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| 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 A 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.

DOCUMENT

**FIFTH REPORT OF FTI CONSULTING CANADA INC., IN ITS CAPACITY AS MONITOR**

**November 17, 2026**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

**MONITOR**
FTI Consulting Canada Inc.
Suite 1610, 520 Fifth Avenue S.W.
Calgary, AB T2P 3R7
Deryck Helkaa / Dustin Olver / Brett Wilson
Telephone: (403) 454-6031 / (403) 454-6032 / (403) 454-6033
Fax: (403) 232-6116
E-mail: deryck.helkaa@fticonsulting.com
dustin.olver@fticonsulting.com
brett.wilson@fticonsulting.com

**COUNSEL**
Osler, Hoskin & Harcourt LLP
Suite 2700, Brookfield Place
225 6th Avenue S.W.
Calgary, AB T2P 1N2
Randal Van de Mosselaer
Telephone: (403) 260-7000
Fax: (403) 260-7024
E-mail: rvandemosselaer@osler.com

**FIFTH REPORT OF THE MONITOR**

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## INTRODUCTION

1. On April 21, 2026 (the "**Filing Date**"), Monette Farms Ltd. ("**Monette Farms**"), 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 GP II Ltd., and Monette Farms BC GP Ltd. (the "**Applicants**"), sought and obtained an initial order (the "**Initial Order**") before the Court of King's Bench of Alberta (the "**Court**") seeking certain relief under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**").

2. The Initial Order, among other things, established a stay of proceedings in favour of the Applicants until May 1, 2026, appointed FTI Consulting Canada Inc. as monitor (the "**Monitor**") of the Applicants in these CCAA proceedings and authorized and empowered the Monitor to act as the foreign representative (the "**Foreign Representative**") in respect of these CCAA proceedings for the purpose of having these proceedings recognized under chapter 15 of Title 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the District of Delaware (the "**US Bankruptcy Court**").

3. On May 1, 2026, the Court granted an Amended and Restated Initial Order (the "**ARIO**") which, among other things, provided the following relief:

   (a) declaring that the Applicants are companies to which the CCAA applies;

   (b) declaring that Monette Farms I LP, Monette Farms Land II LP, and Monette Farms BC LP (together with the Applicants, the "**Group**") shall have the same benefits and protections provided to the Applicants as they are related to the Applicants' business;

   (c) authorizing the Applicants to remain in possession and control of their current assets, undertakings and properties including all proceeds thereof (the "**Property**") and carry on business in a manner consistent with the preservation of their business and Property;

(d) staying, until and including June 19, 2026 (the "**Stay Period**"), all proceedings and remedies against the Applicants or their business or Property, except as otherwise set forth in the Initial Order or otherwise permitted by law;

(e) authorizing the Applicants to continue to use their existing cash management system;

(f) authorizing the Applicants to pay the reasonable expenses incurred by them in carrying out their business in the ordinary course;

(g) entitling the Applicants 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;

(h) granting a charge in favour of the Monitor, its legal counsel, the Applicant's legal counsel, and the Syndicate's financial advisor, PricewaterhouseCoopers Inc. (the "**Syndicate's Financial Advisor**") in respect of their fees and disbursements, to a maximum amount of $1.5 million;

(i) approving the debtor-in-possession 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 (as defined below, in such capacity, the "**DIP Lenders**") to finance the Applicants' working capital requirements and other corporate purposes during the CCAA proceedings, subject to the terms and conditions set out in the Debtor-in Possession Interim Financing Agreement, between Monette Farms Ltd., and Monette Farms USA, Inc., as borrowers (in such capacity, the "**Borrowers**"), the Group as guarantors, and the DIP Lenders, as lenders, (the "**DIP Term Sheet**"). The DIP Facility provided the Borrowers with the ability to borrow up to $90 million (the "**Maximum Amount**") upon the satisfaction of certain conditions; and

(j) granting a charge in favour of the DIP Lenders, to a maximum amount of $95 million.

4. On May 13, 2026, the US Bankruptcy Court entered an order under the Bankruptcy Code which, among other things, (a) recognized the Monitor as Foreign Representative, (b) recognized these CCAA proceedings as a foreign main proceeding pursuant to sections 1515, 1517 and 1520 of the Bankruptcy Code (the "**Chapter 15 Case**"), and (c) recognized and enforced the Initial Order and ARIO in the US.

5. On June 12, 2026, the Court granted the following Orders:

   (a) an order (the "**SISP Approval Order**") which, among other things:

      (i) authorized the Applicants and the Monitor to implement the sales and investment solicitation process ("**SISP**") in accordance with the SISP procedures (the "**SISP Procedures**") attached at Appendix "B" to the SISP Approval Order; and

      (ii) approved an expedited sale approval and vesting order process for low value transactions; and

   (b) an order extending the Stay Period until and including November 13, 2026.

6. On August 19, 2026, the Court granted an Order (the "**Arizona SAVO**") authorizing and approving, among other things, the sale of certain Arizona farmland (the "**Arizona Transaction**").

7. On September 29, 2026, the US Bankruptcy Court granted an order in the Chapter 15 Case approving the Arizona Transaction and recognizing the Arizona SAVO.

8. On November 10, 2026, the Court granted an order extending the Stay Period until and including November 25, 2026.

**PURPOSE**

9. The purpose of this report (this "**Report**") is to provide this Honourable Court and the Applicants' stakeholders with information and the Monitor's comments with respect to the following:

   (a) a summary of the Monitor's activities since the Monitor's fourth report dated November 3, 2026 (the "**Fourth Report**");

   (b) an update on the status of the SISP and the Arizona Transaction;

   (c) details of the proposed sale of certain of the Group's Property located in the state of Montana (the "**Montana Purchased Assets**") pursuant to a Purchase and Sale Agreement between Monette Farms USA, Inc. ("**MF USA**") (as seller) and HTD Far West, LLC and/or its assignee (the "**Montana Purchaser**") dated November 15, 2026 (the "**Montana PSA**");

   (d) an update on actual cash flow for the period of October 24, 2026, to November 6, 2026, as compared to the fourth cash flow statement ("**Fourth Cash Flow Statement**") attached as Appendix "**A**" to the Fourth Report;

   (e) the Applicants' revised cash flow statement (the "**Fifth Cash Flow Statement**") for the period commencing November 7, 2026, and ending January 22, 2027 (the "**Forecast Period**");

   (f) certain Events of Default that have occurred under the DIP Term Sheet; and

   (g) the Applicants' request for an extension of the Stay Period.

10. The Applicants are seeking the following relief from this Court at an application returnable November 24, 2026 (the "**November 24 Application**");

   (a) an Order (the "**Montana SAVO**") authorizing and approving the transaction contemplated by the Montana PSA (the "**Montana Transaction**");

(b) an Order (the "**Sealing Order**") temporarily sealing the confidential affidavit of Darrell Bishop sworn on November 16, 2026 (the "**Confidential Affidavit**"); and

(c) an order (the "**Stay Extension Order**") extending the Stay Period until and including January 20, 2027.

11. This Report should be read in conjunction with the Affidavit of Darrell Bishop, sworn on November 16, 2026 (the "**First Bishop Affidavit**").

12. Electronic copies of all materials filed by the Applicants in connection with the November 24 Application and other statutory materials are available on the Monitor's website at: http://cfcanada.fticonsulting.com/MonetteFarms/.

**TERMS OF REFERENCE**

13. Capitalized terms used but not defined herein are given the meaning ascribed to them in the First Bishop Affidavit and the ARIO, as applicable.

14. In preparing this Report, the Monitor has relied upon unaudited financial information, other information available to the Monitor and, where appropriate, the Applicants' books and records and discussions with various parties (collectively, the "**Information**").

15. Except as described in this Report:

(a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*;

(b) the Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the *Chartered Professional Accountants of Canada Handbook*; and

(c) future oriented financial information reported or relied on in preparing this Report is based on assumptions regarding future events; actual results may vary from forecast and such variations may be material.

16. The Monitor has prepared this Report in connection with the November 24 Application. This Report should not be relied on for other purposes.

17. Information and advice described in this Report that has been provided to the Monitor by its legal counsel, Osler, Hoskin & Harcourt LLP, was provided to assist the Monitor in considering its course of action, is not intended as legal or other advice to, and may not be relied upon by, any other person.

18. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

## BACKGROUND INFORMATION

19. The Group's business, operations and financial performance and the causes of its insolvency are detailed in the Affidavit of Darrel Monette sworn on April 17, 2026 (the "**First Monette Affidavit**"), a copy of which is available on the Monitor's website. The comments below are intended to provide a summary of the background of the CCAA proceedings.

20. The Group, comprised of eighteen companies and three limited partnerships, is a privately owned agricultural enterprise with operations in Alberta, British Columbia, Saskatchewan, Manitoba, Arizona, Montana and Colorado. Since beginning as a family farm in 1912, the Group has grown into one of the largest private farming operations in North America operating on owned and leased farmland of over 400,000 acres.

21. The Group's financing is provided primarily by a syndicate of lenders (together, the "**Syndicate**") pursuant to a $930 million credit facility ($950 million including an accordion) 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. as US Borrower, Darrel Monette as Individual Borrower, each member of the Group,

Darrel Monette and Monette Farm Family Trust as guarantors, The Bank of Nova Scotia as Agent (together with the DIP Agent, the "**Lender Agent**") and the Syndicate. Since October 2024, the Senior Facilities Agreement has been amended pursuant to two covenant and waiver agreements, eight separate amending agreements and a forbearance agreement.

22. The primary purpose of the DIP Facility was to allow the Group to continue with operations on a going-concern basis, allow sufficient funding to complete spring seeding and fall harvest for the farm operations and allow the Group to advance through the SISP. To date, the farm operations have continued in the normal course during these CCAA proceedings and, as of the date of this Report, the Group had completed harvest on approximately 380,000 acres.

## ACTIVITIES OF THE MONITOR

23. Since the date of the Fourth Report, the Monitor has, among other things:

(a) monitored the Applicants' financing and engaged in review and discussions with the Applicants with respect to their operations, vendor disbursements, and requirements under the DIP Term Sheet;

(b) engaged in discussions with various stakeholders and creditors in connection with the Applicants and these CCAA proceedings;

(c) met bi-weekly with the Syndicate's Financial Advisor with respect to the Applicants' cash flow as required under the DIP Term Sheet, including discussions surrounding the Events of Default under the DIP Term Sheet;

(d) continued to advance the Arizona Transaction;

(e) worked in consultation with the Group and the Lender Agent to advance the SISP including engaging with brokers and prospective purchasers, preparing and reviewing marketing materials and template purchase and sale documentation, preparing bi-weekly updates on the status of the SISP for the Lender Agent and meeting with the Lender Agent and Syndicate's Financial Advisor on a weekly or ad-hoc basis as requested;

(f) engaged in discussions with the Applicants, their legal counsel, the Lender Agent and the Montana Purchaser with respect to the Montana Transaction; and

(g) prepared this Report.

## SALE AND INVESTMENT SOLICITATION PROCESS

24. Capitalized terms used in this section that are not otherwise defined are given the meaning ascribed to them in the SISP Procedures. A copy of the SISP Procedures is attached as Appendix "**B**" to the SISP Approval Order which is available on the Monitor's website.

25. Pursuant to the SISP Approval Order, the SISP is being conducted by the Monitor for the purpose of soliciting and selecting bids for the sale of all, substantially all, or one or more portions of the Property, and for the restructuring, recapitalization, or refinancing of the Group and their business.

26. On October 16, 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 was extended to November 3, 2026, and the SISP Termination Date was extended to 12 pm (MT) on December 4, 2026. The Group along with the Monitor and DIP Lenders are continuing to review Binding Bids with the intention of implementing transactions through the end of the year.

| **Milestone** | **Original Deadline** | **Revised Deadline** |
|---|---|---|
| Binding Bid Deadline | October 15, 2026 | November 3, 2026 |
| SISP Termination Date | November 30, 2026 | December 4, 2026 |

27. Since the November 3, 2026, Binding Bid Deadline, the Monitor has reviewed the bids received, in consultation with the Group and the Lender Agent, and is continuing efforts to determine which, if any, of the bids (in addition to the Montana Transaction) will be designated a Successful Bid.

**ARIZONA TRANSACTION**

28. As described above, the Monitor, in its capacity as Foreign Representative, sought and obtained an Order from the US Bankruptcy Court approving the Arizona Transaction and recognizing the Arizona SAVO on September 29, 2026.

29. The Arizona Transaction requires the assignment of three Arizona State agriculture leases ("**ASLD Leases**") to the buyer. The ASLD Leases are leased through the Arizona State Land Department ("**ASLD**"). On September 30, 2026, the lease assignment forms were submitted to ASLD for review and processing. The Monitor understands that two of the three lease assignments have now been approved and that the ASLD is in the process of reviewing the final assignment form.

30. The Monitor engaged Holland & Hart LLP ("**H&H**") to review the security documents underlying the Syndicate's security and concluded that, subject to the standard and customary assumptions and qualifications, the Syndicate has valid and enforceable security in the assets which are subject to the Arizona Transaction.

31. As a result, upon closing, and pursuant to paragraph 48 of the ARIO, the proceeds from the Arizona Transaction will be distributed to the Syndicate to be applied in partial satisfaction of the amount outstanding under the Senior Facilities Agreement in accordance with the DIP Term Sheet.

**MONTANA TRANSACTION**

32. As described in the First Monette Affidavit and the Second Affidavit of Darrel Monette dated April 28, 2026, prior to the Filing Date, the Group engaged in sales efforts to sell certain of the Property to reduce its indebtedness. As part of these efforts, prior to the CCAA proceedings, the Group's Property located in Montana (the "**Montana Assets**"), had been privately marketed for sale

pursuant to a listing agreement with Western Ranch Brokers LLC (the "**Western Ranch**") dated September 19, 2025.

33. Prior to the Filing Date, Western Ranch marketed the Montana Assets privately to industry contacts. Various potential counterparties expressed interest in the Montana Assets, but only one offer was received but not accepted due to being substantially below the appraised value of the Montana Assets, and ultimately no offers were executed prior to the Filing Date.

34. In accordance with the SISP, the Montana Assets were subsequently relisted with Premier Land Company (the "**Montana Broker**") and the SISP commenced on June 29, 2026. The listing price for the Montana Assets, with the approval of the Lender Agent, was US$96,000,000.

35. The marketing process for the Montana Assets included the following:

    (a) the Montana Broker directly contacting 25 prospective purchasers active in the agricultural sector;

    (b) posting the opportunity on the Montana Broker's website, with the website receiving 711 views;

    (c) facilitating outreach to prospective purchasers and coordinating three property tours for interested parties, including the Montana Purchaser;

    (d) four offers and expressions of interest for the Montana Assets (or portions thereof) being received;

    (e) in addition to the property-specific marketing process undertaken by the Montana Broker, including the Montana Assets in the marketing efforts conducted pursuant to the SISP, which contemplates the sale and/or refinancing of the entirety of the Group's assets. As part of those efforts, a teaser and non-disclosure agreement were distributed by the Monitor on June 29, 2026, to approximately 208 strategic and financial parties, the sale opportunity was posted on the Monitor's website, an advertisement of the SISP process was published

through Insolvency Insider, and an article regarding the sale opportunity was published in The Western Producer.

36. On July 7, 2026, the Montana Purchaser sent an email to the Montana Broker providing its initial expression of interest. Subsequently, the Montana Purchaser submitted its offer to purchase the Montana Purchased Assets.

37. The Montana Purchaser remained actively engaged throughout the SISP and ultimately submitted a Qualified Bid in accordance with the SISP. The Monitor, in consultation with the DIP Agent, engaged in negotiations regarding the sale price and all commercial terms of the Montana PSA.

38. MF USA and the Montana Purchaser executed the Montana PSA dated November 15, 2026. A redacted copy of the executed Montana PSA (with commercially sensitive terms redacted) is attached as Exhibit "**A**" to the First Bishop Affidavit and an unredacted version is attached as Exhibit "**A**" to the Confidential Affidavit.

39. The primary commercial terms of the Montana PSA include the following:

(a) the Montana Purchased Assets are being sold on an "as is, where is" basis;

(b) MF USA and the Montana Purchaser shall use commercially reasonable efforts to negotiate a license agreement (the "**License Agreement**") for MF USA to retain the right and license to enter that portion of the Montana Purchased Assets which MF USA has planted crops and expects to harvest in the summer of 2027. The License Agreement is not a condition of closing and if MF USA and the Montana Purchaser fail to agree on the License Agreement, the Montana Purchaser shall purchase the Growing Crops (as defined in the Montana PSA);

(c) the following conditions: (i) receiving court approval from both this Court and the US Bankruptcy Court; (ii) the Montana Purchaser not, within 10 days, disapproving the transaction after reviewing the commitment for a standard owner's policy of title insurance; and (iii) the transfer of certain deeds of covenant in Montana;

(d) the Montana Transaction is expected to close shortly after the US Bankruptcy Court grants

a recognition order in respect of the Montana SAVO, or as otherwise agreed between the parties;

(e) a deposit of approximately 5% of the purchase price is to be paid to the title company within three days of execution of the Montana PSA until the Montana Purchaser approves the title commitment, at which point such deposit shall be paid to and held in trust by the Monitor.

40. H&H reviewed the security documents underlying Syndicate's security and concluded that, subject to the standard and customary assumptions and qualifications, the Syndicate has valid and enforceable security in the assets which are subject to the Montana Purchased Assets.

41. As a result, upon closing, and pursuant to paragraph 48 of the ARIO, the proceeds from the Montana Transaction will be distributed to the Syndicate to be applied in partial satisfaction of the amount outstanding under the Senior Facilities Agreement in accordance with the DIP Term Sheet.

**MONITOR'S COMMENTS ON THE MONTANA TRANSACTION**

42. The Monitor is of the view that the Montana Transaction is the best available transaction in respect of the Montana Purchased Assets and represents the highest and best value achievable in the circumstances. In making this determination, the Monitor considered the following:

(a) the Montana Purchased Assets have been adequately exposed to the market both prior to the Filing Date, and through the SISP;

(b) the Montana Purchaser (which is a non-related party) has submitted a Qualified Bid in accordance with the SISP;

(c) the purchase price is supported by the appraisal of the Montana Purchased Assets (copies of which are attached to the Confidential Affidavit of Darrel Monette sworn on April 17, 2026 as confidential exhibits "D" to "G" thereto);

(d) no viable alternative has been identified through the SISP that would provide a superior return to stakeholders and thus the Montana Transaction represents the highest and best available recovery in the circumstances;

(e) the sale of the Montana Purchased Assets would be more beneficial to creditors than a sale or disposition in respect of same under a bankruptcy;

(f) the sale of the Montana Purchased Assets is not expected to impact any future Land Purchase Proposals or Refinancing or Investment Proposals due to the location and distinct nature of the Montana Purchased Assets;

(g) the Lender Agent is supportive of the Montana Transaction; and

(h) the Group continues to operate in good faith and with due diligence including with respect to the implementation of the SISP.

43. The Monitor is supportive of the Applicants' application for the Sealing Order as disclosure of the Montana PSA, in particular the purchase price, could impact any future marketing process and sales should the Montana Transaction not close, and the Monitor is not aware of any parties that would be prejudiced by the sealing of the Confidential Affidavit.

44. Given that the Montana Purchased Assets are located in the United States, the Monitor, in its capacity as Foreign Representative, will also seek recognition of the Montana SAVO and approval of the Montana PSA from the US Bankruptcy Court to complete the Montana Transaction. The Monitor intends to seek recognition of the Montana SAVO as soon as practicable, subject to this Court first granting the Montana SAVO.

## BUDGET TO ACTUAL RESULTS

45. The Applicants, in consultation with the Monitor, prepared the Fourth Cash Flow Statement which was appended as Appendix "**A**" to the Fourth Report. Actual cash flow results as compared to those contained in the Fourth Cash Flow Statement for the 2-week period of October 24, 2026, to November 6, 2026, are summarized as follows:

**Monette Farms et al**
**Consolidated Weekly Cash Flow Forecast**
October 24, 2026 to November 6, 2026

| *2-Week Period Ending November 6, 2026* | | | |
|---|---|---|---|
| ***CAD millions*** | **Actual** | **Forecast** | **Variance** |
| Operating receipts | $ 11.6 | $ 13.9 | **$ (2.3)** |
| COGS | (0.8) | (2.6) | **1.8** |
| Direct operating expenses | (4.9) | (5.5) | **0.6** |
| Operating overhead | (7.3) | (9.1) | **1.8** |
| General AP/Visa | (0.4) | (0.4) | **0.0** |
| Capex | (0.3) | (0.2) | **(0.1)** |
| **Net change in cash from operations** | **(2.1)** | **(4.0)** | **1.9** |
| Senior Secured Debt Interest | - | - | - |
| Restructuring costs | (0.7) | (0.6) | **(0.1)** |
| DIP Facility (net of repayments) | - | - | - |
| **Total net change in cash flow** | **(2.8)** | **(4.7)** | **1.9** |
| Opening cash | 7.2 | 7.2 | - |
| Total net change in cash flow | (2.8) | (4.7) | **1.9** |
| **Ending cash** | **4.4** | **2.6** | **1.9** |
| Opening DIP Facility balance | 88.2 | 88.2 | - |
| DIP Facility draws/(repayments) | - | - | - |
| **Closing DIP Facility balance** | **$ 88.2** | **$ 88.2** | **$ -** |

46. The variances in actual receipts and disbursements against the Fourth Cash Flow Statement are primarily due to the following:

(a) operating receipts have been lower than forecast primarily due to timing variances with respect to grain sales from the 2026 harvest, including delays in wheat settlements and timing of certain canola settlements, which the Group still expects to collect in future periods;

(b) cost of goods sold has been lower than forecast and the variance is primarily related chemical expense being lower than forecast to date and a portion of the variance is expected to reverse in future periods;

(c) direct operating expenses have been lower than forecast in aggregate and the variance is primarily timing related, with lower freight and trucking costs resulting from the delayed harvest and lower custom work expense due to the timing of payments;

(d) operating overhead has been lower than forecast primarily due to timing variances, with lower lease and crop share payments and shareholder drawings, as well as lower other operating overhead expenses, each of which are expected to reverse in future periods; and

(e) restructuring costs have been substantially in line with forecast and relates to the payment of interest under the DIP Facility.

47. As of November 6, 2026, the Applicants had approximately $4.4 million of cash on hand and approximately $88.2 million drawn on the DIP Facility with an additional $1.8 million available to be drawn under the Maximum Amount.

## FIFTH CASH FLOW STATEMENT

48. The Applicants' Fifth Cash Flow Statement is attached hereto as Appendix "**A**" and summarized below.

**Monette Farms et al**
**Consolidated Weekly Cash Flow Forecast**
November 7, 2026 to January 22, 2027

| *CAD millions* | Forecast Period |
|---|---|
| Operating receipts | $ 118.6 |
| Operating disbursements | (32.1) |
| **Net change in cash from operations** | **86.6** |
| Senior Secured Debt Interest | (18.5) |
| Restructuring costs | (7.9) |
| Asset Sales | 3.0 |
| DIP Facility (net of repayments) | (62.6) |
| **Total net change in cash flow** | **0.5** |
| Opening cash | 4.4 |
| Total net change in cash flow | 0.5 |
| **Ending cash** | **$ 5.0** |
| | |
| Opening DIP Facility balance | $ 88.2 |
| DIP Facility draws/(repayments) | (62.6) |
| **Closing DIP Facility balance** | **$ 25.6** |

49. The Fifth Cash Flow Statement was submitted to the DIP Agent and the Syndicate's Financial Advisor on November 13, 2026, and pursuant to the DIP Term Sheet is subject to review and change.

50. The Monitor notes that the Fifth Cash Flow Statement contains material assumptions regarding the receipt of future receipts that remain subject to uncertainty associated with harvest timing and delivery of grain. The revenue projections shown are based on estimated yields and current market prices, which are subject to material fluctuations.

51. Based on the above and with the additional financing available under the DIP Facility, the Applicants' liquidity is projected to be sufficient for the Forecast Period.

52. The Monitor's conclusions from its review of the Fifth Cash Flow Statement pursuant to section 23(1)(b) of the CCAA are as follows:

(a) the Fifth Cash Flow Statement has been prepared by management of the Applicants for the purpose described in the notes to the Fourth Cash Flow Statement, using the probable assumptions and the hypothetical assumptions set out therein;

(b) the Monitor's review consisted of inquiries, analytical procedures and discussion related to information supplied by certain of the management and employees of the Applicants. Since hypothetical assumptions need not be supported, the procedures with respect to those assumptions were limited to evaluating whether they were consistent with the purpose of the Fifth Cash Flow Statement. The Monitor has also reviewed the support provided by management of the Applicants for the probable assumptions, and the preparation and presentation of the Fifth Cash Flow Statement; and

(c) based on its review, and as at the date of this Report, nothing has come to the attention of the Monitor that causes it to believe that, in all material respects:

(i) the hypothetical assumptions are not consistent with the purpose of the Fifth Cash Flow Statement;

(ii) the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Fifth Cash Flow Statement, given the hypothetical assumptions; or

(iii) the Fifth Cash Flow Statement does not reflect the probable and hypothetical assumptions;

53. Since the Fifth Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether

the Fifth Cash Flow Statement will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report or relied upon by the Monitor in preparing this Report.

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

## EVENTS OF DEFAULT UNDER THE DIP TERM SHEET

55. On September 29, 2026, the DIP Agent delivered a Notice of Events of Default and Reservation of Rights letter (the "**September 29 Letter**") to the Group in respect of the following:

    (a) the Borrowers failed to provide the DIP Agent and the DIP Lenders with quarterly financial statements within forty-five days after the fiscal quarter ending July 31, 2026, in accordance with the DIP Term Sheet and did not remedy such failure within the applicable cure period of three Business Days (the "**Quarterly Financials Defaults**"); and

    (b) the cash flow reporting received by the DIP Agent on Friday, September 18, 2026, disclosed that, as at September 11, 2026, the Borrowers were holding Excess Cash (as defined in the DIP Term Sheet) and did not apply such Excess Cash to reduce the amounts then owing under the DIP Loans within three Business Days (the "**Excess Cash Default**").

    A copy of the September 29 Letter is attached hereto as Appendix "**B**".

56. The Borrowers provided quarterly financial statements to the DIP Agent on September 22, 2026, and the Excess Cash was subsequently used to repay the interest owing under the Senior Facilities Agreement of approximately $17.8 million on September 29, 2026.

57. Effective November 2, 2026, the Group and the DIP Agent entered into a Waiver, Acknowledgement and Agreement under which, among other things:

(a) the DIP Agent, acting on the instructions of the Majority DIP Lenders, agreed to waive the Quarterly Financials Defaults and the Excess Cash Default;

(b) the DIP Agent, acting on the instructions of the Majority DIP Lenders, agreed to conditionally waive the DIP Milestone No. 2 Event of Default, effective from October 31, 2026 until November 30, 2026; and

(c) the DIP Agent, acting on the instructions of the Majority DIP Lenders, agreed to conditionally waive the DIP Milestone No. 3 Event of Default, effective from December 1, 2026 until January 15, 2027.

58. A copy of the Waiver, Acknowledgement and Agreement is attached hereto as Appendix "**C**".

59. On November 9, 2026, the Syndicate's Financial Advisor advised the Monitor that the DIP Agent had not waived a subsequent Event of Default relating to the DIP Budget and Variance Reporting covenant under the DIP Term Sheet, which requires that for a relevant bi-weekly period in the DIP Budget, the Cumulative Actual Receipts of such bi-weekly period be not less than the Cumulative Budgeted Receipts for such bi-weekly period by more than the greater of: (x) fifteen percent and $1,000,000 or (y) such other amount as requested by the Borrowers and agreed by the DIP Agent.

60. For the bi-weekly period ended October 23, 2026, the Cumulative Actual Receipts were approximately $3.4 million lower (or 22%) than the Cumulative Budgeted Receipts. The Borrowers, with the assistance of the Monitor, had requested an increase to the threshold to 23% for the bi-weekly reporting period. That request was not agreed to by the DIP Agent pursuant to the DIP Term Sheet.

61. As a result, a further default exists under the DIP Term Sheet that has not been waived. A copy of the Syndicate's Notice of Events of Default and Reservation of Rights letter dated November 10, 2026 (the "**November 10 Letter**"), received by the Group, is attached hereto as Appendix "**D**".

62. The Group, in consultation with the Monitor, has continued to work with the Syndicate's Financial Advisor, including the submission of bi-weekly cash flows as required under the DIP Term Sheet. The Group has continued to work with the Syndicate in an effort to address the defaults described in the September 29 Letter and the November 10 Letter and the Syndicate's concerns in that regard.

**MONITOR'S COMMENTS ON RELIEF REQUESTED BY THE APPLICANTS**

63. The Monitor is of the view that the relief requested by the Applicants pursuant to the November 24 Application is necessary, reasonable, and justified in the circumstances and supports the relief requested by the Applicants in the Montana SAVO.

64. The Applicants are seeking an extension of the Stay Period up to and including January 20, 2027, pursuant to the proposed Stay Extension Order. The Monitor has considered the Applicants' application for the extension of the Stay Period and has the following comments:

(a) the Applicants are projected to have sufficient liquidity available to fund ongoing obligations and the costs of these CCAA proceedings during the term of the proposed extension to the Stay Period;

(b) the extension of the Stay Period is necessary for the Applicants to attend to matters with respect to the Arizona Transaction, the Montana Transaction, other remaining transactions resulting from the SISP, and to assist the Monitor, with the assistance of the applicable Property Brokers (as defined in the SISP Procedures), with the continuation the SISP (in advance of the SISP Termination Date on December 4, 2026);

(c) there will be no material prejudice to the Applicants' creditors and other stakeholders as a result of the extension to the Stay Period; and

(d) the Applicants are continuing to act in good faith and with due diligence.

All of which is respectfully submitted this 17th day of November 2026.

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

Name: Deryck Helkaa, CPA, CA, CIRP, LIT
Title: Senior Managing Director,
FTI Consulting Canada Inc.

Name: Dustin Olver, CPA, CA, CIRP, LIT
Title: Senior Managing Director,
FTI Consulting Canada Inc.

# Appendix "A" – Fifth Cash Flow Statement

**Monette Farms et al**
**Consolidated Weekly Cash Flow Forecast**
November 7, 2026 to January 22, 2027

| CAD million | Notes | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Week # | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | |
| Week Ending | | 11/13/2026 | 11/20/2026 | 11/27/2026 | 12/4/2026 | 12/11/2026 | 12/18/2026 | 12/25/2026 | 1/1/2027 | 1/8/2027 | 1/15/2027 | 1/22/2027 | 1/22/2027 |
| **Operating Receipts** | | | | | | | | | | | | | |
| Grain | | $ 8.0 | $ 7.9 | $ 9.4 | $ 10.2 | $ 9.8 | $ 9.5 | $ 7.8 | $ 7.6 | $ 11.4 | $ 9.4 | $ 9.4 | **$ 100.3** |
| Seeds | | 0.2 | 0.2 | 0.7 | 0.2 | - | - | - | - | - | - | - | **1.4** |
| Net Cattle Sales | | - | - | - | - | - | 0.5 | - | - | - | 10.0 | - | **10.5** |
| Produce | | 0.9 | 0.5 | 0.5 | 0.8 | 1.0 | 0.6 | 0.3 | 0.4 | 0.3 | 0.3 | 0.3 | **5.9** |
| Other Receipts | | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | **0.6** |
| **Total Operating Receipts** | **1** | **9.2** | **8.7** | **10.8** | **11.2** | **10.8** | **10.6** | **8.2** | **8.1** | **11.7** | **19.7** | **9.7** | **118.6** |
| **Operating Disbursements** | | | | | | | | | | | | | |
| Cost of goods sold | **2** | (4.5) | (3.1) | (0.3) | (0.4) | (0.4) | (0.4) | (0.4) | (0.4) | (0.4) | (0.4) | (0.4) | **(11.0)** |
| Direct Operating Expenses | **3** | (1.3) | (1.5) | (0.9) | (2.1) | (0.8) | (1.3) | (0.6) | (1.1) | (0.6) | (1.2) | (0.6) | **(12.0)** |
| Operating Overhead | **4** | (1.5) | (2.3) | (0.2) | (0.4) | (0.4) | (0.3) | (0.2) | (0.3) | (2.0) | (0.3) | (0.2) | **(8.2)** |
| General AP/Visa | **5** | - | (0.4) | - | (0.4) | - | - | - | - | - | - | - | **(0.8)** |
| Capex | | - | - | - | - | - | - | - | - | - | - | - | **-** |
| **Total Operating Disbursements** | | **(7.3)** | **(7.3)** | **(1.5)** | **(3.3)** | **(1.6)** | **(2.0)** | **(1.3)** | **(1.8)** | **(3.0)** | **(1.8)** | **(1.2)** | **(32.1)** |
| **Operational Cash Flow** | | **1.9** | **1.4** | **9.3** | **8.0** | **9.2** | **8.6** | **6.9** | **6.3** | **8.7** | **17.9** | **8.5** | **86.6** |
| Non-Operational Items | | | | | | | | | | | | | |
| Senior Secured Debt Interest | **6** | - | - | - | - | - | - | - | (18.5) | - | - | - | **(18.5)** |
| DIP Facility Interest/Fees | **6,7** | - | - | - | (0.6) | - | - | - | (0.4) | - | - | - | **(1.0)** |
| Restructuring Fees | **7** | (1.3) | (1.3) | - | - | - | (1.0) | - | - | - | (3.0) | - | **(6.6)** |
| Asset sales | **8** | - | - | 3.0 | - | - | - | - | - | - | - | - | **3.0** |
| Swing line draws/(repayments) | | - | - | - | - | - | - | - | - | - | - | - | **-** |
| Operating line draws/(repayments) | | - | - | - | - | - | - | - | - | - | - | - | **-** |
| Capital Facility draws/(repayments) | | - | - | - | - | - | - | - | - | - | - | - | **-** |
| Hedges and other miscellaneous | | (0.0) | (0.1) | - | - | - | (0.0) | (0.1) | - | - | (0.0) | (0.1) | **(0.2)** |
| DIP Facility draws/(repayments) | **9** | - | - | (12.3) | (7.4) | (9.1) | (7.6) | (6.8) | 12.6 | (8.7) | (14.9) | (8.4) | **(62.6)** |
| **Total Non-Operational Items** | | **(1.3)** | **(1.3)** | **(9.3)** | **(8.0)** | **(9.1)** | **(8.6)** | **(6.9)** | **(6.3)** | **(8.7)** | **(17.9)** | **(8.5)** | **(86.0)** |
| **Net Cash Flow** | | **0.6** | **0.0** | **(0.0)** | **(0.0)** | **0.1** | **(0.0)** | **(0.0)** | **(0.0)** | **0.0** | **(0.0)** | **0.0** | **0.5** |
| Opening Available Cash | **10** | 4.4 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | **4.4** |
| Net Cash Flow | | 0.6 | 0.0 | (0.0) | (0.0) | 0.1 | (0.0) | (0.0) | (0.0) | 0.0 | (0.0) | 0.0 | **0.5** |
| **Ending Available Cash** | | **$ 5.0** | **$ 5.0** | **$ 5.0** | **$ 5.0** | **$ 5.0** | **$ 5.0** | **$ 5.0** | **$ 5.0** | **$ 5.0** | **$ 5.0** | **$ 5.0** | **$ 5.0** |
| Opening DIP Facility balance | | 88.2 | 88.2 | 88.2 | 75.9 | 68.5 | 59.4 | 51.8 | 45.0 | 57.6 | 48.9 | 34.0 | **88.2** |
| DIP Facility draws/(repayments) | | - | - | (12.3) | (7.4) | (9.1) | (7.6) | (6.8) | 12.6 | (8.7) | (14.9) | (8.4) | **(62.6)** |
| **Closing DIP Facility balance** | | **$ 88.2** | **$ 88.2** | **$ 75.9** | **$ 68.5** | **$ 59.4** | **$ 51.8** | **$ 45.0** | **$ 57.6** | **$ 48.9** | **$ 34.0** | **$ 25.6** | **$ 25.6** |

**Consolidated Cash Flow Statement of Monette Farms et al**

**Notes to the Cash Flow Statement for the 11-Week period ending January 22, 2027**

**Purpose and General Assumptions of the Fifth Cash Flow Statement**

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 GP II Ltd., and Monette Farms BC GP Ltd. (collectively, the "**Group**" or the "**Applicants**") have prepared this cash flow statement and the accompanying notes (collectively, the " **Fifth Cash Flow Statement**"). The Applicants have prepared the Fifth Cash Flow Statement on a consolidated basis based on probable and hypothetical assumptions that reflect the Applicants' planned course of action for the period from November 7, 2026, to January 22, 2027 (the "**Forecast Period**"). The Applicant's management ("**Management**") is of the opinion that, as at the date of filing the Fifth Cash Flow Statement, the assumptions used to develop the projection represent the most probable set of economic conditions facing the Applicants and that the assumptions used proved a reasonable basis for and are consistent with the purpose of the Fifth Cash Flow Statement. This Fifth Cash Flow Statement should not be used for any other purpose, and stakeholders are cautioned that the information provided in the Fifth Cash Flow Statement could vary based on changing future circumstances.

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

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

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

**Hypothetical and Probable Assumptions of the Cash Flow Statement**

1. Operating receipts generated by the Group's farming operations and include (i) revenues generated from the sale grain of remaining sale of remaining grain inventory from the 2025 crop year and expected sales of the 2026 crop based on estimated yields and pricing, the timing of which remains subject to the completion of harvest and delivery activities, (ii) seed revenue from the Group's seed processing and seed cleaning business, (iii) cattle sales from the sale of feeder cattle and (iv) the sale of produce from the 2026 crop harvest in Saskatchewan based on estimated yields and pricing. The pricing for the sales is based on current commodity prices and contracted prices, where applicable.
2. Cost of goods sold includes the Group's primary farm input costs (fertilizer, chemical and seed). The majority of input costs for the 2026 growing season have been incurred. It also includes the cost of bags, totes and packing and freight costs to transport the Group's product to market.
3. Direct Operating expenses include costs paid for custom farming, equipment rental and lease expenses (including lease payments to John Deere), fuel and lubrication associated with harvesting the 2026 crop and wages and benefits.
4. Operating overhead includes the cost of the Group's corporate insurance premiums, lease and crop share payments for the 2026 growing season and to third parties for rented acres and professional services fees associated with the Group's operations.
5. General AP/Visa includes other miscellaneous expenses and estimated costs associated with the Group's Visa cards.
6. Interest costs apply to the Group's Senior Facilities Agreement that continue to accrue interest on outstanding borrowings on a monthly basis and paid quarterly, and the DIP Facility which is paid monthly.
7. Restructuring costs consist of professional fees to be incurred as part of the CCAA Proceedings and U.S. Chapter 15 recognition including the Applicants' legal counsel, the Monitor, the Monitor's legal counsel, the DIP Lender's counsel and the Syndicate's Financial Advisor. These costs reflect forecast professional time and may vary depending on the complexity of the CCAA proceedings and the involvement of each individual professional firm involved. The assumptions also include the expected catch-up payments toward outstanding arrears owed by the Applicants'.

8. Asset sales relating to existing sales transactions expected to close within the Forecast Period.
9. Draws/(Repayments) under the DIP Facility required to fund the Applicants' operations during the Forecast Period.
10. Opening cash is approximately $4.4 million for the Group as at November 7, 2026.

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

# Appendix “B” – Notice of Events of Default and Reservation of Rights dated September 29, 2026

Scotiabank
40 King Street West
Scotia Plaza, 11th Floor
Toronto, Ontario
Canada M5H 3Y2

Scotiabank

September 29, 2026

**Monette Farms Ltd.**
P.O. Box 1298
Swift Current, Saskatchewan
S9H 3X4

**Monette Farm USA, Inc.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Darrel Noel Monette**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

With a copy to each of the other addressees listed on Schedule "A" hereto

Attention: Darrel Noel Monette

**Re: Notice of Events of Default and Reservation of Rights from The Bank of Nova Scotia, as Agent (as defined below)**

We refer to:

i. the fifth amended and restated credit agreement originally made as of December 5, 2018, amended and restated as of March 18, 2021, further amended and restated as of October 18, 2021, further amended and restated as of March 18, 2022, further amended and restated as of March 31, 2023 and further amended and restated as of April 15, 2024 between Monette Farms Ltd. (the "**Canadian Borrower**"), Monette Farm USA, Inc. (the "**U.S. Borrower**") and Darrel Noel Monette (the "**Individual Borrower**" and together with the Canadian Borrower and the U.S. Borrower, collectively, the "**Borrowers**"), as borrowers, The Bank of Nova Scotia and the other persons party thereto from time to time, as lenders (collectively, the "**Lenders**"), and The Bank of Nova Scotia, as agent of the Lenders (the "**Agent**"), as further amended and supplemented to the date hereof including pursuant to the forbearance agreement made as of November 7, 2025 (the "**Forbearance Agreement**") (as amended and supplemented to the date hereof, the "**Credit Agreement**"); and

ii. the senior secured debtor-in-possession interim financing term sheet agreement dated April 17, 2026 (the "**DIP Term Sheet**") wherein the Agent, for and on behalf of the Lenders, agreed to provide interim financing to the Borrowers to fund certain obligations of the Borrowers to finalize arrangements for the restructuring or recapitalization of their business during the pendency of the proceedings under the *Companies' Creditors Arrangement Act* (Canada) commenced before the Court of King's Bench of Alberta (the "**CCAA Proceedings**").

Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Credit Agreement or DIP Term Sheet, as applicable.

The DIP Loan Parties failed to provide the DIP Agent and the DIP Lenders with quarterly financial statements for the DIP Loan Parties within forty-five (45) days after the end of the fiscal quarter ending July 31, 2026 in accordance with the requirements of Subsection 3(b) of Schedule D to the DIP Term Sheet and did not remedy such failure within the applicable cure period of three (3) Business Days under paragraph 3(ii) of Schedule E to the DIP Term Sheet. Such failure constitutes an Event of Default under the DIP Term Sheet (the "**Quarterly Financials Default**").

The cash flow reporting received by the Agent on Friday, September 18, 2026 disclosed that, as at September 11, 2026, the DIP Loan Parties were holding and controlling Excess Cash. Pursuant to Section 33 of the DIP Term Sheet, the DIP Loan Parties were required to apply such Excess Cash to reduce amounts then owing under the Outstanding DIP Loans within three (3) Business Days of September 11, 2026, being not later than September 16, 2026. The DIP Loan Parties failed to make any such payment, which failure is a breach of Section 33 of the DIP Term Sheet and constitutes an Event of Default under paragraph 1 of Schedule E to the DIP Term Sheet (the "**Excess Cash Default**").

***Events of Default***

Accordingly, we hereby advise you that the following Defaults and Events of Default have occurred and are continuing under the Credit Agreement or DIP Term Sheet, as applicable, and have not been remedied or waived as of the date hereof:

(i) the Excess Cash Default; and

(ii) the Quarterly Financials Default,

(collectively, the "**Specified Defaults**").

The DIP Agent and the DIP Lenders reserve all of their rights and remedies resulting therefrom, including the right to demand payment of borrowings outstanding under the Credit Facilities and DIP Credit Facility.

The Applicable Pricing Rate per annum applicable to all Loans under the Credit Agreement remains increased by 2.00% per annum from and after December 3, 2025 as set out in our previous correspondence.

Pursuant to Section 38 of the DIP Term Sheet, the Majority DIP Lenders may give instruction to terminate the DIP Commitments under the DIP Credit Facility immediately on written notice to the DIP Loan Parties and the Monitor and, subject to any Court Orders, declare the DIP Obligations due and payable within two (2) days prior written notice to the Borrowers.

The Credit Agreement, the DIP Term Sheet and all security documents and guarantees granted in connection with each of the Credit Agreement and DIP Term Sheet continue in full force and effect unamended hereby.

***Reservation of Rights***

Nothing contained in this letter or in any ongoing discussions or negotiations between the DIP Agent, on behalf of the DIP Lenders, on the one hand, and the Borrowers or the DIP Loan Parties, on the other hand, nor any delay on the part of the DIP Agent or the DIP Lenders in exercising any of their respective rights and remedies under the Credit Agreement and the DIP Term Sheet, as applicable, the security documents and guarantees and/or under Applicable Law, shall directly or indirectly: (i) create any obligation to forbear from taking any enforcement action, or to make any further extensions of credit, (ii) constitute a consent to or waiver of any past, present or future default or other violation of any provisions of the Credit Agreement, the DIP Term Sheet or any other security document or guarantee; for greater certainty, any payment made by the Borrowers or the DIP Loan Parties shall not constitute a consent or waiver to the Specified Defaults, or any other Default or Event of Default, (iii) amend, modify or operate as a waiver of any provision of the Credit Agreement, the DIP Term Sheet or any other security document or guarantee or any rights, powers, privileges or remedies of the DIP Agent or the DIP Lenders or under Applicable Law or constitute an agreement to forbear or to restructure the Borrowers' or any other DIP Loan Party's indebtedness in any respect, or (iv) constitute a course of dealing or other basis for altering any rights or obligations of the DIP Agent or the DIP Lenders under the Credit Agreement, the DIP Term Sheet or any other security document or guarantees or any obligations of the Borrowers or any DIP Loan Party under the Credit Agreement, the DIP Term Sheet or any security document or guarantees or any other contract or instrument. Nothing contained in this letter shall confer on the Borrowers or any other DIP Loan Party or any other person any right to notice or cure periods with respect to any Default, Event of Default, or the Specified Defaults.

This letter confirms that the DIP Agent and the DIP Lenders have not waived any existing rights, Events of Default, the Specified Defaults, or any other Defaults and expressly reserve all of their respective rights, powers, privileges and remedies under the Credit Agreement, the DIP Term Sheet, all security documents and guarantees granted in connection with the Credit Agreement or DIP Term Sheet, as applicable, and/or Applicable Law, including, without limitation, its right, as applicable, subject to the provisions of the Amended and Restated Initial Order granted in the CCAA Proceedings (i) to commence any legal or other action to collect any or all of the Borrowers'

or other DIP Loan Parties' indebtedness from the applicable DIP Loan Parties and/or any other person liable therefor, (ii) to foreclose or otherwise realize on any or all of the Borrowers' or other DIP Loan Parties' assets, (iii) to take any other enforcement action or otherwise exercise any or all rights and remedies provided for by any or all of the Credit Agreement, the DIP Term Sheet, any other security document or guarantee or Applicable Law, and (iv) to reject any financial restructuring or other proposal made by or on behalf of the Borrowers' or other DIP Loan Parties' or any creditor or equity holder.

Subject to the Amended and Restated Initial Order granted in the CCAA Proceedings, the DIP Agent and the DIP Lenders may exercise their respective rights, powers, privileges and remedies, including those set forth in (i) through (iv) above, at any time in the DIP Agent's sole and absolute discretion in accordance with the terms of the Credit Agreement or the DIP Term Sheet, as applicable. No oral representations or course of dealing on the part of the DIP Agent or the DIP Lenders or any of their respective officers, employees or agents, and no failure or delay by the DIP Agent or the DIP Lenders with respect to the exercise of any right, power, privilege or remedy under the Credit Agreement or the DIP Term Sheet, as applicable, and any other security document or guarantee, or Applicable Law, shall operate as a waiver thereof, and the single or partial exercise of any such right, power, privilege or remedy shall not preclude any later exercise of any other right, power, privilege or remedy.

**THE BANK OF NOVA SCOTIA, AS AGENT**

By: 

Name: Rob King
Title: Managing Director & Head

By: 

Name: Venita Ramjattan
Title: Associate

**Schedule "A"**

**DMO Holdings Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Nexgen Seeds Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Family Trust**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Goat's Peak Winery Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Ontario Corp.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Seeds Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Land Corp.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms BC Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Produce Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms BC Limited Partnership**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms BC GP Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Land Limited Partnership**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Land GP Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Land II Limited Partnership**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Land II GP Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**1012595 DE Inc.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**DMO Holdings USA, Inc.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Arizona, LLC**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Seeds USA, LLC**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan  S9H 3X4

**Monette Produce, LLC**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan  S9H 3X4

# Appendix “C” – Waiver, Acknowledgement and Agreement

**WAIVER, ACKNOWLEDGMENT AND AGREEMENT**

**RE:** Commitment Letter dated April 17, 2026, among Monette Farms Ltd. (the "**Canadian Borrower**") and Monette Farms USA, Inc. (the "**US Borrower**" and, together with the Canadian Borrower, the "**Borrowers**"), The Bank of Nova Scotia, as agent (the "**DIP Agent**") and the financial institutions signatory thereto as DIP Lenders (the "**Commitment Letter**").

**AND RE:** Senior Secured Debtor-in-Possession Interim Financing Term Sheet Agreement dated as of April 17, 2026, among the Borrowers, the affiliates of the Borrowers signatory thereto as DIP Guarantors, the DIP Agent and the DIP Lenders (the "**DIP Term Sheet**"). All capitalized terms used in this waiver, acknowledgement and agreement and not otherwise defined shall have the respective meanings given to them in the DIP Term Sheet.

**DATE:** November 2, 2026

---

**RECITALS:**

A. The DIP Loan Parties failed to provide the DIP Agent and the DIP Lenders with quarterly financial statements for the DIP Loan Parties within forty-five (45) days after the end of the fiscal quarter ending July 31, 2026 in accordance with the requirements of Section 3(b) of Schedule D to the DIP Term Sheet and did not remedy such failure within the applicable cure period of three (3) Business Days under paragraph 3(ii) of Schedule E to the DIP Term Sheet. Such failure constitutes an Event of Default under the DIP Term Sheet (the "**Quarterly Financials Default**").

B. The cash flow reporting received by the Agent on Friday, September 18, 2026 disclosed that, as at September 11, 2026, the DIP Loan Parties were holding and controlling Excess Cash. Pursuant to Section 33 of the DIP Term Sheet, the DIP Loan Parties were required to apply such Excess Cash to reduce amounts then owing under the Outstanding DIP Loans within three (3) Business Days of September 11, 2026, being not later than September 16, 2026. The DIP Loan Parties failed to make any such payment, which failure is a breach of Section 33 of the DIP Term Sheet and constitutes an Event of Default under paragraph 1 of Schedule E to the DIP Term Sheet (the "**Excess Cash Default**").

C. Pursuant to Section 1(n) of Schedule D to the DIP Term Sheet, each DIP Loan Party covenanted and agreed to achieve, in a timely fashion, the DIP Milestones by the dates set forth in Schedule J to the DIP Term Sheet.

D. Pursuant to Schedule J to the DIP Term Sheet, the DIP Loan Parties shall:

(1) by October 31, 2026, enter into binding definitive purchase and sale agreements in respect of owned lands, equipment, fixtures (and any inventory or other personal property directly related to such sales), in each case on terms acceptable to the DIP Agent, such that the aggregate of: (i) gross cash proceeds of sales of owned lands

received by the DIP Loan Parties after January 1, 2026; and (ii) the anticipated gross cash proceeds of (A) sales of owned lands completed prior to the date of the DIP Term Sheet that have closed in the fiscal year 2026, plus (B) sales of owned lands that are the subject of binding definitive purchase and sale agreements entered into by the DIP Loan Parties, is not less than the amount specified therein ("**DIP Milestone No. 2**");

(2) by December 1, 2026, pay the net proceeds of the transactions referred to in DIP Milestone No. 2 in permanent reduction of the Existing Senior Secured Obligations ("**DIP Milestone No. 3**").

E. Pursuant to Section 14 of Schedule E to the DIP Term Sheet, it is an Event of Default if any DIP Loan Party fails to achieve any DIP Milestone by the date it is required to be so achieved, as set forth in Schedule J (a "**DIP Milestone Event of Default**").

F. As of the date of this waiver, acknowledgment and agreement (this "**Waiver**"):

(1) DIP Milestone No. 2 has not been satisfied and the Borrowers have confirmed to and advised the DIP Agent that DIP Milestone No. 2 will not be satisfied by October 31, 2026, such that a DIP Milestone Event of Default is anticipated to occur on October 31, 2026 (the "**DIP Milestone No. 2 Event of Default**"); and

(2) DIP Milestone No. 3 has not been satisfied and the Borrowers have confirmed to and advised the DIP Agent that DIP Milestone No. 3 will not be satisfied by December 1, 2026, such that a DIP Milestone Event of Default is anticipated to occur on December 1, 2026 (the "**DIP Milestone No. 3 Event of Default**" and together with the DIP Milestone No. 2 Event of Default, the "**Anticipated Defaults**")

G. The Borrowers have requested that the DIP Agent and the DIP Lenders (i) waive the Quarterly Financials Default and the Excess Cash Default and (ii) provide a limited waiver with respect to the Anticipated Defaults to permit the DIP Loan Parties additional time to achieve DIP Milestone No. 2 and DIP Milestone No. 3.

H. The DIP Agent, acting on the instructions of the Majority DIP Lenders, is willing to grant the foregoing waiver and limited waiver requested by the Borrowers subject to the terms and conditions set forth in this Waiver.

**NOW THEREFORE**, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), each of the undersigned hereby covenants and agrees as follows:

1. **Waiver re: Quarterly Financials Default and Excess Cash Default.** The DIP Agent, acting on the instructions of the Majority DIP Lenders, hereby agrees to waive the Quarterly Financials Default and the Excess Cash Default.

2. **Conditional Waiver re: DIP Milestone No. 2.** The DIP Agent, acting on the instructions of the Majority DIP Lenders, hereby agrees to waive the DIP Milestone No. 2 Event of Default, effective from October 31, 2026 until November 30, 2026 (the "**DIP Milestone No. 2 Waiver End Date**"), subject to the following condition:

   (a) if (i) DIP Milestone No. 2 has not been satisfied on or before the DIP Milestone No. 2 Waiver End Date, or (ii) any Event of Default (other than the DIP Milestone No. 2 Event of Default) occurs and is continuing at any time prior to the DIP Milestone No. 2 Waiver End Date, the DIP Milestone No. 2 Event of Default shall, without any further notice or action required by the DIP Agent or any DIP Lender, be reinstated and be deemed to be continuing from October 31, 2026.

3. **Conditional Waiver re: DIP Milestone No. 3.** The DIP Agent, acting on the instructions of the Majority DIP Lenders, hereby agrees to waive the DIP Milestone No. 3 Event of Default, effective from December 1, 2026 until January 15, 2027 (the "**DIP Milestone No. 3 Waiver End Date**"), subject to the following condition:

   (a) if (i) DIP Milestone No. 3 has not been satisfied on or before the DIP Milestone No. 3 Waiver End Date, or (ii) any Event of Default (other than the DIP Milestone No. 3 Event of Default) occurs and is continuing at any time prior to the DIP Milestone No. 3 Waiver End Date, the DIP Milestone No. 3 Event of Default shall, without any further notice or action required by the DIP Agent or any DIP Lender, be reinstated and be deemed to be continuing from December 1, 2026.

4. **Acknowledgment of Monitor**. The Monitor hereby acknowledges the terms and conditions set forth in this Waiver.

5. **Preservation of Rights.** The waiver contained herein is effective only for the specific instance and purpose set out herein and shall not constitute a waiver of any other right or remedy. For greater certainty, the waiver of the DIP Agent and the DIP Lenders set forth in Sections 1, 2 and 3 shall not constitute a waiver of: (a) any Event of Default other than the Quarterly Financials Default, the Excess Cash Default or the Anticipated Defaults, as applicable, or (b) DIP Milestone No. 2 or DIP Milestone No. 3 if such DIP Milestones are not satisfied by the DIP Milestone No. 2 Waiver End Date or the DIP Milestone No. 3 Waiver End Date, as applicable, and the DIP Agent and the DIP Lenders expressly reserve all of their rights and remedies with respect to any other Event of Default. Nothing in this Waiver shall be construed as a waiver of, or shall otherwise affect, any right of any DIP Lender to provide or withhold its consent or approval in respect of any matter under the DIP Loan Documents that requires the consent or approval of the Unanimous DIP Lenders or any DIP Lender individually.

6. **Governing Law**. This Waiver shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.

7. **Counterparts.** This Waiver may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be

deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Waiver to produce or account for more than one such counterpart. Delivery by facsimile or other electronic transmission, including ".pdf email", of an executed counterpart of a signature page to this Waiver shall be effective as delivery of an original executed counterpart of this Waiver.

[**SIGNATURE PAGES FOLLOW**]

**IN WITNESS WHEREOF** the parties hereto have executed this Waiver, Acknowledgment and Agreement as of the date and year first above written.

**BORROWERS:**

**MONETTE FARMS LTD.**
**as Canadian Borrower**

By: _____

Name: Darrel Monette

Title: Authorized Signatory

**MONETTE FARMS USA, INC.**
**as US Borrower**

By: _____

Name: Darrel Monette

Title: Authorized Signatory

**DIP AGENT:**

**THE BANK OF NOVA SCOTIA**
**in its capacity as DIP Agent**

By: _____

Name: Rob King
Title: Managing Director & Head

By: _____

Name: Venita Ramjattan
Title: Associate

**MONITOR:**

**FTI CONSULTING CANADA INC.**
**in its capacity as Monitor**

By: _____

Name: Deryck Helkaa

Title: Senior Managing Director

By: _____

Name: Dustin Olver

Title: Senior Managing Director

# Appendix “D” – Notice of Events of Default and Reservation of Rights dated November 10, 2026

Scotiabank
40 King Street West
Scotia Plaza, 11th Floor
Toronto, Ontario
Canada M5H 3Y2

November 10, 2026

**Monette Farms Ltd.**
P.O. Box 1298
Swift Current, Saskatchewan
S9H 3X4

**Monette Farms USA, Inc.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Darrel Noel Monette**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

With a copy to each of the other addressees listed on Schedule "A" hereto

Attention: Darrel Noel Monette

**Re: Notice of Events of Default and Reservation of Rights from The Bank of Nova Scotia, as Agent (as defined below)**

We refer to:

i. the fifth amended and restated credit agreement originally made as of December 5, 2018, amended and restated as of March 18, 2021, further amended and restated as of October 18, 2021, further amended and restated as of March 18, 2022, further amended and restated as of March 31, 2023 and further amended and restated as of April 15, 2024 between Monette Farms Ltd. (the "**Canadian Borrower**"), Monette Farms USA, Inc. (the "**U.S. Borrower**") and Darrel Noel Monette (the "**Individual Borrower**" and together with the Canadian Borrower and the U.S. Borrower, collectively, the "**Borrowers**"), as borrowers, The Bank of Nova Scotia and the other persons party thereto from time to time, as lenders (collectively, the "**Lenders**"), and The Bank of Nova Scotia, as agent of the Lenders (the "**Agent**"), as further amended and supplemented to the date hereof including pursuant to the forbearance agreement made as of November 7, 2025 (the "**Forbearance Agreement**") (as amended and supplemented to the date hereof, the "**Credit Agreement**"); and

ii. the senior secured debtor-in-possession interim financing term sheet agreement dated April 17, 2026 (the "**DIP Term Sheet**") wherein the Agent, for and on behalf of the Lenders, agreed to provide interim financing to the Borrowers to fund certain obligations of the Borrowers to finalize arrangements for the restructuring or recapitalization of their business during the pendency of the proceedings under the *Companies' Creditors Arrangement Act* (Canada) commenced before the Court of King's Bench of Alberta (the "**CCAA Proceedings**").

Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Credit Agreement or DIP Term Sheet, as applicable.

**October 23 Cash Flow Reporting**

The cash flow reporting that the DIP Agent received from the Borrowers through the Monitor for the bi-weekly period ending Friday, October 23, 2026 (the "**October 23 Cash Flow Reporting**") included:

a) the Rolling Cash Flow pursuant to Section 37 of the DIP Term Sheet ("**Proposed DIP Budget #15**");

b) a request in accordance with paragraph 27(y) of Schedule E to the DIP Term Sheet, that the variance threshold for the bi-weekly period ending October 23, 2026, be increased from fifteen percent (15%) to twenty-three percent (23%) (the "**Variance Threshold Adjustment Request**"); and

c) a request pursuant to Section 37 of the DIP Term Sheet that the DIP Agent consider and approve the Proposed DIP Budget #15 as the current DIP Budget.

**Cumulative Actual Receipts Default**

The October 23 Cash Flow Reporting disclosed that the Cumulative Actual Receipts calculated as of the last Business Day of such bi-weekly period are less than the Cumulative Budgeted Receipts for such bi-weekly period by more than the greater of fifteen percent (15%) and $1,000,000.

The DIP Agent does not approve or consent to the Variance Threshold Adjustment Request. The noted variance constitutes an Event of Default under paragraph 27 of Schedule E to the DIP Term Sheet (the "**Cumulative Actual Receipts Default**"), notice of which is hereby provided.

**DIP Milestone No. 2 Default**

The DIP Loan Parties failed to enter into binding definitive purchase and sale agreements in respect of owned lands, equipment, fixtures (and any inventory or other personal property directly related to such sales), by October 31, 2026, in each case on terms acceptable to the DIP Agent, such that

the aggregate of: (i) gross cash proceeds of sales of owned lands received by the DIP Loan Parties after January 1, 2026; and (ii) the anticipated gross cash proceeds of (A) sales of owned lands completed prior to the date of the DIP Term Sheet that have closed in the fiscal year 2026, plus (B) sales of owned lands that are the subject of binding definitive purchase and sale agreements entered into by the DIP Loan Parties, is not less than the amount specified therein as required under Schedule J to the DIP Term Sheet.

Pursuant to paragraph 14 of Schedule E to the DIP Term Sheet, it is an Event of Default if any DIP Loan Party fails to achieve any DIP Milestone by the date it is required to be so achieved, as set forth in Schedule J (the "**DIP Milestone No. 2 Default**").

On November 2, 2026, the DIP Agent, acting on the instructions of the Majority DIP Lenders, conditionally waived the DIP Milestone No. 2 Default, effective from October 31, 2026 until November 30, 2026 (the "**DIP Milestone No. 2 Waiver End Date**"), pursuant to a waiver, acknowledgment and agreement dated November 2, 2026 (the "**Conditional Waiver**"). The Conditional Waiver provides that, if any Event of Default other than the DIP Milestone No. 2 Default occurs and is continuing at any time prior to the DIP Milestone No. 2 Waiver End Date, the DIP Milestone No. 2 Default shall, without any further notice or action required by the DIP Agent or any DIP Lender, be reinstated and be deemed to be continuing from October 31, 2026.

As a result of the occurrence and continuance of the Cumulative Actual Receipts Default, the DIP Milestone No. 2 Default is reinstated pursuant to the Conditional Waiver and is deemed to be continuing from October 31, 2026.

**Events of Default**

Accordingly, and further to the notices set out above, we hereby confirm that the following Defaults and Events of Default have occurred and are continuing under the DIP Term Sheet, as applicable, and have not been remedied or waived as of the date hereof:

(i) the Cumulative Actual Receipts Default; and

(ii) the DIP Milestone No. 2 Default,

(collectively, the "**Specified Defaults**").

The DIP Agent and the DIP Lenders reserve all of their rights and remedies resulting therefrom, including the right to demand payment of borrowings outstanding under the Credit Facilities and DIP Credit Facility.

The Applicable Pricing Rate per annum applicable to all Loans under the Credit Agreement remains increased by 2.00% per annum from and after December 3, 2025 as set out in our previous correspondence.

Pursuant to Section 38 of the DIP Term Sheet, the Majority DIP Lenders may give instruction to terminate the DIP Commitments under the DIP Credit Facility immediately on written notice to the DIP Loan Parties and the Monitor and, subject to any Court Orders, declare the DIP Obligations due and payable upon two (2) days prior written notice to the Borrowers.

The Credit Agreement, the DIP Term Sheet and all security documents and guarantees granted in connection with each of the Credit Agreement and DIP Term Sheet continue in full force and effect unamended hereby.

**Approved DIP Budget**

Proposed DIP Budget #15 contains material variances from the previously approved DIP Budget which was approved on October 29, 2026 (**Approved DIP Budget #14**). Compared to Approved DIP Budget #14, Proposed DIP Budget #15 forecasts that, among other things:

a) between October 24, 2026, and November 27, 2026 (i.e., the Forecast Period as defined in the Fourth Report of the Monitor), the forecast closing DIP balance at November 27, 2026 would increase from $70.9M under Approved DIP Budget #14 to $82.7M under Proposed DIP Budget #15 (an increase of $11.8M or 16.64%); and

b) between October 30, 2026, and January 1, 2027, the forecast closing DIP Balance at January 1, 2027 would increase from $50.2M under Approved DIP Budget #14 to $57.3M under Proposed DIP Budget #15 (an increase of $7.1M or 14.14%).

Pursuant to the discretion afforded to the DIP Agent under Section 37 of the DIP Term Sheet, notice is hereby provided that the DIP Agent does not approve Proposed DIP Budget #15. Accordingly, the DIP Budget for all purposes under the DIP Term Sheet remains Approved DIP Budget #14.

**Reservation of Rights**

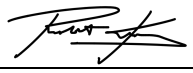
Nothing contained in this letter or in any ongoing discussions or negotiations between the DIP Agent, on behalf of the DIP Lenders, on the one hand, and the Borrowers or the DIP Loan Parties, on the other hand, nor any delay on the part of the DIP Agent or the DIP Lenders in exercising any of their respective rights and remedies under the Credit Agreement and the DIP Term Sheet, as applicable, the security documents and guarantees and/or under Applicable Law, shall directly or indirectly: (i) create any obligation to forbear from taking any enforcement action, or to make any further extensions of credit, (ii) constitute a consent to or waiver of any past, present or future default or other violation of any provisions of the Credit Agreement, the DIP Term Sheet or any other security document or guarantee; for greater certainty, any payment made by the Borrowers or the DIP Loan Parties shall not constitute a consent or waiver to the Specified Defaults, or any other Default or Event of Default, (iii) amend, modify or operate as a waiver of any provision of the Credit Agreement, the DIP Term Sheet or any other security document or guarantee or any rights, powers, privileges or remedies of the DIP Agent or the DIP Lenders or under Applicable

Law or constitute an agreement to forbear or to restructure the Borrowers' or any other DIP Loan Party's indebtedness in any respect, or (iv) constitute a course of dealing or other basis for altering any rights or obligations of the DIP Agent or the DIP Lenders under the Credit Agreement, the DIP Term Sheet or any other security document or guarantees or any obligations of the Borrowers or any DIP Loan Party under the Credit Agreement, the DIP Term Sheet or any security document or guarantees or any other contract or instrument. Nothing contained in this letter shall confer on the Borrowers or any other DIP Loan Party or any other person any right to notice or cure periods with respect to any Default, Event of Default, or the Specified Defaults.

This letter confirms that the DIP Agent and the DIP Lenders have not waived any existing rights, Events of Default, the Specified Defaults, or any other Defaults and expressly reserve all of their respective rights, powers, privileges and remedies under the Credit Agreement, the DIP Term Sheet, all security documents and guarantees granted in connection with the Credit Agreement or DIP Term Sheet, as applicable, and/or Applicable Law, including, without limitation, their right, as applicable, subject to the provisions of the Amended and Restated Initial Order granted in the CCAA Proceedings (i) to commence any legal or other action to collect any or all of the Borrowers' or other DIP Loan Parties' indebtedness from the applicable DIP Loan Parties and/or any other person liable therefor, (ii) to foreclose or otherwise realize on any or all of the Borrowers' or other DIP Loan Parties' assets, (iii) to take any other enforcement action or otherwise exercise any or all rights and remedies provided for by any or all of the Credit Agreement, the DIP Term Sheet, any other security document or guarantee or Applicable Law, and (iv) to reject any financial restructuring or other proposal made by or on behalf of the Borrowers or other DIP Loan Parties or any creditor or equity holder.

Subject to the Amended and Restated Initial Order granted in the CCAA Proceedings, the DIP Agent and the DIP Lenders may exercise their respective rights, powers, privileges and remedies, including those set forth in (i) through (iv) above, at any time in the DIP Agent's sole and absolute discretion in accordance with the terms of the Credit Agreement or the DIP Term Sheet, as applicable. No oral representations or course of dealing on the part of the DIP Agent or the DIP Lenders or any of their respective officers, employees or agents, and no failure or delay by the DIP Agent or the DIP Lenders with respect to the exercise of any right, power, privilege or remedy under the Credit Agreement or the DIP Term Sheet, as applicable, and any other security document or guarantee, or Applicable Law, shall operate as a waiver thereof, and the single or partial exercise of any such right, power, privilege or remedy shall not preclude any later exercise of any other right, power, privilege or remedy.

**THE BANK OF NOVA SCOTIA, AS AGENT**

By: 

Name: Rob King
Title: Managing Director & Head

By: 

Name: Venita Ramjattan
Title: Associate

**Schedule "A"**

**DMO Holdings Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Nexgen Seeds Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Family Trust**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Goat's Peak Winery Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Ontario Corp.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Seeds Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Land Corp.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms BC Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Produce Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms BC Limited Partnership**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms BC GP Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Land Limited Partnership**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Land GP Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Land II Limited Partnership**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Land II GP Ltd.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**1012595 DE Inc.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**DMO Holdings USA, Inc.**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Farms Arizona, LLC**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan S9H 3X4

**Monette Seeds USA, LLC**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan  S9H 3X4

**Monette Produce, LLC**
c/o Monette Farms Ltd.
P.O. Box 1298
Swift Current, Saskatchewan  S9H 3X4