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October 29, 2010

To: Parties that have demanded notice in the matter of
interim receivership of Natural Valley Farms Inc.

RE: **Court Application to Prove Sale of Assets**
Our File: 243.00-819 RMV

As you know we are the solicitors for Farm Credit Canada and the Court appointed interim receiver, Sullivan & Associates Inc. (the "Receiver"). The Receiver has completed the negotiations for the sale of substantially all of the assets of Natural Valley Farms Inc. to 101149726 Saskatchewan Ltd. An application is to be heard before Mr. Justice Herauf on Friday November 12 at 10:00 am at the Court House in Regina. In connection with that application we enclose the following for service upon you:

- a) Notice of Motion;
- b) Affidavit of Clark Sullivan;
- c) Affidavit of Gary Stooshinoff;
- d) Draft Order Approving Sale and Vesting Order;
- e) Ex-Parte Order granted on October 26 permitting service of this material upon all parties by email, fax or ordinary mail, and sealing the Supplemental Affidavit of Clark Sullivan to which is attached the executed Asset Purchase Agreement.

As you will be from the attached materials, the amounts owing to FCC exceed the purchase proceeds. In addition to FCC, Conexus Credit Union is also out approximately three million dollars. As a result there is not expected to be any proceeds available for unsecured or subordinate creditors.

This hereby constitutes service upon you.

Yours truly,
BALFOUR MOSS LLP


Rick M. Van Beselaere
Direct Line: (306) 347-8316
Direct Fax: (306) 347-8381
Internet Address: rick.vanbeselaere@balfourmoss.com
RMV/nd

#574050

C A N A D A)
PROVINCE OF SASKATCHEWAN)

Q.B.G. No. 1234 of 2008

IN THE QUEEN'S BENCH
JUDICIAL CENTRE OF REGINA

B E T W E E N:

FARM CREDIT CANADA

APPLICANT

- and -

NATURAL VALLEY FARMS INC.

RESPONDENT

- and -

**CONEXUS CREDIT UNION 2006, DOMCO CONSTRUCTION INC., CITICORP
VENDOR FINANCE, LTD., JOHN DEERE LIMITED, CITICAPITAL COMMERCIAL
LEASING CORPORATION, FLYING D CATTLE COMPANY, TOWN OF FOAM
LAKE, RURAL MUNICIPALITY OF FOAM LAKE NO. 276, NATIONAL LEASING
GROUP INC., CLIFTON ASSOCIATES LTD., SPERLING INDUSTRIES LTD.,
HORIZON CREDIT UNION and JOHN CRUIKSHANK**

RESPONDENTS

NOTICE OF MOTION

TAKE NOTICE that an application will be made to the Presiding Judge in Special Chambers at the Court House, 2425 Victoria Avenue, Regina, Saskatchewan on Friday the 12th day of November, 2010, at the hour of 10:00 in the forenoon or as soon thereafter as counsel can be heard on behalf of the Applicant, Farm Credit Canada, for an Order:

- (a) approving the sale of all of the real property Natural Valley Farms Inc. (the "Debtor") to 101149726 Saskatchewan Ltd.;
- (b) vesting title to all of the real property and personal property of the Debtor in the name of the said purchaser, or its nominee, upon closing of the purchase; and

(c) empowering Sullivan & Associates Inc., as Receiver pursuant to the Interim Receivership Order dated September 23, 2008, to proceed with the closing of the purchase and sale.

THIS APPLICATION IS MADE ON THE GROUNDS THAT:


1. Sullivan & Associates Inc. was appointed as Receiver by the Honorable Court upon application of Farm Credit Canada, by Order dated September 23, 2008;
2. The Receiver has attempted for some time to conclude a sale of all of the assets and undertaking of the Debtor, and had sought the authority to proceed with an auction sale of the assets if that was in fact the best alternative in terms of disposing of these assets;
3. The Receiver had been in negotiations and had entered into agreement with a number of other parties, all of which failed and was poised to take other steps when contact was made by the proposed purchaser. An Asset Purchase Agreement was entered into with this proposed purchaser on or about September 2, 2010. The proposed purchaser has paid the initial and subsequent deposit as required under the Agreement, as amended;
4. FCC has consented to and agreed with the purchase by this purchaser;
5. This purchase represents a reasonable and fair realization upon the assets of the Debtor. Given the balances due and owing to FCC and the other secured creditors, there will be no funds available for any of the unsecured creditors.
6. The Court has jurisdiction to confirm the sale of the assets to the proposed purchaser and to vest title in the proposed purchaser pursuant to sections 12 and 70 of *The Queen's Bench Act (Saskatchewan), 1998*, s. 6.5 of *The Land Titles Conversion Facilitation Regulations R.R.S., c. L-5.1, Reg. 2*, the terms of the Interim Receivership Order granted September 23, 2008 and this Court's inherent and equitable jurisdiction with respect to matters involving creditors' and debtors' rights and enforcement of security;

AND FURTHER TAKE NOTICE THAT THERE WILL BE FILED in support of this application the following:

1. This Notice of Motion, with proof of service;
2. Affidavit of Clark Sullivan, representative of the Receiver;
3. Affidavit of Gary Stooshinoff, representative of Farm Credit Canada;
4. Draft Order approving the sale;
5. Personal Property Registry search;
6. Copy of Land Registry Title search with respect to the Debtor; and
7. Such further and other material as counsel may advise and this Honourable Court may allow.

DATED at Regina, Saskatchewan, this 29th day of October, 2010.

BALFOUR MOSS

Per: 
Solicitors for the Applicant,
Farm Credit Canada

TO: Local Registrar, Court of Queen's Bench
Regina, 2425 Victoria Avenue, Regina, SK

AND TO: Such of the Respondents and such
other parties that have demanded notice of the
within proceedings.

This Document was prepared and delivered by Balfour Moss, Barristers and Solicitors, 700 - 2103 - 11th Avenue, Regina, SK, S4P 4G1, Solicitors for the Applicants, whose address for service is the same.

Lawyer in Charge of File:
Telephone:
File No.:
E-Mail address:

Rick M. Van Beselaere
(306) 347-8316
243.00.819 RMV
rick.vanbeselaere@balfourmoss.com

CANADA)
PROVINCE OF SASKATCHEWAN)

Q.B.G. No. 1234 of 2008

IN THE QUEEN'S BENCH
JUDICIAL CENTRE OF REGINA

BETWEEN:

FARM CREDIT CANADA

APPLICANT

- and -

NATURAL VALLEY FARMS INC.

RESPONDENT

- and -

**CONEXUS CREDIT UNION 2006, DOMCO CONSTRUCTION INC., CITICORP
VENDOR FINANCE, LTD., JOHN DEERE LIMITED, CITICAPITAL
COMMERCIAL LEASING CORPORATION, FLYING D CATTLE COMPANY,
TOWN OF FOAM LAKE, RURAL MUNICIPALITY OF FOAM LAKE NO. 276,
NATIONAL LEASING GROUP INC., CLIFTON ASSOCIATES LTD., SPERLING
INDUSTRIES LTD., HORIZON CREDIT UNION and JOHN CRUIKSHANK**

RESPONDENTS

AFFIDAVIT OF CLARK SULLIVAN

I, Clark Sullivan, of Canmore, Alberta, Chartered Account and President of Sullivan & Associates Inc., **MAKE OATH AND SAY THAT:**

1. I am the president of Sullivan & Associates Inc., the Interim Receiver appointed by this Honorable Court, and as such have personal knowledge of the matters and facts herein deposed to, except where stated to be on information and belief and where so stated I do verily believe the same to be true.
2. Sullivan & Associates Inc. (the "Receiver") was appointed as Interim Receiver and Receiver Manager of the Debtor, Natural Valley Farms Inc. ("NVF") by an Interim Receivership Order granted September 23, 2008 (the "Receivership Order").
3. Since the Receivership Order was granted the Receiver initially managed and dealt with the assets (when they were initially being leased to an operator, which lease expired in February

of 2009), and during the latter part of that lease period, has been trying to find a viable purchaser for the assets in undertaking.

4. In September of 2009, an application was made to this Honourable Court to enable the Receiver to sell assets by auction sale in the event that a sale of the assets and undertaking of NVF could be not be successfully concluded.

5. A sale process conducted by the Receiver ended in December of 2008. No definitive agreement was reached during that process, but there was one party that had a serious interest in the assets. Negotiations continued with that party after December, 2008. An agreement for the purchase of the assets was reached with that party, but in July of 2009, the Receiver was advised that that party would be withdrawing from the sale process. While the Receiver was preparing an application to allow it to proceed with an auction sale, the party with the interest and the assets that had submitted the previous offer, submitted a further proposal to deal with the assets.

6. As a result of that proposal, an agreement was entered into which required the interested party to make certain non-refundable payments to the Receiver, and to pay certain monthly operating expenses while that party continued its due diligence and investigations respecting NVF's assets.

7. This party ended up breaching that agreement by failing to make the payments required under the agreement. While the Receiver was once again taking steps to investigate the possibility of an auction sale, a party that was introduced to the assets during other negotiations has submitted an offer to the Receiver which the Receiver has found acceptable.

8. A copy of the Asset Purchase Agreement dated as of September 2, 2010 between the Receiver and the proposed purchaser, 101149726 Saskatchewan Ltd., will be filed as an exhibit to a separate Affidavit as it is requested that the Purchase Agreement remain confidential between the Receiver and the proposed purchaser. The most significant points about the Asset Purchase Agreement are that the purchase price is \$3,000,000 and that there is a total non-refundable deposit currently paid and held of \$300,000.00.

9. Subsequent to the completion of this agreement, the proposed purchaser sought a change to the terms of the agreement to allow a longer period of time for payment of the deposit and the

additional deposit pursuant to paragraph 2.3 of the Asset Purchase Agreement. The first sum of \$150,000.00 was paid on or about September 2, 2010 and the second sum of \$150,000.00 was paid on or about October 8 (even though an extension had been given until October 14 for payment of that additional amount). The solicitors for the Receiver have the total deposit amount of \$300,000.00 in trust.

10. When the extension of the time period for payment of the deposit was negotiated, a further revision to the Asset Purchase Agreement was agreed upon, and that was that the closing of the purchase would occur on or about December 10, 2010.

11. The purchase is conditional upon approval of this Court to the sale, and the closing will have to occur either on or before December 10, 2010 or such other date as the Receiver and the purchaser may agree, subject to any extension that might arise pursuant to paragraph 2.4.

12. As stated above, the total purchase price agreed to with this purchaser is \$3,000,000.00. It is my opinion that under the circumstances, the purchase price is fair and reasonable under the circumstances, given the length of time that the assets have been for sale and the start up costs that a new operator will have. The facilities are meat processing and distribution facilities that will require Canadian Food Inspection Agency approvals, licenses and permits an operator will be able to commence carrying on business again. Those administrative processes are more complicated when the facility has been closed this length of time. This purchase price is relatively consistent with the prices that had been the subject of the prior sales negotiations, and it is higher than might be realized on an auction sale, or at least equivalent to the very highest (and most optimistic) projected amounts that an auction sale could generate. In addition, this purchaser has done all that it said it was going to do and has the apparent ability to close the purchase.

13. There have been a very large number of parties that have filed demands for notices pursuant to paragraph 33 of the Receivership Order. The Receiver seeks an Order allowing it to serve the application in respect of this matter by e-mail and by facsimile, and for such service to be valid and effective service it is provided it is sent 5 business days prior to the return date of the Notice of Motion herein.

14. The Receiver will have an issue with the amounts claimed by the Town of Wolsley and the RM of McLeod respecting the real property taxes. The issue is that there have been substantial amounts added to the applicable tax rolls for unpaid Workers Compensation Board assessments against NVF. While that is permitted under the terms of *The Workers Compensation Act*, the addition of those assessment amounts to the tax rolls does not make those amounts like property taxes nor does it give the Workers Compensation Board priority over the secured creditors with an interest in the real property. The Workers Compensation Board is, through the Town of Wolsley and the RM of McLeod, claiming \$128,465.07 plus penalties in the amount of \$44,153.50 and a 5% surcharge on the amount from the Workers Compensation Board assessments, in the amount of \$8,170.44. The Receiver disputes the ability of the Workers Compensation Board or these taxation authorities to claim what is an excess of \$180,000.00 from the real property in priority to the registered real property interests. I propose that that priority be dealt with on a subsequent application to this Court.

15. As there is an issue as to entitlement and priority, the Receiver would propose to pay the full amount of the potential claim for Workers Compensation Board assessments into Court. The balance of the property taxes that do not relate to a Workers Compensation assessment can and should be paid immediately after closing has occurred (subject to any adjustments with the proposed purchaser for current taxes. The net sale proceeds would then be applied towards the amounts owing to FCC and to Conexus Credit Union 2006.

16. The amounts owing to FCC and to Conexus Credit Union 2006 are substantially in excess of the purchase price being paid. FCC and Conexus Credit Union 2006 are the first and second secured creditors of NVF having security over all of NVF's assets, and FCC and Conexus Credit Union 2006 entered into an Inter-Creditor Agreement dated July 22, 2005 that established priority as between them over the assets of NVF. There will be no funds available from these sales proceeds for any other parties.

17. In order to deal with any unanticipated matters, the Receiver will also seek in the Draft Order, the ability to apply to this Court for further directions upon 3 days notice to any party directly affected by the matter and issue in respect of which the directions are being sought.

18. I make this Affidavit in support of:

CANADA)
PROVINCE OF SASKATCHEWAN)

Q.B.G. No. 1234 of 2008

IN THE QUEEN'S BENCH
JUDICIAL CENTRE OF REGINA

BETWEEN:

FARM CREDIT CANADA

APPLICANT

- and -

NATURAL VALLEY FARMS INC.

RESPONDENT

- and -

**CONEXUS CREDIT UNION 2006, DOMCO CONSTRUCTION INC., CITICORP
VENDOR FINANCE, LTD., JOHN DEERE LIMITED, CITICAPITAL COMMERCIAL
LEASING CORPORATION, FLYING D CATTLE COMPANY, TOWN OF FOAM
LAKE, RURAL MUNICIPALITY OF FOAM LAKE NO. 276, NATIONAL LEASING
GROUP INC., CLIFTON ASSOCIATES LTD., SPERLING INDUSTRIES LTD.,
HORIZON CREDIT UNION and JOHN CRUIKSHANK**

RESPONDENTS

AFFIDAVIT OF GARY STOOSHINOFF

I, Gary Stooshinoff, of Regina, Saskatchewan, Account Manager, Special Credit, **MAKE OATH AND SAY THAT:**

1. That I am an Account Manager, Special Credit with Farm Credit Canada ("FCC"), the secured creditor of Natural Valley Farms Inc. ("NVF"), and as such have personal knowledge of the matters and facts herein deposed to, except where stated to be on information and belief and where so stated I do verily believe the same to be true.
2. FCC has worked with the Receiver for some time now to try to find a purchaser of the assets and undertaking of NVF, and until September of 2010, its efforts had been unsuccessful.

3. An Asset Purchase Agreement has been entered into between the Receiver and 101149726 Saskatchewan Ltd. FCC favors and supports the sale of the assets and undertaking to that party, or its nominee, in accordance with the terms of the Asset Purchase Agreement.

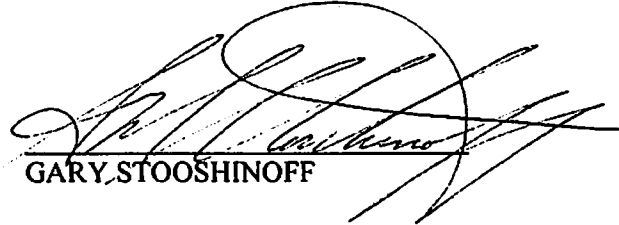
4. NVF continues to be default with respect to its obligations to FCC, and the amounts owing as at October , 2010 are as follows:


| | |
|--|----------------------|
| a) 2005 loan (Loan #100105775.267260) | |
| i) | Draw 1 |
| | Principal Balance |
| | \$1,889,630.85 |
| | Interest Owing |
| | \$ 295,149.57 |
| | Fees Owing |
| | <u>\$ 393,291.72</u> |
| | Total Owing |
| | \$2,578,072.14 |
| ii) | Draw 2 |
| | Principal Balance |
| | \$1,889,630.85 |
| | Interest Owing |
| | <u>\$ 281,532.29</u> |
| | Total Owing |
| | \$2,171,188.14 |
| ii) | Draw 3 |
| | Principal Balance |
| | \$1,909,783.52 |
| | Interest Owing |
| | <u>\$ 284,534.75</u> |
| | Total Owing |
| | \$2,194,343.27 |
| Total on Loan #100105775.267260 | |
| \$ 6,943,603.55 | |
| b) Loan #100105775.263005 | |
| | Principal Balance |
| | \$ 15,114.09 |
| | Interest Owing |
| | \$ 5,252.67 |
| | Fees Owing |
| | <u>\$ 72,237.00</u> |
| | Total Owing |
| | \$ 15,158.68 |

The fees referred to on Loan 100105775.263005 are legal fees and disbursements incurred by FCC to date. The fees referred to on the other loan are advances made to the Receiver to cover costs of preserving and maintaining the assets and paying the Receiver's fees and other disbursements. The value of the assets being sold are substantially less than the amounts owing to FCC. Conexus Credit Union is also a secured creditor of NVF and is owed approximately \$3 Million. Conexus and FCC entered into an Inter-Creditor Agreement in 2005 that provides for Conexus having a priority claim over inventory and for FCC and Conexus ranking in priority with each other on a pari passu basis on the other assets of NVF.

5. I make this affidavit in support of the application by the Receiver for an Order approving the sale and vesting title upon completion of the sale in the purchaser's name (or the name of the purchaser's assignee or nominee).

SWORN BEFORE ME at Regina,)
Saskatchewan, this 22 day of)
October, 2010.)


GARY STOOSHINOFF


A COMMISSIONER FOR OATHS
in and for Saskatchewan.
My appointment expires: NOV 30/13
(or) Being a Solicitor.

This Affidavit was delivered by Balfour Moss, Barristers and Solicitors, #700-2103-11th Avenue, Regina, Saskatchewan, S4P 4G1, solicitors for the Plaintiff, whose address for service is the same as above.

| | |
|---------------------------|-----------------------|
| Lawyer in charge of file: | Rick M. Van Beselaere |
| Telephone: | 347-8316 |
| File Number: | 243.00.819 RMV |

CANADA)
PROVINCE OF SASKATCHEWAN)

Q.B.G. No. 1234 of 2008

IN THE QUEEN'S BENCH
JUDICIAL CENTRE OF REGINA

BETWEEN:

FARM CREDIT CANADA and SULLIVAN & ASSOCIATES INC.

APPLICANTS

- and -

NATURAL VALLEY FARMS INC.

RESPONDENT

- and -

**CONEXUS CREDIT UNION 2006, DOMCO CONSTRUCTION INC., CITICORP
VENDOR FINANCE, LTD., JOHN DEERE LIMITED, CITICAPITAL
COMMERCIAL LEASING CORPORATION, FLYING D CATTLE COMPANY,
TOWN OF FOAM LAKE, RURAL MUNICIPALITY OF FOAM LAKE NO. 276,
NATIONAL LEASING GROUP INC., CLIFTON ASSOCIATES LTD., SPERLING
INDUSTRIES LTD., HORIZON CREDIT UNION and JOHN CRUIKSHANK**

RESPONDENTS

BEFORE THE HONOURABLE

)

___ DAY, THE ___ DAY OF

MR JUSTICE M. HERAUF

)

_____, 2010.

IN CHAMBERS

)

)

ORDER APPROVING SALE AND VESTING ORDER

UPON THE APPLICATION of counsel for the Applicants, Farm Credit Canada and Sullivan & Associates Inc., and upon having read the Notice of Motion herein, the Affidavit of Clark Sullivan, the Supplemental Affidavit of Clark Sullivan, the Affidavit of Gary Stooshinoff, and the Draft Sale Approval and Vesting Order, all filed, and upon hearing counsel for the Applicants and counsel for Conexus Credit Union, and counsel for any other interested parties:

IT IS HEREBY ORDERED THAT:

1. The sale by the Receiver, Sullivan & Associates Inc., to 101149726 Saskatchewan Ltd. or its nominee (the "Purchaser") of the real and the personal property described in Schedule "A" to this Order (the "Purchased Assets") for the sum of \$3,000,000.00, as set out in the Asset Purchase Agreement dated as of September 2, 2010 between the Purchaser and the Receiver (the "Purchase Agreement"), is hereby approved, confirmed and ratified.
2. The Receiver is hereby authorized and directed to proceed to complete the sale of the purchased assets in accordance with the Purchase Agreement, and the closing of the said sale shall take place no later than December 10, 2010, or such later date as the Receiver and the Purchase may agree, in accordance with the Purchase Agreement.
3. As soon as it is reasonably practical for them to do so, Balfour Moss LLP, solicitors for the Applicants, shall file with the Local Registrar, a letter (the "Confirmation Letter") confirming that the closing has proceeded and all conditions of closing, as contemplated by the Purchase Agreement and this Order, have been satisfied. For greater certainty, closing may proceed subject to registration of the Vesting Order referred to herein and payment of any portion of the purchase price to be provided by mortgage financing or similar financing for the Purchaser, and subject to usual trust conditions for a transaction of this type.
4. Upon the closing of the proposed sale and the filing by Balfour Moss LLP of the Confirmation Letter, the Vesting Order attached hereto and marked as Schedule "B" shall issue in the form thereof.
5. Upon the closing of the proposed sale, title to the real and personal property described in Schedule "A" hereto, shall vest in the name of the Purchaser, and the Receiver is hereby authorized to execute such documents and perform such acts as may reasonably be required in order to close the proposed sale in accordance with the terms of the Purchase Agreement and in accordance with the terms of this Order.

6. Any financing statement, interest or notice thereof, filed or registered on or after the date of granting of this Order in respect of the Purchased Assets (other than any financing statement by or against or in respect of the Purchaser) shall not be effective to attach or perfect any liens or claims in, on or upon any of the said Purchased Assets and shall not apply to encumber any of the Purchased Assets, all of which Purchased Assets shall upon issuance of the Vesting Order be vested in the Purchaser free and clear thereof upon closing in accordance with the terms of this Order.

7. Service by the Receiver of a notice of its intention to dispose of the personal property described in Schedule "A" to this Order prior to the closing of the sale, in accordance with s. 59 of *The Personal Property Security Act, 1993*, S.S 1993, c. P-62 is hereby dispensed with.

8. It is hereby further directed that the balance of the purchase price as determined in accordance with the Purchase Agreement shall be paid by the Purchaser upon such closing, subject to any portion of the purchase price to be paid upon issuance of title in name of the Purchaser (and any mortgage shall be confirmed to the satisfaction to the solicitors for the Applicants), and all monies shall be retained in trust by counsel for the Applicants until title to the real property referred to in the Vesting Order has issued in the name of the Purchaser and all other matters required for the closing of the purchase as set out in the Purchase Agreement shall have been completed.

9. Upon closing of the purchase, it is hereby directed and decreed that title to the Purchased Assets shall be vested in the Purchaser free and clear of all encumbrances, taxes and arrears of taxes, claims, security interests, security notices, statements of claim, mortgages, charges, liens and other interests whatsoever, however, and when ever created or whether absolute or contingent, fixed or floating, perfected or not, registered or not, now or hereafter save and except for the following:

- a) Surface Parcel #109081560
SW Sec 04 Twp 19A Rge 08 W2 Extension 2
As described on Certificate of Title 97R50456C
- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389
- b) Surface Parcel #109053042
NE Sec 04 Twp 19A Rge 08 W2 Extension 0
As described on Certificate of Title 97R50456E
- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389
 - Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #111027989
 - Environmental Management and Protection Act – Permit Notice (Section 25(2)) with Her Majesty the Queen in Right of Saskatchewan, Interest Register #114472087
- c) Surface Parcel #108680890
Blk/Par P Plan No 85R66910 Extension 0
As described on Certificate of Title 90R48971
- CNV Easement with Saskatchewan Power Corporation, Interest Register #100882324
- d) Surface Parcel #108680889
Blk/Par N Plan No 83R18604 Extension 0
As described on Certificate of Title 90R48970
- CNV Public Utility Easement with Saskatchewan Telecommunications, Interest Register #100882346
- e) Surface Parcel #108680878
Blk/Par M Plan No 83R18604 Extension 0
As described on Certificate of Title 90R48970
- CNV Public Utility Easement with Saskatchewan Telecommunications, Interest Register #100882346
- f) Surface Parcel #153112654
Blk/Par B Plan No 101231345 Extension 5
As described on Certificate of Title 97R50456B
- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389
- g) Surface Parcel #114384865
Blk/Par A Plan No 101146160 Extension 5
As described on Certificate of Title 97R50456G

- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389

h) Surface Parcel #112539191
Blk/Par B Plan No 101146227 Extension 11
As described on Certificate of Title 97R50456F

- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389

10. Save and except for the Permitted Encumbrances, as defined in the Purchase Agreement, all of the interests, right, title, estate and equity of redemption of the debtor, Natural Valley Farms Inc., and any party claiming by, through or under Natural Valley Farms Inc. in and to the Purchased Assets, will upon closing be forever extinguished.

11. Without restricting the generality of paragraph 10 above, all claims for taxes, workers compensation assessments, levies and related matters shall be satisfied and discharged upon payment in to Court of the amounts referred to in paragraph 15(a) of this Order, and the amounts referred to in paragraph 15(a)(i) and (ii) shall be paid in to Court the credit of this action, the other amounts being paid to the applicable taxation authority for all real property taxes and related amounts due and owing on the property.

12. A copy of this Order shall be sent by ordinary mail to all parties that have a security interest in, or a claim to any of the Purchased Assets. In the event that any claim is made in the future respecting the Purchased Assets, a copy of this Order shall be served upon such future claimant by ordinary mail in the same fashion.

13. Notwithstanding:

- (a) the pendency of these proceedings;
- (b) the insolvency or any bankruptcy of Natural Valley Farms Inc.;
- (c) the provisions of any federal or provincial statute,

neither the Purchase Agreement nor the transactions to be completed thereunder, nor this Vesting Order will be void or voidable at the instance of creditors and claimants and nothing

herein shall constitute nor shall such be deemed to be or considered to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or under any other applicable federal or provincial legislation, and the Purchaser Agreement and the transactions to be completed thereunder and this Vesting Order shall be binding upon Milner Greenhouses Limited.

14. Any party in possession of the Purchased Assets is hereby directed to deliver up possession thereof to the Receiver, or its nominee, within 10 days of service upon them of this Order.

15. The proceeds of the sale to the said purchaser will be applied as follows:

- (a) to the Town of Wolseley and RM of McLeod, all amounts due and owing for real property taxes and arrears of real property taxes to the closing date (subject to any adjustments between the Purchaser and the Receiver upon closing), provided that any amounts;
 - (i) Claimed in respect of workers compensation assessments;
 - (ii) Claimed in respect of penalties on workers compensation assessments and additional levies (whether 5% or otherwise) of workers compensation assessments shall be paid into this Court to be held pending determination of entitlement and priority to either the taxing authority or the Workers Compensation Board under applicable legislation and as regards the interests of the secured creditors/mortgagees of the said property

- (b) to Farm Credit Canada and Conexus Credit Union 2006, in respect of all sums due and owing to each of them, including its principal, interest and costs (including all amounts advanced to the Receiver for and in respect of the Receivership and all legal costs) and any other costs of the Receivership or Receiver's costs, on a *pari passu* basis in

accordance with the provisions of the agreements between FCC and
Conexus Credit Union 2006.

16. Entitlement and priority to the funds referred to in paragraph 15(a)(i) and (ii) above shall be determined upon subsequent application made as between the Applicants, Conexus Credit Union 2006, the Saskatchewan Workers Compensation Board and the taxing authorities (Town of Wolseley and RM of McLeod).

17. If there is any dispute with respect to any matter referred to in this Order or any amounts referred to in paragraphs 15, further directions may be sought from this Court upon subsequent application service upon the parties directly affected thereby.

ISSUED at Regina, Saskatchewan, this ___ day of _____, 2010.

LOCAL REGISTRAR

TAKE NOTICE that every order made without notice to the Respondents or a person affected by the order, except where such order is consented to by the Respondents or a person affected by the order, or is otherwise authorized by law, may be set aside or varied on application to the court. You should consult your solicitor as to your rights.

The within document was prepared and delivered by the law firm of Balfour Moss, #700, 2103 - 11th Avenue, Regina, Saskatchewan, S4P 4G1, solicitors for the Applicants, whose address for service is in care of the said solicitors.

Lawyer in Charge of File:
Telephone:
File:
E-Mail address:

Rick M. Van Beselaere
347-8316
243.00.819 RMV
rick.vanbeselaere@balfourmoss.com

Schedule A to Order Approving Sale and Vesting Order

Real Property

Surface Parcel #109081560
SW Sec 04 Twp 19A Rge 08 W2 Extension 2

Surface Parcel #109053042
NE Sec 04 Twp 19A Rge 08 W2 Extension 0

Surface Parcel #108680890
Blk/Par P Plan No 85R66910 Extension 0

Surface Parcel #108680889
Blk/Par N Plan No 83R18604 Extension 0

Surface Parcel #108680878
Blk/Par M Plan No 83R18604 Extension 0

Surface Parcel #153112654
Blk/Par B Plan No 101231345 Extension 5

Surface Parcel #114384865
Blk/Par A Plan No 101146160 Extension 5

Surface Parcel #112539191
Blk/Par B Plan No 101146227 Extension 11

Surface Parcel #109049575
SW 09-19A-08-2 Ext 0

Surface Parcel #109053031
NW 04-19A-08-2 Ext 0

Surface Parcel #109053020
SW 04-19A-08-2 Ext 1

Surface Parcel #153112665
Blk/Par CPlan No 101231345 Extension 6

Surface Parcel #112539203
Blk/Par CPlan No 101146227 Extension 12

Surface Parcel #109049542
NE Sec 05 Twp 19A Rge 08 W2 Extension 0

Personal Property – see next pages

Natural Valley Farms Inc. - In Receivership
Land Description - Neudorf and Wolsely Operations

| | <u>Title #</u> | <u>Surface Parcel #</u> | <u>Reference</u> | <u>Approximate size</u> |
|------------------------------|----------------|-------------------------|-----------------------------------|-------------------------|
| <u>Neudorf Plant:</u> | | | | |
| 1) | 128055663 | 109049575 | SW 9-19A-8 W2 | 121.71 Acres |
| 2) | 128268266 | 109049542 | NE 5-19A-8 W2 ext 0 | 160.08 Acres |
| 3) | 128055674 | 109053031 | NW 4-19A-8 W2 ext 0 | 161.17 Acres |
| 4) | 128055764 | 108053042 | NE 4-19A-8 W2 ext 0 | 160.77 Acres |
| 5) | 128055933 | 114384865 | Blk/Par APlan No 101146160 ext 1 | 32.18 Acres |
| 6) | 128055898 | 109081580 | SW 4-19A-8 W2 ext2 | 147.03 Acres |
| 7) | 128055865 | 109053020 | SW 4-19A-8 W2 ext1 | 11.63 Acres |
| 8) | 128055900 | 153112654 | Blk/Par BPlan No 101231345 ext 5 | 130.02 Acres |
| 9) | 128055911 | 153112665 | Blk/Par CPlan No 101231345 ext 6 | 0.21 Acres |
| 10) | 128055955 | 112539191 | Blk/Par BPlan No 101146227 ext 11 | 37.47 Acres |
| 11) | 128055966 | 112539203 | Blk/Par CPlan No 101146227 ext 12 | 7.55 Acres |
| | | | | <u>969.82</u> |
| <u>Wolsely Plant:</u> | | | | |
| 1) | 127854030 | 108680890 | Blk/Par PPlan No 85R66910 ext 0 | 3.00 Acres |
| 2) | 127854052 | 108680889 | Blk/Par NPlan No 83R18604 ext 0 | 1.00 Acres |
| 3) | 127854063 | 108680878 | Blk/Par MPlan No 83R18604 ext 0 | 0.92 Acres |
| | | | | <u>4.92</u> |

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8/30/2010

Processing Equipment - Neudorf (major Items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|--------------|------------|--|----------|
| | | Kill Floor Equipment | |
| K-01 | 608 | Ritual Knock Box | 1 |
| | | Knocking Pen | 1 |
| | | Chin Lift | 1 |
| | | Landing Grate | 1 |
| | | Operators Platform | 1 |
| K-02 | | Cripple Hoist | 1 |
| | | Cripple Hoist | 1 |
| | | Landing Plate | 1 |
| K-03 | | Pneumatic Beef Stunner | 1 |
| | | Jarvis Model USSS-1 Pneumatic Beef Stunner | 1 |
| | | Jarvis Model USSS-1 Balancer | 1 |
| | | I-beam | 10 |
| | | Trolley Pair | 1 |
| K-04 | 615 | Holst | 1 |
| | | Holst | 1 |
| | | Control Station | 1 |
| | | 1/2" BBB alloy calibrated chain | 25 |
| | | Rotary Limit Switch | 1 |
| | | NEMA 4 Mag reversing starter | 1 |
| | | Offset Hangers | 5 |
| K-05 | 616 | Lander | 1 |
| | | Lander | 1 |
| | | Lander Hook | 1 |
| | | Counterweight | 1 |
| K-05A | | Automatic Shackle Positioner | 1 |
| | | Automatic Shackle Positioner | 1 |
| | | Controls | 1 |
| K-06 | 714 | Gravity Shackle and Bleed Rail | 1 |

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Processing Equipment - Neudorf (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|-------|-----------|--|------|
| | | 12" x 26# I-Beam | 60 |
| | | 12" x 19# I-Beam | 60 |
| | | 2 1/2" x 2 1/2" x 3/16" Galvanized Angle Bracing | 100 |
| | | Angle Clips | 20 |
| | | Bolts | 100 |
| | | Downrods | 30 |
| | | Upper Beam Clamps | 30 |
| | | Lower Beam Clamps | 30 |
| | | 1/2" x 2 1/2" x 16" Shackle Return Gravity Hangers | 50 |
| | | 1/2" x 3" x 16 1/2" Drop Gravity Hangers | 30 |
| | | 3/16" x 4" Slap Rail, galvanized | 200 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail | 60 |
| | | 1/2" x 3" Round Edge Meat Rail | 60 |
| | | 1/2" x 3" Round Edge Meat Rail 90° Turn | 1 |
| | | 1/2" x 3" Round Edge Meat Rail 45° Turn | 1 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 90° Turn | 2 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 45° Turn | 2 |
| | | 2R-45° Automatic Switch, 3000#, level. | 1 |
| | | Hanger Bolts 1/2" | 160 |
| | | Rail Bolts 1/2" | 100 |
| | | Rail Bolts 3/8" | 60 |
| K-07 | 657 | Stickers Platform | 1 |
| | | 6'-0" Wide x 8'-0" Long x 6'-0" Tall | 48 |
| | | Blood Pan | 6 |
| K-08 | | Beef Shackles | 15 |
| | | Beef Shackles | 15 |
| K-09 | | Hock/Horn Cutter w/Power Unit & Balancer | 2 |
| | | Hock Cutter | 2 |
| | | Balancer | 2 |
| | | I-beam | 20 |
| | | Trolley Pair | 2 |
| | | Power Unit | 2 |
| K-09A | | Hock/Horn Cutter Sterilizer | 2 |
| | | Hock/Horn Cutter Sterilizer | 2 |

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Processing Equipment - Neudorf (major Items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|-------|-----------|--|------|
| | | | |
| K-09B | | Hock/Horn Chute | 2 |
| | | Hock/Horn Chute | 2 |
| | | | |
| K-10 | 618 | Shackle Lowerator | 1 |
| | 618 | Shackle Lowerator | 1 |
| | | | |
| K-11 | 657 | Transfer and Cut off Hind Feet Platform | 1 |
| | | 4'-0" Wide x 10'-0" Long x 12'-0" Tall | 56 |
| | | | |
| K-11A | | Trolley Hoist | 1 |
| | | Trolley Hoist | 1 |
| | | Trolley Basket | 3 |
| | | | |
| K-12 | | Gravity Trolley Stops | 5 |
| | | Gravity Trolley Stops | 5 |
| | | | |
| K-13A | 675 | 1st and 2nd Leg Lift | 1 |
| | 675 | 1st and 2nd Leg Lift | 1 |
| | | | |
| K-13B | 627 | Shackle Releasing Device | 1 |
| | 627 | Shackle Releasing Device | 1 |
| | | | |
| K-14 | | Skinning and Evisceration Conveyor | 1 |
| | | 12" x 26# I-Beam | 140 |
| | | 12" x 19# I-Beam | 100 |
| | | 2 1/2" x 2 1/2" x 3/16" Galvanized Angle Bracing | 200 |
| | | Angle Clips | 40 |
| | | Bolts | 200 |
| | | Downrods | 60 |
| | | Upper Beam Clamps | 60 |
| | | Lower Beam Clamps | 60 |

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Processing Equipment - Neudorf (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|--------------|-----------|--|----------|
| | | X678 Chain, Assembled, FT | 240 |
| | | Top Plate w/ bolt | 120 |
| | | Bottom plate | 120 |
| | | Pusher Dog | 60 |
| | | Hold Back Dog | 30 |
| | | Roll Pin | 120 |
| | | Chain Assembly Bolts | 120 |
| | | Chain Assembly | 240 |
| | | 1/2" x 2 1/2" x 13 1/2" 678 Slider Chain Hangers | 80 |
| | | 1/2" x 2 1/2" 678 Return Slider Chain Hangers | 40 |
| | | 3/16" x 4" Slap Rail , galvanized | 240 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail | 240 |
| | | 1 1/2" X 9/16" X 3/16" Channel | 480 |
| | | Drive base ass'y. X678 Chain | 1 |
| | | Motor and Gearbox | 1 |
| | | Take-up ass'y. X678 Chain | 1 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 90° Turn | 5 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 45° Turn | 2 |
| | | 90 Degree Idlers 6 tooth 678 slider chain | 2 |
| | | 180 Degree Idlers 6 tooth 678 slider chain | 2 |
| | | 90 Degree Idlers 8 tooth 678 slider chain | 4 |
| | | Turn Wheels | 4 |
| | | Supported Track Ass'y. | 4 |
| | | Rail Bolts 3/8" | 160 |
| | | | |
| K-14A | | Powered Wash Conveyor w/Retrim Rail | 1 |
| | | 4" x 7.7# S-Beam | 140 |
| | | X458 Chain, Assembled, FT | 140 |
| | | Trolley Half | 140 |
| | | T- Attachment | 35 |
| | | I-Attachment | 35 |
| | | Pusher Dog | 35 |
| | | Roll Pin | 114 |
| | | Chain Assembly Bolts | 140 |
| | | Chain Assembly | 140 |
| | | Downrods | 60 |
| | | Upper Beam Clamps | 60 |
| | | Weld On U-Brackets | 60 |
| | | 1/2" x 2 1/2" x 19 1/2" Roller I-Beam Hangers | 80 |

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Processing Equipment - Neudorf (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|------|-----------|---|------|
| | | 3/16" x 4" Slap Rail , galvanized | 140 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail | 80 |
| | | Drive base ass'y. X678 Chain | 1 |
| | | Motor and Gearbox | 1 |
| | | Take-up ass'y. X458 Chain | 1 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 90° Turn | 3 |
| | | 24" PD 90° Traction Wheel | 4 |
| | | Supported Track Ass'y. | 2 |
| | | 1L-90° Automatic Switch, 1500#, Level, 21 1/2" HBOB | 1 |
| | | 1R-90° Automatic Switch, 1500#, Level, 21 1/2" HBOB | 1 |
| | | 1L-90° Automatic Switch, 1500#, Level, 13 1/2" standard | 2 |
| | | 1R-90° Automatic Switch, 1500#, Level, 13 1/2" standard | 1 |
| | | Rail Bolts 3/8" | 160 |
| | | | |
| K-15 | 657 | High Trim Platform | 1 |
| | | 4'-0" Wide x 6'-0" Long x 10'-0" Tall | 36 |
| | | | |
| K-16 | 657 | Drop Bung Platform | 1 |
| | | 4'-0" Wide x 6'-0" Long x 10'-0" Tall | 36 |
| | | | |
| K-17 | 702 | Hide Puller Assembly | 1 |
| | 702 | Hide Puller Assembly | 1 |
| | | | |
| K-18 | | Hide Chute | 1 |
| | | Hide Chute | 1 |
| | | | |
| K-19 | | Steam Vac | 1 |
| | | Steam Vac | 1 |
| | | | |
| K-20 | | Carcass Pre Wash and Sanitizing Cabinet | 1 |
| | | Carcass Pre Wash and Sanitizing Cabinet | 1 |
| | | Operators Platform | 14 |

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Processing Equipment - Neudorf (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|-------|-----------|---|------|
| K-21 | 673P | Beef Dropper Spreader | 1 |
| | 673P | Beef Dropper Spreader | 1 |
| K-22 | | Brisket Saw with Power Unit and Balancer | 1 |
| | | Brisket Saw | 1 |
| | | Balancer | 1 |
| | | I-beam | 10 |
| | | Trolley Pair | 1 |
| | | Power Unit | 1 |
| K-22A | | Brisket Saw Sterilizer | 1 |
| | | Brisket Saw Sterilizer | 1 |
| K-23 | | Viscera Table | 1 |
| | | Viscera Table 20' long | 1 |
| | | Viscera Table Drive | 1 |
| | | Viscera Table Inedible Chute | 1 |
| | | Viscera Table Vent Piping | 1 |
| | | Viscrea Table Brush | 1 |
| K-24 | 654 | High/Low Platform - Hydraulic Elevating | 2 |
| | 654 | High/Low Platform - Hydraulic Elevating | 2 |
| K-25 | 673P | Beef Spreader | 1 |
| | 673P | Beef Spreader | 1 |
| K-26 | | Stn Stl Saw Shield | 1 |
| | | Stn Stl Saw Shield | 1 |
| K-27 | | Splitting Saw | 1 |
| | | Splitting Saw | 1 |

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Processing Equipment - Neudorf (major Items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|--------------|------------|--|----------|
| | | Air Balancer | 1 |
| | | FLR | 1 |
| | | I-beam | 10 |
| | | Trolley Pair | 1 |
| | | | |
| K-27A | 661 | Splitting Saw Sterilizer | 1 |
| | 661 | Splitting Saw Sterilizer | 1 |
| | | | |
| K-28 | 658 | Eviscerator's Platform | 1 |
| | | Eviserator Platform | 40 |
| | | Boot Sterilizer Cabinet | 1 |
| | | Boot Locker | 1 |
| | | Apron Wash Cabinet | 1 |
| | | | |
| K-29 | 658 | High/Low Final Inspection Platform | 1 |
| | 658 | High/Low Final Inspection Platform | 1 |
| | | | |
| K-30 | | Cut-Down Saw w/ Balancer | 1 |
| | | Cut-Down Saw w/ Balancer | 1 |
| | | | |
| K-31 | | Condemned Chute | 1 |
| | | Condemned Chute | 1 |
| | | Condemned Carcass Cutdown Hood | 1 |
| | | Vent Piping | 1 |
| | | | |
| K-31A | | Condemned Carcass Cutdown Platform/Ladder | 1 |
| | | Condemned Carcass Cutdown Platform/Ladder | 18 |
| | | 3'-0" Wide x 3'-0" Long x 6'-0" Tall | |
| | | | |
| K-32 | | Rail Scale | 1 |
| | | Rail Scale | 1 |
| | | | |

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Processing Equipment - Neudorf (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|------|-----------|---|------|
| K-33 | 654 | High/Low Platform - Hydraulic Elevating | 1 |
| | 654 | High/Low Platform - Hydraulic Elevating | 1 |
| K-34 | | Carcass Wash Cabinet | 1 |
| | | Carcass Wash Cabinet | 1 |
| | | Cleaning and Maintenance Catwalks | 1 |
| | | Vestibules | 1 |
| K-35 | | Acid Spray Cabinet | 1 |
| | | Acid Spray Cabinet | 1 |
| K-36 | | 15 H.P. Air Compressor | 1 |
| | | 15 H.P. Air Compressor | 1 |
| K-37 | 606 | Blood and Water Drain | 1 |
| | 606 | Blood and Water Drain | 1 |
| K-38 | 657 | Saw Brisket Platform | 1 |
| | | 4'-0" Wide x 6'-0" Long x 10'-0" Tall | 20 |
| K-39 | | Weasand Rod | |
| | | Weasand Rod | 1 |
| | | Weasand Rod Sterilizer | 1 |
| | | Coolers | |
| C-01 | | Chill Cooler #1 | |
| | | 12" x 19# W-Beam | 360 |
| | | Angle Clips | 30 |
| | | Bolts | 150 |
| | | Downrods | 90 |
| | | Upper Beam Clamps | 90 |

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Processing Equipment - Neudorf (major Items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|-------------|-----------|---|------|
| | | Lower Beam Clamps | 90 |
| | | 1/2" x 2 1/2" x 13 1/2" Drop Gravity Hangers | 150 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail | 360 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 90° Turn | 2 |
| | | 2R-90° Automatic Switches, 1500# , Galvanized | 6 |
| | | 1R-90° Automatic Switches, 1500# , Galvanized | 6 |
| | | 2L-90° Automatic Switches, 1500# , Galvanized | 1 |
| | | | |
| C-02 | | Chill Cooler #2 | |
| | | 12" x 19# W-Beam | 350 |
| | | Angle Clips | 30 |
| | | Bolts | 150 |
| | | Downrods | 90 |
| | | Upper Beam Clamps | 90 |
| | | Lower Beam Clamps | 90 |
| | | 1/2" x 2 1/2" x 13 1/2" Drop Gravity Hangers | 175 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail | 350 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 90° Turn | 1 |
| | | 1I 1500# Automatic Switches, Galvanized | 7 |
| | | 2I 1500# Automatic Switches, Galvanized | 6 |
| | | | |
| C-03 | | Holding Cooler #1 | |
| | | 12" x 19# W-Beam | 760 |
| | | Angle Clips | 80 |
| | | Bolts | 300 |
| | | Downrods | 200 |
| | | Upper Beam Clamps | 200 |
| | | Lower Beam Clamps | 200 |
| | | 1/2" x 2 1/2" x 13 1/2" Drop Gravity Hangers | 380 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail | 760 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 80° Turn | 2 |
| | | 1I 1500# Automatic Switches, Galvanized | 9 |
| | | 2I 1500# Automatic Switches, Galvanized | 8 |
| | | 2I-45 1500# Automatic Switches, Galvanized | 1 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 45° Turn | 1 |
| | | | |
| C-04 | | Quartering Cooler & Dock | |
| | | 12" x 19# W-Beam | 80 |

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Processing Equipment - Neudorf (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|-------------|------------|--|----------|
| | | Angle Clips | 14 |
| | | Bolts | 60 |
| | | Downrods | 20 |
| | | Upper Beam Clamps | 20 |
| | | Lower Beam Clamps | 20 |
| | | 1/2" x 2 1/2" x 13 1/2" Drop Gravity Hangers | 40 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail | 80 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 45° Turn | 2 |
| | | 1500# Automatic Switches, Galvanized | 2 |
| | | | |
| C-05 | 921 | Side Finger Decline Conveyor | 1 |
| | | Side Finger Decline Conveyor | 1 |
| | | | |
| C-06 | | Rail Scale | 1 |
| | | Rail Scale | 1 |
| | | | |
| C-07 | | Dock Rail | 1 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail | 50 |
| | | 1/2" x 2 1/2" x 13 1/2" Drop Gravity Hangers | 40 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 90° Turn | 5 |
| | | 1/2" x 2 1/2" Round Edge Meat Rail 45° Turn | 5 |
| | | Trolley Turn around device | 0 |
| | | L1-45 1500# Automatic Switches, Galvanized | 0 |
| | | 12" x 19# S-Beam | 40 |
| | | Downrods | 10 |
| | | Tee Saddles | 10 |
| | | Beam Clamps | 10 |
| | | | |
| | | Variety Meats | |
| V-01 | 688 | Head Wash Cabinet | 1 |
| | 688 | Head Wash Cabinet | 1 |
| | | | |
| V-02 | | Retained Head Hooks | 1 |
| | | Retained Head Hooks | 1 |

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Processing Equipment - Neudorf (major Items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|------|-----------|-------------------------|------|
| V-03 | 686 | Head Boning Table | 1 |
| | 686 | Head Boning Table | 12 |
| V-04 | 704 | Tongue Wash | 1 |
| | 704 | Tongue Wash | 1 |
| V-05 | | Skull Chute | 1 |
| | | Skull Chute | 1 |
| V-06 | 685 | Pluck Table | 1 |
| | 685 | Pluck Table | 1 |
| V-07 | | Offal Wash | 1 |
| | | Offal Wash | 1 |
| V-08 | | Boxing Table | 1 |
| | | Boxing Table | 9 |
| V-09 | | Box Scale | 2 |
| | | Box Scale | 2 |
| V-10 | 683 | Paunch Separation Table | 1 |
| | 683 | Paunch Separation Table | 24 |
| V-11 | 681 | Paunch Opening Table | 1 |
| | 681 | Paunch Opening Table | 1 |

Handwritten signatures and initials, including a large stylized 'L' and 'A' and a signature that appears to be 'JH'.

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Processing Equipment - Neudorf (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|------|-----------|--|------|
| V-12 | 644 | Tripe Scrubber | 1 |
| | 644 | Tripe Scrubber | 1 |
| V-13 | 643 | Tripe Scalding Scraper x 3 ft. long | 1 |
| | 643 | Tripe Scalding Scraper x 3 ft. long | 1 |
| V-14 | | Paunch Chute | 1 |
| | | Paunch Chute | 1 |
| | | Condemned Carcass Cutdown Hood | 1 |
| | | Vent Piping | 1 |
| V-15 | | Inedible Chute | 1 |
| | | Inedible Chute | 1 |
| | | Condemned Carcass Cutdown Hood | 1 |
| | | Vent Piping | 1 |
| V-16 | | Head and Tongue Conveyor | |
| | | Drive Framework | 1 |
| | | Eurodrive | 1 |
| | | Take-up | 1 |
| | | 5 gap 90° Idler | 0 |
| | | Tee Track | 60 |
| | | Trolley Pairs | 60 |
| | | Cable | 60 |
| | | Tee Track Rolled Incline Sections | 4 |
| | | Head Hooks | 15 |
| | | Stainless Steel Drip Pan with Supports | 15 |
| | | Basement | |
| B-01 | | Blood Storage Tank | 1 |
| | | Blood Storage Tank | 1 |

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Processing Equipment - Neudorf (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

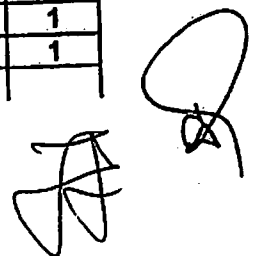
| Item | Model No. | Description | Qty. |
|-----------------------------------|-----------|--|------|
| B-02 | | Blood Pump | 1 |
| | | Blood Pump | 1 |
| | | Blood Piping | 1 |
| B-03 | 1067 | Inedible Conveyor 12" wide x 32'-0" long | 32 |
| | | BASE: INCL. - DRIVE & IDLER TERMINALS | |
| | | * DRIVE SHAFTS 1 1/2" | 1 |
| | | * IDLER SHAFTS 1 1/2" | 1 |
| | | * BEARINGS | 4 |
| | | * STAINLESS STEEL MATERIAL | 1 |
| | | * LABOR | 23 |
| | | ADD SPROCKETS | 10 |
| | | ADD PER FOOT: | |
| | | * STAINLESS STEEL MATERIAL | 32 |
| | | * NULU | 32 |
| | | * BEAD BLAST \$30.00/FT | 32 |
| | | * LABOUR \$125.00/ LIN FT | 32 |
| | | 1800 SERIES BELT | 32 |
| | | * RETURN ROLLERS | 5.4 |
| | | SUPPORTS: \$120.00/FRAME | 5.4 |
| | | DRIVE: | |
| | | * GEAR BOX / MOTOR | 1 |
| | | * TORQUE ARM | 1 |
| | | * LABOUR | 1 |
| | | OTHER: | |
| | | * FLARED SIDE | 0 |
| | | * DRIP PAN | 0 |
| * CUTTING BOARDS 3/4" | 0 | | |
| * PACKING STATION | 0 | | |
| * INCLINE / DECLINE 7.5' LONG | 0 | | |
| ENGINEERING / DRAWINGS: LOT PRICE | 1 | | |
| B-04 | | Bung, Trim Chute | |
| | | Stainless Steel Chute | 1 |
| B-05 | | Front Feet, Ears and Lips Chute | 1 |
| | | Stainless Steel Chute | 1 |

8/30/2010

Processing Equipment - Neudorf (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|------|-----------|-------------------------------|------|
| B-06 | | Hind Feet Chute | 1 |
| | | Stainless Steel Chute | 1 |
| B-07 | | Udders and Pizzle Chute | 1 |
| | | Stainless Steel Chute | 1 |
| B-08 | | Hides Chute | 1 |
| | | Stainless Steel Chute | 1 |
| B-09 | | Dew Claw and Lower Trim Chute | 1 |
| | | Stainless Steel Chute | 1 |
| B-10 | | Final Trim Chute | 1 |
| | | Stainless Steel Chute | 1 |
| B-11 | | Trim Chute | 1 |
| | | Stainless Steel Chute | 1 |
| B-12 | | Trim Chute | 1 |
| | | Stainless Steel Chute | 1 |
| B-13 | | Viscera Table Chute | 1 |
| | | Stainless Steel Chute | 1 |
| B-14 | | Condemned Head Chute | 1 |
| | | Stainless Steel Chute | 1 |
| B-15 | | Inedible Tripe Chute | 1 |
| | | Stainless Steel Chute | 1 |

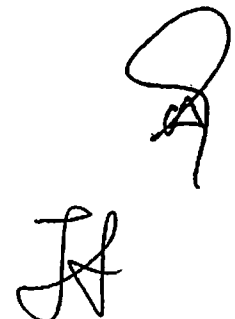


8/30/2010

Processing Equipment - Neudorf (major Items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| Item | Model No. | Description | Qty. |
|------|-----------|------------------------------------|------|
| B-16 | | Skull Chute | 1 |
| | | Stainless Steel Chute | 1 |
| | | | |
| | | Miscellaneous Equipment | |
| M-01 | 201 | Hand Wash Sink with one Sterilizer | 17 |
| M-02 | 202 | Meat Wash Sink | 1 |
| M-03 | | Apron Wash Cabinet | 5 |
| M-04 | | Frock Racks | 3 |
| M-05 | | Knife Sharpener | 1 |
| M-06 | | Trolley Storage Racks | 5 |
| M-07 | | Trolley Wash Tank | 1 |
| M-08 | | Trolley Rinse Tank | 1 |
| M-09 | | Trolley Oil Dip Tank | 1 |
| M-10 | | Trolley Hoist | 1 |
| M-11 | | Monorail for Trolley Hoist | 1 |
| M-12 | | Tripe Drying Raçks | 4 |



Processing Equipment - Wolseley (major Items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| <u>Item</u> | <u>Description</u> | <u>Qty.</u> |
|---------------|---|-------------|
| FB-01 | Hand Wash Sink with one Sterilizer | 7 |
| FB-02 | Meat Wash Sink | 4 |
| FB-03 | Fab Infeed Rail & Cooler 325' long | 1 |
| | 1/2" x 2 1/2" round edge meat rail, not punched, drilled or bent, mill finish. | 325 |
| | 1/2" x 2 1/2" round edge meat rail 90° turn, not drilled or punched, mill finish. | 6 |
| | automatic rail switch, 500 # cap., galvanized finish | 11 |
| | 1/2" x 2 1/2" x 13 1/2" drop gravity hangers, galvanized. | 162 |
| | 1/2" x 2" Rib Neck Carriage Bolts w/Nylon Lock Nuts, plated. | 325 |
| | Rail Turnaround | 1 |
| | Rolled 90 Rail Turn | 4 |
| FB-03A | Floor Supports for Rails | 15 |
| | 4 x 4 x 3/16 sq. tube columns x 10' long | 20 |
| | W24 x 68 beam | 40 |
| | W16 x 55 beam | 400 |
| W12 x 26 beam | | |
| FB-04 | Side Finger Incline Conveyor | 1 |
| FB-05 | Fab Infeed Rail Scale | 1 |
| FB-06 | Trim Platform 36" wide x 4'-0" long | 12 |
| FB-07 | Landing Conveyor 3'-0" wide x 6'-0" long | 6 |
| FB-08 | Chuck/Wing Boning Table 30" wide 45'-0" long | 45 |
| FB-09 | Overhead Bone Conveyor 24" wide x 41'-0" long | 41 |
| FB-10 | SA-20 Rib Saw | 1 |
| FB-11 | Platform 5'-6" wide x 7'-0" long | 38.5 |
| FB-12 | Chuck/Round Hoist | 4 |
| FB-13 | Platform 2'-6" wide x 8'-0" long | 20 |
| FB-14 | Platform 2'-6" wide x 30'-0" long | 75 |
| FB-15 | Platform 2'-6" wide x 27'-0" long | 67.5 |

Processing Equipment - Wolseley (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| <u>Item</u> | <u>Description</u> | <u>Qty.</u> |
|-------------|--|-------------|
| FB-16 | Not Used | |
| FB-17 | Round/Loin Boning Table 30" wide x 63'-0" long | 53 |
| FB-18 | Overhead Bone Conveyor 24" wide x 62'-0" long | 62 |
| FB-19 | SA-20 Loin Saw | 1 |
| FB-20 | Platform 5'-6" wide x 7'-0" long | 38.5 |
| FB-21 | Platform 2'-6" wide x 8'-0" long | 20 |
| FB-22 | Platform 2'-6" wide x 21'-0" long | 45 |
| FB-23 | Platform 2'-6" wide x 27'-0" long | 45 |
| FB-24 | Bone Crossover Conveyor 24" wide x 18'-6" long | 18.5 |
| FB-25 | Product Crossover Conveyor 24" wide x 28'-0" long | 28 |
| FB-26 | Trim Table 48" wide x 6'-0" long | 24 |
| FB-27 | Bagging Fingers | 1 |
| FB-28 | Bagging Fingers | 1 |
| FB-29 | Bag Rack | 1 |
| FB-30 | Bagged Product Conveyor 30" wide x 6'-0" long | 6 |
| FB-31 | UltraVac 3500 Vacuum Packaging Machine | 1 |
| FB-32 | Shrink Tunnel & Blow Off included with Vacuum Pump (Included in FB-31 price) | 0 |
| FB-33 | Trim Conveyor 12" wide x 31'-0 long | 31 |
| FB-34 | Trim Conveyor 12" x 28'-0" long | 28 |
| FB-35 | Trim Conveyor 12" wide x 21'-6" long | 21.6 |
| FB-36 | Trim Conveyor 12" wide x 27'-6" long | 27.5 |
| FB-37 | Trim Cross Belt 18" wide x 26'-0" long | 26 |

Processing Equipment - Wolseley (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| <u>Item</u> | <u>Description</u> | <u>Qty.</u> |
|-------------|---|-------------|
| FB-38 | Trim Incline Belt 18" wide x 6'-6" long | 6.5 |
| FB-39 | DELETED | 0 |
| FB-40 | Loose Meats table with Bagging Hoops, 5'-0 sq. | 1 |
| FB-41 | Loose Meats table with Bagging Hoops, 5'-0 sq. | 1 |
| FB-42 | Blow Off Conveyor, 48" wide x 5'-0" long | 5 |
| FB-43 | Packoff Table, 40 sq.ft. | 40 |
| FB-44 | Packoff Table, 18 sq.ft. | 18 |
| FB-45 | Empty Box Conveyor Skate Wheel 24"wide x 20'-6" | 20.5 |
| FB-46 | Box Conveyor, 30" w x 14'-0 | 1 |
| FB-47 | Box 180 Curve Conveyor | 1 |
| FB-48 | Box Scale | 1 |
| FB-49 | Box Strapper | 1 |
| FB-50 | Box 180 Curve Conveyor | 1 |
| FB-51 | SA-36 FORE QUARTER Saw | 1 |
| FB-52 | SA-36 HIND QUARTER Saw | 1 |
| FB-53 | Whiz Platform 2'-6" wide x 4'-0" long | 10 |
| FB-54 | Whiz Platform 2'-6" wide x 4'-0" long | 10 |
| FB-55 | Whiz Trim Table 2'-0" wide x 4'-0" long | 8 |
| FB-56 | Whiz Trim Table 2'-0" wide x 4'-0" long | 8 |
| FB-57 | Chuck Hoist Table 2'-0" wide x 8'-0" long | 16 |
| FB-58 | Round Hoist Table 2'-0" wide x 8'-0" long | 16 |
| FB-59 | Pull Tenders Platform 2'-6" wide x 12'-0" long | 30 |

Processing Equipment - Wolseley (major items)

(Note - Equipment listing derived from original equipment specification lists provided by suppliers, and may differ from actual items currently installed in the plant)

| <u>Item</u> | <u>Description</u> | <u>Qty.</u> |
|-------------|---|-------------|
| FB-60 | Infeed Conveyor X458 Roller I-Beam | 132 |
| | 4" x 7.7 # I-Beam | 132 |
| | Pushers @ 2'-0" c/c | 66 |
| | Trolley Assemble @ 2'-0" c/c | 66 |
| | 1/2" x 2 1/2" R. E. Meat rail-Ft. | 50'-0" |
| | 1/2" x 2 1/2"-18 1/2" Drop Hangers | 25 |
| | 3/8" Rail Bolts w/Nyloc | 56 |
| | 24" P.D. x 90 Deg Idler | 5 |
| | 9 Tooth Drive Assemble | 1 |
| | 24" P.D. Screw Type Takeup | 1 |
| | Total Support Assemble | 17 |
| FB-61 | Rib Saw Platform 4'-0" wide x 5'-6" long | 22 |
| FB-62 | Loin Saw Platform 4'-0" wide x 5'-6" long | 22 |
| FB-63 | Vacuum Packaging Machine | 1 |

Other Assets

| <u>Item #</u> | <u>Description</u> |
|---------------|---|
| 1 | Miscellaneous small tools, processing equipment, spare parts and supplies, office furniture, supplies and equipment and computers located at the Wolseley and Neudorf plants. |
| 2 | Miscellaneous silage, irrigation and composting equipment, grain augers, grain bins, and portable fencing panels located at the Wolseley plant. |
| 3 | 1985 GMC Heavy vehicle 1GDJ7D1F5V610185 (Septic truck). |
| 4 | 1994 Mack Truck 1M2P267YXRM018725 (Bone truck). |
| 5 | 1990 International 1HTGBDR2LH208319 (Silage truck) |
| 6 | Inventory of compost materials located on the compost site at the Neudorf plant. |



Schedule B to Order Approving Sale and Vesting Order

Vesting Order – see next pages

Vesting Order

IT IS HEREBY ORDERED THAT the Registrar of Titles of the Saskatchewan Land Titles Registry is directed pursuant to s. 109 of *The Land Titles Act*, 2000, S.S. 2000, c.L-5.1, section 6.5 of *The Land Titles Conversion Facilitation Regulations*, and s. 12 of *The Queen's Bench Act, 1998*, to do as follows:

1. Cancel the existing titles to the lands hereinafter described, and issue new titles in the name of 101149726 Saskatchewan Ltd., or its nominee (as specified to the Registrar in writing at the time of submission of this Order), free and clear of encumbrances save and except the encumbrances noted below:

Surface Parcel #109081560

SW Sec 04 Twp 19A Rge 08 W2 Extension 2

As described on Certificate of Title 97R50456C

- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389

Surface Parcel #109053042

NE Sec 04 Twp 19A Rge 08 W2 Extension 0

As described on Certificate of Title 97R50456E

- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389
- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #111027989
- Environmental Management and Protection Act – Permit Notice (Section 25(2)) with Her Majesty the Queen in Right of Saskatchewan, Interest Register #114472087

Surface Parcel #108680890

Blk/Par P Plan No 85R66910 Extension 0

As described on Certificate of Title 90R48971

- CNV Easement with Saskatchewan Power Corporation, Interest Register #100882324

Surface Parcel #108680889

Blk/Par N Plan No 83R18604 Extension 0

As described on Certificate of Title 90R48970

- CNV Public Utility Easement with Saskatchewan Telecommunications, Interest Register #100882346

Surface Parcel #108680878

Vesting Order

Blk/Par M Plan No 83R18604 Extension 0
As described on Certificate of Title 90R48970

- CNV Public Utility Easement with Saskatchewan Telecommunications, Interest Register #100882346

Surface Parcel #153112654
Blk/Par B Plan No 101231345 Extension 5
As described on Certificate of Title 97R50456B

- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389

Surface Parcel #114384865
Blk/Par A Plan No 101146160 Extension 5
As described on Certificate of Title 97R50456G

- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389

Surface Parcel #112539191
Blk/Par B Plan No 101146227 Extension 11
As described on Certificate of Title 97R50456F

- Saskatchewan Watershed Authority Act, 2005 – Notice (s.64) with Saskatchewan Watershed Authority, Interest Register #108793389

Surface Parcel #109049575
SW 09-19A-08-2 Ext 0
As described on Certificate of Title 97R50456A

- Free and clear of all encumbrances

Surface Parcel #109053031
NW 04-19A-08-2 Ext 0
As described on Certificate of Title 97R50456D

- Free and clear of all encumbrances

Surface Parcel #109053020
SW 04-19A-08-2 Ext 1
As described on Certificate of Title 97R50456C

- Free and clear of all encumbrances

Surface Parcel #153112665
Blk/Par C Plan No 101231345 Extension 6
As described on Certificate of Title 97R50456B

- Free and clear of all encumbrances

Vesting Order

Surface Parcel #112539203
Blk/Par CPlan No 101146227 Extension 12
As described on Certificate of Title 97R50456F

- Free and clear of all encumbrances

Surface Parcel #109049542
NE Sec 05 Twp 19A Rge 08 W2 Extension 0
As described on Certificate of Title 95R44470

- Free and clear of all encumbrances

Issued at the City of _____, in the Province of Saskatchewan this ___ day
of _____, 2010.

LOCAL REGISTRAR

TAKE NOTICE that every order made without notice to the Respondents or a person affected by the order, except where such order is consented to by the Respondents or a person affected by the order, or is otherwise authorized by law, may be set aside or varied on application to the court. You should consult your solicitor as to your rights.

The within document was prepared and delivered by the law firm of Balfour Moss, #700, 2103 - 11th Avenue, Regina, Saskatchewan, S4P 4G1, solicitors for the Applicants, whose address for service is in care of the said solicitors.

| | |
|---------------------------|-----------------------------------|
| Lawyer in Charge of File: | Rick M. Van Beselaere |
| Telephone: | 347-8316 |
| File: | 243.00.819 RMV |
| E-Mail address: | rick.vanbeselaere@balfourmoss.com |

CANADA)
PROVINCE OF SASKATCHEWAN)

Q.B.G. No. 1234 of 2008

IN THE QUEEN'S BENCH
JUDICIAL CENTRE OF REGINA

BETWEEN:

FARM CREDIT CANADA and SULLIVAN & ASSOCIATES INC.

APPLICANTS

- and -

NATURAL VALLEY FARMS INC.

RESPONDENT

- and -

**CONEXUS CREDIT UNION 2006, DOMCO CONSTRUCTION INC., CITICORP VENDOR
FINANCE, LTD., JOHN DEERE LIMITED, CITICAPITAL COMMERCIAL LEASING
CORPORATION, FLYING D CATTLE COMPANY, TOWN OF FOAM LAKE, RURAL
MUNICIPALITY OF FOAM LAKE NO. 276, NATIONAL LEASING GROUP INC., CLIFTON
ASSOCIATES LTD., SPERLING INDUSTRIES LTD., HORIZON CREDIT UNION and JOHN
CRUIKSHANK**

RESPONDENTS

BEFORE THE HONOURABLE

MR JUSTICE M. HERAUF

IN CHAMBERS

) *TUESDAY, THE 26th DAY OF*

) *OCTOBER, 2010.*

)

)

**EX-PARTE ORDER FOR SERVICE BY FAX, EMAIL OR REGULAR MAIL AND
FOR SEALING OF SUPPLEMENTAL AFFIDAVIT OF CLARK SULLIVAN**

Upon the ex-parte application of counsel for Sullivan and Associates Inc. (the "Receiver"), as Receiver of the assets and undertaking of Natural Valley Farms Inc., and upon having read the Affidavit and Supplemental Affidavit of Clark Sullivan and the Affidavit of Gary Stooshinoff, it is hereby ordered that:

1. The Receiver is hereby authorized to serve notice of the application to approve a sale of the assets and undertaking of Natural Valley Farms Inc. as follows:

- (a) By facsimile if a party has completed a Demand for Notice and included a facsimile number as part of that Demand for Notice;

- (b) By e-mail if a party has completed a Demand for Notice and included a e-mail address as part of that Demand for Notice;
- (c) By ordinary mail in any circumstance where a party has completed a Demand for Notice but has not provided a facsimile or e-mail address, or in respect of any party that the Receiver knows has a direct interest and has asked for notice;
- (d) By service upon a party's solicitor where a party is to the knowledge of the Receiver, represented by counsel.

2. The Receiver shall serve the Notice of Motion, Affidavit of Clark Sullivan, Affidavit of Gary Stooshinoff, Draft order and this Order upon all parties that have provided demands for notice or otherwise required notice of these proceedings. The Supplemental Affidavit of Clark Sullivan to which the Asset Purchase Agreement with the proposed purchaser is appended as an Exhibit shall not be required to be served, and the said Supplemental Affidavit shall be sealed and not released or made available to any party without further Order of this Court.

3. The documents to be served shall be sent by to the address, email address or facsimile number indicated for each party to be served on the records of the Receiver (principally consisting of any Demands for Notice). At least 5 calendar days of notice of the application shall be provided. If service is affected by ordinary mail, service shall be deemed to have occurred on the 2nd business day after posting of the mailed package. If service is completed by facsimile, service shall be deemed to be affected on the date that the material is sent by facsimile based upon the facsimile transmission record. If service is affected by e-mail, service shall be deemed to be affected on the date where confirmation of receipt of the electronic transmission to the recipient. Where service is affected upon counsel acting for a party, service shall be deemed affected on the date of the Acknowledgment of Service.

4. Service of the application upon all parties as provided above shall be valid and sufficient service. The Receiver shall cause proof of service to be filed with the application.

ISSUED at Regina, Saskatchewan this 21st day of October, 2010.

(Seal)

JUD
REGISTRAR

Local Registrar

SEAL

TAKE NOTICE that every Order made without notice to the Defendant or a person affected by the Order except when such Order is consented to by the Defendant or a person affected by the Order, or is otherwise authorized by law, may be set aside or varied on application to the Court. You should consult your solicitor as to your rights.

This document was delivered by Balfour Moss, Barristers and Solicitors, #700 - 2103 11th Avenue, Regina, Saskatchewan, S4P 4G1, solicitors for the Plaintiff, whose address for service is the same as above.

| | |
|---------------------------|---|
| Lawyer in charge of file: | Rick M. Van Beselaere |
| Telephone: | (306) 347-8316 |
| File Number: | 243.00-819 RMV |
| E-Mail address: | <u>rick.vanbeselaere@balfourmoss.com</u> |