

COURT FILE NUMBER

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



DOCUMENT

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

June 4, 2026

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
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SECOND REPORT OF THE MONITOR

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Appendix “A” – Second Cash Flow Statement

INTRODUCTION

1. On April 21, 2026 (the “**Filing Date**”), Monette Farms Ltd. (“**Monette Farms**”), Monette Farms Ontario Corp., Nexgen Seeds Ltd., Monette Produce Ltd., Monette Seeds Ltd., Monette Land Corp., DMO Holdings Ltd., DMO Holdings USA, Inc., Monette Seeds USA, LLC, Monette Farms Arizona, LLC, Monette Farms USA, Inc., 1012595 DE Inc., Monette Produce, LLC, Goat’s Peak Winery Ltd., Monette Farms BC Ltd., Monette Farms Land GP Ltd., Monette Farms Land GP II Ltd., and Monette Farms BC GP Ltd. (the “**Applicants**”), sought and obtained an initial order (the “**Initial Order**”) before the Court of King’s Bench of Alberta (the “**Court**”) seeking certain relief under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”).
2. The Initial Order, among other things, established a stay of proceedings in favour of the Applicants until May 1, 2026, appointed FTI Consulting Canada Inc. as monitor (the “**Monitor**”) of the Applicants in these CCAA proceedings and authorized and empowered the Monitor to act as the foreign representative (the “**Foreign Representative**”) in respect of these CCAA proceedings for the purpose of having these proceedings recognized under chapter 15 of Title 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “**US Bankruptcy Court**”).
3. On April 24, 2026, the US Bankruptcy Court granted a preliminary injunction and temporary restraining order, recognizing the Initial Order on a preliminary basis and granting a US lien under the Bankruptcy Code for the benefit of the DIP Lenders and recognizing the Monitor as Foreign Representative (the “**Preliminary Relief Order**”). The US Bankruptcy Court also granted an order scheduling the recognition hearing for May 14, 2026, and specifying the form and manner of service and notice (the “**US Recognition Scheduling Order**”).
4. On May 1, 2026, the Court granted an Amended and Restated Initial Order (the “**ARIO**”) which, among other things, provided the following relief:
 - (a) declaring that the Applicants are companies to which the CCAA applies;

- (b) declaring that Monette Farms I LP, Monette Farms Land II LP, and Monette Farms BC LP (together, the “**Non-Applicant Stay Parties**”, and together with the Applicants, the “**Group**”) shall have the same benefit and protections provided to the Applicants as they are related to the Applicants’ business;
- (c) authorizing the Applicants to remain in possession and control of their current assets, undertakings and properties including all proceeds thereof (the “**Property**”) and carry on business in a manner consistent with the preservation of its business and Property;
- (d) staying, until and including June 19, 2026, (the “**Stay Period**”), all proceedings, and remedies against the Applicants or its business or Property, except as otherwise set forth in the Initial Order or otherwise permitted by law (the “**Stay of Proceedings**”);
- (e) authorizing the Applicants to continue to use their existing cash management system;
- (f) authorizing the Applicants to pay the reasonable expenses incurred by them in carrying out their business in the ordinary course;
- (g) entitling the Applicants to make payment of all obligations owing in respect of employee wages and benefits and applicable source deductions, whether incurred prior to or after the commencement of the CCAA proceedings;
- (h) granting a charge in favour of the Monitor, its legal counsel, the Applicant’s legal counsel, and the Syndicate’s financial advisor, PricewaterhouseCoopers Inc. (the “**Syndicate’s Financial Advisor**”) in respect of their fees and disbursements, to a maximum amount of \$1.5 million (the “**Administrative Charge**”);
- (i) approving the 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**”) to finance the Applicants’ working capital requirements and other corporate purposes during the CCAA Proceedings, subject to the terms and conditions set out in the Debtor-in-

Possession Interim Financing Agreement, between Monette Farms Ltd., and Monette Farms USA, Inc., as borrowers (in such capacity, the “**Borrowers**”), the Group as Guarantors, and the DIP Lenders, as lenders, (the “**DIP Term Sheet**”). The DIP Facility provided the Borrowers with the ability to borrow up to \$90 million (the “**Maximum Amount**”) upon the satisfaction of certain conditions; and

(j) granting a charge in favour of the DIP Lenders, to a maximum amount of \$95 million (the “**DIP Lenders’ Charge**”).

5. Also, on May 1, 2026, the Court granted a sale approval and vesting order (the “**Hafford SAVO**”) approving the sale transaction (the “**Hafford Transaction**”) contemplated by an agreement of purchase (the “**Hafford PSA**”) and sale between Monette Farms Ltd. and Monette Farms Land II LP (collectively, the “**Sellers**”) and G and K Walter Farms and Harvesting Ltd. and/or its nominee (the “**Hafford Purchaser**”) dated March 9, 2026 with respect to the sale of certain lands listed in the Hafford PSA (the “**Hafford Lands**”).

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

7. On June 1, 2026, the Applicants filed a notice of application with this Court returnable on June 12, 2026, seeking two orders as follows:

(a) an order (the “**SISP Approval Order**”) requesting, among other things:

(i) approval for the Applicants and the Monitor to implement the proposed sales and investment solicitation process (“**SISP**”) attached at Appendix “**B**” to the SISP Approval Order; and

- (ii) approval of an expedited sale approval and vesting order process (the “**Expedited SAVO Process**”) for low value transactions, as further described below; and
 - (b) an order (“**Stay Extension Order**”) seeking an extension of the Stay Period until and including November 13, 2026.
8. Electronic copies of all materials filed by the Applicants in connection with the Applicants’ June 12, 2026, application (the “**SISP Approval Application**”) and other statutory materials are available on the Monitor’s website at: <http://cfcanada.fticonsulting.com/MonetteFarms/>.

PURPOSE

9. The purpose of this report (this “**Report**”) is to provide this Honourable Court and the Applicants’ stakeholders with information and the Monitor’s comments with respect to the following:
- (a) a summary of the Monitor’s activities since the Monitor’s first report dated April 29, 2026;
 - (b) an update on the closing of the Hafford Transaction;
 - (c) an operational update regarding the positive progress made by the Applicants towards planting their 2026 crops since the commencement of these CCAA proceedings;
 - (d) an update on actual cash flow for the period of April 18, 2026, to May 22, 2026, as compared to the forecast cash flow statement (“**First Cash Flow Statement**”) attached to the Pre-filing Report of the Monitor dated April 18, 2026 (the “**Pre-Filing Report**”);
 - (e) the Applicants’ revised cash flow statement (the “**Second Cash Flow Statement**”) for the period commencing May 23, 2026, and ending November 13, 2026 (the “**Forecast Period**”);
 - (f) the Applicants’ request to extend the Stay Period up to and including November 13, 2026;

- (g) the process the Applicants undertook to select experienced qualified real estate property brokers (“**Property Brokers**”) to assist in the implementation of the SISP;
 - (h) the proposed SISP Order; and
 - (i) the Expedited SAVO Process.
10. This Report should be read in conjunction with the Affidavit of Darrel Monette, sworn on June 1, 2026 (the “**Third Monette Affidavit**”).

TERMS OF REFERENCE

11. Capitalized terms used but not defined herein are given the meaning ascribed to them in the Third Monette Affidavit and the ARIO.
12. In preparing this Report, the Monitor has relied upon unaudited financial information, other information available to the Monitor and, where appropriate, the Applicants’ books and records and discussions with various parties (collectively, the “**Information**”).
13. Except as described in this Report:
- (a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*;
 - (b) the Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the *Chartered Professional Accountants of Canada Handbook*; and
 - (c) future oriented financial information reported or relied on in preparing this Report is based on assumptions regarding future events; actual results may vary from forecast and such variations may be material.

14. The Monitor has prepared this Report in connection with the Applicants' SISP Approval Application. This Report should not be relied on for other purposes.
15. Information and advice described in this Report that has been provided to the Monitor by its legal counsel, Osler, Hoskin & Harcourt LLP (the "**Monitor's Counsel**"), was provided to assist the Monitor in considering its course of action, is not intended as legal or other advice to, and may not be relied upon by, any other person.
16. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

BACKGROUND INFORMATION

17. The Group's business, operations and financial performance and the causes of its insolvency are detailed in the Affidavit of Darrel Monette sworn on April 17, 2026 (the "**First Monette Affidavit**"), a copy of which is available on the Monitor's website. The comments below are intended to provide a summary of the background of the CCAA Proceedings.
18. The Group, comprised of eighteen companies and three limited partnerships, is a privately owned agricultural enterprise with operations in Alberta, British Columbia, Saskatchewan, Manitoba, Arizona, Montana and Colorado. Since beginning as a family farm in 1912, the Group has grown into one of the largest private farming operations in North America operating on owned and leased farmland of over 400,000 acres.
19. The Applicants' business, at a high level, can be broken down into four main business segments, or "pillars": grain, cattle, produce and seeds (the "**Farm Operations**"):
 - (a) farming operations are focused on grain production, primarily canola, wheat and durum which accounted for approximately 50% of revenue in 2025. Grain is the largest 'pillar' in the Farm Operations in terms of both revenue and geographic footprint;
 - (b) cattle ranching with herd breeding in British Columbia and feedlots in Alberta and Saskatchewan that accounted for approximately 17% of revenue in 2025;

- (c) seed processing occurring at two facilities located in Swift Current, Saskatchewan, and a third in Tonopah, Arizona. Approximately 50% of seed processing capacity is allocated to supporting the grain segment and seed processing accounted for approximately 16% of revenue in 2025; and
 - (d) farming operations (primarily in Saskatchewan, British Columbia and Arizona) that generate seasonal produce crops including carrots, squash, broccoli, cabbage, pumpkin, cauliflower and watermelon, and accounted for approximately 15% of revenue in 2025.
20. The Group’s financing is provided primarily by a syndicate of lenders (together, the “**Syndicate**”) pursuant to a \$930 million credit facility (\$950 million including an accordion) dated December 5, 2018, which matured on April 15, 2026 (as amended from time to time, the “**Senior Facilities Agreement**”) between, amongst others, Monette Farms as Canadian Borrower, Monette Farms USA, Inc. (“**Monette USA**”) as US Borrower, Darrel Monette as Individual Borrower, each member of the Group, Darrel Monette and Monette Farm Family Trust as guarantors, The Bank of Nova Scotia as Agent (the “**SFA Agent**” and together with the DIP Agent, the “**Lender Agent**”) and the Syndicate. Since October 2024, the Senior Facilities Agreement was amended pursuant to two covenant and waiver agreements, eight separate amending agreements and a forbearance agreement.

ACTIVITIES OF THE MONITOR

21. The Monitor worked in consultation with the Applicants’ management and critical operations to ensure essential services could be procured and that Farm Operations continued in the normal course with as little disruption as possible. The Monitor observed the Applicants’ management and staff working diligently to maintain the status quo and communicate promptly with stakeholders regarding the CCAA Proceedings.
22. The primary purpose of the DIP Facility was to allow the Group to continue with operations on a going concern basis and allow sufficient funding to spring seed the Farm Operations. To date, the Farm operations have continued in the normal course during these CCAA Proceeding and as of the date of this Report, the Group has completed seeding on approximately 84% of farmed

acres. Some locations have been delayed slightly by weather, however the Group anticipates that all acres that were planned to be farmed for 2026 will be seeded in the next few weeks. A summary of the progress by location is shown below.

<i>2026 Seeding Progress</i>	Acres	Acres	
<i>Farm</i>	Seeded	Total	Completed
Airdrie	5,427	5,427	100%
Montana	44,523	44,523	100%
Hafford	47,480	48,000	99%
Kamsack	34,500	43,492	79%
Outlook	3,240	3,425	95%
Regina	40,810	47,698	86%
Raymore	14,400	23,328	62%
Swift Current	111,545	111,545	100%
The Pas	10,300	29,966	34%
Prince Albert	11,400	21,894	52%
Yorkton	10,000	11,054	90%
Eddystone	7,900	17,344	46%
Total	341,525	407,696	84%

23. Since the date of First Report, the Monitor has, among other things:
- (a) monitored the Applicants’ financing and engaged in review and discussions with the Applicants with respect to their operations, vendor disbursements, and requirements under the DIP Term Sheet;
 - (b) engaged in discussions with various stakeholders and creditors in connection with the Applicants and these CCAA Proceedings;
 - (c) set up a process to monitor and review the Applicants’ cash disbursements, receipts and track actual results versus the cash flow forecast;
 - (d) met bi-weekly with the Syndicate’s Financial Advisor with respect to the Applicants’ cash flow as required under the DIP Term Sheet;

- (e) completed security reviews of FCC security over the FCC Priority Collateral (as that term is defined below) and the Syndicate’s security over the Property included in the Hafford Transaction;
- (f) engaged in discussions with the Applicants and their legal counsel with respect to the Hafford Transaction;
- (g) engaged in discussions with the Applicants, the DIP Agent, and the Syndicate’s Financial Advisor regarding the design of the SISP, including the process of selecting the Property Brokers; and
- (h) prepared this report.

HAFFORD TRANSACTION

- 24. As described in the First Monette Affidavit and the Affidavit of Darrel Monette dated April 28, 2026 (the “**Second Monette Affidavit**”), prior to the Filing Date, the Group engaged in sales efforts to sell some of its Property to reduce its indebtedness. As a result of these efforts three sales transactions were entered into prior to the Filing Date. One of the sales transactions was the Hafford PSA which was anticipated to close on April 30, 2026.
- 25. The Hafford Transaction was approved by the Court on May 1, 2026 and closed on May 13, 2026, and the Monitor’s Certificate was filed on the same day certifying that the conditions to closing had been satisfied and that the Monitor was satisfied that it may close on terms substantially as approved by the Court. The sale proceeds of \$28.9 million were received by the Monitor and following title being updated at the Saskatchewan Land Titles Registry on May 25, 2026, those proceeds were distributed to the Syndicate to reduce the amount outstanding under the Senior Facilities (as defined in the First Monette Affidavit).

SCOTIA NEW LIFE POLICY DEBT

26. On May 1, 2026, the Court granted an order (the "**Lift Stay Order**"), with the consent of counsel for the Applicants, the Monitor, and The Bank of Nova Scotia ("**Scotia Wealth**") with respect to the Life Insurance Policy (as defined in the Lift Stay Order), which, among other things:
- (a) provides that the Stay Period shall not apply to Scotia Wealth in respect of: (i) making demands related to its facility agreement dated September 17, 2024; (ii) taking steps to collapse or cause the collapse of the Life Insurance Policy; (iii) taking steps to have the cash surrender value under the Life Insurance Policy paid to BNS; and (iv) any other actions or steps necessary to give effect to the foregoing; and
 - (b) provides that Monette Farms Ltd. shall execute any documents required to effect the collapse or surrender of the Life Insurance Policy, which Scotia Wealth shall hold in trust until May 26, 2026 (the "**Policy Deadline**"), unless otherwise agreed to between Scotia Wealth, Monette Farms, and the Monitor.
27. On May 4, 2026, Monette Farms Ltd. received a demand letter sent by counsel to Scotia Wealth (the "**Demand Letter**"), which, among other things, demanded repayment of the Scotia Wealth indebtedness by May 25, 2026, and issued the corresponding *Farm Debt Mediation Act*, Notice of Intent by Secured Creditor.
28. Notwithstanding that the Policy Deadline has passed, the Group and the Monitor have been working diligently and are continuing negotiations with Scotia Wealth's counsel to reach a resolution of these issues. The Group's intention is to attempt to retain the Life Insurance Policy, although the premium remains outstanding.

FCC LOAN AGREEMENT

29. Pursuant to paragraphs 13(b) and 42(a) of the ARIO, respectively, (i) the Group was authorized to dispose of or sell all breeding and feeder cattle owned or controlled by the Group (the "**Cattle**") without further order of this Court; and (ii) any such Cattle upon which Farm Credit Canada ("**FCC**") has a first ranking security interest (the "**FCC Priority Collateral**") ranked in priority to the DIP Lenders' Charge and Directors' Charge.
30. The Monitor's Counsel reviewed the security underlying the FCC Security and concluded that, subject to the standard and customary assumptions, FCC has valid senior ranking security in respect of the FCC Priority Collateral. As a result, the Applicants and FCC agreed to a payment arrangement to facilitate repayment of amounts owing to FCC upon the sale of the FCC Priority Collateral.
31. As of May 22, 2026, sufficient proceeds had been realized from the sale of FCC Priority Collateral to fully repay the approximately \$30 million that was outstanding under the FCC Facility (as defined in the ARIO), together with FCC's legal fees. Proceeds from Cattle sales will now be remitted to the Group, under the Monitor's oversight, to fund ongoing operations.

BUDGET TO ACTUAL RESULTS

32. The Applicants, in consultation with the Monitor, prepared the First Cash Flow Statement which was appended to the Pre-Filing Report.
33. Actual cash flow results as compared to those contained in the First Cash Flow Statement for the five-week period of April 18, 2026, to May 22, 2026, are summarized as follows:

Monette Farms et al
Consolidated Weekly Cash Flow Variance Analysis
 April 18, 2026 to May 22, 2026

5-Week Period Ending May 22, 2026			
CAD millions	Actual	Forecast	Variance
Operating receipts	\$ 18.6	\$ 20.1	\$ (1.5)
Cost of goods sold	(46.5)	(51.2)	4.7
Direct Operating Expenses	(16.1)	(21.7)	5.7
Operating Overhead	(2.6)	(8.9)	6.3
General AP/Visa	(3.4)	(1.0)	(2.4)
Capex	(0.7)	(1.0)	0.3
Net change in cash from operations	(50.6)	(63.7)	13.1
Senior Secured Debt Interest	(2.4)	(5.2)	2.8
Restructuring costs	(3.8)	(4.6)	0.8
DIP Facility (net of repayments)	66.0	73.4	(7.4)
Total net change in cash flow	9.2	(0.1)	9.3
Opening cash	1.7	2.1	(0.4)
Total net change in cash flow	9.2	(0.1)	9.3
Ending cash	\$ 10.9	\$ 2.0	\$ 8.9

34. The variances in actual receipts and disbursements against the First Cash Flow statement are primarily due to the following:
- Operating receipts have been substantially in line with forecast primarily due to timing variances with respect to the receipt of seed revenue which the Group still expects to collect in future periods;
 - Cost of goods sold have been lower than forecast and the variance is primarily timing related as crop input expenses expected to be paid in the first five weeks of the forecast

- have been partially deferred to future weeks. This positive variance is expected to reverse in future periods;
- (c) Direct operating expenses have been lower than forecast and the variance is primarily timing related as equipment expenses (primarily with John Deere) initially contemplated to be paid in the first five weeks have been partially deferred to future weeks upon agreement with John Deere. This positive variance is expected to reverse in future periods. The positive variance is partially offset by higher fuels costs due to higher fuel pricing than originally forecast;
 - (d) Operating overhead has been lower than forecast and the variance is primarily related to (i) the Life Insurance Policy premium discussed that has not been paid (permanent variance) and (ii) the timing of payment of lease payments contemplated to be paid in the first five weeks have been partially deferred to future weeks (timing variance expected to reverse in future periods);
 - (e) General AP and Visa payments have been higher than forecast and is a permanent variance as payments on the Group's Visa's were not specifically forecast and therefore this variance offsets positive variances within other expenses included in the forecast;
 - (f) Capex has been lower than forecast and the variance is primarily timing related progress payments on the work being completed and this positive variance is expected to reverse in future periods;
 - (g) Senior Secured Debt Interest was lower than forecast and is primarily due to the timing of interest payments after the borrowings under the Senior Facilities were moved to Prime Rate and US Base Rate borrowings which are paid quarterly; and
 - (h) Restructuring costs have been lower than forecast primarily related to the timing of the receipt and payment of invoices. Overall, restructuring costs have been in line with budget.

35. As of May 22, 2026, the Applicants had approximately \$10.9 million of cash on hand and approximately \$66 million drawn on the DIP Facility with an additional \$24 million available to be drawn under the Maximum Amount.

SECOND CASH FLOW STATEMENT

36. The Applicants Second Cash Flow Statement for the period of May 23, 2026, to November 13, 2026 (the “**Forecast Period**”) is attached as Appendix “A” and summarized below.

Monette Farms et al
Consolidated Weekly Cash Flow Forecast
 May 23, 2026 to November 13, 2026

<i>CAD millions</i>	Forecast Period
Operating receipts	\$ 139.8
Operating disbursements	(118.0)
Net change in cash from operations	21.7
Senior Secured Debt Interest	(34.0)
Restructuring costs	(11.7)
DIP Facility (net of repayments)	15.1
Total net change in cash flow	(8.9)
Opening cash	10.9
Total net change in cash flow	(8.9)
Ending cash	\$ 2.0
Opening DIP Facility balance	\$ 66.0
DIP Facility draws/(repayments)	15.1
Closing DIP Facility balance	\$ 81.1

37. The Monitor notes that the Second Cash Flow Statement contains material assumptions on the receipt of future receipts that are currently not known with certainty given that the crops for the 2026 growing season are only just in the process of being planted. The revenue projections shown are based on estimated yields and current market prices which are subject to fluctuations.

38. Based on the above and with the additional financing available under the DIP Facility, the Applicant’s liquidity is projected to be sufficient for the Forecast Period.

39. The Monitor's conclusions from its review of the Second Cash Flow Statement pursuant to section 23(1)(b) of the CCAA are as follows:
- (a) the Second Cash Flow Statement has been prepared by management of the Applicants for the purpose described in the notes to the Second Cash Flow Statement, using the probable assumptions and the hypothetical assumptions set out therein;
 - (b) the Monitor's review consisted of inquiries, analytical procedures and discussion related to information supplied by certain of the management and employees of the Applicants. Since hypothetical assumptions need not be supported, the procedures with respect to those assumptions were limited to evaluating whether they were consistent with the purpose of the Second Cash Flow Statement. The Monitor has also reviewed the support provided by management of the Applicants for the probable assumptions, and the preparation and presentation of the Second 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 Second 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 Second Cash Flow Statement, given the hypothetical assumptions; or
 - (iii) the Second Cash Flow Statement does not reflect the probable and hypothetical assumptions;

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

SALE AND INVESTMENT SOLICITATION PROCESS

42. Capitalized terms used in this section that are not otherwise defined are given the meaning ascribed to them in the SISP procedures.

Real Estate Broker Selection Process

43. The SISP contemplates marketing all of the Group's land and real estate located in Saskatchewan, Manitoba, British Columbia, Arizona, Montana and Colorado. Given the vast amount of geographically diverse land and real estate owned by the Group, the Monitor and the Group determined that engaging Property Brokers with specialized experience and knowledge within each unique geographic region would be necessary and would assist in enhancing sales values. Paragraph 10 of the SISP contemplates that the Group engages Property Brokers on terms and conditions satisfactory to the Monitor and the Lender Agent by no later than June 15, 2026.
44. In order to select the appropriate Property Brokers the Group sent requests for proposals ("RFPs") to known real estate brokers in each unique geographical region. The RFPs requested that Property Brokers provide:
- (a) Proposed fee structure;

- (b) An overview of the Property Broker’s company, expertise and experience;
- (c) Key personnel who would work on the engagement including a description of their role, availability and experience;
- (d) Proposed marketing approach; and
- (e) Proposed timelines to market and sell the subject property.

collectively (“**Assessment Criteria**”)

45. Prior to requesting RFPs, the Applicants reviewed and considered the pool of potential Property Brokers for each region, including various parties who contacted the Group and/or Monitor expressing interest in the opportunity. The Applicants then sent RFPs to the candidates they believed were the most capable and qualified for the mandate in each region.

46. The table below provides a summary of number of RFPs sent and proposals received by each unique geographical region. Saskatchewan and Manitoba were combined due to their proximity and the similarities in market characteristics of the properties located in these regions. Arizona and Colorado are marked as N/A as the properties in these States were listed with Property Brokers prior to the commencement of the CCAA Proceedings. Given their familiarity with the subject properties the Applicants intend to extend their engagements of the existing Property Brokers and incorporate them into the SISP.

<i>Region</i>	RFPs	
	Sent	Received
Saskatchewan/Manitoba	4	3
British Columbia	2	2
Montana	6	3
Arizona	N/A	N/A
Colorado	N/A	N/A

47. After discussions with the Applicants certain brokers who were contacted chose not to submit a proposal due to capacity constraints and the size/complexity of the packages being marketed and/or the competitive fee structure.
48. The Applicants and the Monitor are currently in the process of reviewing the RFPs received with consideration given to the Assessment Criteria. The Applicants, in consultation with the Monitor intend to select the successful Property Brokers in each region and seek consent from the Lender Agent in the coming days. Once consent is received from the Lender Agent, the Applicants will finalize formal agreements with the Property Brokers in accordance with the terms of the SISP.

MONITOR'S COMMENTS ON THE PROPOSED SISP

49. A copy of the proposed SISP is attached as Appendix "B" to the SISP Approval Order.
50. Interested parties are encouraged to read the SISP document in detail to fully understand the solicitation process, timelines and bidding requirements.
51. The Monitor and its counsel have engaged in extensive consultation with the Applicants, the Lender Agent and their respective legal counsels with respect to designing the SISP. The Monitor has the following comments on the proposed SISP.

Conduct of the SISP

52. The proposed SISP is the result of collaborative consultation between the Applicants, the Monitor and the Lender Agent. The Monitor has the experience, expertise and capacity to conduct the SISP in the manner set out within the SISP Procedures with the cooperation of the Applicants. The Monitor will conduct the SISP in consultation with the Applicants, the Property Brokers and the Lender Agent. The Property Brokers will bring specific localized experience and expertise selling Brokered Properties (as defined below) in each geographical region.
53. The SISP includes procedures for expedited approval by the Court, described below at paragraph 64.

Types of Transactions Contemplated

54. The SISP contemplates a two-pronged approach seeking various types of restructuring or sales transaction as follows:
- (a) a typical all-encompassing sale and investment solicitation process seeking an en bloc transaction (“**En Bloc Transaction**”), which could include:
 - (i) a larger acquisition of some or all of the Property and/or businesses of the Applicants;
 - (ii) an investment, restructuring, recapitalization, or reorganization of the Group under the CCAA; or
 - (iii) a refinancing of the Group’s secured and funded indebtedness;
 - (b) sales (“**Land Purchase Proposals**”) of specific farmland, agricultural operations, seed processing facilities and cattle ranches (“**Brokered Properties**”).

Timelines

55. The SISP contemplates a five-month timeline. The table below provides a summary of the SISP timeline:

Milestone	Deadline
Commencement date – for Brokered Properties - Property Brokers must commence listing and marketing of the Brokered Properties; and for En Bloc Transactions – the Monitor must arrange for a notice of the SISP to be published in such newspapers, trade publications, or other media as the Group, in consultation with the Monitor and the Lender Agent, considers appropriate and send the Teaser Letter and NDA.	June 29, 2026
Hold Date – The Monitor shall hold all Binding Bids received until September 1, 2026, prior to designating any Binding Bid as a Successful Bid, unless the Monitor, the Lender Agent and the Applicants agree that the Binding Bid should be accepted early.	September 1, 2026
Binding Bid Deadline – Binding Bids can be submitted at any time and Bidders are encouraged to submit Binding Bids <u>as soon as possible</u> , however no later than the October 15, 2026.	October 15, 2026
Outside date for Court Approval – Successful Bids submitted prior to September 1, 2026	October 31, 2026
Outside date for Court Approval – Successful Bids submitted after September 1, 2026 but prior to October 15, 2026	November 30, 2026
SISP Termination Date	November 30, 2026

56. In the Monitor’s view the timelines proposed in the SISP are reasonable in the circumstances and provide an adequate amount of time for the Property to be marketed and for potential bidders to submit Binding Bids. The Monitor notes that the Applicants own approximately 275,000 acres of land especially concentrated in Saskatchewan, this amount of farmland hitting the market all at

once will be unprecedented and accordingly it is yet to be determined how the market will absorb the supply. To provide flexibility the SISP provides that the Monitor, in consultation with the Applicants and with approval from the Lender Agent, may modify and extend timelines if determined to be necessary.

Pre-Marketing and Property Listing Agreements

57. The SISP requires the Monitor and the Applicants to complete certain preparations prior to the commencement of the SISP (no later than June 29, 2026):
- (a) In respect of En Bloc Transactions (i) drafted a teaser letter describing the opportunity, outlining the process under the SISP, and inviting recipients to express interest pursuant to the SISP (“**Teaser**”); (ii) drafted a confidential information memorandum (“**CIM**”); (iii) populated an electronic data room (“**Data room**”); (iv) prepared a non-disclosure agreement (“**NDA**”); and (v) prepared a list of potential bidders (“**Known Potential Bidders**”) in consultation with the Applicants and the Lender Agent; and
 - (b) In respect of Brokered Properties, the Applicants must retain Property Brokers by no later than June 15, 2026, and have Property Brokers provide recommended listing prices and prepare marketing materials ready to be launched by no later than June 29, 2026.
58. In the Monitor’s view these preparatory steps are reasonable and necessary for the implementation of the SISP. The timelines to complete these steps are achievable given the Monitor’s prior experience with the Applicants, the information already prepared by the Applicants in prior selling/restructuring initiatives and the work the Applicants have already completed with respect to selecting Property Brokers, as outlined above. The Applicants intend to engage Property Brokers as soon as possible once approval has been received from the Lender Agent.

Marketing

59. The marketing stage must commence no later than June 29, 2026, at which time the Monitor shall:
- (a) ensure that the Property Brokers have commenced listing and marketing of the Brokered Properties;
 - (b) have arranged for a notice of the SISP (the “**Notice**”) to be published in such newspapers, trade publications, or other media as the Group, in consultation with the Monitor and the Lender Agent, considers appropriate; and
 - (c) send the Teaser Letter and NDA to all Known Potential Bidders, and to any other party who responds to the Notice or who is identified as a potential bidder, as soon as reasonably practicable after such identification or request. The list of Known Potential Bidders will be prepared by the Monitor with consultation from the Applicants and the Lender Agent.
60. In the Monitor’s view the marketing process contemplated will adequately expose the Property and Business to the market. The involvement of the Property Brokers in the SISP will enhance the network of potentially interested purchasers as each of the Property Brokers will bring their specific geographical knowledge, approach and contacts to the process.

Bidding Procedures

61. The Monitor has reviewed the bidding procedures including requirements for potential bidders to gain access to the CIM and the data room, present Binding Bids and be designated Qualified Bidders.
62. The Monitor notes that the bidding procedures are relatively standard for a CCAA SISP. The bidding procedures are not overly burdensome and provide clear guidance to bidders on how to participate and bid in the SISP. Additionally, the bidding procedures require bidders to provide a sufficient amount of information upon submitting a bid to allow the Monitor, the Applicants and the Lender Agent to understand and analyze the bids, understand the bidders’ corporate

characteristics and perform a reasonable assessment of the bidders' ability to close the contemplated transactions.

63. The Monitor notes that there is a streamlined process for interested parties submitting Land Purchase Proposals as they will not be required to sign NDAs in order to participate in the SISP (as long as they do not want access to the CIM and/or the Data room). The Monitor supports this streamlined process as parties interested in specific Brokered Properties will not likely require access to confidential information and therefore removing the need to sign an NDA will speed up the evaluation and diligence process and open the opportunity up to a larger pool of potential bidders.
64. The SISP allows for the acceptance of bids at any time with consent from the Monitor, the Applicants and the Lender Agent. This flexibility is important as it allows the Applicants to accept offers that are accretive to the Company's overall leverage position and clearly advantageous to the Applicants restructuring initiatives.

Consent and Approval Rights of the Lender Agent

65. The Lender Agent has been provided substantial consent and approval rights within the SISP including, but not limited to, consent/approval of:
 - (a) List prices for Brokered Properties;
 - (b) Selecting Qualified Bids;
 - (c) Selecting Successful Bids;
 - (d) Waiving non-compliance with bidding procedures; and
 - (e) Extending/modifying timelines.

66. In the Monitor's view, the consent and approval rights provided to the Lender Agent are reasonable and appropriate in the circumstances given the Syndicate is the Applicants' largest secured creditor. Additionally, the Syndicate provided the Applicants with the \$90 million DIP Facility necessary to fund the 2026 planting season and these CCAA proceedings. As a result, the Syndicate has a significant financial interest in ensuring the SISP is conducted efficiently, balancing the timely sale of assets to reduce debt and improve liquidity while achieving reasonable market values for the Property. Furthermore, the Applicants have agreed to these consent rights and are committed to consulting collaboratively with the Monitor and the Lender Agent throughout the SISP.

Expedited SAVO

67. The Applicants are seeking an Expedited SAVO Process to facilitate an orderly, efficient, and cost-effective process for Court supervision of the sale of Canadian Brokered Properties where the aggregate purchase price is equal to or less than \$30,000,000.

68. The Expedited SAVO Process will not apply to assets located in the United States.

69. The Monitor has considered the Expedited SAVO Process and is of the view that it is reasonable for the following reasons:

(a) the Expedited SAVO process is designed to provide for efficient and cost-effective closings on transactions below \$30,000,000. The \$30,000,000 transaction threshold is relatively immaterial compared to the value of the Applicants' total land holdings. The Expedited SAVO Process will save on legal and other professional fees providing for an efficient process that will enhance the net sales proceeds available for the estate from smaller value transactions.

(b) the Expedited SAVO Process can only be utilized if the transaction has been approved by the Monitor and the Applicants as well as the Lender Agent; and

- (c) any Expedited SAVO Application must be served on the Lender Agent, Encumbrance holders, or parties with leasehold interests that are to be discharged or terminated by any proposed Expedited SAVO. Parties have seven days after the service of the Expedited SAVO Application to submit reply materials. This notice will provide interested parties with adequate notice and the ability to object. Accordingly, the Monitor is of the view that the Expedited SAVO Process would not result in a material prejudice to stakeholders.

MONITOR'S POSITION ON THE PROPOSED STAY EXTENSION

70. The Applicants are seeking an order extending the Stay Period to and including November 13, 2026. The Monitor has considered the Applicants' application for the extension of the Stay Period and has the following comments:


- (a) with the DIP Facility the Applicants are projected to have sufficient liquidity available to fund ongoing obligations and the costs of the CCAA Proceedings during the term of the proposed extension to the Stay Period;
- (b) there will be no material prejudice to the Applicants' creditors and other stakeholders as a result of the extension to the Stay Period;
- (c) the Applicants are acting in good faith and with due diligence; and
- (d) the extension of the Stay Period aligns with the timelines in the proposed SISP and will therefore provide sufficient time for the Applicants to implement the proposed SISP. In the Monitor's view the implementation of the SISP will enhance the overall prospect of the Applicants effecting a viable restructuring.

CONCLUSIONS AND RECOMMENDATIONS

71. The Monitor is of the view that the assumptions underlying the Applicants' Second Cash Flow Statement are reasonable and that, with the DIP Facility, the Applicants will have sufficient liquidity to fund ongoing obligations and the costs of these CCAA proceedings during the Stay Period.
72. The Monitor is of the view that the relief requested by the Applicants pursuant to the SISP Approval Order is necessary, reasonable, and justified in the circumstances. The Monitor supports the Applicants request for the Expedited SAVO Process.
73. The Monitor respectfully recommends that the Applicants' request for the SISP Approval Order and the Stay Extension Order be granted.

All of which is respectfully submitted this 4th day of June 2026.

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



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Appendix “A” – Second Cash Flow Statement

Monette Farms et al
Consolidated Weekly Cash Flow Forecast
May 23, 2026 to November 13, 2026

CAD million	Notes	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week #		1	2	3	4	5	6	7	8	9	10	11	12	13
Week Ending		5/29/2026	6/5/2026	6/12/2026	6/19/2026	6/26/2026	7/3/2026	7/10/2026	7/17/2026	7/24/2026	7/31/2026	8/7/2026	8/14/2026	8/21/2026
Operating Receipts														
Grain		\$ 0.3	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 3.1	\$ 3.1	\$ 3.1	\$ 3.1	\$ 1.1	\$ 1.1	\$ 1.1	\$ 1.1
Seeds		0.1	0.1	0.6	1.2	0.6	0.3	0.3	0.3	0.2	0.2	0.2	0.2	-
Net Cattle Sales		-	-	5.1	0.9	7.1	-	-	0.9	-	3.7	-	-	-
Produce		0.2	0.4	0.4	0.4	0.4	0.4	0.4	0.2	0.9	1.6	1.6	1.6	1.6
Other Receipts		0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Operating Receipts	1	0.6	1.5	7.1	3.4	9.0	4.0	4.0	4.7	4.3	6.6	3.0	3.0	2.8
Operating Disbursements														
Cost of goods sold	2	(4.1)	(10.1)	(0.8)	(1.1)	(2.0)	(0.5)	(0.5)	(1.7)	(3.2)	(0.2)	(0.2)	(3.2)	(2.1)
Direct Operating Expenses	3	(0.9)	(2.5)	(3.1)	(1.9)	(1.0)	(1.8)	(1.0)	(1.7)	(1.1)	(1.9)	(1.1)	(1.9)	(1.1)
Operating Overhead	4	(1.7)	(0.9)	(2.3)	(0.4)	(0.5)	(0.6)	(0.3)	(0.3)	(0.5)	(1.0)	(0.4)	(0.4)	(0.4)
General AP/Visa	5	-	-	-	-	-	-	-	-	-	-	-	-	-
Capex	6	(0.3)	(0.1)	(0.2)	(0.4)	-	-	(0.8)	-	-	-	-	-	-
Total Operating Disbursements		(6.9)	(13.6)	(6.4)	(3.8)	(3.5)	(2.8)	(2.5)	(3.6)	(4.8)	(3.0)	(1.7)	(5.4)	(3.6)
Operational Cash Flow		(6.3)	(12.1)	0.7	(0.3)	5.5	1.1	1.4	1.0	(0.5)	3.6	1.3	(2.4)	(0.8)
Non-Operational Items														
Senior Secured Debt Interest	7	-	-	-	-	-	(16.0)	-	-	-	-	-	-	-
DIP Facility Interest/Fees	8	(0.4)	-	-	-	-	(0.6)	-	-	-	(0.6)	-	-	-
Restructuring Fees	8	-	(0.7)	(1.4)	-	-	-	-	(1.4)	-	-	-	(1.3)	-
Asset sales	9	-	-	7.0	-	-	-	-	-	-	-	-	-	-
Swing line draws/(Repayments)		-	-	-	-	-	-	-	-	-	-	-	-	-
Operating line draws/(Repayments)		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Facility draws/(repayments)	9	-	-	(7.0)	-	-	-	-	-	-	-	-	-	-
Hedges and other miscellaneous		-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Facility draws/(repayments)	10	-	10.7	0.7	0.3	(5.5)	15.5	(1.4)	0.4	0.5	(3.0)	(1.3)	3.7	0.8
Total Non-Operational Items		(0.4)	10.0	(0.7)	0.3	(5.5)	(1.1)	(1.4)	(1.0)	0.5	(3.6)	(1.3)	2.4	0.8
Net Cash Flow		(6.7)	(2.1)	-	-	-	-	-	-	-	-	-	-	-
Opening Available Cash	11	10.9	4.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Net Cash Flow		(6.7)	(2.1)	-	-	-	-	-	-	-	-	-	-	-
Ending Available Cash		\$ 4.1	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0
Opening DIP Facility balance		66.0	66.0	76.7	77.4	77.7	72.2	87.7	86.3	86.6	87.2	84.1	82.9	86.6
DIP Facility draws/(repayments)		-	10.7	0.7	0.3	(5.5)	15.5	(1.4)	0.4	0.5	(3.0)	(1.3)	3.7	0.8
Closing DIP Facility balance		\$ 66.0	\$ 76.7	\$ 77.4	\$ 77.7	\$ 72.2	\$ 87.7	\$ 86.3	\$ 86.6	\$ 87.2	\$ 84.1	\$ 82.9	\$ 86.6	\$ 87.4

Monette Farms et al
Consolidated Weekly Cash Flow Forecast
May 23, 2026 to November 13, 2026

CAD million	Notes	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total
Week #		14	15	16	17	18	19	20	21	22	23	24	25	
Week Ending		8/28/2026	9/4/2026	9/11/2026	9/18/2026	9/25/2026	10/2/2026	10/9/2026	10/16/2026	10/23/2026	10/30/2026	11/6/2026	11/13/2026	11/13/2026
Operating Receipts														
Grain		\$ 10.1	\$ 4.2	\$ 4.2	\$ 4.2	\$ 7.2	\$ 6.3	\$ 6.3	\$ 6.3	\$ 6.3	\$ 6.3	\$ 6.8	\$ 6.8	\$ 95.4
Seeds		-	-	-	-	-	-	-	-	-	-	-	-	4.4
Net Cattle Sales		-	-	-	-	-	-	-	-	-	-	-	-	17.7
Produce		1.6	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	1.2	1.2	20.1
Other Receipts		0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	2.3
Total Operating Receipts	1	11.8	5.0	5.0	5.0	8.0	7.0	7.0	7.0	7.0	7.0	8.2	8.2	139.8
Operating Disbursements														
Cost of goods sold	2	(3.9)	(1.2)	(1.2)	(3.2)	(1.2)	(1.1)	(0.3)	(1.3)	(0.3)	(0.3)	(0.6)	(0.6)	(44.6)
Direct Operating Expenses	3	(2.1)	(1.3)	(2.7)	(1.3)	(2.3)	(1.1)	(5.3)	(1.2)	(1.8)	(2.4)	(2.1)	(1.4)	(45.6)
Operating Overhead	4	(0.5)	(0.6)	(0.3)	(0.3)	(0.4)	(0.5)	(0.2)	(0.3)	(0.2)	(12.4)	(0.4)	(0.3)	(26.0)
General AP/Visa	5	-	-	-	-	-	-	-	-	-	-	-	-	-
Capex	6	-	-	-	-	-	-	-	-	-	-	-	-	(1.7)
Total Operating Disbursements		(6.5)	(3.1)	(4.2)	(4.8)	(3.9)	(2.8)	(5.7)	(2.7)	(2.3)	(15.1)	(3.0)	(2.3)	(118.0)
Operational Cash Flow		5.3	1.9	0.8	0.2	4.1	4.2	1.2	4.2	4.7	(8.1)	5.2	5.9	21.7
Non-Operational Items														
Senior Secured Debt Interest	7	-	-	-	-	-	(18.0)	-	-	-	-	-	-	(34.0)
DIP Facility Interest/Fees	8	-	(0.6)	-	-	-	(0.5)	-	-	-	-	(0.7)	-	(3.4)
Restructuring Fees	8	-	-	(1.2)	-	-	-	-	(1.2)	-	-	-	(1.2)	(8.3)
Asset sales	9	-	-	-	-	-	-	-	-	-	-	-	-	7.0
Swing line draws/(Repayments)		-	-	-	-	-	-	-	-	-	-	-	-	-
Operating line draws/(Repayments)		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Facility draws/(repayments)	9	-	-	-	-	-	-	-	-	-	-	-	-	(7.0)
Hedges and other miscellaneous		-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Facility draws/(repayments)	10	(5.3)	(1.3)	0.3	(0.2)	(4.1)	12.8	(0.2)	(2.6)	(4.7)	7.1	(3.5)	(4.8)	15.1
Total Non-Operational Items		(5.3)	(1.9)	(0.8)	(0.2)	(4.1)	(5.7)	(0.2)	(3.7)	(4.7)	7.1	(4.2)	(5.9)	(30.6)
Net Cash Flow		-	-	-	-	-	(1.5)	1.0	0.5	-	(1.0)	1.0	-	(8.9)
Opening Available Cash	11	2.0	2.0	2.0	2.0	2.0	2.0	0.5	1.5	2.0	2.0	1.0	2.0	10.9
Net Cash Flow		-	-	-	-	-	(1.5)	1.0	0.5	-	(1.0)	1.0	-	(8.9)
Ending Available Cash		\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 0.5	\$ 1.5	\$ 2.0	\$ 2.0	\$ 1.0	\$ 2.0	\$ 2.0	\$ 2.0
Opening DIP Facility balance		87.4	82.1	80.7	81.1	80.9	76.9	89.7	89.5	86.9	82.2	89.3	85.9	66.0
DIP Facility draws/(repayments)		(5.3)	(1.3)	0.3	(0.2)	(4.1)	12.8	(0.2)	(2.6)	(4.7)	7.1	(3.5)	(4.8)	15.1
Closing DIP Facility balance		\$ 82.1	\$ 80.7	\$ 81.1	\$ 80.9	\$ 76.9	\$ 89.7	\$ 89.5	\$ 86.9	\$ 82.2	\$ 89.3	\$ 85.9	\$ 81.1	\$ 81.1

Consolidated Cash Flow Statement of Monette Farms et al

Notes to the Cash Flow Statement for the 25-Week period ending November 13, 2026

Purpose and General Assumptions of the Second Cash Flow Statement

Monette Farms Ltd., Monette Farms Ontario Corp., Nexgen Seeds Ltd., Monette Produce Ltd., Monette Seeds Ltd., Monette Land Corp., DMO Holdings Ltd., DMO Holdings USA, Inc., Monette Seeds USA, LLC, Monette Farms Arizona, LLC, Monette Farms USA, Inc., 1012595 DE INC., Monette Produce, LLC, Goat's Peak Winery Ltd., Monette Farms BC Ltd., Monette Farms Land GP Ltd., Monette Farms Land GP II Ltd., and Monette Farms BC GP Ltd. (collectively, the "**Group**" or the "**Applicants**") have prepared this cash flow statement and the accompanying notes (collectively, the "**Second Cash Flow Statement**"). The Applicants have prepared the Second 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 May 23, 2026, to November 13, 2026 (the "**Forecast Period**"). The Applicant's management ("**Management**") is of the opinion that, as at the date of filing the Second 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 Second Cash Flow Statement. This Second Cash Flow Statement should not be used for any other purpose, and stakeholders are cautioned that the information provided in the Second Cash Flow Statement could vary based on changing future circumstances.

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

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

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

Hypothetical and Probable Assumptions of the Cash Flow Statement

1. Operating receipts generated by the Group's farming operations and include (i) revenues generated from the sale grain of remaining grain inventory from the 2025 crop year and forecast for 2026 crops based on estimated yields and pricing the 2026 crops are assumed to be harvested beginning in August 2026, (ii) seed revenue from the Group's seed processing and seed cleaning business, (iii) cattle sales from the sale of feeder cattle in the normal course and also the sale of a portion of the Group's breeding herd to generate cash flow and (iv) the sale of remaining produce inventory from the 2025 crop year, winter produce crops in Arizona and 2026 produce crops based on estimated yields and pricing. The pricing for the sales is based on current commodity prices and contracted prices, where applicable.
2. Cost of goods sold includes the Group's primary farm input costs (fertilizer, chemical and seed). The majority of input costs for the 2026 growing season have been incurred and approximately 84% of the Group's acres have been seeded. It also includes the cost of bags, totes and packing and freight costs to transport the Group's product to market.
3. Direct Operating expenses include costs paid for custom farming (the majority of which is incurred in Arizona for produce crops), equipment rental and lease expenses (including lease payments to John Deere), fuel and lubrication associated with seeding the 2026 crop and wages and benefits.
4. Operating overhead includes the cost of the Group's corporate insurance premiums, lease and crop share payments for the 2026 growing season and to third parties for rented acres, property taxes and professional services fees associated with the Group's operations.
5. General AP/Visa includes other miscellaneous expenses and estimated costs associated with the Group's Visa cards.
6. Capex associated with ongoing projects required to meet the Group's revenue projections for 2026.
7. Interest costs apply only to the Group's Senior Facilities Agreement that continue to accrue interest on outstanding borrowings on a monthly basis and paid quarterly.
8. Restructuring costs consist of professional fees to be incurred as part of the CCAA Proceedings and U.S. Chapter 15 recognition including the Applicants' legal counsel, the Monitor, the Monitor's legal counsel, the DIP Lender's counsel and the Syndicate's

Financial Advisor. These costs reflect forecast professional time and may vary depending on the complexity of the CCAA proceedings and the involvement of each individual professional firm involved. The assumptions also include the expected catch-up payments toward outstanding arrears owed by the Applicants’.

9. Asset sales relating to existing sales transactions expected to close within the Forecast Period and contemplated to be repaid under the Capital Facility pursuant to the DIP Term Sheet.
10. Draws under the DIP Facility required to fund the Applicants’ operations during the Forecast Period.
11. Opening cash is approximately \$10.9 million for the Group as at May 23, 2026.

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