Aerial sweep of 3L Ranch’s Cattle Headquarters – Small Feedlot on right side.
INTRODUCTION

Shortly after designation as a full-fledged province in 1905, Saskatchewan launched an aggressive policy which encouraged agriculturally-inclined Central European emigrants to settle Canada's rich prairie lands. Possessing particular strengths and with a history of success raising small grains, large numbers of Ukrainian families – seeking freedom and private land ownership – left Russia for the remarkable opportunity which Saskatchewan offered. These families were truly nuclear – they knew how to work and responded to the incentive of trying "new world" farming practices on their own land.

The remarkable Ukrainian Museum – under the aegis of the University of Saskatchewan in Saskatoon – stands as a cultural repository and witness to one of the most inspiring and important chapters of immigration history in Canada.

Fifty-five years ago, at the age of 15, David Dutcyvich left his home near Watson and "went to the Coast" to begin an astounding career as a logger in the incredible forests of British Columbia and, notably, in the enormous conifer stands on Vancouver Island.

By the time David was 18, he was running rigging crews. At age 23, he launched a small contract logging and trucking company. Possessing an extraordinary combination of physical stamina, intelligence and plenty of moxie, Dutcyvich grew his outfit into a firm which harvests timber for the major lumber and pulp companies in Western Canada. With over 400 employees – Lamare Lake Logging, Ltd – delivers the third largest volume of timber to mills in British Columbia today.

Raised just 35 miles south of the Ranch, the rich agricultural and livestock area between Naicam and Tisdale was planted in Dutcyvich’s mind and heart. As the logging company’s success burgeoned, he purchased his first “quarter” – 160 acres – over 25 years ago.

At this time, the 3L Ranch encompasses about 28,170 acres of productive and desirable land. This remarkable holding is comprised of about 18,120 acres of deeded land plus approximately 10,050 acres of strategic leased land.

This straightforward gentleman can drive interested parties through this ranching and agricultural empire and point out 10,000 to 20,000 acres of deeded land which could readily be added – something for the next vigorous and visionary owner to consider.

Several years ago, David Dutcyvich turned Lamare Lake Logging, Ltd over to his two sons. He has now chosen to simplify life and his estate by offering the 3L Cattle Company Ranch near Naicam, Saskatchewan.
OPERATIONAL HISTORY

In January 2014, David Dutcyvich made the decision to sell the entire cattle herd in order to simplify his operational involvement until the 3L Ranch is sold.

He is leasing pasture for up to 4,000 yearling cattle commencing about May 15 and will graze the Ranch for 150 to 180 days depending on when lessees decide to ship.

Historically, the Ranch was operated as a traditional cow-calf operation with calves born from mid-April through May. Most of the calves were carried over each winter and then sold as true yearlings the following April and May. The lighter end was carried into September. Typical calf and yearling weights were as follows:

- Fall-Weaned Calves
  - Steers 625 Pounds
  - Heifers 525 Pounds
- Yearlings
  - Steers 850 Pounds
  - Heifers 775 Pounds

In addition to cash crops, the Ranch’s fertile farmland produced sufficient silage, hay and straw for winter forage which generally averages about 2.50 tons per animal in this region.

In keeping with past years, the Ranch’s land could be utilized approximately as follows:

<table>
<thead>
<tr>
<th>Usages</th>
<th>Deeded Acres</th>
<th>Leased Acres</th>
<th>Total Acreages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grazing</td>
<td>9,720</td>
<td>9,050</td>
<td>18,770</td>
</tr>
<tr>
<td>Hay &amp; Forage</td>
<td>3,500</td>
<td>300</td>
<td>3,800</td>
</tr>
<tr>
<td>Cash Crops</td>
<td>4,500</td>
<td>700</td>
<td>5,200</td>
</tr>
<tr>
<td>Other</td>
<td>400</td>
<td>-0-</td>
<td>400</td>
</tr>
<tr>
<td>Total Acreages</td>
<td>18,120</td>
<td>10,050</td>
<td>28,170</td>
</tr>
</tbody>
</table>

The 3L Cattle Ranch is positioned for comfortably running about 1,500 brood cows plus 200 replacement heifer plus 90 bulls. More land could be devoted to cash crop.

Some knowledgeable observers are convinced that summer pasturing about 8,000 yearlings for about five months may be the simplest and most profitable way to operate the Ranch.
AGGREGATE RESOURCES

Of particular importance has been the recent identification of sizable aggregate deposits under approximately 3,800 acres of the Ranch.

Preliminary estimates from a knowledgeable third-party consultant on the study area of 3,800 acres indicate about 92,250,000 metric tonnes of aggregate suitable for asphalt, concrete, road base and rip-rap.

Estimates at $2.07 per tonne on 82,338,000 tonnes of gravel and sand plus $3.20 per tonne on 9,919,000 tonnes of rip-rap indicate total potential revenue of $202,181,000 over a 20 to 30-year time frame.

Currently, the local market for these materials is from rural municipalities, highway projects and potash mines. Consulting reports also indicate feasible movement of materials by rail to larger markets in Regina and Saskatoon.

On a limited “start-up” basis, the Ranch has sold an average of about $150,000 annually in 2013 and 2014.

FENCING & ROADS

Because of the Ranch’s combination cattle-and-grain operation, David Dutcyvich built and has carefully maintained about 175 miles of strong four-wire fence with treated posts and braces – using best materials.

This extraordinary investment in fencing enables smooth transitions between grazing and farming uses of the land. Concerns about livestock straying onto public roads or into valuable field crops are minimized.

Additionally, at least five miles of internal, privately-built roads have enhanced movement of cattle and farm machinery. Because of Dutcyvich’s considerable experience in logging road construction, these private roads were constructed with ample base rock and plenty of culverts to enhance water flows from the many creeks, ponds and lakes threading through the Ranch.
**OUTLINE OF LEASED LAND - APPROXIMATE**

<table>
<thead>
<tr>
<th>Entity</th>
<th>Acres</th>
<th>Grazing</th>
<th>Grazing &amp; Hay</th>
<th>Crops</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Parties</td>
<td>1,400</td>
<td>760</td>
<td>-0-</td>
<td>640</td>
</tr>
<tr>
<td>Province of Saskatchewan</td>
<td>4,450</td>
<td>4,160</td>
<td>300</td>
<td>-0-</td>
</tr>
<tr>
<td>Kinistan Saulteaux Tribal Nation</td>
<td>4,200</td>
<td>4,200</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Totals</td>
<td>10,050</td>
<td>9,120</td>
<td>300</td>
<td>640</td>
</tr>
</tbody>
</table>

The total annual cost of all leases is about $135,000 averaging $13.00 per acre.

**REAL PROPERTY TAXES**

In 2014, the Ranch paid about $45,000.00 in real estate taxes – right at $3.35 per deeded acre.

**WATER & MINERAL RIGHTS**

The Ranch has no ownership of water and mineral rights which is often the case on Canadian farms and ranches as the Crown retained most of these rights when the Nation was formed. These rights were eventually passed on to the Provinces.

At this time, there are no limitations on water use from lakes and streams located on or flowing through the Ranch.
CROP & FORAGE PRODUCTION

The Seller averaged the following crop yield averages per acre in 25 years of operating the 3L Ranch:

- Spring Wheat – 60 Bushels
- Canola – 40 Bushels
- Oats – 85 Bushels
- Flax – 30 Bushels
- Canary Seed – 1,200 Pounds
- Feed Barley – 75 Bushels
- Silage Barley – 11 Wet Tons
- Hay Barley – 4 Dry Tons
- Feed Peas – 39 Bushels
- Alfalfa & Grass – 2 Dry Tons

(One Cut Then Pasture)

The Seller established strong agricultural practices – timely planting with best available seed, consistent and full-measure fertilization, and timely harvesting with good equipment.

It should be noted that all of these crops were not planted every year – wise rotation contributes to ongoing productivity.

Additionally, it must be understood that all agricultural production is completely dependent on weather conditions – timely precipitation and sufficient growing season warmth.

PRECIPITATION & CLIMATE

Average Annual Precipitation

Millimeters – 412.50
Inches – 15.85

The important planting and growing months of May through August receive 243.90 mm or 9.61 inches – 60% of the yearly total.

Saskatchewan enjoys Canada’s brightest climate with about 2,250 hours of sunshine annually.

Temperature Ranges

<table>
<thead>
<tr>
<th>Month</th>
<th>Day-Time Highs</th>
<th>Night-Time Lows</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>-13.5°C or 8°F</td>
<td>-23.3°C or -10°F</td>
</tr>
<tr>
<td>July</td>
<td>23.6°C or 75°F</td>
<td>11.2°C or 53°F</td>
</tr>
</tbody>
</table>

Average Frost-Free Period – 101 Days

- Last Spring Frost – May 28
- First Fall Frost – September 7

The foregoing statistics were obtained from the Saskatchewan Ministry of Agriculture Office in Tisdale and are based on measurements at the Melfort Station.
## OVERVIEW OF BUILDINGS & IMPROVEMENTS

Because of the Ranch’s extensive number of homes, buildings and improvements a more complete description is also available for interested parties. The construction year is noted for most buildings.

**Owner’s Compound**

<table>
<thead>
<tr>
<th>Item</th>
<th>Square Feet</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodge</td>
<td>2,500</td>
<td>2000</td>
</tr>
<tr>
<td>Cabin</td>
<td>400</td>
<td>2000</td>
</tr>
<tr>
<td>Cabin</td>
<td>400</td>
<td>2000</td>
</tr>
<tr>
<td>Garage</td>
<td>1,380</td>
<td>2007</td>
</tr>
</tbody>
</table>

Well-built lodge – 2,500 square feet and not “over-the-top”.

Three very comfortable guest cabins – each contain over 400 square feet.

Solid garage & storage – nice complement to Owner’s Compound.

Mizhashk Lake from lodge deck – covers about 600 acres.

Mizhashk Lake in foreground looking north to Owner’s Compound.

Owner’s Compound – lodge, three cabins, garage.
Buildings & Improvements

Cattle Headquarters

- Home – 1,200 sf – 1995
- Garage – 380 sf – 2005
- Office – 240 sf – 1991
- Shop – 1,600 sf – 1995
- Horse Barn – 2,160 sf – 1995
- Horse Barn – 1,600 sf – 1995
- Calving Barn – 3,000 sf – 1995
- Calving Barn – 2,400 sf – 1995
- Open Shed – 360 sf – 1995
- Grain Mill – 2000
- Grain Bins (5) – 8,500 bushels
- Corrals
- Loading Chute
- Above-Ground Fuel Tanks
  - Diesel 5,000 Ltr/1,320 Gal
  - Gasoline 4,000 Ltr/1,050 Gal

Entrance to 3L Cattle Headquarters.

Solid shipping chute.

Fuel storage and grain bins.

Partial view of extensive corrals and horse barn.

Cattle manager’s home.
**Buildings & Improvements**

**Large Feed Lot – Built in 2005**
- Shop – 3,600 sf
- Chute House – 1,800 sf
- Grain Shed – 770 sf
- Feed Lot Pens – 2,000 head
- Truck Scales – 150 tons
- Grain Bins (14) – 63,000 bushels
- Fertilizer Bins (2) – 3,000 bushels

Note: Lot is Licensed for Expansion to 5,000 Head.

**Small Feed Lot - Built in 2000**
- Pens – 100 head capacity

2,500-head feedlot – Ranch is licensed for 5,000-head capacity.

Grain bins at Large Feedlot – 63,000 bushels of storage.

Truck scales at Large Feedlot with 150-ton capacity.

One row of feed bunks and wide alley.

Interiors of chute house.

Stout shipping chute at Large Feedlot.
Buildings & Improvements

**Farm Headquarters – Built in 1995**

- Home – 1,350 sf
- Repair Shop – 480 sf
- Machinery Shed – 4,800 sf
- Horse Barn – 1,000 sf
- Bunkhouse – 480 sf
- Grain Bin – 2,000 bushels
- Above-Ground Fuel Tanks
  - Diesel 10,000 Ltr/2,460 Gal
  - Gasoline 5,000 Ltr/1,320 Gal

Spacious yard – grain bin, bunkhouse and horse barn.

4,800 square foot repair shop and 2,400 square foot machinery storage.

Farm manager’s home.
Buildings & Improvements

**Wittynek Place**
- Home – 1,040 sf – 1975
- Garage – 280 sf – 1980
- Barn – 1,440 sf – 1980
- Shed – 120 sf – 1975

**Biehn Place**
- Grain Bins (8) – 16,500 bushels

**Fehr Place**
- Home – 1,200 sf – 1970
- Small Shed – 1970

**McClaren Place**
- Home – 1,100 sf – Remodel 1980
- Numerous Outbuildings & Corrals

**Mann Place**
- Home – 1,200 sf – 2000
- Garage – 340 sf – 2000

**Winter Range Facilities**
- Corrals
- Grain Bins (7) – 8,000 bushels

*Note: The foregoing information has been obtained from sources considered as reliable; however square footages, grain bin capacities, and fuel tank capacities have not been personally measured by the Seller or the Agent.*

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View of Biehn Place – 16,500 bushels of grain storage.

Beautiful mosaic of fertile land and plenty of water.
WILDLIFE – FISHING – RECREATION

David Dutcyvich has harvested trophy big game animals the world over and a large part of the 3L Ranch’s appeal has been its abundant wildlife.

The Ranch harbors good numbers of big game animals – moose, elk, mule deer, whitetail deer, black and cinnamon bear all are frequently seen and are certainly harvestable.

During a helicopter flight in 2010, over 60 moose were counted on the Ranch. A world record whitetail buck has been taken and any number of trophy bucks are readily spotted.

This region is one of the important flyways for migratory waterfowl in North America. The Ranch attracts innumerable flocks of Canadian geese – many will weigh 12 pounds – and every specie of ducks are seen in untold thousands.

Healthy bush areas hold many species of smaller wildlife and its skies are graced by hawks, eagles and songbirds.

Walleye, pike and perch fishing is very satisfying. The Ranch’s larger lakes hold abundant numbers and fishing on the Barrier River is considered very good.

The Ranch also enjoys about a mile of deeded frontage plus about three miles of Crown land on the Kipabiskau Lake – a beautiful six-mile long lake on the river full of fish with plenty of surface for leisure boating, water-skiing, and kayaking.

Mizhashk Lake, with about 600 surface acres, graces the Owner’s Compound Parcel with a mile of frontage – providing a wonderful viewscape and quiet water for canoeing and kayaking.

The terrain is gentle and rolling – excellent for hiking, horse-back riding, ATV outings, and winter sports including snow-shoeing, cross-country skiing and tremendous snowmobiling.

The Saskatchewan Snowmobile Association developed a system of world-class, groomed snowmobile trails which connect to routes from Edmonton, Alberta and as far away as Flin Flon, Manitoba. Dutcyvich has wisely allowed trail access through the Ranch.

A popular outdoor television show, “Canada in the Rough” – produced a special feature in the Fall of 2012 on the Ranch’s abundant and enjoyable hunting resources.
LOCATION & ACCESS

The 3L Cattle Ranch enjoys good access via national and provincial highways and rural municipal (county) roads.

Highways 6, 35 and 349 provide a “horseshoe” of paved roads from which well-maintained, all-season graveled roads run into both the Cattle and Farm Headquarters.

Driving distances from the Cattle Headquarters to surrounding towns and cities are approximately as follows:

- Watson: 63 Kms = 39 Miles
- Naicam: 30 Kms = 18 Miles
- Tisdale: 55 Kms = 34 Miles
- Melfort: 68 Kms = 42 Miles
- Saskatoon: 218 Kms = 135 Miles
- Regina: 251 Kms = 156 Miles

Naicam is a small village replete with an auto-truck dealer, bank branches, elementary school, churches and Chan’s – a surprising Chinese cafe.

Tisdale is a complete small Western Canadian town of about 3,800 people with a 24-bed hospital plus requisite goods and services to support agricultural and livestock operations. Cumberland Regional College rounds out this bustling town.

Melfort – population about 5,200 known as “the City of Northern Lights” – also supports this fertile region at the crossroads of Highways 3 and 6. Melfort Union Hospital offers a wide spectrum of clinical services.

Good commercial airline connections at the Saskatoon and Regina International Airports bring the Ranch into reasonable global reach.
Saskatchewan – “swift flowing river” in the Cree tribal tongue – covers 588,300 square kilometers or 227,100 square miles. The Province's 2011 population was estimated at 1,094,000 with 257,000 living in Saskatoon and about 210,000 residing in Regina – the Provincial Capital.

Centered between Manitoba and Alberta – these three “prairie provinces” comprise a bread-basket of world-wide importance – Saskatchewan was first inhabited by the Chippewa, Cree, Saulteaux, Assiniboine, Astina and Sioux – all First Nation Tribes.

Henry Kelsey, an English explorer arrived, in 1690 and was soon followed by fur trappers and traders of the Hudson's Bay and the North West Companies. Early settlement began in 1774 – serious colonization commenced in the late 1800s.

In the 1870s, the Crown purchased much of the land previously granted to the fur trading companies and formed the Dominion of Canada. Saskatchewan was one of the provisional districts under the Northwest Territories Act of 1876.

The transcontinental Canadian Pacific Railway, crossing Saskatchewan in 1884, opened up the prairies to settlement and concerted efforts to plow grass and plant wheat. Much of the native prairie was converted to cropland by 1930. By 1927 Saskatchewan led Canada in the production of wheat, oats, rye and flax. This leadership continues today along with newer crops of canola, barley, peas, lentils and canary seed.

One of the most significant events in Saskatchewan's history was the founding of the University of Saskatchewan in 1907. Established as an agricultural college, its remarkable 2,400-acre campus is situated on the east bank of the South Saskatchewan River and is the pride of the Province.

With agricultural research as its founding purpose, no university in North America has extended a more successful outreach to transform research theory into practice in the fields, rangelands and forests.

The College of Agriculture was formed in 1909 followed by the College of Engineering in 1921. In 1964, the Western College of Veterinary Medicine was established. This school quickly gained international acclaim in animal reproduction, infectious diseases, toxicology and wildlife health.

The University of Saskatchewan offers over 200 academic programs and has gained deserved stature in many disciplines. Research remains as this wonderful educational beacon’s reason for existence – with discoveries such as cobalt-60 cancer therapy indicative of its ever-broadening influence and achievement. Currently, the University hosts nearly 17,000 undergraduate students, almost 2,000 post-graduates, and about 800 who are pursuing doctoral degrees.

While millions of acres of productive cultivated farmland, largely unsullied natural grasslands, and renewable forests are Saskatchewan’s underpinning, considerable economic diversity has surfaced in recent years.

The Province leads the world in potash production. Oil and gas production continues to leap along with mining and refining of significant uranium deposits. Even diamond production is growing. It is the ninth largest supplier of oil to the United States possessing proven reserves of 1.2 billion barrels of conventional oil plus 1.5 barrels of recoverable tar sands oil.

Saskatchewan has been, until quite recently, Canada’s undiscovered province. Going forward, the enormous hunger of China and India along with other rising nations for the food, fiber and energy produced by the Province is leading to unprecedented demand for its abundant natural resources and productive land.

Canada has clearly understood its role and opportunities as a major producer and exporter of natural resources to the world for over 300 years. Much of its vast territory was discovered by the intrepid Scottish, English, Irish, French and Russian explorers driven to harvest beaver pelts for fashionable top hats worn by European aristocrats and upper-crust commoners.

This recognition and wise production of natural resources along with the conservative financial practices instituted by early Scottish bankers – still largely in place – have enabled this rich nation to enjoy relative stability in today’s heavy political and economic seas. None of the Provinces surpass the truly remarkable attitude and positive business climate evidenced in Saskatchewan today.
SUMMATION

The 3L Ranch represents one of the most attractive large land holdings now available in Saskatchewan and Western Canada. Twenty-five years of careful assemblage have resulted in one of the best balanced beef and agricultural combinations to surface in many decades.

The wonderful combination of Saskatchewan’s “black soil” and timely growing season precipitation – averaging 60.98 mm or 2.41 inches per month from May through August – is a true wonder of nature. This timely moisture and plenty of sunshine combine to create a yearly explosion of crop and grass growth not often found in North America.

There is solid potential for expansion of the Ranch as many long time neighbors are “graying”. With thoughtful considerations, such as granting life estates on homes and a couple of acres, the succeeding owner could strategically expand and continue blocking up the Ranch.

The average value of Saskatchewan farmland increased 22.90% in 2011 and 19.70% in 2012.

Farm Credit Canada’s 2013 Land Value Report indicated that Saskatchewan’s farm land appreciated 28.50%.

The report for 2014 is also expected to be strong.

Saskatchewan contains 40% of Canada’s arable land.

Now is a very propitious time for farmers and ranchers to seriously consider Saskatchewan in general and the 3L Cattle Ranch specifically.

The same can be said to investors seeking the stability of the most useful, productive and enjoyable of all “hard” assets - farm and ranch land - located in one of today’s most favorable national economies.

The recent discovery of significant aggregate deposits on the 3L Ranch adds a solid element of value to this remarkable operational and investment grade opportunity.

Finally, the 3L Ranch offers an unusual opportunity to participate and invest in the highly-respected and satisfying endeavor of producing food and fiber for ever-expanding domestic and global markets on a significant and seldom available scale in Saskatchewan.
## OFFERING PRICE

- **Real Estate**
  - Deeded Land: 18,120 Acres @ $848.00 per Acre, $15,358,000
  - Crown Leased Land: 5,845 Acres @ $366.00 per Acre, 2,142,000
  - Improvements - Fencing, Buildings, Feed Lot, Scales, etc., 3,000,000
- **Machinery & Equipment**, 1,500,000

**Total Offering Price** $22,000,000

**Aggregate Royalty** - The Seller Shall Retain a 10% Royalty for 10 Years After Production Commences.

## CONDITIONS OF SALE

- Prospective Buyers must demonstrate to the Seller’s sole satisfaction their financial capability to consummate a purchase prior to scheduling an inspection of the Ranch;
- Offers to Purchase must be in writing and accompanied by an earnest money deposit check or wire transfer in the amount of 3.00% of the Offering Price;
- Earnest money deposits will be placed in an escrow trust account approved by the Seller;
- Seller will provide current copies of titles from the Province of Saskatchewan’s Land Title Registry for each parcel of deeded land for the Buyer’s review;
- Seller will execute all documents required to assign and transfer all appurtenant leases to the Buyer.

Buyers’ Brokers Are Welcome and Cordially Invited to Contact C. Patrick Bates for Information Regarding Cooperation Policies. He May Be Reached at 801-560-4259 or at cpb@bateslandco.com.

This Offering is Subject to Errors, Omissions, Prior Sale, Change or Withdrawal Without Notice and Approval of Purchase by the Seller. Information Regarding Land Classifications, Acreages, Carrying Capacities, Etc., are Intended Only as General Guidelines and Have Been Obtained from Sources Deemed Reliable. Accuracy Is Not Warranted or Guaranteed By the Seller Nor By Bates Land Consortium, Inc. Prospective Purchasers Should Verify All Information to Their Sole and Complete Satisfaction.
Barrier River in foreground looking south across the Ranch.