

Court File No. CV-24-00720526-00CL

GLOBAL FOOD AND INGREDIENTS INC. and GFI BRANDS INC.

**SECOND REPORT TO THE COURT OF FTI CONSULTING CANADA
INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER
OVER THE FCC SECURED PROPERTY**

November 4, 2024

Court File No. CV-24-00720526-00CL

FARM CREDIT CANADA

Applicant

and

GLOBAL FOOD AND INGREDIENTS INC. and GFI BRANDS INC.

Respondents

**APPLICATION UNDER SECTION 243(1) OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED; AND SECTION 101 OF
THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED**

**SECOND REPORT TO THE COURT OF FTI CONSULTING CANADA INC., IN
ITS CAPACITY AS COURT-APPOINTED RECEIVER OVER THE FCC
SECURED PROPERTY**

A. INTRODUCTION

1. On this motion, the Receiver¹ seeks approval of two approval and vesting orders relating to the following Property of the Debtors: 1) the Zealandia Lands and related Equipment; and 2) the Leasehold Lands and related Equipment. The Purchase Agreements have been negotiated with the Receiver and the Receiver is of the view that they represent the highest and best offers received in the SISP in respect of such property.
2. By order dated May 30, 2024 (the “**Appointment Order**”), on application by Farm Credit Canada (“**FCC**”), FTI Consulting Canada Inc. (“**FTI**”) was appointed receiver (in such capacity, the “**Receiver**”) over the FCC Secured Property (defined below) of Global Food and Ingredients Inc. (“**Global Food Canada**”) and GFI Brands Inc. (“**GFI Brands**” and, together with Global Food Canada, the “**Debtors**”).

¹ Capitalized terms are either as defined below or to the extent not defined herein, shall have the meaning ascribed to them in the Purchase Agreements (defined below).

3. The Debtors were in the business of purchasing and producing plant-based food and ingredients and related matters. They owned three high-speed ingredient processing and storage facilities in Saskatchewan, located on the Zealandia Lands, Vigro Lands and Leasehold Lands. This Real Property and related Equipment (as defined below) is included in the FCC Secured Property.
4. The Receiver, together with FTI Capital Advisors Canada (the “**Sale Agent**”), an affiliate of FTI, undertook a sale process in relation to the FCC Secured Property pursuant to an order obtained on August 19, 2024 (the “**SISP Approval Order**”) authorizing a two-phase sale and investor solicitation process for the FCC Secured Property (the “**SISP**”).
5. The SISP is now complete and has produced two binding offers: one in respect of the Zealandia Lands and related Equipment and the other in respect of the Leasehold Lands and related Equipment. The Receiver continues to be engaged in negotiations with respect to the Vigro Lands.
6. The Receiver believes that the two offers represented by the Purchase Agreements are fair and reasonable and that no greater or better offer for the FCC Secured Property included in the offers is likely attainable.

Purpose of Report

7. The purpose of this Second Report of the Receiver (the “**Second Report**”) is to:
 - (a) provide the Court with information regarding:
 - (i) the SISP, including steps taken in relation to the SISP to date;
 - (ii) the Successful Bids selected under the SISP and the proposed Purchase Agreements; and
 - (iii) the activities of the Receiver since it issued its First Report dated August 13, 2024; and related relief.

8. The Second Report is filed in support of the Receiver's motion seeking, among other things:
- (a) an order (the "**First Approval and Vesting Order**"):
 - (i) approving a sale transaction for the Zealandia Lands (as defined below) to Harvest Grain Zealandia Ltd. (the "**Zealandia Purchaser**"), as set out and described in the Asset Purchase Agreement dated November 4, 2024 (the "**Zealandia Purchase Agreement**") between the Receiver, as vendor, and the Zealandia Purchaser, as purchaser;
 - (ii) authorizing and approving the execution of the Zealandia Purchase Agreement by the Receiver, and authorizing and directing the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the transaction contemplated by the Zealandia Purchase Agreement and for the conveyance of the Purchased Assets (as defined in the Zealandia Purchase Agreement) to the Zealandia Purchaser;
 - (iii) vesting in the Zealandia Purchaser the right, title and interest of the Receiver and the Debtors in and to the Purchased Assets (as defined in the Zealandia Purchase Agreement), subject to the terms of the Zealandia Purchase Agreement, upon delivery by the Receiver of a Receiver's certificate to the Zealandia Purchaser confirming that all conditions to closing in the Zealandia Purchase Agreement have either been satisfied or waived by the Receiver (the "**First Receiver's Certificate**").
 - (b) an order (the "**Second Approval and Vesting Order**"):
 - (i) approving a sale transaction for the Lajord Property (as defined below) to C2 Farms (the "**Lajord Purchaser**"), as set out and described in the Asset Purchase Agreement dated November 4,

- 2024 (the “**Lajord Purchase Agreement**”) between the Receiver, as vendor, and the Lajord Purchaser, as purchaser;
- (ii) authorizing and approving the execution of the Lajord Purchase Agreement by the Receiver, and authorizing and directing the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the transaction contemplated by the Lajord Purchase Agreement and for the conveyance of the Purchased Assets (as defined in the Lajord Purchase Agreement) to the Lajord Purchaser;
 - (iii) vesting in the Lajord Purchaser the right, title and interest of the Receiver and the Debtors in and to the Purchased Assets (as defined in the Lajord Purchase Agreement), subject to the terms of the Lajord Purchase Agreement, upon delivery by the Receiver of a Receiver’s certificate to the Lajord Purchaser confirming that all conditions to closing in the Lajord Purchase Agreement have either been satisfied or waived by the Receiver (the “**Second Receiver’s Certificate**”);
 - (iv) assigning all of the rights and obligations of the Debtor under the Assumed Contracts to the Purchaser upon delivery of the Second Receiver’s Certificate (as defined in the Lajord Purchase Agreement).
- (c) an order (the “**Ancillary Relief Order**”):
- (i) approving the Second Report and the conduct and activities of the Receiver described herein;
 - (ii) approving the Receiver’s statement of receipts and disbursements for the period August 14, 2024 to October 31, 2024 as set out in the Second Report;
 - (iii) sealing Confidential Schedule “1” and Confidential Schedule “2” to this Second Report, subject to further order of the Court; and

(iv) such further and other relief as this Court may deem just.

Terms of Reference

9. In preparing this Second Report, the Receiver has relied upon unaudited financial information provided by the Debtors, including the Debtors' books and records, certain financial information, forecasts and analysis prepared by the Debtors, and discussions with various parties, including former employees and senior management of, and advisors to, the Debtors (the "**Information**").
10. Except as otherwise described in this Second Report:
 - (a) the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) the Receiver has not examined or reviewed financial forecasts and projections referred to in this Second Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
11. Future-oriented financial information reported in, or relied on, in preparing this this Second Report is based on assumptions regarding future events. Actual results may vary from forecast and such variations may be material.
12. The Receiver has prepared this Second Report in connection with its motion for approval of the Purchase Agreements and to assist the Court in deciding whether to grant the First Approval and Vesting Order, the Second Approval and Vesting Order and the Ancillary Relief Order. The Second Report should not be relied on for any other purpose.
13. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

14. Capitalized terms not otherwise defined herein have the meanings given to them in the SISP.

B. BACKGROUND

15. Each of the Debtors was a member of the GFI group of companies (“**GFI Group**”), with Global Food Canada being the purchaser and processor of plant-based foods and ingredients and GFI Brands a brokerage that hired other companies to buy pasta and outsource manufacturing of pasta for the GFI Group.
16. Prior to the appointment of the Receiver, GFI Group had encountered significant financial difficulties.
17. While the GFI Group sought to sell the business to a third party before this receivership proceeding, a deal could not close before the GFI Group’s cash reserves were exhausted.
18. On or around March 22, 2024, Global Food Canada began an orderly wind-down and liquidation process, including laying off employees.
19. The Receiver was appointed on May 30, 2024 over the FCC Secured Property. On the same day, Richter Inc. was appointed by the Siena Lending Group Canada LLC (“**Siena**”) as receiver (the “**Siena Receiver**”) over certain other assets of Global Food Canada, GFI Brands and Global Food and Ingredients Ltd. constituting ABL Priority Collateral (defined below).
20. Pursuant to an Intercreditor Agreement dated February 1, 2024 between FCC and Siena attached as Exhibit OO to the Affidavit of Jason Inman sworn May 16, 2024 (the “**Intercreditor Agreement**”), FCC and Siena agreed to their respective priorities in respect of their security over the assets of the Debtors. FCC and Siena agreed that FCC would have priority over the “Term Loan Priority Collateral” consisting of the following (with capitalized terms as defined in the Intercreditor Agreement):

- (a) all Equipment and fixtures;
- (b) all Intellectual Property owned by any Loan Party (which includes the Debtors);
- (c) all Real Property (including the Mortgaged Lands and Leasehold Lands, defined below);
- (d) the insurance policy with respect to the life of David Hanna in the amount of \$1,000,000; and,
- (e) all books and records relating to the foregoing, all Proceeds of the foregoing, and all collateral security and guarantees given by any Person with respect to the foregoing.

(collectively, together with any proceeds thereof, the “**FCC Secured Property**”). The assets of the Debtors other than the FCC Secured Property are the “**ABL Priority Collateral**”, which includes the Debtors’ accounts receivable and inventory. According to the Intercreditor Agreement, FCC has senior priority over the FCC Secured Property and junior priority over the ABL Priority Collateral.

21. The Real Property that forms part of the FCC Secured Property includes three high-speed ingredient processing and storage facilities in Saskatchewan, located on the following lands:
- (a) 100 Elevator Road, Zealandia Saskatchewan (the “**Zealandia Lands**”);
 - (b) R.M. of Lajord No 128, Lajord Saskatchewan (surface parcel #111788219) (the “**Sedley Lands**” or “**Vigro Lands**”, and together with the Zealandia Lands, the “**Mortgaged Lands**”); and
 - (c) 100 South Railway Avenue, Lajord No. 128, Saskatchewan (the “**Leasehold Lands**” or “**Lajord Property**”), which property is owned by

Stewart Southern Railway Inc. (the “**Landlord**”) and leased to Global Foods Canada pursuant to a Lease and Assignment of Lease.

22. The intention of this receivership is to conduct an orderly liquidation of the FCC Secured Property.

C. SISP

23. The Receiver obtained the SISP Approval Order on August 19, 2024 for the sale and solicitation of the FCC Secured Property, which among other things:
- (a) approved the SISP in the form attached as Schedule “A” to the SISP Approval Order;
 - (b) authorized the Receiver and the Sale Agent to implement the SISP and perform their respective obligations thereunder;
 - (c) approved the Key Consultant Retention Plans (“**KCRP**”) in respect of three consultants (the “**Key Consultants**”), and approved the Receiver making payments thereunder; and
 - (d) granted a fixed and specific charge not exceeding an aggregate amount of \$53,450 on the FCC Secured Property for the KCRP (the “**KCRP Charge**”).
24. The SISP consisted of a broad marketing process in conjunction with a two-phase process for the solicitation of offers to purchase the FCC Secured Property.
25. To ensure that time was not lost marketing the property, prior to obtaining the SISP Approval Order, the Receiver had already started the marketing process, which commenced with the creation of a list of potential bidders and initial reach-outs the week of July 15, 2024.
26. The key dates of the SISP included the following:

Milestone	Date(s)
Phase 1: Formal Marketing Process and Initial Due Diligence Period	July 15, 2024 – September 13, 2024
Phase 1 Bid Deadline	5:00 p.m. (Eastern Time) on September 13, 2024
Phase 2: Due Diligence Period for Selected Bidders	September 14, 2024 – October 4, 2024
Phase 2 Bid Deadline	5:00 p.m. (Eastern Time) on October 4, 2024
Court Approval of Successful Bid	Target the week of October 21, 2024
Outside Date	November 15, 2024

27. The Sale Agent with the oversight of the Receiver and assistance of the Key Consultants undertook the SISP in accordance with the process provided for in the SISP Approval Order.
28. The SISP has successfully identified proposed transactions for two out of the three Saskatchewan-based processing facilities, being the land and processing facility on the Zealandia Lands and the leasehold interest and processing facility on the Leasehold Lands. Each proposed transaction is described in greater detail below.
- a) Phase 1*
29. The week of July 15, 2024, the Receiver reached out to 202 parties pursuant to the Phase 1 process. In the weeks following, the Receiver reached out to an additional 23 parties for a total of 225 parties that were contacted by the Receiver in relation to the SISP opportunity.
30. A total of 44 parties executed an NDA provided by the Receiver to obtain access to further details regarding the proposed opportunity. Beginning July 19, 2024, these parties were provided access to a virtual data room containing detailed information on the facilities and equipment available for sale.

31. Following a review of the data room materials, a number of interested parties expressed an interest in conducting site visits to the facilities before the Phase 1 Bid Deadline.
32. Eight parties completed a site visit of the Zealandia Lands, nine parties completed a site visit of the Lajord Property, and seven parties completed a site visit of the Vigro Lands.
33. By the Phase 1 Bid Deadline of September 13, 2024, ten letters of interest (“**LOIs**”) were received by the Receiver in various combinations for the three facilities.
34. The Receiver, in consultation with the Sale Agent, reviewed the LOIs to determine whether they were Qualified Phase 1 Bids as per the terms of the SISP and whether they should be Selected Bidders moving on to participate in Phase 2 of the SISP.

b) Phase 2

35. Nine of the ten parties who had submitted LOIs (the “**Selected Bidders**”) were invited to participate in Phase 2 of the SISP.
36. Selected Bidders were then given the opportunity to complete any remaining diligence ahead of the Phase 2 Bid Deadline. The Receiver worked with the Selected Bidders to enable them to perform the necessary diligence and provided information as appropriate.
37. The Receiver also provided the Selected Bidders with a draft Asset Purchase Agreement, which was to be used as a template for any purchase agreements submitted as Final Bids pursuant to the terms of the SISP.
38. During Phase 2 of the SISP, it was brought to the Receiver’s attention that the facility built on the Vigro Lands may encroach on a neighbouring property and there may be an easement for a pipeline registered against the Vigro Lands. To

ensure that the Selected Bidders were aware of this issue, the Receiver advised the parties of the potential encroachment issue and provided pictures of the parcel in the data room outlining the areas that may encroach upon the neighbouring lands.

D. RESULT OF THE SISP

39. The Receiver reviewed the bids received at the Phase 2 Bid Deadline of October 4, 2024 and determined to move forward with one bid for the Zealandia Lands with the Zealandia Purchaser (the “**Zealandia Bid**”) and one bid for the Leasehold Lands with the Lajord Purchaser (the “**Lajord Bid**”). In the view of the Receiver, these bids represented the highest and best bids received at the Phase 2 Bid Deadline.
40. The Receiver continues to be in discussions with third parties with respect to a potential sale of the Vigro Lands, the processing facility thereon and the equipment therein. The Receiver intends to continue these discussions and explore whether a transaction is possible with respect to the Vigro Lands.

I. The Zealandia Lands

41. The Zealandia Purchaser submitted an executed copy of a purchase agreement to the Receiver on October 4, 2024, which has since been amended and superseded by the Zealandia Purchase Agreement.
42. Any capitalized terms not otherwise defined in this section shall have the meaning ascribed to them in the Zealandia Purchase Agreement.
43. The Receiver understands that the Zealandia Purchaser is a consortium of experienced professionals collectively holding over 75 years of expertise in the pulse industry and as such is already familiar with the business of the Debtors and how the processing facilities work. The consortium’s primary focus includes peas, lentils, beans, chickpeas and bird food.

44. The Zealandia Purchaser proposes to purchase the following FCC Secured Property:
- (a) the Zealandia Lands;
 - (b) Books and Records relating to Zealandia Lands; and
 - (c) Equipment and fixtures on the Zealandia Lands (collectively, the **“Zealandia Purchased Assets”**).
45. The Zealandia Purchase Agreement provides for the following:
- (a) the issuing and entering of the First Approval and Vesting Order as a condition precedent to Closing;
 - (b) at the Closing Time, the Receiver shall sell, assign, transfer, and convey to the Zealandia Purchaser and the Zealandia Purchaser shall purchase and assume from the Receiver all right, title, interest of the Debtors in, to and under the Purchased Assets at Schedule “A” of the Zealandia Purchase Agreement, free and clear of any and all Encumbrances except Permitted Encumbrances;
 - (c) the Zealandia Purchaser is acquiring the Zealandia Purchased Assets on an “as is, where is” basis; and
 - (d) from and after Closing, the Zealandia Purchaser shall assume and be liable for the Assumed Liabilities as defined in section 2.3 of the Zealandia Purchase Agreement.

A redacted copy of the Zealandia Purchase Agreement is attached hereto as **Schedule “A”** and an unredacted copy is attached hereto as **Confidential Schedule “1”**.

46. Pursuant to the terms of the Zealandia Purchase Agreement, the Zealandia Purchaser has paid the Deposit to the Receiver which is currently being held by the Receiver in a non-interest-bearing trust account.
47. Upon the closing conditions being satisfied, including payment of the Purchase Price minus the Deposit to the Receiver, the Receiver shall issue the First Receiver's Certificate to the Court confirming that all conditions to Closing have either been satisfied or waived by both the Zealandia Purchaser and the Receiver.

II. The Lajord Property

48. The Lajord Purchaser submitted an executed copy of a purchase agreement to the Receiver on October 4, 2024, which has since been amended and superseded by the Lajord Purchase Agreement.
49. The Receiver understands that the Lajord Purchaser is a well-established farming entity focused on growing oilseeds, cereals, and pulses and has an established grain marketing operation in Saskatchewan already. The Receiver understands that the Lajord Purchaser currently produces enough wheat to run the facility on the Lajord Property near capacity.
50. The Lajord Purchaser is seeking to purchase the following FCC Secured Property:
 - (a) the Leasehold Lands;
 - (b) Books and Records relating to the Leasehold Lands; and
 - (c) Equipment and fixtures on the Leasehold Lands (collectively, the "**Lajord Purchased Assets**").
51. The Lajord Purchase Agreement provides for the following:
 - (a) the issuing and entering of the Second Approval and Vesting Order as a condition precedent to Closing;

- (b) at the Closing Time, the Receiver shall sell, assign, transfer, and convey to the Lajord Purchaser and the Lajord Purchaser shall purchase and assume from the Receiver all right, title, interest of the Debtors in, to and under the Purchased Assets at Schedule “A” of the Lajord Purchase Agreement, free and clear of any and all Encumbrances except Permitted Encumbrances;
 - (c) the Lajord Purchaser is acquiring the Lajord Purchased Assets on an “as is, where is” basis;
 - (d) from and after Closing, the Lajord Purchaser shall assume and be liable for the Assumed Contracts at Schedule “B” of the Lajord Purchase Agreement; and,
 - (e) from and after Closing, the Lajord Purchaser shall assume and be liable for the Assumed Liabilities as defined in section 2.3 of the Lajord Purchase Agreement.
52. A redacted copy of the Lajord Purchase Agreement is attached hereto as **Schedule “B”** and an unredacted copy is attached hereto as **Confidential Schedule “2”**.
53. Pursuant to the terms of the Lajord Purchase Agreement, the Lajord Purchaser has paid the Deposit to the Receiver which is currently being held by the Receiver in a non-interest-bearing trust account.
54. Upon the closing conditions being satisfied, including payment of the Purchase Price minus the Deposit to the Receiver, the Receiver shall issue the Second Receiver’s Certificate to the Court confirming that all conditions to Closing have either been satisfied or waived by both the Lajord Purchaser and the Receiver.

55. Since the Debtors' interest in the Lajord Property is a leasehold interest, the Receiver has been in communication with the Landlord with respect to the Lajord Purchase Agreement and the assumption of the Lease by the Lajord Purchaser. At this time, the Landlord is aware that the Receiver would like to assign the Lease to the Lajord Purchaser and has informally consented to same. While the Receiver is hopeful that consent to the assignment will be provided by the Landlord in advance of the return of this motion, the Receiver is seeking an assignment of the Lease in the event that consent has not been obtained by that time. The Receiver supports the assignment of the Lease to the Lajord Purchaser and is of the view that the assignment is appropriate and that the evidence provided by the Lajord Purchaser supports that they will be able to perform the obligations under the Lease go forward.
56. The Landlord will be provided with notice of the Receiver's motion seeking the Second Approval and Vesting Order.

E. THE PURCHASE AGREEMENTS SHOULD BE APPROVED

57. In the view of the Receiver, the Zealandia Bid and the Lajord Bid were the best bids received for the Zealandia Lands and Leasehold Lands, respectively, as at the Phase 2 Bid Deadline and it is appropriate to approve these transactions.
58. The Receiver recommends that this Court grant the relief sought in the motion for the approval of the Purchase Agreements for the following reasons:
- (a) the FCC Secured Property has been exposed to the market for approximately fourteen weeks and the Receiver believes the market has been well-canvassed and that the process leading to the Purchase Agreements was fair, effective and reasonable in the circumstances and completed in accordance with the Court-approved SISP;
 - (b) the Zealandia Purchaser and the Lajord Purchaser are both well-situated to complete a transaction and are logical purchasers since they are in the

same business as the Debtors and have indicated that they can use the process facilities on the properties immediately;

- (c) the Receiver, in consultation with the Sale Agent, is of the view that the Purchase Agreements collectively represent the greatest value attainable for each of the Zealandia Purchased Assets and the Lajord Purchased Assets;
 - (d) the alternative to the sale of these transactions would be a fire sale of the assets. Based on initial discussions the Receiver has had with speciality auctioneers, among other things, the Receiver is of the view that a fire sale or sale under bankruptcy would be unlikely to generate net proceeds greater than the contemplated transactions;
 - (e) FCC, the primary secured lender, supports the transactions;
 - (f) the Receiver does not expect that a further marketing of the Zealandia Purchased Assets and the Lajord Purchased Assets will result in any superior offers to the offers contained in the Purchase Agreements.
59. The Receiver is of the view that the unredacted Purchase Agreements, which include the purchase price, be filed with the Court on a confidential basis, and be subject to a sealing order pending further order of the Court (the “**Sealing Order**”). Each unredacted Purchase Agreement contains the proposed purchase price, which is commercially sensitive information at this time. If released, this may jeopardize any subsequent attempts to market the Zealandia Purchased Assets and the Lajord Purchased Assets for the highest and best price if these transactions do not close. The Receiver is not aware of any party that will be prejudiced if the information is sealed and, accordingly, believes that the proposed Sealing Order is appropriate in the circumstances.
60. The Receiver anticipates that each of the proposed transactions will be closed by the end of November, 2024. This necessitates an extension of the Outside Date

which the Receiver submits is reasonable in the circumstances. The Receiver will post a notice to the Receiver's website regarding the Outside Date in accordance with the SISP.

61. Based on the foregoing, it is the Receiver's view that the transactions contemplated by the Purchase Agreements will generate the best value for the Zealandia Purchased Assets and the Lajord Purchased Assets for the benefit of all stakeholders and respectfully recommends that this Court make an order authorizing the Receiver to enter into the Purchase Agreements and take any and all steps necessary to complete the steps contemplated therein.

F. RECEIPTS AND DISBURSEMENTS

62. The Receiver's receipts and disbursements from August 14, 2024 to October 31, 2024 are:

Receipts	
Interest on Trust Funds	\$ 679
Total Receipts	\$ 679
Disbursements	
Sub-Contractors	(65,611)
Insurance	(21,738)
Utilities	(10,999)
Operating Costs	(98,347)
Total Disbursements	\$ (98,347)
Net Receipts and Disbursements Before Distributions	\$ (97,669)
Distributions to Farm Credit Canada	
Total Distributions to Farm Credit Canada	\$ -
Net Receipts and Disbursements After Distributions	\$ (97,669)

G. ACTIVITIES OF THE RECEIVER

63. The Receiver's activities it issued its First Report dated August 13, 2024 have included, among other things:

- (a) posting and updating the Receiver's website with all public documents as it relates to the within proceeding;
- (b) liaising communication between the Siena Receiver and First Insurance Funding of Canada Inc. for the priority to payment of unearned insurance premiums as it relates to Global Food Canada;
- (c) paying the Key Consultants for services provided to the Receiver during the SISP;
- (d) commencing and overseeing the completion of Phase 1 and Phase 2 of the SISP;
- (e) responding to inquiries from various stakeholders;
- (f) coordinating with the Siena Receiver in respect of various matters;
- (g) scheduling site visits of the facilities in advance of the Phase 1 Bid Deadline;
- (h) drafting and providing the draft Asset Purchase Agreement to selected bidders;
- (i) negotiating the Purchase Agreements;
- (j) consulting with prospective bidders;
- (k) reviewed with FCC, the offers received for the FCC Secured Property;
- (l) attending to other administrative matters relating to these proceedings;
and,
- (m) preparing this Second Report and the corresponding motion materials.

H. NEXT STEPS

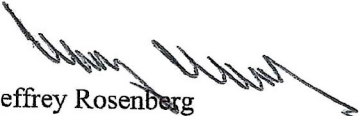
64. If the Court approves the relief sought by the Monitor with respect to the Purchase Agreements, the next steps by the Receiver will involve the following:
- (a) working with Receiver's counsel and the Purchaser's counsel to close the transactions contemplated by the Purchase Agreements;
 - (b) continuing to pursue options to realize on the Vigro Lands and potentially bringing a motion seeking approval of any such transaction;
 - (c) instructing Receiver's counsel to complete a security review of the FCC Secured Property to confirm priority of FCC; and
 - (d) seeking court approval for distribution of proceeds to FCC.

I. RECOMMENDATION

65. The Receiver respectfully submits this Second Report in support of an order seeking to approve the Purchase Agreements and the related relief thereto.

Dated this 4th day of November, 2024.

FTI Consulting Canada Inc.
The Receiver of Global Food and Ingredients Inc. and GFI Brands Inc. in respect of the
FCC Secured Property


Jeffrey Rosenberg
Senior Managing Director

Tab A

ASSET PURCHASE AGREEMENT

This Agreement is made as of the 4th day of November, 2024 (the “**Effective Date**”).

AMONG:

FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed receiver of the assets that constitute FCC Secured Property (as defined below) of **GLOBAL FOOD AND INGREDIENTS INC. and GFI BRANDS INC.**, and not in its personal or corporate capacity (the “**Vendor**”)

- and -

Harvest Grain Zealandia Ltd., or its nominee, being a corporation duly incorporated under the laws of the Province of Saskatchewan, (the “**Purchaser**”)

RECITALS:

A. **WHEREAS** by order (the “**Receivership Order**”) granted on May 30, 2024 in the receivership proceedings of Global Food and Ingredients Inc. (“**Global Food**”) and GFI Brands Inc. (“**GFI Brands**” and together with Global Foods, the “**Debtors**”) under the *Bankruptcy and Insolvency Act* (the “**BIA**”) and the *Courts of Justice Act* (“**CJA**”), Court File No. CV-24-00720526-00CL (the “**Receivership Proceeding**”), FTI Consulting Canada Inc. was appointed as receiver (in such capacity, the “**Receiver**”) of among other things, the assets, undertakings and properties of the Debtors that constitute FCC Secured Property upon an application by Farm Credit Canada (“**FCC**”);

B. **WHEREAS** pursuant to an order made in the Receivership Proceedings dated August 19, 2024, the Receiver obtained the approval of the Court to implement a sale process (the “**Sale Process**”) with respect to certain assets of the Debtors (the “**Sale Process Order**”); and

C. **WHEREAS** in the event that this Agreement is selected as the Successful Bid (as defined herein) in the Sale Process, the Purchaser desires to acquire the Purchased Assets (as defined herein) subject to, and in accordance with, the terms and conditions set forth in this Agreement, the Sale Process Order, and obtaining Court approval of the Transaction (as defined herein).

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Parties hereby acknowledge and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Unless something in the subject matter or context is inconsistent therewith, the terms defined herein shall have the following meanings:

“**Affiliate**” has the meaning given to the term “affiliate” in the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44.

“**Agreement**” means this asset purchase agreement, as may be amended and restated from time to time in accordance with the terms hereof, with the consent of the Receiver, and “**Article**” and “**Section**” mean and refer to the specified article, section and subsection of this Agreement.

“Applicable Law” means, in respect of any Person, property, transaction or event, any: (i) domestic or foreign statute, law (including the common law), ordinance, rule, regulation, treaty, restriction, regulatory policy, standard, code or guideline, by-law or order; (ii) judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings, instruments or awards of any Governmental Authority; and (iii) policies, practices, standards, guidelines and protocols having the force of law, that applies in whole or in part to such Person, property, transaction or event.

“Approval and Vesting Order” means an order by the Court, in form and substance satisfactory to the Vendor and Purchaser, each acting reasonably, among other things, approving and authorizing this Agreement and the Transaction and vesting in and to the Purchaser the Purchased Assets free and clear of any and all Encumbrances except the Permitted Encumbrances.

“Assignment and Assumption Agreement” means an assignment and assumption agreement, in form and substance satisfactory to the Parties, acting reasonably, evidencing the assignment to the Purchaser of the Debtors’ rights, benefits and interests in, to and under the Purchased Assets and assumption by the Purchaser of all of the Assumed Liabilities, which shall include a detailed listing of the Equipment included in the Purchased Assets and an indemnity in favour of the Vendor from the Purchaser in respect of any Claims arising with respect to the Purchased Assets and Assumed Liabilities from and after the Closing Time.

“Assignment Order” means an order of the Court, in form and substance satisfactory to the Purchaser, acting reasonably, assigning to the Purchaser the rights and obligations of Global Food under the Assumed Contracts for which a consent for the assignment of the Assumed Contracts has not been obtained, and which will include, if necessary, a mechanism for the resolution of any disputed Cure Costs.

“Assumed Contracts” means those assets enumerated in Schedule “B” hereto, being none.

“Assumed Liabilities” has the meaning set out in Section 2.3.

“Backup Bid” has the meaning set out in the Sale Process.

“Backup Bid Expiration Date” has the meaning set out in the Sale Process.

“BIA” has the meaning set out in the recitals hereto.

“Books and Records” means without limitation, all books, databases, customer lists, engineer drawings, and records, whether tangible or electronic which contain any information relating to any of the foregoing related to the Purchased Assets.

“Business” means the Debtors’ former business of owning and operating a seed cleaning and processing facility using the Purchased Assets, and comprising three separate seed cleaning, processing, and storage facilities located on the Real Property.

“Business Day” means a day on which banks are open for business in Regina, Saskatchewan, but does not include a Saturday, Sunday or statutory holiday in the Province of Saskatchewan.

“Cash Purchase Price” has the meaning set out in Section 3.3(b).

“CJA” has the meaning set out in the recitals hereto.

“Claims” means any and all past, present and future claims, charges, suits, proceedings, liabilities, deficiencies, demands, controversies, actions, causes of action, obligations, losses, damages, penalties, orders, judgments, costs, expenses, fines, amounts paid in settlement, disbursements, legal fees on a substantial indemnity basis, and other professional fees and disbursements, interest, demands and actions of any nature or any kind whatsoever, including, without limitation, any labour grievances, pay equity claims, and successor employer claims.

“Closing” means the closing and consummation of the Transaction.

“Closing Date” means the date that is five (5) Business Days after the date upon which the conditions set forth in Section 6 have been satisfied or waived, other than any conditions set forth in Section 6 that by their terms are to be satisfied or waived at the Closing (or such other earlier or later date as may be agreed by the Vendor and the Purchaser in writing).

“Closing Time” means 12:01 a.m. (Toronto 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.

“Court” means the Ontario Superior Court of Justice (Commercial List).

“Cure Costs” means, in respect of the Assumed Contracts, all amounts, costs, fees and expenses: (i) required to be paid to remedy Global Food’s monetary defaults in relation to the Assumed Contracts, other than those arising by reason only of Global Food’s bankruptcy, insolvency or failure to perform a non-monetary obligation; (ii) necessary to secure a counterparty’s or any other necessary Person’s consent to the assignment of the Assumed Contracts; or (iii) as may be required pursuant to the Approval and Vesting Order or the Assignment Order, as applicable, and which for greater certainty, may be an amount agreed to by the Purchaser and the counterparty to the Assumed Contracts.

“Debtors” has the meaning set out in the recitals hereto.

“Deposit” has the meaning set out in Section 3.3(a).

“Deposit Repayment” has the meaning set out in Section 3.4.

“Effective Date” has the meaning set out in the preamble hereto.

“Encumbrance” means any security interest (whether contractual, statutory or otherwise), lien, Claim, charge, right of retention, deemed trust, judgement, writ of seizure, writ of execution, notice of seizure, notice of execution, notice of sale, hypothec, reservation of ownership, pledge, encumbrance, mortgage or right of a third party (including any contractual rights such as purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual right) or encumbrance of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing, (including any conditional sale or title retention agreement, or any capital or financing lease) in each case whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise.

“Environmental Condition” has the meaning set out in Section 4.3(a).

“Environmental Laws” means all Applicable Laws concerning pollution or protection of the natural environment or otherwise relating to the environment or health or safety matters, including Applicable Laws pertaining to (i) reporting, licensing, permitting, investigating and remediating the presence of Hazardous Materials, and (ii) the discharge, release, spill, generation, removal, transportation, storage, use, handling, manufacturing, processing, treatment, release, disposal or exposure to any Hazardous Materials.

“**ETA**” means the Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder.

“**Equipment**” means Goods that are not Inventory or Consumer Goods (with Goods, Inventory and Consumer Goods having the meaning given each such term under *The Personal Property Security Act, 1993* (Saskatchewan)) owned by the Debtors as at the Effective Date and customarily located at or situated upon the Real Property, and any part thereof including all tools, supplies, spare parts, apparatus, plant, furniture, fixtures, equipment, machinery, conveyors, machine tools, data processing and computer equipment, including embedded software and peripheral equipment and all engineering, processing and manufacturing equipment, Heating Ventilation and Air Conditioning (HVAC) systems, elevation systems and storage equipment, automotive equipment, trailers, motor vehicles, trucks, forklifts, molds, dies, stamps, rolling stock and other equipment of every kind and nature whatsoever and all accessories, additions and accessions thereto, and any building components that are affixed to the real and immovable property that comprise part of the Real Property and constitute real property at law; and, for the avoidance of doubt, includes those Goods identified by the Purchaser as being situated on the Real Property on the Effective Date, as more particularly identified on Schedule “E” attached hereto and forming part of this Agreement.

“**FCC**” has the meaning set out in the recitals hereto.

“**FCC Secured Property**” has the meaning provided to it in the Receivership Order.

“**GFI Brands**” has the meaning set out in the recitals hereto.

“**Global Food**” has the meaning set out in the recitals hereto.

“**Governmental Authority**” means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, court (including the Court), tribunal, commission, stock exchange, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government or securities market regulation.

“**GST**” means the goods and services tax imposed under the ETA.

“**GST Declaration and Indemnity**” has the meaning set out in Section 3.5(e).

“**Hazardous Materials**” means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Governmental Authority and any “contaminants”, “dangerous substances”, “hazardous materials”, “hazardous substances”, “hazardous wastes”, “industrial wastes”, “liquid wastes”, “pollutants” and “toxic substances”, all as defined in, referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health or safety matters.

“**Indemnitees**” has the meaning set out in Section 4.4(a).

“**ITA**” means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.).

“**Liability**” means, with respect to any Person, any and all liabilities or obligations of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, matured or unmatured, vested or unvested, executory, determined,

determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“**Outside Date**” means 11:59 pm (Toronto time) on November 30, 2024, or such later date and time as the Vendors and the Purchaser may agree to in writing.

“**Parties**” means the Vendors and the Purchaser, and “**Party**” means any one of them.

“**Permitted Encumbrances**” means the Encumbrances in Schedule “C”.

“**Person**” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted.

“**Post-Closing Environmental Indemnity**” has the meaning set out in Section 4.4(a).

“**PST**” means the provincial sales tax imposed under *The Provincial Sales Tax Act* (Saskatchewan) or imposed under any similar provincial sales or retail sales tax legislation.

“**Purchased Assets**” means, collectively, the Real Property, Equipment and Books and Records.

“**Purchase Price**” has the meaning set out in Section 3.1.

“**Purchaser**” has the meaning set out in the preamble hereto.

“**Real Property**” means any right, title or interest of the Debtors in and to all real (immovable) property listed at Schedule “A” hereto.

“**Receiver**” has the meaning set out in the recitals hereto.

“**Receiver’s Certificate**” has the meaning set out in Section 6.1(d).

“**Receivership Order**” has the meaning set out in the recitals hereto.

“**Receivership Proceeding**” has the meaning set out in the recitals hereto.

“**Sale Process**” has the meaning set out in the recitals hereto.

“**Sale Process Order**” has the meaning set out in the recitals hereto.

“**Successful Bid**” has the meaning set out in the Sale Process.

“**Taxes**” means, whether disputed or not: (i) with respect to any Person, all supranational, national, federal, provincial, territorial, state, local or other taxes, including income taxes, corporation taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, GST, PST, retail sales taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, use taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, sales taxes, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties; and (ii) any liability for the payment of any amounts of the type described in clause (i)

as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

“**Transaction**” the transaction contemplated by this Agreement whereby the Purchaser will acquire the Purchased Assets subject to the terms of this Agreement.

“**Transfer Taxes**” means all present and future transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Purchased Assets, including GST and PST.

“**Vendor**” has the meaning set out in the preamble hereto.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 General Construction

The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement and not to any particular section hereof. The expression “Section” or reference to another subdivision followed by a number mean and refer to the specified Section or other subdivision of this Agreement. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

1.4 Extended Meanings

Words importing the singular include the plural and vice versa and words importing gender include all genders. The term “including” means “including, without limitation,” and such terms as “includes” have similar meanings and the term “third party” means any other Person other than the Vendors or the Purchaser, or any Affiliates thereof.

1.5 Currency

All references in this Agreement to dollars, monetary amounts, or to \$, are expressed in Canadian currency unless otherwise specifically indicated.

1.6 Statutes

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

1.7 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule “A” – Real Property

Schedule “B” – Assumed Contracts - nil

Schedule “C” – Permitted Encumbrances

Schedule “D” – Purchase Price Allocation

Schedule “E” - Itemized list of Goods included in Purchased Assets

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

ARTICLE 2 PURCHASE AND SALE OF PURCHASED ASSETS

2.1 Purchase and Sale of Purchased Assets

At the Closing Time, subject to the terms and conditions of this Agreement, the Vendor shall sell, assign, transfer and convey to the Purchaser pursuant to the Approval and Vesting Order, and the Purchaser shall purchase and assume from the Vendor, all of right, title and interest of the Debtors in, to and under the Purchased Assets and Assumed Liabilities free and clear of any and all Encumbrances except Permitted Encumbrances.

2.2 Transfer of Purchased Assets and Non-Assumption of Liabilities

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, legal and beneficial ownership of the Purchased Assets shall transfer from the Debtors to the Purchaser on the Closing Date.

2.3 Assumed Liabilities

From and after Closing, the Purchaser shall assume, pay, honor, fulfill, perform, and be liable for, as the case may be, the Assumed Liabilities as and when due. The Assumed Liabilities shall consist of the Liabilities incurred under or in respect of (the following being collectively referred to as the “**Assumed Liabilities**”):

- (a) Permitted Encumbrances;
- (b) The ownership, operation or use of the Purchased Assets from and after the Closing Date; and
- (c) The Environmental Condition, and any and all Liabilities for the remediation of the soil and groundwater in, on, over, under or flowing through, onto or from the Real Property or any part thereof.

2.4 Assignment and Assumption of Assumed Contracts

[Intentionally Deleted]

2.5 Permitted Encumbrances

The Purchaser acknowledges that the Vendor undertakes no obligation to discharge the Permitted Encumbrances on the Closing or thereafter.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The purchase price payable by the Purchaser for the Purchased Assets shall be the aggregate sum of [REDACTED] (the “**Purchase Price**”). The Purchase Price shall be satisfied in accordance with Section 3.3. For avoidance of doubt, the Purchase Price does not include GST or PST payable on the acquisition of the Purchased Assets.

3.2 Allocation of Purchase Price

The Vendor and the Purchaser agree to allocate the Purchase Price to the Purchased Assets in a manner to be agreed to by the Parties, each acting reasonably, before Closing but in substantially the form included as Schedule “D” hereto.

3.3 Satisfaction of Purchase Price

The Purchaser shall pay and satisfy the Purchase Price in accordance with the following:

- (a) Deposit. The Purchaser has paid to the Vendor a deposit in the amount of **10%** of the Purchase Price, being the sum of [REDACTED] the receipt of which is hereby acknowledged by the Vendor, to be dealt with in accordance with this Agreement and credited against the Purchase Price at Closing (the “**Deposit**”). The Deposit shall be held in a non-interest-bearing trust account.
- (b) Cash Purchase Price. At the Closing Time, the Purchaser shall pay to the Receiver the balance of the Purchase Price, being [REDACTED] in immediately available funds (the “**Cash Purchase Price**”).

3.4 Deposit Repayment

In the event that this Agreement is not the Successful Bid or Backup Bid for the Purchased Assets, the Vendor shall repay in full the Deposit, without interest and without deduction, within five (5) Business Days of the selection of the Successful Bid for the Purchased Assets (the “**Deposit Repayment**”).

In the event that this Agreement is selected as the Backup Bid and the transaction contemplated by the Successful Bid closes, then the Vendor shall repay in full the Deposit within five (5) Business Days of the Backup Bid Expiration Date.

3.5 Transfer Taxes

The Parties agree that:

- (a) The Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay any and all Transfer Taxes pertaining to the Purchaser’s acquisition of the Purchased Assets.

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- (b) Where the Debtors are required under Applicable Law to collect or remit Transfer Taxes, the Purchaser will pay the amount of such Transfer Taxes to the Receiver (on behalf of the Debtors) at Closing.
- (c) Except where the Debtors are required under Applicable Law to collect or pay such Transfer Taxes, the Purchaser shall pay such Transfer Taxes directly to the appropriate Governmental Authority or other entity within the required time period and shall file all necessary documentation with respect to such Transfer Taxes when due. If the Receiver on behalf of the Debtors is required under Applicable Law to pay any such Transfer Taxes that are not paid by the Purchaser at Closing, the Purchaser shall promptly reimburse the Receiver the full amount of such Transfer Taxes upon delivery to the Purchaser of copies of receipts showing payment of such Transfer Taxes.
- (d) The Purchaser shall indemnify the Vendor for, from and against any Transfer Taxes (including any interest and/or penalties imposed by a Governmental Authority) that the Vendor may be assessed or reassessed for and may pay or for which the Vendors may become liable as a result of any failure by the Purchaser to pay or remit such Transfer Taxes.
- (e) The Purchaser and Vendor hereby agree and represent to each other that that:
 - (i) The Purchaser shall be responsible for and pay, on the Closing Date, any Taxes payable upon or in connection with the conveyance or transfer of the Purchased Assets, including any GST and PST.
 - (ii) The Vendor shall be responsible for paying any municipal property taxes owing with respect to the Real Property to the Closing Date.
 - (iii) The Purchaser shall be purchasing the Purchased Assets on the Closing Date, as principal for its own account and not as an agent, trustee or otherwise on behalf of another person or party.
 - (iv) The Purchaser will be registered under subdivision D of Division V of the ETA for the purposes of collection and remittance of GST and shall provide such registration number to the Vendor prior to the Closing Date.
 - (v) The Purchaser shall be liable for, and shall self-assess and remit to the appropriate governmental authority, all GST which is payable under the ETA in connection with the supply by way of sale of the Real Property in accordance with subsections 221(2) and 228(4) of the ETA and which GST shall be in addition to the Purchase Price;
 - (vi) The Vendor shall, for the purposes of section 167 of the ETA: (A) be a registrant for GST purposes in accordance with the provisions of the ETA; (B) will continue to be a registrant up to and including the Closing Date; and (C) provide its GST registration number to the Purchaser prior to the Closing Date;
 - (vii) At Closing, the Purchaser and Vendor agree to jointly prepare and execute GST Form 44E, and to jointly elect pursuant to subsection 167(1) of the ETA that no GST will be payable by the Purchaser with respect to the Purchaser's acquisition of the Purchased Assets (excluding the Real Property) herein contemplated. The Purchaser represents and warrants to the Vendor that the Purchaser will file that election in the manner and within the time prescribed by law;

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- (viii) The Purchaser acknowledges that PST is payable in respect of the acquisition of certain of the Purchased Assets (excluding Real Property and certain exempt Equipment), and the Purchaser covenants and agrees with the Vendor that the Purchaser shall account for and remit to Saskatchewan Financial Revenue Services, within the time prescribed for such remittance, all applicable PST in respect of the acquisition of the Purchased Assets;
- (ix) The Purchaser shall be liable for, and the Vendor shall collect on the Closing Date, all other Transfer Taxes which are payable by the Purchaser and collectible by the Vendor under Applicable Law in connection with the sale or transfer of the Purchased Assets pursuant to this Agreement, all in accordance with Applicable Law and which Transfer Taxes shall be in addition to the Purchase Price.
- (x) The Purchaser shall indemnify and save harmless the Vendor from and against any and all Transfer Taxes, penalties, costs and/or interest which may become payable by or assessed against the Vendor or any and all Claims incurred, suffered or sustained by the Vendor as a result of any inaccuracy, misstatement or misrepresentation made by the Purchaser on the Closing Date in connection with any matter raised in this Section 3.5(e) or contained in any declaration referred to herein;
- (xi) The Purchaser shall tender on Closing a declaration and indemnity confirming the provisions of this Section 3.5(e) and the Purchaser's GST registration number (the "**GST Declaration and Indemnity**"); and
- (xii) The provisions of this Section 3.5(e) shall survive and not merge on Closing.

ARTICLE 4 REPRESENTATIONS, WARRANTIES AND COVENANTS

4.1 Representations and Warranties of the Vendors

The Vendor hereby represents and warrants as of the date hereof and as of the Closing Time as follows, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Authority. Subject to obtaining and pursuant to the Vesting Order, the Vendor has the power, authority and capacity to enter into this Agreement, subject to its terms, and the authority to execute all instruments required by this Agreement to be delivered by it, and to perform its obligations hereunder and thereunder;
- (b) Registration. The Vendor is, and shall be as of the Closing Date, registered for GST/HST purposes under the ETA and its registration number shall be provided to the Purchaser prior to the Closing Date.
- (c) Residency. To the knowledge of the Receiver, the Debtors are not a non-resident of Canada for purposes of the ITA or the ETA, as applicable.

4.2 Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to and in favour of the Vendor as of the date hereof and as of the Closing Time, and acknowledges that the Vendor is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

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- (a) Incorporation and Status. The Purchaser is a corporation incorporated and existing under the laws of the Province of Saskatchewan, is in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) Approvals. No consent, waiver, authorization or approval of any person and no notice or declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by the Purchaser of this Agreement or all other agreements and instruments to be executed by the Purchaser or the performance of its obligations hereunder or thereunder.
- (d) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement does not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the organizational documents of the Purchaser.
- (e) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (f) Residency. The Purchaser is not a non-resident of Canada for purposes of the ITA or ETA, as applicable. Further, the purchase and assumption of the Purchased Assets by the Purchaser will not violate or be non-compliant with the *Prohibition on the Purchase of Residential Property by Non-Canadians Act*, S.C. 2022, c. 10, s. 235.
- (g) Registration. The Purchaser is registered for GST/HST purposes under the ETA and its registration number shall be provided to the Vendor prior to the Closing Date.
- (h) Investment Canada Act. The Purchaser is a Canadian within the meaning of the *Investment Canada Act*, R.S.C., 1985, c. 28 (1st Supp).
- (i) Solvency. The Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets, has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property.

4.3 As is, Where is

- (a) The Vendor is selling and the Purchaser is purchasing the Purchased Assets on an “as is, where is” and “without recourse” basis subject to whatever defects, conditions, impediments, Hazardous Materials or deficiencies which may exist on the Closing Date, including any latent or patent defects in the Purchased Assets. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets and that it has been advised of potential encroachment issues and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deems appropriate and has satisfied itself with

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regard to these matters. No representation, warranty or condition is expressed or can be implied as to any matter including, title, encumbrances, description, fitness for purpose or use, merchantability, condition, quantity or quality, latent defects, cost, size, value, state of repair, zoning, permitted uses, encroachments, permits, compliance with Applicable Laws of Governmental Authorities, threatened claims, litigation, the existence or non-existence of Hazardous Materials flowing onto or from the Real Property or any part thereof, or in the air, surface or ground water flowing through, onto or from the Real Property, or any part thereof (the “**Environmental Condition**”), compliance with any or all Environmental Laws, or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Vendor to sell or assign same save and except as expressly provided for in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act (Saskatchewan) or similar legislation do not apply hereto and are hereby waived by the Purchaser. The descriptions of the Purchased Assets contained in this Agreement are for the purposes of identification only and no representation, warranty or condition has or will be given by the Vendor concerning the completeness or accuracy of such descriptions. The Purchaser further acknowledges that all written and oral information (including analyses, financial information and projections, compilations and studies) obtained by the Purchaser from the Vendor or any agent of the Vendor with respect to the Purchased Assets or otherwise relating to the Transaction has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete. The Purchaser further acknowledges that the Vendor shall not be under any obligation to deliver the Purchased Assets to the Purchaser and that it shall be the Purchaser’s responsibility to take possession of the Purchased Assets.

- (b) Subject to the Vendor’s representations and warranties set out in this Agreement and the Vendor’s obligations set out in this Agreement, the Purchaser, on behalf of itself and its successors and assigns, hereby releases the Vendor and its directors, officers, employees, agents and representatives from, and waives, any and all Claims it or they may be able to assert against the Vendor and its directors, officers, employees, agents and representatives for the Purchased Assets as it may relate to title, encumbrances, encroachments, description, fitness for purpose or use, merchantability, condition, quantity or quality, latent defects, cost, size, value, state of repair, zoning, permitted uses, permits, compliance with Applicable Laws of Governmental Authorities, threatened claims, litigation, Environmental Condition, compliance with any or all Environmental Laws. The Purchaser further agrees that the Purchaser will not, directly or indirectly, attempt to compel the Receiver to clean up or remove or pay for the cleanup or removal of any Hazardous Materials, remediate any condition or matter in, on, under or in the vicinity of the Real Property or seek an abatement in the Purchase Price or damages in connection with any Hazardous Materials. Except as may be provided in this Agreement, the Vendor shall have no obligation or responsibility to the Purchaser after Closing with respect to any matter relating to the Purchased Assets or the condition thereof.
- (c) The Purchaser shall accept the title to the Real Property subject to the Permitted Encumbrances.
- (d) The remedies expressly set forth in this Agreement are the Purchaser’s sole and exclusive remedies relating to this Agreement, the Transaction contemplated hereby and the Purchased Assets.
- (e) The Purchaser acknowledges and agrees that the enforceability of this Agreement against the Vendor is subject to entry of the Approval and Vesting Order.

- (f) This Section 4.3 shall survive Closing.

4.4 Purchaser Indemnity

- (a) The Purchaser shall indemnify and save harmless the Receiver and its directors, officers, employees, agents and representatives (collectively, the “**Indemnitees**”) from and against any and all Liabilities which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with the operations of the Purchaser on the Real Property or any order (including, without limitation, any Governmental Order), notice, directive, or requirement under, or breaches, violations or non-compliance with any Environmental Laws but only to the extent that either occurs after the Closing Date or as a result of the generation, removal, disposal, transportation, storage, discharge, release or threat of discharge or release or spill at, on, in, under or about the Real Property of any Hazardous Materials after the Closing Date (the “**Post-Closing Environmental Indemnity**”).
- (b) The Post-Closing Environmental Indemnity shall also include any and all matters, events, incidents, discharges, releases, spills, breaches, violations or non-compliances with any Environmental Laws or matters involving any Hazardous Materials, that occurred or may have occurred prior to the Closing Date which are caused by, exacerbated by or contributed to by the Purchaser, but only to the extent of the liabilities caused by the Purchaser or the increase in liabilities caused as a result of actions of the Purchaser that exacerbated or contributed to such liabilities and for greater certainty, and without limiting the generality of the foregoing, shall not apply to any Liabilities resulting from the mere discovery of conditions already existing at the time of the Purchaser’s access, testing or inspections of the Real Property, except to the extent caused by, exacerbated by or contributed to by the Purchaser as a result of such access, testing or inspections, or following the Closing Date.
- (c) This Section 4.4 shall survive Closing.

4.5 Risk

The Purchased Assets will be at the Vendor’s risk until the completion of the Transaction contemplated herein on the Closing Date and thereafter at the Purchaser’s risk. If, before the Closing, all or any material part of the Purchased Assets is lost, damaged or destroyed or is appropriated, expropriated or seized by any Governmental Authority, then the Parties shall agree on an adjustment to the Purchase Price to account for such loss, damage, destruction, appropriation or seizure.

4.6 Receiver Liability

The Purchaser hereby expressly acknowledges and agrees that FTI Consulting Canada Inc. is acting only in its representative capacity as Court-appointed receiver of the Purchased Assets and shall have no personal liability under or as a result of entering into or carrying out the transaction which is the subject of this Agreement except in such capacity and without limitation to the generality of the foregoing FTI Consulting Canada Inc. shall have no liability under or as a result of entering into or carrying out of such transaction in its personal capacity.

ARTICLE 5 CLOSING ARRANGEMENTS

5.1 Closing

Closing shall take place on the Closing Date effective as of the Closing Time electronically (or as otherwise determined by mutual agreement of the Parties in writing), by the exchange of deliverables (in counterparts or otherwise) by electronic transmission in PDF format.

5.2 Vendors' Closing Deliveries

At or before the Closing Time, the Vendor shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true copy of the Approval and Vesting Order, as issued and entered by the Court;
- (b) a copy of the Assignment Order, if applicable;
- (c) the Assignment and Assumption Agreement, duly executed by the Vendor;
- (d) a bring-down certificate of the Vendor dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time;
- (e) the Books and Records; and
- (f) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

5.3 Purchaser's Closing Deliveries

At or before the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor (or to the Proposal Trustee, as applicable), the following:

- (a) payment of the Cash Purchase Price in immediately available funds;
- (b) payment of all Transfer Taxes payable on Closing to the Vendor (or evidence of payment by the Purchaser thereof to the relevant Governmental Authorities) in accordance with Section 3.5;
- (c) the Assignment and Assumption Agreement, duly executed by the Purchaser;
- (d) a bring-down certificate of an officer of the Purchaser dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all material respects the covenants to be performed by it prior to the Closing Time;
- (e) the GST Declaration and Indemnity; and
- (f) such other agreements, documents and instruments as may be reasonably required by the Vendor to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

5.4 Closing in Escrow

The Parties acknowledge that Closing may take place in escrow and subject to such trust conditions or undertakings imposed on the delivery of documents or funds as the solicitors for the Receiver and solicitors for the Purchaser may agree to, each acting reasonably.

5.5 Tender on a Party's Solicitors

The Parties agree that any tender of documents or money may be made upon either such Party or their solicitors and money may be tendered by wire transfer, bank draft or solicitor's trust cheque.

ARTICLE 6 CONDITIONS OF CLOSING

6.1 Conditions Precedent in favour of the Parties

The obligation of the Parties to complete the Transaction is subject to the following joint conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

- (a) Form of Transaction Documents. The Parties, each acting reasonably, shall have agreed on the form and substance of the Approval and Vesting Order, Assignment and Assumption Agreement, GST Declaration and Indemnity and such other transaction documents as are to be exchanged between the Parties at or before Closing;
- (b) Allocation of Purchase Price amongst Purchased Assets. The Parties, each acting reasonably, shall have agreed on the allocation of the Purchase Price amongst the Purchased Assets;
- (c) Approval and Vesting Order. The Court shall have issued and entered the Approval and Vesting Order, which Approval and Vesting Order shall not have been stayed, set aside, or vacated and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the Parties, each acting reasonably.
- (d) No Order. No Applicable Law and no judgment, injunction, order or decree shall have been issued by a Governmental Authority or otherwise in effect that restrains or prohibits the completion of the Transaction; and
- (e) No Restraint. No motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction contemplated by this Agreement.
- (f) Receiver's Certificate. The Receiver shall have provided an executed certificate of the Receiver substantially in the form attached to the Approval and Vesting Order (the "**Receiver's Certificate**") confirming that all other conditions to Closing have either been satisfied or waived by both the Purchaser and the Vendor.

The foregoing conditions are for the mutual benefit of the Parties. If any condition set out in Section 6.1 is not satisfied, performed or mutually waived on or prior to the Outside Date, any Party may elect on written notice to the other Parties to terminate this Agreement.

6.2 Conditions Precedent in favour of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Successful Bid. This Agreement shall have been designated as the Successful Bid in accordance with the terms of the Sale Process.
- (b) Vendors' Deliverables. The Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 5.2.
- (c) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Section 4.1 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (d) No Breach of Covenants. The Vendor shall have performed, in all material respects, all covenants, obligations and agreements contained in this Agreement required to be performed by the Vendor on or before the Closing Date.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 6.2 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. If any condition set forth in this Section 6.2 is not satisfied or performed on or prior to the Outside Date, the Purchaser may elect on written notice to the Vendors, with a copy to the Proposal Trustee, to terminate this Agreement.

6.3 Conditions Precedent in favour of the Vendor

The obligation of the Vendor to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing all the documents and payments contemplated in Section 5.3.
- (b) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 4.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date, or (ii) if made as of a date specified therein, as of such date.
- (c) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.

The foregoing conditions are for the exclusive benefit of the Vendor. Any condition in this Section 6.3 may be waived by the Vendor in whole or in part, without prejudice to any of their rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing. If any condition set forth in this Section 6.3 is not satisfied or performed on or prior to the Outside Date, the Vendor may elect on written notice to the Purchaser to terminate the Agreement.

6.4 Receiver's Certificate

The Parties hereby acknowledge and agree that the Receiver shall be entitled to deliver to the Purchaser and file with the Court the Receiver's Certificate upon receiving written confirmation from the Purchaser that all conditions to Closing in Sections 6.1 and 6.2 have been satisfied or waived and once the conditions set out in Section 6.3 have been satisfied or waived by the Receiver. The Receiver shall have no liability to the Purchaser or any other person as a result of filing the Receiver's Certificate.

ARTICLE 7 TERMINATION

7.1 Grounds for Termination

This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual written agreement of the Vendor and the Purchaser;
- (b) by the Purchaser upon written notice to the Vendor if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser and, if the breach is curable, such breach has not been cured within five (5) Business Days following the date upon which the Purchaser notified the Vendor of such breach;
- (c) by the Vendor upon written notice to the Purchaser if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor and, if the breach is curable, such breach has not been cured within five (5) Business Days following the date upon which the Vendor notified the Purchaser of such breach; or
- (d) by the Vendor or the Purchaser upon written notice to the other Parties if the Closing has not occurred on or prior to the Outside Date; provided that the failure to close by such deadline is not caused by a breach of this Agreement by the Party proposing to terminate the Agreement.

7.2 Effect of Termination.

If this Agreement is terminated pursuant to Section 7.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder; except for the provisions of: (a) this Section 7.2; and (b) Section 3.4 with respect to the Purchaser's entitlement to the Deposit Repayment. The Parties agree that the Deposit shall be retained by the Vendor as a genuine pre-estimate of liquidated damages and not as a penalty if the purchase and sale of the Purchased Assets is not completed pursuant to the Agreement as a result of the Purchaser's breach hereunder in full and final satisfaction of any Claims against the Purchaser related thereto. If this Agreement is terminated at any time other than as a result of a breach by the Purchaser, the Vendor shall promptly return the Deposit in full to the Purchaser. If the Transaction is terminated for any reason, the Purchased Assets may be resold by the Vendor.

8.1 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered by read-receipted email, addressed:

- (a) in the case of the Purchaser, as follows:

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Harvest Grain Zealandia Ltd.
c/o McDougall Gauley LLP
500-616 Main Street Saskatoon SK S7H 0J6
Attention: Rajesh Jain,
Email: raj@harvestgrain.ca

With a copy to Purchaser's counsel:
Email : bnickel@mcdougallgauley.com

(b) in the case of the Vendor, as follows:

FTI Consulting Canada Inc.
TD South Tower
79 Wellington Street West, Suite 2010
Toronto, ON M5K 1G8

Attention: Jeffrey Rosenberg
Email: Jeffrey.rosenbergfticonsulting.com

with a copy to:

McCarthy Tetrault LLP
TD Bank Tower
66 Wellington Street Wes, Suite 5300
Toronto, ON M5K 1E6

Attention: Heather Meredith
Email: hmeredith@mccarthy.ca

Sanea Tanvir
stanvir@mccarthy.ca

Any such notice or other communication, if transmitted by email before 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission. In the case of a communication by email or other electronic means, if an autoreply is received indicating that the email is no longer monitored or in use, delivery must be followed by the dispatch of a copy of such communication pursuant to one of the other methods described above; provided however that any communication originally delivered by electronic means shall be deemed to have been given on the date stipulated above for electronic delivery.

Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party. A Person may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such Person at its changed address.

8.2 Confidentiality

The Purchaser and its agents, advisors and authorized representatives shall maintain in strict confidence, until the Closing Date, all information and materials delivered or made available pursuant to this Agreement, except as may reasonably be disclosed by the Purchaser:

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- (a) to comply with laws requiring disclosure; or
- (b) otherwise agreed upon in writing by the Receiver.

In the event that the transaction contemplated in this Agreement is, for any reason whatsoever, not completed, then the Purchaser shall promptly return to the Vendor all materials delivered hereunder and deliver to the Vendor all copies of materials made available hereunder.

8.3 Calculation of Time

Unless otherwise specified, time periods referred to in this Agreement within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

8.4 Amendments and Waivers.

No amendment of any provision of this Agreement shall be binding on either Party unless agreed to in writing by each of the Parties. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver constitute a continuing waiver unless otherwise provided.

8.5 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Parties.

8.6 Survival

The representations and warranties of the Parties contained in this Agreement shall merge on Closing, provided that the representations, warranties and covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

8.7 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

8.8 Entire Agreement

This Agreement and the Schedules attached hereto constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements, and for the avoidance of doubt supersedes and replaces the prior form of this Agreement dated effective October 4, 2024, which prior form of this Agreement was not accepted nor signed by the Vendor. This Agreement may not be amended or modified in any respect except by written instrument executed by the Vendors and the Purchaser. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as expressly provided.

8.9 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with this Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

8.10 Independent Legal Advice

Each of the Parties acknowledge that they have been afforded the opportunity of receiving independent legal advice concerning this Agreement, and in the event that any Party has executed this Agreement without the benefit of independent legal advice, such Party hereby waives the right to receive such independent legal advice.

8.11 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the non-exclusive jurisdiction of the Court, and any appellate courts of the Province of Ontario therefrom.

8.12 Assignment

This Agreement may not be assigned by any Party hereto without the prior written consent of the other Party hereto, which consent may be arbitrarily withheld, provided that the Purchaser may designate one or more related nominees to take title in and to the Purchased Assets, or any part thereof, by giving the Vendor written notice of such assignment at least two Business Days prior to the date of the hearing of the application for the Approval and Vesting Order.

8.13 Further Assurances

Each of the Parties shall, at the request and expense of the requesting Party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such conveyances, transfers, documents and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

8.14 Counterparts

This Agreement may be executed electronically in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

8.15 Severability

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein is prohibited or unenforceable pursuant to Applicable Law, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

8.16 Receiver's Capacity

In addition to all of the protections granted to the Receiver under the BIA or any order of the Court in this Receivership Proceeding, the Purchaser acknowledges and agrees that FTI Consulting Canada Inc., acting in its capacity as Receiver over the Purchased Assets and not in its personal capacity, is not a signatory to this Agreement and will have no Liability, in its personal capacity or otherwise, in connection with this Agreement or the Transaction contemplated herein whatsoever as Receiver.

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[Signature Page Follows]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

For the Vendor:

FTI CONSULTING CANADA INC., solely in its capacity as court-appointed receiver and manager of Global Food and Ingredients Inc. and GFI Brands Inc.,

By: _____
Name:
Title:

For the Purchaser:

Harvest Grain Zealandia Ltd.

By: _____
Name: Rajesh Jain
Title: Secretary/Treasurer

Signed by:
Rajesh Jain
31PAD930C86041D...

I have authority to bind the Corporation.

Schedule "A"
Purchased Assets

REAL PROPERTY:

Zealandia Lands – 100 Elevator Road, Zealandia, Saskatchewan ("Zealandia Lands")

Surface Parcel #: 202892519

Reference Land Description: BLK/PAR K PLAN NO 102144046 EXTENSION 0

Surface Parcel # 145169185

Reference Land Description: BLK/PAR A PLAN NO 98MW19933 EXTENSION 1 as described on Certificate of Title 99MW02348

Schedule "B"
Assumed Contracts

nil

Schedule "C"
Permitted Encumbrances

Zealandia Lands – Surface Parcel #: 202892519

Interest #	Interest Register #	Date	Particulars
195068368	104537314	25-Apr-1937	Easement Holder – Saskatchewan Power Corporation
195068379	119711303	08-Jan-2014	Easement Holder – Saskatchewan Power Corporation

Surface Parcel # 145169185

Interest #	Interest Register #	Date	Particulars
195068289	104537336	26-Apr-1937	Easement Holder – SaskPower
195068290	112863900	28-May-2007	Easement Holder – Saskatchewan Power Corporation
195068302	119014781	07-Mar-2013	Easement Holder – Saskatchewan Power Corporation

Schedule "D"
Purchase Price Allocation

Purchased Asset	Purchase Price Allocation
Zealandia Lands	[REDACTED]
Books and Records related to Zealandia Lands	[REDACTED]
Equipment - Zealandia Lands	[REDACTED]

Schedule "E"
Itemized List of Goods included in Purchased Assets

Zealandia – Outdoor Equipment

Name	Model No.	Serial No.	Year
Semi Truck	X	2FUYASEB2NV483347	1992
Old Semi Trailer	X	X	X
Semi Trailer	X	X	X
Dump Trailer	X	4P5D71221D1194125	X
Ford F150 Pickup Truck	X	1FTFW1EF4CFA31698	2012
Bobcat Skid Steer	S300	X	X
Propane Forklift	GP25	5AM92114	X
International Tractor	4386	2970004U001266	X
Versatile Tractor	835	33761	1979
John Deere Ride On Mower	D140	X	X
Ramp	M35000	1156	X
Batco Gas Kicker	BXC2-1515LP	BA03B332001951	X
Electric Kicker	X	X	X
Batco 45 electric	MODEL 1555SD	BA03B372103170	X
Batco 85 Gas	1385 S	12405	X
Batco 85 electric	MODEL 1575SD WG	BA03B132001577	X

Batco 85 electric	1575 S	15182	X
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Zealandia – Bins

Location	Bins	Capacity per bin	Remarks
Green Plant	GD-1, GD-2, GD-3, GD-4, GD-5	4000 Bu	Receiving bins
Green Plant	GC-1, GC-2, GC-3, GC-4, GC-5	4000 Bu	Clean bins
Green Plant	GR-1	1000 Bu	Screenings bins
Green Plant	GR-2, GR-3	1200 Bu	Screenings bins
Location	Bins	Capacity per bin	Remarks
Red Plant	RD-1, RD-2 (Model 3609)	31,000 Bu	Receiving bins
Red Plant	RD-3, RD-4, RD-5, RD-6	4000 Bu	Receiving bins
Red Plant	RC-1, RC-2 (Model 2713H45)	25,700 Bu	Clean bins
Red Plant	RC-3, RC-4 (Model 2108H45)	9000 Bu	Clean bins
Red Plant	RS-1	3000 Bu	Screenings bins
Red Plant	RS-2	1000 Bu	Screenings bins
Location	Bins	Capacity per bin	Remarks
Splitting Plant	SD-1, SD-2, SD-3, SD-4, SD-5	4000 Bu	Storage bins
Splitting Plant	SD-6	2400 Bu	Storage bins

Location	Bins	Capacity per bin	Remarks
Extra Bins	ZE-1	2400 Bu	Storage bins
Extra Bins	ZE-2	1200 Bu	Storage bins





Zealandia - Office Equipment






Name Of Item	Quantity
Coffee Maker	1
Desk	3
Folding Chairs	13
Fridge	1
Laptops	5
Mice	4
Microwaves	3
Mini Fridge	1
Monitors	6
Office chairs	7
Printer/scanner	1
Shredder	1
Conference Table	1
Television	1
Water Dispenser	2






Workshop Equipment





<u>Name</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Year</u>	<u>Photo</u>
Dockage Tester	XT1	188		
<u>Name Of Item</u>				<u>Quantity</u>
DeWalt Angle Grinder Battery				1
DeWalt Angle Grinder Wired				1
Delta Bench Grinder and Steel Brush				1
Ridgid Chopsaw				1
DeWalt Circular Saw Battery				1
DeWalt Circular Saw Wired				1
Skil Drill Wired				1
DeWalt Drill Battery				1
King Drill Press				1
Husqvarna Gas Leaf Blower				1
DeWalt Propane Heater				1
DeWalt Vacuum Cleaner				1
Round Up Weed Sprayer Battery				1
DeWalt Weed Whacker Battery				1
Feather Lite Gas Weed Whacker				1
Craftsman Gas Weed Whacker				1
Handler Wire Fed Welder				1
Lincoln Stick Welder				1

Zealandia - Splitting Plant




<u>Name</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Year</u>	<u>Photo</u>
Fuel Master Burner	SL-1350	0821-4069	X	
Air Compressor	X	10849	2010	
Portable Hydronic Forced Air Heater {Dryair}	X	X	X	
Bagging Line Control panel {Stocdales}	SEMC-04350-OP2	X	2022	




Bagging Weigher Control panel {Rice Lake}	19538800280	9201-3A	X	
Bagging Weigher {Hamer Fischbein}	600+NW	21600526DG	X	
Bagging Sewing Machine {Hamer Fischbein}	400HP HPR16CFFG36201027	21-07-017	X	
Bagging Incline 01 {Hytrol}	TA	14SJ35	2022	
"Stealth" Bagging Line Metal Detector	X	CD28719	X	



{Fortress}				
Bagging Incline 02 {Hytrol}	RB	14SJ36	2021	
{Marathon}	PF215TTGN16532AAL	C0323271-06/15-03	X	
Fluid-bed Heat Exchanger {Buhler}	OTW 500 Z	700247154	2021	
Dehuller01 {Buhler}	DRHG	700242244	2021	
Dehuller02 {Buhler}	DRHG	700248679	2021	






<p>De-Stoner</p> <p>{Buhler}</p>	<p>MTSC 65/120</p>	<p>700244981</p>	<p>2021</p>	
<p>Polisher</p>	<p>J-254-4B0X-RH</p>	<p>32505-1210</p>	<p>X</p>	
<p>Color sorter Sortex A</p> <p>{Buhler}</p>	<p>AD4-BBBB-AHCC</p>	<p>700349101</p>	<p>2021</p>	
<p>Flow Balancer</p> <p>{Buhler}</p>	<p>MEAG</p>	<p>3130575110/3</p>	<p>2021</p>	

<p>Grader</p> <p>{Buhler}</p>	<p>DRGA-2D</p>	<p>700245561</p>	<p>2021</p>	
<p>Grader</p> <p>{Buhler}</p>	<p>DRGA-2D</p>	<p>700245562</p>	<p>2021</p>	
<p>Impact splitter</p> <p>{Buhler}</p>	<p>MHSA MCC</p>	<p>700243367</p>	<p>2021</p>	


<p>Impact splitter</p> <p>{Buhler}</p>	<p>MHSA MCC</p>	<p>700243366</p>	<p>2021</p>	
<p>Impact splitter</p> <p>{Buhler}</p>	<p>MHSA MCC</p>	<p>700243369</p>	<p>2021</p>	
<p>Impact splitter</p> <p>{Buhler}</p>	<p>MHSA MCC</p>	<p>700243368</p>	<p>2021</p>	

<p>Grader</p> <p>{Buhler}</p>	<p>DRGA-2D</p>	<p>700245563</p>	<p>2021</p>	
<p>Grader</p> <p>{Buhler}</p>	<p>DRGA-2D</p>	<p>700245564</p>	<p>X</p>	
<p>Screening Machine Grain Plus</p> <p>{Buhler}</p>	<p>LAGA 10</p>	<p>700247065</p>	<p>X</p>	



<p>Aspirator</p> <p>{Forsberg}</p>	<p>458B3</p>	<p>021803</p>	<p>X</p>	
<p>Aspirator</p> <p>{Buhler}</p>	<p>MVSR-100</p>	<p>57509313</p>	<p>2021</p>	
<p>Aspirator</p> <p>{Buhler}</p>	<p>MVSR-100</p>	<p>57509376</p>	<p>2021</p>	
<p>Screening Machine GrainPlus 20</p> <p>{Buhler}</p>	<p>LAGA 20-M</p>	<p>700247064</p>	<p>2021</p>	



<p>Screening Machine GrainPlus</p> <p>{Buhler}</p>	<p>LAGA 20-EM</p>	<p>700247066</p>	<p>2021</p>	
<p>Top Steamer</p>	<p>NFAT 400/RF</p>	<p>700247136</p>	<p>2021</p>	
<p>Bottom Steamer</p>	<p>NFAT 400/RF</p>	<p>700247137</p>	<p>2021</p>	
<p>Aspirator</p> <p>{Buhler}</p>	<p>MVSR-100</p>	<p>57509375</p>	<p>2021</p>	
<p>Filter (bag House)</p> <p>{Buhler}</p>	<p>MVRU 116-MST Ex</p>	<p>300106965</p>	<p>2021</p>	

<p>Filter (bag House)</p> <p>{Buhler}</p>	<p>MVRU 116-MST Ex</p>	<p>300106967</p>	<p>2021</p>	
<p>Filter (bag House)</p> <p>{Buhler}</p>	<p>MVRU 116-MST Ex</p>	<p>300106966</p>	<p>2021</p>	



System feeder (Anti-Freeze)	MF300	X	X	
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Green Plant

<u>Name</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Year</u>	<u>Photo</u>
Gravity Table {Forsberg}	400-P R.H.	14253	X	
Uni-Flow Cylinder Separator (Carterday)	DJS1	CDO17203	2014	

Screening Machine (Air & Screen) {Garratt}	PF 216	2903	X	
Sortex A Color Sorter {Buhler}	AC2-BXBX-ACCC	700047379	2016	

Red Plant

<u>Name</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Year</u>	<u>Photo</u>
Indents 01 {Ideal}	S1-QC-SR	2081	X	
Indents 02 {Ideal}	S12-QC-PF	2315	X	

<p>Indents 03</p> <p>{Carterday}</p>	<p>DJS1</p>	<p>CDO16129</p>	<p>2013</p>	
<p>Screening Machine</p> <p>{Damas}</p>	<p>X</p>	<p>X</p>	<p>X</p>	

Tab B

ASSET PURCHASE AGREEMENT

This Agreement is made as of the 4th day of November, 2024 (the “**Effective Date**”)

AMONG:

FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed receiver of the assets that constitute FCC Secured Property (as defined below) of **GLOBAL FOOD AND INGREDIENTS INC. and GFI BRANDS INC.**, and not in its personal or corporate capacity (the “**Vendor**”)

- and -

C2 Farms, (the “**Purchaser**”)

RECITALS:

A. **WHEREAS** by order (the “**Receivership Order**”) granted on May 30, 2024 in the receivership proceedings of Global Food and Ingredients Inc. (“**Global Food**”) and GFI Brands Inc. (“**GFI Brands**”) and together with Global Foods, the “**Debtors**”) under the *Bankruptcy and Insolvency Act* (the “**BIA**”) and the *Courts of Justice Act* (“**CJA**”), Court File No. CV-24-00720526-00CL (the “**Receivership Proceeding**”), FTI Consulting Canada Inc. was appointed as receiver (in such capacity, the “**Receiver**”) of among other things, the assets, undertakings and properties of the Debtors that constitute FCC Secured Property upon an application by Farm Credit Canada (“**FCC**”);

B. **WHEREAS** pursuant to an order made in the Receivership Proceedings dated August 19, 2024, the Receiver obtained the approval of the Court to implement a sale process (the “**Sale Process**”) with respect to certain assets of the Debtors (the “**Sale Process Order**”); and

C. **WHEREAS** in the event that this Agreement is selected as the Successful Bid (as defined herein) in the Sale Process, the Purchaser desires to acquire the Purchased Assets (as defined herein) subject to, and in accordance with, the terms and conditions set forth in this Agreement, the Sale Process Order, and obtaining Court approval of the Transaction (as defined herein).

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Parties hereby acknowledge and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Unless something in the subject matter or context is inconsistent therewith, the terms defined herein shall have the following meanings:

“**Affiliate**” has the meaning given to the term “affiliate” in the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44.

“**Agreement**” means this asset purchase agreement, as may be amended and restated from time to time in accordance with the terms hereof, with the consent of the Receiver, and “**Article**” and “**Section**” mean and refer to the specified article, section and subsection of this Agreement.

“**Applicable Law**” means, in respect of any Person, property, transaction or event, any: (i) domestic or foreign statute, law (including the common law), ordinance, rule, regulation, treaty, restriction,

regulatory policy, standard, code or guideline, by-law or order; (ii) judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings, instruments or awards of any Governmental Authority; and (iii) policies, practices, standards, guidelines and protocols having the force of law, that applies in whole or in part to such Person, property, transaction or event.

“Approval and Vesting Order” means an order by the Court, in form and substance satisfactory to the Vendor and Purchaser, each acting reasonably, among other things, approving and authorizing this Agreement and the Transaction and vesting in and to the Purchaser the Purchased Assets free and clear of any and all Encumbrances except the Permitted Encumbrances.

“Assignment and Assumption Agreement” means an assignment and assumption agreement, in form and substance satisfactory to the Parties, acting reasonably, evidencing the assignment to the Purchaser of the Debtors’ rights, benefits and interests in, to and under the Purchased Assets and assumption by the Purchaser of all of the Assumed Liabilities, which shall include an indemnity in favour of the Vendor from the Purchaser in respect of any Claims arising with respect to the Purchased Assets and Assumed Liabilities from and after the Closing Time.

“Assignment Order” means an order of the Court, in form and substance satisfactory to the Purchaser, acting reasonably, assigning to the Purchaser the rights and obligations of Global Food under the Assumed Contracts for which a consent for the assignment of the Assumed Contracts has not been obtained, and which will include, if necessary, a mechanism for the resolution of any disputed Cure Costs.

“Assumed Contracts” means those assets enumerated in Schedule “B” hereto.

“Assumed Liabilities” has the meaning set out in Section 2.3.

“Backup Bid” has the meaning set out in the Sale Process.

“Backup Bid Expiration Date” has the meaning set out in the Sale Process.

“BIA” has the meaning set out in the recitals hereto.

“Books and Records” means without limitation, all books, databases, customer lists, engineer drawings, and records, whether tangible or electronic which contain any information relating to any of the foregoing.

“Business Day” means a day on which banks are open for business in Regina, Saskatchewan, but does not include a Saturday, Sunday or statutory holiday in the Province of Saskatchewan.

“Cash Purchase Price” has the meaning set out in Section 3.3(b).

“CJA” has the meaning set out in the recitals hereto.

“Claims” means any and all past, present and future claims, charges, suits, proceedings, liabilities, deficiencies, demands, controversies, actions, causes of action, obligations, losses, damages, penalties, orders, judgments, costs, expenses, fines, amounts paid in settlement, disbursements, legal fees on a substantial indemnity basis, and other professional fees and disbursements, interest, demands and actions of any nature or any kind whatsoever, including, without limitation, any labour grievances, pay equity claims, and successor employer claims.

“Closing” means the closing and consummation of the Transaction.

“**Closing Date**” means the date that is five (5) Business Days after the date upon which the conditions set forth in Section 6 have been satisfied or waived, other than any conditions set forth in Section 6 that by their terms are to be satisfied or waived at the Closing (or such other earlier or later date as may be agreed by the Vendor and the Purchaser in writing).

“**Closing Time**” means 12:01 a.m. (Toronto 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.

“**Court**” means the Ontario Superior Court of Justice (Commercial List).

“**Cure Costs**” means, in respect of the Assumed Contracts, all amounts, costs, fees and expenses: (i) required to be paid to remedy Global Food’s monetary defaults in relation to the Assumed Contracts, other than those arising by reason only of Global Food’s bankruptcy, insolvency or failure to perform a non-monetary obligation; (ii) necessary to secure a counterparty’s or any other necessary Person’s consent to the assignment of the Assumed Contracts; or (iii) as may be required pursuant to the Approval and Vesting Order or the Assignment Order, as applicable, and which for greater certainty, may be an amount agreed to by the Purchaser and the counterparty to the Assumed Contracts.

“**Debtors**” has the meaning set out in the recitals hereto.

“**Deposit**” has the meaning set out in Section 3.3(a).

“**Deposit Repayment**” has the meaning set out in Section 3.4.

“**Effective Date**” has the meaning set out in the preamble hereto.

“**Encumbrance**” means any security interest (whether contractual, statutory or otherwise), lien, Claim, charge, right of retention, deemed trust, judgement, writ of seizure, writ of execution, notice of seizure, notice of execution, notice of sale, hypothec, reservation of ownership, pledge, encumbrance, mortgage or right of a third party (including any contractual rights such as purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual right) or encumbrance of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing, (including any conditional sale or title retention agreement, or any capital or financing lease) in each case whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise.

“**Environmental Condition**” has the meaning set out in Section 4.3(a).

“**Environmental Laws**” means all Applicable Laws concerning pollution or protection of the natural environment or otherwise relating to the environment or health or safety matters, including Applicable Laws pertaining to (i) reporting, licensing, permitting, investigating and remediating the presence of Hazardous Materials, and (ii) the discharge, release, spill, generation, removal, transportation, storage, use, handling, manufacturing, processing, treatment, release, disposal or exposure to any Hazardous Materials.

“**ETA**” means the Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder.

“**Equipment**” means Goods that are not Inventory or Consumer Goods now or hereafter owned by the Debtors and customarily located at or situated upon the Real Property, and any part thereof including all tools, supplies, spare parts, apparatus, plant, furniture, fixtures, equipment, machinery, conveyors, machine tools, data processing and computer equipment, including embedded software and peripheral equipment and all engineering, processing and manufacturing equipment, HVAC systems, elevation systems and storage equipment, automotive equipment, trailers, motor vehicles

trucks, forklifts, molds, dies, stamps, rolling stock and other equipment of every kind and nature whatsoever and all accessories, additions and accessions thereto, and any building components that are affixed to the real and immoveable property that comprise the Real Property and constitute real property at law.

“**FCC**” has the meaning set out in the recitals hereto.

“**FCC Secured Property**” has the meaning provided to it in the Receivership Order.

“**GFI Brands**” has the meaning set out in the recitals hereto.

“**Global Food**” has the meaning set out in the recitals hereto.

“**Governmental Authority**” means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, court (including the Court), tribunal, commission, stock exchange, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government or securities market regulation.

“**GST/HST**” means the goods and services tax/harmonized sales tax imposed under the ETA.

“**GST/HST Declaration and Indemnity**” has the meaning set out in Section 3.5(e).

“**Hazardous Materials**” means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Governmental Authority and any “contaminants”, “dangerous substances”, “hazardous materials”, “hazardous substances”, “hazardous wastes”, “industrial wastes”, “liquid wastes”, “pollutants” and “toxic substances”, all as defined in, referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health or safety matters.

“**Indemnitees**” has the meaning set out in Section 4.4(a).

“**ITA**” means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.).

“**Lease**” means the lease dated October 1, 2015 between Stewart Southern Railway Inc., as landlord, and Canpulse Foods Ltd., as tenant (whose interest was subsequently assigned to 11567403 Canada Inc. and further assigned to Global Food), relating to the premises municipally known as 100 South Railway Avenue, Lajord No. 128, Saskatchewan.

“**Liability**” means, with respect to any Person, any and all liabilities or obligations of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, matured or unmatured, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“**Outside Date**” means 11:59 pm (Toronto time) on November 15, 2024, or such later date and time as the Vendors and the Purchaser may agree to in writing.

“**Parties**” means the Vendors and the Purchaser, and “**Party**” means any one of them.

“Permitted Encumbrances” means the Encumbrances in Schedule “C”.

“Person” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted.

“Post-Closing Environmental Indemnity” has the meaning set out in Section 4.4(a).

“PST” means the provincial sales tax imposed under the *Provincial Sales Tax Act* (Saskatchewan) or imposed under any similar provincial sales or retail sales tax legislation.

“Purchased Assets” means those assets enumerated in Schedule “A” hereto and any Assumed Contracts.

“Purchase Price” has the meaning set out in Section 3.1.

“Purchaser” has the meaning set out in the preamble hereto.

“Real Property” means any right, title or interest of the Debtors in and to all real (immovable) property listed at Schedule “A” hereto.

“Receiver” has the meaning set out in the recitals hereto.

“Receiver’s Certificate” has the meaning set out in Section 6.1(d).

“Receivership Order” has the meaning set out in the recitals hereto.

“Receivership Proceeding” has the meaning set out in the recitals hereto.

“Sale Process” has the meaning set out in the recitals hereto.

“Sale Process Order” has the meaning set out in the recitals hereto.

“Successful Bid” has the meaning set out in the Sale Process.

“Taxes” means, whether disputed or not, (i) with respect to any Person, all supranational, national, federal, provincial, territorial, state, local or other taxes, including income taxes, corporation taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, GST/HST, PST, retail sales taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, use taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, sales taxes, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and (ii) any liability for the payment of any amounts of the type described in clause (i) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

“Transaction” the transaction contemplated by this Agreement whereby the Purchaser will acquire the Purchased Assets subject to the terms of this Agreement.

“**Transfer Taxes**” means all present and future transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Purchased Assets, including GST/HST and PST.

“**Vendor**” has the meaning set out in the preamble hereto.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 General Construction

The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement and not to any particular section hereof. The expression “Section” or reference to another subdivision followed by a number mean and refer to the specified Section or other subdivision of this Agreement. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

1.4 Extended Meanings

Words importing the singular include the plural and vice versa and words importing gender include all genders. The term “including” means “including, without limitation,” and such terms as “includes” have similar meanings and the term “third party” means any other Person other than the Vendors or the Purchaser, or any Affiliates thereof.

1.5 Currency

All references in this Agreement to dollars, monetary amounts, or to \$, are expressed in Canadian currency unless otherwise specifically indicated.

1.6 Statutes

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

1.7 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule “A” – Purchased Assets

Schedule “B” – Assumed Contracts

Schedule “C” – Permitted Encumbrances

Schedule “D” – Purchase Price Allocation

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

ARTICLE 2
PURCHASE AND SALE OF PURCHASED ASSETS

2.1 Purchase and Sale of Purchased Assets

At the Closing Time, subject to the terms and conditions of this Agreement, the Vendor shall sell, assign, transfer and convey to the Purchaser pursuant to the Approval and Vesting Order, and the Purchaser shall purchase and assume from the Vendor, all of right, title and interest of the Debtors in, to and under the Purchased Assets and Assumed Liabilities free and clear of any and all Encumbrances except Permitted Encumbrances.

2.2 Transfer of Purchased Assets and Non-Assumption of Liabilities

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, legal and beneficial ownership of the Purchased Assets shall transfer from the Debtors to the Purchaser on the Closing Date.

2.3 Assumed Liabilities

From and after Closing, the Purchaser shall assume, pay, honor, fulfill, perform, and be liable for, as the case may be, the Assumed Liabilities as and when due. The Assumed Liabilities shall consist of the Liabilities incurred under or in respect of:

- (a) Permitted Encumbrances;
- (b) The ownership, operation or use of the Purchased Assets from and after the Closing Date including all Liabilities under the Assumed Contracts; and
- (c) The Environmental Condition, and any and all Liabilities for the remediation of the soil and groundwater in, on, over, under or flowing through, onto or from the Real Property or any part thereof.

(the foregoing being the “Assumed Liabilities”).

2.4 Assignment and Assumption of Assumed Contracts

- (a) Each of the Parties shall use reasonable commercial efforts to obtain, as may be required by the terms of the Assumed Contracts, all consents and approvals required to assign the Assumed Contracts to the Purchaser. To the extent that the Assumed Contracts are not assignable without the consent or approval of the counterparty or any other Person, and such consent or approval has not been obtained prior to the Closing Date: (i) Global Food’s interest in, to and under the Assumed Contracts may be conveyed to the Purchaser pursuant to an Assignment Order; (ii) the Vendor will use commercially reasonable efforts to obtain an Assignment Order in respect of the Assumed Contracts on or prior to the Closing Date; and (iii) if an Assignment Order is obtained in respect of such Assumed Contract, the Purchaser shall accept the assignment of such Assumed Contract on such terms.

- (b) To the extent that any Cure Costs are payable with respect to the Assumed Contracts, the Purchaser shall be responsible for and shall pay all such Cure Costs, which shall be paid either directly to the counterparty or to the Receiver, which Cure Costs shall be in addition to the Purchase Price. Unless the Parties otherwise agree, to the extent that any Cure Cost is payable with respect to the Assumed Contracts, where the Assumed Contracts are assigned pursuant to an Assignment Order, the Purchaser shall pay such Cure Costs in accordance with such Assignment Order, and where the Assumed Contracts is not assigned pursuant to an Assignment Order, the Purchaser shall pay such Cure Costs in the manner set out in the consent of the applicable counterparty or as otherwise may be agreed to by the Purchaser and such counterparty.
- (c) It shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, deposits or security, including without limitation any Cure Costs that may be required by Governmental Authorities or any third parties to permit the transfer of the Purchased Assets, including the Assumed Contracts, to the Purchaser.

2.5 Permitted Encumbrances

The Purchaser acknowledges that the Vendor undertakes no obligation to discharge the Permitted Encumbrances on the Closing or thereafter.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The purchase price payable by the Purchaser for the Purchased Assets shall be [REDACTED] (the "**Purchase Price**"). The Purchase Price shall be satisfied in accordance with Section 3.3.

3.2 Allocation of Purchase Price

The Vendor and the Purchaser agree to allocate the Purchase Price to the Purchased Assets in a manner to be agreed to by the Parties, each acting reasonably, before Closing but in substantially the form included as Schedule "D" hereto.

3.3 Satisfaction of Purchase Price

The Purchaser shall pay and satisfy the Purchase Price in accordance with the following:

- (a) Deposit. The Purchaser shall initiate a wire transfer to the Vendor for a deposit in the amount of [REDACTED] of the Purchase Price, along with proof of the wire transfer, upon execution of this Agreement, to be dealt with in accordance with this Agreement and credited against the Purchase Price at Closing (the "**Deposit**"). The Deposit shall be held in a non-interest-bearing trust account.
- (b) Cash Purchase Price. At the Closing Time, the Purchaser shall pay to the Receiver the balance of the Purchase Price, being [REDACTED] in immediately available funds (the "**Cash Purchase Price**").

3.4 Deposit Repayment

In the event that this Agreement is not the Successful Bid or Backup Bid for the Purchased Assets, the Vendor shall repay in full the Deposit within five (5) Business Days of the selection of the Successful Bid for the Purchased Assets (the “**Deposit Repayment**”).

In the event that this Agreement is selected as the Backup Bid and the transaction contemplated by the Successful Bid closes, then the Vendor shall repay in full the Deposit within five (5) Business Days of the Backup Bid Expiration Date.

3.5 Transfer Taxes

The Parties agree that:

- (a) The Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay any and all Transfer Taxes pertaining to the Purchaser’s acquisition of the Purchased Assets.
- (b) Where the Debtors are required under Applicable Law to collect or remit Transfer Taxes, the Purchaser will pay the amount of such Transfer Taxes to the Receiver (on behalf of the Debtors) at Closing.
- (c) Except where the Debtors are required under Applicable Law to collect or pay such Transfer Taxes, the Purchaser shall pay such Transfer Taxes directly to the appropriate Governmental Authority or other entity within the required time period and shall file all necessary documentation with respect to such Transfer Taxes when due. If the Receiver on behalf of the Debtors is required under Applicable Law to pay any such Transfer Taxes that are not paid by the Purchaser at Closing, the Purchaser shall promptly reimburse the Receiver the full amount of such Transfer Taxes upon delivery to the Purchaser of copies of receipts showing payment of such Transfer Taxes.
- (d) The Purchaser shall indemnify the Vendor for, from and against any Transfer Taxes (including any interest and/or penalties imposed by a Governmental Authority) that the Vendor may be assessed or reassessed for and may pay or for which the Vendors may become liable as a result of any failure by the Purchaser to pay or remit such Transfer Taxes.
- (e) The Purchaser hereby agrees and represents that:
 - (i) The Purchaser shall be responsible for and pay, on the Closing Date, any Taxes payable upon or in connection with the conveyance or transfer of the Purchased Assets, including any GST/HST and PST.
 - (ii) The Purchaser shall be purchasing the Purchased Assets on the Closing Date, as principal for its own account and not as an agent, trustee or otherwise on behalf of another person or party.
 - (iii) The Purchaser will be registered under subdivision D of Division V of the ETA for the purposes of collection and remittance of GST/HST and shall provide such registration number to the Vendor prior to the Closing Date.
 - (iv) The Purchaser shall be liable for, and shall self-assess and remit to the appropriate governmental authority, all GST/HST which is payable under the ETA in connection with the supply by way of sale of any real property made pursuant to this Agreement, all in accordance with subsections 221(2) and 228(4) of the ETA and which GST/HST shall be in addition to the Purchase Price;

- (v) The Purchaser shall be liable for, and the Vendor shall collect on the Closing Date, all GST/HST and PST payable by the Purchaser in connection with the supply of any property other than the supply by way of sale of real property made pursuant to this Agreement, all in accordance with the ETA and the PST legislation and which GST/HST and PST shall be in addition to the Purchase Price;
- (vi) The Purchaser shall be liable for, and the Vendor shall collect on the Closing Date, all other Transfer Taxes which are payable by the Purchaser and collectible by the Vendor under Applicable Law in connection with the sale or transfer of the Purchased Assets pursuant to this Agreement, all in accordance with Applicable Law and which Transfer Taxes shall be in addition to the Purchase Price.
- (vii) The Purchaser shall indemnify and save harmless the Vendor from and against any and all Transfer Taxes, penalties, costs and/or interest which may become payable by or assessed against the Vendor or any and all Claims incurred, suffered or sustained by the Vendor as a result of any inaccuracy, misstatement or misrepresentation made by the Purchaser on the Closing Date in connection with any matter raised in this Section 3.5(e) or contained in any declaration referred to herein; and
- (viii) The Purchaser shall tender on Closing a declaration and indemnity confirming the provisions of this Section 3.5(e) and the Purchaser's GST/HST registration number (the "**GST/HST Declaration and Indemnity**").
- (ix) The provisions of this Section 3.5(e) shall survive and not merge on Closing.

ARTICLE 4 REPRESENTATIONS, WARRANTIES AND COVENANTS

4.1 Representations and Warranties of the Vendors

The Vendor hereby represents and warrants as of the date hereof and as of the Closing Time as follows, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Authority. Subject to obtaining and pursuant to the Vesting Order, the Vendor has the power, authority and capacity to enter into this Agreement, subject to its terms, and the authority to execute all instruments required by this Agreement to be delivered by it, and to perform its obligations hereunder and thereunder;
- (b) Registration. Global Food is registered for GST/HST purposes under the ETA and its registration number is 75832 6912 RT0003. GFI Brand is registered for GST/HST purposes under the ETA and its registration number is 83665 9367 RT0001.
- (c) Residency. To the knowledge of the Receiver, the Debtors are not a non-resident of Canada for purposes of the ITA or the ETA, as applicable.

4.2 Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to and in favour of the Vendor as of the date hereof and as of the Closing Time, and acknowledges that the Vendor is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Purchaser is a corporation incorporated and existing under the **Saskatchewan**, is in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) Approvals. No consent, waiver, authorization or approval of any person and no notice or declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by the Purchaser of this Agreement or all other agreements and instruments to be executed by the Purchaser or the performance of its obligations hereunder or thereunder.
- (d) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement does not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the organizational documents of the Purchaser.
- (e) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (f) Residency. The Purchaser is not a non-resident of Canada for purposes of the ITA or ETA, as applicable. Further, the purchase and assumption of the Purchased Assets by the Purchaser will not violate or be non-compliant with the *Prohibition on the Purchase of Residential Property by Non-Canadians Act*, S.C. 2022, c. 10, s. 235.
- (g) Registration. The Purchaser is registered for GST/HST purposes under the ETA and its registration number is #736790619, and such registration is valid and in good standing.¹
- (h) Investment Canada Act. The Purchaser is a Canadian within the meaning of the *Investment Canada Act*, R.S.C., 1985, c. 28 (1st Supp).
- (i) Solvency. The Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets, has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property.

4.3 As is, Where is

- (a) The Vendor is selling and the Purchaser is purchasing the Purchased Assets on an “as is, where is” and “without recourse” basis subject to whatever defects, conditions, impediments, Hazardous Materials or deficiencies which may exist on the Closing Date, including any latent or patent defects in the Purchased Assets. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not

¹ Purchaser to provide PST number if the tangible assets are to be purchased on a PST free basis (i.e. Purchaser is relying on the purchase for resale exemption).

guarantee title to the Purchased Assets and that it has been advised of potential encroachment issues and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deems appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to any matter including, title, encumbrances, description, fitness for purpose or use, merchantability, condition, quantity or quality, latent defects, cost, size, value, state of repair, zoning, permitted uses, encroachments, permits, compliance with Applicable Laws of Governmental Authorities, threatened claims, litigation, the existence or non-existence of Hazardous Materials flowing onto or from the Real Property or any part thereof, or in the air, surface or ground water flowing through, onto or from the Real Property, or any part thereof (the “**Environmental Condition**”), compliance with any or all Environmental Laws, or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Vendor to sell or assign same save and except as expressly provided for in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act (Saskatchewan) or similar legislation do not apply hereto and are hereby waived by the Purchaser. The descriptions of the Purchased Assets contained in this Agreement are for the purposes of identification only and no representation, warranty or condition has or will be given by the Vendor concerning the completeness or accuracy of such descriptions. The Purchaser further acknowledges that all written and oral information (including analyses, financial information and projections, compilations and studies) obtained by the Purchaser from the Vendor or any agent of the Vendor with respect to the Purchased Assets or otherwise relating to the Transaction has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete. The Purchaser further acknowledges that the Vendor shall not be under any obligation to deliver the Purchased Assets to the Purchaser and that it shall be the Purchaser’s responsibility to take possession of the Purchased Assets.

- (b) Subject to the Vendor’s representations and warranties set out in this Agreement and the Vendor’s obligations set out in this Agreement, the Purchaser, on behalf of itself and its successors and assigns, hereby releases the Vendor and its directors, officers, employees, agents and representatives from, and waives, any and all Claims it or they may be able to assert against the Vendor and its directors, officers, employees, agents and representatives for the Purchased Assets as it may relate to title, encumbrances, encroachments, description, fitness for purpose or use, merchantability, condition, quantity or quality, latent defects, cost, size, value, state of repair, zoning, permitted uses, permits, compliance with Applicable Laws of Governmental Authorities, threatened claims, litigation, Environmental Condition, compliance with any or all Environmental Laws. The Purchaser further agrees that the Purchaser will not, directly or indirectly, attempt to compel the Receiver to clean up or remove or pay for the cleanup or removal of any Hazardous Materials, remediate any condition or matter in, on, under or in the vicinity of the Real Property or seek an abatement in the Purchase Price or damages in connection with any Hazardous Materials. Except as may be provided in this Agreement, the Vendor shall have no obligation or responsibility to the Purchaser after Closing with respect to any matter relating to the Purchased Assets or the condition thereof.
- (c) The Purchaser shall accept the title to the Real Property subject to the Permitted Encumbrances.
- (d) The remedies expressly set forth in this Agreement are the Purchaser’s sole and exclusive remedies relating to this Agreement, the Transaction contemplated hereby and the Purchased Assets.

- (e) The Purchaser acknowledges and agrees that the enforceability of this Agreement against the Vendor is subject to entry of the Approval and Vesting Order.
- (f) This Section 4.3 shall survive Closing.

4.4 Purchaser Indemnity

- (a) The Purchaser shall indemnify and save harmless the Receiver and its directors, officers, employees, agents and representatives (collectively, the “**Indemnitees**”) from and against any and all Liabilities which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with the operations of the Purchaser on the Real Property or any order (including, without limitation, any Governmental Order), notice, directive, or requirement under, or breaches, violations or non-compliance with any Environmental Laws but only to the extent that either occurs after the Closing Date or as a result of the generation, removal, disposal, transportation, storage, discharge, release or threat of discharge or release or spill at, on, in, under or about the Real Property of any Hazardous Materials after the Closing Date (the “**Post-Closing Environmental Indemnity**”).
- (b) The Post-Closing Environmental Indemnity shall also include any and all matters, events, incidents, discharges, releases, spills, breaches, violations or non-compliances with any Environmental Laws or matters involving any Hazardous Materials, that occurred or may have occurred prior to the Closing Date which are caused by, exacerbated by or contributed to by the Purchaser, but only to the extent of the liabilities caused by the Purchaser or the increase in liabilities caused as a result of actions of the Purchaser that exacerbated or contributed to such liabilities and for greater certainty, and without limiting the generality of the foregoing, shall not apply to any Liabilities resulting from the mere discovery of conditions already existing at the time of the Purchaser’s access, testing or inspections of the Real Property, except to the extent caused by, exacerbated by or contributed to by the Purchaser as a result of such access, testing or inspections, or following the Closing Date.
- (c) This Section 4.4 shall survive Closing.

4.5 Risk

The Purchased Assets will be at the Vendor’s risk until the completion of the Transaction contemplated herein on the Closing Date and thereafter at the Purchaser’s risk. If, before the Closing, all or any material part of the Purchased Assets is lost, damaged or destroyed or is appropriated, expropriated or seized by any Governmental Authority, then the Parties shall agree on an adjustment to the Purchase Price to account for such loss, damage, destruction, appropriation or seizure.

4.6 Receiver Liability

The Purchaser hereby expressly acknowledges and agrees that FTI Consulting Canada Inc. is acting only in its representative capacity as Court-appointed receiver of the Purchased Assets and shall have no personal liability under or as a result of entering into or carrying out the transaction which is the subject of this Agreement except in such capacity and without limitation to the generality of the foregoing FTI Consulting Canada Inc. shall have no liability under or as a result of entering into or carrying out of such transaction in its personal capacity.

ARTICLE 5 CLOSING ARRANGEMENTS

5.1 Closing

Closing shall take place on the Closing Date effective as of the Closing Time electronically (or as otherwise determined by mutual agreement of the Parties in writing), by the exchange of deliverables (in counterparts or otherwise) by electronic transmission in PDF format.

5.2 Vendors' Closing Deliveries

At or before the Closing Time, the Vendor shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true copy of the Approval and Vesting Order, as issued and entered by the Court;
- (b) a copy of the Assignment Order, if applicable;
- (c) the Assignment and Assumption Agreement, duly executed by the Vendor;
- (d) a bring-down certificate of the Vendor dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time;
- (e) the Books and Records;
- (f) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

5.3 Purchaser's Closing Deliveries

At or before the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor (or to the Proposal Trustee, as applicable), the following:

- (a) payment of the Cash Purchase Price in immediately available funds;
- (b) payment of all Transfer Taxes payable on Closing to the Vendor (or evidence of payment by the Purchaser thereof to the relevant Governmental Authorities) in accordance with Section 3.5;
- (c) the Assignment and Assumption Agreement, duly executed by the Purchaser;
- (d) a bring-down certificate of an officer of the Purchaser dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all material respects the covenants to be performed by it prior to the Closing Time;
- (e) evidence satisfactory to the Vendor that all Cure Costs owing to the counterparty under the Assumed Contracts are paid in full up to the Closing Date;
- (f) the GST/HST Declaration and Indemnity;

- (g) such other agreements, documents and instruments as may be reasonably required by the Vendors to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

ARTICLE 6 CONDITIONS OF CLOSING

6.1 Conditions Precedent in favour of the Parties

The obligation of the Parties to complete the Transaction is subject to the following joint conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

- (a) Approval and Vesting Order. The Court shall have issued and entered the Approval and Vesting Order, which Approval and Vesting Order shall not have been stayed, set aside, or vacated and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the Parties, each acting reasonably.
- (b) No Order. No Applicable Law and no judgment, injunction, order or decree shall have been issued by a Governmental Authority or otherwise in effect that restrains or prohibits the completion of the Transaction; and
- (c) No Restraint. No motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction contemplated by this Agreement.
- (d) Receiver's Certificate. The Receiver shall have provided an executed certificate of the Receiver substantially in the form attached to the Approval and Vesting Order (the "**Receiver's Certificate**") confirming that all other conditions to Closing have either been satisfied or waived by both the Purchaser and the Vendor.

The foregoing conditions are for the mutual benefit of the Parties. If any condition set out in Section 6.1 is not satisfied, performed or mutually waived on or prior to the Outside Date, any Party may elect on written notice to the other Parties to terminate this Agreement.

6.2 Conditions Precedent in favour of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Successful Bid. This Agreement shall have been designated as the Successful Bid in accordance with the terms of the Sale Process.
- (b) Vendors' Deliverables. The Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 5.2.
- (c) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Section 4.1 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.

- (d) No Breach of Covenants. The Vendor shall have performed, in all material respects, all covenants, obligations and agreements contained in this Agreement required to be performed by the Vendor on or before the Closing Date.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 6.2 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. If any condition set forth in this Section 6.2 is not satisfied or performed on or prior to the Outside Date, the Purchaser may elect on written notice to the Vendors, with a copy to the Proposal Trustee, to terminate this Agreement.

6.3 Conditions Precedent in favour of the Vendor

The obligation of the Vendor to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing all the documents and payments contemplated in Section 5.3.
- (b) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 4.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date, or (ii) if made as of a date specified therein, as of such date.
- (c) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.

The foregoing conditions are for the exclusive benefit of the Vendor. Any condition in this Section 6.3 may be waived by the Vendor in whole or in part, without prejudice to any of their rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing. If any condition set forth in this Section 6.3 is not satisfied or performed on or prior to the Outside Date, the Vendor may elect on written notice to the Purchaser to terminate the Agreement.

6.4 Receiver's Certificate

The Parties hereby acknowledge and agree that the Receiver shall be entitled to deliver to the Purchaser and file with the Court the Receiver's Certificate upon receiving written confirmation from the Purchaser that all conditions to Closing in Sections 6.1 and 6.2 have been satisfied or waived and once the conditions set out in Section 6.3 have been satisfied or waived by the Receiver. The Receiver shall have no liability to the Purchaser or any other person as a result of filing the Receiver's Certificate.

ARTICLE 7 TERMINATION

7.1 Grounds for Termination

This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual written agreement of the Vendor and the Purchaser;

- (b) by the Purchaser upon written notice to the Vendor if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser and, if the breach is curable, such breach has not been cured within five (5) Business Days following the date upon which the Purchaser notified the Vendor of such breach;
- (c) by the Vendor upon written notice to the Purchaser if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor and, if the breach is curable, such breach has not been cured within five (5) Business Days following the date upon which the Vendor notified the Purchaser of such breach;
- (d) by the Vendor or the Purchaser upon written notice to the other Parties if the Closing has not occurred on or prior to the Outside Date; provided that the failure to close by such deadline is not caused by a breach of this Agreement by the Party proposing to terminate the Agreement.

7.2 Effect of Termination.

If this Agreement is terminated pursuant to Section 7.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder; except for the provisions of: (a) this Section 7.2; and (b) Section 3.4 with respect to the Purchaser's entitlement to the Deposit Repayment. The Parties agree that the Deposit shall be retained by the Vendor as a genuine pre-estimate of liquidated damages and not as a penalty if the purchase and sale of the Purchased Assets is not completed pursuant to the Agreement as a result of the Purchaser's breach hereunder in full and final satisfaction of any Claims against the Purchaser related thereto. If this Agreement is terminated at any time other than as a result of a breach by the Purchaser, the Vendor shall promptly return the Deposit in full to the Purchaser. If the Transaction is terminated for any reason, the Purchased Assets may be resold by the Vendor.

8.1 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered by read-receipted email, addressed:

- (a) in the case of the Purchaser, as follows:

- C2 Farms

Attention: • Michael Carter

Email: • michael@c2farms.ca

- (b) in the case of the Vendor, as follows:

FTI Consulting Canada Inc.
TD South Tower
79 Wellington Street West, Suite 2010
Toronto, ON M5K 1G8

Attention: Jeffrey Rosenberg

Email: Jeffrey.rosenbergfticonsulting.com

with a copy to:

McCarthy Tetrault LLP
TD Bank Tower
66 Wellington Street West, Suite 5300
Toronto, ON M5K 1E6

Attention: Heather Meredith
Email: hmeredith@mccarthy.ca

Saneea Tanvir
stanvir@mccarthy.ca

Any such notice or other communication, if transmitted by email before 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission. In the case of a communication by email or other electronic means, if an autoreply is received indicating that the email is no longer monitored or in use, delivery must be followed by the dispatch of a copy of such communication pursuant to one of the other methods described above; provided however that any communication originally delivered by electronic means shall be deemed to have been given on the date stipulated above for electronic delivery.

Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party. A Person may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such Person at its changed address.

8.2 Confidentiality

The Purchaser and its agents, advisors and authorized representatives shall maintain in strict confidence, until the Closing Date, all information and materials delivered or made available pursuant to this Agreement, except as may reasonably be disclosed by the Purchaser:

- (a) to comply with laws requiring disclosure; or
- (b) otherwise agreed upon in writing by the Receiver.

In the event that the transaction contemplated in this Agreement is, for any reason whatsoever, not completed, then the Purchaser shall promptly return to the Vendor all materials delivered hereunder and deliver to the Vendor all copies of materials made available hereunder.

8.3 Calculation of Time

Unless otherwise specified, time periods referred to in this Agreement within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

8.4 Amendments and Waivers.

No amendment of any provision of this Agreement shall be binding on either Party unless agreed to in writing by each of the Parties. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver constitute a continuing waiver unless otherwise provided.

8.5 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Parties.

8.6 Survival

The representations and warranties of the Parties contained in this Agreement shall merge on Closing, provided that the representations, warranties and covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

8.7 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

8.8 Entire Agreement

This Agreement and the Schedules attached hereto constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements. This Agreement may not be amended or modified in any respect except by written instrument executed by the Vendors and the Purchaser. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as expressly provided.

8.9 Paramourncy

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with this Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

8.10 Independent Legal Advice

Each of the Parties acknowledge that they have been afforded the opportunity of receiving independent legal advice concerning this Agreement, and in the event that any Party has executed this Agreement without the benefit of independent legal advice, such Party hereby waives the right to receive such independent legal advice.

8.11 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court, and any appellate courts of the Province of Ontario therefrom.

8.12 Assignment

This Agreement may not be assigned by any Party hereto without the prior written consent of the other Party hereto, which consent may be arbitrarily withheld, provided that the Purchaser may designate one or more related nominees to take title in and to the Purchased Assets, or any part thereof, by giving the Vendor written notice of such assignment at least two Business Days prior to the date of the hearing of the application for the Approval and Vesting Order.

8.13 Further Assurances

Each of the Parties shall, at the request and expense of the requesting Party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such conveyances,

transfers, documents and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

8.14 Counterparts

This Agreement may be executed electronically in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

8.15 Severability

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein is prohibited or unenforceable pursuant to Applicable Law, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

8.16 Receiver's Capacity

In addition to all of the protections granted to the Receiver under the BIA or any order of the Court in this Receivership Proceeding, the Purchaser acknowledges and agrees that FTI Consulting Canada Inc., acting in its capacity as Receiver over the Purchased Assets and not in its personal capacity, is not a signatory to this Agreement and will have no Liability, in its personal capacity or otherwise, in connection with this Agreement or the Transaction contemplated herein whatsoever as Receiver.

[Signature Page Follows]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

For the Vendor:

FTI CONSULTING CANADA INC., solely in its capacity as court-appointed receiver and manager of Global Food and Ingredients Inc. and GFI Brands Inc.,

By: _____
Name:
Title:

For the Purchaser:

C2 Farms

By: Austin Jamieson
Name: Austin Jamieson
Title: CFO

I have authority to bind the Corporation.

Schedule "A"
Purchased Assets

[TO BE AMENDED AS PURCHASER DESIRES FOR PURPOSES OF BID]

REAL PROPERTY:

PERSONAL PROPERTY:

Books and Records related to Leasehold Lands

Equipment and fixtures - Leasehold Lands

Schedule "B"
Assumed Contracts

The Lease for the property municipally known as 100 South Railway Avenue, Lajord No. 128, Saskatchewan ("Leasehold Lands")

Title No. 147263070

Legal Description: SW Sec 09 Twp 15 Rge 16 W 2 Plan No B3490 Extension 4

Schedule "C"
Permitted Encumbrances

Nil

Schedule "D"
Purchase Price Allocation

Purchased Asset	Purchase Price Allocation	
Zealandia Lands		
Books and Records related to Zealandia Lands		
Equipment and fixtures - Zealandia Lands		
Vigro Lands		
Books and Records related to Vigro Lands		
Equipment and fixtures - Vigro Lands		
Assumed Contracts		
Books and Records related to Leasehold Lands		
Equipment and fixtures - Leasehold Lands		