COURT FILE NUMBER	2601-07148
COURT	COURT OF KING'S BENCH OF ALBERTA
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	**BENCH BRIEF OF THE APPLICANTS**

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I. INTRODUCTION

1. This bench brief is filed on behalf of Monette Farms Ltd. ("**Monette Farms**"), Monette Land Corp. ("**Monette Land**"), DMO Holdings Ltd. ("**DMO Holdings**"), Goat's Peak Winery Ltd. ("**Goat's Peak Winery**"), Monette Farms BC Ltd. ("**Monette Farms BC**"), Monette Farms Ontario Corp. ("**MFO**"), Nexgen Seeds Ltd. ("**NexGen**"), Monette Produce Ltd. ("**Produce**"), Monette Seeds Ltd. ("**Seeds**"), Monette Farms Land GP Ltd. ("**MFL GP**"), Monette Farms Land II GP Ltd. ("**MFL II GP**"), DMO Holdings USA, Inc. ("**DMO USA**"), Monette Seeds USA LLC ("**Seeds USA**"), Monette Farms Arizona, LLC ("**MF Arizona**"), Monette Farms USA, Inc. ("**Monette USA**"), 1012595 DE INC. ("**1012 DE**"), Monette Produce, LLC ("**Produce USA**"), and Monette Farms BC GP Ltd. ("**MF BC GP**", and collectively the "**Applicants**") in support of an application (the "**Application**") for the following orders pursuant to the *Companies Creditors Arrangement Act,* RSC 1985, c C-35, as amended (the "**CCAA**"),[1] among other things:

   (a) an order (the "**Montana SAVO**"):

      (i) if necessary, abridging the time for service of the Application, and supporting materials, including the First Affidavit of Darrell Bishop sworn November 16, 2026 (the "**First Bishop Affidavit**"), and declaring service to be good and sufficient;

      (ii) approving the Purchase and Sale Agreement dated November 15, 2026 (the "**Montana PSA**") between Monette Farms USA Inc. (as seller) and HTD Far West, LLC and/or its nominee (the "**Montana Purchaser**"), and authorizing the completion of the transactions contemplated therein (the "**Montana Transaction**"); and

      (iii) removing or discharging the Charges (as defined in the Amended and Restated Initial Order granted by the Honourable Justice Bourque on May 1, 2026 (the "**ARIO**")) and any Canadian-domiciled claims, charges, liens or encumbrances to the extent they attach to the Montana Purchased Assets (as defined herein);

   (b) an order (the "**Sealing Order**"), sealing the Confidential Affidavit of Darrell Bishop sworn November 16, 2026 (the "**Confidential Affidavit**"), until the earlier of:

      (i) the filing of the monitor's certificate confirming that the Montana Transaction has closed;

      (ii) the termination of these CCAA proceedings; or

[1] *Companies Creditors Arrangement Act,* RSC 1985, c C-35 ["**CCAA**"].

(iii) further order of this Court,

(the "**Unsealing Date**");

(c) an order (the "**Stay Extension Order**") extending the Stay Period (as defined in the ARIO) from November 25, 2026 to January 20, 2027; and

(d) such other relief as this Honourable Court deems appropriate.

II. BACKGROUND

2. The Monitor adopts and relies on the facts set out in detail in the First Bishop Affidavit, in addition to the facts outlined below.[2] Capitalized terms not otherwise defined herein shall have the meaning given to such terms in the ARIO or First Bishop Affidavit, as applicable.

A. Procedural Background

3. On April 21, 2026, the Applicants obtained protection from their creditors under the CCAA pursuant to an initial order (the "**Initial Order**") of the Court of King's Bench of Alberta (the "**Court**").[3] The ARIO was pronounced on May 1, 2026, which, among other things:[4]

(a) appointed FTI Consulting Canada Inc. ("**FTI**") as the monitor (in such capacity, the "**Monitor**") of the Group's (as defined herein) assets, undertakings and properties (collectively, the "**Property**"), the Group's business (the "**Business**"), and financial affairs of the Group in these CCAA proceedings;

(b) declared that Monette Farms Land LP, Monette Farms Land II LP, and Monette Farms BC LP (collectively, the "**Non-Applicant Stay Parties**", and together with the Applicants, the "**Group**") shall have the same benefits and the same protections and authorizations provided to the Applicants in the ARIO and all of 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;

(c) stayed all claims, proceedings and remedies taken or that might be taken in respect of the Group, the Property, the Business, the Monitor, and either of their respective directors and officers, except with leave of the Court;

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[2] First Affidavit of Darrell Bishop sworn November 16, 2026 ["**First Bishop Affidavit**"].
[3] CCAA Initial Order granted by the Honourable Justice C.M. Jones on April 21, 2026.
[4] CCAA Amended and Restated Initial Order granted by the Honourable Justice M.H. Borque on May 1, 2026.

(d) granted a charge in favour of the Monitor, its counsel and the Syndicate's Financial Advisor for professional fees incurred up to the amount of $1,500,000 (the "**Administration 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;

(e) authorized the Group to carry on business in a manner consistent with the preservation of the Business and Property; and

(f) approved a debtor-in-possession ("**DIP**") financing facility (the "**DIP Facility**") provided by The Bank of Nova Scotia in its capacity as DIP agent (the "**DIP Agent**") and the members of the Syndicate (in such capacity, the "**DIP Lenders**"), authorized the Group to borrow from the DIP Lenders a maximum amount of $90 million, in accordance with the terms of the Term Sheet (as defined in the ARIO) and created a related $95 million charge 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.

4. On June 12, 2026, the Court granted the following orders, an order (the "**SISP Approval Order**") which, among other things:[5]

(a) approved the sale and investment solicitation process (the "**SISP**"); and

(b) authorizing and empowering the Applicants and Monitor to implement the SISP and to perform all steps and actions required of them pursuant to the SISP.

5. On October 15, 2026, the Monitor, following consultation with the Group and the DIP Agent, extended SISP milestones pursuant to paragraphs 16, 53, and 54 of the SISP. The Binding Bid Deadline (as defined in the SISP) was extended to November 3, 2026, and the SISP Termination Date (as defined in the SISP) was extended to 12 pm (MT) on December 4, 2026.[6]

B. Chapter 15 Proceedings

6. On April 21, 2026, the Monitor, as foreign representative of the Group (in such capacity, the "**Foreign Representative**"), initiated proceedings in the United States Bankruptcy Court for the District of Delaware (the "**US Bankruptcy Court**") under chapter 15 of Title 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**"), on behalf of the Group (the "**Chapter 15 Case**").[7]

[5] Order Re Approval of SISP and Expedited SAVO Process granted by the Honourable Justice R.W. Armstrong on June 12, 2026.
[6] First Bishop Affidavit at para 16.
[7] Third Affidavit of Darrel Noel Monette sworn June 1, 2026 ["**Third Monette Affidavit**"] at para 11.

7. On May 13, 2026, the US Bankruptcy Court granted an order under the Bankruptcy Code which, among other things, (a) recognized the Monitor as Foreign Representative, (b) recognized this CCAA proceeding as a foreign main proceeding pursuant to sections 1515, 1517 and 1520 of the Bankruptcy Code, and (c) recognized and enforced the Initial Order and ARIO in the US (the "**Recognition Order**").[8]

C. The Montana Transaction

8. In accordance with the terms of the SISP, the Group, among other things, conducted a sale process for certain real property located in Montana held by Monette USA.

9. Prior to the commencement of these CCAA proceedings, the Montana Purchased Assets were marketed for sale pursuant to the pre-filing Sale Programme (as defined in the First Affidavit of Darrel Noel Monette sworn April 17, 2026). The Montana Purchased Assets were not listed publicly, but rather marketed by private outreach of Western Ranch Brokers LLC, as broker at the time, to industry contacts. One offer was received for the Montana Purchased Assets. However, the offer was substantially below the appraised value of the Montana Purchased Assets and was not accepted.[9]

10. In accordance with the SISP, the Montana Purchased Assets were marketed through both the broader SISP and a property-specific listing.[10] The SISP commenced on June 29, 2026.

11. Pursuant to paragraph 33(b) of the SISP, the Monitor, the Lender Agent, and the Group agreed to designate the Montana PSA as the Successful Bid for the Montana Purchased Assets. Key terms of the Montana PSA are further detailed in the First Bishop Affidavit.

III. ISSUES

12. The Applicants submit that the issues to be determined by this Honourable Court are whether:

    (a) the Montana Transaction should be approved;

    (b) the Stay Extension should be granted; and

    (c) the Sealing Order should be granted.

[8] Third Monette Affidavit at para 12.
[9] First Bishop Affidavit at para 18.
[10] First Bishop Affidavit at para 19.

LAW & ANALYSIS

A. The Montana Transaction Should Be Approved

13. The Applicants seek approval of the Montana PSA and the transaction contemplated thereunder, together with relief removing, discharging, or otherwise extinguishing any Canadian-domiciled Charges or encumbrances to the extent that they attach to, or are registered against, the Montana Purchased Assets. The Montana SAVO does not request that this Court vest title to any property located in the United States. Rather, following the issuance of the Montana SAVO, the Monitor, acting in its capacity as Foreign Representative, will seek recognition of that order, together with such additional relief as may be necessary, from the US Bankruptcy Court to authorize and implement the Montana Transaction in the Chapter 15 Case.

14. This Court has previously granted a similar order in these proceedings with respect to the sale of certain assets located in the State of Arizona, US.[11]

15. Pursuant to section 36(1) of the CCAA, a debtor company may not sell or otherwise dispose of assets outside the ordinary course of business unless authorized to do so by this Court.[12]

16. In considering whether to make an order pursuant to section 36(1) this Court should consider, among other things, the following factors:

    (a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;

    (b) whether the Monitor approved the process leading to the proposed sale or disposition;

    (c) whether the Monitor filed with the Court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;

    (d) the extent to which the creditors were consulted;

    (e) the effects of the proposed sale or disposition on the creditors and other interested parties; and

[11] Arizona Sale Approval and Vesting Order granted by the Honourable Justice C.J. Feasby on August 19, 2026.
[12] CCAA, s 36(1).

(f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.[13]

17. The foregoing factors are not intended to form an exhaustive list or checklist to be followed by the court in every transactions, and the common law criteria established in *Royal Bank v Soundair Corp,*[14] continues to be relevant in the determination of whether to approve a sale.[15] This includes, among other things:

(a) whether sufficient efforts have been made to obtain the best price and whether the debtor has acted improvidently;

(b) the interests of all parties;

(c) the efficacy and integrity of the process by which offers have been obtained;

(d) the extent to which creditors were consulted; and

(e) any other relevant factors[16]

18. The Montana Transaction meets the statutory criteria for a sale of a debtor company's assets under section 36 of the CCAA because, among other things:

(a) the Montana Purchased Assets was exposed to the market for a reasonable period both prior to and through the court-approved SISP;

(b) the purchase price represents the best value for the Montana Purchased Assets in the circumstances and it is unlikely that relisting the Montana Purchased Assets would result in a superior offer; and

(c) the Monitor and Syndicate have reviewed the Montana Transaction and support its approval.[17]

19. In these circumstances, the Montana Transaction is fair and reasonable and the Montana SAVO should be approved.

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[13] CCAA, s 36(3).
[14] *Royal Bank v Soundair Corp.,* 1991 CanLII 2727 (ONCA) ["***Soundair***"] at para 16.
[15] *Target Canada Co (re),* 2015 ONSC 1487 at paras 16 – 17.
[16] CCAA, s 36(3); *In Re Hudson's Bay Company,* 2025 ONSC 6764 at para 26, citing *Soundair* at para 16.
[17] First Bishop Affidavit at para 25.

B. The Stay Extension Should be Granted

20. The Stay Period will expire on November 25, 2026. The Applicants request that the Stay Period be extended up to and including January 20, 2027.

21. Pursuant to section 11.02(2) of the CCAA, this Court has discretion to make an order extending the stay of proceedings for any period that the Court considers necessary.[18]

22. In *Re Canada North Group Inc,* the appropriateness criterion is assessed by reference to whether the requested extension advances the objectives of the CCAA, which are to "permit the debtor to continue to carry on business and, where possible, avoid the social and economic costs of liquidating its assets."[19]

23. Pursuant to section 11.02(3) of the CCAA, the applicant for an order under section 11.02 must satisfy the court that the applicant has acted in good faith and with due diligence.[20] The good faith and due diligence requirements include, among others, the observance of reasonable commercial standards of fair dealings, the absence of an intent to defraud and a duty of honesty to the court and to the stakeholders.[21]

24. The Stay Extension is necessary as it will afford the Group, with assistance from the Monitor, sufficient time to, among other things:[22]

    (a) assist the Monitor with the continuance and completion of the SISP, and negotiate any transactions resulting therein; and

    (b) take the appropriate and necessary steps to close the Montana Transaction, if approved by this Court.

    (the "**Stay Activities**").

25. It is just to grant the Stay Extension for the following reasons, among others:

    (a) the Group has acted and is continuing to act in good faith and with due diligence in these CCAA proceedings;[23]

    (b) the Stay Extension will provide the Group with the time to facilitate the completion of the Stay Activities in furtherance of the remedial purposes of the CCAA; and

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[18] CCAA, s 11.02(2).
[19] *Re Canada North Group Inc,* 2017 ABQB 508 at para 34.
[20] CCAA, s 11.02(2).
[21] *North American Tungsten Corporation Ltd (Re),* 2015 BCSC 1376 at para 29.
[22] First Bishop Affidavit at para 27.
[23] First Bishop Affidavit at para 28.

(c) the Group has sufficient liquidity to operate through the proposed Stay Extension.[24]

26. Pursuant to the foregoing, this Court should exercise its discretion and extend the Stay Period to January 20, 2027.

C. The Sealing Order Should Be Granted

27. The Applicants request the Sealing Order approving the sealing of the Confidential Affidavit until the Unsealing Date.

28. The Court in *Sierra Club of Canada v Canada (Minister of Finance)* provided that courts should exercise their discretion in granting sealing orders if (i) the order is necessary to prevent a serious risk to an important interest, including a commercial interest; and (ii) the salutary effects of the order outweigh its deleterious effects.[25]

29. This test was applied in *Sherman Estate v Donovan*, which further establishes that an applicant requesting a court to exercise discretion in a manner that limits the open court presumption must demonstrate that:

(a) court openness poses a serious risk to an important public interest;

(b) the order sought is necessary to prevent this serious risk to the identified interest because reasonably alternative measures will not prevent this risk; and

(c) as a matter of proportionality, the benefits of the order outweigh its negative effects.[26]

30. The Confidential Affidavit contains an unredacted copy of the Montana PSA. The Sealing Order is necessary as it includes commercially sensitive information in the Montana PSA, including information regarding its financial terms. Public disclosure of the same could be detrimental to the Group and its stakeholders should the Montana Transaction not close, and the Montana Purchased Assets need to be remarketed.[27]

31. There are no reasonable alternative measures to the Sealing Order, and the Montana PSA has been publicly disclosed with only relevant financial terms redacted.

[24] First Bishop Affidavit at para 29.
[25] *Sierra Club of Canada v Canada (Minister of Finance)*, 2002 SCC 41 at para 53.
[26] *Sherman Estate v Donovan*, 2021 SCC 25 at para 38.
[27] First Bishop Affidavit at para 22.

32. The benefits of the Sealing Order outweigh any negative effects on the interests of the public. The Applicants are not aware of any party that will be prejudiced if the information in the Confidential Affidavit is sealed or any public interest that will be served if such details are disclosed in full.[28]

33. Finally, the sealing of the Confidential Affidavit is time limited to the earlier of (i) the filing of a Monitor's Certificate certifying the Montana Transaction has closed; (ii) the termination of these CCAA Proceedings, or (iii) further order of this Honourable Court. The Sealing Order also provides that any party may apply to this Court for the unsealing of the Confidential Affidavit.

34. Accordingly, the Sealing Order is appropriate in the circumstances and consistent with the Supreme Court of Canada's decision in *Sherman Estate v Donovan*.

IV. CONCLUSION

35. Based on all of the foregoing, the Applicants request that this Honourable Court grant the Orders.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 16th day of November, 2026.

Cassels Brock & Blackwell LLP

Per: Jeffrey Oliver

Jeffrey Oliver
Counsel for the Monitor

[28] First Bishop Affidavit at para 22.

V. LIST OF AUTHORITIES

STATUTES

Tab	Authority
1.	*Companies' Creditors Arrangement Act*, RSC 1985, c C-36

JURISPRUDENCE

Tab	Authority
2.	*Royal Bank v Soundair Corp.*, 1991 CanLII 2727 (ONCA)
3.	*Target Canada Co (re)*, 2015 ONSC 1487
4.	*In Re Hudson's Bay Company*, 2025 ONSC 6764
5.	*Re Canada North Group Inc*, 2017 ABQB 508
6.	*North American Tungsten Corporation Ltd (Re)*, 2015 BCSC 1376
7.	*Sierra Club of Canada v Canada (Minister of Finance)*, 2002 SCC 41
8.	*Sherman Estate v Donovan*, 2021 SCC 25