

CEDIF Investment Chart

(* Based on 2008 Federal & Provincial Tax Rates
(+) Certain conditions apply to all Equity Tax Credits

Investor's Taxable Income Before Deductions	Money Invested in RRSP	Deferred Income Tax (*)	30% Equity Tax Credit (+) (5 yr hold)	+20% Equity Tax Credit (+) (10 yr hold)	+10% Equity Tax Credit (+) (15 yr hold)	Total Money at Risk
\$20,000	\$1,000	\$238	\$300	\$200	\$100	\$162
\$40,000	\$5,000	\$1,646	\$1,500	\$1,000	\$500	\$354
\$80,000	\$10,000	\$4,036	\$3,000	\$2,000	\$1,000	\$0
\$125,000	\$20,000	\$8,755	\$6,000	\$4,000	\$2,000	\$0

THIS CEDIF OFFERING IS MADE THROUGH AN OFFERING DOCUMENT WHICH CAN BE OBTAINED FROM AN AUTHORIZED SALES AGENT OR FINDER AT THE COVEY ISLAND BOATWORKS OFFICE: CONTACT BY PHONE 902.640.3064; OR EMAIL REQUESTS AT WWW.CIBIF.CA. INVESTORS SHOULD READ THE OFFERING DOCUMENT BEFORE MAKING AN INVESTMENT DECISION.

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There are now 44 CEDIFs in Nova Scotia. These Funds manage over \$25 million in assets. The capital of the Funds has been invested by 3,697 individual Nova Scotians to be invested in their communities. Interest in the program continues to grow as evidenced by the growth of new Funds, additional offerings by existing Funds and the amount of capital which has flowed into these entities.

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Covey Island Boatworks Investment Fund Inc. (CIBIF)

has been created to stimulate business and economic activity on Lunenburg's waterfront and to provide an investment vehicle to allow the community's participation in this renewed "Working Waterfront".

Operating under the guidelines of Nova Scotia's "Community Economic Development Investment Fund" (CEDIF), significant tax credits have been made available to further benefit investors.

CIBIF's investment philosophy and guiding principles are as follows:

- Lunenburg's waterfront represents tremendous economic potential for new and expanded marine related business.
- Lunenburg should be a destination for the boating community both locally and internationally.
- A marina and other related services are presently absent on Lunenburg's waterfront but they represent strong prospects to grow the economic activity of the waterfront.
- Lunenburg's economy, identity, culture, and its appeal as a place to live and work is related to the town's status as a working waterfront community.¹
- The waterfront is the core economic engine of Lunenburg, not only in direct marine-related jobs, but also as a major generator of visits in the town's successful tourism sector.¹

- The overwhelming conviction is developing that a reactivated working waterfront is possible, practical and is the best use for this unique resource.¹
- The community should play a part and reap the rewards of investing in a rejuvenated working waterfront.

Covey Island Boatworks Investment Fund Team and Business Model

The Covey Island Boatworks Investment Fund Team is comprised of professionals with a wide range of experience in different business sectors including boat building, aerospace, information technology, and more. Entrepreneurial expertise and experience, as well as a strong track record, contribute to the board's ability to direct and manage this fund.

Investment capital will be raised as detailed within the framework of the Community Economic Development Investment Fund (CEDIF) program that is regulated by The Nova Scotia Securities Commission. This program encourages Nova Scotians to invest in businesses within the province by providing significant provincial tax credits to investors. Further tax benefits are available if the investors choose to hold the investment within an RRSP.

CIBIF does not plan to directly own or operate the businesses the funds are invested in. They will make investments in companies in the form of subordinated loans or take an equity position through common shares.

Invest in Lunenburg and your community today

The Lunenburg waterfront is one of the most beloved townscapes in Canada. The UNESCO World Heritage Site status is testament to the history and architectural value of the town. The seafaring identity and heritage of "Old Town" Lunenburg can and should be preserved but activity on the waterfront must be rejuvenated within the spirit of the Maritime folklore and ambience. The demand is obvious and the desire has never been greater. Invest in your community and play an unprecedented part in contributing to Lunenburg's "Working Waterfront" and the return to economic prosperity.

Covey Island Boatworks Investment Fund shareholders can play an active role in Lunenburg's future through this investment and can benefit through the generous tax incentives and knowledge that your money is working at home, in your community.

¹ Cantwell & Company Ltd. "Final Report: Lunenburg Waterfront Business Plan," Office of Economic Development, Dec. 2006

