



September 9, 2024

Dear Shareholder,

On behalf of Sage Properties Corp ("Sage") and the Board of the Directors of Sage ("Board"), we are pleased to provide you with the following updates:

**A. Annual General Meeting ("AGM") – Friday October 25, 2024**

We will be holding an **in-person meeting** on Friday October 25, 2024 at 1:30 pm at the Royal Hotel Edmonton Airport in Leduc, Alberta. Please see the attached information circular with details of the meeting and business to be discussed. **Please note that there will be NO virtual option via webcast this year.**

**As Sage's by-law requires a minimum 10% participation of our shareholders for quorum (by proxy, by attendance in person or by attendance virtually) we encourage all shareholders to submit a proxy vote in advance of the meeting if they are unable to attend in person.**

**B. Sage Wind-up Celebration Lunch**

Prior to the AGM, we will be serving a celebration lunch at 12:00pm for our shareholders at the Royal Hotel in Leduc. **As space is limited, if you are attending the lunch, you MUST RVSP to [info@sageproperties.ca](mailto:info@sageproperties.ca) or by phone 403-478-9661 no later than October 11, 2024.** If you are unable to attend the lunch but will be attending the AGM, please note that we will be serving dessert following the meeting and there will be time for fellowship afterwards.

**C. Dissolution of Sage – Final Resolutions\***

As all assets have now been sold, Sage is working on the orderly wind-up of the corporation. To facilitate the wind-up the following resolutions are being brought forward:

- **Dissolution Resolution** - this resolution enables the Board to wind-up the corporation following the payment of all liabilities and obligations of the corporation and to complete the final redemption of shares and distribution of funds to shareholders.
- **Fixing Number of Directors & Election of Directors** – this resolution enables the directors to continue operate the corporation until it is dissolved.
- **Dispensing of the Appointment of the Auditor for the year ended March 31, 2025** – as the board anticipates the wind-up of the corporation during the current fiscal period and that there will be no further shareholder meetings, the board recommends that an audit not be performed in the current fiscal period. Final unaudited financial statements will be provided to shareholders with the final redemption package.

\* This document is intended to summarize but does not replace the material provided in the information circular. Please refer to the enclosed information circular for full details of matters to be discussed at the Annual General Meeting.

#### **D. Interim Financial Statements**

Please see attached the unaudited financial statements for the five month period ended August 31, 2024 for your information.

#### **E. Director & Management Incentive Bonus**

The board of directors' compensation policy, which was approved by the board in January 2019 and disclosed to shareholders in the April 2019 shareholder newsletter, details that an incentive bonus was payable to directors upon the sale of all the assets. This incentive bonus was calculated as a percentage based on the gross sale proceeds of the sale of the assets, inclusive of net working capital. The bonus was paid out to directors in two instalments, one following the completion of the sale of the Prince of Peace Harbour & Manor in December 2023 and the second following the receipt of the proceeds on the sale of school in June 2024. The total bonus paid to directors and management was \$298,000 or approximately 0.59% of the total anticipated distribution to shareholders.

#### **F. Final Share Redemption & Distribution**

##### **a. Distribution Timeline**

As previously reported, Sage is currently working with our advisors, on the process and the timing of filing of the final corporate tax returns. As part of this process, we will be applying for a final clearance certificate with Canada Revenue Agency and Alberta Finance. A clearance certificate is required and will permit the board to complete the final asset distribution to shareholders. Sage is working diligently to complete this process as soon as possible.

As the final redemption is contingent on the receipt of the CRA clearance certificate, the timing of the final share redemption is uncertain at this time. As CRA's website advises that the receipt of the clearance certificate will take no more than 120 days after being requested, the board anticipates that the final share redemption and distribution of funds will take place **no later than March 2025. The board will make every effort to complete the redemption as soon as possible.**

##### **b. Estimated Redemption Price**

Assuming there are no further tax liabilities, the board estimates that the redemption price of shares will be valued at between \$1.25 and \$1.30 per share. For example, if a shareholder holds 1,000 shares, they will receive a payment of between \$1,250 and \$1,300.

#### **G. December 2023 Share Redemption**

Thank you very much for your assistance with contacting shareholder's whose mail has been returned. We were able to contact most of the individuals listed in the June 2024 newsletter because of your efforts. However, there are still a number of shareholders who have not claimed their 2023 redemption to date. **If you could please review the attached list of the names of shareholders who have not received their 2023 share redemption.** If you are listed here, please submit your redemption acknowledgment form as soon as possible. If you require a new copy of the redemption package, please contact the Sage office by email at [info@sageproperties.ca](mailto:info@sageproperties.ca) or by phone at 403-478-9661. **If you know any of the shareholders on this list, please have them (or their next of kin) contact the Sage office as soon as possible to claim their 2023 redemption.**

Thank you for your continued support. I look forward to seeing you at the final Sage AGM on October 25, 2024.

Sincerely yours,

"Signed Sandra Jory"

Sandra Jory, CPA, CA  
Executive Board Chair  
SAGE Properties Corp.