Annual Report
April 1, 2024 - March 31, 2025

Souris Harbour Authority Inc.

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1. INTRODUCTION

The Souris Harbour Authority Inc., (SHAI) is a not-for-profit community- based company incorporated in 2005 under Part II of the P.E.I. Companies Act to own, operate and promote the development of the Port of Souris. This is the fourteenth annual report of the corporation.

The Board of Directors of the Souris Harbour Authority Inc. for the 2024 - 2025 year are:

Member	Representing
Brian Ching, President	Community at Large
Joanne Chisholm, VP	Community at Large
Shawn MacPhee, Secretary	Fishers
Gary Sheehan, Treasurer	Community at Large
Ryan Keenan	Community at Large
Jeff Chapman	Port User
Randy MacPhee	Fishers
Stephanie Mitsuk	Town Representative

The Board of Directors of SHAI meets monthly. The board's agenda includes financial, management and committee reports plus various company business matters. The Board of Directors oversees policy and operations with four committees; Finance and Audit; chaired by Gary Sheehan, Capital Planning, chaired by Randy MacPhee, with the Board dealing with Governance/Nominations and Marketing/ Business Development.

The corporation's management team consists of Andrew Daggett, General Manager, Art MacDonald, Port Manager, André Gallant, Eastern Cold Storage Manager, Eric Gallant, Marina and Lighthouse Manager, Reggie Sheehan, Plant Engineer, Shanna Carter, Accounts Payable, and Tracy McInnis, Accounts Receivable.

Jarislowsky Fraser, Toronto, and Scotia McLeod, Charlottetown are SHAI's investment management advisors. The Bank of Nova Scotia and ACOA are its lenders. Local banking services are provided by the Souris Credit Union. The company's auditor is MRSB, Charlottetown. Legal counsel is provided by Stewart McKelvey, Charlottetown.

2. OPERATIONS AND CAPITAL MAINTENANCE

The Souris Port is the premier PEI fishing port that can accommodate inshore, midshore, and offshore fishing fleets.

Port Activity

The port offload of Snow Crab was approximately 2.3 million pounds, with large catches early in the season, which started early in April. The quotas were reduced by 28% which made for decreased landings. The crab fleet comprised of 18 vessels and quota from (3) First Nations fleets. In combination with the port's traditional lobster fleet (30 boats), SHAI experienced good offload activities for April to June with approximately 200 persons employed or generating income during the period.
The "personal" mackerel fishery meant that the mackerel fishery for 2024 was reduced, but we still managed to get and pack about 200,000lbs. Silverside landings bounced back from the previous year and we ended up freezing about 504,000lbs. Tuna landings during the summer and fall months were up a little with 55 fish landed in Souris. Most of the fish were landed elsewhere with the size of the fish smaller on average, a trend that has been running for several years in a row. Transient revenues were about average. We saw 7 aggregate barges offload on the Marine Terminal for approximately 45,000 metric tons.
After post tropical storm Fiona hit on September 24, 2022 and did significant damage to the Marina docks. We put together a funding package and were supported by the Province to fix the siding and roofs of the Lighthouse and Gift Shop, as well as purchase new Marina docks. 2024 was the first year of the new docks and the new docks, and dock configuration, made for a more structurally sound setup.

Repairs/Upgrades

The wheel guard in the Bullpen was replaced. We had Poly-Mor foam inject several voids in the wharf decking to fill the voids. One in particular in the corner by the Ice House had been washing out and deteriorating for years. We also had JD Diving and Marine fix some water lines under Knight's Landing that had been problematic for years.

Ice House

The Ice House operated with no major issues for the season.

3. BUSINESS OPERATIONS

Eastern Cold Storage
Souris Harbour Authority Inc.

Eastern Cold Storage, (ECS) the port's anchor enterprise continues to serve the fisheries, aquaculture and agriculture industries with bait freezing for almost 700 customers and public cold storage.

In 2024-25, Eastern Cold Storage (ECS) continued its bait freezing line in Souris Harbour Industries at the location in the SHI building, although the closing of the commercial mackerel fishery reduced the amount of product being frozen and packaged to only "personal" use.

ECS employees 4 full time employees and up to 28 people on a seasonal basis in 2024-25, although the reduced mackerel fishery and the sporadic nature of the herring fishery has made it challenging, 2024 did see us store about 4 million pounds of blueberries. The Silverside fishery was much better in 24/25 with about 500,000lbs frozen for the year.

The windmill had the gearbox replaced in October 2024 and was working well as of the end of March 2025.

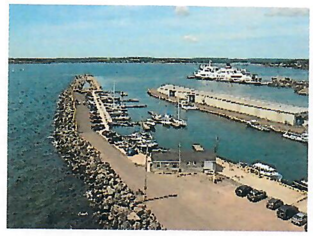
Souris Harbour Industries
Souris Harbour Authority Inc.

Souris Harbour Industries
The Centre for Aquaculture Technologies Canada (CATC) is leasing about 40,000 sq. ft. of the SHI building, or about 50% of the leasable space.

MacAulay Produce, operating as Red Isle, occupies about 13% of the Souris Harbour Industries building and ceased production in the summer of 2022. Negotiations continued with Delcato Foods from Ontario who looked to take over the equipment and space.

Between CATC, MacAulay's Produce and our own bait production, the leasable space in SHI is now 100% utilized.

SOURIS MARINA



The Souris Marina had about 33 seasonal boaters, saw $7,895 in transient revenue and sold about $8,485 of gasoline in 2024. The storage shed at the topside boat yard is at capacity. Vessel storage in the recreational boat yard at full capacity at 55 vessels from all PE, NS, NB, ONT, PQ, and BC.

Souris Historic Lighthouse

The Souris Historic Lighthouse was open for the summer in 2024 but we did not have student tour guides as we could not find any. Lighthouse donation revenue for 2024 was $13,240.

The Mermaid Sea Glass Festival moved to the rink for 2024 and our only interaction was having a couple of ham radio operators broadcast from the Lighthouse.

4. FINANCIAL

Highlights of the audited financial statements of the corporation prepared by MRSB for the year ended March 31, 2025 with year ending March 31, 2024 for comparison follow:

SOURIS HARBOUR AUTHORITY INC.
Statement of Operations
Year Ended March 31, 2024

	2025	2024
Revenues		
Harbour Authority (Schedule 1)	$ 1,014,376	$ 1,633,646
Eastern Cold Storage (Schedule 2)	1,541,527	1,465,492
	2,555,903	3,099,138
Expenditures		
Harbour Authority (Schedule 1)	1,993,529	2,150,253
Eastern Cold Storage (Schedule 2)	1,528,485	1,443,777
	3,522,014	3,594,030
Deficiency Of Revenues Over Expenditures from operations	(966,111)	(494,892)
Other revenues		
Gains on disposal of investments	1,886,182	1,141,761
Investment	677,809	671,203
Unrealized gain (loss) on investments	(1,261,971)	439,777
Government funding	20,473	29,309
	1,322,493	2,282,050
Excess (deficiency) of revenues over expenditures	$ 356,382	$ 1,787,158

The market value of SHAI's long-term investments as of March 31, 2025 was $16,530,682. All investments are now non-restricted, meaning the Authority can use these funds and are no longer constrained by the Transport Canada Contribution Agreement. As of the year ending March 31, 2022, is no longer required to complete a report on allowable expenditures for Transport Canada. Property and equipment net book value totaled $15,823,039 and total current assets (cash and receivables) totaled $1,005,065 for total assets, including investments of $16,530,682, for a total of $33,358,786. Long-term debt of the corporation is $3,703,107 with $537,576 being paid off in 2024/25.

SHAI is proud to be a committed community supporter through donations, and donated $8,840 to area school scholarships, youth and family organizations, special events, sport teams and community service groups.

5. CONCLUSION

A sincere thank you and acknowledgement to our board members for their dedication and commitment to the company's sustainability and success.

Thank you to management and staff for their support and guidance throughout the year. We, as a team, with leadership, diligence, and skillful direction, ensure the long-term viability of the corporation.

Respectively submitted,

Brian Ching, President

Souris Harbour Authority Inc.