



Canadian Maritime Engineering Ltd

Head Office: 90 Thornhill Drive, Dartmouth, Nova Scotia, Canada B3B 1S3 Tel: 902-468-1888
Fax: 902-468-1890 www.cmelimited.com



November 17, 2014

Attention:
Malcolm Gillis
Planning and Development Department
Cape Breton Regional Municipality
Phone 902-563-5027

mggillis@cbrm.ns.ca

Dear Sir,

I am writing this letter to request the sale of the property commonly known as "Archibald's Wharf" from the Cape Breton Regional Municipality to Canadian Maritime Engineering. We are the owners of the adjoining property commonly known as North Sydney Shipyard.

We wish to purchase the entire parcel to give us a footprint that will allow us to become a major hub for ship building, repair, service and heavy modular fabricating on the East Coast. We need the wharf and the lay down space to be able to support the work we want to bring to North Sydney. Our ambition is to become a major infrastructure supporter of the DND/Coast fleet, commercial and fishery fleets, offshore oil and gas developments and heavy mining development in the Arctic.

Any one of these business streams could bring financial health and success to our endeavour. With four target markets, the right location and infrastructure and local skills available, CME is prepared to build and invest at this site, growing to become a centre of excellence for this type of business and the jobs and economic rewards it creates. We need this footprint now to grow this business or another generation of North Sydney tradespeople will be moving away to work on these projects and vessels elsewhere.

We are a growing Canadian company servicing international markets. We believe the growth of our company will have a direct positive impact on the community of North Sydney in terms of jobs, economic spinoffs and prosperity.

Thank you for your time and consideration and I am available to discuss, elaborate, or present my plan to you or your council on very short notice, because we are very eager to move forward with this endeavour before the opportunity is lost.

Regards,
Tony Kennedy, President CME

Service Shop Locations : CME Marine Works: 1420 Ketch Hbr Rd, Sambro, NS, B3V 1L1, P: 902-868-2007, F: 902-868-2764
: Western Canada: 825 Admirals Rd, Victoria, BC, V9A 2P1, P: 250-475-3553, F: 250-475-3554
: Central Canada: 4248 Broughton Ave, N F, ON, L2E 3K6, P: 289-296-6277, F: 905-356-6760
: Coatings & Crane Div: 11 Acadia St, Dartmouth, NS, B2Y 2N1, P: 902-434-8660, F: 902-434-8550
Canadian Alberni Engineering: 3101 Bird St, Port Alberni, BC V9Y 4B8, P: 250-723-0111, F: 250-723-0999 www.alberni-cae.com



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LETTER OF INTENT

November 17, 2014

Re: Letter of Intent to Purchase
Archibald's Wharf
North Sydney, NS

Att: Mr. Malcolm Gillis
Cape Breton Regional Municipality
Planning & Development Department
320 Esplanade
Sydney, NS
B1P 7B9

Subject to the execution of a definitive and mutually acceptable agreement of purchase and sale, within 30 days after execution of this Letter of Intent, the undersigned offers to purchase the property known as Archibald's Wharf, North Sydney, Nova Scotia. In accordance with the following terms and conditions:

1. Seller(s): Cape Breton Regional Municipality

2. Buyer: Canadian Maritime Engineering

3. Subject Property: The property, which is the subject of this offer, is identified as Archibald's wharf. Together with the real property, Buyer is also purchasing all of Seller's rights, title and interest in all of the fixtures, improvements, leases, maps, reports, plans, and other such material is having to do with the Subject Property including all land use entitlements, governmental permits and allocations, and other such governmental and agency approvals.

4. Purchase Price: \$200,000.00

5. Seller shall fully cooperate with Buyer in providing any and all information available regarding the development potential of the property.

Regards,

Tony Kennedy – President
Canadian Maritime Engineering

Daniel Russell - President
Russell Industries Corp.

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