



OPERATIONAL HIGHLIGHTS

DEBT FINANCING SECURED

Management is pleased to announce that it has successfully closed a \$5M debt financing facility to fund the remaining purchase of the water licence as well as additional land development project plan costs. The facility was secured at a favourable rate of Prime plus 1.50%; 5.45% at this time. This is a significant milestone for the project as the debt facility is

expected to reduce the overall cost of capital for the project and ultimately increase potential returns for investors. This was a successful transaction with a lending partner that understands the needs of the project as well as the development potential of the lands. For further information, refer to the Investor Update provided on May 30, 2019.

AREA STRUCTURE PLAN PROGRESS

- PHASE 1  
Project Initiation & Background Analysis
- PHASE 2  
Public Engagement & Consultation
- PHASE 3  
Draft Vision, Objectives & Land Use Scenarios

Rocky View County continues the formal Area Structure Plan (ASP) review process. As previously reported, in December 2018, Rocky View County decided to proceed with a single land use scenario for presentation and discussion with the Growth Management Board. This scenario includes all of the Bow Lands and designates both quarter sections as "potential business commercial". Furthermore, Rocky View County staff has committed to present a draft of the ASP to Rocky View Council prior to year-end. Given the timelines for review and

- PHASE 4  
Growth Management Board Discussions
- PHASE 5  
Plan Drafting & Completion

approval, a final ASP is expected in 2020, but cannot be guaranteed. For more information, visit: <https://www.rockyview.ca/BuildingPlanning/PlansUnderReview/SpringbankAreaStructurePlan.aspx>

BUSINESS DEVELOPMENT OPPORTUNITIES

With many elements of the land development project plan moving forward, Management has been switching focus on exit opportunities which has involved generating relationships with potential development partners. In doing so, Management has attended several preliminary meetings and events with retail and investment partners. Recently attending the International Conference of Shopping Centers (ICSC), Management presented the conceptual plan for future land use and details of proposed retail areas, based off the feasibility and viability studies completed by Global Retail Strategies. Positive feedback from potential development partners was received which provides positive indication on the development opportunity and vision for the Bow Lands.

ABOUT

Bow Water & Land is comprised of 298.5 acres of undeveloped land located 6.4 km west of the City of Calgary, and a large prospective water allocation of up to 1,200 acre-feet of water per year (enough to service approximately 3,500 homes or 10,000 people annually).

FUND HIGHLIGHTS

- \$15.4 Million Capital Raised in the Trust
- \$9.3 Million Invested by Management, Directors & Associates<sup>1</sup>
- \$15 per Investor Unit
- >600 Registered Investors

1. Directly and indirectly by affiliated entities of the Trust

WATER LICENCE TRANSFER

Management continues to await a decision on the water licence transfer. As noted in the May 30 update, Alberta Environment and Parks (AEP) revised their timeline, postponing the deadline for feedback following the public notice period. Although the decision regarding transfer remains pending, Management remains confident that AEP has been provided everything necessary to approve the transfer. A final decision regarding the water licence transfer is expected in the coming months, subject to any other regulatory delays as they may arise.

**Until transfer takes place, access to water remains a risk of the project. Refer to the Offering Memorandum dated September 28, 2018.**



# BOW WATER & LAND

## MANAGERS REMARKS

“The progress with the ASP and commitment by the county to have a draft plan by year end is a very strong indicator of progress. What’s more is furthering the vision for the lands and having the ability to share that vision with potential development partners. All of these positive elements have contributed to our ability to secure debt financing and have reaffirmed the strong opportunity that exists for the Bow Lands especially in times where the lending market on raw lands in Alberta remains, generally, unfavourable.”

**JENNA** CPA  
**TRUONG** VP Finance

**WANT TO LEARN MORE ABOUT  
THE MANAGER?**

VISIT *durum.ca*

Contact your Authorized Dealing Representative should you have any questions regarding your investment in Bow Water & Land Trust

### DISCLAIMER

This information release is to be read in conjunction with the Offering Memorandum dated September 28, 2018 (the “OM”). This document constitutes “OM marketing materials” as defined in National Instrument 45-106 – Prospectus Exemptions and is deemed to be part of, and is incorporated by reference into, the OM. All business activities in this business update are set out in the OM or are contemplated in the OM. While the information contained herein is positive, the listed events/activities are not considered by the Manager of the Trust to constitute material changes or events. Prospective purchasers of this investment opportunity should review the OM and will need to be qualified for investment by their Exempt Market Dealer prior to making any investment. The risks outlined in the OM remain relevant. There is no guarantee that the water licence referred to herein will be found to be in good standing and there can be no assurance that the proposed transfer will be approved, as set out in the OM. Capitalized terms have the meaning set out in the OM.

### CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain information set forth in this information release, including information and statements which may contain words such as “could”, “plans”, “intends”, “should”, “anticipate”, “expects”, “will”, “propose”, “opportunity”, “future”, “continue”, and similar expressions and statements relating to matters that are not historical facts, contain forward-looking statements and forward-looking information (collectively, “forward-looking statements”). The forward-looking statements contained in this information release speak only as of the date thereof and are expressly qualified by this cautionary statement. Forward-looking statements in this information release include, among others, statements regarding: the completion and approval of the final ASP, the receipt of all applicable regulatory approvals, and the completion of the transfer of the Existing Water Licence to the General Partner.

By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Trust’s control,

including those risks set out in the OM under the heading “Item 8 – Risk Factors”). Readers are cautioned that the assumptions used in the preparation of such forward-looking statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The actual results, performance or achievement of the Trust could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the Trust will derive therefrom. The Trust disclaims any intention or obligation to update or revise any forward-looking statements, whether as result of new information, future events or otherwise, except as required by applicable securities laws.