

COURT FILE NUMBER	2501 - 06120
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	IN THE MATTER OF THE <i>COMPANIES' CREDITORS ARRANGEMENT ACT</i> , R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SUNTERRA FOOD CORPORATION, TROCHU MEAT PROCESSORS LTD., SUNTERRA QUALITY FOOD MARKETS INC., SUNTERRA FARMS LTD., SUNWOLD FARMS LIMITED, SUNTERRA BEEF LTD., LARIAGRA FARMS LTD., SUNTERRA FARM ENTERPRISES LTD., SUNTERRA ENTERPRISES INC.
DOCUMENT	EIGHTH REPORT OF FTI CONSULTING CANADA INC., IN ITS CAPACITY AS MONITOR OF SUNTERRA FOOD CORPORATION, TROCHU MEAT PROCESSORS LTD., SUNTERRA QUALITY FOOD MARKETS INC., SUNTERRA FARMS LTD., SUNWOLD FARMS LIMITED, SUNTERRA BEEF LTD., LARIAGRA FARMS LTD., SUNTERRA FARM ENTERPRISES LTD., SUNTERRA ENTERPRISES INC.

October 22, 2026

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

MONITOR

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

COUNSEL

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

EIGHTH REPORT OF THE MONITOR

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INTRODUCTION

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

- b. granted the following court-ordered, priority charges in favour of certain parties identified as critical to the success of the CCAA Proceedings:
 - i. an Administration Charge of \$1,000,000 (the “**Administration Charge**”); and
 - ii. a D&O Charge of \$900,000.
- 4. On April 28, 2025, this Court granted an amended and restated Initial Order (the “**ARIO**”) which provided for, among other things, an extension of the Stay of Proceedings until July 31, 2025.
- 5. On July 24, 2025, the Court granted the following:
 - a. an order that provided for:
 - i. a process for: (i) the identification, quantification and resolution of pre-filing and restructuring period claims, wherever situated, against the Applicants and their respective current and former directors and officers; and (ii) inter-company claims between the Applicants and its subsidiaries located in the United States (collectively the “**Claims Process**”); and (iii) the adjudication of the claims of two of the Applicants’ major stakeholders, Compeer Financial, PCA (“**Compeer**”) and the National Bank of Canada (“**NBC**”), in relation to an alleged cheque kiting scheme involving certain of the Applicants; and
 - ii. an extension of the Stay of Proceedings up to and including December 15, 2025; and
 - b. orders that established the litigation timeline for determining NBC’s claim (the “**NBC Claim**”, determined pursuant to the “**NBC Scheduling Order**”) and

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

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

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

9. On January 27, 2026, Justice Lema issued a decision with respect to the Compeer Claim,² finding, among other things, that, Sunterra Farms and Sunwold engaged in cheque kiting, made fraudulent misrepresentations with respect to the cheques at issue, and that Compeer suffered losses of approximately \$35M USD as a result, entitling Compeer to summary judgment as against Sunterra Farms, Sunwold, and Ray Price in an amount equal to Compeer's losses (subject to final determination) (the "**Compeer Decision**").
10. On January 29, 2026, Justice Lema issued his decision with respect to the NBC Claim,³ holding, *inter alia*, that NBC's contingent claim against certain of the Applicants in relation to potential liability flowing to NBC as a result of Compeer's losses (as detailed in the Compeer Decision) was insufficiently certain to be proven in the CCAA Proceedings (the "**NBC Decision**").
11. The Applicants scheduled a hearing on February 24, 2026 ("**February 24 Application**") where several matters were heard on application by various stakeholders, including but not limited to:
 - a. Signature Pointe Developments Inc. ("**SPDI**"), Sunterra Enterprises' 50% shareholding partner in West Market Square Inc. ("**WMS**"), sought an application ("**SPDI Application**") requesting an order lifting the Stay of Proceedings to, *inter alia*:
 - i. allow SPDI to advance funds to WMS via a shareholder loan to enable WMS to repay certain secured indebtedness owing to ATB Financial (the "**ATB Loan**");

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

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

- ii. grant declaratory, oppression-based relief under section 242(3) of the *Business Corporations Act*, RSA 2000, c B-9 against Sunterra Enterprises with respect to its alleged refusal to consent to the advancement of funds to WMS, a requirement SPDI claims exists under a Unanimous Shareholders Agreement between Sunterra Enterprises, SPDI and WMS (the “**USA Consent Requirement**”);
 - iii. dispense with the USA Consent Requirement and authorize SPDI to advance funds to WMS in an amount sufficient to repay the ATB Loan; and
 - iv. provide a charge against the assets of WMS in respect of amounts to be advanced to SPDI in connection with repayment of the ATB Loan.
- b. ATB Financial opposed the Applicants’ request to extend the stay of proceedings over the business and property of WMS and brought its own application to appoint an interim receiver over WMS (“**ATB Interim Receiver Application**”).
- i. subsequent to the February 24 Application, SPDI entered into a commercial transaction with ATB Financial in which it took a voluntary commercial assignment of the ATB Loan. SPDI then advised the Applicants and the Court that they did not intend to proceed with the ATB Interim Receiver Application.
 - ii. the Court ruled on the ATB Interim Receiver Application, finding that it would have been just and convenient to appoint a receiver in those circumstances; however, as the application was no longer being pursued no receiver was appointed.
- c. On February 20, 2026, the Applicants filed a notice of application (“**Sunterra Application**”), requesting, among other amendments to the ARIO, the following:

- i. an extension of the Stay of Proceedings to May 1, 2026; and
 - ii. confirmation that the Stay of Proceedings applies to the business and property of WMS.
- d. On February 23, 2026, Compeer filed a notice of application (“**Compeer Application**”), requesting, among other things, an order:
 - i. granting the Monitor certain enhanced powers within the CCAA Proceedings and in respect of, *inter alia*, the Applicants’ property and the Applicants’ business and operations, including providing the Monitor with additional protections;
 - ii. approving Compeer’s proposed Sale and Solicitation Investment Process; and
 - iii. lifting the Stay of Proceedings, if necessary, to permit Compeer to pursue its claims against certain directors of the Sunterra entities implicated in the Compeer Claim(the “**Enhanced Powers Application**”).

12. Following the February 24 Application, the Court:

- i. declined to extend the Stay of Proceedings to business and property of WMS;
- ii. dismissed the Enhanced Powers Application; and
- iii. extended the Stay of Proceedings up to and including May 1, 2026 (the “**March Stay Extension Order**”).

13. On May 7, 2026, the Court granted additional relief:

- a. an order (“**CRA Appointment Order**”) authorizing the appointment of Neil Narfason Professional Corporation as chief restructuring advisor (“**Chief Restructuring Advisor**”) in accordance with the terms outlined in the engagement agreement effective February 23, 2026 and attached as Exhibit “B” to the Affidavit of Arthur Price sworn April 21, 2026 (“**Chief Restructuring Advisor Engagement Letter**”);
- b. an order (“**SISP Approval Order**”) approving the Chief Restructuring Advisor to commence the sale and investment solicitation process (“**SISP**”) attached at Schedule “A” to the SISP Approval Order; and
- c. certain amendments to the ARIO, including but not limited to;
 - i. extending the Stay of Proceedings to October 30, 2026;
 - ii. approving and authorizing KPMG Corporate Finance Inc. (“**Sale Advisor**”) to act as sale advisor of the Applicants to implement the proposed SISP;
 - iii. expanding the parties who benefit from the Administration Charge to include the proposed Chief Restructuring Advisor, and clarifying that Goodmans LLP is included in the Administration Charge as counsel to the Applicants; and
 - iv. adding a charge to secure fees and expenses payable to the Sale Advisor (“**Sale Advisor Charge**”) in connection with their engagement to administer the SISP. The Sale Advisor Charge ranks pari passu with the Administration Charge.

14. On October 20, 2026 the Applicants filed materials returnable October 29, 2026 seeking an order (“**Stay Extension Order**”) extending the Stay of Proceedings from October 30, 2026 to January 29, 2027.

PURPOSE

15. The purpose of this report (this “**Report**” or the “**Eighth Report**”) is to provide:
- a. an update with respect to these CCAA Proceedings, and the Monitor’s activities since it filed its seventh report dated April 24, 2026 (the **Seventh Report**) including;
 - i. an update on the ongoing implementation of the SISP; and
 - ii. an update on the disclaimer of two real property leases pursuant to section 32 of the CCAA;
 - b. a summary of the actual cash flow for the period of April 18, 2026, to October 2, 2026, as compared to the Fifth Cash Flow Statement attached to the Monitor’s Sixth Report;
 - c. the Applicants’ sixth CCAA cash flow statement (the “**Sixth Cash Flow Statement**”) for the period commencing October 3, 2026 and ending January 29, 2027; and
 - d. the Monitor’s comments and recommendations in respect of the request for the Stay Extension Order.

TERMS OF REFERENCE

16. In preparing this Report, the Monitor has relied upon certain information (the “**Information**”), including the Applicants’ unaudited financial information, books and records, and discussions with the Applicants’ senior management (“**Management**”).
17. Except as described in this Report, the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*.
18. 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.
19. Future-oriented financial information reported to be relied on in preparing this Report is based on Management’s assumptions regarding future events. Actual results may vary from forecast, and such variations may be material.
20. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

UPDATE ON ACTIVITIES OF THE MONITOR AND THESE CCAA PROCEEDINGS

21. The Monitor’s activities since the date of the Seventh Report have included the following:
 - a. conducting ongoing discussions with Management and the Applicants’ legal counsels, Blue Rock Law LLP and Goodmans LLP regarding the Applicants’ business, financial affairs and next steps;
 - b. holding discussions with key stakeholders and/or their counsels, including:

- i. the Applicants' senior lenders (NBC and Farm Credit Canada ("FCC"));
and
 - ii. Compeer;
- c. monitoring the Applicants' restructuring efforts and holding regular discussions with the Applicants' Sale Advisor and Chief Restructuring Advisor regarding the ongoing implementation of the SISP and the evaluation of potential transaction and restructuring alternatives;
- d. attending scheduling and case management hearings with the Court and various parties including the Applicants, NBC, and Compeer; engaging with the Applicants and Compeer regarding Compeer's request for a review of the Applicants' financial records to review the Applicants' intercompany transactions and trace any financial proceeds from the conduct identified by this Court in its January 27, 2026 decision. The Monitor continues to engage with the Applicants and Compeer to discuss this exercise, however this matter has not been resolved;
- e. reviewing and consulting with the Applicants in respect of cash flow reporting including weekly budget to actual reporting to the Fifth Cash Flow Statement attached to the Monitor's Seventh Report;
- f. assisting the Applicants in preparing the Sixth Cash Flow Statement, which is attached as Appendix A hereto;
- g. responding to inquiries from the Applicants' creditors, suppliers and stakeholders;
and
- h. preparing this Report.

UPDATE ON THE SISP

22. The SISP is being implemented by the Chief Restructuring Advisor, with the assistance of the Sale Advisor and with the supervision of the Monitor. The SISP included provisions to provide certain creditors, NBC, FCC and Compeer (collectively the “**Consultation Stakeholders**”) with specified consultation rights throughout the implementation of the SISP.

Marketing and Solicitation of Interest

23. The Monitor confirms that subsequent to the granting of the SISP Approval Order, the Sale Advisor, in consultation with the Chief Restructuring Advisor and the Monitor:
- a. prepared a teaser letter describing the Opportunity under the SISP, outlining the process under the SISP, and inviting recipients to express their interest in the Property (as defined in the SISP) or Business (as defined in the SISP) of the Applicants pursuant to the SISP (the “**Teaser Letter**”);
 - b. prepared a confidential information memoranda providing information regarding the Applicants, the Property and the Business, including, as permitted by the SISP, separate confidential information memoranda for certain of the Applicants’ separate lines of the Business and/or portions of the Property, in each case in form and substance satisfactory to the Chief Restructuring Advisor, in consultation with the Monitor;
 - c. with assistance from Goodmans LLP, prepared a non-disclosure agreement (an “**NDA**”) in form and substance satisfactory to the Chief Restructuring Advisor, in consultation with the Monitor;
 - d. populated a virtual data room (“**Data Room**”) with due diligence materials to be provided to interested parties. The Monitor notes the Data Room has been updated

periodically with additional/updated financial and operational information to address due diligence questions from interested parties;

- e. prepared a list of potential bidders, including parties that had approached the Applicants, the Chief Restructuring Advisor, the Sale Advisor or the Monitor, and local and international strategic and financial parties believed to be potentially interested in the Opportunity, in consultation with the Chief Restructuring Advisor, the Applicants and the Monitor (collectively, the “**Known Potential Bidders**”);
 - f. caused a notice of the SISP to be posted on the Monitor’s website and published in The Globe and Mail and the Financial Post on May 13, 2026; and
 - g. sent the Teaser Letter and NDA to Known Potential Bidders and to other parties who requested them or who were identified to the Sale Advisor by the Chief Restructuring Advisor, the Applicants or the Monitor as potential bidders.
24. In the Monitor’s view the Chief Restructuring Advisor and the Sale Advisor have implemented the marketing and solicitation portion of the SISP in accordance with the terms of the SISP and the SISP Approval Order.

Phase 1 of the SISP

25. The Phase 1 Bid Deadline to submit non-binding letters of intent was June 25, 2026. Given the status of discussions with interested parties the Sale Advisor and the Chief Restructuring Advisor proposed an extension to the Phase 1 Bid Deadline. The Monitor reviewed the request and determined an extension was necessary to ensure interested parties had adequate time to assess the opportunity and submit Phase 1 Bids and that extending the Phase 1 Deadline would assist in maximizing the number and value of Phase 1 Bids. Accordingly, the Phase 1 Bid Deadline was extended to July 16, 2026 in consultation with the Consultation Stakeholders.

Phase 2 of the SISP

26. The Sale Advisor prepared a process letter for the second phase of the SISP, the Monitor reviewed the process letter and advised that it was in form and substance acceptable to the Monitor as it clearly outlined the process for the submission of Binding Offers. The process letter was distributed to the Phase 2 Qualified Bidders.
27. The deadline for the submission of Binding Offers (the “Phase 2 Bid Deadline”) was initially determined to be October 1, 2026. On September 17, 2026 the Sale Advisor and the Chief Restructuring Advisor approached the Monitor requesting its consent to an extension to the Phase 2 Bid Deadline. The Monitor reviewed the extension request giving consideration to the status of the Phase 2 Qualified Bidders diligence process and the liquidity situation of the Applicants. The Monitor determined that an extension to the Phase 2 Bid Deadline was appropriate in the circumstances and would assist Phase 2 Qualified Bidders in being able to present Phase 2 Qualified Bids. The Phase 2 Bid Deadlines were then extended as follows:
 - a. to October 7, 2026 in respect of the business and assets of Sunterra Markets and in respect of Sunterra Enterprises Inc.’s interest in West Market Square Inc.; and
 - b. to October 22, 2026 in respect of the balance of the Applicants’ businesses and assets.
28. The SISP is ongoing and the Monitor will report further to this Honourable Court with respect to the results of the SISP in due course.

LEASE DISCLAIMERS

29. After review of certain of its retail locations and with knowledge gained about the marketability and value of specific locations through the SISP, Sunterra Markets and the Chief Restructuring Advisor requested the Monitor’s approval to disclaim two real

property leases pursuant to section 32 of the CCAA. The Monitor reviewed the request by considering the historical financial performance of the two real property locations. Both locations had historically suffered losses and were experiencing ongoing negative cash flow. Additionally, the Monitor discussed the disclaimers with the Sale Advisor and determined the disclaimer of these locations would enhance the likelihood of a sale or restructuring of the Sunterra Markets business and reduce ongoing persistent negative cash flow from these locations. Accordingly, the Monitor approved the disclaimers.

30. The lease of the premises at Commerce Place in Edmonton, Alberta, was disclaimed effective June 7, 2026 and the lease of the premises at the Bower Place shopping centre in Red Deer, Alberta, was disclaimed with an effective date of October 31, 2026.
31. The Monitor is not aware of any objection to the disclaimers by the counterparties.

FIFTH CASH FLOW STATEMENT BUDGET TO ACTUAL

32. The Applicants' actual cash flow in comparison to the Fifth Cash Flow Statement for the period of April 18, 2026, to October 2, 2026, is summarized below:

24-Week Period Ending October 2, 2026			
	Actual	Forecast	Variance
(CAD's)			
Receipts			
Farms receipts	\$ 18,505,690	\$ 15,719,060	\$ 2,786,630
Markets receipts	21,938,167	24,905,000	(2,966,833)
Total Receipts	\$ 40,443,857	\$ 40,624,060	\$ (180,203)
Disbursements			
<u>Farms</u>			
Feed purchases	(4,384,144)	(4,104,000)	(280,144)
Barn utilities	(230,894)	(316,000)	85,106
Medication/vaccines	(918,816)	(852,000)	(66,816)
Transportation	(1,161,471)	(816,000)	(345,471)
Other opex	(2,322,143)	(1,920,947)	(401,196)
Employee expenses	(3,193,471)	(2,880,000)	(313,471)
<u>Markets</u>			
Opex	(16,121,218)	(18,936,000)	2,814,782
Employee expenses	(6,539,093)	(6,960,000)	420,907
<u>Other Entity Operating Expenses</u>	<u>(159,574)</u>	<u>(196,000)</u>	<u>36,426</u>
Total Disbursements	(35,030,825)	(36,980,947)	1,950,122
Operational Cash Flow	5,413,032	3,643,113	1,769,919
Non-Operational Items			
Interest expense	(644,595)	(759,543)	114,949
Professional Fees	(2,473,293)	(3,508,602)	1,035,309
Inter-company bank transfers	-	-	-
Non-operational receipts	-	-	-
Dedicated Loan Repayment	-	-	-
Total Non-Operational Items	(3,117,888)	(4,268,146)	1,150,257
Total Net Cash flow	\$ 2,295,144	\$ (625,032)	\$ 2,920,177
Opening Cash	\$ 7,529,486	\$ 7,529,486	\$ -
Net Cash flow	2,295,144	(625,032)	2,920,177
Ending Balance	\$ 9,824,630	\$ 6,904,454	\$ 2,920,177

The Applicants' pig farming operations (the "Farm Operations") have had strong results. The Farm Operations' sales receipts exceeded forecast by approximately \$2.8 million, driven by stronger realized hog pricing, higher sales volumes, and distributions from Westland Livestock Ltd. The favourable receipts variance more than offset higher than forecast disbursements of approximately \$1.3 million.

33. The Applicants' eight retail grocery market businesses (the "**Markets Operations**") have performed above forecast by approximately \$268,000. This variance was comprised of lower than forecast receipts of approximately \$3.0 million, more than offset by lower than forecast operating disbursements of approximately \$3.2 million. The lower than forecast receipts and disbursements were primarily attributable to lower than expected sales volumes and the closure of two Markets locations during the period.
34. The Applicants' non-operating entities (Trochu, Sunterra Food, Sunterra Enterprises and Sunterra Farm Enterprises) have performed above forecast by approximately \$36,000, primarily due to the timing of certain disbursements and the payment of certain expenses through the Farm Operations.
35. Professional fees have a positive variance of approximately \$1 million, which is primarily timing-related and partly attributable to certain professional fees having been incurred and invoiced to the Applicants but not yet paid. Accordingly, this positive variance is expected to reverse in future periods as the Applicants make payments on professional fees invoiced in prior months.
36. The Monitor has the following additional comments with respect to material variances in actual receipts and disbursements as compared to the Fifth Cash Flow Statement:
- a. receipts were lower than forecast by approximately \$180,000, due to:
 - i. Farm Operations receipts being ahead of forecast by approximately \$2.8 million primarily due to higher sales volumes and stronger realized hog pricing; and
 - ii. Markets Operations receipts being below forecast by approximately \$3 million due to lower than expected weekly sales;
 - b. disbursements were lower than forecast by approximately \$2 million, as:

- i. Farm Operations disbursements were higher than forecast by approximately \$1.3 million due to increased feed purchases and transportation costs associated with increased sales volumes, higher feed costs, increased employee expenses, and higher other operating expenses related to barn repairs and annual IT and insurance payments. These variances were partially offset by favourable barn utilities costs; however, this positive variance is attributable to the timing of utility payments;
 - ii. Markets Operations disbursements were below forecast by approximately \$3.2 million, primarily due to lower than expected sales volumes and the closure of two Markets locations; and
 - iii. Other entity operating expenses were approximately \$36,000 lower than forecast, primarily due to certain payments being made through the Farm Operations during the period, as well as the timing of certain disbursements.
- c. interest expense was lower than forecast by approximately \$115,000 due to the timing of interest payments and is expected to reverse in future periods.
37. As of October 2, 2026, the Applicants have an ending cash balance of approximately \$9.8 million, which is approximately \$2.9 million higher than forecast.

SIXTH CASH FLOW STATEMENT

38. Management has prepared the Sixth Cash Flow Statement to set out the Applicants' liquidity requirements for the 17-week period ending January 29, 2027 (the "**Forecast Period**"). A copy of the Sixth Cash Flow Statement is attached as Appendix A.
39. The Sixth Cash Flow Statement is summarized as follows:

Week Ending (Friday)	17-Week Forecast
(CAD's)	Total
Receipts	
Farms receipts	\$ 8,663,107
Markets receipts	16,515,480
Total Receipts	\$ 25,178,587
Disbursements	
<u>Farms</u>	
Feed purchases	(3,110,933)
Barn utilities	(254,000)
Medication/vaccines	(619,647)
Transportation	(797,842)
Other opex	(1,667,201)
Employee expenses	(2,071,762)
<u>Markets</u>	
Cost of goods sold	(12,607,655)
Employee expenses	(4,417,204)
<u>Other Entity Operating Expenses</u>	(112,735)
Total Disbursements	(25,658,980)
Operational Cash Flow	(480,393)
<u>Non-Operational Items</u>	
Interest expense	(343,436)
Professional fees	(1,565,777)
Inter-company bank transfers	-
Non-operational receipts	-
Dedicated Loan Repayment	-
Total Non-Operational Items	(1,909,213)
Total Net Cash flow	\$ (2,389,606)
Opening Cash	\$ 9,824,630
Net Cash flow	(2,389,606)
Ending Balance	\$ 7,435,024

40. As set out in the Sixth Cash Flow Statement, during the Forecast Period, the Applicants estimate:
- operating cash receipts of approximately \$25.2 million;
 - operating disbursements of approximately \$25.7 million;

- c. interest payments of approximately \$343,000 with respect to the Applicants' secured lenders, NBC and FCC;
 - d. professional fees of approximately \$1.6 million; and
 - e. negative operating cash flow of approximately \$480,000, and negative net cash flow of approximately \$2.4 million (after interest expense and professional fees), resulting in an ending cash balance of approximately \$7.4 million.
41. Detailed notes to the Sixth Cash Flow Statement are included as an attachment to the Sixth Cash Flow Statement; however, the Monitor notes the following key assumptions:
- a. Farm Operations receipts are generated through Farm Operations and are based on lean hog futures pricing published by the CME Group, with consideration for estimated feed and other costs related to raising pigs, and the estimated number of pigs to be sold each week;
 - b. Markets Operations receipts are generated from Sunterra Markets' six food markets, two Starbucks locations and catering sales;
 - c. Farm Operations disbursements relate to the operations of the Applicants' nine barns and include employee expenses for barn and head office staff required to support the barns;
 - d. Markets Operations disbursements include cost of goods to be sold at each of the Markets' retail locations and employee expenses for retail staff and head office staff to support the Markets;
 - e. interest and fees relate to borrowing costs paid to NBC and FCC; and

- f. professional fees relate to fees incurred for the Applicants' legal counsel, the Monitor, the Monitor's legal counsel, Sale Advisor and the Chief Restructuring Advisor, and include the expected catch-up payments toward outstanding arrears, based on information provided regarding unpaid balances.

MONITOR'S COMMENTS ON THE SIXTH CASH FLOW STATEMENT

- 42. Section 23(1)(b) of the CCAA states that the Monitor shall "review the company's cash-flow statement as to its reasonableness and file a report with the court on the Monitor's findings."
- 43. Pursuant to section 23(1)(b) of the CCAA, and in accordance with the Canadian Association of Insolvency and Restructuring Professionals Standard of Practice 09-1, the Monitor hereby reports as follows:
 - a. the Sixth Cash Flow Statement has been prepared by Management for the purpose described in the notes to the Sixth 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 Management and employees of the Applicants. Since hypothetical assumptions need not be supported, the Monitor's procedures with respect to those assumptions were limited to evaluating whether they were consistent with the purpose of the Sixth Cash Flow Statement. The Monitor has also reviewed the information provided by Management in support of the probable assumptions and the preparation and presentation of the Sixth Cash Flow Statement;
 - c. based on its review, and as at the date of this Report, nothing has come to the attention of the Monitor that causes it to believe that, in all material respects:

- i. the hypothetical assumptions are not consistent with the purpose of the Sixth 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 Sixth Cash Flow Statement, given the hypothetical assumptions; or
 - iii. the Sixth Cash Flow Statement does not reflect the probable and hypothetical assumptions;
- d. since the Sixth 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 Sixth Cash Flow Statement will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information present in this Report, or relied upon by the Monitor in preparing this Report; and
- e. the Sixth Cash Flow Statement has been prepared solely for the purpose of estimating liquidity requirements of the Applicants during the Forecast Period. The Sixth Cash Flow Statement should not be relied upon for any other purpose.

THE MONITOR'S POSITION REGARDING THE PROPOSED STAY EXTENSION

44. The current Stay of Proceedings will expire on October 30, 2026. The Applicants are seeking an extension of the Stay of Proceedings to January 29, 2027. The Monitor supports the requested Stay Extension Order for the following reasons:

- a. the Court-approved SISP remains ongoing, including the evaluation of Phase 2 bids and the pursuit of one or more potential transaction alternatives;
- b. additional time is required to complete the SISP process and continue restructuring discussions with stakeholders;
- c. the length of the Stay Extension is appropriate to permit the Applicants to continue advancing the SISP and their restructuring efforts;
- d. the Sixth Cash Flow Statement indicates that the Applicants will have sufficient liquidity to continue to fund ongoing operations and the cost of these CCAA Proceedings for the duration of the proposed Stay Extension; and
- e. accordingly, the Monitor believes there will be no material prejudice to the Applicants' creditors and stakeholders as a result of the proposed Stay Extension.

CONCLUSIONS AND RECOMMENDATIONS

45. The Monitor is of the view that the Stay Extension Order sought by the Applicants is necessary, reasonable, appropriate and justified in the circumstances. Accordingly, the Monitor recommends granting the Stay Extension Order.

All of which is respectfully submitted this 22nd day of October 2026.

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

A handwritten signature in black ink, appearing to read "Dustin Olver", is written over a horizontal line.

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

Appendix A

Sixth Cash Flow Statement

Sunterra Group Consolidated Cash Flow Statement													
Week Ending (Friday)	9-Oct-26 Forecast	16-Oct-26 Forecast	23-Oct-26 Forecast	30-Oct-26 Forecast	6-Nov-26 Forecast	13-Nov-26 Forecast	20-Nov-26 Forecast	27-Nov-26 Forecast	4-Dec-26 Forecast	11-Dec-26 Forecast	18-Dec-26 Forecast	25-Dec-26 Forecast	1-Jan-27 Forecast
(CAD's)	Wk 1	Wk 2	Wk 3	Wk 4	Wk 5	Wk 6	Wk 7	Wk 8	Wk 9	Wk 10	Wk 11	Wk 12	Wk 13
Receipts													
Farms receipts	\$ 1,043,695	\$ 229,184	\$ 300,184	\$ 386,355	\$ 429,303	\$ 408,303	\$ 404,803	\$ 358,303	\$ 548,224	\$ 552,724	\$ 372,855	\$ 527,224	\$ 690,418
Markets receipts	945,480	870,000	870,000	870,000	870,000	870,000	870,000	870,000	950,000	1,000,000	1,500,000	1,800,000	800,000
Total Receipts	\$ 1,989,175	\$ 1,099,184	\$ 1,170,184	\$ 1,256,355	\$ 1,299,303	\$ 1,278,303	\$ 1,274,803	\$ 1,228,303	\$ 1,498,224	\$ 1,552,724	\$ 1,872,855	\$ 2,327,224	\$ 1,490,418
Disbursements													
<u>Farms</u>													
Feed purchases	(182,933)	(183,000)	(183,000)	(183,000)	(183,000)	(183,000)	(183,000)	(183,000)	(183,000)	(183,000)	(183,000)	(183,000)	(183,000)
Barn utilities	(39,514)	(8,232)	(13,254)	-	-	(25,000)	(36,000)	-	-	(30,000)	(36,000)	-	-
Medication/vaccines	(11,647)	(38,000)	(38,000)	(38,000)	(38,000)	(38,000)	(38,000)	(38,000)	(38,000)	(38,000)	(38,000)	(38,000)	(38,000)
Transportation	(13,842)	(49,000)	(49,000)	(49,000)	(49,000)	(49,000)	(49,000)	(49,000)	(49,000)	(49,000)	(49,000)	(49,000)	(49,000)
Other opex	(147,201)	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)
Employee expenses	8,238	(220,000)	(40,000)	(220,000)	(40,000)	(220,000)	(40,000)	(220,000)	(40,000)	(220,000)	(40,000)	(220,000)	(40,000)
<u>Markets</u>													
Cost of goods sold	(804,655)	(683,000)	(683,000)	(683,000)	(683,000)	(653,000)	(653,000)	(653,000)	(713,000)	(750,000)	(1,125,000)	(1,350,000)	(600,000)
Employee expenses	(332,204)	(260,000)	(280,000)	(205,000)	(280,000)	(205,000)	(280,000)	(205,000)	(280,000)	(205,000)	(280,000)	(205,000)	(280,000)
<u>Other Entity Operating Expenses</u>	(7,235)	(5,000)	(5,000)	(5,000)	(13,500)	(5,000)	(5,000)	(5,000)	(13,500)	(5,000)	(5,000)	(5,000)	(13,500)
Total Disbursements	(1,530,994)	(1,541,232)	(1,386,254)	(1,478,000)	(1,381,500)	(1,473,000)	(1,379,000)	(1,448,000)	(1,411,500)	(1,575,000)	(1,851,000)	(2,145,000)	(1,298,500)
Operational Cash Flow	458,181	(442,048)	(216,070)	(221,645)	(82,197)	(194,697)	(104,197)	(219,697)	86,724	(22,276)	21,855	182,224	191,918
<u>Non-Operational Items</u>													
Interest expense	-	(30,314)	-	-	(104,374)	-	-	-	(104,374)	-	-	-	(104,374)
Professional fees	-	-	(55,107)	(419,571)	-	-	-	(545,550)	-	-	-	-	(545,550)
Inter-company bank transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-operational receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Dedicated Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operational Items	-	(30,314)	(55,107)	(419,571)	(104,374)	-	-	(545,550)	(104,374)	-	-	-	(649,924)
Total Net Cash flow	\$ 458,181	\$ (472,362)	\$ (271,176)	\$ (641,216)	\$ (186,571)	\$ (194,697)	\$ (104,197)	\$ (765,247)	\$ (17,650)	\$ (22,276)	\$ 21,855	\$ 182,224	\$ (458,006)
Opening Cash	\$ 9,824,630	\$ 10,282,811	\$ 9,810,450	\$ 9,539,273	\$ 8,898,057	\$ 8,711,486	\$ 8,516,788	\$ 8,412,591	\$ 7,647,344	\$ 7,629,693	\$ 7,607,417	\$ 7,629,272	\$ 7,811,496
Net Cash flow	458,181	(472,362)	(271,176)	(641,216)	(186,571)	(194,697)	(104,197)	(765,247)	(17,650)	(22,276)	21,855	182,224	(458,006)
Ending Balance	\$ 10,282,811	\$ 9,810,450	\$ 9,539,273	\$ 8,898,057	\$ 8,711,486	\$ 8,516,788	\$ 8,412,591	\$ 7,647,344	\$ 7,629,693	\$ 7,607,417	\$ 7,629,272	\$ 7,811,496	\$ 7,353,490

Sunterra Group
Consolidated Cash Flow Statement (Continued)

Week Ending (Friday)	8-Jan-27 Forecast	15-Jan-27 Forecast	22-Jan-27 Forecast	29-Jan-27 Forecast	17-Week Forecast
(CAD's)	Wk 14	Wk 15	Wk 16	Wk 17	Total
Receipts					
Farms receipts	\$ 643,918	\$ 664,918	\$ 437,780	\$ 664,918	\$ 8,663,107
Markets receipts	820,000	870,000	870,000	870,000	16,515,480
Total Receipts	\$ 1,463,918	\$ 1,534,918	\$ 1,307,780	\$ 1,534,918	\$ 25,178,587
Disbursements					
<u>Farms</u>					
Feed purchases	(183,000)	(183,000)	(183,000)	(183,000)	(3,110,933)
Barn utilities	-	(66,000)	-	-	(254,000)
Medication/vaccines	(38,000)	(38,000)	(38,000)	(38,000)	(619,647)
Transportation	(49,000)	(49,000)	(49,000)	(49,000)	(797,842)
Other opex	(95,000)	(95,000)	(95,000)	(95,000)	(1,667,201)
Employee expenses	(220,000)	(40,000)	(220,000)	(40,000)	(2,071,762)
<u>Markets</u>					
Cost of goods sold	(615,000)	(653,000)	(653,000)	(653,000)	(12,607,655)
Employee expenses	(255,000)	(380,000)	(205,000)	(280,000)	(4,417,204)
<u>Other Entity Operating Expenses</u>	(5,000)	(5,000)	(5,000)	(5,000)	(112,735)
Total Disbursements	(1,460,000)	(1,509,000)	(1,448,000)	(1,343,000)	(25,658,980)
Operational Cash Flow	3,918	25,918	(140,220)	191,918	(480,393)
<u>Non-Operational Items</u>					
Interest expense	-	-	-	-	(343,436)
Professional fees	-	-	-	-	(1,565,777)
Inter-company bank transfers	-	-	-	-	-
Non-operational receipts	-	-	-	-	-
Dedicated Loan Repayment	-	-	-	-	-
Total Non-Operational Items	-	-	-	-	(1,909,213)
Total Net Cash flow	\$ 3,918	\$ 25,918	\$ (140,220)	\$ 191,918	\$ (2,389,606)
Opening Cash	\$ 7,353,490	\$ 7,357,408	\$ 7,383,326	\$ 7,243,106	\$ 9,824,630
Net Cash flow	3,918	25,918	(140,220)	191,918	(2,389,606)
Ending Balance	\$ 7,357,408	\$ 7,383,326	\$ 7,243,106	\$ 7,435,024	\$ 7,435,024


Sunterra Group
Art Price

Consolidated Cash Flow of the Sunterra Group

Notes to the Sixth Statement of Cash Flow for the 17-Week period ending January 29, 2027

Purpose and General Assumptions of the Cash Flow Statement

Sunterra Farms Ltd. (“**Sunterra Farms**”), Sunterra Food Corporation (“**Sunterra Food**”), Sunterra Quality Food Markets Inc. (“**Sunterra Markets**”), Sunwold Farms Limited (“**Sunwold**”), Trochu Meat Processors Ltd. (“**Trochu**”), Sunterra Beef Ltd. (“**Sunterra Beef**”), Lariagra Farms Ltd. (“**Lariagra**”), Sunterra Farm Enterprises Ltd. (“**Sunterra Farm Enterprises**”) and Sunterra Enterprises Inc. (“**Sunterra Enterprises**” and collectively, the “**Sunterra Group**” or the “**Applicants**”) have prepared this cash flow statement and the accompanying notes (collectively, the “**Sixth Cash Flow Statement**”). The Applicants have prepared the Sixth 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 October 3, 2026, to January 29, 2027 (the “**Forecast Period**”). The Applicant’s management (“**Management**”) is of the opinion that, as at the date of filing the Sixth 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 Sixth Cash Flow Statement. This Sixth Cash Flow Statement should not be used for any other purpose, and creditors are cautioned that the information provided in the Sixth Cash Flow Statement could vary based on changing future circumstances.

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

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

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

Hypothetical and Probable Assumptions of the Sixth Cash Flow Statement

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

other fully grown pigs sold within Canada. Farm receipts also include proceeds received in Week 1 from the sale of Red Willow Farms.

2. Markets receipts are generated by Sunterra Markets and relate to: (i) estimated weekly sales from 6 retail markets locations and 2 licensed Starbucks locations and are based on historical results and input from Management for sale trends consistent with the current business operations; and (ii) sales for catering services based on historical results and input from Management.
3. Feed purchases are weekly purchases required to feed the pigs.
4. Utilities include estimated monthly internet, water, natural gas, heat and electricity.
5. Livestock medications related to monthly costs for vaccinations and medical supplies for the welfare of the pigs.
6. Transportation costs relate to the transport of livestock from the Sunterra Groups barns located in and around Acme, AB to the location of the purchasers barns which is most commonly in the Mid-West United States. Total transportation costs are based on Management's estimate for the number of livestock being transported and the estimated distance of each shipment.
7. Other operating costs include all other expenses incurred for the operations of the farm.
8. Salaries, wages, remittances and all employee benefits for salaries and hourly employees paid on a bi-weekly basis. In the Sixth Cash Flow Statement, employee expenses are separated between farming operations and the operations of the Sunterra Markets. The employee expenses for farming operations also support the other operating entities, which currently have limited operations.
9. Cost of Goods Sold are estimated based on current inventory levels at each of the Sunterra Markets' locations and information provided through the inventory management system. Weekly disbursements are estimated by Management based on their knowledge of the supplies turnover and payment terms of individual vendors. Cost of Goods Sold also includes estimated costs associated with the removal of equipment from the closed Bower Place location in Red Deer during October and early November.
10. Operating expenses for other operating entities include the miscellaneous expenses for the operations of Trochu, Sunterra Food, Sunterra Farm Enterprises, Sunterra Enterprises and Sunterra Beef.
11. Interest and fees related to borrowing costs paid on a monthly basis. The interest payments include amounts due to NBC from Sunterra Food, Farm Credit Canada from Sunterra Farms and Lariagra.
12. Professional fees include estimated payments to the Applicants' legal counsel, the Monitor, the Monitor's legal counsel, the Applicant's Sales Advisor, and the Chief Restructuring Advisor. These costs reflect forecast professional time and may vary depending on the complexity of the CCAA proceedings and the involvement of each individual professional firm involved. The work required for the Monitor to complete the intercompany payment tracing exercise requested by Compeer is not included in the

current scope. If the Court directs the Monitor to undertake this work, the resulting report will exceed the forecasted amount. The Applicants and the Monitor continue to discuss professional fee estimates on an ongoing basis.

13. Inter-company bank transfers net to nil in the consolidated Sixth Cash Flow Statement, include payments via inter-company loan between the Sunterra Group. The majority of transfers originate from Sunwold as the entity which is forecast to generate the most excess cash flow over the Forecast Period. Markets and Sunterra Food are forecast to be the recipient of inter-company transfers due to operational losses and interest charges, respectively.
14. Opening cash is expected to be \$9,824,630 for the Sunterra Group as a whole as at October 3, 2026.

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

Sunterra Group

A handwritten signature in black ink, appearing to be 'AP', written over a horizontal line.

Art Price
Director