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SPECIAL REPORT

Nova Scotia at full ahead

RISING DEFENCE BUDGET AND NATURAL RESOURCE PIVOT ACCELERATE THE STRATEGIC SHIFT OF CANADA'S MARITIME GATEWAY

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Invest NOVA SCOTIA
CANADA'S EAST COAST

It's not just about *what's* next. It's about *where* next.

As you might've guessed from that logo down in the corner, we think "where next" is Nova Scotia, Canada. And we've got a good reason. Actually, several.

First? We're right on Canada's east coast, with fast access to world markets. And even faster access to really great seafood. With a four-hour time difference to both London and San Francisco, our time zone creates a shared window for real-time collaboration. And we're home to North America's closest ports to Europe. Talk about a Goldilocks location.

Second, our people. You've heard enough about how welcoming we are. But not nearly enough about how smart we are. More than 70% of Halifax residents have a post-secondary degree and CBRE's Scoring Tech Talent report ranked Halifax #2 among North America's emerging tech markets.

Finally, here's one for your accountants: Class A office space averages $37.81 per square foot, significantly below most North American cities.

So if you're wondering where next, our answer is: where else?

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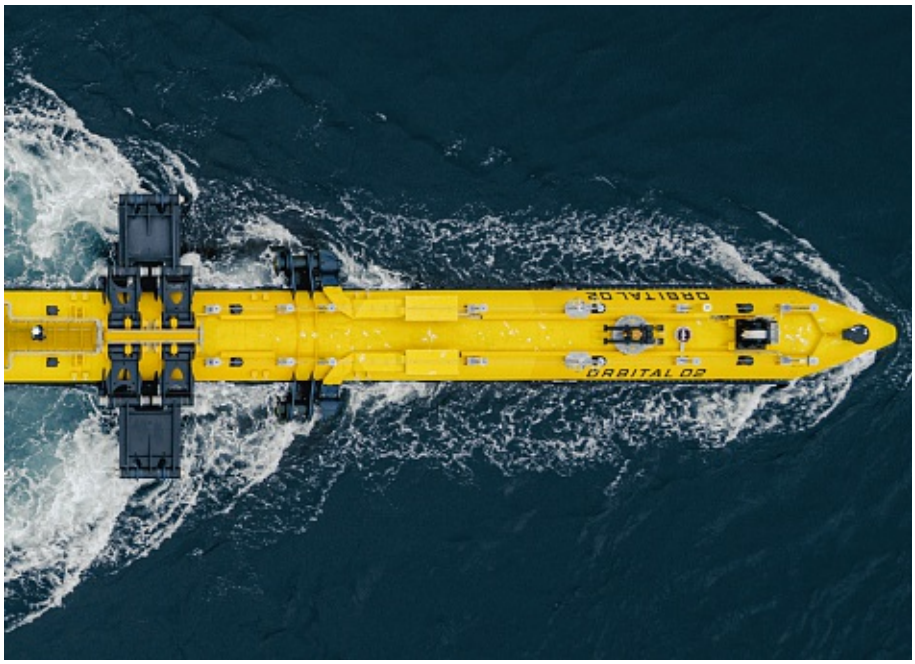

Defence: the key to Nova Scotia's advance

AS NOVA SCOTIA LOOKS TO REVITALISE ITS ECONOMY, DEFENCE AND DUAL-USE INDUSTRIES ARE ON INVESTORS' RADARS. **BEN PAYTON** REPORTS

For decades, if not centuries, Nova Scotia's economic fortunes have been tightly bound to its defence industries.

Canada's Atlantic fleet uses provincial capital Halifax as its primary base. The Irving Shipbuilding facility on the Halifax shore is the largest manufacturing site for naval vessels in the country. The province is also home to a major air base, and multiple defence and aerospace contractors have local production facilities.

Nova Scotia's defence sector is now poised for rapid growth, as Canada wakes up from a lengthy period of strategic complacency.

Donald Trump's repeated jibes about annexing his neighbour, along with his habit of threatening aggressive tariffs, have forced the country to re-evaluate its priorities. Canada now finds itself unwilling to rely on security guarantees from the superpower next door, at a time when Ottawa is warily eyeing possible threats from Russia and China in the Arctic.

In response, the government plans to raise defence spending to 2 per cent of GDP this year, and to 5 per cent by 2035. In February, it unveiled a new Defence Industrial Strategy.

Revitalising the economy

Ottawa's focus on defence comes at a timely moment for Nova Scotia.

The province achieved steady economic growth between 2021 and 2024 period. That momentum waned, and growth converged towards the national average in 2025 as the whole Canadian economy got caught up in the uncertainty over the future of the USMCA set-up ushered in by the Trump administration and the relationship with its southern neighbour.

Facing slower growth, the provincial government led by conservative Tim Houston, who gained a second mandate in a landslide victory in 2024, is now battling a widening budget deficit and net debt, which has already led to a contentious programme of spending being approved in March.

With less leeway for public investment, private investment, both domestic and foreign, will be key to shoring up growth in the province.

In this context, the defence industry appears well placed to catalyse new investment.

Nova Scotia is home to 13,000 military personnel and 17,000 defence and aerospace workers, while defence generates about C$2.6bn ($1.87bn) per year, or 6 per cent of the province's GDP, according to figures from the provincial government.

The ramping-up of defence spending therefore provides a unique chance for suppliers to the defence industry to scale up their activities and support Nova Scotia in reviving its economy.

Dual-use

As part of the new Defence Industrial Strategy, the Canadian government is looking to support companies that can deliver both civilian and military technology.

One of these "dual-use" companies is Spiri Robotics, a Nova Scotia-based developer of drone technology. The company currently supports provincial and federal authorities with disaster management and environmental monitoring. Alongside these civilian uses, Spiri increasingly finds its technology is in high demand among defence sector customers.

"Everybody is scrambling," says CEO Patrick Edwards-Daugherty. "The government wants to invest in new and emerging technologies that have dual-use purpose, drones being one of those areas."

The focus on dual-use industries is deliberate, he emphasises, noting that the government wants companies to remain viable even in a future where security might be less of a priority.

Ben Garvey, CEO of Enginuity, an engineering consultancy based in Halifax, agrees that the focus on defence and dual-use technology is "very present". He likens the situation to the Covid-19 pandemic, during which his company pivoted to focusing solely on developing medical equipment. Now, Garvey says, around 80 per cent of Enginuity's work is on dual-use equipment, compared with only 15 per cent to 20 per cent a few years ago.

"The only sensible way to do any kind of new product development, new product introduction, is through dual-use," says Garvey. Defence contracts are notoriously hard to secure, he says. It is much

Defending Canada: Halifax, Nova Scotia is the home port for the Canadian navy's Atlantic Fleet and a major hub for defence industries

more viable to prove that a technology works in a civilian sphere, before adapting it to military uses.

From sea to space

The limited size of the market in Nova Scotia can be a challenge for companies seeking to scale. Securing finance is far harder for dual-use tech businesses in Nova Scotia, compared with places like Silicon Valley, Garvey says.

Yet there are pockets of the technology ecosystem where Nova Scotia has advantages. Garvey cites the province's strengths in ocean sensing technology. "Whether you're listening for blue whales or the mechanical whales that are out there, you're listening maybe on different frequencies, but with the same technology," he says.

Kraken Robotics, which is headquartered in Newfoundland but has a major manufacturing facility in Nova Scotia, is an example of a marine sensing player that has been able to achieve significant scale. In March, the company announced the acquisition of a UK-based underwater sensing company in a C$615mn deal.

Kraken's Nova Scotia base is at Cove, an innovation hub in Dartmouth that provides testing facilities for marine technology companies. Cove is also an accelerator site for Nato's Defence Innovation Accelerator for the north Atlantic, while in November the Canadian government announced it would host the country's first Maritime Defence Innovation Secure Hub.

"Integration with Nato and allied networks ensures that businesses can scale quicker connecting to global markets, strengthening national sovereignty and providing allied capabilities," says Cove CEO Melanie Nadeau.

On the other side of Halifax Harbour, Irving Shipbuilding is working on the Royal Canadian Navy's River-class destroyers. It finalised a contract for the first three of a planned fleet of 15 vessels in March 2025.

Meanwhile, the focus on defence is extending into the realm of space. In March, the Department of National Defence signed a C$200mn deal to lease a launch pad at Spaceport Nova Scotia, a facility being built by space company Maritime Launch Services.

The province offers a "sweet spot" for a spaceport, says the company's CEO, Stephen Matier. Being able to launch eastward over the Atlantic improves safety, he adds, while the latitude is more energy-efficient for launching satellites on polar Sun-synchronous orbits compared with equatorial sites.

Along with the Canadian military, Maritime Launch Services has interest from a range of commercial launch clients in using the spaceport, Matier says.

The facility is set to be fully operational by the end of 2027. The beginning of launch operations for both commercial and military satellites will be a symbolic moment for Nova Scotia, signalling that its dual-use industries have truly taken off. ■

Mining: a golden opportunity?

A SWITCH IN GOVERNMENT PRIORITIES IS BREATHING NEW LIFE INTO NOVA SCOTIA'S MINING SECTOR. **BEN PAYTON** REPORTS

Canada boasts one of the world's largest mining industries. It generates tens of billions of dollars for the country each year through the extraction of iron ore, gold, nickel, copper and many other materials.

The same cannot be said, however, for Nova Scotia. In 2023, one of the last mining operations in the province, the Touquoy gold mine in Moose River, ceased operations earlier than expected when its operator, Australian-listed St Barbara, failed to secure permission to deposit tailings into an open pit prior to processing.

Dustin O'Leary, the company's business development manager, acknowledges it has had "a complex relationship" with provincial authorities at times. The early closure of Touquoy marked a nadir. "The unfortunate part was there was a lot that had been extracted that we couldn't process," he says.

In early 2025, however, the provincial government — grappling with a sluggish economy and the impact of US tariffs — made a "pivot" to attract mining investment, says Janice Zinck, executive director for geoscience and mines at Nova Scotia's department of natural resources.

"There's a role to play for natural resource development," she says. "But we had to do some things in order to put us on that course."

The provincial government has identified 20 "critical minerals" that could be mined in the province. For now, the main focus is on four strategic subsectors: gold, gypsum, aggregates and potash.

There have been no drastic changes to mining legislation, other than the lifting of a moratorium on uranium mining. Instead, the government has focused on being more responsive and Zinck says it has already halved the time required to receive a permit.

Dig here: St Barbara's operations at Moose River in Nova Scotia

Shovels in the ground

The rapid change in the government's approach to mining has come as a pleasant surprise to companies.

St Barbara had intended to divest its remaining licences in Nova Scotia, but has performed an about-turn. It is now applying to restart operations at Touquoy to complete the processing of the deposits already extracted and plans to open several new open-pit operations, alongside a processing facility.

Larger players are also casting a curious eye towards Nova Scotia. Rio Tinto quietly secured exploration licences for lithium last year.

Another company, Toronto-headquartered NexGold, hopes to begin preliminary construction activities for a gold mining project at Goldboro by the end of this year, before beginning production in late 2028.

Deidre Puddister, its vice-president for sustainability, says Nova Scotia did not have a "friendly reputation" until recently. "People were saying you're just going to beat your head against the wall there."

NexGold faced a years-long "uphill battle" in securing permits, she says. But since premier of Nova Scotia Tim Houston put a mining revival at the centre of his agenda, Puddister says officials have become much more proactive in helping mining companies move projects forward.

The result is a clear shift in sentiment. "We're proud to be working in Nova Scotia," says Puddister. "A couple of years ago, it was a source of frustration. Now it's a source of pride." ■

The power of the ocean

MARITIME TRADE, OFFSHORE LOGISTICS AND OCEAN TECHNOLOGY ARE KEY TO NOVA SCOTIA'S ECONOMIC FUTURE. **BEN PAYTON** REPORTS

Nova Scotia has always been a maritime economy. The rich fisheries of the Atlantic coast have long sustained livelihoods around the province. Lobster remains a key export product. While fishing has declined somewhat in relative importance, marine sectors account for around 13 per cent of the province's employment and GDP.

As Nova Scotia modernises its economy, and adapts to the chill in Canada's relations with the US, offshore activities are set to grow even further in importance.

The Port of Halifax, where millions of immigrants first set foot on Canadian soil, is vital to Canada's plans to diversify its trade relations. The port is a "strategic national asset", says David Thomas, CEO of The Pier, a "living lab" working to facilitate the adoption of new technologies for logistics and supply chain services.

As part of Canada's efforts to double its non-US exports by 2035, the government announced a C$5bn ($3.6bn) fund in March to modernise trade corridors, including infrastructure around ports. Halifax, the busiest container port in the Atlantic provinces of Canada and their only port capable of handling the largest container vessels, is set to be one of the key beneficiaries.

The importance of the port is highlighted by the decision of port operator PSA, the Canadian National Railway Company and the Halifax Port Authority to establish The Pier. Companies based at the facility are working on a range of technologies to help achieve incremental improvements to efficiency, resilience and sustainability.

"We see the port very much positioned for growth," says Thomas. "And the innovation work that we do is to try and not just be that competitive solution today, but into the future."

Winds of change

Another key offshore focus for Nova Scotia is energy. An offshore oil and gas licensing round is currently in progress, and the provincial government has ambitious plans for offshore wind. Its "Wind West" vision (so-called because much of the electricity generated will be exported westwards) envisages up to 62 gigawatts of capacity. As a first step, the government is preparing to issue a tender for 5GW later this year.

Elisa Obermann, executive director of industry group Marine Renewables Canada, says the waters off the Atlantic coast of Nova Scotia are a truly vast resource. "It has some of the strongest and most consistent wind speeds in the world," she says. "And they are untapped."

She highlights how offshore wind could be a major revenue-earning opportunity for Nova Scotia. The current capacity of the electricity in the province is only 2.7GW, meaning offshore wind farms have the potential to export huge amounts of surplus power.

As well as supplying electricity to other Canadian provinces, Nova Scotia signed a memorandum of understanding with Massachusetts in February to explore collaboration. Having had its own offshore wind plans thrown out by the Trump administration, the New England state now hopes to import wind-generated power from Nova Scotia.

The key to exploiting these opportunities, says Obermann, is to invest in transmission infrastructure so that wind developers can be confident that a route to market exists.

Turning the tide

Besides, the Bay of Fundy on the west coast of Nova Scotia has the world's greatest tidal range. This makes it an ideal location to generate power from turbines powered by rising and falling tides. In theory, up to 7GW of electricity could be generated at the site; and, unlike solar or wind, tidal turbines can supply dependable, baseload power.

Scottish company Orbital Marine Power and its local partner Eauclaire Tidal received four new licences in November 2025 to generate 12.5MW of electricity from five turbines that will be installed at the Fundy Ocean Research Centre for Energy. The two companies now have licences to generate 15MW in total.

Chris Milne, chief financial officer at Orbital, says the authorities in Nova Scotia have been "very open for business and very keen to actually see things happen".

As a nascent technology, tidal power remains significantly more expensive than the alternatives. However, Milne welcomes the fact that Orbital and Eauclaire were awarded licences for all the capacity offered in the November 2025 auction, a decision that will significantly improve economies of scale in construction and financing.

Milne also gives the Nova Scotia authorities credit for taking factors other than cost into ▶

> WE HAVE A VERY UNIQUE TALENT BASE, I THINK ... NOVA SCOTIA IS THE PLACE TO BE

> NOVA SCOTIA HAS SOME OF THE STRONGEST AND MOST CONSISTENT WIND SPEEDS IN THE WORLD. AND THEY ARE UNTAPPED

account when awarding the licences, an approach that he says will help "give the highest level of confidence of success". This is in contrast to the UK's Contracts for Difference scheme for tidal power, which is focused only on cost factors.

Sensing opportunities

A challenge for tidal power in the Bay of Fundy is assessing its impact on marine life. Previous projects at the site have encountered resistance from federal environmental authorities over concerns of how underwater turbines will affect fish species.

This is where Nova Scotia's expertise in developing underwater sensing technology could prove helpful.

One of the companies developing fish tracking technology in Nova Scotia is Innovasea. The company has developed a range of solutions, including technology that harnesses acoustic telemetry. Amy Brookman, the company's general manager for fish tracking, says its technology is being used in the Bay of Fundy to "look at movement patterns of species".

She adds that the fish tracking part of Innovasea's business grew out of a project at a local university. The company now employs 180 people in the province. "There's a great amount of skills available for ocean tech," says Brookman.

Another leading Nova Scotia ocean tech business is Sensor Global. Though founded in the province, it now does much of its business in Norway, where its sensor technology to monitor fish health is used in the aquaculture sector.

"We have a very unique talent base, I think, in Nova Scotia," says Sheamus MacDonald, the company's CEO. The "common understanding" of the ocean economy in the province is key in helping start-ups in the sector to move ahead, he says, noting the accessibility of funding from local investors.

This leads to a simple conclusion for marine tech entrepreneurs. As MacDonald concludes: "Nova Scotia is the place to be." ■

New wave: turbine technology from Orbital is being used in the Bay of Fundy

INTERVIEW: TRENT VICHIE

Wind set to power green fuels revolution

EVERWIND FUELS' CEO TELLS **BEN PAYTON** ABOUT WANTING TO TURN CAPE BRETON ISLAND INTO A GREEN AMMONIA HUB

Any visitor will quickly realise that there is no shortage of wind in Nova Scotia. Harnessing this vast resource is an important priority for the province, not just to generate power, but also to fuel the growth of new industries.

EverWind Fuels is now moving forward with one of the largest schemes for onshore wind in Nova Scotia. In March, the Halifax-headquartered company announced a C$175mn ($126mn) investment from US asset management giant Nuveen to help fund 650 megawatts of new wind capacity across several sites in the province.

"We're planning to start construction this year," says Trent Vichie, EverWind's CEO.

Initially, the electricity generated will be used to supply the local grid. But the company's ultimate plan is to use wind power in the electrolysis process to produce green ammonia. The company has secured a location at an existing fuels storage facility in Point Tupper on Nova Scotia's Cape Breton Island, which it views as an ideal site for producing and exporting green ammonia.

Vichie says the most likely offtakers would be from Europe, particularly Germany. While the business case for green ammonia has sometimes been questioned amid growing pains in the nascent market, he points out that the fuel can help mitigate dependence on fossil fuel alternatives from unstable regions. "Current world events really highlight the benefits of having diversity of different fuel sources," says Vichie.

The reason he believes EverWind can succeed where many others have failed with its project in Nova Scotia is simple: "Pricing competitiveness."

"We have the largest deep-water port on the east coast of North America. We have a port and loading facility that would cost $400mn to build from scratch," says Vichie. "It's a previously developed site, and that makes all the difference in the world to your economics."

Local benefits

Vichie adds that the locality boasts "a fantastic wind resource", with average wind speeds of around seven metres per second in Cape Breton, alongside an abundance of available land.

The fact that Nova Scotia sees highly seasonal power demand also provides an opportunity to concentrate green ammonia production in the summer months, when a surplus of power is typical, he says.

The scheme is notable for its ownership structure. A First Nation consortium holds a 51 per cent stake in the first phase wind project, an arrangement that Vichie describes as promoting "economic reconciliation".

Meanwhile, the Nova Scotia government has "been really supportive", he says. "There's a very strong will to get these businesses off the ground."

EverWind estimates that its wind power investments will create 500 jobs during construction and another 100 during operations. Vichie emphasises that the project can help revitalise a less populated area of the province. "There's a lot of Nova Scotians who've been working in places like Alberta, so you've actually got a very strong pool of talent," he adds. "And a lot of these people are looking to be closer to home." ■

CURRICULUM VITAE

TRENT VICHIE

2021

Everwind
Founder and CEO

Previously
Stonepeak Infrastructure Partners, co-founder; The Blackstone Group, senior managing director; Macquarie Bank, managing director

> CURRENT WORLD EVENTS REALLY HIGHLIGHT THE BENEFITS OF HAVING DIVERSITY OF FUEL SOURCES

Turning over a new leaf

WHILE THE TRADITIONAL TIMBER INDUSTRY IS FACING TOUGH TIMES, A RANGE OF BIOECONOMY OPPORTUNITIES ARE EMERGING IN NOVA SCOTIA. **BEN PAYTON** REPORTS

In a province that is largely carpeted with forests, it is no surprise that timber production has long been a mainstay of Nova Scotia's economy.

Yet recent years have not been kind to the sector. Several major pulp mills have ceased production: the closure of the Northern Pulp mill in Pictou County in January 2020 cost at least 300 direct jobs, and far more in the mill's supply chain. Lumber production in the province declined by 2.9 per cent last year compared with 2024, according to Statistics Canada. Worsening trade relations with the US have created further headwinds.

Yet out of the apparent demise of traditional lumber, some see the opportunity for Nova Scotia to find better ways to use its forest resources.

"Cheap, low-grade pulp was the key to the past," says Royden Trainor, executive director at the Greenspring Bioinnovation Hub, a public-private partnership working to promote the low-carbon bioeconomy in Nova Scotia. The way forward, he says, is to focus on opportunities where value can be added to forest raw materials.

This involves looking beyond traditional wood products, and towards the fibres that can be used to produce chemical products and advanced materials. Trainor highlights how residues from pulp mills or food processing plants can be used to produce biofuels, biochar and biochemicals.

"We're not going to compete on massive volume pieces," says Trainor. "But we think we can move up that value chain."

Fuelling growth

Perhaps the most promising opportunity for Nova Scotia is to use biomass to produce green fuels.

Nova Sustainable Fuels, which was acquired by UK-based Octopus Energy Generation last year, plans to use woody biomass in its production of sustainable aviation fuel at Goldboro in Nova Scotia.

The venture was established by an Irish company, Simply Blue, which "looked all over the world" in search of a suitable location, according to Andrew Parsons, project director at Nova Sustainable Fuels.

One reason why Nova Scotia stood out, he says, is because of the availability of the carbon feedstock needed for jet fuels. "With contractions in the forest sector, particularly pulp and paper, that capacity to deliver underutilised biomass was here."

The 750,000 tonnes of biomass required annually for the project will need to meet strict sustainability criteria so the SAF can be exported to the EU market. "EU regulations are very, very strict," says Parsons. He adds that the company will provide a chain of custody to demonstrate that it is using either waste products or residues from forestry operations as its carbon feedstock, rather than using biomass that could have been used in lumber, for example.

There is, of course, no guarantee of success. Many other SAF projects around the world have faltered or failed. But if companies like Nova Sustainable Fuels can succeed in the province, it will provide an opportunity for Nova Scotia's forestry sector to enter a new phase of growth. ■

Green wealth: Nova Scotia's forests are a rich resource

The winds of change? No match for actual winds.

In turbulent times, it's reassuring to find advantages that don't move with the markets. Nova Scotia has more than our fair share.

Nova Scotia boasts wind resources that match or exceed those of the North Sea, ideal water depths, and proximity to major markets.

That's why we're set to become home to Canada's first offshore wind development. An initial call for bids is expected this year for up to 5,000 megawatts, and long-term potential could reach 60 gigawatts.

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None of this shows up on a balance sheet, but it counts. It's the kind of place where people want to put down roots. They won't just build a career here, they'll build a life.

That's way better than a branded pen.

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