Dominion Citrus Limited | **Schedule 1**
Estimate of Value as at March 31, 2014
Summary of Values
$CDN

	Reference	Low	Midpoint	High
Valuation of Dominion Citrus Limited En Bloc				
			Enterprise Value	
Discounted Cash Flow	Schedule 2	11,789,866	14,156,111	16,522,356
Sum of Parts	Schedule 3	5,120,765	7,876,015	10,631,265
			Equity Value	
Discounted Cash Flow	Schedule 2	(11,202,603)	(8,836,358)	(6,470,113)
Sum of Parts	Schedule 3	(14,226,151)	(11,470,901)	(8,715,651)
Enterprise Value of Dominion Citrus Limited Without Dominion Farm				
Value of Dominion Farm (Stand-alone basis)	Schedule 7.1	7,860,000	8,300,000	8,740,000
Value of Dominion Citrus Limited En-Bloc	Schedule 2	11,789,866	14,156,111	16,522,356
Loss of Value due to Dominion Farm Exclusion	Schedule 11	(8,581,735)	(9,453,727)	(10,325,718)
Valuation of Dominion Citrus Limited Excluding Dominion Farm		3,208,131	4,702,385	6,196,638

Note:

The above determined equity value consists of both common and preferred shares. While we have not attempted to separate the equity value into these two components, we note that the fair market value of the preferred shares is likely not appropriately represented by its book value given the fact that interest is not being paid out to the preferred shareholders on an ongoing basis and the timing of the redemption of the shares remains in doubt.

Dominion Citrus Limited
Estimate of Value as at March 31, 2014
Going Concern Value - Discounted Cash Flow Methodology
$CDN

		Note / Reference	2012	2013	Q1 2014	LTM	2014	Q2-Q4 2014	2015	2016	2017	Residual Value
Revenue		Note 1	**71,124,000**	**75,035,052**	**20,415,682**	**74,999,711**	**76,327,688**	**55,912,006**	**78,235,880**	**80,191,777**	**82,196,571**	
									2.5%	*2.5%*	*2.5%*	*2.5%*
Normalized EBITDA		Note 1	**1,859,786**	**1,692,989**	**753,478**	**2,144,363**	**2,239,458**	**1,485,980**	**2,079,284**	**2,131,266**	**2,184,548**	**2,239,162**
- Margin - %			*2.6%*	*2.3%*	*3.7%*	*2.9%*	*2.9%*	*2.7%*	*2.7%*	*2.7%*	*2.7%*	*2.7%*
Less: Depreciation		Note 2			121,165		528,497	407,332	500,000	500,000	500,000	450,000
EBIT								**1,078,648**	**1,579,284**	**1,631,266**	**1,684,548**	**1,789,162**
Less: Income Taxes @	26.50%	Note 3						-	-	117,597	288,984	(474,128)
After-Tax Earnings								**1,078,648**	**1,579,284**	**1,748,863**	**1,973,532**	**1,315,034**
Add: Depreciation		Note 2						407,332	500,000	500,000	500,000	450,000
Less: Capital expenditures		Note 1						(400,600)	(450,000)	(450,000)	(450,000)	(450,000)
Less: Changes in non-cash working capital		Note 4						(90,094)	(24,833)	(25,453)	(26,090)	(26,742)
Free Cash Flow								**995,286**	**1,604,451**	**1,773,410**	**1,997,442**	**1,288,292**
Terminal growth	2.5%											
Residual Value - Low	8.00	Note 5										**10,306,334**
Residual Value - High	9.52	Note 5										**12,269,445**
Present value factor - Low	15.0%	Note 6						0.9487	0.8393	0.7298	0.6345	0.6345
Present value factor - High	13.0%	Note 6						0.9550	0.8580	0.7593	0.6718	0.6718
Present Value of Cash Flows - Low								944,239	1,346,624	1,294,289	1,267,405	6,539,510
Present Value of Cash Flows - High								950,501	1,376,565	1,346,483	1,341,884	8,242,624
									Low		**High**	
Sum of Present Value of Future Cash Flows									**11,392,067**		**13,258,057**	
Cash & equivalents		Note 7							1,500,300		1,500,300	
Lawsuit with former executive (after-tax amount)		Note 8							(1,102,500)		1,764,000	
Enterprise Value									**11,789,866**		**16,522,356**	
Capital Leases		Schedule 4							(41,791)		(41,791)	
Capital Leases - Long-Term		Schedule 4							(125,962)		(125,962)	
Long-Term Debt		Schedule 4							(19,346,716)		(19,346,716)	
Accrued Interest on Long-Term Debt		Note 9							(3,478,000)		(3,478,000)	
Equity Value									**(11,202,603)**		**(6,470,113)**	

Notes

1. Based on Management's estimate. The forecast for the remaining nine months of 2014 reflect Management's forecast for the 2014 year less the actual results of the first quarter.
2. Depreciation has been forecast based on the average annual depreciation over the last number of fiscal years, as well as the depreciation estimated by Managemet in its fiscal 2014 forecast. We have assumed that depreciation in the terminal period will be equal to capital expenditures. We understand that depreciation for accounting purposes approximates CCA for tax purposes.
3. We understanding that the Company is in the midst of an appeal with the Canada Revenue Agency (CRA) which has proposed a negative adjustment to the Company's balance of net operating losses for tax purposes. It is the Company's position that its losses for tax purposes as at December 31, 2013 stood at approximately $5.48 million while CRA's position is that this balance stood at approximately $3.4 million. Based on discussions with Management it is our understanding that the outcome of this dispute is unclear at this time. We have calculated a tax continuity schedule under both scenarios assuming that the Company's net operating losses will be utilized over then next number of years during the discrete cash flow projection years, and have averaged the tax payable under the two scenarios.
4. Based on discussions with Management and a review of historical balances that indicated that trade working capital as a percentage of sales was only marginally greater than zero, we have estimated working capital based on the following assumptions:

Accounts receivable:	25 Days
Inventory:	7 Days
Accounts payable:	32 Days

In calculating the working capital balance change through December 31, 2014, we have used the following working capital balances as at the Valuation Date:

Accounts receivable:	5,326,638
Inventory:	1,613,990
Accounts payable*:	(6,037,417)
	903,211

*Excludes accrued payables relating to interest and legal settlement

5. Calculated based on the Gordon Growth Formula: 1/(Discount Rate - Terminal Growth Rate).
6. In selecting the discount rate range we considered the following factors, amongst others:
   - Dominion is active in a stable and mature business
   - Management has made signficant improvements to operations in the last number of years
   - Diverse customer and supplier base
   - Subject to operating and financial fluctuations stemming from the impact of extreme climate conditions
   - Subject to commodity pricing (produce, transport) and foreign currency fluctuations
   - Other rates of return avaiable in the market place
7. We have assumed that the entire cash balance is redundant to operations and the Company could draw on a line of credit to finance its operations if requied.
8. A former executive of the Company has commenced legal proceedings against Dominion claiming wrongful dismissal and the Company has counter-sued. We have valued this contingent liability / asset on an after tax basis, based on Management's estimate of the Company's exposure in connection with the action which is expected to range from a loss of $1.4 million to a gain of $2.5 million.
9. Based on discussions with Management it is our understanding that as at the Valuation Date the intercompany accounts on DCL's balance sheet included approximately $3.48 miilion in accrued interest relating to the notes held by Dominion Citrus Income Fund.

		Note / Reference	Book Values	Fair Market Value	
				Low	High
Value of Operating Businesses					
Dominion Citrus Distribution		Schedule 6.1		3,328,515	3,328,515
Dominion Farm		Schedule 7.1		7,860,000	8,740,000
Country Fresh		Schedule 8.1		656,479	656,479
Meschino Banana		Schedule 9.1		1,320,000	1,740,000
Bo Fruits		Schedule 10.1		2,200,000	2,480,000
Total Value of Business Units	**A**			**15,364,994**	**16,944,994**
Corporate Assets & Liabilities					
Cash		Schedule 4 / Notes 1, 2	1,500,300	1,500,300	1,500,300
Prepaids		Schedule 4 / Note 1	(22,933)	(22,933)	(22,933)
Fixed assets		Schedule 4 / Note 1	31,635	31,635	31,635
Accounts payable		Schedule 4 / Note 1	(933,782)	(933,782)	(933,782)
Preferred share interest payable		Schedule 4 / Note 1	(557,165)	(557,165)	(557,165)
Capital leases		Schedule 4 / Note 1	(200)	(200)	(200)
Long-term debt		Schedule 4 / Note 1	(19,346,716)	(19,346,716)	(19,346,716)
Accrued interest		Schedule 4 / Note 6	(3,478,000)	(3,478,000)	(3,478,000)
Net operating Losses		Schedule 4 / Notes 1, 3		968,216	968,216
Contingent Liability		Note 4		(1,102,500)	1,764,000
Total Corporate Assets - Net	**B**			**(22,941,145)**	**(20,074,645)**
Capitalized Value of Corporate Operations					
	C	Note 5		**(6,650,000)**	**(5,586,000)**
Adjusted Net Book Value	**A+B+C**			**(14,226,151)**	**(8,715,651)**

Notes

1. The book values of all assets and liabilities have been assumed to be represetantive of their respective fair market values, unless otherwise noted.
2. For the purposes of our analysis we have assumed that the entire cash amount on the Company's balance sheet as at the Valuation Date belonged to the corporate division, as each of the business segements would be able to finance its operations through an operating line backed by accounts receivable and inventory.
3. We have valued the Company's net operating losses based on their estimated utilization as detailed under the discounted cash flow methodology in Schedule 2. The value conclusion reflects an averaging of the present value of the tax benefits, in each year of realization, under the two net operating loss scenarios as described in the notes to Schedule 2.
4. A former executive of the Company has commenced legal proceedings against Dominion claiming wrongful dismissal. The Company has counter-sued. We have valued this contingent liability / asset on an after tax basis, based on Management's estimate of the Company's exposure in connection with the action which is expected to range from a loss of $1.4 million to a gain of $2.5 million.
5. The corporate overhead has been valued based on an annual expense level of approximately $0.95 million (as a privately held corporation) less taxes at a 26.5% tax rate. The after tax corporate expenditures have been capitalized using the Gordon Growth Model assuming a discount rate range of 13% - 15% and a long-term growth rate of 2.5%.
6. Based on discussions with Management it is our understanding that as at the Valuation Date the intercompany accounts on DCL's balance sheet included approximately $3.48 miilion in accrued interest relating to the notes held by Dominion Citrus Income Fund.

Dominion Citrus Limited **Schedule 4**
Estimate of Value as at March 31, 2014
Summary of Historical Financial Position as at March 31, 2014
$ CDN

	Dominion Citrus	Dominion Farm	Country Fresh	Meschino Banana	AVJC	Bo Fruits	Corporate	Delta	Eliminations & Adjustments	Consolidated DCL
Cash	1,219,492	-511,466	0	-209,499		140,332	-5,107		0	633,752
Accounts receivable	1,543,628	1,622,540	462,242	347,681		1,350,547	0		0	5,326,638
Inventory	373,091	713,988	96,472	119,916		310,523	0		0	1,613,990
Prepaid expenses	179,070	89,288	12,845	23,449		11,527	-22,933		0	293,246
Supplier advances	24,840	3,133	0	0		0	0		0	27,973
Current Assets	3,340,121	1,917,483	571,559	281,547	0	1,812,929	-28,040		0	7,895,599
Divisional Interco OFT/CORP/DF/CF	208,370	227,792	- 426,763	-	-	-	74	-	-9,473	-
Interco Bank	- 2,974,605	7,022,050	562,235	961,457	- 499,395	-	- 5,388,665	316,923	0	-
I/CO fUND	-	-	-	-	-	-	718,085	-	0	718,085
I/CO Fund - Accrued Interest owed to Fund							- 3,478,000	-	0	- 3,478,000
Advances to Apple Valley	-	-	-	-	-	-	-	-	0	-
Investment in Apple Valley	-	-	-	-	-	-	-	-	0	-
Investment in MB	-	-	-	-	-	-	-	-	0	-
Interco Corp	4,189	-	-	-	-	-	- 4,189	-	0	-
Interco MB	- 117	-	-	117	-	-	-	-	0	-
Interco Delta	-	-	-	-	-	-	-	-	0	-
Investment in Delta Foods	-	-	-	-	-	-	-	-	0	-
Investment in Bo Fruits	-	-	-	-	-	2,713,937	- 1,003,250	-	-1,710,687	-
Interco Natures Best	-	-	-	-	-	-	-	-	0	-
Investment in Natures Best	-	-	-	-	-	-	-	-	0	-
Fixed assets (Net)	299,215	1,269,918	147,613	254,576	-	999,810	31,635	-	-59,000	2,943,767
Goodwill	-	-	-	523,905	-	86,942	-	-	439,232	1,050,079
Other assets (Deferred Financing & Acq Costs)	-	-	-	-	-	-	-	-	0	-
Total Assets	**877,173**	**10,437,243**	**854,644**	**2,021,602**	**(499,395)**	**5,613,618**	**(9,152,350)**	**316,923**	**(1,339,928)**	**9,129,530**
Bank advances - Held cheques	- 688,942	-	0	-174,951	0	0	-2,655	0	0	- 866,548
Capital leases	-	10,796	0	30,795	0	0	200	0	0	41,791
Cheques in transit	688,942	0	0	174,951	0	0	2,655	0	0	866,548
Accounts payable & accrued liabilities	1,902,387	1,762,738	62,693	428,445	0	735,980	933,782	0	-655,156	5,170,869
Preferred share - Interest payable	0	0	0	0	0	0	557,165	0	0	557,165
Preference share liability	0	0	0	0	0	0	2,297,587	0	648,567	2,946,154
Current Liabilities	1,902,387	1,773,534	62,693	459,240	0	735,980	3,788,734	0	-6,589	8,715,979
Long-term debt	0	0	0	0	0	0	19,346,716	0	0	19,346,716
Capital leases - Long term	0	9,211	0	116,751	0	0	0	0	0	125,962
Total Liabilities	**1,902,387**	**1,782,745**	**62,693**	**575,991**	**0**	**735,980**	**23,135,450**	**0**	**-6,589**	**28,188,657**
Share capital	0	0	0	0	0	0	560,281	0	0	560,281
Contributed surplus	0	0	0	0	0	0	160,174	0	0	160,174
Retained earnings	-1,025,214	8,654,498	791,951	1,445,611	-499,395	4,877,638	-33,008,255	316,923	-1,333,339	- 19,779,582
Total Equity	**(1,025,214)**	**8,654,498**	**791,951**	**1,445,611**	**(499,395)**	**4,877,638**	**(32,287,800)**	**316,923**	**(1,333,339)**	**(19,059,127)**
Total Liabilities and Shareholders' Equity	**877,173**	**10,437,243**	**854,644**	**2,021,602**	**(499,395)**	**5,613,618**	**(9,152,350)**	**316,923**	**(1,339,928)**	**9,129,530**

Notes:

1. Based on Management's internally prepared consolidated financial statements for the period ended March 31, 2014.

Dominion Citrus Limited | **Schedule 5**

Estimate of Value as at March 31, 2014

Consolidated Statement of Historical Operating Results

Years Ended / Ending December 31,

$CND

	Actual [1]					Forecast [3]
	2010	**2011**	**2012**	**2013**	**2014 [2]**	**2014**
Total Revenue	**67,453,000**	**75,772,000**	**71,124,000**	**75,035,000**	**20,415,682**	**76,327,688**
Cost of Sales	55,138,000	61,866,000	57,476,000	60,761,000	16,561,973	61,951,543
Total Gross Profit	**12,315,000**	**13,906,000**	**13,648,000**	**14,274,000**	**3,853,709**	**14,376,145**
	18.3%	*18.4%*	*19.2%*	*19.0%*	*18.9%*	*18.8%*
Operating expenses						
Warehouse & Delivery	7,738,000	7,762,000	7,552,000	8,158,000	2,057,205	7,813,571
Selling	1,634,000	1,631,000	1,791,000	1,777,000	377,502	1,636,178
Import	-	-	-	-	29,006	-
General & Administrative	3,948,090	3,138,286	2,948,034	3,149,011	757,518	2,884,554
Incentive	-	-	-	-	-	330,880
Total Operating costs	13,320,090	12,531,286	12,291,034	13,084,011	3,221,231	12,665,184
Operating Profit Before Legacy Costs	(1,005,090)	1,374,714	1,356,966	1,189,989	632,478	1,710,961
Legacy Costs [4]	122,910	110,714	181,966	614,989	112,019	390,000
Operating Profit After Legacy Costs	(1,128,000)	1,264,000	1,175,000	575,000	520,459	1,320,961
Restructuring charges	132,000	1,193,000	27,000	13,000	-	-
Fixed asset (Gain)/Loss	1,000	39,000	11,000	4,000	519	-
Other income	-	(712,000)	(150,000)	(75,000)	-	-
FX Program (Gain) / Loss	20,000	(12,000)	15,000	-	(16,800)	-
Goodwill Impairment	-	900,000	-	-	-	-
Write-down of Deferred Tax Asset	-	2,244,000	-	-	-	-
Write-down of Property, Plant & Equipment	-	-	-	-	-	-
Earnings Before Interest & Taxes (EBIT)	**(1,281,000)**	**(2,388,000)**	**1,272,000**	**633,000**	**536,740**	**1,320,961**
Debenture Interest Expense						
Bank Account Interest Income	(4,000)	(1,000)	(3,000)	(3,000)	(945)	
Bank Interest & Service Charges	-	-	-	-	3,721	14,210
Preference Share Interest	-	-	-	-		117,752
Interest (Income) / Expense	1,477,000	1,582,000	1,393,000	1,135,000	55,669	1,000,702
Earnings Before Taxes (EBT) & Discontinued Operations	**(2,754,000)**	**(3,969,000)**	**(118,000)**	**(499,000)**	**478,295**	**188,297**
Income Tax Recovery / (Expense)	284,000	(87,000)	-	-		
Income / (Loss) from Discontinued Operations	(117,000)	(96,000)	(94,000)	8,000	8	
Net Income / (Loss)	**(2,587,000)**	**(4,152,000)**	**(212,000)**	**(491,000)**	**478,303**	**188,297**
Operating Profit Before Legacy Costs	(1,005,090)	1,374,714	1,356,966	1,189,989	632,478	1,710,961
Depreciation	490,000	478,000	502,820	503,000	121,000	528,497
Normalized EBITDA	**(515,090)**	**1,852,714**	**1,859,786**	**1,692,989**	**753,478**	**2,239,458**

Notes:

1. External audited financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's internal segmented financial statements for Q1 of fiscal 2014.
3. Based on Management's forecast for fiscal 2014.
4. Legacy costs include various legal expenses that are non-recurring in nature.

Dominion Citrus Limited **Schedule 6**
Dominion Citrus Distribution Business Unit
Summary of Historical and Forecast Operating Results
Years Ended / Ending December 31
$CND

	Actual [1]				Forecast [2]
	2010	2011	2012	2013	2014
Total Revenue	**30,019,460**	**35,454,159**	**36,204,077**	**35,511,039**	**36,287,857**
Cost of Sales	26,403,016	30,809,616	31,269,740	31,039,130	31,444,997
Total Gross Profit	**3,616,444**	**4,644,543**	**4,934,337**	**4,471,909**	**4,842,860**
	12.0%	*13.1%*	*13.6%*	*12.6%*	*13.3%*
Operating expenses					
Warehouse & Delivery	2,505,937	2,802,625	2,902,547	3,128,248	2,949,530
Selling	800,812	848,204	873,928	797,466	1,017,984
Import	169,133	119,685	167,278	154,579	-
General & Administrative	648,444	523,383	543,695	566,902	560,160
Fixed asset (Gain)/Loss	3,370	-	9,119	-	
Incentive	-	97,996	62,630	18,000	-
Total Operating Costs	4,127,696	4,391,893	4,559,197	4,665,195	4,527,675
Operating Profit	(511,252)	252,650	375,140	(193,286)	315,186
Restructuring charges	60,000	66,275		-	
Other income		(712,107)		261	
Earnings Before Taxes (EBT)	**(571,252)**	**898,482**	**375,140**	**(193,547)**	**315,186**

Notes:

1. Based on Management's Internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's forecast for fiscal 2014.

Dominion Citrus Limited **Schedule 6.1**

Dominion Citrus Distribution Business Unit

Valuation - Capitalized EBITDA Methodology

$CND

	Notes	Actual [1]				Forecast [2]
		2010	2011	2012	2013	2014
Earnings Before Taxes (EBT)		**(571,252)**	**898,482**	**375,140**	**(193,547)**	**315,186**
Interest costs						
Earnings Before Interest & Taxes (EBIT)		**(571,252)**	**898,482**	**375,140**	**(193,547)**	**315,186**
Depreciation		148,902	84,026	66,241	15,232	75,134
EBITDA		**(422,350)**	**982,508**	**441,381**	**(178,315)**	**390,319**
Normalizations						
Related party amounts	Note 3					
Restructuring charges		60,000	66,275			
Other income			(712,107)			
Fixed asset (Gain)/Loss		3,370		9,119		
Other						
Adjusted EBITDA		**(358,980)**	**336,676**	**450,500**	**(178,315)**	**390,319**
Selected Maintainable EBITDA - Before Corporate Costs			**350,000**		**350,000**	
Additional corporate costs	Note 4		(70,800)		(70,800)	
Selected Maintainable EBITDA - Including Corporate Costs			**279,200**		**279,200**	
Multiple	Note 5		5.0		6.0	
Enterprise Value			**1,396,000**		**1,675,200**	
Enterprise Value - Rounded			**1,400,000**		**1,680,000**	

Notes:

1. Based on Management's Internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
3. Based on Management's forecast for fiscal 2014.
4. Based on discussions with Management, we understand that all intercompany transactions are required for operation and are executed at market rates.
5. Additional corporate costs reflect additional costs, beyond those allocated by the corporate entity to its operating units, that would be required to run the business unit on a stand-alone basis (as a privately held company). We have based our analysis on a detailed review of the corporate costs in each of the last three fiscal years and the budget year, as well as discussions we held with Management to understand the available resources and deficiencies at the business unit level. The additional annual corporate costs estimated to be required for the Dominion Citrus Distribution business unit were calculated as 65% of the cost of the corporate IT manager, plus $5,000 for human resources related activities, $2,500 for legal costs and $10,000 for other general and administrative costs.
6. In selecting the multiple range we considered the following factors, amongst others:
   - DCD's business is stable but low growth
   - Recession resistant business
   - ODCD's strategic presence at the food terminal location
   - High tangible asset value (Including the stall lease agreement)
   - Strong customer and supplier relationships due to staff and presence at the food terminal

Dominion Citrus Limited **Schedule 6.2**
Dominion Citrus Distribution Business Unit
Tangible Asset Backing
$CND

	Notes			Financial Position 31-Mar-14
Cash	Note 1			-
Accounts receivable				1,543,628
Inventory				373,091
Prepaid expenses				179,070
Supplier advances				24,840
Current Assets				**2,120,629**
Fixed Assets (Net)				299,215
Total Assets				**2,419,844**
Accounts payable & accrued liabilities				2,591,329
Total Liabilities				**2,591,329**
Total Equity				**(171,485)**
Value of Stalls				3,500,000
Tangible Asset Backing				**3,328,515**
		Low	**High**	
Estimated Enterprise Value		**1,400,000**	**1,680,000**	
Less: Tangible Asset Backing		(3,328,515)	(3,328,515)	
Implied Goodwill		**(1,928,515)**	**(1,648,515)**	
Multiple of Maintainable EBITDA		(6.91)	(5.90)	

Notes:

1. For the purposes of our analysis we have assumed that all the cash on the Company's balance sheet as at the Valuation Date belonged to corporate division, as each of the business segements would be able to finance its operations through an operating line backed by accounts receivable and inventory.

Dominion Citrus Limited | **Schedule 6.3**
Dominion Citrus Distribution Business Unit |
Liquidation Valuation
$CND

		Notes		Book Values	Fair Market Value	
					Low	High
Cash		Note 1			-	-
A/R		Note 2	85%	1,543,628	1,312,084	1,312,084
Inventory		Note 2	50%	373,091	186,546	186,546
Prepaid				203,910	-	-
Stalls		Note 3, Note 4		-	3,500,000	3,500,000
Fixed assets		Note 2		299,215	299,215	299,215
Total Gross Proceeds	A			2,419,844	5,297,844	5,297,844
Transaction costs	B	Note 5	5%		(264,892)	(264,892)
Income on disposition					2,613,108	2,613,108
Taxes on disposition	C	Note 6	26.5%		(692,474)	(692,474)
Liabilities	D	Note 7		2,591,329	(2,591,329)	(2,591,329)
Net proceeds from sale of assets	A+B+C+D				**1,749,150**	**1,749,150**
Severance (after-tax amount)		Note 8	26.5%		(661,500)	(661,500)
Net Proceeds from Liquidation of the Dominion Citrus Distribution Business Unit					**1,087,650**	**1,087,650**
Impact on Dominion Farm and Meschino Banana		Note 9			(6,337,000)	-
Net impact of Liquidation of the Dominion Citrus Distribution Business Unit					**(5,249,350)**	**1,087,650**

Notes

1. For the purposes of our analysis we have assumed that all the cash on the Company's balance sheet as at the Valuation Date belonged to corporate division, as each of the business segements would be able to finance its operations through an operating line backed by accounts receivable and inventory.
2. In the sale of the assets of the business units to be liquidated we assumed the following recovery rates: Receivables - 85% of carrying value, Inventory - 50% of carrying value, Prepaids - 0%, Fixed assets - 100% of carrying value.
3. Reflects the rights associated with a long-term lease agreement granting the Company the right to occupy two stalls at the Terminal. We understand that transactions involving stalls at the Ontario Food Terminal are infrequent and accordingly have valued the stalls based on the most recent transaction involving publicly available information which saw Dominion sell the rights to a renewable 99 year lease on two stalls at the Terminal for $3.5 million in 2009.
4. Two saleable business units, Dominion Farms and Meschino Banana, benefit greatly from the sale of their products through the Terminal. Meschino Banana sells the majority of its products from the Terminal and Dominion Farms generates approximately 20% of its revenues from the sale of produce out of the Terminal. Based on discussions with Management, neither business would be financially viable if it did not have the ability to sell out of the Terminal. Accordingly, we have treated the stalls as saleable assets but accounted for the determintal impact on the business of other busines sunits in note nine below.
5. Transaction costs relating to both the sale of individual assets and business units have been estimated at 5% of market value.
6. We have assumed that no capital gains will be realized on the disposition of capital property and all proceeds of disposition will be taxed as income at the prevailing Ontario corporate tax rates.
7. Liabilities relating to the business unit have been assumed to be repaid in a liquidation scenario.
8. Severance for the business unit being liquidated has been calculated on an after-tax basis assuming an average of four months of severance on a gross payroll of $2.7 million.
9. We have incorporated the negative impact of the liquidation of the Dominion Citrus Distribution business unit on Dominion Farm and Meschino Banana on the low end of our value range as on the high end of our range we have assumed that the lost sales of these business units could be replaced in the marketplace at similar margins. The impact on the Meschino Banana and Dominion Farms at the low end of our value range has been calculated as follows:

	Dominion Farm	Meschino Banana	Total Impact
Lost Revenues	**$ 2,800,000**	**$ 4,000,000**	**$ 6,800,000**
Margin on Revenues (%)	29.0%	15.5%	21.1%
Lost Gross Margin	**$ 812,000**	**$ 620,000**	**$ 1,432,000**
Multiple	4.75	4.00	4.43
Lost Value	**$ 3,857,000**	**$ 2,480,000**	**$ 6,337,000**

Dominion Citrus Limited **Schedule 7**
Dominion Farm Business Unit
Summary of Historical and Forecast Operating Results
Years Ended / Ending December 31, (unless otherwise noted)
$CND

	Actual [1]				Forecast [2]
	2010	**2011**	**2012**	**2013**	**2014**
Total Revenue	**13,784,783**	**16,006,321**	**13,403,094**	**15,920,623**	**14,800,000**
Cost of Sales	10,308,311	11,875,881	9,547,614	11,343,345	10,627,000
Total Gross Profit	**3,476,472**	**4,130,440**	**3,855,480**	**4,577,278**	**4,173,000**
	25.2%	*25.8%*	*28.8%*	*28.8%*	*28.2%*
Operating expenses					
Warehouse & Delivery	1,511,688	1,666,311	1,656,325	1,901,916	1,850,536
Selling	26,553	51,404	76,661	103,415	134,680
Import	-	-	-	-	-
General & Administrative	428,547	502,936	507,511	520,229	526,259
Fixed asset (Gain)/Loss	(12,657)	35,180	3,231	4,331	-
Incentive	170,616	184,236	152,811	208,852	161,426
Operating Profit	**1,351,725**	**1,690,373**	**1,458,941**	**1,838,535**	**1,500,100**
Bank Interest & Service Charges	5,978	5,723	4,252	2,716	
Earnings Before Taxes (EBT)	**1,345,747**	**1,684,650**	**1,454,689**	**1,835,819**	**1,500,100**

Notes:

1. Based on Management's Internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's forecast for fiscal 2014.

Dominion Citrus Limited **Schedule 7.1**
Dominion Farm Business Unit
Valuation - Capitalized EBITDA Methodology
$CND

	Notes	Actual [1]				Forecast [2]
		2010	**2011**	**2012**	**2013**	**2014**
Earnings Before Taxes (EBT)		**1,345,747**	**1,684,650**	**1,454,689**	**1,835,819**	**1,500,100**
Interest costs		5,978	5,723	4,252	2,716	-
Earnings Before Interest & Taxes (EBIT)		**1,351,725**	**1,690,373**	**1,458,941**	**1,838,535**	**1,500,100**
Depreciation		170,534	172,601	193,395	42,520	176,512
EBITDA		**1,522,259**	**1,862,974**	**1,652,336**	**1,881,055**	**1,676,612**
Normalizations						
Related party amounts	Note 3					
Fixed asset (Gain)/Loss		(12,657)	35,180	3,231	4,331	-
Other income						
Adjusted EBITDA		**1,509,602**	**1,898,154**	**1,655,567**	**1,885,386**	**1,676,612**
Selected Maintainable EBITDA - Before Corporate Costs			**1,800,000**		**1,800,000**	
Additional corporate costs	Note 4		(48,980)		(48,980)	
Selected Maintainable EBITDA - Including Corporate Costs			**1,751,020**		**1,751,020**	
Multiple	Note 5		4.5		5.0	
Enterprise Value			**7,879,590**		**8,755,100**	
Capital leases			(20,007)		(20,007)	
Equity Value			**7,859,583**		**8,735,093**	
Equity Value - Rounded			**7,860,000**		**8,740,000**	

Notes:

1. Based on Management's Internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's forecast for fiscal 2014.
3. Based on discussions with Management, we understand that all intercompany transactions are required for operation and are executed at market rates.
4. Additional corporate costs reflect additional costs, beyond those allocated by the corporate entity to its operating units, that would be required to run the business unit on a stand-alone basis (as a privately held company). We have based our analysis on a detailed review of the corporate costs in each of the last three fiscal years and the budget year, as well as discussions we held with Management to understand the available resources and deficiencies at the business unit level. The additional annual corporate costs estimated to be required for the Dominion Farm business unit were calculated as 14% of the cost of the corporate IT manager, $20,000 to augment the financial capabilities of the unit by transforming the current financial position into a more senior role, plus $5,000 for human resources related activities, $2,500 for legal costs and $10,000 for other general and administrative costs.
5. In selecting the multiple range we considered the following factors, amongst others:
   - Strong and incentivized management
   - Dependency on the personal goodwill of Tony that may not be transferable
   - Good customer diversification while serving many national grocery chains
   - Recession resistant business (carrot and onion sales)
   - Strong supplier relationships with farms in the Holland Marsh area
   - Alternative supply sources with strong relationships with some international suppliers
   - Currently operating near capacity at a 32,000 square foot landlocked facility
   - Stable but highly competitive business, although some local competitors have recently exited the market

Dominion Citrus Limited **Schedule 7.2**
Dominion Farm Business Unit
Tangible Asset Backing
$CND

	Notes			Financial Position 31-Mar-14
Cash	Note 1			-
Accounts receivable				1,622,540
Inventory				713,988
Prepaid expenses				89,288
Supplier advances				3,133
Current Assets				**2,428,949**
Fixed Assets (Net)				2,130,749
Total Assets				**4,559,698**
Accounts payable & accrued liabilities				1,762,738
Capital leases				20,007
Total Liabilities				**1,782,745**
Total Equity				**2,776,953**
Tangible Asset Backing				**2,776,953**
		Low	**High**	
Estimated Enterprise Value		**7,860,000**	**8,740,000**	
Less: Tangible Asset Backing		(2,776,953)	(2,776,953)	
Implied Goodwill		**5,083,047**	**5,963,047**	
Multiple of Maintainable EBITDA		2.90	3.41	

Notes:

1. For the purposes of our analysis we have assumed that all the cash on the Company's balance sheet as at the Valuation Date belonged to corporate division, as each of the business segments would be able to finance its operations through an operating line back by accounts receivable and inventory.
2. Calculated as follows:

Value of machinery & equipment	521,752
Fair market value of land (as per PwC Appraisal)	840,000
Fair market value of building (as per PwC Appraisal)	1,610,000
Less: Tax Value of building	(748,168)
Less: Lost value of tax shield thereon	(92,835)
	2,130,749

Dominion Citrus Limited **Schedule 8**
Country Fresh Business Unit
Summary of Historical and Forecast Operating Results
Years Ended / Ending December 31, (unless otherwise noted)
$CND

	Actual [1]				Forecast [2]
	2010	**2011**	**2012**	**2013**	**2014**
Total Revenue	**5,002,556**	**2,783,341**	**2,337,661**	**3,524,253**	**3,409,248**
Cost of Sales	4,228,985	2,271,825	1,831,815	2,752,642	2,708,511
Total Gross Profit	**773,571**	**511,516**	**505,846**	**771,611**	**700,737**
	15%	*18%*	*22%*	*22%*	*21%*
Operating expenses					
Warehouse & Delivery	474,530	288,153	351,388	399,572	389,568
Selling	11,887	6,786	1,449	3,282	3,282
General & Administrative	371,882	204,791	214,483	211,324	211,144
Fixed asset (Gain)/Loss	-	3,467	(1,000)	-	
Incentive	-	4,600	6,980	6,000	
Total Operating costs	858,299	507,797	573,300	620,178	603,994
Operating Profit	(84,728)	3,719	(67,454)	151,433	96,743
Restructuring charges	274,033	110,227			
Fx Program Gain / (Loss)		(12,098)	15,223		
Earnings Before Taxes (EBT)	**(358,761)**	**(94,410)**	**(82,677)**	**151,433**	**96,743**

Notes:

1. Based on Management's Internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's forecast for fiscal 2014.

Dominion Citrus Limited **Schedule 8.1**
Country Fresh Business Unit
Valuation - Capitalized EBITDA Methodology
$CND

	Notes	Actual [1]				Forecast [2]
		2010	**2011**	**2012**	**2013**	**2014**
Earnings Before Taxes (EBT)		**(358,761)**	**(94,410)**	**(82,677)**	**151,433**	**96,743**
Interest costs						
Earnings Before Interest & Taxes (EBIT)		**(358,761)**	**(94,410)**	**(82,677)**	**151,433**	**96,743**
Depreciation		85,183	82,969	114,364	115,639	94,172
EBITDA		**(273,578)**	**(11,441)**	**31,687**	**267,072**	**190,915**
<u>Normalizations</u>						
Related party amounts	Note 3					
Fixed asset (Gain)/Loss		-	3,467	(1,000)	-	-
Restructuring charges		274,033	110,227	-	-	-
Fx Program Gain / (Loss)		-	(12,098)	15,223	-	-
Other						
Adjusted EBITDA		**455**	**90,155**	**45,910**	**267,072**	**190,915**
Selected Maintainable EBITDA - Before Corporate Costs			**148,513**		**148,513**	
Additional corporate costs	Note 4		(119,060)		(119,060)	
Selected Maintainable EBITDA - Including Corporate Costs			**29,453**		**29,453**	
Multiple	Note 5		2.5		3.5	
Enterprise Value			**73,633**		**103,086**	
Enterprise Value - Rounded			**70,000**		**100,000**	

<u>Notes:</u>

1. Based on Management's internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's forecast for fiscal 2014.
3. Based on discussions with Management, we understand that all intercompany transactions are required for operation and are executed at market rates.
4. Additional corporate costs reflect additional costs, beyond those allocated by the corporate entity to its operating units, that would be required to run the business unit on a stand-alone basis (as a privately held company). We have based our analysis on a detailed review of the corporate costs in each of the last three fiscal years and the budget year, as well as discussions we held with Management to understand the available resources and deficiencies at the business unit level. The additional annual corporate costs estimated to be required for the Country Fresh business unit were calculated as 8% of the cost of the corporate IT manager, an additional senior salesperson for $75,000, $20,000 to augment the financial capabilities of the unit by transforming the current financial position into a more senior role, plus $5,000 for human resources related activities, $2,500 for legal costs and $10,000 for other general and administrative costs.
5. In selecting the multiple range we considered the following factors, amongst others:
   - Dependence on a few main lines of business (McDonalds tomatoes, Fisher Capespan, Moroccan program)
   - Low tangbile asset backing
   - Limited value addd - Storing, sorting and restacking
   - Not as dependent on OFT - Except for clementines, most business done out of Etobicoke facility
   - McDonalds business appears to be long-term and has some commercial goodwill
   - Low margin and a small critical mass
   - Growth constrained by the size of the facility (7,000 sqft). Difficult to contemplate expansion with only three customers and very seasonal business and capacity utilization

Dominion Citrus Limited | **Schedule 8.2**
Country Fresh Business Unit
Tangible Asset Backing
$CND

	Notes	Low	High	Financial Position 31-Mar-14
Cash	Note 1			-
Accounts receivable				462,242
Inventory				96,472
Prepaid expenses				12,845
Current Assets				**571,559**
Fixed Assets (Net)				147,613
Total Assets				**719,172**
Accounts payable & accrued liabilities				62,693
Total Liabilities				**62,693**
Total Equity				**656,479**
Tangible Asset Backing				**656,479**

	Low	High
Estimated Enterprise Value	**70,000**	**100,000**
Less: Tangible Asset Backing	(656,479)	(656,479)
Implied Goodwill	**(586,479)**	**(556,479)**
Multiple of Maintainable EBITDA	(19.91)	(18.89)

Notes:

1. For the purposes of our analysis we have assumed that all the cash on the Company's balance sheet as at the Valuation Date belonged to corporate division, as each of the business segments would be able to finance its operations through an operating line back by accounts receivable and inventory.

Dominion Citrus Limited **Schedule 9**
Meschino Banana Business Unit
Summary of Historical and Forecast Operating Results
Years Ended / Ending December 31, (unless otherwise noted)
$CND

	Actual [1]				Forecast [2]
	2010	**2011**	**2012**	**2013**	**2014**
Total Revenue	**8,906,115**	**9,927,103**	**10,631,549**	**10,568,642**	**11,327,543**
Cost of Sales	7,216,650	8,177,759	8,928,703	8,941,624	9,530,549
Total Gross Profit	**1,689,465**	**1,749,344**	**1,702,846**	**1,627,018**	**1,796,994**
	19.0%	*17.6%*	*16.0%*	*15.4%*	*15.9%*
Operating expenses					
Warehouse & Delivery	1,125,037	1,163,589	1,163,609	1,211,374	1,272,000
Selling	3,670	4,298	9,471	7,016	12,000
Import	-	-	-	-	
General & Administrative	107,891	91,858	91,057	99,473	116,000
Fixed asset (Gain)/Loss	10,876	-	1,526	-	
Incentive	16,577	24,438	15,055	5,272	18,000
Total Operating Expenses	1,264,051	1,284,183	1,280,718	1,323,135	1,418,000
Operating Profit	**425,414**	**465,161**	**422,128**	**303,883**	**378,993**
Bank Account Interest Income	**(14)**	**2,671**			
Bank Interest & Service Charges			**3,874**	**11,092**	**9,000**
Earnings Before Taxes (EBT)	**425,428**	**462,490**	**418,254**	**292,791**	**369,993**

Notes:

1. Based on Management's Internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's forecast for fiscal 2014.

Dominion Citrus Limited **Schedule 9.1**
Meschino Banana Business Unit
Valuation - Capitalized EBITDA Methodology
$CND

	Notes	Actual [1]				Forecast [2]
		2010	**2011**	**2012**	**2013**	**2014**
Earnings Before Taxes (EBT)		**425,428**	**462,490**	**418,254**	**292,791**	**369,993**
Interest costs		(14)	2,671	3,874	11,092	9,000
Earnings Before Interest & Taxes (EBIT)		**425,414**	**465,161**	**422,128**	**303,883**	**378,993**
Depreciation		24,274	48,533	43,999	13,776	46,266
EBITDA		**449,688**	**513,694**	**466,127**	**317,659**	**425,259**
Normalizations						
Related party amounts	Note 4					
Fixed asset (Gain)/Loss		10,876	-	1,526	-	-
Other						
Adjusted EBITDA		**460,564**	**513,694**	**467,653**	**317,659**	**425,259**
Selected Maintainable EBITDA - Before Corporate Costs			**436,966**		**436,966**	
Additional corporate costs	Note 5		(17,500)		(17,500)	
Selected Maintainable EBITDA - Including Corporate Costs			**419,466**		**419,466**	
Multiple	Note 6		3.5		4.5	
Enterprise Value			**1,468,130**		**1,887,596**	
Capital leases			(147,546)		(147,546)	
Equity Value			**1,320,584**		**1,740,050**	
Equity Value - Rounded			**1,320,000**		**1,740,000**	

Notes:

1. Based on Management's Internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's forecast for fiscal 2014.
3. Based on discussions with Management, we understand that all intercompany transactions are required for operation and are executed at market rates.
4. Additional corporate costs reflect additional costs, beyond those allocated by the corporate entity to its operating units, that would be required to run the business unit on a stand-alone basis (as a privately held company). We have based our analysis on a detailed review of the corporate costs in each of the last three fiscal years and the budget year as well as discussions we held with Management to understand the available resources and deficiencies at each business unit. The additional annual corporate costs estimated to be required for the Meschino Banana business unit were calculated as 8% of the cost of the corporate IT manager, plus $5,000 for human resources related activities, $2,500 for legal costs and $10,000 for other general and administrative costs.
5. In selecting the multiple range we considered the following factors, amongst others:
   - 65% of sales are banana related
   - Not unionized
   - Some dependency on OFT for storefront (pallets within the stalls)
   - Competitive business
   - Strong player in the market place. Ripening function requires skill
   - some capacity constraints. 8,000 sqft facility with eight ripening rooms

Dominion Citrus Limited	**Schedule 9.2**
Meschino Banana Business Unit	
Tangible Asset Backing	
$CND	

	Notes	**Financial Position 31-Mar-14**
Cash	Note 1	-
Accounts receivable		347,681
Inventory		119,916
Prepaid expenses		23,449
Current Assets		**491,046**
Fixed Assets (Net)		254,576
Goodwill		523,905
Total Assets		**1,269,527**
Accounts payable & accrued liabilities		603,396
Capital leases		147,546
Total Liabilities		**750,942**
Total Equity		**518,585**

Total Equity	**518,585**
Less: Goodwill	(523,905)
Tangible Asset Backing	**-5,320**

	Low	High
Estimated Enterprise Value	**1,320,000**	**1,740,000**
Less: Tangible Asset Backing	5,320	5,320
Implied Goodwill	**1,325,320**	**1,745,320**
Multiple of Maintainable EBITDA	3.16	4.16

Notes:

1. For the purposes of our analysis we have assumed that all the cash on the Company's balance sheet as at the Valuation Date belonged to corporate division, as each of the business segments would be able to finance its operations through an operating line back by accounts receivable and inventory.

Dominion Citrus Limited **Schedule 10**

Bo Fruits Business Unit

Summary of Historical and Forecast Operating Results

Years Ended / Ending December 31, (unless otherwise noted)

$CND

	Actual [1]				Forecast [2]
	2010	**2011**	**2012**	**2013**	**2014**
Total Revenue	**12,997,797**	**15,010,980**	**11,673,736**	**12,329,295**	**13,752,937**
Cost of Sales	10,424,764	12,141,117	9,035,977	9,455,916	10,890,341
Total Gross Profit	**2,573,033**	**2,869,863**	**2,637,759**	**2,873,379**	**2,862,596**
Operating expenses					
Warehouse & Delivery	1,288,575	1,505,919	1,303,142	1,290,853	1,351,937
Selling	541,439	559,151	418,355	564,309	468,232
Import	-	-	-	-	
General & Administrative	342,462	355,742	348,848	327,677	349,477
Fixed asset (Gain)/Loss	-	-	(2,588)	-	
Incentive	90,457	115,253	136,391	151,922	151,454
Total Operating costs	2,262,933	2,536,065	2,204,148	2,334,761	2,321,100
Operating Profit	310,100	333,798	433,611	538,618	541,496
Restructuring charges		900,000			
Other income		(7,623)			
Earnings Before Interest & Taxes (EBIT)	**310,100**	**(558,579)**	**433,611**	**538,618**	**541,496**
Bank Interest & Service Charges	10,945	2,156	5,650	4,042	4,110
Earnings Before Taxes (EBT)	**299,155**	**(560,735)**	**427,961**	**534,576**	**537,386**

Notes:

1. Based on Management's Internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's forecast for fiscal 2014.

Dominion Citrus Limited **Schedule 10.1**
Bo Fruits Business Unit
Valuation - Capitalized EBITDA Methodology
$CND

	Notes	Actual [1]				Forecast [2]
		2010	**2011**	**2012**	**2013**	**2014**
Earnings Before Taxes (EBT)		**299,155 -**	**560,735**	**427,961**	**534,576**	**537,386**
Interest costs		10,945	2,156	5,650	4,042	4,110
Earnings Before Interest & Taxes (EBIT)		**310,100 -**	**558,579**	**433,611**	**538,618**	**541,496**
Depreciation		60,216	77,922	69,668	17,448	56,314
EBITDA		**370,316 -**	**480,657**	**503,279**	**556,066**	**597,810**
Normalizations						
Related party amounts	Note 3					
Restructuring charges		-	900,000	-	-	-
Fixed asset (Gain)/Loss		-	-	(2,588)	-	-
Adjusted EBITDA		**370,316**	**419,343**	**500,691**	**556,066**	**597,810**
Selected Maintainable EBITDA - Before Corporate Costs			**550,000**		**550,000**	
Additional corporate costs	Note 4		-		-	
Selected Maintainable EBITDA - Including Corporate Costs			**550,000**		**550,000**	
Multiple	Note 5		4.0		4.5	
Enterprise Value			**2,200,000**		**2,475,000**	
Enterprise Value - Rounded			**2,200,000**		**2,480,000**	

Notes:

1. Based on Management's Internal financial statements for the fiscal years ended December 31, 2010 through December 31, 2013.
2. Based on Management's forecast for fiscal 2014.
3. Based on discussions with Management, we understand that all intercompany transactions are required for operation and are executed at market rates.
4. It is our understanding that Bo Fruits operates on its own and has all the staff and other resources required to run the business unit on a completely autonomous basis.
5. In selecting the multiple range we considered the following factors, amongst others:
   - Strong and incentivized management
   - Small critical mass
   - Niche position, selling to smaller retailers
   - Higher margins on small quantities of high quality produce
   - Strong tangible asset backing. Own facility and two trucks
   - Possible dependency on certain members of the management team

Dominion Citrus Limited | **Schedule 10.2**
Bo Fruits Business Unit
Tangible Asset Backing
$CND

	Notes			Financial Position 31-Mar-14
Cash	Note 1			-
Accounts receivable				1,350,547
Inventory				310,523
Prepaid expenses				11,527
Current Assets				**1,672,597**
Fixed Assets (Net)				999,810
Goodwill				86,942
Total Assets				**2,759,349**
Accounts payable & accrued liabilities				735,980
Total Liabilities				**735,980**
Total Equity				**2,023,369**
Total Equity				**2,023,369**
Less: Goodwill				(86,942)
Tangible Asset Backing				**1,936,427**
		Low	High	
Estimated Enterprise Value		**2,200,000**	**2,480,000**	
Less: Tangible Asset Backing		(1,936,427)	(1,936,427)	
Implied Goodwill		**263,573**	**543,573**	
Multiple of Maintainable EBITDA		0.48	0.99	

Notes:

1. For the purposes of our analysis we have assumed that all the cash the Company's balance sheet as at the Valuation Date belonged to corporate division as each of the business segments would be able to finance its operations through an operating line back by accounts receivable and inventory.

Dominion Citrus Limited | **Schedule 11**
Estimate of Value as at March 31, 2014 | **Page 1 of 2**
Valuation of DCL Excluding Dominion Farm Business
Going Concern Value - Incremental Discounted Cash Flow Methodology
$CDN

		Note / Reference	Q1 2014	2014	Q2-Q4 2014	2015	2016	2017	Residual Value
Revenue		Note 2	**(5,156,912)**	**(13,175,051)**	**(8,018,140)**	**(13,504,427)**	**(13,842,038)**	**(14,188,089)**	
						2.5%	*2.5%*	*2.5%*	*2.5%*
Normalized EBITDA		Notes 2,3	**(816,112)**	**(1,858,253)**	**(1,042,141)**	**(1,904,710)**	**(1,952,328)**	**(2,001,136)**	**(2,051,164)**
Less: Depreciation		Note 4	(42,240)	(176,512)	(134,272)	(200,000)	(250,000)	(300,000)	(350,000)
EBIT					**(907,869)**	**(1,704,710)**	**(1,702,328)**	**(1,701,136)**	**(1,701,164)**
Less: Income Taxes @	26.50%	Note 5			240,585	451,748	451,117	450,801	450,809
After-Tax Earnings					**(667,284)**	**(1,252,962)**	**(1,251,211)**	**(1,250,335)**	**(1,250,356)**
Add: Depreciation		Note 4			(134,272)	(200,000)	(250,000)	(300,000)	(350,000)
Less: Capital expenditures		Note 6	20,000	350,000	330,000	350,000	350,000	350,000	350,000
Less: Changes in non-cash working capital		Note 7			745,246	4,286	4,394	4,503	4,616
Free Cash Flow					**273,690**	**(1,098,675)**	**(1,146,817)**	**(1,195,831)**	**(1,245,740)**
Terminal growth	2.5%								
Residual Value - Low	8.00	Note 7							**(9,965,917)**
Residual Value - High	9.52	Note 7							**(11,864,187)**
Present value factor - Low	15.0%	Note 8			0.9487	0.8393	0.7298	0.6345	0.6345
Present value factor - High	13.0%	Note 8			0.9550	0.8580	0.7593	0.6718	0.6718
Present Value of Cash Flows - Low					259,653	(922,124)	(836,982)	(758,771)	(6,323,511)
Present Value of Cash Flows - High					261,375	(942,626)	(870,735)	(803,361)	(7,970,372)

	Low	High
Sum of Present Value of Future Lost Cash Flows	**(8,581,735)**	**(10,325,718)**

Notes

1. The impact on the future cash flows attributable to DCL were Dominion Farms to be sold to an arm's length party were calculated taking into consideration two scenarios. Under one scenario we assumed that distribution revenues of DCD from sale of product purchased from Dominion Farm would continue or could be replaced by other customers. Under a second scenario we assumed that given the maturity of the industry and that in order to recover these revenues DCD would need to take business away from its competitors, were a loss of business to occur, the loss in business would not be recoverable. Given the uncertainty surrounding such an event We have averaged out the two scenario in calculating the overall impact on the cash flows of DCL.

2. The impact on the overall EBITDA of DCL has been calculated as follows:

		2014 Budget	Q1 Actual
DF	Sales	11,550,102	4,816,321
	COGS	7,377,145	3,317,662
	Margin - $	**4,172,957**	**1,498,659**
	Margin - %	***36.1%***	***31.1%***

		2014 Budget	Q1 Actual
DCD	Sales	36,127,340	9,936,449
	COGS	32,088,912	8,886,411
	Margin - $	**4,038,428**	**1,050,038**
	Margin - %	***11.2%***	***10.6%***

	2011	2012	2013	Avg	2014 Budget
DF Sales to DCD - Last 3 Years:	3,471,679	2,832,333	3,187,378	3,163,797	3,249,898

		2014 Budget	Q1 Actual	Q2 - Q4 Estimate
DCD Sales to Dominion Farm Replaced:				
	Dominion Farm Operating Profit	(1,500,100)	(735,800)	(764,300)
	Dominion Farm Depreciation	(176,512)	(42,240)	(134,272)
	Dominion Farm EBITDA Loss	**(1,676,612)**	**(778,040)**	**(898,572)**
DCD Sales to Dominion Farm Not Replaced:				
	Operating Profit	(1,500,100)	(735,800)	(764,300)
	Dominion Farm Depreciation	(176,512)	(42,240)	(134,272)
	Dominion Farm EBITDA Loss	(1,676,612)	(778,040)	(898,572)
Loss of DCD Profit on DF Product (2014 Budget)	Loss of Sales (2014 Budget)	(3,249,898)	(681,181)	(2,568,717)
	Margin Loss - %*	11.2%	11.2%	11.2%
	Margin Loss - $	(363,284)	(76,145)	(287,139)
	Add: Reduction in Fixed Overhead**	-	-	-
	OFT EBITDA Loss	(363,284)	(76,145)	(287,139)
	Total EBITDA Loss	**(2,039,895)**	**(854,185)**	**(1,185,711)**
AVERAGE EBITDA Loss:		**(1,858,253)**	**(816,112)**	**(1,042,141)**

*Excludes costs directly relating to the Moroccan program and F/X charges
** Assumed to be negligible given that the loss to the OTF represents less than 10% of its annual business.

3. As the 2014 EBITDA loss is assumed to reflect annual EBITDA losses going forward given that the 2014 budget for Dominion Farm approximates its long-term maintainable EBITDA potential the estimate for the 2014 sales to DCD approximate their three year historical average.
4. Depreciation in the terminal period is expected to equal the projected capital expenditures in the same period. Depreciation in years 2015 to 2017 is expected to increase gradually from current levels as forecast in the 2014 budget to the expected depreciation in the terminal period.
5. For simplicity, the lost EBIT has been assumed to be incremental to the baseline business and has therefore been taxed at the prevailing Ontario corporate tax rates without consideration of the impact of the lost EBIT on the timing of the utilization of the existing tax pools.
6. Capital expenditures reflect capital expenditures of Dominion Farm no longer expected to be incurred by the consolidated DCL. Capital expenditures have been forecast to remain consistent with the 2014 budgeted capital expenditure levels.
7. Changes in working capital requirements have been calculated using the methodology noted in Schedule 2 off an opening working capital balance for DCL excluding Dominion Farm of approximately $930,000 as at the Valuation Date.
8. Calculated based on the Gordon Growth Formula: 1/(Discount Rate - Terminal Growth Rate).
9. The rationale behind the discount rate selection was discussed in Schedule 1. The risk inherent in the lost cash lows, which reflect an average of two plausible scenarios is not dissimilar from the risk of the business as a whole as reflected in Schedule 1.