

File No. CI 24-01-45056

**THE KING'S BENCH
WINNIPEG CENTRE**

**IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT TO
SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY
ACT*, R.S.C. 1985 c.B-3, AS AMENDED AND SECTION 55
OF *THE KING'S BENCH ACT*, C.C.S.M. c.C280**

BETWEEN:

BANK OF MONTREAL

Applicant,

-and-

GENESUS INC., CAN-AM GENETICS INC., AND GENESUS GENETICS INC.

Respondent.

**THIRD REPORT OF BDO CANADA LIMITED,
IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF
GENESUS INC., CAN-AM GENETICS INC., AND GENESUS GENETICS INC.**

OCTOBER 2, 2024

RECEIVER

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September 27, 2024

INTRODUCTION

1. On June 11, 2024, Bank of Montreal (“**BMO**” or the “**Applicant**”) made an application to the Court of King’s Bench of Manitoba (the “**Court**”) seeking an order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended (the “**BIA**”) and section 55 of *The Court of King’s Bench Act*, C.C.S.M., c. C280, to appoint BDO Canada Limited (“**BDO**”) as receiver and manager (the “**Receiver**”), without security, of all the assets, undertakings, and properties (the “**Property**”) of Genesis Inc. (“**Genesis**”), Can-Am Genetics Inc. (“**Can-Am**”), and Genesis Genetics Inc. (“**GGI**”) (collectively the “**Debtors**” or the “**Companies**”) acquired for or used in relation to the business carried on by the Companies. On June 11, 2024 (the “**Date of Receivership**”), the Honourable Mr. Justice Chartier granted an order (the “**Receivership Order**”) appointing BDO as Receiver in respect of the Property. Information regarding the receivership proceedings can be accessed on the Receiver’s website at <https://www.bdo.ca/en-ca/extranets/GenesisInc>.
2. On July 4, 2024, the Court granted an Order approving, among other things, the Receiver’s sale of specific assets (the “**GGTI Transaction**”) to Genesis Genetics Technology Inc. (“**GGTI**” or the “**Purchaser**”). As GGTI was unable obtain sufficient funding, the GGTI Transaction was unable to close and the asset purchase agreement with GGTI was terminated by the Receiver. On July 18, 2024, the Receiver was presented with an amended asset purchase agreement from GGTI to again purchase specific assets of Genesis and Can-AM (the “**Amended GGTI APA**”).
3. On July 26, 2024, the Court granted an Order approving, among other things, the Amended GGTI APA and the amended transaction closed that same day. The Receiver filed the Receiver’s Certificate with the Court on July 30, 2024, attached hereto as Appendix A.
4. This report constitutes the third report of the Receiver (the “**Third Report**”), and is being filed to inform the Court as to the following:
 - (a) the activities of the Receiver since the Second Report dated July 24, 2024 (the “**Second Report**”); and

- (b) offers to purchase the Park Boulevard Property (the “**Park Blvd. Property**”) and the Riverdale barn and property (the “**Riverdale Property**”).
5. Furthermore, this Third Report, along with the Confidential Supplement to the Third Report dated October 2, 2024 (the “**Confidential Supplement**”) is being filed in support of the Receiver’s motion to this Honourable Court on October 8, 2024, seeking the following, *inter alia*:
- (a) approval of the sale of the Riverdale Property;
 - (b) approval of the sale of the Park Blvd. Property;
 - (c) authorizing the Receiver to change the name of Genesis and Can-Am;
 - (d) an Order sealing the Confidential Supplement in the Court file given the commercial sensitivity of the information detailed therein; and
 - (e) approval of the Third Report, and the reported actions and activities of the Receiver since the filing of the Second dated July 24, 2024 (the “**Second Report**”) in respect of administering these receivership proceedings, including the approval of the Receiver’s statement of receipts and disbursements for the period ended September 27, 2024.

TERMS OF REFERENCE

6. In preparing this Third Report, the Receiver has relied upon unaudited financial information, the books and records of the Companies, and discussions with former management of the Companies (“**Management**”), interested parties, and the stakeholders of the Companies.
7. The financial information of the Companies has not been audited, reviewed or otherwise verified by the Receiver as to its accuracy or completeness, nor has it necessarily been prepared in accordance with generally accepted accounting principles and the reader is cautioned that this Third Report may not disclose all significant matters about the Companies. Additionally, none of the Receiver’s procedures were intended to disclose

defalcations or other irregularities. If the Receiver were to perform additional procedures or to undertake an audit examination of the financial statements in accordance with generally accepted auditing standards, additional matters may have come to the Receiver's attention. Accordingly, the Receiver does not express an opinion nor does it provide any other form of assurance on the financial or other information presented herein. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this Third Report.

8. Unless otherwise stated, all monetary amounts contained in this Third Report are expressed in Canadian dollars.
9. Capitalized terms not defined in this Third Report are as defined in the Receivership Order, the First Report, and the Second Report.

ACTIVITIES OF THE RECEIVER SINCE THE SECOND REPORT

10. Since the Date of the Second Report, the Receiver has undertaken the following activities with respect to the Property:
 - (a) obtained insurance for the Riverdale Property and the Oakville Property (as defined in the First Report) which were both uninsured at the time of the Receiver's appointment;
 - (b) obtained appraisals of the Park Blvd. Property, the Oakville Property, and the Riverdale Property;
 - (c) listed the Park Blvd. Property, the Oakville Property, and the Bagot Property (as defined in the First Report) for sale with various realtors;
 - (d) provided information to Canada Revenue Agency ("CRA") regarding Scientific Research and Experimental Development ("SR&ED") tax credits;
 - (e) completed the GGTI Transaction and attended to cleaning and emptying the Riverdale Property;

- (f) arranged for the auction of certain equipment used at the Riverdale Property;
- (g) arranged to have the financial statements for Can-Am and Genesis, including the corresponding tax returns, completed for 2023 and 2024 fiscal year ends;
- (h) provided CRA with the necessary information to complete payroll source deduction and goods and services tax (“GST”) account audits for Genesis and Can-Am;
- (i) distributed collection letters for accounts receivable for Genesis and GGI;
- (j) finalized and distributed various invoices for royalties and genetic agreement service fees; and
- (k) prepared, reviewed, and finalized this Third Report and the Confidential Supplement.

SALE OF THE RIVERDALE PROPERTY

11. The Riverdale Property consists of a barn on an approximate 80-acre parcel of land located at the legal address of PT NW-21-12-22W, and an approximate 159-acre parcel of land located at SW-21-12-22W, in Riverdale, Manitoba (also known as Prairie Sun).
12. On August 29, 2024, the Receiver received an unsolicited offer (the “**VPFL Offer**”) from Verbruggen Prairie Farms Ltd. (“**VPFL**”). The Receiver engaged with VPFL to better understand how the VPFL Offer was determined. VPFL indicated that in order to operate the barn there were a series of required repairs (the “**Repairs**”):
 - (a) replace the roof and all ceiling insulation;
 - (b) replace all exterior wall tin and wall insulation;
 - (c) repair rafters;
 - (d) replace approximately half of the concrete slat and all farrowing slats;
 - (e) replace all crates;

- (f) replace heating and ventilation systems; and
 - (g) replace the main breaker.
13. The Receiver was aware of the required rafter repairs, however, was not aware of the numerous other alleged deficiencies with the barn. Based on discussions with the previous barn manager, the Receiver confirmed that the list of repairs was necessary.
14. The Receiver engaged two (2) parties to provide quotes for the Repairs, A2 Ventures Inc. (“AVI”) Gold Metal Constructions Inc. (“GMCI”). On September 23, 2024, AVI supplied its quotes. On September 24, 2024, the Receiver received its quote from GMCI.
15. Given the costs and time involved to complete the Repairs, in consultation with BMO, the Receiver determined that VPFL Offer should be accepted and entered into a purchase agreement dated September 25, 2024 (the “**Riverdale APA**”) for the Riverdale Property with VPFL. The Riverdale APA contains the following key terms and conditions:
- (a) deposit of 10% of the purchase price;
 - (b) closing date of October 9, 2024; and
 - (c) subject only to the approval of the Court, as all other conditions have been waived.
- Attached hereto as Appendix B is the redacted Riverdale APA.
16. In addition to the reasons set out in the Confidential Supplement, the Receiver supports the sale of the Riverdale Property to VPFL for the following reasons:
- (a) the VPFL Offer is fair and reasonable after considering the Repairs;
 - (b) the VPFL Offer eliminates the need for the Receiver initiate the repairs with no guarantee the funds will be recovered;
 - (c) BMO is supportive of the VPFL Offer;
 - (d) the Receiver is of the opinion that further marketing of the Riverdale Property will not result in a better offer being received; and

- (e) closing the offer will eliminate ongoing holding costs (i.e., property taxes, insurance, utilities).

SALE OF THE PARK BLVD. PROPERTY

17. The Park Blvd. Property is legally described as Lot 25 & 26 Block 41 Plan 1714 Parish of St. Charles, Manitoba, with the following features:
 - (a) land dimensions are approximately 150 feet x 262 feet (approximately 39,300 square feet (“sq. ft.”);
 - (b) residence has over 8,000 sq. ft. of living space and a 2,400 sq ft. pool house;
 - (c) residence consists of nine (9) bedrooms and ten (10) bathrooms (seven (7) full and three (3) half) and has an attached six (6) car garage.
18. On July 31, 2024, the Receiver obtained an appraisal (the “**Halladay Appraisal**”) from Halladay Appraisal Services Ltd. (“**Halladay**”). The full details of the Halladay Appraisal are included in the Confidential Supplement and are attached thereto as Appendix E.
19. On August 16, 2024, the Receiver signed a multiple listing agreement with the Moore Group (the “**Listing Agreement**”), which suggested a listing price of \$2.25 million. A copy of the Listing Agreement is attached hereto as Appendix C.
20. On or around August 27, 2024, the Moore Group placed the listing sheet on their website which allowed Canada wide access to potential purchasers and Multiple Service Listing users. As of September 5, 2024, the Park Blvd. Property had sixteen (16) showings within the first eight (8) days of the listing.
21. On September 5, 2024, the Receiver received an offer (the “**Bogdanoivc Offer**”) from Mr. Zeljko Bogdanoivc for the Park Blvd. Property. The Receiver entered into negotiations with Mr. Bogdanoivc and the Bogdanoivc Offer was amended (the “**Amended Bogdanoivc Offer**”)
22. After discussing the Amended Bogdanoivc Offer with the two (2) mortgage holders Farm

Credit Canada (“FCC”) and BMO, on September 12, 2024, the Receiver signed the Amended Bogdanoivc Offer with the support of the mortgage holders.

23. The Amended Bogdanoivc Offer for the Park Blvd. contains the following key terms and conditions:
- (a) deposit of 10% of the purchase price;
 - (b) subject to financing which is to be removed by 2 pm on October 2, 2024;
 - (c) closing date of November 14, 2024; and
 - (d) subject only to the approval of the Court, as all other conditions have been waived.

Attached hereto as Appendix D is a copy of the redacted Park Blvd. APA.

24. In addition to the reasons set out in the Confidential Supplement, the Receiver supports the sale of the Park Blvd. Property to Mr. Bogdanoivc for the following reasons:
- (a) the Park Blvd. Property was listed with a realtor and the sales process was fair and transparent;
 - (b) BMO and FCC, support the transaction;
 - (c) the Amended Bogdanoivc Offer is fair and reasonable;
 - (d) the Receiver is of the opinion that further marketing of the Park Blvd. Property will not result in a better offer being received; and
 - (e) closing the Park Blvd. Property APA will eliminate the ongoing holding costs (i.e., property taxes, insurance, utilities).

CHANGE OF NAME

25. Pursuant to the GGTI Transaction, the Receiver sold the debtors’ right, title and interest in the names of “Genesis” and “Can-Am Genetics” names to GGTI. In order for GGTI to register names including those elements with the Manitoba Companies’ Office, the names

of Genesus Inc. and Can-Am Genetics Inc names need to be changed to numbered companies with that Office. This requires an amendment to the Articles of Incorporation for each such company and the Receiver requires additional powers to effect such an amendment.

REMAINING ASSETS

26. The Receiver intends to take the following actions in respect of the residual assets of the Companies:
- (a) continue collection of accounts receivable;
 - (b) list the Bagot Property and the Bradwardine Property (as defined in the First Report) for sale;
 - (c) auction any remaining miscellaneous furniture, fixtures, and equipment;
 - (d) continue the review of the SR&ED claims in Can-Am and Genesus;
 - (e) solicit any interest in the shares of Genesus Life Science and Genesus Sarl; and
 - (f) solicit any interest in the various royalty agreements held by the Companies.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

27. The Receiver has prepared a Statement of Receipts and Disbursements for the period June 11, 2024, to September 27, 2024, for the Companies, attached hereto as Appendix E. Total receipts were \$3,613,093 and total disbursements were \$2,596,652, resulting in \$1,016,441 being held in trust by the Receiver.
28. As at the date of this Third Report, the Receiver repaid the \$500,000 that was borrowed from the Court authorized Borrowing Facility.

RECOMMENDATIONS

29. The Receiver is seeking the following from this Honourable Court:

- (a) approval of the Riverdale APA;
- (b) approval of the Park Blvd. APA;
- (c) authorizing the Receiver to change the names of “Genesis Inc.” and “Can-Am Genetics Inc.”;
- (d) sealing of the Confidential Supplement in the Court file;
- (e) approval of the Receiver’s activities and conduct as outlined in this Third Report;
and
- (f) any further direction or relief the Court wishes to provide to the Receiver.

All of which is respectfully submitted at Winnipeg, Manitoba, this 2nd day of October 2024.

BDO CANADA LIMITED

In its capacity as Receiver of Genesis Inc,
Can-Am Genetics Inc., and Genesis Genetics Inc.
and not in its personal capacity.



Per: David Lewis, CPA, CIRP, LIT
Senior Vice-President

Appendix A – Receiver's Certificate

File No. CI 24-01-45056

**THE KING'S BENCH
WINNIPEG CENTRE**

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT TO
SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY*
ACT, R.S.C. 1985, c. B-3 AS AMENDED, AND SECTION 55
OF *THE COURT OF KING'S BENCH ACT*, C.C.S.M. c. C280

BETWEEN:

BANK OF MONTREAL,

Applicant,

-and-

**GENESUS INC., CAN-AM GENETICS INC. and
GENESUS GENETICS INC.,**

Respondents.

RECEIVER'S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable Mr. Justice Chartier of the Manitoba Court of King's Bench (the "**Court**") dated June 11, 2024, BDO Canada Limited was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Genesus Inc. ("**Genesus**"), Can-Am Genetics Inc. ("**Can-Am**") and Genesus Genetics Inc. ("**GGI**", and together with Genesus and Can-Am, the "**Debtors**").
- B. Pursuant to an Order of the Court pronounced July 26, 2024, the Court approved the agreement of purchase and sale made as of July 23, 2024 (the "**Reworked APA**") between the Receiver and Genesus Genetic Technology Inc. (the "**Purchaser**"), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i)

the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Reworked Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Reworked APA.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Reworked APA;
2. The conditions to Closing the Reworked APA have been satisfied or waived by the Receiver and the Purchaser; and
3. The Reworked Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at 3:10 pm CT on July 26, 2024.

BDO CANADA LIMITED, in its capacity as Receiver of the undertaking, property and assets of Genesus Inc., Can-Am Genetics Inc. and Genesus Genetics Inc., and not in its personal capacity

Per: David Lewis

Name: David Lewis

Title: Authorized Signatory

Appendix B – Redacted Riverdale Property Asset Purchase Agreement

OFFER TO PURCHASE

TO: **BDO CANADA LIMITED** in its capacity as court appointed receiver of **GENESUS INC., CAN-AM GENETICS INC. and GENESUS GENETICS INC.** and not in its personal or corporate capacity (hereinafter called the "**Vendor**")

1. **Offer.** **VERBRUGGEN PRAIRIE FARMS LTD.**, (hereinafter called the "**Purchaser**", and together with the Vendor, the "**Parties**") hereby offers and agrees to purchase the Vendor's right, title and interests, if any, in and to the following:

Issuing from Title No. 1892437/2

NW 1/4 21-12-22 WPM
EXC NLY 1320 FEET PERP

Issuing from Title No. 1848166/2

SW 1/4 21-12-22 WPM
EXC ROAD PLAN 1650 BLTO

(collectively, the "**Land**")

2. **Permitted Encumbrances.** The Land shall, on closing, be conveyed to Purchaser free and clear of all encumbrances, and claims except for:

- (a) Caveat No. 1136012 in favour of MTS Communications Inc.; and
- (b) all restrictions on title contemplated in Section 58 of *The Real Property Act* (Manitoba).

(the "**Permitted Encumbrances**")

3. **Inclusions.** For greater certainty, the Purchase Price (as defined herein) for the Land shall include, without limitation, the Vendor's right, title and interests, if any, in all buildings, structures, erections, improvements, appurtenances and fixtures situated in or upon all of the Land and all systems, machinery and equipment used or intended to be used in connection with the operation and maintenance thereof, including, but not limited to, all electrical fixtures, panels and switch boxes, heating fixtures and equipment, air conditioning units and equipment, plumbing and bathroom fixtures as installed, screens, storm windows and doors, window blinds, partitions, power wiring and installations, pumps and compressors, if appropriate, all of which are now situated on the Land and are to be used free and clear of all liens, charges, encumbrances and security interests.

4. **Purchase Price.** The Purchaser agrees to, on and subject to closing, pay a total purchase price of (the "**Purchase Price**") for the Land, which shall be payable as follows:

Deposit, to be paid within five (5) business days of the acceptance of this Offer to Purchase (the "**Offer**")

Balance payable on the Closing Date(as defined herein), and subject to the adjustments noted in this Offer

TOTAL

If part of the Purchase Price is to be paid from the proceeds of a new mortgage, payment of that amount may **NOT** be delayed by the time necessarily required for registration of the mortgage to be completed by the Land Titles Office. It shall be Purchaser's responsibility to ensure that any third-party funding is payable on closing of the transaction (and not registration of the title transfer by the Land Titles Office) and meeting any mortgagee's conditions thereof, including any required acquisition of title insurance.

5. **Closing Date and Adjustments.** The purchase and sale of the Land shall be completed on the fifth business day following receipt of an approval and vesting order ("AVO") in the receivership proceedings approving the transaction contemplated herein, or such earlier or later date as the Parties may agree upon in writing (the "Closing Date"). All real property taxes and utilities as may normally be adjusted for in a transaction of this nature shall be adjusted as of the Closing Date.
6. **Manure Spreading Agreement.** The Vendor shall, if permitted by applicable law, assign its right, title, interests, and obligations in and to manure spreading agreements, if any, to the Purchaser on the Closing Date. The Purchaser shall be responsible for paying any cure costs owing to the Vendor in respect thereof as a condition to such assignment (the "Cure Costs"). For certainty, such Cure Costs shall be payable in addition to the Purchase Price.
7. **Representations and Warranties.**
 - (a) **Representations of the Vendor.** The Vendor hereby represent and warrant to and in favour of the Purchaser that:
 - i. **Authority.** Subject to receipt of the AVO, it has the authority to sell the Land to the Purchaser on the terms and conditions of this Offer.
 - ii. **Residency.** The Vendor is not now and will not be at the Closing Date a non-resident of Canada as defined in the *Income Tax Act (Canada)*.
 - (b) **Representations and Warranties of the Purchaser.** The Purchaser hereby represents and warrants to and in favour of the Vendor that:
 - i. **Incorporation and Status.** the Province of Manitoba as of the date hereof, is in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Offer.
 - ii. **Corporate Authorization.** The execution, delivery and performance by the Purchaser of this Offer has been authorized by all necessary corporate action on the part of the Purchaser.
 - iii. **Execution and Binding Obligation.** This Offer has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms.

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- iv. **Proceedings.** There are no proceedings pending, or to the knowledge of the Purchaser, threatened against the Purchaser, before any governmental authority, which prohibit or seek to enjoin delay, restrict or prohibit the Closing of the transaction, as contemplated by this Offer, or which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Offer.
 - v. **Funding Available.** The Purchaser has available sufficient funding to enable the Purchaser to consummate the purchase of the Land on the terms set forth herein and otherwise to perform all of the Purchaser's obligations under this Offer.
 - vi. **Excise Tax Act.** The Purchaser is registered under Part IX of the *Excise Tax Act* (Canada) with registration number 789331923 RT0001
 - vii. **Residency.** The Purchaser is not a non-resident of Canada within the meaning of section 116 of the *Income Tax Act* (Canada).
8. **"As Is, Where Is".** The Purchaser acknowledges and agrees that it is purchasing the Land on an "as is, where is" basis and on the basis that the Purchaser has conducted to its satisfaction an independent inspection, investigation and verification of the Land and all other relevant matters and has determined to proceed with the transaction contemplated herein and will accept the same at closing in its then current state, condition, location, and amounts, subject to all Permitted Encumbrances. The Purchaser acknowledges and agrees that it has relied entirely and solely on its own investigations as to the matters set out above and in determining to purchase the Land pursuant to this Offer. Without limiting the generality of the foregoing, the Purchaser agrees that neither the Vendor nor its agents have made any representations or warranties with respect to:
- (a) The condition of any buildings or improvements located on the Land;
 - (b) The condition of any chattels, if any;
 - (c) Whether the Land complies with any existing land use or zoning by-laws or regulations or municipal development agreement or plans;
 - (d) The location of any building or any improvements;
 - (e) Whether the building or improvements located on the Land encroach onto any neighbouring lands or any easements or rights of way;
 - (f) The size and dimensions of the Land or any building or improvements located thereon;
 - (g) Whether or not the Land is contaminated with any hazardous substance; and whether or not any of the building or improvements located on the Land have been insulated with urea formaldehyde insulation.
9. **Goods and Services Taxes.** With respect to any GST payable pursuant to the *Excise Tax Act* (Canada) (the "Act") as a result of this transaction, the Parties agree as follows:
- (a) subject to subsection (b) below, the Purchaser shall pay to the Vendor on the Closing Date by certified or solicitor's trust cheque all GST payable as a result of this

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transaction in accordance with the Act, and the Vendor shall remit such GST to the Receiver General for Canada when and to the extent required by the Act;

- (b) notwithstanding subsection (a), the Vendor shall not collect GST from the Purchaser in this transaction if the Purchaser is registered under the Act on the Closing Date and provides a statutory declaration confirming its registration and registration number, in which case the Purchaser shall self-assess and file returns and remit GST as it pertains to this transaction when and to the extent required by the Act;
- (c) the Purchaser hereby agrees to indemnify and hold the Vendor harmless from any liability of the Purchaser under the Act arising because of a breach of the obligations of the Purchaser, set out in this section together with all loss, costs and expenses resulting from such breach; and
- (d) the provisions of this section shall survive the closing of this transaction.

10. **Risk Prior to Possession.** The Land until the Closing Date shall remain at the risk and responsibility of the Vendor.

11. **Deposit.** The Purchaser hereby shall forward a deposit of _____ by wire transfer of immediately available funds Vendor's Solicitor within five (5) business days of the acceptance of this Offer by the Vendor. The Deposit shall be held by the Vendor's Solicitor in trust, and applied against the Purchase Price, returned to the Purchaser or forfeited by the Purchaser, in each case under the terms and conditions set forth herein.

12. **Purchaser's Conditions.** Purchaser's obligations under this Offer are subject to:

(a) NONE.

It is understood and agreed that the conditions set forth herein are for the sole benefit of the Purchaser and may be waived by the Purchaser at any time in its sole and absolute discretion. The waiver of one condition shall not preclude the right of the Purchaser to require compliance with the other conditions. The conditions set forth herein must be removed in writing within the allotted time frames by the Purchaser, failing which this Offer shall be null and void and the deposit monies returned forthwith to the Purchaser, without deduction.

13. **Vendor's Conditions.** Vendor's obligations under this Offer are subject to:

- (a) The Vendor shall have obtained an AVO granted by the Court of King's Bench Manitoba, in customary form and substance satisfactory to the Vendor, acting reasonably, which authorizes and approves the sale of the Land to the Purchaser free and clear of all claims and encumbrances other than the Permitted Encumbrances.
- (b) The AVO shall not have been stayed, set aside, or vacated and no application, motion or other proceeding shall have been commenced by a party with standing to appeal same which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the Vendor, acting reasonably.
- (c) No applicable law and no judgment, injunction, order or decree shall have been issued by a governmental authority (other than the Court or other court with standing) or otherwise in effect that restrains or prohibits the completion of the transaction.

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- (d) No motion, action or proceedings shall be pending by or before a governmental authority (other than the Court or other court with standing) to restrain or prohibit the completion of the transaction contemplated by this Offer.
- (e) The deposit shall have been received in full by the Vendor within five (5) business days following its acceptance of this Offer.
- (f) The balance of the Purchase Price shall have been received by the Vendor in full on closing.

It is understood and agreed that the conditions set forth herein are for the sole benefit of the Vendor and may be waived by the Vendor at any time in its sole and absolute discretion. The waiver of one condition shall not preclude the right of the Vendor to require compliance with the other conditions. If the conditions set forth are not waived or deemed to be satisfied by the Vendor, the Vendor may deem this Offer to be null and void and either return the deposit monies to the Purchaser unless such conditions were not satisfied as a result of, or caused by the conduct or omission of, the Purchaser in which case the deposit funds shall be deemed to be forfeited to the Vendor in full.

14. Transfer of Title and Closing.

(a) Vendor's Closing Documents. On the Closing Date, subject to the provisions of this Offer, the Vendor shall execute or cause to be executed and shall deliver or cause to be delivered to the Purchaser's solicitors the following:

- i. A copy of the AVO, as issued and entered by the Court;
- ii. a statement of adjustments for the Land;
- iii. an assignment of contracts, if any;
- iv. all keys and access codes to the Land in the Vendor's possession, if any;
- v. any other documents or instruments as may be reasonably required by the Purchaser's solicitors, acting reasonably, in the form and substance satisfactory to the Parties, acting reasonably and in good faith.

(b) Purchaser's Closing Documents. On the Closing Date, subject to the provisions of this Offer, the Purchaser shall execute or cause to be executed and shall deliver or cause to be delivered to the Vendor's solicitors the following:

- i. a certified cheque, bank draft, wire transfer or trust cheque representing the portion of the Purchase Price payable on Closing;
- ii. a GST Undertaking and Indemnity executed by the Purchaser (if applicable);
- iii. an assignment of contracts, if any;
- iv. any other documents or instruments as may be reasonably required by the Vendor's solicitors, acting reasonably, in the form and substance satisfactory to the Parties, acting reasonably and in good faith.

(c) Closing Mechanics. The documents required to be delivered by the Vendor pursuant to Section 14(a) or the Purchaser pursuant to Section 14 (b) hereof shall be delivered in trust to the Purchaser's solicitors or the Vendor's solicitors, as the case may be, on such conditions as the Vendor's solicitors and Purchaser's solicitors respectively may reasonably provide to protect the Land of the Vendor and the Purchaser, as the case may be.

15. Capacity. BDO Canada Limited is executing this Offer and acting solely in its capacity as Court-Appointed Receiver of Genesus Inc., Can-Am Genetics Inc., and Genesus Genetics

Page 6

Inc., and not in its personal capacity, and BDO Canada Limited (and its directors, officers, employees, servants and agents) shall have no personal or corporate liability whatsoever in any way related to any sales or information documentation provided in connection with the transaction contemplated by the Offer or in any way related to the Land or the transaction contemplated by this Offer, whether in contract, in tort, in equity, under statute or otherwise. Nothing in this Offer shall or shall be interpreted to require BDO Canada Limited to do any act or thing that would result in a breach or default by BDO Canada Limited of any duty or obligation of BDO Canada Limited as provided in or by the order appointing BDO Canada Limited as Receiver of Genesus Inc., Can-Am Genetics Inc., and Genesus Genetics Inc., any amendment thereof or further order, or any statute or otherwise at law.

16. **Successors and Assigns.** All of the covenants and agreements in this Offer shall be binding upon the Parties hereto and their respective successors and assigns and shall enure to the benefit of and be enforceable by the Parties hereto and their respective successors and their permitted assigns pursuant to the terms and conditions of this Offer.
17. **Assignment.** The Purchaser may, prior to the AVO being issued, assign its interest hereunder to a nominee upon notice to the Purchaser; provided that the Purchaser shall remain primarily liable to the Vendor for the performance of all obligations hereunder.
18. **Governing law.** This Offer shall be governed by and construed in accordance with the laws of the Province of Manitoba.
19. **Entire Agreement.** This Offer constitutes the entire agreement between the Parties with respect to all of the matters herein. It is agreed that there are no representations, warranties, collateral agreements or conditions affecting this Offer, or the property or Land, other than as expressed in writing herein.
20. **Time.** Time shall in all respects be of the essence in this Offer.
21. **Offer Binding.** This Offer, when accepted by the Vendor, shall, subject to the terms and conditions hereof, constitute a binding contract of purchase and sale, and time shall in all respects be of the essence thereof.
22. **Notice.** Any notice, demand, approval, consent, information, agreement, offer, payment, request or other communication (hereinafter referred to as a "Notice") to be given under or in connection with this Offer shall be in writing and shall be given by personal delivery or by facsimile or other electronic communication which results in a written or printed notice being given, addressed or sent as set out below or to such other address or electronic number as may from time to time be the subject of a Notice:

Vendor: BDO Canada Limited
201 Portage Avenue, 26th Floor
Winnipeg, Manitoba R2B 2K6
Attention: _____
Email: _____

with a copy to: MLT Aikins LLP
30th Floor 360 Main Street
Winnipeg, Manitoba R3C 4G1
Attention: Maria Penner
Email: mpenner@mltaikins.com

Purchaser: Box 910
Rivers, Manitoba
R0K 1X0
Attention: Wilhelmina Verbruggen

with a copy to:

Meighen Haddad LLP
110 -11th Street
Brandon, Manitoba R7A 4J4

Attention: Blair Filyk
Email: bjfilyk@mhlaw.ca

Any Notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by facsimile or other electronic communication with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the day next following the day it was received.

23. **Time for Acceptance.** This Offer is open for acceptance by the Vendor until **5:00 o'clock p.m. on the 26th day of September, 2024**. After this Offer has been accepted by the Vendor, the deposit shall be held in trust by the solicitor so holding it, on account of the Purchase Price, and same applied as part of the adjustments made on the date of possession. Once the Vendor has met or waived all of its conditions, should the Purchaser fail to carry out its obligations under this contract (other than a result of the Vendor's conditions not being met), the Vendor may (at its option) cancel the contract whereon the deposit shall be forfeited to the Vendor and be retained by it, or the Vendor may take what other remedies the Vendor may have at law.
24. **Execution of this Offer.** This Offer may be executed electronically and in counterparts, and transmitted via email or facsimile, and when so executed and delivered, shall be effective and binding upon the Parties.

DATED this 25th day of September, 2024.

VERBRUGGEN PRAIRIE FARMS LTD.

Signed by:
Per: 
Name: Wilhelmina M.G.M. Verbruggen, President
Authorized Signatory

ACCEPTANCE

The Vendor hereby accepts the above Offer on the terms and conditions mentioned.

DATED this 26 day of September, 2024.

BDO CANADA LIMITED in its
capacity as court appointed receiver
of **GENESUS INC., CAN-AM
GENETICS INC. b GENESUS
GENETICS INC.** and not in its
personal or corporate capacity

Per: David Lewis
David Lewis
Authorized Signatory

Offer to Purchase Purchaser executed (01491295xEC3C6)

Final Audit Report

2024-09-26

Created:	2024-09-26
By:	Maria Penner (MPenner@mltalkins.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAtdui5AXQWY20A9NSzkqLNHIK4AC2ny8

"Offer to Purchase Purchaser executed (01491295xEC3C6)" History

 Document digitally presigned by DocuSign\, Inc. (enterprisesupport@docusign.com)


2024-09-26 - 2:04:46 PM GMT

 Document created by Maria Penner (MPenner@mltalkins.com)

2024-09-26 - 3:42:01 PM GMT

 Document emailed to dlewis@bdo.ca for signature

2024-09-26 - 3:43:06 PM GMT

 Email viewed by dlewis@bdo.ca

2024-09-26 - 3:43:38 PM GMT

 Signer dlewis@bdo.ca entered name at signing as David Lewis

2024-09-26 - 3:44:14 PM GMT

 Document e-signed by David Lewis (dlewis@bdo.ca)

Signature Date: 2024-09-26 - 3:44:16 PM GMT - Time Source: server

 Agreement completed.

2024-09-26 - 3:44:16 PM GMT

Appendix C – Park Blvd. Property Listing Agreement



REAL ESTATE LISTING CONTRACT

BDO Canada limited in its capacity as

Receiver of Genesis Inc. and not in its personal capacity AND

Century 21 Bachman & Associates

(Name of owner(s) ("Seller"))

("Listing Brokerage")

suite 920, 103 centre street, 10130 103 street NW, —
Edmonton AB, T5J 3N9

360 McMillan Ave, Winnipeg, MB R3L 0N2 —
Address

A member of the Brandon Area REALTORS® and/or the Winnipeg Regional Real Estate Board and Manitoba Real Estate Association ("Association(s)").

1. LISTING AUTHORITY AND TERM

A. The Seller hereby lists exclusively with the Listing Brokerage the property described in Paragraph 2 ("Property") until 11:59 p.m. on 27 . august 20 25 . unless renewed in writing.

This contract comes into full force and effect on 27 . august , 20 24

B. The Seller hereby:

- authorizes the Listing Brokerage to obtain any and all information concerning the Property from any person, corporation or governmental authority;
- authorizes the Listing Brokerage to advertise the Property in any medium including the Internet, and if deemed appropriate by the Listing Brokerage, to publish, display and distribute any descriptive advertisement relating to the Property. The Seller acknowledges and agrees that it is not a breach of the Listing Brokerage's duty to the Seller if the publication of authorized information relating to the Property by the Multiple Listing Services(s)® results in the information becoming known to members of the public, including a prospective buyer and agents of a buyer;
- authorizes the Listing Brokerage to use, disclose and retain personal and property information provided for purposes relating to the listing and marketing of the property;
- agrees to give the Listing Brokerage full opportunity to show the Property to buyers during reasonable hours; and
- agrees to allow the Listing Brokerage to place "For Sale" and "Sold" signs upon the Property and to allow other members of the Associations that cooperate with the Listing Brokerage ("Co-operating Agents") to show the property to prospective buyers.

2. PROPERTY 570 Park Boulevard , Winnipeg R3P 0H4

(Civic Address)

(Name of city, town or municipality)

(Insert brief legal description)

3. TERMS OF SALE 2,250,000

(Listing price)

asap

(Possession date)

4. LISTING DETAILS AND COOPERATING AGENTS

The Seller authorizes the Listing Brokerage:

- To list the Property with the Multiple Listing Service® of the Associations or any other real estate Associations in Manitoba that the Listing Brokerage selects and has access to, all of whose members I hereby expressly authorize to act as Co-operating Agents.
- To publish in the Multiple Listing Service® of the Associations or of any other Associations that the Listing Brokerage selects and has access to, the information contained in this listing contract, the Data Input Form and the Property Disclosure Statement (when attached and signed by the Seller), and the sale price of the Property once an unconditional accepted offer exists. This information will also be provided to subscribers with contract access to these Multiple Listing Services®.
- To place the listing information and any sale information in the database(s) of the appropriate MLS® system(s) and acknowledges that the MLS® database is the property of the Associations and can be licensed, resold, or otherwise dealt with by the Board/Association. The seller further acknowledges that the Board/Association may;
 - distribute the information to any persons authorized to use such service which may include other brokers, government departments, appraisers, municipal organizations and others;
 - market the property, at its option, in any medium, including electronic media;
 - compile, retain and publish any statistics including historical MLS® data;
 - make such other use of information as the Associations deem appropriate.

5. LISTING BROKERAGE'S REMUNERATION

The Seller agrees;

- To pay the Listing Brokerage a commission on the total selling price or rental value of the property listed as follows:
(Insert commission arrangement expressed as a percentage(s) or dollar amount)

\$ or % 5

plus applicable GST, if:

(fill in only one - lump sum or commission %)

- a legally enforceable contract of sale between a buyer and the Seller is entered into during the period of this contract (from any and all sources whatsoever); or
- a person inspects the Property during the period of this listing contract and purchases the Property within sixty (60) days (unless otherwise negotiated) after the expiry date of this contract; or
- a legally enforceable contract of sale between a buyer and the Seller is entered into within sixty (60) days (unless otherwise negotiated) after the expiry date of this listing contract in respect of which the efforts of the Listing Brokerage were an effective cause;

provided however that if the Property is subsequently listed after the expiration of this listing contract then the Seller shall be liable only for the payment of one commission on any sale, and such commission shall be payable to the Brokerage which has a current listing contract with the Seller.

B. To pay alternate compensation to the Listing Brokerage if:

- a buyer presents an unconditional offer to purchase the Property upon the terms outlined in this listing contract but the Seller does not accept the offer to purchase without cause, in which case the full commission as outlined in 5A will be payable; or

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Original Court Copy
CREA WebForms

ii) a legally enforceable contract of sale is entered into between a buyer and the Seller but the transaction is not concluded because the buyer defaults, in which case the compensation will be either 50% of the deposit or the commission payable as outlined in 5A, whichever is less.

C. That to assist in obtaining a buyer for the Property, the Listing Brokerage will offer to Co-operating Agents a portion of the Listing Brokerage's remuneration in the amount of:

\$ or %
(fill in only one - lump sum or commission %)

none

D. Exclusions: (If none, state "none")

E. The Seller hereby irrevocably assigns to the Listing Brokerage, from the proceeds of sale of the Property, the amount of remuneration due to the Listing Brokerage and authorizes the Listing Brokerage to retain this amount from the deposit monies.

6. THE LISTING BROKERAGE AGREES AS FOLLOWS:

- A. To act only as the agent for the Seller with respect to the Property except where the Seller consents to limited joint representation as outlined in subparagraph 7C below.
- B. To provide information about the Property to Co-operating Agents.
- C. Not to accept remuneration from the buyer without the knowledge and consent of the Seller.

7. THE SELLER ACKNOWLEDGES AND AGREES AS FOLLOWS:

- A. To promptly advise the Listing Brokerage of, and refer to the Listing Brokerage, all enquiries for the purchase of the Property, and to deliver to the Listing Brokerage all offers to purchase which may be received during the period of this listing contract or arising by reason of it.
- B. That the real estate commission outlined herein is payable to the Listing Brokerage when the buyer assumes legal possession of the Property. The Seller further agrees that the Listing Brokerage is entitled to charge interest on unpaid commissions calculated at a date thirty (30) days from the date of legal possession at a rate of 2% per month (24% per annum).
- C. The Listing Brokerage is permitted to list or show property of, or have agency relationships with, other sellers and buyers. When the Listing Brokerage also acts for a potential buyer or lessee of the listed property, both the buyer and seller will be asked to sign an acknowledgment of limited joint representation which will set out the limits of the Brokerage's agency duties.
- D. Unless the Seller is otherwise advised, other Co-operating Agents will be representing the buyer or lessee of the Seller's property as the buyer's or lessee's agent.
- E. The Seller hereby pledges all of the Seller's interest in the Property to the Listing Brokerage as security for payment of all money which may be owed by the Seller to the Listing Brokerage under this contract and hereby acknowledges that the Listing Brokerage is entitled to register and maintain a caveat at the Land Titles Office to give notice of this charge upon the Seller executing a legally enforceable contract of sale of the Property.
- F. The Manitoba Real Estate Association and its Member Boards are collectors and distributors of information relating to the Property and are not responsible for its accuracy. The Seller agrees to release the Manitoba Real Estate Association and its Member Boards from any liability or legal action by the Seller concerning the accuracy of information relating to the Property.
- G. Where the Seller's spouse is not an owner of the Property, the Seller will advise the Listing Brokerage if the Seller's spouse has occupied the Property at any time, or whether the Seller is otherwise aware that the Property is subject to a "homestead" interest.
- H. To promptly advise the Listing Brokerage of any material change in the physical condition or status of the Property during the listing term, including any extensions to the term.

8. MISCELLANEOUS PROVISIONS

- "period" or "date of expiration" of this contract includes the period or date of expiration of any written extensions.
- "Property" may include a leasehold interest or a manufactured home, plus any other property designated by the Seller in the data input form or any addendum attached.
- "Sale" includes an exchange and "sale price" includes the value of the Property exchanged.
- For the purposes of interpretation and correlation between this document and the Offer To Purchase Real Estate pursuant to The Real Estate Brokers Act, the following terms are interchangeable in their use, namely: "buyer" and "purchaser"; "Seller" and "vendor"; "Listing Brokerage" and "listing broker"; "Co-operating Agent" and "selling broker".
- Interpretation of this listing contract and all matters concerning its enforcement by the parties shall be governed by the laws of the Province of Manitoba.
- The parties acknowledge that this contract fully sets out the terms of the agreement between them. Any alteration, variation or amendment to this agreement shall be made only in writing, signed by the Seller and by the Listing Brokerage's representative in multiple copies and a copy shall be delivered to each party to this listing contract.
- This listing contract shall be binding upon and benefit not only the parties but their respective heirs, executors, administrators, successors and assigns.

9. ENTIRE AGREEMENT

This Listing Contract means and includes this agreement, the data input form and Property Disclosure Statement (when attached and signed by the Seller). The Seller acknowledges having read and understood this listing contract; that it accurately describes the agreement with the Listing Brokerage; and a copy of it has been received by the Seller this date.

Authentisign

David Lewis On behalf of BDO, senior VP, 780-441-2155

Seller's signature

SIGNED THIS 14 DAY OF august, 2024

Seller's signature

Reid Boles

Witness to Seller's signature

Scott Moore

Listing Brokerage's representative

Appendix D – Redacted Park Blvd. Property Asset Purchase Agreement

RESIDENTIAL FORM OF OFFER TO PURCHASE

(This form of offer to purchase is prescribed under *The Real Estate Services Act* for the purchase of single-family residential houses)

BUYER'S BROKERAGE Coldwell Banker Preferred R.E.	LISTING BROKERAGE Century 21 Bachman & Associates
BUYER'S SALESPERSON Sasha Dukic	LISTING SALESPERSON Scott Moore

CONFIRMATION OF REPRESENTATION

In representing the parties in the negotiations for the purchase and sale of the Property:

The Buyer's Brokerage represents (check applicable statement)

The Listing Brokerage represents (check applicable statement)

☒ the Buyer and does not represent the Seller

☒ the Seller and does not represent the Buyer

☐ the Seller and does not represent the Buyer

☐ the Buyer and does not represent the Seller

☐ both parties with the consent of each

☐ both parties with the consent of each

(Buyer's initials) AS (Buyer's Salesperson's initials) SP

(Seller's initials) DL (Listing Salesperson's initials) RB

To BDO Canada Limited in its capacity as Receiver of Genesus Inc and not in its personal capacity (the "Seller")

Seller's address 10130 103 St NW Suite 900, Edmonton, AB T5J 3N9

I/We Zeljko Bogdanovic

(the "Buyer")

Buyer's address 34 Davonport Blvd

Winnipeg, MB

R3P 0A9

offer to purchase, through the above named Brokerage(s), the Property upon the following terms:

SUBJECT MATTERS OF THIS OFFER

1. The Property (the "Property") is the following described land and all structures and improvements thereon (insert civic address or legal description):

570 Park Blvd W

Winnipeg, MB

R3P 0H4

- (a) There shall be included in or with the Property all fixtures and in particular all such electric light fixtures, heating and plumbing fixtures, T.V. antennas, satellite dishes and receivers and all related hardware, fitted carpets, curtain rods, drapery tracks, screen and storm windows and doors as are now on the Property, but excluding these fixtures:

NONE

- (b) All goods and chattels which are not fixtures shall be excluded excepting for the following which are included:

All appliances, furnishings and decor as seen at property on August 29th

PURCHASE AND SALE PRICE AND PAYMENT

2. (a) The total purchase price to be paid by the Buyer to the Seller is \$ _____ payable as follows:

(i) A deposit of within 3 business days of buyer condition waiver \$ _____

(ii) By assumption of existing mortgage(s) having a (aggregate) balance of principal and interest on the Possession Date ("Assumption of Mortgage(s) Schedule" must be attached) of _____ \$ _____

(iii) By net proceeds of a new mortgage to be arranged by the Buyer as follows: term _____ years;

annual interest rate not to exceed _____ %; monthly payments excluding taxes not to exceed \$ _____

(iv) By cash, certified cheque, bank draft or lawyer's trust cheque on or before the Possession Date of _____ \$ _____

(v) Other _____ \$ _____

TOTAL PURCHASE PRICE \$ _____

- (b) If part of the purchase price is to be paid from the proceeds of a new mortgage, payment of that amount may be delayed by the time required for registration of the mortgage to be completed by the Land Titles Office and reported to the mortgagee and, if so, that amount shall bear interest payable to the Seller at the same rate as the new mortgage until paid. The Seller shall have a lien and charge against the Property for the unpaid portion of the purchase price (with interest as aforementioned).

- (c) If the deposit is submitted by way of cheque or other payment instrument, it shall be made payable to the Listing Brokerage. If the deposit is submitted in cash, it shall be deposited by the Brokerage receiving it. The deposit, howsoever paid, will be held by the Brokerage holding it as trustee for the Buyer and same shall be returned to the Buyer without deduction, interest or other charge of any kind if this Offer is not accepted in accordance with its terms.

- (d) After this Offer has been accepted by the Seller, the deposit shall be held by the Listing Brokerage in trust, and the deposit shall, subject to the terms of this Offer, be paid or credited to the Seller as part of the purchase price when the Seller has carried out the Seller's entire obligations under this agreement.

POSSESSION

3. (a) Possession shall be given by 8 am on the 23rd day of October, 2024 (the "Possession Date");

- (b) Unless otherwise agreed to, such possession shall mean vacant of any persons occupying the Property and with all fixtures and goods and chattels not included in this transaction removed from the Property.

SELLER'S PROMISES AS TO THE STATUS OF THE PROPERTY

4. The Seller promises that:

(a) At the time of possession:

- (i) the Property will be free from all encroachments by adjoining structures and improvements except:

NONE

- (ii) the structures and improvements on the land will not encroach beyond the limits of the land or on any public utility right-of-way, except:

NONE

- (iii) unless otherwise specified in this Offer, the Property and all included items will be in substantially the same condition they were in at the date of this Offer;

Buyer's initials AS

Seller's initials DL

(iv) the Property will comply with all restrictions and requirements registered against the title and all applicable zoning regulations, except:

NONE

(b) Additional promises:

NONE

SELLER'S PROMISES AS TO TITLE AND OWNERSHIP

5. The Seller promises that at the time of possession:

(a) The Property will not be subject to any mortgage, encumbrance or other interest which is registered against the title to the Property or which is valid or enforceable against the Property without being so registered ("Claim"), excepting only for the following:

- (i) any mortgage herein agreed to be assumed as part of the purchase price;
- (ii) any private or public building or use restriction caveat with which the Property complies;
- (iii) any easement, the existence of which is apparent on inspection of the Property;
- (iv) any public utility caveat protecting a right-of-way for a service to which the Property is connected;
- (v) any Claim which it is the Seller's responsibility hereunder to remove as a condition of closing;
- (vi) any Claim which may be caused by or is the responsibility of the Buyer; and
- (vii) (Insert any other exceptions, including tenancies)

NONE

(b) All included fixtures and goods and chattels will be owned by the Seller free from any security or other interest (including any rental contract) except as follows:

NONE

and the Buyer shall assume responsibility for all such security or other interests from and after the Possession Date.

(c) The Seller will be or be entitled to be rightfully in actual and personal peaceable possession and occupation of the whole of the Property (except for any tenancies agreed to be assumed by the Buyer).

SELLER'S PROMISE REGARDING GOODS AND SERVICES TAX

6. The Seller promises that the supply of the Property and all included fixtures, goods and chattels by the Seller to the Buyer under this agreement is exempt from goods and services tax.

SELLER TO PROVIDE PROPERTY DISCLOSURE STATEMENT

7. (a) The Seller agrees to complete a Property Disclosure Statement in the prescribed form attached as Appendix A and deliver it to the Buyer or to the Buyer's Brokerage within _____ hours after acceptance of this Offer. On delivery of the Statement, it forms part of this agreement.

OR

(b) The Property Disclosure Statement completed by the Seller in the prescribed form and attached to this Offer forms part of this agreement. (Strike out paragraph 7(a) or (b), whichever does not apply. Strike out all of section 7 if the Buyer does not require a Property Disclosure Statement)

CONDITIONS BENEFITING THE BUYER

8. This agreement is terminated unless the following conditions for the benefit of the Buyer are fulfilled or waived:

That, within _____ hours after delivery of the Property Disclosure Statement pursuant to paragraph 7(a), the Buyer be satisfied with that Statement.

For the purpose of paragraph 10(d), delivery to the Seller or the Listing Brokerage of a copy of the Statement containing the acknowledgement of the Buyer (each Buyer, if there is more than one) that he or she is satisfied with the Statement is deemed to be notice to the Seller this condition has been fulfilled.

(Strike out paragraph 8(a) if paragraph 7(a) is struck out.)

(b) That any mortgage shown as to be arranged can be so arranged by the Buyer by _____ on the _____ day of _____, 20_____.

(c) That by _____ on the _____ day of _____, 20_____ the Buyer obtain, at the Buyer's expense, an inspection of the property, satisfactory to the Buyer, by an inspector chosen by the Buyer.

(d) (Others - If no others, state "None")

Partner Approval and Financing by 8pm within 10 business days of acceptance of this offer.

CONDITIONS BENEFITING THE SELLER

9. This agreement is terminated unless the following conditions for the benefit of the Seller are fulfilled or waived (if none, state "None"):

Vendor Lawyer Approval within 10 business days of acceptance of offer

CONDITIONS GENERALLY

10. (a) The party responsible for fulfilment of a condition will exercise reasonable efforts to fulfil the condition.

(b) Upon fulfilment of a condition, the benefited party shall give written notice of fulfilment.

(c) If this agreement is terminated under any of paragraphs 8, 9 or 11(b)(i), then the Seller directs the Brokerage to return the deposit to the Buyer without deduction.

(d) The party benefited by a condition may waive fulfilment of that condition, provided that such party does so in writing before the end of the time within which such condition is to be fulfilled. If the benefited party does not so waive and does not give notice of fulfilment with respect to such condition, then such condition will be deemed to be not fulfilled. Any written waiver or notification with respect to any condition for the benefit of the Buyer may be given to either the Seller or the Listing Brokerage and any written waiver or notification with respect to any condition for the benefit of the Seller may be given to either the Buyer or the Buyer's Brokerage.

Buyer's initials

Seller's initials

MUTUAL PROMISES AND GENERAL PROVISIONS

11. (a) All adjustments of taxes (including the current year's local improvement levies if any) and other adjustments if any will be made as at the commencement of the Possession Date.
- (b) (i) The Property until the time of possession shall remain at the risk and responsibility of the Seller. If the Property suffers substantial damage which is not repaired before the time of possession to substantially the same condition it was in prior to the damage occurring, the Buyer may terminate this agreement.
- (ii) The Buyer shall not be bound to assume, nor the Seller to transfer, any policy of insurance on the Property.
- (c) If either party (the "Defaulting Party") is in breach of their obligations hereunder then the other party (the "Aggrieved Party") shall be entitled to exercise whatever remedies the Aggrieved Party may have by virtue of the default. Where the Defaulting Party is the Buyer, the Seller shall be entitled to retain the deposit as the Seller's own property, but whether or not the Seller has then terminated or thereafter terminates the Seller's right and obligation to sell and the Buyer's right and obligation to purchase under this agreement by virtue of the Buyer's default, such retention of the deposit shall not itself constitute a termination of this agreement and shall not restrict the Seller from exercising any other remedies which the Seller may have by virtue of the Buyer's default, including the right to claim damages from the Buyer which the Seller sustains in excess of the deposit.
- (d) (i) Each of the Seller and the Buyer authorize each other, their respective solicitors, the Listing Brokerage and the Buyer's Brokerage to pay and deliver to their respective solicitors, any money or documents due in connection with this transaction and for so doing, this shall be their full and sufficient authority and the receipt of each such solicitor respectively shall be a good discharge therefor.
- (ii) In closing this transaction, the Seller's solicitor and the Buyer's solicitor may by agreement exchange trust conditions and undertakings to carry out the intention of the Seller and the Buyer.
- (e) (i) Time shall in all respects be of the essence hereof.
- (ii) This agreement shall be binding upon and shall enure to the benefit of the Seller and the Buyer and each of their respective successors, assigns and personal representatives.
- (iii) This agreement contains all of the promises, agreements, representations, warranties and terms between the parties relating to the transaction hereby contemplated, and:
- (A) anything not included in writing in this agreement will have no force or effect whatsoever;
- (B) any amendment made to this agreement will have no force or effect whatsoever unless it is in writing and signed by each of the parties hereto;
- (C) in making this Offer, the Buyer relies only on the Buyer's personal inspection of the Property, the Seller's promises and representations contained in this Offer and any Property Disclosure Statement that forms part of this agreement.
- (iv) The following will survive and continue in effect after the closing of this transaction:
- (A) the promises made in paragraphs 4(a)(iii), 5(b) and (c) and 6;
- (B) the representations and promise made in any Property Disclosure Statement that forms part of this agreement.
- Any exceptions or any additional promises or representations intended to survive closing are as follows (if none, state "None"):

NONE

- (v) All references to times in this agreement mean Manitoba time.

REPRESENTATIONS BY BROKERAGE

12. The Brokerage(s) or the authorized representative(s) of the Brokerage(s) have made the following promises, undertakings or guarantees to the Buyer (if none, state "None"):

NONE

If any such promise, undertaking or guarantee is made and breached, this will not, unless otherwise specified, constitute a breach by the Seller or by the Buyer of their obligations under this Agreement.

USE AND DISCLOSURE OF SALE INFORMATION

13. The Seller and the Buyer consent to the collection, use and disclosure of the personal information regarding the Property and this transaction by the Brokerage(s) for reporting, appraisal and statistical purposes. If the property is listed on the Multiple Listing Service of a real estate board or association, the Seller and the Buyer give the same consent to the board or association.

DEADLINE FOR ACCEPTANCE BY SELLER

14. This Offer, if not accepted by 6 pm on the 13th day of September, 2024, shall expire.

OTHER TERMS

15. **NONE**

BUYERS ARE STRONGLY URGED TO CONSIDER MAKING THEIR OWN ENQUIRIES WITH RESPECT TO ISSUES OF IMPORTANCE TO THEM, KEEPING IN MIND THAT THE SELLER'S KNOWLEDGE OF THE PROPERTY MAY BE INCOMPLETE OR INACCURATE. THIS OFFER IF ACCEPTED IS A LEGALLY BINDING CONTRACT: READ IT ALL BEFORE YOU SIGN. BOTH BUYERS AND SELLERS ARE ADVISED TO SEEK PROFESSIONAL ADVICE IF THEY HAVE ANY QUESTIONS REGARDING THE PROPERTY OR QUESTIONS OR CONCERNS REGARDING ANY PROMISES, REPRESENTATIONS OR UNDERTAKINGS. 9/5/2024 | 7:25 PM PDT

Signed by the Buyer signed by: this day of , 20 .

Witness 3870C3814D2E4EF...

Buyer EA222325D46E42C...

Witness

Buyer

Buyer's Initials

Seller's Initials

Name of Buyer's Solicitor

ACCEPTANCE BY SELLER (with directions regarding commission)

The Seller hereby accepts the above Offer or accepts the above Offer subject only to the following amendments ("Counteroffer") which must be accepted by the Buyer by 5:00pm on the 13th day of September, 2024. (if none, state "None"):

~~Accepted as written~~ see Schedule "A" attached hereto.

By the Seller's signature below, the Seller acknowledges (and agrees) to pay to the Listing Brokerage above named an agreed commission of 5%

(state in terms of percentage of total purchase price or dollars), plus applicable Goods and Services Tax. The Seller directs and authorizes the Listing Brokerage to retain and apply in payment of the commission which the Seller will owe to the said Brokerage in connection with the purchase and sale transaction the deposit or so much thereof as is required to pay such commission at the time specified in the listing agreement between the Listing Brokerage and the Seller or when permitted by applicable law. The Seller further directs and authorizes the Seller's solicitor named below to pay promptly to the Listing Brokerage any unpaid balance of the commission out of the sale proceeds as soon as the same are properly payable to the Seller. The Seller agrees not to revoke the foregoing directions and authorizations unless such revocation is agreed to in writing by the Listing Brokerage.

Signed by the Seller at 12pm this XIX 12 day of september, 2024.

Reid Boles
Witness

David Lewis
Seller
David Lewis on behalf of BDO, Senior VP of BDO Canada

Witness

Maria Penner MLT Aikins

Name of Seller's Solicitor

ACCEPTANCE BY BUYER OF COUNTEROFFER

The Buyer hereby accepts the above Counteroffer.

9/13/2024 | 10:32 AM PDT

Signed by the Buyer at _____ this _____ day of _____, 20____. Signed by: _____

Witness
367DC3814D2E4EF...

Buyer
EA222325D46E42C...

Witness

Buyer

NOTE: If the Buyer wishes to accept the Counteroffer (if any) but subject to any additional terms or conditions, this will constitute a counter-counteroffer and the Buyer should submit an entirely new Offer to Purchase.

HOMESTEADS ACT

The parties are advised that if the Property is a "homestead" within the meaning of *The Homesteads Act*, and if the ownership of both spouses or common-law partners is not registered on the title to the Property, the spouse or common-law partner whose name is not on title but has homestead rights in the Property must consent to the disposition (below) or provide a Release of Homestead Rights in accordance with that Act.

HOMESTEADS ACT CONSENT TO DISPOSITION AND ACKNOWLEDGMENT

I, the spouse or common-law partner of the Seller, consent to the disposition of the homestead effected by this instrument and acknowledge that:

1. ☐ I am the first spouse or common-law partner to acquire homestead rights in the property.
or
- ☐ A previous spouse or common-law partner of my current spouse or common-law partner acquired homestead rights in the property but those rights have been released or terminated in accordance with *The Homesteads Act*.
2. I am aware that *The Homesteads Act* gives me a life estate in the homestead and that I have the right to prevent this change of the homestead by withholding my consent.
3. I am aware that the effect of my consent is to give up my life estate in the homestead to the extent necessary to give effect to this change of the homestead.
4. I execute this consent apart from my spouse or common-law partner freely and voluntarily, without any compulsion on the part of my spouse or common-law partner.

Name of spouse or common-law partner

Signature of spouse or common-law partner

Date

Name of witness

Signature of witness

Date

A Notary Public in and for the Province of Manitoba.

A Commissioner for Oaths in and for the Province of Manitoba. My commission expires _____

or Other person authorized to take affidavits under *The Manitoba Evidence Act* (specify) _____

BROKERAGE'S RECEIPT FOR DEPOSIT PAID IN CASH (not required if deposit paid by cheque)

_____ (insert name of Brokerage)
hereby acknowledges receipt of the above cash deposit, and undertakes to pay it over to the Listing Brokerage on the next business day following the acceptance of this Offer. (Delete undertaking if receipt given by Listing Brokerage.) Said deposit shall be held in trust by the Brokerage or Brokerages receiving it as specified in paragraphs 2(c) and 2(d) of this Offer.

Buyer's Initials [Signature]

Seller's Initials [Signature] (Signature of Broker, Associate Broker or Salesperson)

SCHEDULE A TO RESIDENTIAL FORM OF OFFER TO PURCHASE

**Address of
Property:**

570 Park Boulevard

The seller hereby accepted the above Offer subject only to the following amendments ("**Counteroffer**") which must be accepted by:

1. The name of the Seller on page 1 of the Offer shall be deleted and replaced with:

"BDO Canada Limited, in its capacity as Court-Appointed Receiver of the property, assets and undertaking of Genesus Inc., Can-Am Genetics Inc., and Genesus Genetics Inc., and not in its personal Capacity"

2. Section 2 (b) is deleted in its entirety.

3. Section 4 shall be deleted in its entirety and replaced with:

"Subject to the AVO (as defined herein), the Seller has the authority to sell the Property to the Buyer on the terms and conditions of this Offer.

The Buyer acknowledges and agrees that it is purchasing the Property on an "as is, where is" basis and on the basis that the Buyer has conducted to its satisfaction an independent inspection, investigation and verification of the Interests and all other relevant matters and has determined to proceed with the transaction contemplated herein and will accept the same at closing in its then current state, condition, location, and amounts, subject to all Permitted Encumbrances. The Buyer acknowledges and agrees that it has relied entirely and solely on its own investigations as to the matters set out above and in determining to purchase the Interests pursuant to this Offer. Without limiting the generality of the foregoing, the Buyer agrees that neither the Seller nor its agents have made any representations or warranties with respect to:

- 1. The condition of any buildings or improvements located on the Property;**
- 2. The condition of any chattels, if any;**
- 3. Whether the Property or other Interests complies with any existing Property use or zoning by-laws or regulations or municipal development agreement or plans;**
- 4. The location of any building or any improvements;**
- 5. Whether the building or improvements located on the Property encroach onto any neighbouring properties or any easements or rights of way;**
- 6. The size and dimensions of the Property or other interests or any building or improvements located thereon; and**

7. Whether or not the Property is contaminated with any hazardous substance; and whether or not any of the building or improvements located on the Property or other Interests have been insulated with urea formaldehyde insulation.

Further, the Buyer agrees that the Seller will not be liable for the removal of any other chattels on the Property prior to or on the Closing Date. On the Closing Date, the Buyer may have possession of the chattels which are then on or about the Property on an "as is" basis, and the Seller will not provide a bill of sale, warranty, or other title document to the Buyer. Further, there will be no adjustment or abatement of any kind to the Purchase Price with respect to any chattels.

The Permitted Encumbrances on title are: Caveat No. 85-38881/1 re: City of Winnipeg Caveat.

4. Section 6 shall be deleted in its entirety and replaced with:

"With respect to any GST payable pursuant to the *Excise Tax Act* (Canada) (the "Act") as a result of this transaction, the Parties agree as follows:

- (a) subject to subsection (b) below, the Buyer shall pay to the Seller on the Closing Date by certified or solicitor's trust cheque all GST payable as a result of this transaction in accordance with the Act, and the Seller shall remit such GST to the Receiver General for Canada when and to the extent required by the Act;
- (b) notwithstanding subsection (a), the Seller shall not collect GST from the Buyer in this transaction if the Buyer is registered under the Act on the Closing Date and provides a statutory declaration confirming its registration and registration number, in which case the Buyer shall self-assess and file returns and remit GST as it pertains to this transaction when and to the extent required by the Act;
- (c) the Seller and Buyer hereby agree to indemnify and hold the other harmless from any liability of the other under the Act arising because of a breach of the obligations of the Seller or Buyer, as the case may be, set out in this section together with all loss, costs and expenses resulting from such breach; and
- (d) the provisions of this section shall survive the closing of this transaction."

5. The following shall be added to Section 9:

"The obligation of the Seller to complete the Closing shall be conditional on the following conditions being satisfied or waived in the sole discretion of the Seller:

- (a) The Seller shall have obtained an approval and vesting order granted by the Court of King's Bench Manitoba (the "AVO"), in form and substance satisfactory to the Seller, which authorizes and approves the sale of the Property to the Buyer, and provides for a transfer to the Buyer of the Property on Closing, vesting the Property in the Buyer free and clear of all claims, liens, charges and encumbrances other than Permitted Encumbrances as defined in Schedule "B" attached hereto.
- (b) The AVO shall not have been stayed, set aside, or vacated and no application, motion or other proceeding shall have been commenced by a party withstanding to

(c) Buyer's Closing Documents. On the Closing Date, subject to the terms and conditions of this Offer, the Buyer shall execute or cause to be executed and shall deliver or cause to be delivered to the Seller's solicitors the following:

- v. a certified cheque, bank draft, wire transfer or trust cheque representing the portion of the Purchase Price payable on Closing;
- vi. a GST Undertaking and Indemnity executed by the Buyer (if applicable); and
- vii. any other documents or instruments requested by the Buyer's solicitors, acting reasonably, in the form and substance acceptable to the Buyer and the Seller acting reasonably and in good faith.

(d) Closing Mechanics. The documents required to be delivered by the Seller pursuant to Section 15 (b) or the Buyer pursuant to Section 15 (c) hereof shall be delivered in trust to the Buyer's solicitors or the Seller's solicitors, as the case may be, on such conditions as the Seller's solicitors and Buyer's solicitors respectively may reasonably provide to protect the interests of the Seller and the Buyer, as the case may be."

Sep 12, 2024

Dated the ____ day of _____, 2024

BDO Canada Limited, in its capacity as Court-Appointed Receiver of the property, assets and undertaking of Genesus Inc., Can-Am Genetics Inc., and Genesus Genetics Inc., and not in its personal Capacity

Per: David Lewis
Name: David Lewis
Title: Senior Vice President

appeal same which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the Seller.

- (c) No applicable law and no judgment, injunction, order, or decree shall have been issued by a governmental authority (other than the Court or other court with standing) or otherwise in effect that restrains or prohibits the completion of the transaction.
- (d) No motion, action or proceedings shall be pending by or before a governmental authority (other than the Court or other court with standing) to restrain or prohibit the completion of the transaction contemplated by this Offer.

The conditions set forth in this Section 9 are for the benefit of the Seller. If the conditions set out in this Section 9 are not satisfied on or before **October 9, 2024** the Seller may elect on written notice to the Buyer to terminate this Offer."

6. Section 11(e)(ii) shall be deleted in its entirety and replaced with:

"Subject to the Court Order, this Offer shall be binding upon and shall enure to the benefit of the Seller and Buyer and each of their respective successors, assigns and personal representatives."

7. Section 11(e)(iv) shall be deleted in its entirety.

8. Section 15 shall be deleted in its entirety and replaced with:

"(a) BDO Canada Limited is executing this Offer, as Seller, and acting solely in its capacity as Court-Appointed Receiver of Genesus Inc. and not in its personal capacity, and BDO Canada Limited (and its directors, officers, employees, servants and agents) shall have no personal or corporate liability whatsoever in any way related to any sales or information documentation provided in connection with the transaction contemplated by the Offer or in any way related to the Property or the transaction contemplated by this Offer, whether in contract, in tort, in equity, under statute or otherwise. Nothing in this Offer shall or shall be interpreted to require BDO Canada Limited to do any act or thing that would result in a breach or default by BDO Canada Limited of any duty or obligation of BDO Canada Limited as provided in or by the order appointing BDO Canada Limited as Receiver of Genesus Inc., any amendment thereof or further order, or any statute or otherwise at law.

(b) Seller's Closing Documents. On the Closing Date, subject to the provisions of this Offer, the Seller shall execute or cause to be executed and shall deliver or cause to be delivered to the Buyer's solicitors the following:

- i. A copy of the Approval and Vesting Order, as issued and entered by the Court;
- ii. a statement of adjustments for the Property;
- iii. all keys and access codes to the Property in the Seller's possession, if any;
- iv. any other documents or instruments as may be reasonably required by the Buyer to complete the transaction, all of which shall be form and substance satisfactory to the Parties, acting reasonably.

Offer - Revised (Ready for Signature) (003)


Final Audit Report


2024-09-12

Created:	2024-09-12
By:	Maria Penner (MPenner@mltaikins.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA5o47daRvvjdCanj557sKwGNw3AZQZP_H


"Offer - Revised (Ready for Signature) (003)" History


 Document created by Maria Penner (MPenner@mltaikins.com)
2024-09-12 - 6:21:19 PM GMT

 Document emailed to dlewis@bdo.ca for signature
2024-09-12 - 6:22:46 PM GMT

 Email viewed by dlewis@bdo.ca
2024-09-12 - 6:36:15 PM GMT

 Signer dlewis@bdo.ca entered name at signing as David Lewis
2024-09-12 - 6:37:32 PM GMT

 Document e-signed by David Lewis (dlewis@bdo.ca)
Signature Date: 2024-09-12 - 6:37:34 PM GMT - Time Source: server

 Agreement completed.
2024-09-12 - 6:37:34 PM GMT

**Appendix E – Statement of Receipts and Disbursements for the period June 11, 2024, to
September 27, 2024**

Genesis Inc., Can-Am Genetics Inc., and Genesis Genetics Inc.
Statement of Receipts and Disbursements
For the Period of June 11, 2024 to September 27, 2024

Receipts	US\$	CDNS
Sale of livestock	\$ 205,827	\$ 1,722,042
Forfeited deposit	-	600,000
Receiver's borrowings	-	500,000
Transfers	-	226,500
Accounts receivable	-	225,569
Motor vehicles	-	185,500
Foreign exchange gain	-	60,229
Cash on hand	25,533	43,203
Insurance refund	-	19,180
Intellectual property	-	15,000
Insurance proceeds	-	9,556
Royalties and other services	-	4,519
Interest	-	1,795
Total Receipts	\$ 231,360	\$ 3,613,093
Disbursements		
Repayment of receiver's certificate	\$ -	\$ 500,000
Feed	-	374,112
Receiver's fees	-	248,991
Legal fees and disbursements	-	211,268
Wages	19,751	163,873
Transportation	-	160,776
Insurance	1,273	141,879
Property taxes	-	139,975
Consultants	-	77,419
Repairs and maintenance	-	71,077
Hog purchases	-	62,383
Rent	-	60,861
AI stud costs	-	60,482
Transfer to CDNS account	186,000	40,500
Miscellaneous	-	32,158
GST	-	32,789
Government fees	-	25,112
Fuel	2,519	22,545
PST	-	19,355
Truck wash	-	15,450
Appraisal fees	-	13,886
Travel	-	13,168
Accounting services	-	13,023
Computer services	-	10,936
Repairs	-	10,728
Software	-	10,000
Utilities	-	8,694
Testing	-	8,511
Interest on loans	-	6,540
Veterinary fees	-	6,047
Tags	-	5,529
Accounting services	-	4,063
Telephone	-	3,975
Barn supplies and medicine	-	3,760
Mileage	-	3,129
Auctioneer commission	-	2,050
Casual fees	-	2,003
HST	-	1,615
Internet	-	1,374
Bank fees	237	1,229
Deemed Trust Claim	-	1,067
Lab testing	-	1,000
Municipal taxes	-	630
Change locks	-	520
Site cleanup	-	500
Payroll services	-	461
Postage	-	433
Ascend fee	-	326
Security	-	300
OR fees	-	80
Court fees	-	70
Total Disbursements	\$ 209,779	\$ 2,596,652
Funds Held in Trust as at July 22, 2024	\$ 21,581	\$ 1,016,441