

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

Monette Farms Ltd., *et al.*,<sup>1</sup>

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 26-10547-LSS

(Jointly Administered)

**SUPPLEMENTAL DECLARATION OF DERYCK HELKAA  
IN SUPPORT OF VERIFIED PETITION**

I, Deryck Helkaa, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury under the law of the United States, as follows:<sup>2</sup>

1. I am a Senior Managing Director, Corporate Finance and Restructuring, at FTI Consulting Canada, Inc. (“FTI”).

2. My professional background and qualifications are detailed in the *Declaration of Deryck Helkaa in Support of (I) Debtors’ Verified Petition for (A) Recognition of Foreign Main Proceedings, (B) Recognition of Foreign Representative, and (C) Related Relief Under Chapter 15 of the Bankruptcy Code and (II) Foreign Representative’s Motion for Provisional Relief* (the “Helkaa First Day Declaration”) [D.I. 6].

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<sup>1</sup> The Debtors in these chapter 15 cases, along with the last four digits of each Debtor’s U.S. Federal Employer Identification Number (“FEIN”) or Canada Revenue Agency Business Number (“BN”), are: Monette Farms Ltd. (BN 0221); Monette Land Corp. (BN 9609); DMO Holdings Ltd. (BN 3689); Goat’s Peak Winery Ltd (BN 0281); Monette Farms BC Ltd. (BN 3314); Monette Farms Ontario Corp. (BN 3538); NexGen Seeds Ltd. (BN 3684); Monette Produce Ltd. (BN 0959); Monette Seeds Ltd. (BN 5307); Monette Farms Land GP Ltd. (BN 9220); Monette Farms Land II GP Ltd. (BN 2423); Monette Farms BC GP Ltd. (BN 0958), DMO Holdings USA, Inc. (FEIN 7641); 1012595 DE Inc. (FEIN 4459); Monette Seeds USA LLC (FEIN 7430); Monette Farms Arizona, LLC (FEIN 4502); Monette Farms USA, Inc. (FEIN 2442); Monette Produce, LLC (FEIN 9419). The Debtors’ executive headquarters are located at: 280023 Range Road 14, Rocky View County, AB T4B 4L9, Canada. The Foreign Representative’s service address for purposes of these chapter 15 cases is 520 5th Ave SW, Suite 1610, Calgary, AB T2P 3R7, Canada.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Helkaa First Day Declaration or *Supplement In Support of Verified Petition for (I) Recognition of Foreign Main Proceedings, (II) Recognition of Foreign Representative, and (III) Related Relief under Chapter 15 of the Bankruptcy Code* filed contemporaneously herewith (the “Supplemental Brief”), as applicable.

3. FTI acts as the court-appointed monitor (in such capacity, the “Monitor”) and authorized foreign representative (in such capacity, the “Foreign Representative”) for the above-captioned debtors (collectively, the “Company” or the “Debtors”) in the Canadian proceedings (the “Canadian Proceedings”) commenced under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (as amended, the “CCAA”), pending before the Court of King’s Bench of Alberta (the “Canadian Court”).

4. I am authorized to provide this supplemental declaration (the “Supplemental Declaration”) on behalf of the Foreign Representative in support of the *Verified Petition for (I) Recognition of Foreign Main Proceedings, (II) Recognition of Foreign Representative, and (III) Related Relief Under Chapter 15 of the Bankruptcy Code* [D.I. 4] (the “Verified Petition”) and together with the Official Form 401 Petition for each Debtor, collectively, the “Chapter 15 Petitions”), filed in these chapter 15 cases (the “Chapter 15 Cases”).

5. I have investigated the business and affairs of the Debtors to the best of my ability since my engagement on this case, and make this declaration based on that investigation. Prior to the commencement of the Canadian Proceedings, FTI served as an advisor to the Company but now only acts in its capacity as the Monitor. Except as otherwise indicated, all facts set forth in this Supplemental Declaration are based upon my personal knowledge, information supplied to me by other members of the Debtors’ management and professionals, learned from my review of relevant documents, or my opinion based upon my experience and knowledge of the Debtors’ industry, operations, and my experience as a Licensed Trustee in Bankruptcy, a Chartered Insolvency and Restructuring Professional, and a Chartered Professional Accountant. If upon called to testify, I could and would testify to the facts set for in this declaration.

**SUPPLEMENTAL SUPPORT FOR CHAPTER 15 PETITIONS**

**A. The DIP Credit Facility and Prepetition Negotiations**

6. In early April 2026, having considered several alternatives, and in light of the imminent maturity of the Senior Facilities Agreement and the Debtors' upcoming growing season, the Debtors determined that the best, value-maximizing path forward was a court-supervised sale and investment solicitation process in Canada supported by and dependent upon debtor-in-possession financing. At that time, the Debtors were just days away from their critical growing season and urgently needed liquidity to purchase necessary inputs and continue operations. Accordingly, in early April 2026, the Debtors contacted potential lenders regarding a debtor-in-possession financing package.

7. Given the short turnaround time needed to obtain financing before the growing season, the Debtors contacted lenders who had familiarity with the Debtors' business and assets and the ability to provide the amount of financing needed. The Debtors reached out to three potential financing sources, including the DIP Lenders (which include all of the members of the existing Syndicate), and provided various materials, including a proposed DIP term sheet, upon request.

8. The Debtors received DIP terms sheets from two potential financing sources, including the DIP Lenders and a third party. Ultimately, the DIP Lenders' term sheet offered materially better terms than the alternative option, including a lower interest rate, significantly lower fees, and a more cost-effective loan structure. In addition, the Syndicate would not agree to have their prepetition liens primed by a new lender, and the potential new lender was not willing to provide debtor-in-possession financing to the Debtors on a *pari passu*, junior secured, or unsecured basis.

9. Thus, given the tightening liquidity, the Debtors' default under the Senior Facilities Agreement and other financing arrangements, and that the DIP Lenders offered financing on the best terms available to the Company, the Debtors determined to focus their efforts on negotiating the DIP Credit Facility.

10. The Debtors and its advisors on the one hand, and the DIP Lenders and its advisors, on the other, negotiated the DIP Credit Facility in good faith and at arm's length. Having carefully reviewed and considered the matter, I believe that the terms and conditions of the DIP Credit Facility are appropriate under the circumstances, and that the Debtors will benefit materially from approval of the DIP Credit Facility and the liquidity provided thereunder. Additionally, the fees and other economic consideration provided to the DIP Lenders under the DIP Term Sheet are integral components of the overall terms of the DIP Credit Facility and were required by the DIP Lenders as consideration of the extension of DIP financing. I believe that the DIP Credit Facility reflects the best and most viable option available to the Debtors on an executable timeline and on terms capable of supporting both (i) continuation of operations through the seeding season and (ii) completion of a court-supervised sale and investment solicitation process in the Canadian Proceedings that will be designed to achieve the debt reduction milestones set out in the DIP Credit Facility.

11. Based on my experience, I believe that the DIP Credit Facility is on the best terms and conditions that the Debtors were able to arrange under the circumstances. I believe that the terms of the DIP Credit Facility are fair and reasonable and were negotiated in good faith by the Debtors and the DIP Lenders. In addition, no party objected to the DIP Credit Facility in the Canadian Proceedings on a final basis and the DIP Credit Facility was approved by the Canadian Court on a final basis on May 1, 2026.

B. **The Debtors' Need for Liquidity**

12. I am familiar with the DIP Term Sheet and the terms thereof, in addition to the Debtors' immediate liquidity needs. Based on my experience in the restructuring industry generally and my review of the Debtors' books and records, I believe that the Debtors do not have sufficient liquidity to finance the Canadian Proceedings or continue operations during the seeding season without the additional financing provided by the DIP Credit Facility. I believe that the DIP Credit Facility is appropriate and necessary and, without access to the DIP Credit Facility, the Debtors will suffer immediate and irreparable harm.

13. As described in the Helkaa First Day Declaration, the Company has been delayed in commencing operations in certain regions due to its limited available liquidity. In particular, the Debtors' seeding operations require significant upfront expenditures for pre-soil treatment, fertilizer, chemicals, seeds, and related inputs, typically exceeding \$40 million annually, which the Debtors cannot currently fund. Absent an immediate liquidity injection, the Debtors would be unable to seed substantial portions of their farmland, resulting in an irreversible loss of value for the 2026 crop year and materially impairing realizations from any sale of operating farmland. Seeding operations cannot be suspended temporarily given the seasonality of the Debtors' operations and further delay would have significant economic consequences: if land is not seeded within the applicable and narrow spring window, the opportunity to generate any revenue from that land for the entire year is completely lost. Missing the 2026 season may also have other severe negative impacts, including widespread layoffs because farming employment is inseparable from seasonal production activity; loss of licenses needed for operations; environmental effects, and disparate impacts on rural communities.

**C. The Stay of Proceedings against the Non-Debtor Stay Parties and D&Os**

14. I believe that enjoining actions and proceedings against the Non-Debtor Stay Parties<sup>3</sup> and the Debtors' former, current, or future directors and officers (the "D&Os"), as provided for in the Revised Proposed Order<sup>4</sup>, is critical to preserving the value of the Debtors' business and assets. The Non-Debtor Stay Parties are integrally related to the Debtors' business and any potential litigation in the United States as to such parties would be disruptive. The Debtors' business operations and sale and investment solicitation process would similarly be disrupted if the D&Os were sued in the United States based on actions taken in Canada with respect to the Debtors. The Injunctions (as defined in the Supplemental Brief) are therefore necessary to give full effect to the Canadian Proceedings and protect all stakeholders.

**D. Supplemental Support for Venue in this District**

15. The Foreign Representative made the decision to file these Chapter 15 Cases in this District based on discussions with counsel (privilege not being waived) and discussions with the DIP Lenders.

16. I understand that venue in this District is appropriate because, among other things:

- a. Debtor 1012595 DE Inc. (the "Delaware Debtor") is a Delaware corporation that I understand was formed for *bona fide* business reasons unrelated to these Chapter 15 Cases. I have been advised that the Delaware Debtor's principal asset is an interest in retainer funds that are held in a client trust account located in this District;
- b. The shares of the Delaware Debtor are owned by Debtor DMO Holdings USA, Inc. ("DMO Holdings USA"). I have been advised that such shares are

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<sup>3</sup> The Non-Debtor Stay Parties are Monette Farms Land LP, Monette Farms Land II LP, and Monette Farms BC LP.

<sup>4</sup> See *Certification of Counsel Regarding Foreign Representative's Order Granting Verified Petition for (I) Recognition of Foreign Main Proceedings, (II) Recognition of Foreign Representative, and (III) Related Relief under Chapter 15 of the Bankruptcy Code* (the "Revised Proposed Order") filed contemporaneously herewith.

deemed to be located in this District and are the principal assets of DMO Holdings USA;

- c. Debtors Monette Farms Ltd.; Monette Land Corp.; Goat's Peak Winery Ltd; Monette Farms BC Ltd.; Monette Farms Ontario Corp.; NexGen Seeds Ltd.; Monette Produce Ltd.; Monette Seeds Ltd.; Monette Farms Land GP Ltd.; Monette Farms Land II GP Ltd.; and Monette Farms BC GP Ltd. are Canadian entities whose only assets in the United States are an interest in retainer funds held in a client trust account located in this District;

17. The DIP Agent and the DIP Lenders, which represent the Debtors' largest creditor constituency holding over \$800 million of prepetition debt and which are providing the Debtors with \$90 million of DIP financing, supported the Chapter 15 Cases being filed in this District. In addition, I have been advised that under the terms of the DIP Term Sheet, the Chapter 15 Cases must be filed in a district that is acceptable to the DIP Agent, and the DIP Agent has consented to the filing of the Chapter 15 Cases in this District.

18. Furthermore, I believe that commencing separate Chapter 15 cases in other districts for Debtors that may not have their principal assets located in this District is not commercially practical given the interrelated nature of the Debtors' business, and would result in undue expense and hardship to the Debtors and their creditors when compared to having the Chapter 15 Cases jointly administered together in this District.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed on this 11th day of May 2026  
Alberta, Canada

Respectfully Submitted,

/s/ Deryck Helkaa

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