written instrument or instruments) of the holders of the Class "C" Preferred Shares redeem, upon giving notice as hereinafter provided, the whole or any part of the Class "C" Preferred Shares on payment for each Share to be redeemed of the Class "C" Preferred Redemption Price together with all dividends declared thereto and unpaid. In case a part only of the then outstanding Class "C" Preferred Shares is at any time to be redeemed, the shares so to be redeemed shall be selected by lot in such manner as the Directors in their discretion shall decide or, if the Directors so determine, may be redeemed pro rata, disregarding fractions, and the Directors may make such adjustments as may be necessary to avoid the redemption of fractional parts of shares. Not less than ten (10) days notice in writing of such redemption shall be given by mailing such notice to the registered holders of the shares to be redeemed to the last known address of each such holder, specifying the date and place or places of redemption. If notice of any such redemption be given by the Corporation in the manner aforesaid and an amount sufficient to redeem the shares is deposited with a trust company or chartered bank in Canada as specified in the notice on or before the date fixed for redemption, dividends on the Class "C" Preferred Shares to be redeemed shall cease after the date so fixed for redemption and the holders thereof shall thereafter have no rights against the Corporation in respect thereof except, upon the surrender of the certificates for such shares, to receive payment therefor out of the moneys so deposited. After an amount sufficient to redeem the shares has been deposited with any trust company or chartered bank in Canada, as aforesaid, notice shall be given to the holders of the Class "C" Preferred Shares called for redemption who have failed to present the certificates representing such shares within two (2) months of the date specified for redemption that the money has been so deposited and may be obtained by the holders of the said Class "C" Preferred Shares upon presentation of the certificates representing such shares called for redemption at the said trust company or chartered bank.

PURCHASE BY CORPORATION

4.6 Subject to the provisions of the New Brunswick Business Corporations Act, the Corporation shall have the right at its option at any time and from time to time to purchase or otherwise acquire the whole or any part of the Class "C" Preferred Shares pursuant to tenders or by private contract at the lowest price at which, in the opinion of the Directors, such shares are obtainable but not exceeding the Class "C" Preferred Redemption Price of the Class "C" Preferred Shares hereinbefore specified together with all dividends declared thereon and unpaid. If, in response to an invitation for tenders, two (2) or more shareholders submit tenders at the same price and if such tenders are accepted by the Corporation in whole or in part, then unless the Corporation accepts all such tenders in whole, the Corporation shall accept such tenders in proportion as nearly as may be to the number of shares offered in each such tender.

STATED CAPITAL

4.7 Upon a redemption, purchase or the acquisition by the Corporation of Class "C" Preferred Shares, the Corporation shall deduct from the stated capital account maintained for the Class "C" Preferred Shares an amount equal to the result obtained by multiplying the stated capital of the Class "C" Preferred Shares by the number of such shares which have been redeemed, purchased or otherwise acquired by the Corporation divided by the number of Class "C" Preferred Shares which have been issued and are outstanding immediately before such redemption, purchase or other acquisition by the Corporation.

CONVERSION

4.8 The following conversion rights (the "Conversion Rights") shall apply to the Class "C" Preferred Shares:

4.9 The Class "C" Preferred Shares are convertible, at any time and from time to time at the option of the holder thereof and without payment of additional consideration, into Common Shares as follows:

(a) A holder of Class "C" Preferred Shares shall be entitled to request that its Preferred Shares be converted, in whole or in part, without the payment of any additional consideration by the holder, at any time after the date of issuance of such Class "C" Preferred Shares and prior to any redemption of such shares, by delivering to the Corporation a written request (the "Conversion Notice") signed by such holder, specifying the requested date for such conversion (the "Conversion Date") which shall be at least fifteen (15) days but not more than thirty (30) days following the date of the delivery of the Conversion Notice. Each Class "C" Preferred Share specified in the Conversion Notice shall be convertible into one (1) fully paid and non-assessable Common Share.

(b) Upon receipt of the Conversion Notice, the Corporation shall promptly deliver written notice by mail, first class postage prepaid or via reputable overnight courier service, to such holder confirming that the conversion will be effected on the Conversion Date, the number of Common Shares into which the Class "C" Preferred Share shall be convertible and calling upon such holder to surrender to the Corporation, in the manner and at the place designated, such holder's certificate or certificates representing the Class "C" Preferred Shares to be converted.

4.10 The mechanics of conversion for the Preferred Shares shall be as follows:

(a) Upon the occurrence of a conversion of Class "C" Preferred Shares pursuant to Section 4 hereof, the applicable Class "C" Preferred Shares shall be converted automatically without any further action by the holder(s) of such Class "C" Preferred Shares and whether or not the certificates representing such Class "C" Preferred Shares are surrendered to the Corporation or its transfer agent. Such conversion shall be deemed to have occurred on the Conversion Date.

(b) Upon the conversion of Class "C" Preferred Shares, the holder(s) of such Class "C" Preferred Shares shall surrender the certificates representing such Class "C" Preferred Shares at the office of the Corporation or of its transfer agent. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the holder or by the holder's attorney duly authorized in writing. Upon surrender of such certificates, the Corporation shall promptly issue and deliver to such holder, in such holder's name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of Common Shares into which the Class "C" Preferred Shares surrendered were convertible on the Conversion Date.

(c) The Corporation shall not be obligated to issue certificates evidencing the Common Shares issuable upon any such conversion unless certificates evidencing the Class "C" Preferred Shares being converted are either delivered to the Corporation or its transfer agent, or the holder notifies the Corporation or any transfer agent that such certificates have been lost, stolen, or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection therewith and, if the Corporation so elects, provides an appropriate indemnity bond.

(d) On the Conversion Date, all rights with respect to the applicable Class "C" Preferred Shares so converted shall terminate, except for any of the rights of the holder thereof, upon surrender of the holder's certificate or certificates therefor, to receive certificates for the number of Common Shares into which such Class "C" Preferred Shares have been converted. Following the Conversion Date each holder of Class "C" Preferred Shares shall be treated for all purposes as the holder of those Common Shares into which the Class "C" Preferred Shares held by such Holder have been converted.

DISSOLUTION

4.11 In the event of liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Class "C" Preferred Shares shall be entitled to receive, in preference and priority to any distribution of any part of the assets of the Corporation among the holders of the Common Shares for each Class "C" Preferred Shares an amount equal to the Class "C" Preferred Redemption Price thereof together with all dividends declared thereon an unpaid and no more.

NOTICE

4.12 The holders of the outstanding Class "C" Preferred Shares shall not, as such, be entitled to receive notice of and to attend and vote at meetings of the Shareholders of the Corporation (excepting meetings of a specified class of shares).

AMENDMENTS

4.13 Subject to the provisions of the New Brunswick Business Corporations Act, and the terms hereof, the foregoing subparagraphs may be altered, amended or repealed or the application thereof suspended in any particular case and the changes made in the rights, privileges, restrictions and conditions attaching to the Class "C" Preferred Shares by Articles of Amendment, but no such alteration, amendment, repeal or suspension shall be adopted until approved by special resolution passed by the holders of at least two-thirds (2/3rds) of the Class "C" Preferred Shares then outstanding.

RESTRICTIONS ON PAYMENT OF DIVIDENDS

4.14 Notwithstanding the above provisions regarding the payment of dividends, no dividends shall be paid on any class of Shares if such payment would reduce the aggregate value of the issued and outstanding Preferred Shares below the aggregate redemption value of such Preferred Shares.

Royal Oaks Golf Club Inc.

Schedule - Restrictions on Share Transfer / Annexe - Restrictions au transfert d'actions

No security (as defined in the Securities Act (New Brunswick)) issued by the Corporation, other than a non-convertible debt security, may be transferred, except

(a) subject to (b) below, with the written consent of a majority of the directors of the Corporation or with the written consent of a majority of the shareholders of the Corporation;

(b) if the transfer of securities is restricted by the terms of a unanimous shareholder agreement in respect of the Corporation, the transfer is made in compliance with such agreement.

The Corporation shall not register any other purported transfer of securities.

Grant Thornton

This is Exhibit "K" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

Financial Statements

Royal Oaks Golf Club Inc.

December 31, 2020

Contents

Grant Thornton

Independent Practitioner's Review Engagement Report

Grant Thornton LLP
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E1C 8P2

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To the Shareholder of
Royal Oaks Golf Club Inc.

We have reviewed the accompanying financial statements of Royal Oaks Golf Club Inc. that comprise the balance sheet as at December 31, 2020, and the statements of loss and deficit and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Independent Practitioner's Review Engagement Report (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Royal Oaks Golf Club Inc. as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Grant Thornton LLP

Chartered Professional Accountants

Moncton, Canada
March 1, 2021

Royal Oaks Golf Club Inc.
Statements of Loss and Deficit

Year ended December 31	2020	2019
Sales		
Golf course	$ 761,458	$ 749,853
Food and beverage	466,463	801,303
Pro Shop	66,996	82,023
Advertising and room rentals	34,864	88,660
	1,329,781	1,721,839
Operational costs		
Golf course (Schedule 1)	476,763	560,118
Food and beverage (Schedule 2)	384,701	667,712
Pro shop (Schedule 3)	134,763	187,116
	996,227	1,414,946
Expenses		
Advertising and promotion	20,798	47,535
Amortization	72,205	91,141
Consulting fees	42,212	88,722
Insurance	39,270	21,568
Interest and bank charges	34,254	40,438
Interest on long-term debt	186,374	228,346
Office and administration	63,840	44,999
Professional fees	17,254	6,596
Repairs and maintenance	16,401	28,339
Salaries and related benefits	154,587	173,767
Travel and automotive	24,445	33,856
Utilities	73,573	85,348
	745,213	890,655
	1,741,440	2,305,601
Loss before other income (loss)	(411,659)	(583,762)
Other income (loss)		
Loss on sale of property, plant and equipment	(33,376)	-
Grant Revenue	297,226	-
	263,850	-
Net loss	$ (147,809)	$ (583,762)
Deficit, beginning of year	$ (2,345,842)	$ (1,762,080)
Net loss	(147,809)	(583,762)
Deficit, end of year	$ (2,493,651)	$ (2,345,842)

See accompanying notes and schedules to the financial statements.

Royal Oaks Golf Club Inc.
Balance Sheet

December 31	2020	2019
Assets		
Current		
Cash	**$ 153,017**	$ -
Accounts receivable	**100,002**	133,196
Inventory (Note 3)	**53,595**	61,710
Prepaid expenses	**56,071**	57,227
	362,685	252,133
Long-term		
Property, plant and equipment (Note 4)	**4,977,476**	5,083,319
	$ 5,340,161	$ 5,335,452
Liabilities		
Current		
Bank indebtedness	**$ -**	$ 98,116
Accounts payable and accrued liabilities (Note 5)	**241,844**	332,628
Prepaid membership dues	**471,155**	247,819
Current portion of long-term debt (Note 6)	**159,095**	184,629
	872,094	863,192
Long-term		
Due to shareholders, partially intertest bearing, no set terms of repayment, partly secured with a $15,000 mortgage	**1,064,726**	841,897
Long-term debt (Note 6)	**2,028,744**	2,107,957
	3,093,470	2,949,854
	3,965,564	3,813,046
Shareholder's equity		
Share capital (Note 7)	**3,868,248**	3,868,248
Deficit	**(2,493,651)**	(2,345,842)
	1,374,597	1,522,406
	$ 5,340,161	$ 5,335,452

Nature of operations (Note 1)
Subsequent events

On behalf of the board

_______________ Director _______________ Director

See accompanying notes and schedules to the financial statements.

Royal Oaks Golf Club Inc.
Statement of Cash Flows

Year ended December 31	2020	2019
Increase (decrease) in (bank indebtedness) cash		
Operating		
Net loss	**$ (147,809)**	$ (583,762)
Items not affecting cash		
Amortization	**72,205**	91,141
Loss on sale of property, plant and equipment	**33,376**	-
	(42,228)	(492,621)
Change in non-cash working capital items		
Accounts receivable	**33,195**	55,934
Inventory	**8,115**	30,061
Prepaid expenses	**1,156**	(4,000)
Accounts payable and accrued liabilities	**(90,784)**	(220,034)
Prepaid membership dues	**223,336**	820
	132,790	(629,840)
Financing		
Advances from shareholder	**222,829**	288,574
Repayment of long-term debt and capital leases	**(104,747)**	(175,973)
Issuance (redemption) of share capital	**-**	500,000
	118,082	612,601
Investing		
Purchase of property, plant and equipment	**(45,977)**	(15,812)
Proceeds on disposal of property, plant and equipment	**46,238**	-
	261	(15,812)
Increase (decrease) in (bank indebtedness) cash	**251,133**	(33,051)
(Bank indebtedness) cash		
Beginning of year	**(98,116)**	(65,065)
End of year	**$ 153,017**	$ (98,116)

1. Nature of operations

Royal Oaks Golf Club Inc. (the “Company” and "Royal Oaks") was incorporated in the province of New Brunswick and operates a golf club.

While these financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE") on a going concern basis that presumes the realization of assets and discharge of liabilities in the normal course of business, the Company is reliant on its shareholders injecting sufficient funds thereby allowing the Company to sustain operations in the short-term, and achieve profitable operations in order to continue as a going concern.

During the year ended December 31, 2020 the Company incurred a net loss of $147,809 (2019 net loss - $583,762) and, as of that date, the Company had accumulated a deficit of $2,493,651 (2019 - $2,345,842), a working capital deficiency of $509,409 (2019 - $611,059 deficiency) and positive cash flows from operations of $132,790 (2019 negative cash flow - $629,840).

These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. Summary of significant accounting policies

The company follows accounting principles generally accepted in Canada in preparing its financial statements. The significant accounting policies used are as follows:

Revenue recognition

Golf club operations revenue includes annual dues (recognized on a daily basis as earned) and sales to members and customers of green fees, cart rentals, food and beverage and merchandise which are all recognized when the service is provided.

Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and are classified as loans and receivables. Bank borrowing is classified as investing activities.

Inventory

Inventories are stated at the lower of cost and net realizable value and consist of food, beverages, merchandise and course supplies.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated amortization, residual values, and impairment losses.

The amortization rates used for each class of property, plant and equipment are:

Building and land improvement	2 - 5% Declining balance
Rolling stock and equipment	10 - 25% Declining balance
Golf course and irrigation	0 - 5% Declining balance

2. Summary of significant accounting policies (continued)

Impairment of long-lived assets

The company reviews long-lived assets, such as property and equipment, for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable.

The company assesses recoverability of these assets by comparing their carrying amount to the recoverable amount, which is the higher of value in use and fair value less costs to sell. Where the carrying amount of an asset or a group of assets exceeds its recoverable amount, the asset is considered to be impaired, and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or group of asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Use of estimates

In preparing the Company's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities. Significant areas requiring estimates by management include the allowance for doubtful accounts, inventory allowances, useful lives of amortizable tangible assets and the recoverability of long-lived assets. Actual amounts could differ from these estimates.

Income taxes

The Company uses the tax liability method for determining income taxes. Under this method, future tax assets and liabilities are determined according to differences between their respective carrying amounts and tax basis. Future tax assets and liabilities are measured based on enacted or substantively enacted tax rates and laws at the date of the financial statements for the years in which these temporary differences are expected to reverse. Adjustments to these balances are recognized in earnings as they occur.

2. Summary of significant accounting policies (continued)

Leases

The Company is a lessee of property and equipment under operating leases that do not transfer the substantive risks and rewards of ownership. Expense on operating leases is recognized on a straight-line basis over the life of the lease including renewal terms, if at inception of the lease, renewal is reasonably assured.

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet under long-term debt.

Financial instruments

The company considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The company accounts for the following as financial instruments:

- Cash/(Bank indebtedness)
- Due to shareholder
- Account receivable
- Accounts payable and accrued liabilities
- Long Term debt
- Prepaid membership dues

A financial asset or liability is recognized when the company becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the company is in the capacity of management in which case they are accounted for in accordance with financial instruments.

All financial assets and financial liabilities are subsequently measured at amortized cost.

The company removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

3. Inventory

		2020		2019
Golf food and beverage	$	23,378	$	19,893
Golf merchandise and supplies		30,217		41,817
	$	53,595	$	61,710

4. Property, plant and equipment

					2020		2019
		Cost		Accumulated Amortization		Net Book Value		Net Book Value
Land	$	327,730	$	-	$	327,730	$	327,730
Building and land improvement		2,200,483		468,180		1,732,303		1,745,912
Rolling stock and equipment		1,228,288		475,033		753,255		842,721
Golf course and irrigation		2,547,713		383,525		2,164,188		2,166,956
	$	6,304,214	$	1,326,738	$	4,977,476	$	5,083,319

5. Accounts payable and accrued liabilities

		2020		2019
Accounts payable	$	221,491	$	315,634
Accrued liabilities and other		20,353		16,994
	$	241,844	$	332,628

Included in accounts payable and accrued liabilities is government remittances payable of $97,859 (2019 - 105,421) for HST and source deductions.

6. Long-term debt

	2020	2019
Promissory note payable to 1951584 Ontario Inc. (formally known as Maxium Financial Services Inc.), unsecured, interest at 6.67%, monthly blended payments of $16,240, maturing in December 2022	**$ 1,989,128**	$ 2,039,423
6.384% equipment lease contract with CWB Maxium Financial Inc., repayable in six monthly installments of $1,895 including principal and interest from May to October yearly, maturing in October 2022.	**24,496**	30,801
5.48% equipment lease contract with John Deere Credit Inc. for 13 pieces of maintenance equipment, repayable in monthly installments of $4,146 from May to October each year, due May 2020.	**-**	28,194
10.76% equipment lease contract with Rcap Leasing for restaurant POS system, repayable in 60 monthly installments of $385 including principal and interest, due June 2020.	**-**	1,813
6.46 % equipment lease contract with 1951584 Ontario Inc. (formerly known as Maxium Financial Services Inc.) for Toro equipment, repayable in monthly installments of $ 1,992 from May to October in 2021with final installment of $6,146 being made in November 2021.	**16,041**	23,061
Term Loan with with Ford Credit Canada, interest at 1.99% with payments of $615 monthly including interest, maturing in October 2023, secured by specified vehicle.	**20,914**	26,669
6.75% water heater lease contract with CWB Maxium Financial Inc., repayable in 60 monthly installments of $249 including principal and interest, due May 2023.	**6,345**	8,256
6.169% golf simulator lease contract with CWB Maxium Financial Inc., repayable in 60 monthly installments of $1,992 including principal and interest, due January 2023.	**50,099**	66,963
6.950% surveillance system lease contract with CWB Maxium Financial Inc., repayable in 60 monthly installments of $372 including principal and interest, due May 2023.	**10,540**	13,830
7.025% telephone system lease contract with CWB Maxium Financial Inc., repayable in 36 monthly installments of $334 including principal and interest, due May 2021.	**2,285**	5,394
10.72% equipment lease contract with CWB Maxium Financial Inc., for 35 golf carts, repayable in 4 monthly installments of $5,445 from May to August in 2021 with final installment of $9,446 being made in September 2021.	**27,991**	48,182

6. **Long-term debt (continued)**	**2020**	2019
Canada Emergency Business Account - The amount of $40,000 represents the unforgivable balance of the $60,000 interest-free loan received under the Government of Canada COVID response programs. 33% of the loan will be eligible for loan forgiveness, up to $20,000, if the loan is fully repaid on or before December 31, 2022. As at the year end date, $20,000 has been included in other income and represents the maximum forgivable portion of the loan. If the unforgiven balance of the loan is not fully repaid by December 31, 2022 the remaining principal balance will be repayable and will bear interest at a rate of 5% per annum beginning on January 1, 2023. The loan is due in full December 31, 2025.	**40,000**	-
	2,187,839	2,292,586
Less current portion	**159,095**	184,629
	$ 2,028,744	$ 2,107,957

Due to COVID-19, all the loans payments have been postponed for 2 months except water heater lease contract starting November 2020.

Estimated principal repayments are as follows:

2021	$ 155,449
2022	156,164
2023	93,182
2024	77,404
2025	81,661
	563,860

7. **Share capital**	**2020**	2019

Authorized

-Unlimited number of common shares, without par value.

-Unlimited number of non-voting, non-cumulative, retractable, redeemable, Class A preferred shares, without par value.

-Unlimited number of non-voting, non-cumulative, retractable, redeemable, Class B preferred shares, without par value.

-Unlimited number of non-voting, non-cumulative, redeemable, convertible, Class C preferred shares, without par value.

7. Share capital (continued)

Issued

502,667 (2018 – 177,746) Common shares	**$ 3,396,748**	$ 3,396,748
100,000 (2018 – 300,000) Class C preferred shares	**471,500**	471,500
	$ 3,868,248	$ 3,868,248

8. Impact of COVID-19

Since December 31, 2019, the spread of COVID- 19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of nonessential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. During the year, the Company recognized payroll subsidies under the Canada Emergency Wage Subsidy Program totaling $236,310, and subsidies under the Canada Emergency Rent Subsidy totalling $40,916 as Grant revenue.

9. Operating lease commitments

The Company has agreements to lease equipment. For the two years, the Company has committed to minimum annual lease costs of the following:

2021	$ 65,322
2022	65,322
	$ 130,644

10. Income taxes

For income tax purposes, the company has non-capital losses which can be applied to reduce future years' taxable income. These losses expire as follows:

2031	$ 291,930
2032	355,872
2033	433,226
2034	377,893
2035	227,135
2036	391,993
2037	701,834
2038	566,110
	$ 3,345,993

11. Financial instruments

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk, market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The company's main credit risks relate to its accounts receivable. The entity provides credit to its clients in the normal course of its operations.

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or in meeting its obligations related to financial liabilities. The Company is currently working with their financial partners to renegotiate their financial obligations to manage their liquidity risk.

(c) Market risk

Market risk arises from changes in interest rates, foreign exchange and other price risks. It is of managements opinion that they are not subject to significant foreign exchange and other price risks.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk on its fixed variable interest rate financial instruments. Given the current composition of long-term debt, fixed-rate instruments subject the company to a fair value risk, while their variable rate bank indebtness subjects the Company to cash flow risk.

12. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

Royal Oaks Golf Club Inc.
Schedules to the Financial Statements
Year ended December 31

Schedule of golf course — **Schedule 1**

	2020	2019
Salaries and benefits	**$ 199,344**	$ 242,266
Repairs and maintenance	**108,890**	131,048
Property tax	**109,279**	104,808
Other	**59,250**	81,996
	$ 476,763	$ 560,118

Schedule of food and beverage — **Schedule 2**

	2020	2019
Food, beverage and supplies	**$ 159,607**	$ 287,069
Salaries and benefits	**171,148**	326,029
Repairs and maintenance	**53,946**	54,614
	$ 384,701	$ 667,712

Schedule of pro shop — **Schedule 3**

	2020	2019
Salaries and benefits	**$ 70,095**	$ 101,443
Merchandise and advertising	**64,668**	85,673
	$ 134,763	$ 187,116

Grant Thornton

This is Exhibit "L" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

Financial Statements

Royal Oaks Golf Club Inc.

December 31, 2021

Contents

Grant Thornton

Independent Practitioner's Review Engagement Report

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To the Shareholder of
Royal Oaks Golf Club Inc.

We have reviewed the accompanying financial statements of Royal Oaks Golf Club Inc. that comprise the balance sheet as at December 31, 2021, and the statements of income and deficit and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Independent Practitioner's Review Engagement Report (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Royal Oaks Golf Club Inc. as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Emphasis of matter - restated comparative information

We draw attention to Note 9 which describes that certain comparative information for the year ended December 31, 2021 has been restated. Our conclusion is not modified with respect to this matter.

Grant Thornton LLP

Chartered Professional Accountants

Moncton, Canada
May 10, 2022

Royal Oaks Golf Club Inc.
Statements of Income and Deficit

Year ended December 31	2021	2020
Sales		
Golf course	$ 1,290,450	$ 761,458
Food and beverage	648,899	466,463
Pro Shop	133,118	66,996
Advertising and room rentals	71,550	34,864
	2,144,017	1,329,781
Operational costs		
Golf course (Schedule 1)	644,994	476,763
Food and beverage (Schedule 2)	417,270	384,701
Pro shop (Schedule 3)	269,465	134,763
	1,331,729	996,227
Expenses		
Advertising and promotion	47,905	20,798
Amortization	78,798	72,205
Consulting fees	124,813	42,212
Insurance	39,912	39,270
Interest on long-term debt	158,155	186,374
Interest, bank charges and financing fees	151,415	34,254
Office and administration	36,612	63,840
Professional fees	13,763	17,254
Repairs and maintenance	12,475	16,401
Salaries and related benefits	174,928	154,587
Travel and automotive	15,617	24,445
Utilities	77,053	73,573
	931,446	745,213
	2,263,175	1,741,440
Loss before other income (loss)	(119,158)	(411,659)
Other income (loss)		
Loss on sale of property, plant and equipment	-	(33,376)
Grant Revenue	180,973	297,226
	180,973	263,850
Net income (loss)	$ 61,815	$ (147,809)
Deficit, beginning of year	$ (2,493,651)	$ (2,345,842)
Net income (loss)	61,815	(147,809)
Deficit, end of year	$ (2,431,836)	$ (2,493,651)

Royal Oaks Golf Club Inc.
Balance Sheet

December 31	2021	2020
Assets		
Current		
Cash	**$ 109,214**	$ 153,017
Accounts receivable	**19,947**	100,002
Inventory (Note 3)	**61,768**	53,595
Prepaid expenses	**50,471**	56,071
	241,400	362,685
Long-term		
Property, plant and equipment (Note 4)	**4,969,395**	4,977,476
	$ 5,210,795	$ 5,340,161
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 5)	**$ 246,689**	$ 241,844
Prepaid membership dues	**467,609**	471,155
Current portion of long-term debt (Note 6)	**156,164**	159,095
	870,462	872,094
Long-term		
Due to shareholders, partially interest bearing, no set terms of repayment, partly secured with a $15,000 mortgage	**1,027,695**	1,064,726
Long-term debt (Note 6)	**1,876,226**	2,028,744
Preferred share liability (Note 7)	**500,000**	500,000
	3,403,921	3,593,470
	4,274,383	4,465,564
Shareholder's equity		
Share capital (Note 8)	**3,368,248**	3,368,248
Deficit	**(2,431,836)**	(2,493,651)
	936,412	874,597
	$ 5,210,795	$ 5,340,161

Nature of operations (Note 1)
Subsequent events

On behalf of the board

DocuSigned by:
Esmond Clouthier
CD7D56EC0565486... ________________ Director ________________ Director

See accompanying notes and schedules to the financial statements.

Royal Oaks Golf Club Inc.
Statement of Cash Flows

Year ended December 31	2021	2020
Increase (decrease) in cash (bank indebtedness)		
Operating		
Net income (loss)	$ **61,815**	$ (147,809)
Items not affecting cash		
Amortization	**78,798**	72,205
Loss on sale of property, plant and equipment	**-**	33,376
	140,613	(42,228)
Change in non-cash working capital items		
Accounts receivable	**80,055**	33,195
Inventory	**(8,173)**	8,115
Prepaid expenses	**5,600**	1,156
Accounts payable and accrued liabilities	**4,845**	(90,784)
Prepaid membership dues	**(3,546)**	223,336
	219,394	132,790
Financing		
Advances (to) from shareholder	**(37,031)**	222,829
Repayment of long-term debt and capital leases	**(155,449)**	(104,747)
	(192,480)	118,082
Investing		
Purchase of property, plant and equipment	**(70,717)**	(45,977)
Proceeds on disposal of property, plant and equipment	**-**	46,238
	(70,717)	261
(Decrease) increase in cash (bank indebtedness)	**(43,803)**	251,133
Cash (bank indebtedness)		
Beginning of year	**153,017**	(98,116)
End of year	$ **109,214**	$ 153,017

Royal Oaks Golf Club Inc.
Notes to the Financial Statements
December 31, 2021

1. Nature of operations

Royal Oaks Golf Club Inc. (the “Company” and "Royal Oaks") was incorporated in the province of New Brunswick and operates a golf club.

While these financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE") on a going concern basis that presumes the realization of assets and discharge of liabilities in the normal course of business, the Company is reliant on its shareholders injecting sufficient funds thereby allowing the Company to sustain operations in the short-term, and achieve profitable operations in order to continue as a going concern.

During the year ended December 31, 2021 the Company incurred a net profit of $50,885 (2020 net loss - $147,809) and, as of that date, the Company had accumulated a deficit of $2,442,766 (2020 - $2,493,651), a working capital deficiency of $599,761 (2020 - $509,409 deficiency) and positive cash flows from operations of $179,163 (2020 positive cash flow - $132,790).

These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. Summary of significant accounting policies

The company follows accounting principles generally accepted in Canada in preparing its financial statements. The significant accounting policies used are as follows:

Revenue recognition

Golf club operations revenue includes annual dues (recognized on a daily basis as earned) and sales to members and customers of green fees, cart rentals, food and beverage and merchandise which are all recognized when the service is provided.

Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and are classified as loans and receivables. Bank borrowing is classified as investing activities.

Inventory

Inventories are stated at the lower of cost and net realizable value and consist of food, beverages, merchandise and course supplies.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated amortization, residual values, and impairment losses.

The amortization rates used for each class of property, plant and equipment are:

Building and land improvement	2 - 5% Declining balance
Rolling stock and equipment	10 - 25% Declining balance
Golf course and irrigation	0 - 5% Declining balance

2. Summary of significant accounting policies (continued)

Impairment of long-lived assets

The company reviews long-lived assets, such as property and equipment, for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable.

The company assesses recoverability of these assets by comparing their carrying amount to the recoverable amount, which is the higher of value in use and fair value less costs to sell. Where the carrying amount of an asset or a group of assets exceeds its recoverable amount, the asset is considered to be impaired, and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or group of asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Use of estimates

In preparing the Company's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities. Significant areas requiring estimates by management include the allowance for doubtful accounts, inventory allowances, useful lives of amortizable tangible assets and the recoverability of long-lived assets. Actual amounts could differ from these estimates.

Income taxes

The Company uses the tax liability method for determining income taxes. Under this method, future tax assets and liabilities are determined according to differences between their respective carrying amounts and tax basis. Future tax assets and liabilities are measured based on enacted or substantively enacted tax rates and laws at the date of the financial statements for the years in which these temporary differences are expected to reverse. Adjustments to these balances are recognized in earnings as they occur.

2. Summary of significant accounting policies (continued)

Leases

The Company is a lessee of property and equipment under operating leases that do not transfer the substantive risks and rewards of ownership. Expense on operating leases is recognized on a straight-line basis over the life of the lease including renewal terms, if at inception of the lease, renewal is reasonably assured.

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet under long-term debt.

Financial instruments

The company considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The company accounts for the following as financial instruments:

- Cash/(Bank indebtedness)
- Due to shareholder
- Account receivable
- Accounts payable and accrued liabilities
- Long Term debt
- Prepaid membership dues

A financial asset or liability is recognized when the company becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the company is in the capacity of management in which case they are accounted for in accordance with financial instruments.

All financial assets and financial liabilities are subsequently measured at amortized cost.

The company removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

3. Inventory

	2021	2020
Golf food and beverage	**$ 15,957**	$ 23,378
Golf merchandise and supplies	**45,811**	30,217
	$ 61,768	$ 53,595

4. Property, plant and equipment

	Cost	Accumulated Amortization	2021 Net Book Value	2020 Net Book Value
Land	$ 327,730	$ -	**$ 327,730**	$ 327,730
Building and land improvement	2,205,070	483,666	**1,721,404**	1,732,303
Rolling stock and equipment	1,294,417	535,715	**758,702**	753,255
Golf course and irrigation	2,547,713	386,154	**2,161,559**	2,164,188
	$ 6,374,930	$ 1,405,535	**$ 4,969,395**	$ 4,977,476

5. Accounts payable and accrued liabilities

	2021	2020
Accounts payable	**$ 224,655**	$ 217,726
Accrued liabilities and other	**22,034**	24,118
	$ 246,689	$ 241,844

Included in accounts payable and accrued liabilities is government remittances payable of $92,498 (2020 - $97,859) for HST and source deductions.

6. Long-term debt	**2021**	2020
Promissory note payable to 1951584 Ontario Inc. (formally known as Maxium Financial Services Inc.), unsecured, interest at 6.67%, monthly blended payments of $16,240, maturing in December 2022.	**$ 1,924,976**	$ 1,989,128
6.384% equipment lease contract with CWB Maxium Financial Inc., repayable in six monthly installments of $1,895 including principal and interest from May to October yearly, maturing in October 2022.	**14,458**	24,496
6.46 % equipment lease contract with 1951584 Ontario Inc. (formerly known as Maxium Financial Services Inc.) for Toro equipment, repayable in monthly installments of $ 1,992 from May to October in 2021with final installment of $6,146 being made in November 2021.	**-**	16,041
Term Loan with with Ford Credit Canada, interest at 1.99% with payments of $615 monthly including interest, maturing in October 2023, secured by specified vehicle.	**13,879**	20,914
6.75% water heater lease contract with CWB Maxium Financial Inc., repayable in 60 monthly installments of $249 including principal and interest, due May 2023.	**3,707**	6,345
6.169% golf simulator lease contract with CWB Maxium Financial Inc., repayable in 60 monthly installments of $1,992 including principal and interest, due January 2023.	**28,687**	50,099
6.950% surveillance system lease contract with CWB Maxium Financial Inc., repayable in 60 monthly installments of $372 including principal and interest, due May 2023.	**6,683**	10,540
7.025% telephone system lease contract with CWB Maxium Financial Inc., repayable in 36 monthly installments of $334 including principal and interest, due May 2021.	**-**	2,285
10.72% equipment lease contract with CWB Maxium Financial Inc., for 35 golf carts, repayable in 4 monthly installments of $5,445 from May to August in 2021 with final installment of $9,446 being made in September 2021.	**-**	27,991

6. Long-term debt (continued)	2021	2020
Canada Emergency Business Account - The amount of $40,000 represents the unforgivable balance of the $60,000 interest-free loan received under the Government of Canada COVID response programs. 33% of the loan will be eligible for loan forgiveness, up to $20,000, if the loan is fully repaid on or before December 31, 2022. As at the year end date, $20,000 has been included in other income and represents the maximum forgivable portion of the loan. If the unforgiven balance of the loan is not fully repaid by December 31, 2022 the remaining principal balance will be repayable and will bear interest at a rate of 5% per annum beginning on January 1, 2023. The loan is due in full December 31, 2025.	**40,000**	40,000
	2,032,390	2,187,839
Less current portion	**156,164**	159,095
	$ 1,876,226	$ 2,028,744

Due to COVID-19, all the loans payments have been postponed for 2 months except water heater lease contract starting November 2020.

Estimated principal repayments are as follows:

2022	$ 156,164
2023	113,182
2024	77,404
2025	81,661
2026	86,152
	514,563

7. Preferred share liability

In fiscal 2019, the Company issued Class C redeemable preferred shares. The following redeemable preferred shares are presented as financial liabilities:

	2021	2020
Class C preferred shares	**$ 500,000**	$ 500,000

As of December 31, 2021, Class C preferred shares had dividends cumulated but undeclared of $500,000 (2020 - $500,000).

During the year, the Company did not redeem of its Class C preferred shares.

As at December 31, 2021 the Company has not recorded a redeemable shares payable as a result of the shareholder postponing any payment and redemption of Class C preferred shares until January 1, 2023.

8. Share capital

Authorized

-Unlimited number of common shares, without par value.

-Unlimited number of non-voting, non-cumulative, retractable, redeemable, Class A preferred shares, without par value.

-Unlimited number of non-voting, non-cumulative, retractable, redeemable, Class B preferred shares, without par value.

-Unlimited number of non-voting, non-cumulative, redeemable, convertible, Class C preferred shares, without par value.

Issued

	2021	2020
502,667 (2020 – 502,667) Common shares	**$ 3,368,248**	$ 3,368,248

9. Prior period restatement

During the year, management determined that its preferred shares issued in 2019 with a redemption value of $500,000 and presented as equity should be presented as a liability. As a result of the correction, the following financial statement items as at December 31, 2021 have been increased (decreased) as follows:

	Previously reported	Adjustments	Restated
Preferred shares (Liability)	$ -	$ 500,000	$ 500,000
Preferred shares (Equity)	500,000	(500,000)	-

10. Impact of COVID-19

Since December 31, 2019, the spread of COVID- 19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of nonessential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. During the year, the Company recognized payroll subsidies under the Canada Emergency Wage Subsidy Program totaling $132,251, and subsidies under the Canada Emergency Rent Subsidy totaling $32,471 as Grant revenue.

11. Operating lease commitments

The Company has agreements to lease equipment. For next year, the Company has committed to minimum annual lease costs of the following:

2022	$ 65,322

12. Income taxes

For income tax purposes, the company has non-capital losses which can be applied to reduce future years' taxable income. These losses expire as follows:

2032	$ 291,930
2033	355,872
2034	433,226
2035	377,893
2036	227,135
2037	391,993
2038	701,834
2039	566,110
	$ 3,345,993

13. Financial instruments

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk, market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The company's main credit risks relate to its accounts receivable. The entity provides credit to its clients in the normal course of its operations.

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or in meeting its obligations related to financial liabilities. The Company is currently working with their financial partners to renegotiate their financial obligations to manage their liquidity risk.

(c) Market risk

Market risk arises from changes in interest rates, foreign exchange and other price risks. It is of managements opinion that they are not subject to significant foreign exchange and other price risks.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk on its fixed variable interest rate financial instruments. Given the current composition of long-term debt, fixed-rate instruments subject the company to a fair value risk, while their variable rate bank indebtness subjects the Company to cash flow risk.

14. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

Royal Oaks Golf Club Inc.
Schedules to the Financial Statements
Year ended December 31

Schedule of Golf course **Schedule 1**

	2021	2020
Other	**$ 73,275**	$ 59,250
Property tax	**152,157**	109,279
Repairs and maintenance	**195,902**	108,890
Salaries and benefits	**223,660**	199,344
	$ 644,994	$ 476,763

Schedule of Food and beverage **Schedule 2**

	2021	2020
Food, beverage and supplies	**$ 192,411**	$ 159,607
Repairs and maintenance	**66,140**	53,946
Salaries and benefits	**158,719**	171,148
	$ 417,270	$ 384,701

Schedule of Pro shop **Schedule 3**

	2021	2020
Merchandise and advertising	**$ 163,465**	$ 64,668
Salaries and benefits	**106,000**	70,095
	$ 269,465	$ 134,763

This is Exhibit "M" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

Grant Thornton

Financial Statements

Royal Oaks Golf Club Inc.

December 31, 2022

Contents

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Independent Practitioner's Review Engagement Report

To the Shareholder of
Royal Oaks Golf Club Inc.

We have reviewed the accompanying financial statements of Royal Oaks Golf Club Inc. that comprise the balance sheet as at December 31, 2022 and the statements of income and deficit and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Independent Practitioner's Review Engagement Report (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Royal Oaks Golf Club Inc. as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Grant Thornton LLP

Moncton, Canada
April 19, 2023

Chartered Professional Accountants

Royal Oaks Golf Club Inc.
Statements of Income and Deficit

Year ended December 31	**2022**	2021
Sales		
Golf course	**$ 1,318,311**	$ 1,290,450
Food and beverage	**878,416**	648,899
Pro Shop	**100,892**	133,118
Advertising and room rentals	**129,047**	71,550
	2,426,666	2,144,017
Operational costs		
Golf course (Schedule 1)	**533,622**	644,994
Food and beverage (Schedule 2)	**512,963**	417,270
Pro shop (Schedule 3)	**309,426**	269,465
	1,356,011	1,331,729
Expenses		
Advertising and promotion	**61,056**	47,905
Amortization	**63,154**	78,798
Consulting fees	**157,653**	124,813
Insurance	**39,690**	39,912
Interest, bank charges and financing fees	**105,924**	151,415
Interest on long-term debt	**137,162**	158,155
Office and administration	**23,771**	36,612
Professional fees	**31,726**	13,763
Repairs and maintenance	**17,655**	12,475
Salaries and related benefits	**111,590**	174,928
Travel and automotive	**15,419**	15,617
Utilities	**84,143**	77,053
	848,943	931,446
	2,204,954	2,263,175
Income (loss) before other income (loss)	**221,712**	(119,158)
Other income (loss)		
Gain on sale of property, plant and equipment	**54,038**	-
Grant Revenue	**13,160**	180,973
	67,198	180,973
Net income	**$ 288,910**	$ 61,815
Deficit, beginning of year	**$ (2,431,836)**	$ (2,493,651)
Net income	**288,910**	61,815
Deficit, end of year	**$ (2,142,926)**	$ (2,431,836)

See accompanying notes and schedules to the financial statements.

Royal Oaks Golf Club Inc.
Balance Sheet

December 31		2022		2021
Assets				
Current				
Cash	$	**73,423**	$	109,214
Accounts receivable		**101,820**		19,947
Inventory (Note 3)		**67,244**		61,768
Prepaid expenses		**46,632**		50,471
		289,119		241,400
Long-term				
Property, plant and equipment (Note 4)		**4,929,905**		4,969,395
	$	**5,219,024**	$	5,210,795

Liabilities				
Current				
Accounts payable and accrued liabilities (Note 5)	$	**193,458**	$	246,689
Prepaid membership dues		**378,300**		467,609
Current portion of long-term debt (Note 6)		**1,898,766**		156,164
		2,470,524		870,462
Long-term				
Due to shareholders, partially interest bearing, no set terms of repayment, partly secured with a $15,000 mortgage		**983,178**		1,027,695
Long-term debt (Note 6)		**40,000**		1,876,226
Preferred share liability (Note 7)		**500,000**		500,000
		1,523,178		3,403,921
		3,993,702		4,274,383
Shareholder's equity				
Share capital (Note 8)		**3,368,248**		3,368,248
Deficit		**(2,142,926)**		(2,431,836)
		1,225,322		936,412
	$	**5,219,024**	$	5,210,795

Nature of operations (Note 1)
Subsequent events

On behalf of the Board

DocuSigned by:
Esmond Cloutier
CD7D56EC0565486... Director

See accompanying notes and schedules to the financial statements.

Royal Oaks Golf Club Inc.
Statement of Cash Flows

Year ended December 31	**2022**	2021
Increase (decrease) in cash		
Operating		
Net income	**$ 288,910**	$ 61,815
Items not affecting cash		
Amortization	**63,154**	78,798
Gain on sale of property, plant and equipment	**(54,038)**	-
	298,026	140,613
Change in non-cash working capital items		
Accounts receivable	**(81,873)**	80,055
Inventory	**(5,476)**	(8,173)
Prepaid expenses	**3,839**	5,600
Accounts payable and accrued liabilities	**(53,231)**	4,845
Prepaid membership dues	**(89,309)**	(3,546)
	71,976	219,394
Financing		
Advances to shareholder	**(44,517)**	(37,031)
Repayment of long-term debt and capital leases	**(93,624)**	(155,449)
	(138,141)	(192,480)
Investing		
Purchase of property, plant and equipment	**(34,843)**	(70,717)
Proceeds on disposal of property, plant and equipment	**65,217**	-
	30,374	(70,717)
Decrease in cash	**(35,791)**	(43,803)
Cash		
Beginning of year	**109,214**	153,017
End of year	**$ 73,423**	$ 109,214

1. Nature of operations

Royal Oaks Golf Club Inc. (the "Company" and "Royal Oaks") was incorporated in the province of New Brunswick and operates a golf club.

While these financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE") on a going concern basis that presumes the realization of assets and discharge of liabilities in the normal course of business, the Company is reliant on its shareholders injecting sufficient funds thereby allowing the Company to sustain operations in the short-term, and achieve profitable operations in order to continue as a going concern.

During the year ended December 31, 2022 the Company incurred a net profit of $288,910 (2021 - $61,815) and, as of that date, the Company had accumulated a deficit of $2,142,926 (2021 - $2,431,836), a working capital deficiency of $298,692 (2021 - $629,062 deficiency) and positive cash flows from operations of $71,976 (2021 positive cash flow - $219,394).

These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. Summary of significant accounting policies

The Company follows accounting principles generally accepted in Canada in preparing its financial statements. The significant accounting policies used are as follows:

Revenue recognition

Golf club operations revenue includes annual dues (recognized on a daily basis as earned) and sales to members and customers of green fees, cart rentals, food and beverage and merchandise which are all recognized when the service is provided.

Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and are classified as loans and receivables. Bank borrowing is classified as investing activities.

Inventory

Inventories are stated at the lower of cost and net realizable value and consist of food, beverages, merchandise and course supplies.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated amortization, residual values, and impairment losses.

The amortization rates used for each class of property, plant and equipment are:

Building and land improvement	2 - 5% Declining balance
Rolling stock and equipment	10 - 25% Declining balance
Golf course and irrigation	0 - 5% Declining balance

2. Summary of significant accounting policies (continued)

Impairment of long-lived assets

The company reviews long-lived assets, such as property and equipment, for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable.

The company assesses recoverability of these assets by comparing their carrying amount to the recoverable amount, which is the higher of value in use and fair value less costs to sell. Where the carrying amount of an asset or a group of assets exceeds its recoverable amount, the asset is considered to be impaired, and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or group of asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Use of estimates

In preparing the Company's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities. Significant areas requiring estimates by management include the allowance for doubtful accounts, inventory allowances, useful lives of amortizable tangible assets and the recoverability of long-lived assets. Actual amounts could differ from these estimates.

Income taxes

The Company uses the tax liability method for determining income taxes. Under this method, future tax assets and liabilities are determined according to differences between their respective carrying amounts and tax basis. Future tax assets and liabilities are measured based on enacted or substantively enacted tax rates and laws at the date of the financial statements for the years in which these temporary differences are expected to reverse. Adjustments to these balances are recognized in earnings as they occur.

2. Summary of significant accounting policies (continued)

Leases

The Company is a lessee of property and equipment under operating leases that do not transfer the substantive risks and rewards of ownership. Expense on operating leases is recognized on a straight-line basis over the life of the lease including renewal terms, if at inception of the lease, renewal is reasonably assured.

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet under long-term debt.

Financial instruments

The Company considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Company accounts for the following as financial instruments:

- Cash/(Bank indebtedness)
- Due to shareholder
- Account receivable
- Accounts payable and accrued liabilities
- Long Term debt
- Prepaid membership dues

A financial asset or liability is recognized when the Company becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

<u>Retractable or mandatorily redeemable shares issued in a tax planning arrangement</u>

The Company presents the Class C preference shares, which were issued in a tax planning arrangement, as a financial liability because there is a redemption schedule in place. The preference shares are measured at their redemption amount. Such shares cannot subsequently be presented as equity.

All financial assets and financial liabilities are subsequently measured at amortized cost.

The Company removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

Royal Oaks Golf Club Inc.
Notes to the Financial Statements
December 31, 2022

3. Inventory

	2022	2021
Golf food and beverage	**$ 19,533**	$ 15,957
Golf merchandise and supplies	**47,711**	45,811
	$ 67,244	$ 61,768

4. Property, plant and equipment

	Cost	Accumulated Amortization	2022 Net Book Value	2021 Net Book Value
Land	$ 327,730	$ -	**$ 327,730**	$ 327,730
Building and land improvement	2,206,218	498,730	**1,707,488**	1,721,404
Rolling stock and equipment	1,185,050	464,287	**720,763**	758,702
Golf course and irrigation	2,547,713	388,653	**2,159,060**	2,161,559
Land improvement	15,443	579	**14,864**	-
	$ 6,282,154	$ 1,352,249	**$ 4,929,905**	$ 4,969,395

5. Accounts payable and accrued liabilities

	2022	2021
Accounts payable	**$ 193,458**	$ 224,655
Accrued liabilities and other	**-**	22,034
	$ 193,458	$ 246,689

Included in accounts payable and accrued liabilities is government remittances payable of $109,100 (2021 - $92,498) for HST and source deductions.

Royal Oaks Golf Club Inc.
Notes to the Financial Statements
December 31, 2022

6. Long-term debt	**2022**	2021
Promissory note payable to 1951584 Ontario Inc. (formally known as Maxium Financial Services Inc.), unsecured, interest at 6.67%, monthly blended payments of $16,240, maturing in June 2023.	**$ 1,882,714**	$ 1,924,976
Term Loan with with Ford Credit Canada, interest at 1.99% with payments of $615 monthly including interest, maturing in October 2023, secured by specified vehicle.	**6,704**	13,879
6.75% water heater lease contract with CWB Maxium Financial Inc., repayable in 60 monthly installments of $249 including principal and interest, due May 2023.	**884**	3,707
6.169% golf simulator lease contract with CWB Maxium Financial Inc., repayable in 60 monthly installments of $1,992 including principal and interest, due January 2023.	**5,916**	28,687
6.950% surveillance system lease contract with CWB Maxium Financial Inc., repayable in 60 monthly installments of $372 including principal and interest, due May 2023.	**2,548**	6,683
Canada Emergency Business Account - The amount of $40,000 represents the unforgivable balance of the $60,000 interest-free loan received under the Government of Canada COVID response programs. 33% of the loan will be eligible for loan forgiveness, up to $20,000, if the loan is fully repaid on or before December 31, 2022. As at the year end date, $20,000 has been included in other income and represents the maximum forgivable portion of the loan. If the unforgiven balance of the loan is not fully repaid by December 31, 2022 the remaining principal balance will be repayable and will bear interest at a rate of 5% per annum beginning on January 1, 2023. The loan is due in full December 31, 2025.	**40,000**	40,000
1951584 Ontario Inc. (formerly known as CWB Maxium Financial Inc.) loan repaid during the year.	**-**	14,458
	1,938,766	2,032,390
Less current portion	**1,898,766**	156,164
	$ 40,000	$ 1,876,226

Estimated principal repayments are as follows:

2023	$ 1,898,766
2024	-
2025	40,000
	$ 1,938,766

7. Preferred share liability

In fiscal 2019, the Company issued Class C redeemable preferred shares. The following redeemable preferred shares are presented as financial liabilities:

	2022	2021
Class C preferred shares	**$ 500,000**	$ 500,000

As of December 31, 2022, Class C preferred shares had dividends cumulated but undeclared of $500,000 (2021 - $500,000).

During the year, the Company did not redeem of its Class C preferred shares.

As at December 31, 2022 the Company has not recorded a redeemable shares payable as a result of the shareholder postponing any payment and redemption of Class C preferred shares until January 1, 2023.

8. Share capital

	2022	2021

Authorized

-Unlimited number of common shares, without par value.

-Unlimited number of non-voting, non-cumulative, retractable, redeemable, Class A preferred shares, without par value.

-Unlimited number of non-voting, non-cumulative, retractable, redeemable, Class B preferred shares, without par value.

-Unlimited number of non-voting, non-cumulative, redeemable, convertible, Class C preferred shares, without par value.

Issued

	2022	2021
502,667 (2021 – 502,667) Common shares	**$ 3,368,248**	$ 3,368,248

9. Operating lease commitments

The Company has agreements to lease equipment. For next year, the Company has committed to minimum annual lease costs of the following:

2023	$ 76,209

10. Income taxes

For income tax purposes, the Company has non-capital losses which can be applied to reduce future years' taxable income. These losses expire as follows:

2030	$ 291,930
2031	355,872
2032	433,226
2034	377,893
2036	227,135
2037	391,993
2038	701,834
2039	566,110
2040	91,293
2041	245,944
	$ 3,683,230

Royal Oaks Golf Club Inc.
Notes to the Financial Statements
December 31, 2022

11. Financial instruments

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk, market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's main credit risks relate to its accounts receivable. The entity provides credit to its clients in the normal course of its operations.

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or in meeting its obligations related to financial liabilities. The Company is currently working with their financial partners to renegotiate their financial obligations to manage their liquidity risk.

(c) Market risk

Market risk arises from changes in interest rates, foreign exchange and other price risks. It is of managements opinion that they are not subject to significant foreign exchange and other price risks.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its fixed variable interest rate financial instruments. Given the current composition of long-term debt, fixed-rate instruments subject the Company to a fair value risk, while their variable rate bank indebtness subjects the Company to cash flow risk.

12. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

Royal Oaks Golf Club Inc.
Schedules to the Financial Statements
Year ended December 31

Schedule of Golf course **Schedule 1**

	2022	2021
Salaries and benefits	**$ 201,486**	$ 223,660
Repairs and maintenance	**183,969**	195,902
Property tax	**75,710**	152,157
Other	**72,457**	73,275
	$ 533,622	$ 644,994

Schedule of Food and beverage **Schedule 2**

	2022	2021
Food, beverage and supplies	**$ 255,902**	$ 192,411
Salaries and benefits	**194,118**	158,719
Repairs and maintenance	**62,943**	66,140
	$ 512,963	$ 417,270

Schedule of Pro shop **Schedule 3**

	2022	2021
Salaries and benefits	**$ 139,186**	$ 106,000
Merchandise and advertising	**170,240**	163,465
	$ 309,426	$ 269,465

This is Exhibit "N" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

Royal Oaks Golf Club Inc
Balance Sheet As at 30/11/2023

ASSET	
Total Current Assets	89,236.80
Net Capital Assets	4,956,916.42
TOTAL ASSET	5,046,153.22
LIABILITY	
Total Current Liabilities	308,415.41
Long Term	
Maxium Fixed Rate Promissory ...	1,882,713.12
Maxium Floating Rate Promissor...	0.00
John Deere Lease 2016	0.00
John Deere Lease 2015	0.00
Maxium - Golf Course Equipment	0.00
First Insurance of Canada Funding	0.00
Dramis Phone System	0.00
Dramis Security System Lease	739.36
Maxium - Golf Simulators Liability	-756.54
Water Heater Lease	395.29
Maxium Lease	0.00
Maxium Lease 2015	0.00
Sunset CRE Payable	0.00
Sunset CRE Mortgage Payable	0.00
Sunset CRE Note Paybale	0.00
Capital Lease - Golf Carts	0.00
Veseys Lease	0.00
Ford Credit Canada	0.02
Rcap - Aloha Lease	0.00
Capital Lease - Chandler	0.00
CWB Golf Cart Loan	0.00
Interest on Capital Lease	0.00
Capital Lease	0.00
Interest on Capital Lease	0.00
Mortgage Aline/Patrick	5,000.00
HR Corporate Ron Mgmt Fee	0.00
Mortgage-HR Corporate Inc.	5,000.00
Mortgage - TW1 Oaks Inc.	5,000.00
Due to / from Patrick M	31,297.63
Due to Twelve 12 Investment & ...	28,982.39
Notes Payable Miniutti	157,631.00
Notes Payable TW1 Oaks	563,066.12
Due to/from Ron	1,583.70
Note Payable - Steven Walter Lu...	6,645.80
HR Corp-Ron ShareholderLoan	178,970.89
Covid19 loan	0.00
Total Long Term	2,866,268.78
TOTAL LIABILITY	3,174,684.19
EQUITY	
Capital Stock	
Common Shares	3,604,250.00
Preferred Shares	500,000.00
Raised Capital	0.00
Share Issuance Costs	-236,001.81
Total Capital Stock	3,868,248.19
Retained Earnings	
Retained Earnings	-2,142,925.65
Suspense	0.00
Current Earnings	146,146.49

Printed On: 04/12/2023

Royal Oaks Golf Club Inc
Balance Sheet As at 30/11/2023

Total Retained Earnings	-1,996,779.16
TOTAL EQUITY	1,871,469.03
LIABILITIES AND EQUITY	5,046,153.22

Royal Oaks Golf Club Inc
Balance Sheet As at 31/12/2022

ASSET	
Total Current Assets	231,139.34
Net Capital Assets	4,929,905.52
TOTAL ASSET	5,161,044.86
LIABILITY	
Total Current Liabilities	513,779.01
Long Term	
Maxium Fixed Rate Promissory ...	1,882,713.12
Maxium Floating Rate Promissor...	0.00
John Deere Lease 2016	0.00
John Deere Lease 2015	0.00
Maxium - Golf Course Equipment	0.00
First Insurance of Canada Funding	0.00
Dramis Phone System	0.00
Dramis Security System Lease	2,548.40
Maxium - Golf Simulators Liability	5,916.05
Water Heater Lease	884.40
Maxium Lease	0.00
Maxium Lease 2015	0.00
Sunset CRE Payable	0.00
Sunset CRE Mortgage Payable	0.00
Sunset CRE Note Paybale	0.00
Capital Lease - Golf Carts	0.00
Veseys Lease	0.00
Ford Credit Canada	6,703.81
Rcap - Aloha Lease	0.00
Capital Lease - Chandler	0.00
CWB Golf Cart Loan	0.00
Interest on Capital Lease	0.00
Capital Lease	0.00
Interest on Capital Lease	0.00
Mortgage Aline/Patrick	5,000.00
HR Corporate Ron Mgmt Fee	0.00
Mortgage-HR Corporate Inc.	5,000.00
Mortgage - TW1 Oaks Inc.	5,000.00
Due to / from Patrick M	31,297.63
Due to Twelve 12 Investment & ...	28,982.39
Notes Payable Miniutti	157,631.00
Notes Payable TW1 Oaks	563,066.12
Due to/from Ron	1,583.70
Note Payable - Steven Walter Lu...	6,645.80
HR Corp-Ron ShareholderLoan	178,970.89
Covid19 loan	40,000.00
Total Long Term	2,921,943.31
TOTAL LIABILITY	3,435,722.32
EQUITY	
Capital Stock	
Common Shares	3,604,250.00
Preferred Shares	500,000.00
Raised Capital	0.00
Share Issuance Costs	-236,001.81
Total Capital Stock	3,868,248.19
Retained Earnings	
Retained Earnings	-2,431,836.05
Suspense	0.00
Current Earnings	288,910.40

Printed On: 28/11/2023

Royal Oaks Golf Club Inc
Balance Sheet As at 31/12/2022

Total Retained Earnings	-2,142,925.65
TOTAL EQUITY	1,725,322.54
LIABILITIES AND EQUITY	5,161,044.86

Royal Oaks Golf Club Inc
Balance Sheet As at 31/12/2021

ASSET	
Total Current Assets	184,531.30
Net Capital Assets	4,969,394.48
TOTAL ASSET	5,153,925.78
LIABILITY	
Total Current Liabilities	680,301.28
Long Term	
Maxium Fixed Rate Promissory ...	1,924,976.23
Maxium Floating Rate Promissor...	0.00
John Deere Lease 2016	0.00
John Deere Lease 2015	0.00
Maxium - Golf Course Equipment	14,458.34
First Insurance of Canada Funding	0.00
Dramis Phone System	0.00
Dramis Security System Lease	6,682.79
Maxium - Golf Simulators Liability	28,686.99
Water Heater Lease	3,706.52
Maxium Lease	0.00
Maxium Lease 2015	0.00
Sunset CRE Payable	0.00
Sunset CRE Mortgage Payable	0.00
Sunset CRE Note Paybale	0.00
Capital Lease - Golf Carts	0.00
Veseys Lease	0.00
Ford Credit Canada	13,879.30
Rcap - Aloha Lease	0.00
Capital Lease - Chandler	0.00
CWB Golf Cart Loan	0.00
Interest on Capital Lease	0.00
Capital Lease	0.00
Interest on Capital Lease	0.00
Mortgage Aline/Patrick	5,000.00
HR Corporate Ron & Jacquie Mg...	0.00
Mortgage-HR Corporate Inc.	5,000.00
Mortgage - TW1 Oaks Inc.	5,000.00
Due to / from Patrick M	31,297.63
Due to Twelve 12 Investment & ...	38,982.39
Notes Payable Miniutti	157,631.00
Notes Payable TW1 Oaks	563,066.12
Due to/from Ron and Jacquie	4,541.62
Note Payable - Steven Walter Lu...	6,645.80
HR Corp-Ron&Jacquie Sharehol...	178,970.89
Covid19 loan	40,000.00
Total Long Term	3,028,525.62
TOTAL LIABILITY	3,708,826.90
EQUITY	
Capital Stock	
Common Shares	3,604,250.00
Preferred Shares	500,000.00
Raised Capital	0.00
Share Issuance Costs	-236,001.81
Total Capital Stock	3,868,248.19
Retained Earnings	
Retained Earnings	-2,493,651.05
Suspense	0.00
Current Earnings	70,501.74

Printed On: 28/11/2023

Royal Oaks Golf Club Inc
Balance Sheet As at 31/12/2021

Total Retained Earnings	-2,423,149.31
TOTAL EQUITY	1,445,098.88
LIABILITIES AND EQUITY	5,153,925.78

Royal Oaks Golf Club Inc
Balance Sheet As at 31/12/2020

ASSET	
Total Current Assets	286,415.65
Net Capital Assets	5,045,615.37
TOTAL ASSET	5,332,031.02
LIABILITY	
Total Current Liabilities	679,400.95
Long Term	
Maxium Fixed Rate Promissory ...	1,989,128.14
Maxium Floating Rate Promissor...	0.00
John Deere Lease 2016	0.00
John Deere Lease 2015	0.00
Maxium - Golf Course Equipment	24,495.83
First Insurance of Canada Funding	0.00
Dramis Phone System	2,285.13
Dramis Security System Lease	10,540.42
Maxium - Golf Simulators Liability	50,099.01
Water Heater Lease	6,344.97
Maxium Lease	0.00
Maxium Lease 2015	16,040.76
Sunset CRE Payable	0.00
Sunset CRE Mortgage Payable	0.00
Sunset CRE Note Paybale	0.00
Capital Lease - Golf Carts	0.00
Veseys Lease	0.00
Ford Credit Canada	20,913.53
Rcap - Aloha Lease	0.00
Capital Lease - Chandler	0.00
CWB Golf Cart Loan	27,991.09
Interest on Capital Lease	0.00
Capital Lease	0.00
Interest on Capital Lease	0.00
Mortgage Aline/Patrick	5,000.00
HR Corporate Ron & Jacquie Mg...	0.00
Mortgage-HR Corporate Inc.	5,000.00
Mortgage - TW1 Oaks Inc.	5,000.00
Due to / from Patrick M	67,193.14
Due to Twelve 12 Investment & ...	157,732.39
Notes Payable Miniutti	157,631.00
Notes Payable TW1 Oaks	565,793.05
Due to/from Ron and Jacquie	4,541.62
Note Payable - Steven Walter Lu...	3,445.80
HR Corp-Ron&Jacquie Sharehol...	212,139.47
Covid19 loan	60,000.00
Total Long Term	3,391,315.35
TOTAL LIABILITY	4,070,716.30
EQUITY	
Capital Stock	
Common Shares	3,604,250.00
Preferred Shares	500,000.00
Raised Capital	0.00
Share Issuance Costs	-236,001.81
Total Capital Stock	3,868,248.19
Retained Earnings	
Retained Earnings	-2,360,134.25
Suspense	0.00
Current Earnings	-246,799.22

Printed On: 28/11/2023

Royal Oaks Golf Club Inc
Balance Sheet As at 31/12/2020

Total Retained Earnings	-2,606,933.47
TOTAL EQUITY	1,261,314.72
LIABILITIES AND EQUITY	5,332,031.02

Royal Oaks Golf Club Inc
General Ledger Report 01/01/2023 to 30/11/2023
Sorted by: Date

Date	Comment	Source #	JE#	Debits	Credits	Balance	
2776	Mortgage Aline/Patrick					5,000.00	Cr
2777	HR Corporate Ron Mgmt Fee					-	Cr
2778	Mortgage-HR Corporate Inc.					5,000.00	Cr
2779	Mortgage - TW1 Oaks Inc.					5,000.00	Cr
2780	Due to / from Patrick M					31,297.63	Cr
2781	Due to Twelve 12 Investment & Consu					28,982.39	Cr
2782	Notes Payable Miniutti					157,631.00	Cr
2783	Notes Payable TW1 Oaks					563,066.12	Cr
2784	Due to/from Ron					1,583.70	Cr
2785	Note Payable - Steven Walter Lunn					6,645.80	Cr
2786	HR Corp-Ron ShareholderLoan					178,970.89	Cr

Royal Oaks Golf Club Inc
General Ledger Report 01/01/2022 to 31/12/2022
Sorted by: Date

Date	Comment	Source #	JE#	Debits	Credits	Balance
2776	**Mortgage Aline/Patrick**					5,000.00 Cr
2777	**HR Corporate Ron Mgmt Fee**					- Cr
2778	**Mortgage-HR Corporate Inc.**					5,000.00 Cr
2779	**Mortgage - TW1 Oaks Inc.**					5,000.00 Cr
2780	**Due to / from Patrick M**					31,297.63 Cr
2781	**Due to Twelve 12 Investment & Consu**					38,982.39 Cr
13/05/2022	Twelve12 Investments and Consulta...	2022-ROGC-005CM	J1723	10,000.00	-	28,982.39 Cr
2782	**Notes Payable Miniutti**					157,631.00 Cr
2783	**Notes Payable TW1 Oaks**					563,066.12 Cr
2784	**Due to/from Ron**					4,541.62 Cr
31/07/2022	Reverse 2019 posting for Expenses f...	Reverse post July22	J3307	2,957.92	-	1,583.70 Cr
2785	**Note Payable - Steven Walter Lunn**					6,645.80 Cr
2786	**HR Corp-Ron ShareholderLoan**					178,970.89 Cr
3125	**Preferred Shares**					500,000.00 Cr

Royal Oaks Golf Club Inc
General Ledger Report 01/01/2021 to 31/12/2021
Sorted by: Date

Date	Comment	Source #	JE#	Debits	Credits	Balance
2776	**Mortgage Aline/Patrick**					5,000.00 Cr
2777	**HR Corporate Ron & Jacquie Mgmt Fee**					- Cr
2778	**Mortgage-HR Corporate Inc.**					5,000.00 Cr
2779	**Mortgage - TW1 Oaks Inc.**					5,000.00 Cr
2780	**Due to / from Patrick M**					67,193.14 Cr
31/12/2021	Sunset CRE Investments	202574	J5344	35,895.51	-	31,297.63 Cr
2781	**Due to Twelve 12 Investment & Consu**					157,732.39 Cr
01/01/2021	Year end 2020 Entries from Grant Th...	YE 2020 Entries GT	J5232	118,750.00	-	38,982.39 Cr
2782	**Notes Payable Miniutti**					157,631.00 Cr
2783	**Notes Payable TW1 Oaks**					565,793.05 Cr
31/12/2021	Yearend Fixes & Postings for 2021	Yearend Fixes 2021	J5335	2,726.93	-	563,066.12 Cr
2784	**Due to/from Ron and Jacquie**					4,541.62 Cr
2785	**Note Payable - Steven Walter Lunn**					3,445.80 Cr
31/12/2021	Yearend Fixes & Postings for 2021	Yearend Fixes 2021	J5335	-	3,200.00	6,645.80 Cr
2786	**HR Corp-Ron&Jacquie ShareholderLoan**					212,139.47 Cr
31/12/2021	Yearend Fixes & Postings for 2021	Yearend Fixes 2021	J5335	-	2,726.93	214,866.40 Cr
31/12/2021	Sunset CRE Investments	202574	J5344	35,895.51	-	178,970.89 Cr
				35,895.51	2,726.93	
3125	**Preferred Shares**					500,000.00 Cr

Royal Oaks Golf Club Inc
General Ledger Report 01/01/2020 to 31/12/2020
Sorted by: Date

Date	Comment	Source #	JE#	Debits	Credits	Balance
2776	**Mortgage Aline/Patrick**					- Cr
31/12/2020	Shareholder YE Moves as per Nicole	Shareholder YE Moves	J4902	-	5,000.00	5,000.00 Cr
2777	**HR Corporate Ron & Jacquie Mgmt Fee**					- Cr
2778	**Mortgage-HR Corporate Inc.**					- Cr
31/12/2020	Shareholder YE Moves as per Nicole	Shareholder YE Moves	J4902	-	5,000.00	5,000.00 Cr
2779	**Mortgage - TW1 Oaks Inc.**					- Cr
31/12/2020	Shareholder YE Moves as per Nicole	Shareholder YE Moves	J4902	-	5,000.00	5,000.00 Cr
2780	**Due to / from Patrick M**					72,226.84 Cr
31/12/2020	Shareholder YE Moves as per Nicole	Shareholder YE Moves	J4902	5,033.70	-	67,193.14 Cr
2781	**Due to Twelve 12 Investment & Consu**					30,669.21 Cr
29/02/2020	bank entries February 2020	Bank Entries	J1630	-	2,944.64	33,613.85 Cr
29/02/2020	bank entries February 2020	Bank Entries	J1630	-	16,650.00	50,263.85 Cr
29/02/2020	bank entries February 2020	Bank Entries	J1630	-	54,408.05	104,671.90 Cr
29/02/2020	bank entries February 2020	Bank Entries	J1630	-	9,435.00	114,106.90 Cr
31/03/2020	bank entries March 2020	Bank Entries	J1639	-	22,200.00	136,306.90 Cr
30/04/2020	Bank Entries April 2020	Bank Entries	J3992	-	11,000.00	147,306.90 Cr
25/06/2020	Esmond Clouthier	exp move chq 816	J1781	5,368.75	-	141,938.15 Cr
02/07/2020	Cheque # 816 moved to pay on Shar...	shareholder payment	J2752	8,330.49	-	133,607.66 Cr
31/10/2020	Moves as per Nicole October 2020	Moves as per Nicole	J4115	113,793.05	-	19,814.61 Cr
31/10/2020	Move Twelve 12 A/P to Long term as...	move Twelve 12	J4116	-	7,187.50	27,002.11 Cr
31/10/2020	Move Twelve 12 A/P to Long term as...	move Twelve 12	J4116	-	7,292.78	34,294.89 Cr
31/10/2020	Move Twelve 12 A/P to Long term as...	move Twelve 12	J4116	-	14,375.00	48,669.89 Cr
31/10/2020	Move Twelve 12 A/P to Long term as...	move Twelve 12	J4116	-	28,750.00	77,419.89 Cr
31/10/2020	Move Twelve 12 A/P to Long term as...	move Twelve 12	J4116	-	30,312.50	107,732.39 Cr
31/12/2020	Yearend 2020	Yearend 2020	J4872	-	50,000.00	157,732.39 Cr
				127,492.29	254,555.47	
2782	**Notes Payable Miniutti**					157,597.30 Cr
31/12/2020	Shareholder YE Moves as per Nicole	Shareholder YE Moves	J4902	-	5,033.70	162,631.00 Cr
31/12/2020	Shareholder YE Moves as per Nicole	Shareholder YE Moves	J4902	5,000.00	-	157,631.00 Cr
				5,000.00	5,033.70	
2783	**Notes Payable TW1 Oaks**					457,000.00 Cr
31/10/2020	Moves as per Nicole October 2020	Moves as per Nicole	J4115	-	113,793.05	570,793.05 Cr
31/12/2020	Shareholder YE Moves as per Nicole	Shareholder YE Moves	J4902	5,000.00	-	565,793.05 Cr
				5,000.00	113,793.05	
2784	**Due to/from Ron and Jacquie**					27,957.92 Cr
01/01/2020	move from December 2019 as It was...	Grant Thornton	J4686	25,000.00	-	2,957.92 Cr
01/01/2020	move from December 2019 as It was...	Grant Thornton	J4686	-	2,599.13	5,557.05 Cr
01/01/2020	move from December 2019 as It was...	Grant Thornton	J4686	-	3,984.57	9,541.62 Cr
29/02/2020	bank entries February 2020	Bank Entries	J1630	-	2,800.00	12,341.62 Cr
29/02/2020	bank entries February 2020	Bank Entries	J1630	-	13,350.00	25,691.62 Cr
29/02/2020	bank entries February 2020	Bank Entries	J1630	-	43,624.47	69,316.09 Cr
29/02/2020	bank entries February 2020	Bank Entries	J1630	-	7,565.00	76,881.09 Cr
29/02/2020	Move owner bank entry loans to the ...	Move owner loans	J2690	67,339.47	-	9,541.62 Cr
31/03/2020	bank entries March 2020	Bank Entries	J1639	-	17,800.00	27,341.62 Cr
31/03/2020	Move owner bank entry loans to the ...	owner entries	J2691	17,800.00	-	9,541.62 Cr
30/04/2020	Move owner bank entry loans to the ...	owner entries	J2692	9,000.00	-	541.62 Cr
30/04/2020	Bank Entries April 2020	Bank Entries	J3992	-	9,000.00	9,541.62 Cr
31/12/2020	Shareholder YE Moves as per Nicole	Shareholder YE Moves	J4902	5,000.00	-	4,541.62 Cr
				124,139.47	100,723.17	
2785	**Note Payable - Steven Walter Lunn**					3,445.80 Cr
2786	**HR Corp-Ron&Jacquie ShareholderLoan**					93,000.00 Cr
01/01/2020	move from December 2019 as It was...	Grant Thornton	J4686	-	25,000.00	118,000.00 Cr
29/02/2020	Move owner bank entry loans to the ...	Move owner loans	J2690	-	67,339.47	185,339.47 Cr
31/03/2020	Move owner bank entry loans to the ...	owner entries	J2691	-	17,800.00	203,139.47 Cr
30/04/2020	Move owner bank entry loans to the ...	owner entries	J2692	-	9,000.00	212,139.47 Cr
				-	119,139.47	

Royal Oaks Golf Club Inc
General Ledger Report 01/01/2020 to 31/12/2020
Sorted by: Date

Date	Comment	Source #	JE#	Debits	Credits	Balance	
3125	**Preferred Shares**					500,000.00	Cr

Court File No.:
MM-286-2023

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

BETWEEN:

This is Exhibit "O" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of ~~New~~ Ontario, this 13 day of July, 2026.

Eric O. Gionet

TW1 OAKS INC.,

Applicant,

- and -

HR CORPORATE STRATEGIES LTD., WALTER STEPHEN LUNN, ROYAL OAKS GOLF CLUB INC.,

Respondents.

AFFIDAVIT

I, **WALTER STEVEN LUNN**, of Tucson, Arizona, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a director and shareholder of the Royal Oaks Golf Club Inc ("**ROGC**"). As such, I have personal knowledge of the matters herein deposed to except where otherwise stated.

Background of Investment in ROGC

2. I invested $500,000 in ROGC through the purchase of common shares in March of 2019.

3. My investment was intended to be short-term. The Share Purchase Agreement by which I made my investment provided a put option that allowed me to require the other shareholders to purchase my shares on the one-year anniversary of my investment for a purchase price of $540,000, being my initial investment plus a return of 8% (the "**Put Option**"). The Agreement further confirmed that, unless the Put Option was cancelled, my common shares would be deemed to be non-voting.

4. When the one-year anniversary arrived (March of 2020), the other shareholders, TW1 Oaks Inc. ("**TW1**") and HR Corporate Strategies Inc. ("**HR**") asked me to defer the exercise of my

Put Option for a year in exchange for a further $40,000. Recognizing the uncertainty faced by ROGC at that time as a result of the global COVID-19 pandemic, I agreed to this request.

5. When I attempted to exercise my Put Option in March of 2021, HR denied that my Put Option existed. When I then attempted to exercise my rights as a voting shareholder (as the only basis for my shares having been non-voting was that I had a Put Option), HR took the position that I also had no voting rights. When I was then elected to the Board of Directors, Ron Hrynyk, on behalf of HR, refused to recognize my appointment, maintaining that his wife, Jacqueline Boddaert should be appointed in my stead.

6. The Court ultimately confirmed the validity of my appointment as a director.

7. By affidavit sworn to on July 27, 2021 in the context of the Court proceeding to have my appointment as a director recognized ("**the July 2021 Affidavit**"), I provided the facts and supporting documents relating to my purchase of shares in ROGC, the Put Option, my subsequent exercise of voting rights, and my election as a director. A copy of the July 2021 Affidavit, with exhibits, is attached as **Exhibit A** (although I noted in preparing this affidavit that the scanned copy of the Share Purchase Agreement that was appended as Exhibit A to the July 2021 Affidavit exhibit is of poor quality, and I have therefore substituted that Exhibit for a clearer photocopy of the same document).

Support for TW1 Application

8. I have been a director of ROGC since June of 2021. I have always discharged my duties as a director in the best interests of ROGC.

9. As a director (and a shareholder), my interest is for ROGC to be soundly and professionally managed to ensure its long-term growth and success.

10. The long-term success of ROGC requires stability in its management. TW1 and its principals, Esmond and Nicole Clouthier, have provided that stability with skill and professionalism since I have been a shareholder. I am supportive of their continuation in their respective roles of President and Secretary-Treasurer of ROGC. I am further supportive of ROGC obtaining re-financing from local financial institutions to continue its community-oriented growth.

11. It is my view that it is in the best interests of ROGC for HR to cease being a shareholder. Based upon my observations as a director since June of 2021, it is my view that HR and its principals are not focused on the long-term success of ROGC. Based upon my experiences

as a shareholder as outlined in the July 2021 Affidavit, I do not have confidence in the integrity or business judgment of Mr. Hrynyk.

12. I make this affidavit in support of the relief sought by the Applicant in this application.

SWORN TO at Tuscan, Arizona, this 17 day of November, 2023.	)	
Hollie Butler	)	
Commissioner of Oaths	)	Walter Steven Lunn

HOLLIE BUTLER
Notary Public - Arizona
Pima County
Commission # 648719
My Comm. Exp. June 9, 2027

This is Exhibit "P" to the Affidavit of Esmond Clouthier
sworn to before me at the City of BARRIE
Province of Ontario, this 13 day of July, 2026.

Eric O. Gionet

Court File No. MC-314-2021

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK	COUR DU BANC DU ROI DU NOUVEAU-BRUNSWICK
TRIAL DIVISION	DIVISION DE PREMIERE INSTANCE
JUDICIAL DISTRICT OF MONCTON	CIRCONSCRIPTION JUDICIAIRE DE
B E T W E E N:	E N T R E:
TW1 OAKS INC.,	
Plaintiff,	Demandeur
- and -	- et -
RONALD HRYNYK and HR CORPORATE STRATEGIES INC.,	
Defendants,	Défendeur
- and -	
ESMOND CLOUTHIER, STEPHEN LUNN, TWELVE12 INVESTMENTS AND CONSULTANCY INC., and ROYAL OAKS GOLF CLUB INC.,	
Parties Added by Counterclaim.	

COURT OF KING'S BENCH
MONCTON, N.B.
FILED / REGISTERED
APR 05 2024
COUR DU BANC DU ROI
MONCTON, N.-B.
DÉPOSÉ / ENREGISTRÉ

NOTICE OF COUNTERCLAIM ON BEHALF OF WALTER STEVEN LUNN (Form 27C-2)	AVIS DE DEMANDE RECONVENTIONNELLE (FORMULE 27C-2)

TO: Royal Oaks Golf Club Inc.
c/o Edwin (Ted) Ehrhardt
Bingham Law
Marven's Place
1 Factory Lane, Suite 310
Moncton, NB E1C 9M3

DESTINAIRE:

THE PARTY ADDED BY COUNTERCLAIM, STEVEN LUNN, IN THIS ACTION HAS FILED THE WITHIN COUNTERCLAIM AGAINST YOU;

LE. DÉFENDEUR DANS CETTE ACTION A DÉPOSÉ LA DEMANDE RECONVENTIONNELLE CI-INCLUSE CONTRE LE DEMANDEUR ET VOUS-MÊME

If you wish to defend the Counterclaim, either you or a New Brunswick lawyer acting on your behalf must prepare your Defence to Counterclaim in the form prescribed by the Rules of Court and serve it on the Party Added by Counterclaim or his lawyer at the address shown below and, with proof of such service file it in this Court office,

Si vous désirez présenter une défense à la demande reconventionnelle, vous-même ou un avocat du Nouveau-Brunswick chargé de vous représenter devrez rédiger votre défense reconventionnelle en la forme prescrite par les Régles de procédure, puis la signifier au défendeur ou à son avocat à l'adresse indiquée ci-dessous et la déposer au greffe de cette Cour avec une preuve de sa signification:

(a) If you are served in New Brunswick, WITHIN 20 DAYS after service on you of this Notice of Counterclaim, or

(a) DANS LES 20 JOURS de la signification que vous sera faite du présent avis de poursuite accompagné d'une demande reconventionnelle, si elle vous est fait au Nouveau-Brunswick ou

(b) If you are served elsewhere in Canada or in the United States of America, WITHIN 40 DAYS after such service, or

(b) DANS LES 40 JOURS de la signification, si elle vous est faite dans une autre région du Canada our dans les Etats-Unis d'Amérique ou

(c) If you are served anywhere else, WITHIN 60 DAYS after such service.

(c) DANS LES 60 JOURS de la signification, si elle vous est faite ailleurs.

If you fail to do so you may be deemed to have admitted the counterclaim made against you and without further notice to you JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE.

Si vous omettez de la faire, vous pourrez être réputé avoir admis toute demande reconventionnelle et, sans autre avis, JUGEMENT POURRA ETRE RENDU CONTRE VOUS EN VOTRE ABSENCE.

You are advised that:

Sachez que:

(a) You are entitled to issue documents and present evidence in the proceeding in English or French or both;

(a) Vous avez le droit dans la présente instance, d'émettre des documents et de présenter votre preuve en français, en englais ou dans les deux langues;

(b) The Party Added by Counterclaim intends to proceed in the English language; and

(c) Your Defence to counterclaim must indicate the language in which you intend to proceed.

(b) Le demandeur a l'intention d'utiliser la langue Englais; et

(c) L'exposé de votre défense doit indiquer la langue que vous avez l'intention d'utiliser.

THIS NOTICE is signed and sealed for the Court of King's Bench by Sarah Hébert, Clerk of the Court at 145 Assomption Blvd, Moncton, New Brunswick, on the 5th day of April, 2024.

original signed by / original signé par Sarah Hébert

____

Sarah Hébert
Clerk of the Court
Judicial District of Moncton

Court of King's Bench of New Brunswick
Trial Division
145 Assomption Blvd.
Moncton, NB E1C 0R2

CET AVIS est signé et scellé au nom de la Cour du Banc de la Reine par ____________________, greffier de la Cour à ____________________, ce __________, .

____

STATEMENT OF DEFENCE

1. The Statement of Defence of Counterclaim of Walter Steven Lunn filed June 13, 2022 is incorporated herein by reference.

COUNTERCLAIM OF WALTER STEVEN LUNN

2. The Defendant, Walter Steven Lunn ("Lunn"), of Tucson, Arizona, was added as a party to these proceedings by Counterclaim filed by Ronald Hrynyk ("Hrynyk") and HR Corporate Strategies Inc. ("HR") – who are both Defendants as well as Plaintiffs by Counterclaim.

3. Hrynyk is the directing mind of HR.

4. Royal Oaks Golf Club Inc. ("ROGC") is a body corporate pursuant to the laws of the Province of New Brunswick with registered office at 401 Royal Oaks Blvd., Moncton, New Brunswick. ROGC is added to these proceedings by this counterclaim.

5. HR and the Plaintiff, TW1 Oaks Inc. ("TW1"), are shareholders in ROGC.

6. On March 29, 2019 Lunn entered into a Share Purchase Agreement ("SPA") with ROGC, TW1 and HR. Pursuant to the SPA Lunn purchased 125,667 common shares in ROGC for Five Hundred Thousand Dollars ($500,000.00).

7. Section 2.4 of the SPA provided Lunn with a "put option" whereby he was entitled to have his shares repurchased by ROGC, TW1 and/or HR for the sum of Five Hundred and Forty Thousand Dollars ($540,000.00) after one year. Section 2.4 states:

> Section 2.4. Put Option: The Seller [ROGC] shall do all acts and execute all such documents to give effect to a put option in respect of the Purchased Shares in favour of the Purchaser [Lunn] as follows:
>
> (a) On the first anniversary of the Closing Date [March 29, 2019] and within a period of ten (10) Business Days of such anniversary date (the "Put Option Date"), the Purchaser shall have the right, but not the obligation, to put the Purchased Shares to each the Seller and the Shareholders by written notice (the "Put Option"); and
>
> (b) The Seller and/or the Shareholders either separately or collectively shall purchase the Purchased Shares from the Purchaser at the value of five

hundred and forty thousand Canadian dollars (C$540,000) and shall cause the closing of such purchase to be effected within thirty (30) days after the end of the Put Option period set out in section 2.4(a) above.

8. Due to the impact of COVID-19, on March 31, 2020, Lunn was asked by Nicole Cloutier, an officer and director of TW1, to agree to a one (1) year extension of the Put Option on the same terms as stated in the SPA. This proposal was agreed to by HR, ROGC and Lunn.

9. On March 29, 2021, Lunn exercised his Put Option. Between June and December, 2021, Lunn was paid Eighty-Three Thousand Two Hundred and Thirty Dollars ($83,230.00) in respect of interest/dividends that accrued pursuant to the Put Option between March 29, 2019 and the date the Option was exercised: March 29, 2021. However, in breach of the SPA, ROGC, TW1 and HR have failed to pay Lunn Five Hundred Thousand Dollars ($500,000.00) in accordance with the Put Option.

10. Lunn therefore claims the following for breach of the SPA against ROGC, TW1 and HR, jointly and severally:

i. An Order declaring that ROGC, TW1 and HR are jointly and severally indebted to Lunn for the principal amount of Five Hundred Thousand Dollars ($500,000.00) plus compound interest accruing at a rate of eight percent per annum (8%) from March 29, 2021 through to the date of judgment;

ii. Judgment in favour of Lunn against ROGC, TW1 and HR, jointly and severally for the principal amount of Five Hundred Thousand Dollars ($500,000.00) plus compound interest accruing at a rate of eight percent per annum (8%) from March 29, 2021 through to the date of judgment;

iii. Post-judgment interest;

iv. Costs; and

v. Such further and other relief as this Honourable Court deems just and expedient.

11. The relief sought hereunder was first requested in the "Statement of Defence of Counterclaim" that Lunn filed on his own behalf on June 13, 2022. The form of that document was incorrect – it should have been in the form of a "Notice of Counterclaim". Lunn says the use of an improper form was a procedural irregularity that this Honourable Court may correct.

12. Lunn pleads and relies upon s. 21 of the ***Limitation of Actions Act***, SNB 2009, c L-8.5.

13. Lunn intends to proceed in the English Language.

DATED at Saint John, New Brunswick, this 27th day of March, 2024.

Michael D. Brenton, K.C.
Brenton Kean
Solicitors for the Party Added by Counterclaim,
Steven Lunn

BRENTON KEAN
75 Prince William Street, 4th Floor
PO Box 609
Saint John, NB E2L 4A5
Telephone: (506) 633-2556

C

This is Exhibit "Q" to the Affidavit of Esmond Clouthier sworn to before me at the City of BARRIE, in the Province of Ontario, this 13 day of July, 2026.

Eric O. Gionet

Court File No.: MC-314-2021

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

BETWEEN:

COURT OF KING'S BENCH
MONCTON, N.B.
FILED / REGISTERED
JUL 03 2024
COUR DU BANC DU ROI
MONCTON, N.-B.
DÉPOSÉ / ENREGISTRÉ

TW1 OAKS INC.,

Plaintiff,

- and -

RONALD HRYNYK and HR CORPORATE STRATEGIES LTD.,

Defendants.

- and –

ESMOND CLOUTHIER, STEPHEN LUNN, TWELVE12 INVESTMENTS AND CONSULTANCY INC. and ROYAL OAKS GOLF CLUB INC.

Parties added by Counterclaim.

DEFENCE TO COUNTERCLAIM OF WALTER STEPHEN LUNN (FORM 27D)

1. The Plaintiff, TW1 Oaks Inc. ("**TW1**") admits the allegations at paragraphs 1, 2, 3, 4, 5, 6 and 8 of the Counterclaim filed by Walter Stephen Lunn ("**Lunn**") on March 27, 2024 ("**the Counterclaim**").

2. TW1 denies that Lunn is entitled to the relief sought against TW1 at paragraph 10 of the Counterclaim and further denies that Lunn is entitled to any other relief against TW1.

3. With respect to paragraph 7 of the Counterclaim, TW1 admits these allegations, except to state that the Counterclaim does not reproduce section 2.4 of the Share

Purchase Agreement ("**the SPA**") in its entirety. TW1 pleads and relies upon the provisions of the SPA in their entirety.

4. With respect to paragraph 9 of the Counterclaim, TW1 admits that Lunn provided notice of his intent to exercise his put option on March 29, 2021 and admits that Lunn has been paid approximately $80,000. TW1 denies the remaining allegations in that paragraph.

5. With respect to paragraph 11 of the Counterclaim, TW1 denies that any relief was sought against TW1 in a "Statement of Defence of Counterclaim" filed by Lunn on June 13, 2022.

6. With respect to paragraph 12 of the Counterclaim, TW1 states that section 21 of the *Limitation of Actions Act*, SNB 2009, c L-8.5 ("**the LAA**") has no application to the Counterclaim against TW1.

7. With respect to the whole of the Counterclaim, TW1 states that:

   (a) TW1 was prepared to honour the put option on a *pro-rata* basis when Lunn advised of his intent to exercise same in March of 2021, but HR Corporate Strategies Ltd. ("**HR**") refused to recognize or honour the put option in violation of HR's contractual obligations, and Royal Oaks Golf Club Inc. did not have sufficient funds to purchase Lunn's shares;

   (b) faced with HR's refusal, Lunn forewent the put option in favour of exercising his voting rights as a shareholder, such that the put option was cancelled pursuant to sections 2.4(c) and 2.5 of the SPA;

   (c) in the alternative, if the put option was not cancelled, TW1 states that any claim by Lunn against TW1 to enforce the put option was discovered by Lunn in or around the spring of 2021 and, as a result, is statute-barred by expiry of the limitation period.

8. TW1 pleads and relies upon section 5 of the LAA and all provisions of the SPA, including sections 2.4, 2.5, 2.6 and 6.5 thereof.

9. TW1 asks that the Counterclaim against TW1 be dismissed with costs.

DATED at Moncton, New Brunswick, this 3rd day of July, 2024.

STEWART McKELVEY
Solicitors for the Plaintiff and Defendant by Counterclaim, TW1 Oaks Inc.

Per: Josie H. Marks

Stewart McKelvey
644 Main Street, Suite 601
P.O. Box 28051
Moncton, NB E1C 9N4
Telephone: (506) 853-1970
Facsimile: (506) 858-8454
Email: jmarks@stewartmckelvey.com

This is Exhibit R to the Affidavit of Esmond Clouthier
sworn to before me at the City of BARRIE, in the
Province of Ontario, this 13 day of July, 2026

Eric O. Gionet

Court File No: MC-314-2021

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK
TRIAL DIVISION
JUDICIAL DISTRICT OF MONCTON

BETWEEN:

TW1 OAKS INC.

Plaintiff

- and -

RONALD HRYNYK and HR CORPORATE STRATEGIES INC.

Defendants

- and -

ESMOND CLOUTHIER, STEPHEN LUNN, TWELVE12 INVESTMENTS AND CONSULTANCY INC., and ROYAL OAKS GOLF CLUB INC.

Parties Added by Counterclaim

DEFENCE TO COUNTERCLAIM
(FORM 27D)

1. The Defendants/Plaintiffs by Counterclaim, Ronald Hrynyk ("Mr. Hrynyk") and HR Corporate Strategies Ltd. (collectively the "HR Defendants"), admit the allegations contained in paragraphs 2, 3, 4, 5 and 6 of the Counterclaim on Behalf of Walter Steven Lunn (the "Lunn Counterclaim"), except with respect to paragraph 2 wherein it states "HR Corporate Strategies Inc." – the proper name is "HR Corporate Strategies Ltd." (hereinafter "HR").

2. The HR Defendants deny the allegations contained in paragraphs 7, 8 and 9 of the Lunn Counterclaim.

3. With respect to paragraph 1 of the Lunn Counterclaim, the HR Defendants make no plea.

4. With respect to paragraph 7 of the Lunn Counterclaim, the HR Defendants state that the Share Purchase Agreement ("SPA") between Royal Oaks Golf Club Inc. ("ROGC"), Walter Steven

Lunn ("Mr. Lunn"), HR and TW1 Oaks Inc. ("TW1"), is invalid and/or unenforceable as against them for the following reasons:

a. Nicole Clouthier misrepresented to the HR Defendants that the SPA was being prepared with the assistance and advice of counsel, and the HR Defendants were induced to execute the SPA on that basis;

b. Mr. Hrynyk is not a party to the SPA;

c. The SPA is so unclear, ambiguous and incomplete as to be invalid and unenforceable, and in particular:

    i. Sections 2.4 to 2.6 of the SPA are unclear, ambiguous and incomplete; and

    ii. Section 4.2(c) of the SPA references a Voting Agreement that was not attached to the SPA or does not exist;

d. The SPA was not entered into pursuant to and in compliance with the Shareholders' Agreement executed March 29, 2019 (the "SA"); and

e. Such further and other reasons as may be identified prior to trial.

5. With respect to paragraph 7 of the Lunn Counterclaim, in the alternative the HR Defendants plead and rely on the provisions of the SPA, in particular:

a. The definition of "Shareholders", which is "Ron, Jacquie and [TW1] collectively", and does not include HR;

b. Section 2.4(a) which states that within ten (10) days of March 29, 2020, Mr. Lunn "shall have the right, but not the obligation, to put the Purchased Shares to each of the Seller [meaning ROGC] and the Shareholders by written notice";

c. Section 2.4(b) which states, "[ROGC] and/or the Shareholders either separately or collectively shall purchase the Purchased Shares from the Purchaser at the value of five hundred and forty thousand Canadian dollars (C$540,000.00) and shall cause the closing of such purchase to be effected within thirty (30) days after the end of the Put Option period...";

d. Section 2.4(c) which states, "Where the Put Option is not exercised ... the Put Option shall be cancelled and ... the terms and conditions of Section 2.5 shall then apply to the Purchased Shares";

e. Section 2.5 which states that Mr. Lunn may cancel the Put Option at any time prior to March 29, 2020, "upon reasonable notice to the Shareholders and the Parties agree that they shall do all such acts and execute all such documents as may be required to cancel the put option and recognise the Purchased Shares as common shares in the capital of [ROGC] with full voting rights, including but not limited to the entry into of the shareholders agreement ..."; and

f. Section 2.6 which states, "Unless and until the Put Option is cancelled pursuant to Section 2.5 above, the Purchaser acknowledges and agrees that the Purchased Shares shall be deemed to be non-voting shares and that it shall not have the benefit of any voting rights under the Shareholders Agreement";

6. The HR Defendants deny that the SPA provided Mr. Lunn with a Put Option whereby he was entitled to have his shares repurchased by ROGC, TW1, and/or HR. Rather, the SPA purported to provide Mr. Lunn with a Put Option whereby he was entitled to have his shares repurchased by ROGC, TW1, and/or "Ron" and "Jacquie".

7. The HR Defendants further state that Mr. Hrynyk and Jacqueline Boddaert ("Ms. Boddaert") were improperly included in the definition of shareholders of ROGC because they were not shareholders at that time.

8. The HR Defendants deny that the SPA binds Mr. Hrynyk or Ms. Boddaert, as they are not parties to the SPA.

9. The HR Defendants further state that HR is not included in the definition of "Shareholders" in the SPA; therefore, the Put Option is not enforceable as against HR.

10. With respect to paragraph 8 of the Lunn Counterclaim, the HR Defendants deny that there was a valid and enforceable extension of the Put Option, for reasons that include but are not limited to:

a. The proposal to extend the Put Option put to Mr. Lunn by Ms. Clouthier on April 1, 2020, was invalid and improper because Ms. Clouthier did not have authority to put the extension proposal to Mr. Lunn, and did so without the knowledge or authority of the other parties to the SPA or the Put Option, in contravention of the terms of the SPA and the SA;

b. The proposal to extend the Put Option was not put to Mr. Hrynyk by Ms. Clouthier until April 10, 2020, after the Put Option had expired;

c. In her correspondence to Mr. Hrynyk on April 10, 2020:

   i. Ms. Clouthier represented to Mr. Hrynyk that she would "reach out to ... counsel" and the extension would be "papered" and "reflected in the corporate books" and any agreement by Mr. Hrynyk to the extension, which is not admitted but denied, was in reliance on this representation and conditional on those steps being taken, and was at best an unenforceable "agreement to agree"; and

   ii. Ms. Clouthier did not disclose that she had already put the proposal to extend the Put Option to Mr. Lunn; rather, she stated she would "reach out to [Mr. Lunn]", and Mr. Hrynyk acted in reliance on this misrepresentation;

d. The extension of the Put Option was not agreed to by all parties to the SPA and/or all parties to the Put Option;

e. Mr. Hrynyk reasonably expected that Ms. Clouthier would follow through with obtaining the advice and assistance of counsel, and with documenting the extension, and he reasonably expected that he would be provided the said documentation for his review and signature; however, Ms. Clouthier did not follow through with taking these steps;

f. There is no valid written agreement with respect to the extension of the Put Option;

g. The extension of the Put Option was not entered into pursuant to and in compliance with the SA; and

h. Such further and other reasons as may be identified prior to trial.

11. With respect to paragraph 9 of the Lunn Counterclaim, the HR Defendants deny that the Put Option was validly exercised by Mr. Lunn on March 29, 2021, or otherwise, for reasons that include but are not limited to:

a. The Put Option had expired and was not validly extended;

b. Mr. Lunn did not provide valid written notice of his decision to exercise the Put Option to each of the parties to the SPA and/or each of the parties to the Put Option in accordance with Section 2.4 of the SPA;

c. Each of the parties to the SPA and/or each of the parties to the Put Option did not accept Mr. Lunn's exercise of the Put Option; and

d. Such further and other reasons as may be identified prior to trial.

12. With respect to paragraph 9 of the Lunn Counterclaim, the HR Defendants further deny that Mr. Lunn was entitled to receive $83,230 "in respect of interest/dividends that accrued pursuant to the Put Option between March 29, 2019 and the date the option was exercised: March 29, 2021," and if such amounts were paid to Mr. Lunn, this was done in contravention of the SA.

13. The HR Defendants plead and rely on the terms of the SA, including without limitation:

a. The definition of "Shareholders", which is "TW1 Oaks and HR";

b. Section 1.03, which provides that the SA shall apply to Mr. Lunn's shares "upon certain trigger events and on the terms and conditions as set out in the respective share purchase agreement between the relevant parties, the Corporation and the Shareholders";

c. Sections 3.07 and 3.08, which provide for the indemnity of directors by ROGC of amounts paid to settle an action or satisfy a judgment reasonably incurred in respect of a civil proceeding;

d. Section 4.02, which states:

> **4.02 Major Decisions of the Shareholders.** No act, decision, by-law or resolution of the Board of Directors which relates to any of the following matters may be acted upon by the Corporation without the prior written consent of all of the Shareholders:
>
> ...
>
> 5. Issuance of shares in the Corporation ...
>
> ...
>
> 18. Make any payment of dividends, distribution of surplus earnings, return of capital, redemption or repurchase or other acquisition of shares;

e. Section 6, which sets out terms and restrictions regarding share transactions.

14. The HR Defendants deny any and all liability in respect of the SPA and/or the Put Option.

15. The HR Defendants deny the relief claimed at paragraph 10 of the Lunn Counterclaim.

16. With respect to paragraph 11 of the Lunn Counterclaim, the HR Defendants state that the Lunn Counterclaim goes beyond correcting a procedural irregularity in the "Statement of Defence of Counterclaim" filed by the Party Added by Counterclaim, Walter Steven Lunn, on June 13, 2022 (the "2022 Lunn Counterclaim"), and in particular and without limiting the generality of the foregoing:

a. The Lunn Counterclaim advances a claim against HR, ROGC, and TW1 in joint and several liability, whereas the 2022 Lunn Counterclaim only advances a claim against Mr. Hrynyk personally in the amount of $261,485, representing 42% of $500,000 ($210,875) plus 3 years of interest at 8% ($50,610). The 2022 Lunn Counterclaim does not advance a claim against HR, ROGC, or TW1, nor does it plead joint and several liability; and

b. In the 2022 Lunn Counterclaim at paragraph 24, Mr. Lunn pleads that his 125,667 common shares in ROGC are voting shares. This is an entirely different position than that taken by Mr. Lunn in the Lunn Counterclaim.

17. The HR Defendants state that the Lunn Counterclaim is barred by Section 5 of the *Limitations of Actions Act*, S.N.B. 2009, c. L-8.5, which is pleaded and relied upon by the HR Defendants.

18. With respect to paragraph 12 of the Lunn Counterclaim, the HR Defendants deny that the Party Added by Counterclaim, Walter Steven Lunn, may rely on Section 21 of the *Limitations of Actions Act*.

19. The HR Defendants respectfully request that the Lunn Counterclaim be dismissed with costs.

20. The HR Defendants intend to proceed in the English language.

DATED at Fredericton, New Brunswick, this 10th day of July, 2024.

COX & PALMER

Andrea Pierce

Ryan P. Burgoyne & Andrea L. Pierce
Solicitors for the Defendants,
Ronald Hrynyk and HR Corporate Strategies Inc.

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