



Pinnacle Lifestyles Fund III Incorporated

February 2023 Investment Overview Presentation
Accredited & Institutional Investors Only

Western Canada Recreational Real Estate Opportunity
in a Hard to Access Growth Segment

Disclaimer



Cautionary Statements

This Presentation has been prepared by Pinnacle Lifestyles for informational purposes only from Pinnacle Lifestyles' confidential and proprietary materials, and may contain certain material information about the opportunity, including important disclosures and risk factors associated with the investment disclosed in this Presentation. It is being supplied to you solely for your informational purposes and may not be reproduced or forwarded to any other person or published (in whole or in part) for any purpose. The sole purpose of this Presentation is to provide you with information regarding the proposed investment in Pinnacle Lifestyles Fund III Incorporated (the “Fund” or “Fund III”), its future business plans, and the industries in which it operates or intends to operate. This Presentation is not prepared to assist any reader in making a decision whether to invest in the opportunity and the contents of this Presentation have not been approved or disapproved by any securities commission or regulatory authority in Canada, the United States, or any other jurisdiction. This Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any security in Canada, the United States, or any other jurisdiction. We expressly disclaim any duty on us to make disclosure or any filings with any securities commission or regulatory authority, beyond that imposed by applicable laws. Unless otherwise noted, the information provided in this Presentation is provided as of January 7, 2023. Any estimates, projections, or opinions contained herein necessarily involve a significant element of subjective judgment, analysis, and assumptions and each reader should satisfy itself in relation to such matters.

Forward-Looking Information

This document may contain certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "might" and similar expressions are intended to identify forward-looking information, which involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. This information reflects current expectations regarding future events and operating performance and speaks only as of the date of this Presentation. Forward-looking information involves significant risks and uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether such results will be achieved, and accordingly undue reliance should not be put on such statement. Several factors could cause actual results to differ materially from the results discussed in the forward-looking information. Various assumptions have been used in drawing the conclusions or making the forecasts and projections contained in the forward-looking statements throughout this Presentation. Pinnacle Lifestyles cautions that the forward-looking information and statements contained in this Document speak only as of the date of this Document, and the neither the Fund assumes any obligation to update nor revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Please be aware that this presentation is a summary of the Offering Documents dated January 7, 2023 (the “Term Sheet”) of Pinnacle Lifestyles Fund III Incorporated. Potential Investors are advised to read and review the three documents for full and complete details.

The Target Investor



- Accredited and Institutional Eligibility
 - Direct investors or through discretionary PM accounts
- Buy & Hold Real Estate Lovers
 - Offers diversification within a niche real estate class
- Clients with Alternative Strategies (liquid alts or private assets)
 - Behaves differently than common forms of real estate

- Active lifestyle clients who RV, camp or boat
- Prairie clients who know summer means “find a BC lake”
- Nationwide clients who know and appreciate unique locations
 - Want to own one of a kind locations (rocky mountains, lakefront, etc.)
 - International background & new Canadians (rare land holdings)



Western Canada's Fastest Growing Recreational Brand



Corporate Highlights

8 Properties
Over \$30.0MM AUM*
Over 900 Acres
Three Investment Funds
Over 25 Full Time Staff
* *Management Estimate*



Core Area One

Alberta Trail West Through BC (HWY 1)
Golden
Revelstoke
Sicamous
Salmon Arm
Mara Lake



Core Area Two

Alberta Trail South West Through BC
Kokanee Springs (Crawford Bay)
Lakeview (Kootenay Lake)*
Located 10 minutes apart
* *Pending Acquisition*

Fund III – Key Investment Highlights

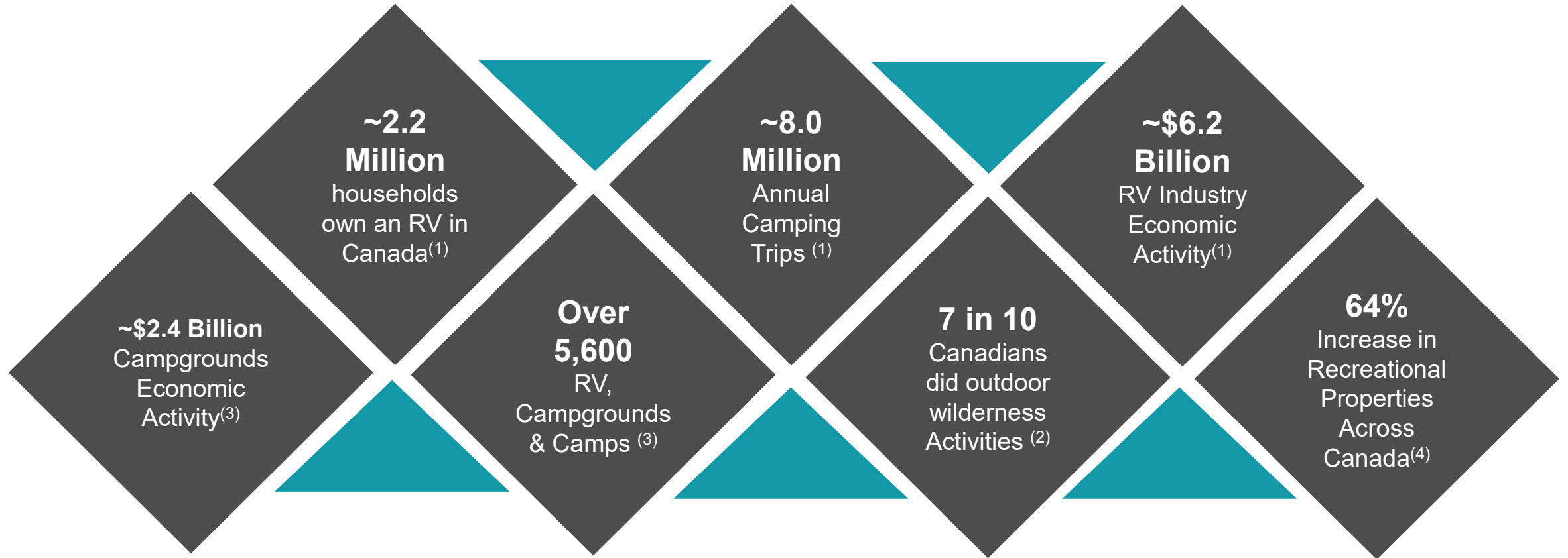
- 1. Strong Industry Demand**
 - Undersupply of RV sites vs. RV owners in key markets
 - Record RV & boat sales over the last five years
- 2. Industry Growth Potential**
 - Highly fragmented industry with limited institutional competition
 - Long term trend of increasing camping popularity
- 3. Asset Class Returns**
 - Significant land holdings of over 650 acres in Fund III
 - Recreational real estate has outperformed other real estate classes
- 4. Unique Business Model**
 - Focused on short term lot sales + growing cash flow base
 - Multiple revenue streams
- 5. Execution Team**
 - Specialized in house team and board with track record of success
 - Aligned management team
- 6. Downside Protection**
 - Inflation protected model
 - Camping performs well in recessionary environments
- 7. Strong Investment Returns**
 - Target Returns of 16.0 – 20.0%
 - Unique tax advantages

Pinnacle Lifestyles is a growing group of unique resorts built on a foundation of family values. Our communities offer different ways to stay, own and experience world-class locations.

Come out and [#Find Your Balance](#) in the great outdoors!



Market Facts



(1) <https://www.rvda.ca/files/RVDA%20Economic%20Impact/2020%20RVDA%20Economic%20Impact%20Update%20-%20FINAL.pdf>

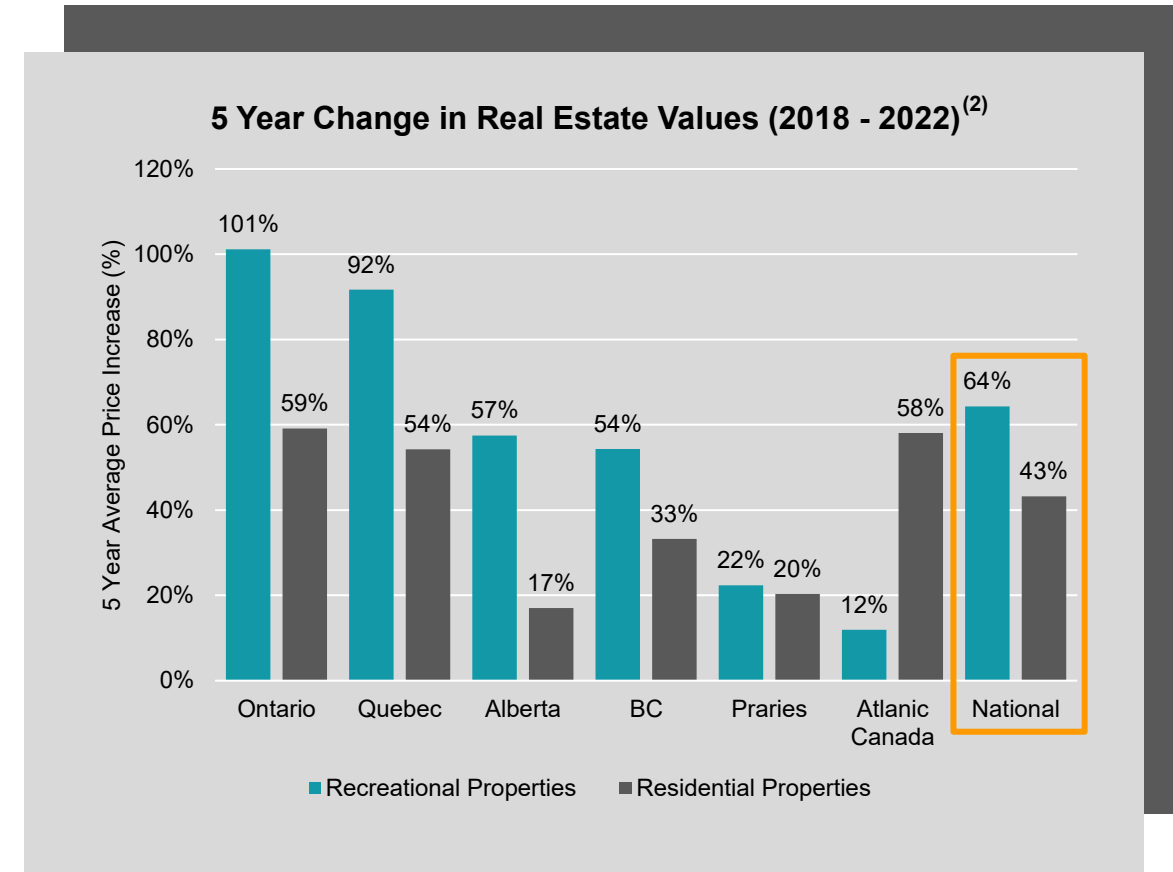
(2) <https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2018005-eng.htm>

(3) IBIS World Report September 2022. Campgrounds & Recreational Vehicle Parks in British Columbia

(4) Data comprised of Royal LePage 2019 - 2022 Recreational Property Price Chart Forecast, and Canadian Real Estate Association National Statistics, composite benchmark 12 month average not seasonally adjusted. See page 29 for detailed data table.

Asset Class Returns – Recreational Real Estate

- Recreational property prices have outperformed residential properties
 - National 64% average increase for recreational properties vs. 43% for residential properties⁽²⁾
- Changing demographics and lifestyle trends are increasing the demand for recreational property
 - Given the lack of supply
 - Inability to create more lakefront/mountain properties
 - Affordable alternative to a second home
- Trends in recreational properties include:
 - “chronic low supply and growing demand – are amplified in the recreational property segment,”⁽¹⁾
 - Increased interest from young families, ⁽¹⁾
 - Strong demand from buyers nearing retirement,⁽¹⁾
 - Remote work options⁽¹⁾
 - Approximately 1.8 million Canadians having entered the recreational real estate market within the five-year period.⁽³⁾



(1) <https://www.royallepage.ca/en/real-estate/news/royal-lepage-forecasts-double-digit-gain-in-national-recreational-house-price-in-2022-as-appreciation-is-expected-to-remain-strong-following-a-sizzling-27-jump-in-prices-in-2021>

(2) Data comprised of Royal LePage 2019 - 2022 Recreational Property Price Chart Forecast, and Canadian Real Estate Association National Statistics, composite benchmark 12 month average not seasonally adjusted. See page 29 for detailed data table.

(3) <https://www.royallepage.ca/en/real-estate/news/royal-lepage-forecasts-double-digit-gain-in-national-recreational-house-price-in-2022-as-appreciation-is-expected-to-remain-strong-following-a-sizzling-27-jump-in-prices-in-2021/>

Industry Growth – Camping Popularity



- Camping has been increasing in popularity over the last decade
 - Expected to continue as people look to get outdoors and find affordable travel options
 - 9.1 million (10%) of households were new to camping, 36% started camping due to covid and expect to continue⁽¹⁾
- People are seeing RV'ing as a "Lifestyle" not just an annual vacation
 - Different length of stays (nightly, seasonal, ownership)

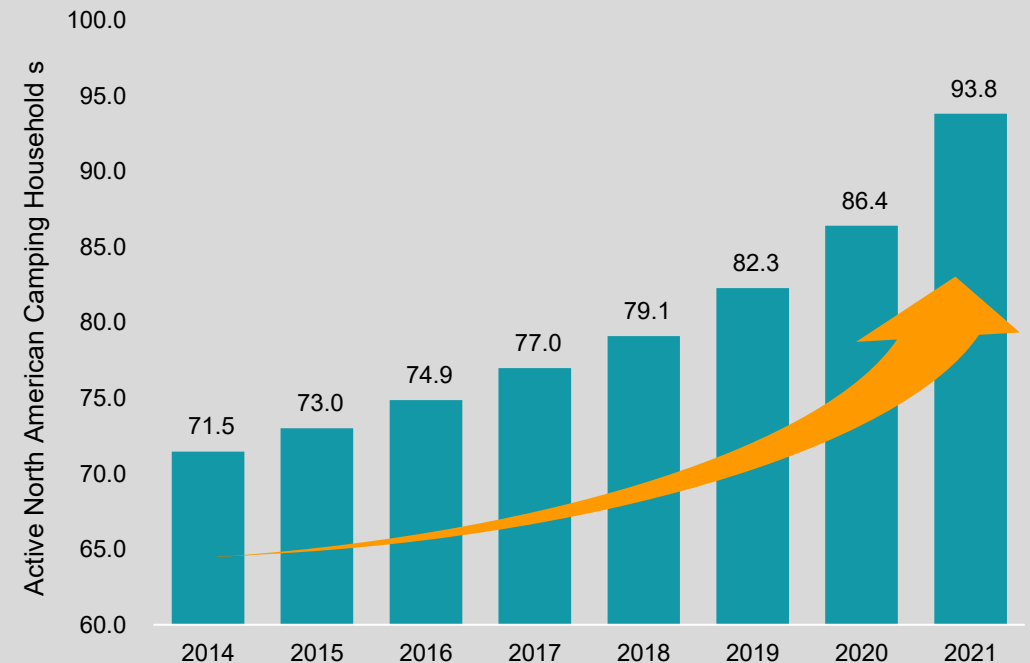
Who's Camping?⁽¹⁾⁽²⁾

- 56% millennials
- 25% Gen X
- 14% Baby Boomers
- 40% have income of \$100,000

What Do they Want?⁽¹⁾⁽²⁾

- 50% seeking glamping
- 47% want to try full time RV'ing
- 46% need Wi-Fi to work
- 48% camp with children

North American Camping Households⁽¹⁾



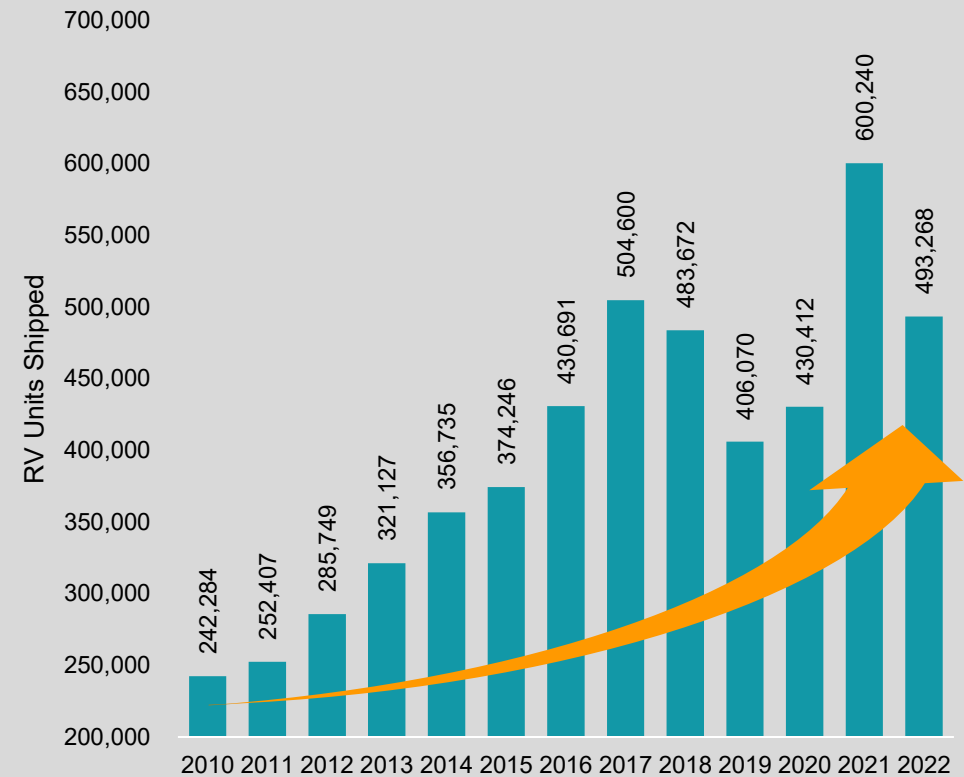
⁽¹⁾ KOA 2022 North American Camping Report.

⁽²⁾ <https://www.albertaprimetimes.com/rv-lifestyle/6-statistics-about-rv-ing-in-canada-that-might-surprise-you-6355781>

Industry Growth – Demand Imbalance

- RV sales have been increasing steadily over the last decade, with record years in 2021, and continued strong demand
 - An RV owner has spent significant capital on their unit, along with vehicles to pull it and accessories = loyal to camping
 - An RV can be considered a cost-effective way to a “vacation property”
- There is limited institutional competition
 - Pinnacle Lifestyles has established itself as one of the largest RV resort operators in Western Canada in its first two years of operations
 - “First mover” advantage with scale
 - Ability to source and access attractive acquisitions
- Large consolidation opportunity with over 5,600 estimated RV parks and campgrounds in Canada
 - Large amount of independent “Mom & Pop” operators and an aging demographic of owners
 - Underinvested assets require upgrades to meet consumer expectations

North American RV Shipments⁽¹⁾



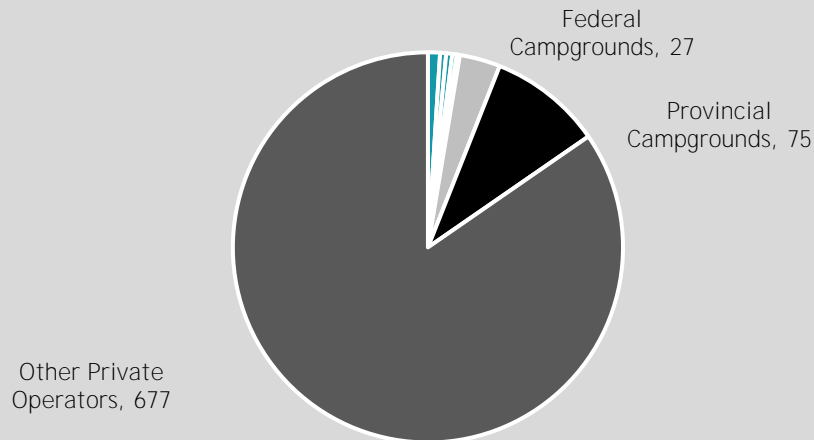
(1) <https://www.rvia.org/historical-rv-data>

Industry Growth – Supply

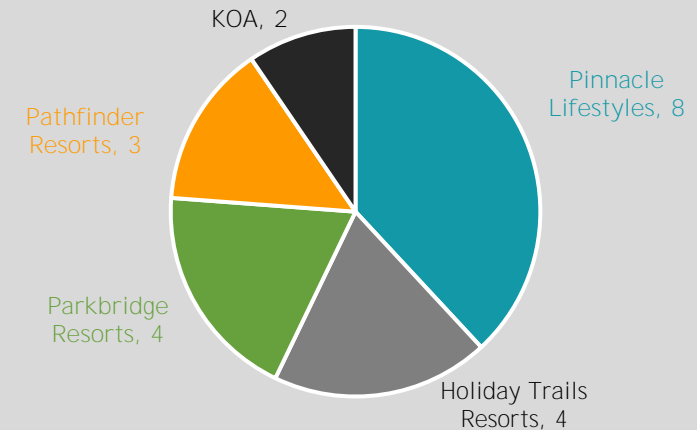


- British Columbia is significantly undersupplied with campsites
 - ~800 campgrounds and RV parks in B.C. ~85% are privately owned⁽¹⁾
 - #3 in highest revenue vs. other provinces and ~15% of British Columbia’s GDP⁽¹⁾
- Development in British Columbia comes with challenges limiting the amount of new supply
 - Timelines for approvals, environmental studies, zoning etc.
 - The Fund’s projects are ready for development to capitalize quickly on the current undersupply

All Campgrounds and RV Resorts in British Columbia (1,2)



Known Private Campgrounds Operators in British Columbia (1,2)

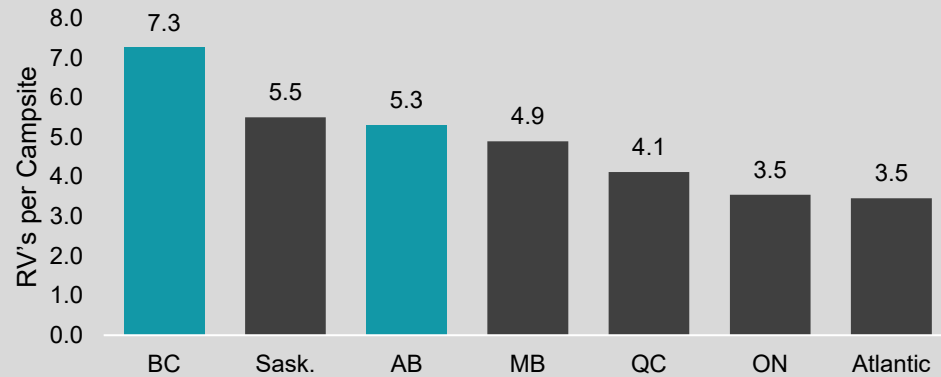


(1) IBIS World Report September 2022. Campgrounds & Recreational Vehicle Parks in British Columbia

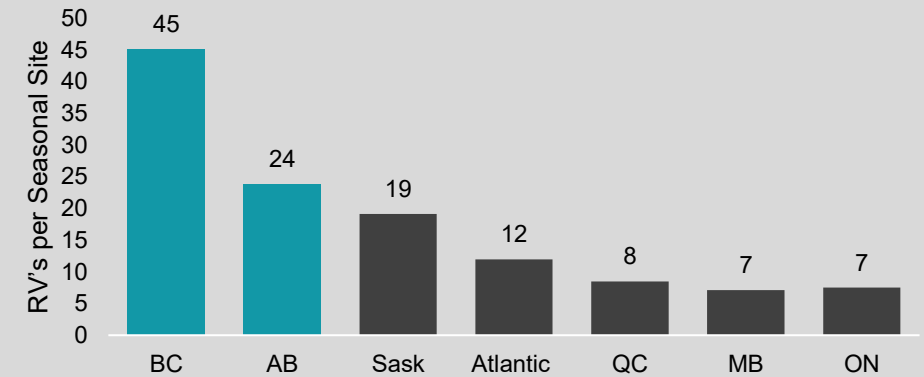
(2) [https://britishcolumbia.com/things-to-do-and-see/parks-and-trails/campground-reservations/#:~:text=Of%20the%20provincial%20parks%2C%20175,for%20recreational%20vehicles%20at%20campsites](https://britishcolumbia.com/things-to-do-and-see/parks-and-trails/campground-reservations/#:~:text=Of%20the%20provincial%20parks%2C%20175,for%20recreational%20vehicles%20at%20campsites;); <https://parks.canada.ca/voyage-travel/reserve-corporate-websites> (Note: Table excludes other private operators and provincial and federal campgrounds. Assumes planned resorts for Pinnacle Lifestyles. Includes known multi-resort brands to management.)

Industry Growth – Why Western Canada

RV Owners vs. Total Campsites



RV Owners vs. Seasonal (Long-Term) Sites



Notes & Assumptions:

2023 management estimates. Number of campsites initially based on Canadian Camping and RV Council 2015 Economic impact of the Canadian camping industry and analysis of trends. Adjusted for ~5,600 Stats Canada 2018 report on campgrounds assuming same allocation of sites across provinces. Number of RV owners by province based on Economic Impact of the Canadian Recreation Vehicle Industry report by Portage Group dated 2018, adjusted for subsequent Canadian RV sales by year and assuming a 5.0% retirement of old fleet, allocated by province according to 2018 data.

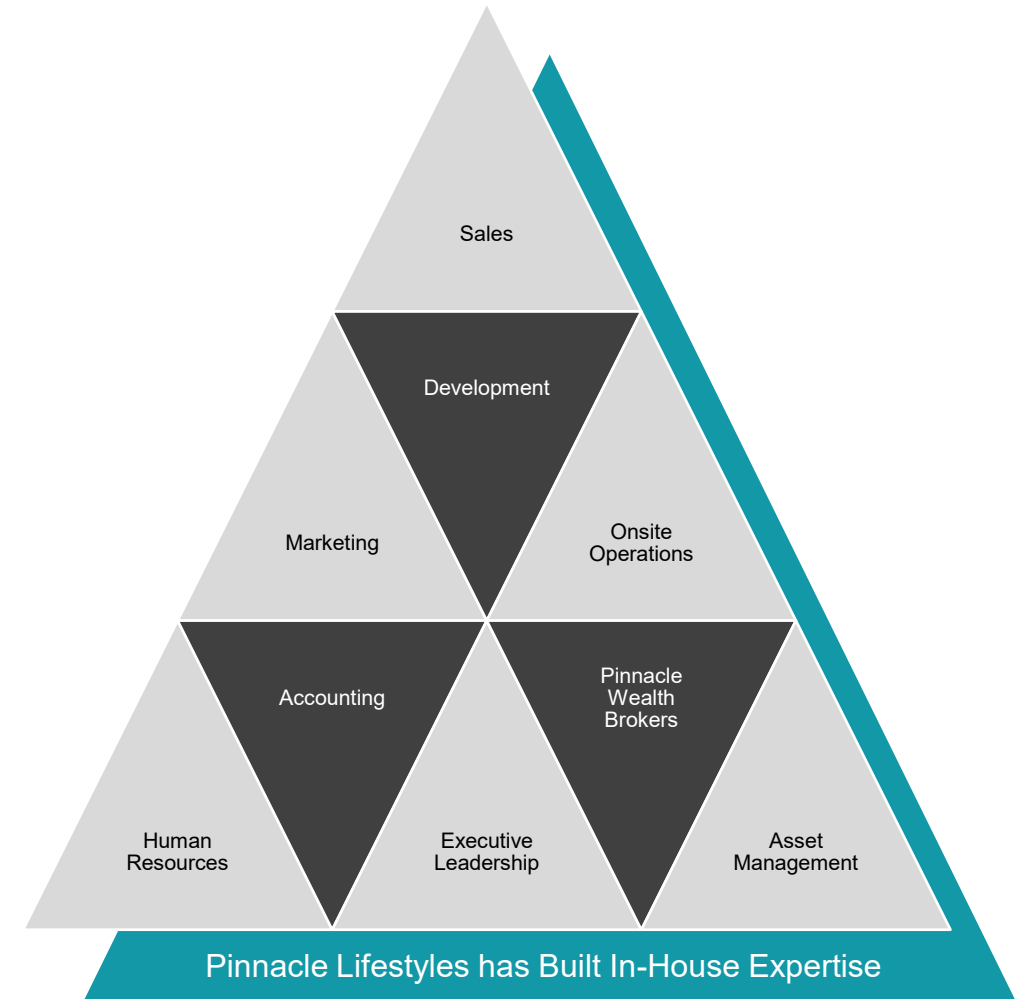
Sources:

- (1) https://www.campingquebec.com/wp-content/uploads/2022/01/Impacts_economiques_CCCVR_2014_sommaire_ANG.pdf
- (2) <https://www.rvda.ca/files/Industry%20Intelligence/2018%20RVDA%20Economic%20Impact%20Study%20-%20FINAL.pdf>
- (3) <https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2018005-eng.htm>

- 45 RV owners to every seasonal site = Fund's market for sales
- There is an estimated ~2.2MM households who own or have access to an RV in Canada
 - ~488,000 total campsites
 - ~218,000 seasonal sites
- RV owners generally want access to services
 - Water, power and sewer hook-ups
 - Amenities such as playgrounds, pools, Wi-Fi etc.
- Albertan's tend to look to British Columbia for vacation options to access higher quality lakes and activities

Business Model – Execution Team in Place

- Managing RV resorts is hard – no third party contracts exist
 - Pinnacle Lifestyles has established an in-house team to handle all aspects of the business
 - Significant competitive advantage
 - Strategic relationship with EMD
- Executive team with experience in investments, self-storage, real estate & hospitality
 - Board with over \$2.0B of real estate development, hospitality & business experience
 - Management with over \$35.0MM in previous RV lot sales
- Proven track record over the past three years
 - Proof of concept completed (Fund I)
 - ~\$4.0MM in sales, 60% sold out with solid returns
 - Revelstoke (Fund II)
 - Up 79% in revenues after two years and 32% in asset value (prior to executing sales business plan)
 - White Lake (Fund III)
 - Up 57% in revenues in Year 1
 - Already 85% pre-booked for 2023
 - Pinnacle Lifestyles group of companies now employs over 150 people annually and has annual revenues in excess of \$5.0MM



Business Model – A Feel Good Story



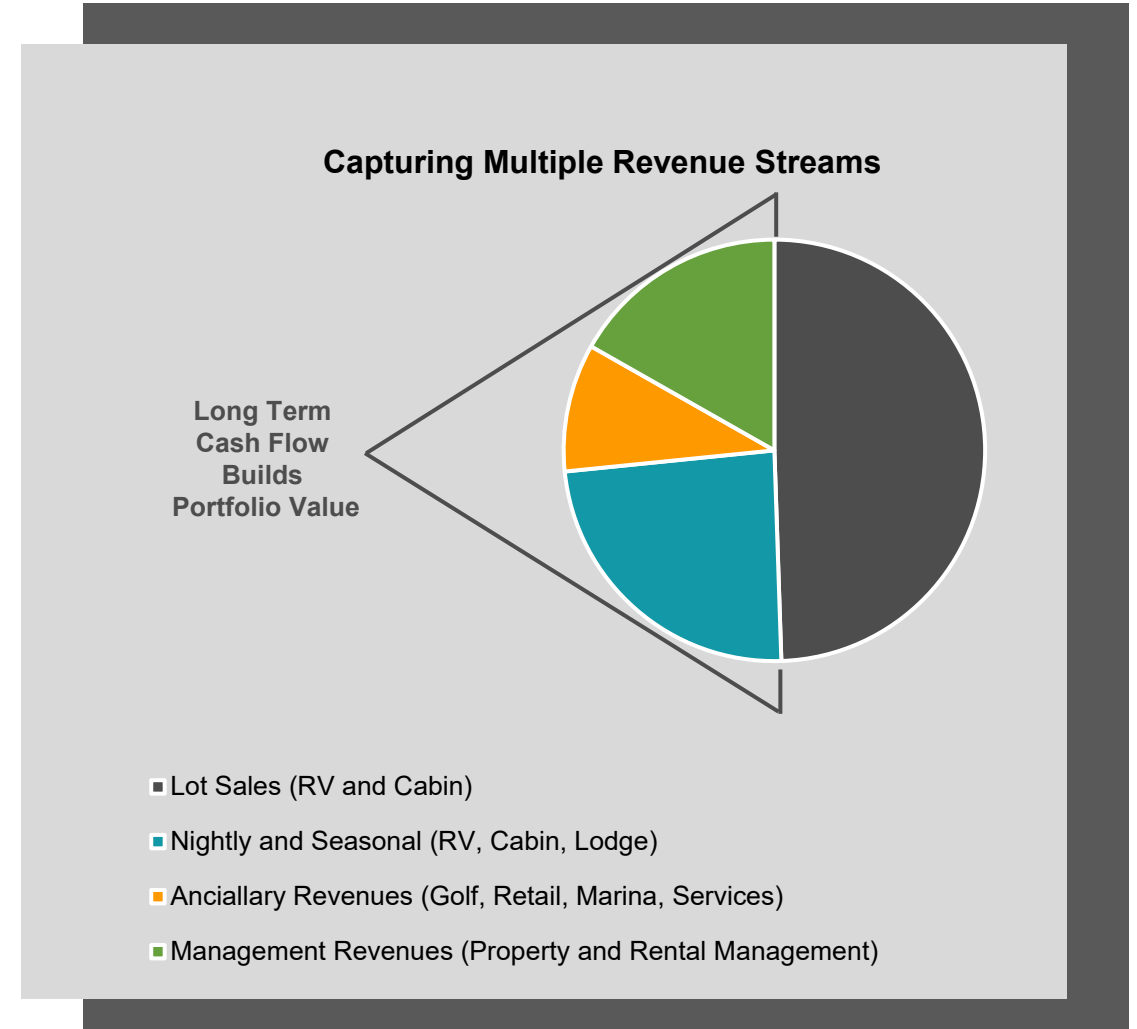
- Pinnacle Lifestyles focuses on building communities by helping people get outside, experience nature and build memories.
 - Spending time in the woods is linked to lower blood pressure and heart rate, and reduced risk of cardiovascular disease. ⁽¹⁾
 - 80% say camping helps their emotional well being ⁽²⁾
- Pinnacle Lifestyles supports the local communities where it operates
 - Hires local (where possible)
 - Local donations & support
- Pinnacle Lifestyles partners with two charities to send sick kids & their families camping
 - Pinnacle 20/20 Foundation
 - Registered charity supporting kids in Honduras and refugees in Canada
 - Starlight Foundation
 - “Delivering happiness to seriously ill kids & their families”
 - Annual charity camping weekend and annual golf classic fundraiser

(1) <https://crva.ca/health-benefits-of-rving/>

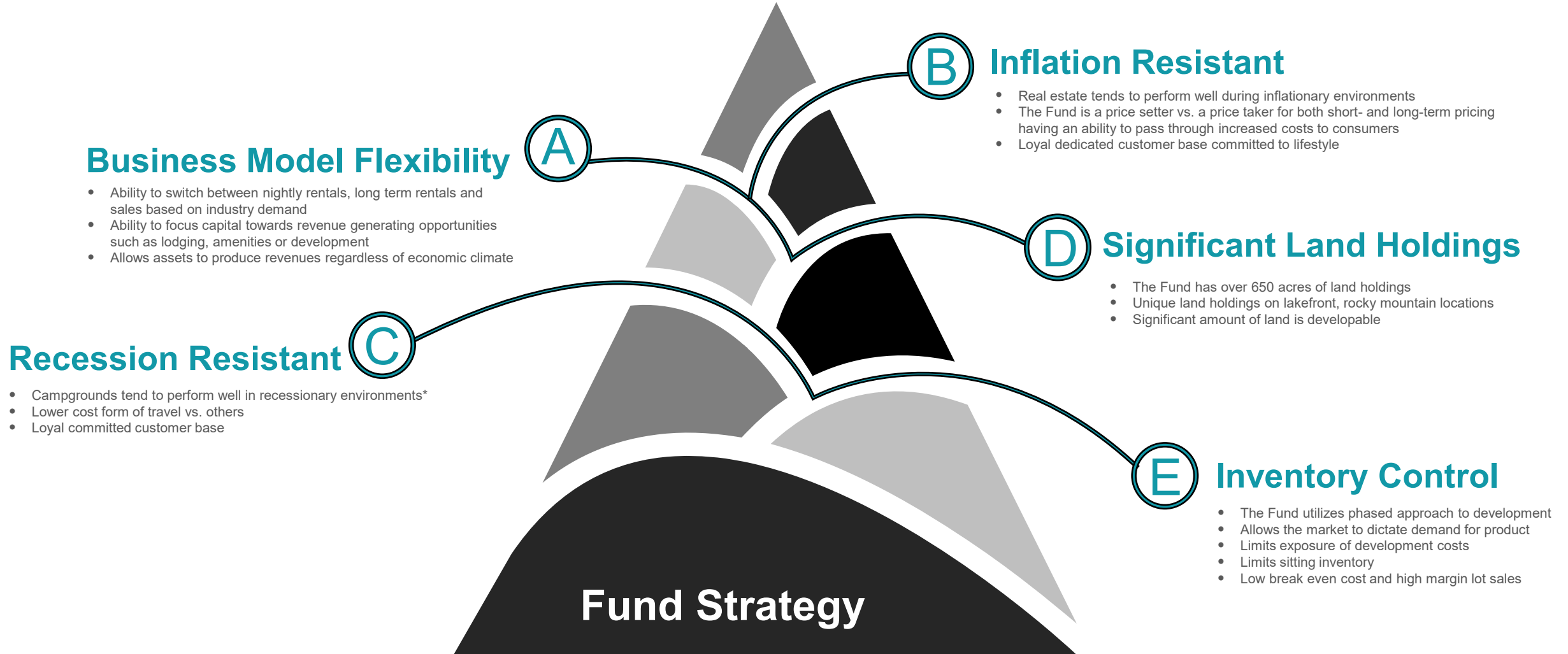
(2) KOA 2022 North American Camping Report.

Business Model – Investment Returns

- Pinnacle Lifestyles has a unique hybrid approach to the business
 - Short term development and sales returns
 - Long term cash flow generation from operations
 - Long term cash flow builds a portfolio value
- **Development & Sales**
 - Average lot price of \$100,000+
 - Example: Golden & Kokanee have over 700 potential sites
- **Long Term Cash Flow**
 - Value add & optimization to existing operations
 - Property & rental management
 - Ancillary revenues (golf, marinas, retail, services)
- **Future Business Opportunities**
 - Acquisitions & consolidate “mom & pop” operators
 - Storage opportunities at locations
 - 3rd party management
- Creates ability to capitalize future development phases and generate distributions to investors while building a portfolio of significant value
 - Lower cap rates thru increasing the property value and portfolio consolidation



Business Model – Downside Protection



Sources:
* <https://moderncampground.com/canada/koas-orourke-when-the-economy-goes-south-people-turn-to-the-outdoors/>

Fund III – Asset Overview



Kokanee Springs Resort

Kootenay Lake, BC

Golf + Adventure

- 432+ Acres
- 18 Hole Golf Course
- 62 Room Lodge
- 5 Condos
- Restaurant
- 300+ Targeted Lots



Lakeview Resort (Pending)

Kootenay Lake, BC

Beach Club

- 24.3+ Acres
- Under Contract
- 18 RV sites
- Marina
- General Store
- 30+ Targeted Lots



White Lake Fishing Resort

Salmon Arm, BC

Lake + Fishing

- 5.0+ Acres
- 36 RV sites (Long Term)
- 10 Cabins
- Fishing Lodge
- 50 Boat Slips
- Future Lot Sales Option



Golden Lands

Golden, BC

Adventure Paradise

- 200+ Acres
- Riverfront (3 sides)
- Future RVs & Cabins
- Un-zoned Lands
- Shovel Ready
- 400+ Targeted Lots



Fund III Investment Returns – Portfolio Snapshot



- The Fund’s portfolio contains existing assts as well as significant development potential with existing 2023 inventory for sales of ~\$7.5MM with total sales inventory potential of over \$100.0MM in total inventory
 - Projects are ready to commence initial phases of construction
- The Fund maintains a low loan to value
 - Current total debt of ~\$6.2MM
 - Equity raised to date of ~\$10.5MM
- The Fund’s business model is expected to become self-funding in 2024/2025 to be able to fund future development phases, and investor distributions from the sale of inventory

	Acquisition Cost	Total Spent to Date ⁽²⁾	2022 Assessed Value ⁽¹⁾	Existing Sites	Marina & Boat Slips	Planned Total Sites ⁽³⁾
Acquired						
Kokanee Springs Resort	\$5.4MM	\$7.9MM	\$11.4MM	82	0	300+
White Lake RV & Cabin Resort	\$2.3MM	\$3.5MM	\$3.4MM	48	50	48
Golden Lands	\$1.9MM	\$2.4MM	\$0.7MM	0	0	400+
Pending						
Lakeview Resort	\$1.8MM	\$1.8MM	\$1.2MM	33	14	30+
Total	\$11.4MM	\$15.6MM	\$16.7	163	64	778+

(1) Based on most recent BC property tax Assessments.

(2) Management prepared financials.

(3) Management projections assuming full build out of project. Subject to change and risks as outlined in the offering documents. Total assumes cabin lots, RV lots for sale and rent.

Fund III Investment Returns – Return Profile



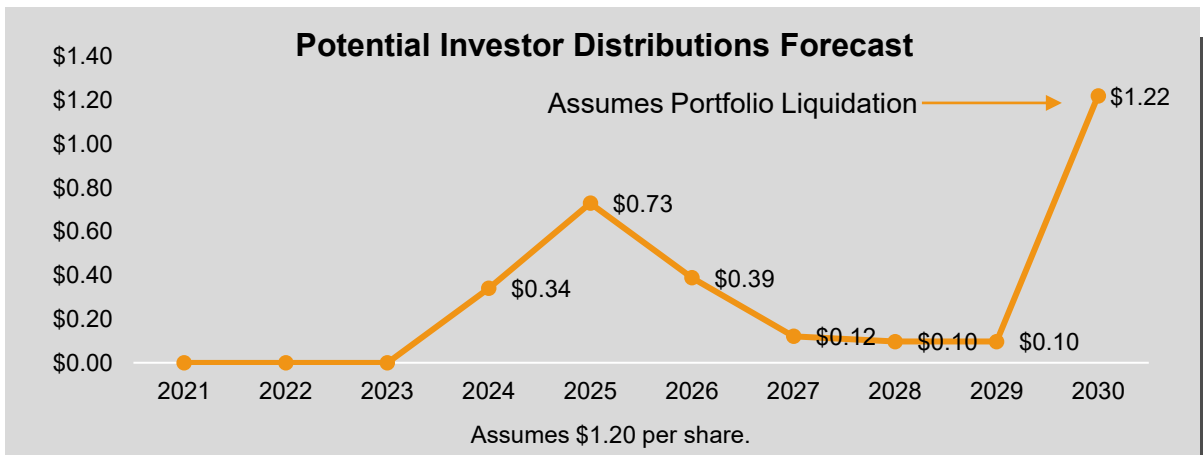
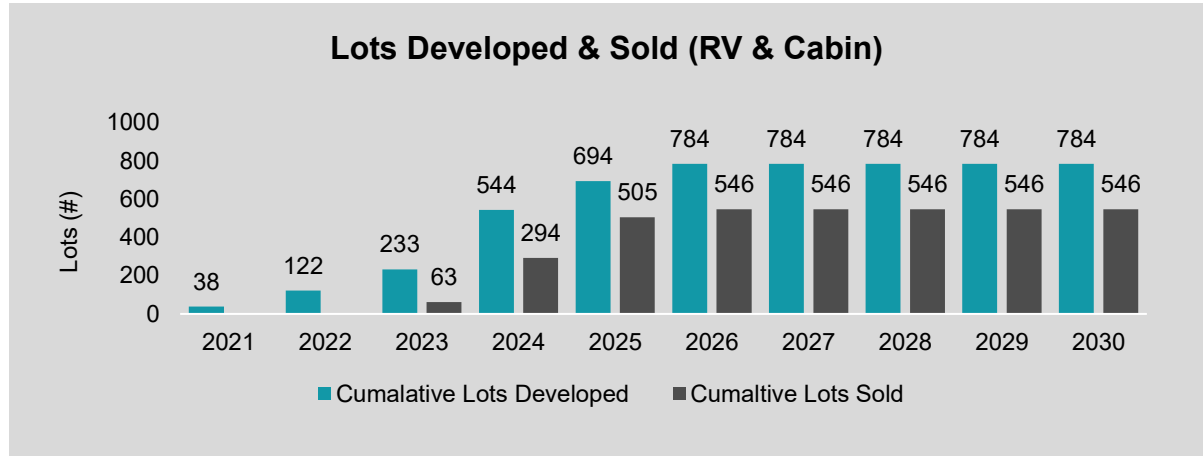
- Targeted annual returns of 12.0 – 16.0%
 - Targeted distribution of all capital by 2026
 - Redemption option commencing in 2026
 - Target returns allow for safety cushion
- Financial base case forecast summary over a 10 year period:
 - Projected total revenues of \$118.0MM
 - Projected capital expenditures of \$40.1MM
 - Assumes \$19.0MM of equity and \$8.5MM of debt
 - Assumes no additional acquisitions
 - Current projected IRR of 25.7%
 - Current projected MOIC 2.5x
- Investment tax advantages
 - \$4.7MM of acquired shareholder loan balances result in “tax free” \$4.7MM distributed to shareholders
 - \$5.5MM of acquired non-capital losses, shields corporate profits
 - Future distributions through return of capital then dividends
 - Additional tax stewardship through structuring
 - Further outlined on page 28

For Illustrative Purposes Only.

Management prepared estimates. Subject to a number of assumptions as outlined on page 24, including no additional acquisitions. Excludes investor personal tax consequences. There is no guarantee of investment returns.

Subject to Risk Factors as disclosed in the Offering Documents.

MOIC means Multiple of Invested Capital.



Fund III – Key Investment Highlights Recap



- 1. Strong Industry Demand**
 - Undersupply of RV sites vs. RV owners in key markets
 - Record RV & boat sales over the last five years
- 2. Industry Growth Potential**
 - Highly fragmented industry with limited institutional competition
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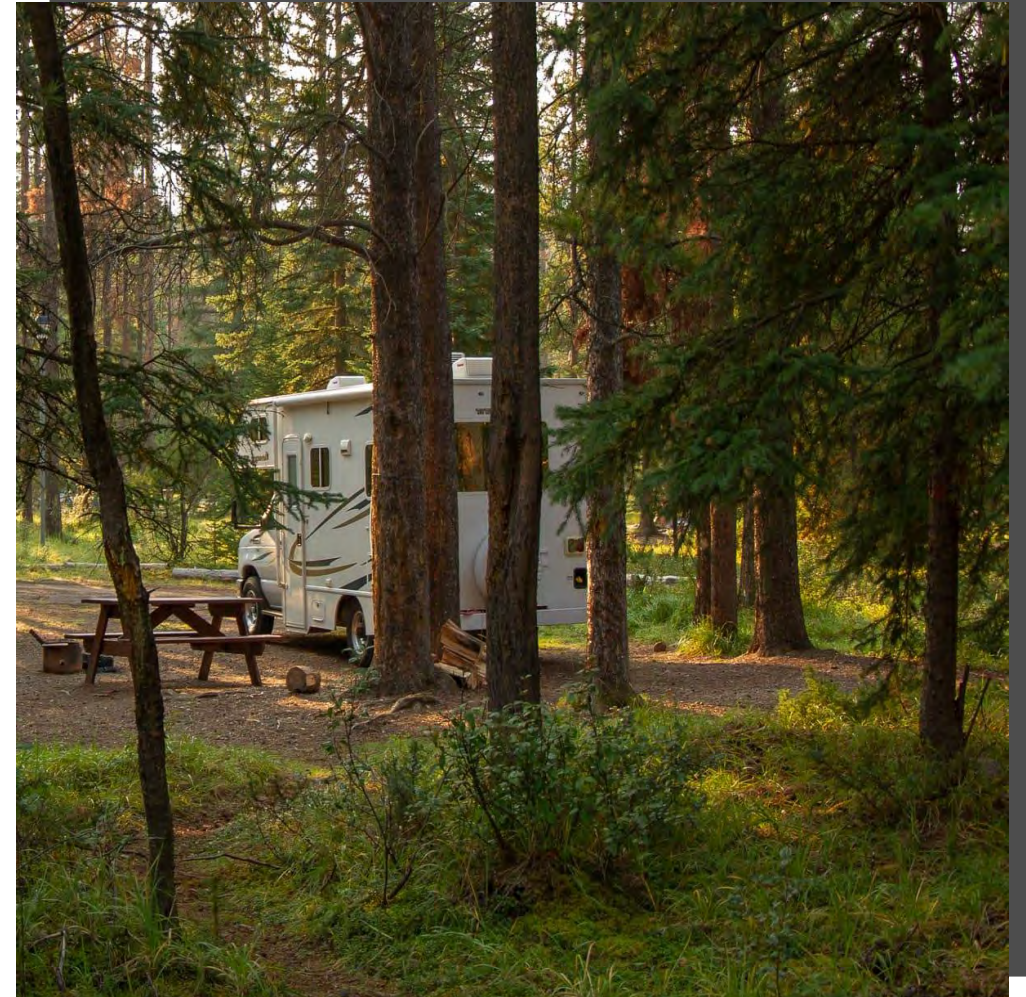
Pinnacle Lifestyles is a growing group of unique resorts built on a foundation of family values. Our communities offer different ways to stay, own and experience world-class locations.

Come out and [#Find Your Balance](#) in the great outdoors!



Terms of the Offering

Issuer:	Pinnacle Lifestyles Fund III Incorporated (the “Fund”).
Offering:	Class A Common Voting Shares of the Fund (“Common Shares”).
Issue Price:	\$1.20 per share.
Minimum Investment:	\$25,000
Commissions:	Up to 5.0% commission; 2.0% Promote
Promote:	20.0% of all issued common shares of the Fund issued to the Executives or their designated entity.
Fees:	No Management Fees. The Fund pays salaries, operating and development expenses and overhead costs as standard corporations.
Structure	Canadian private corporation with no expiry.
Liquidity:	There are no redemption rights, and the shares are illiquid securities until year six upon which the Fund will offer redemptions through operating activities cash flow and potential financings.
Registered Plans:	Eligible.
Eligibility:	Accredited and institutional investors only.
Wholesale Fee:	1.0% of capital raised.
Target Raise:	Up to \$25.0MM (approx. \$10.5MM raised to date)
Closing:	Monthly.



Contacts



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Pinnacle Lifestyles is a growing group of unique resorts built on a foundation of family values.

Our communities offer different ways to stay, own and experience world-class locations.

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Appendix: Risks



Risk Factors

Investment in securities of the Fund involves a high degree of risk and is suitable only for sophisticated investors who can withstand the loss of their entire investment and requires the financial ability and willingness to accept the high level of risk and lack of liquidity inherent in an investment in securities of the Fund. No assurance, representation, or warranty can be given that the Fund's investment objectives will be achieved or that investors will receive a return of their invested capital.

Risks Related to Our Business and Strategy

(1) Acquisition of the Common Shares (2) Additional Securities (3) General Conditions (4) Limited Revenues (5) Return on Investment Not Guaranteed (6) Competition (7) Liquidity (8) Decline in Real Estate Values (9) Ability to Purchase Future Acquisitions (10) Access to Capital (11) Environmental Risks (12) Natural Disasters (13) Shortages in The Availability of Labor (14) Political Risk (15) Lack of Geographical Diversification (16) Force Majeure Events (17) Development Risks and Approvals (18) Legal Risk (19) Global Pandemic Risk (20) Zoning Risk (21) Contract Risk (22) On Site Liability (23) Construction Risk.

Risks Related to this Offering

(1) The Fund May Need Additional Capital (2) The Subscription Price For The Common Shares Was Established Arbitrarily (3) There Are Substantial Restrictions On The Transfer Of The Common Shares (4) There Is No Public Market For The Common Shares (5) There Is A Private Offering With No Securities Regulatory Agency Review (6) No Independent Counsel For Subscribers (7) Disclosure Of Personal Information (8) Certain Legal Documents And Entities Are Still Being Formed.

Risks Related to the Fund

(1) The Fund Will Engage In Transactions With Affiliates And Related Parties (2) Lack Of Operating History (3) The Fund Is Reliant On Key Personnel (4) The Fund Has Limited Capitalization (5) The Management Has Extensive Control Of The Fund (6) Conflicts of Interest (7) There Is A Risk That A Dispute Could Occur Between The Control Persons Of The Fund And Related Entities (8) Income Tax Risks (9) Securities Regulation Risk.

Certain information provided in this document is not a prospectus, offering memorandum or an advertisement and is being provided for information purposes only and does not constitute or form part of, and should not be construed as, an offer or invitation to sell or any solicitation of any offer to purchase or subscribe for any Securities in Canada, the United States or any other jurisdiction. Potential investors should contact their Pinnacle Registered Dealing Representative to review the Investor Teaser and risk factors as listed in the Schedule – Risk Factors of the Term Sheet.

Appendix: Statutory Rights of Action



NOTICE TO ALL INVESTORS

Statutory Rights of Action for Damages or Rescission

Securities legislation in certain of the provinces of Canada provides purchasers with rights of rescission or damages, or both, where an offering memorandum or any amendment to it contains a misrepresentation. A “misrepresentation” is an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in the light of the circumstances in which it was made.

These remedies must be commenced by the purchaser within the time limits prescribed and are subject to the defenses contained in the applicable securities legislation. Each purchaser should refer to the provisions of the applicable Canadian securities legislation for the particulars of these rights or consult with a legal advisor.

The following rights will only apply to a purchaser of securities of the Corporation in the event that this corporate presentation is deemed to be an offering memorandum pursuant to applicable securities legislation in certain provinces of Canada. All such rights are in addition to and without derogation from any other right or remedy which purchasers may have at law and are intended to correspond to the provisions of the relevant securities laws and are subject to the defenses contained therein. The following summaries are subject to the express provisions of the applicable securities statutes and instruments in the below-referenced provinces and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions, which provisions may contain limitations and statutory defenses not described here on which the Corporation and other applicable parties may rely.

A full and complete list of rights of action is available in the Term Sheet. Investors are encouraged to review these risks in detail prior to making an investment decision.

Appendix: Investment Returns Disclaimer



Management prepared financial forecast assumptions and Disclaimers. Subject to a number of risks and assumptions as further outlined in the offering documents. Financial forecasts have not been reviewed or prepared by a reputable third party. Summary of assumptions include the following:

- Based on a 10 year monthly forecast model
- Numbers are derived from individual property models which have a number of assumptions including number of lots developed, sold, sales price, timing of sales, construction and development expenses, operating costs, staffing assumptions, rental participation assumptions and others.
- Individual property models assume full business plan execution including development and sales, rental lots, property management fees, rental management fees and ancillary revenues.
- Individual property models incorporate all project level operating costs such as property managers, property taxes etc. as forecasted by management.
- Head office overhead allocation is handled according to the current expense and allocation policies in place, subject to change.
- Investor returns assume a 20.0% promote structure and single class of common shares.
- Assumes lot sales in future years finance construction costs.
- Construction costs are forecast based on a per lot average, plus the inclusion of amenities and soft costs. Additional unexpected costs such as regional district requirements currently unforeseen would increase costs.
- Assumes no refinancing activities to conventional mortgages, other than refinancing of existing debt in Q1 2023.
- Assumes a total of \$19.0MM in equity raised and \$8.5MM in debt financing.
- Assumes debt was placed on properties under consideration for the whole portfolio, rather than each project directly
- Debt would either be taken out with a cash flow lender and/or extended for future phases of development, or paid off from sales. No new debt is assumed outside of the \$8.5MM facility.
- New revenue streams such as beach club fees, lake access and other ancillary revenues are based on management forecast with no historical data.
- Assumes no additional acquisitions which would significantly change the distribution profile.
- For return illustrative purposes assumes a liquidity event is secured in 2030, management makes no representation a successful liquidity event will be realized, or targeted, based on investor sentiment.
- Dividends are paid out assuming there will be enough cash remaining before next sales commence, subject to future redemption requests.
- Dividends are paid out semi-annually, accounting for minimum cash balances going forward. Delay in sales would result in a delay in distributions.
- Assumes pre-sale activities in advance of construction expenses to fund future development phases. To date no-pre sale activities have occurred.
- Does not assume any individual tax implications, assumes kokanee springs tax pools for shareholder loans, current capital loss carry forwards, and 15.0% effective tax rate on remainder, subject to investor individual investor tax situations consequences.
- Does not include consideration for payment times and received invoices, payables (30 day average pay periods)
- Returns assume a \$1.20 share price and a March 2023 investment.

Appendix: Financial Model Output



Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Fund III Portfolio - Project Summary											
Lot Sales											
Kokanee Springs	0	0	63	104	62	6	0	0	0	0	234
White Lake	0	0	0	0	0	0	0	0	0	0	0
Lakeview	0	0	0	0	8	4	0	0	0	0	12
Golden (Donald Lands)	0	0	0	127	142	31	0	0	0	0	300
Total Lot Sales	0	0	63	231	211	41	0	0	0	0	546
Cumaltive Lots Sold	0	0	63	294	505	546	546	546	546	546	546
Project Revenues											
Kokanee Springs	-	\$1,870,035	\$9,973,660	\$15,286,169	\$11,222,513	\$4,685,250	\$4,269,374	\$4,521,105	\$4,725,006	\$4,941,142	\$61,494,253
White Lake	-	\$302,463	\$404,927	\$460,546	\$527,293	\$550,048	\$575,079	\$602,612	\$591,265	\$623,768	\$4,638,002
Lakeview	-	-	\$188,631	\$237,152	\$2,019,795	\$1,181,978	\$346,780	\$358,571	\$371,305	\$385,058	\$5,089,271
Golden (Donald Lands)	-	-	\$950,000	\$14,015,737	\$16,601,633	\$5,624,393	\$2,297,929	\$2,366,687	\$2,438,963	\$2,514,936	\$46,810,278
Total Project Revenues	-	\$2,172,498	\$11,517,218	\$29,999,603	\$30,371,235	\$12,041,669	\$7,489,162	\$7,848,975	\$8,126,539	\$8,464,905	\$118,031,804
Operating Expenses											
Kokanee Springs	(\$155,884)	(\$2,072,579)	(\$3,175,485)	(\$3,946,261)	(\$3,770,278)	(\$3,255,161)	(\$3,297,206)	(\$3,414,366)	(\$3,534,590)	(\$3,659,737)	(\$30,281,547)
White Lake	(\$12,708)	(\$170,559)	(\$171,905)	(\$172,909)	(\$174,093)	(\$174,398)	(\$174,734)	(\$175,103)	(\$165,493)	(\$165,493)	(\$1,557,394)
Lakeview	-	-	(\$137,689)	(\$148,982)	(\$325,810)	(\$239,864)	(\$154,064)	(\$154,064)	(\$154,064)	(\$151,564)	(\$1,466,102)
Golden (Donald Lands)	-	(\$22,917)	(\$25,000)	(\$383,500)	(\$503,134)	(\$551,180)	(\$557,433)	(\$560,929)	(\$564,604)	(\$568,467)	(\$3,737,161)
Total Operating Expenses	(\$168,592)	(\$2,266,054)	(\$3,510,080)	(\$4,651,652)	(\$4,773,314)	(\$4,220,603)	(\$4,183,437)	(\$4,304,462)	(\$4,418,750)	(\$4,545,261)	(\$37,042,204)
Capital Expenditures											
Kokanee Springs	(\$5,525,000)	(\$1,648,188)	(\$1,800,146)	(\$2,391,500)	(\$3,706,667)	(\$1,221,000)	-	-	-	-	(\$16,292,500)
White Lake	(\$375,000)	(\$1,945,000)	(\$85,000)	(\$270,000)	(\$45,000)	(\$15,000)	-	-	-	-	(\$2,735,000)
Lakeview	-	-	(\$2,016,667)	(\$533,333)	(\$400,000)	(\$200,000)	-	-	-	-	(\$3,150,000)
Golden (Donald Lands)	-	(\$2,220,417)	(\$895,000)	(\$5,540,583)	(\$6,616,500)	(\$3,399,000)	-	-	-	-	(\$18,671,500)
Total Capital Expenditures	(\$5,900,000)	(\$5,813,604)	(\$4,796,813)	(\$8,735,417)	(\$10,768,167)	(\$4,835,000)	-	-	-	-	(\$40,849,000)

For Illustrative Purposes Only. Management prepared estimates. Subject to a number of assumptions as outlined on page 24, including no additional acquisitions. Excludes investor personal tax consequences. There is no guarantee of investment returns. Subject to Risk Factors as disclosed in the Offering Documents.

Appendix: Detailed Management



Darvin Zurfluh CEO & Director

- Mr. Zurfluh is the CEO and Co-Founder of Pinnacle Lifestyles.
- Mr. Zurfluh is the founder of Pinnacle Wealth Brokers Inc. and acts as the CEO & Chairman.
- Previous Experience in Pinnacle Lifestyles Fund I and Fund II.
- Founded Pinnacle 20/20 Foundation in 2011 that focuses on alleviating poverty in rural Honduras.

Tom Wach, MBA President & Director

- Mr. Wach is currently the Co-Founder President of Pinnacle Lifestyles.
- Former Head of Corporate Finance for Pinnacle Wealth Brokers Inc.
- Previous Experience in Pinnacle Lifestyles Fund I and Fund II.
- Experience in real estate from a private equity firm focused on U.S. self-storage and RV storage facilities.

Jason Royallen EVP Sales & Strategy

- Mr. Roy-Allen is the founder and CEO of Roy-Allen Developments Ltd. which successfully developed, marketed and sold over 300 RV lots in the Okanagan area of British Columbia in 3 years, including significant pre-sales activity.
- Prior to that Jason managed and sold RV lots at Crowsnest mountain resort in Crowsnest pass Alberta and Halfmoon Lake Resort outside of Edmonton Alberta.
- Before getting into the RV resort business, Jason was the founder and CEO of Virtutone Networks Inc. a publicly traded company on the TSX with revenues over \$150.0MM per year.

David Jones Vice President Finance

- Mr. Jones brings over 25 years of experience in accounting and finance including roles as Controller, Destination Resorts a public company focused on land development, construction and operation of resort style communities.
- Mr. Jones was the CFO for the Pacific Lottery Corporation, VP Finance at North American Healthcare International and most recently with Colliers Project Leaders in Business and Financial Consulting.

* The Fund has a number of support individuals on the roles or coordinator, marketing and accounting. Future individuals to be added to the team as the number of properties grows which includes resort managers, revenue manager, and other management positions.

Appendix: Detailed Board



Don Rumpel Director (Independent)

- Mr. Rumpel has been actively involved since 1995 in real estate investment and syndication.
- Mr. Rumpel has played an active role in the syndication of over \$210.0MM of both commercial and residential real estate.
- Currently serves as independent director in Fund II.
- Mr. Rumpel is a founder, EVP and director of the Cambrian Group of Companies, which have been actively involved in the syndication of commercial and industrial real estate in the Alberta marketplace.

Shane Stokke Director

- Mr. Stokke has been self-employed in the agriculture industry for his career and owns and operates a large pedigreed seed farm.
- Previously experience developing an export trading company that specializes in spices and flax that shipped food grade product around the world, and been active on many boards and associations including the Saskatchewan Co-op, REDA Canadian Grain commission.

Dale Hodgson Director

- Mr. Hodgson is a successful entrepreneur who, over the past 45 years, has developed practical hands-on experience in building businesses. Previous, CEO and major shareholder of Kokanee Springs Golf Resort.
- CEO and Owner of Bellstar Hotels and Resorts.
- President of Sundog Printing Ltd, Director of Diamond Sage Energy Services Ltd., Director of Grande Cache Coal Company Inc., President of Micro Imaging Inc., Founder of Tridon Paging
- Director of the Young President's Organization and International Director of the World President's Organization.

Don Douglas Director

- Formerly President of United Communities Inc. and its predecessor companies from 1984 until February 2014 which was bought by Anthem Properties for \$200.0MM.
- Significant active investor in Canadian real estate projects.
- President of L.K. Resources Ltd.; Vice-President, Corporate Development of Turbo Resources Ltd.; and prior to that, he was involved in the investment industry.

* The Fund has a number of support individuals in the roles of operations, marketing and accounting. Future individuals to be added to the team as the number of properties grows which includes resort managers, revenue manager, and other management positions.

Appendix: Tax Benefits



Cautionary Details

This letter is intended for discussion purposes only and will speak to generalized and/or hypothetical stakeholders to demonstrate potential tax interpretations and was not devised with any specific parties in consideration. Tax positions respecting Fund III's policy are intended to reflect its current policy approach and its considered tax related financial condition. Although this treatment is intended to provide information respecting possible tax positions for hypothetical stakeholders, this is not intended to be a full presentation of all possible tax considerations, nor can it necessarily address the subjective implications of each individual stakeholder of Fund III. As such, this cannot be relied on for determining the Stakeholders' respective tax treatment or investment decision related to the following presentations in this letter. Each Client is strongly advised to receive consultation with respect to their subjective tax and business decisions on an individual basis.

A significant consideration of Fund III's stewardship relates to tax considerations today and for the future. From analyzing and negotiating terms of acquisitions, use of corporate structures, segregation of business activities, and appropriate accounting policies, the Fund has formed a prominent factor in all planning decisions. These include:

- Consolidated Shareholder Loans of \$4,726,392 (pre-existing, resulting from acquisition of Kokanee Springs)
- Non-Capital Losses currently available of \$5,526,348 (pre-existing, resulting from acquisition of Kokanee Springs)
- Policy and Legal Structure

As outlined above, this sets up a prioritization of distributions to shareholders to minimize or defer tax impacts in the following steps:

1. Shareholders' Loan distribution
2. Return of Capital
3. Dividends

Shareholders could expect to receive as much as ~\$15.0MM (subject to the total amount of capital raised by the Fund) their original cash contribution to Fund III prior to triggering their first tax payment.

In addition, the \$5,526,348 of non-capital losses currently available represent a value of \$1,492,114, which would have otherwise been paid in tax, lowering dividends available to investors, assuming a marginal corporate tax rate of 27% in British Columbia. Finally, now tax efficient dividends would follow the above distributions.

Appendix: Recreational Property Prices



	Recreational Properties in Canada					All Residential Properties in Canada					5 Year Change (2018 - 2022)	
	2018	2019	2020	2021	2022 (Forecast)	2018	2019	2020	2021	2022 (Forecast)	Recreational Properties	Residential Properties
National	\$390,009	\$411,471	\$437,156	\$567,000	\$640,710	\$553,592	\$536,675	\$573,275	\$705,875	\$792,858	64%	43%
Atlantic Canada	\$243,507	\$257,965	\$193,984	\$237,000	\$272,550	\$205,333	\$212,433	\$228,108	\$276,202	\$324,610	12%	58%
Quebec	\$186,014	\$194,315	\$253,907	\$310,000	\$356,500	\$320,925	\$338,917	\$375,775	\$447,825	\$495,008	92%	54%
Ontario	\$366,899	\$393,253	\$467,698	\$653,000	\$737,890	\$605,450	\$614,117	\$676,767	\$854,317	\$963,450	101%	59%
Praries	\$207,092	\$194,147	\$239,323	\$246,000	\$253,380	\$281,054	\$280,429	\$290,267	\$320,579	\$338,250	22%	20%
Alberta	\$743,431	\$819,583	\$889,510	\$1,074,000	\$1,170,660	\$398,067	\$388,067	\$386,950	\$420,033	\$465,742	57%	17%
BC	\$666,924	\$669,601	\$691,963	\$919,000	\$1,029,280	\$759,817	\$691,133	\$725,350	\$884,042	\$1,012,375	54%	33%

Sources:

Recreational Property Reports:

- https://docs.rlpnetwork.com/RLPRecReport/2019/Royal_LePage_National_and_Regional_Recreational_Price_Summaries_2019.pdf
- https://docs.rlpnetwork.com/RLPRecReport/2019/Royal_LePage_National_and_Regional_Recreational_Price_Summaries_2019.pdf
- https://marketing.rlpnetwork.com/Communications/Royal_LePage_2021_Spring_Recreational_Property_Price_Chart_Forecast.pdf
- https://marketing.rlpnetwork.com/Communications/Royal_LePage_Spring_2022_Recreational_Property_Report_Data_Chart.pdf
- https://marketing.rlpnetwork.com/Communications/Royal_LePage_Spring_2022_Recreational_Property_Report_Data_Chart.pdf

National Housing Reports:

- Canadian Real Estate Association National Statistics
- Composite benchmark 12 month average not seasonally adjusted.
- Atlantic Canada assumes average of New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador
- Average of 12 previous months as of December of each calendar year.

