PARDAL VENTURES

ADVENTURE, PASSION, PERSERVERANCE

Understanding a Financial Model for Rural Data Centres

CRRBC Kelowna
November 2025

Introduction to Pardal Ventures

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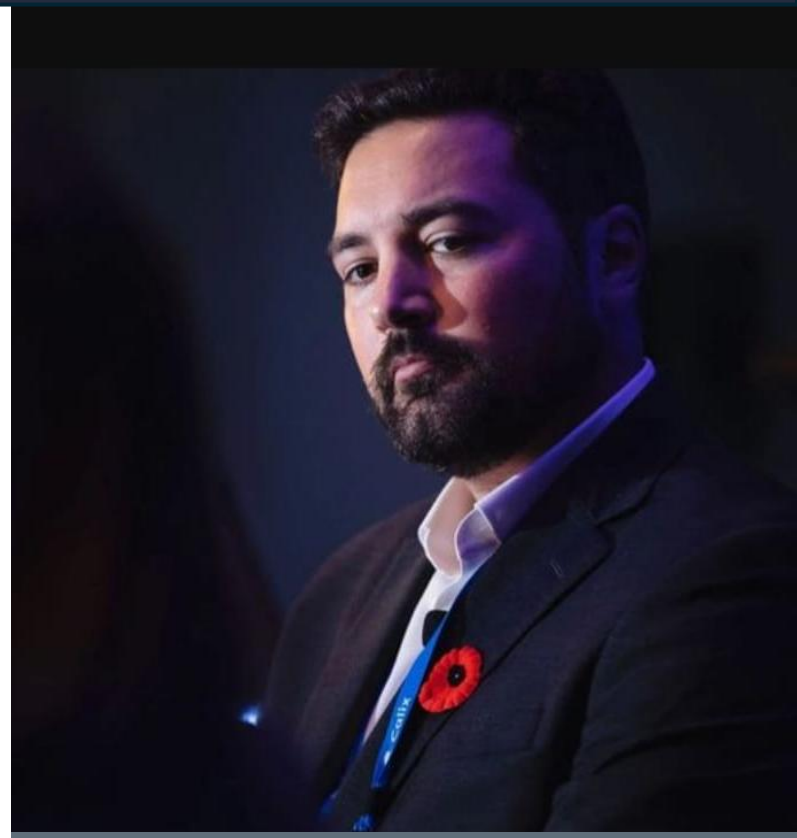
About Pardal Ventures

Pardal Ventures provides corporate development and financial advisory services to mid-market businesses in Canada, the United States and the United Kingdom. We specialize in business strategy, business valuation, corporate and project financial advisory with extensive experience in the telecom and broadband sector.

Our firm Principal, **David Pickett**, is a Chartered Business Valuator (CBV) with deep experience in advising mid-market firms, Indigenous communities and governments on strategic and financial matters, specifically when it pertains to digital infrastructure.



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David Pickett - LinkedIn

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Satisfied Clients

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Sturgeon County
City of Lethbridge
Clearwater County
parkland county
City of Brooks
envi
NT POWER
VCFN
Utilities Kingston
The Corporation of the Township of La Corporation du Canton de Dubreuilville
Durham Region
Digital Ubiquity Capital
CIB BIC Canada Infrastructure Bank
Plenary
Aundeck Omni Kaning
Crown Capital Partners Inc.
YZD Northcrest
ARCADIS
CONNECT

Example Engagements

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Investment Due Diligence Lenders Technical Advisor

NT POWER

Plenary

CIB BIC Canada Infrastructure Bank

Business Planning Strategic Planning Feasibility

VCFN

DIGITAL UBIQUITY CAPITAL

CLEARWATER COUNTY

Utilities Kingston

DURHAM REGION

parkland county

Sturgeon COUNTY

AUNDECK OMNI KANING

YZD Northcrest

Public Private Partnership (P3) Advisor

ARCADIS

The Corporation of the Township of La Corporation du Canton de Dubreuilville

CROWNCAPITAL PARTNERS INC.

CITY OF Lethbridge

City of Brooks

YZD Northcrest

Fractional CFO

envi

Network & Business Valuator

CONNECT

parkland county

Denotes clients who I have also supported with assistance completing grant funding applications

Objective of the Session

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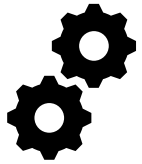
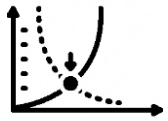
Understand cost and revenue drivers for a data centre project



Explore a working financial model

Assess feasibility using metrics like payback and breakeven analysis



Context Recap

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Data centres operate at the intersection of real estate and digital infrastructure — combining the physical demands of specialized, high-value property with the performance requirements of mission-critical IT services.

Rural data centres(“DC”s) promise decentralization, job creation, and data sovereignty.

High capital expenditures, complex operating models, and uncertain revenue are barriers to successfully building and operating a DC.

Why does a financial model matter?
It turns vision into an investment case, **helping you answer why or why not to proceed.**

Data Centres in Canada

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Debt Investment

CPP Investments

TOWERBROOK

CPP Investments said it will invest C$225m in the 54MW hyperscale expansion to a data centre in Ontario, taking a 50% interest in the construction loan. Deutsche Bank Private Credit & Infrastructure will fund the remaining 50% of the loan and serve as the lead lender for the transaction.

The data centre in Cambridge, Ontario is being developed by a partnership comprising TowerBrook Capital Partners and data centre investors Related Digital and Ascent.

August 2025

Joint Venture

o'leary ventures

MUNICIPAL DISTRICT OF GREENVIEW No. 16

Phase 1 of the Wonder Valley AI Data Centre in Alberta focuses on establishing a foundational infrastructure to support what will become the world's largest AI data center industrial park. Located within the Greenview Industrial Gateway near Grande Prairie, the initial phase involves developing a 1.4-gigawatt off-grid power system, leveraging Alberta's natural gas and geothermal resources. This power will meet the demands of hyperscale data center operations, crucial for AI and large-scale data processing.

Upon full build out, the project will represent a $70 billion investment.

December 2024

Limited Partnership

WOODLAND CREE FIRST NATION 474

SOVEREIGN
Digital Infrastructure

The Woodland Cree First Nation (WCFN) is planning to develop a 650MW data center in Alberta, Canada in Partnership with Sovereign Digital Infrastructure.

Mihta Askiy Datacenter LP, a company majority-owned by the Woodland Cree, will acquire a partially complete power plant (from Carmon Creek project), its associated land, and equipment. This will be repurposed and combined with a data center.

July 2025

Commercial Model & Funding Sources

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Commercial Models

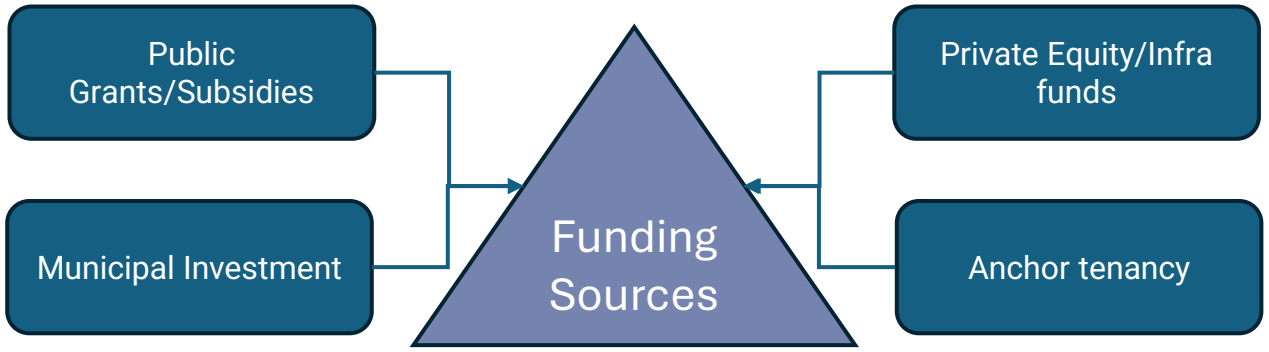
Developer → Owner → Operator → Tenant(s)

Vertical integration

Public-private hybrids

Community-led or co-op models

We will focus on simple model where a Private Owner Operator evaluates building a Tier 1 Data Centre with a simple financing structure.



Financial Model Structure Overview

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The financial model consists of an **Input** tab with the following key data entered in the **graphic below** along with a **Model or Outputs** tab that includes all key calculations to generate the information you see on the **graphic on the right**.

Inputs

General Assumptions

(all $ expressed in CAD)

		Notes
Model Start Date	*2025-11-13*	
Year	*2025*	
Month	*11*	
Day	*13*	
Fiscal Year End	*2025-12-31*	
Inflation	2.25%	*Based on Canadian CPI*
Months per period (full year)	*12*	

Cost Assumptions

Revenue Assumptions

Capital Asset Assumptions

Cost of Capital & Financing Assumptions

Working Capital Assumptions

Model/Outputs

Revenue Schedule

Capital & Depreciation Schedule

Costs of Service Schedule

OPEX Schedule

Income Statement

Cash Flow Statement

Balance Sheet

Financial Statement Extracts

Debt Schedule

Working Capital Schedule

Taxes Schedule

Breakeven Schedule

Unlevered Free Cashflow (UFCF)

Project Capital Budgetting Metrics

Terminal Value using an EBITDA Multiple

Valuation - Discounting Unlevered Free CashFlows (UFCF) and Terminal Values

Data Table

Key Assumptions

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Operations

All-in Power cost per KW – $0.116*
*arguably the most important variable

PUE (Power Usage Effectiveness) – 1.4

Price per Rack - $6,000 per month per rack

Ramp-up of racks/tenants – Initially 60% occupancy up to 100% over time

Staffing and maintenance – 2 FTE with some contracted security $150K per year

Capital & Depreciation Schedule

Project timing	**.5 years**
Start Date	2025-11-13
Operations Start	2026-05-14
Project Cost	
Building	125,000
Land	4,500
Modular containers	199,000
Electrical Infrastructure	466,400
Mechanical infrastructure	199,450
IT Equipment (active)	58,750
IT Equipment (passive)	234,400
Subtotal	1,287,500

Walkthrough

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Let’s dive in…

Interpretation of Results

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What matters most?

Power costs & PUE

Speed of occupancy (revenue ramp-up)

Anchor tenancy and Price per Rack

Exit Value on Investment (High sensitivity with Payback)

Let’s take a look at the Dashboard

Lessons Learned

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Not all rural data centres are financially viable – modelling helps stress test the vision

Community benefit should be balanced with the need for sustainable returns

Financial Models help align stakeholders (investors, utilities, and local government)

Parting ways

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What assumption would you most be concerned with in your region?

Would you like to test a version of the model yourself?

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THANK YOU