

February 24, 2026
Trace Project No. 900-0494-01

Submitted via email

The Corporation of the Town of Oakville
1225 Trafalgar Road
Oakville, Ontario L6H 0H3

The Regional Municipality of Halton
1151 Bronte Road
Oakville, Ontario L6M 3L1

Attention: Jeffrey Lee and Ryan Veenendaal

Dear Jeffrey and Ryan:

Re: Phase Two Environmental Site Assessment – Reliance Letter
1493 Sixth Line, Oakville, Ontario
Z.1515.24 & OPA 1515.24 (the Property)

Trace Associates (the Consultant) has prepared the following report on behalf of Penalta Group Ltd. (the Client):

- Phase Two Environmental Site Assessment, 1493 Sixth Line, Oakville, Ontario, dated February 23, 2026

We confirm the Report, including the representations, assumptions, findings, opinions, and recommendations contained in the Report, can be relied on by The Corporation of the Town of Oakville (the Town), The Regional Municipality of Halton (the Region), and their peer reviewers, as if the Report was prepared for the use and benefit of the Town and the Region, notwithstanding any statement to the contrary contained in the Report and excluding any limitation on liability agreed to by the Client, as per the attached conditions. The Consultant further agrees that in the case of any inconsistency between this Reliance Letter and any limitations within the Report provided to the Town, the provisions in this Reliance Letter shall prevail.

We acknowledge and agree that the Town and the Region will utilize the Report for the purposes of assessing the environmental risk of the Z.1515.24 & OPA 1515.24 property. We confirm that the Report was prepared and completed by or under the supervision of a Qualified Person, as defined under Ontario Regulation 153/04 (as amended), and in accordance with environmental laws and regulations applicable at the time of the investigation.

The Consultant has and will maintain Professional Liability insurance coverage of no less than \$2,000,000.



We trust this meets your requirements. Should you have any questions or comments, please contact the undersigned.

Respectfully submitted,
Trace Associates Inc.

24-Feb-2026

Prepared by:
D. Grant Walsom, B.A.Sc., P.Eng., QP
Partner / Principal Engineer

GW/sc
Attachments (1)

1.0 USE OF REPORT

This report pertains to a specific site, development, organization, or business and a specific scope of work, all as specifically identified in the within report (the "Report") (such site, development, organization or business and scope of work is hereinafter referred to as the "Subject"). It is not applicable to any other Subject. An assessment or evaluation of a Subject other than the one specifically identified in the within Report would necessitate a supplementary evaluation.

This Report and the assessments, evaluations, and recommendations contained in it are intended for the sole use of Trace Associates Inc.'s (Trace's) client, as specifically identified in the Report (the "Client"). If this Report is being read by any other person (other than from a regulatory body or government agency), such person is hereby advised that Trace is not making any observations, evaluations, or recommendations for such person's benefit and such person is unable to rely on the contents of this Report. Any such person would use this Report at their own risk, and liability is expressly declined to any person other than the Client. Accordingly, no responsibility is accepted by Trace for any damages suffered by any reader of this Report other than the Client. Diligence by all readers is assumed. Any use of or reliance on the Report by any person other than the Client is at the sole risk of the user.

This Report is subject to copyright and may not be reproduced either wholly or in part without the prior, written permission of Trace. The Client agrees that it shall use the Report for its own internal purposes, and it shall not provide the Report to another party (other than a regulatory body or government agency). The report provided is suitable for use by the client for the intended purpose only after accounts are settled for the work conducted.

2.0 LIMITATION OF REPORT

This Report is based solely on the information and conditions that existed and were presented to Trace at the time of Trace's evaluation. The Client acknowledges conditions affecting the contents of this Report can vary with time and that the conclusions and recommendations set out in this Report are time sensitive.

The Client also acknowledges that the conclusions and recommendations set out in this Report are based on limited observations and upon circumstances, assumptions and information presented or made available to Trace by the Client and, where applicable testing on the Subject site. Further, the Client acknowledges that conditions may vary across a site and with time which, in turn, could affect the conclusions and recommendations made.

The Client acknowledges that Trace is neither qualified to, nor is it making, any recommendations with respect to the purchase, sale, investment or development of the site, the decisions on which are the sole responsibility of the Client.

3.0 INFORMATION PROVIDED TO TRACE BY OTHERS

During the performance of the work and the preparation of this Report, Trace may have relied on information provided by persons (third parties) other than the Client if instructed to do so by the Client. Trace did not verify this information and accepts no responsibility for the accuracy or the reliability of such information and disclaims all liability with respect thereto.



4.0 LIMITATION OF LIABILITY

In consideration of Trace providing the services requested by the Client to complete the Report, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Client, the Client agrees that Trace's liability shall be limited as follows:

1. With respect to any claims brought against Trace by the Client for damages of any kind whatsoever, including without limitation, incidental, consequential, exemplary, or punitive damages, for any reason whatsoever arising out of the observations, conclusions, or recommendations contained in the Report, the amount of such claim and the extent of Trace's liability shall be limited to \$2,000,000.
2. With respect to claims brought by any third parties arising out of the contents of this Report, the Client agrees to indemnify, defend, and hold harmless Trace from and against any and all claim or claims, action or actions, demands, damages, penalties, fines, losses, costs, and expenses of every nature and kind whatsoever, including solicitor-client costs, arising or alleged to arise either in whole or part out of services provided by Trace or the Report completed by Trace.

5.0 DISCLOSURE OF INFORMATION BY CLIENT

The Client acknowledges that in conducting the scope of work (the "Scope") and preparing the Report, Trace has relied on information provided by the Client. Trace, in conducting the Scope and preparing the Report, has assumed the accuracy, and has not attempted to verify the completeness of all such information. The Client acknowledges that Trace cannot be held liable for any damages to the Client resulting from any inaccuracies or incompleteness in the information provided by the Client to Trace.

6.0 STANDARD OF CARE

Services performed by Trace for this Report have been conducted in a manner consistent with the level of skill ordinarily exercised by members of the professional associations of which Trace's employees who worked on this Scope and this Report are members. Professional judgment has been applied in developing the conclusions and/or recommendations provided in this Report (or under separate cover). No further warranty or guarantee, express or implied, is made concerning the test results, comments, recommendations, or any other portion of this Report.

7.0 NOTIFICATION OF AUTHORITIES

The Client acknowledges that in certain instances, the discovery of hazardous substances or conditions and materials may require that regulatory agencies and other persons be informed. The Client acknowledges and agrees that the notification of such bodies or persons remains wholly the responsibility of the Client; however, agrees that notification to such bodies or persons, as required, may be done by Trace in Trace's reasonably exercised discretion.

8.0 OWNERSHIP OF INSTRUMENTS OF SERVICE

The Client acknowledges that all reports, plans, and data generated by Trace during the performance of the work and preparation of the Report and other documents prepared by Trace in the course of performing the scope are considered its professional work product and shall remain the copyright property of Trace. Any patents, methods, ideas, concepts, know-how, copyrights, trademarks, trade secrets, or other intellectual property rights developed by Trace prior to, during, and in the course of performing the Services ("IP") will be the exclusive property of Trace. The only exception to this is where Trace has prepared an



Emergency Response Plan and associated training materials for a Client; in these cases, the Client owns these documents and is solely responsible for their implementation in an emergency.

9.0 ALTERNATE REPORT FORMAT

Where Trace submits both electronic file and hard copy versions of the Report, drawings, and other documents and deliverables (collectively termed "Trace's instruments of professional service"), the Client agrees that only the signed and stamped versions shall be considered final and legally binding. Trace shall keep the original electronic documents for record and working purposes, and, in the event of a dispute or discrepancies, Trace's electronic copy shall govern.

The Client agrees that both electronic file and hard copy versions of Trace's instruments of professional service shall not, under any circumstances, no matter who owns or uses them, be altered by any party, except Trace. The Client warrants that Trace's instruments of professional service will be used only and exactly as submitted by Trace and for the purpose for which such instruments of professional service were intended.

The Client recognizes and agrees that electronic files submitted by Trace have been prepared and submitted using specific software and hardware systems. Trace makes no representation about the compatibility of these files with the Client's current or future software and hardware systems.

10.0 RECORDS RETENTION

Trace will, at its own cost and effort, retain project related Client data, including billing records, project files, documents, and final reports, for 12 years from the date of written authorization to proceed with the Scope. After 12 years, all data and information will be destroyed without notice to the Client. The Client may request in writing, within the 12-year period, copies of such information, and Trace will provide the information to the Client at the Client's cost.

11.0 GOVERNING LAW

The validity, construction, and performance of these General Conditions, which the Client shall be deemed to have accepted upon its acceptance of this Report, shall be governed by the laws in effect in the Province where the Subject site is located.