

COURT FILE NUMBER 2601-07148  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT, RSC 1985, c  
C-36, as amended

AND IN THE MATTER OF THE PLAN OF  
COMPROMISE OR ARRANGEMENT OF  
MONETTE FARMS LTD., MONETTE FARMS  
ONTARIO CORP., NEXGEN SEEDS LTD.,  
MONETTE PRODUCE LTD., MONETTE SEEDS  
LTD., MONETTE LAND CORP., DMO HOLDINGS  
LTD., DMO HOLDINGS USA, INC., MONETTE  
SEEDS USA, LLC, MONETTE FARMS ARIZONA,  
LLC, MONETTE FARMS USA, INC., 1012595 DE  
INC., MONETTE PRODUCE, LLC, GOAT'S PEAK  
WINERY LTD., MONETTE FARMS BC LTD.,  
MONETTE FARMS LAND GP LTD., MONETTE  
FARMS LAND II GP LTD., AND MONETTE  
FARMS BC GP LTD.

**APPLICANTS**

MONETTE FARMS LTD., MONETTE FARMS  
ONTARIO CORP., NEXGEN SEEDS LTD.,  
MONETTE PRODUCE LTD., MONETTE SEEDS  
LTD., MONETTE LAND CORP., DMO HOLDINGS  
LTD., DMO HOLDINGS USA, INC., MONETTE  
SEEDS USA, LLC, MONETTE FARMS ARIZONA,  
LLC, MONETTE FARMS USA, INC., 1012595 DE  
INC., MONETTE PRODUCE, LLC, GOAT'S PEAK  
WINERY LTD., MONETTE FARMS BC LTD.,  
MONETTE FARMS LAND GP LTD., MONETTE  
FARMS LAND II GP LTD., AND MONETTE  
FARMS BC GP LTD.

**DOCUMENT**

**BENCH BRIEF OF THE APPLICANTS**

ADDRESS FOR  
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CONTACT  
INFORMATION  
OF PARTY  
FILING THIS  
DOCUMENT

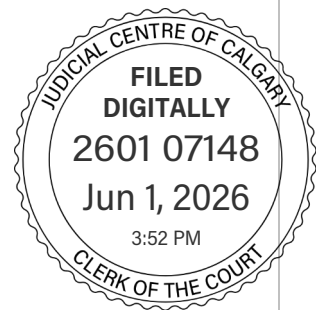
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File No.: 063030-01

Attention: Jeffrey Oliver / Danielle Maréchal / Matteo Clarkson-Maciel

Clerk's Stamp



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## I. INTRODUCTION

1. This bench brief is filed on behalf of Monette Farms Ltd. ("**Monette Farms**"), Monette Land Corp. ("**Monette Land**"), DMO Holdings Ltd. ("**DMO Holdings**"), Goat's Peak Winery Ltd. ("**Goat's Peak Winery**"), Monette Farms BC Ltd. ("**Monette Farms BC**"), Monette Farms Ontario Corp. ("**MFO**"), Nexgen Seeds Ltd. ("**NexGen**"), Monette Produce Ltd. ("**Produce**"), Monette Seeds Ltd. ("**Seeds**"), Monette Farms Land GP Ltd. ("**MFL GP**"), Monette Farms Land II GP Ltd. ("**MFL II GP**"), DMO Holdings USA, Inc. ("**DMO USA**"), Monette Seeds USA LLC ("**Seeds USA**"), Monette Farms Arizona, LLC ("**MF Arizona**"), Monette Farms USA, Inc. ("**Monette USA**"), 1012595 DE INC. ("**1012 DE**"), Monette Produce, LLC ("**Produce USA**"), and Monette Farms BC GP Ltd. ("**MF BC GP**", and collectively, the "**Applicants**") in support of an application (the "**Application**") for:
  - (a) an order (the "**SISP Approval Order**") pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36<sup>1</sup> (the "**CCAA**"), among other things:
    - (i) if necessary, abridging the time for service and deeming service of the Application and supporting materials to be good and sufficient;
    - (ii) approving the sale and investment solicitation process (the "**SISP**") attached as Schedule "B" to the SISP Approval Order and authorizing and empowering the Applicants and FTI Consulting Inc. ("**FTI**") in its capacity as court-appointed monitor of the Group (in such capacity, the "**Monitor**") to implement the SISP and to perform all steps and actions required of them pursuant to the SISP;
    - (iii) providing that the Monitor shall incur no liability or obligation as a result of their engagement or the carrying out of their mandate under the SISP Approval Order, save and except for gross negligence or wilful misconduct on their part; and
    - (iv) approving the expedited sale approval and vesting order process (the "**Expedited SAVO Process**") in relation to the sale of real property assets owned by the Group and located in the Provinces of British Columbia, Saskatchewan, and Manitoba (collectively, the "**Canadian Lands**"), where the proposed aggregate purchase price of each sale is equal to or less than \$30,000,000;
  - (b) an order (the "**Stay Extension Order**"), among other things:
    - (i) if necessary, abridging the time for service and deeming service of the Application and supporting materials to be good and sufficient; and

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<sup>1</sup> [Companies' Creditors Arrangement Act, RSC 1985, c C-36](#) ["**CCAA**"].

(ii) extending the Stay Period (as defined in the Amended and Restated Initial Order granted by the Honourable Justice Bourque on May 1, 2026 (the "**ARIO**")) from June 19, 2026, up to and including November 13, 2026, or such other date this Honourable Court deems appropriate (the "**Stay Extension**"); and

(c) such further and other relief as this Honourable Court deems just.

## II. **FACTS**

2. Further factual background supporting the relief sought may be found in the Third Affidavit of Darrel Noel Monette sworn June 1, 2026 (the "**Third Monette Affidavit**").<sup>2</sup> Capitalized terms used herein that are not otherwise defined shall have the meaning given to them in the Third Monette Affidavit. All references to currency herein are references to Canadian dollars, unless otherwise indicated.

### **A The Group and the Group's Business**

3. The Group is in the agriculture business and operates one of North America's largest private farming operations, owning or leasing over 400,000 acres of farmland.<sup>3</sup> The Group's operations are divided into four business segments, grain farming (over 50% of 2025 revenue), produce farming (approximately 15% of 2025 revenue), cattle ranching (approximately 17% of 2025 revenue), and seed processing (approximately 16% of 2025 revenue).<sup>4</sup> The Group's operations are highly cyclical and capital intensive.<sup>5</sup>

4. The Group owns approximately 274,000 acres of land, including seed processing facilities and produce storage facilities, and additionally lease approximately 218,000 acres of land across Western Canada and the USA.<sup>6</sup>

### **B Background of these Proceedings**

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

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

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<sup>2</sup> Third Affidavit of Darrel Noel Monette, sworn June 1, 2026 ["**Third Monette Affidavit**"].

<sup>3</sup> First Affidavit of Darrel Noel Monette, sworn April 17, 2026 ["**First Monette Affidavit**"] at para 11.

<sup>4</sup> First Monette Affidavit at para 11.

<sup>5</sup> First Monette Affidavit at para 48.

<sup>6</sup> First Monette Affidavit at para 80; Third Monette Affidavit at para 37.

- (b) declared that Monette Farms Land LP, Monette Farms Land II LP, and Monette Farms BC LP (collectively, the "**Non-Applicant Stay Parties**") and together with the Applicants, the "**Group**") shall have the same benefits and the same protections and authorizations provided to the Applicants in the ARIO and all of their property and business shall be deemed to be included within the Property and Business of the Applicants, notwithstanding that the Non-Applicant Stay Parties are not "companies" within the meaning of the CCAA;
- (c) stayed all claims, proceedings and remedies taken or that might be taken in respect of the Group, the Property, the Business, the Monitor, and either of their respective directors and officers, except with leave of the Court, until June 19, 2026;
- (d) granted a charge in favour of the Monitor, its counsel and the Syndicate's Financial Advisor for professional fees incurred up to the amount of \$1,500,000 (the "**Administration Charge**") in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances or other lien of whatever nature against the Property;
- (e) authorized the Group to carry on business in a manner consistent with the preservation of the Business and Property; and
- (f) approved a debtor-in-possession ("**DIP**") financing facility (the "**DIP Facility**") provided by The Bank of Nova Scotia in its capacity as DIP agent (the "**DIP Agent**") and the members of the Syndicate (as defined below) (in such capacity, the "**DIP Lenders**"), authorized the Group to borrow from the DIP Lenders a maximum amount of \$90 million, in accordance with the terms of the Term Sheet (as defined in the ARIO) and created a related \$95 million charge to secure the DIP Facility (the "**DIP Lenders' Charge**") in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances or other lien of whatever nature against the Property except for the Administration Charge.

### **C Financial Position of the Group**

- 6. The Group's historical growth strategy relied heavily on debt-driven land acquisitions.<sup>7</sup> However, the Group's consolidated EBITDA fell significantly in 2024 and 2025.<sup>8</sup> In both years, free cash flow was insufficient to meet obligations without additional lender support.<sup>9</sup>
- 7. The value of the Group's assets, based on financial year statements for 2025, exceeds the value of their consolidated liabilities. As of April 12, 2026, the Group's consolidated liabilities are approximately \$1 billion.<sup>10</sup> This is comprised primarily of secured debt owing under a senior facilities

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<sup>7</sup> First Monette Affidavit at para 107.

<sup>8</sup> First Monette Affidavit at paras 107 – 109.

<sup>9</sup> First Monette Affidavit at paras 164 – 168.

<sup>10</sup> First Monette Affidavit at para 111.

agreement dated December 5, 2018 (as amended from time to time, the "**Senior Facilities Agreement**") between the Group and The Bank of Nova Scotia as agent (in such capacity, the "**Existing Senior Secured Agent**") for a syndicate of lenders (the "**Syndicate**").<sup>11</sup> The Senior Facilities Agreement matured on April 15, 2026.<sup>12</sup> Prior to the commencement of these CCAA proceedings, the Group had also borrowed money under a \$30 million cattle facility with Farm Credit Canada (the "**FCC Loan Agreement**"),<sup>13</sup> \$18 million under a vendor take-back mortgage,<sup>14</sup> and numerous equipment financings.<sup>15</sup>

8. At the time of the Initial Order, the Group required urgent and additional liquidity to fund farming operations. The Initial Order granted the Group the authority to borrow an initial amount of \$40,000,000 under the DIP Facility to make critical payments to suppliers for seeds, fertilizers and chemicals. The Group drew down the full initial amount on April 24, 2026.

#### **D Updates Since the ARIO**

9. Since the granting of the ARIO, the Group, in close consultation and with the assistance of the Monitor, has been working in good faith and with due diligence to, among other things:<sup>16</sup>
  - (a) stabilize their businesses and operations;
  - (b) engage with its suppliers, vendors, employees, contractual counter parties, regulatory authorities, and other stakeholders regarding these CCAA proceedings, the Business, and various other issues;
  - (c) draw down under the DIP Facility an additional \$20,500,000 on May 6, and \$5,500,000 on May 22 in accordance with the Cash Flow Projection appended to the Second Report of the Monitor, to be filed (the "**Cash Flow Projection**") to fund ongoing operations;
  - (d) dispose of cattle and use the proceeds to entirely repay the amounts owing to Farm Credit Canada under the FCC Loan Agreement;<sup>17</sup>
  - (e) engage an independent contractor to act as financial liaison in these CCAA proceedings, oversee the Group's compliance with the Term Sheet and provide strategic support on operations, working capital management, and asset monetization initiatives;

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<sup>11</sup> First Monette Affidavit at para 116.

<sup>12</sup> First Monette Affidavit at para 14.

<sup>13</sup> First Monette Affidavit at para 112 & 125 – 129.

<sup>14</sup> First Monette Affidavit at para 112 & 132.

<sup>15</sup> First Monette Affidavit at para 112 & 143.

<sup>16</sup> Third Monette Affidavit at para 10.

<sup>17</sup> Third Monette Affidavit at paras 18 – 20.

- (f) develop the SISP, in consultation with the Monitor, the DIP Agent, and the Existing Senior Secured Agent (together with the DIP Agent, the "**Lender Agent**"). The SISP sets out the structure, including milestones and criteria, for which the Monitor, in consultation with the Group, applicable Property Brokers (as defined herein) and Lender Agent, will market and solicit interest and/or offers to purchase the Property;
- (g) proceed with identifying and initiating the engagement of licensed real estate brokers in accordance with the SISP (the "**Property Brokers**"); and
- (h) respond to various correspondence regarding interest of various third parties in purchasing portions of the Group's Property prior to the commencement of the SISP.

### III. ISSUES

- 10. The principal issues to be determined by this Honourable Court upon this Application are whether:
  - (a) the SISP should be approved;
  - (b) the Expedited SAVO Process should be approved; and
  - (c) the Stay Period should be extended.

### IV. LAW & ANALYSIS

#### A The SISP Should Be Approved

- 11. It is well recognized that the Court has jurisdiction to approve a sales process in relation to a CCAA debtor's business and assets, prior to the development (or in the absence) of a plan of compromise and arrangement.<sup>18</sup>
- 12. The Applicants, with the assistance of the Monitor and in consultation with the Lender Agent, have developed the SISP to solicit interest in and opportunities for one or more transactions, including:
  - (i) a sale of all or part of the Property; (ii) a purchase of specific real property assets (a "**Land Purchase Proposal**"); (iii) an investment in, or restructuring or recapitalization of, the Group's business; or (iv) a refinancing of the Applicants' indebtedness and particularly the Senior Facilities Agreement, or some combination thereof (each a "**Transaction**"), thereby maximizing the value of the Property and the Business for the benefit of the Group, their creditors, and their stakeholders.<sup>19</sup>
- 13. In *Nortel Networks Corp, (Re)*, the Ontario Superior Court of Justice (the "**ONSC**") identified several factors to consider when determining whether to authorize a sales process, including whether:

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<sup>18</sup> CCAA, [ss 11](#) and [36](#); *Nortel Networks Corp, Re*, [2009 CanLII 39492 \(ONSC\)](#) ["*Nortel*"] at [para 48](#).

<sup>19</sup> Third Monette Affidavit at para 23.

- (a) a sales transaction is warranted at the time;
  - (b) the sale will benefit the whole “economic community”;
  - (c) any of the debtors’ creditors have a *bona fide* reason to object to a sale of the business;  
and
  - (d) if there is a better viable alternative.<sup>20</sup>
14. Further, the *Nortel* criteria should be assessed alongside the factors considered in an application for court approval of a sale outside the ordinary course of business. These factors are set out in subsection 36(3) of the CCAA and reflect the common law criteria established in *Royal Bank v Soundair Corp.*,<sup>21</sup> including, among other things:
- (a) whether sufficient efforts have been made to obtain the best price and whether the debtor has acted improvidently;
  - (b) the interest of all parties;
  - (c) the efficacy and integrity of the process by which offers have been obtained;
  - (d) the extent to which creditors were consulted; and
  - (e) any other relevant factors.<sup>22</sup>
15. The SISP is attached to the SISP Approval Order, and key details regarding the SISP can be found at paragraphs 23 to 34 of the Third Monette Affidavit.<sup>23</sup>
16. In the circumstances, the SISP is likely to produce transactions that would satisfy the *Soundair* principles. The SISP is fair, transparent, and objective, and should be approved for the following reasons, among others:<sup>24</sup>
- (a) the SISP shall be overseen and administered by the Monitor, with the assistance of the Group and the applicable Property Brokers. In addition, key decisions made by the Monitor will require the consent and approval of the Group and the Lender Agent. This dual consent will ensure that outcomes are transparent, objective, and in the best interest of all stakeholders. The dual consent will be required in approving successful bids for assets, removing assets from the SISP, or modifying, suspending or terminating the SISP. This

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<sup>20</sup> *Nortel* at [para 49](#).

<sup>21</sup> *Royal Bank v Soundair Corp.*, [1991 CanLII 2727 \(ONCA\)](#) [“*Soundair*”].

<sup>22</sup> CCAA, [s 36\(3\)](#); *In Re Hudson's Bay Company*, [2025 ONSC 6764](#) at [paras 25 – 26](#), citing *Soundair* at [para 16](#).

<sup>23</sup> Third Monette Affidavit at paras 23 – 34.

<sup>24</sup> Third Monette Affidavit at para 30.

provides a fair and transparent process, and the proposed timelines contained in the SISP to market and solicit transactions are appropriate given the size and nature of the Property and the Group's business;

- (b) the SISP provides sufficient procedures and timelines to ensure that interested parties demonstrate both the willingness and ability to consummate transactions, while not being so burdensome to discourage participation;
- (c) the broad flexibility of the SISP allows the Applicants to solicit the highest value available for the Property and Business and to liquidate or refinance to repay debt for the benefit of all stakeholders; and
- (d) the Monitor and DIP Lenders are supportive of the proposed SISP.

## **B The Expedited SAVO Process Should Be Approved**

17. The Canadian Lands held by the Group are vast, totalling approximately 274,000 acres of land.<sup>25</sup> Given the extent of the Group's real estate portfolio, the Group has constructed a framework to facilitate an orderly, efficient, and cost-effective process for Court supervision of the sale of Canadian Lands subject to a Land Purchase Proposal where the aggregate purchase price is equal to or less than \$30,000,000. This framework is set out in the SISP Approval Order, which provides for an expedited approval process for certain Land Purchase Proposals.
18. The Expedited SAVO Process avoids the need for multiple oral hearings by permitting approval through streamlined desk applications, promoting procedural efficiency and reducing professional fees associated with preparing for and attending multiple court appearances. These savings preserve estate value, support the continued operations of the Group during the restructuring process, and enhance overall recoveries for stakeholders. By facilitating timely Transactions while maintaining appropriate oversight and safeguards, the Expedited SAVO Process advances the remedial objectives of the CCAA, including maximizing value and enabling the orderly repayment of the Group's indebtedness.<sup>26</sup>
19. Where the Applicants enter into a purchase and sale agreement (a "**Purchase and Sale Agreement**") for the proposed sale of one or more of the Canadian Lands at an aggregate purchase price equal to or less than \$30,000,000 (an "**Expedited Transaction**"), the Expedited SAVO Process contemplates an expedited process for court-approval as follows:<sup>27</sup>

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<sup>25</sup> Third Monette Affidavit at para 37.

<sup>26</sup> *9354-9186 Québec Inc v Callidus Capital Corp*, [2020 SCC 10](#) ["**Callidus**"] at [para 40](#).

<sup>27</sup> Third Monette Affidavit at para 36.

- (a) The Monitor will deliver a certificate (the "**Sale Endorsement Certificate**"), wherein the Monitor will:
- (i) identify any Encumbrances, or Encumbrances as being submitted for registration on the Certificate(s) of Title to the real property to which the Sale Endorsement Certificate pertains, subsequent to the Encumbrance Record Date ("**Subsequent Encumbrances**");
  - (ii) identify any leasehold interest registered against the Certificate(s) of Title to the real property to which the Sale Endorsement Certificate pertains;
  - (iii) certify that the Expedited Transaction is a Land Purchase Proposal that has been designated as a Successful Bid in accordance with the SISP and has been approved in writing by the Lender Agent; and
  - (iv) certify that the Expedited Transaction is a transaction for the sale of one or more Canadian Lands for a sale price equal to or less than \$30,000,000, and the Monitor approves of the Expedited Transaction.
- (b) The Applicants will then file an application (the "**Expedited SAVO Application**"), with the following materials submitted in support:
- (i) the Sale Endorsement Certificate;
  - (ii) a form of Sale Approval and Vesting Order (the "**Expedited SAVO**"); and
  - (iii) the Purchase and Sale Agreement pertaining to the Expedited Transaction with the purchase price redacted (or any information which allows the reader to calculate the purchase price, such as the amount of any deposit).
- (c) The Expedited SAVO Application will be served on the Monitor, the Lender Agent, Subsequent Encumbrance holders, and any parties with leasehold interests that are to be affected by any proposed Expedited SAVO. Served parties shall then have seven days after the service of the Expedited SAVO Application to submit reply materials.
- (d) The Expedited SAVO Application shall proceed by desk application following the expiry of the applicable response period.
20. This Court has the jurisdiction to make such an order pursuant to sections 11 and 36 of the CCAA.<sup>28</sup> Pursuant to section 11, the Court has broad discretion to make any order that it considers

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<sup>28</sup> CCAA, [ss 11](#) and [36](#).

appropriate in the circumstances, subject only to the restrictions of the CCAA.<sup>29</sup> Further, section 36 provides that the Court may approve the sale of assets outside of the ordinary course of business, when considering, as outlined in paragraph 14 above, among other things:

- (a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;
- (b) whether the monitor approved the process leading to the proposed sale or disposition;
- (c) whether the monitor filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;
- (d) the extent to which the creditors were consulted;
- (e) the effects of the proposed sale or disposition on the creditors and other interested parties; and
- (f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.<sup>30</sup>

21. The Courts regularly will grant orders providing frameworks for court-officer-driven sale programmes, for example, among others:

- (a) this Court has exercised such jurisdiction in granting similar Expedited SAVO processes in the Alberta CCAA proceedings of *J.W. Carr Holdings Ltd, et al*<sup>31</sup> and *Medican Holdings Ltd*;<sup>32</sup>
- (b) in the receivership proceedings of *Bank of Montreal v Portofino Corporation*, the ONSC granted an omnibus sale approval and vesting order which provided that sales could take place for a price acceptable to the Receiver, having regard to the appraised value of the units in question;<sup>33</sup> and

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<sup>29</sup> CCAA, [s 11](#); see also *Nortel* at [paras 30 and 31](#) and *Re PSINet Ltd.* (2001), [2001 CanLII 28266 \(ON SC\)](#), 28 C.B.R. (4th) 95 (Ont. S.C.J.) at [para 5](#).

<sup>30</sup> CCAA, [s 36](#).

<sup>31</sup> Court File No. 2303-06543: *J.W. Carr Holdings Ltd et al*, [Order \(Expedited Sale Approval and Vesting Order Protocol\) \(Northridge Phase 6 & 7, O'Brien Lake & Hillcrest\)](#) granted May 23, 2023 by the Honourable Justice J.T. Neilson in the Alberta Court of King's Bench.

<sup>32</sup> Court File No. 1001-07852: *Medican Holdings Ltd et al*, [Approval and Vesting Order \(Condominium Sales\)](#) granted June 11, 2010 by the Honourable Justice K.M. Horner in the Alberta Court of Queen's Bench (as it then was).

<sup>33</sup> Court File No. CV-13-19866: *Bank of Montreal v Portofino Corporation*, [Omnibus Approval and Vesting Order](#) granted May 2, 2014 by the Honourable Justice Campbell in the Ontario Superior Court of Justice.

- (c) in the receivership proceedings of *Symphony Condominium Ltd*, this Court approved a sale approval process which provided that the receiver was authorized to accept any offers which provided for a purchase price in a certain value range, so long as each sale was approved by the Receiver and the primary secured creditor.<sup>34</sup>
22. The Expedited SAVO Process ensures compliance with subsection 36(3) of the CCAA by providing the supervising Justice with sufficient evidence to address each of the statutory criteria when considering any subsequent desk application for approval of an Expedited SAVO. For example:
- (a) Section 36(3)(a) – Reasonability in the Circumstances: The sale process leading to the Expedited Transaction will have been reasonable in the circumstances as the SISP will have been approved by the Court pursuant to the SISP Approval Order.
- (b) Section 36(3)(b) – Monitor's Approval of the Process Leading to the Sale: The Monitor played a key role in designing the SISP, which would be the sale process leading to any Expedited Transaction.
- (c) Section 36(3)(c) – Monitor's Opinion that Sale is More Beneficial than a Sale Under Bankruptcy: These CCAA proceedings have worked to preserve the value of the Group's real property by ensuring continuity of the Group's operations while providing a framework, through the SISP, that will allow the Group to deleverage and right-size its liabilities proportionate to its Business. The Expedited SAVO Process is a critical part of the SISP and has been designed to streamline approval of Expedited Transactions below a *de minimis* threshold relative to the combined appraisal values of the Group's Canadian Lands. The Monitor's approval regarding each Expedited Transaction will be affirmed by the Monitor filing a Sale Endorsement Certificate stating that the Monitor approves the Expedited Transaction.
- (d) Section 36(3)(d) – Consultation of Creditors: Creditor consultation plays a critical role in the SISP and Expedited SAVO Process. First, the SISP was designed in consultation with the Lender Agent, in its capacity as agent for the DIP Lenders and the Syndicate. Second, any bids must receive the approval of the Lender Agent prior to the designation of that bid as a successful bid. This is regardless of whether the bid would constitute an Expedited Transaction. The Lender Agent represents both the Group's interim financier and its primary secured creditor with first-ranking security over the Canadian Lands.<sup>35</sup> The Group

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<sup>34</sup> Court File No. 2203-01087: *Symphony Condominium Ltd*, [Order \(Approval of Marketing Process, Sale Approval Process, Activities, Timbercreek Distributions and Sealing\)](#) granted by the Honourable G.S. Dunlop on May 18, 2022 in the Alberta Court of Queen's Bench (as it then was).

<sup>35</sup> Third Monette Affidavit at para 39.

does not anticipate there to be any other encumbrancers on the Canadian Lands.<sup>36</sup> Third, to the extent that there are any other encumbrances, the Expedited SAVO Process provides a framework for those other encumbrancers (to the extent there are any) to raise concerns prior to the court approval of any Expedited Transactions. The Expedited SAVO Process provides for service of the Expedited SAVO Application on holders of Subsequent Encumbrances and any affected leasehold interest holders (the "**Service Provision**").<sup>37</sup> Together, these measures ensure that all materially interested parties receive appropriate notice and an opportunity to protect their interests prior to the approval of any Expedited SAVO.

- (e) Section 36(3)(e) – Effects on Creditors and Other Interested Parties: The SISP and Expedited SAVO Process have minimal impact on creditors and provide ample opportunity for other interested parties to raise concerns through a structured but expedited proceeding. In-person hearings are available to the extent any parties are affected by the proposed Expedited Transaction, but the process is designed to streamline court approval, particularly where that approval is anticipated to be uncontested.<sup>38</sup> The Service Provision affords all interested parties a meaningful opportunity to raise objections or seek appropriate relief, thereby mitigating the risk of material prejudice.
- (f) Section 36(3)(f) – Consideration is Fair and Reasonable: The sale price of any proposed Expedited Transaction must be acceptable to the Lender Agent and the Group. This dual-consent process ensures that both parties are satisfied that the Group can secure the best price available for the relevant Canadian Lands.<sup>39</sup> The Court and Monitor will have a sufficient evidentiary basis to conclude that the consideration for any Expedited Transaction is fair and reasonable in light of market value. This includes the information contained in the First Confidential Monette Affidavit sworn April 17, 2026.<sup>40</sup> The Expedited SAVO Process is also fair given the relatively modest value of the Expedited Transactions contemplated under the Expedited SAVO Process when compared to the overall value of the Group's real estate portfolio and the volume of assets involved. The streamlined process remains appropriate while ensuring fair value is obtained.

23. Pursuant to the foregoing, the Applicants respectfully submit that it is appropriate and reasonable for this Court to approve the Expedited SAVO Process.

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<sup>36</sup> Third Monette Affidavit at para 39.

<sup>37</sup> Third Monette Affidavit at paras 36(c) and 39.

<sup>38</sup> Third Monette Affidavit at para 38.

<sup>39</sup> Third Monette Affidavit at para 39.

<sup>40</sup> Confidential Monette Affidavit sworn April 17, 2026 at Exhibits "I" to "L".

**C The Stay Period Should Be Extended**

24. The Stay expires on June 19, 2026. The Applicants request that the Stay Period be extended to November 13, 2026 (the "**Stay Extension**").<sup>41</sup>
25. Pursuant to section 11.02(2) of the CCAA, this Court has discretion to make an order extending the Stay granted in an initial order for any period that the court considers necessary.<sup>42</sup> The length of an extension is dependent on the facts of each case.<sup>43</sup> The Court has discretion to extend the stay of proceedings if the applicant satisfies the Court that the extension is appropriate and that the Debtor Companies have acted, and are acting, in good faith and with due diligence.<sup>44</sup>
26. The criteria for whether circumstances exist that make the extension appropriate are assessed by reference to whether the requested extension advances the objectives of the CCAA.<sup>45</sup>
27. On a proper application of the legislative and remedial purposes of the CCAA, it is appropriate to extend the Stay in the circumstances because the Stay Extension furthers the remedial purposes of the CCAA.
28. Canada's insolvency statutes (including the CCAA) pursue a range of remedial objectives, including:<sup>46</sup>
- (a) providing for timely, efficient and impartial resolution of a debtor's insolvency;
  - (b) preserving and maximizing the value of the debtor's assets;
  - (c) ensuring fair and equitable treatment of the claims against a debtor;
  - (d) protecting the public interest; and
  - (e) in the context of a commercial insolvency, balancing the costs and benefits of restructuring or liquidating the debtor's business.
29. In the present circumstances the Applicants submit that the Stay Extension furthers the joint objectives of preserving and maximizing the value of the Group's assets for all stakeholders and providing for a timely, efficient and impartial resolution of the Group's insolvency,<sup>47</sup> both of which have been recognized by Canadian courts as fundamental purposes of the CCAA.<sup>48</sup>

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<sup>41</sup> Third Monette Affidavit at para 41.

<sup>42</sup> CCAA, [s 11.02\(2\)](#).

<sup>43</sup> *Stelco Inc (Re)*, [2004 CanLII 24933 \(ONSC\)](#) at [para 19](#).

<sup>44</sup> CCAA, [s 11.02\(3\)](#).

<sup>45</sup> *Re Canada North Group Inc*, [2017 ABQB 508](#) at [para 34](#).

<sup>46</sup> *Callidus* at [para 40](#).

<sup>47</sup> Third Monette Affidavit at paras 42 - 45.

<sup>48</sup> *Callidus* at [para 40](#).

30. The circumstances surrounding the Group are complex, with hundreds of stakeholders in multiple jurisdictions. The SISP process requires ongoing operational stability through the entirety of the process to ensure the Group's sale efforts are not disrupted or jeopardised. A shorter stay extension midway through the portion of the SISP focused on farmland would be disruptive, distract the Group from the SISP, and undermine the SISP's design. Accordingly, an extension of the Stay Period until November 13, 2026, is necessary and reasonable as it will provide the Group, with the assistance of the Monitor, sufficient time to, among other things:
- (a) continue with the growing and harvesting season without any disruption of enforcement obligations; and
  - (b) assist the Monitor with the commencement and continuation of the SISP, with the assistance of the applicable Property Brokers, if approved by the Court,
- (collectively, the "**Stay Activities**").<sup>49</sup>
31. It is just and reasonable to grant the Stay Extension for the following reasons:
- (a) the Stay Extension is appropriate and advances the objectives of the CCAA;
  - (b) the Applicants have acted and continue to act in good faith and with due diligence, and in a manner consistent with the ARIO;<sup>50</sup>
  - (c) pursuant to the Cash Flow Projection, there will be sufficient coverage to fund the Stay Extension;<sup>51</sup> and
  - (d) no stakeholder will be materially prejudiced by the Stay Extension and the requested Stay Extension is in the stakeholders' best interests.<sup>52</sup>
32. The Stay Extension will enable the Group, with the assistance of the Monitor, to oversee and facilitate the completion of the Stay Activities. The Applicants submit that it is just and reasonable for this Court to exercise its discretion and approve the Stay Extension in these proceedings.

## V. CONCLUSION

33. Based on the foregoing, the Applicants request that this Honourable Court grant the SISP Approval Order and Stay Extension Order.

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<sup>49</sup> Third Monette Affidavit at para 42.

<sup>50</sup> Third Monette Affidavit at para 43.

<sup>51</sup> Third Monette Affidavit at para 44.

<sup>52</sup> Third Monette Affidavit at para 45.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED** this 1<sup>st</sup> day of June, 2026.

**Cassels Brock & Blackwell LLP**

Per: 

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**Jeffrey Oliver**  
Counsel for the Applicants

## LIST OF AUTHORITIES

### STATUTES

Tab	Authority
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1. [Companies' Creditors Arrangement Act, RSC 1985, c C-36](#)

### JURISPRUDENCE

Tab	Authority
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2. [Nortel Networks Corp, Re, 2009 CanLII 39492 \(ONSC\)](#)
3. [Royal Bank v Soundair Corp., 1991 CanLII 2727 \(ONCA\)](#)
4. [In Re Hudson's Bay Company, 2025 ONSC 6764](#)
5. [9354-9186 Québec Inc v Callidus Capital Corp, 2020 SCC 10](#)
6. [Re PSINet Ltd., 2001 CanLII 28266 \(ONSC\)](#)
7. [Stelco Inc \(Re\), 2004 CanLII 24933 \(ONSC\)](#)
8. [Re Canada North Group Inc, 2017 ABQB 508](#)

### ORDERS

9. [Court File No. 2303-06543: J.W. Carr Holdings Ltd et al, Order \(Expedited Sale Approval and Vesting Order Protocol\) \(Northridge Phase 6 & 7, O'Brien Lake & Hillcrest\) granted May 23, 2023 by the Honourable Justice J.T. Neilson in the Alberta Court of King's Bench.](#)
10. [Court File No. 1001-07852: Medican Holdings Ltd et al, Approval and Vesting Order \(Condominium Sales\) granted June 11, 2010 by the Honourable Justice K.M. Horner in the Alberta Court of Queen's Bench \(as it then was\).](#)
11. [Court File No. CV-13-19866: Bank of Montreal v Portofino Corporation, Omnibus Approval and Vesting Order granted May 2, 2014 by the Honourable Justice Campbell in the Ontario Superior Court of Justice.](#)
12. [Court File No. 2203-01087: Symphony Condominium Ltd, Order \(Approval of Marketing Process, Sale Approval Process, Activities, Timbercreek Distributions and Sealing\) granted by the Honourable G.S. Dunlop on May 18, 2022 in the Alberta Court of Queen's Bench \(as it then was\).](#)