



LARGEST VINEYARD IN THE OKANAGAN VALLEY

TROPHY ASSET INVESTMENT OPPORTUNITY

OLIVER, BRITISH COLUMBIA







Investment Summary

Largest Vineyard in the Okanagan Valley | Trophy Asset Investment Opportunity

Overview of Opportunity

Covert Farms Ltd. (the “Vendor”) has engaged BMO Capital Markets and Re/Max Kelowna (the “Advisor”) to assist in arranging the sale of their 100% interest in the 659-acre best-in-class trophy vineyard (the “Property” or “Site”) located in Oliver, British Columbia (the “Offering”). The Property is being sold on a free and clear basis.

The Property is located in the Okanagan Valley, known for one of the highest concentration of vineyards in North America, with a portfolio of award-winning wines made with certified organic, estate-grown grapes and includes Chardonnay, Sauvignon Blanc/Semillon, Rosé as well as several proprietary red blends, single varietal reserves and the iconic Amicitia. Being located in the most vital agricultural region and the hub of the province’s wine country provides easy access to a variety of agricultural services, suppliers and logistics networks in Canada and the US. The Property is located just off the Okanagan Highway, a 189-kilometre section of Highway 97, that runs north-south along the Okanagan Valley between Vernon to the north and the Oroville-Osoyoos Border Crossing to the US to the south.

This rare opportunity to acquire a spectacular high-quality vineyard with a large aggregate site area provides the purchaser with immediate operational scale and presence in the region. The Property comprises approximately 515 acres of plantable area with the finest water system infrastructure in South Okanagan. The Property is further improved by winery and vineyard supporting infrastructure improvements, including a packing house, retail, residential housing, event space, office and parking.

Property Overview

Address

100, 400 & 500 Covert Place, 107th Street and 8181 River Road
Oliver, British Columbia V0H 1T5

Site Area

659 acres

Site Zoning

The Property is 91% zoned Agriculture Two (AG2) and 9% zoned Resource Area (RA) per the Okanagan Similkameen Regional District

Site Area Summary

Organic Planted Area	148 acres
Conventional Planted Area	232 acres
Other Plantable Area	135 acres
Total Plantable Area	515 acres
Other Area	144 acres
Total Site Area	659 acres

INVESTMENT HIGHLIGHTS



Rare Opportunity to Acquire the Largest Vineyard in the Okanagan Valley

The Property represents an investment opportunity to acquire the largest intact vineyard in the Okanagan Valley, one of British Columbia's top-producing wine regions. The Site consists of five parcels of land comprising more than 650 acres of elevated terrain within the beautiful mountains of the Okanagan Valley. The Property is currently used for the production of wine, with two owner-operated regenerative vineyards.



Finest Private Water System with Prioritized Water Rights in the South Okanagan

The Property owns and maintains the finest private water system in the South Okanagan with two water licenses each authorizing the irrigation of 548 acres of land. These licenses date back to 1950 and 1961, offering long-term security of water to service the Site. The Property is well-equipped with first-class water infrastructure for both irrigation and domestic use, which includes – but is not limited to – four wells, a main pumphouse and a backup reservoir system consisting of a well, outflow pumps and outflow filters.





Turnkey Generational Vineyard Operation

The Site was purchased by the Vendor in 1959 and has been kept within the family for four generations. The Vendor self-operates two vineyards on the Site, each planted with unique grape varieties, which are maintained to the highest quality. The regenerative farming technique used by the Vendor provides many benefits to the Site, including improved nutrient cycling, pest and disease suppression, higher nutrient density and health in the target crops.



Future Expansion Potential to Create South Okanagan's Largest Winery Facility

This Property is ideally positioned for future expansion given the multiple parcels on the Site. Currently, the winery is producing approximately 3,500 to 4,000 cases per year but given the large plantable area of approximately 515 acres, the Site has the potential to expand to approximately 130,000 cases per year. A potential purchaser can build and showcase multiple wineries on the Property to create the largest winery facility in South Okanagan.





ASSET DETAILS

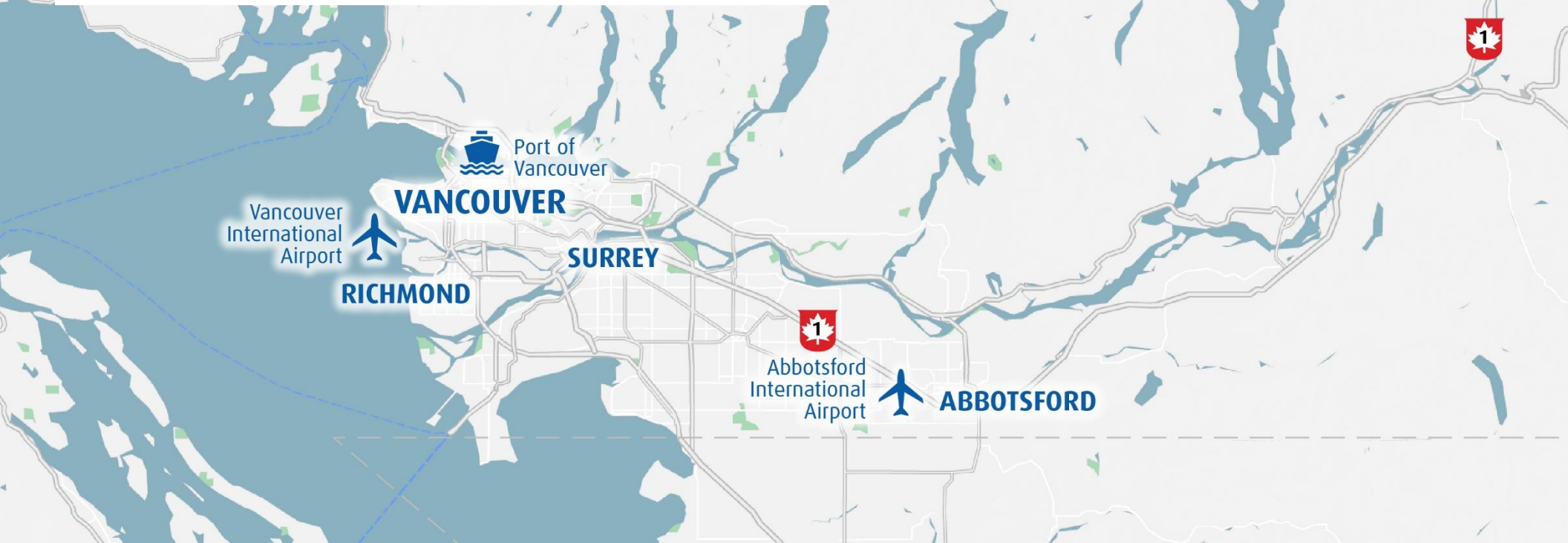
- Total site area of 659.0 acres with a plantable area of 514.6 acres
- The Vendor operates two organic vineyards at the Property
 - ➔ Coyote Block (approximately 22 acres)
 - ➔ Mimi's Block (approximately 8 acres)
- The Property enjoys a state-of-the-art water system infrastructure
 - ➔ Two licenses, each with authorizations for 548 acres, with priority dates of September 29, 1950 and May 26, 1961
 - ➔ Four main wells and a backup reservoir well providing a rated flow of approximately 3,000 gallons per minute
 - ➔ Main well system designed with triple redundancy submersible and booster pumps
 - ➔ Three outflow pumps with rated flows of 600, 300 and 150 gallons per minute, respectively
 - ➔ Backup reservoir with 500,000 US gallon capacity and backup reservoir well with a rated flow of approximately 700 gallons per minute
 - ➔ Outflow filters constructed with five tank sand filters with back wash and a rated flow of 1,200 gallons per minute
- 4,306-square-foot winery with state-of-the-art stainless-steel equipment and a combination of authentic French and American oak barrels
- 2,745-square-foot wine shop providing visitors with wine tasting and other dining experiences
- Two-acres of licensed event infrastructure, including a 2,368-square-foot log-framed venue designed for hosting a variety of indoor and outdoor events such as weddings, corporate and athletic events



Site Parcels	Civic Address	PIN	Site Area	Zoning
Parcel 1	400 Covert Place	3957438	459.4 acres	AG2
Parcel 2	107 th Street	3928055	48.1 acres	AG2
Parcel 3	100 Covert Place	3744965	46.6 acres	AG2
Parcel 4	500 Covert Place	3744973	46.5 acres	AG2
Parcel 5	8181 River Road	14881535	58.4 acres	AG2/RA
Total			659.0 acres	

LOCATION HIGHLIGHTS

- Okanagan Valley is home to the highest concentration of vineyards in BC with over 80% of the province's acreage
- There are approximately 185 licensed grape wineries and approximately 8,600 acres of vineyards
- One designated viticultural area with a number of subregions with a diversity of terroir
- Soil, topography and hot, sunny, dry climate provide an excellent viticulture environment
- Strategically located in proximity to key markets and major transportation routes with direct connection to the US border
- Robust talent pipeline supported by responsive public post-secondary institutions and directed regional attraction and retention initiatives



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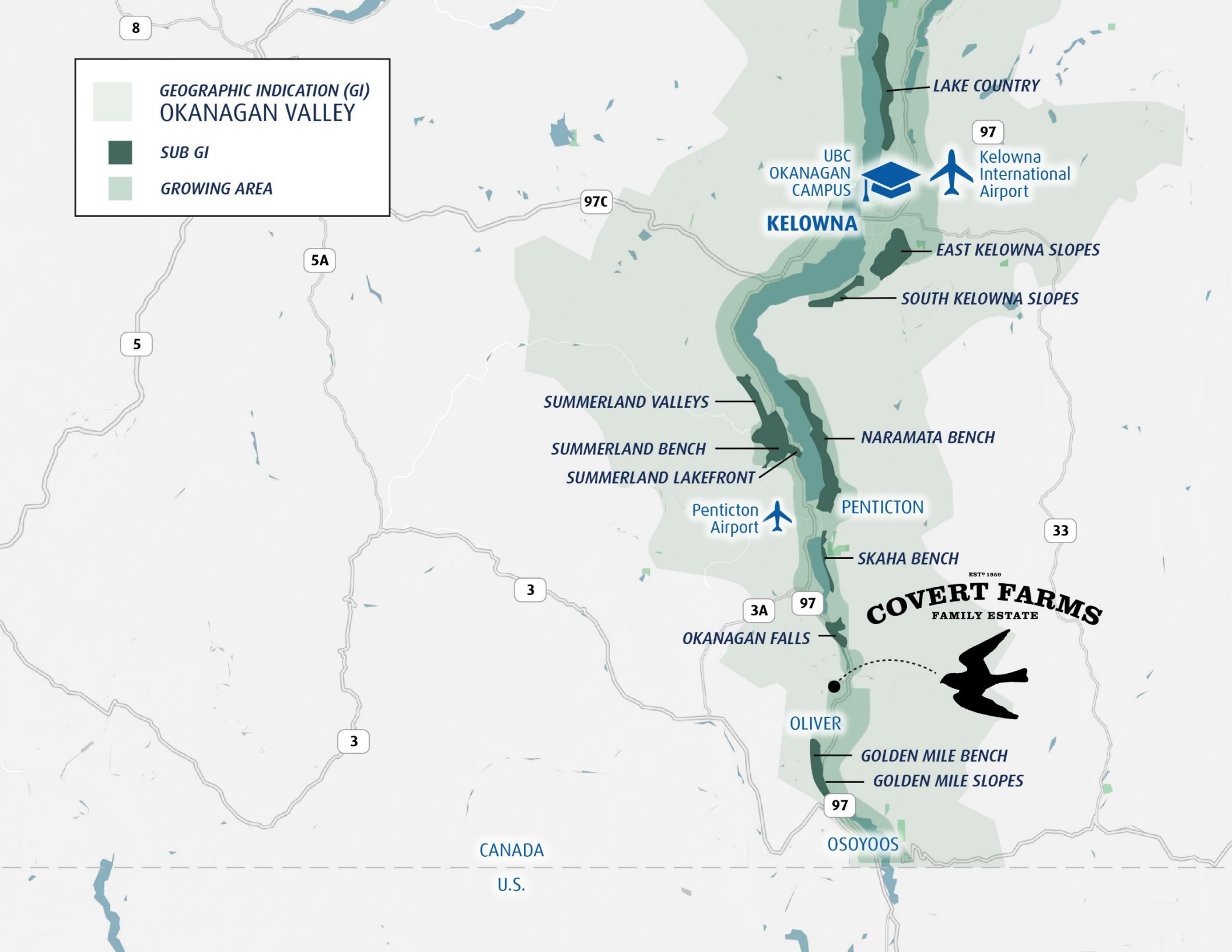
**GEOGRAPHIC INDICATION (GI)
OKANAGAN VALLEY**



SUB GI



GROWING AREA



Okanagan Valley, British Columbia

A WORLD CLASS YEAR-ROUND TOURIST DESTINATION



Wine Tourism: A Unique and Evolving Experience

The Okanagan Valley, a picturesque region nestled in British Columbia, Canada, has carved out a niche for itself as one of Canada's premier wine regions. It boasts a rich and evolving wine tradition that consistently ranks among the world's best at international competitions. The region's unique climate, characterized by summer temperatures that can reach up to 40°C, provides the perfect conditions for the cultivation of a diverse array of grape varieties. Over 60 different types of grapes, including Merlot, Cabernet Sauvignon, Pinot Noir, Pinot Gris, Chardonnay, Auxerrois Blanc, Marechal Foch and Cabernet Franc, are grown in the region. Wine tourism in the Okanagan Valley extends far beyond simple wine tasting, and instead offers a broad experience that includes vineyard tours, wine-making demonstrations, educational sessions and events.

Regional Attractions

The wine experience is complemented by a vast array of available recreational options that include skiing, golfing, camping, boating, hiking and even motorsports at Area 27, a world-class private racetrack and karting circuit that is located just five minutes east of Oliver, BC or 13 kilometres from the Property.

The scenic beauty of the vineyards, set against the backdrop of the Okanagan Lake and the surrounding mountains, is a key feature that draws tourists from all corners of the globe. This picturesque setting, combined with the region's rich wine tradition, creates a unique experience that keeps tourists coming back year after year.

Investment and Growth in Okanagan Tourism

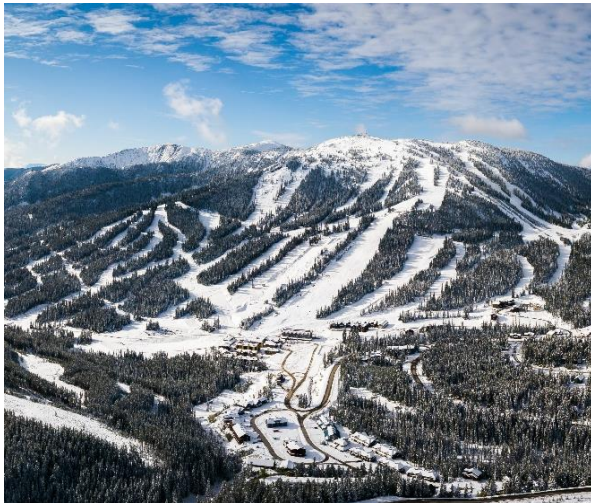
The Okanagan Valley's thriving tourism can be attributed to its captivating landscapes, award-winning wineries and a plethora of recreational activities. The region's appeal has been significantly amplified through strategic investments aimed at bolstering its tourism sector. A notable area of investment has been the wine industry, leading to the creation of destination wineries. These establishments have become a major draw for tourists, attracting millions of visitors annually and significantly contributing to the region's tourism appeal.

Recreational Activities & Tourism Draws

The Okanagan Valley offers a range of top-tier resorts, golf courses and ski resorts, meticulously designed to cater to the most discerning travelers. These establishments are a testament to the immense annual influx of tourists and the significant investments made in the tourism sector. They offer a variety of recreational activities, including:

Premiere Ski Destination

With exceptional snow conditions, diverse terrains and breathtaking panoramas, the Okanagan Valley is a premiere destination for ski enthusiasts and other active tourists with a variety of winter activities that include snowshoeing, ice climbing and snowmobiling.



Exceptional Golfing

The region enjoys a warm and dry climate, resulting in an extended golf season from March to November. The Okanagan Valley boasts more than 50 golf courses that cater to all skill levels, offering stunning views and challenging layouts that appeal to the most discerning golfers.



Culinary Experiences

The Okanagan Valley is home to a burgeoning food scene that is heavily influenced by its agricultural roots. The region offers a variety of experiences, from farm-to-table wine-paired dining, diverse global offerings, to culinary events, festivals, cooking classes and food tours.



The Okanagan Valley offers a unique blend of natural beauty, recreational activities and world-class wines, making it a premier tourist destination. Its charm continues to grow, attracting millions of travelers each year and contributing significantly to the region's economy. Strategic investments made in the tourism sector have not only boosted the region's allure but also had a positive impact on the local economy, creating jobs and stimulating growth.



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