

ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]

THE HONOURABLE) TUESDAY THE 10TH DAY
JUSTICE PATTILLO) OF JULY, 2012

BANK OF MONTREAL

Applicant

- and -



NFC ACQUISITION GP INC., NFC ACQUISITION CORP.,
NFC ACQUISITION L.P., NEW FOOD CLASSICS and
NFC LAND HOLDINGS CORP.

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by FTI Consulting Canada Inc., in its capacity as the Court-appointed receiver (the “Receiver”) of the undertakings, property and assets of NFC ACQUISITION GP INC., NFC ACQUISITION CORP., NFC ACQUISITION L.P., NEW FOOD CLASSICS AND NFC LAND HOLDINGS CORP (collectively, the “Debtors”), for an order approving the transaction (the “Transaction”) contemplated by an agreement of purchase and sale between the Receiver and TVR Construction (“TVR” or the “Purchaser”) dated March 16, 2012, as amended by written amending agreements dated March 29, 2012, May 17, 2012 and May 25, 2012 (collectively, the “Sale Agreement”), each appended to the third report of the Receiver dated July 3, 2012 (the “Third Report”), and vesting in the Purchaser’s nominee, Recon Metal Ltd. (the “Buyer”), the Debtors’ right, title and interest in and to the real property

identified hereto in Schedule "D" (the "**Lands**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report and on hearing the submissions of counsel for the Receiver and Bank of Montreal, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Anna Stitt sworn July 4, 2012, and filed:

1. THIS COURT ORDERS that the Third Report and the Receiver's activities as set out therein are hereby approved.

2. THIS COURT ORDERS that the time for service of the notice of motion and the motion record herein be and is hereby abridged and the service thereof validated, so that the motion is properly returnable today.

3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved. The Receiver is hereby authorized and directed to take such steps and execute such documents as may be necessary or desirable for the completion of the Transaction. The Receiver and the Purchaser are hereby authorized to enter into non-material amendments to the Sale Agreement by mutual agreement in writing without further order of the Court.

4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the Lands shall vest absolutely in the Buyer, free and clear of and from any and all encumbrances, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed

trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any Court ordered encumbrances or charges established in Court File No. CV12-9554-00CL or in this proceeding; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act*, R.S.A. 2000, c. P-7 (the "**PPSA**") or any other personal property registry system; and (iii) those Claims listed on Schedule "B" hereto, provided that the Claims shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "C" hereto (the "**Permitted Encumbrances**") and the Lands shall remain subject to the Permitted Encumbrances. For greater certainty, this Court orders that all of the Claims affecting or relating to the Lands, other than the Permitted Encumbrances, are hereby expunged and discharged as against the Lands.

5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. THIS COURT ORDERS AND DECLARES that the Receiver is authorized to seek an order from the Court of Queen's Bench of Alberta directing the Land Titles Office to enter the Buyer as the owner of the Lands identified in Schedule "D" hereto, in fee simple, and to delete and expunge from title the subject property all the Claims listed in Schedule "B" hereto.

7. THIS COURT ORDERS AND DIRECTS that upon the filing of a certified copy of the Receiver's Certificate, filed in this Ontario proceeding, together with a certified copy of this Order with the Registrar of Land Titles of Alberta (the "**Registrar**") and payment of any

applicable registration fees, the Registrar shall and is hereby directed to (i) cancel the existing certificates of title to the Lands identified in Schedule "D" hereto; (ii) issue new certificates of title to the Lands in the name of Recon Metal Ltd. at the registered address of 416, 602-11 Avenue SW Calgary, Alberta T2R 1J8; and (iii) delete and expunge from the certificates of title to the Lands all of the Claims listed in Schedule "B" hereto but subject to the Permitted Encumbrances.

8. This Order shall be acted upon and registered by the Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c. L-4.

9. For the purposes of determining the nature and priority of Claims, the proceeds from the sale of the Lands, net of the commissions payable to Barclay Street Real Estate Ltd., (the "**Net Proceeds**") shall stand in the place and stead of the Lands, and that from and after the delivery of the Closing Certificate, all Claims expunged and discharged as against the Lands shall attach to the Net Proceeds with the same priority as they had with respect to the Lands immediately prior to the sale.

10. The Transaction may be completed without compliance with: (a) the provisions of Part V of the PPSA; (b) the relevant provisions of the *Civil Enforcement Act* (Alberta) R.S.A. 2000, c. C.-15; and (c) section 244 of the *Bankruptcy and Insolvency Act* (Canada) R.S.C 1985 c. B-3 (the "**BIA**").

11. THIS COURT ORDERS that, notwithstanding:

(a) the pendency of these proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the Debtors;

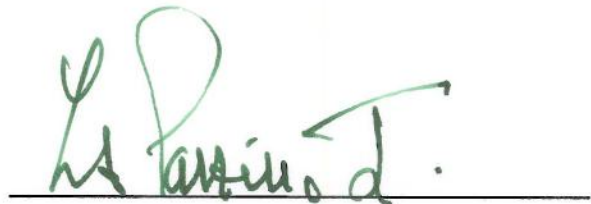
the vesting of the Lands in the Buyer pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

12. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this order and to assist the Receiver and its agents in carrying out the terms of this order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this order or to assist the Receiver and its agents in carrying out the terms of this order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:



JUL 10 2012



Schedule A – Form of Receiver’s Certificate

Court File No. CV-12-9616-00CL

BANK OF MONTREAL

Applicant

- and -

**NFC ACQUISITION GP INC., NFC ACQUISITION CORP.
NFC ACQUISITION L.P., NEW FOOD CLASSICS and
NFC LAND HOLDINGS CORP.**

Respondent

RECEIVER’S CERTIFICATE

RECITALS

1. Pursuant to an Order of the Ontario Superior Court of Justice (the “**Court**”) dated February 22, 2012 (the “**Appointment Order**”), FTI Consulting Canada Inc. was appointed as the receiver (the “**Receiver**”) of the undertaking, property and assets of NFC Acquisition GP Inc., NFC Acquisition L.P., NFC Acquisition Corp., New Food Classics and NFC Land Holdings Corp. (the “**Debtors**”).

2. Pursuant to an Order of the Court dated July 10, 2012, the Court approved the agreement of purchase and sale made as of March 16, 2012, as amended by amending agreements dated March 29, 2012, May 17, 2012 and May 25, 2012 respectively (the “**Sale Agreement**”) between the Receiver and TVR Construction (the “**Purchaser**”) and provided for the vesting in favour of the Purchaser’s nominee, Recon Metal Ltd. (the “**Buyer**”) of the Debtor’s right, title and interest in and to the Lands, which vesting is to be effective with respect to the Lands upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Lands; (ii) that the conditions to Closing as set out in Article 5 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

3. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

- (a) The Purchaser has paid and the Receiver has received the Purchase Price for the Lands payable on the Closing Date pursuant to the Sale Agreement;
- (b) The conditions to Closing as set out in Article 6 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and

(c) The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at [TIME] on [DATE].

FTI Consulting Canada Inc., solely in its capacity as court-appointed receiver of the assets, undertakings and properties of **NFC Acquisition GP Inc., NFC Acquisition L.P., NFC Acquisition Corp., New Food Classics and NFC Land Holdings Corp.**, and not in its personal or corporate capacity

By: _____
Name:
Title:

SCHEDULE "B"
CLAIMS TO BE DELETED AND EXPUNGED
FROM TITLE TO REAL PROPERTY

Specific Encumbrances

1. Respecting Plan 5576HC, Block Z, Lot 1, excepting thereout all mines and minerals:
 - (a) 061 097 877 Mortgage
 - (b) 061 097 879 Mortgage

2. Respecting Plan 5576HC, Block Z, Lot 2, excepting thereout all mines and minerals:
 - (a) 061 097 877 Mortgage
 - (b) 061 097 879 Mortgage

3. Respecting Plan 3313JK, Block A, excepting thereout all mines and minerals:
 - (a) 061 101 404 Mortgage
 - (b) 061 101 405 Mortgage

SCHEDULE "C"
PERMITTED ENCUMBRANCES

General Permitted Encumbrances

- (a) All exceptions, reservations and conditions to which the titles to the Lands are subject pursuant to the *Land Titles Act* (Alberta).
- (b) All caveats and instruments registered by or on behalf of the Purchaser.

Specific Permitted Encumbrances

- 1. Respecting Plan 5576HC, Block Z, Lot 1, excepting thereout all mines and minerals:
 - (a) 771 147 064 Zoning Regulations
 - (b) 011 173 508 Notice of Security Interest re: Fixtures
- 2. Respecting Plan 5576HC, Block Z, Lot 2, excepting thereout all mines and minerals:
 - (a) 771 147 064 Zoning Regulations
 - (b) 011 173 508 Notice of Security Interest re: Fixtures
- 3. Respecting Plan 3313JK, Block A, excepting thereout all mines and minerals:
 - (a) 6184JG Caveat: Utility Right of Way
 - (b) 6775JG Caveat: Utility Right of Way
 - (c) 6777JG Caveat: Utility Right of Way
 - (d) 2333JR Caveat: Utility Right of Way
 - (e) 771 147 064 Zoning Regulations

SCHEDULE "D"

1. FIRST

PLAN CALGARY 5576HC

BLOCK Z

LOT ONE (1)

CONTAINING...

<u>LOT</u>	<u>ACRES MORE OR LESS</u>
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1	2.00
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EXCEPTING THEREOUT ALL MINES AND MINERALS

SECOND

PLAN CALGARY 5576HC

BLOCK Z

LOT TWO (2)

CONTAINING...

<u>LOT</u>	<u>ACRES MORE OR LESS</u>
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2	0.94
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EXCEPTING THEREOUT ALL MINES AND MINERALS

2. PLAN 3313JK

BLOCK A

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 0.275 HECTARES (0.68 ACRES) MORE OR LESS

BANK OF MONTREAL

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and NFC ACQUISITION GP INC., NFC ACQUISITION CORP.
NFC ACQUISITION L.P., NEW FOOD CLASSICS and
NFC LAND HOLDINGS CORP.

Applicant

Respondents

Court File No. CV-12-9616-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]**

Proceeding commenced at TORONTO

APPROVAL AND VESTING ORDER

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Solicitors for FTI Consulting Canada Inc., Court
Appointed Receiver of NFC ACQUISITION GP INC.,
NFC ACQUISITION CORP., NFC LAND HOLDINGS
CORP. and NEW FOOD CLASSICS