Court File No. **2025 01G 1510**

SUPREME COURT OF NEWFOUNDLAND & LABRADOR
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF an application of
Nemori Farms Ltd.

AND IN THE MATTER OF the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended

FOURTH REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED IN ITS CAPACITY AS MONITOR

July 16, 2025

Doane Grant Thornton

Grant Thornton Limited
Monitor

1000-1675 Grafton Street
Halifax, NS B3J 0E9

TABLE OF CONTENTS

APPENDICES

Appendix A – Security Opinion

Appendix B – Proposed Form of Order re RBC Application

Appendix C – Blackline of Proposed Form of Order Against RBC Application

Confidential Appendix- Further Details of Amended Qualified Bids

Introduction

1. Pursuant to an order ("**Initial Order**") issued by the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency (**"Court"**) on March 6, 2025, Nemori Farms Ltd. (the "**Company**") was granted protection under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36 ("**CCAA**"). The Initial Order, among other things:

   (a) appointed Grant Thornton Limited as monitor (in such capacity, the "**Monitor**") in the CCAA proceedings ("**CCAA Proceedings**") pursuant to section 11.7 (1) of the CCAA;

   (b) established an initial stay of proceedings up to and including March 14, 2025 (the "**Stay of Proceedings**"); and

   (c) granted an administration charge of $150,000 (the "**Administration Charge**") securing the fees and expenses of the Monitor, counsel to the Monitor, and counsel to the Company in respect of the CCAA Proceedings.

2. On March 14, 2025, the Court granted the Amended and Restated Initial Order ("**ARIO**"), further extending the Stay of Proceedings to April 25, 2025, confirming the appointment of Grant Thornton Limited as Monitor, increasing the Administration Charge to $175,000 and approving the Debtor-in-Possession Term Sheet ("**DIP Term Sheet**") with the Royal Bank of Canada (in such capacity, the "**DIP Lender**") to provide interim financing in these CCAA Proceedings up to the maximum principal amount of $600,000 ("**DIP Facility**"), as well as a charge on the Company's property (the "**DIP Charge**") ranking only subordinate to the Administration Charge.

3. On April 24, 2025 the Court granted the first amended and restated initial order ("**FARIO**") which, among other things:

   (a) further extended the Stay of Proceedings to June 30, 2025;

   (b) increased the Administration Charge to $250,000; and

   (c) approved the amendment to the DIP Term Sheet increasing the DIP Facility to $825,000, along with an associated increase to the DIP Charge.

4. Further on April 24, 2025, the Court granted the Sales and Investment Solicitation Process Order ("**SISP Order**") empowering the Monitor to implement and carry out the SISP as described in the Monitor's Second Report and attached to the SISP Order.

5. This fourth report of the Monitor ("**Fourth Report**"), previous Court reports and all information in respect of the CCAA Proceedings are posted to the Monitor's case website at www.DoaneGrantThornton.ca/Nemori. Readers are encouraged to read the following reports of the Monitor, the materials filed with the Court in relation to these CCAA Proceedings and orders issued by the Court to provide additional information on the Company's background and insolvency proceedings:

Reports to the Court:

(a) Pre-Filing Report, dated March 5, 2025

(b) First Report, dated March 13, 2025

(c) Second Report, dated April 22, 2025

(d) Third Report, dated June 25, 2025

Orders of the Court:

(e) Initial Order, dated March 6, 2025

(f) ARIO, dated March 14, 2025

(g) FARIO, dated April 24, 2025

(h) SISP Order, dated April 24, 2025

(i) Stay Extension and Sealing Order, dated June 30, 2025

Purpose of the Fourth Report

6. This Fourth Report has been prepared by the Monitor to provide the Court and the Company's stakeholders with the following:

(a) an update on the Monitor's activities since the hearing on June 30, 2025;

(b) an update on revised Qualified Bids received pursuant to the SISP, further detailed in the Confidential Appendix to which the Monitor will be requesting a sealing order from the Court until the termination of these CCAA Proceedings;

(c) the Monitor's declaration that the Qualified Bid submitted by RBC, which was a credit bid, is the Successful Bid pursuant to the terms of the SISP;

(d) the independent legal opinion obtained by the Monitor regarding the validity and enforceability of RBC's security as against the Company's Property ("**Security Opinion**"); and

(e) the Monitor's view of RBC's application to the Court as regards the SISP.

Terms of Reference

7. In preparing this Fourth Report, the Monitor has relied upon unaudited internal financial statements, certain other financial information and financial projections of the Company, discussions with management of the Company ("**Management**"), discussions with the Company's legal and financial advisors and financial information provided by the Company's stakeholders (collectively, the "**Information**"). While the Monitor has reviewed the Information for reasonableness and believes that the information provides a fair summary of the transactions and underlying financial position as reflected in the documents of the Company, 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 Canadian Generally Accepted Auditing Standards.

8. Some of the Information used in preparing this report consists of forward-looking information. The Monitor cautions that such information is based on assumptions about future events and conditions that are not yet ascertainable. The actual results with respect to the forward-looking information and the variations thereof could be significant.

9. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the Information and explanations presented to it by Management, the Company's advisors, directors of the Company, and other Company stakeholders within the context in which the Information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of these assumptions. The Monitor requested that Management, directors and other stakeholders bring to its attention any significant matters which were not addressed in the course of the Monitor's specific inquiries. Accordingly, this report is based solely on the Information (financial or otherwise) made available to the Monitor by the Company, Management and other stakeholders.

10. This report has been prepared for the use of this Court and the Company's stakeholders as general information relating to the Company and these CCAA Proceedings, and to

assist the Court in determining whether to grant the relief sought by the Company. Accordingly, the reader is cautioned that this report may not be appropriate for any other purpose. The Monitor does not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

11. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein have the meaning given to them in the Monitor's previous reports, orders of the Court in these CCAA Proceedings, or the March 3, 2025 affidavit of Sheldon Cameron ("**Cameron Affidavit**").

Activities of the Monitor since June 30, 2025

12. After the hearing before this Honourable Court on June 30, 2025, pursuant to the Courts direction the Monitor:

(a) On July 2nd, advised all Qualified Bidders in the SISP they had an opportunity until end of day Friday, July 4th to improve their Bid (an "**Amended Bid**"). If no Amended Bid was received, the Monitor would consider the Qualified Bidders' previous Bid as final for evaluation purposes.

(b) On July 4th to 7th, reviewed all Amended Bids received from Qualified Bidders to determine the Successful Bidder pursuant to the SISP.

(c) On July 7th, advised RBC that its credit bid submitted pursuant to the SISP, which was a Qualified Bid, was the Successful Bid in the SISP and RBC was therefore the Successful Bidder. As noted by counsel to RBC at the hearing of June 30th, RBC's Successful Bid contemplates a liquidation of the Company's Property post Court approval and does not envision the Company continuing as a going concern.

(d) Pursuant to the Court's direction, on July 7th the Monitor advised the Company and its counsel that:

i. The Bid advanced by Management, which was a Qualified Bid, was <u>not</u> the Successful Bid in the SISP;

ii. RBC advanced a credit bid in the SISP, which was a Qualified Bid, and was selected by the Monitor as the Successful Bid;

iii. The Monitor had obtained an independent legal opinion on the validity and enforceability of RBC's security as against the Company's Property and, subject to ordinary exclusions, the Security Opinion confirms that RBC's security is valid;

iv. The Monitor intended to select the second highest Qualified Bid received in the SISP as a backup bid ("**Backup Bid**"), and that the bid advanced by Management was neither the second highest bid nor the Successful Bid.

(e) On July 7^{th}, the Monitor advised all other Qualified Bidders that their Bid was not the Successful Bid in the SISP and coordinated the return of deposits accordingly.

Independent Security Opinion

13. The Monitor engaged McInnes Cooper in St. John's to provide an independent legal opinion as to the validity and enforceability of the security held by RBC in respect of the indebtedness outstanding by the Company. The Security Opinion, attached at **Appendix "A"**, concludes that subject to ordinary exclusions, RBC's security is valid and enforceable.

14. Based on the Monitor's review of the Security Opinion, the Monitor is of the view that the credit bid submitted by RBC is a Qualified Bid pursuant to the SISP as RBC holds valid, enforceable and properly perfected security.

Summary of Qualified Bids

15. A summary of Qualified Bids received in the SISP and the Monitor's commentary thereon is included in the Confidential Appendix, to which the Monitor will be requesting a sealing order from the Court until the termination of these CCAA Proceedings.

16. In additional to the detail outlined in paragraphs 14-31 of the Monitor's Third Report, at a high level the Monitor can advise as follows:

(a) Throughout the SISP, a total of five (5) Qualified Bids were received for the Monitor's consideration, four (4) of which contemplated the continuation of the Company as a going concern;

(b) All Qualified Bids received contemplated a transaction through a reverse vesting order, which was expected by the Monitor given the significance of the Milk Quota to the Company's valuation and the challenges of transferring same to a new owner pursuant to an asset purchase transaction;

(c) The Monitor provided Qualified Bidders two separate opportunities to consider and revise their Bid after the Bid Deadline. Three (3) Qualified Bidders accepted the opportunity to increase the consideration of their Qualified Bids each time;

(d) The Qualified Bid advanced by RBC, which is a credit bid that contemplates a liquidation of the Company's Property, offered the highest consideration of all Qualified Bids in the SISP and was therefore selected by the Monitor as the Successful Bid. The Monitor notes that it was unable to consult with either the Company or RBC as DIP Lender when selecting the Successful Bid as required by paragraph 34 of the SISP, as both parties advanced competing Qualified Bids in the SISP; and

(e) Of the remaining Qualified Bids received in the SISP, the Monitor selected the second highest Qualified Bid as a backup bid ("**Backup Bid**"), which would become the Successful Bid in the event that the Qualified Bid advanced by RBC does not close.

RBC's Application for Direction Regarding the SISP

17. On June 15th, RBC submitted an application ("**RBC Application**") to the Court for an Order and directions in respect of the SISP which included, among other things:

(a) Requiring the Monitor to disclose to RBC the details of all Qualified Bids received in the SISP, including without limitation the identity of the Potential Bidders, the proposed purchase price, and any material conditions identified by the Potential Bidders, and provide RBC with copies of all material documentation containing the terms of all such Qualified Bids; and

(b) Permitting RBC to communicate directly with any of the Potential Bidders that submitted Qualified Bids (and vice versa) with respect to matters relating to the SISP and the Qualified Bids, provided that RBC shall keep the Monitor apprised of, and to the extent reasonably practicable included in, all such communications.

18. The RBC Application was supported by the affidavit of Stéphane Ménard sworn on July 15, 2025 ("**Ménard Affidavit**"). The Monitor confirms that, as outlined in paragraph 8 of

the Ménard Affidavit, the Monitor has not disclosed the details of Qualified Bids in the SISP to RBC or any other Qualified Bidder.

19. The Monitor and its counsel discussed the RBC Application with counsel to RBC and counsel to the Company on July 15th and 16th, 2025. As a result of discussions between RBC and the Monitor, the proposed Order has been revised to provide for the following relief:

(a) Requiring the Monitor to disclose to RBC the details of the two next highest Qualified Bids received in the SISP, including without limitation the identity of those Potential Bidders, the proposed purchase price, and any material conditions identified by those Potential Bidders, and provide RBC with copies of all material documentation containing the terms of such Qualified Bids provided that RBC shall keep such information confidential subject only to further Order of the Court;

(b) Requiring the Monitor to include RBC in and consult with RBC in respect of any negotiations with the Potential Bidders identified above with respect to matters relating to the SISP and those Qualified Bids;

(c) Authorizing the Monitor at the request of any insider or non-arm's length party that is a Potential Bidder in the SISP (an "**Insider Bidder**") to be consulted as management of the Company on matters relating to the SISP at the Monitor's reasonable discretion, upon receipt of a written statement from that party that (i) the party withdraws from participating in the SISP as a Potential Bidder; (ii) the party does not intend to seek any relief in these proceedings inconsistent with the Monitor and the Company completing the SISP; (iii) the party will maintain as confidential all information disclosed to it by the Monitor subject to further Order of the Court, and (iv) as management of the Company, the party will comply with the Company's obligations under the SISP.

20. The revised form of Order is attached at **Appendix "B"**, with a blackline to the order included in the RBC Application attached at **Appendix "C"**.

21. With respect to the requested relief in the RBC Application, the Monitor is of the view that disclosure to RBC of the highest going concern Qualified Bids in the SISP has the potential to result in a net benefit to many stakeholders in this process, should one of those Bids be acceptable to RBC and allow the Company to avoid liquidation. Specifically:

(a) the Company would be able to continue as a going concern rather than face liquidation, albeit under different ownership;

(b) while Calvin and Sheldon Cameron will no longer be shareholders of the restructured business, a going concern transaction retains the possibility the Cameron brothers could continue to be employed at the farm and would therefore benefit from ongoing and steady employment;

(c) other employees and trade creditors of the Company would benefit from ongoing employment and operations; and

(d) a going-concern transaction would ensure the continued operation of the second largest dairy farm by milk quota in Newfoundland and Labrador.

22. The Monitor is cognizant of the social and public policy reasons that would make it desirable for the farm to remain in operation. Such negotiated outcome, if possible, would be consistent with the remedial purpose of the CCAA, which is to avoid where possible the social and economic consequences of a bankruptcy.

23. As of writing this Report, the Monitor understands that Counsel to the Company and RBC are each seeking instructions on the proposed Order.

The Monitor's Request for a Sealing Order

24. The Monitor respectfully requests that the Court grant a Sealing Order with respect to the Confidential Appendix until such time as the CCAA Proceedings are terminated.

25. The Monitor is of the view that the requested Sealing Order is the least restrictive method of protecting an important public interest. The Confidential Appendix contains confidential and commercially sensitive financial information, including unredacted details of Qualified Bids received in SISP. The Monitor is concerned that if such information became public in advance of closing a transaction pursuant to the SISP, it could negatively impact the Monitor's ability to consummate an alternative transaction or effect a restructuring of the business.

Good Faith and Due Diligence

26. As at the date of this Fourth Report, the Monitor:

(a) is of the view that the Company and its stakeholders are acting in good faith and with due diligence, pursuant to section 18.6(1) of the CCAA;

(b) is not of the view that it would be more beneficial to the Company's creditors if proceedings were taken under the *Bankruptcy and Insolvency Act*, pursuant to section 23(1)(h) of the CCAA; and

(c) is not aware of any issue or condition that could be considered a material adverse change pursuant to s. 23(1)(d) of the CCAA.

Conclusion and Recommendation

27. For the reasons set out in this Fourth Report, the Monitor is supportive of the RBC application, subject to the changes outlined in the proposed order at Appendix "B".

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 16th day of July, 2025.

GRANT THORNTON LIMITED, SOLELY IN ITS CAPACITY AS MONITOR OF NEMORI FARMS LTD.
AND NOT IN ITS CORPORATE OR PERSONAL CAPACITY

Liam Murphy, CPA, CA, CIRP, LIT
Senior Vice President

Appendix A

Security Opinion

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MCINNES COOPER

Our File: 266312

July 4, 2025

Grant Thornton Limited
1675 Grafton St.
Halifax, NS B3J 0E9
Attention: Liam Murphy

Dear Liam:

Re: Security Opinion – Nemori Farms Ltd. (the "Debtor")

This security opinion relates to the following indebtedness of the Debtor:

(a) The indebtedness of the Debtor to the Royal Bank of Canada ("**RBC**"), in relation to a $7,000,000 loan provided to the Debtor by RBC (the "**RBC Financing**") to partially finance the 2020 asset purchase transaction whereby the Debtor acquired certain real and personal property assets from Headline Holsteins Limited ("**HHL**"), Pauline Duivenvoorden, and Philip MacLean (the "**Acquisition**");

(b) The indebtedness of the Debtor to HHL, in relation to a $3,700,000 vendor-take-back loan provided to the Debtor by HHL (the "**HHL Financing**") during the Acquisition; and

(c) The indebtedness of the Debtor to Meridian OneCap Credit Corp ("**OneCap**"), Kubota Canada Ltd. ("**Kubota**"), Bennington Financial Corp. ("**Bennington**"), De Lage Landen Financial Services Canada Inc. ("**De Lage**"), Merchant Capital Group LLC ("**Merchant**"), and Truro Agromart Limited ("**Truro Agromart**", and collectively with RBC, HHL, OneCap, Kubota, Bennington, De Lage, and Merchant, the "**Secured Parties**") pursuant to acquisition and operational financing or other arrangements provided in the course of the business of the Debtor (the "**Operational Financing**").

More specifically, this opinion relates to security interests held by the Secured Creditors over the freehold and leasehold real and personal property of the Debtor (collectively, the "**Assets**"), including the following assets acquired by the Debtor through the Acquisition:

(a) The lands and buildings situate in the Province of Newfoundland and Labrador listed in Schedule "A", each of which has a root of title through agricultural leases issued by the Government of Newfoundland and Labrador (collectively, the "**Leased Real Property**");

(b) The lands and buildings situate in the Province of Newfoundland and Labrador listed in Schedule "B", each of which has a root of title through a Crown grant (collectively, the "**Freehold Real Property**", and together with the Leased Real Property, the "**Real Property**");

(c) Equipment, machinery, and tools;

(d) Livestock;

(e) 75% of the milk quotas held under License No. 106300 (the "**Purchased Milk Quota**"); and

(f) Inventory.

You have provided us with the following security documents (collectively, the "**Provided Security Documents**"):

(a) A Notice of Mortgage, delivered by the Debtor in favour of RBC, dated June 30, 2020, and registered at the Registry of Deeds for the Province of Newfoundland and Labrador (the "**Registry of Deeds**") on July 9, 2020, at registration number 940024 (the "**RBC NOM**"), together with the underlying Mortgage (the "**RBC Mortgage**");

(b) A general security agreement, delivered by the Debtor in favour of RBC, dated March 16, 2020 securing all present and after acquired personal property of the Debtor (the "**RBC GSA**");

(c) An assignment of dairy milk quota, delivered by the Debtor and its shareholders in favour of RBC, dated June 30, 2020 (the "**Assignment of Dairy Milk Quota**");

(d) A postponement and assignment of claims, delivered by HHL and the Debtor in favour of RBC, dated June 4, 2020 (the "**Postponement**"); and

(e) A Notice of Mortgage, delivered by the Debtor in favour of RBC, dated June 30, 2020, and registered at the Registry of Deeds on July 9, 2020, at registration number 940025, granting a charge over the Real Property in favour of HHL (the "**HHL NOM**").

You have also provided us with the following documents related to the Acquisition (collectively, the "**Provided Acquisition Documents**"):

(a) An asset purchase agreement dated June 9, 2020 (the "**APA**");

(b) Deeds of conveyance of the Freehold Real Property to the Debtor from HHL, each dated June 30, 2020, and registered at the Registry of Deeds at registration numbers 939929 and 939937 (the "**Freehold Conveyances**");

(c) Assignments of the Leasehold Real Property to the Debtor from a combination of HHL, Pauline Duivenvoorden, and Philip MacLean, each dated June 30, 2020, and registered at the Registry of Deeds at registration numbers 939938, 939939, 939944, 939951, 939953, 939955, 939956, 939958, 939960, 939962, 940017, 940018, 940019, 940020, 940021, and 940022 (the "**Leasehold Assignments**"); and

(d) A bill of sale dated June 30, 2020, transferring title to certain personal property assets to the Debtor from HHL (the "**Bill of Sale**")

We have also been provided with unexecuted copies (as attachments to the APA), but have not been presented with executed copies of, each of the following documents (collectively, the "**Unexecuted Security Documents**"):

(a) The underlying Mortgage related to the HHL NOM (the "**HHL Mortgage**");

(b) A promissory note issued by the Debtor in favour of HHL (the "**Promissory Note**"); and

(c) A general security agreement securing the present and after acquired personal property of the Debtor (the "**HHL GSA**").

We now provide the following security opinion.

2. SEARCHES AND CLEARANCES

Registry of Deeds

2.1 We conducted, or caused to be conducted, a search at the Registry of Deeds for filings or registrations made at that Registry of Deeds with respect to the Real Property dated June 30, 2025, which is noted as covering data entries from June 30, 2020, until June 17, 2025 (the "**Registry of Deeds Search**"). A copy of the Registry of Deeds Search is attached as Schedule "C".

2.2 Other than the RBC NOM and the HHL NOM, the Registry of Deeds Search did not reveal any encumbrances on title since June 30, 2020.

Personal Property Registry

2.3 We have conducted, or caused to be conducted, a search at the Personal Property Registry (the "**PPR**") dated July 2, 2025 (the "**PPR Search**"). A copy of the PPR Search is attached as Schedule "D".

2.4 The PPR Search revealed the following registrations against the Debtor, in accordance with the RBC Financing and the HHL Financing:

(a) A registration dated February 3, 2020, bearing Registration Number 17625815, as renewed by Registration Number 22428502, in favour of RBC (the "**RBC Registration**"), stated to secure all present and after acquired personal property of the Debtor, in accordance with the RBC GSA;

(b) A registration dated July 22, 2020, bearing Registration Number 18057488, in favour of RBC (the "**RBC Dairy Registration**"), stated to secure the assignment of the assignment of the Purchased Milk Quota to RBC, in accordance with the Assignment of Dairy Milk Quota. Please note that this registration is set to expire on July 22, 2025, and should be renewed; and

(c) A registration dated July 23, 2020, bearing Registration Number 18059329, in favour of HHL (the "**HHL Registration**"), stated to secure all present and after acquired personal property of the Debtor, in accordance with the HHL GSA.

2.5 The PPR Search also revealed the following registrations against the Debtor, in accordance with the Operational Financing (collectively, the "**Undocumented Security Registrations**"):

(a) A registration dated March 13, 2023, bearing Registration Number 20613766, in favour of OneCap (the "**OneCap Registration**"), stated to secure a tractor with serial number HACT7230TJE401777 (the "**OneCap Tractor**");

(b) A registration dated June 12, 2024, bearing Registration Number 21834361, in favour of Kubota (the "**First Kubota Registration**"), stated to secure two tractors with serial numbers KBTMKFSAKNFH12285 and 114184500224 (collectively, the "**First Kubota Tractors**"). The First Kubota Registration spells the Debtors name incorrectly by omitting the period at the end of "Nemori Farms Ltd.";

(c) A registration dated August 20, 2024, bearing Registration Number 22047401, in favour of Bennington (the "**Bennington Registration**"), stated to secure all present and future equipment captured by lease agreement 50030831, including a 2024 Supreme 1200T TMR Mixer with serial number 12T24010 (collectively, the "**Bennington Assets**");

(d) A registration dated September 6, 2024, bearing Registration Number 22099048, in favour of Kubota (the "**Second Kubota Registration**"), stated to secure a tractor with serial number UKGRACB9PP2803749 (the "**Second Kubota Tractor**"). The Second Kubota Registration spells the Debtors name incorrectly by omitting the period at the end of "Nemori Farms Ltd.";

(e) A registration dated October 3, 2024, bearing Registration Number 22180186, in favour of De Lage (the "**De Lage Registration**"), stated to secure a motor vehicle with serial number GE03CGFBTP3235334 (the "**De Lage Vehicle**");

(f) A registration dated October 16, 2024, bearing Registration Number 22211338, in favour of Kubota (the "**Third Kubota Registration**"), stated to secure a tractor with serial number KT486349 (the "**Third Kubota Tractor**"). The Third Kubota Registration spells the Debtors name incorrectly by omitting the period at the end of "Nemori Farms Ltd.";

(g) A registration dated November 5, 2024, bearing Registration Number 22271076, in favour of Merchant (the "**Merchant Registration**"), stated to secure an interest in all of the Debtor's present and after-acquired personal property. The Merchant Registration spells the Debtors name incorrectly by omitting the period at the end of "Nemori Farms Ltd."; and

(h) A registration dated February 20, 2025, bearing Registration Number 22529713, in favour of Truro Agromart (the "**Truro Agromart Registration**"), stated to secure: (i) an interest in all of the Debtor's present and after-acquired personal property, (ii) a purchase money security interest in all goods and products supplied by Truro Agromart to the Debtor for the purposes of enabling the Debtor to grow crops (the "**Truro Agromart Assets**"), and (iii) an interest and a purchase money security interest in the Debtor's interest in crops.

2.6 We did not conduct any searches other than the Registry of Deeds Search and the PPR Search (collectively, the "**Searches**").

3. SCOPE OF OPINION

Examination of Documents

3.1 We have examined an executed copy of each of the Provided Security Documents and an unexecuted copy of each of the Unexecuted Security Documents. Attached as Schedule "E" is a security review chart setting forth the particulars of the Provided Security Documents and the Unexecuted Security Documents.

3.2 We have examined the Provided Acquisition Documents.

3.3 We have examined the Searches.

3.4 We have not been requested to make, and accordingly have not made, any inquiries, investigations, or examinations of any certificates, documents, or records respecting the execution, the delivery, or performance of the documents by the Debtor, the Secured Parties, or any other party thereto.

Assumptions

3.5 We have made the following assumptions:

(a) With respect to all documents examined by us, the genuineness of all signatures, the legal capacity of individuals signing any documents, the authenticity of all documents submitted to us as originals and the conformity to authentic original documents of all documents submitted to us as certified, conformed, telecopy or photocopied copies;

(b) The Debtor and each other party to any of the Provided Security Documents, the executed versions of the Unexecuted Security Documents, and the documents underlying the Undocumented Security Registrations (collectively, the "**Security**") have taken all necessary corporate or other action necessary to authorize the execution, delivery, and performance by it of the Security, each as applicable, and the Debtor and each other party to any of the Security have duly executed and delivered the Security;

(c) The executed versions of the Unexecuted Security Documents are the exact same, without modification, as the forms of the Unexecuted Security Documents that we have been provided with;

(d) The Undocumented Security Registrations: (i) have been duly perfected since the date shown on their PPR Search, (ii) are valid security interests in accordance with the descriptions included with their respective registrations, and (iii) are not contrary to the terms of the documents underlying the respective Undocumented Security Registrations;

(e) Given that the First Kubota Registration, the Second Kubota Registration, the Third Kubota Registration, and the Merchant Registration appeared in a standard PPR search when searching the name "Nemori Farms Ltd.", a court would not determine that the misspelling of the Debtor's name in each of the First Kubota Registration, the Second Kubota Registration, the Third Kubota Registration, and the Merchant Registration would be materially misleading;

(f) The description of the Assets in the Security is accurate;

(g) Sufficient valuable consideration was given by the Secured Parties to the Debtor and any other party to any of the Security;

(h) All required governmental authorizations were obtained by the Debtor, RBC, HHL, OneCap, Kubota, Bennington, De Lage, Merchant, and Truro Agromart each as applicable, to encumber the Assets; and

(i) The parties to the Security have not agreed orally or in any written agreement to postpone the time for attachment of the security interests contemplated in the Security.

Laws Addressed

3.6 This opinion is limited to the laws of the Province of Newfoundland and Labrador and the federal laws of Canada applicable in the Province of Newfoundland and Labrador. Without limiting the generality of the immediately preceding sentence, we express no opinion with respect to the laws of any other jurisdiction to the extent that those laws may govern the validity, perfection, effect of perfection or non-perfection or enforcement of the security interests created by the Security as a result of the application of Newfoundland and Labrador conflict of laws rules. In addition, we express no opinion whether, pursuant to those conflicts of laws rules, Newfoundland and Labrador laws would govern the validity, perfection, effect of perfection or non-perfection or enforcement of those security interests.

4. OPINIONS

Classification of Personal Property

4.1 The Personal Property Security Act (Newfoundland and Labrador) (the "**PPSA**") distinguishes between a general "security interest" and a "purchase money security interest".

4.2 "Security interest" is defined in Section 2(1)(pp) of the PPSA as follows:

(pp) "security interest" means

(i) an interest in personal property that secures payment or performance of an obligation, but does not include the interest of a seller who has shipped goods to a buyer under a negotiable bill of lading or its equivalent to the order of the seller or to the order of an agent of the seller, unless the parties have otherwise evidenced an intention to create or provide for a security interest in the goods, and

(ii) the interest of

(A) a consignor who delivers goods to a consignee under a commercial consignment,

(B) a lessor under a lease for a term of more than one year,

(C) a transferee under a transfer of an account or a transfer of chattel paper, and

(D) a buyer under a sale of goods without a change of possession

that does not secure payment or performance of an obligation;

4.3 "Purchase money security interest" is defined in Section 2(1)(hh) of the PPSA as follows:

(hh) "purchase money security interest" means

(i) a security interest taken in collateral, other than investment property, to the extent that it secures all or part of the purchase price of the collateral, other than investment property,

(ii) a security interest taken in collateral, other than investment property, by a person who gives value for the purpose of enabling the debtor to acquire rights in the collateral, other than investment property, to the extent that the value is applied to acquire the rights,

(iii) the interest of a lessor of goods under a lease for a term of more than one year, and

(iv) the interest of a consignor who delivers goods to a consignee under a commercial consignment,

but does not include a transaction of sale by and lease back to the seller, and for the purpose of this definition, "purchase price" and "value" include interest, credit costs and other charges payable for the purchase or loan credit;

Enforceability Opinion

4.4 The RBC NOM and RBC Mortgage constitute a legal, valid, and binding obligation of the Debtor, enforceable against the Debtor in accordance with their terms.

4.5 The HHL NOM and HHL Mortgage constitute a legal, valid, and binding obligation of the Debtor, enforceable against the Debtor in accordance with their terms.

4.6 The RBC GSA constitutes a legal, valid, and binding obligation of the Debtor, enforceable against the Debtor in accordance with its terms.

4.7 The Assignment of Dairy Milk Quota constitutes a legal, valid, and binding obligation of the Debtor, enforceable against the Debtor in accordance with its terms.

4.8 The Postponement constitutes a legal, valid, and binding obligation of the Debtor, enforceable against the Debtor and HHL in accordance with its terms.

4.9 The HHL GSA constitutes a legal, valid, and binding obligation of the Debtor, enforceable against the Debtor in accordance with its terms.

Creation of Security Interest

4.10 The RBC NOM and the RBC Mortgage create a valid security interest in favour of RBC with respect to the Real Property, to secure payment and performance of the obligations described therein.

4.11 The HHL NOM and HHL Mortgage create a valid security interest in favour of HHL with respect to the Real Property, to secure payment and performance of the obligations described therein.

4.12 The RBC GSA, together with the RBC Registration, create a valid security interest in favour of RBC with respect to the present and after-acquired personal property of the Debtor, to secure payment and performance of the obligations described therein.

4.13 The Assignment of Dairy Milk Quota, together with the RBC Dairy Registration, create a valid security interest in favour of RBC with respect to the Purchased Milk Quota, to secure payment and performance of the obligations described therein.

4.14 The HHL GSA, together with the HHL Registration, create a valid security interest in favour of HHL with respect to the present and after-acquired personal property of the Debtor, to secure payment and performance of the obligations described therein.

4.15 The OneCap Registration creates a valid purchase money security interest in favour of OneCap with respect to OneCap Tractor.

4.16 The First Kubota Registration creates a valid purchase money security interest in favour of Kubota with respect to the First Kubota Tractors.

4.17 The Bennington Registration creates a valid purchase money security interest in favour of Bennington with respect to the Bennington Assets.

4.18 The Second Kubota Registration creates a valid purchase money security interest in favour of Kubota with respect to the Second Kubota Tractor.

4.19 The De Lage Registration creates a valid purchase money security interest in favour of De Lage with respect to the De Lage Vehicle.

4.20 The Third Kubota Registration creates a valid purchase money security interest in favour of Kubota with respect to the Third Kubota Tractor.

4.21 The Merchant Registration creates a valid security interest in favour of Merchant with respect to the present and after-acquired personal property of the Debtor.

4.22 The Truro Agromart Registration:

(a) Creates a valid security interest in favour of Truro Agromart with respect to the present and after-acquired personal property of the Debtor;

(b) Creates a valid purchase money security interest in favour of Truro Agromart with respect to the Truro Agromart Assets;

(c) Creates a valid security interest in favour of Truro Agromart with respect to the Debtor's interest in crops; and

(d) Does not meet the definition of purchase money security interest in relation to the Debtor's interest in crops, and therefore does not create a purchase money security interest in favour of Truro Agromart with respect to the Debtor's interest in crops.

Registration of Security Interest

4.23 Registration was made in all public offices provided for under the laws of Newfoundland and Labrador where such registration was necessary or desirable to perfect the security interest over the Real Property created by the RBC NOM and the RBC Mortgage.

4.24 Registration was made in all public offices provided for under the laws of Newfoundland and Labrador where such registration was necessary or desirable to perfect the security interest over the Real Property created by the HHL NOM and the HHL Mortgage.

4.25 Registration was made in all public offices provided for under the laws of Newfoundland and Labrador where such registration was necessary or desirable to perfect the security interest over the present and after-acquired personal property of the Debtor created by the RBC GSA.

4.26 Registration was made in all public offices provided for under the laws of Newfoundland and Labrador where such registration was necessary or desirable to perfect the security interest over the Purchased Milk Quota created by the Assignment of Dairy Milk Quota.

4.27 Registration was made in all public offices provided for under the laws of Newfoundland and Labrador where such registration was necessary or desirable to perfect the security interest over the present and after-acquired personal property of the Debtor created by the HHL GSA.

Priority

Competing Interests – Real Property

4.28 The competing security interests between RBC and HHL as it relates to the Real Property are primarily governed by Section 37 of *Registration of Deeds Act*, S.N.L 2009, c. R-10.01, which state as follows:

> **Effect of registration**
>
> **37.** An instrument that has not been proved and either registered or had a notice of instrument registered in relation to it, shall be judged fraudulent and void both at law and in equity, as against a subsequent purchaser or mortgagee for valuable consideration who first registers the instrument or notice of instrument, or against a trustee of an insolvent estate or an assignee or trustee under a conveyance for the benefit of the creditors.

4.29 Therefore, as between RBC and HHL, the first notice of mortgage that was registered will have priority over the other.

Competing Interests – Personal Property

4.30 The competing security interests between the Secured Parties as it relates to the Debtor's present and after-acquired personal property are primarily governed by Sections 35(1), 35(2), and 36(1) of the PPSA, which state as follows:

> **Priority of purchase money security interest**
>
> **35. (1)** Subject to section 29, a purchase money security interest in
>
> > **(a)** collateral or its proceeds, other than intangibles or inventory, that is perfected not later than 15 days after the debtor, or another person at the request of the debtor, obtains possession of the collateral, whichever is earlier; or
> >
> > **(b)** an intangible or its proceeds that is perfected not later than 15 days after the security interest in the intangible attaches,
>
> has priority over another security interest in the same collateral given by the same debtor.
>
> **(2)** Subject to section 29, a purchase money security interest in inventory or its proceeds has priority over another security interest in the same collateral given by the same debtor where
>
> > **(a)** the purchase money security interest in the inventory is perfected when the debtor, or another person at the request of the debtor, obtains possession of the collateral, whichever is earlier;
> >
> > **(b)** the secured party gives a notice to another secured party who has registered, before the registration of the financing statement relating to the purchase money security interest in the inventory, a financing statement where the collateral description in the financing statement includes the same item or kind of collateral or includes accounts;

(c) the notice referred to in paragraph (b) states that the person giving the notice expects to acquire a purchase money security interest in inventory of the debtor, and describes the inventory by item or kind; and

(d) the notice is given before the debtor, or another person at the request of the debtor, obtains possession of the collateral, whichever is earlier.

Residual general priority rules

36. (1) Where this Act provides no other method for determining priority between competing security interests in the same collateral, the following priority rules apply:

(a) priority between perfected security interests is determined by the order of the occurrence of the following:

(i) the registration of a financing statement under section 26 without regard to the time of attachment of the security interest,

(ii) possession of the collateral under section 25 without regard to the time of attachment of the security interest, or

(iii) perfection under sections 6, 8, 27, 30 or 75,

whichever is the earliest;

(b) a perfected security interest has priority over an unperfected security interest; and

(c) priority between unperfected security interests is determined by the order of attachment of the security interests.

4.31 Therefore, if a purchase money security interest meets the requirements of the PPSA, such purchase money security interest has priority over a general all present and after-acquired personal property registration as it relates to the specific assets contemplated by the purchase money security interest. Additionally, the order of priority of general security interests will be determined based on the order of perfection.

Ranking of Interests

4.32 The priority of security interests in the Assets are set forth in the table below. The interests of the Secured Parties are up to the aggregate amount of all consideration owing to the respective Secured Parties from the Debtor under the respective documents.

Asset	Security Ranking	Security Instrument
Real Property	1. RBC	RBC NOM RBC Mortgage
	2. HHL	HHL NOM HHL Mortgage

Purchased Milk Quota	1. RBC	Assignment of Dairy Milk Quota RBC Dairy Registration RBC GSA RBC Registration
	2. HHL	HHL GSA HHL Registration
	3. Merchant	Merchant Registration
	4. Truro Agromart	Truro Agromart Registration
OneCap Tractor	1. OneCap	OneCap Registration
	2. RBC	RBC GSA RBC Registration
	3. HHL	HHL GSA HHL Registration
	4. Merchant	Merchant Registration
	5. Truro Agromart	Truro Agromart Registration
First Kubota Tractors	1. Kubota	First Kubota Registration
	2. RBC	RBC GSA RBC Registration
	3. HHL	HHL GSA HHL Registration
	4. Merchant	Merchant Registration
	5. Truro Agromart	Truro Agromart Registration
Bennington Assets	1. Bennington	Bennington Registration
	2. RBC	RBC GSA RBC Registration
	3. HHL	HHL GSA HHL Registration
	4. Merchant	Merchant Registration

	5. Truro Agromart	Truro Agromart Registration
Second Kubota Tractor	1. Kubota	Second Kubota Registration
	2. RBC	RBC GSA RBC Registration
	3. HHL	HHL GSA HHL Registration
	4. Merchant	Merchant Registration
	5. Truro Agromart	Truro Agromart Registration
De Lage Vehicle	1. De Lage	De Lage Registration
	2. RBC	RBC GSA RBC Registration
	3. HHL	HHL GSA HHL Registration
	4. Merchant	Merchant Registration
	5. Truro Agromart	Truro Agromart Registration
Third Kubota Tractor	1. Kubota	Third Kubota Registration
	2. RBC	RBC GSA RBC Registration
	3. HHL	HHL GSA HHL Registration
	4. Merchant	Merchant Registration
	5. Truro Agromart	Truro Agromart Registration
Truro Agromart Assets	1. Truro Agromart	Truro Agromart Registration
	2. RBC	RBC GSA RBC Registration
	3. HHL	HHL GSA HHL Registration
	4. Merchant	Merchant Registration

	5. Truro Agromart	Truro Agromart Registration
Remainder of Personal Property	1. RBC	RBC GSA RBC Registration
	2. HHL	HHL GSA HHL Registration
	3. Merchant	Merchant Registration
	4. Truro Agromart	Truro Agromart Registration

5. QUALIFICATIONS

The foregoing opinions are subject to the following qualifications:

5.1 The enforceability of the Security is subject to bankruptcy, insolvency, reorganization, arrangement, winding-up, moratorium and other similar laws of general application affecting the enforcement of creditors' rights generally.

5.2 The enforceability of the Security is subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of a court.

5.3 The Secured Parties may be required to give the Debtor a reasonable time to repay following a demand for payment prior to taking any action to enforce its right of repayment or before exercising any of the rights and remedies expressed to be exercisable by the Secured Parties in any of the Security.

5.4 We express no opinion as to the enforceability of any provision of any Security that purports to suspend the powers of the board of directors of the Debtor.

5.5 We express no opinion as to the enforceability of any provision of any Security that may be characterized by a court as an unenforceable penalty and not as a genuine pre-estimate of damages.

5.6 We express no opinion as to the enforceability of any provision of any Security that:

(a) purports to waive all defences that might be available to, or constitute a discharge of the liability of the Debtor;

(b) to the extent it purports to exculpate the Secured Parties or their agents from liability in respect of acts or omissions, may be illegal, fraudulent or involve wilful misconduct; or

(c) states that amendments or waivers of or with respect to any Security that are not in writing will not be effective.

5.7 A receiver or receiver and manager appointed pursuant to any Security may, for certain purposes, be treated as the agent of the Secured Parties and not solely the agent of the Debtor notwithstanding any provision in such document to the contrary.

5.8 We express no opinion as to any licenses, permits or approvals that may be required in connection with the enforcement of any Security by the Secured Parties or by a person on its behalf, whether such enforcement involves the operation of the business of the Debtor or a sale, transfer or disposition of its property and assets.

5.9 We express no opinion as to whether registration was made in all public offices provided for under the laws of Newfoundland and Labrador where such registration was necessary or desirable to perfect the security interests created by the Undocumented Security Registrations.

5.10 We express no opinion as to the enforceability of any provision of the Security that may be characterized by a court as an unenforceable penalty and not as a genuine pre-estimate of damages.

5.11 Pursuant to the provisions of the *Interest Act* (Canada), no fine, penalty or rate of interest may be exacted on any arrears of principal or interest secured by a mortgage on real property that has the effect of increasing the charge on the arrears beyond the rate of interest payable on principal money not in arrears.

5.12 The provisions for payment of interest under any Security may not be enforceable if those provisions provide for the receipt of interest by a Secured Party at a "criminal rate" within the meaning of the *Criminal Code* (Canada).

5.13 Notwithstanding any provision of any Security to the contrary, any certificate or determination provided for therein may be subject to challenge in a court on the grounds of fraud, collusion, mistake on the face of the certificate, or mistake on the basis that the certificate differed in a material respect from the certificate contemplated in such provision.

5.14 Provisions contained in any Security that purport to sever from the Security any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of the Security may be enforced only in the discretion of a court.

5.15 The enforceability of any indemnity contained in any Security may be limited by applicable law to the extent it directly or indirectly relates to liabilities imposed on the Secured Parties by law for which it would be contrary to public policy to require the Debtor to indemnify the Secured Parties.

5.16 We express no opinion as to the enforceability of any provision of any Security that requires the Debtor to pay, or to indemnify the Secured Parties for, the costs and expenses of the Secured Parties in connection with judicial proceedings, since those provisions may derogate from a court's discretion to determine by whom and to what extent those costs should be paid.

5.17 A judgment of a Newfoundland and Labrador court may only be awarded in Canadian currency, and may be based on a rate of interest determined in accordance with the *Judgment Interest Act* (Newfoundland and Labrador), which rate of interest may be a rate other than expressed in the Security.

5.18 Notwithstanding receipt of the Freehold Conveyances, the Leasehold Assignments, the Bill of Sale, and the APA, we have not conducted a full review of title to the Assets, and therefore we express no opinion as to whether the Debtor had title to or any rights in any of the Assets.

6. RELIANCE

This opinion may be relied upon only by Grant Thornton Limited for the purposes of enforcement and/or insolvency proceedings with respect to the Debtor. This opinion may not be relied upon by any other person or for any other purpose nor may it be quoted in whole or in part or otherwise referred to without our prior written consent.

We trust you will find this to be in order. Should you have any questions or require any further assistance with respect to this matter, please do not hesitate to contact the undersigned.

Yours truly,

McInnes Cooper

SCHEDULE "A"

LEASED REAL PROPERTY

Property Identifier	Location	Lease No.
A-1	Goose Arm	74800
A-2	Goose Arm	88978
A-3	Goose Arm	75088
A-4	Goose Arm	74919
A-5	Goose Arm	54051
A-6	Goose Arm	125656
A-8	Reidville	111128
A-9	Reidville	89362
A-12	Cormack	89903
A-13	Cormack	88246
A-14	Reidville	39150
A-15	Goose Arm	131526
A-16	Cormack	132760
A-17	Goose Arm	134379
A-18	Cormack	120689
A-19	Goose Arm	54728

SCHEDULE “B”

FREEHOLD REAL PROPERTY

Property Identifier	Location	Grant No.
A-10	Reidville	25116
A-11	Reidville	25115

SCHEDULE “C”

REGISTRY OF DEEDS SEARCH

[see attached.]

Progressive Searching Limited

P. O. Box 1238
St. John’s, NL
A1C 5M9
Phone (709) 631-8256

admin@progressivesearching.com

2025 06 30

McInnes, Cooper
P.O. Box 5939
St. John’s, NL A1C 5X4

Attention: Bradley Budden

Re: Property of Nemori Farms Ltd. **(266312)**
Various properties - Goose Arm,
Reidville, Cormack, NL
File No. 133796

Dear Brad,

A sub search of title of the above captioned property was carried out on your behalf at the Registry of Deeds today. Our sub search covered the period from the date of the first cited deed below and we have established the following registered history to date:

CONVEYANCE Dated June 30, 2020 Registered July 9, 2020 Reg. No. 939929	HEADLINE HOLSTEINS LIMITED to NEMORI FARMS LTD. Consideration $1.00 Quit claims and releases all right, title and interest in and to property in Reidville containing 0.8 hectares and 0.2503 hectares as in Grant No. 25115 (A-11 on schedule).
CONVEYANCE Dated June 30, 2020 Registered July 9, 2020 Reg. No. 939937	HEADLINE HOLSTEINS LIMITED to NEMORI FARMS LTD. Consideration $15,000.00 Conveys property at Reidville containing 41.14 acres as in Grant No. 25116 (A-10 on schedule).

<u>ASSIGNMENT</u>

Dated June 30, 2020 Registered July 9, 2020 Reg. No. 939938	HEADLINE HOLSTEINS LIMITED and Pauline Duivenvoorden and Philip MacLean, as Releasors to NEMORI FARMS LTD. Consideration $2,354,000.00 Assigns property at Goose Arm containing 19.6 hectares as in Crown Lease No. 74800 (A-1 on schedule).

<u>ASSIGNMENT</u>

Dated June 30, 2020 Registered July 9, 2020 Reg. No. 939939	HEADLINE HOLSTEINS LIMITED to NEMORI FARMS LTD. Consideration $72,000.00 Assigns property at Goose Arm containing 40.002 hectares as in Crown Lease No. 88978 (A-2 on schedule).

<u>ASSIGNMENT</u>

Dated June 30, 2020 Registered July 9, 2020 Reg. No. 939944	HEADLINE HOLSTEINS LIMITED to NEMORI FARMS LTD. Consideration $36,000.00 Assigns property at Reidville containing 21.4578 hectares as in Crown Lease No. 111128 (A-8 on schedule).

<u>ASSIGNMENT</u>

Dated June 30, 2020 Registered July 9, 2020 Reg. No. 939951	HEADLINE HOLSTEINS LIMITED to NEMORI FARMS LTD. Consideration $37,500.00 Assigns property at Reidville containing 13.5198 hectares as in Crown Lease No. 89362 (A-9 on schedule)

ASSIGNMENT
Dated June 30, 2020
Registered July 9, 2020
Reg. No. 939953

HEADLINE HOLSTEINS LIMITED

to

NEMORI FARMS LTD.
Consideration $10,500.00
Assigns property at Cormack containing 20 hectares as in Crown Lease No. 89903 (A-12 on schedule).

ASSIGNMENT
Dated June 30, 2020
Registered July 9, 2020
Reg. No. 939955

HEADLINE HOLSTEINS LIMITED

to

NEMORI FARMS LTD.
Consideration $37,500.00
Assigns property at Cormack containing 20 hectares as in Crown Lease No. 88246 (A-13 on schedule).

ASSIGNMENT
Dated June 30, 2020
Registered July 9, 2020
Reg. No. 939956

HEADLINE HOLSTEINS LIMITED

to

NEMORI FARMS LTD.
Consideration $70,500.00
Assigns property at Reidville containing 20.046 hectares as in Crown Lease No. 39150 (A-14 on schedule).

ASSIGNMENT
Dated June 30, 2020
Registered July 9, 2020
Reg. No. 939958

HEADLINE HOLSTEINS LIMITED

to

NEMORI FARMS LTD.
Consideration $1,500.00
Assigns property at Goose Arm containing 56.898 hectares as in Crown Lease No. 131526 (A-15 on schedule).

<u>ASSIGNMENT</u>
Dated June 30, 2020 HEADLINE HOLSTEINS LIMITED
Registered July 9, 2020
Reg. No. 939960 to

NEMORI FARMS LTD.
Consideration $4,500.00
Assigns property at Cormack containing 8.8848 hectares as in Crown Lease No. 132760 (A-16 on schedule).

<u>ASSIGNMENT</u>
Dated June 30, 2020 HEADLINE HOLSTEINS LIMITED
Registered July 9, 2020
Reg. No. 939962 to

NEMORI FARMS LTD.
Consideration $6,000.00
Assigns property at Cormack containing 17 hectares as in Crown Lease No. 120689 (A-18 on schedule).

<u>ASSIGNMENT</u>
Dated June 30, 2020 HEADLINE HOLSTEINS LIMITED
Registered July 9, 2020
Reg. No. 940017 to

NEMORI FARMS LTD.
Consideration $67,500.00
Assigns property at Goose Arm containing 85.337 hectares as in Crown Lease No. 54728 (A-19 on schedule).

<u>ASSIGNMENT</u>
Dated June 30, 2020 PHILIP MACLEAN
Registered July 9, 2020
Reg. No. 940018 to

NEMORI FARMS LTD.
Consideration $46,500.00
Assigns property at Goose Arm containing 20.1 hectares as in Crown Lease No. 74919 (A-4 on schedule).

ASSIGNMENT
Dated June 30, 2020 PHILIP MACLEAN
Registered July 9, 2020
Reg. No. 940019 to

NEMORI FARMS LTD.
Consideration $133,500.00
Assigns property at Goose Arm containing 101 hectares as in Crown Lease No. 54051 (A-5 on schedule).

ASSIGNMENT
Dated June 30, 2020 PHILIP MACLEAN
Registered July 9, 2020
Reg. No. 940020 to

NEMORI FARMS LTD.
Consideration $57,000.00
Assigns property at Goose Arm containing 17 hectares as in Crown Lease No. 125656 (A-6 on schedule).

ASSIGNMENT
Dated June 30, 2020 PHILIP MACLEAN
Registered July 9, 2020
Reg. No. 940021 to

NEMORI FARMS LTD.
Consideration $421,500.00

Assigns property at Goose Arm containing 108.84 hectares, 24.2 hectares, 58.4 hectares, 28.7 hectares and 40.6 hectares as in Crown Lease No. 134379 (A-17 on schedule).

ASSIGNMENT
Dated June 30, 2020 PAULINE DUIVENVOORDEN and PHILIP MACLEAN
Registered July 9, 2020
Reg. No. 940022 to

NEMORI FARMS LTD.
Consideration $904,500.00
Assigns property at Goose Arm containing 19.6 hectares as in Crown Lease No. 75088 (A-3 on schedule).

<u>NOTICE OF MORTGAGE</u>

Dated June 30, 2020	NEMORI FARMS LTD.
Registered July 9, 2020	
Reg. No. 940024	to
	ROYAL BANK OF CANADA Consideration $7,000,000.00 Mortgages all of the properties in the 18 acquisitions included in this report as well as one other unrelated property.

<u>NOTICE OF MORTGAGE</u>

Dated June 30, 2020	NEMORI FARMS LTD.
Registered July 9, 2020	
Reg. No. 940025	to
	HEADLINE HOLSTEINS LIMITED Consideration $3,700,000.00 Mortgages all of the properties in the 18 acquisitions included in this report as well as one other unrelated property.

Please note that the unrelated property referred to in the foregoing two Notice of Mortgages has since been sold. We have found a partial release of mortgage concerning the property that was sold for each of those mortgages however, neither of the partial releases are properly cross-referenced to the mortgages in the related documents field making it appear as though no property as been released from the mortgages.

According to a posting at the Registry of Deeds this search is current to 4:00 p.m. June 17, 2025. This is a posting by the Registry of the last day for which they believe all entries have been indexed. Some of these entries are pending approval and are subject to change without notification. We have searched the Mechanics' Liens Index and not found any outstanding liens registered against the current owner since 2020. The Mechanics' Liens search is current up to June 26, 2025 at 3:10 p.m. which is the date and time of the last approved lien document.

I trust this meets with your approval.

Yours very truly,

PROGRESSIVE SEARCHING LIMITED

Tanya Newman
TLN/tln

SCHEDULE “D”

PPR SEARCH

[see attached.]

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Newfoundland and Labrador
Type of Search: Debtors (Enterprise)

Search Criteria: Nemori Farms Ltd.

Date and Time of Search (YYYY-MM-DD hh:mm)**:** 2025-07-02 11:40 (Atlantic)
Transaction Number: 27242369
Searched By: G190290

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	17625815	Nemori Farms Ltd.	Deer Lake
*	*	18057448	Nemori Farms Ltd.	Deer Lake
*	*	18059329	Nemori Farms Ltd.	Deer Lake
*	*	20613766	Nemori Farms Ltd.	DEER LAKE
*	*	22047401	NEMORI FARMS LTD.	DEER LAKE
*	*	22180186	NEMORI FARMS LTD.	Deer Lake
*	*	22529713	Nemori Farms Ltd.	Deer Lake
*	*	22529713	Nemori Farms Ltd.	Deer Lake
*	*	22529713	Nemori Farms Ltd.	Deer Lake
	*	21834361	NEMORI FARMS LTD	DEER LAKE
	*	22099048	NEMORI FARMS LTD	DEER LAKE
	*	22211338	NEMORI FARMS LTD	DEER LAKE
	*	22271076	NEMORI FARMS LTD	DEER LAKE

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.
Included Column Legend

- An asterisk ('*') in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts
- 9 registration(s) contained information that **exactly** matched the search criteria you specified.

- 4 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to **www.acol.ca**

Registration Details for Registration Number: 17625815

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17625815	2020-02-03 13:11	2025-02-03	1041844-RB10
Renewal	22428502	2025-01-10 09:12	2030-02-03	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
Nemori Farms Ltd.
191 Goose Arm Road
Deer Lake NL A8A 3H9
Canada

Secured Parties

Type: Enterprise
Royal Bank Of Canada
7101 PARC AVENUE, 5TH FLOOR
MONTREAL QC H3N 1X9
Canada

General Collateral

A SECURITY INTEREST IS TAKEN IN ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.

Registration Details for Registration Number: 18057448

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18057448	2020-07-22 15:50	2025-07-22	JAB 98862-1

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
Cameron, Calvin Bruce

14 Reid's Lane
Deer Lake NL A8A 2A1
Canada

Type: Individual
Cameron, Sheldon Dennis
14 Reid's Lane
Deer Lake NL A8A 2A1
Canada

Type: Enterprise
Nemori Farms Ltd.
Cameron, Calvin Bruce
Director
14 Reid's Lane
Deer Lake NL A8A 2A1
Canada

Secured Parties

Type: Enterprise
Royal Bank of Canada
Didychuck, Darrin
Account Manager
66 West Street
Corner Brook NL A2H 2Z3
Canada

General Collateral

Assignment of all milk quota both fluid and industrial (saleable and non-saleable) presently held or hereafter acquired by the Debtor, including, without limitation, all milk quota held under Licence No.
203100 issued or to be issued to the Debtor by the Dairy Farmers of Newfoundland and Labrador, or any amended, substituted or replacement licence and all proceeds therefrom.

Registration Details for Registration Number: 18059329

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18059329	2020-07-23 09:46	2042-07-23	MCH 82039-11

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
Cameron, Calvin Bruce
14 Reid's Lane
Deer Lake NL A8A 2A1
Canada

Type: Individual
Cameron, Sheldon Dennis
14 Reid's Lane
Deer Lake NL A8A 2A1
Canada

Type: Enterprise
Nemori Farms Ltd.
Cameron, Calvin Bruce
Director
14 Reid's Lane
Deer Lake NL A8A 2A1
Canada

Secured Parties

Type: Enterprise
Headline Holsteins Limited
Duivenvoorden, Pauline
Director
191 Goose Arm Road
Deer Lake NL A8A 3H9
Canada

General Collateral

All present and after-acquired personal property of the Debtors and each of them.

Registration Details for Registration Number: 20613766

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	20613766	2023-03-13 17:05	2029-03-13	AVS24428002

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
CAMERON, CALVIN BRUCE
14 REID'S LANE
DEER LAKE NL A8A2A1
Canada
Date of Birth (YYYY-MM-DD): 1989-07-31

Type: Individual
CAMERON, SHELDON DENNIS
14 REID'S LANE
DEER LAKE NL A8A2A1
Canada
Date of Birth (YYYY-MM-DD): 1993-12-06

Type: Enterprise
Nemori Farms Ltd.
14 REID'S LANE
DEER LAKE NL A8A2A1
Canada

Secured Parties

Type: Enterprise
MERIDIAN ONECAP CREDIT CORP.
204 - 3185 Willingdon Green
Burnaby BC V5G4P3
Canada

General Collateral

TRACTOR(S) TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
HACT7230TJE401777	Motor Vehicle	2017 NEW HOLLAND T7.230	20613766	

Registration Details for Registration Number: 22047401

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	22047401	2024-08-20 18:05	2030-08-20	50030831

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
CAMERON, SHELDON DENNIS
191 GOOSE ARM RD
DEER LAKE NL A8A3H9
Canada
Date of Birth (YYYY-MM-DD): 1993-12-06

Type: Individual
CAMERON, SHELDON D
191 GOOSE ARM RD
DEER LAKE NL A8A3H9
Canada
Date of Birth (YYYY-MM-DD): 1993-12-06

Type: Individual
CAMERON, SHELDON
191 GOOSE ARM RD
DEER LAKE NL A8A3H9
Canada
Date of Birth (YYYY-MM-DD): 1993-12-06

Type: Enterprise
NEMORI FARMS LTD.
191 GOOSE ARM RD
DEER LAKE NL A8A3H9
Canada

Secured Parties

Type: Enterprise
BODKIN, A DIVISION OF BENNINGTON FINANCIAL CORP.
102-1465 NORTH SERVICE RD E
OAKVILLE ON L6H1A7
Canada

General Collateral

PURSUANT TO LEASE AGREEMENT 50030831, ALL PRESENT AND FUTURE EQUIPMENT ENCOMPASSED BY LEASE AGREEMENT 50030831 TOGETHER WITH ALL ATTACHMENTS ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL INCLUDING BUT NOT LIMITED TO THE FOLLOWING ONE (1) 2024 SUPREME 1200T TMR MIXER

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
12T24010	Trailer	2024 SUPREME 1200T	22047401	

Registration Details for Registration Number: 22180186

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	22180186	2024-10-03 15:18	2028-10-03	64414082

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
NEMORI FARMS LTD.
191 GOOSE ARM RD
Deer Lake NL A8A 3H9
Canada

Secured Parties

Type: Enterprise
De Lage Landen Financial Services Canada Inc.
5046 Mainway, Unit 1
Burlington ON L7L 5Z1
Canada

General Collateral

All personal property of the debtor described herein by vehicle identification number or serial number, as applicable, wherever situated, together with all parts and accessories relating thereto, all attachments, accessories and accessions thereto or thereon, all replacements, substitutions, additions and improvements of all or any part of the foregoing and all proceeds in any form derived therefrom.
Proceeds: all of the debtor's present and after acquired identifiable or traceable personal property that is derived, directly or indirectly, from any dealing with or disposition of the above-described collateral or proceeds of the above described collateral and in which the debtor acquires an interest, including without limitation, all insurance and other payments that represent indemnity or compensation for loss or damage to the above described collateral or proceeds of the above described collateral, or a right to such payments, accounts, rents or other payments arising from the lease or rental of the above described collateral or proceeds of the above described collateral, a payment made in total or partial discharge or redemption of chattel paper, investment property, an instrument or an intangible, rights arising out of, or property collected on, or distributed on account of, collateral that is investment property, and goods, documents of title, chattel paper, investment property, instruments, money or intangibles.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
GE03CGFBTP3235334	Motor Vehicle	2023 JCB 215	22180186	

Registration Details for Registration Number: 22529713

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	22529713	2025-02-20 16:09	2028-02-20	162374 GAM

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
Nemori Farms Ltd.
Cameron, Calvin Bruce
Director
14 Reid's Lane
Deer Lake NL A8A 2A1
Canada

Type: Enterprise
Nemori Farms Ltd.
Cameron, Calvin Bruce
Director
191 Goose Arm Road
Deer Lake NL A8A 3H9
Canada

Type: Enterprise
Nemori Farms Ltd.
Cameron, Calvin Bruce
Director
16 Goose Arm Road
Deer Lake NL A8A 3H5
Canada

Secured Parties

Type: Enterprise
Truro Agromart Limited
1959 Upper Water Street
Suite 900

Halifax NS B3J 3N2
Canada

Type: Enterprise
Truro Agromart Limited
547 Onslow Road
Upper Onslow NS B6L 5L3
Canada

General Collateral

(i) A security interest is hereby taken in all present and after-acquired personal property of the Debtor, together with all proceeds from time to time arising therefrom.

(ii) A purchase money security interest is hereby taken in all goods and products (including, without limitation, seed, fertilizer and chemicals) from time to time supplied by the Secured Party to the Debtor for the purposes of enabling the Debtor to grow crops.

(iii) A security interest and purchase money security interest is hereby taken in all of the Debtor's interests in all crops of every nature or kind, together with all substitutions therefor, proceeds from time to time arising therefrom, and all instruments and contracts entered into by the Debtor in connection therewith.

For the purposes of this registration, the terms "goods", "crops", "instruments", and "proceeds" shall have the meanings respectively ascribed thereto by the Personal Property Security Act (Newfoundland).

Registration Details for Registration Number: 21834361

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	**Registration Number**	**Date/Time (Atlantic)** (YYYY-MM-DD hh:mm)	**Expiry Date** (YYYY-MM-DD)	**File Number**
Original	21834361	2024-06-12 10:47	2029-06-12	5418-747609-01

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
CAMERON, SHELDON DENNIS
191 GOOSE ARM RD
DEER LAKE NL A8A3H9
Canada
Date of Birth (YYYY-MM-DD): 1993-12-05

Type: Enterprise
NEMORI FARMS LTD
191 GOOSE ARM RD

DEER LAKE NL A8A3H9
Canada

Secured Parties

Type: Enterprise
KUBOTA CANADA LTD
1155 KUBOTA DRIVE
PICKERING ON L1X0H4
Canada

General Collateral

2024 KUBOTA #M7-152D-PS KBTMKFSAKNFH12285
2024 KUBOTA *M67 114184500224

PRINCIPAL AMOUNT $231,322.00

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
KBTMKFSAKNFH12285	Motor Vehicle	2024 KUBOTA #M7-152D-PS	21834361	
114184500224	Motor Vehicle	2024 KUBOTA *M67	21834361	

Registration Details for Registration Number: 22099048

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	22099048	2024-09-06 10:51	2031-09-06	5478-754121-01

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
CAMERON, SHELDON DENNIS
191 GOOSE ARM RD
DEER LAKE NL A8A3H9
Canada
Date of Birth (YYYY-MM-DD): 1993-12-05

Type: Enterprise
NEMORI FARMS LTD
191 GOOSE ARM RD
DEER LAKE NL A8A3H9

Canada

Secured Parties

Type: Enterprise
KUBOTA CANADA LTD
1155 KUBOTA DRIVE
PICKERING ON L1X0H4
Canada

General Collateral

2024 KUBOTA *RA2584 UKGRACB9PP2803749

PRINCIPAL AMOUNT $50,660.00

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
UKGRACB9PP2803749	Motor Vehicle	2024 KUBOTA *RA2584	22099048	

Registration Details for Registration Number: 22211338

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	22211338	2024-10-16 10:19	2029-10-16	5505-754509-01

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
CAMERON, SHELDON DENNIS
191 GOOSE ARM RD
DEER LAKE NL A8A3H9
Canada
Date of Birth (YYYY-MM-DD): 1993-12-06

Type: Enterprise
NEMORI FARMS LTD
191 GOOSE ARM RD
DEER LAKE NL A8A3H9
Canada

Secured Parties

Type: Enterprise
KUBOTA CANADA LTD
1155 KUBOTA DRIVE
PICKERING ON L1X0H4
Canada

General Collateral

2020 KUBOTA *DM4032S KT486349

PRINCIPAL AMOUNT $16,977.00

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
KT486349	Motor Vehicle	2020 KUBOTA *DM4032S	22211338	

Registration Details for Registration Number: 22271076

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	22271076	2024-11-05 17:35	2029-11-05	1214096

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
CAMERON, CALVIN
191 GOOSE ARM ROAD
DEER LAKE NL A8A3H9
Canada
Date of Birth (YYYY-MM-DD): 1989-07-31

Type: Individual
CAMERON, SHELDON
191 GOOSE ARM ROAD
DEER LAKE NL A8A3H9
Canada
Date of Birth (YYYY-MM-DD): 1993-12-06

Type: Enterprise
NEMORI FARMS LTD
191 GOOSE ARM ROAD

DEER LAKE NL A8A3H9
Canada

Secured Parties

Type: Enterprise
MERCHANT CAPITAL GROUP LLC
2200 BISCAYNE BLVD SUITE 200
MIAMI FL 33137
USA

General Collateral

ALL ASSETS NOW OWNED OR HEREAFTER ACQUIRED AND WHEREVER LOCATED INCLUDING BUT NOT LIMITED TO THE FOLLOWING SUBCATEGORIES OF ASSETS A ACCOUNTS INCLUDING BUT NOT LIMITED TO CREDIT CARD RECEIVABLES B CHATTEL PAPER C INVENTORY D EQUIPMENT E INSTRUMENTS INCLUDING BUT NOT LIMITED TO PROMISSORY NOTES F INVESTMENT PROPERTY G DOCUMENTS H DEPOSIT ACCOUNTS I LETTER OF CREDIT RIGHTS J GENERAL INTANGIBLES K SUPPORTING OBLIGATIONS AND L PROCEEDS AND PRODUCTS OF THE FOREGOING NOTICE PURSUANT TO AN AGREEMENT BETWEEN DEBTOR AND SECURED PARTY DEBTOR HAS AGREED NOT TO FURTHER ENCUMBER THE COLLATERAL DESCRIBED HEREIN THE FURTHER ENCUMBERING OF WHICH MAY CONSTITUTE THE TORTUOUS INTERFERENCE WITH THE SECURED PARTYS RIGHT BY SUCH ENCUMBRANCE IN THE EVENT THAT ANY ENTITY IS GRANTED A SECURITY INTEREST IN DEBTORS ACCOUNTS CHATTEL PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEREOF RECEIVED BY SUCH ENTITY
PRINCIPAL AMOUNT - $94,320.00

END OF REPORT

SCHEDULE "E"

SECURITY REVIEW CHART

Creditor	Document	Security	Payment Obligation	Comments
RBC	RBC Mortgage (June 30, 2020)	- Attaches 19 surveys, being the Real Property, plus a property known as A-11, which has since been conveyed out of the Debtor - The Real Property secures payment of the "Indebtedness", meaning all obligations, debts and liabilities, present or future, direct or indirect, absolute or contingent, whether matured or not, up to the amount of $7,000,000. - The term of security for leasehold lands is the residue of the term, and the term of security for the freehold lands is forever.	- Principal amount of $7,000,000. - Interest rate of prime + 7%. - The Debtor will pay upon demand that portion of the principal and interest then outstanding.	- Signed by Sheldon Cameron and Calvin Cameron as authorized representatives of the Debtor. - Witnessed by Brian Murphy.
	RBC NOM (June 30, 2020)	- Attaches 19 surveys, being the Real Property, plus a property known as A-11, which has since been conveyed out of the Debtor - Refer to the RBC Mortgage for terms of the security.	- States that the consideration is $7,000,000. - Does not include repayment terms directly in the RBC NOM. - Refer to the RBC Mortgage for the terms of repayment.	Signed by Calvin Cameron as President and Director of the Debtor.
	Assignment of Dairy Milk Quota (June 30, 2020)	The Debtor, together with Calvin Cameron and Sheldon Cameron, assigned and conveyed the Purchased Milk Quota and any amendment, renewal, substitution, or increase of the	N/A	- Signed by Calvin Cameron as President and Director of the Debtor. - Signed by Calvin Cameron in his personal capacity,

		same unto RBC.		witnessed by Brian Murphy. - Signed by Sheldon Cameron in his personal capacity, witnessed by Brian Murphy. - Schedule "A" to the Assignment of Dairy Milk Quota includes an acknowledgement and consent of the Dairy Farmers of Newfoundland and Labrador, dated July 3, 2020. Schedule "A" was signed by John Moores, as General Manager.
	RBC GSA (March 16, 2020)	- Grants to RBC a security interest in all of the Debtor's present and after acquired personal property, and in all proceeds and renewals thereof, accretions thereto, and substitutions therefore. - The security interest secures payment and performance of any and all obligations, indebtedness, and liability of the Debtor to RBC, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof.	- Does not include repayment terms directly in the RBC GSA. - Refer to any loan agreements, letters of offer, etc. between the Debtor and RBC for the terms of repayment.	Signed by Sheldon Cameron and Calvin Cameron as authorized representatives of the Debtor.
	Postponement (June 4, 2020)	- HHL deferred and postponed all debts and liabilities, present and	N/A	- Signed by two representatives of HHL. However, it is not clear who

		future, owed to HHL from the Debtor in favour o all debts, liabilities, and advances, present and future, of the Debtor to RBC. - HHL agreed that until all obligations of the Debtor to RBC have been paid, no payment shall be made or received on account of any liabilities of the Debtor to HHL, and that any payments which may be received by HHL from the Debtor shall be received in trust for RBC and shall be paid over to RBC forthwith upon receipt. - HHL agreed that all obligations of the Debtor to HHL are assigned and transferred to RBC.		signed. - Signed by Sheldon Cameron and Calvin Cameron as authorized representatives of the Debtor.
HHL	HHL Mortgage (Expected: June 30, 2020)	- Listed 19 properties, being the Real Property, plus a property known as A-11, which has since been conveyed out of the Debtor - The Real Property secures performance of the terms of the mortgage, being primarily repayment as set out in the Promissory Note..	- Principal amount is stated to be "$3,300,000 plus the True Inventory Value as defined in the Asset Purchase Agreement". - Interest rate as set out in the Promissory Note. - Refer to Promissory Note for terms of repayment.	The HHL Mortgage was drafted to be signed by Sheldon Cameron and Calvin Cameron, as directors of the Debtor..
	HHL NOM (June 30, 2020)	- Attaches 19 surveys, being the Real Property, plus a property known as A-11, which has since been conveyed out of the Debtor - Refer to the HHL Mortgage	- States that the consideration is $3,700,000. - Does not include repayment terms directly in the HHL NOM. - Refer to the HHL Mortgage	Signed by Calvin Cameron as President and Director of the Debtor.

		for terms of the security.	for the terms of repayment.	
	Promissory Note (Expected: June 30, 2020)	- The Promissory Note is secured by the HHL Mortgage. - Refer to the HHL Mortgage for terms of security.	- Principal stated to be "$3,300,000 + Trust Inventory Value as defined in the Asset Purchase Agreement". - Interest is broken into five blocks, whereby the interest rate differs during each block. - Term of 21 years. - Subject to the Postponement, payment of principal and interest is to be made over the term based on the blocks.	- The Promissory Note is stated to be subject to the Postponement and the APA. - The Promissory Note was drafted to be signed by Sheldon Cameron and Calvin Cameron, as directors of the Debtor, and by Pauline Duivenvoorden and Philip MacLean, as directors of HHL.
	HHL GSA (Expected: June 30, 2020)	The Debtor granted in favour of HHL a security interest in all of the Debtor's presently owned or held and after-acquired or held personal property, assets, and undertakings of whatever nature or kind and wherever situate, and all proceeds of and from such personal property, assets, and undertakings.	- Does not include repayment terms directly in the RBC GSA. - Refer to the Promissory Note for the terms of repayment.	The HHL GSA was drafted to be signed by Sheldon Cameron and Calvin Cameron, as directors of the Debtor.

Appendix B

Proposed Form of Order re RBC Application

2025 01G 1510

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF the *Companies' Creditors Arrangement Act*, RSC 1985 c. C-36, as amended (the CCAA)

AND IN THE MATTER OF an application of Nemori Farms Ltd.

ORDER
(Directions on Sale and Investment Solicitation Process)

BEFORE THE HONOURABLE JUSTICE MACDONALD:

THIS APPLICATION made by Royal Bank of Canada (RBC) for directions in respect of the sale and investment solicitation process (the SISP) approved by this Court by Order dated 24 April 2025 was heard on 17 July 2025

ON READING the Interlocutory Application dated 15 July 2025 and the Affidavit of Stéphane Ménard sworn 15 July 2025

AND ON HEARING counsel for RBC, counsel for the Company, counsel for the Monitor, and such other counsel as were present, no one appearing for any other person although duly served as appears from the affidavit of service of Michael Hrabowsky sworn 15 July 2025, as filed with this Court

IT IS HEREBY ORDERED AS FOLLOWS:

1. The time for service of the Interlocutory Application is hereby abridged and validated, so that the Interlocutory Application is properly returnable today and further service of the Interlocutory Application is dispensed with,

2. In this Order, capitalized terms not otherwise defined have the same meaning assigned to them in the First Amended and Restated Initial Order dated 24 April 2025 or the Sale and Investment Solicitation Process Order dated 24 April 2025 (the **SISP Order**).

3. In implementing and carrying out the SISP, and notwithstanding paragraphs 14, 19, 56, and 61 of the SISP Bidding Procedures attached to the SISP Order:

   3.1. The Monitor shall disclose to RBC the details of the two next highest Qualified Bids received in the SISP, including without limitation the identity of those Potential Bidders, the proposed purchase price, and any material conditions identified by those Potential Bidders, and provide RBC with copies of all material documentation containing the terms of such Qualified Bids provided that RBC shall keep such information confidential subject only to further Order of the Court.

   3.2. The Monitor shall include RBC in, and consult with RBC in respect of, any negotiations with the Potential Bidders identified above with respect to matters relating to the SISP and those Qualified Bids.

4. At the request of any insider or non-arm's length party that is a Potential Bidder in the SISP (an **Insider Bidder**) to be consulted as management of the Company on matters relating to the SISP, the Monitor may in its reasonable discretion consult with such parties upon receipt of a written statement from that party that (*a*) the party withdraws from participating in the SISP as a Potential Bidder; (*b*) the party does not intend to seek any relief in these proceedings inconsistent with the Monitor and the Company completing the SISP; (*c*) the party will maintain as confidential all information disclosed to it by the Monitor subject to further Order of the Court, and (*d*) as management of the Company, the party will comply with the Company's obligations under the SISP.

5. Any interested party may apply to this Court to vary, amend or supplement, or for advice and directions on the implementation of, this Order.

6. This Order and all of its provisions are effective as of 12:01am Newfoundland Time on the date of this Order.

DATED at St John's, Newfoundland and Labrador, this _____ day of July, 2025.

____

Appendix C

Blackline of Proposed Form of Order Against RBC Application

2025 01G 1510

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF the *Companies' Creditors Arrangement Act*, RSC 1985 c. C-36, as amended (the CCAA)

AND IN THE MATTER OF an application of Nemori Farms Ltd.

ORDER
(Directions on Sale and Investment Solicitation Process)

BEFORE THE HONOURABLE JUSTICE MACDONALD:

THIS APPLICATION made by Royal Bank of Canada (RBC) for directions in respect of the sale and investment solicitation process (the SISP) approved by this Court by Order dated 24 April 2025 was heard on 17 July 2025

ON READING the Interlocutory Application dated 15 July 2025 and the Affidavit of Stéphane Ménard sworn 15 July 2025

AND ON HEARING counsel for RBC, counsel for the Company, counsel for the Monitor, and such other counsel as were present, no one appearing for any other person although duly served as appears from the affidavit of service of Michael Hrabowsky sworn ~~[●]~~15 July 2025, as filed with this Court

IT IS HEREBY ORDERED AS FOLLOWS:

1. The time for service of the Interlocutory Application is hereby abridged and validated, so that the Interlocutory Application is properly returnable today and further service of the Interlocutory Application is dispensed with,

2. In this Order, capitalized terms not otherwise defined have the same meaning assigned to them in the First Amended and Restated Initial Order dated 24 April 2025 or the Sale and Investment Solicitation Process Order dated 24 April 2025 (the **SISP Order**).

3. In implementing and carrying out the SISP, and notwithstanding paragraphs 14, 19, 56, and 61 of the SISP Bidding Procedures attached to the SISP Order:

3.1. The Monitor shall disclose to RBC the details of ~~all~~the two next highest Qualified Bids received in the SISP, including without limitation the identity of ~~the~~those Potential Bidders, the proposed purchase price, and any material conditions identified by ~~the~~those Potential Bidders, and provide RBC with copies of all material documentation containing the terms of ~~all~~ such Qualified Bids provided that RBC shall keep such information confidential subject only to further Order of the Court.

3.2. ~~RBC~~The Monitor shall ~~be entitled to communicate directly~~include RBC in, and consult with RBC in respect of, any ~~of~~ negotiations with the Potential Bidders ~~that submitted Qualified Bids (and vice versa)~~identified above with respect to matters relating to the SISP and ~~the~~those Qualified Bids~~, provided~~.

~~3.2.~~4. At the request of any insider or non-arm's length party that is a Potential Bidder in the SISP (an **Insider Bidder**) to be consulted as management of the Company on matters relating to the SISP, the Monitor may in its reasonable discretion consult with such parties upon receipt of a written statement from that ~~RBC shall keep the Monitor apprised of,~~party that (*a*) the party withdraws from participating in the SISP as a Potential Bidder; (*b*) the party does not intend to seek any relief in these proceedings inconsistent with the Monitor and ~~to the extent reasonably practicable included in,~~ the Company completing the SISP; (*c*) the party will maintain as confidential all ~~such communications.~~information disclosed to it by the Monitor subject to further Order of the Court, and (*d*) as management of the Company, the party will comply with the Company's obligations under the SISP.

~~4.~~5. Any interested party may apply to this Court to vary, amend or supplement, or for advice and directions on the implementation of, this Order.

~~5.~~6. This Order and all of its provisions are effective as of 12:01am Newfoundland Time on the date of this Order.

DATED at St John's, Newfoundland and Labrador, this ____ day of July, 2025.

____