

COURT FILE NUMBER

2501 - 06120

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF SUNTERRA FOOD CORPORATION,
TROCHU MEAT PROCESSORS LTD., SUNTERRA
QUALITY FOOD MARKETS INC., SUNTERRA FARMS
LTD., SUNWOLD FARMS LIMITED, SUNTERRA BEEF
LTD., LARIAGRA FARMS LTD., SUNTERRA FARM
ENTERPRISES LTD., SUNTERRA ENTERPRISES INC.

DOCUMENT

SIXTH REPORT OF FTI CONSULTING CANADA INC., IN
ITS CAPACITY AS MONITOR OF SUNTERRA FOOD
CORPORATION, TROCHU MEAT PROCESSORS LTD.,
SUNTERRA QUALITY FOOD MARKETS INC., SUNTERRA
FARMS LTD., SUNWOLD FARMS LIMITED, SUNTERRA
BEEF LTD., LARIAGRA FARMS LTD., SUNTERRA FARM
ENTERPRISES LTD., SUNTERRA ENTERPRISES INC.

February 23, 2026

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

MONITOR

FTI Consulting Canada Inc.
Suite 1610 520 Fifth Avenue S.W.
Calgary, AB T2P 3R7
Dustin Olver
Telephone: (403) 454-6032
Fax: (403) 232-6116
E-mail: dustin.olver@fticonsulting.com

COUNSEL

Norton Rose Fulbright Canada LLP
400 – 3rd Avenue SW, Suite 3700
Calgary, AB T2P 4H2
Gunnar Benediktsson / Daniel Stethem
Telephone: (403) 267-8256
Fax: (403) 264-5973
E-mail: gunnar.benediktsson@nortonrosefulbright.com
daniel.stethem@nortonrosefulbright.com



SIXTH REPORT OF THE MONITOR

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INTRODUCTION

1. On March 24, 2025, Sunterra Farms Ltd. (“**Sunterra Farms**”), Sunterra Food Corporation (“**Sunterra Food**”), Sunterra Quality Food Markets Inc. (“**Sunterra Markets**”), Sunwold Farms Limited (“**Sunwold**”) and Trochu Meat Processors Ltd. (“**Trochu**” and with Sunterra Farms, Sunterra Food, Sunterra Markets and Sunwold collectively, the “**BIA Applicants**”) each filed a Notice of Intention to Make a Proposal (“**NOI**”) under Section 50.4 of the Bankruptcy and Insolvency Act, R.S.C 1985, c. B-3, as amended (the “**BIA**”). Harris & Partners Inc. consented to act as proposal trustee of the BIA Applicants under the NOI.
2. On April 15, 2025, the BIA Applicants and four additional applicants, Sunterra Beef Ltd. (“**Sunterra Beef**”), Lariagra Farms Ltd. (“**Lariagra**”), Sunterra Farm Enterprises Ltd. (“**Sunterra Farm Enterprises**”) and Sunterra Enterprises Inc. (“**Sunterra Enterprises**”) and collectively with the BIA Applicants, Sunterra Beef, Lariagra, Sunterra Farm Enterprises and Sunterra Enterprises, the “**Applicants**”), applied to the Court of King’s Bench of Alberta (the “**Court**”) for an initial order (the “**Initial Order**”) to commence proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”). The Initial Order was granted by the Court on April 22, 2025.
3. The Initial Order established a stay of proceedings (the “**Stay of Proceedings**”) in favour of the Applicants until April 28, 2025, appointed FTI Consulting Canada Inc. as Monitor (the “**Monitor**”) and granted, among other things, the following relief:
 - a. converted the NOI proceedings and continued the BIA Applicants’ restructuring, and the restructuring of the Applicants as a whole, under the CCAA (the “**CCAA Proceedings**”); and

- b. granted the following court-ordered, priority charges in favour of certain parties identified as critical to the success of the CCAA Proceedings:
 - i. an Administration Charge of \$1,000,000 (the “**Administration Charge**”);
and
 - ii. a D&O Charge of \$900,000.

- 4. On April 28, 2025, this Court granted an amended and restated Initial Order (the “**ARIO**”) which provided for, among other things, an extension of the Stay of Proceedings until July 31, 2025.

- 5. On July 24, 2025, the Court granted the following:
 - a. an order that provided for:
 - i. a process for: (i) the identification, quantification and resolution of pre-filing and restructuring period claims, wherever situated, against the Applicants and their respective current and former directors and officers; and (ii) inter-company claims between the Applicants and its subsidiaries located in the United States (collectively the “**Claims Process**”); and (iii) the adjudication of the claims of two of the Applicants’ major stakeholders, Compeer Financial, PCA (“**Compeer**”) and the National Bank of Canada (“**NBC**”), in relation to an alleged cheque kiting scheme involving certain of the Applicants; and
 - ii. an extension of the Stay of Proceedings up to and including December 15, 2025; and

 - b. orders that established the litigation timeline for determining NBC’s claim (the “**NBC Claim**”, determined pursuant to the “**NBC Scheduling Order**”) and

Compeer’s claim (the “**Compeer Claim**”, which was determined pursuant to the “**Compeer Scheduling Order**”, referred to collectively with the NBC Scheduling Order as the “**Scheduling Orders**” hereafter) against the Applicants.

6. On December 4th and 5th, 2025, consistent with the Scheduling Orders, the Honourable Justice Michael J. Lema (“**Justice Lema**”) heard the Compeer Claim and the NBC Claim.
7. On December 8, 2025, the Applicants filed two notices of application returnable December 11, 2025 (the “**December Stay Extension and Interim Financing Application**”), seeking, among other things:
 - a. an order) extending the Stay of Proceedings up to and including February 28, 2026 (the “**Stay Extension Order**”; and
 - b. an order approving a proposed financing term sheet between the Applicants and Bull Market Private Equity Group Inc (the “**Interim Financing Order**”), pursuant to which the Interim Lender would make an interim financing facility available to the Applicants, subject to various terms and conditions, in the maximum principal amount of \$8.0 million (the “**Interim Facility**”).
8. At the December 11, 2025, hearing for the December Stay Extension and Interim Financing Application, this Court granted an order extending the Stay of Proceedings to February 28, 2026 (the “**December Stay Extension Order**”). In a reported decision dated December 12, 2025, this Court dismissed the application for the Interim Financing Order.¹

¹ This Court’s decision declining to grant the Interim Financing Order is reported at *National Bank of Canada v Sunterra Food Corporation*, 2025 ABKB 742.

PURPOSE

9. The purpose of this report (this “**Report**” or the “**Sixth Report**”) is to provide:
- a. an update with respect to these CCAA Proceedings the Monitor’s activities since it filed its fifth report, dated December 10, 2025 (the **Fifth Report**).
 - b. the Monitor’s views on:
 - i. the Stay Extension Application;
 - ii. the proposed amendments to the ARIO;
 - iii. the Enhanced Powers Application;
 - iv. the SPDI Applications; and
 - v. other litigation matters affecting the CCAA Proceedings, including the Sunterra Notice of Appeal and Compeer Notice of Appeal.

TERMS OF REFERENCE

10. In preparing this Report, the Monitor has relied upon certain information (the “**Information**”), including the Applicants’ unaudited financial information, books and records, and discussions with the Applicants’ senior management (“**Management**”).
11. Except as described in this Report, the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*.

12. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
13. Future-oriented financial information reported to be relied on in preparing this Report is based on Management’s assumptions regarding future events. Actual results may vary from forecast, and such variations may be material.
14. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

UPDATE ON THESE CCAA PROCEEDINGS

15. On January 27, 2026, Justice Lema issued a decision with respect to the Compeer Claim,² finding, among other things, that, Sunterra Farms and Sunwold engaged in cheque kiting, made fraudulent misrepresentations with respect to the cheques at issue, and that Compeer suffered losses of approximately \$35M USD as a result, entitling Compeer to summary judgment as against Sunterra Farms, Sunwold, and Ray Price in an amount equal to Compeer’s losses (subject to final determination) (the **Compeer Decision**).
16. On January 29, 2026, Justice Lema issued his decision with respect to the NBC Claim,³ holding, *inter alia*, that NBC’s contingent claim against certain of the Applicants in relation to potential liability flowing to NBC as a result of Compeer’s losses (as detailed in the Compeer Decision) was insufficiently certain to be proven in the CCAA Proceedings (the “**NBC Decision**”).

² This Court’s decision relating to the Compeer claim is reported at *Compeer Financial PCA v Sunterra Farms Ltd*, 2026 ABKB 57.

³ This Court’s decision with respect to the NBC Claim is reported at *National Bank of Canada v Precision Livestock Diagnostics Ltd*, 2026 ABKB 64.

17. On February 2, 2026, Signature Pointe Developments Inc. (“**SPDI**”), Sunterra Enterprises 50% shareholding partner in West Market Square Inc. (“**WMS**”), served certain parties on the service list (including the Monitor) with application materials requesting an order lifting the Stay of Proceedings to, *inter alia*:
- a. allow SPDI to advance funds to WMS via a shareholder loan to enable WMS to repay certain secured indebtedness owing to ATB Financial (the “**ATB Loan**”);
 - b. grant declaratory, oppression-based relief under section 242(3) of the *Business Corporations Act*, RSA 2000, c B-9 against Sunterra Enterprises with respect to its alleged refusal to consent to the advancement of funds to WMS, a requirement SPDI claims exists under a Unanimous Shareholders Agreement between Sunterra Enterprises, SPDI and WMS (the “**USA Consent Requirement**”);
 - c. dispense with the USA Consent Requirement and authorize SPDI to advance funds to WMS in an amount sufficient to repay the ATB Loan; and
 - d. provide a charge against the assets of WMS in respect of amounts to be advanced to SPDI in connection with repayment of the ATB Loan
- (the “**First SPDI Application**”).
18. On February 12, 2026, SPDI served a second set of application materials, requesting similar relief to that requested in First SPDI Application, and in addition to, or variation thereof, an order:
- a. providing SPDI with declaratory relief regarding SPDI’s claimed entitlement to an assignment of the ATB Loan and related security (the “**ATB Security**”) to SPDI or its nominee;
 - b. effecting said assignment of the ATB Security; and

- c. providing SPDI with leave, subject to a forbearance period, to apply to this Court for relief in respect of enforcement of a share pledge granted by Sunterra Enterprises to SPDI in respect of the shares it holds in WMS (the “**Share Pledge**”) and the assigned ATB Security

(the “**Second SPDI Application**”, together with the First SPDI Application, the “**SPDI Applications**”).

19. On February 16, 2026, the Applicants filed an application for leave to appeal under section 13 of the CCAA with respect to the entirety of the Compeer Decision (the “**Sunterra Notice of Appeal**”).
20. On February 17, 2026, Compeer filed a notice of civil appeal (asserting an appeal as-of-right) and a notice of leave to appeal under section 13 of the CCAA, with respect to certain aspects of the Compeer Decision relating to Ms. Uffelman and Mr. Thompson’s personal liability (the “**Compeer Notice of Appeal**”).
21. On February 20, 2026, the Applicants filed a notice of application, requesting, among other amendments to the ARIO, the following:
 - a. an extension of the Stay of Proceedings to April 15, 2026 (the “**Stay Extension Application**”);
 - b. confirmation that the Stay of Proceedings applies to the business and property of WMS; and
 - c. confirmation of the appointment of Goodmans LLP as counsel to the Applicants and as beneficiary of the Administration Charge.
22. On February 23, 2026, Compeer filed a notice of application, requesting, among other things, an order:

- a. granting the Monitor certain enhanced powers within the CCAA Proceedings and in respect of, *inter alia*, the Applicants' property and the Applicants' business and operations, including providing the Monitor with additional protections;
- b. approving Compeer's proposed Sale and Solicitation Investment Process ("**SISP**"); and
- c. lifting the Stay of Proceedings, if necessary, to permit Compeer to pursue its claims against certain directors of the Sunterra entities implicated in the Compeer Claim

(the "**Enhanced Powers Application**").

UPDATE ON ACTIVITIES OF THE MONITOR

23. The Monitor's activities since the date of the Fifth Report have included the following:
 - a. Conducting ongoing discussions with Management and the Applicants' legal counsels, Blue Rock Law LLP ("**Blue Rock**") and Goodmans LLP, regarding the Applicants' business, financial affairs and next steps. The Monitor understands that Goodmans LLP is taking over from Blue Rock as primary restructuring counsel in these CCAA Proceedings;
 - b. holding discussions with key stakeholders and/or their counsels, including:
 - i. the Applicants' senior lenders (NBC and Farm Credit Canada ("**FCC**")); and
 - ii. Compeer;
 - c. monitoring the Litigation Process;

- d. monitoring the Applicants’ restructuring efforts and holding weekly update calls with the Applicants’ counsel to discuss the progress of the Applicants’ preparations for a future SISP;
- e. reviewing and consulting with the Applicants in respect of cash flow reporting including weekly budget to actual reporting to the Third Cash Flow Statement (which is attached to the Monitor’s Fourth Report dated Dec. 8, 2025);
- f. assisting the Applicants in preparing the Fourth Cash Flow Statement, which is attached as Appendix A hereto;
- g. responding to inquiries from the Applicants’ creditors, suppliers and stakeholders; and
- h. preparing this Report.

RESTRUCTURING EFFORTS

- 24. In its second report dated July 18, 2025, the Monitor expressed its view that “the Applicants should, in parallel with a Claims Process, be taking active steps to advance a recapitalization or refinancing process of the Applicants’ business including making preparations for a sale and investment solicitation process to ensure they are prepared for a refinancing and or sale that will likely be undertaken once a Claims Process has been completed.”⁴
- 25. In its fourth report dated December 8, 2025 (the “**Fourth Report**”), the Monitor expressed concerns that the Applicants were not advancing preparation for a future SISP which, in the Monitor’s view, was an inevitable step in these CCAA Proceedings; the Monitor also

⁴ See the Monitor’s Second Report, dated July 18, 2025, at paragraph 35.

outlined the steps it had taken to communicate this concern with the Company.⁵ Between the Fourth Report and early February 2026, the Monitor did not observe any meaningful progress with respect to the advancement of a SISP.

26. However, based on the Monitor's discussions with the Applicants' new restructuring counsel, Goodmans LLP, the Monitor has observed initial progress with respect to a new, dual-path approach to advancing these Proceedings: a plan/restructuring path and a SISP path, both of which are further set out and described in the Stay Extension Application materials.
27. While the Monitor remains concerned that the Applicants are not advancing restructuring efforts with sufficient due diligence, the Monitor has observed a preliminary willingness from the Applicants', through their restructuring counsel, to engage in commercial negotiations with the Applicants' stakeholders and to identify and work towards a value maximizing resolution of these CCAA Proceedings. The Monitor maintains that the Applicants should be engaging in regular and forthright consultation with creditors and the Monitor, and acting diligently and in good faith to advance and implement a SISP.
28. Given the findings in the Compeer decision and the history of delays in advancing these CCAA Proceedings, the Monitor's position is that the stakeholder (including major creditor) views with respect to additional control and oversight by the Monitor, particularly in relation to a SISP, are reasonable to ensure such a process is conducted in a fair, transparent and timely manner. The Monitor notes the Applicants have, via their restructuring counsel, begun efforts to proactively manage stakeholder relationships following the Compeer Decision and with a view to advancing the above-noted dual-path restructuring, which includes the advancement of a SISP.

⁵ See the Monitor's Fourth Report at paragraphs 19 to 28.

THIRD CASH FLOW STATEMENT BUDGET TO ACTUAL

29. The Applicants' actual cash flow in comparison to the Third Cash Flow Statement for the period of November 29, 2025, to February 6, 2026, is summarized below:

10-Week Period Ending February 6, 2026			Variance
	Actual	Forecast	\$
<i>(CAD's)</i>			
Receipts			
Farms receipts	\$ 7,705,224	\$ 6,695,962	\$ 1,009,261
Markets receipts	10,807,552	11,451,795	(644,243)
Total Receipts	\$ 18,512,776	\$ 18,147,757	\$ 365,019
Disbursements			
<u>Farms</u>			
Feed purchases	(1,673,604)	(1,760,000)	86,396
Barn utilities	(126,519)	(118,000)	(8,519)
Medication/vaccines	(333,488)	(395,500)	62,012
Transportation	(316,804)	(403,000)	86,196
Other opex	(759,299)	(711,000)	(48,299)
Employee expenses	(1,153,300)	(1,165,000)	11,700
<u>Markets</u>			
Opex	(8,147,370)	(8,709,945)	562,575
Employee expenses	(3,248,232)	(3,095,122)	(153,110)
<u>Other Entity Operating Expenses</u>	<u>(63,564)</u>	<u>(96,180)</u>	<u>32,616</u>
Total Disbursements	(15,822,178)	(16,453,747)	631,569
Operational Cash Flow	2,690,598	1,694,010	996,587
<u>Non-Operational Items</u>			
Interest expense	(404,644)	(487,399)	82,754
Professional Fees	(508,528)	(467,500)	(41,028)
Inter-company bank transfers	-	-	-
Non-operational receipts	2,998,500	3,000,000	(1,500)
Dedicated Loan Repayment	(2,998,500)	(3,000,000)	1,500
Total Non-Operational Items	(913,172)	(954,899)	41,726
Total Net Cash flow	\$ 1,777,425	\$ 739,112	\$ 1,038,314
Opening Cash	\$ 2,156,598	\$ 2,153,633	\$ 2,965
Net Cash flow	1,777,425	739,112	1,038,314
Ending Balance	\$ 3,934,024	\$ 2,892,745	\$ 1,041,279

30. The Applicants' pig farming operations (the "Farm Operations") have had strong results. The sales receipts have outperformed the forecast by approximately \$1 million, driven by realized hog pricing and sales volumes. Farms Operations disbursements overall were slightly lower than forecast as run rates for feed purchases, medication and transportation

expenses more than offset the higher other operating expenses associated with higher sales volumes and utility costs.

31. The Applicants' eight retail grocery market businesses (the "**Market Operations**") have performed worse than forecast by approximately \$235,000, as lower product purchases only partially offset sales receipts that were \$644,000 lower than forecast.
32. The Applicants' non-operating entities (Trochu, Sunterra Food, Sunterra Enterprises and Sunterra Farm Enterprises) have performed slightly better than forecast due to permanent positive variances in operating expenses.
33. Professional fees have a negative variance of approximately \$41,000 due to professional fees being greater than expected.
 - a. The Monitor has been attempting to obtain an accounting of the Applicants' legal fees incurred to date to assess exposure against the Administration Charge. This accounting was provided to the Monitor when the Applicants switched their primary counsel from Blue Rock to Goodmans LLP. The Monitor understands that the Applicants have not paid Blue Rock's legal fees in full in the ordinary course, and that as a result approximately \$880,000 of legal fees incurred by Blue Rock remains billed and unpaid by the Applicants.
 - b. The Applicants' legal fees are materially higher than the amount forecast in the Third Cash Flow Statement, and a significant portion of those fees remain unpaid.
 - c. Accordingly, the Monitor is concerned that the Administration Charge is currently overexposed. The Monitor understands the Applicants intend to make a payment toward the arrears owing to Blue Rock to reduce exposure on the Administration Charge; these catch-up payments have been included in the Fourth Cashflow Statement.

34. The Monitor has the following additional comments with respect to material variances in actual receipts and disbursements as compared to the Third Cash Flow Statement:
- a. receipts are greater than forecast by approximately \$365,000, due to:
 - i. Farms Operations receipts being ahead of forecast by approximately \$1.0 million due to increased sales volumes and realized hog pricing; and
 - ii. Markets Operations receipts being below forecast by approximately \$644,000 due to lower than forecast weekly sales;
 - b. disbursements were lower than forecast by approximately \$632,000, as:
 - i. Farms Operations disbursements were lower than forecast by approximately \$189,000 due to a combination of medication costs and transportation expenses being lower than expected, and employee expenses being lower than forecast due to lower hourly employee staffing needs. Feed purchases were also lower than forecast; however, this is attributable to timing of the purchases. These positive variances were offset by higher other operating expenses due to increased sales volume and higher than expected utility costs;
 - ii. Markets Operations disbursements were lower than forecast by approximately \$409,000, due to a reduction in food purchasing costs correlated to lower than forecast sales, partially offset by higher than forecasted employee costs; and
 - iii. other entity operating expenses were approximately \$33,000 lower than forecast with the majority relating to Trochu whose operating expenses relating to the closed facility were less than expected;

- c. interest expense was lower than forecast by approximately \$83,000 due to a FCC not withdrawing certain interest charges, which is expected to reverse, and due to timing of AgriStability claim proceeds and their subsequent use to pay NBC, resulting in interest charged on indebtedness being lower than forecast.
35. As at February 6, 2026, the Applicants have an ending cash balance of approximately \$3.9 million, higher than the forecasted ending cash balance by approximately \$1 million.

FOURTH CASH FLOW STATEMENT

36. Management has prepared the Fourth Cash Flow Statement to set out the Applicants' liquidity requirements for the 10-week period ending April 17, 2026 (the "**Forecast Period**"). A copy of the Fourth Cash Flow Statement is attached as Appendix A.
37. The Fourth Cash Flow Statement is summarized as follows:

Week Ending (Friday)	10-Week Forecast
(CAD's)	Total
Receipts	
Farms receipts	\$ 7,894,812
Markets receipts	9,330,000
Total Receipts	\$ 17,224,812
Disbursements	
<u>Farms</u>	
Feed purchases	(1,710,000)
Barn utilities	(124,000)
Medication/vaccines	(371,000)
Transportation	(440,000)
Other opex	(733,000)
Employee expenses	(1,250,000)
<u>Markets</u>	
Cost of goods sold	(6,704,000)
Employee expenses	(3,150,000)
<u>Other Entity Operating Expenses</u>	(79,600)
Total Disbursements	(14,561,600)
Operational Cash Flow	2,663,212
<u>Non-Operational Items</u>	
Interest expense	(253,181)
Professional fees	(1,724,146)
Inter-company bank transfers	-
Non-operational receipts	-
Dedicated Loan Repayment	-
Total Non-Operational Items	(1,977,327)
Total Net Cash flow	\$ 685,885
Opening Cash	\$ 3,934,024
Net Cash flow	685,885
Ending Balance	\$ 4,619,909

38. As set out in the Fourth Cash Flow Statement, during the Forecast Period, the Applicants estimate:
- operating cash receipts of approximately \$17.2 million;
 - operating disbursements of approximately \$14.6 million;
 - interest payments of approximately \$253,181 with respect to the Applicants' secured lenders, NBC and FCC;
 - professional fees of approximately \$1.7 million; and

- e. positive operating cash flow of approximately \$2.6 million, and positive net cash flow of approximately \$685,885 (after interest expense and professional fees), resulting in an ending cash balance of approximately \$4.6 million.
39. Detailed notes to the Fourth Cash Flow Statement are included as an attachment to the Fourth Cash Flow Statement; however, the Monitor notes the following key assumptions:
- a. Farm Operations receipts are generated through Farm Operations and are based on lean hog futures pricing published by the CME Group, with consideration for estimated feed and other costs related to raising pigs, and the estimated number of pigs to be sold each week;
 - b. Markets Operations receipts are generated from Sunterra Markets' eight food markets, two Starbucks locations and catering sales;
 - c. farms disbursements relate to the operations of the Applicants' nine barns and include employee expenses for barn and head office staff required to support the barns;
 - d. Markets Operations disbursements include cost of goods to be sold at each of the Markets' retail locations and employee expenses for retail staff and head office staff to support the Markets;
 - e. interest and fees relate to borrowing costs paid to NBC and FCC; and
 - f. professional fees relate to fees incurred for the Applicants' legal counsel, the Monitor, the Monitor's legal counsel, and the Restructuring Advisor (as defined below), and include the expected catch-up payments toward outstanding arrears owed to Blue Rock, based on information provided regarding unpaid balances.

MONITOR'S COMMENTS ON THE FOURTH CASH FLOW STATEMENT

40. Section 23(1)(b) of the CCAA states that the Monitor shall, “review the company’s cash-flow statement as to its reasonableness and file a report with the court on the Monitor’s findings”.
41. Pursuant to section 23(1)(b) of the CCAA, and in accordance with the Canadian Association of Insolvency and Restructuring Professionals Standard of Practice 09-1, the Monitor hereby reports as follows:
- a. the Fourth Cash Flow Statement has been prepared by Management for the purpose described in the notes to the Fourth Cash Flow Statement, using the probable assumptions and the hypothetical assumptions set out therein;
 - b. the Monitor’s review consisted of inquiries, analytical procedures and discussion related to information supplied by certain of Management and employees of the Applicants. Since hypothetical assumptions need not be supported, the Monitor’s procedures with respect to those assumptions were limited to evaluating whether they were consistent with the purpose of the Fourth Cash Flow Statement. The Monitor has also reviewed the information provided by Management in support of the probable assumptions and the preparation and presentation of the Fourth Cash Flow Statement;
 - c. based on its review, and as at the date of this Report, nothing has come to the attention of the Monitor that causes it to believe that, in all material respects:
 - i. the hypothetical assumptions are not consistent with the purpose of the Fourth Cash Flow Statement;
 - ii. the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Applicants or do not provide

a reasonable basis for the Fourth Cash Flow Statement, given the hypothetical assumptions; or

iii. the Fourth Cash Flow Statement does not reflect the probable and hypothetical assumptions;

d. since the Fourth Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the Fourth Cash Flow Statement will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information present in this Report, or relied upon by the Monitor in preparing this Report; and

e. the Fourth Cash Flow Statement has been prepared solely for the purpose of estimating liquidity requirements of the Applicants during the Forecast Period. The Fourth Cash Flow Statement should not be relied upon for any other purpose.

THE MONITOR'S POSITION REGARDING THE PROPOSED STAY EXTENSION

42. Pursuant to the December Stay Extension Order, the Stay of Proceedings will expire on February 28, 2026. The Applicants are seeking an extension of the Stay of Proceedings to April 15, 2026 (the "**Stay Extension**").

43. The Monitor has been consulting with the Applicants, their major creditors and their respective counsels with respect to the Stay Extension and related matters. While the Monitor is encouraged by the Applicants' newfound intention to advance these CCAA Proceedings, particularly in relation to the above-noted dual-path restructuring plan and related commercial discussions, which the Stay Extension would facilitate, the Monitor has ongoing concerns with respect to the following:

- a. loss of confidence by creditors in management and the board of the Applicants, magnified by the findings in the Compeer Decision;
- b. Cost escalation: to date the Applicants have incurred substantial legal fees within these CCAA Proceedings, largely related to defending the Compeer Claim. The unpaid professional fees of the Applicants and the Monitor have exceeded the Administration Charge. NBC and Compeer have also incurred substantial legal fees litigating the NBC Claim and the Compeer Claim, respectively. The Monitor estimates approximately \$4 to \$5 million in legal fees have been collectively incurred to date by the Applicants, the Monitor, NBC, and Compeer. The Applicants have now engaged new primary counsel to focus on restructuring efforts, while continuing to retain Blue Rock to conduct certain litigation matters, which the Monitor understands may include appeals, claims against NBC and Compeer, and litigation related the WMS. In addition, the Applicants intend to retain a restructuring advisor (the “**Restructuring Advisor**”), which the Monitor understands will incur a monthly cost of \$125,000.
- c. Lack of progress towards a restructuring: as described above, since July of 2025 the Monitor has been recommending the Applicants commence preparations to run a SISF in parallel with litigating the Compeer Claim and NBC Claim. The Lenders have generally supported this view, as it was seen as an inevitable step in these CCAA Proceedings. The Monitor’s recommendations with respect to advancing a SISF have, until early February 2026, been largely ignored by the Applicants. As noted above, the Monitor has observed a preliminary willingness on the Applicants part, via their restructuring counsel, to engage in the development of a SISF or to advance other restructuring alternatives. However, as a result of continuing consultations with the Applicants’ major creditors (FCC, NBC, Compeer), the Monitor’s concerns persist with respect to the timely and transparent advancement of a SISF or other definitive restructuring alternative, despite the involvement of

the proposed Restructuring Advisor and the Applicants' newfound willingness to advance these CCAA Proceedings.

44. The Monitor is supportive of the Stay Extension for the following reasons:
- a. The Applicants' counsel has advised the Monitor that they intend to consult with the major creditors and the Monitor with respect to designing a SISP and that they intend to return to Court prior to April 15, 2026 to seek approval of the SISP. This is a positive step; however, its support and the support of the major creditors will depend on the level of cooperation and consultation demonstrated by the Applicants in designing the SISP. Given the concerns raised by the Applicants' major creditors to date, it is the Monitor's view that a SISP should commence without delay and include substantial oversight from the Monitor. The Monitor intends to work constructively with the Applicants, the Applicants' stakeholders, and their respective counsels in advancing a SISP and/or restructuring alternative. The proposed Stay Extension allows the SISP parameters to be negotiated; and
 - b. while the Monitor has concerns the Administration Charge is overexposed, if the Applicants make catchup payments in respect of professional fees as set out in paragraph 33(c) hereof, the Monitor expects the Administration charge as currently drafted to be sufficient.

THE MONITOR'S POSITION REGARDING APPOINTMENT OF THE RESTRUCTURING ADVISOR

45. The Monitor discussed the Applicants' proposal to appoint the Restructuring Advisor, in a court-appointed capacity or otherwise, at length with the Applicants and the Applicants' lenders and other stakeholders, including Compeer.
46. The Monitor will work with any representative of the Applicants, or with the Restructuring Advisor, to further a restructuring and advance a SISP. The Monitor notes that the

proposed Restructuring Advisor, Mr. Neil Narfason, is a respected and qualified insolvency professional. On balance, the Monitor is prepared to support the Stay Extension, on the understanding that the Applicants, with the assistance of the Restructuring Advisor, intend to make significant and meaningful progress toward a SISP and advancing a restructuring plan during that period.

THE MONITOR'S POSITION REGARDING THE ENHANCED POWERS APPLICATION

47. In response to the Applicants' application for a stay extension and amendments to the ARIO, Compeer has cross-applied to this Court for an order granting enhanced powers to the Monitor and authorizing a SISP.
48. The Monitor is prepared to act in any capacity this Court may direct, including with respect to any enhanced powers as proposed by Compeer. Otherwise, the Monitor takes no position with respect to that aspect of the Enhanced Powers Application.
49. The Monitor is supportive of Compeer's request to authorize a SISP. The Monitor requested that the Applicants commence progress toward a SISP in July of 2025; the Monitor continues to view a SISP as appropriate in order to gain an understanding of the market and enterprise value of the Applicants, which will facilitate a restructuring of the Applicants' business. The Monitor understands that the Applicants are proposing to develop a SISP in consultation with the Applicants' stakeholders over the course of the Stay Extension and as part of their dual-path restructuring efforts. Authorizing the SISP in the form proposed by Compeer will not impose any particular timelines on the marketing of the Applicants' assets and business, but will permit the Applicants and the Monitor to make improved progress toward that goal during the Stay Extension period.
50. The Monitor does not take a position with respect to Compeer's request that the Stay of Proceedings be lifted to permit Compeer to pursue claims against the Applicants' directors.

THE MONITOR'S POSITION REGARDING APPLICATION OF THE STAY TO WMS

51. The Applicants have asked this Court to confirm that the Stay of Proceedings, as ordered, applies to WMS.
52. WMS is not an Applicant; however, 50% of its shares are currently owned by Sunterra Enterprises, which is an Applicant. The Monitor agrees with the Applicants that the Court is entitled, in appropriate circumstances, to extend a stay of proceedings such that it affects non-applicant third parties.
53. The Monitor understands that the Applicants are concerned with actions by WMS' lenders and the potential impact those actions may have on the value of Sunterra Enterprises' equity interest in WMS. The Monitor's views relating to the value of that equity interest are set out in the Fifth Report.
54. The Monitor is not aware of whether SPDI, the other shareholder of WMS, supports the extension of the Stay of Proceedings to WMS. In addition, the Monitor notes that the equity interest of Sunterra Enterprises in WMS is an asset of the Sunterra Enterprises estate, and is accordingly caught by the Stay of Proceedings without need for a further order.
55. Apart from noting the above, the Monitor does not take a position with respect to the Applicants' request to extend the stay to WMS.

THE MONITOR'S POSITION REGARDING THE SPDI APPLICATIONS

56. On February 17, 2026, the Monitor received email correspondence from SPDI legal counsel indicating that SPDI intends to proceed with requesting some or all of the relief sought pursuant to the SPDI Applications; namely, that SPDI intends to make submissions in these Proceedings with respect to its claimed entitlement to an assignment of the ATB Security, among other relief.

57. As discussed in the Fifth Report, the Applicants requested the Interim Financing Order to, among other things, provide Sunterra Enterprises with sufficient funds to repay a loan to WMS, so that WMS could, in turn, repay the ATB Loan. The purpose of which was to avoid a default on the ATB Loan and the prospect of SPDI acquiring Sunterra Enterprise's 50% interest in WMS for approximately \$500,000. At the time the December Stay Extension and Interim Financing Application was heard, the Applicants were of the view that Sunterra Enterprises' 50% interest in WMS was worth more than \$500,000, such that repaying the ATB Loan would salvage potential future value to the Applicants, enhancing the prospects of a viable restructuring. However, the Applicants' request for the Interim Financing Order was denied because, among other reasons, the Interim Facility proposed to prime and therefore prejudice certain of the Applicants' secured creditors.
58. As of the Fifth Report, the Monitor's view was that the ability to realize on Sunterra Enterprises' equity interest in WMS was complicated and uncertain; this remains the Monitor's view as of the date of the Sixth Report.
59. With respect to the SDPI Applications, the Monitor's views are as follows:
- a. the relief SPDI is seeking in relation to ATB Financial and the ATB Security Interest can be sought outside of these CCAA Proceedings. SPDI is not subject to the Stay of Proceedings with respect to its requested assignment of the ATB Security, or otherwise with respect to proceedings involving ATB Financial; and
 - b. on the face of the SPDI Application materials, it would be inappropriate to lift the Stay of Proceedings to permit SPDI to proceed with enforcement of the Share Pledge, commence summary oppression proceedings, or take any other action, as plead, against Sunterra Enterprises or any other of the Applicants.
60. Accordingly, the Monitor does not support a lifting of the stay of proceedings in favour of SPDI.

OTHER LITIGATION MATTERS AFFECTING THE CCAA PROCEEDINGS

61. The Sunterra Notice of Appeal and the Compeer Notice of Appeal will each require an application for leave to appeal to be scheduled before the Court of Appeal. The Monitor will provide a further report relating to the leave applications in advance of that hearing.

All of which is respectfully submitted this 23rd day of February 2026.

FTI Consulting Canada Inc., in its capacity as
the Monitor of the Applicants
and not in its personal or corporate capacity



Dustin Oliver, CA, CPA, CIRP, LIT
Senior Managing Director
FTI Consulting Canada Inc.

Appendix A

Fourth Cash Flow Statement

Sunterra Group
Consolidated Cash Flow Statement

Week Ending (Friday)	13-Feb-26 Forecast	20-Feb-26 Forecast	27-Feb-26 Forecast	6-Mar-26 Forecast	13-Mar-26 Forecast	20-Mar-26 Forecast	27-Mar-26 Forecast	3-Apr-26 Forecast	10-Apr-26 Forecast	17-Apr-26 Forecast	10-Week Forecast
(CAD's)	Wk 1	Wk 2	Wk 3	Wk 4	Wk 5	Wk 6	Wk 7	Wk 8	Wk 9	Wk 10	Total
Receipts											
Farms receipts	\$ 1,112,140	\$ 804,090	\$ 861,186	\$ 856,591	\$ 595,536	\$ 1,011,945	\$ 820,136	\$ 575,071	\$ 755,216	\$ 502,899	\$ 7,894,812
Markets receipts	913,000	913,000	913,000	913,000	913,000	913,000	1,013,000	1,013,000	913,000	913,000	9,330,000
Total Receipts	\$ 2,025,140	\$ 1,717,090	\$ 1,774,186	\$ 1,769,591	\$ 1,508,536	\$ 1,924,945	\$ 1,833,136	\$ 1,588,071	\$ 1,668,216	\$ 1,415,899	\$ 17,224,812
Disbursements											
<u>Farms</u>											
Feed purchases	(171,000)	(171,000)	(171,000)	(171,000)	(171,000)	(171,000)	(171,000)	(171,000)	(171,000)	(171,000)	(1,710,000)
Barn utilities	-	-	(62,000)	-	-	-	(62,000)	-	-	-	(124,000)
Medication/vaccines	(73,000)	(29,000)	(19,500)	(13,000)	(73,000)	(29,000)	(19,500)	(13,000)	(73,000)	(29,000)	(371,000)
Transportation	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(440,000)
Other opex	(73,300)	(73,300)	(73,300)	(73,300)	(73,300)	(73,300)	(73,300)	(73,300)	(73,300)	(73,300)	(733,000)
Employee expenses	(52,500)	(197,500)	(52,500)	(197,500)	(52,500)	(197,500)	(52,500)	(197,500)	(52,500)	(197,500)	(1,250,000)
<u>Markets</u>											
Cost of goods sold	(649,000)	(649,000)	(724,000)	(724,000)	(713,000)	(649,000)	(649,000)	(649,000)	(649,000)	(649,000)	(6,704,000)
Employee expenses	(360,000)	(270,000)	(360,000)	(270,000)	(360,000)	(270,000)	(360,000)	(270,000)	(360,000)	(270,000)	(3,150,000)
<u>Other Entity Operating Expenses</u>	(14,700)	(4,900)	-	(10,400)	(14,700)	(4,900)	-	(10,400)	(14,700)	(4,900)	(79,600)
Total Disbursements	(1,437,500)	(1,438,700)	(1,506,300)	(1,503,200)	(1,501,500)	(1,438,700)	(1,431,300)	(1,428,200)	(1,437,500)	(1,438,700)	(14,561,600)
Operational Cash Flow	587,640	278,390	267,886	266,391	7,036	486,245	401,836	159,871	230,716	(22,801)	2,663,212
<u>Non-Operational Items</u>											
Interest expense	-	-	-	(126,591)	-	-	-	(126,591)	-	-	(253,181)
Professional fees	-	(169,146)	(265,000)	(405,000)	-	(177,500)	(125,000)	(405,000)	-	(177,500)	(1,724,146)
Inter-company bank transfers	-	-	-	-	-	-	-	-	-	-	-
Non-operational receipts	-	-	-	-	-	-	-	-	-	-	-
Dedicated Loan Repayment	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operational Items	-	(169,146)	(265,000)	(531,591)	-	(177,500)	(125,000)	(531,591)	-	(177,500)	(1,977,327)
Total Net Cash flow	\$ 587,640	\$ 109,245	\$ 2,886	\$ (265,199)	\$ 7,036	\$ 308,745	\$ 276,836	\$ (371,719)	\$ 230,716	\$ (200,301)	\$ 685,885
Opening Cash	\$ 3,934,024	\$ 4,521,664	\$ 4,630,908	\$ 4,633,794	\$ 4,368,595	\$ 4,375,631	\$ 4,684,376	\$ 4,961,213	\$ 4,589,494	\$ 4,820,210	\$ 3,934,024
Net Cash flow	587,640	109,245	2,886	(265,199)	7,036	308,745	276,836	(371,719)	230,716	(200,301)	685,885
Ending Balance	\$ 4,521,664	\$ 4,630,908	\$ 4,633,794	\$ 4,368,595	\$ 4,375,631	\$ 4,684,376	\$ 4,961,213	\$ 4,589,494	\$ 4,820,210	\$ 4,619,909	\$ 4,619,909



Sunterra Group
Art Price

Consolidated Cash Flow of the Sunterra Group

Notes to the Fourth Statement of Cash Flow for the 10-Week period ending April 17, 2026

Purpose and General Assumptions of the Cash Flow Statement

Sunterra Farms Ltd. (“**Sunterra Farms**”), Sunterra Food Corporation (“**Sunterra Food**”), Sunterra Quality Food Markets Inc. (“**Sunterra Markets**”), Sunwold Farms Limited (“**Sunwold**”), Trochu Meat Processors Ltd. (“**Trochu**”), Sunterra Beef Ltd. (“**Sunterra Beef**”), Lariagra Farms Ltd. (“**Lariagra**”), Sunterra Farm Enterprises Ltd. (“**Sunterra Farm Enterprises**”) and Sunterra Enterprises Inc. (“**Sunterra Enterprises**” and collectively, the “**Sunterra Group**” or the “**Applicants**”) have prepared this cash flow statement and the accompanying notes (collectively, the “**Fourth Cash Flow Statement**”). The Applicants have prepared the Fourth Cash Flow Statement on a consolidated basis based on probable and hypothetical assumptions that reflect the Applicants’ planned course of action for the period from February 7, 2026, to April 17, 2026 (the “**Forecast Period**”). The Applicant’s management (“**Management**”) is of the opinion that, as at the date of filing the Fourth Cash Flow Statement, the assumptions used to develop the projection represent the most probable set of economic conditions facing the Applicants and that the assumptions used proved a reasonable basis for and are consistent with the purpose of the Fourth Cash Flow Statement. This Fourth Cash Flow Statement should not be used for any other purpose, and creditors are cautioned that the information provided in the Fourth Cash Flow Statement could vary based on changing future circumstances.

It is assumed that all amounts owing prior to the NOI proceedings are stayed. Post-filing payments are to be made in normal course.

Disbursements are based on historical run-rates and input from Management.

The projected Fourth Cash Flow Statement is prepared in Canadian dollars.

Hypothetical and Probably Assumptions of the Fourth Cash Flow Statement

1. Farm receipts are generated by the Sunterra Group’s farming operations from Sunterra Farms, Sunwold and Lariagra and relate to (i) the revenues generated from the sale of isowean and feeder pigs which are transported to the USA to be marketed and sold each week. The weekly pricing and corresponding receipts are estimated based on lean hog futures pricing published by the CME Group, with consideration for estimated feed and other costs related to raising pigs; and (ii) the revenues from the sale of herd culls and

other fully grown pigs sold within Canada. The pricing for the sale of these pigs is based off current market prices in Canada.

2. Markets receipts are generated by Sunterra Markets and relate to: (i) estimated weekly sales from 8 retail markets locations and 2 licensed Starbucks locations and are based on historical results and input from Management for sale trends consistent with the current business operations; and (ii) sales for catering services based on historical results and input from Management.
3. Feed purchases are weekly purchases required to feed the pigs.
4. Utilities include estimated monthly internet, water, natural gas, heat and electricity.
5. Livestock medications related to monthly costs for vaccinations and medical supplies for the welfare of the pigs.
6. Transportation costs relate to the transport of livestock from the Sunterra Groups barns located in and around Acme, AB to the location of the purchasers barns which is most commonly in the Mid-West United States. Total transportation costs are based on Management's estimate for the number of livestock being transported and the estimated distance of each shipment.
7. Other operating costs include all other expenses incurred for the operations of the farm.
8. Salaries, wages, remittances and all employee benefits for salaries and hourly employees paid on a bi-weekly basis. In the Fourth Cash Flow Statement, employee expenses are separated between farming operations and the operations of the Sunterra Markets. The employee expenses for farming operations also support the other operating entities, which currently have limited operations.
9. Cost of Goods Sold are estimated based on current inventory levels at each of the Sunterra Markets' locations and information provided through the inventory management system. Weekly disbursements are estimated by Management based on their knowledge of the supplies turnover and payment terms of individual vendors.
10. Operating expenses for other operating entities include the miscellaneous expenses for the operations of Trochu to Sunterra Food, Sunterra Farm Enterprises, Sunterra Enterprises and Sunterra Beef.
11. Interest and fees related to borrowing costs paid on a monthly basis. The interest payments include amounts due to NBC from Sunterra Food, Farm Credit Canada from Sunterra Farms and Lariagra.
12. Professional fees include estimated payments to the Applicants' legal counsel, the Monitor, the Monitor's legal counsel, and the Chief Restructuring Advisor. These costs reflect forecast professional time and may vary depending on the complexity of the CCAA proceedings and the involvement of each individual professional firm involved. The assumptions also include the expected catch-up payments toward outstanding arrears owed to the Applicants' former legal counsel, Blue Rock, based on information provided regarding unpaid balances. The Applicants and the Monitor continue to discuss professional fee estimates on an ongoing basis.

13. Inter-company bank transfers net to nil in the consolidated Fourth Cash Flow Statement, include payments via inter-company loan between the Sunterra Group. The majority of transfers originate from Sunwold as the entity which is forecast to generate the most excess cash flow over the Forecast Period. Markets and Sunterra Food are forecast to be the recipient of inter-company transfers due to operational losses and interest charges, respectively.
14. The Monitor understand the Sunterra Group may bring an application seeking Court approval for the sale of certain land previously referred to as the Dorothy Lands. An estimate of sale proceeds from this sale has not been included in the forecast. Therefore, any proceeds received from the sale would be accretive to the forecast receipts.
15. Opening cash is expected to be \$3,934,024 for the Sunterra Group as a whole as at February 7, 2026.

UNAUDITED CASH FLOW FORECAST PREPARED BY MANAGEMENT, MUST BE READ IN CONJUNCTION WITH THE NOTES AND ASSUMPTIONS

Sunterra Group



Art Price
Director