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

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

September 4, 2025

Doane Grant Thornton

Grant Thornton Limited
Monitor

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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. Subsequent Court orders extended the Stay of Proceedings to September 11, 2025, increased the Administration Charge to $250,000, approved the Debtor-in-Possession Term Sheet ("**DIP Term Sheet**") with the Royal Bank of Canada ("**RBC**" and in such capacity, the "**DIP Lender**") up to the maximum principal amount of $825,000 ("**DIP Facility**"), approved a charge securing the DIP Facility on the Company's property (the "**DIP Charge**"), ranking subordinate only to the Administration Charge, and empowered the Monitor to implement and carry out the Sales and Investment Solicitation Process ("**SISP**") as described in the Monitor's Second Report.

3. This Sixth report of the Monitor ("**Sixth 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 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 as follows:

<u>Reports to the Court:</u>

   (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

(e) Fourth Report, dated July 16, 2025

(f) Fifth Report, dated July 29, 2025

<u>Orders of the Court:</u>

(g) Initial Order, dated March 6, 2025

(h) Amended and Restated Initial Order, dated March 14, 2025

(i) First Amended and Restated Initial Order, dated April 24, 2025

(j) SISP Order, dated April 24, 2025

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

(l) SISP Directions Order, dated July 17, 2025

(m) Stay Extension Order, dated August 1, 2025

Purpose of the Sixth Report

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

(a) an update with regards to the conclusion of the SISP, the selection by the Monitor, with the support of RBC, of Coastal Agri Commodities Inc. ("**Coastal**", or the "**Successful Bidder**") as the Successful Bidder in the SISP, and the proposed transaction ("**Proposed Transaction**") derived therefrom;

(b) an update on the Monitor's activities since the stay extension order of August 1, 2025 ("**August Extension Order**");

(c) the Monitor's views on the Proposed Transaction and the expected recovery to the Company's creditors should the Proposed Transaction be approved by this Court and subsequently close;

(d) the Monitor's views and recommendation regarding the proposed approval and reverse vesting order ("**RVO**") to consummate the Proposed Transaction;

(e) an update on the Company's activities since the August Extension Order and the Company's revised cash flow forecast through the Outside Date of the Proposed Transaction, October 15, 2025 ("**September Forecast**");

(f) the Monitor's views and recommendations regarding its motion for the RVO seeking:

i. approval of the Proposed Transaction between the Successful Bidder and the Company pursuant to the executed subscription agreement dated September 4, 2025 (the "**Subscription Agreement**") as well as the transactions contemplated by the Subscription Agreement;

ii. the addition of ResidualCo, as defined in the Subscription Agreement and RVO, as an Applicant to this CCAA Proceeding and granting the Monitor with enhanced powers ("**Enhanced Powers**") over ResidualCo upon the filing of a Monitor's Certificate confirming that the Proposed Transaction has closed and the sole director of ResidualCo has resigned;

iii. the transfer of and vesting of all Nemori's right, title and interest in and to the Excluded Assets and the Excluded Liabilities in and to ResidualCo;

iv. the approval of a distribution to RBC in its capacity as senior secured creditor and DIP Lender to the Company upon closing of the Proposed Transaction, subject to holding back funds for potential priority payments and to wind down these CCAA Proceedings;

v. a declaration that Nemori meets the criteria prescribed by section 3.2 of the *Wage Earner Protection Program Protection Program Regulations* ("**WEPP Regulations**") and Nemori's former employees are individuals who may apply for the Wage Earner Protection Program;

vi. an extension of the Stay of Proceedings to November 15, 2025;

vii. approval of the fees and activities of the Monitor and its counsel;

viii. a sealing order regarding the confidential appendix to the Sixth Report ("**Confidential Appendix**") containing the unredacted Subscription Agreement and calculation of the Distribution Holdback, defined below;

ix. an increase to the Administration Charge from $250,000 to $400,000 which incremental amount shall be for the benefit of the Monitor and its counsel; and

x. approval of the activities of the Monitor and the Monitor's counsel since the date of the Initial Order.

Terms of Reference

5. In preparing this Sixth 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.

6. 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.

7. 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.

8. 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. 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.

9. 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

10. Since the date of the Fifth Report, the Monitor's activities have included, but are not limited to:

    (a) Correspondence with Coastal and its legal counsel as the Successful Bidder in the SISP to negotiate and advance the Proposed Transaction for Court approval, discussed further below;

    (b) Attending calls with the Company, Company counsel, and Resolve to:

        i. Review the budget to actual results of the Company during the CCAA Proceedings and understand operations generally, including expenditures for repairs and maintenance, animal health, and the preservation of the Company's property;

        ii. Discuss the Proposed Transaction and the Company's views on same;

        iii. Understand concerns of the Company and Coastal regarding immediate repairs and maintenance matters to preserve the Company's property prior to closing the Proposed Transaction;

        iv. Outline the possibility for a potential transition services agreement ("**TSA**") with Coastal, discussed further below; and

v. Understand the Company's views on Coastal's request for a TSA, including immediate costs and how the same could be addressed.

(c) Attending calls and various correspondence with the DIP Lender and its financial advisors to:

i. Provide updates on the budget to actual results, the Company's cash flow projections and the outstanding balance owing on the Administration Charge;

ii. Outline the requests by Coastal for a TSA and negotiations regarding same;

iii. Provide various updates regarding the negotiations of the Subscription Agreement, RVO and Proposed Transaction and Coastal's requests thereon; and

iv. Provide operational updates and general updates on the CCAA Proceedings.

(d) Engaging a third party veterinarian to complete a head count and inspection of the Company's herd prior to Coastal executing the Subscription Agreement;

(e) Maintaining the stakeholder website for these CCAA Proceedings at www.DoaneGrantThornton.ca/Nemori and responded to inquiries from creditors and stakeholders, including DFNL, CRA and Headline Holsteins; and

(f) Preparing this Sixth Report.

Transition Services Agreement

11. Immediately upon Coastal becoming the Successful Bidder, the Monitor worked with the Company to gather various information requested by Coastal to advance the transaction documents, as the Monitor had advised stakeholders it was targeting mid-August to seek Court approval of a transaction pursuant to the SISP. While Coastal previously submitted a markup of the template subscription agreement made available to bidders in the virtual data room, counsel for Coastal advised it needed additional time and information to further review of the agreement before Coastal could execute.

12. On August 1st, prior to Coastal providing the Monitor with a further mark-up of the proposed transaction documents, counsel for Coastal contacted the Monitor to discuss several concerns identified by Coastal after completing a site visit the previous day. The Monitor understands that:

(a) Coastal conducted a site visit on July 31 to compare the condition of the farm to its previous site visit on June 13, 2025, and to discuss with Sheldon and Calvin Cameron the operations of the farm during the prior months and the intended manner of operation through closing of the Proposed Transaction;

(b) Coastal asserts that during the site visit, it became aware that certain of the Company's key equipment including mowers, tractors, and trucks were not operational because of required repairs and maintenance. As a result, the Company's forage production was "severely restricted", which Coastal advised could have a material impact on the farms ability to operate in the fall and winter;

(c) While the Monitor understands the Company has spent significant funds on deferred maintenance since the outset of the CCAA Proceedings (as confirmed by the Monitor's continuous review of the cash flow forecast reporting), the Company confirmed that certain key equipment was out of operation, the DIP was fully utilized, and the Company did not have funds available to fix the required equipment to Coastal's satisfaction in the short term;

(d) Coastal advised it was eager to move forward with the Proposed Transaction, but that funding was required to remedy the issues that Coastal noted. Coastal also noted that management required assistance as management was stretched to capacity dealing with ongoing operations and *ad hoc* issues at the farm. At the time, Coastal advised it was not attempting to negotiate a lower purchase price.

13. In an effort to work collaboratively with Coastal, and recognizing their expertise in farming and agricultural operations, the Monitor requested that Coastal provide its assessment of what immediate action was required, by whom, and how such steps would be funded, such that the Monitor could discuss Coastal's proposal with the Company and RBC. Coastal provided a detailed breakdown of its suggestions and provided its views on August 5th, attached at **Appendix "A"**.

14. Over the following 10 days, the Monitor worked diligently with Coastal, the Company, and RBC to negotiate a commercially reasonable transition services agreement ("**TSA**") pursuant to which Coastal would be engaged to provide transition services and manage the farm, while also providing for a revenue and expense allocation during the transition period. The TSA was designed to alleviate the concerns noted by Coastal, mitigate risk to

future operations, allow Coastal to inject funds to deal with matters it deemed critical (while benefitting from the revenues and capital appreciation resulting from such funding), protect the ability to close on the Proposed Transaction for the benefit of all stakeholders, and allow Coastal to take over operations prior to closing. The Monitor understands that Calvin and Sheldon Cameron were supportive of these efforts. RBC was also supportive of a TSA, ultimately agreeing to a $250,000 purchase price reduction benefitting Coastal to protect the transaction and push towards closing as soon as possible.

15. Despite the parties' collective efforts, Coastal did not ultimately agree to the TSA. The Monitor advised Coastal on Friday, August 15th that it could no longer spend resources and incur fees negotiating the TSA as the proceeding was well past the point at which the Monitor had intended to bring forward a transaction for the Court's approval and post-filing costs were continuing to accrue.

16. Coastal confirmed on August 15th that it was prepared to proceed to complete the purchase on the terms as outlined in the Coastal Bid, without a TSA. The Monitor therefore pushed forward negotiating the Proposed Transaction with the support of Coastal, the Company and RBC.

Concerns Raised Regarding Animal Welfare

17. Coastal noted that three cows previously died on the farm as a result of required fencing repairs that had not been completed on the Company's lands. While the Monitor understands that operating a farming facility of the Company's scale will inevitably result in animal losses, whether by culling, accidents, or otherwise, the Monitor requested further information from the Company to determine whether there were concerns regarding animal welfare.

18. The Company responded to the Monitor's detailed requests forthwith, confirming that the animal's losses had been reported in the Dairy Comp system and uploaded to the National "Dairy Trace" system, that the Company's herd vet had agreed with the temporary solution devised by the Company to avoid future issues, and that an inspection from a LactaNet proAction validation agent after the incident on June 9th received a certificate of approval. The Monitor requested evidence of same.

19. The Monitor further learned on August 12th that, as a result of the unusually hot weather in Newfoundland, three animals had died from heat exhaustion/stress. The Company advised that the animals were susceptible to heat exhaustion/stress due to their advanced age.

20. While the Company has confirmed to the Monitor that it is able to ensure appropriate animal welfare through the expected closing date of the Proposed Transaction and its September Forecast projects sufficient liquidity to purchase feed, pay for veterinary costs and labour during the period, the Monitor requested enhanced reporting through the closing of the Proposed Transaction in respect of:

   (a) All repairs and maintenance matters, and in particular any matter that the Company believes may impact animal welfare or relates to milk production;

   (b) Updates regarding third party testing of milk to ensure bacteria counts are maintained within the legal limits;

   (c) Copies of all invoices to be provided to Resolve to complete at least weekly cash reporting to ensure the Company's expenditures are consistent with its September Forecast; and

   (d) Details of all movements in the composition of the herd, including when an animal is culled.

21. The Monitor notes that the requested reporting was provided to the Monitor on an *ad hoc*, as-available basis given the Company's limited resources, Resolve's limited access to Nemori's systems and Management's work hours at the farm. The Monitor is relying on the information provided by the Company and its advisors, and has not attended the farm physically to conduct inspections given such site visits would be cost prohibitive. The Monitor does note, however, that Coastal has been on site regularly after being selected as the Successful Bidder and the Monitor has been in regular communication with Coastal's counsel.

<u>Concerns Regarding Milk Quality and Production</u>

22. The Company advised the Monitor on August 12th that its milk wash system, which is an automated process that cleans the milking equipment in the dairy parlor and critical to maintaining milk quality and preventing bacteria growth, was malfunctioning.

23. Over the following week, the Monitor understands the Company worked with third party advisors and Coastal to diagnose the issue, ultimately concluding the air compression system was malfunctioning, resulting in a "domino effect" of problems that, if left unchecked, would result in unacceptable levels of bacteria and the Company's milk ultimately being refused for sale to DFNL.

24. The Company determined, with the assistance of Coastal, that it needed to purchase a replacement air compression system or risk a material impact to its ongoing operations and milk quality. Coastal was not willing to advance funds prior to closing the Proposed Transaction after it declined to enter into the TSA. As no funding was available, the Company deferred payments to the Monitor and its counsel of their outstanding professional fees to pay for the required equipment.

25. As the Monitor and its counsel's professional fees were not being paid, the Monitor was concerned that outstanding professional fees may exceed the Administration Charge. Accordingly, the Monitor advised the DIP Lender's counsel and financial advisor that it would request an increase to the Administration Charge.

26. As at the date of this Sixth Report, the Monitor is advised the Company's milk production and bacteria levels are within the prescribed limits as confirmed by third party testing, copies of which have been provided to the Monitor.

Selection of Coastal as the Successful Bidder Pursuant to the SISP

27. The Monitor has previously highlighted its activities conducting the SISP in paragraphs 14-31 of the Third Report, attached without appendices at **Appendix "B"**. A summary of Qualified Bids received in the SISP is attached to the Confidential Appendix of the Monitor's Fourth Report, wherein the Monitor confirmed that 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 at that time.

28. As discussed at paragraphs 10-12 of the Monitor's Fifth Report, pursuant to the SISP Directions Order, the Monitor disclosed to the Company and RBC the details of the three highest Qualified Bids received in the SISP. On July 28th, 2025 counsel to RBC advised the Monitor that RBC would be supportive of Coastal's Qualified Bid that contemplated the

Company continuing as a going concern under new ownership being put forward by the Monitor for approval by the Court, rather than RBC's liquidation bid. At the hearing before this Court on August 1st the Company confirmed it was supportive of the Coastal Bid, and the Qualified Bid advanced by Coastal was therefore selected as the Successful Bid pursuant to the SISP.

Monitor's View on the SISP

29. The Monitor is of the view that the SISP which resulted in the Successful Bid was fair and reasonable, given that:

(a) The SISP was (i) well defined and transparent, (ii) consistent with similar Court approved sales processes for opportunities of this nature and (iii) implemented and administered by the Monitor to maintain its integrity. Where the Monitor had questions regarding its administration of the SISP, to ensure the integrity of the process those questions were brought forward for the Court's consideration, ultimately resulting in the SISP Directions Order;

(b) The Monitor has both significant and recent experience with sales mandates for opportunities in insolvency proceedings of this nature throughout Atlantic Canada;

(c) The timelines and approach of the SISP provided each Qualified Bidder with sufficient time to complete their due diligence, as facilitated by the Monitor and the Company. The SISP was designed to ensure that Qualified Bidders would have all the necessary information required to develop and submit an informed, binding bid within a highly competitive process on an "as is, where is" basis. When provided the opportunity to increase the value of their offers, all but one Qualified Bidder chose to do so at least once;

(d) The SISP opportunity was widely marketed, canvassing parties across Atlantic Canada and nationally that included those in the agriculture industry, direct competitors of the Company, First Nations and associated organizations, veterinarians, suppliers, strategic players and parties who had expressed interest to the Company and Monitor directly; and

(e) RBC as DIP Lender, who financially supported the Company during the CCAA Proceedings, was regularly updated by the Monitor, was a participant within the SISP and was supportive of the SISP Bidding Procedures and ultimately the selection of Coastal as the Successful Bidder.

30. The Monitor is of the view that the Proposed Transaction with the Successful Bidder is the result of an extensive and transparent SISP that represented a reasonable balance between the Company's circumstances and the time required to successfully market and solicit bids to complete a transaction of this nature. The SISP created competitive tension amongst Qualified Bidders, and the fact that the SISP was implemented and administered by the Monitor ensured the continuing efficacy and integrity of the process that resulted in the Proposed Transaction.

31. The Proposed Transaction represents the highest and otherwise best going concern offer received for the Company pursuant to the SISP, recognizing the current circumstances of the Company. While the credit bid submitted by RBC offered higher total consideration, the Monitor understands that RBC as senior secured creditor and DIP Lender is supportive of the Proposed Transaction, as described more fully below.

32. The Monitor understands the Company is supportive of the Proposed Transaction. The Successful Bid by Coastal included that Calivn and Sheldon Cameron would be offered shares in the restructured company and a right of first refusal, the terms of which would be subject to agreeing to employment contracts on mutually agreeable terms with Coastal. As at the date of this Sixth Report, the Monitor understands that discussions in this regard are ongoing.

Proposed Transaction

33. On September 4, 2025, the Company entered into the Subscription Agreement with the Successful Bidder, setting out the detailed terms and conditions of the Proposed Transaction. The executed Subscription Agreement is attached hereto as **Appendix "C"**. An unredacted copy of the Subscription Agreement is attached in the Confidential Appendix.

34. The Proposed Transaction contemplates the purchase of the Company as a going concern by Coastal, which is expected to continue investing in and operating the farm for

the benefit of the Company's stakeholders, including suppliers, employees and residents of Newfoundland and Labrador. The Monitor understands that while all employees will be terminated prior to closing, the Successful Bidder intends to employ most if not all employees under the Proposed Transaction, with the Cameron brothers having an opportunity to become minority owners upon successful negotiation of a new employment agreement. The target closing date ("**Closing Date**") for the Proposed Transaction is September 30, 2025, with an outside date ("**Outside Date**") of October 15, 2025.

35. A summary of the Proposed Transaction is set out below.

Coastal Agri Commodities Limited

36. The Monitor understands that Coastal is a private company based in Nova Scotia that supplies nutrition solutions and animal care products to dairy farmers in Atlantic Canada. While the Monitor understands that Coastal is a supplier to the Company, Coastal has confirmed that it is a third-party to the Company and operates at arms length.

Details and Mechanics of the Proposed Transaction

37. The Proposed Transaction contemplated by the Successful Bidder is structured in the form of a reverse vesting transaction. Pursuant to the Subscription Agreement, all existing shares of Nemori will be sold, assigned and transferred to the Successful Bidder or its nominee. This will have the effect that, upon closing, the Successful Bidder will be the sole registered and beneficial owner of any and all outstanding shares of Nemori and Nemori will be wholly owned by the Successful Bidder free and clear of all claims and encumbrances, with exception to the Permitted Encumbrances and Retained Liabilities as defined in the Subscription Agreement. The Retained Assets, Retained Contracts, and licenses, quota and approvals required for the business will remain with Nemori, and upon closing the Excluded Assets and Excluded Liabilities will be vested out of Nemori into a new entity to be incorporated prior to the Closing Date ("**ResidualCo**").

38. Pursuant to the Subscription Agreement, amongst other things:

(a) The Successful Bidder will subscribe for the Purchased Shares for cash consideration ("**Purchase Price**"), free and clear of any Claims and Encumbrances, except Retained Liabilities and Permitted Encumbrances.

(b) The Articles of Reorganization as defined in the Subscription Agreement will be filed, which will have the effect of:

    i. Creating a new class of common shares of Nemori; and

    ii. Providing for the redemption or cancellation of all issued and outstanding common shares and other equity interests of Nemori, for no consideration on Closing.

(c) Immediately after the issuance of the Purchased Shares and the redemption or cancellation of the existing Nemori shares and equity interests, the Successful Bidder will become the sole shareholder of Nemori and the beneficial owner of the Retained Assets and Retained Contracts;

(d) The Excluded Assets, Excluded Liabilities and Excluded Contracts will be transferred from Nemori and vested into ResidualCo, pursuant to the terms of the RVO. For certainty, the interests, obligations and payments relating to the Purchase Price will be transferred to ResidualCo for eventual distribution to the Company's creditors by the Monitor pursuant to a future distribution order of the Court;

(e) The sale of Nemori's shares to the Successful Bidder will be completed on an "as is, where is" basis with limited representations or warranties, subject only to the stipulations provided for within the Subscription Agreement and the RVO;

(f) All claims and encumbrances attached to the Excluded Assets will continue to attach to the Excluded Assets and will similarly be transferred to ResidualCo and become obligations of ResidualCo; and

(g) ResidualCo shall be added as an applicant in the CCAA Proceedings, and all directors and officers of ResidualCo shall be deemed to have resigned pursuant to the Closing Sequence outlined in the Subscription Agreement. Nemori will cease to be an applicant in these CCAA Proceedings, and ResidualCo will have more than $5M in liabilities and be insolvent, meeting the criteria as prescribed in s. 3(1) of the CCAA.

39. The Monitor expects, given the indebtedness to RBC, inclusive of DIP Financing, that there will not be a distribution available for unsecured creditors in these CCAA Proceedings.

Gating Issue: Financing

40. The primary gating issue to closing the Proposed Transaction, should it be approved and the RVO be granted by the Court, is financing. The Qualified Bid submitted by Coastal was subject to financing and, as at the date of this Sixth Report, confirmation that such financing is approved by Coastal's financial institution has not yet been provided.

41. The Monitor understands that Coastal has taken all steps it believes are required for its financial institution to finalize the loan documentation and that Coastal remains confident such financing will be confirmed in the near term. The Closing Date and Outside Date of the Proposed Transaction was negotiated based on realistic expectations from Coastal's discussions with its lender of when the funds required to close the Proposed Transaction could be advanced. The Monitor has confirmed with Coastal that should the Proposed Transaction not close as a result of Coastal's inability to obtain financing by the Outside Date, the deposit submitted in the SISP would be forfeited by Coastal if the Outside Date was not extended by mutual agreement in accordance with the Subscription Agreement.

42. While financing remains a gating issue, the Monitor is still supportive of advancing the Proposed Transaction as the best option available for the Company's restructuring derived from the SISP, and the only option currently available outside a liquidation. The Monitor notes that it approached the second highest going concern bidder in the SISP to determine if they would consider acting as a "back up" should the Proposed Transaction not close, however this bidder had no further interest in advancing its own bid unless the Proposed Transaction should fall through, and in that circumstance the bidder would only be interested in advancing a transaction on modified terms and a reduced purchase price.

Proposed Reverse Vesting Order

43. Pursuant to the SISP, the Monitor is seeking approval from the Court of the Proposed Transaction, which is to be implemented through the RVO.

44. The Monitor understands that an RVO is similar to a more typical approval and vesting order, in that it provides the purchaser of assets from an insolvent entity the ability to obtain the debtor's interests in those assets "free and clear". However, an RVO varies from typical vesting orders by reason of the following:

(a) the purchaser becomes the sole shareholder of the target debtor company;

(b) the target debtor company retains its assets, including key contracts, capital structure, licenses, leases, and tax attributes;

(c) the liabilities not assumed by the purchaser are vested out and transferred, together with any excluded assets, into a "ResidualCo" that takes the place of the target debtor in the insolvency proceeding; and

(d) the target debtor company exits the CCAA Proceedings.

45. The proposed RVO in these CCAA Proceedings includes the approval of the Subscription Agreement and the Proposed Transaction, as well as certain additional relief required to implement the Proposed Transaction. This additional relief includes, among other things:

(a) The RVO shall constitute the only authorization required by the Company to complete the Proposed Transaction and no further authorizations, approvals, or filings will be required;

(b) ResidualCo will be added as an applicant in the CCAA Proceedings and Nemori will cease being an applicant. ResidualCo will assume the Excluded Assets and Excluded Liabilities which substantially exceed $5M, and as a consequence ResidualCo will be insolvent; and

(c) An order granting the Monitor enhanced powers with respect to ResidualCo upon the filing of the Monitor's Certificate confirming, among other things, the Proposed Transaction has closed.

46. The Monitor understands that the proposed reverse vesting structure is necessary in the circumstances to achieve the benefits to the Companies' stakeholders from the Proposed Transaction, and in particular with respect to the transfer of the milk quota, operating licenses and crown leases that are critical to ongoing operations of a dairy farm. The Monitor's view on the proposed RVO is outlined below.

Monitor's Views with Respect to the RVO

47. The Monitor understands that while RVO's are becoming more prevalent within insolvency proceedings, courts across Canada have cautioned their use be reserved for extraordinary circumstances and not simply as a means to transact that is convenient for a purchaser.

48. The Monitor notes that RVO's have been approved in similar circumstances where, amongst other things:

(a) The debtor operated in a highly regulated environment where the transfer of existing permits, licenses, leases, or other contracts would be practically impossible to transfer to a purchaser in an expeditious or cost-effective manner. The RVO structure in these circumstances provided a timely and efficient resolution to this issue, such that the purchaser would not be exposed to the material risks, delays, and costs associated with the transfer of such permits, licenses, etc. that would otherwise make a transaction uneconomical or impossible to consummate;

(b) The maintenance of the existing legal entities would preserve certain tax attributes that would otherwise be foregone in a traditional vesting order, as would the additional consideration offered by potential purchasers for the value of such tax attributes; and

(c) No party would be materially prejudiced by the use of an RVO structure, relative to another means of completing a transaction.

49. To the Monitor's knowledge, this Court has approved two RVO's in the CCAA Proceedings of Canada Fluorspar Inc. and Rambler Metals and Mining Limited, both of which were granted RVO's due to their operations in a heavily regulated mining industry and subject to numerous mining and mineral licenses. An RVO in each of these CCAA proceedings was necessary to allow for the purchaser to maintain and continue ongoing operations without disruption and without having to incur the significant delay and uncertainty in applying for new mining and mineral licenses.

Necessity and Characteristics of the RVO and the Proposed Transaction

50. Nemori operates within the regulated dairy industry and is the beneficiary of a licence of registration as a milk producer and daily milk quota ("**Milk Quota**") from the Dairy Farmers

of Newfoundland and Labrador (“**DFNL**”) under Milk Scheme 1998 and Milk Regulations 1998, a copy of which is attached at **Appendix “D”**, and which is not transferrable. The Monitor understands the primary reason for requesting an RVO for the Proposed Transaction is to ensure Nemori maintains its Milk Quota and license of registration as a milk producer to ensure that ongoing operations are not disrupted. The Monitor understands that the transfer of this license and Milk Quota may be difficult or impossible, and could result in a significant delay in closing or the failure of the Proposed Transaction if such a transfer was not approved.

51. The continued use of Nemori’s licenses and Milk Quota is critical for Nemori to continue its operations, as is the continued use of Nemori’s farmlands, the vast majority of which are operated under crown leases. The uncertainty around timing, cost and acceptance to transfer these items would materially impact ongoing operations, including the production and sale of milk, and would significantly impact the economics of the Proposed Transaction.

52. The Purchaser has requested that the Proposed Transaction be consummated through an RVO and all bids received pursuant to the SISP contemplated an RVO as an integral part of their respective bid. This was not unexpected by the Monitor given the Monitor’s understanding of the value attributed to the Company’s Milk Quota, and the structure of the Proposed Transaction is reflective of the regulatory environment in which Nemori operates.

53. The Monitor, in consultation with its counsel, considered if the above characteristics could be preserved through alternative transaction structures, such as a traditional vesting order or plan of arrangement. The Monitor is of the view that an RVO would provide the most timely, least costly and expedient transfer of the above characteristics of Nemori to the Successful Bidder. The RVO structure also mitigates the operational risk associated with seeking to transfer such characteristics through a different transaction structure, and no other transaction structure is available to Nemori to complete this transaction.

54. The Monitor therefore considers that an RVO is necessary in these circumstances to ensure that the Proposed Transaction can be consummated on a timely and in the most expeditious and efficient manner for the benefit of the Company’s stakeholders.

Economic and Stakeholder Impact of the RVO Relative to Viable Alternatives

55. The Monitor is further of the view that the Proposed Transaction is the best going concern offer received from the SISP and represents the market value of the Company after the conclusion of an extensive marketing process.

56. Although the Proposed Transaction through an RVO does not result in a distribution to unsecured creditors, the Monitor notes that a traditional approval and vesting order would not result in a different outcome to unsecured creditors. The Monitor expects there to be a shortfall to RBC as the senior secured creditor given the Purchase Price and the indebtedness to RBC. The Monitor notes that in any other transaction structure, a distribution to RBC would be further reduced by (a) additional professional fees (b) a decrease in the purchase price to account for the significant operating and transaction risks outlined above and (c) additional expenses at the business level to account for a longer closing period.

57. Similarly, a plan of arrangement would require the support of RBC, who would likely be better off enforcing its security through a receivership to affect a sale of the Company rather than support a plan of arrangement that would result in a certain portion of the sale proceeds being paid to unsecured creditors to secure their support for the plan. The Monitor also understands that the additional time and expense required to formulate and implement a plan of arrangement would significantly impact the Successful Bidder's proposed timelines and would therefore create an additional and unacceptable closing risk, which in turn would reduce the Purchase Price.

58. The Monitor is of the view that an RVO would provide the most practical and efficient transfer of the Company's operations to the Successful Bidder. The continuation of Nemori's ongoing operations will achieve the objectives of the CCAA by (i) preserving value of the Companies' business, (ii) avoiding the economic hardship that would result to stakeholders from a liquidation, and (iii) creating an opportunity for the local community, suppliers, employees and other stakeholders to realize the resultant future economic benefits from such operations continuing without disruption.

59. Given the factors outlined above, as well as the Monitor's understanding of how all Qualified Bidders within the SISP considered these factors when assigning value to their respective bids in the SISP, the Monitor is of the view that no stakeholder is worse off

under the RVO structure than they would have been under any other viable structure for the sale of the Company.

Consideration for the Company's Intangible Assets Being Preserved Through RVO

60. The Monitor views the key attribute being preserved through an RVO, relative to alternative transaction structures, is Nemori's Milk Quota and license of registration as a milk producer.

61. Given the Monitor's understanding of the Company's market value derived from the SISP, the Monitor is of the view that the consideration provided in the Proposed Transaction reflects the value of Nemori's Milk Quota license and key attributes which can only be preserved under the RVO structure.

Notice of RVO Application to All Known Creditors

62. The Monitor intends to provide all known creditors, including unsecured creditors, with notice of the Monitor's application and the RVO after the filing of this Sixth Report to the Court by either email or ordinary mail. The Monitor's counsel will also be providing notice to the service list via email.

63. The Monitor will publish an affidavit of service to its website, confirming that notice has been provided of this motion and will also provide this affidavit of service to the Court, or any other stakeholders requesting the same, prior to the hearing on September 11, 2025.

64. The Monitor will also publish this Sixth Report and all other relevant application materials to its Case Website.

Conclusion: Monitor's View on Appropriateness of RVO

65. The Monitor is of the view that, in consideration of the factors outlined above, the RVO contemplated by the Proposed Transaction is fair and commercially reasonable in the circumstances. RBC as DIP Lender, also being the Company's senior secured creditor, is supportive of the RVO structure and the Proposed Transaction.

66. The Monitor considers there to be significant benefits to using an RVO structure as compared to a traditional asset sale or a plan of arrangement. The RVO structure provides an economic result at least as favourable as any other viable alternative and is expected to significantly reduces costs relative to other structure in these CCAA proceedings.

67. In light of the factors above and the Monitor's consideration of the factors set out in section 36(3) of the CCAA, the Monitor is supportive of the Proposed Transaction and RVO.

Wage Earner Protection Program

68. In accordance with s. 5(1) of the WEPP, an individual is eligible to receive payment under WEPP if, amongst other things:

(a) the individual's employment ended as a result of the CCAA;

(b) the individual is owed eligible wages by the former employer; and

(c) the Court determines that, under s. 5(5) of WEPPA, the criteria prescribed by regulation are met.

69. Section 3.2 of the WEPPA Regulations states:

(a) *"For the purposes of subsection 5(5) of the Act, a court may determine whether the former employer is the former employer all of whose employees in Canada have been terminated other than any retained to wind down its business operations."*

70. The Company currently employs approximately 10 active employees. The terms of the Subscription Agreement provide that the Company is to terminate all employees on closing. The Monitor understands that the Successful Bidder intends to re-hire most, if not all, of the Company's employees at Coastal's sole discretion.

71. The Monitor is of the view that the termination of the Company's employees will be the direct result of closing the Proposed Transaction. As such, the Monitor is requesting that the Court declare that the Company is a "former employer" of the employees for the purposes of s. 5(5) of WEPP upon their termination at closing, and such employees are individuals who may apply for the Wage Earner Protection Program. Should the Court grant the requested declaration, the Monitor will work with the Company to submit the required documents, claim forms and trustee information forms as required by Employment and Social Development Canada to complete the WEPP applications for all former employees.

72. The Monitor is of the view that the requested relief is reasonable and appropriate in the circumstances and recommends that the Court grant the WEPP declaration.

Enhanced Powers and Distribution

73. The proposed RVO provides the Monitor with enhanced powers over ResidualCo upon execution of the Monitor's Certificate confirming, among other things, the Proposed Transaction has closed and Nemori has been replaced by ResidualCo as an applicant in these CCAA Proceedings. The Closing Sequence as outlined in the Subscription Agreement deems the directors of ResidualCo to resign at Closing.

74. ResidualCo will have no employees or directors at the time of filing the Monitor's Certificate. Accordingly, the enhanced powers allow the Monitor to act on behalf of ResidualCo including with respect to, among other things, applying to this Court for a final order to distribute the remaining net proceeds of sale from the Proposed Transaction to the Company's creditors in accordance with their relative order of priority. The Monitor would also be empowered to take the appropriate actions required, or that it deems necessary with regard to the ongoing administration of these CCAA proceedings, including assigning ResidualCo into bankruptcy if required or desirable to wind up the estate.

75. Pursuant to the independent security review conducted by the Monitor, attached at **Appendix "E"** and discussed in paragraphs 13-14 of the Monitor's Fourth Report, RBC holds valid and enforceable first ranking security over the Company. The Monitor understands the outstanding debt pursuant to RBC's security and advances under the DIP is in excess of $11 million as at the date of this Sixth Report.

76. The proposed RVO would direct the Monitor to provide an interim distribution of the Purchase Price under the Proposed Transaction to RBC pursuant to its security and the DIP Charge, subject only to the Distribution Holdback detailed in the Confidential Appendix.

77. The Distribution Holdback includes the Monitor's estimates of potential priority creditors as prescribed in sections 6(5)(a) and (6)(a) of the CCAA, including priority amounts owing pre-filing to CRA and amounts that may be payable pursuant to WEPP, as well as a contingency for liens, claims or other post-filing payments that may be payable from the Company's working capital pursuant to the Proposed Transaction.

78. The Monitor respectfully requests that the Court approve the interim distribution to RBC and the Distribution Holdback set out in the Confidential Appendix.

September Forecast

Monitor's Consideration of Material Adverse Change

79. As at the date of this Sixth Report, the Monitor is of the view that the Company has reached an inflection point in these CCAA Proceedings. While Management has worked diligently and in good faith to continue operations at the farm in the ordinary course to the extent feasible, the Monitor understands that years of deferred maintenance and normal wear and tear from farming are resulting in critical challenges to the Company's equipment, infrastructure, and ability to operate beyond the forecast period. The Monitor understands that Calvin and Sheldon Cameron have continued to work extensive hours above an already busy farming schedule, and it is apparent to the Monitor that the Company can no longer sustain itself in these CCAA Proceedings without the capital injection anticipated by Coastal should the Proposed Transaction close.

80. While the September Forecast projects sufficient liquidity in the near term to continue basic operations and preserve animal welfare, from discussions with the Company the Monitor does not expect that Management can continue at its current pace or workload should the Proposed Transaction not close as expected, and immediate action and capital would be required to stabilize the farm. The Monitor has discussed its concerns with Coastal as the Successful Bidder and RBC as the Company's senior secured creditor, who also submitted a liquidation bid in the SISP that anticipated a receivership.

81. Further, the September Forecast demonstrates that, absent a recovery of outstanding GST from CRA which cannot be accurately forecasted, the Company's cash flow does not support the continued payment of accrued professional fees in these CCAA Proceedings, requiring the Monitor to request an increase to the Administration Charge as discussed further below.

82. Absent accrued professional fees of the Monitor and its counsel, the Monitor understands the Company has been paying its post-filing obligations in the ordinary course, the majority of which is cash-on-demand. The Monitor considered whether a material adverse change exists in the Company's financial circumstances pursuant to section 23(1)(d)(i) of the

CCAA ("**MAC**"). The Monitor has concluded that, as at the date of this Sixth Report, should the Court grant the Monitor's requested relief including the increase to the Administration Charge to advance the Proposed Transaction for the benefit of all parties, including RBC who has effectively funded the CCAA Proceedings, no MAC currently exists.

<u>Projected Cash Flow through Closing</u>

83. The September Forecast has been prepared by the Company and Resolve to project the Company's cash requirements through the Outside Date for closing the Proposed Transaction and is attached at **Appendix "F".**

84. The Monitor has worked with the Company and Resolve to review the September Forecast and notes the Company does not have the available liquidity to deal with the broader issued noted by Coastal at Appendix "A" from negotiation of the failed TSA, nor does it have sufficient funds to pay down the outstanding professional fees of the professionals covered under the Administration Charge. The Monitor has advised Coastal that any critical expenditures it identified would need to be funded by Coastal directly, at Coastal's risk.

85. While the September Forecast projects sufficient liquidity for continued operations absent additional significant repair and maintenance matters, the Monitor continues to expect a balance to be outstanding to the Monitor and its counsel as secured by the Administration Charge when the Proposed Transaction Closes. The Monitor has noted previously that a significant balance is outstanding to the Monitor and its counsel.

(a) As at the date of this Sixth Report, the Monitor estimates the total amounts invoiced and outstanding by the professionals covered under the Administration Charge is approximately $300,000, of which approximately $232,000 is owing to the Monitor and its counsel.

(b) After considering the amounts currently outstanding to the professionals whose fees are secured by the Administration Charge, the current work-in-progress of those professionals, projected payments in the September Forecast and the Monitor's estimate of professional fees required to close the Proposed Transaction, the Monitor expects approximately $375,000 to be outstanding to the professionals at October 12,

2025. Retainers previously provided to the Monitor and its counsel have been partially depleted, with approximately $20,000 remaining.

86. A summary of the September Forecast through the Outside Date of the Proposed Transaction is shown below:

Summary of the September Forecast For the Period of August 25 to October 12, 2025	
Operational cash receipts	454,500
Provincial Agrifood Assist Program	40,000
Repairs, maintenance and vet costs	(78,000)
Critical accounts payable	(39,000)
Remaining operating costs	(389,878)
Cash flow from operations	**(12,378)**
Restructuring fees	(40,000)
DIP interest	(14,000)
Cash flows from restructuring	**(54,000)**
Opening cash balance	75,925
Net cash flow	(66,378)
Ending cash balance	**9,548**

87. The September Forecast has been prepared by Management using the probable and hypothetical assumptions set out therein (the "**Probable and Hypothetical Assumptions**").

88. The Monitor has reviewed the September Forecast to the standard required of a Court appointed Monitor pursuant to s. 23(1)(b) of the CCAA, including reviewing the actual expenses incurred since the date of the Initial Order and discussing same with the Company, its financial advisors and the DIP Lender. The Monitor's review of the Revised Cash Flow Forecast consisted of inquiries, analytical procedures, and discussions related to information supplied to the Monitor by Management and Resolve. Since the Probable and Hypothetical Assumptions need not be supported, the Monitor's procedures with respect to same were limited to evaluating whether they were consistent with the purpose of the September Forecast and the Monitor's understanding of the business. The Monitor has also reviewed the support provided by the Company and Resolve for the Probable and Hypothetical Assumptions and the preparation and presentation of the September Forecast.

89. Based on the Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:

(a) the Probable and Hypothetical Assumptions are not consistent with the purpose of the September Forecast;

(b) as at the date of this Report, the Probable and Hypothetical Assumptions developed by the Company are not suitably supported and consistent with the Company's plans or do not provide a reasonable basis for the September Forecast; and

(c) the September Forecast does not reflect the Probable and Hypothetical Assumptions.

90. Since the September Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the Probable and Hypothetical Assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the September Forecast will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy or completeness of any financial information presented in this Sixth Report or relied upon by the Monitor in preparing this Sixth Report.

91. The September Forecast has been prepared solely for the purposes described on the face of the September Forecast and readers are cautioned that it may not be appropriate for other purposes.

Increase to the Administration Charge

92. The Monitor has highlighted in each of its last three reports to the Court that a significant balance has remained outstanding to the Monitor and its counsel as secured by the Administration Charge, which is expected to be the case when the Proposed Transaction closes. As at the date of this Sixth Report, outstanding invoices for the Monitor and its counsel exceeds $232,000. While the Company has made payments to its counsel, and intermittent payments to the Monitor and other professionals secured by the Administration Charge throughout the CCAA Proceedings, the Monitor and its counsel have often deferred payment such that the Company can deal with emergency or *ad-hoc* expenditures required to maintain animal welfare and ongoing operations for the benefit of all stakeholders. Although the September Forecast projects some payments to the

professionals secured by the Administration Charge, the Company's recent performance indicates that significant risk exists in those payments.

93. As outlined in the Monitor's fee summary, significant time has been incurred to date by the Monitor and its counsel to effect a restructuring and sale of the Company as a going concern at the highest possible value for the benefit of all stakeholders, including extensive negotiations with potential purchasers and ultimately the Successful Bidder to bring forward the Proposed Transaction for this Court's approval. The Monitor expects there to be additional work to finalize these CCAA Proceedings should the Proposed Transaction close as expected, and to provide security to the Monitor and its counsel that its fees will be covered, the Monitor is requesting an increase to the Administration Charge for the benefit of the Monitor and its counsel of an additional $150,000. The September Forecast projects that the Company will have sufficient working capital on hand to pay the amounts outstanding to the other professionals covered under the Administration Charge, and the increase for the benefit of the Monitor and its counsel recognizes the remaining work required by those professionals to close out these CCAA Proceedings pursuant to the proposed RVO.

94. Should the Proposed Transaction be approved, the Monitor expects that incremental fees for the Company's counsel and its financial advisor, Resolve, to materially decrease moving forward.

95. For certainty, without an increase to the Administration Charge or some other form of funding to close the Proposed Transaction, the Monitor would not be supportive of extending the Stay of Proceedings. The Monitor will continue to work diligently and efficiently with the stakeholders involved and will continue to bring all fees incurred in these CCAA Proceedings forward to this Court for review and approval.

96. Based on the above, the Monitor respectfully recommends the Court increase the Administration Charge to $400,000, of which $150,000 is the incremental amount for the benefit of the Monitor and its counsel.

Stay Extension and Next Steps in CCAA Proceedings

97. The Monitor will be seeking to extend the Stay of Proceedings through November 15, 2025 to:

(a) Work with the Company and Coastal to close the Proposed Transaction on or before the Outside Date of October 15, 2025;

(b) Pursuant to the Proposed Transaction and RVO, replace Nemori in these CCAA Proceedings with ResidualCo, which will then be stewarded by the Monitor after filing the Monitor's Certificate;

(c) Upon closing and filing the Monitor's Certificate, should the Court grant the proposed RVO, the Monitor will proceed to distribute amounts owing to RBC pursuant to its security, and subject to the proposed Distribution Holdback. The Monitor will then make a future application to the Court for a final discharge and distribution to the Company's creditors in order of priority.

98. For certainty, should the Proposed Transaction not close by the Outside Date and such date is not extended pursuant to the Subscription Agreement, the Monitor would notify all stakeholders without delay of a material adverse change pursuant to section 23(1)(d)(i) of the CCAA and confirm whether 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.

99. As noted above, the Monitor's recommendation regarding the extension to the Stay of Proceedings is predicated on an increase to the Administration Charge as the September Forecast does not demonstrate the Company is able to pay the professionals in the ordinary course and maintain ongoing operations.

Approval of Professional Fees

100. Pursuant to paragraph 26 of the FARIO, the Monitor and its legal counsel are to be paid their reasonable fees and disbursements at their standard rates and charge, incurred both before and after the making of the FARIO. Pursuant to paragraph 27 of the FARIO, the Monitor and its counsel shall pass their accounts from time to time.

101. The Monitor is seeking to have its fees and disbursements approved by the Court from the commencement of these CCAA Proceedings through July 31, 2025. The Monitor and its counsel, Reconstruct LLP ("**RECON**"), have maintained detailed records of their professional time and costs.

(A) The Monitor incurred approximately 461 hours through July 31, 2025. At an average rate of approximately $414/hour, total fees and expenses amounted to $202,416, with HST of $29,475 for a total of $231,892. The time spent by the Monitor is more particularly described in **Appendix "F",** which contains an outline of the fees per bill, a summary of the significant issues addressed and the time and average hourly rate by staff rank. Copies of invoices that set out the services provided during this period will be made available to the Court and upon request.

(B) RECON incurred approximately 190 hours through August 29, 2025. At an average rate of approximately $391/hour, total fees and expenses amounted to $77,209, with HST of $10,037 for a total of $87,246. The time spent by RECON is more particularly described in the fee affidavit of Jessica Withmann at **Appendix "G".**

102. Copies of the invoices rendered by the Monitor and RECON setting out the time details and services provided during this period will be made available to the Court at the hearing on September 11, 2025, or earlier in electronic format, should the Court require them.

103. The Monitor is of the view that the fees and those of its legal counsel are reasonable, commensurate with the work performed to date, and reflect the complexity of these CCAA Proceedings as communicated to the Court through its various reports and the significant amount of work undertaken by the Monitor and its counsel to facilitate the SISP on behalf of the Company and its stakeholders. The Monitor respectfully requests that its fees and disbursements, and those of RECON, be approved.

The Monitor's Request for a Sealing Order

104. The Monitor respectfully requests that the Court grant a Sealing Order with respect to the Confidential Appendix until such time as the Proposed Transaction Closes, or the CCAA Proceedings are otherwise terminated.

105. 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 the Purchase Price of the Proposed Transaction. The Monitor is concerned that if such information became it could negatively impact the stakeholders' ability to consummate a transaction or effect a restructuring of the business, should the Proposed Transaction not close.

Good Faith and Due Diligence

106. As at the date of this Sixth Report, the Monitor:

(a) is of the view that the Companies and their 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 Companies' 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

107. For the reasons set out in this Sixth Report, the Monitor recommends the Court grant the relief sought.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 4th day of September, 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

E-Mail from Coastal Regarding Actions Required

From: Paul Burgess
To: Murphy, Liam
Cc: Chisholm, Ben; Sharon Kour; Judy Manning
Subject: Re: Nemori
Date: August 5, 2025 3:55:45 PM
Attachments: image001.png
image002.png

CAUTION: EXTERNAL EMAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST
DO NOT ENTER YOUR GT PASSWORD ON ANY EXTERNAL EMAIL REQUEST

Liam et al,

Our clients have now had the benefit of getting further information regarding the operation of the farm, as well as looking more closely at the operational requirements prior to the closing. We can certainly provide you with more details as necessary, but the high-level approach is as follows:

I. For the next 4 weeks, the farm requires the following injection of funds to address the issues:

1. *(i) $50,000.00 to harvest approximately 500 acres of grass and to be put in bunkers for feed this winter. This is the cost to either fix the necessary equipment to do it themselves or to hire outside companies to do it, or a combination of both;*
   (ii) $61,600.00 to fertilize the fields;
   (iii) $60,000.00 to fix manure spreading and storage system. There are 3 manure pits that are full and MUST be emptied now, fences need to be immediately erected around the manure pits for safety reasons both for people and the cows, as 3 cows appear to have walked into the manure pit and drowned, and the spreading of manure (which will reduce the cost of fertilizer);
   (iv) $30,000.00 for an air compressor for the milking parlor;
   (v) $30,000.00 for servicing the well for water, as there is a shortage of water at the present time; and
   (vi) $20,000.00 to install a pump to prevent the backup of manure and to assist in emptying the manure pits.

*These amounts add up to **$251,600.00, plus HST**, which is applicable to most but not all of the above.*

II. For weeks 5-6 in the future, the farm requires the following injection of funds to address the issues:

2. *(i) $50,000.00 to further harvest the grass to be put in bunkers for feed for the winter;*

(ii) $55,500.00 to harvest 370 acres of corn silage for feed for the cows; and
(iii) $10,000.00 to clean manure pits out again so they are empty before winter sets in.

*These amounts add up to **$115,500.00, plus HST**, which is applicable to most but not all of the above.*

*Our client also proposes that it be paid**$75,000.00** for its services, including disbursements, as it anticipates it will require considerable time and effort to assist with the management of the farm, and may end up bringing extra bodies from its Nova Scotia operations to assist the existing staff at the farm during this transition.*

*The total amount of additional funds it estimates the farm requires to get it to closing while maintaining the operation of the farm at a minimal level is **$442,100.00**, plus applicable HST. We note this is approximately $140,000.00 less than the numbers set out in our correspondence to you on August 1, 2025, and would negate any request from our clients for a reduction in the purchase price. We recognition this is a risk that would be borne by our client, if their estimates fall short.*

We propose these funds would be advanced by RBC, as we question whether there is the authority to utilize the deposit funds without approval of the Court and perhaps make it "cleaner". We also propose this will only work if our clients and/or the Monitor control the release of these funds, rather than the existing management. This would provide an orderly transition of the business, as well as allow our client and the Camerons to see how the future participation of the Camerons at the farm might be optimized.

We suggest within the next 2-3 weeks, when our clients next return to the farm, they will sit down with the Camerons and all current employees to outline future employment opportunities, which our client fully intends to address in the manner as set forth in the Letter of Offer.

We look forward to assisting you in anyway you deem most appropriate in discussing this proposal with RBC, the Company and the Camerons, as we see this proposal as being in everyone's best interests, albeit a compromise by everyone. We also look to your guidance as to whether you want us involved directly with RBC, the Company of the Camerons in relation to this proposal. We are prepared to provide whatever assistance we can provide which will help to get this transaction to the finish line, but we have no intention to interfere with the Monitor's role.

Thanks.

Paul

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This email is solicitor-client privileged and contains confidential information intended only for the person(s) named above. Any other distribution, copying or disclosure is strictly prohibited. If you have received this e-mail in error, please notify us immediately.

On Aug 3, 2025, at 9:04 PM, Murphy, Liam <Liam.Murphy@doane.gt.ca> wrote:

Hi Paul,

Thanks for your email. I'd forgotten tomorrow is a long weekend in NS and Ontario. I can still jump on a call with you around 9-9:30 AST- does that work?

The Monitor acknowledges your clients' expertise and we expect they have a much better view on what's required in the short term to get Nemori through the next year than we do. It would be helpful to understand, specifically:

- What immediate action your client believes is required;
- Who should take that action;
- How it can be paid for, and by whom;
- Whether or not you believe the Cameron's agree with your client's view

Look forward to speaking tomorrow and navigating a path through this, I'll be on my cell 782 409 1667.

Thanks
Liam

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T +1 902 429 5435
E Liam.Murphy@doane.gt.ca | **W** DoaneGrantThornton.ca
<image001.png>

Appendix B

Monitor's Third Report, without Appendices

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

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

June 25, 2025

Grant Thornton Limited
Monitor

1000-1675 Grafton Street
Halifax, NS B3J 0E9

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APPENDICES

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, financial advisor to the Company, 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 subordinate only to the Administration Charge.

3. On April 24, 2025 the Court granted the first amended and restated initial order ("**FARIO**"), attached at **Appendix "A"**, 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**") attached at **Appendix "B"**, 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 third report of the Monitor ("**Third 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:

<u>Reports to the Court:</u>

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

(b) First Report, dated March 13, 2025

(c) Second Report, dated April 22, 2025

<u>Orders of the Court:</u>

(d) Initial Order, dated March 6, 2025

(e) ARIO, dated March 14, 2025

(f) FARIO, dated April 24, 2025

(g) SISP Order, dated April 24, 2025

Purpose of the Third Report

6. The Monitor has prepared this Third Report to provide the Court and the Company's stakeholders with the following:

(a) an update on the operations and activities of the Company since the date of the Second Report;

(b) an update on the Monitor's activities since the date of the Second Report and granting of the FARIO;

(c) an update on the SISP and the Monitor's request for advice and direction from this Court in respect of the conduct of the SISP, as further outlined in the Confidential Supplement to the Third Report ("**Confidential Supplement**"). The Monitor will be requesting an order of the Court sealing the Confidential Supplement on the Court's file until the termination of these CCAA Proceedings;

(d) an update on the Company's actual performance relative to the Cash Flow Forecast in the Second Report;

(e) the Monitor's views on Company's revised cash flow forecast ("**Revised Cash Flow Forecast**") through August 31, 2025;

(f) the Monitor's views and recommendations on the Company's application to the Court to:

i. extend the Stay of Proceedings up to and including July 31, 2025;

ii. extend the Stay of Proceedings to Calvin Cameron and Sheldon Cameron, including in respect of their personal guarantees; and

iii. the Monitor's request to approve the activities of the Monitor to the date of this Third Report.

Terms of Reference

7. In preparing this Third 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 Company

12. Since the date of the Second Report, the Monitor understands the Company and its advisors have, among other things:

    (a) managed the day-to-day operations of the farm in the ordinary course;

    (b) continued to meet with the Monitor and the Company's financial advisor, Resolve Advisory Services ("**Resolve**"), to discuss the Company's financial circumstances, expenditures pursuant to the Cash Flow Forecast, various repairs and maintenance requirements, and other matters related to ongoing operations and these CCAA Proceedings;

(c) reported to the Monitor and the DIP Lender on actual performance relative to the Cash Flow Forecast and other monthly reporting requirements, in accordance with the DIP Term Sheet;

(d) obtained appraisals of the Company's real property and equipment, pursuant to the DIP Term Sheet;

(e) reviewed and prepared the revised Cash Flow Forecast and provided information on the financial position of the Company as requested by the Monitor and the DIP Lender;

(f) facilitated site visits to interested parties in the SISP;

(g) pursuant to paragraph 54 of the SISP Procedures, advised the Monitor on May 18th, 2025 that Management as non-arms length parties to the Company intended to advance a bid in the SISP;

(h) communicated with creditors regarding the CCAA Proceedings, including with respect to the process for the continuation of supply and services and the impact of the Stay of Proceedings; and

(i) assisted legal counsel and the Monitor with information required in preparation for this Third Report.

Activities of the Monitor since the Second Report

13. Since the Second Report, the Monitor's activities have included, among other things:

(a) preparing for and implementing the SISP, as further described below;

(b) assisting the Company and its counsel with obtaining third party appraisals of the Company's property as required by the DIP Term Sheet and corresponding with the appraisers in respect of same;

(c) responding to creditor and stakeholder inquiries relating to these CCAA Proceedings and the SISP generally;

(d) corresponding with the Dairy Farmers of Newfoundland and Labrador ("**DFNL**") and the Newfoundland and Labrador Dairy Co-Operative ("**NLDC**") regarding the Company, its milk quota, and the SISP;

(e) with the assistance of the Monitor's counsel, reviewing the Company's various equipment leases to determine whether they are "operating" or "financing" leases, and discussing the impact of the Stay of Proceedings on such leases, if any, with the Company;

(f) engaging local counsel to prepare an independent opinion on the validity and enforceability of RBC's security as against the Company's property ("**Security Opinion**"), which is ongoing as at the date of this Third Report;

(g) attending calls with the Company, Company counsel and Resolve to:

   i. review the budget to actual results of the Company during the CCAA Proceedings and understand operations generally, including expenditures for repairs and maintenance, animal health and the preservation of the Company's property;

   ii. address matters related to GST/HST and correspondence from CRA on same;

   iii. discuss due diligence information requests and site visit requests from interested parties in the SISP;

   iv. understand the potential for a stalking horse bid pursuant to paragraph 44 of the SISP, which did not occur; and

   v. discuss the SISP generally prior to and after its launch, up until the Company becoming a Potential Bidder as defined in the SISP.

(h) attending calls with the DIP Lender and its financial advisors to:

   i. provide updates on the budget to actual results of the Cash Flow Forecast and the Monitor's understanding of same;

   ii. address questions with respect to appraisals obtained pursuant to the DIP Term Sheet; and

   iii. discuss the progress of the SISP, prior to RBC advising the Monitor on June 2, 2025, of its intention to submit a Credit Bid and therefore becoming a Potential Bidder pursuant to paragraph 52 of the SISP.

(i) maintaining a stakeholder website for these CCAA Proceedings at www.DoaneGrantThornton.ca/Nemori; and

(j) preparing this Third Report.

Sales and Investment Solicitation Process

14. The SISP Order granted on April 24, 2025 outlined a process by which the Monitor, working in conjunction with the Company, would solicit interest in and opportunities for: (i) one or more sales or partial sales of all, substantially all, or certain portions of the Company; and/or (ii) for an investment in, restructuring, recapitalization, refinancing or other form or reorganization of the business and affairs of the Company (the "**Opportunity**"). A copy of the SISP Order, including the approved Bidding Procedures, is attached at **Appendix "B"**.

Marketing Overview:

15. In accordance with the milestones set out in the SISP Procedures attached to the SISP Order, the Monitor worked with the Company to prepare:

(a) a solicitation letter ("**Teaser**") to generate interest in the Opportunity, attached at **Appendix "C"**;

(b) a Non-Disclosure and Confidentiality Agreement ("**NDA**") which, upon execution and delivery to the Monitor, transitioned Interested Parties to Potential Bidders pursuant to the SISP;

(c) a virtual data room ("**VDR**") that included detailed information regarding the Opportunity for Potential Bidders to consider as part of their due diligence, available upon execution of the NDA; and

(d) to assist Potential Bidders in their due diligence regarding the Opportunity, the Monitor developed a Confidential Information Memorandum (the "**CIM**") that was uploaded to the VDR at the SISP commencement date. A copy of the CIM is attached to the Monitor's Confidential Supplement to the Third Report.

16. On May 2, 2025 the Monitor launched the SISP and circulated the Teaser and NDA to a targeted listing of parties identified by the Monitor, in consultation with the Company and the DIP Lender, as having potential interest in the Opportunity. A summary by industry focus of Interested Parties initially contacted by the Monitor is shown in the table below:

Industry Focus	Count
Agriculture Consulting	4
Broker	3
Dairy Producer	4
Dairy Services	2
Equipment Liquidator	5
Farm Supply	13
Farmer	55
First Nations & Associations	18
Industry Association	23
Livestock Sales / Breeder	8
Other	4
Veterinarian	8
Total	**147**

17. The list of Interested Parties was developed by the Monitor using industry research, feedback from the Company and the DIP Lender, and parties that reached out to the Monitor directly regarding the Opportunity. The Monitor also circulated the Teaser and NDA to the Atlantic Canadian Partners of Doane Grant Thornton LLP, to distribute within their respective networks.

18. Advertisements for the Opportunity were posted in the AllAtlantic publication and Farmer's Forum, an online industry publication, on the dates outlined in the table below. Copies of the advertisements are attached hereto as **Appendix "D"**.

Publications	Dates
AllAtlantic - AllNS, AllNB, AllNL	May 5 - 30, 2025
Farmer's Forum - Agriculture Industry online publication	May 6 - June 6, 2025

19. The advertisement posted on AllAtlantic received 1,110,610 page views during the period it was posted. The Monitor is advised by Farmer's Forum that their website receives 20,000-30,000 impressions per month, the time frame for which the ad was run.

20. Furthermore, the Monitor posted the Teaser, NDA and SISP Order to the Monitor's case management website: www.DoaneGrantThornton.ca/Nemori on May 2, 2025.

Due Diligence:

21. To facilitate due diligence and ensure the integrity of information made available to Potential Bidders throughout the SISP, the Monitor, with assistance from the Company, created an extensive VDR using a due diligence tracking tool. This tracking tool helped the Monitor streamline the diligence process by anticipating information requests, providing a structure to rapidly respond to questions and ensure the completeness and transparency of data on the VDR. The Monitor hosted the VDR on Firmex which, amongst other things, provided the Monitor with tracking data and notified all registered users when new information was made available.

22. The Monitor, in conjunction with the Company and Resolve, also established an internal process to track and respond to questions received by Potential Bidders and update the VDR as appropriate, while maintaining the confidentiality of the Potential Bidders by ensuring all correspondence was through the Monitor rather than Company directly.

23. As additional information became available to the Monitor throughout the SISP which in the Monitor's view could be helpful to Potential Bidders in their evaluation of the Opportunity, the Monitor e-mailed all Potential Bidders with access to the VDR and posted updates to the VDR directly.

Participation in the SISP:

24. Throughout the 45-day SISP, a total of 9 NDAs were executed by Potential Bidders and the Monitor understands site visits were completed by 4 Potential Bidders. While the SISP allowed for the potential of a Stalking Horse Bid to be submitted for consideration prior to May 14, 2025, no such bid was advanced. A high-level summary of activity in the SISP is shown in the table below:

Sent Teaser	Contacted Monitor	Executed NDA	Site Visit	Declined
147	11	9	4	2

25. On May 18, 2025, counsel for the Company advised the Monitor that, pursuant to paragraph 54 of the SISP, the Company's Management and directors were advising the Monitor of their intention to submit a Bid in the SISP. Management was therefore treated by the Monitor as a Potential Bidder in the SISP and executed an NDA accordingly.

26. On June 2, 2025, counsel for RBC advised the Monitor that, pursuant to paragraph 52 of the SISP, RBC was reserving its right to submit a Credit Bid and therefore provided the Monitor with RBC's notice of same. RBC also noted that, should RBC decide not to submit a Credit Bid pursuant to the SISP, RBC was reserving its right to withdraw the notice, upon which it requested to no longer be treated as a Potential Bidder in the SISP.

27. Upon RBC's declaration of potentially advancing a Credit Bid, and recognizing that as both the Company's senior secured lender and DIP Lender RBC had a longstanding commercial relationship with the Company prior to and during the CCAA Proceedings which may provide RBC with an inside view of the Opportunity, the Monitor corresponded with RBC and its financial advisor to outline certain parameters in respect of RBC's continued participation in the SISP, in order to ensure the integrity of the SISP. RBC subsequently executed an NDA and confirmed the following, amongst other things:

    (a) To the knowledge of the individuals at RBC and EY that are responsible for and providing services in relation to RBC's position in the CCAA proceedings, there has been no correspondence between RBC or EY with another Qualified Bidder, pursuant to the terms of the SISP and NDA;

    (b) RBC is not in discussions or communications with any other person in respect of RBC's intention to submit a Credit Bid;

    (c) RBC and its advisors will direct all correspondence in relation to the SISP or under the DIP Agreement through the Monitor; and

    (d) RBC will arrange for copies of RBC's security to be provided to the Monitor and its counsel for its independent review.

28. The Monitor has advised RBC that as of the date of RBC's declaration the Monitor is treating RBC as a Potential Bidder in the SISP and will not be reporting to or consulting with RBC on the SISP, either in its capacity as secured creditor or DIP Lender.

29. For certainty, the Monitor is not aware of any breach of the SISP Procedures or NDA executed by Potential Bidders in the SISP.

<u>Extension of Period for Selection of the Successful Bid:</u>

30. At the Bid Deadline, the Monitor collected the Bids received and reviewed each in detail. Where the Bid included conditions or the Bid itself did not conform to the SISP Procedures,

pursuant to paragraph 32 of the SISP Procedures the Monitor contacted the Bidder to clarify and provide an opportunity for the Bidder to remove or reconsider conditions associated with the subject Bid.

31. To allow the Monitor to continue reviewing Bids to determine the best proposed transaction, on June 23, 2025, the date outlined in the SISP for the Monitor to select the Successful Bidder in the SISP, the Monitor advised Qualified Bidders that it was extending the date for selection of a Successful Bid by two weeks to **July 7, 2025** pursuant to Paragraph 6 of the SISP Procedures. Further information about the Monitor's review and its request for advice and direction from the Court is contained in the Confidential Supplement.

Performance Relative to Cash Flow Forecast

32. A summary of the Company's budget to actual results compared with the Cash Flow Forecast included in the Second Report of the Monitor is attached hereto as **Appendix "E"** (the "**Cash Flow Variance Report**") and summarized in the table below:

Nemori Farms Limited Budget to Actuals - Variance Report Weeks 1-15	**Weeks 1-15 March 10, 2025 - June 22, 2025**		
	Budget	**Actual**	**Variance**
Cash Receipts	2,092,420	2,078,572	(13,848)
Operational Disbursements	1,515,289	1,570,466	55,177
Net Operating Cash Flows	**577,131**	**508,106**	**(69,025)**
Operational Improvement (SCAP Program)	(69,064)	(75,490)	(6,426)
Net Cash Flows prior to Professional Fees	**508,067**	**432,616**	**(75,451)**
Professional Fees	394,057	314,482	(79,575)
Total Net Cash Flow	**114,010**	**118,134**	**4,124**
Opening Cash Balance	25,432	25,432	-
Net Cash Flow	114,010	118,134	4,124
Ending Balance	**139,442**	**143,566**	**4,124**

33. Based on the Monitor's continuous review of the cash flow and discussions with the Company and Resolve, the Monitor's comments on the material variances between the Company's actual cash flows for the period to June 22, 2025 (Week 15), compared to the Cash Flow Forecast are as follows:

(a) Cash Receipts are below budget primarily due to approximately $45,000 of delayed GST/HST refunds from CRA from on-going GST/HST examination and the receipt of $25,000 for the Provincial Agrifood Assistance Program, both of which are timing differences expected to reverse in the coming weeks. This negative timing difference is offset by approximately $56,000 in greater than forecast milk revenue from improved milk production in recent weeks.

(b) Cash Receipts include $825,000 of the DIP Facility, which was fully drawn at the date of this Third Report and in line with the Company's expectation.

(c) Operational Disbursements are overall greater than budget by $55,176, primarily due to higher repairs and maintenance activity than forecast, including the replacement of certain pump systems which failed and required replacement. The Monitor understands the Company was required to spend funds on several repairs that could not be otherwise delayed without the disruption of continued operations. This negative permanent variance is offset by lower than forecast feed costs of $75,646, which the Monitor is advised were lower than forecast due to the high-quality silage harvested and the Company managing the timing of feed purchases.

(d) Professional Fees through Week 15 were lower than budget by approximately $79,500, a timing difference. The Monitor has noted previously that, given the extensive involvement of the professionals since the commencement of these CCAA Proceedings, the Monitor expects actual costs for Professional Fees to be higher than forecast on an accrual basis. This is discussed further relative to the Administration Charge in the Revised Cash Flow Forecast below.

Revised Cash Flow Forecast

34. The Revised Cash Flow Forecast has been prepared by the Company and Resolve to project the Company's cash requirements through the proposed extension of the Stay of Proceedings, July 31, 2025. The Revised Cash Flow Forecast is attached as **Appendix "F".**

35. The Monitor has worked with the Company and Resolve to review the Revised Cash Flow Forecast and further understand projected disbursements, milk production, expenditures related to animal health and modifications to operating expense assumptions based on

seasonality and current information. The Monitor has discussed the various changes made in the Revised Cash Flow Forecast with the Company and Resolve and compared same to actual results through the date of this Third Report.

36. To date, the Company has drawn the full balance of its $825,000 available in DIP financing. While the Revised Cash Flow Forecast projects the Company will not require additional financing for continued operations through July 31, 2025, due to the projected timing of receipts and disbursements and current level of amounts owing, the Monitor expects a balance to be outstanding to the professionals secured by the Administration Charge at July 31, 2025.

(a) After considering the amounts currently outstanding to the professionals whose fees are secured by the Administration Charge, the work-in-progress of those professionals, projected payments in the Revised Cash Flow Forecast and the Monitor's estimate of professional fees required to reach Court approval of a transaction derived from the SISP, the Monitor expects approximately $150,000 to be outstanding to the professionals at July 31, 2025, before consideration of any retainers previously provided. The Monitor notes that it holds approximately $40,000 as a retainer for the Monitor and its counsel, reducing total exposure under the Administration Charge.

(b) The Monitor notes the Company is expected to have a surplus of cash available at July 31, 2025, based on the Revised Cash Flow Forecast. The Monitor will work with the Company to ensure balances secured by the Administration Charge do not continue to grow or exceed the Administration Charge.

37. A summary of the Revised Cash Flow Forecast through the proposed extension to the Stay of Proceedings of July 31, 2025, is shown below:

Summary of the Cash Flow Forecast For the Period of June 23, 2025 to July 31, 2025	
	Weeks 16-21
Operational cash receipts	455,500
Operational cash disbursements	(359,249)
Cash Flows from Operations	**96,251**
Restructuring fees	(123,750)
DIP Interest and Commitment fee	(6,000)
Cash Flows from Restructuring	**(129,750)**
Opening Cash balance	143,566
DIP Financing	-
Net Cash flow	(33,499)
Ending Cash Balance	**110,067**

38. The Revised Cash Flow Forecast has been prepared by Management using the probable and hypothetical assumptions set out therein (the "**Probable and Hypothetical Assumptions**").

39. The Monitor has reviewed the Revised Cash Flow Forecast to the standard required of a Court appointed Monitor pursuant to s. 23(1)(b) of the CCAA, including reviewing the actual expenses incurred since the date of the Initial Order and discussing same with the Company, its financial advisors and the DIP Lender. The Monitor's review of the Revised Cash Flow Forecast consisted of inquiries, analytical procedures, and discussions related to information supplied to the Monitor by Management and Resolve. Since the Probable and Hypothetical Assumptions need not be supported, the Monitor's procedures with respect to same were limited to evaluating whether they were consistent with the purpose of the Revised Cash Flow Forecast and the Monitor's understanding of the business. The Monitor has also reviewed the support provided by the Company and Resolve for the Probable and Hypothetical Assumptions and the preparation and presentation of the Cash Flow Forecast.

40. Based on the Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:

(a) the Probable and Hypothetical Assumptions are not consistent with the purpose of the Revised Cash Flow Forecast;

(b) as at the date of this Third Report, the Probable and Hypothetical Assumptions developed by the Company are not suitably supported and consistent with the Company's plans or do not provide a reasonable basis for the Revised Cash Flow Forecast; and

(c) the Revised Cash Flow Forecast does not reflect the Probable and Hypothetical Assumptions.

41. Since the Revised Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the Probable and Hypothetical Assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the Revised Cash Flow Forecast will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy or completeness of any financial information presented in this Third Report or relied upon by the Monitor in preparing this Third Report.

42. The Revised Cash Flow Forecast has been prepared solely for the purposes described on the face of the Revised Cash Flow Forecast and readers are cautioned that it may not be appropriate for other purposes.

The Monitor's Recommendation on the Stay Extension

43. The Company is seeking to extend the Stay of Proceedings through July 31, 2025, supported by the Revised Cash Flow Forecast. The proposed extension to the Stay of Proceedings is necessary to allow the Monitor time to finalize the selection of the Successful Bidder in the SISP, subject to this Court's advice and direction outlined in the Confidential Supplement.

44. The Monitor is supportive of the Company's request and does not believe that any parties will be materially prejudiced by the extension of the Stay of Proceedings to July 31, 2025. The Revised Cash Flow Forecast demonstrates the Company will have sufficient liquidity to operate during the forecast period.

The Monitor's Recommendation on the Request to Extend the Stay of Proceedings to Sheldon and Calvin Cameron

45. The Company is seeking to extend the Stay of Proceedings to Sheldon and Calvin Cameron, the principal shareholders and directors of the Company, for the purpose of staying the enforcement of personal guarantees by RBC during the CCAA Proceedings.

46. The Monitor is of the view that Sheldon and Calvin Cameron are key personnel at the Company and are currently the sole management team for the Company. Based on the Monitor's observation, the continued participation of Sheldon and Calvin Cameron is needed to avoid disruption of farm operations through the summer season, and their co-operation is needed to facilitate the closing of any transaction with any Bidder, should a transaction be approved.

47. Accordingly, the Monitor is of the view that if so approved by this Court in its sole discretion, the extension of the stay of proceedings to Sheldon and Calvin Cameron during the pendency of the CCAA Proceedings would likely benefit the restructuring process by ensuring their ongoing participation in the restructuring process without distraction.

48. The Monitor has not been made aware of any opposition to the Company's request, nor has it been advised of RBC's position in that regard.

The Monitor's Request for a Sealing Order

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

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

Good Faith and Due Diligence

51. As at the date of this Third 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

52. For the reasons set out in this Third Report, the Monitor respectfully recommends that this Honourable Court grant Orders:

(a) Extending the Stay of Proceedings to July 31, 2025;

(b) Extending the Stay of Proceedings to Calvin and Sheldon Cameron;

(c) Sealing the Confidential Supplement to the Third Report on the Court File, until such time as the CCAA Proceedings are terminated; and

(d) Approving the activities of the Company, the Monitor and their respective legal counsel through the date of this Third Report.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 25th day of June, 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 C

Redacted Subscription Agreement

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SHARE SUBSCRIPTION AGREEMENT

NEMORI FARMS LTD.,

AS THE COMPANY

-AND-

98566 NEWFOUNDLAND & LABRADOR LTD.,

AS PURCHASER

THIS SHARE SUBSCRIPTION AGREEMENT is made as of September 4, 2025

BETWEEN:

NEMORI FARMS LTD., a corporation existing under the laws of the Province of Newfoundland and Labrador (the "**Company**")

-and-

98566 NEWFOUNDLAND & LABRADOR LTD., a corporation existing under the laws of the Province of Newfoundland and Labrador ("**Purchaser**")

RECITALS:

A. The Company operates a dairy farm in Deer Lake, Newfoundland and Labrador. The Company's operations include milk production, breeding cows through artificial insemination, raising their calves, attending to all animals' medical needs and producing food crops for animal consumption including corn silage, grass, and legumes (the "**Business**").

B. On March 6, 2025, the Company commenced proceedings under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36 (the "**CCAA**") before the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency (the "**CCAA Court**") to, among other things, seek creditor protection for, and certain relief in respect of, the Company.

C. On April 24, 2025, the CCAA Court granted an order (the "**SISP Order**") approving a sale and investment solicitation process in the form attached as Schedule "A" to the SISP Order (the "**SISP**") with respect to the Company's Business and all their assets, undertakings and properties wherever situate including all proceeds thereof ("**Property**") and directing the Monitor to perform the SISP.

D. Pursuant to the SISP, the Purchaser has been selected as the Successful Bidder and as such, the Purchaser has agreed to subscribe for, and the Company has agreed to issue, the Purchased Shares on and pursuant to the terms set forth herein.

NOW THEREFORE, the Parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement,

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(a) "**Affiliate**" means, with respect to any specified Person, any other Person which, directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person (for the purposes of this definition, "control" including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with") as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For greater certainty, an Affiliate of a Person shall include such Person's investment funds and managed accounts and any funds managed or directed by the same investment advisor.

(b) "**Agreement**" means this share subscription agreement and all attachments and Exhibits, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this share subscription agreement and all attached Schedules and Exhibits, and unless otherwise indicated, references to Articles, Sections, Schedules and Exhibits are to Articles, Sections, Schedules and Exhibits in this share subscription agreement.

(c) "**Applicable Law**" means any transnational, domestic or foreign, federal, provincial, territorial, state, local or municipal (or any subdivision of any of them) law (including common law and civil law), statute, ordinance, rule, regulation, restriction, limit, by-law (zoning or otherwise), judgment, order, direction or any consent, exemption, or any other legal requirement of, or agreement with, any Governmental Authority, that applies in whole or in part to the transactions contemplated by this Agreement, the members of the Company, the Purchaser, the Business, or any of the Purchased Shares or the Retained Liabilities.

(d) "**Approval and Reverse Vesting Order**" means an order of the CCAA Court in a form to be mutually agreed upon by the Purchaser and the Company, each acting reasonably.

(e) "**Articles of Reorganization**" means, to the extent required, Articles of Reorganization in respect of the Company's authorized and issued capital to provide for the redemption or cancellation by the Company of all of the issued and outstanding shares in any class and any other Equity Interests which, for avoidance of doubt, excludes the Purchased Shares, for no consideration, effective at Closing, with such Articles of Reorganization to be in form and substance satisfactory to Purchaser, acting reasonably.

(f) "**Business**" has the meaning given to such term in the recitals to this Agreement.

(g) "**Business Day**" means any day, other than a Saturday or Sunday, on which the principal commercial banks in St. John's , Newfoundland and Labrador are open for commercial banking business during normal banking hours.

(h) **"Cash Consideration"** has the meaning given to such term in Section 3.1.

(i) "**CCAA**" has the meaning given to such term in the recitals to this Agreement.

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(j) "**CCAA Court**" has the meaning given to such term in the recitals to this Agreement.

(k) "**CCAA Proceedings**" means the proceedings commenced under the CCAA by the Company pursuant to the Initial Order.

(l) "**Claims**" means any and all demands, claims, liabilities, actions, causes of action, counterclaims, expenses, costs, damages, losses, suits, debts, sums of money, refunds, accounts, indebtedness, rights of recovery, rights of set-off, rights of recoupment and liens of whatever nature (whether direct or indirect, absolute or contingent, asserted or unasserted, secured or unsecured, matured or not yet matured due or to become due, accrued or unaccrued or liquidated or unliquidated) and including all costs, fees and expenses relating thereto.

(m) "**Closing**" means the completion of the Transactions in accordance with the provisions of this Agreement.

(n) "**Closing Date**" means the 30th day of September, 2025, or such earlier time as the parties mutually agree, but no later than the Outside Date.

(o) "**Closing Documents**" means all contracts, agreements, certificates and instruments required by this Agreement to be delivered at or before the Closing.

(p) "**Closing Sequence**" means the sequence set out in Schedule 10.2, which may be updated from time to time in accordance with Section 10.2 until two (2) Business Days prior to the Closing Date.

(q) "**Closing Time**" means 2 p.m. (NL time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place.

(r) "**Company**" has the meaning given to it in the recitals hereto.

(s) "**Cure Costs**" means the amounts, if any, that are required to cure any monetary defaults of the Company under any Retained Contract.

(t) "**Deposit**" means the amount [redacted] which was paid by the Purchaser to the Monitor on June 16, 2025.

(u) "**Employees**" means individuals employed or retained by the Company, on a full-time, part-time or temporary basis, including any unionized employees and those employees on disability leave, parental leave or other absence.

(v) "**Encumbrance**" means any security interest (whether contractual, statutory or otherwise), lien, prior claim, charge, hypothec, reservation of ownership, pledge, encumbrance, mortgage, trust (including any statutory, deemed or constructive trust), option or adverse claim or encumbrance of any nature or kind.

(w) "**Equity Interests**" means any capital share, capital stock, partnership, membership, joint venture or other ownership or equity interest, participation or securities (whether voting or

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nonvoting, whether preferred, common or otherwise, and including share appreciation, contingent interest or similar rights) of a Person.

(x) "**Excluded Assets**" has the meaning given to such term in Section 2.32.

(y) "**Excluded Contracts**" means contracts of the Company which are not Retained Contracts.

(z) "**Excluded Liabilities**" has the meaning given to such term in Section 2.5.

(aa) "**Filing Date**" means March 6, 2025.

(bb) "**Final Order**" means with respect to any order or judgment of the CCAA Court, or any other court of competent jurisdiction, with respect to the subject matter addressed in the CCAA Proceedings or the docket of any court of competent jurisdiction, that such order or judgment has not been vacated, set aside, reversed, stayed, modified or amended, and as to which the applicable periods to appeal, or seek certiorari or move for a new trial, re-argument, or rehearing has expired and no appeal, leave to appeal, or petition for certiorari or other proceedings for a new trial, re-argument, or rehearing has been timely taken or filed, or as to which any appeal has been taken or any petition for certiorari or leave to appeal that has been timely filed has been withdrawn or resolved in a manner acceptable to the Company and the Purchaser, each acting reasonably, by the highest court to which the order or judgment was appealed or from which leave to appeal or certiorari was sought or the new trial, re-argument, or rehearing shall have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.

(cc) "**GAAP**" means generally accepted accounting principles as set out in the *CPA Canada Handbook – Accounting* for an entity that prepares its financial statements in accordance with International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

(dd) "**Governmental Authority**" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them, or exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

(ee) "**GST/HST**" means all goods and services tax and harmonized sales tax imposed under the Excise Tax Act, RSC 1985, c. E-15.

(ff) "**Initial Order**" means the Amended and Restated Initial Order dated April 24, 2025 granted by the CCAA Court pursuant to the CCAA, as may be further amended and restated from time to time.

(gg) "**Licence**" means, collectively any and all permits, licences, authorizations, consents, concessions, exemptions, leases, grants, permits, rights, privileges, approvals or other evidence of authority from any Governmental Authority and related to the Business and

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that has been issued to, granted to, conferred upon, or otherwise created for, the Company, relating to authorizations or otherwise to sell, provide, produce, collect, manufacture, ship, deliver, transport and/or distribute dairy products under Applicable Law.

(hh) "**Material Adverse Effect**" means any change, effect, event, occurrence, state of facts or development that has had a material adverse effect on: (i) the Business, assets, liabilities, financial conditions or results of operations of the Company, taken as a whole; or (ii) prevents the ability of any of the Company to perform their obligations under, or to consummate the transactions contemplated by, this Agreement, but excluding any such change, effect, event, occurrence, state of facts or development attributable to or arising from: (A) general economic or business conditions; (B) Canada, the U.S. or foreign economies, or financial, banking or securities markets in general, or other general business, banking, financial or economic conditions (including: (I) any disruption in any of the foregoing markets; (II) any change in the currency exchange rates; or (III) any decline or rise in the price of any security, commodity, contract or index); (C) acts of God or other calamities, pandemics (including worsening thereof), national or international political or social conditions, including the engagement and/or escalation by the U.S. or Canada in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the U.S. or Canada or any of their territories, possessions or diplomatic or consular offices or upon any military installation, equipment or personnel of the U.S. or Canada; (D) the identity of the Purchaser or its Affiliates; (E) conditions affecting generally the industry in which the Company participates; (F) the public announcement of, entry into or pendency of, actions required or contemplated by or performance of obligations under, this Agreement or the transactions contemplated by this Agreement, or the identity of the Parties; (G) changes in Applicable Laws or the interpretation thereof; (H) any change in GAAP or other accounting requirements or principles; (I) national or international political, labor or social conditions; (J) the failure of the Company to meet or achieve the results set forth in any internal projections (but not the underlying facts giving rise to such failure unless such facts are otherwise excluded pursuant to the clauses contained in this definition); or (K) any change resulting from compliance with the terms of, or any actions taken (or not taken) by any Party pursuant to or in accordance with, this Agreement; provided that the exceptions set forth in clauses (A), (B), (C), (E), (G), (H) or (I) shall not apply to the extent that such event is disproportionately adverse to the Company, taken as a whole, as compared to other companies in the industries in which the Company operates.

(ii) "**Monitor**" means Grant Thornton Limited, as court-appointed monitor of the Company in the CCAA Proceedings, and not in its personal or corporate capacity.

(jj) "**Monitor's Certificate**" means the certificate delivered to the Purchaser, and filed with the CCAA Court, by the Monitor certifying that the Monitor has received written confirmation in form and substance satisfactory to the Monitor, in its sole discretion, from each of the Company and the Purchaser, that all conditions to Closing have been satisfied or waived by the applicable Parties and the transactions contemplated by this Agreement have been completed.

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(kk) "**Order**" means any order of the Court made in the CCAA Proceedings, or any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

(ll) "**Outside Date**" has the meaning given to such term in Section 9.1(b).

(mm) "**Parties**" means the Company and the Purchaser collectively, and "**Party**" means any one of them, as the context requires.

(nn) "**Permitted Encumbrances**" means the Encumbrances listed in Schedule 1.1(nn).

(oo) "**Person**" includes an individual, partnership, firm, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, entity, corporation, unincorporated association, or organization, syndicate, committee, court appointed representative, the government of a country or any political subdivision thereof, or any agency, board, tribunal, commission, bureau, instrumentality, or department of such government or political subdivision, or any other entity, howsoever designated or constituted, including any Taxing Authority, and the trustees, executors, administrators, or other legal representatives of an individual, and for greater certainty includes any Governmental Authority.

(pp) "**Post-Filing Claims**" means any or all indebtedness, liability, or obligation of the Company that arises during and in respect of the period commencing on the Filing Date and ending on the day immediately preceding the Closing Date in respect of services rendered or supplies provided to the Company during such period.

(qq) "**Purchase Price**" has the meaning given to such term in Section 3.1.

(rr) "**Purchased Shares**" has the meaning given to such term in Section 2.1(a).

(ss) "**Purchaser**" has the meaning given to such term in the preamble to this Agreement.

(tt) "**Residual Co.**" means a corporation to be incorporated by the Company in advance of Closing, to which the Excluded Assets, Excluded Contracts and Excluded Liabilities will be transferred to as part of the Closing Sequence, which shall have no issued and outstanding shares.

(uu) "**Retained Assets**" has the meaning given to such term in Section 2.3.

(vv) "**Retained Contracts**" means those contracts of the Company listed in Schedule 1.1(vv).

(ww) "**Retained Liabilities**" has the meaning given to such term in Section 2.4.

(xx) "**SISP**" has the meaning given to such term in the recitals to this Agreement.

(yy) "**SISP Order**" has the meaning given to such term in the recitals to this Agreement.

(zz) "**Successful Bidder**" has the meaning given to such terms in the SISP.

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(aaa) "**Tax**" and "**Taxes**" means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever (including withholding on amounts paid to or by any Person) imposed by any Taxing Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Taxing Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, GST/HST, value added, consumption, sales, use, excise, stamp, withholding, business, franchising, escheat, property, development, occupancy, employer health, payroll, employment, health, disability, severance, unemployment, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all license, franchise and registration fees and all employment insurance, health insurance and Canada, Newfoundland and Labrador, and other government pension plan premiums or contributions.

(bbb) "**Tax Act**" means the *Income Tax Act* (Canada) and shall also include a reference to any applicable and corresponding provisions under the income tax laws of a province or territory of Canada, as applicable.

(ccc) "**Tax Return**" means any return, declaration, report, statement, information statement, form, election, amendment, claim for refund, schedule or attachment thereto or other document filed or required to be filed with a Taxing Authority with respect to Taxes.

(ddd) "**Taxing Authorities**" means His Majesty the King in right of Canada, His Majesty the King in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of Canada and each and every province or territory of Canada and any political subdivision thereof, and any Canadian or other Governmental Authority exercising taxing authority or power, and "Taxing Authority" means any one of the Taxing Authorities.

(eee) "**Terminated Employees**" means all of the Employees of the Company, who shall be terminated by the Company on or prior to the Closing Date.

(fff) "**Transaction**" means, collectively, the purchase and issuance of the Purchased Shares pursuant to this Agreement and all other transactions contemplated by this Agreement that are to occur contemporaneously with the purchase and issuance of the Purchased Shares.

1.2 Statutes

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended, re-enacted or replaced.

1.3 Headings, Table of Contents, etc.

The provision of a table of contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Agreement. The recitals to this Agreement are an integral part of this Agreement.

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1.4 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing gender include all genders.

1.5 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars. References to "$" are to Canadian dollars.

1.6 Certain Phrases

In this Agreement (i) the words "including", "includes" and "include" and any derivatives of such words mean "including (or includes or include) without limitation" and (ii) the words "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of". The expression "Article", "Section" and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Agreement.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon (i) such a determination of invalidity or unenforceability or (ii) any change in Applicable Law or other action by any Governmental Authority which materially detracts from the legal or economic rights or benefits, or materially increases the obligations, of any Party or any of its Affiliates under this Agreement, the Parties shall negotiate to modify this Agreement in good faith so as to effect the original intent of the Parties as closely as possible in an acceptable manner so that the transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible.

1.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the Parties, and set out all the covenants, promises, warranties, representations, conditions and agreements among the Parties in connection with the subject matter of this Agreement, and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral among the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

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1.9 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto, and provided that such amendment is consented to by the Monitor. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.10 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any Claim or controversy directly or indirectly based upon or arising out of this Agreement or the transactions contemplated by this Agreement (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Newfoundland and Labrador and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the exclusive jurisdiction and venue of the CCAA Court for the resolution of any such disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 11.5 shall be deemed effective service of process on such Party.

1.11 Incorporation of Schedules and Exhibits

Any schedule or exhibit attached thereto, and any schedule or exhibit attached to this Agreement, is an integral part of this Agreement.

1.12 Accounting Terms

All accounting terms used in this Agreement are to be interpreted in accordance with GAAP unless otherwise specified.

1.13 Non-Business Days

Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be made or such action will be taken on or not later than the next succeeding Business Day.

1.14 Computation of Time Periods

If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Agreement, then the first day of the period is not counted, but the day of its expiry is counted.

ARTICLE 2
SUBSCRIPTION AND ASSET PURCHASE

2.1 Agreement to Subscribe for and Issue Purchased Shares

(a) Upon and subject to the terms and conditions of this Agreement and the SISP Order, at the Closing and effective as of the Closing Time, in accordance with the Closing Sequence, the Company shall issue to the Purchaser, and the Purchaser shall subscribe for, that number and class of shares in the share capital of the Company from treasury, to be specified by the Purchaser at least two Business Days prior to the Closing Date, which shares shall be free and clear of all Encumbrances, except for any Permitted Encumbrances (the "**Purchased Shares**").

(b) Pursuant to the Approval and Reverse Vesting Order and, if required, the Articles of Reorganization, in accordance with the Closing Sequence, all Equity Interests of the Company outstanding prior to the issuance of the Purchased Shares, other than the Purchased Shares, shall be cancelled, without consideration, and the Purchased Shares shall represent 100% of the outstanding Equity Interests in the Company after such cancellation and issuance.

2.2 Excluded Assets

As of the Closing and pursuant to the Approval and Reverse Vesting Order, the assets of the Company shall not include any of the following assets (collectively, the "**Excluded Assets**"):

(a) the Cash Consideration;

(b) any cash, credits, prepaid expenses or accounts receivable held by the Company;

(c) the Tax records and returns, and books and records pertaining thereto and other documents, in each case, that primarily or solely relate to any of the Excluded Liabilities or Excluded Assets, provided that the Company may retain original copies of any such records if required by Applicable Law and provided further that the Company may take copies of all Tax records and books and records pertaining to such records to the extent necessary or useful for the carrying on of the Business after Closing, including the filing of any Tax Return;

(d) the Excluded Contracts;

(e) all leases for any equipment held by the Company, but for certainty does not include leases related to any real property;

(f) all communications, information or records, written or oral, that are in any way related to (i) the transactions contemplated by this Agreement, (ii) the sale of the Purchased Shares, (iii) any Excluded Asset or (iv) any Excluded Liability; and

(g) any rights which accrue to Residual Co. under the transaction documents.

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2.3 Retained Assets

On the Closing Date, the Company shall retain, free and clear of any and all Encumbrances other than Permitted Encumbrances, all of the assets owned by them on the date of this Agreement and any assets acquired by them up to and including Closing, including the Retained Contracts and Licences (collectively, the "**Retained Assets**"), except, however, any assets sold in the ordinary course of business between the date hereof and the Closing Date in accordance with the terms of this Agreement. For greater certainty, the Retained Assets shall not include the Excluded Liabilities, Excluded Assets or the Excluded Contracts, which shall all transfer to Residual Co. in accordance with this Agreement.

2.4 Retained Liabilities

Pursuant to this Agreement and the Approval and Reverse Vesting Order, as of the Closing Time, the only obligations and liabilities of the Company shall consist of only the items specifically set forth below (collectively, the "**Retained Liabilities**"):

(a) the Cure Costs and liabilities of the Company under the Retained Contracts from and after the Closing Time; and

(b) Tax liabilities of the Company beginning on or after the Closing Date.

2.5 Excluded Liabilities

Except for Retained Liabilities, all Claims and all debts, obligations and liabilities of the Company or any predecessors thereof, of any kind or nature, shall be assigned to, and become the sole obligation of Residual Co. pursuant to the terms of the Approval and Reverse Vesting Order and this Agreement and, as of the Closing, the Company shall not have any obligation, duty, or liability of any kind whatsoever, except for Retained Liabilities, whether accrued, contingent, known or unknown, express or implied, primary or secondary, direct or indirect, liquidated, unliquidated, absolute, accrued, contingent or otherwise, and whether due or to become due, and such liabilities or obligations shall be the sole responsibility of Residual Co., including, *inter alia*, any and all liability relating to any change of control provision that may arise in connection with the change of control contemplated by the transactions hereunder and to which the Company may be bound as at Closing, all liabilities relating to or under the Excluded Contracts and the Excluded Assets, and liabilities for all Terminated Employees (collectively, the "**Excluded Liabilities**").

2.6 Transfer of Excluded Liabilities to Residual Co.

On the Closing Date, pursuant to the terms of the Approval and Reverse Vesting Order, the Company shall assign and transfer the Excluded Liabilities to Residual Co., and Residual Co. shall assume the Excluded Liabilities in consideration of the Excluded Assets acquired by Residual Co. All of the Excluded Liabilities shall be discharged from the Company as of the Closing, pursuant to the Approval and Reverse Vesting Order.

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2.7 Transfer of Excluded Assets to Residual Co.

On the Closing Date, pursuant to the terms of the Approval and Reverse Vesting Order and in consideration for Residual Co. assuming the Excluded Liabilities pursuant to Section 2.6 of this Agreement, the Company shall assign and transfer the Excluded Assets to Residual Co., and the Excluded Assets shall vest in Residual Co. pursuant to the Approval and Reverse Vesting Order.

ARTICLE 3
PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The total consideration in respect of the Purchased Shares shall be an amount equal to the aggregate of the following (the "**Purchase Price**"):

(a) [redacted] ("**Cash Consideration**"); and

(b) the Cure Costs.

A Deposit of [redacted] was paid to the Monitor by the Purchaser pursuant to the terms of the SISP Order.

3.2 Satisfaction of Purchase Price

The Cash Consideration, less the Deposit, shall be paid and satisfied on the Closing Date, by the Purchaser paying it to the Monitor.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to the Purchaser as follows, and acknowledges that the Purchaser is relying upon the following representations and warranties in connection with its purchase of the Purchased Shares:

4.1 Due Authorization and Enforceability of Obligations

Subject to the granting of the Approval and Reverse Vesting Order, this Agreement has been duly authorized, executed and delivered by it, and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

4.2 Existence and Good Standing

The Company is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and (i) has all requisite power and authority to execute and deliver this Agreement and (ii) has taken all requisite corporate or other action necessary for it to execute

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and deliver this Agreement and to perform its obligations hereunder and consummate the transaction contemplated hereunder.

4.3 Absence of Conflicts

The execution and delivery of this Agreement by the Company and the completion of its obligations hereunder and the consummation of the transactions contemplated herein do not and will not violate or conflict with any Applicable Law (subject to the granting of the Approval and Reverse Vesting Order) and will not result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under the certificate of incorporation, articles, by-laws or other constituent documents of the Company. Subject to the granting of the Approval and Reverse Vesting Order, the execution, delivery and performance by the Company does not and will not violate any Order.

4.4 Approvals and Consents

The execution and delivery of this Agreement by the Company, the completion by the Company of its respective obligations hereunder and the consummation by the Company of the transactions contemplated herein, do not and will not require any consent or approval or other action, with or by, any Governmental Authority, other than the entry of the Approval and Reverse Vesting Order by the CCAA Court.

4.5 No Actions

There is not, as of the date hereof, pending or, to the Company's knowledge, threatened against the Company or any of its properties, nor has the Company received any written notice in respect of, any Claim, potential Claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body, other than the CCAA Court, that would prevent the Company from executing and delivering this Agreement, performing its obligations hereunder and/or consummating the transactions and agreements contemplated by this Agreement.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF PURCHASER

The Purchaser represents and warrants to the Company as follows, and acknowledges that the Company is relying upon the following representations and warranties in connection with the sale of the Purchased Shares:

5.1 Due Authorization and Enforceability of Obligations

This Agreement has been duly authorized, executed and delivered by the Purchaser, and, assuming the due authorization, execution and delivery by it, this Agreement constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

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5.2 Existence and Good Standing

Purchaser is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and has all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder and consummate the transactions contemplated by this Agreement.

5.3 Absence of Conflicts

The execution and delivery of this Agreement by the Purchaser and the completion by the Purchaser of its obligations hereunder and the consummation of the transactions contemplated herein do not and will not violate or conflict with any Applicable Law, or any of its properties or assets, and will not result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under its certificate of incorporation, articles, by-laws or other constituent documents.

5.4 Approvals and Consents

The execution and delivery of this Agreement by the Purchaser, the completion by the Purchaser of its obligations hereunder and the consummation by the Purchaser of the transactions contemplated herein, do not and will not require any consent, approval or other action, with or by, any Governmental Authority, other than as contemplated by the granting of the Approval and Reverse Vesting Order by the CCAA Court.

5.5 No Actions

There is not, as of the date hereof, pending, nor, to the Purchaser's knowledge, threatened against it or any of its properties, nor has the Purchaser received notice in respect of, any Claim, potential Claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body, other than the CCAA Court, that, would prevent it from executing and delivering this Agreement, performing its obligations hereunder and consummating the transactions and agreements contemplated by this Agreement.

5.6 Cash Consideration; Availability of Funds

The Purchaser will have on Closing, sufficient unrestricted funds and financial capacity to consummate the transactions contemplated by this Agreement, including payment of the Cash Consideration.

5.7 Residence

The Purchaser is not a non-resident of Canada within the meaning of the Tax Act.

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ARTICLE 6
AS IS, WHERE IS

The Purchaser confirms that it is subscribing for the Purchased Shares on an "as is, where is, " basis. The Purchaser acknowledges and agrees that it has conducted to its satisfaction an independent investigation and verification of the Business, the Purchased Shares, the Retained Assets, the Retained Liabilities and all related operations of the Company and, based solely thereon and the advice of its financial, legal and other advisors, has determined to proceed with the transactions contemplated by this Agreement. The Purchaser has relied solely on the results of its own independent investigation and verification and, except for the representations and warranties of the Company expressly set forth in Article 4, the Purchaser understands, acknowledges and agrees that all other representations, warranties, conditions and statements of any kind or nature, expressed or implied (including any relating to the future or historical financial condition, results of operations, prospects, assets or liabilities of the Company or the Business, or the quality, quantity or condition of the Purchased Shares) are specifically disclaimed by each of the Company, its respective financial and legal advisors and by the Monitor and its legal counsel. The Purchaser specifically acknowledges and agrees that, except for the representations, warranties of the Company expressly and specifically set forth in Article 4; (a) the Purchaser is acquiring the purchased shares on an "as is, where is" basis; and (b) none of the Company, the Monitor or any other person (including any representative of either of the Company or the Monitor whether in any individual, corporate or any other capacity) has or is making, and the Purchaser is not relying on any representations, warranties, conditions or other statements of any kind whatsoever, whether oral or written, express or implied, statutory or otherwise, as to any matter concerning the Company, the Business, the Purchased Shares, the Retained Assets, the Retained Liabilities, the Excluded Assets, the Excluded Liabilities, this Agreement or the transactions contemplated by the Agreement, or the accuracy or completeness of any information provided to (or otherwise acquired by) the Purchaser or any of its respective representatives, including with respect to merchantability, physical or financial condition, description, fitness for a particular purpose, or in respect of any other matter or thing whatsoever, including any and all conditions, warranties or representations, express or implied, pursuant to any applicable laws in any jurisdiction, which the Purchaser confirms do not apply to this agreement, and are hereby waived in their entirety by the Purchaser.

ARTICLE 7
CONDITIONS

7.1 Conditions for the Benefit of the Purchaser and Company

The respective obligations of the Purchaser and the Company to consummate the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions:

(a) *No Law* – no provision of any Applicable Law and no Order preventing or otherwise frustrating the consummation of the purchase of the Purchased Shares or any of the other transactions pursuant to this Agreement shall be in effect; and

(b) *Final Orders* – each of the SISP Order and the Approval and Reverse Vesting Order shall have been issued and entered and shall be Final Orders.

The Parties acknowledge that the foregoing conditions are for the mutual benefit of each of the Company and the Purchaser. Any condition in this Section 7.1 may be jointly waived by the Company and by the Purchaser, in whole or in part, without prejudice to any of their respective rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver will be binding on the Company and the Purchaser, as applicable, only if made in writing.

7.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver by the Purchaser of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Purchaser):

(a) *Performance of Covenants* – the covenants contained in this Agreement to be performed or complied with by the Company at or prior to the Closing Time shall have been performed or complied with in all material respects as at the Closing Time;

(b) *Truth of Representations and Warranties* – (i) the representations and warranties of the Company contained in Article 4 shall be true and correct in all respects as of the Closing Date, as if made at, and as of, such date (except for representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date), except where the failure to be so true and correct would not, in the aggregate, have a Material Adverse Effect;

(c) *Officer's Certificates* – The Purchaser shall have received a certificate confirming the satisfaction of the conditions contained in Sections 7.2(a) (Performance of Covenants) the covenants contained in this Agreement to be performed or complied with by the Company at or prior to the Closing Time shall have been performed or complied with in all material respects as at the Closing Time and 7.2(b) (Truth of Representations and Warranties), signed for and on behalf of the Company by an executive officer of the Company or other Persons acceptable to the Purchaser, without personal liability, in each case in form and substance reasonably satisfactory to the Purchaser;

(d) *Company's Deliverables* – the Company shall have delivered to the Purchaser all of the deliverables contained in Section 10.3 in form and substance reasonably satisfactory to the Purchaser;

(e) *Terminated Employees* - the Company shall have terminated the employment of the Terminated Employees, and all liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of or damages in lieu of, statutory notice, termination payments, severance, benefits, bonuses or other compensation or entitlements, shall be Excluded Liabilities which, pursuant the Approval and Reverse Vesting Order, shall be assigned and transferred as against the Company to, and assumed by, Residual Co.;

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(f) *Operations* - At the Closing Time, the Company shall hold all necessary leases for the real property, the milk quota of 7,432 litres of fluid milk, 943 litres of fluid milk (non-saleable) and 485 litres of industrial milk as allocated by the Dairy Farmers of Newfoundland and Labrador, permits and Licences necessary to allow the Company to continue to operate as a dairy farm in the same manner as it did at the date of the execution of this Agreement;

(g) *Material Adverse Effect* – From the date hereof to the Closing Date, no event or change has occurred which has a Material Adverse Effect on the Business (a "**Material Change**"), as determined by the Monitor, acting reasonably and in good faith. If the Monitor does not make such a determination yet the Purchaser claims that a Material Change has occurred (the "**Disagreement**"), then either Party may, by written notice to the other Party, demand that the Disagreement be settled by a court of competent jurisdiction in the Province of Newfoundland.

(h)

7.3 Conditions for the Benefit of the Company

The obligation of the Company to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver where applicable by the Company of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Company):

(a) *Truth of Representations and Warranties* – the representations and warranties of the Purchaser contained in Article 5 will be true and correct in all respects on and as of the date of this Agreement and on and as of the Closing Date as if made on and as of such date (except for representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date) except where the failure to be so true and correct would not reasonably be expected to have a material and adverse effect on Purchaser's ability to consummate the transactions contemplated by this Agreement;

(b) *Performance of Covenants* – the covenants contained in this Agreement to be performed by the Purchaser at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;

(c) *Officer's Certificate* – The Company shall have received a certificate confirming the satisfaction of the conditions contained in Sections 7.3(a) and 7.3(b) signed for and on behalf of the Purchaser without personal liability by an executive officer of the Purchaser or other Persons acceptable to the Company, acting in a commercially reasonable manner, in each case, in form and substance satisfactory to the Company, acting in a commercially reasonable manner; and

(d) *Purchaser Deliverables* – Purchaser shall have delivered to the Company all of the deliverables contained in Section 10.4 in form and substance satisfactory to the Company, acting in a commercially reasonable manner.

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ARTICLE 8
ADDITIONAL AGREEMENTS OF THE PARTIES

8.1 Access to Information and Properties

(a) Until the Closing Time, the Company, with oversight of the Monitor, shall give to the Purchaser's personnel engaged in the transactions contemplated by this Agreement and their accountants, legal advisers, consultants, financial advisors and representatives during normal business hours reasonable access to its premises and to all of the books, records, and other information relating to the Business, and shall furnish them with all such information relating to the Business, the Company, the Retained Liabilities and the list of Employees as Purchaser may reasonably request in connection with the transactions contemplated by this Agreement, such requests to be made to the Monitor; provided that such access shall be conducted at Purchaser's expense, in accordance with Applicable Law and under supervision of the Monitor or the Company's senior management and in such a manner as to maintain confidentiality, and the Company will not be required to provide access to or copies of any such books and records if: (i) the provision thereof would cause applicable Company to be in contravention of any Applicable Law; (ii) breach the terms of the SISP Order; or (iii) making such information available would: (1) result in the loss of any lawyer-client or other legal privilege; or (2) cause applicable Company to be found in contravention of any Applicable Law, or contravene any fiduciary duty or agreement (including any confidentiality agreement to which the Company or any of its Affiliates are a party). Notwithstanding anything in this Section 8.1 to the contrary, any such investigation shall be conducted upon reasonable advance notice and in such manner as does not materially disrupt the conduct of the Business or the possible sale thereof to any other Person.

(b) Following the Closing, the Purchaser shall make all books and records of the Company as of the Closing reasonably available to the Monitor and any trustee in bankruptcy of the Company upon at least five Business Days prior notice, for a period of seven years after Closing, and shall, at such Party's expense, permit the Monitor and any trustee in bankruptcy of the Company to take copies thereof as they may determine to be necessary or useful to accomplish their respective roles; provided that Purchaser shall not be obligated to make such books and records available to the extent that doing so would: (i) violate Applicable Law; (ii) jeopardize the protection of a solicitor-client privilege; or (iii) unreasonably interfere with the ongoing business and operations of the Company, as determined by the Company, acting reasonably.

(c) Following the Closing, the Company shall make all books and records comprising Excluded Assets reasonably available to the Monitor and any trustee in bankruptcy of the Company upon at least five Business Days prior notice, for a period of seven years after Closing, and shall, at such Party's expense, permit the Monitor and any trustee in bankruptcy of the Company to take copies thereof as they may determine to be necessary or useful to accomplish their respective roles; provided that the Company shall not be obligated to make such books and records available to the

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extent that doing so would: (i) violate Applicable Law; (ii) jeopardize the protection of a solicitor-client privilege; or (iii) unreasonably interfere with the ongoing business and operations of the Company, as determined by the Company, acting reasonably.

8.2 Covenants Relating to this Agreement

(a) Each of the Company and the Purchaser agree to execute and deliver such other documents, certificates, agreements and other writings, reasonably necessary for the consummation of the transactions contemplated by this Agreement, and to take such other actions to consummate or implement as soon as reasonably practicable, the transactions contemplated by this Agreement.

(b) The Company agrees to use commercially reasonable efforts to promptly provide all documentation, copies of agreements and information reasonably required by the Purchaser to complete and finalize the Schedules to this Agreement. Such information and documentation shall be provided to the Purchaser on an ongoing basis following execution of this Agreement and in any event shall be provided to the Purchaser no later than ten (10) days prior to the hearing of the Company's motion to the CCAA Court seeking the Approval and Reverse Vesting Order.

8.3 Terminated Employees

The Company shall terminate all Employees of the Company.

ARTICLE 9
TERMINATION

9.1 Termination

This Agreement may be terminated at any time prior to Closing as follows:

(a) by mutual written consent of each of the Company and the Purchaser;

(b) by the Purchaser or the Company, if Closing has not occurred on or before October 15, 2025 or such later date agreed to by each of the Company and the Purchaser in writing in consultation with the Monitor (the "**Outside Date**"), provided that the terminating Party is not in breach of any representation, warranty, covenant or other agreement in this Agreement which would prevent the satisfaction of the conditions in Article 7 by the Outside Date;

(c) by the Purchaser or the Company, if at any time after the date hereof any of the conditions in Article 7 is not capable of being satisfied by the applicable dates required in Article 7 of this Agreement or if not otherwise required, by the Outside Date, provided that the terminating Party is not in breach of any representation, warranty, covenant or other agreement in this Agreement which would prevent the satisfaction of the conditions in Article 7 by the Outside Date;

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(d) by the Purchaser, upon the appointment of a receiver, trustee in bankruptcy or similar official in respect of the Company or any of the property of the Company, other than with the prior written consent of the Purchaser;

(e) by the Purchaser or the Company, upon the termination, dismissal or conversion of the CCAA Proceedings;

(f) by the Purchaser or the Company, upon dismissal of the motion for the Approval and Reverse Vesting Order (or if any such order is stayed, vacated or varied without the consent of the Purchaser);

(g) by the Purchaser or the Company, if a court of competent jurisdiction, including the CCAA Court or other Governmental Authority has issued an Order or taken any other action to restrain, enjoin or otherwise prohibit the consummation of Closing and such Order or action has become a Final Order;

(h) by the Purchaser, if there has been a material violation or breach by the Company of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.2, as applicable, by the Outside Date, and such violation or breach has not been waived by the Purchaser, or cured by the Company within ten (10) Business Days after written notice thereof from the Purchaser; and

(i) by the Company, if there has been a material violation or breach by the Purchaser of any covenant, representation or warranty or if one or more events have occurred which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.3, as applicable, by the Outside Date, and such violation or breach has not been waived by the Company, or cured by the Purchaser within ten (10) Business Days after written notice thereof from the Company.

The Party desiring to terminate this Agreement pursuant to this Section 9.1 (other than pursuant to Section 9.1(a)) shall give written notice of such termination to the other Party or Parties, as applicable, specifying in reasonable detail the basis for such Party's exercise of its termination rights.

9.2 Effect of Termination

In the event of termination of this Agreement pursuant to Section 9.1, this Agreement shall become void and of no further force or effect without liability of any Party to any other Party to this Agreement except that: (i) this Section 9.2, 11.1, 11.3, 11.4, and 11.5 shall survive; and (ii) no termination of this Agreement shall relieve any Party of any liability for any wilful breach by it of this Agreement, or impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement.

The Deposit (with no interest) shall be returned to the Purchaser by the Monitor within 5 Business Days after the termination of this Agreement pursuant to subsections 9.1(a) to 9.1(h) and notwithstanding any other provision in this Agreement, shall be the Purchaser's sole right and remedy whether or not the termination of this Agreement is a result of the Company's breach. The

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Deposit shall be retained by the Monitor and forfeited by the Purchaser if the Purchaser fails to close this transaction by the Outside Date, or as mutually agreed by the parties, and such failure to close the transaction is attributable directly to any failure or omission of the Purchaser to fulfil its obligations pursuant to the terms of the Agreement. In such a case, the Deposit shall be forfeited to the Company as liquidated damages and not as a penalty, which Deposit the Parties agree is a genuine estimate of the liquidated damages that the Company would suffer in such circumstances (and, for greater certainty, and notwithstanding any other provision in this Agreement, this shall be the Company's sole right and remedy as a result of the Purchaser's breach) if this Agreement is terminated pursuant to subsection **Error! Reference source not found.** .

ARTICLE 10
CLOSING

10.1 Location and Time of the Closing

The Closing shall take place virtually by exchange of documents in PDF format on the Closing Date, in accordance with the Closing Sequence (as defined below), and shall be subject to such escrow document release arrangements as the Parties may agree.

10.2 Closing Sequence

On the Closing Date, subject to the terms of the Approval and Reverse Vesting Order, Closing shall take place in the sequence set out in the Closing Sequence. The Purchaser may, with the prior consent of the Company and the Monitor, acting reasonably, amend the Closing Sequence provided that such amendment to the Closing Sequence does not materially alter or impact the Transactions or the consideration which the Company and/or its applicable stakeholders will benefit from as part of the Transactions.

10.3 Company's Deliveries at Closing

At Closing, the Company, as applicable, shall deliver to the Purchaser the following:

(a) a true copy of each of the Approval and Reverse Vesting Order and the SISP Order, each of which shall be final;

(b) the certificates contemplated by Section 7.2(c);

(c) confirmation of the due incorporation and organization of Residual Co. on the terms set forth herein;

(d) evidence of the filing of the Articles of Reorganization, if determined necessary by the Purchaser; and

(e) all other documents as reasonably requested by the Purchaser in good faith.

10.4 Purchaser's Deliveries at Closing

At Closing, the Purchaser shall deliver to the Company or, in the case of the amount described in 10.4(a), to the Monitor:

(a) the Cash Consideration, less the deposit provided to the Monitor on June 16, 2025;

(b) the certificate contemplated by Section 7.3(c); and

(c) all other documents required to effect to the transaction contemplated by this Agreement, as reasonably requested by the Company in good faith.

10.5 Monitor

When all conditions to Closing set out in Article 7 have been satisfied and/or waived by the Company or the Purchaser, as applicable, the Company and the Purchaser, or their respective counsel, shall each deliver to the Monitor written confirmation, in form and substance satisfactory to the Monitor, that all conditions to Closing have been satisfied or waived, subject to the Monitor's delivery of the Monitor's Certificate to the Purchaser in accordance with the Approval and Reverse Vesting Order. Upon receipt of such written confirmation, the Monitor shall: (i) issue forthwith its Monitor's Certificate in accordance with the Approval and Reverse Vesting Order; and (ii) file as soon as practicable a copy of the Monitor's Certificate with the CCAA Court (and shall provide a true copy of such filed certificate to each of the Company and the Purchaser). The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the CCAA Court without independent investigation upon receiving written confirmation from the Company and the Purchaser that all conditions to Closing have been satisfied or waived, and the Monitor will have no liability whatsoever to any of the Company or Purchaser or any other Person as a result of filing the Monitor's Certificate.

10.6 Simultaneous Transactions

All actions taken and transactions consummated at the Closing shall be deemed to have occurred in the manner and sequence set forth in the Closing Sequence and the Approval and Reverse Vesting Order (subject to the terms of any escrow agreement or arrangement among the Parties relating to the Closing), and no such transaction shall be considered consummated unless all are consummated.

10.7 Further Assurances

As reasonably required by a Party in order to effectuate the transactions contemplated by this Agreement, Purchaser and each of the Company shall execute and deliver at (and after) the Closing such other documents, and shall take such other actions, as are necessary or appropriate, to implement and make effective the transactions contemplated by this Agreement.

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ARTICLE 11
GENERAL MATTERS

11.1 Public Notices

No press release or other announcement concerning the transactions contemplated by this Agreement shall be made by the Company or Purchaser without the prior consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, that subject to the last sentence of this Section 11.1, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings), and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other Party to the extent legally permissible and reasonably practicable, and if such prior notice is not legally permissible or reasonably practicable, to give such notice reasonably promptly following the making of such disclosure. Notwithstanding the foregoing: (i) this Agreement may be filed by either Party, as applicable with the CCAA Court; and (ii) the transactions contemplated in this Agreement may be disclosed by the Company to the CCAA Court. The Parties further agree that:

(a) the Monitor may prepare and file reports and other documents with the CCAA Court containing references to the transactions contemplated by this Agreement and the terms of such transactions; and

(b) the Company, the Purchaser and their respective professional advisors may prepare and file such motions, affidavits, materials, reports and other documents with the CCAA Court containing references to the transactions contemplated by this Agreement and the terms of such transactions as may reasonably be necessary to complete the transactions contemplated by this Agreement or to comply with their obligations in connection therewith.

The Purchaser shall be afforded an opportunity to review and comment on such materials prior to their filing; provided in the case of reports or other documents prepared or to be filed by the Monitor with the CCAA Court the Purchaser shall be entitled to review only factual information contained therein relating to the terms of the transactions contemplated in this Agreement. The Parties may issue a joint press release announcing the execution and delivery of this Agreement, in form and substance mutually agreed to them.

11.2 Survival

None of the representations, warranties, covenants (except the covenants in Article 2, Article 3, Article 11 and Sections 8.1(b) and 8.2, to the extent they are to be performed after the Closing) of any of the Parties set forth in this Agreement, in any Closing Document to be executed and delivered by any of the Parties (except any covenants included in such Closing Documents, which, by their terms, survive Closing) or in any other agreement, document or certificate delivered pursuant to or in connection with this Agreement or the transactions contemplated hereby shall survive the Closing.

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11.3 Non-Recourse

No past, present or future director, officer, Employee, incorporator, member, partner, security holder, Affiliate (provided that for purposes of this Section 11.3 Purchaser and Company shall not be considered Affiliates of each other), agent, lawyer or representative of the respective Parties, in such capacity, shall have any liability for any obligations or liabilities of the Purchaser or the Company, as applicable, under this Agreement, or for any causes of action based on, in respect of or by reason of the transactions contemplated hereby.

11.4 Assignment; Binding Effect

No Party may assign its right or benefits under this Agreement without the consent of each of the other Parties, except that without such consent Purchaser may, upon prior notice to the Company, assign this Agreement, or any or all of its rights and obligations hereunder, to one or more of its Affiliates; provided that no such assignment or direction shall relieve Purchaser of its obligations hereunder. This Agreement shall be binding upon and enure to the benefit of the Parties and their respective permitted successors and permitted assigns. Although not Parties to this Agreement, the Monitor and its respective Affiliates and advisors shall have the benefits expressed to be conferred upon them in this Agreement, including in Article 6, and Section 11.2 (in respect of the Monitor) hereof. Subject to the preceding sentence, nothing in this Agreement shall create or be deemed to create any third Person beneficiary rights in any Person not a Party to this Agreement.

11.5 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two (2) days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five (5) days after mailing via certified mail, return receipt requested. All notices not delivered personally or by email will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

(a) If to the Purchaser at:

98566 Newfoundland & Labrador Ltd

c/o BURGESS LAW OFFICES
Suite 308, Terrace on the Square
St. John’s, NL A1E 5T7

Attention: R. Paul Burgess, KC
Email: pburgess@burgesslaw.ca

If to the Company at:

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Nemori Farms Ltd.
14 Reid's Lane
Deer Lake, NL A8A 2A1

Attention: Sheldon Cameron
Email: ●

and to:

O'KEEFE & SULLIVAN LAWYERS
80 Elizabeth Avenue
Suite 202
St. John's, NL A1A 1W7

Attention: Adam Baker / Megan Taylor
Email: agbaker@okeefesullivan.com / mtaylor@okeefesullivan.com

and to:

If to the Monitor at:

Grant Thornton Limited
1675 Grafton Street
Halifax, NS B3J 0E9

Attention: Liam Murphy / Ben Chisholm
Email: liam.murphy@doane.gt.ca / Ben.Chisholm@doane.gt.ca

with a copy to:

Reconstruct LLP
80 Richmond Street West
Suite 1700
Toronto, ON M5H 2A4

Attention: Sharon Kour / Jessica Wuthmann
Email: skour@reconllp.com / jwuthmann@reconllp.com

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

11.6 Counterparts; Electronic Signatures

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement may be made by electronic signature which, for all purposes, shall be deemed to be an original signature.

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[Signature pages to follow]

Docusign Envelope ID: 6F4C9C94-9562-410C-961D-8ABB8D0052BA

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

NEMORI FARMS LTD.

Signed by:

By: ______________________

CD472FCEB72E426...

Name: Sheldon Cameron

Title: Owner

98566 NEWFOUNDLAND & LABRADOR LTD.

By: ______________________

Name:

Title:

[Signature pages to follow]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first wri above.

NEMORI FARMS LTD.

By: ____________
Name:
Title:

98566 NEWFOUNDLAND & LABRADOR LTD.

By: ____________
Name: Chris Nelson
Title: Director
98566 Newfoundland & Labrador LTD

SCHEDULE 1.1(nn)

PERMITTED ENCUMBRANCES

Nil.

SCHEDULE 1.1(vv)

RETAINED CONTRACTS

1. **The Power Contract with Newfoundland Power;**

2. **The Lease for the Apartment in Deer Lake; and**

3. **The lease for 118 acres of land from Headline Holsteins Ltd...**

SCHEDULE 10.2

CLOSING SEQUENCE

(a) First, the Purchaser shall pay the Cash Consideration to the Monitor, to be held in escro the Monitor on behalf oPurchaser;

(b) Second, Residual Co. shall be added as an applicant inProceedings;

(c) Third, all directors and officers of Residual Co. shall be deemed to have resigned, effecti immediately;

(d) Fourth, all of Company's right, title and interest in and to the Excluded Assets and Excluded Liabilities shall vest absolutely and exclusively in, Residual Co., and all of t Company's respective assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate, including property held in trustCompany(the "**Company's Property**"), shall be forever released and discharged from such Excluded Assets and Excluded Liabilities and all related Claims and all Encumbrances (other than Permitte Encumbrances) affecting or relating to the Company's Property are to be expunged an discharged as against the Company's Property, all pursuant to the Approval and Reverse Vesti Order;

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SCHEDULE 1.1(nn)

PERMITTED ENCUMBRANCES

Nil.

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SCHEDULE 1.1(vv)

RETAINED CONTRACTS

1. The Power Contract with Newfoundland Power;
2. The Lease for the Apartment in Deer Lake; and
3. The lease for 118 acres of land from Headline Holsteins Ltd...

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SCHEDULE 10.2

CLOSING SEQUENCE

(a) First, the Purchaser shall pay the Cash Consideration to the Monitor, to be held in escrow by the Monitor on behalf of the Purchaser;

(b) Second, Residual Co. shall be added as an applicant in the CCAA Proceedings;

(c) Third, all directors and officers of Residual Co. shall be deemed to have resigned, effective immediately;

(d) Fourth, all of the Company's right, title and interest in and to the Excluded Assets and Excluded Liabilities shall vest absolutely and exclusively in, Residual Co., and all of the Company's respective assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate, including property held in trust for the Company (the "**Company's Property**"), shall be forever released and discharged from such Excluded Assets and Excluded Liabilities and all related Claims and all Encumbrances (other than Permitted Encumbrances) affecting or relating to the Company's Property are to be expunged and discharged as against the Company's Property, all pursuant to the Approval and Reverse Vesting Order;

(e) Fifth, the Articles of Reorganization shall be filed or deemed to have been filed, if required by the Purchaser;

(f) Sixth, all Equity Interests other than the Purchased Shares shall be deemed terminated and cancelled without consideration;

(g) Seventh, in consideration for the Purchase Price, the Company shall issue the Purchased Shares to the Purchaser in accordance with Article 2 herein, and all right, title and interest in and to the Purchased Shares shall vest absolutely in the Purchaser, free and clear of and from any and all Claims and Encumbrances, and the only Equity Interests of the Company shall be the Purchased Shares; and

(h) Eighth, the Company shall be deemed to cease being the applicant in the CCAA Proceedings, and the Company shall be deemed to be released from the purview of the Initial Order and all other orders of the CCAA Court granted in the CCAA Proceedings, save and except for the Approval and Reverse Vesting Order, the provisions of which shall continue to apply in all respects.

Appendix D

Nemori’s Milk Quota

DAIRY FARMERS OF NEWFOUNDLAND AND LABRADOR

LICENCE OF REGISTRATION AS A MILK PRODUCER

LICENCE NUMBER:	203100
FARM NAME:	Nemori Farms Ltd.
REGISTERED DAIRY PRODUCER:	Sheldon Cameron & Calvin Cameron
ADDRESS:	191 Goose Arm Road Deer Lake, NL A8A 3H9

To engage in the production of milk with a daily quota of:

Litres of Fluid Milk	7,432	Litres
Litres of Fluid Milk (Non-Saleable)	943	Litres
Industrial Milk	485	Litres

This Licence is issued by Dairy Farmers of Newfoundland and Labrador under Milk Scheme 1998 and Milk Regulations 1998 as amended from time to time. The Licensee shall comply with all Orders and Regulations of Dairy Farmers of Newfoundland and Labrador. This Licence is not transferable.

Dairy Farmers of Newfoundland and Labrador may refuse to issue or renew a Licence, may suspend or revoke a Licence where the Licensee contravenes a condition of this Licence, or an Order or Regulation of Dairy Farmers of Newfoundland and Labrador.

Licence effective August 1, 2025 and shall expire July 31, 2026.

Signed: John Skinner

Dairy Farmers of Newfoundland and Labrador

This Licence must be displayed in a prominent place on the premises of the registered dairy producer.

Appendix E

Security Opinion

MCINNES COOPER

10 Fort William Place
P.O. Box 5939
St. John's, NL
Canada A1C 5X4
Tel 709.722.8735 | Fax 709.722.1763

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 ("**Merchan**t"), 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

<u>Examination of Documents</u>

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

<u>Classification of Personal Property</u>

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	HEADLINE HOLSTEINS LIMITED
Registered July 9, 2020	
Reg. No. 939929	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	HEADLINE HOLSTEINS LIMITED
Registered July 9, 2020	
Reg. No. 939937	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).

ASSIGNMENT
Dated June 30, 2020
Registered July 9, 2020
Reg. No. 939960

HEADLINE HOLSTEINS LIMITED

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).

ASSIGNMENT
Dated June 30, 2020
Registered July 9, 2020
Reg. No. 939962

HEADLINE HOLSTEINS LIMITED

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).

ASSIGNMENT
Dated June 30, 2020
Registered July 9, 2020
Reg. No. 940017

HEADLINE HOLSTEINS LIMITED

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).

ASSIGNMENT
Dated June 30, 2020
Registered July 9, 2020
Reg. No. 940018

PHILIP MACLEAN

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 Registered July 9, 2020 Reg. No. 940024	NEMORI FARMS LTD. 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 Registered July 9, 2020 Reg. No. 940025	NEMORI FARMS LTD. 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

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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 F

September Forecast

Docusign Envelope ID: 001D3823-0466-46CC-8FA1-2ABF707C088C

Nemori Farms Ltd.
September Forecast - Prepared by Management
August 25 to October 12, 2025

	Notes	Week 25 Projected 25-Aug-25 31-Aug-25	Week 26 Projected 1-Sep-25 7-Sep-25	Week 27 Projected 8-Sep-25 14-Sep-25	Week 28 Projected 15-Sep-25 21-Sep-25	Week 29 Projected 22-Sep-25 28-Sep-25	Week 30 Projected 29-Sep-25 5-Oct-25	Week 31 Projected 6-Oct-25 12-Oct-25	Totals
Projected Receipts:									
Milk Revenue (Advance)	[1]	-	84,750	-	-	-	84,750	-	169,500
Milk Revenue (Remainder)	[2]	-	-	-	285,000	-	-	-	285,000
HST	[3]	-	-	-	-	-	-	-	–
Provincial Agrifood Assistance Program	[4]	-	-	40,000	-	-	-	-	40,000
Total Projected Receipts		**–**	**84,750**	**40,000**	**285,000**	**–**	**84,750**	**–**	**494,500**
Projected Disbursements:									
Feed	[5]	16,088	36,000	-	41,688	-	18,000	25,000	136,776
Payroll deductions		-	-	-	26,000	-	-	-	26,000
Payroll		12,500	15,000	15,000	15,000	15,000	15,000	15,000	102,500
Employee RRSP		-	-	-	-	-	-	-	–
Crop supplies	[6]	-	-	-	7,500	10,000	-	-	17,500
Fuel		-	-	5,000	10,000	-	10,000	-	25,000
Cell phone		-	500	-	-	-	500	-	1,000
Cow purchase (net)		(5,000)	-	-	-	-	-	-	(5,000)
Blue cross		-	-	1,551	-	-	-	1,551	3,102
Utilities		-	8,000	-	14,000	-	-	14,000	36,000
Repairs, maintenance and veterinary care		6,000	6,000	6,000	15,000	15,000	15,000	15,000	78,000
Veterinary care		-	3,000	-	-	3,000	-	-	6,000
Accounting and administrative	[7]	-	-	-	7,500	-	-	7,500	15,000
Insurance		-	-	-	10,000	-	-	-	10,000
Operating leases		-	8,000	-	-	-	8,000	-	16,000
Critical accounts payable	[8]	39,000	-	-	-	-	-	-	39,000
Operating disbursements		**68,588**	**76,500**	**27,551**	**146,688**	**43,000**	**66,500**	**78,051**	**506,878**
Net operating cash flows		**(68,588)**	**8,250**	**12,449**	**138,312**	**(43,000)**	**18,250**	**(78,051)**	**(12,378)**
Financing and Professional fees									
DIP fees and interest		–	7,000	–	–	7,000	–	–	14,000
Monitor		–	–	–	10,000	–	–	–	10,000
Monitor legal counsel		–	–	–	10,000	–	–	–	10,000
Appraisal		–	–	–	–	–	–	–	–
Financial advisor		–	–	–	10,000	–	–	–	10,000
Company legal		–	–	–	10,000	–	–	–	10,000
Total Professional fees		**–**	**7,000**	**–**	**40,000**	**7,000**	**–**	**–**	**54,000**
Net cash flows		**(68,588)**	**1,250**	**12,449**	**98,312**	**(50,000)**	**18,250**	**(78,051)**	**(66,378)**
Opening Cash Position		75,925	7,338	8,588	21,037	119,349	69,349	87,599	75,925
DIP loan proceeds									–
Closing Cash Position		**7,338**	**8,588**	**21,037**	**119,349**	**69,349**	**87,599**	**9,548**	**9,548**

Nemori Farms Ltd.
September Forecast - Prepared by Management
August 25 to October 12, 2025

Purpose and Disclaimer

Purpose:
This statement of projected cash flow ("**Cash Flow Forecast**") has been prepared by Nemori Farms Ltd. ("**Company**") in accordance with s. 23(1)(b) of the Companies Creditors' Arrangement Act ("**CCAA**") for the period of August 25, 2025 to October 12, 2025 ("**Cash Flow Period**"). The Company has prepared the Cash Flow Forecast based on probable and hypothetical assumptions that reflect the Company's continued operations, and its understanding of the expected restructuring activities. Management is of the opinion that, as at the date of filing the Cash Flow Forecast, the assumptions used to develop the Cash Flow Forecast represent the most probable set of economic conditions facing the Company and that the assumptions used provide a reasonable basis for and are consistent with the purpose of this Cash Flow Forecast.

Disclaimer:
Management is of the view that the hypothetical assumptions set out in the Notes below are reasonable and consistent with the purpose of the Cash Flow Forecast, and the probable assumptions are suitably supported and consistent with the plans of the Company and provide a reasonable basis for the Cash Flow Forecast. All material assumptions are disclosed in the Notes below. Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. The Cash Flow Forecast has been prepared solely for the purpose described above, using a set of hypothetical and probable assumptions set out in Notes below. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Notes to Cash Flow Forecast

[1] Fixed payment at the start of every month for previous month production ("**Advance**").
[2] Projected monthly sales net of Advance, freight, levies and other charges.
[3] The Company has outstanding post-filing returns of $35K outstanding and another $35k in progress; CRA has not yet indicated when these funds will be received.
[4] Provincial government program that supports projects that enhance food self-sufficiency, increase agricultural growth, or increase secondary processing of food products. The Company has submitted the required documentation to the province and expects the funds to be received by September 15, 2025.
[5] Based on management's estimates, adjusted for actual feed costs to date and inventory on site.
[6] Bulk of costs already incurred as planting of crops occurs in spring.
[7] Payment to contracted accountant resources, bank fees and miscellaneous office expenses.
[7] Payment for compressor required for milk parlour.

As of August 28, 2025

Signed by:
CD472FCEB72E426...

Sheldon Cameron
Co-owner, Secretary-Treasurer, Director
Nemori Farms Ltd.

Appendix G

Monitor’s Professional Fee Summary

Nemori Farms Ltd.- in CCAA
Summary of Monitor's Billings & Significant Activities
Through July 31, 2025

Name	Position	Avg. Hourly Rate	Total Hours	Total Fees	Significant activities
Liam Murphy	Partner	$ 550.00	211.90	$ 116,545.00	Initial file preparation and communications with Company and counsel; Risk management and agricultural sector review; Overall leadership and carriage of CCAA file; Review and assist in preparation of cash flow forecasts; Draft and update pre-filing report to the Court; Review, revise and finalize affidavit and application; Assist with search and execution of interim financing agreements; Assist company in Refinancing efforts along with Resolve Advisory Services; Review DFMA and previous forebearance agreements; Correspondence with creditors; Continuous correspondence with RBC and its advisors as senior creditor and DIP Lender; Various correspondence with Resolve as financial advisor to the Company; Review creditor notices and wepsite updates; Prepare for and attend initial hearing; Statutory matters; Cash flow forecast matters; Appraisal, refinancing, plan of arrangement and other contract matters; Review Company reporting; Draft SISP, solicit feedback and prepare for Court; Review contracts and leases; Draft and update various reports to Court and review application materials; Review potential offers and Bid pre- SISP; Correspondence with Company counsel; Potential stalking horse matters; Prepare Teaser, CIM , NDA, draft subscription agreement and other SISP materials with team; Implement and carry out SISP, including correspondence with interested parties and updates to Company, RBC and stakeholders; Deal with employee matters; Review pro-forma's and updates to financing efforts; Discuss work plan with team re SISP and site visits; Correspondence with regulators including DFNL and NLDC; Security review matters; Requests re Advice and direction; Correspondence with RBC as Successful Bidder, discussions with Backup Bidders; Multiple Court appearances; Ad-hod matters regarding potential Transition Services Agreement; Move forward with going concern bid and negotiate transaction for Court approval.
Partner less than 15 hours		$ 550.00	5.40	$ 2,970.00	Correspondence with OSB re: filing; Correspondence with stakeholders on status of DIP Order; Website updates; SISP matters; Discussion on bank credit bid actions and path forward; Review and sign declination letters; Correspondence from lessor on status of proceeding; Review of Court materials.; Prepare for and attend court hearing.
Total Partner		**$ 550.00**	**217.30**	**$ 119,515.00**	
Manager less than 15 hours		$ 370.00	18.75	6,685.50	Convert financials to excel; Prepare creditor listing for Ascend and mailout; Draft notice to creditors and mailing affidavit; Various internal correspondence; Review report; Draft Forms 1 and 2; Commission affidavits; Industry, market and contact research for target list; Research potential purchasers; Complete development of target list for SISP; Set up website and requested redirections from IT; Various updates and uploading documents to website.
Total Manager		**$ 370.00**	**18.75**	**6,685.50**	

Nemori Farms Ltd.- in CCAA
Summary of Monitor's Billings & Significant Activities
Through July 31, 2025

Name	Position	Avg. Hourly Rate	Total Hours	Total Fees	Significant activities
Ben Chisholm		$ 290.00	218.35	$ 63,321.50	Various internal correspondence/discussions; Review company information; Set up Ascend Estate; Prepare documentation for pre-filing report; DIP financing matters; Draft of newspaper advertisement; Send ad to AllNL for posting; Revise creditor notice; Review and save VTB documents to file; Draft, review and revise Court reports & supplements; Coordination of creditor notice mailout; Draft and commission affidavits for file; Prepare Court documents for filing; Review CCAA act to ensure all preliminary steps taken; Various correspondence with Company; DIP matters; Various correspondence with Resolve; Cash flow reporting matters; Various correspondence with legal counsel; Financing offer matters; Drafting of budget to actuals template and other budget to actuals matters; Attend Court; Update creditor list; ARIO matters; Call with creditors; Various correspondence with RBC; SISP document preparation and other SISP matters; Potential plan of arrangement and other restructuring matters; Various correspondence with financial advisor; Various correspondence with interested parties; Research agricultural appraisers in Maritimes, obtain quotes from same; Refinancing and researach matters; Creation of VDR; Post filing materials to website; Draft & update teaser & CIM; Coordinate AllNS advertisement; Research other farm and Dairy Farm specific publications; Real estate appraisal matters; Advertisement with Farmer's Forum; Site visit; Review monthly reporting; CRA GST/HST & deemed trust audit matters; Correspondence with interested parties on SISP and deadlines thereto; Credit bid matters; Various file status updates; Various follow up on outstanding matters/items; Draft of memo for VDR re: quota sales; Prepare bid tracker; Research other SISP and RVO reports in NL; Correspondence with DNLC and NLDC; Compile tax package and correspondence to CRA; Request & review revised bids; Review Court Order; Draft acceptance and declination letters; Compile AP analysis; Return deposits; RBC security & application matters; Compilation of bid materials.
Total Senior Associate		**$ 290.00**	**218.35**	**$ 63,321.50**	
Associate less than 15 hours		$ 190.00	6.45	$ 1,225.50	Banking and Ascend matters; OSB matters; Accounting matters; Payment of invoices; Advertising; Adding documents to website; Preparation of mailouts; Typecheck Monitor's Reports; Ad-Hoc file assistance.
Total Associate		**$ 190.00**	**6.45**	**$ 1,225.50**	
Grand Total		**$ 413.90**	**460.85**	**$ 190,747.50**	

Grand Total	$ 190,747.50
Total Discounts Provided	$ (5,750.00)
Total Expenses, Administrative and Technology Fees	$ 17,418.66
Total HST/GST	$ 29,475.35
Monitor's Fees and Expenses	**$ 231,891.51**

Appendix H

Monitor’s Counsel Professional Fee Affidavit

2025 01G 1510

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

IN BANKRUPTCY AND INSOLVENCY

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

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

FEE AFFIDAVIT OF JESSICA WUTHMANN
(sworn September 4, 2025)

I, **JESSICA WUTHMANN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY**:

1. I am a Partner with the law firm Reconstruct LLP ("**RECON**") and therefore have knowledge of the matters set out in this affidavit. Where this affidavit is based on information and belief, I have stated the source of my information and believe it to be true.

2. RECON are the lawyers of record for Grant Thornton Limited, in its capacity as monitor (in such capacity, the "**Monitor**") of Nemori Farms Ltd..

3. RECON has prepared statements of account (the "**Accounts**") in connection with its mandate, detailing its fees and disbursements incurred for the period from March 4, 2025 to August 29, 2025 (the "**Billing Period**"). Attached as **Exhibit "A"** are copies of the Accounts.

4. The Accounts are a fair and accurate description of the services provided, the disbursements incurred, and the amounts charged by RECON, and are based on its standard rates and charges.

5. As detailed in the Accounts, the total amount being claimed for the work performed by RECON during the Billing Period is $87,245.99 (fees of $74,426.000; disbursements of $2,782.84 and HST of $10,037.15).

6. Attached as **Exhibit "B"** is a summary of the timekeepers whose services are reflected in the Accounts, including their title, hourly rate, and their fees and hours billed. RECON incurred a total of 190.2 hours, at an average hourly rate of $391.30 (exclusive of HST).

7. This affidavit is sworn in support of the Monitor's Application for, *inter alia,* approval of the fees of the Monitor and its counsel and for no other improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, on the 4th day of September, 2025.	)	
Alina Stoica, a Commissioner, etc.,	)	**JESSICA WUTHMANN**

EXHIBIT "A"

THIS IS **EXHIBIT "A"** REFERRED TO IN THE AFFIDAVIT OF **JESSICA WUTHMANN** SWORN BEFORE ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO THIS 4TH DAY OF SEPTEMBER, 2025.

____
A COMMISSIONER FOR TAKING AFFIDAVITS
ALINA STOICA

RECON
RECONSTRUCT LLP

INVOICE

Invoice # 497933
Date: 04/07/2025
Due On: 05/07/2025

80 Richmond Street W., Suite 1700
Toronto, ON
M5H 2A4
T: 416.613.8280
F: 416.613.8290

Grant Thornton Limited
Nova Centre, North Tower, Suite 1000 - 1675 Grafton Street
Halifax, NS
B3J 0E9

00500-Grant Thornton Limited

CCAA of Nemori Farms Ltd.

Services

Date	Description	Hours	Rate	Total	LP
03/04/2025	Review of application materials; review and modification of the draft pre-filing Monitor's report.	2.00	$550.00	$1,100.00	JW
03/04/2025	Review draft Monitor's report and discussion with J. Wuthmann re same.	0.50	$585.00	$292.50	SK
03/12/2025	Review of Company's draft materials; review and modification of the draft Monitor's First Report; review of correspondence regarding the DIP Term Sheet.	1.20	$550.00	$660.00	JW
03/13/2025	Review of the modified First Report; review of the draft order; review of modified DIP terms.	0.20	$550.00	$110.00	JW
03/13/2025	Review creditor list and consider potential plan of arrangement; communication with J. Wuthmann;	1.10	$585.00	$643.50	SK
03/14/2025	Preparation for hearing; attendance at hearing; discussion with company counsel subsequent to hearing re plan of arrangement.	4.20	$585.00	$2,457.00	SK

Quantity Subtotal	**9.2**
Services Subtotal	**$5,263.00**

Expenses

Date	Type	Description	Quantity	Rate	Total	Total
03/13/2025	Expense	Travel: Overnight stay ALT hotel - Travel accommodations for matter in NL	1.00	$241.34	$241.34	$272.71
03/13/2025	Expense	Travel: Travel accommodations to airport	1.00	$61.00	$61.00	$68.93
03/13/2025	Expense	Travel: Round Trip Flight to NL - Travel Accommodations	1.00	$2,353.41	$2,353.41	$2,659.35
03/13/2025	Expense	Travel: Wifi on plane	1.00	$13.28	$13.28	$15.01
				Expenses Subtotal		**$2,669.03**

Time Keeper	Hours	Rate	Total
Sharon Kour	5.8	$585.00	$3,393.00
Jessica Wuthmann	3.4	$550.00	$1,870.00
		Subtotal	**$7,932.03**

Interest

Type	Date	Description	Total
Interest	05/08/2025	Interest on overdue invoice #497933	$73.67

Interest Subtotal	**$73.67**
Quantity Total	**9.2**
Subtotal	**$7,932.03**
Tax (13.0%)	**$1,031.16**
Interest	**$73.67**
Total	**$9,036.86**
Payment (05/28/2025)	**-$8,963.19**
Credit Note	**-$73.67**
Balance O□ing	**$0.00**

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
498185	06/05/2025	$23,298.91	$20,000.00	$3,298.91
498401	07/10/2025	$5,602.54	$0.00	$5,602.54
498694	08/07/2025	$8,978.98	$0.00	$8,978.98
499005	09/12/2025	$6,154.33	$0.00	$6,154.33
499129	10/04/2025	$34,248.04	$0.00	$34,248.04

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
498185	07/06/2025	$191.50	$0.00	$191.50
498185	08/05/2025	$27.11	$0.00	$27.11
498401	08/10/2025	$46.05	$0.00	$46.05
498185	09/04/2025	$27.11	$0.00	$27.11
498694	09/07/2025	$73.80	$0.00	$73.80
498401	09/09/2025	$46.05	$0.00	$46.05
498185	10/04/2025	$27.11	$0.00	$27.11

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
497933	05/07/2025	$9,036.86	$9,036.86	$0.00
			Outstanding Balance	**$58,721.53**
			Total Amount Outstanding	**$58,721.53**

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

RECON
RECONSTRUCT LLP

INVOICE

Invoice # 498185
Date: 05/06/2025
Due On: 06/05/2025

80 Richmond Street W., Suite 1700
Toronto, ON
M5H 2A4
T: 416.613.8280
F: 416.613.8290

Grant Thornton Limited
Nova Centre, North Tower, Suite 1000 - 1675 Grafton Street
Halifax, NS
B3J 0E9

00500-Grant Thornton Limited

CCAA of Nemori Farms Ltd.

Date	Description	Hours	Rate	Total	LP
04/08/2025	Call with L. Murphy and company re next steps; discussion with D. O'Keefe re refinancing.	0.90	$585.00	$526.50	SK
04/11/2025	Review equipment contracts and perform analysis of contracts as true lease or financing.	1.10	$550.00	$605.00	JW
04/11/2025	Communications re sale process and DIP.	0.10	$585.00	$58.50	SK
04/14/2025	Review of equipment documentation to analyze ability to stop payments; review case law on stay of post-filing payments for equipment leases during CCAA.	3.60	$550.00	$1,980.00	JW
04/14/2025	Reviewing SISP document for Nemori Farms, discussing loans/leases.	0.30	$585.00	$175.50	SK
04/15/2025	Research into ability to stop post-filing payments for equipment leases during CCAA; research into enforcement method available by secured equipment financier.	2.20	$550.00	$1,210.00	JW
04/15/2025	Discussion with J. Wuthmann re true lease vs financing.	1.20	$585.00	$702.00	SK
04/15/2025	Communications re equipment loans/leases; review Excel summary of leases/financing agreements; discussion re updated cash flow and DIP needs.	1.10	$585.00	$643.50	SK
04/16/2025	Research into enforcement method available by secured equipment financier.	1.60	$550.00	$880.00	JW
04/17/2025	Review of draft SISP; strategy discussion about	1.20	$550.00	$660.00	JW

	upcoming motion; drafting SISP Order.				
04/18/2025	Review of the draft SISP; modification of the SISP Approval Order based on the SISP; review of the Monitor's draft second report.	0.90	$550.00	$495.00	JW
04/19/2025	Modifying the Monitor's Second Report.	2.00	$550.00	$1,100.00	JW
04/21/2025	Video conference with client; modification of the draft order; modification of the draft report; review of the draft notice of application and modification of same; correspondence with the company with respect to the application; review and modification of the draft memo of fact and law.	2.20	$550.00	$1,210.00	JW
04/21/2025	Call with Monitor regarding SISP Motion and Monitor's report; instructions to J. Wuthmann.	0.60	$585.00	$351.00	SK
04/22/2025	Modification of the Monitor's report; drafting service letter; various correspondence with client; various correspondence with the company; video conference with the company; modification of the SISP; modification of the draft order.	3.30	$550.00	$1,815.00	JW
04/22/2025	Reviewing and drafting Nemori SISP documents; communications with Monitor re same.	1.90	$585.00	$1,111.50	SK
04/23/2025	Correspondence with the receiver about the DIP.	0.30	$550.00	$165.00	JW
04/23/2025	Prepare for motion. Communication with monitor regarding DIP financing; calls with L. Murphy re SISP and bank requests; call with company counsel; further discussion with company counsel; revisions to orders; revisions to SISP; further communications with bank and company re SISP.	4.30	$585.00	$2,515.50	SK
04/24/2025	Attending hearing; updating court orders; communications re hearing; comparing Nemori SISP redlines; attending adjourned hearing; follow up discussion with company counsel and Monitor.	4.60	$585.00	$2,691.00	SK
04/25/2025	Discussion with L. Murphy re disclosure of appraisals; communications with company counsel re SISP.	0.70	$585.00	$409.50	SK
04/28/2025	Communications re SISP; discussion with company counsel.	0.20	$585.00	$117.00	SK
04/29/2025	Preparing a draft NDA.	0.30	$550.00	$165.00	JW
04/30/2025	Modification of Monitor's email regarding interested parties; beginning to draft a template subscription agreement.	0.60	$550.00	$330.00	JW
04/30/2025	Reviewing email regarding draft note to Nemori and counsel about insider bids and appraisals.	1.20	$585.00	$702.00	SK
				Quantity Subtotal	**36.4**

Time Keeper	Hours	Rate	Total
Sharon Kour	17.1	$585.00	$10,003.50
Jessica Wuthmann	19.3	$550.00	$10,615.00
		Subtotal	**$20,618.50**

Interest

Type	Date	Description	Total
Interest	06/06/2025	Interest on overdue invoice #498185	$191.50
Interest	07/06/2025	Interest on overdue invoice #498185	$27.11
Interest	08/05/2025	Interest on overdue invoice #498185	$27.11
Interest	09/04/2025	Interest on overdue invoice #498185	$27.11

Interest Subtotal	**$272.83**
Quantity Total	**36.4**
Subtotal	**$20,618.50**
Tax (13.0%)	**$2,680.41**
Interest	**$272.83**
Total	**$23,571.74**
Payment (06/19/2025)	**-$20,000.00**
Balance O□ing	**$3,571.74**

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
498401	07/10/2025	$5,602.54	$0.00	$5,602.54
498694	08/07/2025	$8,978.98	$0.00	$8,978.98
499005	09/12/2025	$6,154.33	$0.00	$6,154.33

499129	10/04/2025	$34,248.04	$0.00	$34,248.04

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
498401	08/10/2025	$46.05	$0.00	$46.05
498694	09/07/2025	$73.80	$0.00	$73.80
498401	09/09/2025	$46.05	$0.00	$46.05

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
498185	06/05/2025	$23,571.74	$20,000.00	$3,571.74
			Outstanding Balance	**$58,721.53**
			Total Amount Outstanding	**$58,721.53**

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information	
Bank Name/Address:	Royal Bank of Canada Main Branch - Toronto Royal Bank Plaza 200 Bay Street Toronto, ON M5J 2JS Account Number: 1570423 Transit Number: 00002 Bank Number: 003
Name/Account #:	Reconstruct LLP
SWIFT:	ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 498185 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

RECON
RECONSTRUCT LLP

INVOICE

Invoice # 498401
Date: 06/10/2025
Due On: 07/10/2025

80 Richmond Street W., Suite 1700
Toronto, ON
M5H 2A4
T: 416.613.8280
F: 416.613.8290

Grant Thornton Limited
Nova Centre, North Tower, Suite 1000 - 1675 Grafton Street
Halifax, NS
B3J 0E9

00500-Grant Thornton Limited

CCAA of Nemori Farms Ltd.

Date	Description	Hours	Rate	Total	LP
04/08/2025	Call with Company and Monitor; communications re confirmation of DIP funding for Nemori.	0.70	$585.00	$409.50	SK
05/01/2025	Drafting a template share subscription agreement.	3.70	$550.00	$2,035.00	JW
05/02/2025	Review of draft teaser and draft CIM; drafting the ARVO; drafting the subscription agreement.	1.80	$550.00	$990.00	JW
05/05/2025	Correspondence regarding the SPA.	0.10	$550.00	$55.00	JW
05/07/2025	Correspondence with client regarding site visits of bidders.	0.10	$550.00	$55.00	JW
05/07/2025	Email from Monitor re feedback on sale process from prospective bidders.	0.10	$585.00	$58.50	SK
05/08/2025	Communications with Monitor re sale process; communications with third party to provide teaser letter.	0.20	$585.00	$117.00	SK
05/12/2025	Review of the company's ppsa.	0.10	$550.00	$55.00	JW
05/13/2025	Review of law on the remedies available to equipment financiers.	0.70	$550.00	$385.00	JW
05/16/2025	Communications re Nemori insider bids and timing questions.	0.20	$585.00	$117.00	SK
05/19/2025	Communications re SISP and potential steps by company re VTB ROFR.	0.20	$585.00	$117.00	SK

05/20/2025	Review of law on anti deprivation rule regarding ROFR; correspondence regarding the template share purchase agreement.	0.30	$550.00	$165.00	JW
05/20/2025	Reviewing and editing Nemori template subscription agreement in Word and managing related emails in Outlook.	0.40	$585.00	$234.00	SK
05/21/2025	Review and modification of email to DIP Lender; review of update on interest in the SISP.	0.30	$550.00	$165.00	JW
			Quantity Subtotal		**8.9**

Time Keeper	Hours	Rate	Total
Sharon Kour	1.8	$585.00	$1,053.00
Jessica Wuthmann	7.1	$550.00	$3,905.00
		Subtotal	**$4,958.00**

Interest

Type	Date	Description	Total
Interest	07/11/2025	Interest on overdue invoice #498401	$46.05
Interest	08/10/2025	Interest on overdue invoice #498401	$46.05

Interest Subtotal	**$92.10**
Quantity Total	**8.9**
Subtotal	**$4,958.00**
Tax (13.0%)	**$644.54**
Interest	**$92.10**
Total	**$5,694.64**

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due

498185	06/05/2025	$23,298.91	$20,000.00	$3,298.91
498694	08/07/2025	$8,978.98	$0.00	$8,978.98
499005	09/12/2025	$6,154.33	$0.00	$6,154.33
499129	10/04/2025	$34,248.04	$0.00	$34,248.04

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
498185	07/06/2025	$191.50	$0.00	$191.50
498185	08/05/2025	$27.11	$0.00	$27.11
498185	09/04/2025	$27.11	$0.00	$27.11
498694	09/07/2025	$73.80	$0.00	$73.80
498185	10/04/2025	$27.11	$0.00	$27.11

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
498401	07/10/2025	$5,694.64	$0.00	$5,694.64
			Outstanding Balance	**$58,721.53**
			Total Amount Outstanding	**$58,721.53**

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information

Bank Name/Address:	Royal Bank of Canada Main Branch - Toronto Royal Bank Plaza 200 Bay Street Toronto, ON M5J 2JS Account Number: 1570423 Transit Number: 00002 Bank Number: 003
Name/Account #:	Reconstruct LLP
SWIFT:	ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 498401 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

RECON
RECONSTRUCT LLP

INVOICE

Invoice # 498694
Date: 07/08/2025
Due On: 08/07/2025

80 Richmond Street W., Suite 1700
Toronto, ON
M5H 2A4
T: 416.613.8280
F: 416.613.8290

Grant Thornton Limited
Nova Centre, North Tower, Suite 1000 - 1675 Grafton Street
Halifax, NS
B3J 0E9

00500-Grant Thornton Limited

CCAA of Nemori Farms Ltd.

Date	Description	Hours	Rate	Total	LP
06/02/2025	Correspondence with client; review of NDA protection for financiers; review of correspondence from company with EY/bank.	0.30	$550.00	$165.00	JW
06/03/2025	Attending call with Grant Thornton and J. Wuthmann re Nemori.	0.50	$585.00	$292.50	SK
06/04/2025	Call with M. Russell re RBC intention to credit bid; follow up discussion with L. Murphy re same; revision to email to company re RBC intention to bid; call with L. Murphy re same.	1.70	$585.00	$994.50	SK
06/04/2025	Review and modification of draft client emails regarding RBC participation in the SISP.	0.30	$550.00	$165.00	JW
06/06/2025	Correspondence regarding insider bids.	0.10	$550.00	$55.00	JW
06/13/2025	Review of amended NDA by RBC and correspondence regarding same.	0.30	$550.00	$165.00	JW
06/15/2025	Review of correspondence regarding the SISP results.	0.10	$550.00	$55.00	JW
06/15/2025	Responding to email from company counsel.	0.10	$585.00	$58.50	SK
06/16/2025	Receipt and review of bids in SISP.	0.10	$550.00	$55.00	JW
06/16/2025	Communications regarding Nemori SISP.	0.10	$585.00	$58.50	SK
06/17/2025	Correspondence with client on the next steps in the SISP.	0.10	$550.00	$55.00	JW

06/17/2025	Communications re Nemori bids received and preparation for hearing.	0.10	$585.00	$58.50	SK
06/18/2025	Correspondence regarding security opinion of RBC security.	0.10	$550.00	$55.00	JW
06/18/2025	Attending teams call with RBC re Monitor discussion; follow up communications re SISP and RBC request for disclosure.	2.00	$585.00	$1,170.00	SK
06/19/2025	Correspondence regarding the security opinion; consideration of motion for advice and directions.	0.20	$550.00	$110.00	JW
06/20/2025	Call with Monitor re disclosure of bids.	0.50	$585.00	$292.50	SK
06/23/2025	Correspondence regarding the draft report; beginning to review the draft report.	0.30	$550.00	$165.00	JW
06/23/2025	Correspondence regarding Nemori.	0.10	$585.00	$58.50	SK
06/24/2025	Review and modification of the two draft reports.	1.50	$550.00	$825.00	JW
06/24/2025	Revising Monitor's third report; discussion with L. Murphy.	0.60	$585.00	$351.00	SK
06/25/2025	Finalizing and serving the third report and the confidential supplement; correspondence with the court.	1.20	$550.00	$660.00	JW
06/25/2025	Review and revise confidential report.	0.70	$585.00	$409.50	SK
06/26/2025	Communications with Monitor re SISP.	0.20	$585.00	$117.00	SK
06/27/2025	Review of letter from the company.	0.10	$550.00	$55.00	JW
06/27/2025	Reviewing letter to monitor; call with L. Murphy re same.	0.50	$585.00	$292.50	SK
06/30/2025	Preparing draft order; correspondence with service list regarding the draft order.	0.60	$550.00	$330.00	JW
06/30/2025	Revisions and comments on third report and confidential supplement; review and discuss with Monitor.	1.50	$585.00	$877.50	SK
				Quantity Subtotal	**13.9**

Time Keeper	Hours	Rate	Total
Sharon Kour	8.6	$585.00	$5,031.00
Jessica Wuthmann	5.3	$550.00	$2,915.00
		Subtotal	**$7,946.00**

Interest

Type	Date	Description	Total
Interest	08/08/2025	Interest on overdue invoice #498694	$73.80

Interest Subtotal	**$73.80**
Quantity Total	**13.9**
Subtotal	**$7,946.00**
Tax (13.0%)	**$1,032.98**
Interest	**$73.80**
Total	**$9,052.78**

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
498185	06/05/2025	$23,298.91	$20,000.00	$3,298.91
498401	07/10/2025	$5,602.54	$0.00	$5,602.54
499005	09/12/2025	$6,154.33	$0.00	$6,154.33
499129	10/04/2025	$34,248.04	$0.00	$34,248.04

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
498185	07/06/2025	$191.50	$0.00	$191.50
498185	08/05/2025	$27.11	$0.00	$27.11
498401	08/10/2025	$46.05	$0.00	$46.05
498185	09/04/2025	$27.11	$0.00	$27.11
498401	09/09/2025	$46.05	$0.00	$46.05
498185	10/04/2025	$27.11	$0.00	$27.11

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
498694	08/07/2025	$9,052.78	$0.00	$9,052.78
			Outstanding Balance	**$58,721.53**
			Total Amount Outstanding	**$58,721.53**

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information	
Bank Name/Address:	Royal Bank of Canada Main Branch - Toronto Royal Bank Plaza 200 Bay Street Toronto, ON M5J 2JS Account Number: 1570423 Transit Number: 00002 Bank Number: 003
Name/Account #:	Reconstruct LLP
SWIFT:	ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 498694 as an additional reference so we may accurately identify and apply your payment. Please provide adequate payment to cover the wire fees assessed by your financial institution.

RECON
RECONSTRUCT LLP

INVOICE

Invoice # 499005
Date: 08/13/2025
Due On: 09/12/2025

80 Richmond Street W., Suite 1700
Toronto, ON
M5H 2A4
T: 416.613.8280
F: 416.613.8290

Grant Thornton Limited
Nova Centre, North Tower, Suite 1000 - 1675 Grafton Street
Halifax, NS
B3J 0E9

00500-Grant Thornton Limited

CCAA of Nemori Farms Ltd.

Services

Date	Description	Hours	Rate	Total	LP
07/02/2025	Drafting letter to the court; correspondence with the court regarding filing.	0.20	$550.00	$110.00	JW
07/02/2025	Communications regarding Court order.	0.10	$585.00	$58.50	SK
07/04/2025	Communications re confidential supplement to the third report.	0.10	$585.00	$58.50	SK
07/07/2025	Correspondence with service list on granted order; review of draft letter to company regarding outcome of the sale process.	0.30	$550.00	$165.00	JW
07/07/2025	Review and comment on Monitor's communication to bidders; communications with Monitor re same.	0.30	$585.00	$175.50	SK
07/07/2025	Follow up with process server on docs.	0.10	$335.00	$33.50	AS
07/09/2025	Review and modification of correspondence with back-up bidder; correspondence regarding next phases of SISP and July 17 motion date.	0.30	$550.00	$165.00	JW
07/10/2025	Drafting of email to company.	0.30	$550.00	$165.00	JW
07/15/2025	Call with L. Murphy re RBC's application; communications with Monitor; comment on order for directions on SISP; communications with RBC counsel regarding order.	1.10	$585.00	$643.50	SK

07/16/2025	Review, finalizing and serving of fourth report and confidential appendix; correspondence with the court.	0.70	$550.00	$385.00	JW
07/16/2025	Revisions and comments on Monitor's report; working on confidential appendix; review case law regarding validity of security opinions in CCAA sale processes; instructions to J. Wuthmann re communications with Newfoundland court registrar.	1.10	$585.00	$643.50	SK
07/17/2025	Court appearance, call with Monitor; communications with counsel to settle order; further appearance to finalize order; reviewing affidavit and application documents, review law on security interests in licences and quotas, further communications regarding Nemori Farms SISP.	3.20	$585.00	$1,872.00	SK
07/24/2025	Correspondence with DLL.	0.10	$550.00	$55.00	JW
07/24/2025	Communications re Nemori SISP order and Coastal bid feedback/meeting request.	0.30	$585.00	$175.50	SK
07/28/2025	Communications with Monitor re hearing and RBC decision to proceed with going concern transaction; communications with counsel; prepare for hearing.	0.30	$585.00	$175.50	SK
07/30/2025	Serve monitor's report, draft cover letter to court to file same.	0.30	$335.00	$100.50	AS
07/30/2025	Communications re Fifth report and upcoming court hearing.	0.10	$585.00	$58.50	SK
07/31/2025	Communications with Monitor re sale process.	0.50	$585.00	$292.50	SK
			Quantity Subtotal		**9.4**
			Services Subtotal		**$5,332.50**

Expenses

Date	Type	Description	Quantity	Rate	Total	Total
06/26/2025	Expense	Canada Post: Express Overnight to NL	1.00	$51.94	$51.94	$58.69
07/30/2025	Expense	Canada Post: Priority shipping to NL	1.00	$61.87	$61.87	$69.91
				Expenses Subtotal		**$113.81**

Time Keeper	Hours	Rate	Total
Sharon Kour	7.1	$585.00	$4,153.50
Alina Stoica	0.4	$335.00	$134.00
Jessica Wuthmann	1.9	$550.00	$1,045.00

Quantity Total	**9.4**
Subtotal	**$5,446.31**
Tax (13.0%)	**$708.02**
Total	**$6,154.33**

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
498185	06/05/2025	$23,298.91	$20,000.00	$3,298.91
498401	07/10/2025	$5,602.54	$0.00	$5,602.54
498694	08/07/2025	$8,978.98	$0.00	$8,978.98
499129	10/04/2025	$34,248.04	$0.00	$34,248.04

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
498185	07/06/2025	$191.50	$0.00	$191.50
498185	08/05/2025	$27.11	$0.00	$27.11
498401	08/10/2025	$46.05	$0.00	$46.05
498185	09/04/2025	$27.11	$0.00	$27.11
498694	09/07/2025	$73.80	$0.00	$73.80
498401	09/09/2025	$46.05	$0.00	$46.05
498185	10/04/2025	$27.11	$0.00	$27.11

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
499005	09/12/2025	$6,154.33	$0.00	$6,154.33

Outstanding Balance	**$58,721.53**
Total Amount Outstanding	**$58,721.53**

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information	
Bank Name/Address:	Royal Bank of Canada Main Branch - Toronto Royal Bank Plaza 200 Bay Street Toronto, ON M5J 2JS Account Number: 1570423 Transit Number: 00002 Bank Number: 003
Name/Account #:	Reconstruct LLP
SWIFT:	ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 499005 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

RECON
RECONSTRUCT LLP

INVOICE

Invoice # 499129
Date: 09/04/2025
Due On: 10/04/2025

80 Richmond Street W., Suite 1700
Toronto, ON
M5H 2A4
T: 416.613.8280
F: 416.613.8290

Grant Thornton Limited
Nova Centre, North Tower, Suite 1000 - 1675 Grafton Street
Halifax, NS
B3J 0E9

00500-Grant Thornton Limited

CCAA of Nemori Farms Ltd.

Date	Description	Hours	Rate	Discount	Total	LP
08/01/2025	Communications with Monitor.	0.10	$585.00	-	$58.50	SK
08/07/2025	Communications with Monitor re: requested purchase price adjustment and transaction related matters.	0.10	$585.00	-	$58.50	SK
08/08/2025	Summarizing cases in which the court has approved a reverse vesting structure to preserve licenses and quotas in the sale of a debtor company.	4.70	$350.00	80.0%	$329.00	JG
08/08/2025	Instructions to J. Gossett and A. Stoica regarding the preparation of sale approval materials.	0.50	$550.00	50.0%	$137.50	JW
08/08/2025	Communications with Monitor re: next steps on farm transaction; review communications with purchaser.	1.00	$585.00	-	$585.00	SK
08/11/2025	Drafting a reverse vesting order and notice of application.	2.20	$350.00	50.0%	$385.00	JG
08/12/2025	Further Drafting of reverse vesting order and notice of application.	4.40	$350.00	50.0%	$770.00	JG
08/13/2025	Preparing transition services agreement.	0.50	$550.00	-	$275.00	JW
08/13/2025	Drafting a Transition Services Agreement; drafting a Reverse Vesting Order; drafting a Notice of Application.	6.30	$350.00	50.0%	$1,102.50	JG

08/13/2025	Call with J. Wuthmann; Review email and documents sent by J. Wuthmann; Review and revised draft transition agreement and circulate same to internal team.	2.00	$795.00	-	$1,590.00	LN
08/13/2025	Update call with bank counsel; call with L. Murphy and company; communications re: transaction; drafting Transition Services Agreement.	3.80	$585.00	-	$2,223.00	SK
08/14/2025	Researching case law on approval of Reverse Vesting Orders that addressed licenses; modifying Transition Services Agreement.	5.80	$350.00	50.0%	$1,015.00	JG
08/14/2025	Review and revise materials for RVO motion.	3.50	$335.00	-	$1,172.50	AS
08/14/2025	Reviewing Transition Services Agreement draft; communications with Monitor re: Nemori and related calls.	1.30	$585.00	-	$760.50	SK
08/15/2025	Researching case law on approval of Reverse Vesting Orders that addressed licenses; modifying Transition Services Agreement.	3.30	$350.00	50.0%	$577.50	JG
08/15/2025	Communications Nemori emails regarding call and draft TSA; reviewing Coastal bid documents.	1.80	$585.00	-	$1,053.00	SK
08/18/2025	Drafting a Factum.	4.20	$350.00	80.0%	$294.00	JG
08/18/2025	Drafting the RVO.	2.40	$550.00	-	$1,320.00	JW
08/18/2025	Communication with Monitor; comments on Transition Services Agreement; review and comment on Approval and Reverse Vesting Order; dealing with creditors; call with bank counsel.	1.50	$585.00	-	$877.50	SK
08/19/2025	Drafting a Factum.	6.60	$350.00	80.0%	$462.00	JG
08/19/2025	Drafting the Notice of Application; drafting the subscription agreement; correspondence with the purchaser.	2.20	$550.00	-	$1,210.00	JW
08/19/2025	Call with bank counsel and Monitor; review and mark up of APA.	3.50	$585.00	-	$2,047.50	SK
08/19/2025	Commenting on subscription agreement, and analyzing redlines; communication with Monitor re: transaction.	1.40	$585.00	-	$819.00	SK
08/20/2025	Drafting a Factum.	8.20	$350.00	80.0%	$574.00	JG
08/20/2025	Drafting the subscription agreement;	1.50	$550.00	-	$825.00	JW

	drafting the notice of application.					
08/20/2025	Review draft subscription agreement and amend same. Email J. Wuthmann.	1.10	$795.00	-	$874.50	LN
08/20/2025	Communications re: payments and ongoing cash needs of company.	0.20	$585.00	-	$117.00	SK
08/21/2025	Drafting Factum; Reviewing Notice of Application.	2.80	$350.00	80.0%	$196.00	JG
08/21/2025	Modifying the subscription agreement and correspondence regarding same with purchaser's counsel.	0.30	$550.00	-	$165.00	JW
08/21/2025	Call with J. Wuthmann; Send additional changes to J. Wuthmann.	0.40	$795.00	-	$318.00	LN
08/22/2025	Review of emails re: animal health.	0.10	$550.00	-	$55.00	JW
08/22/2025	Drafting Factum.	2.30	$350.00	80.0%	$161.00	JG
08/23/2025	Further drafting Factum.	3.10	$350.00	80.0%	$217.00	JG
08/24/2025	Further drafting Factum.	2.50	$350.00	80.0%	$175.00	JG
08/25/2025	Teleconference re: subscription agreement with monitor and purchaser's counsel; correspondence re: farm conditions.	0.70	$550.00	-	$385.00	JW
08/25/2025	Drafting Factum.	3.00	$350.00	80.0%	$210.00	JG
08/25/2025	Attending call re: subscription agreement.	1.00	$585.00	-	$585.00	SK
08/26/2025	Drafting Factum.	6.60	$350.00	80.0%	$462.00	JG
08/26/2025	Drafting the subscription agreement; review of the draft monitor's report and modifying same; correspondence with purchaser's counsel re: the transaction.	3.40	$550.00	-	$1,870.00	JW
08/26/2025	Citations for Factum.	2.70	$200.00	50.0%	$270.00	AB
08/26/2025	Review email with comments for subscription agreement; Email J. Wuthmann.	0.60	$795.00	-	$477.00	LN
08/26/2025	Communications re: report; comment on draft of the sixth report.	0.40	$585.00	-	$234.00	SK
08/27/2025	Drafting a Factum.	0.50	$350.00	80.0%	$35.00	JG
08/27/2025	Modification of the Subscription Agreement and correspondence regarding same; correspondence regarding the RVO.	0.70	$550.00	-	$385.00	JW

08/27/2025	Call with J. Wuthmann.	0.30	$795.00	-	$238.50	LN
08/27/2025	Editing factum for RVO approval.	1.80	$200.00	50.0%	$180.00	AB
08/27/2025	Review Nemori draft sixth report and head count.	0.40	$585.00	-	$234.00	SK
08/28/2025	Editing Factum for RVO.	1.70	$200.00	50.0%	$170.00	AB
08/28/2025	Modification of the draft report; modification of the subscription agreement and correspondence regarding same.	1.40	$550.00	-	$770.00	JW
08/28/2025	Review email from J. Wuthmann; Call with J. Wuthmann.	0.40	$795.00	-	$318.00	LN
08/28/2025	Communications with Monitor re Nemori.	0.20	$585.00	-	$117.00	SK
08/29/2025	Attendance at call with Monitor and the Bank re: next steps.	0.50	$550.00	-	$275.00	JW
08/29/2025	Catch up call with Liam Murphy	0.50	$585.00	-	$292.50	SK

Quantity Subtotal	**112.4**
Line Item Discount Subtotal	**-$17,067.50**

Time Keeper	Hours	Rate	Discount	Total
Julien Gosset	66.5	$350.00	-$16,310.00	$6,965.00
Sharon Kour	17.2	$585.00	-	$10,062.00
Le Nguyen	4.8	$795.00	-	$3,816.00
Alina Stoica	3.5	$335.00	-	$1,172.50
Jessica Wuthmann	14.2	$550.00	-$137.50	$7,672.50
Asia Barton	6.2	$200.00	-$620.00	$620.00

Quantity Total	**112.4**
Subtotal	**$30,308.00**
Tax (13.0%)	**$3,940.04**
Total	**$34,248.04**

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
498185	06/05/2025	$23,298.91	$20,000.00	$3,298.91
498401	07/10/2025	$5,602.54	$0.00	$5,602.54
498694	08/07/2025	$8,978.98	$0.00	$8,978.98
499005	09/12/2025	$6,154.33	$0.00	$6,154.33

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
498185	07/06/2025	$191.50	$0.00	$191.50
498185	08/05/2025	$27.11	$0.00	$27.11
498401	08/10/2025	$46.05	$0.00	$46.05
498185	09/04/2025	$27.11	$0.00	$27.11
498694	09/07/2025	$73.80	$0.00	$73.80
498401	09/09/2025	$46.05	$0.00	$46.05
498185	10/04/2025	$27.11	$0.00	$27.11

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
499129	10/04/2025	$34,248.04	$0.00	$34,248.04
			Outstanding Balance	**$58,721.53**
			Total Amount Outstanding	**$58,721.53**

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information	
Bank Name/Address:	Royal Bank of Canada Main Branch - Toronto Royal Bank Plaza 200 Bay Street Toronto, ON M5J 2JS Account Number: 1570423 Transit Number: 00002 Bank Number: 003
Name/Account #:	Reconstruct LLP
SWIFT:	ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 499129 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

EXHIBIT "B"

THIS IS **EXHIBIT "B"** REFERRED TO IN THE AFFIDAVIT OF **JESSICA WUTHMANN** SWORN BEFORE ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO THIS 4TH DAY OF SEPTEMBER, 2025.

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A COMMISSIONER FOR TAKING AFFIDAVITS
ALINA STOICA

Summary of Accounts of Reconstruct LLP
(From March 4, 2025 to August 29, 2025)

SUMMARY OF TIMEKEEPERS		
Legal Professional	**Year of Call**	**Hourly Rate**
Le Nguyen, Counsel	2003	$795
Sharon Kour, Partner	2010	$585
Jessica Wuthmann, Partner	2017	$550
Julien Gosset, Associate	2025	$350
Alina Stoica, Law Clerk	-	$335
Asia Barton, Summer Student	-	$200

Billing Summary		
	Total Hours for L. Nguyen:	4.80
	Total Professional Fees for L. Nguyen:	$3,816.00
	Total Hours for S. Kour:	57.60
	Total Professional Fees for S. Kour:	$33,696.00
	Total Hours for J. Wuthmann:	$51.20
	Total Professional Fees for J. Wuthmann:	$28,160.00 (-$137.50 discount)
	Total Hours for J. Gosset:	66.50
	Total Professional Fees for J. Gosset:	$23,275 (-$16,310 discount)
	Total Hours for A. Stoica:	3.90
	Total Professional Fees for A. Stoica:	$1,306.50
	Total Hours for A. Barton:	6.20
	Total Professional Fees for A. Barton:	$1,240.00 (-$620 discount)
	Total Hours:	190.20
	Average Hourly Rate:	$481.04

	Professional fees:	$91,493.50
	Discount Applied:	-$17,067.50
	Total Fees after Discount:	$74,426.00
	Disbursements	$2,782.84
	Total Fees and Disbursements	$77,208.84
	HST	$10,037.15
	TOTAL PROFESSIONAL FEES:	**$87,245.99**