



Confidential

Offering Memorandum

Agcapita Farmland Fund VI
4,000,000 Units

February 11, 2016

This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with this Offering. By their acceptance of this Offering Memorandum, recipients agree that they will not transmit, reproduce or make available to anyone, other than their professional advisors, this Offering Memorandum or any information contained herein.

Offering Memorandum (Form 45-106F2)

This Offering Memorandum constitutes an offering of securities only in those jurisdictions and only to those persons to whom they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of these securities. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum. Any such information or representation which is given or received must not be relied upon.

Date: February 11, 2016

The Issuer: Agcapita Farmland Fund VI (the "Fund")
Address: #313 – 5940 Macleod Trail S.W., Calgary, Alberta T2H 2G4
Phone #: (587) 887-1541
Fax #: (587) 887-1537
Email: info@agcapita.com

Currently listed or quoted? **No. These securities do not trade on any exchange or market.**
Reporting issuer? No.
SEDAR filer? No.

The Offering

Securities Offered:	The Offering consists of up to 4,000,000 units (the "Units") of the Fund. See Item 5 - Securities Offered
Price per Security:	\$5.00 per Unit.
Minimum/Maximum Offering:	Maximum offering is \$20,000,000 (4,000,000 Units). Aside from the Minimum Subscription Amount (set out below), there is no minimum. You may be the only purchaser. Funds available under the Offering may not be sufficient to accomplish our proposed objectives.
Minimum Subscription Amount:	Except with the consent of the Administrator of the Fund, the minimum subscription is \$5,000 (1,000 Units). See Item 5.2 - Subscription Procedure.
Payment Terms:	Certified cheque or bank draft payable to the Fund (or as it otherwise directs) in the amount of the total purchase price of the Units being subscribed for. See Item 5.2 - Subscription Procedure.
Proposed Closing Date(s):	Closings will occur from time to time at the discretion of the Administrator.
Tax Consequences:	There are important tax consequences to these securities. The Fund has been advised that, provided certain conditions are met, the Units will be qualified investments for Exempt Plans, which include RRSPs, RRIFs, DPSPs, RESPs, RDSPs and TFSAs. Although it is intended that the Fund qualify as a "mutual fund trust" pursuant to the Tax Act, the Fund will not be a "mutual fund" under applicable securities laws. See Item 6 - Certain Canadian Federal Income Tax Considerations and Exempt Plan Eligibility.
Selling Agent:	The Fund may retain several non-exclusive securities dealers to effect sales of Units. The Fund may pay a selling commission or finder's fee to such securities dealers, provided that the quantum thereof shall not exceed 9% of the gross proceeds from the sale of the Units as measured at the time of Closing in respect of such sale. In addition to the foregoing, the Fund may pay an administration fee to such securities dealers, provided that the quantum thereof shall not exceed 1% of the gross proceeds from the sale of the Units as measured at the time of Closing in respect of such sale. See Item 7 - Compensation Paid to Sellers and Finders.
Resale Restrictions:	The Units are subject to restrictions on resale. There is no market for the Units and none is expected to develop and, therefore, it may be difficult or impossible for the Subscriber to sell them. You will be restricted from selling your Units for an indefinite period. See Item 10 - Resale Restrictions.
Purchaser's Rights:	You have two (2) business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11 - Purchasers' Rights of Action.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 8 – Risk Factors.

INVESTOR COPY – Please retain this complete copy of the Offering Memorandum for your records.

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FORWARD LOOKING INFORMATION

This Offering Memorandum includes forward-looking information and forward-looking statements (collectively, "**forward-looking information**") with respect to the Fund. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases including, but not limited to, "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking information". In particular, and without limiting the generality of the foregoing, the information contained in *Item 2.2 - Our Business*, *Item 2.4 - Long Term Objectives*, *Item 2.5 - Short Term Objectives* and *Item 2.2.6 - Distribution Policy*, may constitute "forward-looking information" as it contains statements of the intended course of conduct and future operations of the Fund.

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Fund believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements and information because the Fund can give no assurance that such expectations will prove to be correct. Forward-looking statements and information reflects our current beliefs, expectations, estimates and projections; our assumptions and forward-looking information are based on information currently available to us including, but not limited to, information obtained from third party industry analysts and other third party sources. Forward-looking statements and information involves significant known and unknown risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not, or the times at or by which, such performance or results will be achieved. A number of factors could cause actual results to differ materially from the results expressed or implied in the forward looking statements and information, including, but not limited to, the factors discussed in *Item 8 - Risk Factors*. Although the forward-looking statements and information contained in this Offering Memorandum are based upon what we believe are reasonable assumptions (including, without limitation, that (i) the demand for agricultural commodities is likely to continue to grow at a pace that is unlikely to be matched by growth in agricultural productivity, and (ii) investment demand for tangible assets such as agricultural commodities and farmland is likely to continue to increase for the foreseeable future), we cannot assure Subscribers that actual results will be consistent with such forward-looking statements and information, and the differences may be material.

The forward-looking information contained herein is made as of the date of this Offering Memorandum and we do not assume any obligation to update or revise them, whether as a result of new information, future events or otherwise, except as required by law.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, the market and industry data contained in this Offering Memorandum is based upon information from independent industry and government publications. While the Administrator believes this data to be reliable, market and industry data is subject to variation and cannot be verified due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. Neither the Fund nor the Administrator has independently verified the accuracy or completeness of such information contained herein.

MARKETING MATERIALS

Any "OM marketing materials" (as such term is defined in National Instrument 45-106 – *Prospectus Exemptions*) related to each distribution under this Offering Memorandum and delivered or made reasonably available to a prospective purchaser before the termination of such distribution will be, and will be deemed to be, incorporated by reference into this Offering Memorandum, provided that any OM marketing materials to be incorporated by reference into this Offering Memorandum is not part of the Offering Memorandum to the extent that the contents of such OM marketing materials have been modified or superseded by a statement contained in an amended or amended and restated Offering Memorandum or OM marketing materials subsequently delivered or made reasonably available to a prospective purchaser prior to the execution of the Subscription Agreement by the purchaser.

DEFINED TERMS

Certain capitalized terms used in this Offering Memorandum are defined in Schedule "A" - Definitions.

ITEM 1 - USE OF AVAILABLE FUNDS

1.1 Funds

		Assuming Minimum Offering	Assuming Maximum Offering
A	Amount to be raised by this Offering ⁽¹⁾	\$0	\$20,000,000
B	Selling commissions and fees ⁽²⁾⁽³⁾⁽⁴⁾	\$0	\$2,000,000
C	Estimated Offering costs (e.g. legal, accounting, audit, marketing, etc.) ⁽⁵⁾	\$0	\$30,000
D	Available Funds: $D = A - (B+C)$	\$0	\$17,970,000
E	Additional Sources of Funding Required	\$0	\$0
F	Working Capital Deficiency	\$0	\$0
G	Total: $G = (D+E) - F$	\$0	\$17,970,000

Notes:

- (1) There is no minimum amount of funds to be raised pursuant to the Offering. The Fund has, as of the date of this Offering Memorandum, raised \$20 pursuant to prior sales of Units of the Fund. See *Item 4.3 – Prior Sales*.
- (2) The Fund may pay securities dealers a commission of up to 9% of the gross proceeds realized on the sale of Units for soliciting subscriptions for Units (\$1,800,000 if the maximum Offering is achieved).
- (3) In addition to the selling commissions, the Fund may also pay securities dealers an administration fee of up to 1% of the gross proceeds realized on the sale of Units (\$200,000 if the maximum Offering is achieved).
- (4) The Partnership has agreed to either directly pay, or reimburse, the Fund for all costs and expenses to be incurred by the Fund in connection with obtaining financing for investment in the Partnership. See *Item 2.7 - Material Agreements - The Reimbursement Agreement*.
- (5) The Fund may, from time to time, enter into agreements with third parties to provide marketing, administration and related services in connection with the Offering on such terms and conditions as may be deemed advisable by the Trustees or the Administrator. The above table does not assume any fees payable in connection with such arrangements.

1.2 Use of Available Funds

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering ⁽²⁾	Assuming Maximum Offering ⁽³⁾
Investment by the Fund in the Partnership ⁽¹⁾	\$0	\$20,000,000

Notes:

- (1) The available funds raised by the Fund from the issuance of Units pursuant to this Offering, will be invested in the Partnership through the acquisition, by the Fund, of up to 4,000,000 LP Units at a price of \$5.00 per LP Unit for aggregate proceeds of up to \$20,000,000 (assuming the maximum Offering). The available funds invested by the Fund in LP Units will be utilized by the Partnership to finance its business operations. See *Item 2.1.2 - The Partnership - LP Units and Other Securities of the Partnership* and *Item 2.2.1 – Business of the Partnership*.
- (2) There is no minimum amount of funds to be raised pursuant to the Offering. The Fund has, as of the date of this Offering Memorandum, raised \$20 pursuant to prior sales of Units of the Fund. See *Item 4.3 – Prior Sales*.
- (3) Assumes reimbursement of the Fund by the Partnership in respect of all costs and expenses to be incurred by the Fund in connection with obtaining financing for investment in the Partnership. See *Item 2.7 - Material Agreements - The Reimbursement Agreement*.

1.3 Reallocation

The amounts set out herein are estimates only and will be reallocated as needed. The Fund intends to spend the available funds (net proceeds) as stated above, and the Fund will reallocate funds only for sound business reasons as determined at the sole discretion of the Trustees or the Administrator.

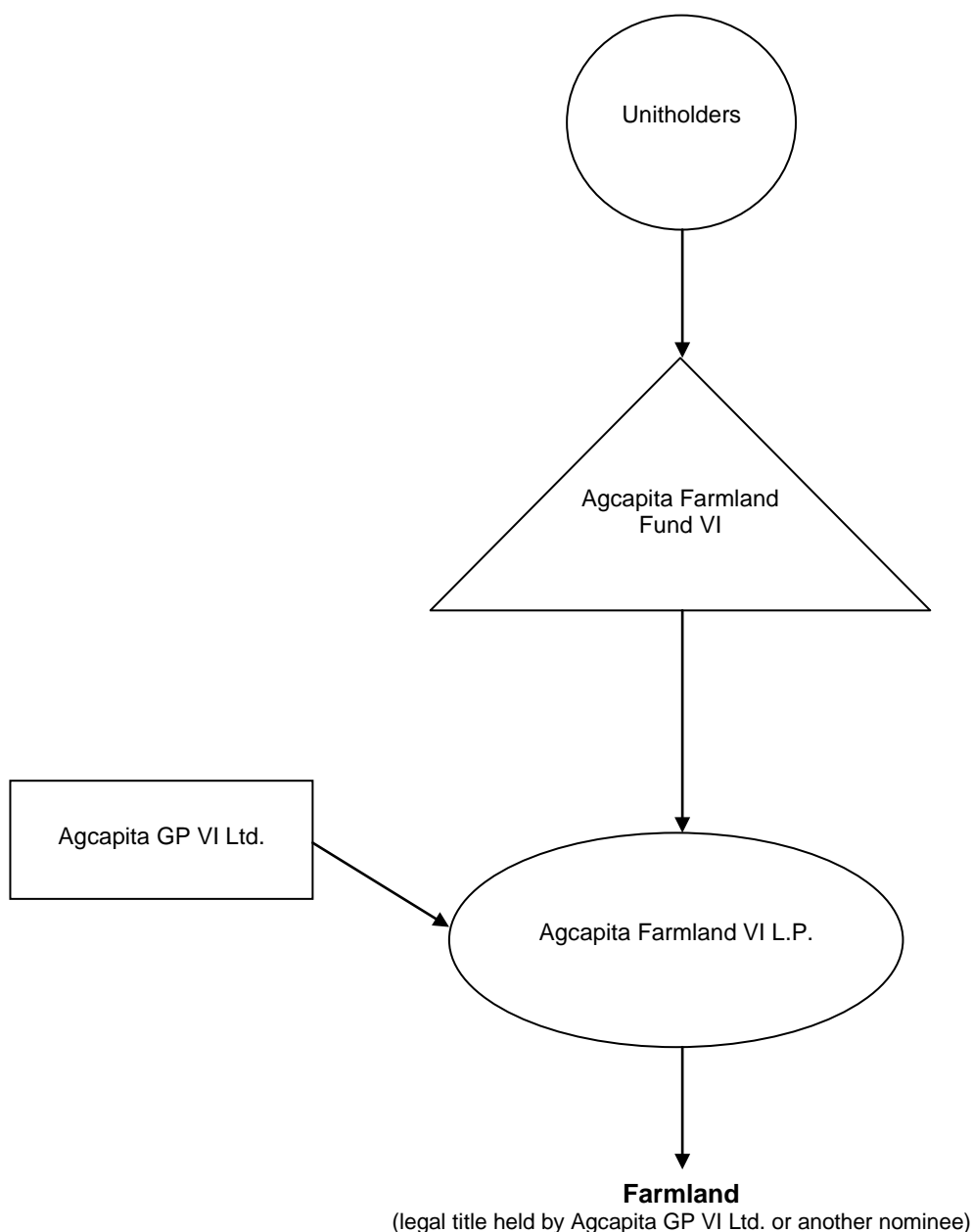
ITEM 2 - BUSINESS OF THE FUND

2.1 Structure

The Fund was formed on February 11, 2016 with the principal objective of investing indirectly in business constituting Farmland Business through its acquisition of LP Units of the Partnership. The following diagram sets out the relationship between the Fund and the Partnership. It is intended that the Fund, at all times, will own 100% of the LP Units.

Structure Diagram

Each Unitholder will not be a Non-Resident, and will be either: (i) a Resident Person, (ii) a Canadian-Owned Entity, or (iii) an individual or entity that would be eligible to take or acquire, directly or indirectly, an interest in an unlimited amount of farming or agricultural land in accordance with all applicable laws and regulations in the provinces of Alberta, Saskatchewan, Manitoba and Ontario.



2.1.1. The Fund

The Fund is an unincorporated investment trust created pursuant to the Declaration of Trust dated February 11, 2016 and governed by the laws of the Province of Alberta. Although it is intended that the Fund qualify as a "mutual fund trust" pursuant to the Tax Act, the Fund will not be a mutual fund under applicable securities laws.

The terms of the Units, and the rights and obligations of Unitholders, are governed by the Declaration of Trust. **The following is a summary only of certain terms in the Declaration of Trust which, together with other summaries of the terms of the Declaration of Trust appearing elsewhere in this Offering Memorandum, are qualified in their entirety by reference to the actual text of the Declaration of Trust, a review of which is recommended to Subscribers.** Also see *Item 2.7 - Material Agreements - Declaration of Trust*.

A copy of the Declaration of Trust is available for review by Subscribers, upon request to the Administrator, at the offices of the Administrator during regular office hours.

Undertaking of the Fund

The Declaration of Trust provides that the activities of the Fund are restricted to the following: (a) acquiring, holding, transferring, disposing of, investing in, lending to, and otherwise dealing with, assets, securities (whether debt or equity) and other interests or properties of whatever nature or kind of, or issued by, any person (including the Partnership) and making such other investments as the Trustees in their sole discretion determine; (b) holding cash and other investments in connection with and for the purposes of the Fund's activities, including paying liabilities of the Fund (including administration expenses), paying any amounts required in connection with the redemption of Units, and making distributions to Unitholders; (c) disposing of all or any part of the Fund Property; (d) issuing Units, instalment receipts, and Other Fund Securities (including debt instruments, securities convertible into or exchangeable for Units or other securities of the Fund, or warrants, options or other rights to acquire Units or other securities of the Fund), for the purposes of, without limitation: (i) conducting, or facilitating the conduct of, the activities and undertaking of the Fund (including for the purpose of raising funds for acquisitions); (ii) repayment of any indebtedness or borrowings of the Fund or any affiliate thereof; (iii) establishing and implementing Unitholder rights plans, distribution reinvestment plans, Unit purchase plans, and incentive option and other compensation plans of the Fund, if any; (iv) satisfying obligations to deliver securities of the Fund, including Units, pursuant to the terms of securities convertible into or exchangeable for such securities of the Fund, whether or not such convertible or exchangeable securities have been issued by the Fund; (v) carrying out any of the transactions contemplated by any offering documents of the Fund and satisfying all obligations in connection with such transactions; and (vi) making non-cash distributions to Unitholders, including *in specie* redemptions as well as distributions; (e) repurchasing or redeeming Units or Other Fund Securities, subject to the provisions of the Declaration of Trust and applicable law; (f) issuing debt securities or otherwise borrowing funds, as well as mortgaging, pledging, charging, granting a security interest in or otherwise encumbering all or any part of the Fund Property, whether as security for obligations of the Fund or otherwise; (g) guaranteeing (whether as guarantor, surety or co-principal obligor, or otherwise) any obligations, indebtedness or liabilities, present or future, direct or indirect, absolute or contingent, matured or not of any person for, or in pursuit of pursuing or facilitating the business and purposes of the Fund, and mortgaging, pledging, charging, granting a security interest in or otherwise encumbering all or any part of the Fund Property as security for such guarantee; (h) carrying out any of the transactions, and exercising, performing and satisfying any of the rights, liabilities and obligations of the Fund under any agreements or arrangements, entered into in connection with pursuing the business and purposes of the Fund; and (i) engaging in all activities, and taking all such actions, ancillary or incidental to any of those activities set forth in (a) through (h) above.

Trustees

The Fund may have as many as eleven trustees and no fewer than two. The number of trustees for the Fund has been set at two and such number may be changed from time to time, in the sole discretion of the Trustees, by a resolution of the Trustees. Although the Fund initially has two trustees, additional trustees may be appointed in the future. The two current trustees of the Fund are Stephen Johnston and John Mackay. For information concerning each of the current Trustees see *Item 3.2 - Management Experience*. One of the Trustees, Stephen Johnston, is also the President and Chief Executive Officer and a director of the Administrator.

If there is a resolution of the Trustees fixing the number of trustees of the Fund at a greater number than two (not to exceed eleven) the Trustees shall then, by majority vote, be entitled to elect the additional trustee(s) of the Fund to fill the vacancies created by the increase in number of trustees of the Fund or, in the alternative, if the Trustees of the Fund so decide they may call a meeting of Unitholders to elect the additional trustee(s) of the Fund to fill the vacancies created by the increase in number of trustees of the Fund. The Trustees remain in office until the earlier of the date of their death, disqualification, resignation or removal in accordance with the Declaration of Trust. In the case of a resignation, a majority of the Trustees remaining in office may appoint an individual as a replacement Trustee or, if they fail to so appoint a replacement or the Trustees determine to have the replacement elected by Unitholders, a meeting of Unitholders may be called to elect, by Ordinary Resolution, the replacement Trustee. Any Trustee may be removed at any time with or without cause by Ordinary Resolution passed in favour of the removal of such Trustee and such removal shall be effective upon the date stated in the Ordinary Resolution or upon the date of such Ordinary Resolution if not otherwise stated. If a Trustee dies, becomes disqualified from being a trustee of the Fund, or otherwise becomes incapable of acting as a trustee, the remaining Trustees shall forthwith remove such Trustee and appoint a new trustee of the Fund to replace such deceased, disqualified or incapacitated Trustee or, if they fail to so appoint a replacement or the Trustees determine to have the replacement elected by Unitholders, a meeting of Unitholders may be called to elect, by Ordinary Resolution, the replacement Trustee. If at any time the number of Trustees then in office is less than the minimum number of trustees of the Fund required (being two in number) then at any time a Unitholder, a Trustee or any other interested person may apply to a court of competent jurisdiction for the appointment of a trustee(s) in order that the required minimum number be maintained.

Trustees shall be entitled to receive reasonable compensation for their services in such amount as the Trustees may determine from time to time, as well as reimbursement of their out-of-pocket expenses incurred in acting as a Trustee. Trustees, either directly or indirectly, shall also be entitled to receive remuneration (in such amount as is determined in the discretion of the Trustees) for services rendered to the Fund in any other capacity. A Trustee is not required to devote his entire time to the affairs of the Fund.

The Declaration of Trust provides that, subject only to any limitations and restrictions contained in the Declaration of Trust, the Trustees have full, absolute and exclusive power, control and authority over the Fund Property and over the affairs of the Fund to the same extent as if the Trustees were the sole owners of such property in their own right and may do all such acts and things as they, in their sole judgment and discretion, deem necessary or incidental to, or desirable for, the carrying out the purposes of the trust created by the Declaration of Trust.

All determinations of the Trustees and any agent to whom the Trustees have delegated duties, where such determinations are made in good faith with respect to any matters relating to the Fund, shall be final and conclusive and shall be binding upon the Fund and all Unitholders. The Declaration of Trust provides that the Trustees must act honestly and in good faith with a view to the best interests of the Fund and, in connection therewith, exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances (herein the "**Standard of Care**"). In general, each Trustee shall be indemnified against all liabilities or claims against them or the Fund, and they shall have no liability to any holders of Units, where such liabilities or claims arise out of being or having been a trustee of the Fund, unless such liabilities or claims arise as a result of the Trustee failing to satisfy the Standard of Care or, in the case of a criminal or administrative action or proceeding that is enforced by monetary penalty, where such Trustee did not have reasonable grounds for believing that his conduct was lawful.

The Administrator

The Trustees have delegated to the Administrator, under the terms of the Administration Agreement, the obligation to provide and perform for and on behalf of the Fund essentially all services that are or may be required or advisable, from time to time, in order to manage, administer and govern the operations of the Fund. The Administration Agreement sets forth all of the rights, restrictions and limitations (including, without limitation, limitations of liability and indemnification rights) which pertain to the performance by the Administrator of the duties delegated to it by the Trustees. Pursuant to the terms of the Declaration of Trust, those rights, restrictions and limitations also apply in all respects to the Administrator in the exercise and performance by it of all powers, duties and authorities conferred upon or delegated to the Administrator under the terms of the Declaration of Trust. See *Item 2.7 - Material Agreements – Administration Agreement*.

Restrictions on Trustees

The Trustees shall not:

- (a) without the approval of the Unitholders by Special Resolution, amend the Declaration of Trust except in certain circumstances. See *Item 2.7 - Material Agreements - Declaration of Trust - Amendments to the Declaration of Trust*.
- (b) without the approval of the Unitholders by Special Resolution, authorize any sale, lease, exchange, transfer or other disposition of all or substantially all of the property of the Fund, other than (i) as otherwise permitted under the Declaration of Trust, including pursuant to the wind-up and termination of the Fund and pursuant to *in specie* redemptions or distributions, (ii) in order to acquire securities of the Partnership or other affiliate of the Fund, or (iii) in conjunction with an internal reorganization of the Fund.
- (c) without the approval of the Unitholders by Special Resolution, vote the Fund's securities of the Partnership in respect of any of the following matters which require, pursuant to the provisions of the LP Agreement, approval of the limited partners of the Partnership by "special resolution" (as that term is defined in the LP Agreement):
 - (i) pursuant to Section 7.6 of the LP Agreement, to approve the Partnership to carry on business other than that which is then currently authorized by the LP Agreement;
 - (ii) pursuant to Section 7.17 of the LP Agreement, to approve the removal of the general partner of the Partnership and substitution of a new general partner;
 - (iii) pursuant to Section 13.1 of the LP Agreement, to approve amendment to the LP Agreement; or
 - (iv) pursuant to Section 14.1 of the LP Agreement, to approve the wind-up and dissolution of the Partnership if proposed by the general partner of the Partnership.
- (d) without the approval of the Unitholders by Ordinary Resolution, vote the Fund's securities of the Partnership with respect to the following matters:
 - (i) pursuant to Section 7.16 of the LP Agreement, to approve the selection of a new general partner of the Partnership in the event of the resignation of the general partner of the Partnership; or
 - (ii) pursuant to Section 6.4 or Section 6.5 of the LP Agreement, in respect to the appointment or removal (as the case may be) of the auditor of the Partnership.

Conflict of Interest

In addition to his interest as a Trustee of the Fund, a Trustee may have other interests or associations of whatever nature or kind. By the terms of the Declaration of Trust, the Unitholders agree that any Trustee may be a securityholder, director, officer, trustee, employee, agent or consultant of (or otherwise involved with) the Administrator and/or the Fund, or any associate or affiliate of either. Without limiting the foregoing, the Declaration of Trust expressly provides that each Trustee is permitted: (a) to be an associate, affiliate, securityholder, director, officer, trustee, employee, agent or consultant of, or otherwise involved with, a person from or to whom assets of the Fund have been or are to be purchased or sold; (b) to be a person, or to be an associate, affiliate, securityholder, director, officer, trustee, employee, agent or consultant of (or otherwise involved with) a person, with whom the Fund contracts or deals or which supplies services to the Fund; (c) to acquire, hold and dispose of, for such Trustee's own account, any property (real, personal, tangible or intangible) even if such property is of a character which could be held by the Fund, and to exercise all rights of an owner of such property as if such Trustee were not a Trustee; (d) to acquire, hold and sell Units as principal, or as an affiliate or associate of or fiduciary for any other person, and to exercise all rights of a holder thereof as if such Trustee was not a Trustee; and (e) to have business interests of any nature and to continue such business interests while a Trustee.

Under the terms of the Declaration of Trust, the Unitholders acknowledge and accept that there are, and will continue to be, potential or actual interests of one or more of the Trustees, or their associates or affiliates (including conflicts of interest) with respect to business or other interests held directly or indirectly by, and/or contractual arrangements or transactions directly or indirectly involving, one or more of the Trustees, or their respective associates or affiliates, and the Unitholders agree that:

- (a) any Trustee is permitted (notwithstanding any liability which might otherwise be imposed by law or in equity upon such Trustee as a trustee of the Fund) to derive direct or indirect benefit, profit or advantage from time to time as a result of dealing with the Fund or its affiliates or as a result of the relationships, matters, contracts, transactions, affiliations or other interests it may have and such Trustee shall not be liable in law or in equity to pay or account to the Fund, or to any Unitholder (whether acting individually or on behalf of itself and other Unitholders as a class) for any such direct or indirect benefit, profit or advantage nor, in such circumstances, will any contract or transaction be void or voidable at the instance of the Fund of any Unitholder or any other person; and
- (b) interests of any Trustee, or their respective associates or affiliates, including any conflicts of interest, will not form the basis for any claim against such Trustee, or their respective affiliate or associate, or for any attempt to challenge or attack the validity of any contract, transaction or arrangement (or renewal, extension or amendments of same) which the Trustees may enter into on behalf of the Fund;

provided, in each case, that the Trustee in question has otherwise exercised its powers and discharged its duties, as set out in the Declaration of Trust, honestly and in good faith in respect to the matter, contract, transaction or interest in question.

Attributes of the Units of the Fund

The beneficial interests in the Fund are represented and constituted by one class of units. A summary of the attributes of the Units are contained in *Item 5.1 - Terms of Securities*.

Distribution Entitlement

The Trustees, in respect of a Distribution Period, may declare payable to Unitholders of record as at the close of business on the Distribution Record Date for such Distribution Period, all or any of the Distributable Cash for such Distribution Period. Each Unit issued and outstanding on the Distribution Record Date for a particular Distribution Period shall be entitled to an equal proportionate share of the Distributable Cash which is declared payable to Unitholders.

The Fund may make additional distributions, in excess of the distribution described above, as the Trustees may determine. Such distributions will include such amount, payable in cash, Fund Property or by the issuance of additional Units, in respect of the taxable income and net realized capital gains, if any, of the Fund for such year to the extent necessary to ensure that the Fund will not be liable for tax under Part I of the Tax Act in such year.

While the Fund may, in the future, make distributions to its Unitholders out of Distributable Cash (if any), at this time no assurance can be given that such distributions will ever be made to Unitholders. The ability of the Fund to make cash distributions on the Units is dependent upon receiving distributions from the Partnership in respect of the LP Units. See *Item 2.7 - Material Agreements - LP Agreement - Distributions of LP Distributable Cash*. For a description of the Partnership's distribution policy, see *Item 2.2.6 – Distribution Policy*.

2.1.2. The Partnership

The Partnership was formed under the Partnership Act and is governed by the LP Agreement dated February 11, 2016. The Fund has been established with the objective of investing indirectly in business constituting Farmland Business through its acquisition of LP Units issued by the Partnership.

The Fund intends to invest all or substantially all of the available funds from this Offering in the Partnership through the purchase of LP Units. The rights and obligations of the Fund, as a Limited Partner of the Partnership, are governed by the laws of the Province of Alberta and the LP Agreement. In addition to the disclosure below, see *Item 2.7 - Material Agreements - LP Agreement*, for a further description of certain terms of the LP Agreement.

The following is a brief summary only of certain material terms of the LP Agreement, **which, together with other summaries of the terms of the LP Agreement appearing elsewhere in this Offering Memorandum, are qualified in their entirety by reference to the actual text of the LP Agreement, a review of which is recommended to Subscribers.**

A copy of the LP Agreement is available for review by Subscribers, upon request to the Administrator, at the offices of the Administrator during regular office hours.

For the purposes of the following description of the LP Agreement, the Administrator is referred to as the General Partner as it is the general partner of the Partnership as well as the administrator of the Fund.

Formation and Term of the Partnership

The Partnership is to continue in existence until its liquidation and dissolution which is to commence on December 31, 2022, provided that liquidation and dissolution may commence earlier upon the occurrence of any of the following events: (a) a proposal to the Limited Partners by the General Partner to dissolve the Partnership, which is approved by a special resolution of Limited Partners; (b) where all of the material properties and other assets of the Partnership have been sold, disposed of or otherwise liquidated; (c) the General Partner gives notice of its intention to resign and the Limited Partners fail to appoint and admit a substitute general partner within the time limit prescribed by the LP Agreement; or (d) the General Partner is removed as the general partner of the Partnership and the Limited Partners fail to appoint and admit a substitute general partner within the time limit prescribed by the LP Agreement.

LP Units and Other Securities

The Partnership is authorized to issue an unlimited number of LP Units, each of which has the rights, privileges, restrictions and conditions set forth in the LP Agreement, including (a) carrying the right to one vote at all meetings of Limited Partners and/or on all written resolutions of the Partnership, subject to the provisions of the LP Agreement; (b) the entitlement to share in the profits, losses, LP Distributable Cash, and returns of capital of the Partnership as provided for in the LP Agreement; and (c) in the event of dissolution of the Partnership, the Limited Partners shall be entitled, after the payment of all outstanding debts and liabilities, to a share of any net assets available for distribution in accordance with the terms of the LP Agreement. See *Item 2.7 - Material Agreements - LP Agreement - Distributions of LP Distributable Cash and Distributions on Dissolution*.

The General Partner, in its sole discretion, may issue LP Units and any other securities of the Partnership (including debt securities), from time to time, to any person where it is necessary or desirable in connection with the conduct of the business of the Partnership, and in each case such securities may be issued at such prices and upon such terms and at such time or times as the General Partner may determine.

With respect to certain matters requiring a vote by the Limited Partners, in order for the Fund to vote its LP Units in respect of such matters the Fund must first put such matters before its Unitholders for a vote in respect thereto. See *Item 2.1.1 - The Fund - Restrictions on Trustees*.

Management and Control of the Partnership

Subject to the Partnership Act and to the limitations expressly set forth in the LP Agreement, the General Partner will have exclusive authority to direct and manage the affairs of the Partnership, with full power and authority to administer, manage, control and operate the business carried on by the Partnership and to do any act, take any proceedings, make any decisions and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carry on the Partnership business for and on behalf of the Partnership. The Partnership will not, and the General Partner will not cause the Partnership to, take any of the following actions except with the approval of the Limited Partners:

- (a) carry on any business other than business constituting Farmland Business; or
- (b) enter into any partnership, joint venture, syndicate or other form of organization to carry on any business other than business constituting Farmland Business.

The LP Agreement provides that the General Partner must act honestly, in good faith and in the best interests of the Partnership and, in connection therewith, exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The General Partner may only be removed as the general partner of the Partnership in the following circumstances: (a) the General Partner or a majority of its directors have been convicted of fraud or embezzlement; (b) the General Partner (i) files a voluntary petition in bankruptcy or makes any assignment for the benefit of creditors of the General Partner, (ii) is involuntarily dissolved and commences its winding-up, or (iii) consents to or acquiesces to the appointment of a trustee, receiver or liquidator of the General Partner; (c) any of the following has been commenced against the General Partner (i) the institution of any proceeding or the taking of any action seeking to adjudicate it bankrupt or insolvent or seeking liquidation, dissolution, winding-up, reorganization or protection of its property, (ii) the making of a proposal with respect to it under any law related to bankruptcy, insolvency, reorganization or other similar law, or (iii) the seeking of the appointment of a receiver, trustee, agent or other similar official for it for a substantial part of its assets, provided that any such proceeding, petition or action under this paragraph (c) has been commenced against the General Partner or any of its assets by a *bona fide* party and is not stayed, vacated or dismissed within 90 days; or (d) the General Partner has breached any of its material covenants or obligations under the LP Agreement and such breach is not cured within 60 days (or is in the process of being cured within 60 days and is not cured within 120 days) of a Limited Partner formally notifying the General Partner of such default.

Upon the occurrence of one of the general partner defaults set forth above, the Limited Partners may remove the General Partner by passage of a special resolution in favour of such removal, provided such special resolution shall only be effective if it includes provision for the appointment of a substitute general partner of the Partnership to be appointed within 180 days of the date of such special resolution. The Limited Partners must provide the General Partner with written notice stating the planned effective date of the removal, provided that the removal of the General Partner shall only take effect, notwithstanding the special resolution, once the following has occurred: (i) the full and unconditional release of the General Partner and its affiliates or associates (as the case may be) is obtained in respect of any mortgage or other indebtedness, liability or obligation of the Partnership to which they are subject; and (ii) the payment of all money owing by the Partnership to the General Partner and its affiliates and associates, including an amount equal to 20% of the fair market value of the assets of the Partnership after subtracting the Partnership Capital.

The Fund will have the rights of a Limited Partner solely through the purchase of LP Units.

General Partner's Remuneration

The Partnership will pay to the General Partner the following:

- (a) an annual fee equal to 2.0% of the Portfolio Value of the Partnership, as adjusted based on the fact that such fee is calculated and payable monthly in arrears on the 15th day following the end of each month; and
- (b) all direct and indirect operating, general and administrative costs and expenses, as well as other costs and expenses, that the General Partner or its affiliates or associates incur or have incurred which are related to or in connection with any capital raises together with the ongoing operations of the Partnership, including, without limitation (i) the expenses of creating and organizing entities and the expenses of any financing of such entities (including this Offering); (ii) all legal, audit and accounting related fees and expenses and marketing expenses, as well as the cost of all professional, technical, administrative and other services and advice; (iii) mailing and printing expenses for periodic reports to Limited Partners, if any, and for meeting materials, if any; (iv) taxes and ongoing regulatory filing fees; (v) all costs and expenses relating to the acquisition, ownership and operation of farm land and all other assets of the business of the Partnership; (vi) any expenditures which may be incurred in connection with the dissolution of the Partnership and the distribution of assets to the Partners; and (vii) all other out-of-pocket and third party expenses incurred by the General Partner or its agents, and all other incidental expenses.

In addition to the foregoing, the General Partner is entitled to a 20% share of LP Distributable Cash after there has been a return of capital in respect of the LP Units. In the event of the liquidation and wind-up of the Partnership, the General Partner is entitled to 20% of the net assets of the Partnership available for distribution after payment to each Limited Partner of an amount equal to their net equity in the Partnership. See *Item 2.7 - Material Agreements - LP Agreement - Distributions of LP Distributable Cash and - Distributions on Dissolution*.

Business Interests of the General Partner

The LP Agreement provides that both the General Partner and its directors and officers ("**Management**"), as well as their respective affiliates and associates, are permitted to have business and other interests or associations of whatever nature or kind apart from their activities related to the Partnership's business, including business and other interests or associations which consist of Farmland Business. Management presently has, and may in the future have, other business interests and associations which consist of Farmland Business.

The validity of a contract, transaction, arrangement or payment involving the Partnership and an affiliate or associate of the General Partner or any member of Management (or their associates or affiliates) shall not be challenged or affected merely by reason of the relationship between the General Partner and its affiliate, associate or member of Management (or their associates or affiliates) or by

reason of the approval or lack thereof of the contract, transaction, arrangement or payment by the directors of the General Partner, all of whom may be officers, directors, or employees of, or otherwise interested in or related to such affiliate or associate of the General Partner or Management (or their affiliates or associates). Under the LP Agreement, Limited Partners acknowledge that there are and will continue to be potential or actual interests of Management (or their associates or affiliates), including conflicts of interest, with respect to business or other interests held by, and/or contractual arrangements or transactions involving, one or more of Management, the Partnership, the General Partner and any of the respective affiliates and associates of any of them, and the Limited Partners agree that interests of the General Partner or any member of Management (or their respective associates or affiliates), including any conflicts of interest, will not form the basis for any claim against Management, the General Partner or any respective affiliate or associate thereof, or their respective shareholders, directors, officers or employees, or for any attempt to challenge or attack the validity of any contract, transaction or arrangement (or renewal, extension or amendments of same), in each case, provided that the General Partner has otherwise exercised its powers and discharged its duties under the LP Agreement honestly and in good faith.

The General Partner may employ or retain, on behalf of the Partnership, an affiliate or associate of the General Partner or any member of Management to provide goods or services to the Partnership, provided that the terms of such agreements or contracts are no less favourable to the Partnership than those that would be obtained from an independent third party.

2.2 Our Business

The Fund has been established with the objective of investing indirectly in business constituting Farmland Business through its acquisition of LP Units issued by the Partnership. The Fund is raising funds pursuant to this Offering for the purpose of investing substantially all of the net proceeds of the Offering in the Partnership through the purchase of LP Units.

2.2.1. Business of the Partnership

General

The Partnership was formed solely to carry on business consisting of Farmland Business, being any business activity which is directly or indirectly related to, or otherwise connected with or ancillary to, farming, farmland or any interest in farmland, including, without limitation, any activities of the following nature or kind: purchase, ownership, leasing, development, management, cultivation, cropping, sale, financing or operations. The Partnership also has the power to do any and every act and thing necessary, proper, convenient or incidental to conducting business constituting Farmland Business. No farmland has been acquired to date by the Partnership. See *Item 2.1.2 - The Partnership* for a description of the material aspects of the Partnership.

The Partnership is a blind pool, having been established with the objective of providing its Limited Partners (which will include the Fund) with an opportunity to maximize long-term total returns on their investment in the Partnership through both capital appreciation and income generation on assets of the Partnership, principally through ownership, leasing, operation and sale of farmland to be acquired primarily in the provinces of Alberta, Saskatchewan, Manitoba and Ontario.

To achieve its business objectives, the Partnership will invest its capital (including the net proceeds of LP Units issued by the Partnership) in a managed diversified portfolio of farmland, located principally in the provinces of Alberta, Saskatchewan, Manitoba and Ontario, that will be diversified by region, crop type, management style and property size for the principal purpose of renting such properties to farm operators through a variety of rental arrangements. The General Partner believes that the purchase of a diversified mix of farmland will provide the Partnership with a revenue stream that is less sensitive to adverse external factors, such as changes in commodity prices, adverse weather and pests.

Typically the General Partner expects to structure rental contracts using "cash rent" contracts, which involve a lease at a fixed price per acre per year. In addition, the Partnership may also structure rental arrangements as: (a) "variable cash rent" agreements, which provide the Partnership with a base rate of return plus a participation in commodity price increases, or (b) "crop share" contracts, which involve the lease of farmland whereby the Partnership would receive a specified share of the crop in lieu of a fixed cash payment. The Partnership may hedge all or any portion of its exposure to crop prices related to crop share agreements.

In addition, when and if opportunities present themselves, the Partnership will seek opportunities to generate additional LP Distributable Cash from oil and gas surface leases, the sale or lease of water rights, gravel development, and the repackaging of land into efficient farming units.

Management has relationships with a team of field personnel who cover the provinces of Alberta, Saskatchewan, Manitoba and Ontario that will source suitable land for acquisition, secure renters and perform front-line monitoring of the Partnership's land portfolio.

2.2.2. Rationale for Establishing the Fund and the Partnership

The General Partner believes that there are a number of factors which are supportive of the farmland investment premise. The General Partner is of the view that in many circumstances farmland investments have historically shown themselves to provide investors with competitive returns, risk diversification and inflation hedging benefits, and in this respect believes that:

1. **Diversification/Low Correlation to Other Investments** – Farmland shows a very low correlation to other asset classes over long periods, meaning that its investment performance is largely independent of other investments. Correlation is a financial measure used to compare asset classes. Correlation simply indicates whether investments move in the same direction, opposite directions, or have no relationship, given certain market conditions. This low correlation of farmland to other asset classes means that when other investments are down, farmland may not be, which means holding farmland investments may assist with portfolio risk diversification. As an illustration, according to Farm Credit Canada, farmland in the Province of Saskatchewan increased in price approximately 15% in 2008, during one of the worst financial crises experienced in the last 50 years.
2. **Competitive Total Returns** – Farmland investments offer the potential for competitive total returns. These returns are derived from cash rents or profit sharing income, along with the potential appreciation in the value of the farmland itself. Farmland price appreciation data published by Farm Credit Canada measured as against the Standard & Poors Toronto Stock Exchange index ("S&P / TSX 60 Index") shows that over the last 10 years annual price appreciation of western Canadian farmland (excluding rental returns) averaged 10.1% compared to 4.3% for the S&P/TSX 60 with a volatility of 6.0% for western Canadian farmland versus 17.6% for the S&P/TSX 60 (the higher the percentage, the greater the volatility of the returns)¹.
3. **Inflation Hedge** – Holding an investment in farmland may help preserve capital during inflationary periods because farmland has historically performed better in times of higher inflation².
4. **Renewable Resource** – Sound farming practices can maintain and enhance productive capacity over the long term adding to the overall value of the investment.
5. **Tangible Real Asset** – Farmland has intrinsic, real value as a productive asset. Demand for agriculture commodities, in general, continues to grow consistently.

The General Partner is of the belief that the growing demand for agricultural commodities which is currently being experienced is likely to continue due in large measure to increasing world population, improving diets in the developing world and biofuel consumption (i.e. growth in food, feed and fuel usage). In this respect the General Partner is of the view that:

(i) **Population Growth**

Based on historical data, the General Partner expects that the global population will be approximately 9 billion by 2030, and expects the amount of arable land available to support each person may be as much as 33% less than it is currently.

(ii) **Improving Diets**

A person in the developing world consumes approximately 500 fewer calories per day than someone living in the developed world – the difference essentially being the level of meat consumption. Meat consumption has a strong correlation to wealth with the largest incremental increase in meat consumption occurring as per capita income levels approach US\$5,000 per annum. Increasing meat consumption has a multiplier effect on crop demand as each meat calorie can require up to 8 times the number of grain calories as feed inputs³. In crop equivalents, the calorie difference is approximately eighty percent greater. Low income countries account for approximately 80% of the world's population, including China and India which are at the early stages of economic development. As citizens of these countries grow in wealth, historical data indicates that they are likely to make the dietary transition to a higher meat diet.

(iii) **Biofuels**

Biofuel consumption has an impact on demand for crops and therefore farmland.

(iv) **Productivity**

Cereal crop demand has been growing and it has been reported by The Food and Agriculture Organization of the United Nations that global demand of cereal crops is expected to double by 2030 while global annual productivity growth rates have been declining in recent decades.

¹ Source: Farm Credit Canada 2014 Farmland Values Report, S&P/TSX 60 Index.

² Source: "The Financial Benefits to Investors in a Canadian Farmland Mutual Fund" - By Dr. Marvin J. Painter, Journal of International Farm Management, Volume 3, Number 1, July 2005

³ Source: Food and Agriculture Organization, World Resources Institute, "Plants and Population" - Beckman Center of the National Academy of Sciences, UC Irvine.

In addition to the factors mentioned above as being potential drivers of farmland price appreciation, the General Partner further believes that returns to an investor in the Partnership may also derive from other additional sources, including favourable initial land acquisition pricing compared to pricing in other major agricultural countries, enhancements to the land value from building large contiguous blocks, and incremental income (if it is available) from sources such as surface easements and water rights.

Acquisition Criteria

As part of its farmland acquisition criteria, the General Partner considers both price per bushel of yield together with volatility of yield. The General Partner plans to manage risk through diversification by geographic location, crop and operators.

The General Partner intends to focus on purchasing farmland in Canada, primarily in the provinces of Alberta, Saskatchewan, Manitoba and Ontario, due to its low price farmland (in comparison to similar agricultural producing regions), established agriculture infrastructure and low political risk. With respect to Saskatchewan farmland in particular, the General Partner believes that investors will benefit from:

1. Legislative changes relaxing non-resident investment restrictions - On January 1, 2003, the Government of Saskatchewan proclaimed new legislation designed to open farmland ownership in Saskatchewan to all Canadians, thereby becoming substantially the same as the farmland ownership rules in Alberta and Manitoba. Prior to 2003, land valuations in Saskatchewan were suppressed by restrictions that prohibited anyone other than Saskatchewan residents from owning more than 320 acres of farmland, which greatly reduced the pool of potential buyers of land.
2. Cost advantage of Saskatchewan farmland over comparable jurisdictions - Saskatchewan has approximately 65 million acres of arable land and cash rent costs and prices per acre appear to be favourable when compared to other North American jurisdictions.⁴

Farm Credit Canada reports that Saskatchewan farmland appreciated approximately 11% in 2007, 15% in 2008, 7% in 2009, 6% in 2010, 22% in 2011, 19.7% in 2012, 28.5% in 2013 and 18.7% in 2014 with an extended period of very modest price changes prior to this.

The Fund and the Partnership have received an exemption order from the Farm Land Security Board of Saskatchewan consenting to the acquisition of farmland in Saskatchewan in excess of 10 acres provided that each of the unitholders of the Fund and the Partnership are Permitted Holders. Prior to the Partnership acquiring any farmland in the provinces of Alberta and Manitoba, it may require a similar order consenting to the acquisition from the applicable regulatory authority. See *Item 8.2 – Risks Associated with an Investment in the Partnership and the Farmland Business – Regulatory Regime*.

2.2.3. Long Term Objectives of the Partnership

The Partnership's long term objective is to acquire a portfolio of Canadian farmland, primarily in the provinces of Alberta, Saskatchewan, Manitoba and Ontario, which the General Partner believes will provide the potential for capital appreciation as a result of appreciation in the value of the farmland acquired by the Partnership, and will produce sufficient income generation so as to provide funds sufficient to service the obligations of the Partnership. The Partnership will be focused on prudently deploying its capital resources in the acquisition of farmland as quickly as market conditions and the competitive environment for farmland acquisitions will permit. There can be no assurance as to the timing and pace of such capital deployment.

It is within the General Partner's sole discretion to determine the utilization of available cash flow from the business and operations of the Partnership for matters beyond satisfying all mandatory liabilities and other payment obligations of the Partnership. Subject to the Distribution Policy described in *Item 2.2.6 – Distribution Policy*, it is the intention of the General Partner to utilize such available cash flow for acquisitions of additional assets by the Partnership.

2.2.4. Short Term Objectives of the Partnership

The Partnership's primary objectives for the ensuing 12 months are to:

1. continue to acquire capital through the capital raising efforts of the Fund;
2. identify, evaluate and acquire farmland located primarily in the provinces of Alberta, Saskatchewan, Manitoba and Ontario, which can then be leased to one or more farm operators to generate income and which may also provide potential for capital appreciation; and
3. lease acquired farmland to one or more farm operators for either cash rent, variable cash rent or crop sharing.

⁴ Source: United States Department of Agriculture; Farm Credit Canada; Departments of Agriculture of Alberta, Saskatchewan and Manitoba.

2.2.5. Long Term Debt of the Partnership

As at the date hereof, the Partnership has no long term debt. If borrowing were to be undertaken, it would be undertaken in the discretion of the General Partner and upon such terms and conditions as it determines appropriate or acceptable. See also *Item 4.2 - Long Term Debt of the Fund*.

2.2.6. Distribution Policy

It is within the General Partner's sole discretion to determine the utilization of available cash flow from the business and operations of the Partnership for matters beyond satisfying all mandatory liabilities and other payment obligations of the Partnership. Subject to the Distribution Policy described below, it is the intention of the General Partner to utilize such available cash flow for acquisitions of additional assets by the Partnership.

The General Partner is expected to establish a distribution policy pursuant to which the Partnership may pay an annual distribution up to 2.0% of the Capital Contribution where, in a given Distribution Period, the assets of the Partnership have appreciated in value such that the Portfolio Value of the Partnership at the end of the Distribution Period exceeds the Portfolio Value of the Partnership as at the beginning of the Distribution Period. The declaration of distribution (if any) and amount of such distribution will be at the sole discretion of the General Partner and will also take into consideration the Partnership's results of operations, financial condition, cash requirements, applicable law and other factors that the General Partner may consider relevant. The General Partner may fund distributions from cash flow from the business and operations of the Partnership, debt, or Capital Contributions. Distributions to Limited Partners are not assured or guaranteed and there can be no guarantee that the Partnership will maintain its distribution policy. See *Item 8 – Risk Factors*.

2.3 Development of Business

The Fund was formed under the laws of the Province of Alberta on February 11, 2016 and has not carried on any business to date. Upon raising funds pursuant to the Offering, the Fund will commence pursuit of its objectives as outlined elsewhere herein. See *Item 2.4 - Long Term Objectives* and *Item 2.5 - Short Term Objectives*.

2.4 Long Term Objectives

The long term objective of the Fund is to achieve primarily capital appreciation but also income generation through its holding of LP Units of the Partnership, which investments will provide the Fund with an indirect interest in a portfolio of farmland which is anticipated to be acquired by the Partnership primarily in the provinces of Alberta, Saskatchewan, Manitoba and Ontario.

2.5 Short Term Objectives

The primary objective of the Fund for the ensuing 12 months is to indirectly invest in business constituting Farmland Business through the acquisition of LP Units of the Partnership.

What We Must Do and how we will do it	Target Completion Date or if not known, number of months to complete	Our Costs to Complete
Acquire LP Units to be issued by the Partnership.	6 - 12 months	Up to \$20,000,000 ⁽¹⁾⁽²⁾

Notes:

- (1) This assumes that the maximum Offering is achieved and the reimbursement of the Fund by the Partnership in respect of all costs and expenses to be incurred by the Fund in connection with obtaining financing for investment in the Partnership. See *Item 2.7 - Material Agreements - The Reimbursement Agreement*.
- (2) The Fund is raising funds pursuant to this Offering for the purpose of expending one hundred (100%) percent of the net proceeds (up to \$20,000,000 assuming the maximum Offering) on purchasing LP Units. See *Item 1.2 - Use of Available Funds*

2.6 Insufficient Funds

One hundred (100%) percent of the available funds raised pursuant to the Offering will be invested by the Fund in LP Units. The Fund does not intend to hold any significant cash reserves other than those amounts necessary to pay operating expenses incurred by the Fund in the conduct of its operations. The available funds from the Offering may not be sufficient to accomplish all of the Fund's proposed objectives and there is no assurance that alternative financing will be available.

2.7 Material Agreements

2.7.1. Declaration of Trust:

The rights and obligations of Unitholders are governed by the Declaration of Trust dated February 11, 2016. A copy of the Declaration of Trust is available for review, upon request to the Administrator, at the offices of the Administrator during regular office hours.

The following is a summary only of certain terms in the Declaration of Trust which, together with other summaries of additional terms of the Declaration of Trust appearing elsewhere in this Offering Memorandum, are qualified in their entirety by reference to the actual text of the Declaration of Trust, a review of which is recommended to Subscribers. Also see Item 2.1.1 - The Fund.

Limitation on Non-Resident Ownership

Each of the Unitholders of the Fund, in order to become and remain a Unitholder, must qualify at all times as a Permitted Holder, which is limited to persons who are not a Non-Resident, and are either: (a) an individual who is a Resident Person, (b) a Canadian-Owned Entity, or (c) an individual or entity that would be eligible to take or acquire, directly or indirectly, an interest in an unlimited amount of farming or agricultural land in accordance with all applicable laws and regulations in the provinces of Alberta, Saskatchewan, Manitoba and Ontario. By the terms of the Declaration of Trust, the Administrator (or any delegate thereof) is empowered to take all such actions as it determines in its discretion is reasonable and practicable in the circumstances in order to confirm, as and when necessary, that Unitholders are Permitted Holders, including having the right to:

- (a) request and obtain information and/or declarations from Unitholders as to whether the securities of the Fund held thereby are held by or for the benefit of Permitted Holders, including any information relating to the shareholders, members or other direct or indirect interest holders of Units;
- (b) request and obtain information and/or declarations from Unitholders or others as to citizenship of the legal and beneficial owners of securities of the Fund and as to the jurisdictions in which such owners are resident for Canadian income tax purposes;
- (c) request and obtain any information from Unitholders or others which the Administrator requires or deems necessary in order to maintain or determine compliance with the restrictions in the Declaration of Trust or compliance with applicable law;
- (d) request and obtain any information from Unitholders or others which may be required of the Fund or its security holders by any governmental authority; and
- (e) place limits or restrictions on ownership or transfers of securities of the Fund as the Administrator may deem necessary in its sole discretion in order to maintain compliance with the ownership restrictions.

In the event that: (i) a Unitholder shall, at any time, fail to qualify or continue to qualify as a Permitted Holder or an individual or entity that would be eligible to take or acquire, directly or indirectly, an interest in an unlimited amount of farming or agricultural land in accordance with all applicable laws and regulations in the provinces of Alberta, Saskatchewan, Manitoba and Ontario, (ii) a Unitholder shall fail, within ten (10) days of a request being made to it for information such as that outlined above, to provide such information requested of it, or (iii) a Unitholder shall be in default or non-compliance of any of its other obligations under the Declaration of Trust which default is not remedied within thirty (30) days of notice being provided by the Administrator to such Unitholder specifying such default, then in such circumstances such Unitholder (hereinafter referred to as the "**Defaulting Unitholder**") shall be in default of the Declaration of Trust and the Administrator, on behalf of the Fund, shall have the right, without further notice, demand, formality or act whatsoever, to immediately proceed to do either of the following (as determined in the sole discretion of the Administrator):

- (a) sell the Units of the Defaulting Unitholder to a willing purchaser, at a private sale, on such terms and conditions (including as to price) as the Administrator deems reasonable; or
- (b) have the Fund repurchase the Units of the Defaulting Unitholder for cancellation in exchange for cash and/or Redemption Notes at a price per Unit equal to the lesser of (i) 75% of the fair market value of such Units determined by the Administrator in its sole discretion but having regard to the factors given in determining the Redemption Price of a Unit, and (ii) 75% of the aggregate subscription price paid for such Units.

The proceeds of the sale of Units of a Defaulting Unitholder shall be applied first, in the case of a monetary default, towards curing such default; second, to pay any other monies that may be owing by the Defaulting Unitholder to the Fund regardless of whether such indebtedness was related to the default giving rise to the sale or not; third, to reimburse the Fund or the Administrator for any costs associated with the sale, including solicitor's costs and collection fees, if any; and fourth, the remaining balance, if any, paid to the Defaulting Unitholder upon the surrender of the certificates representing such Units.

From the date a Unitholder becomes a Defaulting Unitholder until such time as the default is remedied or the Units of the Defaulting Unitholder are sold, the voting and distribution rights or entitlements in respect of the Units held by such Unitholder shall be suspended.

Transfer of Units

No Unitholder shall transfer or dispose of its Units to any other person except with the consent of the Administrator and in compliance with applicable securities laws and the Declaration of Trust. The Declaration of Trust provides that no transfer or other disposition of Units shall be effective unless the following terms and conditions are met: (a) delivery to the Fund (or if applicable its duly appointed transfer agent) of (i) a duly executed instrument of transfer and accompanied by all necessary transfer or other taxes imposed by law, and (ii) the Unit Certificate(s) representing such Units being transferred (if certificates representing such Units have been issued) properly endorsed, and, in each case, accompanied by evidence of the genuineness of such endorsement, execution and authorization; (b) reporting to the Administrator the details concerning the transfer, including name, address, citizenship and country of residence of the transferee, as well as the price per Unit at which the sale and transfer has occurred together with such other information as the Administrator may reasonably request, and evidenced by appropriate documentation; (c) the transferee certifies to the Administrator that it satisfies the criteria of a Permitted Holder, and has delivered to the Administrator such evidence of such status as may be requested by the Administrator; (d) any outstanding liabilities of the transferor to the Fund shall have been paid, or arrangements made satisfactory to the Administrator for the assumption of such liabilities by the transferee; (e) the transfer is of a whole Unit; and (f) the transfer has been recorded on the applicable register or, if applicable, one of the branch transfer registers maintained by the transfer agent.

Repurchase

The Fund has the right and entitlement to offer to any one or more Unitholders, as the Trustees determine in their sole discretion, and upon acceptance of such offer by the holder of such Units to whom such offer was made, to purchase for cancellation, at any time, by private agreement or otherwise, the whole or from time to time any part of the outstanding Units in respect of which the offer was accepted, at a price per security and on a basis as determined by the Trustees in their sole discretion but in compliance with all applicable laws, rules, regulations or policies governing same. Such offers may be made to one or more holders of Units to the exclusion of other holders of Units.

Adjustments and Lien

Where any Unitholder is indebted to the Fund for any reason (including having received a distribution in an amount in excess of its entitlement) the Administrator, on behalf of the Fund, shall be entitled to set off such indebtedness in whole or in part from any distribution or other amount such Unitholder would otherwise be entitled to receive. In the event that a Unitholder is so indebted to the Fund for any reason, the Fund shall have, without the necessity of any notice, demand, formality or act whatsoever, a lien and security interest against and in respect of the Units and other securities of the Fund (if any) registered in the name of or beneficially owned by that Unitholder and the Fund shall be entitled to take all actions, in accordance with law, to protect and enforce such lien or security interest.

Meetings of Unitholders

There is no requirement to hold annual meetings of the Unitholders. A meeting of Unitholders may be convened at any time and for any purpose by the Trustees and must be convened, except in certain circumstances, if requisitioned in writing by the Unitholders representing not less than 50% of all votes entitled to be voted at a meeting of Unitholders. Any such meeting requisition must comply with the requirements set forth in the Declaration of Trust, including that the request specify in reasonable detail the business proposed to be transacted at the meeting. Unitholders of record may attend and vote at all meetings of the Unitholders either in person or by proxy and a proxyholder need not be a Unitholder. One or more persons present in person and being Unitholders or representing by proxy Unitholders, and who hold in total not less than 5% of the votes attached to the then outstanding Units, will constitute a quorum for the transaction of business at all meetings. Each Unit entitles the holder to one (1) vote at all meetings. The Declaration of Trust contains various other provisions pertaining to the procedural requirements with respect to the calling and holding of meetings of Unitholders.

Term of the Fund and Distribution on Wind-Up

The Fund is obligated to commence its wind-up and termination upon the first of the following to occur (each of the following being hereinafter referred to as an "**Event of Termination**"): (a) December 31, 2032; (b) a proposal to the Unitholders, by the Administrator, to wind-up and terminate the Fund, which proposal is approved by way of a Special Resolution; (c) the approval by Unitholders by way of an Extraordinary Resolution to wind-up and terminate the Fund at a meeting of Unitholders held after December 31, 2019 in accordance with the Declaration of Trust, provided (i) a quorum for such meeting shall be one or more persons present in person and being Unitholders and who hold in the aggregate not less than 50% of all votes entitled to be voted at the meeting, and (ii) no such approval has been previously sought by a requisition of Unitholders in the same fiscal year; or (d) the date upon which each of the material businesses in which the Fund holds an interest, or has otherwise invested, have been liquidated (which generally means such business has been wound-up and its net assets distributed to those so entitled upon a wind-up, dissolution or termination of such business). It is presently contemplated that the only material business in which the Fund will invest is the Partnership and, consequently, the termination of the Fund will be triggered by the wind-up and dissolution of the Partnership. The ability of the Fund to make distributions on the Units upon the wind-up and dissolution of the Fund will be primarily dependent upon receiving repayment distributions on the LP Units in connection with the wind-up and dissolution of the Partnership. See *Item 2.1.2 - The Partnership - Formation and Term of the Partnership* and *Item 2.7 - Material Agreements - LP Agreement - Distributions on Dissolution*.

Upon the occurrence of an Event of Termination the Trustees shall commence the wind-up and termination of the affairs of the Fund and will use their reasonable commercial efforts to, as soon as practicable, liquidate and distribute all the Fund Property and wind-up the Fund. Once the Administrator is able to determine, with a reasonable degree of certainty, the time at which the Fund will be in a position to distribute the net assets of the Fund, then the Administrator shall give notice of the timing of such anticipated distribution. Such notice shall designate the time or times at which Unitholders may surrender their Units for cancellation and the date at which the registers of Units shall be closed.

After paying, retiring or discharging or making provision for the payment, retirement or discharge of all known liabilities and obligations of the Fund (including expenses relating to the wind-up and termination of the Fund) and providing for an indemnity against any other outstanding liabilities and obligations, the Administrator shall distribute the remaining Fund Property to the holders of the Units *pro rata* in accordance with their respective interest in the Fund, without preference or distinction. If the Administrator is unable to sell all or any of the Fund Property within a reasonable period of time, the Administrator may, subject to obtaining all necessary regulatory or other approvals, distribute undivided interests in the remaining Fund Property directly to the holders of the Units in accordance with their entitlements to the property of the Fund on a wind-up or termination of the Fund.

Accounting and Reporting

The Fund's fiscal year end is December 31. The Fund will send to Unitholders (or make available if sending is not required by applicable laws) within 120 days after the end of each fiscal year (or within such shorter time as may be required by applicable securities law): (i) the audited annual consolidated financial statements of the Fund for such fiscal year, together with comparative audited financial statements for the preceding fiscal year, if any; and (ii) so long as required by applicable securities laws, a notice of the Fund disclosing in reasonable detail the use of the aggregate gross proceeds raised by the Fund under section 2.9 of National Instrument 45-106 *Prospectus Exemptions*.

The firm of Collins Barrows Calgary LLP have been appointed as auditors of the Fund. Auditors shall be appointed by: (a) the Trustees, or (b) the Unitholders at a meeting duly called or requisitioned for that purpose. The auditors will receive such remuneration as may be approved by the Trustees.

Amendments to the Declaration of Trust

Except where otherwise specifically provided in the Declaration of Trust, the Declaration of Trust may only be amended or altered from time to time by Special Resolution. The Declaration of Trust specifically provides that the Trustees will be entitled, at their discretion and without the approval of the Unitholders, to make amendments to the Declaration of Trust for any purpose on or prior to the initial Closing and at any time for any of the following purposes: (i) ensuring continuing compliance, by the Fund, with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over the Trustees or the Fund; (ii) providing, in the opinion of the Trustees, additional protection for the Unitholders or to obtain, preserve or clarify the provision of desirable tax treatment to Unitholders; (iii) making amendments to the Declaration of Trust which, in the opinion of the Trustees, are necessary or desirable in the interests of the Unitholders as a result of changes in taxation laws or in their interpretation or administration (including changes in the administrative practices and assessing policies of the Canada Revenue Agency); (iv) making corrections, or removing or curing any conflicts or inconsistencies between the provisions of the Declaration of Trust or any supplemental agreement and any other agreement of the Fund or any offering document with respect to the Fund, or any applicable law or regulation of any jurisdiction, provided that in the opinion of the Trustees the rights of the Unitholders are not materially prejudiced thereby; (v) making amendments to the Declaration of Trust as are necessary or desirable for correcting typographical mistakes or for curing, correcting or rectifying any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions; (vi) making amendments to the Declaration of Trust as is required to undertake an internal reorganization of the Fund or its affiliates; or (vii) making amendments to the Declaration of Trust for any purpose in addition to those stated above, provided that, in the opinion of the Trustees, the rights of the Unitholders are not materially prejudiced thereby.

Power of Attorney

Upon becoming a holder of Units of the Fund, each Holder, pursuant to the terms of the Declaration of Trust, grants to the Trustees a power of attorney constituting the Trustees (whether acting individually or collectively), with full power of substitution, as the true and lawful attorney of such Holder to act on his behalf, with full power and authority to execute, under seal or otherwise, swear to, acknowledge, deliver, make, file or record (and to take all requisite actions in connection with such matters), when, as and where required:

- (a) the Declaration of Trust and any other instrument required or desirable to qualify, continue and keep in good standing the Fund as a mutual fund trust in all jurisdictions that the Trustees deem appropriate;
- (b) any instrument, deed, agreement or document in connection with carrying on the affairs of the Fund as authorized in the Declaration of Trust, including all conveyances, transfers and other documents required to effect any sale, transfer, repurchase or other disposition of Units necessitated, required or permitted under the terms of the Declaration of Trust;
- (c) all conveyances, transfers and other documents required in connection with the dissolution, liquidation or termination of the Fund;

- (d) any and all elections, determinations or designations whether jointly with third parties or otherwise, under the Tax Act or any other taxation or other legislation or similar laws of Canada or of any other jurisdiction in respect of the affairs of the Fund or of a Unitholder's interest in the Fund;
- (e) any instrument, certificate and other documents necessary or appropriate to reflect and give effect to any amendment to the Declaration of Trust which is authorized from time to time as contemplated by the terms of the Declaration of Trust;
- (f) all transfers, conveyances and other documents required to deal with Units and/or Exchangeable Securities of non-tendering offerees pursuant to the terms of the Declaration of Trust, including to facilitate transfers, acquisitions and dispositions of such securities; and
- (g) any instrument, deed, agreement or document as may be necessary or appropriate in connection with carrying on the business and undertaking of the Fund;

and it is agreed by each Unitholder that the Trustees may exercise any of the powers granted under the power of attorney irrespective of whether the Administrator has been expressly authorized under the Declaration of Trust to take any such of the actions referred to above, and that by becoming a holder of Units each Unitholder agrees that the Trustees may substitute the Administrator as a delegate, in whole or in part, of the powers granted under the power of attorney.

Under the Declaration of Trust, each Holder is agreeing that the power of attorney is, to the extent permitted by applicable law, irrevocable and is a power coupled with an interest and shall survive the insolvency, death, mental incompetence, disability and any subsequent legal incapacity of the Holder and shall survive the assignment by the Holder of all or part of the Holder's interest in the Fund and will extend to and bind the heirs, executors, administrators and other legal representatives and successors and assigns of the Holder. Each Holder agrees to be bound by any representations or actions made or taken by the Trustees pursuant to the power of attorney and waives any and all defences which may be available to contest, negate or disaffirm any actions taken by the Trustees in good faith under the power of attorney. The power of attorney survives and continues not only in respect of the Trustees but also in respect of any successor trustee.

Distribution Reinvestment and Unit Purchase Plan

Subject to any required regulatory approvals, the Trustees may, in their sole discretion, establish one or more distribution reinvestment plans, Unit purchase plans, incentive option plans or other compensations plans from time to time.

2.7.2. LP Agreement:

The Fund, as initial limited partner, and the Administrator, as general partner, entered into a Limited Partnership Agreement dated February 11, 2016 which provides for the terms and conditions governing the Partnership. A copy of the LP Agreement is available for review, upon request to the Administrator, at the offices of the Administrator during regular office hours.

The following is a summary only of certain terms in the LP Agreement which, together with other summaries of additional terms of the LP Agreement appearing elsewhere in this Offering Memorandum, are qualified in their entirety by reference to the actual text of the LP Agreement, a review of which is recommended to Subscribers. Also see *Item 2.1.2 - The Partnership*.

Allocation of Income and Loss

The LP Agreement provides that the net income or net loss of the Partnership (as the case may be) for each fiscal period, as well as its income or loss from a particular source or a source in a particular place, and the capital gains and capital losses, shall each be allocated among the Limited Partners and General Partner in a manner consistent with the distribution of LP Distributable Cash as set forth in the LP Agreement, and notwithstanding the foregoing, in the event no distributions of LP Distributable Cash are made by the Partnership in a given fiscal period, the net income or net loss of the Partnership (as the case may be), as well as its income or loss from a particular source or a source in a particular place, and the capital gains and capital losses, shall each be allocated among the Limited Partners pro-rata in proportion to the number of LP Units held by each of them at the end of such fiscal period.

Distributions of LP Distributable Cash

The LP Agreement provides that distributions of LP Distributable Cash, for or in respect of a distribution period, shall be made in accordance with the following:

- (a) Any distribution of LP Distributable Cash, which is, in the sole discretion of the General Partner, declared shall be paid by the General Partner to those Limited Partners of record as of the close of business on the distribution record date, until such time as the Limited Partners have received aggregate distributions in an amount equivalent to the Capital Contributions; and such distributions shall be distributed to the Limited Partners *pro-rata* in accordance with the amount of the remaining outstanding Capital Contribution of each such Limited Partner as of the distribution record date.

- (b) Upon the Limited Partners having received aggregate distributions in an amount equivalent to the Capital Contributions, any distribution of LP Distributable Cash as declared in the discretion of the General Partner shall be paid by the General Partner (on behalf of the Partnership) as follows: (i) 80% of such distribution to those Limited Partners of record as of the close of business on the distribution record date for the particular distribution period; and (ii) 20% of such distribution to the General Partner.

Notwithstanding the foregoing, in the event that the General Partner determines, in its absolute discretion, that a distribution of some amount of LP Distributable Cash to the Limited Partners is warranted and appropriate prior to full payment of an amount equivalent to the Capital Contributions of the Limited Partners then, in the discretion of the General Partner, all or a portion of the LP Distributable Cash (if any) available in respect of a distribution period may be distributed pursuant to the terms of paragraph (b) above.

It is within the General Partner's sole discretion to determine the utilization of available cash flow from the business and operations of the Partnership for matters beyond satisfying all mandatory liabilities and other payment obligations of the Partnership. Subject to the Distribution Policy described in *Item 2.2.6 – Distribution Policy*, it is the intention of the General Partner to utilize such available cash flow for acquisitions of additional assets by the Partnership.

Distributions on Dissolution

Upon the dissolution of the Partnership, the net proceeds from the liquidation of the assets of the Partnership will be distributed in the following order of priority: (a) to pay off any mortgages or other secured debts of the Partnership; and then (b) to pay the expenses of liquidation and all other outstanding debts and liabilities of the Partnership to its creditors, including all fees and expenses payable to the General Partner; and then (c) to provide for such reserves as the receiver may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership; and then (d) to pay, to each of the Limited Partners, such Limited Partner's Net Equity as then outstanding; and then (e) to the General Partner, the balance in the General Partner's capital account; and then (h) to distribute any balance then remaining 80% to the Limited Partners *pro rata* in accordance with their proportionate interest in the Partnership, and 20% to the General Partner. **Pursuant to the terms of the LP Agreement, the Partnership shall commence dissolution and wind up of its affairs on December 31, 2022, unless otherwise subject to earlier dissolution pursuant to the terms of the LP Agreement.**

Amendments

The LP Agreement may be amended only with the approval of the Limited Partners (which includes the Fund) given by special resolution, except in the following circumstances where amendments may be made without prior approval or consent of any Limited Partner: (a) ensuring continuing compliance, by the Partnership, with applicable laws, regulations, requirements or policies of any governmental authority or regulatory body having jurisdiction over the Partnership; (b) to give effect to a change in the governing law of the Partnership to any other province of Canada; (c) to give effect to the admission, substitution, withdrawal or removal of partners of the Partnership; (d) to give effect to a change that, as determined by the General Partner, is necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership in which the Limited Partners have limited liability under applicable laws; (e) providing, in the opinion of the General Partner, additional protection for the Limited Partners or to obtain, preserve or clarify the provision of desirable tax treatment for Limited Partners; (f) making amendments to the LP Agreement which, in the opinion of the General Partner, are necessary or desirable in the interests of the partners as a result of changes in taxation laws or in their interpretation or administration (including changes in the administrative practices and assessing policies of the Canada Revenue Agency); (g) making amendments to the LP Agreement as are necessary or desirable for correcting typographical mistakes or for curing, correcting or rectifying any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions; (h) making amendments to the LP Agreement as are required to undertake an internal reorganization of the Partnership or its affiliates; or (i) making amendments to the LP Agreement for any purpose in addition to those stated above, provided that, in the opinion of the General Partner, the rights of the Limited Partners are not materially prejudiced thereby.

Any amendment requiring approval by the Fund, as a Limited Partner, will be put to the Unitholders for vote. See *Item 2.1.1 - The Fund - Restrictions on Trustees*.

2.7.3. Administration Agreement:

The Fund has entered into an Administration Agreement with the Administrator dated February 11, 2016, pursuant to which the Trustees have delegated to the Administrator the obligation to provide and perform for and on behalf of the Fund most all services that are or may be required or advisable, from time to time, in order to manage and administer the operations of the Fund. The Administration Agreement includes the following material terms:

- (i) Provisions setting forth all of the rights, restrictions and limitations (including, without limitation, limitations of liability and indemnification rights) which pertain to the performance by the Administrator of the duties delegated to it by the Trustees. In general, the Administrator's liability will be limited, and it will be entitled to indemnification from the Fund, in respect of demands, claims and liabilities of any nature provided that the Administrator has acted honestly and in good faith.

- (ii) The Administrator and its directors and officers, as well as their respective affiliates and associates, are permitted to have business and other interests or associations of whatever nature or kind apart from their activities related to the Fund. The Fund and the Administrator have each acknowledged that there are and will continue to be potential or actual interests of the Administrator and its management (or their respective associates or affiliates), including conflicts of interest, with respect to interests held by, and/or contractual arrangements or transactions involving, one or more of the Administrator, the Administrator's management, the Fund or the Trustees, and any of the respective affiliates and associates of any of them, and the Fund has agreed that interests of the Administrator or the Administrator's management (or their respective associates or affiliates), including any conflicts of interest, will not form the basis for any claim against the Administrator, the Administrator's management or any respective affiliate or associate thereof, or their respective shareholders, directors, officers or employees, or for any attempt to challenge or attack the validity of any contract, transaction or arrangement (or renewal, extension or amendments of same), in each case, provided that the Administrator has otherwise exercised its powers and discharged its duties under the Administration Agreement honestly and in good faith.
- (iii) The Administration Agreement remains in effect until wind-up and dissolution of the Fund unless earlier terminated by the mutual agreement of the Administrator and the Fund. The Administrator may only be removed as administrator of the Fund in the following circumstances: (a) the Administrator or a majority of its directors have been convicted of fraud or embezzlement; (b) the Administrator (i) files a voluntary petition in bankruptcy or makes any assignment for the benefit of creditors of the Administrator, (ii) is involuntarily dissolved and commences its winding-up, or (iii) consents to or acquiesces to the appointment of a trustee, receiver or liquidator of the Administrator; (c) the following has been commenced against the Administrator (i) the institution of any proceeding or the taking of any action seeking to adjudicate it bankrupt or insolvent or seeking liquidation, dissolution, winding-up, reorganization or protection of its property, (ii) the making of a proposal with respect to it under any law related to bankruptcy, insolvency, reorganization or other similar law, or (iii) the seeking of the appointment of a receiver, trustee, agent or other similar official for it for a substantial part of its assets, provided that any such proceeding, petition or action under this paragraph (c) has been commenced against the Administrator or any of its assets by a *bona fide* party and is not stayed, vacated or dismissed within 90 days; or (d) the Administrator has breached any of its material covenants or obligations under the Administration Agreement and such breach is not cured within 60 days (or is in the process of being cured within 60 days and is not cured within 120 days) of the Fund formally notifying the Administrator of such default. Upon the occurrence of one of the defaults set forth above, the Unitholders may remove the Administrator if such removal is first approved by a Special Resolution of Unitholders. The Special Resolution must state the planned effective date of the removal of the Administrator, and such removal shall only take effect, notwithstanding the Special Resolution, once the following has occurred: (i) the full and unconditional release of the Administrator and its affiliates or associates (as the case may be) is obtained in respect of any mortgage or other indebtedness, liability or obligation of the Fund to which they are subject; and (ii) the payment of all money owing by the Fund to the Administrator and its affiliates and associates.
- (iv) An amendment to the Administration Agreement requires approval by an Ordinary Resolution of Unitholders except in certain specific circumstances as set forth in Administration Agreement, including where an amendment is determined by the Trustees not to be materially prejudicial to the Fund, where an amendment is necessary or desirable for correcting typographical mistakes or for curing, correcting or rectifying any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions, or where an amendment is necessary in light of a change in applicable law.
- (v) There is no fee payable to the Administrator under the terms of the Administration Agreement but the Administrator will be entitled to the reimbursement of all costs and expenses reasonably incurred by the Administrator in carrying out its obligations and duties under the Administration Agreement, including payroll and payroll related costs, overhead, general and administrative costs, and out-of-pocket and third party fees and expenses.

2.7.4. Reimbursement Agreement:

As the Fund is intended to be one of the vehicles by which financing is obtained from the capital markets in order to invest in the Partnership and any affiliates thereof, the Partnership has entered into a Reimbursement Agreement with the Fund dated February 11, 2016. Under the terms of the Reimbursement Agreement, the Partnership has agreed to reimburse the Fund and the Administrator for, or pay directly, all costs and expenses to be incurred by them in connection with the Fund and the Administrator obtaining financing for investment in the Partnership, including: (i) establishing the Fund's and the Administrator's existence so as to be in a position to undertake such financings; (ii) maintaining the Fund's and the Administrator's existence, which includes, but is not limited to, the Fund's obligations to Unitholders under the Declaration of Trust, all accounting and legal costs and all costs of compliance with the Tax Act or any applicable taxation laws or regulations; (iii) costs and expenses incurred by the Fund and the Administrator in respect of an offering of securities including legal and selling agents' fees; (iv) marketing and related services associated with the distribution and sale of securities; (v) administration of any unitholder rights plans, distribution reinvestment plans, unit purchase plans, incentive options and other compensation plans; and (vi) costs of ongoing compliance by the Fund and the Administrator of applicable laws. See *Item 1.1 - Funds*.

ITEM 3 - DIRECTORS, TRUSTEES, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held

The following table sets out information about each Trustee, each director and officer of the Administrator, the promoters of the Fund and each person who, directly or indirectly, beneficially owns or controls 10% or more of any class of voting securities of the Fund. Additional trustees from those set forth below may be appointed in the future. Remuneration to the Trustees for serving as trustees of the Fund has not yet been determined, however it is anticipated that the Trustees (other than those who are associated, directly or indirectly, with the Administrator) will receive reasonable compensation for their services in such amount as the Trustees may determine from time to time, as well as reimbursement of their out-of-pocket expenses incurred in acting as a Trustee.

As well as being the administrator of the Fund, the Administrator is also the general partner of the Partnership and, accordingly, the following information is also descriptive of the management of the Partnership.

Name and Municipality of Principal Residence	Positions Held and Date of Obtaining that Position	Compensation Paid by the Fund or related party since Inception and Anticipated Compensation for 2016	Number, Type and Percentage of Securities of the Fund held after Completion of Offering ⁽¹⁾
Stephen Johnston Calgary, Alberta	Trustee of the Fund, February 11, 2016; President, Chief Executive Officer and Director of Administrator, February 11, 2016	n/a ⁽²⁾	0 Units 0%
John Mackay Calgary, Alberta	Trustee of the Fund, February 11, 2016	n/a ⁽²⁾	0 Units 0%
Harold M. Kunik Calgary, Alberta	Director of Administrator, February 11, 2016	n/a ⁽²⁾	0 Units 0%
Barclay A. Laughland Calgary, Alberta	Director of Administrator, February 11, 2016	n/a ⁽²⁾	4 Units < 1%
Agcapita Partners L.P. Calgary, Alberta	Promoter of the Fund	n/a ⁽²⁾	0 Units 0%

Notes:

- (1) There is no minimum amount of funds to be raised pursuant to this Offering.
- (2) Agcapita Partners LP, a limited partnership in which the limited partners are Stephen Johnston, John Mackay, Harold Kunik and Barclay Laughland, is the sole shareholder of the Administrator. Compensation will be paid by the Partnership to the Administrator (as general partner) pursuant to the LP Agreement as described under *Item 2.1.2 - The Partnership - General Partner's Remuneration*.

3.2 Management Experience

Set forth below is a description of the principal occupation and business experience of each of the Trustees of the Fund and the director and officers of the Administrator. As well as being the administrator of the Fund, the Administrator is also the general partner of the Partnership and, accordingly, the following information is also descriptive of the management of the Partnership.

Name	Principal Occupation and Related Experience
Stephen Johnston	Mr. Johnston is a co-founder of Agcapita Partners LP, a farmland investment fund, Petrocapita Income Trust, an energy and mid-stream assets investment fund, Enercapita Energy Trust, an oil and gas investment fund and Equicapita Income Trust, a private equity fund focused on acquiring controlling positions in small-medium enterprises. In 1994, Mr. Johnston joined the London, England office of AT Kearney, a global consulting firm, as a strategy consultant implementing trading risk management systems, with a focus on default risk metrics of commercial real estate loan portfolios of Swedish investment banking clients. Mr. Johnston was then engaged as a banker by the European Bank for Reconstruction and Development on the Telecommunications and Media Team, providing debt and equity financing to companies based in Eastern Europe and the former Soviet Union until 1998. In 1998, Mr. Johnston became the head of the private equity team at Société Générale Asset Management - Emerging Markets UK. In this capacity he was responsible for closed-end funds covering the Baltics, Central and Eastern Europe and the Middle East with US\$285 million under management. In 2000, he

	became a principal and part owner of a £12 million early stage technology fund based in London, UK, investing in European based start-ups. Mr. Johnston earned a Bachelor of Science Degree (1987) and a Bachelor of Laws Degree (1990) from the University of Alberta and, after being admitted to the Alberta Bar in 1991, graduated with a Masters of Business Administration (MBA) from the London Business School in 1994.
John Mackay	John is the Co-founder, Executive Chairman, CEO and Director of Mosaic Capital Corporation. Mr. Mackay has over 25 years of experience as an entrepreneur taking his first company public in 1988 which was ultimately acquired by Bendix. He spent 11 years as a lawyer, and was a Partner at McCarthy Tétrault LLP in the Corporate Finance and Mergers & Acquisitions group, where he was involved with over \$1 billion worth of transactions. Over the past ten years John has been involved in starting, acquiring and running many successful private and public companies in a wide variety of businesses both domestic and international. John's involvement in these businesses include corporate finance, strategic development, business plan execution, M&A execution and litigation. He is past Chair of the Securities Law Subsection of the Canadian Bar Association and is a past member of the Securities Advisory Committee to the Alberta Securities Commission.
Harold M. Kunik	Mr. Kunik has over 20 years' experience as a private equity & venture capital fund manager and in corporate turn-arounds and restructurings. He is the President, Co-founder, and a Director of Mosaic Capital Corporation. He began his career with KPMG Peat Marwick doing corporate restructurings and acting as corporate consultant and business planner to clients across a broad range of industries. In 1994, Harold joined Western New Ventures Capital Corporation, a private equity firm located in Edmonton, Alberta. He became a partner with Western New Ventures and played a key role as Chief Financial Officer and as a Director of several of the investee companies. In 2001, he joined Avenir Capital Corporation, a Calgary-based private equity fund as Managing Director, Investments, and later managed the Avenir Growth Fund.
Barclay A. Laughland	Mr. Laughland has over 20 years of experience in the areas of corporate finance, investment fund management, mergers and acquisitions, debt/equity financings, re-structurings and business management. He is presently a partner with Agcapita Partners L.P., a farmland investment fund and, until January 2016, was vice-president, corporate affairs for Mosaic Capital Corporation, a publicly-traded investment company. Prior to 2009, Mr. Laughland headed a private technology development company focused on hydrocarbon extraction technology. Until early 2007, Mr. Laughland was a partner in the corporate finance and mergers and acquisitions practice group in the Calgary office of McCarthy Tétrault LLP, where he advised public and private companies, venture capitalists and private equity funds covering a broad range of matters related to business transactions, corporate finance, reorganizations and mergers and acquisitions, including a focus on alternative transaction and investment structures. Mr. Laughland received a B.Comm (1991) and J.D. (1994), both from the University of Saskatchewan.

3.3 Penalties, Sanctions and Bankruptcy

No Trustee or control person of the Fund and no director, executive officer or control person of the Administrator has, within the ten (10) years prior to the date of this Offering Memorandum, been subject to any penalties or sanctions or cease trade orders, or been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

No Trustee or control person of the Fund and no director, executive officer or control person of the Administrator has been, in the past ten (10) years, a director, executive officer or control person of an issuer that, while such individual served in such capacity, was subject to any penalty or sanction or cease trade order or was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the issuer.

3.4 Loans

None of the director or officers of the Administrator, nor any of the trustees, promoters or principal securityholders of the Fund are indebted to the Fund or its affiliates.

ITEM 4 - CAPITAL STRUCTURE

4.1 Unit Capital

Description of Security	Number Authorized to be issued	Price Per Security	Number Outstanding as at February 11, 2016	Minimum Number outstanding after Minimum Offering ⁽¹⁾	Maximum Number outstanding after Maximum Offering
Units ⁽²⁾	Unlimited	\$5.00	Four (4)	Four (4)	4,000,000

Notes:

- (1) There is no minimum to be raised pursuant to this Offering.
(2) See *Item 5.1 - Terms of Securities*, for the terms of the Units.

4.2 Long Term Debt of the Fund

As at the date hereof, the Fund has no long term debt. If such borrowings were to be undertaken, it would be undertaken in the discretion of the Administrator and upon such terms and conditions as it determines appropriate or acceptable. See also *Item 2.2.5 - Long Term Debt of the Partnership*.

4.3 Prior Sales

The following table sets forth a description of the previously issued securities of the Fund since its formation:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
February 11, 2016	Units	Four (4)	\$5.00	\$20.00

ITEM 5 - SECURITIES OFFERED

5.1 Terms of Securities

The Offering consists of up to 4,000,000 Units. The price of each Unit issued under this Offering Memorandum is \$5.00. Except with the consent of the Administrator, the minimum number of Units that may be purchased by an individual subscriber is 1,000 representing a \$5,000 investment. Thereafter, Units can be acquired in minimum blocks of 20 Units (\$100). See *Item 5.2 - Subscription Procedure - Subscribing for Units*.

Units

The Units have those rights, privileges, restrictions and conditions ascribed thereto as set forth in the Declaration of Trust, including the following:

- (a) **Voting Rights:** Each Unit shall entitle the holder thereof to receive notice of and to attend all meetings of the Unitholders of the Fund and to one (1) vote in respect of such Unit at all such meetings.
- (b) **Distributions:** Unitholders shall be entitled to receive non-cumulative distributions only if, as and when declared by the Trustees in accordance with and as provided by the terms of the Declaration of Trust. See *Item 2.1.1 – The Fund – Distribution Entitlement*.
- (c) **Participation upon Liquidation or Winding Up:** In the event of the liquidation and winding up of the Fund, Unitholders shall be entitled, subject to the rights of the holders of any other class of securities entitled to receive assets of the Fund upon such a distribution in priority to or concurrently with the holders of the Units, to participate in the distribution. Such distribution to which Unitholders are entitled shall be made pro-rata in accordance with their respective interests in the Fund, without preference or distinction.
- (d) **Rights of Redemption:** A holder of Units is entitled to require the Fund to redeem, at any time at the demand of the holder, all or any part of the Units registered in the name of the Unitholder. There are certain procedural requirements, set forth in the Declaration of Trust, which must be adhered to in connection with any redemption of Units. The price per Unit to be received on a redemption will be equal to ninety (90%) percent of the fair market value of such Unit, as at the date upon which such Unit was tendered for redemption, as determined by the Administrator in its sole discretion, acting reasonably, but having regard to certain factors as set forth in the Declaration of Trust, including all prices at which trades of Units have been transacted, as reported to

the Fund, during the immediately preceding 6 month period. Payment of the redemption price shall be in cash provided that if the Units tendered for redemption in the same calendar month exceeds \$10,000, then the Trustees shall only be obligated to make cash payment to a maximum of \$10,000 and the balance, subject to receipt of any applicable regulatory approvals, may be paid by the Fund, in the discretion of the Administrator, through the issuance of Redemption Notes and/or through a distribution, *in specie*, of property of the Fund.

For a summary of the material terms of the Units, as set out in the Declaration of Trust, see *Item 2.1.1 - The Fund* and *Item 2.7 - Material Agreements - Declaration of Trust*.

While the Fund may, in the future, make distributions to its Unitholders out of Distributable Cash (if any), at this time no assurance can be given that such distributions will ever be made to Unitholders. The ability of the Fund to make cash distributions on the Units is dependent upon the Fund receiving distributions from the Partnership in respect of the LP Units held by the Fund. If the Fund does not receive such payments or cash distributions the Fund will likely not have any cash flow to make cash distributions to its Unitholders and, since the net income (for tax purposes) of the Fund is intended to be allocated to Unitholders, it may likely be the case that cash distributions by the Fund to Unitholders will be insufficient to satisfy the Unitholder's tax liability for a year arising from its status as a holder of Units. For a description of the Partnership's distribution policy, see *Item 2.2.6 – Distribution Policy*.

5.2 Subscription Procedure

Subscribing for Units

The following conditions apply, subject to the exercise of discretion by the Administrator, in respect of a subscription for Units:

1. Units must be purchased in minimum blocks of 20 Units (\$100).
2. The minimum individual subscription is \$5,000 representing one thousand (1,000) Units. Over and above the minimum subscription amount, a Subscriber may purchase additional Units in blocks of 20 Units (\$100).

Closings will occur at such time and dates as are established by the Administrator on behalf of the Fund. This Offering Memorandum will be delivered to Subscribers and Units shall only be issued to Subscribers who purchase such securities as principal and provide the requisite deliveries indicated below.

In order to subscribe for Units a Subscriber must complete, execute and deliver the following (provided, however, that a Subscriber resident in Ontario need not complete or deliver the document referred to in 2 below):

1. a subscription agreement and power of attorney, in form acceptable to the Administrator (the Fund reserves the right to use different forms of subscription agreements for different Subscribers);
2. evidence satisfactory to the Administrator establishing that the Subscriber qualifies as a Permitted Holder;
3. a certified cheque or bank draft payable to the Fund (or as it otherwise directs) in the amount of the aggregate subscription price for the Units subscribed for; and
4. any such other document or instrument as may be requested by the Administrator.

Cheques will be held until at least midnight on the second Business Day after the Subscriber signs the subscription agreement to purchase Units, during which period Subscribers may cancel their agreement to purchase the Units. Thereafter the funds, subscription agreements and other documents will be held by the Fund pending Closing of the sale of Units to the Subscriber. Closings will occur on a continuous basis at such times and on such dates as may be determined by the Fund from time to time. Interest will not be payable on a Subscriber's subscription funds which are held pending Closing and interest earned, if any, will be paid to and retained by the Fund. Subscriptions will be received subject to rejection or allotment in whole or in part and the Fund reserves the right to close the subscription books at any time and without notice. The Administrator has the right, in its sole and absolute discretion, to reject any subscription for Units, in whole or in part, for any reason.

Upon acceptance by the Administrator on behalf of the Fund of a Subscriber's subscription for Units, and receipt of the subscription price therefore and satisfaction of Closing conditions, the Subscriber shall become a holder of Units. Following Closing, each Subscriber who becomes a holder of Units will be entered in the records and/or registers of the Fund as a Unitholder in respect of those Units subscribed for and accepted by the Fund. Unless otherwise directed or required, the registrar and transfer agent for the Fund will hold the Subscriber's Units in their book-based system which means that no physical certificate will be produced but the Subscriber's Units will be recorded in the unitholder registers. With Units being held in the book-based system there is no risk of losing unit certificates which can be costly to replace. **Based on the foregoing, unit certificates representing the Subscriber's Units will not be issued and sent to such Subscriber.**

Representation of Qualification to Purchase

By executing a subscription agreement for Units, each Subscriber will make the representation that the Subscriber meets the conditions of the applicable prospectus exemption in purchasing Units pursuant to this Offering and is thus entitled under such prospectus exemption to purchase such securities without the benefit of a prospectus qualified under applicable securities laws.

Acceptance of Subscription Form

THE ACCEPTANCE BY THE FUND OF A SUBSCRIBER'S SUBSCRIPTION FOR UNITS, WHETHER IN WHOLE OR IN PART, CONSTITUTES AN AGREEMENT BETWEEN THE SUBSCRIBER AND THE FUND UPON THE TERMS AND CONDITIONS SET OUT IN SUCH SUBSCRIPTION AGREEMENT whereby the Subscriber, among other things: (i) acknowledges that he or she, upon purchase of Units, is bound by the terms of the Declaration of Trust; (ii) makes various representations and warranties, including without limitation, representations and warranties as to his or her status as a Permitted Holder; and (iii) irrevocably nominates, constitutes and appoints the Trustees as his or her true and lawful attorney with the full power and authority as set out in the subscription agreement and the Declaration of Trust.

Trading, Resale and Transfer Restrictions

This Offering of Units is made only to Subscribers who are eligible to purchase on an exempt basis under, and subject to compliance with, applicable securities laws. **THERE IS NO MARKET FOR THE UNITS. THE TRANSFERABILITY OF THE UNITS WILL ALSO BE SUBJECT TO RESALE RESTRICTIONS UNDER APPLICABLE SECURITIES LAWS.** The Administrator will be entitled to require and may require, as a condition of allowing any transfer of any Unit, the transferor or transferee, at their expense, to furnish to the Administrator evidence satisfactory to it in form and substance (which may include an opinion of counsel satisfactory to the Administrator) in order to establish that such transfer will not constitute a violation of the securities laws of any jurisdiction whose securities laws are applicable thereto.

The Fund is not a reporting issuer in any of the provinces or territories of Canada. **The Units will be subject to an indefinite hold period.** Despite the indefinite hold period, and subject to approval by the Administrator as referred to above, Subscribers may be able to trade Units under and in compliance with the prospectus and registration requirements of the applicable securities laws or exemptions therefrom.

ITEM 6 - CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS AND EXEMPT PLAN ELIGIBILITY

General

The following summary has been prepared by Counsel and describes the principal Canadian federal income tax consideration pursuant to the Tax Act generally applicable to an individual (other than a trust) who acquires Units pursuant to this Offering and who, for purposes of the Tax Act, and at all relevant times, is resident in Canada, deals at arm's length with, and is not affiliated with, the Fund and holds the Units as capital property. Generally, Units will be capital property of a Unitholder provided the Unitholder does not hold the Units in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure in the nature of trade.

Certain persons who might not otherwise be considered to hold their Units as capital property may, in certain circumstances, be entitled to make the irrevocable election permitted by subsection 39(4) of the Tax Act to have their Units and each other "Canadian security" (as defined in the Tax Act) owned by the person in the year in which the election is made and in each subsequent year, treated as capital property.

This summary is not applicable to a person: (i) an interest in which would be a "tax shelter investment" as defined in section 143.2 of the Tax Act; (ii) that is a "financial institution" as defined in section 142.2 of the Tax Act; (iii) that has elected to determine its Canadian tax results in a "functional currency" other than the Canadian dollar; or (iv) that has entered or will enter into a derivative forward agreement with respect to the Units, all within the meaning of the Tax Act. Such Unitholders should contact their own tax advisors having regard to their own particular circumstances.

This summary is based upon information set out in this Offering Memorandum, the provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and Counsel's understanding of the current published administrative and assessing policies of the Canada Revenue Agency (the "**CRA**") that have been made publicly available as of the date hereof. There can be no assurance that the Proposed Amendments will be enacted in the form proposed, or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to the Offering and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law, whether by legislative, governmental or judicial action or changes in the administrative policies or assessing practices of the Canada Revenue Agency. This summary does not take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be relied on as legal or tax advice or representations to any particular Unitholder. Consequently, Unitholders are urged to seek independent tax advice in respect of the consequences to them of an investment in Units having regard to their particular circumstances. You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

Status of the Fund

This summary assumes that the Fund qualifies as a "mutual fund trust" for purposes of the Tax Act at all relevant times. Counsel has been advised that the Trust intends to make an election under subsection 132(6.1) of the Tax Act before the 91st day after its first taxation year so that it will be deemed to be a mutual fund trust from the beginning of the year.

If the Fund were to not qualify as a mutual fund trust at any particular time, the income tax considerations for the Fund and the Unitholders would be materially different from those contained herein.

This summary assumes that "investments", within the meaning of the Tax Act, in the Fund are not, and will not be, listed or traded on a stock exchange or other public market. If investments in the Fund are listed or traded on a stock exchange or other public market the Fund may be taxable as a "SIFT trust" under the Tax Act and the Canadian federal tax considerations would be materially different from those described herein.

Taxation of the Fund

The Fund is subject to tax under Part I of the Tax Act on its income for each taxation year, including net realized taxable capital gains, dividends, accrued interest and other income paid or payable to it, less the portion thereof that is paid or payable in the year to Unitholders and which is deducted by the Fund in computing its income for purposes of the Tax Act. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid in the year by the Fund or the Unitholder is entitled in that year to enforce payment of the amount. The taxation year of the Fund will end on December 31 of each year.

The Fund generally intends to deduct, in computing its income, the full amount available for deduction in each year to the extent of its taxable income for the year otherwise determined and to make payable to Unitholders an amount equal for its remaining taxable income. Net income of the Fund for each year will be paid or made payable to Unitholders by way of cash distributions, or in the event that the Fund does not have sufficient cash to distribute all of its net income by way of such cash distributions, such net income will be payable to holders of Units in the form of additional Units. Counsel has been advised by the Fund that it is expected that the Fund will not be liable for any material amount of tax under the Tax Act; however, Counsel can provide no assurance in this regard.

Computation of Partnership Income

The Partnership is not itself liable for income tax. However, the income or loss of the Partnership will be computed for each fiscal period as if the Partnership were a separate person resident in Canada. The fiscal period of the Partnership ends on December 31st.

The income or loss of the Partnership for each fiscal period will be allocated among those persons who are Limited Partners, including the Fund, at the end of the Partnership's fiscal period, in accordance with the provisions of the LP Agreement.

In general, a Limited Partner's share of any income or loss of the Partnership from a particular source will retain its character and any provisions of the Tax Act applicable to that type of income will also apply to each Limited Partner.

Taxation of Unitholders

Fund Distributions

A Unitholder will generally be required to include in computing their income for a particular taxation year any amount paid or made payable to the Unitholder in that year, whether in cash, additional Units, Fund Property or otherwise.

Provided that appropriate designations are made by the Fund, the portion of its taxable capital gains and taxable dividends received from taxable Canadian corporations that are paid or made payable to a Unitholder will retain their character as taxable capital gains and taxable dividends to the Unitholder for purposes of the Tax Act. Such dividends, when designated to a Unitholder that is an individual, will be subject to the gross-up and dividend tax credit provisions normally applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit for eligible dividends. Income of the Fund that is designated as taxable dividends from taxable Canadian corporations or as net realized capital gains may affect an individual Unitholder's liability for alternative minimum tax.

The non-taxable portion of net realized capital gains of the Fund that is paid or payable to a Unitholder in a taxation year will not be included in computing the Unitholder's income for the year and will not reduce the adjusted cost base of the Unitholder's Units. Any other amount in excess of the net income of the Fund that is paid or made payable by the Fund to a Unitholder in a year will generally not be included in the Unitholder's income for the year but will reduce the adjusted cost base of the Units held by such Unitholder. To the extent that the adjusted cost base to a Unitholder of a Unit is less than zero at any time in a taxation year, such negative amount will be deemed to be a capital gain of the Unitholder from the disposition of the Unit in that year. The amount of such capital gain will be added to the adjusted cost base of such Unit.

The adjusted cost base of a Unit to a Unitholder will include all amounts paid or payable by the Unitholder for the Unit, with certain adjustments. Units issued to a Unitholder as a non-cash distribution of income will have a cost amount equal to the amount of such income. A Unitholder will generally be required to average the cost of all newly-acquired Units with the adjusted cost base of Units held by the Unitholder as capital property in order to determine the adjusted cost base of the Unitholder's Units at any particular time.

Disposition of Units

On the disposition or deemed disposition of Units, a Unitholder will generally realize a capital gain (or a capital loss) equal to the amount by which the Unitholder's proceeds of disposition are greater (or less) than the aggregate of the Unitholder's adjusted cost base of the Units and any reasonable costs incurred by the Unitholder in connection with the disposition. The taxation of capital gains or capital losses is described below under "Capital Gains and Capital Losses".

Redemption of Units

The redemption of Units in consideration for cash, Fund Property or Redemption Notes, as the case may be, will be a disposition of such Units for proceeds equal to the amount of such cash or the fair market value of such Fund Property or Redemption Notes, less any portion thereof that is considered to be a distribution of the income of the Fund. Redeeming Unitholders will consequently realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition (less any portion thereof that is considered a distribution of the Fund's income) is greater (or less) than the Unitholder's aggregate adjusted cost base of the Units so redeemed and any reasonable costs of disposition.

Capital Gains and Capital Losses

Generally, one-half of any capital gain realized or deemed to be realized by a Unitholder in a taxation year will be included in the Unitholder's income for the year as a taxable capital gain. Subject to specific rules in the Tax Act, one-half of any capital loss realized or deemed to be realized by a Unitholder in a taxation year is an allowable capital loss which is deducted from any taxable capital gain realized by the holder in the year of disposition. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances provided for in the Tax Act. Capital gains realized by a Unitholder may affect a Unitholder's liability for alternative minimum tax.

If a Unitholder disposes of Units, and the Unitholder, the Unitholder's spouse or another person affiliated with the Unitholder (including a corporation controlled by the Unitholder) has also acquired Units of any series within 30 days before or after the Unitholder disposes of the Unitholder's Units (such newly acquired Units being considered "substituted property"), the Unitholder's capital loss may be deemed to be a "superficial loss". If so, the Unitholder's loss will be deemed to be nil and the amount of the loss will instead be added to the adjusted cost base of the Units which are "substituted property".

Eligibility for Investment by Exempt Plans

Provided that the Fund is a "mutual fund trust" for purposes of the Tax Act at all relevant times, the Units, when issued, will be a qualified investment under the Tax Act for Exempt Plans.

The Units will generally not be a prohibited investment for a trust governed by a RRSP, TFSA or RRIF if the annuitant or holder of the RRSP, TFSA or RRIF deals at "arm's length" with the Fund for the purposes of the Tax Act and such annuitant or holder does not have a "significant interest" (within the meaning of the Tax Act) in the Fund. Unitholders should consult their own tax advisors as to whether the Units will be a prohibited investment in their particular circumstances.

Fund Property or any other securities received as a result of a distribution or redemption of Units will not be a qualified investment for Exempt Plans, which may result in adverse tax consequences to an Exempt Plan or the annuitant, holder or beneficiary thereof. Unitholders holding Units in an Exempt Plan should consult with their own tax advisors prior to redeeming their holding Units to determine the tax consequences to them of a redemption satisfied by Fund Property or Redemption Notes.

ITEM 7 - COMPENSATION PAID TO SELLERS AND FINDERS

To assist with effecting sales of Units, the Fund plans to retain several non-exclusive securities dealers to assist with effecting sales of Units. The Fund may compensate securities dealers with a commission of up to 9% of the gross proceeds realized on the sale of Units for soliciting, or assisting with effecting, sales of Units. In addition to the foregoing, the Fund may pay an administration fee of up to 1% of the gross proceeds realized on the sale of Units for administration costs incurred by the securities dealers associated with such activities.

The aggregate commission payable to such securities dealers will be up to \$1,800,000 in the case of the maximum Offering (there is no minimum Offering). The aggregate administration fees payable to such securities dealers will be up to \$200,000 in the case of the maximum Offering (there is no minimum Offering). The Fund may also incur other marketing, administration and other professional services expenses in connection with the Offering. *See Item 1.1 – Funds.*

ITEM 8 - RISK FACTORS

It is strongly recommended that each Subscriber, in order to assess tax, legal and other aspects of an investment in the Units obtain independent legal advice with respect to the Offering and this Offering Memorandum. An investment in the Units is subject to significant risk from, among other things, rapidly changing economic and market conditions.

There is no established market for the Units and none is expected to develop. Therefore, it may be difficult or impossible for a Subscriber to sell such securities. The subscription price per Unit (\$5.00) was determined arbitrarily by the Fund. The Offering should be considered highly speculative due to the nature of the Fund's business and the fact that both the Fund and the Partnership (in whom the Fund is to invest) were only recently formed.

There are risks associated with an investment in the Fund as a result of, among other considerations, the nature and operations of the Fund. An investment in Units should only be made after consultation with independent qualified sources of investment and tax advice.

An investment in the Fund is highly speculative and involves a high degree of risk and is not intended as a complete investment program. There is a risk that an investment in the Fund will be lost entirely or in part. Only investors who do not require immediate liquidity of their investment and who can afford the loss of their entire investment should consider the purchase of Units. The following is a summary of certain risk factors which could negatively impact the Fund and the Partnership (in whom the Fund is to invest) but does not purport to be a complete summary of all the risks associated with an investment in securities of the Fund.

8.1 Risks Associated with an Investment in the Trust

No Guaranteed Return

There is no guarantee that an investment in Units will earn any positive return in the short or long-term. While the Fund may, in the future, make distributions to its Unitholders out of Distributable Cash (if any), no assurance can be given that such distributions will ever be made to Unitholders. A return on, or of, investment in Units is dependent upon the success of the Partnership (in whom the Fund is to invest) in generating sufficient capital appreciation and income on assets of the Partnership. The Fund could realize losses rather than gains. As a result, there is no assurance or guarantee that the Fund and, correspondingly, the purchasers of Units pursuant to the Offering will earn a return on, or of, their investment. An investment in Units should be considered as speculative and Subscribers must be able to bear the risk of a complete loss of their investment.

Lack of Operating History

Both the Fund and the Partnership are recently formed and, at the date hereof, do not have any history of generating revenue or profit.

Operational Dependence

As the net proceeds of this Offering are to be invested in securities of the Partnership, and such securities will comprise the main material asset of the Fund, any return which may be generated by the Fund (whether income, capital or otherwise) will be dependent on the success of the operations of the Partnership. The Fund is entirely dependent upon the operations and assets of the Partnership. Distributions to Unitholders, both during the life of the Fund and upon wind-up, are dependent upon the ability of the Partnership to generate income and capital appreciation on its assets. The success of the Partnership will rely, to a fair degree, on the good faith, experience, ability and judgment of management of the General Partner and its personnel to make prudent acquisitions and dispositions of farmland and make appropriate decisions with respect to the other aspects of the operations of the Partnership. An investment in the Fund would not be appropriate for those unwilling to so rely. The Partnership's return on its assets and operations will also depend upon a number of factors outside of the Partnership's control, including weather risk, commodity price risk, changes in local, regional and/or global demand for agricultural commodities, as well as other economic factors. The Partnership has been in existence since February 11, 2016 and has not yet successfully deployed capital into the acquisition of any farmland or conducted any Farmland Business.

Loss of Investment in the Event of a Unitholder Default

In the event that certain representations and warranties of a Unitholder as set forth in the Declaration of Trust should prove to be untrue, or a Unitholder fails to provide the Fund with requested information, or a Unitholder otherwise is in breach of its obligations under the Declaration of Trust (and fails to remedy same), the Fund has the right to sell or repurchase the Units of such Unitholder at a discount. See *Item 2.7 - Material Agreements - Declaration of Trust - Limitation on Non-Resident Ownership*.

Conflicts of Interest of Management and Others

The Administrator, its officers, directors, employees, or shareholders and those of its affiliates and associates are not limited or affected in their ability to carry on other business ventures for their own account, or for the account of others, and may be engaged in the development of, investment in, or management of businesses that may compete with the business of the Fund or the Partnership, or both. Such persons may have a conflict of interest in carrying out their obligations to the Fund or the Partnership (as the case may be) as a result of their involvement in competing activities.

The Trustees and the directors and officer of the Administrator will not be devoting all of their time to the affairs of the Fund, but will be devoting such time as required to effectively manage the Fund. The directors and officer of the Administrator are engaged and will continue to be engaged in the search for business prospects on their own behalf and on behalf of others.

One of the Trustees is a director of the Administrator and the Administrator acts as administrator of the Fund and as the general partner of the Partnership, accordingly there may be a conflict of interest on the part of such individual. In addition, in connection with the operations of the Fund and the Partnership, there may be other situations in which conflicts of interest arise as between any two or more of the Fund, the Partnership, the Trustees (or any of them), and the board of directors (or any one of them) and officer of the Administrator or their respective affiliates or associates (or any of them). See *Item 2.1.2 - The Fund - Conflicts of Interest*, and *Item 2.1.2 - The Partnership - Business Interests of the General Partner*.

Distributions and Allocation of Income

While the Fund may, in the future, make distributions to its Unitholders out of Distributable Cash (if any), at this time no assurance can be given that such distributions will ever be made to Unitholders.

The ability of the Fund to make cash distributions on the Units will be dependent upon the Fund receiving distributions from the Partnership in respect of the LP Units held by the Fund. It is within the General Partner's sole discretion to determine the utilization of available cash flow from the business and operations of the Partnership for matters beyond satisfying all mandatory liabilities and other payment obligations of the Partnership. Subject to the Distribution Policy described in *Item 2.2.6 – Distribution Policy*, it is the intention of the General Partner to utilize such available cash flow for acquisitions of additional assets by the Partnership.

In any taxation year, the Fund may not receive cash payments from the Partnership and in that circumstance the Fund would likely not be able to make cash distributions to Unitholders but the Unitholders, nonetheless, may have tax liability since the net income (for tax purposes) of the Fund is intended to be allocated to Unitholders. Therefore it may be the case that, in some circumstances, Unitholder's will have tax liability arising from its status as a holder of Units but will not have received cash distributions from the Fund sufficient to satisfy such tax liability.

Distributions to holders of Units may consist of the proceeds from the sale of securities by the Fund and may also, in certain circumstances, exceed cash flow of the Fund for any particular distribution period.

Status of the Fund

The Fund is not a reporting issuer "mutual fund" for securities law purposes. As a result, some of the protections provided to investors in mutual funds under such laws will not be available to investors in the Units and certain restrictions imposed on mutual funds under Canadian securities laws, including National Instrument 81-102, do not apply to the Fund.

Illiquidity of Units

There is currently no market through which the Units may be sold and none is expected to develop. Units are only transferable subject to the terms of the Declaration of Trust and Canadian securities law restrictions. In general, under applicable securities laws, the Units can be lawfully traded or resold by a Subscriber only if one of the following conditions is satisfied: (i) a statutory exemption, under the applicable securities legislation, from the prospectus and registration requirements is available for the Subscriber to rely upon in order to effect the trade being contemplated; or (ii) an appropriate discretionary order is obtained by the Subscriber, under the applicable securities laws, to permit the trade being contemplated.

The Fund is not a reporting issuer (as defined in applicable securities legislation) in any jurisdiction. Therefore, unless and until the Fund becomes a reporting issuer, where no statutory exemption may be relied upon and no discretionary order is obtained in order to effect a future disposition of the Units, a Subscriber might be required to hold the Units indefinitely. Under certain conditions, redemptions of Units may not be payable in cash but rather satisfied through the distribution of other Fund Property or Redemption Notes, in respect of each of which there will not be a market for such securities. In light of the foregoing, an investment in Units is only suitable for investors who do not need liquidity with respect to their investment. The principal assets of the Fund will be the LP Units, both of which are illiquid. There is currently no market through which the LP Units may be sold and none is expected to develop.

Mutual Fund Trust Status

Should the Fund fail or cease to qualify as a mutual fund trust, the income tax considerations respecting the Fund would be materially different from those described in the summary under *Item 6 - Certain Canadian Federal Income Tax Considerations and Exempt Plan Eligibility*, and in particular the following adverse income tax consequences may result:

- The Units would not be qualified investments for Exempt Plans with the result that an Exempt Plan may become subject to a penalty tax, the beneficiary of such Exempt Plan may be deemed to have received income therefrom or, in the case of an RESP, the RESP may have its tax exempt status revoked.
- The Fund will be required to pay a tax under Part XII.2 of the Tax Act.
- The Fund will cease to be eligible for the capital gains refund mechanism available to mutual fund trusts.
- The Fund will be subject to alternative minimum tax under the Tax Act.

Tax Risks

No assurance can be given that changes in the Tax Act, or changes in the administrative policies and assessing practices of the Canada Revenue Agency, or future court decisions, or the implementation of new taxes will not adversely affect the Fund or fundamentally alter the income tax consequences to holders of Units with respect to acquiring, holding or disposing of Units. Investors are strongly encouraged to consult their tax advisors as to the tax consequences of acquiring, holding and disposing of Units purchased pursuant to the Offering. There can be no assurance that cash distributions, if any, made by the Fund will be sufficient to satisfy a Unitholder's tax liability for a year arising from its status as a Unitholder of the Fund. See *Item 6 - Certain Canadian Federal Income Tax Considerations and Exempt Plan Eligibility*.

Unitholder Liability

The Declaration of Trust provides that no Unitholder will be subject to any liability in connection with the Fund or its assets or obligations and that, in the event that a Unitholder becomes subject to any such liabilities, the Unitholder shall be entitled to indemnity and reimbursement out of the Fund Property to the full extent of such liability. The Declaration of Trust further provides that the Trustees and the Administrator shall make all reasonable efforts to include as a specific term of any obligations or liabilities being incurred by the Fund, a contractual provision to the effect that neither the Unitholders nor the Trustees have any personal liability or obligations in respect of the obligations and liabilities of the Fund. The Trustees have waived any right at law to indemnification from any Unitholder. Notwithstanding the foregoing, there remains some risk that a Unitholder may be personally liable in respect of certain liabilities and obligations of the Fund.

Legal Rights Normally Associated with the Ownership of Shares of a Corporation

Holders of Units do not have the statutory rights normally associated with ownership of shares of a company including, for example, the right to bring "oppression" or "derivative" actions against the Fund. The Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that statute or any other legislation. Furthermore, neither the Fund nor any of the Trustees is a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company. Neither is the Fund a legally recognized entity within the relevant definitions of the *Bankruptcy and Insolvency Act* (Canada) or, *The Companies' Creditors Arrangement Act* (Canada). As a result, if a restructuring of the Fund were necessary, the Fund would not be able to access the remedies available under these statutes.

Changes in Applicable Law

Legal, tax and regulatory changes in law may occur that can adversely affect the Fund and Holders. There can be no assurance that income tax, securities and other laws will not be changed in a manner which adversely affects the Fund or the Unitholders. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the Canada Revenue Agency respecting the treatment of mutual fund trusts will not be changed in a manner which adversely affects the Holders of Units.

8.2 Risks Associated with an Investment in the Partnership and the Farmland Business

The following are certain risk factors that are inherent to an investment in the Partnership. **As the net proceeds of the Offering are to be invested in LP Units, which investments are to comprise the main material assets of the Fund, these factors are also applicable to an investment in the Fund and should be carefully reviewed by Subscribers.**

Blind Pool

The farmland to be acquired by the Partnership has not yet been identified. Although the General Partner will apply the net proceeds from capital raised by the Partnership to purchase farmland, the specific farmland in which the Partnership will invest has not yet been determined. The General Partner anticipates that the farmland will be diversified by region, crop type, management style and property size.

Risks Related to Ownership of Farmland

The Partnership is subject to the normal risks associated with the ownership and operation of farmland, including fluctuations in interest rates, rental rates and vacancy rates; the ability to obtain and maintain tenants for rental lands; and other factors wholly or partially beyond the control of the Partnership. Such investments are also affected by general economic conditions, local real estate markets, supply and demand for farmland, competition from other available farmland and various other factors. The value of farmland may also depend on the credit and financial stability of the farm operators who lease the properties from the Partnership. The Partnership's financial performance would be adversely affected if its farm operators were to become unable to meet their obligations under their leases. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the farm operator replaced. The terms of any subsequent lease may be less favourable to the Partnership than the existing lease. Further, all Saskatchewan farm leases are subject to *The Agricultural Leaseholds Act* (Saskatchewan) and *The Landlord and Tenant Act* (Saskatchewan) granting a farm operator the ability to re-enter leased lands after the expiry or termination of the lease to complete harvest or remove crops. This may cause a delay in re-letting the lands resulting in financial loss to the Partnership.

In the event of default by a farm operator, delays or limitations in enforcing rights as lessor may be experienced and costs incurred in protecting the Partnership's investment may be incurred. Furthermore, at any time, a farm operator of any of the Partnership's properties may seek the protection of bankruptcy, insolvency or similar laws that could result in the rejection and termination of such farm operator's lease and thereby adversely affect the financial performance of the Partnership. The ability of farm operators to meet their lease obligations, and the Partnership's financial results to the extent that it operates any farmlands directly or crop shares or otherwise accepts grain or other crops in payment of rent, will be dependent on the crop yields on the farmlands owned by the Partnership which can be affected by numerous factors beyond the control of the Partnership or farm operators including weather, crop diseases, pests and wildlife. In the event of default by a farm operator, the Partnership may experience delays in enforcing its rights as lessor and may incur significant costs in protecting its investment. In addition, a farm operator may seek the protection of bankruptcy, insolvency or similar laws. The Partnership cannot evict a farm operator solely because of its bankruptcy. A court, however, may authorize a farm operator to reject and terminate its lease with the Partnership. In such a case, the Partnership's claim against the farm operator for unpaid, future rent may be subject to a statutory limit that might be substantially less than the remaining rent owed under the lease. The loss of rental payments from farm operators and costs of re-leasing could adversely affect the Partnership's cash flows and operating results.

Certain expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of the farmland regardless of whether the farmland is producing any income.

Conflicts of Interest of Management and Others

The General Partner is solely responsible for the administration, management and operation of the Partnership and its business. There may be situations in which conflicts of interest may arise between the Partnership and the General Partner or its directors and officers or their respective affiliates and associates. Under the LP Agreement, officers and directors of the General Partner are permitted to engage in (and it is anticipated that they will in the future engage in) activities that are the same as, or similar to, the activities of the Partnership including purchasing, owning, leasing, managing, renting, selling, developing, cultivating, cropping and operating farmlands in the provinces of Alberta, Saskatchewan, Manitoba and Ontario. The directors and officers of the General Partner currently are directors and/or officers and/or controlling persons of other entities that are engaged in activities that are the same as, or similar to, the business and activities which are to be undertaken by the Partnership. Management of the General Partner will not devote their full time and attention to the affairs of the Partnership and, when acting on their own behalf and on behalf of others, may at times act in competition with the interests of the Partnership.

Agriculture Industry Cyclicalities

The value of and revenues from the farmlands in which the Partnership will invest will be largely dependent on the performance of the Canadian agricultural industry, including in particular the agricultural industry in the provinces of Alberta, Saskatchewan, Manitoba and

Ontario. The agriculture sector has historically been a cyclical business. To the extent that the agricultural sector declines or experiences a downturn, the Partnership's operations and financial performance could be materially adversely affected.

Commodity Prices, International Trade and Political Uncertainty

The business of the Partnership is dependent on the health of the agricultural industry including in particular the agricultural industry in the provinces of Alberta, Saskatchewan, Manitoba and Ontario, which in turn is dependent on the price of grain and other agricultural commodities. To the extent the Partnership operates any farmland directly or crop shares or otherwise accepts grain or other crops in payment of rent, the Partnership will be directly exposed to fluctuations in prices for these commodities. The price of grain and other agricultural commodities are influenced by a variety of unpredictable factors that are beyond the control of the Partnership, including weather, government (Canadian, United States and other) farm programs and policies and changes in global demand or other economic factors. The world grain market is subject to numerous risks and uncertainties, including risks and uncertainties related to international trade and global political conditions.

Competition

The Partnership experiences competition for farmland purchases as well as leasing of farmland. Certain of the Partnership's competitors may have greater financial and capital resources than the Partnership. The Partnership could face increased competition from newly formed or emerging entities, as well as from established entities that choose to focus (or increase their existing focus) on farmland opportunities in Canada. There can be no assurance that farmland properties will be available to the Partnership on commercially acceptable terms or at all, or that leasing opportunities for the farmland of the Partnership will be available to the Partnership on commercially acceptable terms or at all.

Illiquidity of Farmland Investments

Like other real property investments, farmland investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may tend to limit the Partnership's ability to vary its portfolio promptly in response to changing economic or investment conditions. If the Partnership were required to liquidate farmland investments, the proceeds to the Partnership might be significantly less than the aggregate carrying value of such property.

Reliance on Ability and Judgment of Management

The success of the Partnership and, consequently, the Fund will, to a large extent, depend on the good faith, experience, ability and judgment of management of the General Partner and their consultants and advisors to make appropriate decisions with respect to the operations of the Partnership. If the General Partner loses the services of one or more of its directors or officers the business, financial condition and results of operations of the Partnership may be materially adversely affected which, consequently, impacts the value of the LP Units held by the Fund. Holders of LP Units will have no right to take part in the control or management of the Partnership, and the Partnership will be bound by the decisions of the General Partner. Subscribers must rely on the good faith, experience, ability and judgment of management of the General Partner. Neither the Partnership nor the Fund carries key man insurance.

Net Worth of the Partnership

Presently the Partnership has only nominal capitalization and no assets. As a result, recourse against the Partnership for any reason may be limited. Furthermore, if the Partnership is not able to generate sufficient funds through the operation of the farmland to meet its obligations, the General Partner may be exposed to insolvency or bankruptcy and then may be removed as the general partner which may impair or remove entirely the ability of the Partnership to successfully implement its business strategy.

Financing Risks

In addition to the net proceeds of the Offering invested in the Partnership through acquisition of LP Units by the Fund, as well as funds obtained by the Partnership through the issuance of securities under its own offering(s), the Partnership may require additional capital to implement and achieve its objectives. There can be no assurance that debt or equity financing (including mortgage loans) will be available or sufficient to meet the requirements of the Partnership to implement its objectives or, if debt or equity financing is available, that it will be on terms acceptable to the Partnership. The inability of the Partnership to access sufficient capital for its operations could have a material adverse effect on the Partnership's financial condition, results of operations or prospects. If mortgage loans are obtained by the Partnership, there is no assurance that such mortgage loans will be renewed when they mature or, if renewed, will be renewed on the same or commercially reasonable terms and conditions (including the rate of interest). In the absence of the Partnership being able to obtain mortgage financing on its farmland properties, the number of properties which the Partnership is able to purchase will decrease and the projected return from the ownership of properties will be reduced. Even if the Partnership is successful in obtaining adequate mortgage loans, the Partnership may not be able to generate sufficient funds through the operation of the properties to service the mortgage loans. If a default occurs under any of the mortgage loans, one or more of the lenders could exercise its rights including, without limitation,

foreclosure or sale of the properties. In such a case it would be possible that, upon a forced sale of properties, insufficient proceeds would be realized to enable Limited Partners (i.e. the Fund) to recover all or a portion of their equity investment.

Potential Liability under Environmental Protection Legislation

Environmental legislation and policies have become increasingly stringent in recent years. Under various laws, the Partnership could become liable for the costs of removal or remediation of certain hazardous or toxic substances found on or released on, from or in one or more of the properties of the Partnership, which costs could be significant. The failure to remove or remediate such substances, if any, may adversely affect the Partnership's ability to sell such property or to borrow using the property as collateral, and could potentially also result in claims against the Partnership by private parties.

Regulatory Regime

The profitability of the Partnership will be in part dependent upon the continuation of the regulatory regime with respect to the holding of farmland in the provinces of Alberta, Saskatchewan, Manitoba and Ontario. Should such farmland ownership provisions be modified, the operations and financial results of the Partnership may be materially adversely affected. The provinces of Alberta, Saskatchewan and Manitoba have restrictions regarding the ownership of farmland by non-resident persons or non-Canadian owned entities, as well as provisions whereby the applicable regulatory authority may issue orders to any person having a land holding in contravention of applicable law which could, among other things, require such person to reduce his, her or its aggregate land holding to an aggregate land holding that is permitted.

Prior to the Partnership acquiring any farmland in the provinces of Alberta and Manitoba, it may require an order approving the acquisition from the applicable regulatory authority. If such order (if required) is not obtained, the Partnership will not be able to acquire farmland in such province and the operations and financial results of the Partnership may be materially adversely affected.

Uninsured Losses

The General Partner may arrange for insurance similar to that carried by landlords of farmlands of the type and in the amounts customarily obtained for properties similar to those to be owned by the Partnership. However, in many cases certain types of losses (generally of a catastrophic nature) are either uninsurable or not economically insurable. Should such a disaster occur, the Partnership could suffer a loss of capital invested and not realize any profits that might be anticipated from the Partnership's business.

8.3 Risks Specific to an Investment in the Partnership through LP Units

Lack of Marketability of LP Units

There is currently no market through which the LP Units may be sold and holders, including the Fund, may not be able to resell LP Units. The LP Units are subject to certain resale restrictions as set out in applicable securities laws and regulations and the Partnership does not currently intend to make, or arrange for the creation of, a market for the purposes of trading the LP Units and does not currently intend to seek a listing of the LP Units on a stock exchange or similar trading market. Applicable law in Saskatchewan and Manitoba currently prohibits an entity that has shares listed on an exchange from owning farmland in such provinces. The Fund may not be able to liquidate its investment in LP Units on a timely basis.

Loss of Investment in the Event of a Limited Partner Default

In the event that the representations and warranties of the Fund, as a Limited Partner, as set forth in the LP Agreement should prove to be untrue at the time they were made or do not continue to remain true, the General Partner has the right to sell, and the Partnership has the right to redeem, the LP Units of the Fund at a discounted price. Important for the Fund in this respect is that its Unitholders always consist only of persons who qualify as Permitted Holders.

Nature of LP Units

The LP Units do not have a guaranteed rate of return. They represent a fractional interest in the Partnership. One of the factors that may influence the market price or value of the LP Units is the level of prevailing interest rates relative to the yield achieved by holders of LP Units based on distributions thereon. Accordingly, an increase in market interest rates may lead purchasers of the LP Units to expect a higher effective yield which could adversely affect the market price of the LP Units. In addition, the market price for the LP Units may be affected by changes in the market value for farmland as well as changes in general market conditions, fluctuations in the markets for equity securities, and numerous other factors beyond the Partnership's control.

Limit on Amount Available to Holders of LP Units

Revenues from the Partnership's properties may not increase sufficiently to meet increases in operating expenses or debt service payments in respect of loans used to finance the Partnership business, or to fund changes in variable rates of interest charged in respect of such loans, or for other reasons. The business of the Partnership may not achieve a level of profitability to permit distributions of LP Distributable Cash to the Fund or the other Limited Partners.

Distributions

The ability of the Partnership to make cash distributions on the LP Units (and the timing of the commencement of any distributions and actual amounts distributed, if any) will be affected by a number of factors, including working capital requirements of the Partnership and any restrictive covenants pursuant to third-party debt financing arrangements.

The value of the LP Units may ultimately be affected by the amount of LP Distributable Cash available to Limited Partners and the value of the LP Units may deteriorate if the Partnership is unable to make distributions on the LP Units. Any such deterioration in the value of the LP Units may be material. The recovery of the Fund's investment in the LP Units is at risk and the anticipated return on such investment is based on many performance assumptions described in this Offering Memorandum.

It is within the General Partner's sole discretion to determine the utilization of available cash flow from the business and operations of the Partnership for matters beyond satisfying all mandatory liabilities and other payment obligations of the Partnership. Subject to the Distribution Policy described in *Item 2.2.6 – Distribution Policy*, it is the intention of the General Partner to utilize such available cash flow for acquisitions of additional assets by the Partnership.

Limited Voting Rights

Holders of LP Units will have no right to vote on any matters affecting the Partnership, other than those matters specified in the LP Agreement. Pursuant to the LP Agreement, no Limited Partner is permitted, as such, to take part in the control or management of the Partnership. Although Limited Partners may vote on certain matters affecting the Partnership, exclusive authority and responsibility for controlling and managing the Partnership rests with the General Partner and those consultants and advisors retained by the General Partner on behalf of the Partnership. Accordingly, the Fund (as a Limited Partner) will be relying on the good faith, experience, expertise and ability of the General Partner and other parties for the success of the business of the Partnership.

Limited Liability

The limited liability of a Limited Partner may be lost if a Limited Partner takes part in the control or management of the business of the Partnership or through non-compliance with the Partnership Act. In addition, Limited Partners may lose their limited liability to the extent the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property or incurring obligations in another province. The General Partner has unlimited liability for the obligations to the Partnership and has agreed to indemnify the Limited Partners in certain circumstances, including loss of limited liability through no fault of the Limited Partners. However, the General Partner has nominal assets and it is unlikely that it will have sufficient assets to satisfy any claims pursuant to such indemnity.

Tax Matters

No assurance can be given that changes in the Tax Act or future court decisions or the implementation of new taxes will not adversely affect the Partnership or fundamentally alter the income tax consequences to holders of LP Units with respect to acquiring, holding or disposing of LP Units. There can be no assurance that cash distributions, if any, made by the Partnership will be sufficient to satisfy the Fund's tax liability for a year arising from its status as a Limited Partner. Depending on the circumstances, gains realized on the sale of some parcels of land may not be capital gains but instead may be wholly included in computing the income of the Partnership. The after-tax return from an investment in LP Units to the Fund will depend on various factors, including the nature and amount of the Partnership's income, the amount and timing of distributions made by the Partnership, the adjusted cost base of the Fund's LP Units, and the Fund's tax rate.

ITEM 9 - REPORTING OBLIGATIONS

9.1 Continuous Disclosure Requirements

The Fund is not a reporting issuer (as that term is defined in applicable securities legislation) under the securities laws of any jurisdiction, nor will it become a reporting issuer in any jurisdiction in Canada or elsewhere following the completion of the Offering. As a result, the Fund will not be subject to the continuous disclosure requirements imposed under securities laws of any jurisdiction, including, without limitation, the dissemination of news releases disclosing material changes in the business and affairs of the Fund and the filing of material change reports, and preparation of quarterly financial statements.

Reporting to Unitholders

The Fund will send to Unitholders (or make available if sending is not required by applicable laws) within 120 days after the end of each fiscal year (or within such shorter time as may be required by applicable securities law): (i) the audited annual consolidated financial statements of the Fund for such fiscal year, together with comparative audited financial statements for the preceding fiscal year, if any; and (ii) so long as required by applicable securities laws, a notice of the Fund disclosing in reasonable detail the use of the aggregate gross proceeds raised by the Fund under section 2.9 of National Instrument 45-106 – *Prospectus Exemptions*.

The fiscal year end of the Fund is December 31 and the Declaration of Trust provides that on or before March 31 in each year (or such other date as may be required under applicable law) the Fund will provide to each Unitholder who received distributions from the Fund in the prior calendar year, such information regarding the Fund as required by law to be submitted to Unitholders for income tax purposes to enable Unitholders to complete their tax returns in respect of the prior calendar year.

Financial or other information relating to the Fund and provided to you in the future may not by itself be sufficient for your needs to enable you to prepare your income tax returns or to assess the performance of your investment.

9.2 Information About the Issuer

You may obtain certain information about the Fund and any amendments to the Declaration of Trust from the records office of the Fund at #313 – 5940 Macleod Trail S.W. Calgary, Alberta T2H 2G4. You may obtain certain information about the incorporation of the Administrator and the formation of the Partnership, amendments to their constating documents, the Administrator's directors and officers, annual filings and other similar information either from the Alberta Corporate Registry or the registered offices of the Administrator. Information about the Fund's filings under the *Securities Act* (Alberta) can be obtained from the Alberta Securities Commission.

ITEM 10 - RESALE RESTRICTIONS

10.1 General Statement

The Units will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the Units unless you comply with an exemption from the prospectus and registration requirements under applicable securities legislation. All subscribers acquiring Units under the Offering should consult with their legal advisors regarding resale restrictions.

10.2 Restricted Period (Other than Manitoba)

Unless permitted under applicable securities legislation, you cannot trade the Units before the date that is four months and a day after the date the Fund becomes a reporting issuer in any province or territory of Canada.

10.3 Manitoba Resale Restrictions

Unless permitted under applicable securities legislation, if you are a purchaser of Units resident in Manitoba, you must not trade your Units without the prior written consent of the regulator in Manitoba unless (a) the Fund has filed a prospectus with the regulator in Manitoba with respect to the Units you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or (b) you have held the Units for at least 12 months. The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

ITEM 11 - PURCHASERS' RIGHTS OF ACTION

If you purchase the Units you will have certain rights, some of which are described below. These rights may not be available to you if you purchase the Units pursuant to an exception from prospectus requirements other than the offering memorandum exemption in Section 2.9 of National Instrument 45-106 *Prospectus Exemptions*. For complete information about your rights, you should consult a lawyer.

Two Day Cancellation Right for a Subscriber

You can cancel your agreement to purchase the Units. To do so, you must send a notice to the Fund before midnight on the second business day after you sign the subscription agreement to purchase the Units.

Rights of Action in the Event of a Misrepresentation

Applicable securities legislation in the provinces and territories of Canada provides purchasers with a statutory right of action for damages or rescission in cases where an offering memorandum or any amendment thereto contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or is necessary to make any statement contained therein not misleading in light of the

circumstances in which it was made (a "**misrepresentation**"). These rights, or notice with respect thereto, must be exercised or delivered, as the case may be, by purchasers within the time limits prescribed and are subject to the defenses and limitations contained under applicable securities legislation.

The following summaries are subject to the express provisions of the securities legislation applicable in each of the provinces and territories of Canada and the regulations, rules and policy statements thereunder. Purchasers should refer to the securities legislation applicable in their province along with the regulations, rules and policy statements thereunder for the complete text of these provisions or should consult with their legal advisor. The contractual and statutory rights of action described in this Offering Memorandum are in addition to and without derogation from any other right or remedy that purchasers may have at law.

Rights of Purchasers in Alberta

If you are a resident of Alberta, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Fund to cancel your agreement to buy these securities, or
- (b) for damages against the Fund, every person who was a director of the Administrator at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Fund, you will have no right of action against the persons described in (b) above.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three (3) years after the date you purchased the securities.

Rights of Purchasers in British Columbia

If you are a resident of British Columbia, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Fund to cancel your agreement to buy these securities, or
- (b) for damages against the Fund, every person who was a director of the Administrator at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Fund, you will have no right of action against the Fund.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three (3) years after the date you purchased the securities.

Rights of Purchasers in Saskatchewan

If you are a resident of Saskatchewan and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Fund to cancel your agreement to buy these securities, or

- (b) for damages against the Fund to, every promoter of the Fund and every person who was a director of the Administrator at the date of this Offering Memorandum, every person whose consent has been filed respecting the offering but only with respect to reports, opinions or statements that have been made by them, every person who or company that signed this Offering Memorandum and every person who or company that sells securities on behalf of the Fund under this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Fund, you will have no right of action against the Fund.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six (6) years after the date you purchased the securities.

Rights of Purchasers in Manitoba

If you are a resident of Manitoba, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Fund to cancel your agreement to buy these securities, or
- (b) for damages against the Fund, every person who was a director of the Administrator at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Fund, you will have no right of action against the persons described in (b) above.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or two (2) years after the date you purchased the securities.

Rights of Purchasers in Ontario

If you are a resident of Ontario, and if there is a misrepresentation in this Offering Memorandum, you have a right to sue:

- (a) the Fund to cancel your agreement to buy these securities, or
- (b) for damages against the Fund.

If you elect to exercise a right to cancel your agreement to buy these securities against the Fund, you will have no right of action against the Fund.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

Securities legislation in Ontario does not extend the statutory rights of action for damages or rescission to a purchaser who is purchasing the securities in reliance on the "accredited investor" exemption set out in section 2.3 of National Instrument 45-106 if the purchaser is: (a) a "Canadian financial institution" or a "Schedule III Bank" (each as defined under applicable securities laws); (b) the Business Development Bank of Canada; or (c) a subsidiary of any person referred to in (a) or (b), if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary (collectively, the **"Excluded Ontario Purchasers"**). The Excluded Ontario Purchasers will be entitled to a contractual right of action for damages or rescission that is equivalent to the statutory right of action for damages or rescission available to purchasers resident in Ontario as described above (including insofar as such rights may be subject to the defences and limitations provided for under the *Securities Act* (Ontario)).

Rights of Purchasers in Nova Scotia

If you are a resident of Nova Scotia and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Fund to cancel your agreement to buy these securities, or
- (b) for damages against the Fund, every person who was a director of the Administrator at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Fund, you will have no right of action against the persons described in (b) above.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities. Furthermore, no action shall be commenced to enforce the right of action discussed above unless an action is commenced to enforce that right not later than 120 days after the date on which payment was made for the securities or after the date on which the initial payment for the securities was made where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment.

Rights of Purchasers in New Brunswick

If you are a resident of New Brunswick and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Fund to cancel your agreement to buy these securities, or
- (b) for damages against the Fund.

If you elect to exercise a right to cancel your agreement to buy these securities against the Fund, you will have no right of action against the Fund.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the date you purchased the securities.

Rights of Purchasers in Newfoundland and Labrador

If you are a resident of Newfoundland and Labrador and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Fund to cancel your agreement to buy these securities, or
- (b) for damages against the Fund, every person who was a director of the Administrator at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Fund, you will have no right of action against the persons described in (b) above.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

Rights of Purchasers in Prince Edward Island, Northwest Territories, Yukon and Nunavut

If you are a resident of Prince Edward Island, Northwest Territories, Yukon or Nunavut and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Fund to cancel your agreement to buy these securities, or
- (b) for damages against the Fund, every person who was a director of the Administrator at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Fund, you will have no right of action against the persons described in (b) above.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

ITEM 12 - FINANCIAL STATEMENTS

Agcapita Farmland Fund VI
Consolidated Financial Statements
February 11, 2016

Independent Auditors' Report

To the Trustees
Agcapita Farmland Fund VI

We have audited the accompanying consolidated financial statements of Agcapita Farmland Fund VI and its subsidiary, which comprise the consolidated statement of financial position and the consolidated statement of changes in unitholders' equity as at February 11, 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Agcapita Farmland Fund VI and its subsidiary as at February 11, 2016, in accordance with International Financial Reporting Standards.

Collins Barrow Calgary LLP

CHARTERED ACCOUNTANTS

Calgary, Canada
February 11, 2016

Agcapita Farmland Fund VI

(Incorporated under the laws of Alberta)

Consolidated Statement of Financial Position

February 11, 2016

(expressed in Canadian dollars)

Assets

Current assets

Cash	\$ 30
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Unitholders' Equity

Units (note 4)	\$ 20
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Non-controlling interest	10
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\$ 30

Commitment (note 5)

Subsequent event (note 7)

See accompanying notes to the consolidated financial statements.

Approved by Agcapita GP VI Ltd.

as Administrator of Agcapita Farmland Fund VI:

signed "Stephen Johnston", Director

Agcapita Farmland Fund VI
Consolidated Statement of Changes in Unitholders' Equity
February 11, 2016

(expressed in Canadian dollars)

	Fund Units		Non-	
	Number	Stated Value	controlling interest	Total
Issuance of Fund units on formation (note 4)	4	\$ 20	\$ -	\$ 20
Issuance of Partnership units - General Partner	-	-	10	10
	<u>4</u>	<u>\$ 20</u>	<u>\$ 10</u>	<u>\$ 30</u>

See accompanying notes to the consolidated financial statements.

Agcapita Farmland Fund VI

Notes to Consolidated Financial Statements

February 11, 2016

1. Organization and nature of the business

Agcapita Farmland Fund VI (the "Fund") was formed pursuant to a Declaration of Trust dated February 11, 2016. The consolidated financial statements at February 11, 2016 include the accounts of its subsidiary, Agcapita Farmland VI L.P. (the "Partnership") which is managed by Agcapita GP VI Ltd. (the "General Partner").

The Fund has been established with the objective of investing indirectly in a diversified portfolio of farmland through its acquisition of limited partnership units and principal return certificates of the Partnership. The Partnership was formed solely to carry on any business activity which is directly or indirectly related to, or otherwise connected with or ancillary to, farming, farmland or any interest in farmland including: purchase, ownership, leasing, development, management, cultivation, cropping, sale, financing or operations.

The allocation of profit and losses to the General Partner and the limited partners is made in accordance with the terms of the Partnership Agreement. In general, if no distributions of distributable cash are made by the Partnership in a given fiscal period, the profit and losses shall be allocated solely among the limited partners pro rata in accordance with their proportionate interest. Currently, the Fund is the only limited partner. Distributable cash is first paid to the holders of limited Partnership Units until they have received an amount equal to their aggregate capital contributions less distributions received (if any) to that date, and finally, any remaining balance is to be distributed 80% to the limited partners and 20% to the General Partner.

The beneficiaries of the unincorporated Fund are the unitholders. The financial statements present only the assets, liabilities, and results of operations of the Fund.

The Fund has not commenced operations at the statement of financial position date. Accordingly statements of income, comprehensive income, and cash flows have not been prepared.

The Fund is managed by the Administrator, Agcapita GP VI Ltd. The address and principal place of business of the Fund is 313 - 5940 MacLeod Trail SW, Calgary, Alberta, T2H 2G4.

Under the Income Tax Act (Canada), the Fund is subject to income taxes only on income that is not distributed or distributable to the unitholders. The Fund, to date, has no undistributed income, consequently no income tax provision or recovery, nor income tax asset or liability is reflected in the financial statements.

Agcapita Farmland Fund VI
Notes to Consolidated Financial Statements
February 11, 2016

2. Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements were authorized for issue by the Administrator on February 11, 2016.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- i) any derivative financial instruments are measured at fair value; and
- ii) any held-for-trading financial assets are measured at fair value;

Changes in fair value are recorded in earnings.

The methods used to measure fair values are discussed in note 6.

(c) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Fund's functional currency.

(d) Use of estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

These consolidated financial statements do not include any critical estimates or assumptions in determining the value of assets, liabilities or equity.

Agcapita Farmland Fund VI

Notes to Consolidated Financial Statements

February 11, 2016

3. Significant accounting policies

(a) Basis of consolidation

All entities, in which the Fund has a controlling interest, specifically when it has the power to direct the financial and operational policies of these entities to obtain benefit from their operations, are consolidated.

The consolidated financial statements include the activities of the Fund and its subsidiary Agcapita Farmland VI L.P. Intercompany balances and transactions are eliminated on consolidation.

(b) Cash

Cash is comprised of cash held in trust by the Fund's legal counsel.

(c) Financial instruments

(i) *Classification and measurement*

Financial instruments are measured at fair value on initial recognition of the instrument. Measurement in subsequent periods depends on whether the financial instrument has been classified as "fair value through profit or loss", "loans and receivables", "available-for-sale", "held-to-maturity", or "financial liabilities measured at amortized cost" as defined by IAS 39, "*Financial Instruments: Recognition and Measurement*".

Financial assets and financial liabilities at "fair value through profit or loss" are either classified as "held for trading" or "designated at fair value through profit or loss" and are measured at fair value with changes in fair value recognized in the statement of income. Transaction costs are expensed when incurred. The Fund has designated cash as "fair value through profit or loss".

Financial assets and financial liabilities classified as "loans and receivables", "held-to-maturity", or "financial liabilities measured at amortized cost" are measured at amortized cost using the effective interest method of amortization. "Loans and receivables" are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. "Held-to-maturity" financial assets are non-derivative investments that an entity has the positive intention and ability to hold to maturity. "Financial liabilities measured at amortized cost" are those financial liabilities that are not designated as "fair value through profit or loss" and that are not derivatives. The Fund has not designated any financial instruments in the above mentioned categories.

Agcapita Farmland Fund VI
Notes to Consolidated Financial Statements
February 11, 2016

Financial assets classified as “available-for-sale” are measured at fair value, with changes in fair value recognized in other comprehensive income. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. The Fund has not designated any financial assets as “available-for-sale”.

(ii) Derivative financial instruments

The Fund may enter into certain financial derivative contracts in order to manage the exposure to market risks. The Fund's policy is not to utilize derivative financial instruments for speculative purposes. All financial derivative contracts are classified as “fair value through profit or loss”. The Fund has not currently entered into any financial derivative contracts.

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at “fair value through profit or loss”. Changes in the fair value of separable embedded derivatives are recognized immediately in the income statement. The Fund has not identified any embedded derivatives.

(iii) Equity instruments

The Fund units are classified as equity. Incremental costs directly attributable to the issue of units are recognized as a deduction from equity.

(iv) Impairment

The Fund assesses at each reporting date whether there is objective evidence that financial assets, other than those designated as “fair value through profit or loss” are impaired. When impairment has occurred, the cumulative loss is recognized in the statement of operations. For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to the statement of income in the period. Impairment losses may be reversed in subsequent periods.

Agcapita Farmland Fund VI
Notes to Consolidated Financial Statements
February 11, 2016

(d) Recent accounting pronouncements with tentative adoption dates

The following accounting pronouncement, effective for annual periods beginning on or after January 1, 2018, have been released but have not yet been adopted by the Fund:

- IFRS 9 "Financial Instruments"

IFRS 9 provides a comprehensive standard on accounting for financial instruments. The package of improvements introduced by IFRS 9 includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting.

- IFRS 15 "Revenue from Contracts with Customers"

This new standard was jointly developed by the IASB and FASB. The core principle of the new Standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. This new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

The Fund has not yet completed its assessment and evaluation of the effect of adopting the new standard and the impact it may have on its consolidated financial statements.

4. Unitholder's equity

(a) Authorized

Unlimited number of voting Units

(b) Issued

The Fund has issued 4 Units for gross proceeds of \$20 upon formation of the Fund.

5. Commitment

Under the terms of the Partnership Agreement, the Partnership will be charged by the General Partner a management fee commencing effective from the initial closing of the Offering Memorandum (note 7) and ending upon the dissolution of the Partnership. The management fee is equal to 2.0% of the portfolio value of the Partnership, payable monthly.

Agcapita Farmland Fund VI
Notes to Consolidated Financial Statements
February 11, 2016

6. Financial instruments and risk management

(a) Risk management overview

The Fund's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk. This note presents information about the Fund's exposure to each of the above risks, the Fund's objectives, policies and processes for measuring and managing risk, and the Fund's management of capital. Further quantitative disclosures are included throughout these financial statements. The Fund employs risk management strategies and policies to ensure that any exposure to risk are in compliance with the Fund's business objectives and risk tolerance levels. The Administrator has the overall responsibility for the Fund's risk management framework and also to administer and monitor these risks.

(b) Fair values of financial instruments

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - reflects valuation based on quoted prices observed in active markets for identical assets or liabilities.

Level 2 - reflects valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - reflects valuation techniques with significant unobservable market inputs. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The carrying value of cash approximates its fair value due to its short-term nature.

(c) Capital risk management

The Fund's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to partners and benefits for other stakeholders. The Fund manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Fund's objective is met by retaining adequate equity to guard against the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Administrator does not establish a quantitative return on capital criteria for management, but rather promotes year over year sustainable and growth in net income and cash flow. The Fund defines capital as unitholders' equity plus debt, if any.

Agcapita Farmland Fund VI
Notes to Consolidated Financial Statements
February 11, 2016

7. Subsequent event

The Fund prepared an Offering Memorandum dated February 11, 2016, whereby the Fund has offered to issue up to a maximum of 4,000,000 units at \$5 per unit for total gross proceeds of \$20,000,000. The estimated costs of the offering are \$2,030,000 for net proceeds of \$17,970,000. The closings of the offering are set to take place periodically at the discretion of the Fund.

In accordance with the offering, the net proceeds, estimated at \$20,000,000 after reimbursement to the Fund by the Partnership of expenses of the offering, shall be used to invest in up to 4,000,000 Partnership Units of the Partnership.

The proceeds from the Fund's investment in Partnership Units will be used by the Partnership for the acquisition of farmland and leasing expenses and other general and administrative expenses in connection with the operations of the Partnership.

Agcapita Farmland Fund VI L.P.
Financial Statements
February 11, 2016

Collins Barrow Calgary LLP
1400 First Alberta Place
777 – 8th Avenue S.W.
Calgary, Alberta, Canada
T2P 3R5

T. 403.298.1500
F. 403.298.5814

e-mail: calgary@collinsbarrow.com

Independent Auditors' Report

To the Partners
Agcapita Farmland Fund VI L.P.

We have audited the accompanying financial statements of Agcapita Farmland Fund VI L.P., which comprise the statement of financial position and statement of changes in partners' equity as at February 11, 2016, 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 International Financial Reporting Standards, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Agcapita Farmland Fund VI L.P. as at February 11, 2016 in accordance with International Financial Reporting Standards.

Collins Barrow Calgary LLP

CHARTERED ACCOUNTANTS

Calgary, Canada
February 11, 2016

Agcapita Farmland Fund VI L.P.

(Incorporated under the laws of Alberta)

Statement of Financial Position

February 11, 2016

(expressed in Canadian dollars)

Assets

Current assets

Cash	\$ 20
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Partners' Equity (note 4)

\$ 20

Commitment (note 5)

Subsequent event (note 7)

See accompanying notes to the financial statements.

Approved by Agcapita GP VI Ltd.,
General Partner of Agcapita Farmland VI L.P.

signed "Stephen Johnston", Director

Agcapita Farmland Fund VI L.P.
Statement of Changes in Partners' Equity
February 11, 2016

(expressed in Canadian dollars)

	Number of Partnership Units	Partnership Units Stated Value
Issued for cash on formation of Partnership	1	\$ 10
General Partner's capital contribution	<u>-</u>	<u>10</u>
	<u>1</u>	<u>\$ 20</u>

See accompanying notes to the financial statements.

Agcapita Farmland Fund VI L.P.

Notes to Financial Statements

February 11, 2016

(expressed in Canadian dollars)

1. Nature of operations

Agcapita Farmland VI L.P. (the "Partnership") was formed on February 11, 2016 under the Partnership Act (Alberta) and is governed by the Limited Partnership Agreement dated February 11, 2016 (the "Partnership Agreement"). The Partnership has been established with the objective of providing its Limited Partners with an opportunity to maximize long-term total returns on their investment in the Partnership through both capital appreciation and income generation on assets of the Partnership, principally through ownership, leasing, operation and sale of farmland.

The allocation of profit and losses to the General Partner, Agcapita GP VI Ltd., and the Limited partners are allocated in accordance with the Partnership Agreement. In general, if no distributions of distributable cash are made by the Partnership in a given fiscal period, the profit and losses shall be allocated solely among the Limited Partners pro rata in accordance with their proportionate interest. Any distributable cash available after return of the capital contribution of the Limited Partners is to be distributed 80% to the Limited Partners and 20% to the General Partner.

The financial statements will present only the assets, liabilities and results of operations of the Partnership. As a Partnership, the income tax consequences for a limited partnership are deemed to be those of the partners individually and, as such, are not reflected in the financial statements.

The Partnership has not commenced operations at the statement of financial position date. Accordingly statements of income, comprehensive income and cash flows have not been prepared.

The Partnership is managed by the general partner, Agcapita GP VI Ltd. The address and principal place of business of the Partnership is 313 - 5940 Macleod Trail S.W., Calgary, Alberta T2H 2G4.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements were authorized for issue by the General Partner on February 11, 2016.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

Agcapita Farmland Fund VI L.P.

Notes to Financial Statements

February 11, 2016

(expressed in Canadian dollars)

i) any derivative financial instruments are measured at fair value; and

ii) any held-for-trading financial assets are measured at fair value;

with changes in fair value recorded in earnings.

The methods used to measure fair values are discussed in note 6.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Partnership's functional currency.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

These financial statements do not include any critical estimates or assumptions in determining the value of assets, liabilities or equity.

3. Significant accounting policies

(a) Cash

Cash is comprised of cash held in trust by the Partnership's legal counsel.

(b) Financial instruments

(i) *Classification and measurement*

Financial instruments are measured at fair value on initial recognition of the instrument. Measurement in subsequent periods depends on whether the financial instrument has been classified as "fair value through the profit or loss", "loans and receivables", "available-for-sale", "held-to-maturity", or "financial liabilities measured at amortized cost" as defined by IAS 39, *Financial Instruments: Recognition and Measurement*.

Agcapita Farmland Fund VI L.P.

Notes to Financial Statements

February 11, 2016

(expressed in Canadian dollars)

Financial assets and financial liabilities at "fair value through profit or loss" are either classified as "held for trading" or "designated at fair value through the profit or loss" and are measured at fair value with changes in fair value recognized in the statement of income. Transaction costs are expensed when incurred. The Partnership has designated cash as "fair value through profit or loss".

Financial assets and financial liabilities classified as "loans and receivables", "held-to-maturity", or "financial liabilities measured at amortized cost" are measured at amortized cost using the effective interest method of amortization. "Loans and receivables" are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. "Held-to-maturity" financial assets are non-derivative investments that an entity has the positive intention and ability to hold to maturity. "Financial liabilities measured at amortized cost" are those financial liabilities that are not designated as "fair value through the profit or loss" and that are not derivatives. The Partnership has not designated any financial instruments in the above mentioned categories.

Financial assets classified as "available-for-sale" are measured at fair value, with changes in fair value recognized in other comprehensive income. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. The Partnership has not designated any financial assets as "available-for-sale".

(ii) Derivative financial instruments

The Partnership may enter into certain financial derivative contracts in order to manage the exposure to market risks. The Partnership's policy is not to utilize derivative financial instruments for speculative purposes. All financial derivative contracts are classified as "fair value through the profit or loss". The Partnership has not entered into any financial derivative contracts.

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at "fair value through the profit or loss". Changes in the fair value of separable embedded derivatives are recognized immediately in the income statement. The Partnership has not identified any embedded derivatives.

(iii) Equity instruments

Partnership units are classified as equity. Incremental costs directly attributable to the issue of Partnership units are recognized as a deduction from equity.

Agcapita Farmland Fund VI L.P.

Notes to Financial Statements

February 11, 2016

(expressed in Canadian dollars)

(iv) Impairment

The Partnership assesses at each reporting date whether there is objective evidence that financial assets, other than those designated as "fair value through the profit or loss" are impaired. When impairment has occurred, the cumulative loss is recognized in the statement of income. For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are classified to the statement of income in the period. Impairment losses may be revised in subsequent periods.

(c) Recent accounting pronouncements with tentative adoption dates

The following accounting pronouncements, effective for annual periods beginning on or after January 1, 2018, have been released but have not yet been adopted by the Partnership:

- IFRS 9 "Financial Instruments"

IFRS 9 provides a comprehensive standard on accounting for financial instruments. The package of improvements introduced by IFRS 9 includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting.

- IFRS 15 "Revenue from Contracts with Customers"

This new standard was jointly developed by the IASB and FASB. The core principle of the new Standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. This new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

The Partnership has not yet completed its assessment and evaluation of the effect of adopting the new standards and the impact it may have on its financial statements.

4. Partners' equity

(a) Authorized

Unlimited number of voting Partnership units.

Agcapita Farmland Fund VI L.P.

Notes to Financial Statements

February 11, 2016

(expressed in Canadian dollars)

(b) Issued

The Partnership issued 1 Partnership unit for gross proceeds of \$10 upon formation of the Partnership. In addition, the General Partner contributed \$10 to the capital of the Partnership in exchange for its general partner interest in the Partnership.

5. Commitment

Under the terms of the Partnership Agreement, the Partnership will be charged by the General Partner a management fee commencing effective from the initial closing date of the Offering Memorandum (note 7) and ending upon the dissolution of the Partnership. The management fee is equal to 2.0% of the portfolio value of the Partnership, payable monthly.

6. Financial instruments and risk management

(a) Risk management overview

The Partnership's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk. This note presents information about the Partnership's exposure to each of the above risk, the Partnership's objectives, policies and processes for measuring and managing risk, and the Partnership's management of capital. Further quantitative disclosures are included throughout these financial statements. The Partnership employs risk management strategies and policies to ensure that any exposure to risk are in compliance with the Partnership's business objectives and risk tolerance levels. The General Partner has the overall responsibility for the Partnership's risk management framework and also to administer and monitor these risks.

(b) Fair values of financial instruments

Financial instruments recorded at fair value on the statement of financial position are classified using the fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - reflects valuation based on quoted prices observed in active markets for identical assets or liabilities.

Level 2 - reflects valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - reflects valuation techniques with significant unobservable market inputs. A financial instrument is classified to the lower level of the hierarchy for which a significant input has been considered in measuring fair value.

Agcapita Farmland Fund VI L.P.

Notes to Financial Statements

February 11, 2016

(expressed in Canadian dollars)

The carrying value of cash approximates its fair value due to its short-term nature.

(c) Capital risk management

The Partnership's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to partners and benefits for other stakeholders. The Partnership manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Partnership's objective is met by retaining adequate equity to guard against the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The General Partner does not establish a quantitative return on capital criteria for management but rather promotes year over year sustainable and growth in net income and cash flow. The Partnership defines capital as partners' equity plus debt, if any.

7. Subsequent event

Agcapita Farmland VI (the "Fund"), currently the only Limited Partner of the Partnership, prepared an Offering Memorandum dated February 11, 2016, whereby the Fund has offered to issue up to a maximum of 4,000,000 units at \$5 per unit for total gross proceeds of \$20,000,000. The estimated costs of the offering are \$2,030,000 for net proceeds of \$17,970,000. The closings of the offering are set to take place periodically at the discretion of the Fund.

In accordance with the offering, the net proceeds of the Fund, estimated at \$20,000,000 after reimbursement to the Fund by the Partnership of expenses of the offering, shall be used to invest in up to 4,000,000 Partnership units of the Partnership.

The proceeds from the Fund's investment in Partnership units will be used by the Partnership for the acquisition of farmland and leasing expenses and other general and administrative expenses in connection with the operations of the Partnership.

Agcapita GP VI Ltd.
Financial Statements
February 11, 2016

Collins Barrow Calgary LLP
1400 First Alberta Place
777 – 8th Avenue S.W.
Calgary, Alberta, Canada
T2P 3R5

T. 403.298.1500

F. 403.298.5814

e-mail: calgary@collinsbarrow.com

Independent Auditors' Report

To the Shareholder
Agcapita GP VI Ltd.

We have audited the accompanying financial statements of Agcapita GP VI Ltd., which comprise the statement of financial position and the statement of changes in shareholder's equity as at February 11, 2016, 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 International Financial Reporting Standards, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Agcapita GP VI Ltd. as at February 11, 2016 in accordance with International Financial Reporting Standards.

Collins Barrow Calgary LLP

CHARTERED ACCOUNTANTS

Calgary, Canada
February 11, 2016

Agcapita GP VI Ltd.

(Incorporated under the laws of Alberta)

Statement of Financial Position

February 11, 2016

(expressed in Canadian dollars)

Assets

Cash	\$ <u>10</u>
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Shareholder's Equity

Shareholder's equity (note 4)	\$ <u>10</u>
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Commitment (note 5)

Subsequent event (note 7)

See accompanying notes to the financial statements.

Approved by the Board,

signed "Stephen Johnston", Director

signed "Harold Kunik", Director

Agcapita GP VI Ltd.
Statement of Changes in Shareholder's Equity
February 11, 2016

(expressed in Canadian dollars)

	Number of Common Shares	Common Shares Stated Value
Issued for cash on incorporation	<u>100</u>	\$ <u>10</u>

See accompanying notes to the financial statements.

Agcapita GP VI Ltd.
Notes to Financial Statements
February 11, 2016

1. General business description

Agcapita GP VI Ltd. (the "Company") was formed on February 11, 2016 under the *Business Corporations Act* (Alberta) to act as the general partner to Agcapita Farmland VI L.P. (the "Partnership") and administrator to Agcapita Farmland Fund VI (the "Fund").

The Partnership was formed on February 11, 2016 under the *Partnership Act* (Alberta) and is governed by the Limited Partnership Agreement dated February 11, 2016 (the "Partnership Agreement"). The Partnership has been established with the objective of providing its Limited Partners with an opportunity to maximize long-term total returns on their investment in the Partnership through both capital appreciation and income generation on assets of the Partnership, principally through ownership, leasing, operation and sale of farmland.

The allocation of profit and losses to the General Partner, Agcapita GP VI Ltd., and the Limited Partners are made in accordance with the Partnership Agreement. In general, if no distributions of distributable cash are made by the Partnership in a given fiscal period, the profit and losses shall be allocated solely among the Limited Partners pro rata in accordance with their proportionate interest. Any distributable cash available after repayment of and return of the capital contribution of the Limited Partners is to be distributed 80% to the Limited Partners and 20% to the General Partner.

The Company has not commenced operations at the statement of financial position date. Accordingly statements of income and comprehensive income and cash flows have not been prepared.

The address and principal place of business of the Company is 313 - 5940 Macleod Trail SW, Calgary, Alberta, T2H 2G4.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements were authorized for issue by the Board of Directors on February 11, 2016.

Agcapita GP VI Ltd.
Notes to Financial Statements
February 11, 2016

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- i) any derivative financial instruments are measured at fair value; and
- ii) any held-for-trading financial assets are measured at fair value;

with changes in fair value recorded in earnings. The methods used to measure fair values are discussed in note 6.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

These financial statements do not include any critical estimates or assumptions in determining the value of assets, liabilities or equity.

3. Significant accounting policies

(a) Cash

Cash is comprised of cash held in trust by the Company's legal counsel.

(b) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of income except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Agcapita GP VI Ltd.
Notes to Financial Statements
February 11, 2016

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(c) Financial instruments

(i) *Classification and measurement*

Financial instruments are measured at fair value on initial recognition of the instrument. Measurement in subsequent periods depends on whether the financial instrument has been classified as “fair value through the statement of income”, “loans and receivables”, “available-for-sale”, “held-to-maturity”, or “financial liabilities measured at amortized cost” as defined by IAS 39, *Financial Instruments: Recognition and Measurement*.

Financial assets and financial liabilities at “fair value through the statement of income” are either classified as “held for trading” or “designated at fair value through profit or loss” and are measured at fair value with changes in fair value recognized in the statement of income. Transaction costs are expensed when incurred. The Company has designated any cash as “fair value through profit or loss”.

Agcapita GP VI Ltd.
Notes to Financial Statements
February 11, 2016

Financial assets and financial liabilities classified as “loans and receivables”, “held-to-maturity”, or “financial liabilities measured at amortized cost” are measured at amortized cost using the effective interest method of amortization. “Loans and receivables” are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. “Held-to-maturity” financial assets are non-derivative investments that an entity has the positive intention and ability to hold to maturity. “Financial liabilities measured at amortized cost” are those financial liabilities that are not designated as “fair value through profit or loss” and that are not derivatives. The Company has not designated any financial instruments in the above-mentioned categories.

Financial assets classified as “available-for-sale” are measured at fair value, with changes in fair value recognized in other comprehensive income. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. The Company has not designated any financial assets as “available-for-sale”.

(ii) Derivative financial instruments

The Company may enter into certain financial derivative contracts in order to manage the exposure to market risks. The Company's policy is not to utilize derivative financial instruments for speculative purposes. All financial derivative contracts are classified as “fair value through profit or loss”. The Company has not entered into any financial derivative contracts.

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at “fair value through profit or loss”. Changes in the fair value of separable embedded derivatives are recognized immediately in the statement of income. The Company has not identified any embedded derivatives.

(iii) Equity instruments

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any income tax effects.

(iv) *Impairment*

The Company assesses at each reporting date whether there is objective evidence that financial assets, other than those designated as “fair value through the profit or loss” are impaired. When impairment has occurred, the cumulative loss is recognized in the statement of income. For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the financial asset’s original effective interest rate. When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to the statement of income in the period. Impairment losses may be reversed in subsequent periods.

(d) Future accounting pronouncements

The following accounting pronouncements, effective for annual periods beginning on or after January 1, 2018, have been released but have not yet been adopted by the Company:

- IFRS 9 "Financial Instruments"

IFRS 9 provides a comprehensive standard on accounting for financial instruments. The package of improvements introduced by IFRS 9 includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting.

- IFRS 15 "Revenue from Contracts with Customers"

This new standard was jointly developed by the IASB and FASB. The core principle of the new Standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. This new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

The Company has not yet completed its assessment and evaluation of the effect of adopting the new standards and the impact it may have on its financial statements.

Agcapita GP VI Ltd.
Notes to Financial Statements
February 11, 2016

4. Shareholder's equity

(a) Authorized

Unlimited common voting shares
Unlimited preferred shares, issuable in series, with the rights, privileges, restrictions and conditions determined by the Board of Directors upon issuance.

(b) Issued

The Company issued 100 common shares for gross proceeds of \$10 upon incorporation.

5. Commitment

The Company is the General Partner to the Partnership and as per the Partnership Agreement, will charge the Partnership a management fee for services commencing upon the Partnership closing its initial funding and ending upon the dissolution of the Partnership. The management fee is equal to 2% of the portfolio value of the Partnership, payable monthly.

6. Financial instruments

(a) Risk management overview

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements. The Company employs risk management strategies and policies to ensure that any exposure to risk are in compliance with the Company's business objectives and risk tolerance levels.

(b) Fair values of financial instruments

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - reflects valuation based on quoted prices observed in active markets for identical assets or liabilities.

Agcapita GP VI Ltd.
Notes to Financial Statements
February 11, 2016

Level 2 - reflects valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - reflects valuation techniques with significant unobservable market inputs. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The carrying value of cash approximates its fair value due to its short-term nature.

(c) Capital risk management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to partners and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company's objective is met by retaining adequate equity to guard against the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Company does not establish a quantitative return on capital criteria for management, but rather promotes year over year sustainable and growth in net income and cash flow. The Company defines capital as shareholder's equity.

7. Subsequent event

The Fund, currently the only Limited Partner of the Partnership, prepared an Offering Memorandum dated February 11, 2016, whereby the Fund has offered to issue up to a maximum of 4,000,000 units at \$5 per unit for total gross proceeds of \$20,000,000. The estimated costs of the offering are \$2,030,000 for net proceeds of \$17,970,000. The closings of the offering are set to take place periodically at the discretion of the Fund.

In accordance with the offering, the net proceeds of the Fund, estimated at \$20,000,000 after reimbursement to the Fund by the Partnership of expenses of the Offering, shall be used to invest in up to 4,000,000 Partnership Units of the Partnership.

The proceeds from the Fund's investment in Partnership Units will be used by the Partnership for the acquisition of farmland and leasing expenses and other general and administrative expenses in connection with the operations of the Partnership.

DATE AND CERTIFICATE

DATED: February 11, 2016

This Offering Memorandum does not contain a misrepresentation.

**AGCAPITA FARMLAND FUND VI
by its Administrator, AGCAPITA GP VI LTD.**

(signed) "Stephen Johnston"
Stephen Johnston
Chief Executive Officer

(signed) "Harold Kunik"
Harold Kunik
Acting Chief Financial Officer

By the Administrator of Agcapita Farmland Fund VI

AGCAPITA GP VI LTD.

(signed) "Stephen Johnston"
Stephen Johnston
Chief Executive Officer

(signed) "Harold Kunik"
Harold Kunik
Acting Chief Financial Officer

By the Board of Directors of Agcapita GP VI Ltd.

(signed) "Stephen Johnston"
Stephen Johnston
Director

(signed) "Barclay Laughland"
Barclay Laughland
Director

(signed) "Harold Kunik"
Harold Kunik
Director

By the Promoter of Agcapita Farmland Fund VI

**AGCAPITA PARTNERS L.P.,
by its general partner, Agcapita Partners Ltd.**

(signed) "Stephen Johnston"
Stephen Johnston
President

SCHEDULE "A" - DEFINITIONS

"Administration Agreement" means the administration agreement, dated February 11, 2016, between the Administrator and the Fund, as amended, supplemented or amended and restated from time to time.

"Administrator" means Agcapita GP VI Ltd., a corporation incorporated under the laws of Alberta, and all successors and permitted assigns thereof.

"affiliate" of a person means any other person controlling, controlled by, or under common control with, such person.

"annuitant" means the annuitant, subscriber or beneficiary under a tax free savings account, registered retirement savings plan, a registered retirement income fund, a registered education savings plan or a deferred profit sharing plan, all as defined in the Tax Act, or any other plan of which a Unitholder acts as trustee or carrier.

"associate" means, in relation to another person ("**Other person**"): (a) a person of which the Other person beneficially owns or controls, directly or indirectly, (1) voting securities of such person (or securities currently convertible into voting securities) carrying more than 10% of the voting rights attached to outstanding securities of the person, or (2) a currently exercisable option or right to purchase those voting securities or those convertible securities; (b) any person who is a partner of the Other person; (c) any trust or estate in which the Other person has a substantial beneficial interest; or (d) in the case where the Other person is an individual, a relative of that individual if the relative has the same home as that individual, including (1) the spouse of that individual; or (2) a relative of that individual's spouse.

"Beneficial Unitholder" means the beneficial owner of a Unit.

"Business Day" means a day other than a Saturday, Sunday or a day on which the principal chartered banks located at Calgary, Alberta are not open for business.

"Canadian-Owned Entity" means

- (i) A corporation that is an agricultural corporation (as defined in the SFSA) and a family farm corporation (as defined in the MFLOA;
- (ii) a corporation, partnership, syndicate, joint venture, co-operative or association in which all the shares or interests are legally and beneficially owned, and all the memberships are held, by Resident Persons or other Canadian-Owned Entities;
- (iii) a trust where each of the beneficiaries of such trust is either a Resident Person or a Canadian-Owned Entity and where the aggregate number of beneficiaries does not exceed one thousand;

provided that a Canadian-Owned Entity does not include (A) an entity that was incorporated in a jurisdiction outside of Canada; (B) an entity that has shares or other equity securities listed on any stock exchange; (C) an entity that is a pension plan; or (D) the administrator of a pension plan while that person or entity is acting in that person's or entity's capacity as administrator.

"Capital Contributions" means the aggregate of all amounts of cash contributed to the capital of the Partnership by Limited Partners in exchange for the issuance of LP Units.

"Closing" means a closing of the issue of Units to the public pursuant to the Offering contemplated by this Offering Memorandum.

"control", and related terms including "**controlling**" and "**controlled**", shall mean the possession by or on behalf of a person, or group of persons acting jointly or in concert, of the following in respect of another person: (i) in the case where the other person is a corporation, the power to vote more than 50% of the securities having ordinary voting power for the election of directors of such corporation; (ii) in the case where the other person is a limited partnership, the power to control the general partner of the limited partnership; and (iii) in the case where the other person is other than a corporation or limited partnership, any of: (1) the power to exercise more than 50% of the voting rights in such person; or (2) the right to receive more than 50% of the distributions made by that person.

"Counsel" means Norton Rose Fulbright LLP, counsel to the Fund.

"Declaration of Trust" means the declaration of trust dated February 11, 2016 among the Trustees, the Administrator, the settlor of the Fund and each person who is or becomes a Unitholder, as such Declaration of Trust may be amended, supplemented or amended and restated from time to time.

"Distributable Cash" for, or in respect of, a Distribution Period is equal to:

- (a) all cash amounts which are received by the Fund for, or in respect of, such Distribution Period, including amounts on account of interest, income, dividends, returns of capital, amounts paid on debt held by the Fund, capital gains, and such other amounts as may be determined from time to time by the Trustees or the Administrator to be included in "Distributable Cash" (which may include amounts taken, in the discretion of the Administrator, out of the Fund's reserves as well as amounts from the proceeds of any offering of the Fund);

less the sum of:

- (b) all amounts paid on account of expenses and liabilities for, or in respect of, such Distribution Period as well as an amount for all expenses and liabilities of the Fund which, in the opinion of the Administrator, may reasonably be considered to have accrued and become owing in respect of, or which relate to, such Distribution Period or a prior Distribution Period if not accrued in such prior period;
- (c) all amounts which relate to the repayment of any amount (principal or interest) in respect of any indebtedness of the Fund during such Distribution Period;
- (d) all cash amounts used during such Distribution Period for investments or other acquisitions of assets by the Fund;
- (e) the aggregate amount of all cash amounts used, or to be used, in respect of the redemption or repurchase of Units called for redemption or repurchase;
- (f) any amount, in addition to those amounts set forth in subsections (b) to (e), inclusive, which the Administrator may reasonably consider to be necessary to provide for the payment of any liabilities which have been or will be incurred by the Fund, including any tax liability of the Fund (to the extent that such liabilities have not otherwise been taken into account in determining the Distributable Cash), or for pursuing any purpose or activity of the Fund; and
- (g) an amount as determined in the discretion of the Trustees or the Administrator for reasonable reserves, including for reserves to be maintained for the purposes of satisfying payment of any of the amounts or liabilities referred to in subsections (b) to (f) above.

"Distribution Payment Date" means, subject to certain exceptions and unless otherwise determined in the discretion of the Trustees or the Administrator, the 90th day which immediately follows the end of a Distribution Period; and also refers to such other dates as may be determined from time to time by the Trustees or the Administrator.

"Distribution Period" means the twelve-month period ending December 31 in each calendar year, or such other periods as may be determined from time to time by the Trustees or the Administrator.

"Distribution Record Date" means the last Business Day in a Distribution Period or such other date as may be determined from time to time by the Trustees or the Administrator.

"Exchangeable Security" means a unit, share or other security, whether or not issued by the Fund, which is convertible into, exchangeable for, or carries the right of the holder to purchase or otherwise acquire (or of the issuer of such security to cause the purchase or acquisition of) Unit(s), unit(s), share(s) or other security(ies), whether or not issued by the Fund, which are convertible into, exchangeable for, or carry the right of the holder to purchase or otherwise acquire (or of the issuer of such security to cause the purchase or acquisition of) Unit(s).

"Exempt Plans" mean registered retirement savings plans ("RRSPs"), registered retirement income funds ("RRIFs"), deferred profit sharing plan ("DPSPs"), registered education savings plans ("RESPs"), registered disability savings plans ("RDSPs") and tax free savings accounts ("TFSAs"), all as defined in the Tax Act; individually herein referred to as an **"Exempt Plan"**.

"Extraordinary Resolution" means (a) a resolution passed by more than 80% of the votes cast by those Unitholders entitled to vote on such resolution, whether cast in person or by proxy, at a meeting of Unitholders, at which a quorum was present, called (at least in part) for the purpose of approving such resolution, or (b) a resolution approved in writing, in one or more counterparts, by holders of more than 80% of the votes represented by those Units entitled to be voted on such resolution.

"Farmland Business" means any business activity which is directly or indirectly related to, or otherwise connected with or ancillary to, farming, farm land or any interest in farm land, including, without limitation, any activities of the following nature or kind: purchase, ownership, leasing, development, management, cultivation, cropping, sale, financing or operations.

"Fund" means Agcapita Farmland Fund V, formed and governed pursuant to the Declaration of Trust.

"Fund Property" at any time, means all of the money, properties and other assets of any nature or kind whatsoever as are, at such time, held by the Fund or by the Trustees on behalf of the Fund.

"General Partner" means Agcapita GP VI Ltd., or if it ceases to be the General Partner, any successor general partner appointed in the manner provided in the LP Agreement.

"Limited Partners" means holders of LP Units whose names and other prescribed information appear on the record of limited partners of the Partnership pursuant to the Partnership Act.

"Limited Partner's Net Equity" means, at a particular time, that portion of the Capital Contributions paid to the Partnership to acquire the LP Units held by such Limited Partner (irrespective of whether paid by that Limited Partner to the Partnership or a predecessor in interest to such LP Units), less the aggregate of all distributions of LP Distributable Cash made solely in relation to the LP Units of such Limited Partner prior to such time (irrespective of whether or not such Limited Partner has held such LP Units since their original issuance), and if the Limited Partner's Net Equity is a negative amount it will be deemed to be zero.

"LP Agreement" means the limited partnership agreement governing the Partnership and dated June 16, 2014 among the General Partner, as general partner, Stephen Johnston, as the founding limited partner, and such other persons who become Limited Partners in accordance with the terms of such agreement, as the same may be amended, supplemented or amended and restated from time to time.

"LP Distributable Cash" for, or in respect of, a distribution period shall be equal to:

- (a) all cash amounts which are received by the Partnership for, or in respect of, such distribution period, including amounts on account of interest, income, dividends, capital gains, Capital Contributions, cash received in connection with a mortgage, refinancing or sale of assets, amounts taken, in the discretion of the General Partner, out of the Partnership's reserves and other amounts as may be determined from time to time by the General Partner to be included in "Distributable Cash" (which may include Capital Contributions whenever received by the Partnership); less
- (b) all amounts for, or in respect of, such distribution period which the General Partner (in its discretion) paid, or determines is required out of such cash amounts, in order to carry-on the business and operations of the Partnership and, for further certainty, includes the following: (i) all fees and expenses paid or payable to the General Partner, (ii) all cash amounts used during such distribution period for investments or other acquisitions of assets by the Partnership, (iii) all amounts paid or payable in connection with the repayment of any principal and/or interest on any indebtedness of the Partnership, and (iv) any cash reserves that the General Partner in its discretion determines to be necessary or advisable to provide for the payment of any liabilities or obligations which have been or are anticipated to be incurred by the Partnership or for pursuing any purpose or activity of the Partnership.

"LP Units" means the "units" in the Partnership, as defined pursuant to the LP Agreement.

"MFLOA" means the *Farm Lands Ownership Act* (Manitoba) and the regulations thereunder, as amended from time to time;

"minimum distribution requirement" has the meaning ascribed thereto under *Item 6 - Certain Canadian Federal Income Tax Considerations and Exempt Plan Eligibility – Status of the Fund*.

"Non-Resident" means a person or trust which, at the relevant time, is not resident or deemed not to be resident in Canada within the meaning of the Tax Act and any applicable tax convention entered into by the Government of Canada and includes a partnership that is not a Canadian partnership within the meaning of the Tax Act.

"Offering" means the offering and distribution of Units, as contemplated pursuant to this Offering Memorandum or such other later dated offering memorandum as may be distributed by the Fund in respect of the offering of its Units.

"Offering Memorandum" means this offering memorandum of the Fund dated February 11, 2016, as the same may be amended or amended and restated from time to time.

"Ordinary Resolution" means: (a) a resolution passed by more than 50% of the votes cast by those Unitholders entitled to vote on such resolution, whether cast in person or by proxy, at a meeting of Unitholders, at which a quorum was present, called (at least in part) for the purpose of approving such resolution, or (b) a resolution approved in writing, in one or more counterparts, by holders of more than 50% of the votes represented by those Units entitled to be voted on such resolution.

"Other Fund Securities" means any type of securities of the Fund, other than Units, including Exchangeable Securities, options, rights, warrants or other securities convertible into or exercisable for Units or other securities of the Fund (including convertible debt securities, subscription receipts and instalment receipts).

"Partnership" means the limited partnership formed under the laws of the Province of Alberta between the General Partner and the Fund as the founding limited partner, and which is known as "Agcapita Farmland VI L.P.".

"Partnership Act" means the *Partnership Act* (Alberta) as amended and in force from time to time.

"Partnership Capital" means, at a particular time the aggregate of each Limited Partner's Net Equity at that time.

"permanent resident" has the meaning ascribed thereto in the *Immigration and Refugee Protection Act* (Canada);

"Permitted Holder" means a person who is not a Non-Resident, and is either (a) an individual who is a Resident Person, (b) a Canadian-Owned Entity, or (c) an individual or entity that would be eligible to take or acquire, directly or indirectly, an interest in an unlimited amount of farming or agricultural land in accordance with all applicable laws and regulations in the provinces of Alberta, Saskatchewan, Manitoba, and Ontario.

"person" means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, limited liability companies, joint ventures, associations, companies, trusts, banks, trust companies, pension funds, business trusts and other organizations, whether or not legal entities and governments and agencies and political subdivisions thereof.

"Portfolio Value" means, with respect to the Partnership, the aggregate value of the assets of the Partnership less the aggregate value of the Partnership's liabilities, each as reported in the most recently prepared financial statements of the Partnership, taking into account any Capital Contributions made subsequent to the date of such financial statements, provided however, that if any portion of the lands comprising the business carried on by the Partnership have been appraised after the date of the most recent financial statements by an independent qualified appraiser, the General Partner will be entitled to rely on the assessed value of the lands according to such appraisal in its determination of Portfolio Value.

"Redemption Notes" means promissory notes issued in series, or otherwise, by the Fund pursuant to a note indenture and issued to redeeming Unitholders in principal amounts equal to all or a portion of the Redemption Price of the Units to be redeemed and having the following terms and conditions:

- (a) unsecured and bearing interest from and including the issue date of each such note at a market rate determined at the time of issuance, based on the advice of an independent financial advisor, with such interest payable only at the maturity date of such note (with interest after as well as before maturity, default and judgment at such rate);
- (b) subordinated and postponed to all Senior Indebtedness (as defined in the Declaration of Trust), and which may be subject to specific subordination and postponement agreements to be entered into with holders of such Senior Indebtedness;
- (c) subject to earlier prepayment, being due and payable on the fifth anniversary of the date of issuance; and
- (d) subject to such other standard terms and conditions as would be included in a note indenture for long-term promissory notes of this kind, as may be approved by the Trustees.

"Redemption Price" means a price equal to ninety (90%) percent of the fair market value of the Units tendered for redemption (herein **"Redemption Units"**), as at the date upon which such Units were tendered for redemption, as determined by the Administrator in its sole discretion, acting reasonably, but having regard to:

- (a) all prices at which trades of Units have been transacted, as reported to the Fund pursuant to the terms of: the Declaration of Trust, and which have occurred during the 6 month period (or such other period as the Administrator determines relevant and reasonable) immediately preceding the date on which such Redemption Units tendered for redemption were tendered to the Fund for redemption;
- (b) the issue prices for Units issued in any offering of the Fund during the 6 month period (or such other period as the Administrator determines relevant and reasonable) immediately preceding the date on which the Redemption Units were tendered to the Fund for redemption;
- (c) the fair market value of equity interests in, or enterprise values of, comparable entities substantially similar to the Fund; and
- (d) any other considerations which the Administrator, in its discretion, determines relevant for purposes of determining the Redemption Price.

"Reimbursement Agreement" means the reimbursement agreement, dated February 11, 2016, between the Fund and the Partnership, as amended, supplemented or amended and restated from time to time.

"Resident Person" means an individual who: (i) is a permanent resident and resides in Canada for at least 183 days in any year; or (ii) is a Canadian citizen;

"SFSA" means *The Saskatchewan Farm Security Act* and the regulations thereunder, as amended from time to time.

"Special Resolution" means (a) a resolution passed by more than $66\frac{2}{3}\%$ of the votes cast by those Unitholders entitled to vote on such resolution, whether cast in person or by proxy, at a meeting of Unitholders, at which a quorum was present, called (at least in part) for the purpose of approving such resolution, or (b) a resolution approved in writing, in one or more counterparts, by holders of more than $66\frac{2}{3}\%$ of the votes represented by those Units entitled to be voted on such resolution.

"Subscriber" means a subscriber for Units under this Offering Memorandum.

"Tax Act" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended from time to time.

"Trustees" means John Mackay and Stephen Johnston, as initial trustees of the Fund, and each individual who on or after the date of the Declaration of Trust becomes a trustee of the Fund as provided for in the Declaration of Trust; and **"Trustee"** means and refers to one of the Trustees.

"Unit" means a unit of beneficial interest in the Fund and having the rights, privileges, restrictions and conditions set out in the Declaration of Trust, and **"Units"** mean more than one Unit.

"Unitholder" or **"holder of Units"** or **"Holder"** means a person whose name appears on the register of the Fund as a holder of one or more Units, and such holders are collectively called **"Unitholders"**.

In this Offering Memorandum, references to "dollars" and \$ are to the currency of Canada, unless otherwise indicated.

MEMORANDUM

DATE: April 8, 2016
TO: British Columbia Securities Commission
FROM: Agcapita Farmland Fund VI
RE: Marketing Materials

Please find attached the following marketing materials in relation to Agcapita Farmland Fund VI's February 11, 2016 Offering Memorandum:

1. Term Sheet;
2. Brochure; and
3. Presentation.

Thank you,

/nb

INFORMATION MEMORANDUM

An offering memorandum containing important information relating to the securities described in this document has or will be filed with the securities regulatory authorities in each of the jurisdictions where a distribution has occurred or will occur pursuant to the offering memorandum. A copy of the offering memorandum is required to be delivered to you at the same time or before you sign the agreement to purchase the securities described in this document pursuant to the offering memorandum.

This document does not provide disclosure of all information required for an investor to make an informed investment decision. Investors should read the offering memorandum of Agcapita Farmland Fund VI (the "Fund"), especially the risk factors relating to the securities offered, before making an investment decision.

February 2016



Agcapita Farmland Fund VI

OVERVIEW

- Agcapita Farmland Fund VI is a trust created for the purpose of investing in a portfolio of Canadian farmland
- Agcapita founders have a successful track record of investing in Western Canada; in energy, agriculture and SME's
- One of Canada's most experienced farmland investment teams with full investment cycle experience

INVESTMENT HIGHLIGHTS

INVESTMENT OBJECTIVES

- Provide investors with superior risk-adjusted returns by investing in a geographically diversified portfolio of cash-rented Canadian farmland
- Target return of Canadian CPI plus 5%

INVESTMENT THESIS

The strategy is built around the core premise that the world is in a bull market in agricultural commodities driven by negative real interest rates and incremental demand from emerging markets and, accordingly, investments with direct or indirect exposure to agricultural commodities in a politically stable environment such as Canada will provide above average returns.

MANAGER

From inception Agcapita has sought to deliver superior investment returns with lower volatility than public markets through private equity investing that combines:

- Strong underlying asset fundamentals;
- A disciplined value style;
- Operational effectiveness; and
- An opportunistic approach.

In practice the manager looks for investments with:

- Established macro drivers – favorable supply/demand situation
- Margin of safety – discounted asset prices, ability to acquire cash flow cheaply

Agcapita has over 80 years of investment, advisory and private equity experience. The team has a unique and successful track record of sourcing, acquiring, and divesting farmland.

RISK MANAGEMENT

- Investments decisions are made by a formal Investment Committee that follows a disciplined approach based on a proprietary data driven model
- Agcapita is utilizing an established infrastructure platform – accounting, administration, monitoring and regulatory compliance from the other farmland funds in the Agcapita series
- Minimal leverage in capital structure



SUMMARY OF TRUST UNIT

Issuer:	Agcapita Farmland Fund VI ("Trust")
Security:	Trust Unit
Issue Price:	\$5.00
Target Raise:	\$20,000,000
Minimum Investment:	\$5,000
Term:	Winding-up will commence on December 31, 2022
Manager:	Agcapita VI GP Ltd.
Investment Objective:	The purpose of the Trust is to invest in Agcapita Farmland VI LP ("Partnership"). The objective of the Partnership is to generate attractive, stable returns and preserve capital by investing in geographically diversified portfolios of Canadian farmland.
Investment Structure:	The Trust Unit proceeds will be used to invest in LP Units which in turn will invest in a farmland portfolio selected by the Manager.
Distribution Policy:	The Manager intends to pay annual distributions of up to 2% in fiscal periods where the farmland portfolio has sufficiently appreciated in value
Management Fee:	2.0%
Performance Fee:	20%
Placement Fee:	10%

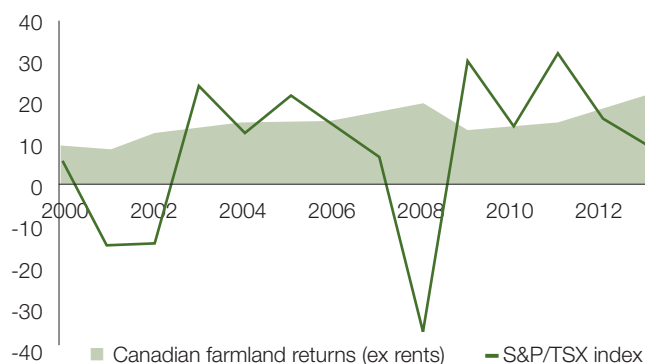
INDUSTRY OVERVIEW

The demand for agricultural products is growing every day, with global consumption of cereal crops expected to double by 2030. Global farmland returns are derived from growing absolute demand for food driven by increasing population, improving diets creating the protein multiplier effect on crop demand, biofuel consumption, all combined with a shrinking amount of arable land. Canadian farmland represents a market of over 160 million acres with a total capitalization of approximately \$290 billion. Canadian farmland turnover is estimated to exceed \$10 billion annually.

Sharpe ratios of different farmland markets versus public equities over the last five years demonstrate the superior return qualities of the asset class. Canadian farmland in aggregate has averaged a ratio of around 1.2.

Farmland has historically outperformed the public equity markets with less risk. Over the last 15 years Canadian farmland has demonstrated extremely low volatility during two equity bear markets with no down years and is an excellent inflation hedge.

Farmland has low correlations with the public equity markets (-0.08 and -0.01 with the S&P 500 and TSX respectively) making it a valuable portfolio diversification tool.



	TSX	S&P 500	Dow Jones	Gold	Farm land	US LT Bond	CAD LT Bond
TSX	1						
S&P 500	0.71	1					
Dow Jones	0.67	0.96	1				
Gold	0.16	-0.24	-0.27	1			
Farmland	-0.01	-0.08	-0.17	0.35	1		
US LT Bond	-0.49	-0.3	-0.3	0.01	0.03	1	
CAD LT Bond	-0.12	-0.03	-0.03	0	-0.01	0.86	1



AGCAPITA



INVESTMENT OBJECTIVES AND STRATEGY

INVESTMENT OBJECTIVES

- To invest in a geographically diversified portfolio of farmland on a cash rented basis
- Target return of Canadian CPI plus 5%

INVESTMENT STRATEGY

Agcapita has a proprietary, data driven approach based on in-house analytical tools for land analysis. Key portfolio metrics are to have the:

- Lowest cost per bushel of productivity
- Lowest volatility of yield
- Highest gross rental rates
- Longest lease durations

Stage 1 (Qualitative): Site inspection by field team

- Configuration – absence of residential buildings & presence of storage
- Location – proximity to infrastructure such as terminals & processing
- Rent-ability – local rental rates & trends, is a tenant in place or identified
- Aggregation possibilities – are local holdings fragmented or concentrated

Stage 2 (Quantitative): Investment committee evaluates all transactions on the following criteria

- Productivity cost – dollar price per bushel of productive capacity of land
- Weather risk – historical volatility of yield
- Market comparables – create theoretical market price for every land package by soil type from land titles market data
- Local price trends – operator and investor interest
- Local productivity trends – measure more generalised regional yield trends
- Diversification – does acquisition add useful geographic diversification

COMPETITIVE ADVANTAGE

- Proprietary deal flow that originates from the in-house field team built up over last 6 years
- Experience with farmland investment legislation and regulations
- Having transacted on approximately 90,000 acres of farmland and divested approximately 20,000 – unique experience in both deploying and exiting

RISK MANAGEMENT

At a high level, risk is mitigated by deploying capital over a geographically well-diversified farmland portfolio which is cash rented with primarily upfront payments – limited operational or crop risk. Agcapita's operational approach seeks to mitigate specific key risks as follows:

- Weather – Episodic/Short Term: Upfront cash-rents preferred, no operations
- Weather – Long Term: Geographic diversification, preferred selection criteria is for area to show stable or increasing production trend, low yield volatility, use of water conserving zero till technology
- Commodity prices – Short Term: Prefer upfront cash-rents, no operations
- Commodity prices – Long Term: Canadian price discount, land should increase even in flat commodity market
- Farming practices: Long lease durations, field team monitors for weed control and appropriate nutrient/fertilizer usage, annual farming reports by quarter section
- Crop concentration: Standard rotation practices provide diversification among crop types



 AGCAPITA

SENIOR TEAM

Stephen Johnston (Director - Founder): Stephen has over 20 years experience as a fund manager. He was the head of the Societe Generale Asset Management Emerging Markets – UK private equity team with almost C\$ 500 million of assets under management. Stephen has a BSc. (1987) and a LLB from the University of Alberta (1990) and an MBA (1994) from the London Business School.

John Mackay (Director): John has over 25 years of experience as an entrepreneur taking his first company public in 1988. He spent 11 years as a lawyer, and was a Partner at McCarthy Tetrault LLP in the Corporate Finance and Mergers & Acquisitions group, where he was involved with over \$1 billion worth of transactions. John is the CEO of Mosaic Capital Corporation. John received a LLB (1993) from the University of Durham.

Barclay Laughland (Director): Barclay has over 20 years of experience in the areas of corporate finance, investment fund management, mergers and acquisitions, debt/equity financings, structuring and business management. He is presently a partner with Agcapita Partners L.P. and, until January 2016, was vice-president, corporate affairs for Mosaic Capital Corporation, a publicly traded investment company.

Harold Kunik (Director): Harold has over 20 years experience as a private equity & venture capital fund manager. He is the President of Mosaic Capital Corporation. Harold obtained his CMA designation in 1986.

Karim Kadry (Investment Manager): Karim has 20 years of international experience in the investment and financial fields. He was the head of Investment Banking of Global Investment House's Egypt branch, the Senior Vice President of Naeem Capital with around USD\$1.5 billion of assets under management. Karim has a BSc. in Engineering and an MBA jointly from IESE School of Business and Nile University. Karim is a CFA charter holder.

CONTACT INFORMATION

Agcapita
#313 – 5940 Macleod Trail SW
Calgary, Alberta T2H 2G4
www.agcapita.com

Stephen Johnston
1.403.218.6506
sjohnston@agcapita.com

Karim Kadry
1.587.887.1539
kkadry@agcapita.com

LEGAL NOTICE

This document includes forward-looking information and forward-looking statements (collectively, "forward-looking information") with respect to the Fund. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases including, but not limited to, "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking information".

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Fund believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements and information because the Fund can give no assurance that such expectations will prove to be correct. Forward-looking statements and information reflects our current beliefs, expectations, estimates and projections; our assumptions and forward-looking information are based on information currently available to us including, but not limited to, information obtained from third party industry analysts and other third party sources. Forward-looking statements and information involves significant known and unknown risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not, or the times at or by which, such performance or results will be achieved. A number of factors could cause actual results to differ materially from the results expressed or implied in the forward looking statements and information, including, but not limited to, the factors discussed in Item 8 – Risk Factors in the offering memorandum. Although the forward-looking statements and information contained in this document and the offering memorandum are based upon what we believe are reasonable assumptions (including, without limitation, that (i) the demand for agricultural commodities is likely to continue to grow at a pace that is unlikely to be matched by growth in agricultural productivity, and (ii) investment demand for tangible assets such as agricultural commodities and farmland is likely to continue to increase for the foreseeable future), we cannot assure subscribers that actual results will be consistent with such forward-looking statements and information, and the differences may be material.

The forward-looking information contained herein is made as of February 11, 2016 and we do not assume any obligation to update or revise them, whether as a result of new information, future events or otherwise, except as required by law.

Securities legislation in certain of the provinces and territories of Canada provides purchasers with a statutory right of action for damages or rescission in cases where an offering memorandum or any amendment thereto contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or is necessary to make any statement contained therein not misleading in light of the circumstances in which it was made (a "misrepresentation"). These rights, or notice with respect thereto, must be exercised or delivered, as the case may be, by purchasers within the time limits prescribed and are subject to the defenses and limitations contained under the applicable securities legislation. The following summary is subject to the express provisions of applicable securities legislation applicable and the regulations, rules and policy statements thereunder. Purchasers should refer to the securities legislation applicable in their province or territory along with the regulations, rules and policy statements thereunder for the complete text of these provisions or should consult with their legal advisor. The statutory rights of action described in below are in addition to and without derogation from any other right or remedy that purchasers may have at law.

If you are subject to the laws of Ontario, Saskatchewan, Nova Scotia or New Brunswick, those laws provide, in part, that if there is a misrepresentation in an offering memorandum, which was a misrepresentation at the time that you subscribed for the securities, then you will be deemed to have relied upon the misrepresentation and will, as provided below, have a right of action against the issuer of the securities (and, in certain instances, other persons) in respect of the securities purchased by you for damages or, alternatively, while still the owner of any of the securities purchased, for rescission, in which case, if you elect to exercise the right of rescission, you will have no right of action for damages against the issuer of the securities, provided that: (1) no person or company will be liable if it proves that you purchased the securities with knowledge of the misrepresentation; (2) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation; and (3) in no case will the amount recoverable in any action exceed the price at which the securities were purchased by you. In the case of an action for rescission, no action may be commenced more than 180 days after the date of the transaction that gave rise to the cause of action. In the case of any action other than an action for rescission, (A) in Ontario or Nova Scotia, no action may be commenced later than the earlier of (i) 180 days after you first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action, and (B) in Saskatchewan or New Brunswick, no action may be commenced later than the earlier of (i) one year after you first had knowledge of the facts giving rise to the cause of action, or (ii) six years after the date of the transaction that gave rise to the cause of action. If you are subject to the laws of any other province or territory, reference should be made to the full text of the applicable provisions of the securities legislation in such provinces or territories or consultation should be undertaken with professional advisors.



AGCAPITA

Agriculture is a huge part of your life ...
is it a part of your investment portfolio?



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The demand for agricultural products is growing every day, with global consumption of cereal crops expected to double by 2030. In fact, institutional investors, including pension funds and endowments, have long recognized farmland as a dynamic asset class with many attractive investment characteristics. Farmland has attracted billions in private investments from institutional investors globally. Now you also can have access to this same investment opportunity and include farmland in your own portfolio.

Agcapita's farmland investment partnerships are some of the first funds to offer the benefits of farmland exposure to individual investors, and are the first RRSP eligible farmland funds in Canada.

Agcapita Partners LP

Who Are We?

We are managers of farmland investment partnerships based in Calgary, Alberta Canada. We have created a convenient and efficient way for investors to add farmland holdings to their investment portfolios.

What Do We Do?

Agcapita farmland investment partnerships raise capital and deploy that capital in the purchase of farmland. The farmland is then leased back to farmers generating rental income.

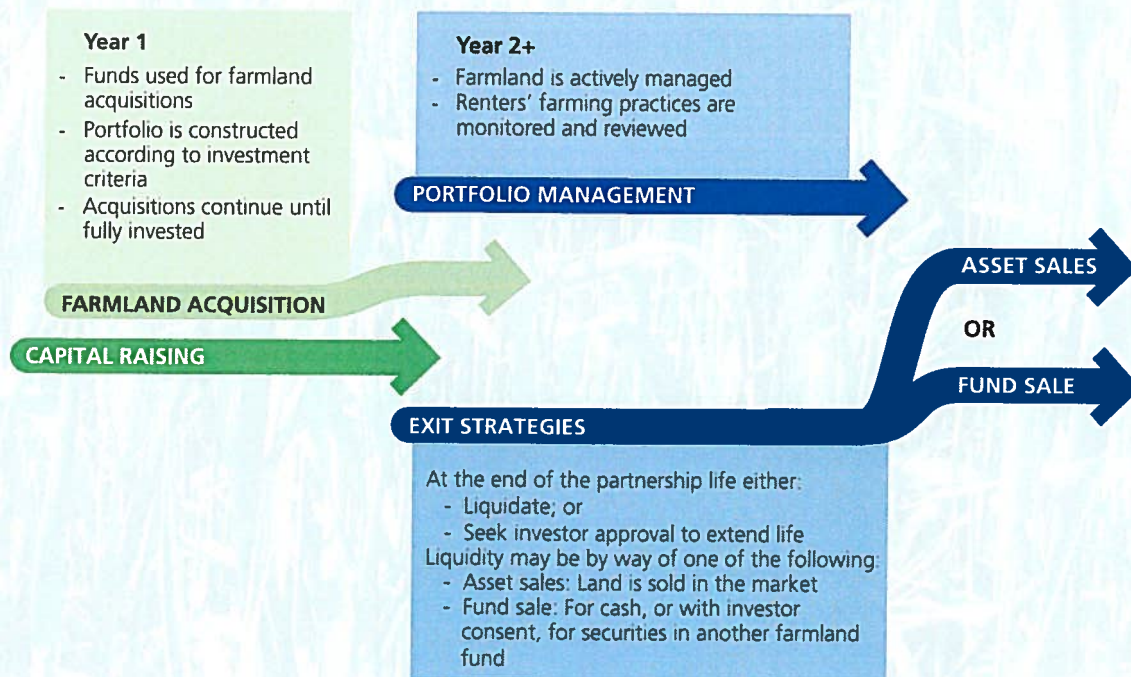
Why Invest In Farmland?

We believe that farmland will be an excellent investment because global "food, feed, and fuel" factors will continue to put upward pressure on crop prices.

Where Do We Invest?

We are focussing on western Canada as our target market due to an abundance of low price, high quality farmland combined with world class agriculture infrastructure.

Life Cycle of an Agcapita Farmland Investment Partnership





Why Farmland?

Just as agricultural products contribute to your way of life, agriculture investments have been shown to contribute to a healthy and balanced portfolio via competitive returns, risk diversification and inflation hedging.



Competitive Total Returns

Farmland investments offer the potential for competitive total returns. These returns are derived from cash rents or profit sharing income, along with appreciation in the value of the farmland itself. In general, farmland returns have been greater than those on stocks and bonds over almost 20 years with significantly less risk.

Low Correlation to Other Investments

Correlation is a financial measure used to compare asset classes. Correlation simply indicates whether investments move in the same direction, opposite directions, or randomly, given certain market conditions. Farmland shows a very low correlation to other asset classes over long periods, meaning that its investment performance is independent of other investments. This low correlation means that when other investments are down, farmland may continue to perform strongly.

Diversification

Including farmland in a diversified investment portfolio has shown that it may increase total return while reducing risk because farmland prices tend to function independently from the financial markets and other real estate.

Inflation Hedge

A farmland investment has shown that it can help preserve capital during inflationary periods, because farmland has historically performed better in times of higher inflation. For example, western Canadian farmland prices increased approximately 500% between 1970 and 1981 - the last high inflation period.

Renewable Resource

Sound farming practices maintain and enhance productive capacity over the long term adding to the overall value of the investment.

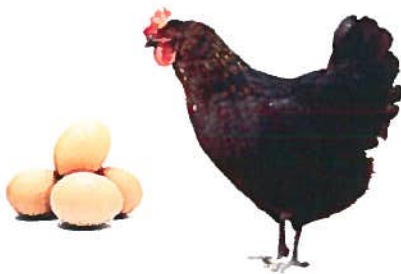
Tangible Real Asset

Farmland has intrinsic, real value as a productive asset. Demand for agriculture commodities continues to grow consistently.

How Does Farmland Generate Returns?

What is driving farmland returns? Simply put, growing demand for food driven by increasing population, improving diets and increasing biofuel consumption combined with a shrinking amount of farmland. Other components of the return may include favorable acquisition pricing, enhancements to the land value from building large contiguous blocks and incremental income from sources such as carbon credits, surface easements and water rights. In all cases, our goal is to manage the farmland in a way that provides attractive long term returns for our investors.

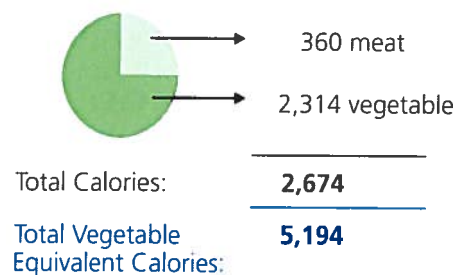
"If every person in China ate 2 extra eggs a week it would use all the grain that Canada produces to feed the chickens."



Improving Diets

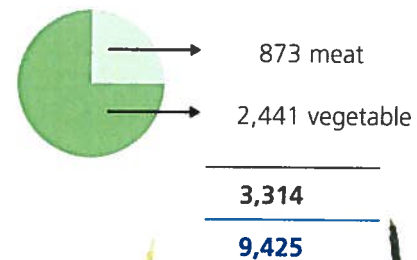
A person in the developing world consumes approximately 500 fewer calories per day than someone living in the developed world – the difference essentially being the level of meat consumption. Increasing meat consumption has a multiplier effect on crop demand as each meat calorie can require up to 8 times as many grain calories as feed inputs. In crop equivalents, the calorie difference is approximately eighty percent greater.

Developing World (calories/day)

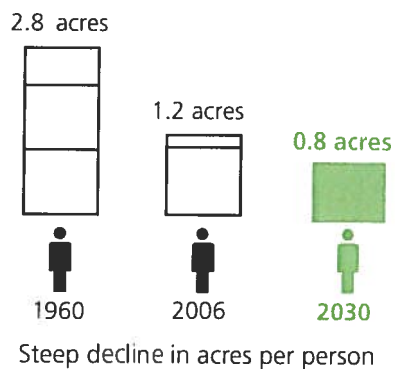


Extra 500 meat calories/day

Developed World (calories/day)



Double crop consumption



Population Growth

The global population continues to grow while the amount of farmland shrinks. Based on historical data, it is expected that every year:

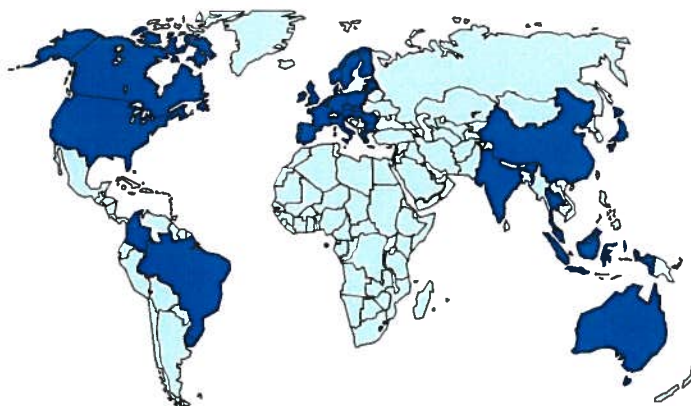
- The population will increase by approximately 120 million people
- Arable land will decrease by approximately 25 million acres

Using the projection that the global population will be approximately 9 billion by 2030, we believe the amount of arable land available to support each person will be 33% less than it is currently.

Biofuels

Biofuel consumption is projected to increase dramatically due to government imposed targets aimed at reducing oil imports. Biofuel consumption in turn drives demand for crops and therefore farmland. Current mandates commit hundreds of millions of acres of farmland to biofuel feedstock production over the next 10 years.

■ Countries with Biofuel Mandates



Why Invest with Agcapita?

A professionally managed farmland portfolio doesn't consist of just one parcel of land or land in one location. A large, well managed farmland portfolio is diversified by geography, crop and operators. Diversification is only possible across the size of portfolios that are managed by Agcapita. Agcapita focuses on western Canada, which is a world class agriculture producing region with first world infrastructure, low political risk and most importantly, low farmland prices.

Unless otherwise indicated, the market and industry data contained in this document is based upon information from independent industry and government publications. While Agcapita Partners Ltd. (**Agcapita**) believes this data to be reliable, market and industry data is subject to variation and cannot be verified due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. Agcapita has not independently verified the accuracy or completeness of such information contained herein.

This document includes forward-looking information and forward-looking statements (collectively, "**forward-looking information**") with respect to Agcapita and the Fund. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases including, but not limited to, "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking information". In particular, and without limiting the generality of the foregoing, this document contains forward looking information with respect to: the intended course of conduct and future operations of the Fund, the geographic regions where the Fund intends to purchase farmland; expected returns from the purchase of farmland; future growth prospects and demand for agricultural commodities;

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Fund believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements and information because the Fund can give no assurance that such expectations will prove to be correct. Forward-looking statements and information reflects our current beliefs, expectations, estimates and projections; our assumptions and forward-looking information are based on information currently available to us including, but not limited to, information obtained from third party industry analysts and other third party sources. Forward-looking statements and information involves significant known and unknown risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not, or the times at or by which, such performance or results will be achieved. A number of factors could cause actual results to differ materially from the results expressed or implied in the forward looking statements and information, including, but not limited to, the factors discussed in Item 8 – Risk Factors in the offering memorandum. Although the forward-looking statements and information contained in this document and the offering memorandum are based upon what we believe are reasonable assumptions (including, without limitation, that (i) the demand for agricultural commodities is likely to continue to grow at a pace that is unlikely to be matched by growth in agricultural productivity, and (ii) investment demand for tangible assets such as agricultural commodities and farmland is likely to continue to increase for the foreseeable future), we cannot assure subscribers that actual results will be consistent with such forward-looking statements and information, and the differences may be material.

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If you are subject to the laws of Ontario, Saskatchewan, Nova Scotia or New Brunswick, those laws provide, in part, that if there is a misrepresentation in an offering memorandum, which was a misrepresentation at the time that you subscribed for the securities, then you will be deemed to have relied upon the misrepresentation and will, as provided below, have a right of action against the issuer of the securities (and, in certain instances, other persons) in respect of the securities purchased by you for damages or, alternatively, while still the owner of any of the securities purchased, for rescission, in which case, if you elect to exercise the right of rescission, you will have no right of action for damages against the issuer of the securities, provided that: (1) no person or company will be liable if it proves that you purchased the securities with knowledge of the misrepresentation; (2) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation; and (3) in no case will the amount recoverable in any action exceed the price at which the securities were purchased by you. In the case of an action for rescission, no action may be commenced more than 180 days after the date of the transaction that gave rise to the cause of action. In the case of any action other than an action for rescission, (A) in Ontario or Nova Scotia, no action may be commenced later than the earlier of (i) 180 days after you first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action, and (B) in Saskatchewan or New Brunswick, no action may be commenced later than the earlier of (i) one year after you first had knowledge of the facts giving rise to the cause of action; or (ii) six years after the date of the transaction that gave rise to the cause of action. If you are subject to the laws of any other province or territory, reference should be made to the full text of the applicable provisions of the securities legislation in such provinces or territories or consultation should be undertaken with professional advisors.



AGCAPITA

Farmland Fund VI

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Agcapita Intro: 7 Questions for Advisors and Investors

1. What is Agcapita?
2. Who is the Investment Team?
3. What is the Farmland Investment Thesis – Macro & Micro?
4. How is Risk Managed?
5. What are the Terms?
6. How Do Investors Benefit?
7. Why Farmland? Why Agcapita as Manager?

What is Agcapita?

Agcapita is a direct, farmland investment fund. Our return focus is capital preservation, growth and yield (Fund VI target yield 2%).

Agcapita was established in late 2007 and is part of a group of alternative funds with almost \$300M in AUM in farmland, energy (production & midstream infrastructure), private debt and SME private equity .

As managers we seek to deliver superior investment returns with lower volatility than public markets through private equity investing that combines strong underlying asset fundamentals and a disciplined value style. In practice we look for investments with:

- Macro drivers – favourable supply/demand situation
- Micro drivers – margin of safety = discounted asset prices & ability to acquire cash flow cheaply

What is Agcapita? (cont'd)

Agcapita is simple – we take a straight forward approach to farmland investing:

- Acquire geographically and operator diversified portfolios of farmland
- Do not operate farms or take crop risk - cash rents only, typically with 100% upfront payment
- Use no leverage to acquire land*

Agcapita is proven – we have gone full life cycle on two funds already with superior returns:

	Fund I:	Fund II Series I:	Fund II Series II:	Fund III:	Fund IV:	Fund V:	Fund VI:
Inception Date	2008	2010	2015	2012	2013	2014	2016
Close Date	2009	2011	2015	2013	2014	2014	2017
Wind-up	2014	2015	2021	2018	2019	2021	2023
Acres	19,230	13,387	35,355	12,970	7,889	12,758	NA
Gross realized fund IRR	15%	16%	NA	NA	NA	NA	NA

Note: Fund I redeemed investors in Q1 2014 and Fund II in Q1 2015. IRR calculated from date of final closing to exit date.

*Fund I used a limited amount of leverage <15% LTV, all others unlevered

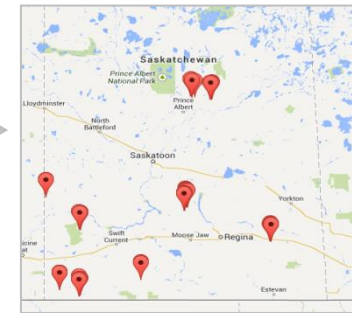
What is Agcapita? (cont'd)

Agcapita is experienced – we have transacted on approximately 120,000 acres of farmland since launching Fund I in 2008:

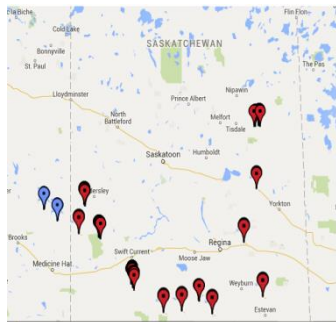
Fund I



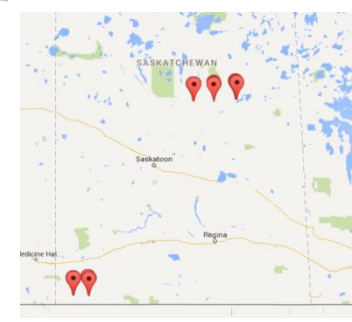
Fund III



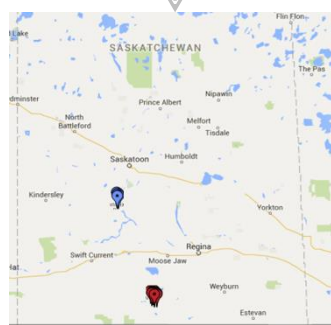
Fund II



Fund IV



Fund V



Investment Team:



Stephen Johnston (Director Investment Committee – Founder): Stephen has over 20 years experience as a fund manager. He was the head of the Societe Generale Asset Management Emerging Markets – UK private equity team with almost C\$ 500 million of assets under management. He is the co-founder of a group of Calgary based alternative investment funds with approximately \$300M in AUM. Stephen has a BSc. (1987) and a LLB from the University of Alberta (1990) and an MBA (1994) from the London Business School.



Karim Kadry (Investment Manager): Karim has 20 years of international experience in the investment and financial fields. He was the head of Investment Banking of Global Investment House's Egypt branch, the Senior Vice President of Naeem Capital with around USD1.5 billion of assets under management. Karim has a BSc. In Engineering and a MBA jointly from IESE School of Business and Nile University. Karim is CFA charter holder.



Kenneth Beatch (Head of Field Management): Ken is an experienced agriculture professional with over 30 years in the industry. He is current with modern farming practices from working with farmers and ranchers in both equipment and chemical sales. He has operated a large cattle operation and a 3,000 acre farm.

Investment Team



John Mackay (Director Investment Committee): John has over 25 years of experience as an entrepreneur taking his first company public in 1988. He spent 11 years as a lawyer, and was a Partner at McCarthy Tetrault LLP in the Corporate Finance and Mergers & Acquisitions group, where he was involved with over \$1 billion worth of transactions. John is the co-founder, Executive Chairman, CEO and Director of Mosaic Capital Corporation. John received a LLB (1993) from the University of Durham.



Barclay Laughland (Director Investment Committee): Barclay has over 20 years of experience in the areas of corporate finance, investment fund management, mergers and acquisitions, debt/equity financings and business management. More than half that time has been spent in direct involvement with private equity, and he was most recently vice-president, corporate affairs for Mosaic Capital Corporation, a publicly-traded investment company. Barclay received both a BComm. (1991) and JD (1994), University of Saskatchewan.



Harold Kunik (Director Investment Committee): Harold has over 20 years experience as a private equity & venture capital fund manager. He is the President, co-founder, and a Director of Mosaic Capital Corporation. Harold obtained his CMA designation in 1986.

Investment Thesis: Macro & Micro

Agcapita believes farmland is an attractive asset class that exhibits low return volatility combined with high absolute returns, that supply is shrinking and that demand for "food, feed and fuel" will continue to move crop prices higher over the long-term.

Macro Thesis:

- Capture the returns from emerging economy demand for food, feed and fuel which continues to place upward real pressure on agricultural commodity prices
- Farmland provides linkage to these returns with low volatility

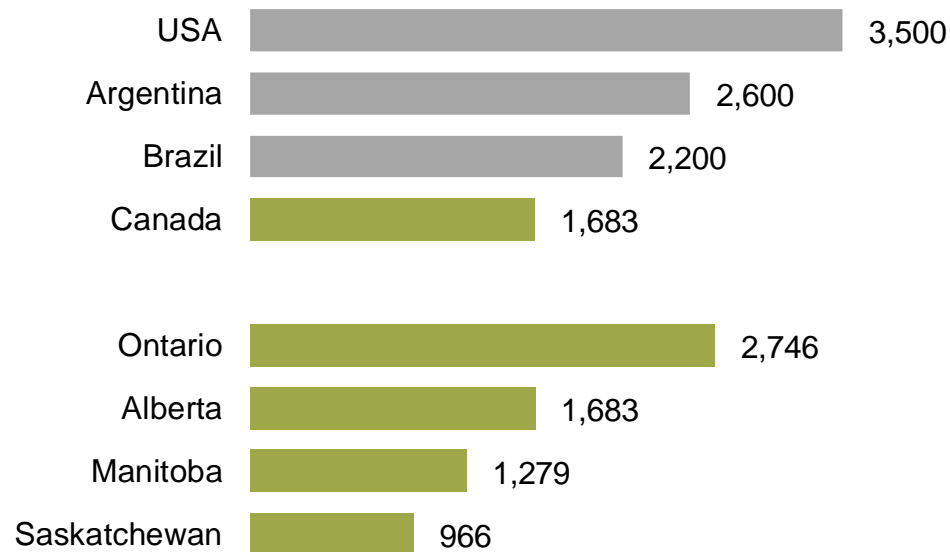
Micro Thesis:

- Canada is a large market with 167 million acres of arable land with a market capitalization of approximately \$290 billion
- Canadian market is highly liquid with annual turnover in excess of \$10 billion
- Margin of safety - Canadian market has demonstrable fundamental discounts – land prices more than 50% lower than developed market averages on a productivity adjusted basis
- Canada has extensive first world agriculture infrastructure
- Create un-levered, diversified (by geography, operator and crop) land portfolios
- Front-end loaded cash rent model to reduce operational risk
- Manager with full investment cycle experience

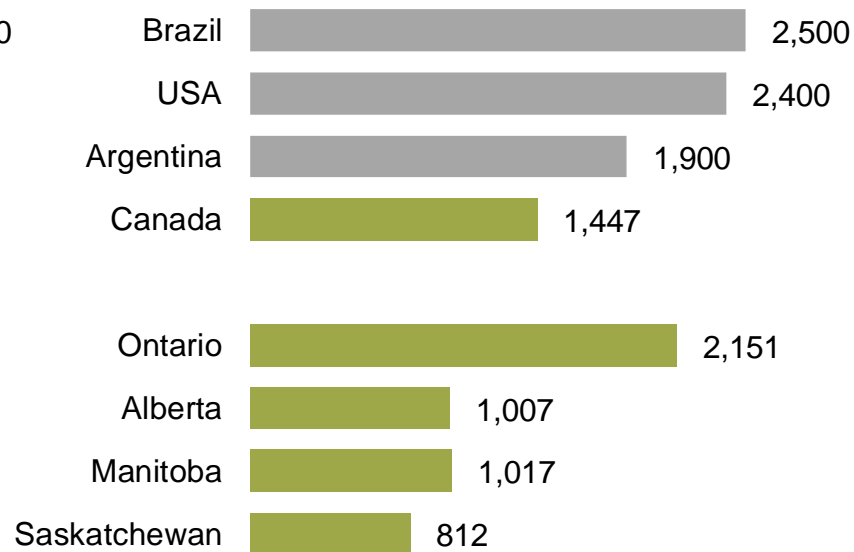
Investment Thesis: Fundamental Discounts

Canadian farmland prices are low on both an absolute and a productivity cost basis

Absolute Cost (US\$/acre)



Productivity Cost (US\$/tonne of wheat production)

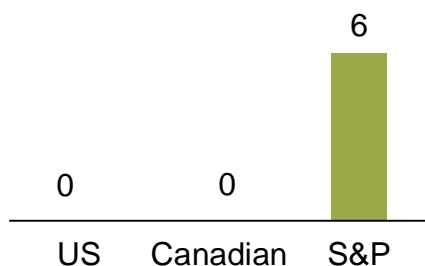


Sources: Savills, FCC, Statistics Canada, Ontario Ministry of Agriculture, Agcapita – International farmland values are based on 2012 data; Canadian land values are based on 2014 data - USD/CAD 1.308

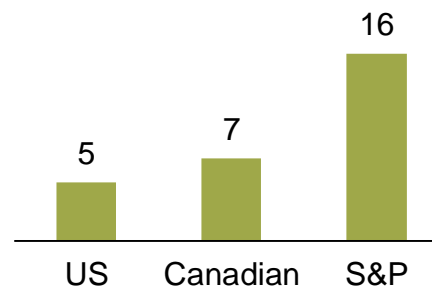
Investment Thesis: Favorable Up-Down Return Asymmetry

Canadian farmland did not experience any down years in the last twenty:

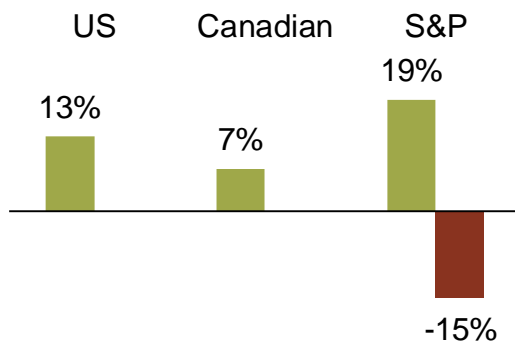
Down Years (1994 - 2013)



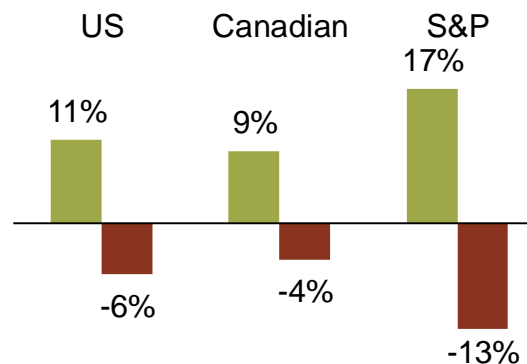
Down Years (1954 - 2013)



Average Up/Down (1994 - 2013)



Average Up/Down (1954 - 2013)

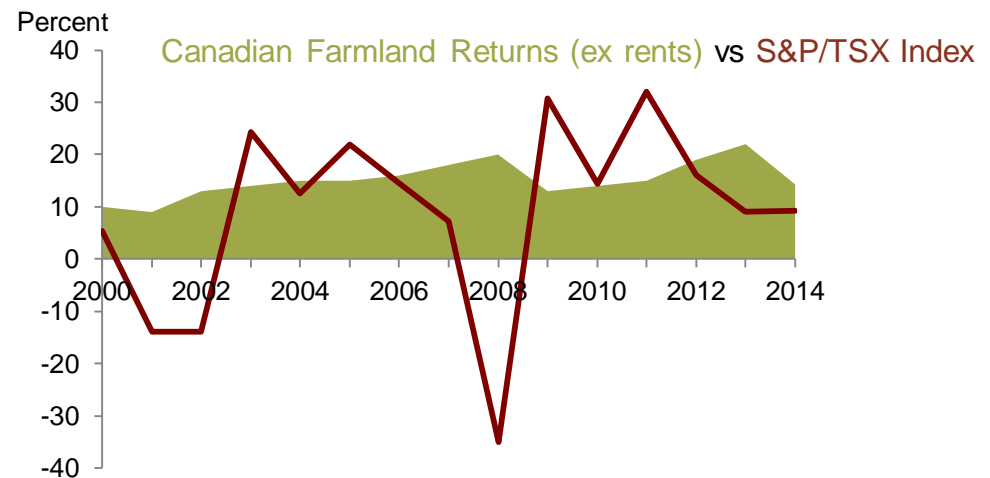
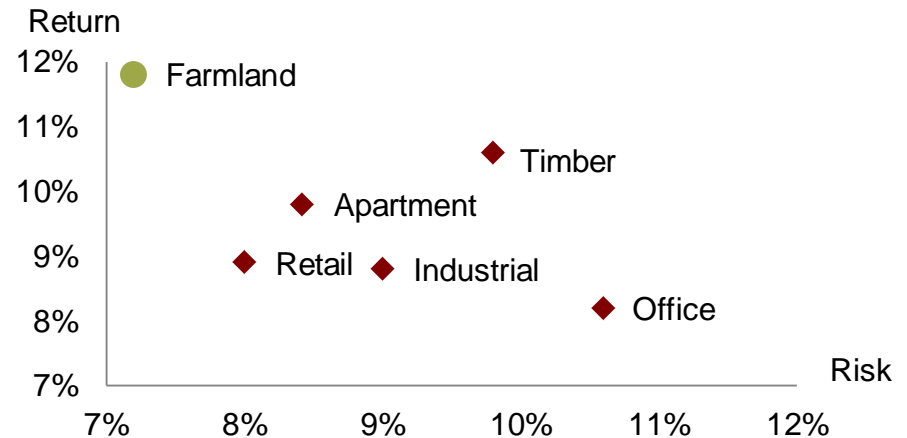


Sources: S&P Index, Statistics Canada, United States Department of Agriculture, Peter Linclert American Farmland Values – University of California, NCREIF

Investment Thesis: Superior Returns and Low Volatility

Farmland is sometimes included in the real estate asset allocation. Over the last 20 years it has generated better absolute and risk adjusted returns than all other real estate sectors.

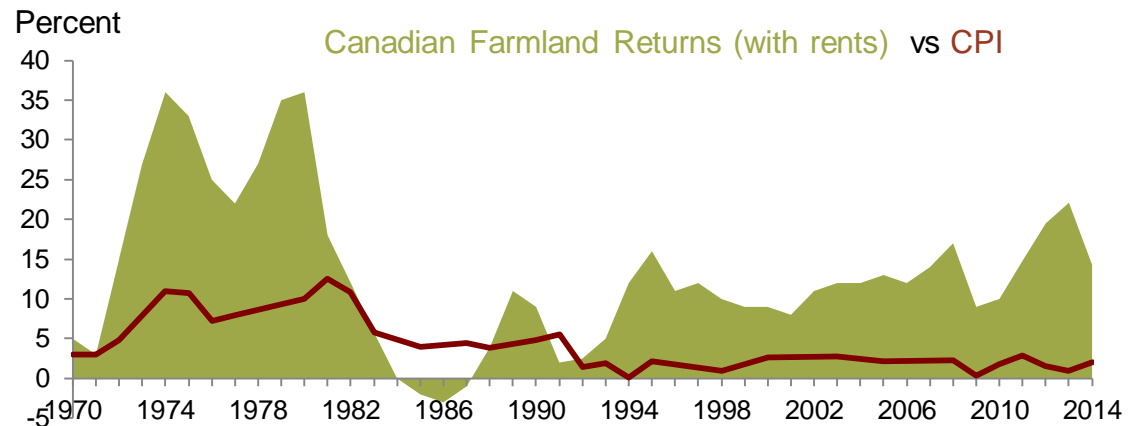
Farmland has historically outperformed the public markets with less risk. Over the last 15 years farmland demonstrated low volatility during two equity bear markets.



Sources: NCREIF, FCC, S&P/TSX Index, Statistics Canada, Farm Credit Canada, Agcapita

Investment Thesis: Inflation Hedge and Diversification Tool

Farmland has consistently outperformed CPI in real terms during inflationary periods.



Farmland has low correlation with traditional asset classes.

Farmland Cross Correlations:

	TSX	S&P 500	Dow Jones	Gold	Farm land	US LT Bond	CAD LT Bond
TSX	1						
S&P 500	0.71	1					
Dow Jones	0.67	0.96	1				
Gold	0.16	-0.24	-0.27	1			
Farmland	-0.01	-0.08	-0.17	0.35	1		
US LT Bond	-0.49	-0.3	-0.3	0.01	0.03	1	
CAD LT Bond	-0.12	-0.03	-0.03	0	-0.01	0.86	1

Sources: Statistics Canada, S&P/TSX Composite, TSX DEX LT Bond Index, TSX DEX Canadian Treasury Bill 91 Day Index, Farm Credit Canada, Bloomberg, Agcapita

Risk Management: Consistent, Objective, Model Driven Decisions

An important risk management tool is to make consistent, objective, model driven investment decisions.

Agcapita has developed a number of proprietary in-house analytical tools for land analysis. Our key portfolio metrics are to have the:

- Lowest cost per bushel of productivity with the lowest volatility of yield
- Highest gross rental rates and longer lease durations

Stage 1: Site inspection by field manager

- Configuration - absence of residential buildings & presence of storage
- Location - proximity to infrastructure such as terminals & processing
- Rentability - local rental rates & trends, is a tenant in place or identified
- Aggregation Possibilities – are local holdings fragmented or concentrated

Stage 2: Investment committee evaluates all transactions on the following criteria

- Productivity Cost - dollar price per bushel of productive capacity of land
- Weather Risk - historical volatility of yield
- Weather Risk – historical yield trend
- Market Comparables – create theoretical market price for every land package by soil type from market data
- Local Price Trends – operator and investor interest
- Diversification - does acquisition add useful geographic diversification

Agcapita's investment decisions consistent and objective because they are model driven - we attempt to invest in land with demonstrable productivity pricing discounts.

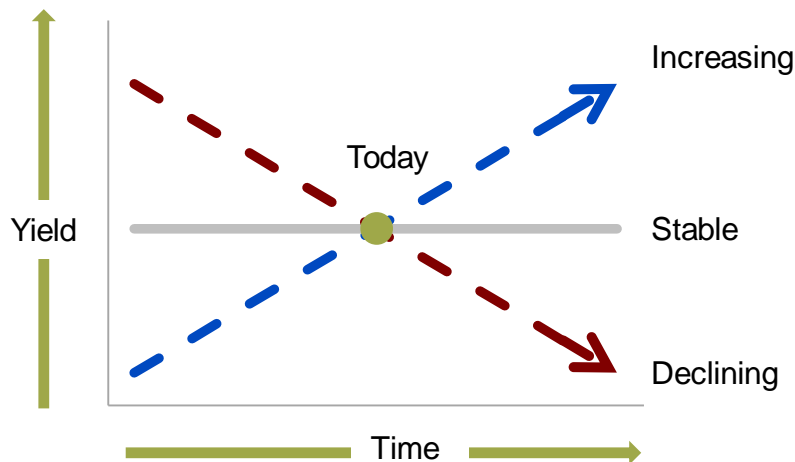
Risk Management: Operational Risks

Our approach seeks to mitigate keys operational risks for investors:

Risk	Mitigation Factor
Weather – Episodic/Short Term	Upfront cash-rents, no operations
Weather – Long Term	Geographic diversification, area selected must show stable or increasing production trend and low yield volatility
Commodity Prices – Short Term	Prefer upfront cash-rents, no operations
Commodity Prices – Long Term	Canadian price discount, land should increase even in flat commodity market
Farming Practices	Long lease durations, field team monitors for weed control and appropriate nutrient/fertilizer usage, annual farming reports by quarter section
Crop Concentration	Standard rotation practices provide diversification among crop types, multiple tenants geographically dispersed results in crop diversification

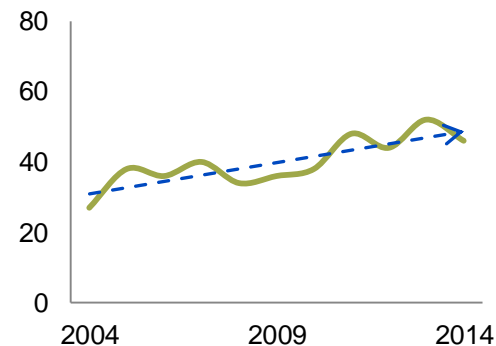
Risk Management: Weather– Yield Volatility & Trend Analysis

We actively evaluate weather risk in our investment decisions. Two key proxies for weather risk – long term yield trend for persistent weather changes and yield volatility for episodic weather risk.



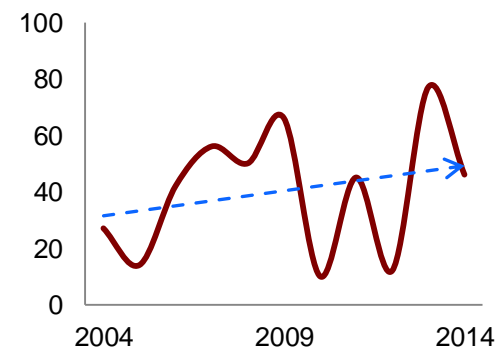
- Starting yield 27 bu
- Ending yield 46 bu
- Average yield 40 bu
- Slope 1.8
- SD 7 bu/year

- Low episodic weather risk



- Starting yield 27 bu
- Ending yield 46 bu
- Average yield 40 bu
- Slope 1.8
- SD 22 bu/year

- High episodic weather risk



Agcapita Fund VI: Terms

Target Raise:	\$20 million
Subscription:	Minimum of \$5,000, \$100 increments thereafter
Yield:	Target distribution of 2% per year
Growth:	Upside exposure to increase in value of farmland portfolio
Term:	6 years – Dec 31, 2022
Eligibility:	TFSA , RRSP, RESP, etc.
Management Fees:	2% of portfolio value, 20% profit participation
Residency:	Investors must be Canadian citizens or permanent residents who reside in Canada for at least 183 days in any year
Electronic Documents:	Yes

How Do Investors Benefit?

Agcapita Fund VI offers a number of unique and useful benefits to investors:

Stability

- Invest in a diversified pool of non-operated, unlevered, cash rented farmland

Income

- Target yield of 2%

Growth

- Farmland has demonstrated consistent, above average rates of appreciation

Safety

- Discounted farmland prices, unlevered, cash rented (typically 100% upfront payment)

Correlation

- Farmland provides portfolio diversification benefits

Capital Preservation

- Good capital preservation tool based on up/down return profile

Why Farmland? Why Agcapita?

Why Farmland?

- ✓ Better long-term risk adjusted returns than public equities
- ✓ Better portfolio diversification than public equities
- ✓ Capital preservation
- ✓ Supported by compelling macro trends – “food, feed & fuel”
- ✓ Good value/margin of safety in Canada - demonstrable productivity cost discounts

Why Agcapita?

- ✓ Proven capability to manage large, diversified land portfolios
- ✓ Successful front-end loaded cash rent model – no operational risk
- ✓ Full life cycle experience – we have exited

Securities legislation in certain of the provinces and territories of Canada provides purchasers with a statutory right of action for damages or rescission in cases where an offering memorandum or any amendment thereto contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or is necessary to make any statement contained therein not misleading in light of the circumstances in which it was made (a "misrepresentation"). These rights, or notice with respect thereto, must be exercised or delivered, as the case may be, by purchasers within the time limits prescribed and are subject to the defenses and limitations contained under the applicable securities legislation. The following summary is subject to the express provisions of applicable securities legislation applicable and the regulations, rules and policy statements thereunder. Purchasers should refer to the securities legislation applicable in their province or territory along with the regulations, rules and policy statements thereunder for the complete text of these provisions or should consult with their legal advisor. The statutory rights of action described in below are in addition to and without derogation from any other right or remedy that purchasers may have at law.

If you are subject to the laws of Ontario, Saskatchewan, Nova Scotia or New Brunswick, those laws provide, in part, that if there is a misrepresentation in an offering memorandum, which was a misrepresentation at the time that you subscribed for the securities, then you will be deemed to have relied upon the misrepresentation and will, as provided below, have a right of action against the issuer of the securities (and, in certain instances, other persons) in respect of the securities purchased by you for damages or, alternatively, while still the owner of any of the securities purchased, for rescission, in which case, if you elect to exercise the right of rescission, you will have no right of action for damages against the issuer of the securities, provided that: (1) no person or company will be liable if it proves that you purchased the securities with knowledge of the misrepresentation; (2) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation; and (3) in no case will the amount recoverable in any action exceed the price at which the securities were purchased by you. In the case of an action for rescission, no action may be commenced more than 180 days after the date of the transaction that gave rise to the cause of action. In the case of any action other than an action for rescission, (A) in Ontario or Nova Scotia, no action may be commenced later than the earlier of (i) 180 days after you first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action, and (B) in Saskatchewan or New Brunswick, no action may be commenced later than the earlier of (i) one year after you first had knowledge of the facts giving rise to the cause of action; or (ii) six years after the date of the transaction that gave rise to the cause of action. If you are subject to the laws of any other province or territory, reference should be made to the full text of the applicable provisions of the securities legislation in such provinces or territories or consultation should be undertaken with professional advisors.

Forward Looking Information: This presentation includes forward-looking information and forward-looking statements (collectively, "forward-looking information") with respect to the Fund. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases including, but not limited to, "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking information".

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Fund believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements and information because the Fund can give no assurance that such expectations will prove to be correct. Forward-looking statements and information reflects our current beliefs, expectations, estimates and projections; our assumptions and forward-looking information are based on information currently available to us including, but not limited to, information obtained from third party industry analysts and other third party sources. Forward-looking statements and information involves significant known and unknown risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not, or the times at or by which, such performance or results will be achieved. A number of factors could cause actual results to differ materially from the results expressed or implied in the forward looking statements and information, including, but not limited to, the factors discussed in Item 8 – Risk Factors in the offering memorandum. Although the forward-looking statements and information contained in this document and the offering memorandum are based upon what we believe are reasonable assumptions (including, without limitation, that (i) the demand for agricultural commodities is likely to continue to grow at a pace that is unlikely to be matched by growth in agricultural productivity, and (ii) investment demand for tangible assets such as agricultural commodities and farmland is likely to continue to increase for the foreseeable future), we cannot assure subscribers that actual results will be consistent with such forward-looking statements and information, and the differences may be material.

The forward-looking information contained herein is made as of February 11, 2016 and we do not assume any obligation to update or revise them, whether as a result of new information, future events or otherwise, except as required by law.