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SASKATCHEWAN

JUDICIAL CENTRE

SASKATOON

APPLICANTS

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

AND IN THE MATTER OF AGRACITY CROP &  
NUTRITION LTD., MPOWER LOGISTICS LTD.  
NEWAGCO INC., CARBONTERRA LTD.,  
AGRONOMAX FARM MANAGEMENT SOLUTIONS  
INC., 14492676 CANADA INC., VIKING CROP  
PRODUCTION PARTNERS INC., 101114752  
SASKATCHEWAN LTD., 101072497  
SASKATCHEWAN LTD., CATALYST  
TECHNOLOGIES LTD., GENESIS GRAIN &  
FERTILIZER GP INC., GENESIS OPERATING GP  
INC., 101187148 SASKATCHEWAN LTD., AND FNA  
AGRACITY HOLDINGS LTD.

DOCUMENT

**FOURTH REPORT OF ERNST & YOUNG INC. IN ITS  
CAPACITY AS THE MONITOR OF THE APPLICANTS**

**March 4, 2026**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

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## **INTRODUCTION AND PURPOSE**

1. On February 24, 2026, the Court granted an Order extending the Stay Period to March 26, 2026 and approving an Amending Agreement to the Interim Financing Term Sheet and an increase to the Interim Financing Charge from \$4,000,000 to \$8,525,000. This Court also granted the Restriction Order (as defined below).
2. The purpose of this Fourth Report of the Monitor (the “**Fourth Report**”) is to provide this Honourable Court and the CCAA Entities’ stakeholders with information and the Monitor’s comments with respect to the following:
  - a. the anticipated application to be brought by James Mann to dismiss the Interim Order of the Honourable Justice R.S. Smith dated February 24, 2026 (the “**Restriction Order**”) that, among other things, barred Farmers of North America (“**FNA**”) and James Mann, or anyone acting on their behalf, from communicating any information about the CCAA Entities to anyone except their legal and financial advisors without the prior written consent of the Monitor;
  - b. James Mann's notice of cross-application dated February 24, 2026 seeking an order to, among other things, compel AgraCity to immediately pay \$558,990.71 to Farms and Families of North America (“**FFNA**”); and
  - c. the Monitor’s views and recommendations regarding the above referenced applications.

## **TERMS OF REFERENCE**

3. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.
4. Capitalized terms not defined herein are as defined in the Initial Order, the ARIO, the SISP Order, the Monitor’s Pre-Filing Report dated November 26, 2025, the First Report dated December 9, 2025, the Second Report dated January 15, 2026, the Third Report dated February 21, 2026, or other materials filed by the AgraCity Group in connection with the February 24 Application.

## **INTERIM ORDER – RESTRICTION ON COMMUNICATION AND CORRECTIVE LETTER**

5. On February 24, 2026, the AgraCity Group sought and obtained the Restriction Order which prevents FNA, James Mann, or anyone acting on their behalf, from communicating information about the AgraCity Group to anyone except their legal and financial advisors without the consent of the Monitor.
6. The AgraCity Group sought this relief in response to FNA and James Mann providing FNA members with false or misleading information about the AgraCity Group, their management, the Monitor, this CCAA process, and the SISP. This false or misleading information prejudiced the AgraCity Group because FNA’s members are comprised of farmers in Western Canada predominately located in

Saskatchewan, and these same members are the AgraCity Group's customers and largest body of creditors. FNA and James Mann's misstatements and actions have caused confusion in the SISP and have negatively impacted the AgraCity Group's ability to carry on business and execute the Reconciliation Protocol.

7. Throughout the CCAA proceedings, FNA and James Mann utilized various forms of communication to contact FNA members, including press releases, letters, virtual townhalls hosted on Microsoft Teams, text messages, and phone calls.
8. The Monitor has received and reviewed certain of these communications. Attached to this Fourth Report at Appendix 'B' is a press release issued by FNA on February 11, 2026 (the "**FNA Press Release**"). The FNA Press Release makes disparaging remarks about the AgraCity Group, the Monitor, and statements regarding possible outcomes in these CCAA proceedings that are contrary to the court-approved procedures set out in the SISP.
9. Based on the Monitor's review of the FNA Press Release, it appears that one of FNA and James Mann's primary complaints is that the Monitor refused to allow FNA and James Mann to participate in the SISP. This statement alone without additional context is misleading.
10. Under the SISP, each prospective participant was required to provide the Monitor with a Participation Letter and non-disclosure agreement. The Participation Letters had to be accompanied with, among other things, evidence to satisfy the Monitor that that the prospective bidders have the financial wherewithal to consummate a transaction with the AgraCity Group.
11. The SISP was launched on December 15, 2025 and the Monitor received a Participation Letter from FNA on January 16, 2026. The Monitor reviewed the FNA's Participation Letter and determined that it did not contain adequate evidence that FNA would have sufficient cash, credit, or other consideration to consummate a transaction with the AgraCity Group constituting a Superior Offer. Accordingly, on January 20, 2026, the Monitor advised FNA that it would not be permitted to participate in the SISP because of its inadequate financial disclosure.
12. On the February 6, 2026 Phase 1 Bid Deadline, FNA and FNA Fertilizers (collectively, the "**FNA Entities**") submitted participation letters to the Monitor. However, the financial disclosure that was provided with respect to these parties' ability to consummate a transaction that constituted a Superior Offer continued to be based upon uncommitted capital contributions from the FNA members. The Monitor's legal counsel sent correspondence to FNA's legal counsel on February 9, 2026 advising that the FNA Entities failed to include sufficient financial disclosure to allow the Monitor to assess FNA Entities' ability to consummate a transaction constituting a Superior Offer.

13. Despite receiving advance warnings and concerns from the Monitor, FNA and James Mann failed to provide sufficient evidence with their respective Participation Letters to demonstrate their financial ability to close a transaction that constituted a Superior Offer by the extended Phase 1 bid deadline. Accordingly, FNA and James Mann did not meet the definition of a Qualified Phase 1 Bidder and were not permitted to advance to Phase 2 of the SISP.
14. The Monitor, James Mann, and the parties' respective legal counsel had a virtual meeting via Microsoft Teams on February 11, 2026 to discuss the Monitor's decision not to permit the FNA Entities into Phase 2 of the SISP. At that meeting, James Mann requested that the Phase 1 Bid Deadline be extended to February 26, 2026 for the FNA Entities. The Monitor's legal counsel sent a letter to FNA's legal counsel on February 12, 2026 advising that the Monitor would not extend the Phase 1 Bid Deadline for the FNA Entities as it would, among other things, be prejudicial to the other bidders.
15. At no time did the Monitor advise that the members of FNA were excluded from participating within the SISP if they complied with the requirements to be admitted as a Qualified Phase 1 Bidder.
16. On February 25, 2026 (i.e., the day after this Court granted the Restrictive Order), James Mann and FNA held two townhall meetings with the members of FNA (the "**Post-Restrictive Order Townhalls**"). The AgraCity Group sent an individual to attend these Post-Restrictive Order Townhalls and transcribe what was said at the meetings. Copies of those transcripts are appended to the affidavits of Jason Mann sworn March 4, 2026 and Julia Baxter sworn March 3, 2026. Based on the transcripts, the Monitor concluded that James Mann and/or people acting on his behalf continue to make disparaging and inaccurate statements about the Monitor, the Court, the AgraCity Group, and the CCAA proceedings.
17. The Monitor's legal counsel sent an e-mail to FNA's legal counsel on February 27, 2026 advising that the Monitor had serious concerns with James Mann's conduct and statements at the Post-Restrictive Order Townhalls. James Mann has, to date, not admitted any wrongdoing to the Monitor or the Monitor's legal counsel.
18. The Monitor has concerns regarding the adverse effect on both the SISP and the AgraCity Group's ability to continue to sell new product and advance the Reconciliation Protocol (as defined in the ARIO) as a result of FNA and James Mann's ongoing communications to its membership and other stakeholders of AgraCity that are, at best, contrary to the spirit and intent of the Restriction Order and, at worst, outright contraventions of its express terms.

#### **COURT ORDERED PAYMENTS FROM AGRACITY TO FFNA**

19. On July 8, 2019, the Court ordered that AgraCity was required to pay FFNA \$27,552.51 on a semi-monthly basis starting October 1, 2018. This amount was further amended by a later Order of this Court

to reduce the semi-monthly payment to \$11,020.88 starting July 1, 2025 (collectively, the “**FFNA Payment Orders**”).

20. FFNA seeks an Order that AgraCity is in contempt of the FFNA Payment Orders and is further seeking that AgraCity shall pay to FFNA the sum of \$588,990.71, representing the outstanding semi-monthly payment and unpaid membership renewal fees collected by AgraCity on behalf of FFNA.
21. The Monitor does not believe that it is appropriate for the AgraCity Group to be required to settle these payments during the CCAA proceedings for the following reasons:
  - a. the \$588,990.71 claimed to be owed from AgraCity to FFNA includes \$330,000 for membership renewal fees; however, no membership fees have been collected by AgraCity during the CCAA proceedings and FFNA's ability to advance a claim for any membership fees collected prior to the CCAA filing date of December 1, 2025 is stayed by the ARIO;
  - b. the \$588,990.71 that FFNA claims is owing by AgraCity to FFNA includes \$192,865.43 of semi-monthly payments which arose between April 30, 2025 to November 30, 2025 (i.e., prior to the CCAA filing date of December 1, 2025), the enforcement of which is also stayed by the ARIO;
  - c. the Orders requiring the AgraCity Group to pay \$11,020.88 to FFNA on a semi-monthly basis are stayed pursuant to the ARIO and, therefore, no semi-monthly payments should be made by the AgraCity Group to FFNA so long as the stay remains in place; and
  - d. finally, the cash-flow statement prepared by the AgraCity Group in support of these CCAA proceedings did not include these semi-monthly payments and, as such, the Interim Financing is insufficient for the AgraCity Group to make these payments, even if they were not stayed.

## **RECOMMENDATION**

22. The Monitor recommends that this Honourable Court dismiss the relief sought (or which is anticipated to be sought) by James Mann, FNA, and FFNA.

Dated at Calgary, Alberta this 4<sup>th</sup> day of March 2026.

**ERNST & YOUNG INC.**  
**in its capacity as the**  
**Monitor of the CCAA Entities**



Peter Chisholm, CPA, CA, CIRP, LIT  
Senior Vice President



Paul Lim, CPA  
Director

Appendix "A"  
Summary of CCAA Entities

## Appendix “A” – Summary of CCAA Entities

### “Initial Applicants”

- AgraCity Crop and Nutrition Ltd. (“**AgraCity**”)
- MPower Logistics Ltd. (“**MPower**”)
- NewAgCo Inc. (“**NewAgco**”)
- CarbonTerra Ltd. (“**CarbonTerra**”)
- Agronomax Farm Management Solutions Inc. (“**Agronomax**”)
- 14492676 Canada Inc. (“**2676**”)
- Viking Crop Production Partners Inc. (“**Viking**”)
- 101114752 Saskatchewan Ltd. (“**4752**”)
- 101072497 Saskatchewan Ltd. (“**2497**”)
- Catalyst Technologies Ltd. (“**Catalyst**”)
- 101187148 Saskatchewan Ltd. (“**7148**”)
- FNA AgraCity Holdings Ltd. (“**FNA AgraCity**”)

### “Genesis Entities” (and together with the Initial Applicants, the “**CCAA Entities**” or the “**AgraCity Group**”)

- Genesis Grain & Fertilizer GP Inc. (“**GG&F GP**”)
- Genesis Operating GP Inc. (“**GG&F Op GP**”, and together with GG&F GP, “**Genesis General Partners**”)
- Genesis Grain & Fertilizer Limited Partnership (“**GG&F LP**”)
- Genesis G&F Operating LP (“**GG&F Op LP**”, and together with GG&F LP, the “**Stay LPs**”)

Appendix **"B"**  
FNA Press Release



February 11 th, 2026

FOR IMMEDIATE RELEASE

Farmers of North America Responds to Media Coverage, Clarifies Court-Supervised Process and Farmer Interests

Saskatoon, Saskatchewan

Farmers of North America (FNA) is responding to recent media coverage regarding AgraCity's entry into creditor protection and the potential impact on Canadian farmers.

FNA emphasizes that a court-supervised process is underway to address the future of AgraCity and related operating assets. This process is governed by the courts and overseen by the court-appointed monitor, Ernst & Young, in accordance with Canadian insolvency law.

AgraCity entered creditor protection because of its insurmountable load of debt to creditors, primarily FNA members.

"It's a classic example of AGC management spending money elsewhere on projects, risking FNA members money that wasn't theirs to spend," says FNA, "and unfortunately, this includes millions of farmers' prepaid order money." Money that FNA wanted set aside in a trust. When the court would not agree to a governance change or the trust, Jim Mann, FNA and AGC founder (represented by top tier lawyers in KB 1336 of 2018) tried to get guidance from members and urgently raise capital, all quashed by the courts, determining AGC financial management was just fine.

FNA and James saw the dark financial clouds fast approaching AGC and did everything within its power to prevent the fallout .

"I applied in court as early as 2019, together with evidence provided by a forensic accountant, to have AGC management replaced by a court-appointed trustee manager," says Jim Mann, "but the court ruled against the application, citing AGC management's assurance that everything is fine."

Concerns listed by the forensic accountant: several million in undelivered product, inadequate inventory, and no cash to provide refunds.

Numerous additional applications were made by FNA in the proceeding years with mounting evidence of a worsening management situation. The case management Judge refused to do anything in fact, refusing even to hear key applications on the problems in AGC. Sadly the court system let FNA and Farmers down seemingly unable to cope with the courts overall work load to adequately adjudicate complex oppression and financial matters.

An additional tragedy in all of this, stemming from the courts management of oppression matters Genesis Grain and Fertilizer has been included in the sale, after Business Development Bank of Canada pulled their loan after a missed payment, leaving hundreds of farmers wondering what will happen to their \$10 million+ investment.

All the companies on the creditor-protected auction block are companies built directly and indirectly by FNA and FNA members' money.

"That is why," says Jim Mann, "FNA has and is doing everything it possibly can, within court orders limiting communication, to inform farmers of what is happening, and trying to create a process and structure to enable members to re-acquire ownership of the business, and the billions of dollars of benefits created by 29 years of FNA's work driven by 80 M in membership investment. The monitor EY is refusing to allow FNA and its members into the sales process. citing FNA and its members do not have the capacity to solve the financial problem. Every member FNA has talked to has stated they do not want AGC out of business but need more time and information to fully understand the situation. FNA after failing to convince the monitor to meet, held 10 confidential member town hall meetings and Jim himself has received and fielded scores of one on one member calls. FNA urges members to let their voice be heard by the court and the court-appointed monitor."

"This is about facts, lawful options, and the long-term implications for farmer profitability and control in the crop protection and fertilizer market," adds Mr Mann

#### What Farmers Need to Know

- A legal process is determining outcomes

The court-supervised process will determine how and to whom the business or its assets are sold. If it is sold at a significant discount, farmers owed deliveries, and Genesis G&F investors may not salvage all of their money.

- Prepaid product balances are part of the process

Outstanding prepaid product balances are subject to reconciliation and treatment under insolvency law. No outcome is guaranteed, and recoveries, if any, will depend on the court process.

- Third-party sale carries long-term implications

A distressed sale to outside interests could permanently eliminate farmer influence over pricing, governance, and strategic direction in an input business that was originally built to serve farmers improving their profitability.

- The broader issue is future farm profitability

Beyond current claims, FNA states that Canadian farmers collectively have substantial long-term value at stake related to crop protection pricing, market competition, and farmer ownership in the supply chain.

#### Why This Matters to Canadian Farmers

For nearly three decades, FNA and its members worked to establish a farmer-driven approach to crop protection procurement and distribution. That model built a business that contributed to increased competition and lower input costs across Canada.

If farmer influence is lost through liquidation or third-party acquisition, FNA believes the long-term impact would be reduced competition and increased costs for producers — affecting farm profitability well beyond the current insolvency proceeding.

#### What Happens Next

The court-supervised process continues under the direction of the monitor and the courts. FNA will continue to provide factual updates to members as information becomes available and as the process evolves.

Farmers are encouraged to carefully review all communications related to the proceeding and to seek independent legal and financial advice when evaluating their individual circumstances and opportunities.

Currently, Court appointed monitor, EY is considering whether to accept FNA's and FNA Members' bid for stage 2 of the SISP process.

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