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JUDICIAL CENTRE	CALGARY	
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, as amended AND IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF MONETTE FARMS LTD., MONETTE FARMS ONTARIO CORP., NEXGEN SEEDS LTD., MONETTE PRODUCE LTD., MONETTE SEEDS LTD., MONETTE LAND CORP., DMO HOLDINGS LTD., DMO HOLDINGS USA, INC., MONETTE SEEDS USA, LLC, MONETTE FARMS ARIZONA, LLC, MONETTE FARMS USA, INC., 1012595 DE INC., MONETTE PRODUCE, LLC, GOAT'S PEAK WINERY LTD., MONETTE FARMS BC LTD., MONETTE FARMS LAND GP LTD., MONETTE FARMS LAND II GP LTD., AND MONETTE FARMS BC GP LTD.	
APPLICANTS	MONETTE FARMS LTD., MONETTE FARMS ONTARIO CORP., NEXGEN SEEDS LTD., MONETTE PRODUCE LTD., MONETTE SEEDS LTD., MONETTE LAND CORP., DMO HOLDINGS LTD., DMO HOLDINGS USA, INC., MONETTE SEEDS USA, LLC, MONETTE FARMS ARIZONA, LLC, MONETTE FARMS USA, INC., 1012595 DE INC., MONETTE PRODUCE, LLC, GOAT'S PEAK WINERY LTD., MONETTE FARMS BC LTD., MONETTE FARMS LAND GP LTD., MONETTE FARMS LAND II GP LTD., AND MONETTE FARMS BC GP LTD.	
DOCUMENT	**AFFIDAVIT OF DARREL NOEL MONETTE**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Cassels Brock & Blackwell LLP Suite 3700, Bankers Hall West 888 3rd Street SW Calgary, Alberta, T2P 5C5 Telephone: (403) 351-2920 Facsimile: (403) 648-1151 Email: joliver@cassels.com / dmarechal@cassels.com / mclarksonmaciel@cassels.com File No.: 063030-01 Attention: Jeffrey Oliver / Danielle Maréchal / Matteo Clarkson-Maciel	
AFFIDAVIT OF:	**DARREL NOEL MONETTE**	
SWORN ON:	**April 17, 2026**	

I, Darrel Noel Monette, of the City of Airdrie, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am the sole voting shareholder of the Monette Farms group. Monette Farms (the "**Group**") is comprised of Monette Farms Ltd., NexGen Seeds Ltd., Monette Farms Ontario Corp., Monette Produce Ltd., Monette Seeds Ltd., Monette Land Corp., DMO Holdings Ltd., DMO Holdings USA, Inc., Monette Seeds USA, LLC, Monette Farms Arizona, LLC, Monette Farms USA, Inc., 1012595 DE INC., Monette Produce, LLC, Goat's Peak Winery Ltd., Monette Farms BC Ltd., Monette Farms Land GP Ltd., Monette Farms Land II GP Ltd., and Monette Farms BC GP Ltd. (together, the "**Applicants**"), and also includes three limited partnerships being Monette Farms Land LP, Monette Farms Land II LP, and Monette Farms BC LP (together, the "**LPs**"). I am director, president, and Chief Executive Officer ("**CEO**") of each of the Applicants.

2. In these roles, my primary responsibilities include overseeing and managing the operations and assets of the Group, making strategic business decisions, and acting as the primary point of contact with the Group's management teams and advisors. As a result, I have personal knowledge of the facts and matters deposed to, except where stated to be based on information and belief, and where so stated I do verily believe the same to be true.

3. I am authorized to swear this affidavit as a corporate representative of the Applicants and as the ultimate controlling and beneficial shareholder (except as specified below at paragraphs 29 and 37).

4. In preparing this affidavit, I consulted with the Applicants' management teams and advisors. I have also reviewed relevant documents and information concerning the Group's operations and financial affairs.

5. All references to currency in this affidavit are references to Canadian dollars, unless otherwise indicated.

I. RELIEF REQUESTED

6. This affidavit is sworn in support of an application (the "**Application**") by the Applicants for:

    a. an order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended (the "**CCAA**"), among other things:

        i. deeming service of the Application for the Initial Order to be good and sufficient;

        ii. declaring that the Applicants are companies to which the CCAA applies;

        iii. appointing FTI Consulting Canada Inc. ("**FTI**") as the court-appointed monitor (the "**Monitor**") of the Group's respective assets, undertakings, and properties (collectively, the "**Property**"), their business (the "**Business**") and financial affairs in these CCAA proceedings;

        iv. declaring that the LPs (or the "**Non-Applicant Stay Parties**") shall have the same benefit and all their property and business shall be deemed to be included within the Property and Business of the Applicants, notwithstanding that the Non-Applicant Stay Parties are not "companies" within the meaning of the CCAA;

v. staying all claims, proceedings and remedies taken or that might be taken in respect of the Group, Property, Business, the Monitor and each of the Group's and Monitor's respective directors and officers, except with leave of the Court unless as otherwise set forth in the Initial Order or the CCAA (the "**Stay of Proceedings**");

vi. ordering that the *status quo* be maintained in respect of the proprietary and regulatory licences issued to the Group including those issued by the British Columbia Ministry of Forests, Lands, Natural Resource Operations and Rural Development (the "**BC Ministry of Lands**"), and any other regulator issuing a licence related to the Real Property (as defined below) or issued to the Group, which shall be preserved and maintained during the pendency of the Stay of Proceedings, other than that of the Grain Licence (as defined herein) issued by the Canadian Grain Commission;

vii. authorizing the Group to carry on business in a manner consistent with the preservation of the Business and Property;

viii. authorizing the Group to continue to use their existing cash management system;

ix. granting certain charges as set out herein which shall rank in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances or other lien of whatever nature against the Property;

x. approving a debtor-in-possession ("**DIP**") financing facility (the "**DIP Facility**") to be provided by The Bank of Nova Scotia ("**Scotiabank**") in its capacity as DIP agent (in such capacity, the "**DIP Agent**") and certain members of the Syndicate (as defined below) (in such capacity, the "**DIP Lenders**") and to borrow from the Syndicate the initial principal amount of $40 million, which initial principal amount may be advanced to the Group in accordance with the terms of the senior secured DIP interim financing term sheet agreement to be finalised but substantially in the form appended as Exhibit "X" (the "**Term Sheet**"), during the initial 10 day stay period, with the ability to thereafter borrow up to an aggregate amount of $90 million and create a related charge on the Property up to $95 million to secure the DIP Facility (the "**DIP Lenders' Charge**") in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances or other lien of whatever nature against the Property except for the Administration Charge (as defined herein);

xi. entitling the Group to make payment of all obligations owing in respect of employee wages and benefits and applicable source deductions, whether incurred prior to or after the commencement of the CCAA proceedings; and

xii. entitling the Group to pay reasonable expenses incurred by them in operating the Business in the ordinary course, including making payment of obligations owing in respect of goods and services supplied to the Group prior to the date of the Initial Order by critical vendors to the extent required to ensure ongoing supply of critical goods and services, as permitted by the Initial Order, subject to approval by the Monitor and the Syndicate's Financial Advisor (as defined herein), up to a maximum aggregate amount of $3 million, and subject to approval of the Monitor, the Syndicate's Financial Advisor, and additional consultation with the DIP Agent for any payments in excess of $100,000;

b. an order sealing my confidential affidavit, sworn April 17, 2026 (the "**Confidential Affidavit**"), until the earlier of one year from the termination of these CCAA proceedings, should the Initial Order be granted, or further order of this Court; and

c. such further and other relief as the Court deems just.

7. If the proposed Initial Order is granted, the Applicants intend to bring an application on May 1, 2026 (the "**Comeback Hearing**") to, among other things:

a. extend the Stay of Proceedings;

b. approve an increase to the maximum amount available under the DIP Facility to $90 million; and

c. approve increases to the amounts of the Administration Charge and Directors' Charge (as defined herein).

8. At a subsequent date, but in any event within 45 days of the Comeback Hearing, the Applicants will seek a court order to approve a sale and investment solicitation process ("**SISP**") in form and substance satisfactory to the DIP Agent and the SFA Agent (as defined herein) that will implement the orderly sale of all or substantially all of the Group's assets, seek investment in the Group and refinancing opportunities to repay all obligations owing pursuant to the Senior Facilities Agreement (as defined herein) in accordance with the milestones set out in the Term Sheet.

9. I understand that the Applicants will additionally seek recognition of these proceedings under chapter 15 of Title 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court of competent jurisdiction (the "**US Bankruptcy Court**").

10. I understand from counsel to the Group, Cassels Brock & Blackwell LLP ("**Cassels**"), that the LPs cannot be Applicants under the CCAA. However, the general partners of the LPs are Applicants subject to the protections afforded under the CCAA and the LPs form a critical part of the Group by holding

beneficial title for substantially all the Group's real property assets located in Canada. Accordingly, it is necessary to include the LPs in these CCAA proceedings, and afford them the protections of the Initial Order, to ensure that creditors are unable to pursue enforcement actions against the LPs in a manner that would circumvent the Stay of Proceedings.

II. OVERVIEW

11. The Group operates one of the largest private farming operations in North America, owning or leasing over 400,000 acres of farmland, making it a top ten global farm operator based on number of acres farmed. The Group's operations are divided across four separate business segments, or "pillars" (collectively, the "**Farm Operations**"). These segments use farmland across the provinces of Saskatchewan, Alberta, Manitoba, and British Columbia, and the states of Montana, Colorado, and Arizona, and are as follows:

a. farming operations focused on grain production, primarily that of canola, wheat and durum. These operations accounted for over 60% of Group revenue in 2024 and more than 50% in 2025. Grain operations dominate the Canadian footprint;

b. farming operations for produce, focusing on seasonal items, including carrots, squash, broccoli, cabbage, pumpkin, cauliflower and watermelon. Produce is primarily grown in Saskatchewan and British Columbia, with significant fall and winter production in Arizona. In 2025, produce accounted for approximately 15% of Group revenue;

c. cattle ranching of primarily Black and Red Angus cattle, including (i) herd breeding, which is the breeding of cattle, occurring in British Columbia; and (ii) feedlots, focusing on raising, feeding, and finishing cattle in preparation for slaughter, across Alberta and Saskatchewan. Cattle ranching accounted for approximately 10% of Group revenue in 2024 and 17% in 2025; and

d. seed processing, which is the value-adding process of preparing raw seeds before planting, which accounted for 19% of Group revenue in 2024 and 16% in 2025. Seed processing occurs at three facilities: two in Swift Current, Saskatchewan, and a third (non-operating facility) in Tonopah, Arizona. Approximately 50% of seed processing capacity is allocated to supporting the Group's business in grain production.

12. The Group's financing is provided primarily by a syndicate of lenders (together, the "**Syndicate**") pursuant to a $950 million senior secured credit facility dated December 5, 2018, which matured on April 15, 2026 (as amended from time to time, the "**Senior Facilities Agreement**") between, amongst others, Monette Farms as Canadian borrower, Monette Farms USA Inc. ("**Monette USA**") as USA borrower, myself as individual borrower, each of the Group as guarantors, Scotiabank as agent (the "**SFA Agent**") and the Syndicate. The key terms of the Senior Facilities Agreement are described below in paragraph 118.

13. Notwithstanding the occurrence of multiple events of default under the Senior Facilities Agreement, the Syndicate has continued to support the Group's operations and restructuring efforts. Since October 2024, the Syndicate entered into two waiver and covenant agreements and eight subsequent amending agreements, ultimately culminating in the Forbearance Agreement (as defined below), pursuant to which the SFA Agent and Syndicate agreed to forbear from exercising their rights and remedies in respect of specified events of default during the Forbearance Period. Throughout this period, the Syndicate continued to engage constructively with the Group's efforts to right-size the Business and pursue asset dispositions while providing liquidity.

14. The Senior Facilities (as defined herein) each matured on April 15, 2026 (the "**Maturity Date**") in accordance with the terms of the Senior Facilities Agreement. Accordingly, no further funding is available under the Senior Facilities Agreement. This is a significant issue as the Applicants are now within weeks of their growing season, which requires the purchase of significant inputs. The Applicants urgently require liquidity to pay for critical supplies and to continue operations. The Group additionally requires CCAA protection to ensure operational stability as they implement a sale process in order to deleverage the Business.

15. The repayment of the obligations owing to the Syndicate under the Senior Facilities Agreement is an integral and necessary component of the Group's overall restructuring strategy. That strategy includes the right-sizing of the Business and balance sheet through an orderly disposition of assets, with the proceeds of those dispositions being applied toward satisfaction of the Senior Facilities. Such deleveraging will hopefully facilitate a refinancing of the Senior Facilities.

16. For the reasons set out herein, I do verily believe that the Applicants are insolvent and are "companies" under the CCAA. As of the date of this affidavit, the Applicants lack sufficient liquidity to fund ongoing operations and meet obligations as they become due. Absent immediate court protection, creditor enforcement would result in a disorderly liquidation and material value destruction to the assets of the Group.

17. In particular, absent the granting of the Initial Order and the approval of the DIP Facility provided by the Syndicate, the Applicants will be unable to undertake the necessary preparation and seeding of their fields for the 2026 growing season. The spring seeding window is narrow and time sensitive. For a farming enterprise of this scale, a failure to seed within that brief window would materially reduce crop yields, or in some cases, prevent planting altogether.

18. Additionally, if grain and produce farmland is left unseeded or unmanaged, its marketability and realizable value would likely decline materially. As a result of my significant experience in buying and selling farmland, I am aware that visibly neglected farmland is often perceived by purchasers as impaired or distressed, which can reduce buyer interest, competitive bid tension, and pricing in any sale or refinancing process. Farmland value is closely tied to its condition and readiness for productive use, and sustained neglect diminishes optionality for sale, lease, or financing. Unmanaged land is also

exposed to soil erosion and degradation from wind and water, resulting in the loss of topsoil, reduced future productivity, and, in some cases, lasting impairment of the underlying agricultural asset. In addition, the absence of active farming and maintenance allows weeds and invasive species to establish and spread, increasing future remediation costs, and reducing near-term usability for purchasers or tenants, and potentially affecting neighbouring properties. Deferred maintenance typically leads to higher restart costs for weed control, soil rehabilitation, and erosion repair, reducing net recovery value for stakeholders. Failure to maintain these lands can further create environmental, regulatory, and neighbour-relations risks, including compliance concerns related to erosion and weed propagation. Taken together, these impacts would materially impair the productivity and viability of the Group's farming operations for the 2026 growing season and real property, significantly decreasing the value of the same.

19. The consequences of a missed 2026 growing season would extend beyond the Group's creditors and other financial stakeholders. The Applicants employ hundreds of agricultural workers across rural communities in Western Canada and the United States, many of whom rely on year-round employment. In my view, an impairment on seeding in 2026 would result in the loss of employment for many of these individuals for an entire year, or longer depending on the extent to which the farmland is impacted by non-use, with associated consequences for their families and the communities in which they live.

20. Below, I describe the history and organizational structure of the Group, the efforts to avoid CCAA, and the need for the requested relief.

III. BACKGROUND AND ORGANIZATIONAL STRUCTURE

A. History

21. The Group began as a family farm primarily focused on grain operations in Swift Current, Saskatchewan in 1912. The Group experienced significant growth beginning in approximately 2004, following the acquisition of 400 acres of land. This expansion was followed by strategic acquisitions funded by debt secured against the acquired farmland, with particular expansion throughout Saskatchewan during the 2010s.

22. I was raised in Swift Current with my brother and other siblings, growing up closely connected to agriculture from a young age. At twelve, my brother and I had a small chicken farm together, selling eggs before eventually working on the family farm. I later earned a degree in Agricultural Economics from the University of Saskatchewan, during which I leased 400 acres of farmland, and subsequently moved into selling farm equipment. In 2013, I took over the family farm and began expanding its operations. My brother joined me in 2018. He now serves as Chief Operating Officer and myself as CEO.

23. While the Group has grown and diversified since I assumed leadership in 2013, I have remained committed to preserving the values and atmosphere of our family farm for all employees, including by

treating my employees fairly. This has consistently guided my approach to staffing and employment decisions, including by providing healthcare coverage to all employees, industry-high salaries, and financial support to employees seeking educational advancement. The Group's approach allows for young farm operators within the Group (with an average age of 42), to learn farming in an industry where the average age of farmers is over 58. Many of the Group's managers are young, tech-forward farmers, incentivised to adhere to the Group's values as much as profit.

24. Maintaining family farm values and atmosphere has also shaped the culture of the Group more broadly. For example, my mother prepared meals for the workers until there were 40 employees, and my father still remains actively involved in farming operations by, among other things, continuing to work on the combines during harvest.

25. The Group's expansion has been based on a strong set of core values, including: (i) teamwork, (ii) optimizing resources through cutting-edge technology, (iii) geographic and product expansion; (iv) ensuring strong communities; (v) collaborative joint venture relationships with indigenous communities; and (vi) treating employees fairly. This is further represented by the Group's informal motto: "get sh*t done." These values underpin the Group's core vision which is to feed a billion people for a day through sustainable agriculture. Sustainable farming means regenerative farming practices focused on acquiring irrigated land, and relying on cutting-edge farm equipment from the best suppliers. For example, the latest John Deere sprayers utilise cameras to target chemicals to only weeds which reduces herbicide resistance, maintains cleaner fields, and uses fewer chemicals. Other equipment utilizes artificial-intelligence mapping to manage soil moisture. Based on internal production estimates, the Group is well underway toward reaching its vision, as agricultural output in 2025 was sufficient to supply the consumption of staple food products for 380 million people for the year.

26. The Group's success in Canada led to its expansion in the United States of America (**"USA"**) beginning in 2019 and into other agricultural segments, including cattle and produce in 2021. These areas are higher profit segments but require higher start-up capital costs and greater staffing requirements as compared to grain.

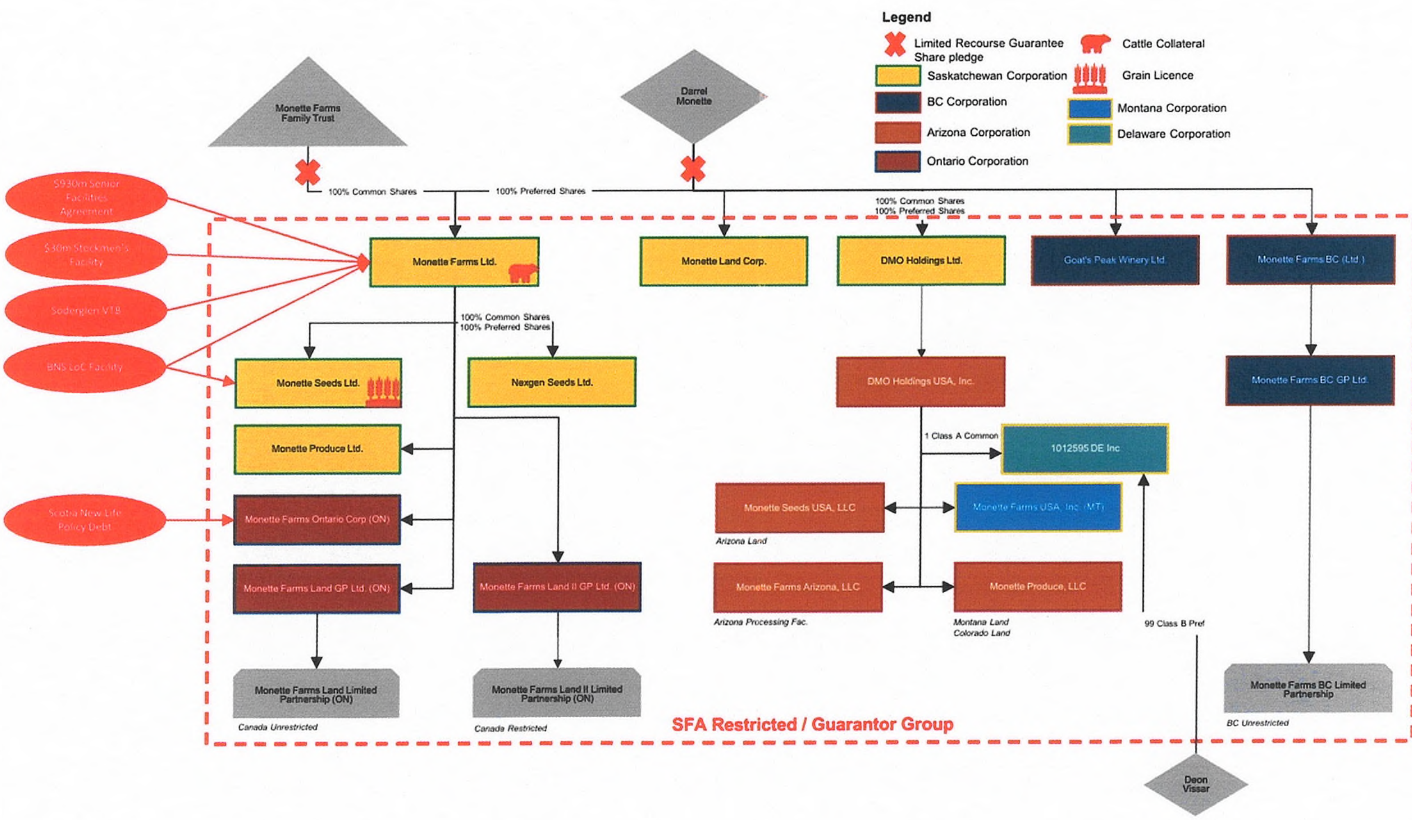
27. Today, the Group is comprised of seventeen companies and three limited partnerships. Its land is divided into multiple farms primarily located across the provinces of Saskatchewan, Alberta, British Columbia, Manitoba, and Arizona, USA. In Saskatchewan and Manitoba, these farms have been created by combining numerous quarter-sections (plots typically 160 acres in size). The Group's internal name of each farm relates to a nearby town to which the farm is located.

28. While the majority of the Group's farming operations are run internally, there are a select number of outside parties who share farming responsibilities. For example, in Alberta, a portion of the Real Property located in Airdrie, Alberta (the "**Airdrie Real Property**") is subject to a joint venture agreement in which Monette Farms and Janet Dunn divide farming operations, costs, profits and losses 66 2/3 % and 33 1/3 %, respectively, for 160 acres of Real Property. This agreement is subject to termination if

Monette Farms becomes insolvent.

B. Corporate Structure and Governance

29. As summarized in the below corporate chart, the Group is structured through the following five parent corporations (collectively, the "**TopCos**"): Monette Farms, Monette Land Corporation ("**Monette Land**"), DMO Holdings Ltd. ("**DMO Holdings**"), Goat's Peak Winery Ltd. ("**Goat's Peak Winery**"), and Monette Farms BC Ltd. ("**Monette Farms BC**"). The TopCos are both holding corporations of subsidiaries and operational companies. I am the sole and direct shareholder of each of the TopCos except for Monette Farms, where I hold 100% of the issued preference shares and 100% of the issued common shares are held by the Monette Farms Family Trust (the "**Family Trust**"). For ease of reference, the below organizational chart is replicated and attached hereto and marked as **Exhibit "A".**



30. Below, I describe the Group's corporate structure on a TopCo-by-TopCo basis. True copies of all corporate searches in respect of the Applicants and all for their predecessors are attached hereto and marked as **Exhibit "B"**.

i. <u>Monette Farms & Subsidiaries</u>

31. Monette Farms is a company formed by way of amalgamation under Saskatchewan's *Business*

Corporations Act, SS 2021, c. 6 ("**SBCA**").[1] Monette Farms holds 100% ownership in the following six direct subsidiaries:

a. Monette Farms Ontario Corp. ("**MFO**");

b. NexGen Seeds Ltd. (formerly 102064841 Saskatchewan Ltd.) ("**NexGen**");

c. Monette Produce Ltd ("**Produce**");

d. Monette Seeds Ltd. ("**Seeds**");

e. Monette Farms Land GP Ltd. ("**Unrestricted GP**"); and

f. Monette Farms Land II GP Ltd. ("**Restricted GP**").

32. Unrestricted GP is the general partner of Monette Farms Land I Limited Partnership ("**Unrestricted LP**"). Monette Farms and Seeds are the sole limited partners in Unrestricted LP. Restricted GP is the general partner of Monette Farms Land II Limited Partnership ("**Restricted LP**"). Monette Farms is the sole limited partner in Restricted LP. As described below at paragraph 88, these LPs hold beneficial title to all real property located in Canada of the Group except certain real property in British Columbia.

33. The below table details the jurisdiction, incorporation date, and registered address of each of these entities:

Company	Jurisdiction	Incorporation / amalgamation date	Registered Address
Monette Farms	Saskatchewan	November 1, 2023	717 South Railway Street West, Swift Current Saskatchewan S9H 2Y9
MFO	Ontario	February 21, 2020	16 Neekaunis Road, Waubaushene, Ontario L0K 2C0
NexGen	Saskatchewan	November 21, 2018	51 1st Ave NW, Swift Current, Saskatchewan S9H 0M5
Produce	Saskatchewan	March 5, 2024	410-475 2nd Avenue South, Saskatoon, Saskatchewan S7K 1P4
Seeds	Saskatchewan	August 10, 2022	51 1st Ave NW, Swift Current, Saskatchewan S9H 0M5
Unrestricted GP	Ontario	June 19, 2024	222 Bay Street, Suite 3000, Toronto, Ontario M5K 1E7
Unrestricted LP	Ontario	June 19, 2024	222 Bay Street, Suite 3000, Toronto, Ontario M5K 1E7
Restricted GP	Ontario	June 19, 2024	222 Bay Street, Suite 3000, Toronto, Ontario M5K 1E7
Restricted LP	Ontario	June 19, 2024	222 Bay Street, Suite 3000, Toronto, Ontario, M5K 1E7

[1] Monette Farms is registered as 102179560 Saskatchewan Ltd., and created under amalgamation between 102020639 Saskatchewan Inc. (formerly Sunrise Potato Farm Inc.), Agriventures Holdings Inc. (formerly 102024796 Saskatchewan Ltd.), Daboo Farms Ltd., Of the Plains Organics Incorporated, and Monette Farms Ltd. (itself an amalgamation of A.L.W. Holdings, and Monette Farms Ltd. (102011243) (Monette Farms Ltd. (102011243) is itself an amalgamation of Monette Land Company Ltd., Monette Equipment Company Ltd., and Monette Farms Ltd. (101295686))). Monette Farms Ltd. (10125686) is itself an amalgamation of Monette Farms Ltd. (101136221) and Amberfield Land Corp. (formerly 101175458 Saskatchewan Ltd.).

ii. <u>Monette Land</u>

34. Monette Land is a company incorporated under the SBCA on March 29, 2022. Monette Land has no subsidiaries and has its registered address at 51 1st Ave NW, Swift Current, Saskatchewan, Canada, S9H 0M5.

iii. <u>DMO Holdings</u>

35. The Group's USA operations are conducted by subsidiaries of DMO Holdings. DMO Holdings is a company incorporated under the SBCA.

36. DMO Holdings has one direct 100% owned subsidiary, DMO Holdings USA, Inc. ("**DMO USA**"), a company incorporated in Arizona. DMO USA holds 100% ownership in the following four subsidiaries:

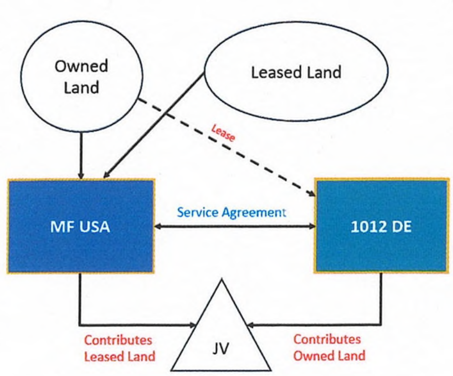
a. Monette Seeds USA ("**Seeds USA**");

b. Monette Farms Arizona, LLC ("**MF Arizona**");

c. Monette USA; and

d. Monette Produce, LLC ("**Produce USA**").

37. DMO Holdings is also the majority and sole voting shareholder in 1012595 DE Inc. ("**1012 DE**", and together with DMO USA, Seeds USA, MF Arizona, Monette USA, and Produce USA, the "**USA Entities**"), a Delaware corporation. 1012 DE's second shareholder is Deon Vissar, who holds 99 Class B Preference Shares (non-voting). DMO Holdings holds one Class A Common Share. 1012 DE and Monette USA comprise the core of the Group's operations in Montana. 1012 DE has also entered into a joint venture agreement (the "**JV**") with Monette USA, which is evidenced further in the below organizational chart. Monette USA owns and leases real property in the USA, which is then leased by 1012 DE. Within the JV, both partners contribute their respective leased land and 1012 DE contributes operating costs, pays for all crop inputs, and pays a service fee to Monette USA for it to act as farm manager. Funding for 1012 DE comes from DMO Holdings by way of intercompany transfers. For ease of reference, the JV transaction structure is visualised below and replicated and attached hereto and marked as **Exhibit "C".**



38. The below table details the jurisdiction, incorporation date, and registered address of each of these entities:

Company	Jurisdiction	Incorporation / amalgamation date	Registered Address
DMO Holdings	Saskatchewan	September 18, 2018	51 1st Ave NW, Swift Current, Saskatchewan S9H 0M5
1012 DE	Delaware	March 10, 2025	800 North State Street – Suite 304 – Dover DE 19901
DMO USA	Arizona	January 31, 2020	39332 W. Camelback Rd. Tonopah, Arizona Maricopa 85354 USA
Seeds USA	Arizona	January 31, 2020	39332 W. Camelback Rd. Tonopah, Arizona Maricopa 85354 USA
MF Arizona	Arizona	February 11, 2020	39332 W. Camelback Rd. Tonopah, Arizona Maricopa 85354 USA
Monette USA	Montana	September 10, 2018	1555 Campus Way Suite 201 Steven T. Small Billings, Montana 59102 USA
Produce USA	Arizona	March 1, 2024	39332 W. Camelback Rd. Tonopah, Arizona Maricopa 85354 USA

iv. Goat's Peak Winery

39. Goat's Peak Winery (formerly 1171993 B.C. Ltd.) is a company incorporated in British Columbia under the *British Columbia Business Corporations Act* ("**BCBCA**") on July 16, 2018, with its registered office at 1800 - 1631 Dickson Avenue, Kelowna, British Columbia V1Y 0B5, Canada. Goat's Peak Winery formerly operated a winery located in Cache Creek, British Columbia, and at the winery there remains approximately $3 million of property, plant and equipment owned by Goat's Peak Winery. This is comprised of the real property, wine barrels, equipment, and a vineyard.

v. Monette Farms BC

40. Monette Farms BC (formerly The Blue Goose Cattle Company Ltd.) was formed by way of amalgamation on November 1, 2023, under the BCBCA.[2] Monette Farms BC operates cattle ranches near Kamloops, British Columbia. Monette Farms BC also has one subsidiary in which it holds 100% ownership, Monette Farms BC GP Ltd. (the "**BC GP**", and together with the TopCos, NexGen, Produce, Seeds, Unrestricted GP, Restricted GP, the "**Canadian Applicants**"). The BC GP is the general partner of Monette Farms BC LP. The sole limited partner in Monette Farms BC LP is Monette Farms BC. Monette Farms BC LP holds all the Group's real property located in British Colombia except that held by Goat's Peak Winery.

[2] Monette Farms BC's predecessors were 1446788 BC Ltd. (formed by continuation from Saskatchewan into BC on October 27, 2023, formerly known as 102134752 Saskatchewan Ltd.) and The Blue Goose Cattle Company Ltd. (itself amalgamating Diamond "S" Ranch Limited (itself amalgamating Diamond "S" Ranch Limited (BC0251735) (itself amalgamating Big Bar Mountain Cattle Co. Ltd. and Diamond "S" Ranch Limited (BC0016598) (incorporated February 9, 1939) and RDS International Limited (incorporated April 10, 1970)), Greenwave Transport Ltd. (formerly Greenwave Farms Ltd.), and The Blue Goose Cattle Company Ltd (formerly 0919964 B.C. Ltd.))).

41. The below table details the incorporation, registered address, and incorporation date of each of these entities:

Company	Jurisdiction	Incorporation / amalgamation date	Registered Address
Monette Farms BC	British Columbia	November 1, 2023	1800 – 1631 Dickson Avenue, Kelowna, British Columbia V1Y 0B5
Monette Farms BC GP Ltd.	British Columbia	June 20, 2024	1800 – 510 West Georgia Street, Vancouver, British Columbia V6M 0M3
Monette Farms BC LP	British Columbia	June 24, 2024	1800 – 510 West Georgia Street, Vancouver, British Columbia V6M 0M3

vi. Directors & Officers

42. As detailed in the table below, except in exceptional circumstances, I am the sole director and officer for the Applicants. The chief place of business in my capacity as director is in Alberta. I reside in both Airdrie and Swift Current.

43. The names, titles and chief place of business of each of the directors and officers of the Group are summarized in the following table:

Corporation	Individual	Title	Chief Place of Business
Monette Farms	Darrel Monette	Director & Officer (President & Secretary/Treasurer)	Alberta
	Russel Monette	Officer (Vice President)	Saskatchewan
Monette Land Corp.	Darrel Monette	Director & Officer (President & Secretary/Treasurer)	Alberta
DMO Holdings Ltd.	Darrel Monette	Director & Officer (President & Secretary/Treasurer)	Alberta
Goat's Peak Winery	Darrel Monette	Director & Officer (President)	Alberta
Monette Farms BC	Darrel Monette	Director & Officer (President & Secretary)	Alberta
MFO	Tara L. Rayner	Director & Officer (President)	Ontario
NexGen	Darrel Monette	Director & Officer (President & Secretary/Treasurer)	Alberta
Produce	Darrel Monette	Director & Officer (President & Secretary/Treasurer)	Alberta
Unrestricted GP	Darrel Monette	Director & Officer (President & Secretary)	Alberta
Restricted GP	Darrel Monette	Director & Officer (President & Secretary)	Alberta
Seeds	Darrel Monette	Director & Officer (President & Secretary/Treasurer)	Alberta
DMO USA	Darrel Monette	Director & Officer	Alberta
1012 DE	Darrel Monette	Director	Alberta
Seeds USA	Darrel Monette	Manager	Alberta
MF Arizona	Darrel Monette	Manager	Alberta
Monette USA	Darrel Monette	Director & Officer (President & Secretary)	Alberta
Produce USA	Darrel Monette	Manager	Alberta

Corporation	Individual	Title	Chief Place of Business
Monette Farms BC GP Ltd.	Darrel Monette	Director	Alberta

C. Business of the Group

44. The Group's operations depend on skilled farm managers to oversee and operate its extensive agricultural properties. A combination of strong leadership, ongoing development, capital investment, and access to cutting-edge equipment empower local operators to efficiently and effectively manage the Group's large-scale operations. The Group has an exclusive contract with John Deere for the supply of farming equipment, pursuant to which the Group leases and receives new equipment annually. This allows the Group to continually access the latest farming equipment to enhance productivity and operational efficiency. The Group's scale also facilitates advantageous pricing for this equipment.

45. As noted above, the majority of the Group's revenue, approximately 55% in 2025, derives from grain production. Produce, cattle ranching, and seed processing segments comprise roughly equal portions of the Group's remaining revenue for 2025. Each segment is complementary and relies on capital expenditures that can be used in multiple segments, lending to economies of scale.

46. The Group's operations are primarily funded by a combination of cash flow and working capital facilities with the Syndicate and Farm Credit Canada. ("**FCC**").

47. The Group's chief place of business is in Alberta because:

   a. management decisions occur in Alberta, as described below;

   b. the Group's principal debt agreements are governed by the laws of Alberta;

   c. the Group's Cattle Operations (as defined herein) occur at the Airdrie Real Property;

   d. the Group's bank accounts are located in Alberta; and

   e. all of its professional advisors in these CCAA proceedings are also located in Alberta.

i. <u>Operations, Importance of Working Capital in Farming, and Cyclicality of Farm Operations</u>

48. For all farm operators, farming is highly cyclical and capital extensive. The operations, costs and risks associated with the Farm Operations can be broken down to those incurred for grain and produce production (collectively, the "**Seeding Operations**") and those in cattle farming (the "**Cattle Operations**").

Seeding Operations

49. As soon as the ground is thawed in April, Seeding Operations typically begin. The first stage of this process involves pre-soil treatment and seed processing. Fertilizer and seeding follow, with chemicals used throughout the growing season. Between April and August of any given year, the majority of a

farmer's capital is in the ground growing. The growing period in Western Canada typically only lasts 120 days.

50. For large-scale seeding operations, like that of the Group, there are additional logistical hurdles as well, such as loading, shipping, and preparing fertilizer, chemicals, and seed to ensure it can get into the ground in a timely fashion. This can be extremely complex. To summarize, before seeding can occur, the Group must coordinate with suppliers and its truckers to collect seed, fertilizer, and chemicals from suppliers. This involves approximately 41 truck loads of product a day (nearly 15,000 truck loads a year). Seed must then be pre-treated prior to it being planted. Subsequently, all inputs are moved from the Group's central storage facilities to the farm fields for use.

51. Additionally, crop insurance must also be purchased during the pre-growing season. Provincial crop insurance policies favour single-farm operations to large multi-location farms. This can result in poor localised yields disproportionately affecting large farms on aggregate. For example, while localised weather will dictate the quality of a particular crop, crop insurance recoveries are determined on an owner-by-owner basis. By way of example, if Swift Current farms face locusts in 2026 resulting in losses, but the rest of Saskatchewan is unaffected, crop insurance will treat the Group's loss on aggregate, meaning the insurer would account for both the losses at Swift Current and for any good yields at other farms within the province. If the Group as a whole does not incur a loss in grain, the Group may not be entitled to insurance compensation. Meanwhile, a Swift Current neighbour who only owns local land may receive $800 per acre in compensation, which is considerably more than what the Group might get (*i.e.*, $10).

52. Crop insurance also influences timing for Farm Operations. For the 2026 season the Group has already purchased crop insurance including through the Saskatchewan Crop Insurance Corporation (the "**SCIC**"). If fields are not seeded by June 20th (the deadline by which seeding must be completed to receive full coverage), the Group is likely to have both a very poor yield and would lose full coverage under the SCIC insurance resulting in partial coverage for that poor yield.

53. Accordingly, the Group's ability to continue as a going concern depends on having sufficient liquidity in advance of the spring seeding season as there are significant upfront cost expenditures for pre-soil treatment, fertilizer, chemicals, seed and related inputs, all of which must be incurred before revenue is realized in Autumn. Seeding typically costs in excess of $40 million annually for the Applicants. Based on these costs the Group anticipates generating revenue broadly aligned with previous years and positive Earnings Before Interest, Taxes, Depreciation, and Amortization ("**EBITDA**"). The Applicants do not have sufficient liquidity at this time to pay those costs.

54. Timing for seeding is critical as crop yields drop substantially the later into May that seeding occurs. If the seeding window is missed, revenue for the entire year will be affected, which will have knock on effects on future crop insurance, employee retention, appraised values, and leasing renewals (if any). Crop yields are also highly localised and there are also the traditional risks associated with

uncontrollable weather conditions.

55. Like all farmers, the Group's revenue is dependent on the productivity of its farmland to support its asset value. The farmland's market value is dependent on it operating as a productive farm: either for the Group or others. Absent access to liquidity during the critical pre-seeding window, the Group would be unable to seed substantial portions of their farmland, resulting in an irreversible loss of value for the 2026 crop year and materially impairing realizations from any sale of operating farmland.

56. Unlike many other industries, Seeding Operations cannot be suspended temporarily and later resumed without permanent economic consequences. If land is not seeded within the applicable spring window, the opportunity to generate revenue from that land for the entire year is lost. In my view, this binary outcome—either seed now or lose the year—is the central operational reality that necessitates immediate access to liquidity and the relief requested by the Group in this proceeding.

57. For the Group, the difference between immediate CCAA protection and delay is the difference between a viable 2026 operating platform and a forced liquidation of idled land, at greatly reduced values.

Cattle Operations

58. The Cattle Operations are also seasonal and capital intensive. As noted above at paragraph 11, the Cattle Operations are divided into feeder cattle and breeding herds. Feeder cattle are fed by the farm using feedstock, an input purchased by the farm and consumed by cattle inside a designated lot (*i.e.*, a feedlot). In contrast, breeding herds are located on ranches, which depend on vast pastures to feed herds through grazing. Cattle for breeding herds are brought into the ranch during winter and bred. Those cattle will birth calves in April and May, with any barren cattle sold over the winter. The value of a breeding herd increases materially following calving, as its total herd number expands. To date, the majority of the Applicants' cattle have not calved. Sale of the breeding herd now would yield materially lower prices as compared to a sale in several months' time.

59. Most cattle are tied to a particular feedlot or ranch. Ranches include grazing pastures. Typically, the pastures are not owned by the ranch but instead a licence of use is either granted provincially, federally, or privately. In British Columbia, Monette Farms BC has grazing licences granted by all three. The licences of use are specific to the ranch itself and cannot be transferred by the licencee. They are granted to the ranch owner and are conditional on the ranch owner continuing to own cattle. Without cattle on the ranch, a licence to use typically falls away or expires. This has two effects: (i) fewer pastures to allow cattle to graze would increase a ranch's cost of feeding cattle as the ranch would need to purchase feed for the cattle where the ranch may have previously been able to rely on grazing; and (ii) loss of a licence to use materially impairs the value of the ranch both because of the increased feed costs but also because it may not be possible to re-acquire the licence. Cattle Operations also require health and safety and livestock and feed permits. These are also government regulated.

60. Accordingly, disruption of the Cattle Operations at this point would result in a permanent loss of value,

which could be mitigated through the immediate protections available under the CCAA and the approval of DIP financing.

ii. Segment Concentration and Customers

61. The Group generates revenue across all Farm Operations. 89% of its revenue derives from farmland located in Canada, with 68% of the Group's production occurring in Saskatchewan.

62. The majority of the Group's grain production is sold to multinational food corporations such as Cargill, Parrish & Heimbecker, and Bunge. The Group's produce is mainly sold to Loblaws and the Little Potato Company. These purchasers typically take possession of their product predominantly in Saskatchewan and pay upon delivery.

iii. Suppliers

63. The Group's operations depend on a wide variety of suppliers, including suppliers of fertilizer, chemicals, seed, agronomy services, trucking, storage and other crop-specific inputs. Many of these suppliers are critical to the Group's ongoing operations. These suppliers often require advance commitments to secure adequate supply before the seeding window.

64. Due to the Group's size, it is often the largest, or one of the largest customers, for many of its suppliers. Accordingly, continued Farm Operations may also be systemically critical for those suppliers.

65. The Group's distribution system requires short accounts payable windows. Trucking, and other shipping providers, typically require payment within 10 days of invoicing. However, outside the seeding window it is rare for the Group to incur trucking and freight costs without also receiving corresponding revenue.

66. As discussed above, whether the Group is able to seed its fields for the 2026 season depends on the Group's liquidity during the critical pre-seeding period between April and June. Purchase and supply of fertilizer, chemicals, and seed all must occur between April 15 and April 30 to ensure a successful season because it will take several weeks to input those supplies into the ground.

67. The Group's anticipated costs related to grain seeding are detailed in Part VI: Cash Flow below.

iv. Equipment

68. The Group's existing equipment has been acquired mainly through lease agreements with numerous different providers. In particular, the Applicants hold finance and operating leases for over 1,700 separate units of farm equipment (the "**Leased Equipment**"). Equipment leases are typically paid in advance for a period of twelve months. The Group spends approximately $26 million on Leased Equipment annually. Most of the Leased Equipment is subject to registrations identified as purchase money security interests ("**PMSIs**") at the applicable provincial personal property registers in favour of the lessor. Because of its scale, the Group is often one of the largest purchasers of equipment from many of its suppliers.

69. The Leased Equipment is often traded in for new units at the end of each lease year. Trade-ins provide the Group with new, more efficient equipment, help keep maintenance costs low, and support the high utilization of any Leased Equipment.

70. The Group's largest equipment provider is John Deere Financial, with over 1,600 units listed in provincial personal property registers. The Group is a major John Deere customer. As briefly described in paragraph 44 above, the lease agreement with John Deere Financial Inc. ("**John Deere Financial**") entitles the Group to the annual replacement of equipment, where the Group leases equipment and exchanges that equipment for new equipment annually.

v. <u>Management</u>

71. As the Group's directing mind, ultimate shareholder, and CEO, I verily believe that the majority of the management and operational decisions for the Group are made in Alberta. While the Group has operational assets across North America, with significant acreage and revenue in Saskatchewan, all command structures within the Group report to me. The Group's senior management team consists of: myself, the Chief Operating Officer based in Swift Current, Saskatchewan, the Chief Financial Officer based in Saskatoon, Saskatchewan, the Chief Human Resources Officer is based in Swift Current, Saskatchewan, and the General Counsel based in Kelowna, British Columbia (collectively, "**Senior Management**"). The Senior Management team is lean, designed to ensure a responsive command structure. Senior Management regularly meets in Alberta to make key decisions.

72. In addition to Senior Management, the Group employs staff to manage each farm. These managers are based near the means of production, throughout both Canada and the United States, and are not centrally located.

vi. <u>Employees & Government Remittances</u>

73. In 2025, the Applicants employed an average of 425 people across Canada and the United States. Of these employees, 394 were located within Canada. This number can fluctuate as high as 600 during peak season, such as the seeding period, and as low as 300 during winter. Approximately 50 employees are paid a salary and the remainder are paid hourly. Employees are paid on a bi-weekly basis. Salaried employees are also eligible for discretionary annual bonuses. For 2025, employees received bonuses totaling $1.05 million, half being paid out on December 25, 2025, and the remainder committed to be paid June 15, 2026. At the date of filing, source deductions and GST are up to date.

74. The Applicants' employees are mainly concentrated in Monette Farms (employing the majority of employees), Seeds USA, Monette Farms BC, Monette USA, and MF Arizona. The distribution of the Group's workforce by entity is broadly as follows:

Company	Average number of employees during FY2025
Monette Farms (Canada)	47 Salary (40 in grain) 158 Hourly (126 in grain)
Produce	111 Hourly

Company	Average number of employees during FY2025
Monette Seeds (Canada)	3 Salary 11 Hourly
NexGen (Canada)	3 Salary 3 Hourly
Monette USA (Montana)	26
MF Arizona (Arizona)	24
Seeds USA (Arizona)	2
Monette Farms BC (Canada)	57
Total	**425**

75. The segment distribution of the Group's workforce is as follows:

Segment	Average number of employees during FY2025
Grain	193
Produce	154
Cattle Herding	56
Seed	22

76. The Applicants' employees are not unionized.

77. The Applicants provide employment benefits to its salaried staff members. Currently 34 employees are participants in a defined contribution retirement pension plan established by Monette Farms and run by the Manufacturers Life Insurance Company.

78. Employee retention is a core metric for the Group. The Group prides itself on providing high-quality opportunities to employees and staff. Many of the Group's full-time staff, especially its managers and ranchers, provide specific skills. The market for employees of this type is small. If the Group were not to seed fields in 2026, it would be extremely difficult for many employees to find work until April 2027, as most third-party farmers have already hired their staff for the season. Those few still hiring are typically seeking low-skill temporary workers, not farm managers. Accordingly, most new employment opportunities would require employees to upend their lives and move from small communities where they have either lived their entire lives and/or have established strong community links. In some cases, this would result in these employees being forced to sell their homes or their own farms.

79. In my view, the loss of the 2026 seeding season would directly cause widespread layoffs, not because the Applicants would be unwilling to employ staff, but because the work itself would not exist. Unlike other sectors, farming employment is inseparable from seasonal production activity.

vii. Real Property and Leased Properties

80. As of April 12, 2026, the Group owns approximately 274,000 acres of land across Western Canada and the United States. Real property taxes are current, with no amounts outstanding. The Group additionally lease approximately 175,000 acres of land in Canada and 43,000 acres in the United States across 196 leases. The total annual lease payments are approximately $29.4 million. The Group owns

three seed processing facilities —[3] the largest of which is a 160,000 square foot facility located in Outlook, Saskatchewan — and various produce storage facilities across Saskatchewan, British Columbia and Arizona. The Group's significant real estate holdings are summarised by legal description and attached hereto and marked as **Exhibit "D"** (collectively, the "**Real Property**").

81. In addition to the Real Property, the Applicants hold grazing licences in respect of 1.2 million acres of land, provided that Monette Farms BC retains a certain number of cattle on the land. The licences are tied to the adjacent 43,000 acres of farmland, cattle, and infrastructure owned by Monette Farms BC and located in Kamloops (the "**BC Ranches**"). The value of the BC Ranches is partially based on access to the licences.

82. As of April 12, 2026, the Real Property alone had a valuation exceeding the value of the Group's consolidated liabilities (including the outstanding debt owing under the Senior Facilities Agreement), based on appraisals (collectively, the "**Appraisals**") prepared for the real property located in Canada (the "**Canada Real Property**") and the real property located in the USA (the "**USA Real Property**"). The Appraisals are attached to the Confidential Affidavit for which a sealing order will be requested, as the public disclosure of the information contained in the Appraisals could impact any future sale process for the Real Property. Any adverse influence of the Appraisals on the value of offers in respect of the Real Property would pose serious risk to the Group and any creditors' recovery in the Real Property. I am not aware of any parties that will be materially prejudiced by the sealing of the Confidential Affidavit.

83. Based on title searches completed by Cassels and its agents, I understand that the Real Property has financial and other encumbrances registered against them, including by the Syndicate.

Restrictions on Foreign Corporate Ownership of Farmland

84. I am advised by Cassels that Saskatchewan and Manitoba prohibit non-Canadian individuals and corporations from owning more than 40 acres of farmland in either province. While exemptions can be granted, these restrictions limit the number of potential purchasers for approximately half of the Group's total Real Property.

85. The Canada Real Property located in Alberta and British Columbia account for a minority of the Group's Real Property holdings within Canada. This land is not subject to foreign ownership limitations and Appraisals estimate a value in excess of $170 million.

Legal owners of the Real Property

86. Monette Farms is the legal owner of the Real Property located in Manitoba, Saskatchewan, and Alberta.

87. Monette USA owns all of the Real Property located in Montana and Colorado. MF Arizona owns all

[3] There are two facilities in Saskatchewan and one in Arizona, with the Arizona facility currently not operational and listed for sale.

Real Property held by the Group in Arizona. Seeds USA owns the Group's non-operating seed facility in Arizona.

88. In 2024, the beneficial title of certain Real Property held by Monette Farms was transferred into the LPs. Following this transfer, (a) the Real Property restricted by foreign-ownership limitations (the "**Restricted Real Property**") is legally held by Monette Farms, with beneficial title held by Restricted LP, (b) the Real Property located in Alberta is legally held by Monette Farms and the Seeds manufacturing plant in Outlook, Saskatchewan is legally held by Seeds, with beneficial title held by Unrestricted LP, and (c) the Real Property located in BC is legally held by Monette Farms BC, with beneficial title held by Monette Farms BC LP.

89. A breakdown of the beneficial ownership of the Group's Real Property, detailing the land's location, its business segment, and total acres is set out below:

Unrestricted Real Property held by LP			
Property Name, Location	**Segment**	**Jurisdiction**	**Acreage**
Airdrie (Airdrie)	Grain / Cattle	Alberta	1,916
Seeds manufacturing plant (Outlook)	Seeds	Saskatchewan	2
Total			**1,918**

Restricted Real Property held by LP			
Property Name, Location	**Segment**	**Jurisdiction**	**Acreage**
Swift Current	Grain / Cattle	Saskatchewan	49,775
Regina South (Regina)	Grain	Saskatchewan	32,056
Enfield (Calderbank)	Cattle	Saskatchewan	17,128
Mount Hope (Raymore)	Grain	Saskatchewan	16,530
Montrose & Ruby (Outlook)	Produce / Grain	Saskatchewan	1,852
Sliding Hills (Kamsack)	Grain	Saskatchewan	11,377
North Battleford (Hafford)	Grain	Saskatchewan	2,554
Paddockwood (Prince Albert)	Grain	Saskatchewan	3,020
The Pas (The Pas)	Grain	Manitoba	21,521
Eddystone (Eddystone)	Grain / Cattle	Manitoba	10,269
Total			**166,082**

Goat's Peak Winery Real Property			
Property Name, Location	**Segment**	**Jurisdiction**	**Acreage**
Goat's Peak Vineyard (Cache Creek)	Vineyard	British Columbia	60
Total			**60**

MF BC LP Real Property			
Property Name, Location	**Segment**	**Jurisdiction**	**Acreage**
BC Ranches (Kamloops)	Cattle / Produce	British Columbia	44,966
Total			**44,966**

USA Real Property Property Name, Location	Segment	Jurisdiction	Acreage
Arizona Farm (Aguila)	Produce	Arizona	3,134
Fly Creek (Big Horn)	Grain	Montana	32,757
Ragland - Camp 1 (Big Horn)	Grain	Montana	737
Nieden/Niessen – Camp 1 (Big Horn)	Grain	Montana	8,060
St. Xavier - Camp 4 (Big Horn)	Grain	Montana	11,455
Ragland (Big Horn)	Grain	Montana	1,473
Colorado Farm (Genoa)	Grain	Colorado	4,079
Arizona Seeds Facility	Produce / Seed	Arizona	23
Total			**61,718**

90. As stated, a majority of the Real Property is subject to certain encumbrances, caveats, and easements, including rights of way granted for utilities, water resource access, and commercial energy activities. The existence of such encumbrances adds complexity to any potential sale of those lands. These will be addressed as part of a SISP brought before the court at a later date.

Leased and Licensed Real Property

91. As discussed above, in addition to the Real Property, the Group leases extensive farmland in both Canada and the USA. The leased farmland accounts for approximately 218,000 acres of cultivated land (the "**Leased Farmland**"). For operational efficiency, Leased Farmland is typically adjacent or nearby the Real Property owned by the Group. Most Leased Farmland in Canada is subject to leases between the Group and private landowners. In British Columbia, Leased Farmland is with private landowners or the federal government. Leases in Montana include leases made with indigenous groups and private landowners.

viii. Licences and Environmental Matters

92. The Real Property is subject to numerous livestock, environmental, water use, pesticide, and waste & nutrient management regulations. Certain Real Property is subject to water licences that entitle the Applicants to irrigate from water situated on neighbouring land.

93. The Group requires a range of regulatory and contractual licences and permits for their operations. The regulatory licences are granted by both provincial, state and federal bodies.

94. There are several different forms of common licences and approvals. For example, the Group must comply with environmental regulations related to the run-off and management of water discharge in each of the provinces and states where the Group operates. These include registrations and licences with the USA Food & Drug Administration and Canadian Food Inspection Agency. The Group must also comply with feed and livestock permits, food safety programmes, and local certifications issued by local, provincial, state and federal governments. The Group has certifications and registrations related to their food from non-state actors as well, such as the Verified Beef Accreditation, or Alberta Cattle

Feeders Association.

95. As a further example, the Canadian Grain Commission regulates the grain industry in Canada by, among other things, protecting farmers through guaranteed payment for grain sales and by establishing grain quality standards. Under the *Canada Grain Act,* RSC 1985, c G-10 (the "***Grain Act***"), licenced primary and process elevators and grain dealers are required to provide security to the Canadian Grain Commission. This security, posted by way of bond or irrevocable letter of credit, is used to compensate producers if they are not paid for grain delivered to a licenced company. Seeds holds a licence issued by the Canadian Grain Commission pursuant to the *Grain Act* (the "**Grain Licence**") in respect of its 9,140 tonne primary grain elevator located in Swift Current. The Grain Licence is subject to security posted by way of a $6 million letter of credit issued by Scotiabank. The Grain Licence will expire on April 30, 2026. While the Group has agreed to purchase grain this year, they intend to disclaim those contracts and thus will no longer require the Grain Licence as they will not be purchasing grain in 2026. The Group intends to let the Grain Licence and its attendant letter of credit to lapse.

96. The Group additionally holds various licences and permits for Cattle Operations, including a grazing licence (the "**BC Grazing Licence**") under the *Range Act*, SBC 2007, c 71 (the "***BC Range Act***"). The BC Grazing Licence was issued by the BC Ministry of Lands and relates to Monette Farms BC's Cattle Operation in British Columbia. The BC Ministry of Lands regulates cattle grazing in the province by requiring cattle ranchers to obtain and maintain a cattle ranching licence or permit as provided for in the *BC Range Act*. This legislative scheme allows for a district manager or authorized forest officer to suspend all or some of the rights conferred under a licence if, among other things, they have reasonable and probable grounds that the holder of a licence will not perform an obligation to be performed in respect of maintaining their licence. Similarly, the Group holds permits for cattle and feedlot operations in Saskatchewan.

97. To the best of my knowledge, the above licences and permits are in good standing. The continuation of the licences and permits are important to the continuing operation of the Business.

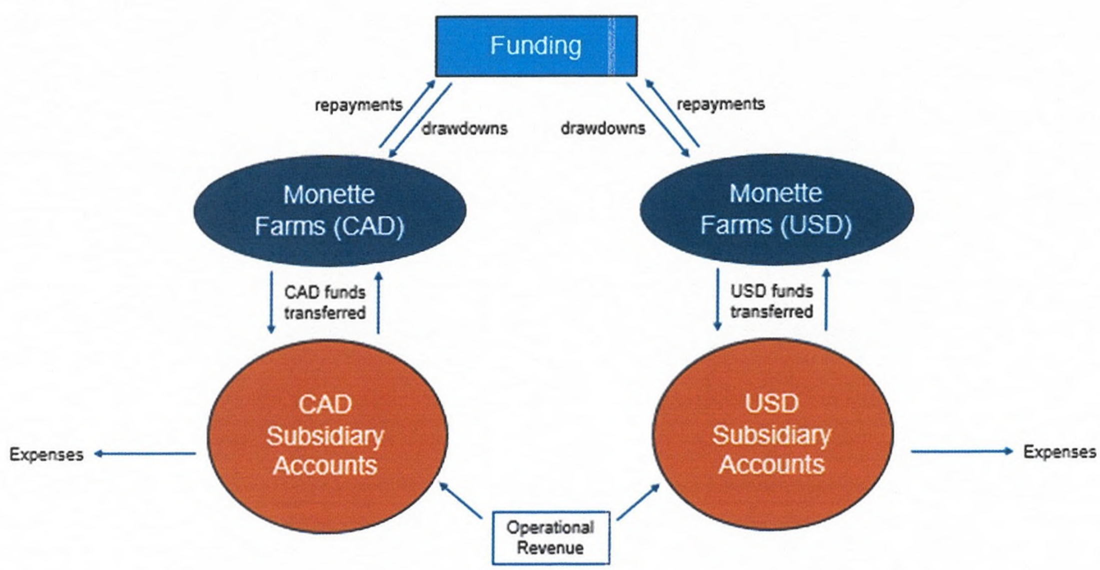
98. Some of the licences and permits are operational in nature and are dependent on the Applicants' continued active use and compliance. If the Group's operations were materially suspended or discontinued, there is a risk that certain licences and permits could be suspended, revoked, lapsed, or become subject to additional regulatory scrutiny or enforcement action. The loss or interruption of any such licences or permits could materially and adversely affect the Group's ability to continue their Farm Operations.

D. Cash Management

99. The Group has both Canadian and cross-border USA cash management systems in place. In total, the Group uses nineteen different operating bank accounts between Bank of Montreal (Harris) ("**BMO USA**") in the United States and Scotiabank in Canada. These include:

Holder	Institution	Currency
DMO Holdings USA	BMO USA	USD
MF Arizona	BMO USA	USD
Monette USA	BMO USA	USD
	BMO USA	USD
	Scotiabank	CAD
Seeds USA	BMO USA	USD
Produce USA	BMO USA	USD
1012 DE	BMO USA	USD
Monette Farms	Scotiabank	CAD
	Scotiabank	USD
	Scotiabank	CAD (HISA)
	Scotiabank	USD (HISA)
Produce	Scotiabank	CAD
Seeds	Scotiabank	CAD
	Scotiabank	USD
DMO Holdings	Scotiabank	CAD
Goat's Peak Winery	Scotiabank	CAD
Monette Farms BC	Scotiabank	CAD
NexGen	Scotiabank	CAD

100. The Group's cash management system is largely self-contained (the "**Cash Management System**"). Below is a diagram which outlines the manner in which the Cash Management System operates. Pursuant to the diagram below, current working capital liquidity is received by Monette Farms into its Canadian dollar ("**CAD**") and US dollar ("**USD**") accounts and is subsequently distributed to the subsidiary accounts as required. Where additional CAD or USD liquidity is needed, the Monette Farms accounts serve as the centralized treasury function for foreign exchange conversion. All revenues are then received by the operating companies within their relevant accounts in the ordinary course of business and are periodically remitted back to the Monette Farms accounts. For ease of reference, this diagram is also attached hereto and marked as **Exhibit "E"**.



101. As part of the Group's Cash Management System, the Group utilizes CAD and USD Visa credit cards issued through Scotiabank. The Group's credit cards are used for various operational purchases including covering travel costs of staff overseeing the Farm Operations.

102. Certain of the USA Entities hold accounts which contain funds in CAD in Canada. Given the Group's cross-border operations, some currency conversion is occasionally necessary, to ensure continued operations in the USA, particularly in past years where some entities were reliant on cash flow generated in Canada.

103. If the USA Entities were not part of the CCAA proceedings or the Cash Management System did not allow for intercompany transfers, the USA Entities would be unable to continue in business as a going concern and would be forced to cease operations.

104. The Cash Management System is critical to the Group's ongoing operations and sales. Replacement of the Cash Management System would be costly and time consuming. As such, in connection with the CCAA proceedings, the Group is seeking the authority to continue operating the Cash Management System to maintain existing funding and banking arrangements. The Cash Management System includes the necessary accounting controls for the tracing of funds and ensuring that all transactions are adequately documented and readily ascertainable.

IV. FINANCIAL POSITION OF THE GROUP

A. Financial Statements

105. To align with harvests, the Group's fiscal year end is October 31.

106. Attached hereto and marked as **Exhibit "F"** are the audited consolidated financial statements for the financial year ending October 2024. The audited financial statements for the financial year ending October 2025 are attached hereto and marked as **Exhibit "G"** (the "**2025 Financial Statements**"). To the best of my knowledge these financial statements fairly present the financial condition of the Group for the periods shown.

i. <u>Historical Financial Performance (2017– 2023)</u>

107. Between 2017 and 2022, as a result of substantial debt-driven expansion, the Group's revenue grew from $45 million (cultivating 97,000 acres) to $198 million (cultivating 269,000 acres), while EBITDA grew from $20 million to $83 million. EBITDA-per-acre declined from $342 in 2015 to $205 in 2021 before climbing to $309 in 2022 and again falling to $154 in 2023.

ii. <u>Current Financial Performance (2024 – Present)</u>

108. In 2024, revenue increased to $347 million cultivating 440,000 acres. Despite higher revenue, the Group's profits have been substantially burdened by expansions into the produce and cattle herding segments. EBITDA in 2024 fell to $37 million, just 68% higher than the EBITDA generated in 2019, which was $22 million, which was generated upon one-third of the Group's current cultivated acreage

and without accounting for inflation. This reduced EBITDA-per-acre by nearly 50% to its lowest in any year this decade, currently at $83 per acre.

109. The Group initially projected an EBITDA for 2025 of $72 million, accounting to approximately $163 per acre. However, poor crop prices, higher costs, spoilage, and poor yields placed substantial drags on profits and actual EBITDA for 2025 was approximately $31 million.

B. Assets & Liabilities

Assets

110. The Group has assets on their balance sheet that exceed their liabilities and exceed the obligations under the Senior Facilities Agreement. The 2025 Financial Statements have been prepared in accordance with standard accounting practices. According to the 2025 Financial Statements, the Group, on a consolidated basis, had approximately $1.24 billion of total assets booked at cost (and not reflective of market value), consisting of approximately $303 million in current assets and $937 million in other non-current assets. Ownership of the Canada Real Property is previously detailed in paragraph 88 above.

Liabilities

111. The Group, on a consolidated basis, has approximately $1.08 billion of total liabilities, consisting of approximately $1.04 billion in current liabilities and approximately $40 million in non-current liabilities. The majority of current liabilities consist of the obligations owing under the Senior Facilities Agreement, totalling approximately $830 million, which matured on April 15, 2026.

C. Secured Indebtedness

112. The Group's consolidated debt facilities are as follows:

Instrument	Issue Date	Outstanding Amount (Approx.)
Operating Company Secured Debt		
Senior Facilities Agreement	December 2018	$829.5 million
LC Facility Agreement	February 2023	$6.0 million
FCC Facility	December 2024	$11.8 million
Soderglen VTB	April 12 2024	$16.6 million
Asset-level Secured Debt		
Real Property Leases	Various	Nil – Paid up front
Scotiabank Bilateral Leased Equipment Loan	September 2022	$6.7 million
Scotia New Life Policy Debt	April 2023	$7.7 million
Other PMSIs	Various	$26.0 million
Total Secured Debt		**$900.0 million**

113. A more detailed description of the Group's debt structure is provided below.

114. Attached hereto and marked at **Exhibit "H"** is a summary of the registrations of the provincial personal

property registry searches ("**PPSA Searches**") against the Canadian Applicants and LPs as at the dates noted therein. Official copies of the PPSA Searches exceeded 2,700 pages and I was advised by Cassels that it was deemed not practical to append them.

115. Attached hereto and marked as **Exhibit "I"** are true and correct uncertified copies of Uniform Commercial Code ("**UCC**") registry searches as against certain of the USA Entities as at the dates noted therein.

i. Senior Facilities Agreement

116. On December 5, 2018, Monette Farms, Monette USA, and myself (as borrowers) entered into the Senior Facilities Agreement with the Syndicate. The Senior Facilities Agreement has been amended and restated numerous times (as most recently amended, the "**Fifth ARCA**"). The Fifth ARCA has been subsequently amended numerous times. A copy of the Fifth ARCA and each of the amending agreements are attached hereto and marked as **Exhibit "J"**.

117. The Senior Facilities Agreement provides three revolving credit facility tranches: (i) a $180 million (or equivalent) revolving credit facility (the "**Operating Facility**") for general corporate purposes; (ii) a $750 million revolving credit facility (the "**Capital Facility**") for certain permitted capital expenditures; and (iii) a swingline facility to a maximum of $10 million (the "**Swingline Facility**", together with the Operating Facility and Capital Facility, the "**Senior Facilities**" and each a "**Senior Facility**").

118. Key terms of the Senior Facilities Agreement are as follows:

a. it was governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada, as applicable;

b. principal is payable upon maturity, subject to mandatory interim repayments including cash-sweeps from asset sales, insurance proceeds and excess availability;

c. the Senior Facilities were due and payable on April 15, 2026;

d. debt incurred bears interest at different rates depending on the Senior Facility and could be advanced with interest at Canadian Prime, USA Base Rate, the Secured Overnight Financing Rate ("**SOFR**"), or Canadian Overnight Repo Rate Average ("**CORRA**"), in each case subject to the following margins:

Margin on Canadian Prime loans and USA Base Rate loans	Issuance Fees for Letters of Credit and margin on SOFR Loans and CORRA Loans	Standby Fee for Senior Facilities
2.00% per annum	3.25% per annum	0.35% per annum

e. upon an event of default, interest increased by an additional 2.0%. As a result of several defaults under the Senior Facilities Agreement detailed below, the default interest is currently accruing; and

f. interest accrued is payable quarterly.

119. The Group's ability to drawdown under the Capital Facility was determined by a borrowing base calculation. This calculation compared the amounts outstanding under the Group's primary debt facilities, including a bilateral loan between myself and Scotiabank, to a borrowing base comprised of (i) 75% of certain eligible receivables; (ii) the appraised value of the Real Property; and (iii) the value of other capital assets.

120. The remainder of the Group that are not borrowers are guarantors. The obligations of the Group as borrowers or guarantors under the Senior Facilities Agreement are secured by, among other things, security interests in all personal and real property of the Group (including shares and other equity interests owned by each) by way of a general security agreement, subject to certain exceptions set out in such security agreements (such security agreements collectively being the "**SFA Collateral Agreements**"). Copies of the SFA Collateral Agreements are attached hereto and marked as **Exhibit "K".**

121. As additional credit support, the Family Trust and I also provided the following limited recourse guarantees:

a. a guarantee granted by myself in favour of the SFA Agent, on behalf of the Syndicate, in the amount up to $2 billion, plus accrued interest, secured against all interests I hold in the Applicants pursuant to a general security agreement between myself and the SFA Agent; and

b. a limited recourse guarantee granted by the Family Trust in favour of the SFA Agent, on behalf of the Syndicate, up to the amount of the Pledged Securities (as defined therein) secured by a share pledge agreement in respect to all shares the Family Trust holds in the Applicants.

122. All security was registered in the personal property registers of the relevant Group entities, and as against myself and the Family Trust, in applicable provinces.

123. The Group has defaulted under the Senior Facilities Agreement and received from the SFA Agent several notices of default regarding the same. No demand letters were issued in respect of the Senior Facilities Agreement. Copies of the notices of defaults are attached hereto and marked as **Exhibit "L"**. While not received at the time of this Affidavit, I understand that the Syndicate will shortly be sending demands and applicable notices to enforce security which may be received prior to the commencement of these proceedings.

ii. <u>Bank of Nova Scotia Letter of Credit backed by Export Development Canada</u>

124. As described at paragraph 95, Seeds holds the Grain Licence. Pursuant to the *Grain Act,* the Canadian Grain Commission required Seeds to post security by way of a bond or irrevocable letter of credit. The

Grain Licence was secured originally by an $8 million letter of credit, but I understand this was reduced to $6 million, issued by Scotiabank in favour of Monette Farms and Seeds under a bilateral credit agreement dated February 28, 2023 (the "**LC Facility Agreement**"). The Grain Licence secured by the letter of credit expires on April 30, 2026. The LC Facility Agreement expires October 31, 2026. The indebtedness owed under the LC Facility Agreement is guaranteed by Export Development Canada ("**EDC**"). EDC's performance security guarantee (PGS-05-082492E-00) remains in force until October 31, 2026. I understand that an intercreditor agreement between EDC and the Syndicate has not been signed. As noted above, the Applicants intend to allow the Grain Licence to lapse. This will also allow the LC Facility Agreement and its attendant guarantee to lapse without either being called upon. A copy of the LC Facility Agreement is attached hereto and marked as **Exhibit "M"**.

iii. <u>FCC Facility for Cattle Operations.</u>

125. On December 4, 2024, Monette Farms (as borrower) and FCC entered into a credit agreement (as amended, the "**FCC Loan Agreement**") in which FCC granted in favour of Monette Farms a $30 million revolving credit facility (the "**FCC Facility**").

126. Key terms of the FCC Loan Agreement include:

a. the FCC Facility matured on April 15, 2026;

b. interest accrues at a rate of Canadian Prime plus 1.5%;

c. repayment of amounts advanced must be paid by no later than a year after they were advanced; and

d. an event of default under any other credit facility with FCC or any other financial institution (including the Senior Facilities Agreement) constitutes an event of default under the FCC Loan Agreement.

127. As security for Monette Farms' obligations under the FCC Loan Agreement, Monette Farms granted FCC a security interest in certain property defined in the FCC Loan Agreement, including all cattle purchased in whole or in part with the proceeds of the FCC Facility, and all proceeds thereof. Further, each of the Applicants have guaranteed Monette Farms' obligations under the FCC Loan Agreement. The guarantees are unsecured.

128. On December 2, 2024, the Syndicate and FCC entered into a priority agreement which provides that FCC's security interest shall rank in priority to the Syndicate security up to the amount of the FCC Facility (the "**FCC Priority Agreement**"), a copy of which is attached hereto and marked as **Exhibit "N"**.

129. The Group partially paid down the FCC Facility following certain cattle sales in early April. As of April 16, 2026, $11,809,862.49 is outstanding, plus ongoing, interest, fees, expenses and other amounts.

130. On April 15, 2026, the FCC Loan Agreement matured and the FCC Facility was not repaid. On April

16, 2026, demands and a notice to enforce security under the *Farm Debt Mediation Act* were issued by Farm Credit Canada, copies of which are attached hereto and marked as **Exhibit "O"**.

131. A copy of the FCC Loan Agreement and the FCC Priority Agreement is attached hereto and marked as **Exhibit "P"**.

iv. Soderglen VTB

132. On March 14, 2024, Monette Farms entered into a purchase and sale agreement (the "**Soderglen APS**") with Soderglen Ranches Ltd. ("**Soderglen**") and Jane E. Grad with respect to the Airdrie Real Property. The purchase was partially funded by a vendor take back debt obligation in an amount of $18 million (the "**Soderglen VTB**"). Currently $16,666,500 remains outstanding. A copy of the Soderglen APS is attached hereto and marked as **Exhibit "Q".**

133. The Soderglen VTB is secured against the Airdrie Real Property by way of a first ranking mortgage dated April 12, 2024 (the "**Soderglen VTB Mortgage**"). A copy of the Soderglen VTB Mortgage is attached hereto and marked as **Exhibit "R".** Failure to repay the Soderglen VTB entitles Soderglen and Ms. Grad to enforce and foreclose on the Airdrie Real Property. Interest is incurred under the Soderglen VTB at a rate of Canadian Prime plus 2.0%.

134. To facilitate the Soderglen VTB, the Applicants and the Syndicate initially amended the Senior Facilities Agreement to deem the Soderglen VTB as "Permitted Debt" under the Senior Facilities Agreement, provided that the Soderglen VTB had a maturity of less than 4 years from its incurrence. However, pursuant to the Forbearance Agreement to the Fifth ARCA dated November 7, 2025, the Syndicate removed the Soderglen VTB as a "Permitted Debt" because its maturity exceeded 4 years from its incurrence. This removal resulted in an event of default under the Senior Facilities Agreement.

v. Other Secured Obligations – including leases

a) Real Property Leases

135. The Group leases or pays for a licence for substantial portions of farmland or grazing fields on land adjacent to its Real Property. In these leases, the Group typically agrees to a termed lease at a per acre annual fee. This entitles the Group to utilize the farmland for farming.

136. As noted above, the Group has 196 leases for Leased Farmland across Canada and the United States with an annual rent of approximately $29.4 million, paid twice a year (once in the spring, and once in autumn). This relates to over 218,000 acres of Leased Farmland. The Group has paid the majority of its rent, due in the spring, for Leased Farmland. The Group intends to pay the remaining rent due upon receiving interim financing. The rent payable in October amounts to approximately $13.2 million.

b) Scotiabank Bilateral Leased Equipment Loan

137. Several members of the Group entered into a leasing facility dated on or around September 1, 2022 with Scotiabank in the amount of $10 million (the "**Bilat Equipment Agreement**").

138. The Bilat Equipment Agreement has two loan facilities, secured against the assets purchased by the Group, as follows:

a. a facility secured against various equipment, located in Lethbridge, used for milling pea protein (the "**Pea Protein Equipment**"). The current amount outstanding under this facility is $5,611,406.11. The Pea Protein Equipment was purchased by the Group and provided by way of lease to a third party in exchange for warrants in the third-party business. The Group has limited recourse as against the Pea Protein Equipment, short of the bank seeking enforcement against the Pea Protein Equipment; and

b. a facility secured against the Group's 2003 Raytheon Aircraft Company, including a Beechcraft 390 Premier I private aircraft with the serial number RB-16, its engines and related avionics and components (collectively, the "**Aircraft**"), which the Group is in the process of selling. The current amount outstanding under this facility is $1,171,619.77. Following sale of the Aircraft, this facility will be repaid and closed.

139. A copy of the Scotiabank Leasing Lease dated August 24, 2022, with respect to the Pea Protein Equipment is attached hereto and marked as **Exhibit "S".** A copy of the Scotiabank Leasing Equipment Finance Contract dated September 9, 2020, with respect to the Aircraft is attached hereto and marked as **Exhibit "T".**

c) Scotia New Life Policy Debt

140. The Group has incurred certain debts to receive individual sickness and accident insurance from Sun Life Assurance Company of Canada and the Manufacturers Life Insurance Company in respect of myself, with Monette Farms as policy holder and beneficiary. The maximum benefit under the policy net of the loan amount is approximately $130 million. On initial issuance, MFO incurred $12 million of debt to Scotiabank in connection with the issuance of the policy and payment of the initial premium therein (the "**Scotia New Life Policy Debt**"). Currently, there remains $7.7 million outstanding. The life insurance policy has premiums of $2.1 million due on May 4, 2026. The Scotia New Life Policy Debt is secured by way of assignment over the policy and is guaranteed by me to Scotiabank. The Scotia New Life Policy Debt incurs interest at Canadian Prime or CORRA plus a margin per annum and is repayable on demand. The Scotia New Life Policy Debt is a "Permitted Debt" under the Senior Facilities Agreement. A copy of the Scotia New Life Policy Debt agreement is attached hereto and marked as **Exhibit "U"**.

d) Security Granted for Equipment Leasing and Security Registrations

141. The vast majority of secured equipment is financed through John Deere Financial, with a few equipment financing registrations in favour of other parties. In total, there are at least 600 unique personal property registrations in relation to equipment as against the Group. Of these, I understand that approximately 500 are described in registrations as purchase money security interests in favour of fifteen different

secured parties securing at least 1,800 distinct pieces of farm equipment.

John Deere Financial

142. As described above, the Group entered into numerous equipment lease agreements with John Deere Financial in relation to farm equipment (the "**John Deere Leases**"). Together, the Group has over 1,600 farming units leased from John Deere. These are subject to 481 registrations which describe themselves as PMSIs across the Applicants. The John Deere Leases allow the Group to exchange the vehicles for new models annually. The vast majority of the John Deere Leases are paid up front and are leased for a period of 12 months. The total yearly payments to be made towards the John Deere Leases will be approximately $17.43 million. The Group has paid approximately $5 million so far, and will pay the remainder when due.

Other Registrations Identified in PPSA Searches

143. In addition to the John Deere Leases, the Group financed specific farming equipment units through third party or supplier-provided credit and equipment financing arrangements. The total amount outstanding on the Leased Equipment is approximately $26 million. As is customary, these arrangements are secured by collateral-specific security interests, including those with self-described PMSI registrations, and registered under relevant provincial personal property security regimes.

144. These include:

a. several registrations covering crops or crop inputs, comprising:

   i. a registration in Saskatchewan by AgriTeam Services Inc. ("**AgriTeam**") over all products purchased by Monette Farms from AgriTeam and all crops produced therefrom;

   ii. a registration in Saskatchewan by Rabobank Canada in respect of Monette Farms over all crop inputs, all seed, chemicals, fertilizer and fuel used, all proceeds, and all crop protection products including all crops growing or grown by Monette Farms;

   iii. a registration in Saskatchewan and Manitoba by Simplot AB Retail Canada Limited in respect of Monette Farms and NexGen over all crop inputs, all proceeds, and all crop protection products including all crops growing or grown by Monette Farms or NexGen; and

   iv. a registration in Manitoba by Swan Valley Consumers Cooperative Limited in respect of Monette Farms over all crop inputs and crop protection products including all crops growing or grown by Monette Farms;

b. 12 registrations, inclusive of those securing the Bilat Equipment Agreement, in respect of at least 51 units of equipment granted to Scotiabank both in its capacity as SFA Agent and as bilateral lender; and

c. 21 serial-numbered or other registrations for the benefit of, amongst others, Meridian Onecap Credit Corp., Brandt Finance Ltd., Brandt Tractor Ltd., PNC Vendor Finance Corporation Canada, CNH Industrial Capital Canada Ltd., and Cangas Propane Inc. in respect of various farming and rural equipment.

145. In addition to the above, Kal Tire has a garage keepers' lien registered against Monette Farms. There is also a commercial lien registered by 101076904 Saskatchewan Ltd. as against Monette Farms.

146. The registration, scope, validity, and possible priority of the foregoing registrations and other equipment-specific security interests will be reviewed by the Monitor, if so appointed, in the course of these proceedings, and the Monitor will report to the Court with respect to the nature and extent of such security interests and their relative priority, as appropriate. I am advised by Cassels that the Applicants have sought to give notice to all registrants identified in the PPSA Searches of this application by adding each to the service list.

V. EVENTS LEADING TO GROUP'S CURRENT CIRCUMSTANCES

A. Overview and Context of FY2025 performance

147. The Group's historical growth strategy relied heavily on leverage, primarily through the expansion of farmable land using debt secured against Real Property under the Capital Facility. This approach was sustainable with lower interest rates in the range of three percent and growing Real Property valuations. Beginning in 2024, however, the Applicants' EBITDA declined materially due to a combination of expansion into lower-margin segments and adverse farming conditions. At the same time, Real Property valuations backing the Capital Facility remained flat and interest rates and inflation remained persistently high. This compression reduced covenant headroom and liquidity notwithstanding the continued existence of substantial underlying asset value. As a result, the Group became over-leveraged, rendering the existing capital structure unsustainable.

148. In an effort to avoid piecemeal asset dispositions and preserve enterprise value, the Group has explored numerous strategic alternatives. In the second half of 2024, the Group engaged RBC Capital Markets to conduct an equity financing process to raise approximately $400 million in exchange for a minority interest in the Group. Proceeds were intended to materially reduce indebtedness under the Senior Facilities Agreement. The process did not result in a completed transaction, although it generated a significant interest from market participants. The Group also evaluated a sale-leaseback proposal received in October 2024 from a major Canadian investment firm focused on forestry and rural real estate. The proposal contemplated an annual rental rate that management assessed as uneconomic and inconsistent with a sustainable long-term solution.

B. Defaults and continued liquidity tightening through 2025 and 2026

149. While defaults under the Senior Facilities Agreement began after the 2024 growing season in October 2024, issues began to accelerate through early 2025. The defaults necessitated amendments to the

Senior Facilities Agreement, which included, among other things, that the Group appoint a financial advisor (which was ultimately FTI).

150. As a condition for the Syndicate's ongoing forbearance of defaults under the Senior Facilities Agreement, the Group prepared a deleveraging plan to sell assets through the remainder of the 2025 fiscal year ("**FY2025**")**.** The Group had some success with disposing piecemeal assets, including the sale of certain farmland in Regina, Saskatchewan ("**Regina I**") for $41.18 million and 17,000 acres of land in Montana (the "**Havre Land**") for $47.5 million. With the Syndicate's consent and as part of the agreed deleveraging framework, proceeds from the dispositions of the Regina I and Havre Land properties were released to the Group for working capital purposes and applied in partial repayment of the Operating Facility, reflecting the Syndicate's accommodation of the Group's operational requirements during its deleveraging. The Group also signed listing agreements for its Arizona farmland and for certain Real Property located in Montana (Ragland, Fly Creek Camp 1, and Fly Creek Camp 4) ("**Montana II**"), with public listings and marketing efforts commencing shortly thereafter.

151. The Applicants and the Syndicate entered into a forbearance agreement that materially amended the Senior Facilities Agreement in November 2025 to address the defaulted targets (as amended, the "**Forbearance Agreement**"). In connection with the Forbearance Agreement, the Syndicate agreed to provide certain accommodations to the Applicants, including an agreement to forbear from exercising the Syndicate's rights and remedies pursuant to certain events of default under the Senior Facilities Agreement, and the Applicants agreed to added additional events of default, restrictive covenants, and deleveraging milestones. Due to the content of the deleveraging milestones, a copy of the Forbearance Agreement, redacting such milestones, is attached hereto and marked as **Exhibit "V".** The unredacted Forbearance Agreement is attached to my Confidential Affidavit, for which a sealing order will be requested, as the redacted information contained in the Forbearance Agreement could impact any future sale process for the Real Property.

152. Shortly after entering into the Forbearance Agreement, the Group defaulted again on deleveraging milestones. As a result, the Syndicate notified the Applicants that additional capital through the Senior Facilities would be advanced only on a case-by-case basis. Notwithstanding these conditions, the Syndicate continued to make Swingline Facility availability accessible on a short term, day-to-day discretionary basis to support the Group's ongoing operations during this period.

C. Pre-CCAA Sale Process

153. As part of the Forbearance Agreement, the Applicants were required to develop a comprehensive sale process that would right-size the Business (the "**Sale Programme**"). The proceeds of the disposals under the Sale Programme were intended to be used for working capital needs and to partially repay amounts owing to the Syndicate. Successful implementation of the Sale Programme was intended to leave the Group with net assets in excess of a minimum sales threshold and its Airdrie Real Property.

154. The Sale Programme was divided into two phases, described as follows.

i. Phase 1 of Sale Programme

155. Phase 1 occurred between January 16, 2026, and February 2, 2026. The Group sought to solicit private offers for entire farms (rather than piecemeal asset disposals). Solicitation in this phase focused on engaging with select operators and neighbours as well as circulating "one page" teasers. For example, the Group used a Hutterite colony-focused classified newsletter to contact 570 recipients. In total, the Group received hundreds of inquiry emails and executed numerous non-disclosure agreements. Phase 1 was limited to a small number of locations in BC, Saskatchewan and Montana. The Group also sought to sell land in Colorado and the Aircraft.

156. Excluding the sale of Regina I and Havre Land both described above, phase 1 resulted in only one sale: the Group received an unconditional offer, and sold, the 12,932 acres of farmland in the Stewart Valley of Swift Current, Saskatchewan ("**Stewart Valley Farm**") for $54 million ($5,312/acre) with a $1 million non-refundable deposit. The Stewart Valley Farm sale closed in March 2026. The purchase price was 158% over the 2025 appraised value and 164% over the 2024 appraised value; well above the valuations attributed by the Syndicate.

ii. Phase 2 of Sale Programme

157. Phase 2 was designed to broaden market exposure beyond the targeted outreach to date. All of the Group's assets would be for sale. The Group engaged WOW Media to develop a sales listing website with interactive maps, land details, and the ability to submit bids online for the Group's over 1,300 quarter sections of farmland. The website went live on February 2, 2026 and concluded on March 1, 2026. Given the total acreage, the Group did not believe it was cost effective for the Group to engage numerous realtors; instead, the Group focused on engaging with potential purchasers directly.

158. Phase 2 resulted in two sales of Real Property, totalling $30.78 million for approximately 3,038 acres. This included 2,553 acres in Hafford, Saskatchewan for $29 million, and 485 acres in Wymark (Waldeck), Saskatchewan for $1.78 million The Group received 62 bids on various portions of 135,600 acres. Ultimately the results of this process were not acceptable to the Group. During phase 2, the BC Ranches (excluding Cache Creek) also went to auction with Ritchie Bros Auctioneers. The BC Ranches received insufficient total bids and were not sold.

iii. Difficulties with the Sale Programme Timelines and Efforts to Avoid CCAA Protection

159. The Group could not achieve the milestones agreed to in the Forbearance Agreement, which depended on the prompt sale and closure of large, complex farmland portfolios in markets with limited buyer depth and elongated due-diligence periods.

160. Following the failed Sale Programme, the Applicants and Syndicate sought to enter into a restructuring support agreement (the "**RSA**") that required the Group to, among other things, (i) complete, by June

30, the disposal of additional Real Property; (ii) dispose of substantial portions of the cattle herds to fund working capital; and (iii) appoint a sales advisor who would, in certain circumstances, be entitled to require the Group to sell Real Property. As part of the RSA, the Group requested additional liquidity to ensure continued operation through the 2026 growing season.

161. On April 6, 2026, the Group advised the Syndicate that the cattle herds would not be sold as contemplated under the draft RSA. On April 9, 2026, I understand that the Syndicate met to discuss the RSA and the possibility of the Applicants' CCAA filing. Thereafter, the Syndicate advised that, in the absence of an acceptable business plan and financial forecast, which had not been delivered by the Applicants to the Syndicate's satisfaction, any extension of additional liquidity beyond the Maturity Date would require a CCAA-supervised structure. The Syndicate similarly advised that it was not in a position to grant third-party crop input financiers priority to its existing security.

162. The Senior Facilities Agreement matured on April 15, 2026, at which time all obligations became immediately due and payable.

163. The Group has no alternative other than to commence this proceeding and seek immediate interim financing to allow it to seed its farmland.

VI. CASH FLOW FORECAST

164. A projected cash flow statement for the Applicants for the 13-week period from April 15, 2026 (the "**Cash Flow Projection**") is attached to the proposed Monitor's pre-filing report, dated April 17, 2026 (the "**Pre-Filing Report**").

165. The Cash Flow Projection has been prepared with the assistance of FTI. It has been prepared on the basis that, among other things,:

   a. all outstanding and future wages, salaries, commissions, compensation incentive payments, employee benefits, vacation pay, salary continuance, and expenses incurred in the ordinary course of business and consistent with existing compensation policies and arrangements will continue to be paid;

   b. all outstanding and future contributions to or payments in respect of the Canadian Pension Plans, Registered Retirement Savings Plans, Deferred Profit Sharing Plans and Long-Term Incentive Plans incurred in the ordinary course of business and consistent with existing policies and arrangements will continue to be paid; and

   c. all intercompany transactions will be continued in the ordinary course of business on terms consistent with past practice, subject to DIP Lenders' approval and oversight by the Monitor.

166. The Cash Flow Projection indicates an imminent liquidity shortfall driven mainly by spring Seeding Operations which require substantial capital to acquire fertilizer, seeds, and other crop inputs. Due to

the ongoing defaults and outstanding amounts owing under the Operating Facility, the Group cannot receive any additional financing from the Syndicate except in the form of the DIP Facility.

167. Notwithstanding the Stay of Proceedings, the Cash Flow Projection demonstrates that the Group requires interim financing to ensure that they have sufficient liquidity to pay critical suppliers for crop inputs during the growing seasons. Based on the Cash Flow Projection, the Applicants' Cash Flow Projection through to July 2026 indicates a liquidity shortfall of approximately $90 million for the period arising mainly from the aforementioned fertilizer and crop inputs and the need to pay suppliers on delivery due to the Group being subject to a CCAA proceeding.

168. The liquidity needs and the Cash Flow Projection were prepared on several assumptions, including

a. spring seeding over 352,000 acres of the 412,000 acres available;

b. the reduction of USA operations, as Arizona produce production has materially reduced and only winter wheat is grown in Montana; and

c. the immediate normal course feeder cattle sales of approximately $47.5 million and breeding cattle sales of $16.4 million, with initial funds going towards repaying the FCC Facility by June 2026.

VII. CCAA PROCEEDINGS AND RELIEF SOUGHT

A. Necessity of CCAA Proceedings

169. In my view, these CCAA proceedings are operationally necessary to preserve the Business as a going concern.

170. Absent the relief sought in the Initial Order, the Group will be unable to meet its obligations as they become due. A broad Stay of Proceedings and related relief are therefore required to prevent enforcement actions against the Group and the Property and preserve value for the benefit of all stakeholders.

171. The Group will propose a restructuring strategy under the CCAA comprised of (i) a SISP; and (ii) a concurrent framework to continue ongoing Farm Operations subject to the conditions stipulated in the Term Sheet.

172. These CCAA proceedings will preserve value and protect stakeholders, including the Group's employees, by providing the Group with sufficient time to implement an orderly and value-maximizing SISP and the liquidity to remain operational for the 2026 seeding season. Continued operation will ensure continued revenue through the 2027 financial year, maintain asset values, and protect the jobs of its employees. With the support of the Monitor and the Syndicate, the Group intends to seek court approval of a SISP that would permit asset-level or portfolio-level transactions as market conditions and purchaser interest dictate. CCAA protection will preserve operational continuity, ensure pricing stability, and transactional flexibility.

173. While there is significant equity in the Real Property and other assets available for stakeholders, additional time and liquidity are required to have access to that value. Absent court protection, an uncontrolled and disorderly enforcement process now would materially impact realizations, destroy hundreds of jobs, disrupt at least 20 rural communities in the heartland of Canada, and negatively impact numerous suppliers and customers. Accordingly, the Group requires additional funding to continue farming its Real Property.

174. In my opinion, given the scale of the Group's landholdings, a controlled, Group-led process, supervised by the Monitor, is essential to preserve value and maintain pricing stability in the agriculture markets. A disorderly or bulk liquidation would materially depress real property values, not only for the Group but for competing market participants. Values would also be adversely affected if the lands were left unseeded for the 2026 season for the reasons discussed above. Senior Management's on-the-ground expertise allows the Group to identify and execute value maximizing dispositions that are not fully captured by Appraisal values alone. The sale of the Stewart Valley Farm illustrates this advantage: it was sold materially above the appraised value while allowing the Group to continue operating the land under contract.

B. The Applicability of the CCAA

175. The Applicants are (i) insolvent; (ii) incorporated in Canada or otherwise have assets or do business in Canada; and (iii) have claims against them in excess of $5,000,000.

176. The Applicants are insolvent because, without access to additional funding under the Term Sheet, they do not have adequate liquidity to continue the Farm Operations in the ordinary course and, without the protection of the CCAA, will not be able to complete an orderly SISP for the benefit of stakeholders. The Applicants are unable to satisfy their obligations under the Senior Facilities Agreement and the FCC Facility as they have become due.

177. While the USA Entities are not Canadian companies, they are integral to the business conducted by the Applicants located in Canada and would not be able to operate independently without the financial and managerial support of the Applicants that are located in Canada. Further, the USA Entities are each a party to the Senior Facilities Agreement.

C. Stay of Proceedings under the CCAA

178. The Group requires a broad Stay of Proceedings to prevent, among other things, exercise of contractual or proprietary remedies by creditors and other contractual counterparties. The Applicants are requesting that the Stay of Proceedings includes a stay against the Non-Applicant Stay Parties and the Applicants' directors and officers (collectively, the "**D&Os**").

179. The Group would benefit from the Stay of Proceedings because it would stabilize and preserve the value of the Business and provide the breathing room required to conduct an orderly sale process. A court-supervised sale process conducted by management is necessary to avoid flooding farmland

markets and to maximize realizations for stakeholders.

180. The Non-Applicant Stay Parties must also benefit from the Stay of Proceedings. They hold beneficial title in substantially all of the Applicants' Canada Real Property and each is a guarantor under the Senior Facilities Agreement. A stay against the Non-Applicant Stay Parties would prevent creditors from doing indirectly what cannot be done directly against the Applicants. Enforcement against Property of the Non-Applicant Stay Parties risks collapsing any proposed sale process.

181. Additionally, the Stay of Proceedings should extend over the D&Os, including myself. As noted previously, the Applicants are seeking a Stay of Proceedings with respect to all claims against the D&Os that relate to any obligations of the Applicants, whereby such D&Os are alleged under any law to be liable in their capacity as directors and/or officers of the applicable Applicant, for the payment or performance of such obligations. The Applicants' D&Os comprise a small senior management group. It is critical that these individuals remain focused on operations and the implementation of the SISP. Extending the Stay of Proceedings to the D&Os will avoid diversion of management's time responding to claims and demands and is necessary to preserve operational continuity and maximize value for stakeholders.

182. At the initial hearing on this Application, the Applicants will seek a stay of not more than 10 days, consistent with the CCAA. I understand that as of the date of this affidavit, Cassels has scheduled a Comeback Hearing for May 1, 2026, where the Stay of Proceedings can be further extended, if the Court so approves it.

D. Continued use of the Cash Management System

183. The Applicants seek authority to continue using their existing Cash Management System, including existing bank accounts and intercompany cash-pooling arrangements, to avoid material disruption to receipts and disbursements. The system is described at paragraphs 99 to 103 of this affidavit. I understand that FTI has reviewed the Cash Management System and is supportive of continued use, subject to customary reporting and oversight.

E. Payment of Pre-filing Suppliers

184. In order to maintain Farm Operations as a going concern, it may be necessary for certain critical suppliers to continue to supply the Group without interruption. The Applicants are seeking the ability of the Group to pay certain pre-filing creditors deemed critical to its operations. This ability will be pursuant to the Initial Order, up to a maximum aggregate amount of $3 million, and subject to approval of the Monitor, the Syndicate's Financial Advisor, and additional consultation with the DIP Agent for any payments in excess of $100,000.

F. The Monitor

185. The Applicants seek the appointment of FTI as the Monitor. FTI has consented to act as the Monitor of the Group in these proceedings, subject to Court approval. Attached hereto and marked as **Exhibit "W"** is a copy of a duly executed consent from FTI to act as Monitor dated April 14, 2026.

186. I am advised by Deryck Helkaa, Senior Managing Director with FTI, that FTI is a licensed insolvency trustee within the meaning of section 2 of *the Bankruptcy and Insolvency* Act, RSC 1985, c B-3, and is not subject to any of the restrictions on whom may be appointed as Monitor set out in section 11.7(2) of the CCAA.

187. FTI was retained by the Group as its financial advisor on April 18, 2025. FTI's appointment as a financial advisor was a condition of an amendment to the Senior Facilities Agreement. Since its appointment, FTI has worked closely with the Group and has assisted in the preparation of the Cash Flow Projection, as well as in strategic discussions concerning the Group's financial condition and liquidity, the options available to them, and the relief sought in these CCAA proceedings.

188. Mr. Helkaa has also advised me that FTI will be filing a Pre-Filing Report in respect of the relief being sought. I have further been advised by Mr. Helkaa that FTI, if appointed as Monitor, will file a report in respect of the relief to be sought at the Comeback Hearing and is prepared to supervise the SISP in accordance with the SISP and related procedures approved by the Court.

G. Administration Charge

189. The Applicants are seeking a charge on the Property in priority of all other charges, in the maximum amount of $1,500,000 (the "**Administration Charge**") to secure the fees and disbursements of the Monitor, counsel to the Monitor, counsel to the Group, and the financial advisor to the Syndicate, PricewaterhouseCoopers Inc. (the "**Syndicate's Financial Advisor**"), in each case incurred in connection with services rendered to the Group before and after the commencement of these CCAA proceedings.

190. It is important to the success of the CCAA proceedings to have the Administration Charge in place to ensure the continued involvement of these insolvency professionals and their fees and disbursements being secured.

191. The Applicants have worked with FTI as proposed Monitor and other professionals to estimate the proposed quantum of the Administration Charge.

H. Director's Charge

192. The D&Os will be critical in providing assistance, historical knowledge and experience throughout the CCAA proceedings, which will be essential to the efforts of the Group and the overall success of these CCAA proceedings.

193. I verily believe that due to the risk of personal exposure associated with the aforementioned liabilities,

it is appropriate the Initial Order grant a charge on the Property in a sufficient amount to cover the D&Os indemnities (the "**Directors' Charge**") in exchange for the D&Os services.

194. The Directors' Charge is required to ensure that the D&Os will continue to serve in such capacity and have assurance that they are appropriately indemnified for liabilities which may be incurred by the Applicants during these proceedings and for which they may be personally liable.

195. The D&Os have significant knowledge of the Group that cannot be easily replaced. This knowledge is necessary to guide the Applicants through this proceeding. The continued involvement of the D&Os is integral to minimize disruption to the Group during these CCAA proceedings. Without these individuals, the Group's operations may be required to cease immediately, which will impair value and recovery to the detriment of the Group and their stakeholders, including employees, creditors and customers.

196. The D&Os do not have the benefit of any insurance policies in respect of their potential liability. The D&Os have expressed their need for certainty with respect to potential liability if they continue in their current capacities in the context of these CCAA proceedings.

197. The Applicants are seeking a Directors' Charge in the maximum amount of $1,500,000. The amount of the Directors' Charge has been calculated in consultation with FTI based on the estimated exposure of the D&Os.

198. The proposed Directors' Charge will rank in priority after the Administration Charge and DIP Lenders' Charge, respectively (collectively, the "**Charges**").

199. The Directors' Charge will allow the Applicants to continue to benefit from the expertise and knowledge of the D&Os. The Applicants believe that the Directors' Charge is reasonable in the circumstances. I understand FTI is supportive of the Directors' Charge and its quantum.

I. DIP Lenders' Financing and DIP Lenders' Charge

200. In the period leading up to the filing, the Group and its advisors evaluated interim financing alternatives, including seeking crop input financing by way of an existing permitted debt basket within the Senior Facilities Agreement, but the Syndicate considered crop input financing as insufficient to permanently address the Group's ongoing leverage issues. The Group further considered alternative interim financing within a CCAA process.

201. Notwithstanding the foregoing, the DIP Facility reflected the most viable option available on an executable timeline and on terms capable of supporting both (i) continuation of operations through the seeding season, and (ii) completion of a court-supervised SISP. The Syndicate, who are already familiar with the business and collateral, were a sensible and efficient financing source given the time sensitivity, the size of the financing required, and the need for certainty of funding. The terms of the DIP Facility are detailed in the Term Sheet.

202. The support of the Syndicate is important to the stability of these proceedings and to stakeholders generally, as it mitigates liquidity risk during the initial stay period and supports an orderly process rather than a disorderly cessation of operations.

203. The DIP Facility will ensure that the Group can have continued access to liquidity for working capital and other ordinary course expenditures in accordance with an approved DIP budget, including payments necessary to maintain operations through the spring seeding season. Funding is most immediately required to seed fields. To do so, the Group must receive interim financing during the initial 10-day stay period to ensure that fertilizer, chemicals, and seed can be purchased, shipped, and prepared so it can be in the ground as soon as possible. These expenditures are time-sensitive and are directed to preserving going-concern value for all stakeholders.

204. Without the DIP Facility, the Group's operations would need to shut down. This would have substantial impact on the Group. The value of the Business would be materially affected and employees would be without work for this growing season.

205. Pursuant to the Initial Order, the Applicants are seeking approval to borrow up to $40 million under the DIP Facility immediately upon granting of the Initial Order (the "**Initial Advance**") as a single advance. The full $40 million is required to purchase fertilizer, chemicals, and seed, which must be paid upon delivery.

206. The Term Sheet subsequently contemplates the ability to draw a further $50 million in additional funds for a total of $90 million on a revolving loan. Advances under the Term Sheet may be made in CAD or USD. The proceeds of the DIP Facility are restricted to permitted uses, including funding the Group's working capital and ordinary-course expenses in accordance with an approved DIP budget and payment of permitted professional fees and expenses, certain permitted pre-filing amounts where authorized, certain amounts resulting from swaps, and interest due under the Senior Facilities Agreement, all as expressly provided in the Term Sheet.

207. The Term Sheet contemplates that the DIP Facility will support an orderly court-supervised process, including achieving certain milestones tied to a SISP and repayment of the obligations owing under the Senior Facilities Agreement in full.

208. The DIP Facility is subject to certain conditions precedent for both the Initial Advance, and subsequent advances. The Initial Advance is conditional on the issuance of an order approving the DIP Facility and the DIP Lenders' Charge. Additional draws up to the aggregate of $90 million are conditional on, amongst other things, recognition of the CCAA in the USA and the granting of an amended and restated initial order ("**ARIO**").

209. The Term Sheet contemplates the DIP Facility be secured by a charge, with the proposed ranking of the Charges as follows:

a. Administration Charge;

b. DIP Lenders' Charge; and

c. Directors' Charge.

210. The Term Sheet provides the DIP Facility on the following commercial terms:

a. Maximum Amount: A revolving, super-priority credit facility in the maximum amount of $90 million.

b. Term: For a term ending the earliest of, among other things: (a) the termination or expiry of the Stay of Proceedings in these proceedings; (b) the dismissal or conversion of these proceedings; (c) the repayment or refinancing in full of the existing Senior Facilities Agreement; (d) the outside date specified in the Term Sheet; and (e) the acceleration of the DIP obligations following an event of default.

c. Interest: Compounded monthly and payable monthly in arrears on the last Business Day of each month at either the Canadian Prime plus 4% per annum or USA Base Rate plus 4% per annum (as applicable).

d. Default rate: 2% per annum.

e. Fees: (a) An arranger fee payable to the DIP Agent upon the granting of the Initial Order; (b) an ongoing monthly DIP Agent fee payable in arrears; and (c) a commitment fee payable in connection with the DIP commitments, in each case in the amounts and at the times specified in the Term Sheet and the DIP Commitment Letter. Such fees are secured by the DIP Lenders' Charge.

211. The Term Sheet requires that the Applicants seek the DIP Lenders' Charge in the amount of $95,000,000 within the Initial Order, however the Group will only be entitled to drawdown $40,000,000 until the Comeback Hearing. This structure has been proposed to ensure that the DIP Lenders' Charge is properly recognised by the US Bankruptcy Court to allow the Group to draw the full DIP Facility immediately after the Comeback Hearing (provided that the Court grants the ARIO).

212. In accordance with the Term Sheet, the Applicants intend to commence the SISP shortly following the Comeback Hearing. At which point, the Applicants anticipate returning to Court to seek approval of the SISP and related procedures.

213. Due to the content of the deleveraging milestones therein, a true copy of a redacted draft of the Term Sheet, which reflects substantially the form of the executed version is attached hereto and marked as **Exhibit "X".** The unredacted Term Sheet is attached to my Confidential Affidavit, for which a sealing order will be requested.

VIII. CONCLUSION

214. I swear this affidavit in support of the relief sought by the Applicants and for no improper purpose.

SWORN BEFORE ME at Calgary, in the Province of Alberta, this 17th day of April, 2026	)	
Kamryn Wiest	)	Darrel Noel Monette
Commissioner for Oaths/Notary Public in and for Alberta	)	**DARREL NOEL MONETTE**

KAMRYN WIEST
Barrister and Solicitor