



Terraprobe

*Consulting Geotechnical & Environmental Engineering
Construction Materials Inspection & Testing*

**PHASE I
ENVIRONMENTAL SITE ASSESSMENT
PRETTY RIVER ESTATES
POPLAR SIDE ROAD AND HURONTARIO STREET
PIN 58262-0081 (LT) / 58262-0366 (LT) / 58262-0367 (LT)
PART OF THE S½ LOT 40, CONCESSION 8
FORMERLY NOTTAWASAGA TOWNSHIP
TOWN OF COLLINGWOOD, ONTARIO**

Prepared For: Liberty Development Corporation
505 Highway 7 East, Suite 303
Thornhill, Ontario
L3T 7T1

Attention: Mr. Wayne Long

**File No. 3-10-6103
October 19, 2010
© Terraprobe Inc.**

Distribution:

2 cc: Liberty Development Corporation
1 cc: Terraprobe Inc.

Terraprobe Inc.

Greater Toronto

10 Bram Court
Brampton, Ontario L6W 3R6
(905) 796-2650 Fax 796-2250
brampton@terraprobe.ca

Hamilton - Niagara

903 Barton Street, Unit 22
Stoney Creek, Ontario L8E 5P5
(905) 643-7560 Fax 643-7559
stoneycreek@terraprobe.ca

Central Ontario

220 Bayview Drive, Unit 25
Barrie, Ontario L4N 4Y8
(705) 739-8355 Fax 739-8369
barrie@terraprobe.ca

Northern Ontario

1012 Kelly Lake Rd.
Sudbury, Ontario P3E 5P4
(705) 670-0460 Fax 670-0558
sudbury@terraprobe.ca

www.terraprobe.ca

EXECUTIVE SUMMARY

On behalf of Liberty Development Corporation, Terraprobe Inc. completed a Phase I Environmental Site Assessment on the property located on the northeast corner of Poplar Sideroad and Hurontario Street, Pin 58262-0081(Lt) / 0366(Lt) / 0367(Lt), Part of S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1). The objectives of the investigation were to review historical information and document existing conditions to identify obvious or potential environmental liabilities. The work included a review of the historic development/use of the subject property and a visual inspection of the property.

This assessment is part of a due diligence step will likely be relied upon for assessing financial liability.

The subject property was in mid-development stage on the west half and still completely undeveloped on the east half. The entire property is proposed as residential.

- The review of historic documents indicated that the subject property had historically been agricultural since the patent until construction began in 2006/2007.
- The Pretty River crosses through the site at the east corner of the property.
- Results of the title search indicate the property was owned by several individual going back to the original patent in 1872. The subject property was transferred to the present owner in 2004.
- There was no obvious evidence suggesting the presence of asbestos containing material, PCB containing electrical equipment or former landfilling/waste disposal on the subject property.

Based upon the results of the site inspection, historic information reviewed, no environmental issues were encountered that would warrant further concern or investigation.

TABLE OF CONTENTS

SECTION	PAGE (S)
EXECUTIVE SUMMARY	I
1.0 INTRODUCTION	1
2.0 SCOPE OF WORK	2
2.1 Site History Review	2
2.2 Site Reconnaissance Inspection	2
3.0 SITE OVERVIEW	3
3.1 Site Description	3
3.2 Utilities and Building Services	3
4.0 RECORDS REVIEW	4
4.1 Review of Aerial Photographs	4
4.2 City Directories Search	4
4.3 Title Search	4
4.4 RMS Information	4
4.5 Ecolog ERIS Information	5
4.6 MOE Data Bases	5
4.7 Water Well Records	6
4.8 MNR Natural Areas Data Base	6
4.9 Regulatory Information	6
4.9.1 Request for Information: Conservation Authority	6
4.9.2 Request for Information: Technical Standards and Safety Authority	6
4.9.3 Request for Information: The Ontario Ministry of the Environment	6
4.9.4 Request for Information: Town of Collingwood Sewer-Use By-law	7

4.9.5	Request for Information: Hydro PCB Inquiry	7
4.10	Review of Previous Reports	7
4.11	Property Management Records	8
4.12	Agreement of Purchase and Sale	8
4.13	Zoning and Environmental Constraint Mapping	8
4.14	Review of Geologic Mapping	8
4.15	Review of Topographic Mapping	8
4.16	Review of Other Historical Information	8
5.0	SITE VISIT	9
5.1	General	9
5.2	Limitations	9
5.3	Property Use	9
5.4	Observations of Adjoining Properties	9
5.5	Building Description(s)	10
5.6	Hazardous Materials	10
5.7	Unidentified Substances	10
5.8	Above Ground Storage Tanks	10
5.9	Below Ground Storage Tanks	10
5.10	Storage Containers	10
5.11	Stains and Odours	10
5.12	Potable Water Supply	10
5.13	Special Attention Items	10
5.13.1	Asbestos	10
5.13.2	Polychlorinated Biphenyls (PCB's)	11
5.13.3	Lead	11
5.13.4	Ozone Depleting Substances	11
5.13.5	Urea-Formaldehyde Foam Insulation (UFFI)	11
5.13.6	Herbicide and Pesticide Use	11
5.13.7	Radioactive Materials	11
5.13.8	Mould	11
5.14	Mechanical Equipment	12

5.15	Exterior Site Conditions	12
5.16	Water Wells	12
5.17	Sewage Disposal	12
5.18	Pits and Lagoons	12
5.19	Fill Materials	12
5.20	Waste Management	12
5.21	Stressed Vegetation	13
5.22	Waste Water	13
5.23	Watercourses, Ditches, or Standing Water	13
5.24	Roads, Parking, Facilities and Right of Ways	13
6.0	INTERVIEWS	14
6.1	Site Personnel	14
6.2	Third Parties	14
6.3	Government Officials	14
7.0	CONCLUSIONS AND RECOMMENDATIONS	15
8.0	QUALIFICATIONS OF THE ASSESSORS	16
9.0	LIMITATIONS AND USE OF REPORT	17

Figure 1: Site Location Plan

Figure 2 to 5: 1953, 1971, 1978 and 1997 Aerial Photographs

Appendix A: Site Photographs

Appendix B: Ecolog ERIS Report

Appendix C: Phase 1 ESA, Poplar Sideroad, File No. 3-06-2138, dated October 13, 2006

1.0 INTRODUCTION

Terraprobe Inc. was retained by Liberty Development Corporation, to conduct a Phase I Environmental Site Assessment (ESA) on the property located on Poplar Sideroad and Hurontario Street, Pin 58262-0081(Lt) / 0366(Lt) / 0367(Lt), Part of S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1). The subject property is located on the north side of Poplar Sideroad, east of Hurontario Street, on the S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario. The general location of the property is presented on Figure 1 and delineated on the aerial photographs (Figures 2 to 5).

The purpose of the study was to assess the environmental state of the property with respect to possible environmental risks associated with the development and financing of the site. The environmental study included an assessment of the likelihood that the environmental quality of the soil and ground water at the site may have been adversely affected by past and present practices at the site, and/or from the surrounding properties prior to development.

The Phase I ESA was completed to satisfy the intent of the requirements, methodology and practices described in **CSA Standard Z768-01** as per **Ontario Regulation 153/04 (EPA)**. Sampling and analysis of soil, ground water and / or other materials (i.e., construction material, air) for the purpose of assessing environmental quality were not carried out as part of the Phase I ESA.

2.0 SCOPE OF WORK

2.1 Site History Review

The following tasks were completed during the review of the historical development of the subject property:

- a review of available archival information for the site including aerial photographs, topographic mapping, and available historical maps and drawings;
- interviews with individuals with knowledge of past or current site operations;
- a review of geological and hydrogeological information in published government maps and/ or reports, and;
- a review of published Ministry of the Environment (MOE) directories related to registered PCB storage sites and active and closed landfill sites.

In addition, requests were made to various regulatory agencies to establish the status of the subject property.

2.2 Site Reconnaissance Inspection

The following issues were reviewed / assessed during site reconnaissance inspections on September 16, 2010.

- review of activities and practices (including waste management) currently carried out on the subject property;
- assessment for the potential presence of materials which contain friable and non-friable asbestos;
- assessment for the potential presence of PCB-containing electrical equipment;
- evidence of past waste disposal or landfill on the subject property;
- presence of existing or former above ground and / or underground storage tanks;
- assessment for the potential presence of hazardous or toxic materials; and
- evidence of stained / odorous soils and stressed vegetation.

In addition, an inspection of adjacent properties was completed to assess the potential for operations being carried out on those properties to impact on the environmental condition of the subject property.

3.0 SITE OVERVIEW

3.1 Site Description

The property is located on the north side of Poplar Sideroad, east of Hurontario Street on Part of Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1 and 2).

The entire subject property covers approximately 30 ha (74 acres). The western portion of the site is partially developed with approximately 160 lots with full services installed. Only twenty (20) of these lots have houses on them. The eastern portion of the subject property has not been developed. It is proposed to be developed as townhouse/rowhouse unit houses with full services.

The immediately surrounding properties are a mixture of residential and agricultural.

A branch of the Pretty River traverses the southeast corner of the subject property (as shown on all Figures) and a drainage channel runs along the north property line.

3.2 Utilities and Building Services

Currently the western portion of the site is fully serviced with telephone, natural gas, hydro, municipal water and sewer. These services will also be available when the eastern portion of the site is developed.

4.0 RECORDS REVIEW

4.1 Review of Aerial Photographs

Aerial photographs dating back to 1954 were reviewed (see Figures 2 to 5). These documents provide a visual record of the physical conditions on the subject property. The following summarizes development of the subject property, based upon these sources of information.

Reference	Subject Property	Surrounding Area
1954 Air Photo	Agricultural	Agricultural
1971 Air Photo	Similar to 1954	Similar to 1954
1978 Air Photo	Similar to 1971	Similar to 1971 with some residential development to the north
1997 Air Photo	Site remains vacant	Similar to 1978

Review of aerial photographs indicate that the subject property has been primarily agricultural land. The surrounding lands were originally used as agricultural land as well. The area is currently being developed to residential.

4.2 City Directories Search

A review of occupancy records was not carried out for the subject property given the subject property and surrounding area's agricultural history.

4.3 Title Search

A title search was conducted for the subject property back to 1872. The property appeared to have been with several individual owners since patent in 1872 and with the current owner, since 2004.

4.4 RMS Information

The RMS - Risk Management Services (IAO - formerly Insurers' Advisory Organization) is a private organization which provides risk information to insurers, private corporations, and risk managers. The RMS has property plans, building surveys, and inspection reports on file for many communities within Ontario. RMS was not contacted to determine whether any reports or plans were available for the subject property. Given the area's long history as being underdeveloped agricultural land records would not be available.

4.5 Ecolog ERIS Information

Ecolog Environmental Risk Information Services Ltd. (ERIS) is an organization that searches various government and private environmental databases (Appendix B). The subject property was not identified in any of the ERIS searched databases. Several other entries were also noted for properties located within 250m of the subject property. These include the following:

- Four (4) entries in the Certificates of Approval database issued to Vonlock Investments for Municipal Water and Sewer on Dey Drive (1988) and Carmichael Crescent (1987).
- Five (5) entries in the Pesticide Register database for vendors and operators in the area including Diane's Garden (833 Hurontario Street) west of site, Weed Tamer (2 Campbell Street) north of site, and James Barclay (100 Katherine Street) north of site.
- One (1) entry for Scott's Manufacturing Directory database for Walkers Small Motors Ltd., located at 850 Hurontario Street (west of site), which work on engines and transmissions.
- Four (4) entries in the Water Well Information System database for wells in the area. The wells were noted to be located west of the site. The site is serviced with municipal water systems.

Certificates of Approvals and Waste Generator Registrations are standard procedure for sites where operations result in air emissions or the generation of wastes, and do not imply impact to the environment. However, they do provide an indication of the environmentally sensitive operations or activities that may be occurring in this area. Certificates of Approval typically include monitoring and reporting requirements to the MOE to ensure compliance with the conditions (i.e. operation of equipment/process that has been approved is not resulting in adverse impact).

4.6 MOE Data Bases

Terraprobe Inc. reviewed directories published by the MOE related to registered PCB storage sites and waste disposal sites. The following summarizes the information presented in those documents.

- The review of the MOE's *Ontario Inventory of PCB Storage Sites (July 1993)* did not list the subject property as a licensed PCB storage facility or any PCB storage sites in 1km of the property.

- The review of the MOE's *Waste Disposal Site Inventory (June 1991)* did not identify the subject property as active or closed waste disposal facilities. Information in that directory also indicated that the subject property had no recorded history of use as a municipal coal gasification plant or as an industrial site producing and/or using coal tar and related products.

4.7 Water Well Records

The subject property is serviced by municipal water. There were no water wells noted on site.

4.8 MNR Natural Areas Data Base

Terraprobe Inc. reviewed the Natural Areas Data Base published by the Ministry of Natural Resources. The Data Base lists areas of scientific, heritage, cultural, and habitat significance in Ontario. The data base lists a few "rare species" in the area, none of which have been documented in the last 20 years. A tributary of Pretty River traverses the southeast corner of the subject property.

4.9 Regulatory Information

4.9.1 Request for Information: Conservation Authority

Terraprobe Inc. did not contact the local Conservation Authority. Flood plain issues are noted in the general area due to the Pretty River.

4.9.2 Request for Information: Technical Standards and Safety Authority

The Technical Standards and Safety Authority (TSSA), which maintains records related to storage tanks for petroleum related products, was not contacted, since the subject property is residential and has been historically agricultural land. There were no tanks noted on site.

4.9.3 Request for Information: The Ontario Ministry of the Environment

A written request was not submitted to the MOE to determine if that agency has information on file with respect to the subject property. The Ecolog-ERIS search was completed with respect to the MOE.

4.9.4 Request for Information: Town of Collingwood Sewer-Use By-law

The Town of Collingwood was not contacted to determine whether any infractions to the Sewer-Use By-Law had been recorded for the subject property. Sewage that is currently generated at the subject property is domestic waste and not considered hazardous.

4.9.5 Request for Information: Hydro PCB Inquiry

A PCB inquiry to the local Hydro Company was not made. There were no utility owned transformers or electrical equipment noted on the subject property. Given the age of the development (>5 years) PCB containing transformers is unlikely.

4.10 Review of Previous Reports

Terraprobe has completed various reports for the subject property since 2004 including:

- 3-04-0074: Geotechnical Investigation, July 2004
- 3-04-0074: Supplementary Boreholes, Proposed Pump Station, October 2006
- 3-06-2138: Phase 1 Environmental Site Assessment, October 13, 2006 (Appendix C)
- 3-08-4053: Further Assessment to Evaluate Groundwater Conditions, July 8, 2008

The geotechnical reports were requested to determine soil and groundwater conditions on the subject property in order to provide geotechnical recommendations addressing residential house construction, excavation and backfill, bedding for services, pavement design and general geotechnical constraints for the site and to assist in the design of the proposed pump station on the site.

The Phase 1 ESA in 2006 was conducted to assess whether there was any financial liability to the owner developing the site in regards to the environmental condition of the subject property. During the investigation historical records were reviewed and the site was inspected. The site was undeveloped at the time of the report and had been since at least 1954 (based on air photos). Based on historical information reviewed and the site visit the site was concluded to have no environmental issues that would warrant further concern or investigation.

The groundwater assessment report was completed in order to provide additional information and further assess groundwater conditions on site as it pertains to proposed depths of basements. The Town of

Collingwood requested the further assessment to clarify the groundwater table because of the potential impact on basement floor sitings. The report was completed to ensure houses that are constructed on site will not have adverse operation of sump pumps causing maintenance and noise issues and potential discharge of excess water to the front of properties that could collect on sidewalks causing icing issues in early spring.

4.11 Property Management Records

No property management records were available for review.

4.12 Agreement of Purchase and Sale

An agreement of purchase and sale for the subject property was not provided for review.

4.13 Zoning and Environmental Constraint Mapping

The Town of Collingwood was not contacted to determine the zoning and environmental constraints associated with the subject property.

4.14 Review of Geologic Mapping

The subject lands are in an area identified as Sand Plains in the Simcoe Lowlands. The geologic mapping suggests this area is covered with sand, gravelly sand and gravel type soils, typical of a near shore and beach deposits.

4.15 Review of Topographic Mapping

Based on published topographic mapping, the subject property ground surface elevation is approximately 191m above mean sea level.

4.16 Review of Other Historical Information

No other historical information was available for the subject property.

5.0 SITE VISIT

5.1 General

Visual reconnaissance inspections of the subject property were conducted by Terraprobe staff on September 16, 2010 but previous work on site by Terraprobe extends back to 2004. The site visit included a visual inspection of the entire property.

The subject property was being developed residentially at the time of the site visit. There were several homes built on the site along with paved roads, and full servicing installed. The eastern portion of the site was still undeveloped at the time of the site visit.

The Pretty River traverses the southeast corner of the subject property.

An old CNR line was noted that runs along the eastern property line. Along the northern property line a walking trail was noted that follows beside a drainage channel/ditch.

5.2 Limitations

No environmental study limitations were identified.

5.3 Property Use

The property is currently partially developed land with several houses built on site. Historically the site was used for agricultural practices.

5.4 Observations of Adjoining Properties

During the site reconnaissance inspection, the following land uses were noted adjacent to the subject site:

- North - Agricultural/Vacant
- South- Agricultural/Vacant
- East- Residential/Agricultural
- West- Agricultural/Vacant

No environmental concerns were noted on the adjacent properties.

5.5 Building Description(s)

Currently there are a few new houses on the subject property. These are brand new two storey residential dwellings with basements. In addition to the houses there was also a site trailer noted on site.

5.6 Hazardous Materials

No obvious hazardous materials were identified on the property.

5.7 Unidentified Substances

No unidentifiable substances were noted on the subject property.

5.8 Above Ground Storage Tanks

No above ground storage tanks were noted on the subject property.

5.9 Below Ground Storage Tanks

No below ground storage tanks were present on the subject property.

5.10 Storage Containers

Storage containers were noted on the subject property with respect to the construction going on. These are managed by the contractor on site and disposed of by a private company at a licenced landfill.

5.11 Stains and Odours

No evidence of stains or odours was noted on the subject property.

5.12 Potable Water Supply

Currently the site is serviced by the Town of Collingwood.

5.13 Special Attention Items

5.13.1 Asbestos

Based on information reviewed during the completion of the ESA, there are no structures where the use of asbestos is suspected.

5.13.2 Polychlorinated Biphenyls (PCB's)

The use of PCBs in the manufacturing of electrical equipment was phased out in the mid to late 1970s. There would be no environmental concerns related to PCBs given the age of the structures and transformers on the subject property.

5.13.3 Lead

The use of lead as a base in paints and plumbing solder was phased out in the late 1970's. Since buildings on the subject property are newly built, lead is not an environmental concern.

5.13.4 Ozone Depleting Substances

The phase out of ozone depleting substances such as chlorofluorocarbons (CFC's) began in the early 1990's. There would be no anticipated environmental concerns related to ozone depleting substances.

5.13.5 Urea-Formaldehyde Foam Insulation (UFFI)

Urea-Formaldehyde Foam Insulation (UFFI) was introduced to Canada during the 1970's and was used until it was banned in 1980. There are no environmental concerns related to UFFI on the subject property.

5.13.6 Herbicide and Pesticide Use

The property has historically been agricultural. Therefore, the use of herbicides and pesticides on the property is considered possible but of low concern in this instance.

5.13.7 Radioactive Materials

Based on local geological formations in the area it is unlikely the site is exposed to natural sources of radiation such as radon or uranium. Man made sources of radioactive materials were not observed during the site inspection. It should be noted that a radioactive survey was not conducted during this investigation.

5.13.8 Mould

There were no environmental concerns related to mould observed on the subject property. A formal mould study was not completed as part of this report.

5.14 Mechanical Equipment

There was no mechanical equipment on the subject property at the time of the site visit.

5.15 Exterior Site Conditions

The site had begun to be developed during the site visit. There were several two-storey homes with basements constructed on site. Site servicing had been completed with the installation of storm and sanitary sewers, watermain and other services. The eastern portion of land had not yet been developed. Piles of soil (possible topsoil) was noted in this area.

5.16 Water Wells

No water wells were found on the subject property. The subject property is serviced with potable water from the Town of Collingwood.

5.17 Sewage Disposal

Historically, the subject property was open farm land with no structures. Therefore, there should be no septic tanks. Both storm and sanitary sewers have been installed on site.

5.18 Pits and Lagoons

No pits were identified on the property. A storm water management pond was noted on the east side of the site near Pretty River.

5.19 Fill Materials

There was fill material noted at the time of the site visit. The entire subdivision has had fill placed in order to build. Piles of topsoil were also noted on the eastern portions of the site.

5.20 Waste Management

Wastes currently generated on the subject property are either domestic from the houses or construction debris. The domestic wastes are assumed to be picked up by the Town of Collingwood curbside collection program. Construction debris will be collected in a bin on site and disposed of by a private contractor.

5.21 Stressed Vegetation

Vegetation observed on the subject property did not appear stressed.

5.22 Waste Water

Waste water is currently generated at the site is collected by municipal systems.

5.23 Watercourses, Ditches, or Standing Water

The Pretty River traverses the southeast corner of the subject property. There is also an existing drainage channel/ditch that runs along the north property line then cuts down southward to connect with the Pretty River.

5.24 Roads, Parking, Facilities and Right of Ways

The site is currently accessed from Hurontario Street (County Road 124) and Poplar Sideroad.

6.0 INTERVIEWS

6.1 Site Personnel

No site personnel were interviewed during this investigation.

6.2 Third Parties

No third parties were available for interview during this investigation.

6.3 Government Officials

Government officials were not contacted for interview during this investigation.

7.0 CONCLUSIONS AND RECOMMENDATIONS

On behalf of Liberty Development Corporation, Terraprobe Inc. completed a Phase I Environmental Site Assessment on the property located on the northeast corner of Poplar Sideroad and Hurontario Street, Pin 58262-0081(Lt) / 0366(Lt) / 0367(Lt), Part of S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1). The objectives of the investigation were to review historical information and document existing conditions to identify obvious or potential environmental liabilities. The work included a review of the historic development/use of the subject property and a visual inspection of the property.

This assessment is part of a due diligence step will likely be relied upon for assessing financial liability.

The subject property was in mid-development stage on the west half and still completely undeveloped on the east half. The entire property is proposed as residential.

- The review of historic documents indicated that the subject property had historically been agricultural since the patent until construction began in 2006/2007.
- The Pretty River crosses through the site at the east corner of the property.
- Results of the title search indicate the property was owned by several individual going back to the original patent in 1872. The subject property was transferred to the present owner in 2004.
- There was no obvious evidence suggesting the presence of asbestos containing material, PCB containing electrical equipment or former landfilling/waste disposal on the subject property.

Based upon the results of the site inspection, historic information reviewed, no environmental issues were encountered that would warrant further concern or investigation.

8.0 QUALIFICATIONS OF THE ASSESSORS

Kirk R. Johnson, P. Geo., P. Eng.

Mr. Johnson is a Senior Geotechnical Engineer and Associate of Terraprobe with over 25 years of experience in the fields of geoscience and environmental assessment. Mr. Johnson has provided environmental consulting services to various clients in both the private and public sector since 1980, and has directed several hundred geoenvironmental investigations ranging from Phase I and Phase II Environmental Site Assessments, to site remediation projects.

Stefanie Chapman, Environmental Technologist

Ms. Chapman is an Environmental Technologist and employee of Terraprobe. Ms. Chapman has experience working in both private and public sectors. She has directed environmental site investigations as well as participated in Phase I and Phase II Environmental Site Assessments.

Terraprobe Inc.

Terraprobe Inc. is a consulting engineering firm that was established in 1977. The head office is located in Brampton, Ontario. Branch office locations include Stoney Creek, Barrie and Sudbury. Terraprobe Inc. holds certifications of practice / licences to provide environmental consulting services with both the Professional Engineers of Ontario and the Association of Professional Geoscientists of Ontario.

9.0 LIMITATIONS AND USE OF REPORT

This report was prepared for the exclusive use of Liberty Development Corporation, their financial institution, and their legal counsel, and is intended to provide an assessment of the environmental conditions on the property identified as Poplar Sideroad and Hurontario Street, Pin 58262-0081(Lt) / 0366(Lt) / 0367(Lt), Part of S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1). Any use which a third party makes of this report, or any reliance on or decisions to be made based on it, are the responsibility of such third parties. Terraprobe Inc. accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions based on this report, including consequential financial effects on transactions or property values, or requirements for follow-up actions and costs.

The assessment should not be considered a comprehensive audit that eliminates all risks of encountering environmental problems. The information presented in this report is based on information collected during the completion of the Phase I Environmental Site Assessment by Terraprobe Inc. It is based on the conditions on the subject property at the time of the site inspection supplemented by a review of historical information to assess the environmental conditions on the subject property, as reported herein. Sampling and analysis of soil, ground water or any other material was not carried out as part of this assessment for environmental purposes.

In assessing the environmental conditions / history of the subject property, Terraprobe Inc. has relied in good faith on information provided by others, as noted in this report, and has assumed that the information provided by those individuals is factual and accurate. Terraprobe Inc. accepts no responsibility for any deficiency, misstatement or inaccuracy in this report resulting from the information provided by those individuals.

There is no warranty expressed or implied by this report regarding the environmental status of the subject property. Professional judgement was exercised in gathering and analysing information collected by our staff, as well as that submitted by others. The conclusions presented are the product of professional care and competence, and cannot be construed as an absolute guarantee.

In the event that during future work new information regarding the environmental condition of the subject property is encountered, or in the event that the outstanding responses from the regulatory agencies indicate

outstanding issues on file with respect to the subject property, Terraprobe Inc. should be notified in order that we may re-evaluate the findings of this assessment and provide amendments, as required.

We trust this report meets with your requirements. Should you have any questions regarding the information presented, please do not hesitate to contact our office.

Sincerely,
Terraprobe Inc.

S Chapman

Ms. S. Chapman
Environmental Technologist

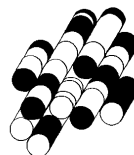
SC/ct
Barrie Office

K. R. Johnson

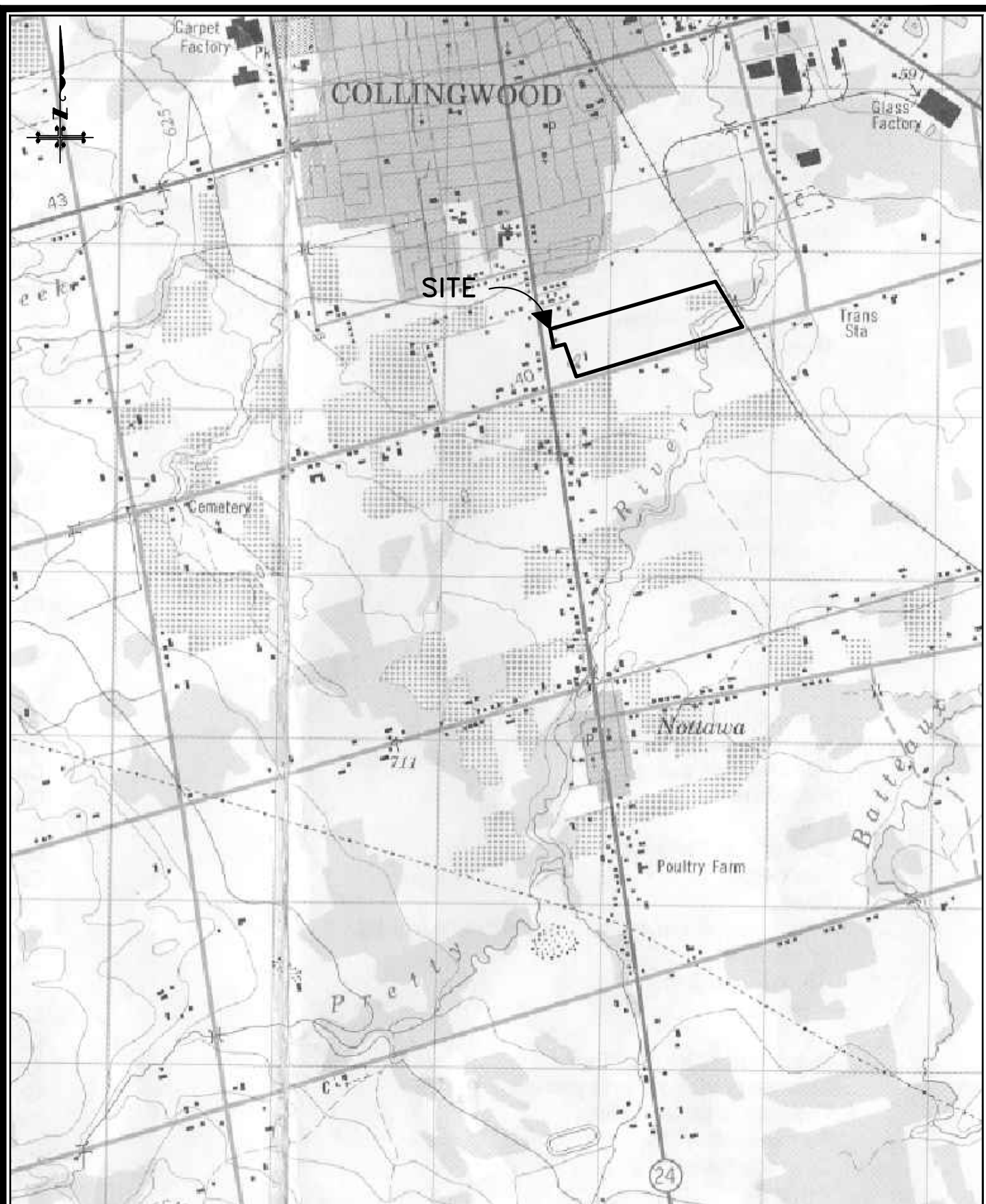
Kirk R. Johnson, P. Geo, P. Eng.
Associate



FIGURES



Terraprobe Inc.



OCTOBER 2010

SITE LOCATION PLAN

3-10-6103



OCTOBER 2010

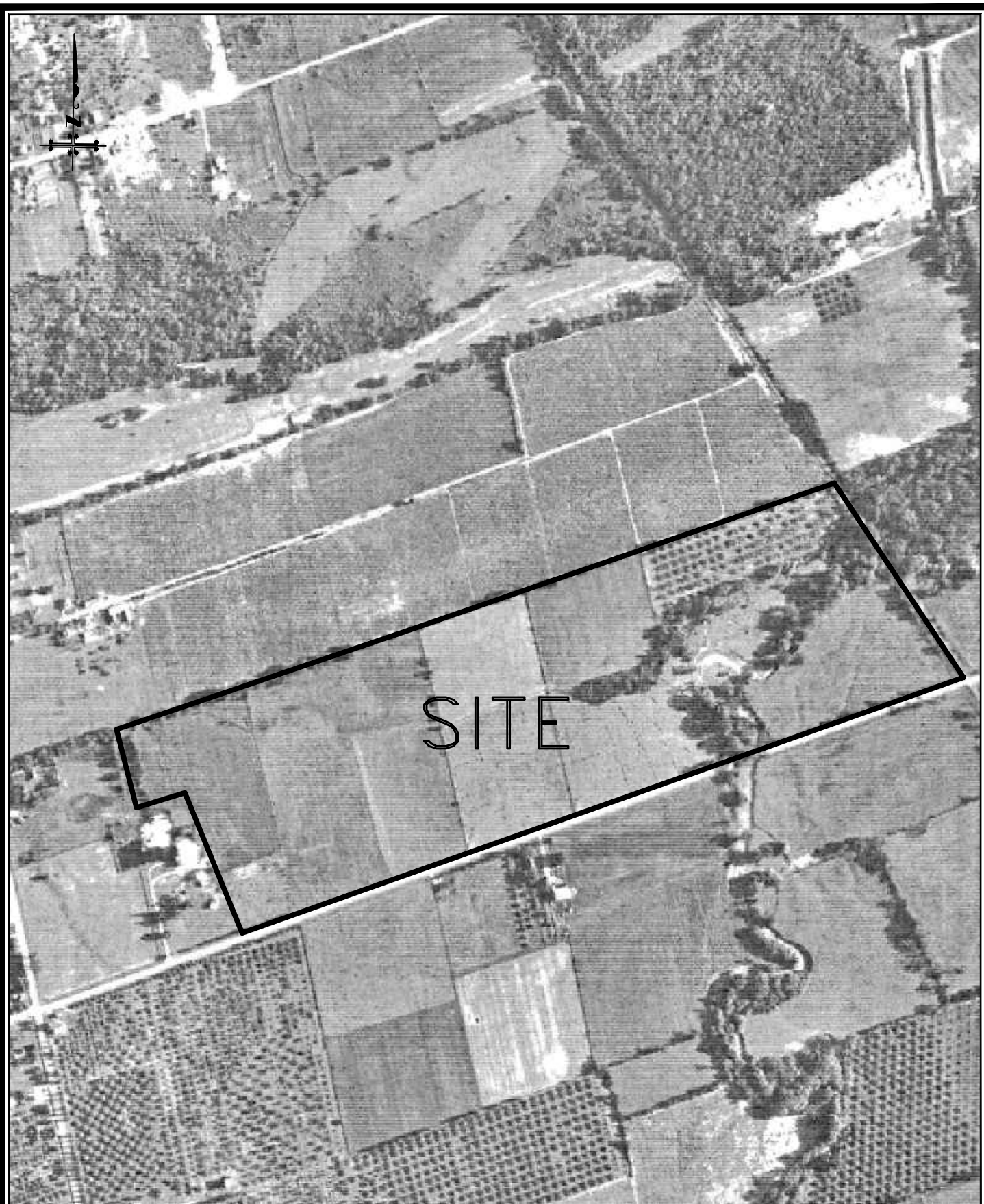
1954 AERIAL PHOTOGRAPH

3-10-6103



COURTESY OF THE NATIONAL AIRPHOTO LIBRARY

FIGURE 2



OCTOBER 2010

1971 AERIAL PHOTOGRAPH

3-10-6103



COURTESY OF THE NATIONAL AIRPHOTO LIBRARY

FIGURE 3



OCTOBER 2010

1978 AERIAL PHOTOGRAPH

3-10-6103



COURTESY OF SIMCOE COUNTY MAPPING

FIGURE 4



OCTOBER 2010

1997 AERIAL PHOTOGRAPH

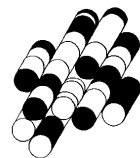
3-10-6103



COURTESY OF SIMCOE COUNTY MAPPING

FIGURE 5

APPENDIX A



Terraprobe Inc.



OCTOBER 2010

SITE PHOTOGRAPHS

3-10-6103



OCTOBER 2010

SITE PHOTOGRAPHS

3-10-6103

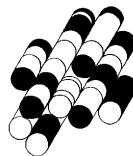


OCTOBER 2010

SITE PHOTOGRAPHS

3-10-6103

APPENDIX B



Terraprobe Inc.



Canada's Primary Environmental Risk Information Service

Project Site: PRETTY RIVER ESTATES
POPLAR SIDEROAD
COLLINGWOOD, ON

Client: Stefanie Chapman
Terraprobe Ltd
220 Bayview Drive - Unit 25
Barrie, ON L4N4Y8

ERIS Project No: 20100812024

Report Type: Custom Report - .25km Search Radius

Prepared By: Rafal Wojtasik
rwojtasik@eris.ca

Date: August 23, 2010

DISCLAIMER AND COPYRIGHT NOTICE

The information contained in this report has been produced by EcoLog ERIS Ltd. using various sources of information, including information provided by Federal and Provincial government departments. Although EcoLog ERIS Ltd. has endeavoured to present you with information that is accurate, EcoLog ERIS Ltd. disclaims, except as set out below, any and all liability for any errors, omissions, or inaccuracies in such information and data, whether attributable to inadvertence or otherwise, and for any consequences arising therefrom. Liability on the part of EcoLog ERIS Ltd. is limited to the monetary value paid for this report. The report applies only to the address specified on the cover of this report, and any alterations or deviation from this description will require a new report. This report and the data contained herein does not purport to be and does not constitute a guarantee of the accuracy of the information contained herein and does not constitute a legal opinion nor medical advice. This report is solely intended to be used to focus further investigation and is not intended to replace a full Phase 1 Environmental Site Assessment. No page of this report should be used without this cover page, this disclaimer and the project property identifier.

The contents of this Service are protected by copyright. Copyright in the Service is owned by EcoLog ERIS Ltd. Copyright in data obtained from private sources is owned by EcoLog ERIS Ltd. or its licensors. The Service and its contents may not be copied or reproduced in whole or in any substantial part without prior written consent of EcoLog ERIS Ltd.



Table of Contents

Order Number: 20100812024
Site Name: PRETTY RIVER ESTATES
Site Address: POPLAR SIDEROAD COLLINGWOOD, ON
Report Type: Custom Report, 0.25 km Search Radius

	<u>Section</u>
Report Summary <i>This outlines the number of records from each database that fall on the site, and within various distances from the site.</i>	i
Site Diagram <i>The records that were found within a specified distance from the project property (the primary search radius) have been plotted on a diagram to provide you with a visual representation of the information available. Sites will be plotted on the diagram if there is sufficient information from the database source to determine accurate geographic coordinates. Each plotted site is marked with an acronym identifying the database in which the record was found (i.e., WDS for Waste Disposal Sites). These are referred to as "Map Keys". A variety of problems are inherent when attempting to associate various government or private source records with locations. EcoLog ERIS has attempted to make the best fit possible between the available data and their positions on the site diagram.</i>	ii
Site Profile <i>This table describes the records that relate directly to the property that is being researched.</i>	iii
Detail Report <i>This section represents information, by database, for the records found within the primary search radius. Listed at the end of each database are the sites that could not be plotted on the locator diagram because of insufficient address information. These records will not have map keys. They have been included because they may be found to be relevant during a more detailed investigation.</i>	iv
	<u>Page</u>
Certificates of Approval	1
Pesticide Register	2
Scott's Manufacturing Directory	3
Water Well Information System	4
Appendix: Database Descriptions	

Report Summary

Order Number: 20100812024
 Site Name: PRETTY RIVER ESTATES
 Site Address: POPLAR SIDEROAD COLLINGWOOD, ON
 Report Type: Custom Report, 0.25 km Search Radius

Number of Mappable Records Surrounding the Site

Database		Selected	On-site	Within 0.25	0.25km to 0.25km	Total
AAGR	Abandoned Aggregate Inventory	Y	0	0	0	0
AGR	Aggregate Inventory	Y	0	0	0	0
AMIS	Abandoned Mine Information System	Y	0	0	0	0
ANDR	Anderson's Waste Disposal Sites	Y	0	0	0	0
AUWR	Automobile Wrecking & Supplies	Y	0	0	0	0
BORE	Borehole	Y	0	0	0	0
CA	Certificates of Approval	Y	0	4	0	4
CFOT	Commercial Fuel Oil Tanks	Y	0	0	0	0
CHEM	Chemical Register	Y	0	0	0	0
COAL	Coal Gasification Plants	Y	0	0	0	0
CONV	Compliance and Convictions	Y	0	0	0	0
DRL	Drill Hole Database	Y	0	0	0	0
EBR	Environmental Registry	Y	0	0	0	0
EEM	Environmental Effects Monitoring	Y	0	0	0	0
EHS	ERIS Historical Searches	Y	0	0	0	0
EIIS	Environmental Issues Information System	Y	0	0	0	0
FCON	Federal Convictions	Y	0	0	0	0
FCS	Contaminated Sites on Federal Land	Y	0	0	0	0
FOFT	Fisheries & Oceans Fuel Storage Tanks	Y	0	0	0	0
FST	Fuel Storage Tank	Y	0	0	0	0
GEN	Ontario Regulation 347 Waste Generators Summary	Y	0	0	0	0
IAFT	Indian & Northern Affairs Fuel Tanks	Y	0	0	0	0
MINE	Canadian Mine Locations	Y	0	0	0	0
MNR	Mineral Occurrences	Y	0	0	0	0
NATE	National Analysis of Trends in Emergencies System (NATES)	Y	0	0	0	0
NCPL	Non-Compliance Reports	Y	0	0	0	0
NDFT	National Defence & Canadian Forces Fuel Storage Tanks	Y	0	0	0	0
NDSP	National Defence & Canadian Forces Spills	Y	0	0	0	0
NDWD	National Defence & Canadian Forces Waste Disposal Sites	Y	0	0	0	0
NEES	National Environmental Emergencies System (NEES)	Y	0	0	0	0
NPCB	National PCB Inventory	Y	0	0	0	0
NPRI	National Pollutant Release Inventory	Y	0	0	0	0
OGW	Oil and Gas Wells	Y	0	0	0	0
OOGW	Ontario Oil and Gas Wells	Y	0	0	0	0
OPCB	Inventory of PCB Storage Sites	Y	0	0	0	0
PAP	Canadian Pulp and Paper	Y	0	0	0	0
PCFT	Parks Canada Fuel Storage Tanks	Y	0	0	0	0
PES	Pesticide Register	Y	0	5	0	5
PRT	Private and Retail Fuel Storage Tanks	Y	0	0	0	0
REC	Ontario Regulation 347 Waste Receivers Summary	Y	0	0	0	0
RSC	Record of Site Condition	Y	0	0	0	0
RST	Retail Fuel Storage Tanks	Y	0	0	0	0

Report Summary

Order Number: 20100812024
Site Name: PRETTY RIVER ESTATES
Site Address: POPLAR SIDEROAD COLLINGWOOD, ON
Report Type: Custom Report, 0.25 km Search Radius

Database		Selected	On-site	Within 0.25	0.25km to 0.25km	Total
SCT	Scott's Manufacturing Directory	Y	0	1	0	1
SPL	Ontario Spills	Y	0	0	0	0
SRDS	Wastewater Discharger Registration Database	Y	0	0	0	0
TANK	Anderson's Storage Tanks	Y	0	0	0	0
TCFT	Transport Canada Fuel Storage Tanks	Y	0	0	0	0
WDS	Waste Disposal Sites - MOE CA Inventory	Y	0	0	0	0
WDSH	Waste Disposal Sites - MOE 1991 Historical Approval Inventory	Y	0	0	0	0
WWIS	Water Well Information System	Y	0	4	0	4
TOTAL			0	14	0	14

The databases chosen by the client as per the submitted order form are denoted in the 'Selected' column in the above table. Counts have been provided outside the primary buffer area for cursory examination only. These records have not been examined or verified, therefore, they are subject to change.



Pinpointing Your Environmental Risks

12 Concorde Pl, Suite 800 North York, ON M3C 4J2
416-510-5204

Project Property: PRETTY RIVER ESTATES
POPLAR SIDEROAD
COLLINGWOOD, ON

ERIS Project #: 20100812024

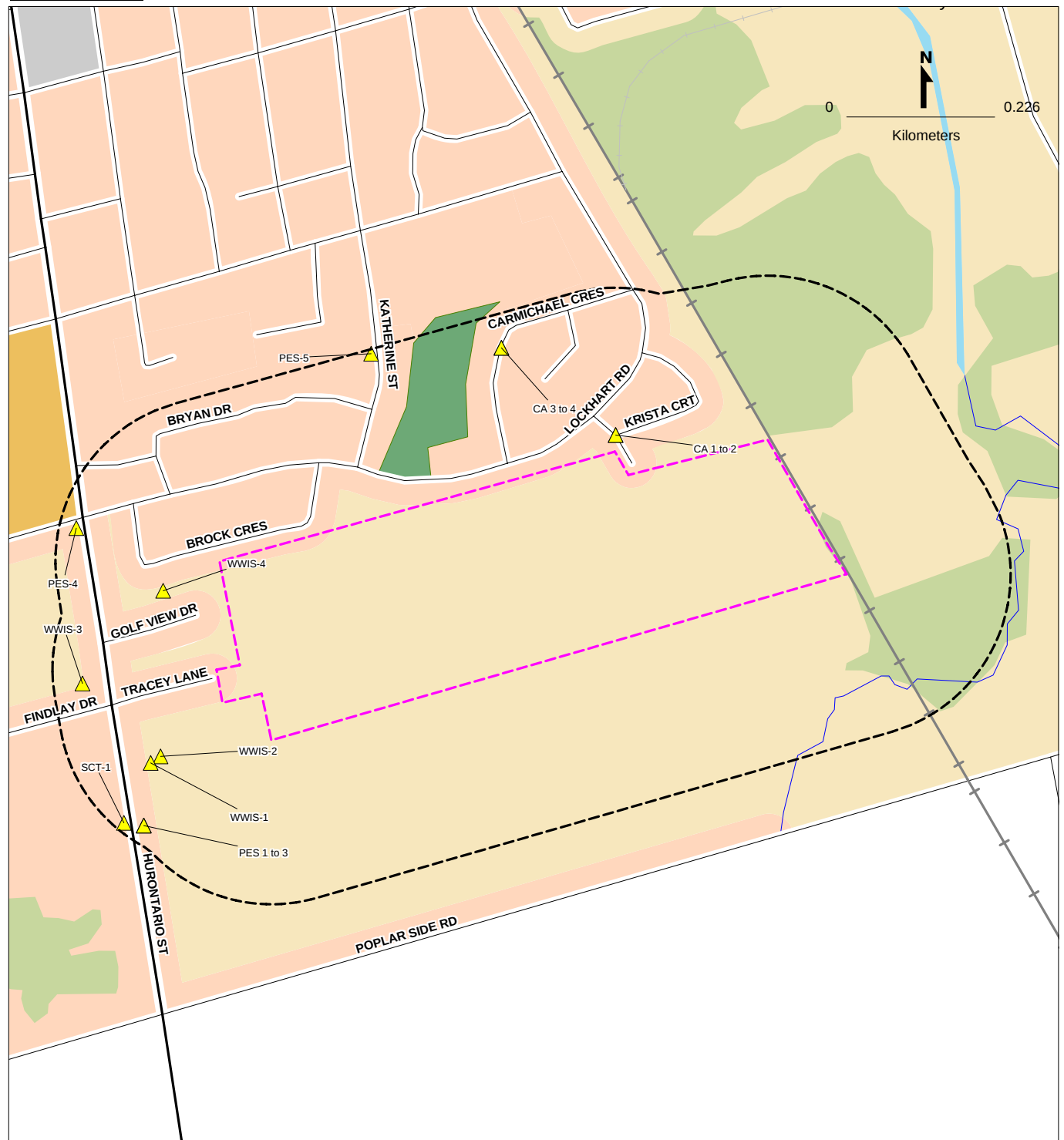
Date: AUG-23-2010

LEGEND

	Project Property	Landuse Classifications
	Database Location	Open Area
Points of Interest		Residential
	Chimney	Commercial
	Silo	Resource and Industrial
Pipe & Transmission Lines		Government and Institutional
	Pipeline	Parks and Recreational
	Transmission Line	Waterbody
	Transmission Tower	Recreation
	Transformer Station	Golf Course/Driving Range
Rail		Park/Sports Field
	Railway - Main	Other Recreation Area
	Railway - Sidetrack	Sports/Race Track
	Railway - Abandoned	Cemetery
	Bridge	Campground
	Tunnel	Vegetation
Transportation - Other		Wooded Area
	Embankment	Orchard
	Trail	Vineyard
	Runway	Industrial Resources
Hydrographic Features		Conveyor
	Permanent Waterway	Crane: Moveable
	Intermittent Waterway	Crane: Stationary
	Open Reservoir	Tank
	Dyke/Levee	Rock Cut
	Dam	Auto Wrecker
	Breakwall	Lumber Yard
	Wetland	Pit

This diagram is to be used solely for relative street location purposes.
It may not accurately portray street or site positions.

SITE DIAGRAM



Note: Topographic information not available for entire area.

Site Report

Order Number: 20100812024

Site Name: PRETTY RIVER ESTATES

Site Address: POPLAR SIDEROAD COLLINGWOOD, ON

Report Type: Custom Report, 0.25 km Search Radius

FOR COMPLETE INFORMATION, REFER TO DETAIL REPORT

A search has been conducted for this site (address) and company name. No records were found, within the database(s) selected, that meet either of these criteria.

Detail Report

Order Number: 20100812024

Site Name: PRETTY RIVER ESTATES

Site Address: POPLAR SIDEROAD COLLINGWOOD ON

Report Type: Custom Report, 0.25 km Search Radius

If information is required for sites located beyond the selected address, please contact your ERIS representative.

Certificates of Approval

Pesticide Register

Scott's Manufacturing Directory

Water Well Information System

Certificates of Approval

Map Key	Company	Address	Certificate #	Application Year	Issue Date	Approval Type	Status	Application Type
CA-1	VONLOCK INVESTMENTS	DEY DR. COLLINGWOOD TOWN	7-0213-85-006	85	4/15/85	Municipal water	Approved	
			Client Name: Client Address: Client City: Client Postal Code: Project Description: Contaminants: Emission Control:					
CA-2	VONLOCK INVESTMENTS	DEY DR. COLLINGWOOD TOWN	3-0311-85-006	85	4/15/85	Municipal sewage	Approved	
			Client Name: Client Address: Client City: Client Postal Code: Project Description: Contaminants: Emission Control:					
CA-3	VONLOCK INVESTMENTS	CARMICHAEL CRESCENT COLLINGWOOD TOWN	7-0235-87-	87	6/9/1987	Municipal water	Approved	
			Client Name: Client Address: Client City: Client Postal Code: Project Description: Contaminants: Emission Control:					
CA-4	VONLOCK INVESTMENTS	CARMICHAEL CRESCENT COLLINGWOOD TOWN	3-0295-87-	87	6/11/1987	Municipal sewage	Approved	
			Client Name: Client Address: Client City: Client Postal Code: Project Description: Contaminants: Emission Control:					

Pesticide Register

Map Key	Company	Address	Licence No.	Licence Type
PES-1	DIANE'S GARDEN	RR 2 BOX 2004 COLLINGWOOD L9Y3Z1		Limited Vendor
PES-2	DIANE'S GARDEN	BOX 2004, R. R. #2 COLLINGWOOD L9Y 3Z2	23-01-10636-0	Limited Vendor
PES-3	DIANE'S GARDEN	R R 2, 833 HURONTARIO ST. COLLINGWOOD L9Y3Z1		
PES-4	WEED TAMER	2 CAMPBELL ST COLLINGWOOD L9Y 2K8		
PES-5	BARCLAY, JAMES A.	100 KATHERINE STREET COLLINGWOOD L9Y 3R5		Operator

Scott's Manufacturing Directory

Map Key	Company	Address	Established	Plant Size (ft²)	Employment	SIC/NAICS Code	Description
SCT-1	Walkers Small Motors Ltd.	850 Hurontario St Hwy 24 S Collingwood L9Y 3Z1	9/1/1980	5000		333619	Other Engine and Power Transmission Equipment Manufacturing
						333619	Other Engine and Power Transmission Equipment Manufacturing

Water Well Information System

Map Key	Company	Address	Well Id	Lot	Concession	Concession Name	County	Municipality
WWIS-1		lot 40 con 8 NOTTAWASAGA TOWNSHIP	5702525	040	08	CON	SIMCOE	NOTTAWASAGA TOWNSHIP
Easting Nad83: 562599.3 Northing Nad83: 4925764 Zone: 17 Utm Reliability: unknown UTM Construction Date: 4/15/1955 Primary Water Use: Domestic Secondary Water Use: Well Depth (ft): 24 Pump Rate (gpm): 3 Static Water Level (ft): 8 Flow Rate (gpm): Clear/Cloudy: CLEAR Specific Capacity: Final Well Status: Water Supply Construction Method: Cable Tool Flowing (y/n): N Elevation (ft): 630 Elevation Reliability: Unknown elevation Depth to Bedrock (ft): 20 Overburden/Bedrock: Bedrock Water Type: FRESH Casing Material: STEEL, OPEN HOLE								
			<u>Thickness (ft)</u>	<u>Original Depth (ft)</u>	<u>Material Colour</u>		<u>Material</u>	
			1	1	BLACK		TOPSOIL	
			16	17	YELLOW		CLAY	
			3	20	BLUE		CLAY	
			4	24	WHITE		LIMESTONE	

Water Well Information System

Map Key	Company	Address	Well Id	Lot	Concession	Concession Name	County	Municipality
WWIS-2		lot 40 con 8 NOTTAWASAGA TOWNSHIP	5719512	040	08	CON	SIMCOE	NOTTAWASAGA TOWNSHIP
Easting Nad83: 562614.3 Northing Nad83: 4925774 Zone: 17 Utm Reliability: margin of error : 100 m - 300 m Construction Date: 10/17/1984 Primary Water Use: Public Secondary Water Use: Well Depth (ft): 22 Pump Rate (gpm): 19 Static Water Level (ft): 8 Flow Rate (gpm): Clear/Cloudy: CLEAR Specific Capacity: Final Well Status: Water Supply Construction Method: Cable Tool Flowing (y/n): N Elevation (ft): 625 Elevation Reliability: Read from topographic map, contour interval - 25 f Depth to Bedrock (ft): 18 Overburden/Bedrock: Bedrock Water Type: SULPHUR Casing Material: STEEL								
			<u>Thickness (ft)</u>	<u>Original Depth (ft)</u>	<u>Material Colour</u>		<u>Material</u>	
			1	1	BLACK		TOPSOIL	
			3	4			FILL	
			8	12	GREY		CLAY	
			6	18	BROWN		CLAY	
			4	22	GREY		SHALE, HARD	

Water Well Information System

Map Key	Company	Address	Well Id	Lot	Concession	Concession Name	County	Municipality
WWIS-3		lot 40 con 9 NOTTAWASAGA TOWNSHIP	5708393	040	09	CON	SIMCOE	NOTTAWASAGA TOWNSHIP
Easting Nad83: 562494.3 Northing Nad83: 4925884 Zone: 17 Utm Reliability: margin of error : 30 m - 100 m Construction Date: 10/22/1971 Primary Water Use: Domestic Secondary Water Use: Well Depth (ft): 29 Pump Rate (gpm): 5 Static Water Level (ft): 20 Flow Rate (gpm): Clear/Cloudy: Specific Capacity: Final Well Status: Water Supply Construction Method: Cable Tool Flowing (y/n): N Elevation (ft): 625 Elevation Reliability: Read from topographic map, contour interval - 25 f Depth to Bedrock (ft): Overburden/Bedrock: Overburden Water Type: FRESH Casing Material: STEEL								
			<u>Thickness (ft)</u>	<u>Original Depth (ft)</u>	<u>Material Colour</u>		<u>Material</u>	
			2	2	BROWN		MEDIUM SAND, STONES	
			9	11	GREY		CLAY, STONES	
			6	17	GREY		CLAY	
			5	22	GREY		CLAY, STONES	
			4	26	BROWN		MEDIUM SAND	
			3	29	BROWN		GRAVEL, MEDIUM SAND	

Water Well Information System

Map Key	Company	Address	Well Id	Lot	Concession	Concession Name	County	Municipality
WWIS-4		lot 40 con 8 NOTTAWASAGA TOWNSHIP	5702524	040	08	CON	SIMCOE	NOTTAWASAGA TOWNSHIP
Easting Nad83: 562616.3 Northing Nad83: 4926026 Zone: 17 Utm Reliability: unknown UTM Construction Date: 6/30/1954 Primary Water Use: Domestic Secondary Water Use: Well Depth (ft): 36 Pump Rate (gpm): 3 Static Water Level (ft): 12 Flow Rate (gpm): Clear/Cloudy: CLEAR Specific Capacity: Final Well Status: Water Supply Construction Method: Cable Tool Flowing (y/n): N Elevation (ft): 625 Elevation Reliability: Unknown elevation Depth to Bedrock (ft): 32 Overburden/Bedrock: Bedrock Water Type: FRESH Casing Material: OPEN HOLE, STEEL								
			<u>Thickness</u> <u>(ft)</u>	<u>Original</u> <u>Depth (ft)</u>	<u>Material Colour</u>		<u>Material</u>	
			8	8			PREVIOUSLY DUG	
			24	32			CLAY, MEDIUM SAND, STONES	
			4	36	BROWN		LIMESTONE	

Appendix: Ontario Database Descriptions

EcoLog Environmental Risk Information Services Ltd can search the following databases. The extent of historical information varies with each database and current information is determined by what is publicly available to EcoLog ERIS at the time of update. **Note:** Databases denoted with “*” indicates that the database will no longer be updated. See the individual database descriptions for more information.

Provincial Government Source Databases:

Abandoned Aggregate Inventory Up to Sept 2002

AAGR

The MAAP Program maintains a database of all abandoned pits and quarries. Please note that the database is only referenced by lot and concession and city/town location. The database provides information regarding the location, type, size, land use, status and general comments.

Aggregate Inventory Up to Jan 2010

AGR

The Ontario Ministry of Natural Resources maintains a database of all active pits and quarries. Please note that the database is only referenced by lot/concession and city/town location. The database provides information regarding the registered owner/operator, location, status, licence type, and maximum tonnage.

Abandoned Mines Information System 1800-2005

AMIS

The Abandoned Mines Information System contains data on known abandoned and inactive mines located on both Crown and privately held lands. The information was provided by the Ministry of Northern Development and Mines (MNDM), with the following disclaimer: “the database provided has been compiled from various sources, and the Ministry of Northern Development and Mines makes no representation and takes no responsibility that such information is accurate, current or complete”. Reported information includes official mine name, status, background information, mine start/end date, primary commodity, mine features, hazards and remediation.

Borehole 1875-Jul 2009

BORE

A borehole is the generalized term for any narrow shaft drilled in the ground, either vertically or horizontally. The information here includes geotechnical investigations or environmental site assessments, mineral exploration, or as a pilot hole for installing piers or underground utilities. Information is from many sources such as the Ministry of Transportation (MTO) boreholes from engineering reports and projects from the 1950 to 1990's in Southern Ontario. Boreholes from the Ontario Geological Survey (OGS) including The Urban Geology Analysis Information System (UGAIS) and the York Peel Durham Toronto (YPDT) database of the Conservation Authority Moraine Coalition. This database will include fields such as location, stratigraphy, depth, elevation, year drilled, etc.

For all water well data or oil and gas well data for Ontario please refer to WWIS and OOGW.

Certificates of Approval 1985-Sept 2002* (for current CofA info please check the EBR Database)

CA

This database contains the following types of approvals: Certificates of Approval (Air) issued under Section 9 of the Ontario EPA; Certificates of Approval (Industrial Wastewater) issued under Section 53 of the Ontario Water Resources Act (“OWRA”); and Certificates of Approval (Municipal/Provincial Sewage and Waterworks) issued under Sections 52 and 53 of the OWRA. For more current Certificate of Approval information please see the EBR database, which will include information such as 'Approval for discharge into the natural environment other than water (i.e. Air) (EPA s.9)', and Approval for sewage works (OWRA s.53(1)).

TSSA Commercial Fuel Oil Tanks 1948-Jan 2010

CFOT

Since May 2002, Ontario developed a new act where it became mandatory for fuel oil tanks to be registered with Technical Standards & Safety Authority (TSSA). This data would include all commercial underground fuel oil tanks in Ontario with fields such as location, registration number, tank material, age of tank and tank size.

Coal Gasification Plants 1987, 1988***COAL**

This inventory of all known and historical coal gasification plants was collected by the Ministry of Environment. It identifies industrial sites that produced and continue to produce or use coal tar and other related tars. Detailed information is available and includes: facility type, size, landuse, soil condition, site operators/occupants, site description, and potential environmental impacts. This information is effective to 1988, but the program has since been discontinued.

Compliance and Convictions 1989-Jun 2010**CONV**

This database summarizes the fines and convictions handed down by the Ontario courts beginning in 1989. Companies and individuals named here have been found guilty of environmental offenses in Ontario courts of law.

Drill Holes 1886-2005**DRL**

The Ontario Drill Hole Database contains information on more than 113,000 percussion, overburden, sonic and diamond drill holes from assessment files on record with the department of Mines and Minerals. Please note that limited data is available for southern Ontario, as it was the last area to be completed. The database was created when surveys submitted to the Ministry were converted in the Assessment File Research Image Database (AFRI) project. However, the degree of accuracy (coordinates) as to the exact location of drill holes is dependent upon the source document submitted to the MNM. Levels of accuracy used to locate holes are: centering on the mining claim; a sketch of the mining claim; a 1:50,000 map; a detailed company map; or from submitted a "Report of Work".

Environmental Registry 1994-Jun 2010**EBR**

The Environmental Registry lists proposals, decisions and exceptions regarding policies, Acts, instruments, or regulations that could significantly affect the environment. Through the Registry, thirteen provincial ministries notify the public of upcoming proposals and invite their comments. For example, if a local business is requesting a permit, licence, or certificate of approval to release substances into the air or water; these are notified on the registry. Data includes things like; Approval for discharge into the natural environment other than water (i.e. Air), Permit to Take Water (PTTW), Certificate of Property Use (CPU), Approval for a waste disposal site, Order for preventative measures.(EPA s. 18), Order for conformity with Act for waste disposal sites.(EPA s. 44), Order for remedial work.(EPA s. 17) and many more.

TSSA Fuel Storage Tanks Current to Jun 2010**FST**

The Technical Standards & Safety Authority (TSSA), under the *Technical Standards & Safety Act* of 2000 maintains a database of registered private and retail fuel storage tanks in Ontario with fields such as location, tank status, license date, tank type, tank capacity, fuel type, installation year and facility type.

Ontario Regulation 347 Waste Generators Summary 1986-Jan 2010**GEN**

Regulation 347 of the Ontario EPA defines a waste generation site as any site, equipment and/or operation involved in the production, collection, handling and/or storage of regulated wastes. A generator of regulated waste is required to register the waste generation site and each waste produced, collected, handled, or stored at the site. This database contains the registration number, company name and address of registered generators including the types of hazardous wastes generated. It includes data on waste generating facilities such as: drycleaners, waste treatment and disposal facilities, machine shops, electric power distribution etc. This information is a summary of all years from 1986 including the most currently available data. Some records may contain, within the company name, the phrase "See & Use..." followed by a series of letters and numbers. This occurs when one company is amalgamated with or taken over by another registered company. The number listed as "See & Use", refers to the new ownership and the other identification number refers to the original ownership. This phrase serves as a link between the 2 companies until operations have been fully transferred.

Mineral Occurrences 1846-Oct 2009**MNR**

In the early 70's, the Ministry of Northern Development and Mines created an inventory of approximately 19,000 mineral occurrences in Ontario, in regard to metallic and industrial minerals, as well as some information on building stones and aggregate deposits. Please note that the "Horizontal Positional Accuracy" is approximately +/- 200 m. Many reference elements for each record were derived from field sketches using pace or chain/tape measurements against claim posts or topographic features in the area. The primary limiting factor for the level of positional accuracy is the scale of the source material. The testing of horizontal accuracy of the source materials was accomplished by comparing the planimetric (X and Y) coordinates of that point with the coordinates of the same point as defined from a source of higher accuracy.

Non-Compliance Reports 1992(water only), 1994-2008

NCPL

The Ministry of the Environment provides information about non-compliant discharges of contaminants to air and water that exceed legal allowable limits, from regulated industrial and municipal facilities. A reported non-compliance failure may be in regard to a Control Order, Certificate of Approval, Sectoral Regulation or specific regulation/act.

Ontario Oil and Gas Wells 1800-Feb 2010

OOGW

In 1998, the MNR handed over to the Ontario Oil, Gas and Salt Resources Corporation, the responsibility of maintaining a database of oil and gas wells drilled in Ontario. The OGSR Library has over 20,000+ wells in their database. Information available for all wells in the ERIS database include well owner/operator, location, permit issue date, well cap date, licence no., status, depth and the primary target (rock unit) of the well being drilled. All geology/stratigraphy table information, plus all water table information is also provide for each well record.

Ontario Inventory of PCB Storage Sites 1987-Oct 2004

OPCB

The Ontario Ministry of Environment, Waste Management Branch, maintains an inventory of PCB storage sites within the province. Ontario Regulation 11/82 (Waste Management - PCB) and Regulation 347 (Generator Waste Management) under the Ontario EPA requires the registration of inactive PCB storage equipment and/or disposal sites of PCB waste with the Ontario Ministry of Environment. This database contains information on: 1) waste quantities; 2) major and minor sites storing liquid or solid waste; and 3) a waste storage inventory.

Pesticide Register 1988-Jan 2010

PES

The Ontario Ministry of Environment maintains a database of all manufacturers and vendors of registered pesticides.

Private and Retail Fuel Storage Tanks 1989-1996*

PRT

The Fuels Safety Branch of the Ontario Ministry of Consumer and Commercial Relations maintained a database of all registered private fuel storage tanks and licensed retail fuel outlets. This database includes an inventory of locations that have gasoline, oil, waste oil, natural gas and/or propane storage tanks on their property. The MCCR no longer collects this information. This information is now collected by the Technical Standards and Safety Authority (TSSA).

Ontario Regulation 347 Waste Receivers Summary 1986-2008

REC

Part V of the Ontario Environmental Protection Act ("EPA") regulates the disposal of regulated waste through an operating waste management system or a waste disposal site operated or used pursuant to the terms and conditions of a Certificate of Approval or a Provisional Certificate of Approval. Regulation 347 of the Ontario EPA defines a waste receiving site as any site or facility to which waste is transferred by a waste carrier. A receiver of regulated waste is required to register the waste receiving facility. This database represents registered receivers of regulated wastes, identified by registration number, company name and address, and includes receivers of waste such as: landfills, incinerators, transfer stations, PCB storage sites, sludge farms and water pollution control plants. This information is a summary of all years from 1986 including the most currently available data.

Record of Site Condition 1997-Sept 2001, Oct 2004-Jun 2010

RSC

The Record of Site Condition (RSC) is part of the Ministry of the Environment's Brownfields Environmental Site Registry. Protection from environmental cleanup orders for property owners is contingent upon documentation known as a record of site condition (RSC) being filed in the Environmental Site Registry. In order to file an RSC, the property must have been properly assessed and shown to meet the soil, sediment and groundwater standards appropriate for the use, such as residential, proposed to take place on the property. The Record of Site Condition Regulation (O. Reg. 153/04) details requirements related to site assessment and clean up. Information available includes Registration Number, Filing Owner, Property Address, Filing Date and Municipality.

Ontario Spills 1988-Jan 2010**SPL**

This database identifies information such as location (approximate), type and quantity of contaminant, date of spill, environmental impact, cause, nature of impact, etc. Information from 1988-2002 was part of the ORIS (Occurrence Reporting Information System). The SAC (Spills Action Centre) handles all spills reported in Ontario. Regulations for spills in Ontario are part of the MOE's Environmental Protection Act, Part X.

Wastewater Discharger Registration Database 1990-2008**SRDS**

Information under this heading is combination of the following 2 programs. The Municipal/Industrial Strategy for Abatement (MISA) division of the Ontario Ministry of Environment maintained a database of all direct dischargers of toxic pollutants within nine sectors including: Electric Power Generation; Mining; Petroleum Refining; Organic Chemicals; Inorganic Chemicals; Pulp & Paper; Metal Casting; Iron & Steel; and Quarries. All sampling information is now collected and stored within the Sample Result Data Store (SRDS).

Waste Disposal Sites - MOE CA Inventory 1970-Sept 2002**WDS**

The Ontario Ministry of Environment, Waste Management Branch, maintains an inventory of known open (active or inactive) and closed disposal sites in the Province of Ontario. Active sites maintain a Certificate of Approval, are approved to receive and are receiving waste. Inactive sites maintain Certificate(s) of Approval but are not receiving waste. Closed sites are not receiving waste. The data contained within this database was compiled from the MOE's Certificate of Approval database. Locations of these sites may be cross-referenced to the Anderson database described under ERIS's Private Source Database section, by the CA number. For more current information for Waste Disposal Sites please see the EBR database, which will include information such as 'Approval for a waste disposal site (EPA s.27)' and 'Approval for use of a former waste disposal site (EPA s.46)'.

Waste Disposal Sites - MOE 1991 Historical Approval Inventory Up to Oct 1990***WDSH**

In June 1991, the Ontario Ministry of Environment, Waste Management Branch, published the "June 1991 Waste Disposal Site Inventory", of all known active and closed waste disposal sites as of October 30st, 1990. For each "active" site as of October 31st 1990, information is provided on site location, site/CA number, waste type, site status and site classification. For each "closed" site as of October 31st 1990, information is provided on site location, site/CA number, closure date and site classification. Locations of these sites may be cross-referenced to the Anderson database described under ERIS's Private Source Database section, by the CA number.

Water Well Information System 1955-Jan 2010**WWIS**

This database describes locations and characteristics of water wells found within Ontario in accordance with Regulation 903. It includes such information as coordinates, construction date, well depth, primary and secondary use, pump rate, static water level, well status, etc. Also included are detailed stratigraphy information, approximate depth to bedrock and the approximate depth to the water table.

Federal Government Source Databases:**Diagram Identifier:****Environmental Effects Monitoring 1992-2007*****EEM**

The Environmental Effects Monitoring program assesses the effects of effluent from industrial or other sources on fish, fish habitat and human usage of fisheries resources. Since 1992, pulp and paper mills have been required to conduct EEM studies under the Pulp and Paper Effluent Regulations. This database provides information on the mill name, geographical location and sub-lethal toxicity data.

Environmental Issues Inventory System 1992-2001***EIIS**

The Environmental Issues Inventory System was developed through the implementation of the Environmental Issues and Remediation Plan. This plan was established to determine the location and severity of contaminated sites on inhabited First Nation reserves, and where necessary, to remediate those that posed a risk to health and safety; and to prevent future environmental problems. The EIIS provides information on the reserve under investigation, inventory number, name of site, environmental issue, site action (Remediation, Site Assessment), and date investigation completed.

Federal Convictions 1988-Jun 2007**FCON**

Environment Canada maintains a database referred to as the “Environmental Registry” that details prosecutions under the Canadian Environmental Protection Act (CEPA) and the Fisheries Act (FA). Information is provided on the company name, location, charge date, offence and penalty.

Contaminated Sites on Federal Land June 2000-May 2010**FCS**

The Treasury Board of Canada Secretariat maintains an inventory of all known contaminated sites held by various Federal departments and agencies. This inventory does not include properties owned by Crown corporations, but does contain non-federal sites for which the Government of Canada has accepted some or all financial responsibility. All sites have been classified through a system developed by the Canadian Council of Ministers of the Environment. The database provides information on company name, location, site ID #, property use, classification, current status, contaminant type and plan of action for site remediation.

Fisheries & Oceans Fuel Tanks 1964-Sept 2003**FOFT**

Fisheries & Oceans Canada maintains an inventory of all aboveground & underground fuel storage tanks located on Fisheries & Oceans property or controlled by DFO. Our inventory provides information on the site name, location, tank owner, tank operator, facility type, storage tank location, tank contents & capacity, and date of tank installation.

Indian & Northern Affairs Fuel Tanks 1950-Aug 2003**IAFT**

The Department of Indian & Northern Affairs Canada (INAC) maintains an inventory of all aboveground & underground fuel storage tanks located on both federal and crown land. Our inventory provides information on the reserve name, location, facility type, site/facility name, tank type, material & ID number, tank contents & capacity, and date of tank installation.

National Analysis of Trends in Emergencies System (NATES) 1974-1994***NATE**

In 1974 Environment Canada established the National Analysis of Trends in Emergencies System (NATES) database, for the voluntary reporting of significant spill incidents. The data was to be used to assist in directing the work of the emergencies program. NATES ran from 1974 to 1994. Extensive information is available within this database including company names, place where the spill occurred, date of spill, cause, reason and source of spill, damage incurred, and amount, concentration, and volume of materials released.

National Defence & Canadian Forces Fuel Tanks Up to May 2001***NDFT**

The Department of National Defence and the Canadian Forces maintains an inventory of all aboveground & underground fuel storage tanks located on DND lands. Our inventory provides information on the base name, location, tank type & capacity, tank contents, tank class, date of tank installation, date tank last used, and status of tank as of May 2001. This database will no longer be updated due to the new National Security protocols which have prohibited any release of this database.

National Defence & Canadian Forces Spills Mar 1999-Jul 2009**NDSP**

The Department of National Defence and the Canadian Forces maintains an inventory of spills to land and water. All spill sites have been classified under the “Transportation of Dangerous Goods Act - 1992”. Our inventory provides information on the facility name, location, spill ID #, spill date, type of spill, as well as the quantity of substance spilled & recovered.

National Defence & Canadian Forces Waste Disposal Sites 2001-April 2007**NDWD**

The Department of National Defence and the Canadian Forces maintains an inventory of waste disposal sites located on DND lands. Where available, our inventory provides information on the base name, location, type of waste received, area of site, depth of site, year site opened/closed and status.

National Environmental Emergencies System (NEES) 1974-2003**NEES**

In 2000, the Emergencies program implemented NEES, a reporting system for spills of hazardous substances. For the most part, this system only captured data from the Atlantic Provinces, some from Quebec and Ontario and a portion from British Columbia. Data for Alberta, Saskatchewan, Manitoba and the Territories was not captured. However, NEES is also a repository for all previous Environment Canada spill datasets. NEES is composed of the historic datasets – or Trends – which dates from approximately 1974 to present. **NEES Trends** is a compilation of historic databases, which were merged and includes data from NATES (National Analysis of Trends in Emergencies System), ARTS (Atlantic Regional Trends System), and NEES. In 2001, the Emergencies Program determined that variations in reporting regimes and requirements between federal and provincial agencies made national spill reporting and trend analysis difficult to achieve. As a consequence, the department has focused efforts on capturing data on spills of substances which fall under its legislative authority only (CEPA and FA). As such, the NEES database will be decommissioned in December 2004.

National PCB Inventory 1988-2008**NPCB**

Environment Canada's National PCB inventory includes information on in-use PCB containing equipment in Canada including federal, provincial and private facilities. All federal out-of-service PCB containing equipment and all PCB waste owned by the federal government or by federally regulated industries such as airlines, railway companies, broadcasting companies, telephone and telecommunications companies, pipeline companies, etc. are also listed. Although it is not Environment Canada's mandate to collect data on non-federal PCB waste, the National PCB inventory includes some information on provincial and private PCB waste and storage sites.

National Pollutant Release Inventory 1993-2008**NPRI**

Environment Canada has defined the National Pollutant Release Inventory ("NPRI") as a federal government initiative designed to collect comprehensive national data regarding releases to air, water, or land, and waste transfers for recycling for more than 300 listed substances.

Parks Canada Fuel Storage Tanks 1920-Jan 2005**PCFT**

Canadian Heritage maintains an inventory of all known fuel storage tanks operated by Parks Canada, in both National Parks and at National Historic Sites. The database details information on site name, location, tank install/removal date, capacity, fuel type, facility type, tank design and owner/operator.

Transport Canada Fuel Storage Tanks 1970-March 2007**TCFT**

With the provinces of BC, MB, NB, NF, ON, PE, and QC; Transport Canada currently owns and operates 90 fuel storage tanks. This inventory will also include The Pickering Lands, which refers to the 7,530 hectares (18,600 acres) of land in Pickering, Markham and Uxbridge - owned by the Government of Canada since 1972. Properties on this land has been leased by the government since 1975, falls under the Site Management Policy of Transport Canada, but administered by Public Works and Government Services Canada. Our inventory provides information on the site name, location, tank age, capacity and fuel type.

Private Source Databases:**Anderson's Waste Disposal Sites 1860s-Present****ANDR**

The information provided in this database was collected by examining various historical documents which aimed to characterize the likely position of former waste disposal sites from 1860 to present. The research initiative behind the creation of this database was to identify those sites that are missing from the *Ontario MOE Waste Disposal Site Inventory*, as well as to provide revisions and corrections to the positions and descriptions of sites currently listed in the MOE inventory. In addition to historic waste disposal facilities, the database also identifies certain auto wreckers and scrap yards that have been extrapolated from documentary sources. *Please note that the data is not warranted to be complete, exhaustive or authoritative. The information was collected for research purposes only.*

Automobile Wrecking & Supplies 2001-Feb 2009

AUWR

This database provides an inventory of all known locations that are involved in the scrap metal, automobile wrecking/recycling, and automobile parts & supplies industry. Information is provided on the company name, location and business type.

Chemical Register 1992, 1999-Feb 2009

CHEM

This database includes information from both a one time study conducted in 1992 and private source and is a listing of facilities that manufacture or distribute chemicals. The production of these chemical substances may involve one or more chemical reactions and/or chemical separation processes (i.e. fractionation, solvent extraction, crystallization, etc.).

ERIS Historical Searches 1999-Apr 2010

EHS

EcoLog ERIS has compiled a database of all environmental risk reports completed since March 1999. Available fields for this database include: site location, date of report, type of report, and search radius. As per all other databases, the ERIS database can be referenced on both the map and "Statistical Profile" page.

Canadian Mine Locations 1998-2009

MINE

This information is collected from the Canadian & American Mines Handbook. The Mines database is a national database that provides over 290 listings on mines (listed as public companies) dealing primarily with precious metals and hard rocks. Listed are mines that are currently in operation, closed, suspended, or are still being developed (advanced projects). Their locations are provided as geographic coordinates (x, y and/or longitude, latitude). As of 2002, data pertaining to Canadian smelters and refineries has been appended to this database.

Oil and Gas Wells Oct 2001-Jun 2010

OGW

The Nickle's Energy Group (publisher of the Daily Oil Bulletin) collects information on drilling activity including operator and well statistics. The well information database includes name, location, class, status and depth. The main Nickles' database is updated on a daily basis, however, this database is updated on a monthly basis. More information is available at www.nickles.com.

Canadian Pulp and Paper 1999, 2002, 2004, 2005, 2009

PAP

This information is part of the Pulp and Paper Canada Directory. The Directory provides a comprehensive listing of the locations of pulp and paper mills and the products that they produce.

Retail Fuel Storage Tanks 2000-Feb 2009

RST

This database includes an inventory of retail fuel outlet locations (including marinas) that have on their property gasoline, oil, waste oil, natural gas and / or propane storage tanks. Information is provided on company name, location and type of business.

Scott's Manufacturing Directory 1992-Sept 2009

SCT

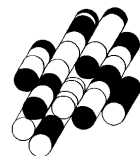
Scott's Directories is a data bank containing information on over 70,000 manufacturers in Ontario. Even though Scott's listings are voluntary, it is the most comprehensive database of Ontario manufacturers available. Information concerning a company's address, plant size, and main products are included in this database. This database begins with 1992 information and is updated annually.

Anderson's Storage Tanks 1915-1953*

TANK

The information provided in this database was collected by examining various historical documents, which identified the location of former storage tanks, containing substances such as fuel, water, gas, oil, and other various types of miscellaneous products. Information is available in regard to business operating at tank site, tank location, permit year, permit & installation type, no. of tanks installed & configuration and tank capacity. *Data contained within this database pertains only to the city of Toronto and is not warranted to be complete, exhaustive or authoritative. The information was collected for research purposes only.*

APPENDIX C



Terraprobe Inc.

**PHASE I
ENVIRONMENTAL SITE ASSESSMENT
POPLAR SIDE ROAD AND HURONTARIO STREET
PIN 58262-0081 (Lt) / 58262-0366 (Lt) / 58262-0367 (Lt)
PART OF THE S½ LOT 40, CONCESSION 8
FORMERLY NOTTAWASAGA TOWNSHIP
NOW TOWN OF COLLINGWOOD**

Prepared For: Darcon Inc.
c/o Liberty Development Corporation
505 Highway 7 East; Suite 303
Thornhill, Ontario
L3T 7T1

Attention: Mr. Brendan Murphy

**File No. 3-06-2138
October 13, 2006
© Terraprobe Limited**

Distribution:

2 cc: Darcon Inc.
c/o Liberty Development Corporation
2 cc: Terraprobe Limited

EXECUTIVE SUMMARY

On behalf of Darcon Inc., c/o Liberty Development Corporation, Terraprobe Limited completed a Phase I Environmental Site Assessment on the property located on Poplar Sideroad and Hurontario Street, Pin 58262-0081(Lt) / 0366(Lt) / 0367(Lt), Part of S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1). The objectives of the investigation were to review historical information and document existing conditions to identify obvious or potential environmental liabilities. The work included a review of the historic development/use of the subject property and a visual inspection of the property.

This assessment is part of a due diligence step will likely be relied upon for assessing financial liability.

The subject property was a vacant field at the time of the site inspection.

- The review of historic documents indicated that the subject property has been agricultural.
- The Pretty River traverses the subject property.
- Results of the title search indicate the property was owned by several individual going back to the original patent in 1872. The subject property was transferred to the present owner in 2004.
- There was no obvious evidence suggesting the presence of asbestos containing material, PCB containing electrical equipment or former landfilling/waste disposal on the subject property.

Based upon the results of the site inspection, historic information reviewed, no environmental issues were encountered that would warrant further concern or investigation.

TABLE OF CONTENTS

SECTION	PAGE (S)
EXECUTIVE SUMMARY	i
1.0 INTRODUCTION	1
2.0 SCOPE OF WORK	2
2.1 Site History Review	2
2.2 Site Reconnaissance Inspection	2
3.0 SITE OVERVIEW	3
3.1 Site Description	3
3.2 Utilities and Building Services	3
4.0 RECORDS REVIEW	4
4.1 Review of Aerial Photographs and Historical Mapping	4
4.2 City Directories Search	4
4.3 Title Search	4
4.4 CGI Information	4
4.5 Ecolog ERIS Information	5
4.6 MOE Data Bases	5
4.7 Water Well Records	5
4.8 MNR Natural Areas Data Base	5
4.9 Regulatory Information	5
4.9.1 Request for Information: Conservation Authority	5
4.9.2 Request for Information: Technical Standards and Safety Authority	6
4.9.3 Request for Information: The Ontario Ministry of the Environment	6
4.9.4 Request for Information: Town of Collingwood Sewer-Use By-law	6
4.9.5 Request for Information: Hydro PCB Inquiry	6
4.10 Review of Previous Reports	6

4.11	Property Management Records	6
4.12	Agreement of Purchase and Sale	6
4.13	Zoning and Environmental Constraint Mapping	7
4.14	Review of Geologic Mapping	7
4.15	Review of Topographic Mapping	7
4.16	Review of Other Historical Information	7
5.0	SITE VISIT	8
5.1	General	8
5.2	Limitations	8
5.3	Property Use	8
5.4	Observations of Adjoining Properties	8
5.5	Building Description(s)	8
5.6	Hazardous Materials	9
5.7	Unidentified Substances	9
5.8	Above Ground Storage Tanks	9
5.9	Below Ground Storage Tanks	9
5.10	Storage Containers	9
5.11	Stains and Odours	9
5.12	Potable Water Supply	9
5.13	Special Attention Items	9
5.13.1	Asbestos	9
5.13.2	Polychlorinated Biphenyls (PCB's)	10
5.13.3	Lead	10
5.13.4	Ozone Depleting Substances	10
5.13.5	Urea-Formaldehyde Foam Insulation (UFFI)	10
5.13.6	Herbicide and Pesticide Use	10
5.13.7	Radioactive Materials	10
5.13.8	Mould	10
5.14	Mechanical Equipment	10
5.15	Exterior Site Conditions	11
5.16	Water Wells	11

5.17	Sewage Disposal	11
5.18	Pits and Lagoons	11
5.19	Fill Materials	11
5.20	Waste Management	11
5.21	Stressed Vegetation	11
5.22	Waste Water	11
5.23	Watercourses, Ditches, or Standing Water	12
5.24	Roads, Parking, Facilities and Right of Ways	12
6.0	INTERVIEWS	13
6.1	Site Personnel	13
6.2	Third Parties	13
6.3	Government Officials	13
7.0	CONCLUSIONS AND RECOMMENDATIONS	14
8.0	QUALIFICATIONS OF THE ASSESSORS	15
9.0	LIMITATIONS AND USE OF REPORT	16

Figure 1: Site Location Plan

Figure 2: Site Plan

Figures 3 to 6: 1953, 1971, 1978 and 1997 Aerial Photographs

1.0 INTRODUCTION

Terraprobe Limited was retained by Darcon Inc., c/o Liberty Development Corporation, to conduct a Phase I Environmental Site Assessment (ESA) on the property located on Poplar Sideroad and Hurontario Street, Pin 58262-0081(Lt) / 0366(Lt) / 0367(Lt), Part of S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1). The subject property is located on the north side of Poplar Sideroad, east of Hurontario Street, on the S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario. The general location of the property is presented on Figures 1 and 2 and delineated on the aerial photographs (Figures 3 to 6).

The purpose of the study was to assess the environmental state of the property with respect to possible environmental risks associated with the financing of the site. The environmental study included an assessment of the likelihood that the environmental quality of the soil and ground water at the site may have been adversely affected by past and present practices at the site, and/or from the surrounding properties prior to development.

The Phase I ESA was completed to satisfy the intent of the requirements, methodology and practices described in **CSA Standard Z768-01** as per **Ontario Regulation 153/04 (EPA)**. Sampling and analysis of soil, ground water and / or other materials (i.e., construction material, air) for the purpose of assessing environmental quality were not carried out as part of the Phase I ESA.

2.0 SCOPE OF WORK

2.1 Site History Review

The following tasks were completed during the review of the historical development of the subject property:

- a review of available archival information for the site including aerial photographs, topographic mapping, and available historical maps and drawings;
- interviews with individuals with knowledge of past or current site operations;
- a review of geological and hydrogeological information in published government maps and/ or reports, and;
- a review of published Ministry of the Environment (MOE) directories related to registered PCB storage sites and active and closed landfill sites.

In addition, requests were made to various regulatory agencies to establish the status of the subject property.

2.2 Site Reconnaissance Inspection

The following issues were reviewed / assessed during site reconnaissance inspections in October/2006.

- review of activities and practices (including waste management) currently carried out on the subject property;
- assessment for the potential presence of materials which contain friable and non-friable asbestos;
- assessment for the potential presence of PCB-containing electrical equipment;
- evidence of past waste disposal or landfill on the subject property;
- presence of existing or former above ground and / or underground storage tanks;
- assessment for the potential presence of hazardous or toxic materials; and
- evidence of stained / odorous soils and stressed vegetation.

In addition, an inspection of adjacent properties was completed to assess the potential for operations being carried out on those properties to impact on the environmental condition of the subject property.

3.0 SITE OVERVIEW

3.1 Site Description

The property is located on the north side of Poplar Sideroad, east of Hurontario Street on Part of Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1 and 2).

The property covers approximately 30 ha (74 acres) and is proposed for development in the future for residential use.

The lands are primarily vacant fields.

The immediately surrounding properties are a mixture of residential and agricultural.

The Pretty River traverses the southeast corner of the subject property (as shown on all Figures).

3.2 Utilities and Building Services

The site is not currently serviced with utilities. No structures are present.

4.0 RECORDS REVIEW

4.1 Review of Aerial Photographs and Historical Mapping

Aerial photographs dating back to 1953 were reviewed (see Figures 2 to 4). These documents provide a visual record of the physical conditions on the subject property. The following summarizes development of the subject property, based upon these sources of information.

Reference	Subject Property	Surrounding Area
1953 Air Photo	Agricultural	Agricultural
1971 Air Photo	Similar to 1953	Similar to 1953
1978 Air Photo	Similar to 1971	Similar to 1971 with some residential development to the north
1997 Air Photo	Site remains vacant	Similar to 1978

Review of aerial photographs indicate that the subject property has been primarily agricultural land. The surrounding lands were originally used as agricultural land as well.

4.2 City Directories Search

A review of occupancy records was not carried out for the subject property.

4.3 Title Search

A title search was conducted for the subject property back to 1872. The property appeared to have been with several individual owners since patent in 1872 and with the current owner, since 2004.

4.4 CGI Information

The CGI Environmental Services (IAO - formerly Insurers' Advisory Organization) is a private organization which provides risk information to insurers, private corporations, and risk managers. The CGI has property plans, building surveys, and inspection reports on file for many properties within Simcoe County. CGI was not contacted to determine whether any reports or plans were available for the subject property. Review of such Plans at the Simcoe County Archives would indicate no records for this area as the area is primarily underdeveloped agricultural use.

4.5 Ecolog ERIS Information

Ecolog Environmental Risk Information Services Ltd. (ERIS) is an organization that searches various government and private environmental databases. Given the property was not developed and in an agricultural setting, a search of the Ecolog ERIS Ltd. databases was not requested for the subject site.

4.6 MOE Data Bases

Terraprobe Limited reviewed directories published by the MOE related to registered PCB storage sites and waste disposal sites. The following summarizes the information presented in those documents.

- The review of the MOE's *Ontario Inventory of PCB Storage Sites (July 1993)* did not list the subject property as a licensed PCB storage facility or any PCB storage sites in 1km of the property.
- The review of the MOE's *Waste Disposal Site Inventory (June 1991)* did not identify the subject property as active or closed waste disposal facilities. Information in that directory also indicated that the subject property had no recorded history of use as a municipal coal gasification plant or as an industrial site producing and/or using coal tar and related products.

4.7 Water Well Records

The subject property is vacant agricultural land and no wells are noticeable on site.

4.8 MNR Natural Areas Data Base

Terraprobe Limited reviewed the Natural Areas Data Base published by the Ministry of Natural Resources. The Data Base lists areas of scientific, heritage, cultural, and habitat significance in Ontario. The data base lists a few "rare species" in the area, none of which have been noted in the last 20 years. Pretty River traverses the southeast corner of the subject property.

4.9 Regulatory Information

4.9.1 Request for Information: Conservation Authority

Terraprobe Limited did not contact the local Conservation Authority. Flood plain issues are noted in the general area.

4.9.2 Request for Information: Technical Standards and Safety Authority

The Technical Standards and Safety Authority (TSSA), which maintains records related to storage tanks for petroleum related products, was not contacted, since the subject property is historically agricultural land.

4.9.3 Request for Information: The Ontario Ministry of the Environment

A written request was not submitted to the MOE to determine if that agency has information on file with respect to the subject property. Our search indicates that the property has only been agricultural in past use.

4.9.4 Request for Information: Town of Collingwood Sewer-Use By-law

The Town of Collingwood was not contacted to determine whether any infractions to the Sewer-Use By-Law had been recorded for the subject property. Sewage is not currently generated at the subject property and services are not currently provided to this site.

4.9.5 Request for Information: Hydro PCB Inquiry

A PCB inquiry to the local Hydro Company was not made. There was no utility owned transformers or electrical equipment which may contain PCBs identified on the subject property.

4.10 Review of Previous Reports

A copy of a geotechnical investigation report on Pretty River Estates prepared by Terraprobe on July 23, 2004 was reviewed. The purpose of that investigation was to determine the soil and groundwater conditions on the subject property in order to provide recommendations from a geotechnical perspective in various development processes for the site.

4.11 Property Management Records

No property management records were available for review.

4.12 Agreement of Purchase and Sale

An agreement of purchase and sale for the subject property was not provided for review.

4.13 Zoning and Environmental Constraint Mapping

The Town of Collingwood was not contacted to determine the zoning and environmental constraints associated with the subject property.

4.14 Review of Geologic Mapping

The subject lands are in an area identified as Sand Plains (Simcoe Lowlands). The geologic mapping suggests this area is covered with sand, gravelly sand and gravel type soils, typical of a near shore and beach deposits.

4.15 Review of Topographic Mapping

Based on published topographic mapping, the subject property ground surface elevation is approximately 191m above mean sea level.

4.16 Review of Other Historical Information

No other historical information was available for the subject property.

5.0 SITE VISIT

5.1 General

Visual reconnaissance inspections of the subject property were conducted by Terraprobe staff on October/2006 but previous site work by Terraprobe also extends back to 2004. The work included a visual inspection of the entire property.

The subject property was primarily vacant land at the time of the site visit. Along the northern property line there is a drainage channel/ ditch. Also, along the east property line there runs a Bell Canada easement.

The Pretty River traverses the southeast corner of the subject property.

An old CNR line runs along the eastern property line as well.

5.2 Limitations

No environmental study limitations were identified.

5.3 Property Use

The property is currently vacant land, but in the process of being built on. Historically the site was used for agriculture.

5.4 Observations of Adjoining Properties

During the site reconnaissance inspection, the following land uses were noted adjacent to the subject site:

- North - Agricultural/Vacant
- South- Agricultural/Vacant
- East- Residential/Agricultural
- West- Agricultural/Vacant

No environmental concerns were noted on the adjacent properties.

5.5 Building Description(s)

Currently there are no structures on the subject property.

5.6 Hazardous Materials

No obvious hazardous materials were identified on the property.

5.7 Unidentified Substances

No unidentifiable substances were observed on the subject property.

5.8 Above Ground Storage Tanks

No above ground storage tanks were observed on the subject property.

5.9 Below Ground Storage Tanks

No below ground storage tanks were present on the subject property. No structures were built on the property.

5.10 Storage Containers

No storage containers were noted on the subject property.

5.11 Stains and Odours

No evidence of stains or odours was noted on the subject property.

5.12 Potable Water Supply

Currently the site is not serviced due to no structures being on it. However, full services are going to be available to the subject property.

5.13 Special Attention Items

5.13.1 Asbestos

Based on information reviewed during the completion of the ESA, there are no structures where the use of asbestos is suspected.

5.13.2 Polychlorinated Biphenyls (PCB's)

The use of PCBs in the manufacturing of electrical equipment was phased out in the mid to late 1970s. There would be no environmental concerns related to PCBs given there are no structures on the premise.

5.13.3 Lead

The use of lead as a base in paints and plumbing solder was phased out in the late 1970's. Since there are no structures on the subject property lead is not an environmental concern.

5.13.4 Ozone Depleting Substances

The phase out of ozone depleting substances such as chlorofluorocarbons (CFC's) began in the early 1990's. There would be no anticipated environmental concerns related to ozone depleting substances.

5.13.5 Urea-Formaldehyde Foam Insulation (UFFI)

Urea-Formaldehyde Foam Insulation (UFFI) was introduced to Canada during the 1970's and was used until it was banned in 1980. There are no environmental concerns related to UFFI on the subject property.

5.13.6 Herbicide and Pesticide Use

The property has historically been agricultural. Therefore, the use of herbicides and pesticides on the property is considered possible but of low concern in this instance.

5.13.7 Radioactive Materials

Based on local geological formations in the area it is unlikely the site is exposed to natural sources of radiation such as radon or uranium. Man made sources of radioactive materials were not observed during the site inspection. It should be noted that a radioactive survey was not conducted during this investigation.

5.13.8 Mould

There would be no environmental concerns related to mould as there are no structures.

5.14 Mechanical Equipment

There was no mechanical equipment on the subject property at the time of the site visit.

5.15 Exterior Site Conditions

The exterior of the property was primarily occupied by vacant fields. Along the northern property line there runs a drainage ditch/channel which eventually travels southward through the property and empties into a section of the Pretty River which traverses the property.

5.16 Water Wells

No water wells were found.

5.17 Sewage Disposal

Historically, the subject property was open farm land with no structures. Therefore, there should be no septic tanks. Sewers are going to be provided to the area.

5.18 Pits and Lagoons

No pits or lagoons were identified on the property.

5.19 Fill Materials

There was no fill material noted at the time of the site visit.

5.20 Waste Management

Wastes are not currently generated on the subject property. Any existing debris on site will need to be removed from the site and disposed of at a licensed landfill.

5.21 Stressed Vegetation

Vegetation observed on the subject property did not appear stressed.

5.22 Waste Water

Waste water is not currently generated at the site.

5.23 Watercourses, Ditches, or Standing Water

The Pretty River traverses the southeast corner of the subject property. There is also an existing drainage channel/ditch that runs along the north property line then cut down southward to connect with the Pretty River.

5.24 Roads, Parking, Facilities and Right of Ways

The site is currently accessed from Hurontario Street (County Road 124).

6.0 INTERVIEWS

6.1 Site Personnel

No site personnel were interviewed during this investigation.

6.2 Third Parties

No third parties were available for interview during this investigation.

6.3 Government Officials

Government officials were not contacted for interview during this investigation.

7.0 CONCLUSIONS AND RECOMMENDATIONS

On behalf of Darcon Inc., c/o Liberty Development Corporation, Terraprobe Limited completed a Phase I Environmental Site Assessment on the property located on Poplar Sideroad and Hurontario Street, Pin 58262-0081(Lt) / 0366(Lt) / 0367(Lt), Part of S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1). The objectives of the investigation were to review historical information and document existing conditions to identify obvious or potential environmental liabilities. The work included a review of the historic development/use of the subject property and a visual inspection of the property.

This assessment is part of a due diligence step will likely be relied upon for assessing financial liability.

The subject property was a vacant field at the time of the site inspection.

- The review of historic documents indicated that the subject property has been agricultural.
- The Pretty River traverses the subject property.
- Results of the title search indicate the property was owned by several individual going back to the original patent in 1872. The subject property was transferred to the present owner in 2004.
- There was no obvious evidence suggesting the presence of asbestos containing material, PCB containing electrical equipment or former landfilling/waste disposal on the subject property.

Based upon the results of the site inspection, historic information reviewed, no environmental issues were encountered that would warrant further concern or investigation.

8.0 QUALIFICATIONS OF THE ASSESSORS

Kirk R. Johnson, P. Geo., P. Eng.

Mr. Johnson is a Senior Geotechnical Engineer and Associate of Terraprobe with over 25 years of experience in the fields of geoscience and environmental assessment. Mr. Johnson has provided environmental consulting services to various clients in both the private and public sector since 1980, and has directed several hundred geoenvironmental investigations ranging from Phase I and Phase II Environmental Site Assessments, to site remediation projects.

Stefanie Harding, Environmental Technologist

Ms. Harding is an Environmental Technologist and employee of Terraprobe. Ms. Harding has experience working in both private and public sectors. She has directed environmental site investigations as well as participated in Phase I and Phase II Environmental Site Assessments.

Terraprobe Limited

Terraprobe Limited is a consulting engineering firm that was established in 1977. The head office is located in Brampton, Ontario. Branch office locations include Stoney Creek, Barrie and Sudbury. Terraprobe Limited holds certifications of practice / licences to provide environmental consulting services with both the Professional Engineers of Ontario and the Association of Professional Geoscientists of Ontario.

9.0 LIMITATIONS AND USE OF REPORT

This report was prepared for the exclusive use of Darcon Inc., c/o Liberty Development Corporation, their financial institution, and their legal counsel, and is intended to provide an assessment of the environmental conditions on the property identified as Poplar Sideroad and Hurontario Street, Pin 58262-0081(Lt) / 0366(Lt) / 0367(Lt), Part of S½ Lot 40, Concession 8, Formerly Nottawasaga Township, now in the Town of Collingwood, Ontario (see Figure 1). Any use which a third party makes of this report, or any reliance on or decisions to be made based on it, are the responsibility of such third parties. Terraprobe Limited accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions based on this report, including consequential financial effects on transactions or property values, or requirements for follow-up actions and costs.

The assessment should not be considered a comprehensive audit that eliminates all risks of encountering environmental problems. The information presented in this report is based on information collected during the completion of the Phase I Environmental Site Assessment by Terraprobe Limited. It is based on the conditions on the subject property at the time of the site inspection supplemented by a review of historical information to assess the environmental conditions on the subject property, as reported herein. Sampling and analysis of soil, ground water or any other material was not carried out as part of this assessment for environmental purposes.

In assessing the environmental conditions / history of the subject property, Terraprobe Limited has relied in good faith on information provided by others, as noted in this report, and has assumed that the information provided by those individuals is factual and accurate. Terraprobe Limited accepts no responsibility for any deficiency, misstatement or inaccuracy in this report resulting from the information provided by those individuals.

There is no warranty expressed or implied by this report regarding the environmental status of the subject property. Professional judgement was exercised in gathering and analysing information collected by our staff, as well as that submitted by others. The conclusions presented are the product of professional care and competence, and cannot be construed as an absolute guarantee.

In the event that during future work new information regarding the environmental condition of the subject property is encountered, or in the event that the outstanding responses from the regulatory agencies indicate

outstanding issues on file with respect to the subject property, Terraprobe Limited should be notified in order that we may re-evaluate the findings of this assessment and provide amendments, as required.

We trust this report meets with your requirements. Should you have any questions regarding the information presented, please do not hesitate to contact our office.

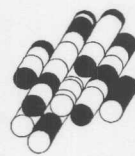
Sincerely,
Terraprobe Limited

Ms. S. Harding
Environmental Technologist

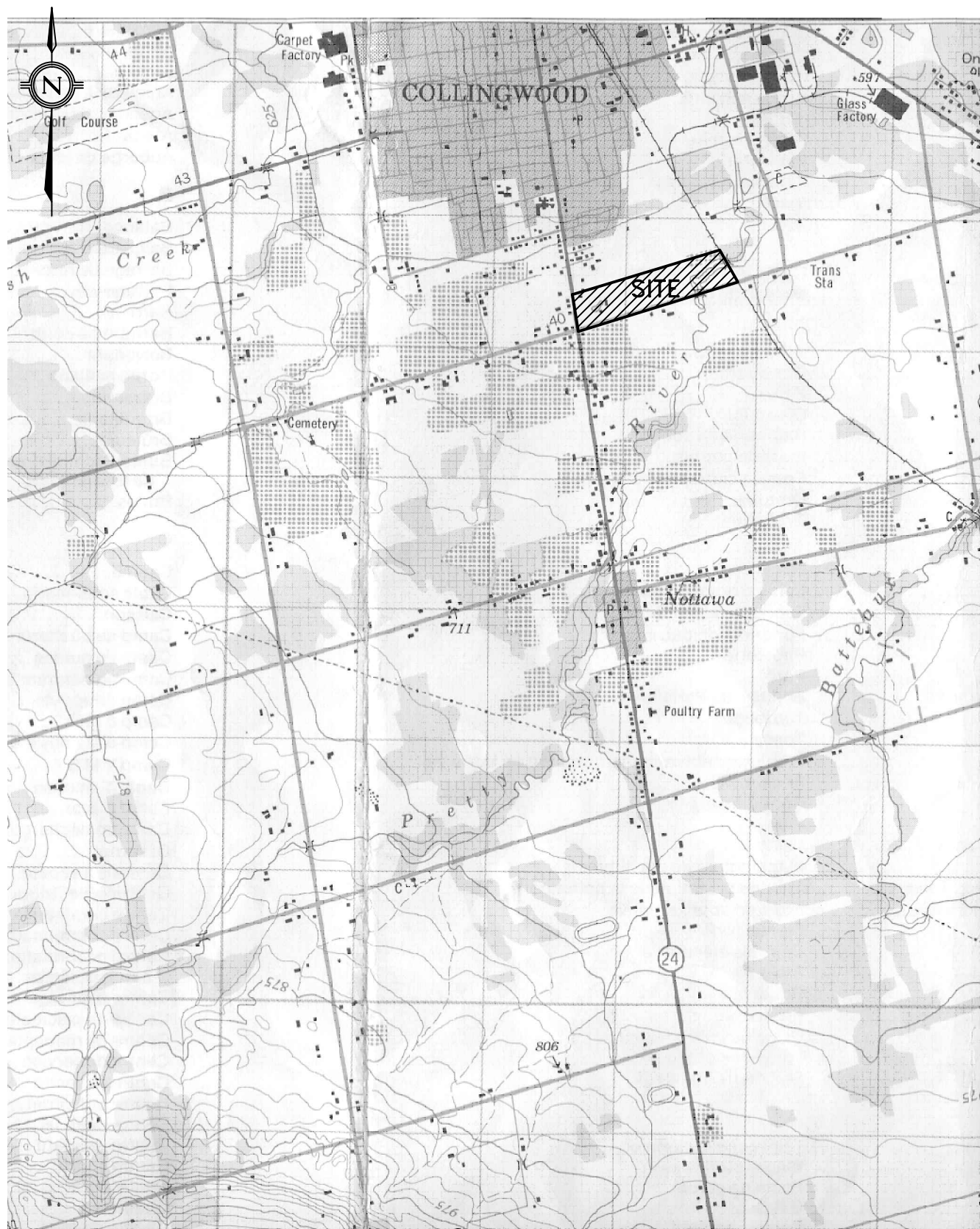
Kirk R. Johnson, P. Geo, P. Eng.
Associate

SH/lc
Barrie Office

FIGURES



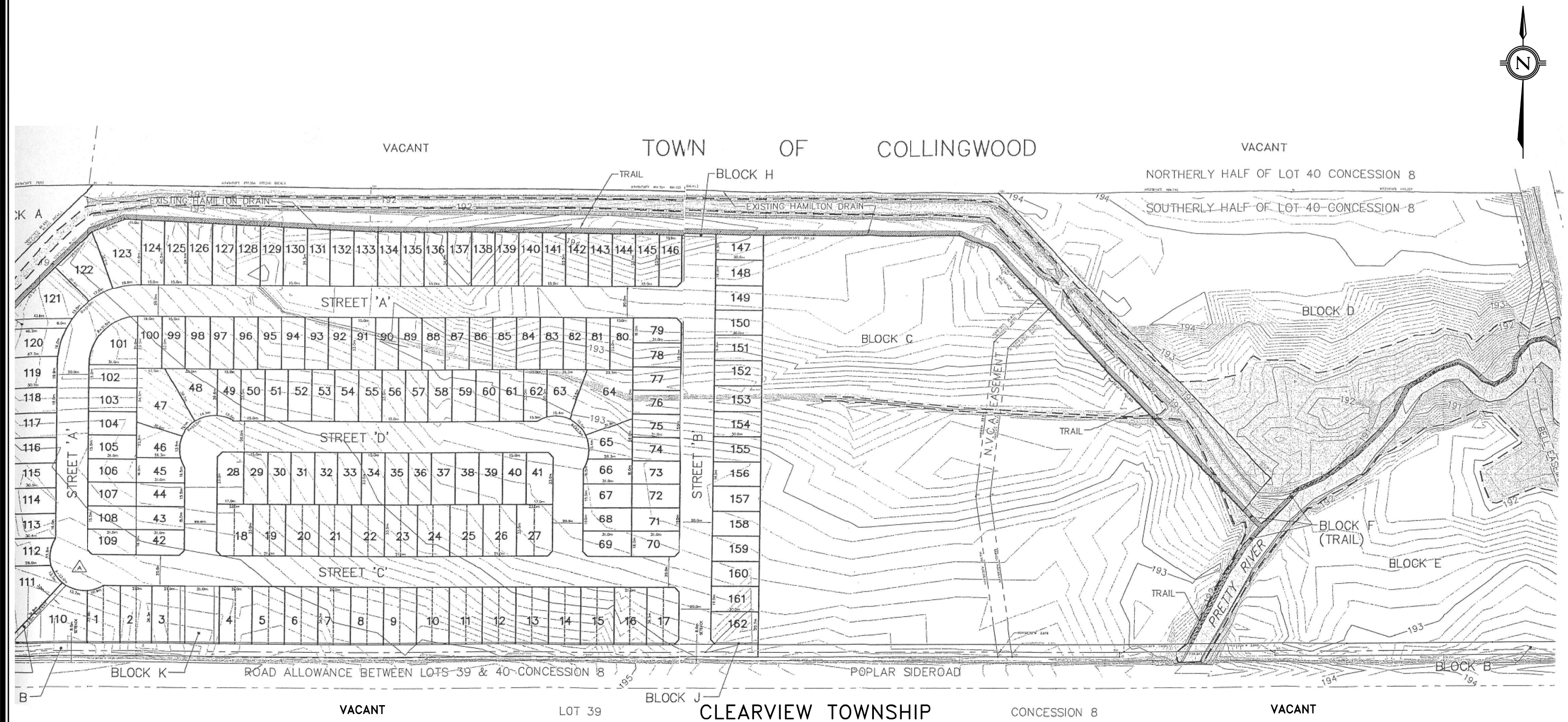
**Terraprobe
Limited**



OCTOBER 2006

SITE LOCATION PLAN

3-06-2138



OCTOBER 2006

SITE PLAN

3-06-2138



OCTOBER 2006

1954 AERIAL PHOTOGRAPH

3-06-2138



COURTESY OF THE MINISTRY OF NATURAL RESOURCES

FIGURE 3



OCTOBER 2006

1971 AERIAL PHOTOGRAPH

3-06-2138



COURTESY OF THE MINISTRY OF NATURAL RESOURCES

FIGURE 4



OCTOBER 2006

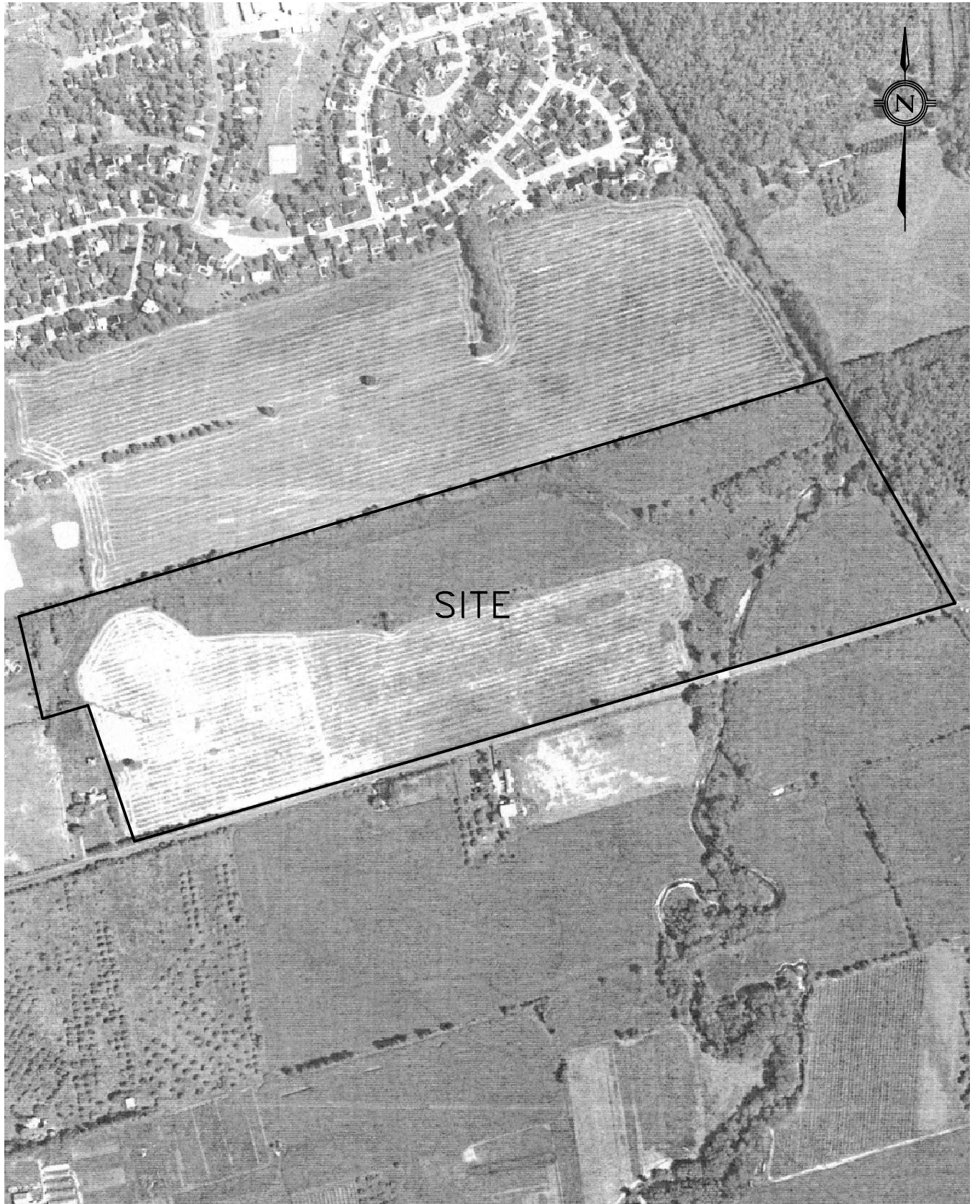
1978 AERIAL PHOTOGRAPH

3-06-2138



COURTESY OF THE MINISTRY OF NATURAL RESOURCES

FIGURE 5



OCTOBER 2006

1997 AERIAL PHOTOGRAPH

3-06-2138



COURTESY OF THE MINISTRY OF NATURAL RESOURCES

FIGURE 6