

Court File No.: 5JM-46-2020

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

COURT OF QUEEN'S BENCH
CLERK / SAINT JOHN

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL DISTRICT OF SAINT JOHN

RECEIVED JUN 19 2020 FILED DÉPOSÉ

IN THE MATTER OF THE RECEIVERSHIP OF:

COUR DU BANC DE LA REINE
GREFFIÈRE / SAINT JOHN

HILLSPRING FARMS LTD., HSF FOODS
LTD. and HILLSPRING WAREHOUSE &
LOGISTICS INC.

-and-

PURSUANT TO Section 33 of The
Judicature Act, R.S.N.B. 1973, Ch. J-2,
Rule 41, Rules of Court, New
Brunswick and Section 243 of the
Bankruptcy and Insolvency Act, R.S.C.
1985, c. B-3

BETWEEN:

FARM CREDIT CANADA, a Federal
Crown Corporation

-and-

HILLSPRING FARMS LTD., HSF FOODS
LTD. and HILLSPRING WAREHOUSE &
LOGISTICS INC., each a New
Brunswick Corporation

APPLICANTS,

- and -

HILLSPRING FARMS LTD., HSF FOODS
LTD. and HILLSPRING WAREHOUSE &

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LOGISTICS INC., each a New
Brunswick Corporation

RESPONDENTS

Affidavit of Jeremy Brake

I, Jeremy Brake, of the Village of Centreville, in the Province of New Brunswick,
MAKE OATH AND SAY AS FOLLOWS THAT:

1. I am the sole director and shareholder of Hillspring Warehouse & Logistics Inc. ("Logistics"), Burbank Water & Wastewater Inc. ("BWW"), Burbank Industrial Supply Inc. ("BIS"), Sunrise Seed Farms Ltd. ("SSF"), Hillspring Thaw Ltd. ("Thaw") and Empire Construction & Fabrication Ltd. ("Empire"). In addition to those companies, I have been involved in the operations of related entities that my father, Ben Brake is the sole director and ultimate sole shareholder of; namely: Hillspring Farms Ltd. ("Hillspring"), HSF Foods Ltd. ("HSF") From The Farm Inc. ("FTF") and 631544 N.B. Ltd. ("631544").
2. I have personal knowledge of the matters hereinafter deposed to, except where otherwise stated, and in such cases I do verily believe the truth of the matters deposed to. I am authorized by each of Logistics, BWW, BIS, SSF, Thaw and Empire to make this affidavit.
3. I have reviewed the affidavit of my father Ben Brake for himself and the corporations he controls (the "Ben Brake Affidavit") that will be filed in relation to the application for the appointment of Ernst & Young Inc. ("EYI") as receiver and receiver manager (the "Receiver") of Hillspring, HSF and Logistics (collectively, the "Companies" and each a "Company").
4. As set out in the Ben Brake Affidavit, the need for a Receiver is a result of various factors including the need to complete the transaction (the "Transaction") documented in the final agreement of purchase and sale dated as of June 11, 2020 (the "Sale Agreement") between the



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Companies and McCain Farms, a division of McCain Produce Inc. (the "Purchaser").

5. I, for myself and the corporations I control, adopt and affirm the contents of the Ben Brake Affidavit with respect to the history of the Hillspring Group, as defined in the Ben Brake Affidavit, the recent history of the Hillspring Group's financial and operational issues and the need to have a Receiver appointed and the Transaction completed.
6. As the ultimate shareholder in Logistics, I concluded in mid March, 2020 that the Farming assets did not have enough value to deal with all of Hillspring's debts and certainly no equity that would be available to me. Even so, I, like my father, understood the importance of ongoing operations to the community and pursued that possible benefit with McCain, as defined in the Ben Brake Affidavit. I am glad McCain has worked as hard as it has to put together the Transaction, which will not benefit me personally but which I hope will benefit my community.
7. I am not aware of anyone other than McCain who would take on an operation of the scale and size of Farming on the terms of the Transaction. In addition to the normal market pressure on the potato industry, the impact of COVID-19 has been significant.
8. If the Receiver is not appointed and the Transaction not completed, I believe that the shutdown of Farming would be a significant loss to our community, as well as to FCC and CIBC.
9. I have reviewed the various list of assets to the Sale Agreement and specifically confirm that Article 12 of the Sale Agreement is accurate in all respects including that the Related Parties do not have any interest in the Purchased Assets or the Farming Equipment, as those terms are defined in the Sale Agreement.
10. I make this affidavit in support of the within application for the appointment of Ernst & Young Inc. as a receiver and receiver manager, the powers and duties of which are more particularly set out in the draft

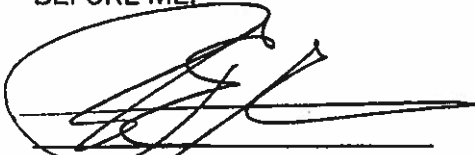

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orders attached to the Notice of Application including to complete the Transaction.

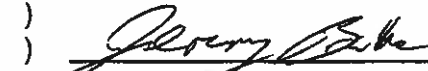
Town of Woodstock

SWORN TO at the 18th, in the)
Province of New Brunswick, this 18th)
day of June, 2020)

BEFORE ME:



Notary Public in and for the
Province of New Brunswick


JEREMY BRAKE