



Ernst & Young Inc.
700 West Georgia St.
Vancouver, BC
V7Y 1C7

Tel: +1 1-604-891-8200
Fax: +1 1-604-891-8287
ey.com

To whom it may concern

25 April 2014

J. Rowse Strategic Consulting Ltd.

My name is Michelle Grant. I am a vice president of Ernst & Young Inc. specializing in corporate restructuring matters. Ernst & Young Inc. is acting as the Court-Receiver (the “**Receiver**”) of Channel Ridge Properties Ltd. and Channel Ridge Environmental Systems Ltd. (collectively “**Channel Ridge**”) in proceedings that commenced in April 2013. The Channel Ridge assets include over 800 acres of development property on Salt Spring Island, in British Columbia and a waste water system that is currently serving 42 homeowners (“**Septic System**”).

The Ministry of Environment issued a notice to Channel Ridge in 2010 (the “**2010 Notice**”) indicating that the Septic System was not in compliance with the permit issued in respect of said Septic System. The Receiver retained the services of J. Rowse Strategic Consulting Ltd. to determine if the 2010 Notice was accurate and the steps that would be needed to comply with the requirements of the Permit.

During the course of this engagement (which is still on-going) Mr. Rowse has been involved in the following, on behalf of or as advisor to the Receiver:

- Attending meetings with the Ministry of Environment
- Responding to correspondence from the Ministry of Environment and the department of justice as legal counsel to the Ministry of Environment
- Engaging in discussions with other consultants, engineers and lawyers that had previously been or continue to be involved in the building, maintenance and design of the Septic System
- Reviewing and commenting on court reports and various correspondence prepared by the Receiver

Throughout the course of this engagement Mr. Rowse has been very professional and extremely responsive. I would be pleased to work with Mr. Rowse again in the future. If you have any questions, please feel free to reach out to me and I am happy to discuss in more detail.

Yours sincerely,

**Signature
Removed**

Michelle Grant
Vice President
(604) 899-3541