

COURT FILE NUMBER 2201-08920

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Clerk's stamp

IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
NORTH AMERICAN LAMB COMPANY LTD.,
CANADA SHEEP AND LAMB FARMS LTD.,
CANADA SHEEP HOLDINGS LTD., LAMB
CLUB MARKETING LIMITED, CANADA LAMB
GROWERS LTD., CANADA LAMB
PROCESSORS LTD. and CANINE FAIR LTD.

DOCUMENT **SALE APPROVAL AND VESTING ORDER**

Re: Sarto 2 Lands - 2Flag

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Norton Rose Fulbright Canada LLP
400 3rd Avenue SW, Suite 3700
Calgary, Alberta T2P 4H2 CANADA

Howard A. Gorman, K.C. / Meghan L. Parker
howard.gorman@nortonrosefulbright.com
meghan.parker@nortonrosefulbright.com
Tel: +1 403.267.8222
Fax: +1 403.264.5973

Lawyers for the Monitor
File no.: 1001221818

DATE ON WHICH ORDER WAS PRONOUNCED: DECEMBER 6, 2022

LOCATION OF HEARING: EDMONTON, ALBERTA (VIA WEBEX)

NAME OF JUSTICE WHO MADE THIS ORDER: HONOURABLE JUSTICE DUNLOP

UPON the application of Ernst & Young Inc., in its capacity as Court-appointed Monitor (the **Monitor**) of North American Lamb Company Ltd., Canada Sheep and Lamb Farms Ltd., Canada Sheep Holdings Ltd., Lamb Club Marketing Limited, Canada Lamb Growers Ltd., Canada Lamb Processors Ltd., and Canine Fair Ltd. (the **Debtors**) for an order approving the sale transaction

(the **Transaction**) contemplated by an agreement of purchase and sale (the **Sale Agreement**) between the Monitor, as vendor, and 2Flag Farms Ltd. (the **Purchaser**), accepted on November 24, 2022, and upon noting the registered security interests set out in **Schedule “B”** to this Order, and vesting in the Purchaser, the Debtors’ respective right, title, and interest in and to the assets described in the Sale Agreement (the **Purchased Assets**);

AND UPON having read the Initial Order granted by the Honourable Justice K.M. Horner on August 8, 2022, as amended and restated by the Order of the Honourable Justice R.A. Neufeld, dated August 17, 2022; **AND UPON** having read the First Report of the Monitor, filed, and the Second Report of the Monitor, filed, and the Confidential Supplement to the Second Report of the Monitor; **AND UPON** having heard submissions from counsel for the Monitor, and any other party that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1 Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2 The Transaction is hereby approved, and the execution of the Sale Agreement by the Monitor is hereby approved. The Monitor is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

3 Upon the delivery of a Monitor’s certificate to the Purchaser substantially in the form set out in Schedule “A” hereto (the **Monitor’s Certificate**), all of the Debtors’ respective right, title, and interest in and to the Purchased Assets shall vest absolutely in the name of the Purchaser,

free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, 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:

- (a) any encumbrances or charges created by the Initial Order, as amended and restated, or any other Orders granted in the within Proceedings;
- (b) any liens or claims of lien under the *Builders' Liens Act* (Manitoba);
- (c) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), the *Personal Property Security Act* (Manitoba), or any other personal property registry system; and

for greater certainty, this Court orders that all of the Claims affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4 Upon the delivery of the Monitor's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, **Governmental Authorities**) are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and certified copy of this Order as though they were originals and to complete the registration of such transmissions as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing, upon registration in the Winnipeg Land Titles Office (the "**Winnipeg LTO**") of a Request/Transmission

in the form prescribed by *The Real Property Act* (Manitoba) duly executed by the Purchaser, the District Registrar of the Winnipeg LTO is hereby directed to enter the Purchaser as the owner in fee simple of those lands and premises legally described as:

2737624/1
NW 1/4 OF SECTION 28-5-6 EPM
EXC ELY 726 FEET PERP OF WLY 1587 FEET PERP OF NLY 600 FEET PERP
SUBJECT TO THE RESERVATIONS AND PROVISIOES CONTAINED
IN THE GRANT FROM THE CROWN

2737625/1
THE SE 1/4 OF SECTION 28-5-6 EPM
EXC SLY 1320 FEET PERP
SUBJECT TO THE RESERVATIONS AND PROVISIOES
CONTAINED IN THE GRANT FROM THE CROWN

2737626/1
THE NW 1/4 OF SECTION 21-5-6 EPM
EXC FIRSTLY: WLY 1320 FEET AND
SECONDLY: PUBLIC DRAIN PLAN 7865 WLTO
SUBJECT TO THE RESERVATIONS AND PROVISIOES
CONTAINED IN THE GRANT FROM THE CROWN

(the **Lands**), and is hereby directed to delete and expunge from title to the Lands all of the Claims, which Certificate of Title shall be subject only to those encumbrances (the **Permitted Encumbrances**) listed on **Schedule "A"** to the Monitor's Certificate (and listed in duplicate on **Schedule "B"** to this Order).

5 The Registrar is expressly authorized and directed to include in the discharge of the encumbrances registered against the Lands, all encumbrances registered after the date the Initial Order was granted.

6 Upon delivery of the Monitor's Certificate together with a certified copy of this Order, this Order shall be accepted by the Registrar, notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

7 In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.

8 No authorization, approval or other action by and no notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Monitor of the Sale Agreement

9 For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Monitor) shall stand in the place and stead of the Purchased Assets from and after delivery of the Monitor's Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Monitor shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court.

10 Except as expressly provided for in the Sale Agreement, the Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtors.

11 Upon completion of the Transaction, the Debtors and all persons who claim by, through or under the Debtors in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

12 The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by or through or against the Debtors.

13 Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Monitor or any of the Debtors.

14 The Monitor is to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof to the Purchaser.

15 Pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Monitor is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information

provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtors were entitled.

MISCELLANEOUS MATTERS

16 Notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, C B-3 (the ***Bankruptcy and Insolvency Act***) in respect of any of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of any of the Debtors,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of any 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 *Bankruptcy and Insolvency Act* 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.

17 The Monitor, the Purchaser, and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

18 This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the

Monitor 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 as to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

19 This Order shall be posted by the Monitor to www.ey.com/ca/nalco, and served by the Monitor on the service list maintained by the Monitor and on those who otherwise are reasonably known by the Monitor to be affected by this Order. Service may be effected by facsimile, electronic mail, personal delivery or courier.

Justice of the Court of King's Bench of Alberta

SCHEDULE A

Form of Monitor's Certificate

Monitor's Certificate

COURT FILE NUMBER 2201-08920
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's stamp

IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
NORTH AMERICAN LAMB COMPANY LTD.,
CANADA SHEEP AND LAMB FARMS LTD.,
CANADA SHEEP HOLDINGS LTD., LAMB
CLUB MARKETING LIMITED, CANADA LAMB
GROWERS LTD., CANADA LAMB
PROCESSORS LTD. and CANINE FAIR LTD.

DOCUMENT

MONITOR'S CERTIFICATE

Re: Sarto 2 Lands – 2Flag

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Norton Rose Fulbright Canada LLP
400 3rd Avenue SW, Suite 3700
Calgary, Alberta T2P 4H2 CANADA

Howard A. Gorman, K.C. / Meghan L. Parker
howard.gorman@nortonrosefulbright.com
meghan.parker@nortonrosefulbright.com
Tel: +1 403.267.8222
Fax: +1 403.264.5973

Lawyers for the Monitor
File no.: 1001221818

RECITALS

- A. Pursuant to an Order of the Honourable Justice K.M. Horner of the Court of King's Bench of Alberta, Judicial District of Edmonton (the **Court**) dated August 8, 2022, as amended and restated by the Order of the Honourable Justice R.A. Neufeld on August 17, 2022, Ernst & Young Inc. was appointed as the monitor (the **Monitor**) of North American Lamb Company Ltd., Canada Sheep and Lamb Farms Ltd., Canada Sheep Holdings Ltd., Lamb

Club Marketing Limited, Canada Lamb Growers Ltd., Canada Lamb Processors Ltd., and Canine Fair Ltd. (the **Debtors**).

- B. Pursuant to an Order of the Court dated December 6, 2022 (the **Sale Approval and Vesting Order**), the Court approved the agreement of purchase and sale accepted on November 24, 2022 (the **Sale Agreement**) between the Monitor, as vendor, and 2 Flag Farms Ltd., as purchaser (the **Purchaser**), of the Debtors' respective right, title, and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Monitor and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement and Sale Approval and Vesting Order.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Monitor and the Purchaser;
3. For the purposes of the Land Titles Office (Manitoba), the Permitted Encumbrances are set out in **Schedule "A"** hereto; and
4. The Transaction has been completed to the satisfaction of the Monitor.

[signature page to follow]

5. This Certificate was delivered by the Monitor at _____ (time) on _____.

ERNST & YOUNG INC., IN ITS CAPACITY AS COURT-APPOINTED MONITOR (THE MONITOR) OF NORTH AMERICAN LAMB COMPANY LTD., CANADA SHEEP AND LAMB FARMS LTD., CANADA SHEEP HOLDINGS LTD., LAMB CLUB MARKETING LIMITED, CANADA LAMB GROWERS LTD., CANADA LAMB PROCESSORS LTD., AND CANINE FAIR LTD., AND NOT IN ITS PERSONAL CAPACITY

Per: _____

Name:

Title:

SCHEDULE A TO MONITOR'S CERTIFICATE

Permitted and Non-Permitted Encumbrances

SPECIFIC PERMITTED AND NON-PERMITTED ENCUMBRANCES**LEGAL:**

2737624/1

NW 1/4 OF SECTION 28-5-6 EPM

EXC ELY 726 FEET PERP OF WLY 1587 FEET PERP OF NLY 600 FEET PERP

SUBJECT TO THE RESERVATIONS AND PROVISIOES CONTAINED

IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737624/1

PERMITTED ENCUMBRANCES:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
4450499/1	23/01/2014	EASEMENT STATUTORY EASEMENT IN FAVOUR OF THE MANITOBA HYDRO-ELECTRIC BOARD

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

LEGAL:

2737625/1

THE SE 1/4 OF SECTION 28-5-6 EPM

EXC SLY 1320 FEET PERP

SUBJECT TO THE RESERVATIONS AND PROVISOS

CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737625/1

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

LEGAL:

2737626/1

THE NW 1/4 OF SECTION 21-5-6 EPM

EXC FIRSTLY: WLY 1320 FEET AND

SECONDLY: PUBLIC DRAIN PLAN 7865 WLTO

SUBJECT TO THE RESERVATIONS AND PROVISIOES

CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737626/1

PERMITTED ENCUMBRANCES:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
2403749/1	05/08/1999	CAVEAT RE: RIGHT-OF-WAY AGREEMENT CAVEATOR - MTS COMMUNICATIONS INC.

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

SCHEDULE B

Permitted and Non-Permitted Encumbrances

SPECIFIC PERMITTED AND NON-PERMITTED ENCUMBRANCES**LEGAL:**

2737624/1

NW 1/4 OF SECTION 28-5-6 EPM

EXC ELY 726 FEET PERP OF WLY 1587 FEET PERP OF NLY 600 FEET PERP

SUBJECT TO THE RESERVATIONS AND PROVISOS CONTAINED

IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737624/1

PERMITTED ENCUMBRANCES:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
4450499/1	23/01/2014	EASEMENT STATUTORY EASEMENT IN FAVOUR OF THE MANITOBA HYDRO-ELECTRIC BOARD

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

LEGAL:

2737625/1

THE SE 1/4 OF SECTION 28-5-6 EPM

EXC SLY 1320 FEET PERP

SUBJECT TO THE RESERVATIONS AND PROVISOS

CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737625/1

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

LEGAL:

2737626/1

THE NW 1/4 OF SECTION 21-5-6 EPM

EXC FIRSTLY: WLY 1320 FEET AND

SECONDLY: PUBLIC DRAIN PLAN 7865 WLTO

SUBJECT TO THE RESERVATIONS AND PROVISIOES

CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737626/1

PERMITTED ENCUMBRANCES:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
2403749/1	05/08/1999	CAVEAT RE: RIGHT-OF-WAY AGREEMENT CAVEATOR - MTS COMMUNICATIONS INC.

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

COURT FILE NUMBER 2201-08920

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Clerk's stamp

IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
NORTH AMERICAN LAMB COMPANY LTD.,
CANADA SHEEP AND LAMB FARMS LTD.,
CANADA SHEEP HOLDINGS LTD., LAMB
CLUB MARKETING LIMITED, CANADA LAMB
GROWERS LTD., CANADA LAMB
PROCESSORS LTD. and CANINE FAIR LTD.

DOCUMENT **SALE APPROVAL AND VESTING ORDER**

Re: Sarto 2 Lands - 2Flag

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

N
o
r
t
o
n
R
o
s
e
F
u
l
b
r
i
g
h
t
C
a
n
a
d
a
L
L
P
4

0
0
3
r
d
A
v
e
n
u
e
S
W

,
S
u
i
t
e
3
7
0
0
C
a
l
g
a
r
y
,
A
l
b
e
r
t
a
T
2
P
4
H
2
C
A
N
A
D
A

H
o
w

a
r
d

o
s
e
f
u
l
b
r
i
g
h
t
.
c
o
m
m
e
g
h
a
n
.
p
a
r
k
e
r
@
n
o
r
t
o
n
r
o

s
e
f
u
l
b
r
i
g
h
t
.
c
o
m
T
e
l
:
+
1
4
0
3
.
2
6
7
.
8
2
2
2

Fax: +1 403.264.5973

Lawyers for the Monitor
File no.: 1001221818

D
A
T
E
O
N
W
H
I
C
H

ORDER WAS PRONOUNCED: DECEMBER 6, 2022

LOCATION OF HEARING: EDMONTON, ALBERTA (VIA WEBEX)

NAME OF JUSTICE WHO MADE THIS ORDER: HONOURABLE JUSTICE DUNLOP

UPON the application of Ernst & Young Inc., in its capacity as Court-appointed Monitor (the **Monitor**) of North American Lamb Company Ltd., Canada Sheep and Lamb Farms Ltd., Canada Sheep Holdings Ltd., Lamb Club Marketing Limited, Canada Lamb Growers Ltd., Canada Lamb Processors Ltd., and Canine Fair Ltd. (the **Debtors**) for an order approving the sale transaction

(the **Transaction**) contemplated by an agreement of purchase and sale (the **Sale Agreement**) between the Monitor, as vendor, and 2Flag Farms Ltd. (the **Purchaser**), accepted on November 24, 2022, and upon noting the registered security interests set out in **Schedule “B”** to this Order, and vesting in the Purchaser, the Debtors’ respective right, title, and interest in and to the assets described in the Sale Agreement (the **Purchased Assets**);

AND UPON having read the Initial Order granted by the Honourable Justice K.M. Horner on August 8, 2022, as amended and restated by the Order of the Honourable Justice R.A. Neufeld, dated August 17, 2022; **AND UPON** having read the First Report of the Monitor, filed, and the Second Report of the Monitor, filed, and the Confidential Supplement to the Second Report of the Monitor; **AND UPON** having heard submissions from counsel for the Monitor, and any other party that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1 Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2 The Transaction is hereby approved, and the execution of the Sale Agreement by the Monitor is hereby approved. The Monitor is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

3 Upon the delivery of a Monitor’s certificate to the Purchaser substantially in the form set out in Schedule “A” hereto (the **Monitor’s Certificate**), all of the Debtors’ respective right, title, and interest in and to the Purchased Assets shall vest absolutely in the name of the Purchaser,

free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, 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:

- (a) any encumbrances or charges created by the Initial Order, as amended and restated, or any other Orders granted in the within Proceedings;
- (b) any liens or claims of lien under the *Builders' Liens Act* (Manitoba);
- (c) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), the *Personal Property Security Act* (Manitoba), or any other personal property registry system; and

for greater certainty, this Court orders that all of the Claims affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4 Upon the delivery of the Monitor's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, **Governmental Authorities**) are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and certified copy of this Order as though they were originals and to ~~register such transfers, interest authorizations, discharges and discharge statements of conveyance~~ complete the registration of such transmissions as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing, upon registration in the Winnipeg Land Titles Office (the "**Winnipeg LTO**") of a

Request/Transmission

in the form prescribed by *The Real Property Act* (Manitoba) duly executed by the Purchaser, the District Registrar of the Winnipeg LTO is hereby directed to enter the Purchaser as the owner in fee simple of those lands and premises legally described as:

2737624/1

NW 1/4 OF SECTION 28-5-6 EPM EXC ELY 726 FEET PERP OF WLY 1587 FEET
PERP OF NLY 600 FEET PERP SUBJECT TO THE RESERVATIONS AND PROVISIOES
CONTAINED IN THE GRANT FROM THE CROWN

2737625/1 THE SE 1/4 OF SECTION 28-5-6 EPM EXC SLY 1320 FEET PERP
SUBJECT TO THE RESERVATIONS AND
PROVISIOES CONTAINED IN THE GRANT FROM THE
CROWN

2737626/1 THE NW 1/4 OF SECTION 21-5-6 EPM EXC FIRSTLY: WLY 1320 FEET AND
SECONDLY: PUBLIC DRAIN PLAN 7865 WLTO
SUBJECT TO THE RESERVATIONS AND
PROVISIOES CONTAINED IN THE GRANT FROM THE
CROWN

(the **Lands**), and is hereby directed to delete and expunge from title to the Lands all of the Claims, which Certificate of Title shall be subject only to those encumbrances (the **Permitted Encumbrances**) listed on **Schedule “A”** to the Monitor’s Certificate (and listed in duplicate on **Schedule “B”** to this Order).

5 The Registrar is expressly authorized and directed to include in the discharge of the encumbrances registered against the Lands, all encumbrances registered after the date the Initial Order was granted.

6 Upon delivery of the Monitor’s Certificate together with a certified copy of this Order, this Order shall be accepted by the Registrar, notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

7 In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms

of this Order and the Sale Agreement. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.

8 No authorization, approval or other action by and no notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Monitor of the Sale Agreement

9 For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Monitor) shall stand in the place and stead of the Purchased Assets from and after delivery of the Monitor's Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Monitor shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court.

10 Except as expressly provided for in the Sale Agreement, the Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtors.

11 Upon completion of the Transaction, the Debtors and all persons who claim by, through or under the Debtors in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for

persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

12 The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by or through or against the Debtors.

13 Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Monitor or any of the Debtors.

14 The Monitor is to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof to the Purchaser.

15 Pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Monitor is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information

provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtors were entitled.

MISCELLANEOUS MATTERS

16 Notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, C B-3 (the ***Bankruptcy and Insolvency Act***) in respect of any of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of any of the Debtors,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of any 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 *Bankruptcy and Insolvency Act* 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.

17 The Monitor, the Purchaser, and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

18 This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Monitor 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 as to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

19 This Order shall be posted by the Monitor to www.ey.com/ca/nalco, and served by the

Monitor on the service list maintained by the Monitor and on those who otherwise are reasonably known by the Monitor to be affected by this Order. Service may be effected by facsimile, electronic mail, personal delivery or courier.

Justice of the Court of King's Bench of Alberta

SCHEDULE A

Form of Monitor's Certificate

Monitor's Certificate

COURT FILE NUMBER 2201-08920
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's stamp

IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
NORTH AMERICAN LAMB COMPANY LTD.,
CANADA SHEEP AND LAMB FARMS LTD.,
CANADA SHEEP HOLDINGS LTD., LAMB
CLUB MARKETING LIMITED, CANADA LAMB
GROWERS LTD., CANADA LAMB
PROCESSORS LTD. and CANINE FAIR LTD.

DOCUMENT **MONITOR'S CERTIFICATE**
Re: Sarto 2 Lands – 2Flag

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

N
o
r
t
o
n
R
o
s
e
F
u
l
b
r
i
g
h
t
C
a
n
a
d
a
L
L
P

4
0
0
3
r
d
A
v
e
n
u
e
S
W
,
S
u
i
t
e
3
7
0
0
C
a
l
g
a
r
y
,
A
l
b
e
r
t
a
T
2
P
4
H
2
C
A
N
A
D
A

H
o
w

r
o
s
e
f
u
l
b
r
i
g
h
t
.
c
o
m
m
e
g
h
a
n
.
p
a
r
k
e
r
@
n
o

r
t
o
n
r
o
s
e
f
u
l
b
r
i
g
h
t
.
c
o
m
T
e
l
:
+1

403.267.8222

Fax: +1 403.264.5973

Lawyers for the Monitor
File no.: 1001221818

R
E
C
I
T
A
L
S

A. P
u
r
s
u
a

n
t
t
o
a
n
O
r
d
e
r
o
f

the Honourable Justice K.M. Horner of the Court of King's Bench of Alberta, Judicial District of Edmonton (the **Court**) dated August 8, 2022, as amended and restated by the Order of the Honourable Justice R.A. Neufeld on August 17, 2022, Ernst & Young Inc. was appointed as the monitor (the **Monitor**) of North American Lamb Company Ltd., Canada Sheep and Lamb Farms Ltd., Canada Sheep Holdings Ltd., Lamb Club Marketing Limited, Canada Lamb Growers Ltd., Canada Lamb Processors Ltd., and Canine Fair Ltd. (the **Debtors**).

- B. Pursuant to an Order of the Court dated December 6, 2022 (the **Sale Approval and Vesting Order**), the Court approved the agreement of purchase and sale accepted on November 24, 2022 (the **Sale Agreement**) between the Monitor, as vendor, and 2 Flag Farms Ltd., as purchaser (the **Purchaser**), of the Debtors' respective right, title, and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Monitor and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement and Sale Approval and Vesting Order.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Monitor and the Purchaser;
3. For the purposes of the Land Titles Office (Manitoba), the Permitted Encumbrances are set out in **Schedule "A"** hereto; and
4. The Transaction has been completed to the satisfaction of the Monitor.

[signature page to follow]

5. This Certificate was delivered by the Monitor at _____ (time) on _____.

ERNST & YOUNG INC., IN ITS CAPACITY AS COURT-APPOINTED MONITOR (THE MONITOR) OF NORTH AMERICAN LAMB COMPANY LTD., CANADA SHEEP AND LAMB FARMS LTD., CANADA SHEEP HOLDINGS LTD., LAMB CLUB MARKETING LIMITED, CANADA LAMB GROWERS LTD., CANADA LAMB PROCESSORS LTD., AND CANINE FAIR LTD., AND NOT IN ITS PERSONAL CAPACITY

Per: _____

Name

:

Title:

SCHEDULE A TO MONITOR'S CERTIFICATE

Permitted and Non-Permitted Encumbrances

SPECIFIC PERMITTED AND NON-PERMITTED ENCUMBRANCES**LEGAL:**

2737624/1 NW 1/4 OF SECTION 28-5-6 EPM EXC ELY 726 FEET PERP OF WLY 1587 FEET PERP OF NLY 600 FEET PERP SUBJECT TO THE RESERVATIONS AND PROVISIOES CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737624/1

PERMITTED ENCUMBRANCES:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
4450499/1	23/01/2014	EASEMENT STATUTORY EASEMENT IN FAVOUR OF THE MANITOBA HYDRO-ELECTRIC BOARD

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

LEGAL:

2737625/1 THE SE 1/4 OF SECTION 28-5-6 EPM EXC SLY 1320 FEET PERP SUBJECT TO THE RESERVATIONS AND PROVISIOES CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737625/1

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

LEGAL:

2737626/1 THE NW 1/4 OF SECTION 21-5-6 EPM EXC FIRSTLY: WLY 1320 FEET AND SECONDLY: PUBLIC DRAIN PLAN 7865 WLTO SUBJECT TO THE RESERVATIONS AND PROVISIOES CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737626/1

CAN_DMS: \149104276\1

PERMITTED ENCUMBRANCES:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
2403749/1	05/08/1999	CAVEAT RE: RIGHT-OF-WAY AGREEMENT CAVEATOR - MTS COMMUNICATIONS INC.

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

SCHEDULE B

Permitted and Non-Permitted Encumbrances

SPECIFIC PERMITTED AND NON-PERMITTED ENCUMBRANCES**LEGAL:**

2737624/1 NW 1/4 OF SECTION 28-5-6 EPM EXC ELY 726 FEET PERP OF WLY 1587 FEET PERP OF NLY 600 FEET PERP SUBJECT TO THE RESERVATIONS AND PROVISIOES CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737624/1

PERMITTED ENCUMBRANCES:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
4450499/1	23/01/2014	EASEMENT STATUTORY EASEMENT IN FAVOUR OF THE MANITOBA HYDRO-ELECTRIC BOARD

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

LEGAL:

2737625/1 THE SE 1/4 OF SECTION 28-5-6 EPM EXC SLY 1320 FEET PERP SUBJECT TO THE RESERVATIONS AND PROVISIOES CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737625/1

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

LEGAL:

2737626/1 THE NW 1/4 OF SECTION 21-5-6 EPM EXC FIRSTLY: WLY 1320 FEET AND SECONDLY: PUBLIC DRAIN PLAN 7865 WLTO SUBJECT TO THE RESERVATIONS AND PROVISIOES CONTAINED IN THE GRANT FROM THE CROWN

TITLE NUMBER:

2737626/1

CAN_DMS: \149104276\1

PERMITTED ENCUMBRANCES:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
2403749/1	05/08/1999	CAVEAT RE: RIGHT-OF-WAY AGREEMENT CAVEATOR - MTS COMMUNICATIONS INC.

NON-PERMITTED ENCUMBRANCES TO BE DISCHARGED FROM TITLE TO THE PROPERTY:

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
5016332/1	07/11/2018	MORTGAGE MORTGAGEE – FARM CREDIT CANADA ORIGINAL PRINCIPAL AMOUNT: \$27,000,000
5016333/1	07/11/2018	MORTGAGE MORTGAGEE – THE BANK OF NOVA SCOTIA ORIGINAL PRINCIPAL AMOUNT: \$30,000,000

COURT FILE NUMBER

Clerk's **S**stamp

COURT FILE NUMBER 2201-08920

COURT COURT OF ~~QUEEN~~KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF

DEFENDANT

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
NORTH AMERICAN LAMB COMPANY
LTD., CANADA SHEEP AND LAMB FARMS
LTD., CANADA SHEEP HOLDINGS LTD.,
LAMB CLUB MARKETING LIMITED,
CANADA LAMB GROWERS LTD.,
CANADA LAMB PROCESSORS LTD. and
CANINE FAIR LTD.

DOCUMENT SALE APPROVAL AND VESTING ORDER(~~Sale by Receiver~~)
Re: Sarto 2 Lands - 2Flag

ADDRESS FOR
SERVICE AND

CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Norton Rose Fulbright
Canada LLP 400 3rd
Avenue SW, Suite
3700 Calgary, Alberta
T2P 4H2 CANADA

H
o
w
a
r
d
A
G

ormann@KC/MeghanLParkerhoward.g

ormann@nortonrosefulbright.com

meghan.parker@nortonrosefulbright.com

[Tel: +1 403.267.8222](tel:+1403.267.8222)

[Fax: +1 403.264.5973](tel:+1403.264.5973)

[Lawyers for the Monitor](#)

[File no.: 1001221818](#)

D
A
T
E
O
N
W
H
I
C
H
O
R
D

ER WAS PRONOUNCED: _____ DECEMBER 6, 2022

LOCATION ~~WHERE ORDER WAS PRONOUNCED:~~ _____ OF
HEARING: _____ EDMONTON, ALBERTA (VIA WEBEX)

NAME OF JUSTICE WHO MADE THIS ORDER: _____
HONOURABLE JUSTICE DUNLOP

UPON ~~THE APPLICATION~~ by ~~[Receiver's Name]~~ the application of Ernst & Young Inc., in its capacity as ~~the~~ Court-appointed ~~[receiver/receiver and manager]~~ Monitor (the "~~Receiver~~" Monitor) of ~~the undertakings, property and assets of [Debtor]~~ North American Lamb Company Ltd., Canada Sheep and Lamb Farms Ltd., Canada Sheep Holdings Ltd., Lamb Club Marketing Limited, Canada Lamb Growers Ltd., Canada Lamb Processors Ltd., and Canine Fair Ltd. (the "~~Debtor~~" Debtors) for an order approving the sale transaction

(the **“Transaction”**) contemplated by an agreement of purchase and sale (the **“Sale Agreement”**) between the ~~Receiver and [Name of Purchaser]~~ Monitor, as vendor, and 2Flag Farms Ltd. (the **“Purchaser”**) dated ~~[Date]~~ and appended to the ~~_____ Report of the Receiver dated [Date] (the “Report”),~~ accepted on November 24, 2022, and upon noting the registered security interests set out in Schedule “B” to this Order, and vesting in the Purchaser ~~(or its nominee)~~¹, the ~~Debtor’s~~ Debtors’ respective right, title, and interest in and to the assets described in the Sale Agreement (the **“Purchased Assets”**);

AND UPON ~~HAVING READ~~ having read the ~~Receivership~~ Initial Order dated ~~[Date] (the “Receivership Order”),~~ granted by the Honourable Justice K.M. Horner on August 8, 2022, as amended and restated by the Order of the Honourable Justice R.A. Neufeld, dated August 17, 2022; **AND UPON** having read the First Report of the Monitor, filed, and the Second Report of the Monitor, filed, and the ~~Affidavit~~ Confidential Supplement to the Second Report of Service the Monitor; **AND UPON** ~~HEARING the~~ having heard submissions ~~of~~ from counsel for the ~~Receiver, the Purchaser [Names of other parties appearing], no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed~~ Monitor, and any other party that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1 ~~1.~~ Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.²

APPROVAL OF TRANSACTION

¹ ~~Ensure that there are no legal obstacles to the vesting of assets in a nominee (for example competition and anti-trust law). Should land be transferred and vested in a nominee, the Registrar of Land Titles requires the Purchaser to complete a Certificate of Nomination (which needs to be signed under seal if the Purchaser is a corporation. If the Purchaser is an individual, the signature needs to be witnessed with an affidavit of execution completed.)~~

² ~~Ensure that the application and supporting materials are served on all affected parties including those whose interests will be vested off.~~

2 ~~2-~~ The Transaction is hereby approved³, and the execution of the Sale Agreement by the ~~Receiver~~Monitor is hereby ~~authorized and approved, with such minor amendments as the Receiver may deem necessary.~~ The ~~Receiver~~Monitor is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction ~~and~~or for the conveyance of the Purchased Assets to the Purchaser ~~(or its nominee).~~

VESTING OF PROPERTY

3 ~~3. [Subject only to approval by the Alberta Energy Regulator ("Energy Regulator") of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the Oil and Gas Conservation Act (Alberta) and section 18 of the Pipeline Act (Alberta)]⁴ upon~~Upon the delivery of a ~~Receiver~~Monitor's certificate to the Purchaser ~~(or its nominee)~~ substantially in the form set out in Schedule "A" hereto (the ~~"Receiver~~Monitor's Closing—Certificate"), all of the ~~Debtor's~~Debtors' respective right, title, and interest in and to the Purchased Assets ~~[listed in Schedule "B"]⁵ hereto]~~ shall vest absolutely in the name of the Purchaser ~~(or its nominee),~~

free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory,

³ ~~In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding. If supported by evidence, the following sentence could be added at the beginning of paragraph 2: "The Transaction and Sale Agreement are commercially reasonable and in the best interest of the Debtor and its stakeholders."~~

⁴ ~~This bracketed clause, paragraph 4(b) and the bracketed words at the end of paragraph 6 are included when the Purchased Assets include mineral interests in land.~~

⁵ ~~To allow this Order to be free standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule B.~~

financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "the Claims")⁶ including, without limiting the generality of the foregoing:

(a) any encumbrances or charges created by the ~~Receivership~~Initial Order, as amended and restated, or any other Orders granted in the within Proceedings;

(b) any liens or claims of lien under the Builders' Liens Act (Manitoba);

(c) ~~(b)-any~~all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), the *Personal Property Security Act* (Manitoba), or any other personal property registry system;

~~(e) any liens or claims of lien under the Builders' Lien Act (Alberta); and~~

~~(d) those Claims listed in Schedule "C" hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in Schedule "D" (collectively, "Permitted Encumbrances")) and~~

for greater certainty, this Court orders that all of the Claims ~~including Encumbrances other than Permitted Encumbrances,~~ affecting or relating to the Purchased Assets are hereby expunged, and discharged ~~and terminated~~ as against the Purchased Assets.

⁶ ~~The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims may, in some cases, continue as against the net proceeds from sale of the claimed assets. In other cases, the ownership claimant may object to its ownership interest being vested out of the claimed assets. For example, it not clear that vesting orders can vest out overriding royalties or restrictive covenants which are interests in land. (In *Third Eye Capital Corp. v Dianor Resources Inc.*, 2018 ONCA 253 at paragraphs 108-130 the Ont. C.A. requested further argument regarding whether an overriding royalty which is an interest in land may nevertheless be vested out.) Similarly, other claimed rights, titles or interests may potentially be vested out if the Court is advised what rights are being affected and the affected persons are served. The Committee agrees with the view of the Ontario Committee that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.~~

4 4. Upon the delivery of the ~~Receiver~~Monitor's ~~Closing~~ Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such ~~Receiver~~Monitor's ~~Closing~~ Certificate and certified copy of this Order as though they were originals and to ~~register such transfers, interest authorizations, discharges and discharge statements of conveyance~~complete the registration of such transmissions as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing: ~~(a)⁷ the Registrar of,~~ upon registration in the Winnipeg Land Titles ("Land Titles Registrar") for the lands defined below shall and Office (the "Winnipeg LTO") of a Request/Transmission in the form prescribed by The Real Property Act (Manitoba) duly executed by the Purchaser, the District Registrar of the Winnipeg LTO is hereby ~~authorized, requested and~~ directed to ~~forthwith:~~

~~(i) — cancel existing Certificates of Title No. * for~~ enter the Purchaser as the owner in fee simple of those lands and premises ~~municipally described as *, and~~ legally described as:

2737624/1
NW 1/4 OF SECTION 28-5-6 EPM EXC ELY 726 FEET PERP OF WLY 1587 FEET
PERP OF NLY 600 FEET PERP SUBJECT TO THE RESERVATIONS AND
PROVISOES CONTAINED IN THE GRANT FROM THE CROWN

2737625/1 THE SE 1/4 OF SECTION 28-5-6 EPM EXC SLY 1320 FEET PERP
SUBJECT TO THE RESERVATIONS AND
PROVISOES CONTAINED IN THE GRANT FROM
THE CROWN

2737626/1 THE NW 1/4 OF SECTION 21-5-6 EPM EXC FIRSTLY: WLY 1320 FEET
AND
SECONDLY: PUBLIC DRAIN PLAN 7865 WLTO
SUBJECT TO THE RESERVATIONS AND

⁷ ~~Paragraph 4(a) is included when the Purchased Assets include titled lands.~~

PROVISOES CONTAINED IN THE GRANT FROM
THE CROWN

*

—(the “**Lands**”)

(ii) ~~issue a new Certificate of Title for,~~ and is hereby directed to delete and expunge from title
to the Lands ~~in the name~~all of the Purchaser (or its nominee), namely, *;

(iii) ~~transfer to the New~~Claims, which Certificate of Title ~~the existing instruments listed in~~
~~Schedule “D”, to this Order, and to issue and register against the New Certificate of Title such new~~
~~caveats, utility rights of ways, easements or other instruments as are listed in Schedule “D”; and~~

(iv) ~~discharge and expunge the Encumbrances listed in Schedule “C” to this Order and discharge~~
~~and expunge any Claims including Encumbrances (but excluding~~shall be subject only to those
encumbrances (the Permitted Encumbrances) ~~which may be registered after the date of the~~
~~Sale Agreement against the existing Certificate of Title to the Lands;~~⁸ ~~Alberta — Energy — (“Energy~~
~~Ministry”) shall and~~listed on Schedule “A” to the Monitor’s Certificate (and listed in duplicate
on Schedule “B” to this Order).

5 The Registrar is ~~hereby~~expressly authorized, ~~requested~~ and directed to ~~forthwith:~~

(v) ~~cancel and~~include in the discharge ~~those Claims including builders’ liens, security notices,~~
~~assignments under section 426 (formerly section 177) of the Bank Act (Canada) and other~~
~~Encumbrances (but excluding Permitted Encumbrances)~~of the encumbrances registered ~~(whether~~
~~before or after the date of this Order)~~ against the ~~estate or interest of the Debtor in and to any of the~~
~~Purchased Assets located in the Province of Alberta; and~~

⁸ Paragraph 4(b) is included when the Purchased Assets include mineral interests in land.

~~(vi) — transfer all Crown leases listed in Schedule “E” to this Order standing in the name of the Debtor, to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances;~~

~~(c) — the Registrar of the Alberta Personal Property Registry (the “PPR Registrar”) shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.~~ Lands, all encumbrances registered after the date the Initial Order was granted.

6 Upon delivery of the Monitor’s *Certificate together with a certified copy of this Order, this Order shall be accepted by the Registrar, notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.*

7 ~~5.~~ In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the ~~Receiver~~Monitor’s ~~Closing~~ Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.

8 ~~6.~~ No authorization, approval or other action by and no notice to or filing with any ~~g~~Governmental ~~a~~Authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the ~~Receiver~~Monitor of

the Sale Agreement, ~~[other than any required approval by the Energy Regulator referenced in paragraph 3 above.]~~⁹

~~7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the Land Titles Act, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.~~

9 ~~8.~~ For the purposes of determining the nature and priority of Claims, net proceeds¹⁰ from sale of the Purchased Assets (to be held in an interest bearing trust account by the ~~Receiver~~Monitor) shall stand in the place and stead of the Purchased Assets from and after delivery of the ~~Receiver~~Monitor's ~~Closing~~ Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the ~~Receiver~~Monitor shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, ~~provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.~~

⁹ The bracketed words in this paragraph are included when the Purchased Assets include mineral interests in land.

¹⁰ The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

10 ~~9.~~ Except as expressly provided for in the Sale Agreement ~~or by section 5 of the Alberta Employment Standards Code~~, the Purchaser ~~(or its nominee)~~ shall ~~not~~, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtors~~s~~.¹¹

11 ~~10.~~ Upon completion of the Transaction, the Debtors~~s~~ and all persons who claim by, through or under the Debtors~~s~~ in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).¹²

12 ~~11.~~ The Purchaser ~~(or its nominee)~~ shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors~~s~~, or any person claiming by, or through or against the Debtors~~s~~.

¹¹ ~~Successor employer liability is governed by section 5 of the *Employment Standards Code*, RSA 2000 c. E-9 as amended. Inclusion of the words "or by statute" in paragraph 9 ensures that paragraph 9 does not purport to abrogate statutory successor employee liability.~~

¹² ~~Not all sale agreements require, nor do the terms of the Debtor's possession of human resources and payroll information always permit, disclosure and transfer of such information to the Purchaser. If disclosure and transfer of such information to the Purchaser is not required or permitted, then Section 10 of this Order should be deleted.~~

13 ~~42.~~ Immediately ~~upon~~after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the ~~Receiver~~Monitor or any of the Debtors.¹³

14 ~~43.~~ The ~~Receiver~~Monitor is ~~directed~~ to file with the Court a copy of the ~~Receiver~~Monitor's ~~Closing~~ Certificate, forthwith after delivery thereof to the Purchaser ~~(or its nominee)~~.

15 ~~44.~~ Pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* ~~(Canada) and section 20(e) of the Alberta Personal Information Protection Act~~, the ~~Receiver~~Monitor is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtors's records pertaining to the Debtors's past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtorss ~~was~~ were entitled.

MISCELLANEOUS MATTERS

16 ~~45.~~ Notwithstanding:

- (a) the pendency of these proceedings ~~and any declaration of insolvency made herein~~;

¹³ ~~The terms of the Permitted Encumbrance and Sale Agreement should be reviewed to determine whether an encumbrance also constitutes a charge against other assets not being sold (in addition to the Purchased Assets.) In that circumstance, absent agreement of the encumbrancer to the contrary, the Debtor may not be fully discharged so the encumbrancer does not lose its charge over the other assets it holds as security. Do not add the words "or the Debtor" to the end of paragraph 12 if an encumbrancer's claim against the Debtor should be reserved.~~

- (b) ~~the pendency of~~ any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, ~~R.S.C.~~ RSC 1985, ~~c.~~ C B-3, ~~as amended~~ (the "~~BIA~~" *Bankruptcy and Insolvency Act*), in respect of any of the ~~Debtor,~~ Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of ~~the Debtor; and~~
(d) ~~the provisions of any federal or provincial statute;~~ any of the Debtors,

the vesting of the Purchased Assets in the Purchaser ~~(or its nominee)~~ pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the Debtors~~s~~ and shall not be void or voidable by creditors of the Debtors~~s~~, nor shall it constitute nor be deemed to be a ~~transfer at undervalue,~~ settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the ~~BIA~~ *Bankruptcy and Insolvency Act* 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.

17 ~~16.~~ The ~~Receiver~~ Monitor, the Purchaser ~~(or its nominee)~~, and any other interested party, shall be at liberty to apply for further advice, assistance and directions~~s~~ as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

18 ~~17.~~ This ~~Honourable~~ Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada ~~or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order,~~ to give effect to this Order and to assist the ~~Receiver~~

Monitor 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 s and as to provide such assistance to the ~~Receiver~~ Monitor, as an officer of the ~~is~~ Court, as may be necessary or desirable to give effect to this Order or to assist the ~~Receiver~~ Monitor and its agents in carrying out the terms of this Order.

19 ~~18. Service of this~~ This Order shall be ~~deemed good~~ posted by the Monitor to
www.ey.com/ca/nalco, and sufficient served by the
~~(a) Serving the same on:~~

- ~~(i) the persons listed~~ Monitor on the service list ~~created in these proceedings;~~
- ~~(ii) any other person served with notice of the application for this Order;~~
- ~~(iii) any other parties attending or represented at the application for this Order;~~
- ~~(iv) the Purchaser or the Purchaser's solicitors; and~~
- ~~(b) Posting a copy of this Order on the Receiver's website at: *~~

~~and service on any other person is hereby dispensed with.~~ 19. maintained by the Monitor
and on those who otherwise are reasonably known by the Monitor to be affected by this
Order. Service ~~of this Order~~ may be effected by facsimile, electronic mail, personal
delivery or courier. ~~Service is deemed to be effected the next business day following~~
~~transmission or delivery of this Order.~~

Justice of the Court of ~~Queen~~ King's Bench
of Alberta

~~Schedule "A"~~ SCHEDULE
A

Form of
~~Receiver~~ Monitor's
Certificate

Monitor's Certificate

~~COURT FILE NUMBER~~

Clerk's ~~S~~stamp

COURT FILE NUMBER 2201-08920

COURT COURT OF ~~QUEEN~~KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

~~PLAINTIFF~~

~~DEFENDANT~~

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
NORTH AMERICAN LAMB COMPANY
LTD., CANADA SHEEP AND LAMB FARMS
LTD., CANADA SHEEP HOLDINGS LTD.,
LAMB CLUB MARKETING LIMITED,
CANADA LAMB GROWERS LTD.,
CANADA LAMB PROCESSORS LTD. and
CANINE FAIR LTD.

DOCUMENT ~~RECEIVER~~MONITOR'S CERTIFICATE

Re: Sarto 2 Lands – 2Flag

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

N
o
r
t
o
n
R
o
s
e
f
u
l
b
r
i
e

g
h
t
C
a
n
a
d
a
L
L
P
4
0
0
3
r
d
A
v
e
n
u
e
S
W

S
u
i
t
e
3
7
0

0
C
a
i
g
a
r
y
A
i
b
e
r
t
a
T
2
P
4
H
2
C
A
N
ADA

Howard A. Gorman, K.C. / Meghan L.
Parker
howard.gorman@nortonrosefulbright.com
meghan.parker@nortonrosefulbright.com
Tel: +1 403.267.8222
Fax: +1 403.264.5973

Lawyers for the Monitor
File no.: 1001221818

R
E
C
I
T
A
L
S

A.
P
u

rsuant to an Order of the Honourable Justice ~~[Name]~~K.M. Horner of the Court of ~~Queen~~King's Bench of Alberta, Judicial District of ~~_____~~Edmonton (the "**Court**") dated ~~[Date of August 8, 2022, as amended and restated by the Order]~~, ~~[Name of Receiver]~~the Honourable Justice R.A. Neufeld on August 17, 2022, Ernst & Young Inc. was appointed as the ~~receiver~~monitor (the "**Receiver**"Monitor) of ~~the undertakings, property and _____ assets _____ of _____~~[Debtor]North American Lamb Company Ltd., Canada Sheep and Lamb Farms Ltd., Canada Sheep Holdings Ltd., Lamb Club Marketing Limited, Canada Lamb Growers Ltd., Canada Lamb Processors Ltd., and Canine Fair Ltd. (the "**Debtor**"Debtors).

- B. Pursuant to an Order of the Court dated ~~[Date]~~December 6, 2022 (the Sale Approval and Vesting Order), the Court approved the agreement of purchase and sale ~~made as of [Date of Agreement]~~accepted on November 24, 2022 (the "**Sale Agreement**") between the ~~Receiver and [Name of Purchaser]~~Monitor, as vendor, and 2 Flag Farms Ltd., as purchaser (the "**Purchaser**") ~~and provided for the vesting in the Purchaser,~~ of the ~~Debtor's~~Debtors' respective right, title, and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the ~~Receiver~~Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in ~~section * of~~ the Sale Agreement have been satisfied or waived by the ~~Receiver~~Monitor and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the ~~Receiver~~Monitor.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement and Sale Approval and Vesting Order.

THE ~~RECEIVER~~MONITOR CERTIFIES the following:

1. The Purchaser ~~(or its nominee)~~ has paid and the ~~Receiver~~Monitor has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in ~~section * of~~ the Sale Agreement have been satisfied or waived by the ~~Receiver~~Monitor and the Purchaser ~~(or its nominee)~~;

3. For the purposes of the Land Titles Office (Manitoba), the Permitted Encumbrances are set out in **Schedule "A"** hereto; and

4. ~~3.~~ The Transaction has been completed to the satisfaction of the ~~Receiver~~Monitor.

[signature page to follow]

5. ~~4.~~ This Certificate was delivered by the ~~(Receiver)~~ (Monitor) on ~~[Time]~~ [Time] on ~~[Date]~~ [Date] at [Name of Receiver], in its capacity as Receiver of the undertakings, property and assets of [Debtor], and not in its personal capacity. Monitor at _____.

ERNST & YOUNG INC., IN ITS CAPACITY AS COURT-APPOINTED MONITOR (THE MONITOR) OF NORTH AMERICAN LAMB COMPANY LTD., CANADA SHEEP AND LAMB FARMS LTD., CANADA SHEEP HOLDINGS LTD., LAMB CLUB MARKETING LIMITED, CANADA LAMB GROWERS LTD., CANADA LAMB PROCESSORS LTD., AND CANINE FAIR LTD., AND NOT IN ITS PERSONAL CAPACITY

Per: _____
Name
:
Title: