

River's Bend Wood Products Incorporated

Invitation for Offers
April 10, 2015



TITLE AND DISCLAIMER

NOTICE TO READER

The purpose of this Invitation for Offers (the “Invitation”) is to provide a description of the certain assets owned by River’s Bend Wood Products Incorporated (the “Company”). On the 3rd day of March, 2015, the Business Development Bank of Canada (“BDC”) appointed PricewaterhouseCoopers Inc. (“PwCI”) as Receiver (the “Receiver”) pursuant to the terms of security held by BDC in respect of certain assets of the Company. PwCI invites offers for the purchase of the assets contained herein. The sale of the assets will be in PwCI’s capacity as Receiver and the Vendor will be PwCI in that capacity.

The information contained herein is based upon information provided by the Company and is intended solely for use by prospective purchasers of the assets described herein.

This Invitation is not all-inclusive and does not contain all of the information that a prospective purchaser of the Company may require. While the Receiver has used reasonable best efforts to ensure that the information contained herein is accurate and reliable, the Receiver does not make any representations or warranties, expressed or implied, as to the accuracy or completeness of such information or any other written or oral communication by the Company, PwCI, or any of the Company’s other advisors or agents. Prospective purchasers should, in accordance with the procedures set forth under the “Sales Process” in Appendix B of this Invitation, conduct their own investigation and analysis and form their own judgment of the data and assets described.

The Receiver, at its sole discretion, reserves the right at any time to withdraw any or all of the assets from the solicitation, terminate this solicitation or alter, add or waive terms and conditions as it deems appropriate.

Dated at Halifax, Nova Scotia this 10th day of April, 2015.

**PricewaterhouseCoopers Inc.
Receiver of River’s Bend Wood Products Incorporated**



Philip Clarke, CA, CIRP
Senior Vice President

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ASSETS FOR SALE

Background

The Company owns two parcels of land located at 1436 Pomquet River Road, Antigonish, Nova Scotia. The properties measure approximately 36 acres and consist of:

- A commercial building housing the show room, offices, manufacturing line, and storage/bays.
- A kiln building used for the drying/chemical process.

The Company operated at this facility as a manufacturer and wholesale outlet of unfinished/finished flooring, wainscoting, baseboard, casing, mouldings, and custom profiles.

Parcel 1 – Land and Buildings (PID’s: 01283811 and 01243393)

Site Description:

Item	Description
Property Identifiers (PID)	01283811 and 01243393.
Municipal Address	1436 Pomquet River Road, Antigonish, Nova Scotia.
Location Overview	Situated on the eastern portion of Nova Scotia some 100 miles from Halifax. The location is provided in the map in Appendix A.
Surrounding Land Uses	Rural with large tracks of farmland and woodland.
Site Area	Approximately 36 acres.

Building Description:

Item	Description
Architectural Style	Single story manufacturing warehouse with office mezzanine.
Year Built	2008 (original) with rear warehouse addition in 2011.
Foundation	Poured concrete slab.
Walls	Vertical metal siding.
Frame	Wood frame.
Roof	Metal (ribbed).
Insulation	Walls – batt. Roof – blown-in insulation.
Loading Docks	3 x grade level loading. 1 x dock level loading.
Plumbing	1 x 2 piece washroom. 1 x 3 piece washroom (including shower). 1 x stainless steel sink. 1 x electric “Space Saver” hot water heater; 40 liters.
Heating	1 x “Benjamin” oil fired in-floor furnace. 1 x “NTI” oil fired in-floor furnace. In-floor radiant heat. Electric baseboard units (Mezzanine).
Air-conditioning	1 x “Trane” air-conditioning unit; fan driven (Mezzanine).
Electrical	600 volts; 400 amp and 1,200 amp service.

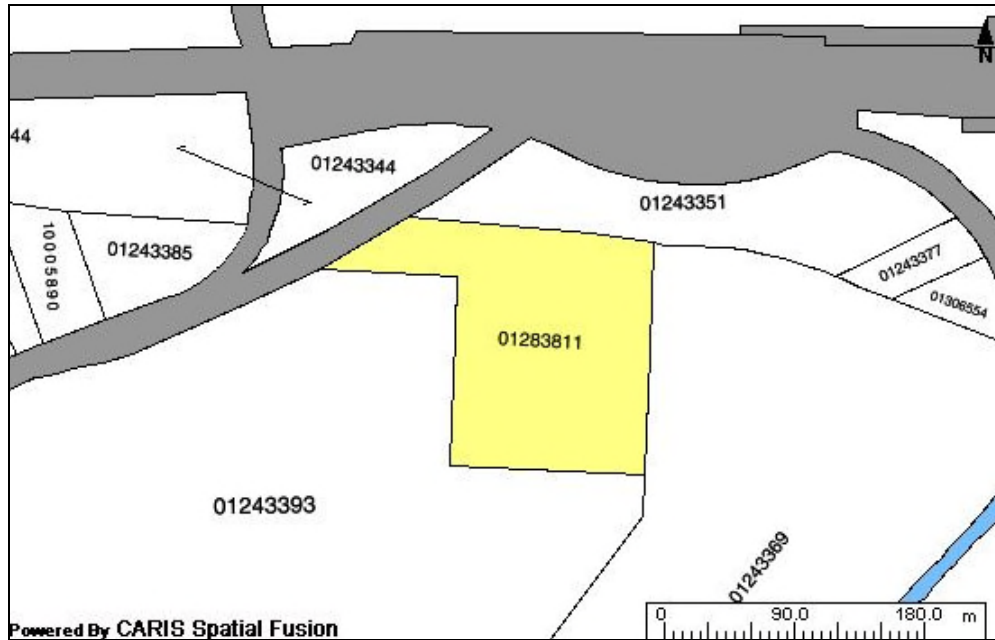
Parcel 2 – Machinery and Equipment

Description	Quantity
Nyle Dry Kiln Controls Model HT35 System Se#972159 (1997)	1
Nyle Dry Kiln L-500 Dehumidifier Ser#67504 (1987)	1
5 Hp Air Compressor Model DF-580H	1
1996 Woodmizer LT40 Portable Sawmill	1
Leadermac Platinum 623 6 Head Moulder Ser#022306	1
MPB Endprofiling Machine Model 111 Ser#MPB114NA	1
Miter Chop Saw (Dewalt, Craftsman)	2
Cantek MRS300A Rip Saw Ser#020754003	1
Conveyors in Lots (Motorized)	1
1989 Raymond Isle Lift Electric Model 311-S-40TT	1
Terry Portable Electric Heater HD225FT	1
Metal Wagon On Wheels (Transport Wood)	2
Circular Hand Strapper	1
Plastic Shelving Unit	3
Watkins Saw Sharpener 731 Ser#T55098	1
Metal Chop Saw	1
Table Vise	1
Hand Tools In Lots	1
Power Tools In Lots	1
Chainsaw	1
7 Ft Metal Finished Product Carts	5
Acroprint Time Clock 125NR4 Ser#0217818MR	1
Strapex Strapper Ser#608106178	1
Pallet Jack	2
9ft Powered Sorting Table	1
Mosca Electric Strapper model ROMP4 Ser#65446	1
Fiberglass Step Ladder	1
Ultra 13Gal. 60.5 Litre Shop Vac.	1
Battery Pallet Jack	2
Engine Hoist	1
GTI Color Matcher CMB2028	1
Gerard Oval Strapper Model LMM	1
Zebra S4M Labeller	1
Hp Color Laser Jet CM1312 nh Printer	1
PC With LCD Monitor	2
L Shaped Desk With Credenza Wood Veneer	1
Electric Space Heater	1
2 Drawer Lateral Veneer Filer	1
L Shaped Wood Veneer Desk	1
4 Drawer Legal File Cabinet	1
6ft Plastic Folding Table	4
Office Chairs On Casters	4
Leather Reception Chairs	4
5 Drawer Lateral File Cabinet	1
Gre Con Spark Detection Extinguishing Control Box BS7	1
UV Map Plus Spectral Response Radiometer	1
Novo Glass Gardco 60 Degree Glossmeter	1
Paint Booth With Fans & Sprayer	1

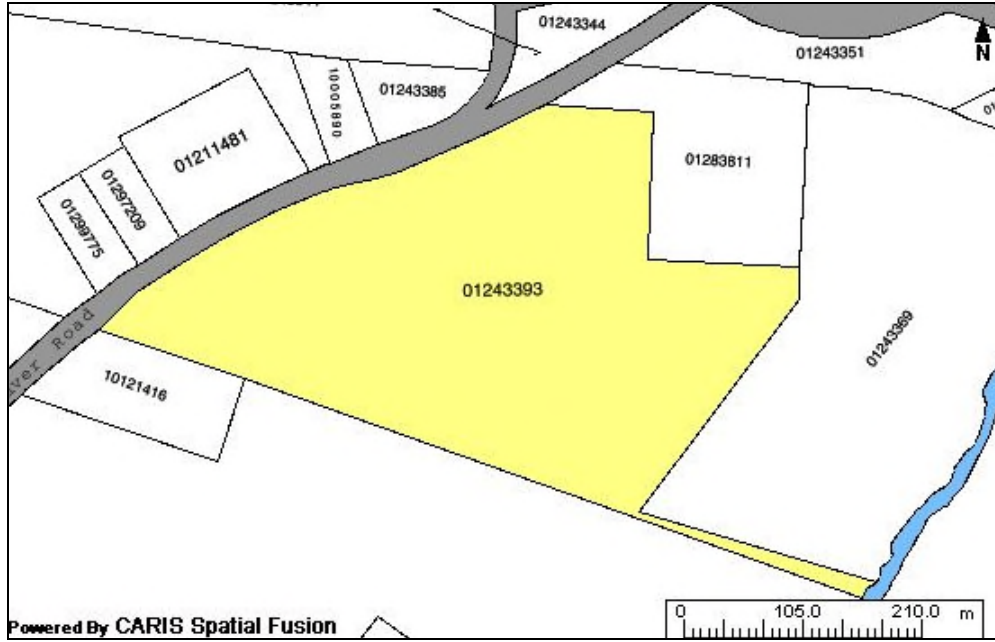
APPENDIX A – SITE AND PHOTOGRAPHS



Land and Building located at 1436 Pomquet River Road, Antigonish, Nova Scotia – Labeled “A”.



Property map of PID 01283811. Mapped acreage of approximately 6 acres.



Property map of PID 01283811. Mapped acreage of approximately 30 acres.



Front Entrance to the Showroom, Offices, and Facility.



Showroom.



Upstairs Offices.



Manufacturing Area.



Rear Exterior of the Facility.



Kiln Building.

APPENDIX B – SALE PROCESS

Sale Process

PwCI intends to make the Invitation available to all interested parties. Prospective purchasers are invited to submit an offer for the purchase of the assets as described within this Invitation.

The Sale Process will be managed in accordance with the following procedures established by PwCI. PwCI retains the right at any time to terminate or alter the Sale Process without compensation to any party.

Offers to Purchase

Following the review of the Invitation, prospective purchasers are asked to submit a binding offer to purchase in the form attached in Appendix D to the Halifax office of PwCI at the address noted on the form of offer on or before **4:00pm AST, Friday, May 8, 2015**. This binding offer to purchase should include the following details:

- The purchase price, based on the attached Terms & Conditions;
- A certified cheque or bank draft for 15% of the purchase price;
- The names of the legal counsel retained by the prospective purchaser in connection with the proposed transaction.

PwCI will review the offers to purchase and select the final acquirer(s). PwCI does not have to accept the highest or any offer. PwCI intends to select the offer considered to be most favourable in terms of meeting the Receiver's objectives. The sale of the assets will be subject to Court approval.

This sales process does NOT include all the assets of River's Bend Wood Products Incorporated. Those parties wishing to make an offer to buy all the assets should contact the Receiver.

Prospective purchasers may obtain a more detailed description of the assets and viewing arrangements of the assets by contacting Paul Pettigrew at 902-491-7412, by email at paul.l.pettigrew@ca.pwc.com or by writing to the address below:

PricewaterhouseCoopers Inc.

Receiver of River's Bend Wood Products Incorporated
1601 Lower Water Street, Suite 400
Halifax, NS B3J 3P6

APPENDIX C – TERMS AND CONDITIONS OF SALE

PRICEWATERHOUSECOOPERS INC.

RIVER'S BEND WOOD PRODUCTS INCORPORATED

TERMS AND CONDITIONS OF SALE

1. The Vendor is PricewaterhouseCoopers Inc., in its capacity as Receiver of certain assets of River's Bend Wood Products Incorporated ("Vendor" or "Receiver") and not in its personal capacity.
2. The assets being offered for Sale, pursuant to these Terms and Conditions of Sale, consist of the Vendor's interest in the assets as described in the Invitation for Offers to purchase assets and property description (the "Assets").
3. The sale of the assets may be subject to Court approval.
4. Offers marked "Offer – River's Bend Wood Products Incorporated" addressed to PricewaterhouseCoopers Inc., 1601 Lower Water Street, Suite 400, Halifax, Nova Scotia B3J 3P6, must be received by PricewaterhouseCoopers Inc. no later than 4:00 pm AST, Friday, May 8, 2015.
5. Each offer must be accompanied by a certified cheque or bank draft payable to "PricewaterhouseCoopers Inc. - In Trust", for an amount equal to 15% of the purchase price. If an offer is accepted and approved, the cheque or bank draft shall be deemed a cash deposit and the balance of the purchase price shall be paid to the Vendor, at the times and on the terms and conditions herein set out. The purchaser hereby agrees that the deposit constitutes a genuine pre-estimate of damages and that the deposit will be forfeited as liquidated damages by the purchaser to the Vendor if the offer is withdrawn at any time before notification of the acceptance of the successful offer has been given. Otherwise, the deposit shall be returned to the purchaser if the offer is not accepted; if the offer is accepted, the deposit will be dealt with in accordance with the Terms and Conditions of Sale.
6. All offers shall be submitted on the required Form of Offer, which is attached to these Terms and Conditions of Sale. The Vendor may reject offers that are not on the required Form of Offer.
7. Offers may be submitted for (a) separate parcels or (b) a bulk purchase of all parcels. The Receiver reserves the right to sell individual parcels, groups of parcels or as a bulk sale of all parcels.

8. In consideration of the Vendor making available these Terms and Conditions of Sale, other information and the opportunity of inspection and/or in consideration of the Vendor receiving offers, each prospective Purchaser agrees that its offer is irrevocable and cannot be retracted, withdrawn, varied or countermanded prior to acceptance or rejection thereof.
9. In the event that some of the offers submitted are substantially for the same terms and/or amounts, the Vendor may in its sole discretion call upon those prospective purchasers to submit further offers. In the event no offers are accepted by the Vendor with respect to any parcel(s), the Vendor shall have the right to negotiate for the sale of any or all such parcels with any person including any person who has previously submitted an offer for the subject Assets.
10. The Vendor, at its discretion, may waive or vary any or all of the Terms and Conditions of Sale or its advertisement, or withdraw this Invitation for Offers.
11. The highest or any offer shall not necessarily be accepted.
12. If the Vendor accepts any offer, then such acceptance shall be communicated to the successful prospective Purchaser within ten (10) business days of the date fixed for the closing of offers. Such notice may be by telephone, email, facsimile or other means of recorded telecommunications or by registered mail or delivery. Notice of acceptance shall be deemed effectively given when so delivered, telephoned or sent by facsimile or other means of recorded telecommunication or on date of deposit in a post office if mailed by registered mail, as the case may be. Upon such acceptance, there shall be an Agreement of Purchase and Sale between the Vendor and the Purchaser on the terms contained herein and the offer, these Terms and Conditions of Sale, and the acceptance shall be sufficient evidence of such Agreement.
13. Certified cheques and bank drafts accompanying offers that are not accepted by the Vendor will be returned, without interest, to the address given in the offer within ten (10) business days of the date fixed for the closing of offers.
14. The balance of the purchase price shall be paid to the Receiver by cash, wire transfer or bank draft upon closing, which closing shall occur within thirty (30) days after acceptance of offers by the Receiver, or on court approval should such approval be required. This requirement for approval is at the sole discretion of the Receiver.
15. Upon closing of the sale contemplated by the Agreement of Purchase and Sale, the Purchaser shall be entitled, upon receipt by the Vendor of the Purchase Price, only to such Deeds, Bills of Sale or Assignments as may be considered necessary by the Vendor to convey the Assets to the Purchaser or the Assignee of the Purchaser provided that the Purchaser shall remain liable under the Agreement of Purchase and Sale, notwithstanding any assignment thereof by the Purchaser. Any such Deeds, Bills of Sale or Assignments shall contain only a conveyance of the

Vendor's interest in the Assets and shall not contain any warranty or covenant other than a covenant that the Vendor has done no act to encumber the Assets.

16. In addition to the Purchase Price for the Assets being purchased, the Purchaser shall pay to the Vendor on the Closing Date all applicable federal, provincial and other taxes unless all necessary Certificates to exempt the Purchaser there from are provided to the Vendor on or before the Closing Date. The Purchaser shall arrange its own insurance and there shall be no adjustment for insurance. The Purchaser shall be responsible for all costs with respect to the obtaining of all Federal, Provincial, civic and other licenses necessary to carry on a business.
17. Real Property Taxes will be the responsibility of the Vendor and will be adjusted on the Closing Date so that clear title is passed to the Purchaser.
18. The obligation of the Vendor to sell, and the Purchaser to purchase, the Assets shall, at the option of the Vendor terminate in the event that, prior to the Closing Date of the sale the Assets are substantially destroyed by fire, flood, the elements, Government action, or civil commotion or any other external cause beyond the control of the Vendor. Such option to terminate by the Vendor shall be exercised by giving notice in writing to the Purchaser that it intends to take the proceeds, if any, payable under any existing insurance policies and terminate the Agreement of Purchase and Sale. In such an event, the Agreement of Purchase and Sale shall automatically terminate and be deemed null and void and the deposit money shall be returned to the Purchaser without interest, cost, and compensation or deduction and no party shall be liable to another for any costs or damages whatsoever. If the Vendor does not exercise such option, the Purchaser, at his option may perform the Agreement of Purchase and Sale, such option to be exercised in writing, within seven (7) business days after notice to the Purchaser that the Vendor does not intend to exercise its option to terminate. In such event, the Purchaser shall be entitled only to an assignment of any proceeds payable under the existing insurance policies and transfer of any remaining Assets in full settlement of the Vendor's obligations to repair or replace the damaged assets and in full satisfaction of this Agreement of Purchase and Sale. If the Purchaser does not exercise his option, the Agreement of Purchase and Sale shall be automatically terminated and deemed null and void and the deposit money shall be refunded to the Purchaser without interest, costs, compensation or deduction and neither party shall be liable to the other for any costs or damages whatsoever.
19. The Purchaser shall not have any right of possession of the Assets until the Closing Date and completion of the Agreement of Purchase and Sale. Title to the Assets shall not pass to the Purchaser, nor shall the Purchaser be entitled to possession of same, until the purchase price and all other payments to be made by the Purchaser pursuant to the Agreement of Purchase and Sale have been paid in full.
20. If, on or before closing, it is found that there are title defects with respect to any of the Assets being offered for sale which the Purchaser has not agreed to waive or assume in addition to, or as part of his offer, and which the Vendor is not willing to

discharge, then, subject to the Vendor's consent, the offer may be reduced to exclude any such parcel and to reduce the offer by the amount of the value of that parcel as set out in the Offer or the Vendor at its own option may rescind the agreement to sell the Assets in question and the Purchaser shall be entitled solely to the return of the cash deposit without interest and without any other compensation of any kind or nature whatsoever for any loss, damages or other costs.

21. If the Purchaser fails to comply with these Terms and Conditions of Sale, the deposit shall be forfeited to the Vendor on account of liquidated damages and the Assets may be resold by the Vendor in such manner and on such terms as the Vendor in its sole discretion determines and the Purchaser shall pay to the Vendor (i) an amount equal to the amount, if any, by which the Purchase Price under the Agreement of Purchase and Sale exceeds the net purchase price received by the Vendor pursuant to such resale, and (ii) an amount equal to all costs and expenses incurred by the Vendor in respect of or occasioned by the Purchaser's failure to comply with the Agreement of Purchase and Sale.
22. By submitting an offer, the Purchaser acknowledges that it has inspected the Assets and that the Assets are sold on an "as is, where is" basis at the time of closing and that no representation, warranty or condition is expressed or implied as to title, description, environmental conditions, fitness for purpose, merchantability, quantity, condition, cost, or quality thereof or in respect of any other matter or thing whatsoever. Without limitation the Assets are specifically offered as they exist on closing and with no adjustments to be allowed to the Purchaser for changes in conditions, qualities or quantities of the Assets from the date hereof to the Closing Date except as specifically provided for in the Terms and Conditions of Sale. Each Purchaser acknowledges that the Vendor is not required to inspect or count, or provide any inspection or counting, of the Assets.
23. PricewaterhouseCoopers Inc. acts in its capacity as Receiver as aforesaid and shall have no personal or corporate liability hereunder or from any Agreement of Purchase and Sale or as a result of any sale contemplated hereby.
24. The Terms and Conditions contained herein shall not merge on closing, but shall survive such closing and remain in full force and effect and be binding on the Purchaser thereafter.
25. In the event that disruption occurs with respect to the Canadian or other postal service, all notices contemplated by these Terms and Conditions of Sale may be forwarded by telegram or facsimile.
26. The validity and interpretation of these Terms and Conditions of Sale, and of each provision and part thereof, and of any Agreement of Purchase and Sale defined herein, shall be governed by the laws of Nova Scotia and the Courts of the Province of Nova Scotia shall have exclusive jurisdiction with respect to any disputes arising out of these Terms and Conditions of Sale or any Agreement of Purchase and Sale entered into pursuant to these Terms and Conditions of Sale.

27. If there is any conflict between these conditions and the advertised Invitation for Offers to Purchase Assets, the terms contained in these Terms and Conditions of Sale shall prevail.
28. The submission of an offer by a resident of the Province of Quebec will be deemed to constitute a declaration and acknowledgement by such resident that it has requested these terms and conditions of Sale, the Form of Offer referred to herein and all other documentation relating to its offer and the acceptance thereof to be drawn up in the English language.
29. The Agreement of Purchase and Sale entered into pursuant to these Terms and Conditions of Sale shall enure to the benefit of and be binding upon the parties thereto, and their respective heirs, executors, administrators, successors and assigns.
30. All stipulations as to time are strictly of the essence.

PricewaterhouseCoopers Inc.
River's Bend Wood Products Incorporated
1601 Lower Water Street, Suite 400
Halifax, Nova Scotia B3J 3P6

APPENDIX D – FORM OF OFFER

RECEIVER'S INTEREST IN CERTAIN ASSETS OF RIVER'S BEND WOOD PRODUCTS INCORPORATED

TO: PRICEWATERHOUSECOOPERS INC.,
Receiver of River's Bend Wood Products Incorporated
1601 Lower Water Street, Suite 400
Halifax, Nova Scotia, B3J 3P6
Attention: Philip Clarke, CA-CIRP

(Name of Purchaser) _____

(Address of Purchaser _____
- include Postal Code)

(Telephone Number of Purchaser) _____

TERMS & CONDITIONS

1. I, we, hereby submit this offer for **one or more** of the following parcel(s).

The amount shown for each parcel will be considered a separate offer.

Parcel #	Description	Offer
1	Land and Buildings	
2	Machinery and Equipment	
		Total Offer

2. I, we, hereby submit this offer for the **bulk purchase** of the following parcels:

A bulk offer must indicate the value attributed to each parcel included in the bulk offer. Please make reasonable allocations based on your best knowledge of the value and conditions of the assets.

Parcel #	Description	Offer
1	Land and Buildings	
2	Machinery and Equipment	
		Total Offer

3. The amount of the offer is exclusive of Harmonized and Goods and Services Tax which shall be payable by the purchaser, where applicable, on assets purchased.
4. Enclosed is the Purchaser's certified cheque payable to PricewaterhouseCoopers Inc., In Trust in the amount of \$ _____ representing 15% of the total amount of the offer.
5. It is acknowledged that this offer is subject to the Terms and Conditions of Sale issued by the Vendor.

DATED AT _____, this ____ day of _____ 2015.
(City or Town) (day) (month)

(Print name of Purchaser) _____

Per: _____
AUTHORIZED SIGNING OFFICER

For the information of the Vendor, the attached indicate our proposed counsel for purposes of this transaction (if none identified as yet, please so indicate):

Counsel name

Telephone number

Counsel firm name